

THE FINANCIAL SITUATION.

These are times that try men's souls, and it certainly cannot be said that the Government at Washington is making the trial any the easier.

The event of the week, of course, has been the order of the Fuel Administrator restricting the industrial activities of our population in a way, and to an extent, transcending anything attempted along the same lines by any other nation thus far in the present calamitous and widespread war. The step taken by our Government is the more noteworthy because in other countries the restrictions, curtailments and eliminations in industrial pursuits have been due to the circumstance that these suffering countries, by reason of the war, have been unable to get their usual supplies from the outside. The United States, on the other hand, is not in need of outside supplies. We have an over-abundance within our own borders, but are finding ourselves unable to avail of it to the full extent—mainly because of inability to deliver it at the doors of those who are most in need of it.

Take the case of our coal supply, where there is such great dearth, and which is the immediate cause of the drastic order of the Fuel Administrator. Outside of the New England States and a few other limited sections, coal fields abound everywhere in the United States. They need only to be worked to give us all we want. As a matter of fact, they are being worked—not to their full capacity, because there is really no limit to that, so abundant are the coal deposits, but on a greater scale than ever before. We produce double the amount of coal mined by any other country, and we use nearly the whole of it at home, whereas Great Britain, which stands second to the United States in annual output, exports a very large portion of its yearly coal product.

It is true that if there had not been so many labor stoppages and labor holidays, the quantity of coal mined in 1917 would have been considerably larger, but even as it is, the output was some 50,000,000 to 60,000,000 tons in excess of that of the year preceding, according to the best estimates, and these estimates seem to accord accurately with the facts. Yet there is apparently fuel scarcity everywhere.

Of course, there has been a speeding up of manufacturing activity in order to satisfy the extra demand occasioned by the war. But there has been no such speeding up as would explain the present extreme scarcity in coal in face of the great increase in the annual output. This becomes very apparent when we consider that the total coal production, bituminous and anthracite, in 1916 was officially reported at 590,098,175 tons, and for 1917 is likely to reach 650,000,000 tons, whereas as recently as 1911 the yearly coal production of the United States was no more than 496,371,126 tons. Evidently there is something wrong somewhere, and the fault rests with ourselves. In the case of those European countries which have had to resort to restrictive measures of one kind or another, the explanation is found, as already indicated, in the failure to get customary supplies.

There are two parts to this week's order of the Fuel Administrator. One of these requires that for the five days beginning Jan. 18 and ending Jan. 22, no fuel shall be delivered to any person or concern for any uses or requirements not included in a limited list of exceptions. The effect of this is, that general manufacturing activity will have to cease for this

period of five days. The other part of the order is even more all-embracing and entails a general shut-down of business of all kinds, not alone in manufacturing but in practically everything else. There have been loud and earnest protests against the action of the Fuel Administrator, and the judgment of the financial community upon his order was shown in the response of the Stock and Cotton exchanges. On the Stock Exchange prices Thursday morning opened one to two points lower all around than the close the previous afternoon (though quick recovery ensued), while on the Cotton Exchange there was a drop in the price of the staple of $1\frac{1}{2}$ @2 cents per pound, equivalent to a loss of \$7 50 to \$10 00 per bale.

The immediate object of the Fuel Administrator's order is to conserve the use of coal and eliminate railroad terminal congestion, and thus to relieve the scarcity which has reached almost famine proportions in New York City and other nearby centres on the North Atlantic seaboard, but appears to exist nearly everywhere in the populous sections of the Eastern, the Middle and the Middle Western States. In these great areas the need of coal has unquestionably been extremely urgent, and there can be no doubt that heroic measures were required for dealing with the situation. The order directs that domestic consumers of coal shall receive their coal next after the railroads, which is as it should be, since, unless the home is well heated, the social system breaks down at its most vital point. During the last two or three weeks the home in very many cases has not been heated at all, leading to undoubted suffering and distress.

It is recognition of that fact that has induced the Fuel Administrator to issue his order, and, not unnaturally, the order, in its sweep, is commensurate with the needs that have called it forth. Doubtless, it will effect its purpose, but it does not follow that the end could not have been attained with equal facility in another way, and the fact that the Fuel Administrator now acts with so much energy, does not relieve him from responsibility for the effects of antecedent action, or the lack of it. Undoubtedly the intensely cold weather that has been experienced the last few weeks has intensified the difficulties of the situation and has greatly added to the burdens of Dr. Garfield. But the trouble dates further back than that.

We have already shown that the output of coal last year greatly increased, and it is difficult to discover any adequate reason why there should be any shortage of coal at all. Particular emphasis needs to be laid on this point as far as anthracite production is concerned. Authentic statistics of anthracite production have become available the present week. These statistics show an increase in 1917, as compared with 1916, of almost 10,000,000 tons, the shipments to tidewater in 1917 having been 77,133,305 tons, as against 67,376,364 tons in the twelve months of 1916. Be it understood, that these are not figures of production, but shipments—shipments to *tidewater* here. These shipments serve only a very limited territory, and comparatively little anthracite is used in manufacturing, the coal thus going mainly into the home for family use. It is for this reason that the growth from year to year has always been very slow. In the whole of the period from 1903 to 1916, the increase was only from 59,362,831 tons to 67,376,394 tons.

With an augmentation in the shipments for the whole thirteen years of only about 8,000,000 tons, there will be a better appreciation of what the addition of ten million tons in the single year of 1917 means. The fact, therefore, that stands out with great prominence is that in the case of anthracite, at least, on the Atlantic seaboard, there ought to have been ample supplies. A trip, moreover, to the different terminals of the railroads on the Jersey side shows that there *are* ample supplies, and that these supplies are close by.

The congestion of railroad tracks has been a feature for a long time, but has recently been growing steadily in intensity. It was supposed that Government control of the railroads would tend quickly to relieve the situation, and Mr. McAdoo, as Director-General of Railroads, has tried his best to cope with the problem, but as yet without avail. The Government itself is mainly responsible for the extreme congestion of railroad tracks. Until quite recently every Government official and every Government contractor was allowed to put a priority placard or tag on shipments of freight for or on behalf of the Government, and this freight was then rushed to destination, with the inevitable result, as so aptly described last week by Judge Robert S. Lovett, Director of Priority, that terminals were crowded with materials long before they were needed or could be unloaded.

The "tag" system was inaugurated last July, and Judge Lovett says that large quantities of the tags or placards were printed and distributed throughout the United States in the hands of quatermasters, agents, contractors, and others, getting material for the Government. As might be expected, a tag was tacked to every shipment made, whether urgent or not.

Nor can the Fuel Administrator escape responsibility for failure to provide for proper and sufficient distribution of coal at New York and other terminals, *in advance of the arrival of the extremely cold weather*, with accompanying drawbacks. Supervision of coal production and supplies was one of the very first things undertaken by the Fuel Administrator at the time of his original appointment months ago, and he has regulated every detail of the trade. He has fixed prices, both wholesale and retail, prescribed the profits of middlemen and retailers, directed the course and character of the distribution, leaving practically no essential detail to the initiative of the producer, distributor or dealer.

The plain inference is that Government management and control have completely broken down. It was supposed that Government regulation would make the situation better. It actually has made it worse. One of the main reasons for the assumption of control of the railroads was that freight congestion on the railroads had reached the point where Government control alone could effect a cure. It is three weeks since the Government took possession, and though the Director-General, Mr. McAdoo, possesses executive ability of a high order, and certainly has done as well in the circumstances as any Government official could have done, it is difficult to discern even a remote sign of improvement.

In the entire history of the world Government management has never been the equal of private enterprise. Irrespective entirely, however, of the merits of Government control, it is perfectly obvious that under existing war conditions Government

management or supervision of any industry, be it the coal mines, the railroads, the oil fields, or what-not, means management by Government orders. These orders, necessarily, lay down hard and fast rules which must be observed by everybody. They do not and cannot take cognizance of special needs, local environment and other deviations from the ordinary. In other words, Government control is mechanical. There is lacking the human mind in touch at every point, spurred by the incentive of private enterprise. That is the all-sufficient comment to make on this week's all-embracing order. It is dealing with the situation in mechanical fashion. It is Government meddling carried to the farthest point. It is humiliating, too—humiliating that this great country should be reduced to such a stage of desperation, so early in its participation in the war. It is a confession of weakness, all the more damaging because made in the eyes of the enemy.

It would appear, moreover, entirely needless. If an equilibrium between supply and demand can only be brought about by curtailment and stoppage of industrial enterprise, this should have been allowed to come about in a normal, natural way, without proclamation to the whole world. The Fuel Administrator could have directed, as he now directs, that in supplying coal, domestic consumers should have preference and stand second only to the railroads themselves, and if that had operated to curtail supplies for manufacturing uses, then these manufacturing establishments, or the least fortunate among them, would perforce have had to stop. With the stoppage of such enterprises, there would have come the restriction and curtailment which it is the object of this week's order of the Fuel Administrator to accomplish. In that way a cure would have been effected by normal methods. As soon as coal again became abundant, the suspended enterprises would resume and no enterprise would have been obliged to shut down unless it was actually without fuel.

We are aiming, as part of our program, to bring about economic exhaustion in Germany, but by the Fuel Administrator's order of this week we are proclaiming that we ourselves, at least for the time being, are on the verge of a similar state of things. That is truly giving comfort to the enemy. No one, of course, would accuse Mr. Garfield of intending anything of the kind, but the effect is unmistakable, and that is the most regrettable feature of the whole affair.

Transvaal gold mining operations in December 1917 exhibiting, as they did, a continuation of the declining tendency from the corresponding period of either 1916 or 1915, confirm the opinion expressed by us a month ago that the compilation of the final figures of the production of the metal in Africa as a whole for the calendar year 1917, would show a falling off from 1916 and, quite likely, from 1915 as well. The aggregate yield of the Transvaal for December at 722,419 fine ounces, compares with 774,462 fine ounces in 1916 and 781,111 fine ounces in 1915 and there is a decrease of 53,987 fine ounces from 1912. Furthermore, for the twelve months the total reaches but 9,022,263 fine ounces, against 9,295,538 fine ounces and 9,093,671 fine ounces respectively, one and two years earlier and 9,124,299 fine ounces in 1912. The loss from 1916 (the record year), it will be noted, is 273,275 fine ounces and concurrently, the Rhodesian yield has diminished, dropping from 930,157 fine ounces to less than 850,-

000 fine ounces and in West Africa a contraction from 389,068 fine ounces to approximately 370,000 fine ounces is indicated.

There is little reason to doubt, therefore, that, even should the final returns for the remainder of Africa (Madagascar, &c.) exhibit augmentation, the aggregate output of the country for 1917 will be found not far from 350,000 fine ounces below that of 1916. The loss in Africa, moreover, does not seem, as far as returns already at hand furnish any indication, to have been offset by increased yields elsewhere. On the contrary, both the United States and Canada show losses, according to the preliminary reports, and presumably the same statement will apply to Russia, Mexico and Australasia. Consequently, it would appear to be a safe assumption that not only will our forthcoming review of the world's gold production in 1917 cover an output quite a little under that for 1916, but below earlier years back to, but not including, 1907. In other words, the smallest yield in a decade.

Consternation was caused in financial and business circles by the order outlined in preliminary form on Wednesday evening and textually issued on Thursday by H. A. Garfield, U. S. Fuel Administrator, acting under the authority of an executive order of President Wilson, dated Aug. 23 1917. It provided in brief (the text appears in a later column of the "Chronicle") that on five days beginning Jan. 18, all persons selling fuel shall give preference to necessary current requirements of railroads, domestic consumers, hospitals, charitable institutions, Army and Navy cantonments, public utilities, by-product coke plants supplying gas for household use, telephone and telegraph plants, shipping for bunker purposes, the United States for strictly Governmental purposes, manufacturers of perishable food or of food for necessary immediate consumption and municipal, county or State governments for necessary public uses. Any tonnage remaining after the foregoing preferred shipments have been made may be applied in filling other contracts or orders. For five days beginning Jan. 18 and also on each and every Monday thereafter to and including March 25, no manufacturer or manufacturing plant shall burn fuel or use power derived from fuel for any purpose, with certain exceptions, such as plants manufacturing foods and newspaper plants and certain other printing establishments. On the Mondays in question no fuel shall be burned except to an extent essential to prevent injury to property from freezing for the purpose of supplying heat for any business or professional offices, wholesale or retail stores, theatres and other places of public amusement. Certain exceptions refer to national, State, county or municipal governments, transportation, telephone, telegraph and public utility companies, and to banks, trust companies and offices of physicians and dentists. Food may be sold until noon as well as drugs and medical supplies, necessary heat being maintained for these purposes. These provisions do not apply to fuel for supplying light. City and suburban passenger traffic must be restricted on these Mondays to proportions used on the Sundays previous to the Mondays, which does not promise to affect subways, &c., since the Sunday traffic in many instances exceeds that of the week days. Corporations, firms and individuals violating or

refusing to conform to the new regulations "may be held liable" to the penalty prescribed in the Act of Congress which authorized the President to appoint the Fuel Administrator, the fine being \$5,000 or imprisonment, or both.

The Stock Exchange and most of the other exchanges will adapt themselves to the new regulations by doing without heat. They will, however, not close down on the Mondays in question, for even without heat they will still be in a more comfortable position than the curb market, which does business in the open street, regardless of temperature. The Cotton Exchange managers have decided to close their institution next Monday, but will decide later on action for the subsequent Mondays involved in the fuel order. The Governors of the Stock Exchange gave formal consideration to this matter on Thursday after the close of business, deciding that inasmuch as the banks will remain open for business as usual, the Exchange should also have its regular session "in order that the money loan market be in a position to be undisturbed and that the banks and borrowers and lenders of money have the facilities of the market." The financial district as well as business circles as a whole are patriotically showing every disposition to co-operate with the Fuel Administrator, although not unnaturally there have been widespread protests by business interests who will be subjected to severe losses and inconvenience.

The National Senate by a vote of 50 to 19 on Thursday afternoon adopted a resolution urging the Fuel Administrator to suspend his drastic move for five days so that an investigation of its practicability might be undertaken, but Dr. Garfield had already signed the order before the resolution was adopted.

A gratifying decrease is noted by the British Admiralty this week in the sinkings of British merchantmen by enemy mine, or submarine. Only six merchantmen of over 1,600 tons were sent to the bottom and in addition two under that size and two fishing vessels. This is a decrease from 18 large and 3 small vessels in the preceding week and compares with an average of 14.6 large and 3 smaller vessels in December. Five French merchant ships of more than 1,600 tons and one under that tonnage were destroyed last week. An official communication issued Jan. 17 says that the Italian shipping losses last week were two steamers of more than 1,500 tons sunk, one steamer and one sailing vessels were unsuccessfully attacked. That Germany still is depending on her U-boats to defeat the American menace and bring about peace is indicated by a long article in the "Berliner Tageblatt," a copy of which has this week reached London. It concedes that the efforts that the Americans are making must be taken seriously. "The hope of an early peace depends almost entirely on the efficacy of our submarine weapon." Reviewing the first year of Germany's ruthless submarine campaign beginning Feb. 1, the newspaper asserts that the Central Powers have succeeded in completely upsetting the economic life of the Entente, and adds that the submarine campaign, which has now become the principal factor in naval warfare, is being expanded and developed still further. The "Tageblatt" asserts that U-boats have sunk on an average 821,000 tons of shipping monthly from February to December and for the whole year the toll may be expected to show nearly

10,000,000 tons; also that the building of new ships by the Entente and neutrals during the year will replace only between 2,500,000 and 4,000,000 tons of these losses. The monetary loss to Germany's enemies, the newspaper figures, will reach \$5,000,000,000, as a result of the work of the U-boats, figuring the value of ships at \$250 per ton and their cargoes at the same amount. Meanwhile, there seems no reason to doubt reports that Germany is having trouble in securing crews for its underwater boats. A mutiny among the submarine crews at the German naval base of Kiel on Jan. 7 is reported by an Exchange Telegraph dispatch from Geneva. Thirty-eight officers are said to have been killed. The mutiny is reported to have been begun by submarine crews and subsequently to have spread to portions of the crews of cruisers stationed at Kiel. The dispatch adds that "although the mutiny was local, it shows that German naval men are dissatisfied, especially in the submarine service, as the number of boats returning to German naval ports is decreasing every month." Other advices ascribe the increased mortality of the submarines to the freedom with which depth bombs have been used since the American Navy began to participate in the war.

Military operations still continue on a minor scale, being confined on the Western front to raiding operations by either side. Italy has reported some progress, but the inclement weather has prevented important movements. Meanwhile the farce of peace negotiations between Germany and the Bolshevik Government of Russia is still in progress. Germany, however, has come out openly, refusing to leave occupied lands. An official statement issued in Berlin on Thursday replies to the Russian proposals at Brest-Litovsk on Monday. It says the Russian proposals, concerning the regions occupied by the Central Powers, diverge to such a degree from the views of the latter that in their present form they are unacceptable. It declares that the withdrawal of Austrian and German troops, while the war lasts, is impossible. The Russian demands, it argues, do not possess the character of an attitude of compromise for which the Central Powers have striven, but represent a one-sided Russian demand which excludes the just basis of the opposite party being taken into consideration. Continuing, it says: "In spite of that, the Central Powers are prepared again to give a clearly formulated expression of their opinion regarding the situation." A tense situation has arisen between the Bolsheviks and the Rumanian Government. Following closely upon the ultimatum to Rumania threatening energetic military measures, if the Rumanians failed to immediately release members of the Bolsheviks that were arrested, comes the official announcement that the arrest of King Ferdinand of Rumania has been ordered by the Bolsheviks. Fighting between the latter and the counter revolutionary forces continues at various points in Russia proper and Siberia.

Amsterdam dispatches have announced that an understanding has been reached between the political and military parties in Germany, on the basis of the Russian program of no annexations or indemnities in the East and leaving to Field-Marshal Von Hindenburg, in case of a German victory, the liberty of dealing with possible annexations in the West. Later evidence appears to show, however,

that the contending factions are still at odds. Announcement comes from Vienna of the resignation of the Hungarian Cabinet, due to the conduct of the war. Failure to obtain adequate support for the military program put forward by the Cabinet is given as a reason for the resignation of the ministers. The program included the formation of an independent Hungarian army, which Emperor Charles vetoed.

The British Labor Party, in a message to the Russian people and an appeal to the peoples of Central Europe made public on Tuesday, announced that the "British people" accepted the Russian principle of self-determination of peoples and no annexations or indemnities for the British Empire, particularly in the Middle East, Africa and India, and adjured the Teutons "to declare themselves or make their Governments speak for them in answer to Russia and ourselves." The appeal declared that "the family interests of dynasties or the desire of the Teutonic governing classes to dominate other classes and nationalities must no more be suffered to prevent self-determination in Central Europe and thereby imperil it in Europe, as a whole, than the interests of British imperialism or British capitalism must be suffered to do elsewhere."

A cheerful market sentiment is reported from the London security markets, one influence being the favorable report showing a substantial decline in the shipping mortality resulting from enemy mines and submarines. Boisterous winter weather in the English centre as at home here was a feature during the early week and hampered business. Some disappointment was evident over the failure of Russian bonds to respond to the payment of the coupons of the 4½%.

The British Chancellor, Andrew Bonar Law, announced in the House of Commons on Thursday that the Government, accepting the moral responsibility for the Russian Treasury bills maturing on Jan. 28, will give British 12-year 3% exchequer bonds at par in exchange. These bonds are quoted at present around 82, so that the holders of Russian Treasury bills will be assured against loss at a cost of 18%. This will cost the Government, Mr. Bonar Law stated, about £17,500,000. Arrangements similar to the above are to be made with regard to other Russian Treasury bills issued through the Bank of England. Mr. Law in a formal statement also declared that the Government had not considered, despite the reports to the contrary, the question of taxing capital and had no intention of proposing such a tax. Peace rumors of an indefinite character were likewise a sustaining influence in London. A favoring interpretation as to peace prospects was given the announcement in the House of Commons by the Foreign Secretary Arthur J. Balfour that, while Great Britain had not recognized the present Administration in Russia as being the Government of the Russian people, business was being carried on through an agent acting under the direction of the Embassy at Petrograd. Mr. Balfour added that the Government was about to establish similar unofficial relations with Maxim Litvinoff, the Bolshevik Ambassador at London. The annual statements of the London banks are satisfactory. A combined statement of assets shows a general strengthening in the form of a substantial increase in deposits since the £1,000,000,000 war

loan was floated nearly a year ago. The London County & Westminster Bank and Parr's Bank each has declared a dividend of 19% comparing with 18% a year ago. Barclay's Bank is paying a cash bonus of 2½% in addition to its usual 17½%. War bonds sales by the English banks last week reached a new high record at £33,173,000, bringing the aggregate placed by them to date to £253,890,000. The post office sales for the week preceding were £968,000, making their aggregate £12,584,000, and the total of all sales £266,474,000. The war bonds sales now exceed the weekly total calculated by Sir Robert Kimbersley as required by the situation, but as the Government is discouraging Treasury bill sales, it becomes necessary to sell additional war bonds.

The British Treasury statement showed an expenditure for the week ending Jan. 12 of £35,163,000 and a total outflow of £108,671,000, the latter including £47,704,000 repaid Treasury bills, £24,500,000 in advances repaid and £687,000 in other debt repaid. The country's revenue for the week amounted to £20,270,000, with a total inflow of £109,960,000, which includes £64,088,000 Treasury bills, £20,149,000 war bonds, £2,600,000 in war loan certificates and £2,660,000 in temporary advances from the Bank of England. The Treasury balance for the week aggregated £12,890,000, as against £16,383,000 last week. Outstanding Treasury bills amount to £1,090,228,000, an advance of over £16,000,000 for the week, notwithstanding the lower interest rate.

A further increase in British foreign trade is indicated by the monthly statement of the British Board of Trade for December, despite the renewed activity in that month of the underwater boats of the enemy. An increase in imports of no less than £9,415,000 is indicated for the month over the corresponding month of 1916, while the exports showed a contraction amounting to £2,787,000, the decrease being largely in cotton goods, of which the shipments aggregated 352,912,000 yards, against 499,361,000 yards for the same month of the year preceding. The December figures show excess of imports of £47,654,800, against £35,452,846 a year previous. Figures for the full year 1917 now are available. These show a total of £1,066,797,073 imports, and compare with £948,506,492 in 1916 and £851,893,350 in the year preceding. The exports for 1917 amounted to £525,309,977, against £506,279,707 in 1916, and only £384,868,448 in 1915. The excess of imports over exports for the year was £541,487,096, comparing with £442,226,785 in 1916. The following indicates the comparative figures for December and the twelve months:

BRITISH FOREIGN TRADE.

	December		Full Year	
	1917.	1916.	1917.	1916.
	£	£	£	£
Imports	84,796,300	75,381,306	1,066,797,073	948,506,492
Exports	37,141,500	39,928,460	525,309,977	506,279,707
Excess of imports	47,654,800	35,452,846	541,487,096	442,226,785

The Paris Bourse has displayed greater activity this week and quotations have been maintained in all departments. Reports from the French centre speak indefinitely of brighter prospects for peace. But the main source of the more favorable undertone was undoubtedly the vote of Wednesday of 379 to 105 sustaining the Government's action in causing the arrest of former Premier Caillaux for treason, largely on information furnished by our own State Department, showing direct intrigue with former

Ambassador Bernstorff. The vote was taken on an interpellation by Ernest Lafont, a Socialist Deputy, who held that the opening of Caillaux's safe deposit box in Italy in the absence of a representative of the accused was illegal. The French Minister of Finance has introduced a bill in the Chamber raising the monthly payments from 30,000,000 to 50,000,000 francs, constituting the special sinking fund for strengthening the market for national defense bonds. It is reported by way of London that France has lent to Russian Ukraine 2,000,000 rubles in gold. This news comes from the Odessa correspondent of the London "Times." It is reported, too, that the French Mint has printed a large quantity of Ukraine paper money. General Vinnichenko, President of the Ukraine Secretariat, the dispatch added, declared in the course of a long report to the Rada that France, the United States, Great Britain, Belgium and Rumania were interested greatly in the organization of the Ukraine Republic. He added: "As circumspect people they hesitate to recognize the republic completely, but when they find it expedient they will extend us their hands, which we will accept if we think it necessary." General Vinnichenko described the Ukraine as an oasis of order and constitutional policy, saying: "One constantly hears that the regeneration of the Muscovite monarchy is impossible, and, therefore, perhaps the Ukraine will appear also as an oasis of revolutionary conquest."

Very little of a financial or business nature is permitted to come forward by the German censors. A private cable received in this city a day or two ago declares that subscriptions to Hungary's seventh loan aggregated about 3,000,000,000 kronen, as against an expectation by the Government of 8,000,000,000. Most of the subscriptions are said to have been forced on the leading banks, as only an insignificant share was taken by the people. The special correspondent of the "Evening Post" from Zurich, Switzerland, declares that the seventh German war loan showed a far less popular character than the previous ones. The small subscribers, those of less than 2,000 marks, brought only 1,495,000,000 marks. The number of small subscribers in Germany is artificially increased through compulsory savings of juvenile workmen. These brought only about 12% of the total of the loan. In the sixth war loan they subscribed 2,230,000,000; that is, 17% of the total. The most successful from the popular point of view were the first and fourth war loans, in both of which the sum contributed by the small subscribers was about 20% of the total. In the seventh war loan not only did the amount subscribed by small people decrease but the number of subscribers also decreased, namely from 6,200,000 to 4,800,000. A device just adopted by Austria-Hungary for raising funds is a loan of 1,500,000,000 kronen by the State Bank to the Government bearing ½% interest and repayable eighteen months after the end of the war. The Bank merely prints the notes, it is said, and hands them over to the Government, a prominent German paper describing the transaction as "just the same as if the Government had put paper money into circulation." On the other hand, advices from Denmark state that the German newspapers uniformly report great prosperity among banks. These papers argue that the banking business has been considerably simplified by consolidation of transactions which are mostly with

the Government or Government committees. Notwithstanding larger actual profits the banks appear to keep their dividends about the same as before the war, the Deutsche Bank paying 12½%, the Disconto-Gesellschaft 10% and the Dresdner Bank 8½%.

Official bank rates at leading European centres continue to be quoted at 5% in London, Paris, Berlin, Vienna and Copenhagen; 5½% in Italy and Portugal; 6% in Petrograd and Norway; 4½% in Switzerland, Holland and Spain, and 7% in Sweden. In London the private bank rate has not been changed from 3 31-32% for sixty days and 4 1-32% for ninety days. Money on call in London is still reported at 3¼%. No reports have been received by cable of open market rates at other European centres, so far as we have been able to learn.

A further decline in its stock of gold on hand was shown by the Bank of England in its statement for the week, amounting to £310,558. Note circulation was reduced £378,000; hence the total reserve registered a small gain, namely £67,000. The proportion of reserve to liabilities declined to 19.57%, comparing with 19.71% a week ago and 18.91% in 1917. Public deposits were expanded £3,517,000, although other deposits declined £1,944,000, while Government securities registered a reduction of £100,000. Loans (other securities) increased £1,617,000. Threadneedle Street's gold holdings now stand at £58,768,108, which compares with £56,115,288 a year ago and £51,168,053 in 1916. Reserves aggregate £31,892,000, as against £35,733,648 in 1917 and \$35,708,398 the year preceding. Loans total £92,278,000. A year ago the amount was £37,381,804 and in 1916 £109,724,797. The bank reports, as of Jan. 12, the amount of currency notes outstanding as £190,180,078, as against £190,400,950 a week ago. The amount of gold held for the redemption of such notes remains at £28,500,000. Our special correspondent is no longer able to give details by cable of the gold movement into and out of the Bank for the Bank week, inasmuch as the Bank has discontinued such reports. We append a tabular statement of comparisons:

BANK OF ENGLAND'S COMPARATIVE STATEMENT.

	1918.	1917.	1916.	1915.	1914.
	Jan. 16.	Jan. 17.	Jan. 19.	Jan. 20.	Jan. 21.
	£	£	£	£	£
Circulation.....	45,325,000	38,831,640	33,909,655	34,767,275	28,252,510
Public deposits...	41,416,000	51,324,995	59,474,227	37,588,425	10,174,003
Other deposits.....	121,689,000	137,699,276	100,782,235	126,284,737	45,751,533
Gov't securities....	56,768,000	133,883,190	32,838,661	18,068,460	11,198,974
Other securities....	92,278,000	37,381,804	109,724,797	110,264,501	30,661,144
Reserve notes & coin	31,892,000	35,733,648	35,708,398	53,603,164	32,126,162
Coin and bullion...	58,768,108	56,115,288	51,168,053	69,920,439	41,938,672
Proportion of reserve to liabilities....	19.57%	18.91%	22.28%	32.74%	57.42%
Bank rate.....	5%	5¼%	5%	5%	4%

The Bank of France in its weekly statement records another increase in its gold holdings, namely 1,611,800 francs. The gain was in the amount held by the Bank itself, no change having occurred in the amount of gold held abroad during the week. Total gold holdings (both at home and abroad) now stand at 5,359,118,300 francs, against 5,110,247,818 francs in 1917 (of which amount 3,316,125,505 francs were in vault and 1,794,122,312 francs abroad) and 5,006,212,727 francs in 1916, all of which was held in vault. During the week silver holdings decreased 237,000 francs. Note circulation registered an expansion of 79,712,000 francs. Bills discounted showed a loss of 69,893,000 francs. Treasury deposits declined 108,449,000 francs. General de-

posits increased 160,097,000 francs and the Bank's advances diminished 11,879,000 francs. Notes in circulation are now 23,062,504,240 francs. At this time last year the total was 17,179,190,150 francs, and in 1916 13,756,036,165 francs. In 1915 no statement was issued until Jan. 28. On Dec. 24 1914 the amount outstanding was 10,042,000,000 francs. Comparisons of the various items with the statement of last week and the corresponding dates in 1917 and 1916 are as follows:

BANK OF FRANCE'S COMPARATIVE STATEMENT.

Gold Holdings—	Changes for Week.	Status as of		
		Jan. 17 1918.	Jan. 18 1917.	Jan. 20 1916.
	Francia.	Francia.	Francia.	Francia.
In France.....	Inc. 1,611,800	3,322,009,816	3,316,125,505	5,006,212,727
Abroad.....	No change	2,037,108,484	1,794,122,312
Total.....	Inc. 1,611,800	5,359,118,300	5,110,247,818	5,006,212,727
Silver.....	Dec. 237,000	245,872,180	285,465,809	353,340,517
Bills discounted..	Dec. 69,893,000	888,318,846	696,049,458	400,627,152
Advances.....	Dec. 11,879,000	1,221,175,817	1,287,271,979	1,128,411,001
Note circulation..	Inc. 79,712,000	23,062,504,240	17,179,190,150	13,756,036,165
Treasury deposits	Dec. 108,449,000	48,093,712	84,768,562	25,799,514
General deposits..	Inc. 160,097,000	2,857,077,015	2,264,545,473	2,048,787,782

Saturday's bank statement of New York Clearing House members, which will be found in more complete form on a later page of this issue, made a more favorable showing than for some little time. The loan item declined \$49,971,000. Net demand deposits registered an increase of \$97,899,000, to \$3,744,343,000 (Government deposits of \$126,248,000 deducted), while net time deposits expanded \$5,733,000. Cash in own vaults (members of the Federal Reserve Bank) was increased \$4,047,000, to \$117,290,000. The reserves in the Federal Reserve Bank of member banks showed an expansion of \$30,553,000, to \$548,771,000. Reserves in own vaults (State banks and trust companies) increased \$562,000, although reserves in other depositories (State banks and trust companies) were reduced \$736,000. Aggregate reserves were expanded \$30,379,000, which brought the total to \$577,790,000, as against \$782,647,000 held a year ago. The increase in surplus reserves, however, reached only \$17,302,490, there having been an expansion in reserve requirements of \$13,076,510, and now stands at \$78,573,010, on the basis of 13% reserves for member banks of the Reserve system (but not counting \$117,290,000 cash in vaults held by these banks.) At this time in 1917 excess reserves on hand totaled \$181,438,620, but this was on the basis of reserve requirements of 18%, including cash in vault. Of the total vault cash held by the Clearing House members, \$88,403,000 is shown to be specie, as compared with \$458,372,000 last year.

Call loans have ranged at as high as 6% this week, which may be ascribed in large measure to the final installment payment on Tuesday last of the Second Liberty Loan. A more important influence, however, was the calling of Government funds from the banks. It is estimated that only \$455,000,000 was involved in the war loan payments, the payments in full on Nov. 15 having been so large. Large institutions continue to be active purchasers of Treasury certificates of indebtedness, utilizing in this way their funds that are being conserved for tax payments in June. Secretary McAdoo announced on Monday that subscriptions had been received and allotted for \$250,000,000 of the issue of Treasury certificates of indebtedness dated Jan. 2 and maturing June 25 1918. This makes the total issue to date of certificates maturing June 25 about \$940,000,000, all being issued with a view to

sale to those having income and excess profits taxes to pay, thus avoiding concentration of tax payments on one date. The Secretary has directed the Federal Reserve Bank to continue to receive subscriptions for these certificates at par and accrued interest and until further notice to make allotment in full in the order the subscriptions are received. The January installment of the series of Treasury certificates of indebtedness was announced on Thursday by Secretary McAdoo. The amount as in former issues is \$400,000,000, bearing 4%, and the purpose is to meet the regular monthly program of credit allowances to the Allies. The new issue is made payable April 22 and interest accrues from Jan. 22. Subscription books close Jan. 29 and are to be received as usual through the Federal Reserve banks. The certificates will be received in payment of Third Liberty Loan subscriptions, which suggests that the first payment on the Loan will be on or about April 22.

Rates for fixed maturities closed fractionally higher. A rather good instance of the actual money situation is contained in the news that Deputy Controller Philbin has sold \$3,000,000 New York City bills in anticipation of taxes to mature in May, these bills being placed at about a 4.60% interest rate, and were immediately offered by bankers on a 4½% rate. This is the first borrowing of the new Administration.

Referring to money rates in greater detail, loans on call have shown a firmer tendency this week, with a range of 4@6%, as against 2¾@4% a week ago. On Monday 4% was the only rate quoted, that being the high, low and ruling rate for the day. Tuesday the maximum was advanced to 6%, with renewals at 5% and 4% the low. There was no range on Wednesday; the high and low was 6%, which was also the renewal basis. On Thursday 6% continued the highest, but the minimum receded to 5½% and 5½% was paid for renewals. Friday's range was 5½@6% and 6% the ruling quotation. In fixed maturities a further slight stiffening in rates was recorded, and sixty days moved up to 5¾%, against 5%; ninety days to 5¾%, against 5½%, and four, five and six months to 5¾@6%, against 5½@5¾% last week. Offerings of fixed date funds were small and the volume of trading light. A year ago sixty day money was quoted at 2¾@3%, ninety days at 3%, and four, five and six months at 3 @ 3¼%.

Mercantile paper rates were advanced to 5½@5¾% for sixty and ninety days' endorsed bills receivable and six months' names of choice character, against 5¼@5¾%, while names not so well known now require 5¾@6%, against 5½@6% last week. The volume of offerings is as light as ever and very little business is passing.

Banks' and bankers' acceptances were fairly active and the tone of the market was firm, although rates were without important change. It is rumored that the Government is making attempts to increase the use of acceptances. Quotations in detail are as follows:

	Spot			Delivery within 30 Days.
	Ninety Days.	Sixty Days.	Thirty Days.	
Eligible bills of member banks...	4@3¼	4@3¼	3¼@3¼	4 bid 3¼ offered
Eligible bills of non-memb. banks.	4¼@4	4¼@4	4¼@4	4¼ bid 4 offered
Ineligible bills.....	5@4¼	5@4¼	5 @4¼	6 bid 4¼ offered

No changes in rates, so far as our knowledge goes, have been made by the Federal Reserve banks. Prevailing rates for various classes of paper at the different Reserve banks are shown in the following:

DISCOUNT RATES OF FEDERAL RESERVE BANKS.

CLASSES OF DISCOUNTS AND LOANS	CITIES											
	Boston.	New York.	Philadelphia.	Cleveland.	Richmond.	Atlanta.	Chicago.	St. Louis.	Minneapolis.	Kansas City.	Dallas.	San Francisco.
Member Banks, Coll. Loans.												
1 to 15 days' maturity.....	4	3½	4	4	4	4	4	4	4	4	4	4
Discents—												
1 to 15 days' maturity.....	4	3½	4	4	4	4	4	4	4	4	4	4
16 to 30 " " " " " "	5	4½	4½	4½	4½	4½	4½	4½	4½	4½	4½	4½
31 to 60 " " " " " "	5	4½	4½	4½	4½	4½	4½	4½	4½	4½	4½	4½
61 to 90 " " " " " "	5	4½	4½	4½	4½	4½	5	4½	5	4½	4½	4½
Agricultural and Live-Stock Paper—												
91 days to 6 months maturity	5	5	5	5	4½	5	5½	5½	5½	5	5	5½
Trade Acceptances—												
1 to 30 days' maturity.....	4½	4	4	4	4	4	3½	4	3½	4	3½	4
31 to 60 " " " " " "	4½	4	4	4	4	4	3½	4	3½	4	3½	4
61 to 90 " " " " " "	4½	4	4	4	4	4	4	4	4	4	4	4

Rate of 3 to 4½% for 1-day discounts in connection with the loan operation of the Government.

Note.—Rate for acceptances purchased in open market, 3 to 4½%, except for Boston, Chicago and Minneapolis, whose rates range from 3 to 5%. In the case of San Francisco the rates range from 2½ to 4½%.

In case the 60-day trade acceptance rate is higher than the 15-day discount rate, trade acceptances maturing within 15 days will be taken at the lower rate. Rates for commodity paper have been merged with those for commercial paper of corresponding maturities.

Sterling exchange is displaying a rather firmer tone. Demand bills have been quoted a slight shade higher, but cable transfers, which represent by far the greatest volume of the business passing from day to day, still are pegged on the basis of 4 76 7-16. New York exchange on Montreal still continues in active demand, the closing rate being \$13 43¾ per \$1,000 premium, suggesting an early export movement of gold across the border. Thus far, however, no arrangements for such shipment have been completed. Speaking more in detail, sterling exchange on Saturday, as compared with Friday of the preceding week, ruled firm, with demand fractionally higher at 4 75¼@4 7530; cable transfers remained at 4 76 7-16 and sixty days at 4 71½@4 72. On Monday trading was dull and professional in character; a slightly easier tone developed and demand bills ruled at 4 75¼ all day, against 4 75¼@4 7530, the previous range; sixty days was not changed from 4 71½@4 72 nor cable transfers from 4 76 7-16. The sterling market exhibited a firmer front on Tuesday, though trading was still inactive; demand advanced again to 4 75¼@4 7530; cable transfers and sixty days continued without change. Wednesday's dealings were marked by increased firmness and demand bills moved up to 4 7530@4 7532½; commercial bills were also fractionally higher; bankers' sixty days, however, and cable transfers were pegged as heretofore at 4 71½@4 72, and 4 76 7-16, respectively. Dulness was the feature in sterling on Thursday; quotations, which were practically nominal, showed no change for cable transfers and sixty-day bills, but demand was somewhat easier at 4 7530@4 75 5-16. On Friday the market was quiet but steady. Closing quotations were 4 71½ @4 72 for sixty days, 4 75¼@4 7530 for demand and 4 76 7-16 for cable transfers. Commercial sight finished at 4 75@4 75½, sixty days at 4 71½@4 71¼, ninety days at 4 69¼@4 69¾, documents for payment (sixty days) at 4 71@4 71¼ and seven-day grain bills at 4 74½@4 74¾. Cotton and grain for payment closed at 4 75@4 75½.

The Continental exchanges have shown a somewhat firmer tone, notably in the case of French francs, which registered quite substantial advances during the latter part of the week. Sight bills touched 5 70½, the highest point reached in a considerable period. This firmness, however, was attributed mainly to a demand for remittances, incidental to the payment of American troops in France. Aside from this, very little activity was noticeable and trading for the most part was limited

to routine transactions. Italian exchange was heavy in the initial operations, but later rallied and closed firm, as a result of speculative buying and on more favorable war news. It was reported on Tuesday that Italian troops had, by surprise attacks, succeeded in inflicting a heavy blow upon the enemy, both on the Piave and in the Monte Asolone region; also capturing several hundred prisoners. Rubles continue to rule firm. A possible explanation of the remarkable strength exhibited in Russian exchange of late, in the face of the most untoward developments, may be found in the recent announcement of Great Britain's informal recognition of the Bolshevik Ambassador in London and its decision to assume payment of Russian bonds. All transactions in German and Austrian exchange have been suspended and quotations for reichsmarks and kronen are no longer obtainable. The unofficial check rate on Paris closed at 27.15, against 27.18 a week ago. In New York sight bills on the French centre finished at 5 70³/₄, against 5 72³/₄; cables at 5 68³/₄, against 5 70⁵/₈; commercial sight at 5 70¹/₂, against 5 73¹/₂, and commercial sixty days at 5 77¹/₂, against 5 79³/₈ the week preceding. Lire closed at 8 41 for bankers' sight bills and 8 40 for cables. A week ago the close was 8 37 and 8 36. Rubles finished at 13 for sight and 13¹/₄ for cables, which compares with 13¹/₄ and 13¹/₂ last week. Greek exchange continues to be quoted at 5 13¹/₂ for checks and 5 12¹/₄ for cables.

In the neutral exchanges no increase in activity has been noted, and trading continues at low ebb. The general trend, however, was towards a higher level, with fractional advances recorded in all the Scandinavian exchanges and for Swiss francs. Spanish pesetas were also strong and higher, and guilders closed at an advance from last week's figures. The general strength was attributed to the promise of increased mail opportunities to result from Dr. Garfield's fuel conservation plan. Bankers' sight on Amsterdam finished at 43³/₄, against 42³/₄; cables at 44¹/₄, against 43¹/₄; commercial sight at 43 11-16, against 42 11-16, and commercial sixty days at 43 9-16, against 42 9-16 on Friday of the previous week. Swiss exchange closed at 4 43 for bankers' sight bills and 4 41 for cables, as compared with 4 49 and 4 47 a week ago. Copenhagen checks closed at 31, and cables at 31¹/₂, against 30 and 30¹/₂. Checks on Sweden finished at 33¹/₂ for checks and 34 for cables, against 32¹/₄ and 32³/₄, while checks on Norway closed at 32¹/₄ for checks and 32³/₄ for cables, against 31.25 and 31.75 last week. Spanish pesetas finished at 24.70 for checks and 24.20 for cables. The final quotation of a week ago was 24.30 and 24.40, respectively.

As to South American quotations, the check rate on Argentina closed at 45.00 and cables at 45.10, against 45.87 and 45.93. For Brazil the check rate is 26.85 and cables 26.95, as compared with 26.93 and 27.03 last week. Far Eastern check rates are as follows: Hong Kong, 73¹/₂@73³/₄, against 74¹/₂@74³/₄; Shanghai, 109@110, against 110@111; Yokohama, 51³/₄@52 (unchanged); Manila, 50@50¹/₈ (unchanged); Singapore, 56³/₄@57 (unchanged), and Bombay, 35@35¹/₂ (unchanged).

The New York Clearing House banks, in their operations with interior banking institutions, have gained \$7,904,000 net in cash as a result of the currency movements for the week ending Jan. 18. Their receipts from the interior have aggregated

\$11,598,000, while the shipments have reached \$3,694,000. Adding the Sub-Treasury and Federal Reserve operations, which together occasioned a loss of \$111,011,000, the combined result of the flow of money into and out of the New York banks for the week appears to have been a loss of \$103,107,000, as follows:

Week ending Jan. 18.	Into Banks.	Out of Banks.	Net Change in Bank Holdings.
Banks' interior movement.....	\$11,598,000	\$3,694,000	Gain \$7,904,000
Sub-Treasury and Federal Reserve operations.....	52,121,000	163,132,000	Loss 111,011,000
Total.....	\$63,719,000	\$166,826,000	Loss \$103,107,000

The following table indicates the amount of bullion in the principal European banks:

Banks of	Jan. 17 1918.			Jan. 18 1917.		
	Gold.	Silver.	Total.	Gold.	Silver.	Total.
England..	58,768,108	—	58,768,108	56,115,288	—	56,115,288
France a.	132,880,756	9,800,000	142,680,756	132,645,021	11,418,640	144,063,661
Germany..	120,279,500	7,894,050	128,173,550	126,045,050	825,950	126,871,000
Russia *.	129,650,000	12,375,000	142,025,000	147,261,000	11,474,000	158,735,000
Aus-Hun c.	51,578,000	12,140,000	63,718,000	51,578,000	12,140,000	63,718,000
Spain ..	78,680,000	38,234,000	116,914,000	50,469,000	29,575,000	80,044,000
Italy ..	33,364,000	3,265,000	36,629,000	35,973,000	2,903,000	38,876,000
Netherl'ds	58,098,000	578,500	58,676,500	49,216,000	557,800	49,773,800
Nat. Bel. b	15,380,000	600,000	15,980,000	15,380,000	600,000	15,980,000
Switz 'land	14,331,000	—	14,331,000	13,796,300	—	13,796,300
Sweden ..	12,577,000	—	12,577,000	10,195,000	—	10,195,000
Denmark.	9,922,000	147,000	10,069,000	8,322,000	93,000	8,415,000
Norway ..	6,296,000	—	6,296,000	6,790,000	—	6,790,000
Tot. week.	721,804,364	75,093,350	796,897,714	704,285,659	69,587,390	773,873,049
Prev. week	722,117,486	75,430,050	797,547,536	705,691,709	69,546,930	775,238,639

a Gold holdings of the Bank of France this year are exclusive of £81,484,340 held abroad.

* The gold holdings of the Bank of Russia for both years in the above statement have been revised by eliminating the so-called gold balance held abroad. On the latest reported date the amount so held was £230,860,000.

c July 30 1914 in both years. b Aug. 6 1914 in both years.

OUR EXPERIMENTS IN "GOVERNMENT CONTROL."

The sweep of events and consequences, under the new political and economic order created by our participation in the war, has been so rapid as to make it difficult either to look back at specific causes for the successive phenomena, or to look forward to their permanent effect on our institutions. In no respect has this difficulty been greater than in the effort to determine what is to be the longer outcome of our unavoidable experiments in State control of industry.

When the Federal Government began to exercise these dictatorial powers—as indeed was the case when similar measures were taken by European Governments at the beginning of the war—the immediate tendency was to assume that the invoking of State control was creating methods and precedents which would not be abandoned even on return of peace. It was widely assumed that the spectacle of Government directly administering industry, when private management had seemingly broken down, would be an object lesson in the possibilities of State Socialism, such as would to a very large extent fasten that system permanently on the nations. This assumption seemed to us from the first to represent a rather violent rushing to conclusions.

It was so, in our judgment, first because it failed to make due allowance for the very peculiar circumstances created by the state of war, which could not exist in a state of peace, but, second, because it took for granted the complete success of Federal control and operation. It hardly need be mentioned, as regards the first-named consideration, that the Government's intervention in price-fixing for grain and steel was directly due to the fact that orders from foreign belligerents were being executed in such a way as to create utterly artificial prices, or that its intervention in the railway business was directly due to the necessity of superseding existing

restrictive laws through exercise of the supreme war power. Neither of these arguments would remain in their present form on return of normal peace conditions.

But the further consideration remained as to whether actual results of Federal control would be such as to inspire the wish in any mind for its continuance. In that regard we have already witnessed the discontent with Government price-fixing. Consumers of wheat, for instance, complain that a price higher than in any generation past has been arbitrarily fixed for the whole of the next wheat crop, regardless of what the crop is to be; yet at the same time producers of wheat are complaining that the Government is preventing their getting the benefit of possible conditions which might warrant even higher prices. We are not passing on the merits of either contention. But the essential fact is that nobody is satisfied, and that each party regards the artificial regulation as involving injustice to itself.

It has been much the same with Federal operation of the railways up to date. The shipping and traveling public have submitted loyally to the restrictions and inconvenience placed upon them; but they have not yet seen the results which were to be achieved. Most of us know that the instantaneous removal of all difficulties such as many people seemed to expect through Government operation was in any case impossible. The point which we are emphasizing, however, is that the experiment has thus far shown, from the standpoint of the general public, that Federal operation is bringing no tangible better results than private operation, despite the personal sacrifice which it has cost.

That the same conclusion must have been drawn from the history of the Fuel Administration will be readily admitted—especially in the light of this week's episode. With all the abnormal circumstances and influences arising from the recent blizzard and snow blockade, the fact remains that the Federal Bureau failed as completely to anticipate and prepare for such conditions—which were always possible—as the most careless private administration could have done. The freight congestion began, it was aggravated by conflicting "priority orders" from different bureaus at Washington. When the extreme cold and the accompanying fuel scarcity brought matters to a crisis throughout the country, the carefully contrived system of local fuel administrators simply broke down. It worked out in actual operation as bureaucracies ordinarily do, when organized for routine duties, manned by officials unfamiliar with the business, and then confronted with unusual emergencies.

On top of this came last Wednesday night's astonishing order from Dr. Garfield of the Fuel Commission, practically suspending productive industry east of the Mississippi for five days beginning with Friday, and for nine Mondays thereafter—an order which, for suddenness of announcement, lack of preparation for enforcement, and obscurity in the provisions for its observance, surpassed anything of the kind in our recollection. The one unmistakable inference from the occurrence was that business would be thrown suddenly into disorder, schedules of wages and labor deranged, the entire community diverted from its ordinary activities and even the production of munitions halted. Considering the circumstances which had gone before, it is incon-

ceivable that a feeling of dissatisfaction over Federal control, and a longing for restoration of former conditions as soon as the exigencies of war should warrant it, should not have pervaded the entire community, rich and poor alike.

On the whole, we regard this result of the State control experiment as highly salutary. No other result, it is true, was reasonably to be expected. But it was possible at the start that, with a fair degree of efficiency in operation, the experiment might work out smoothly enough to give reasonable satisfaction, while apparently favoring some one large class of the community. Such an outcome might have been expected to lead the country into propaganda for permanent State control or ownership. But there has been no such result as yet, and we very greatly doubt if any such result will follow later. England's experience with such Government regulation has been longer than ours. The London "Economist" lately remarked:

"In the minds both of employers and of workmen there is growing up a profound dislike of all Government interference, and a not less profound determination to get quit of it at the first opportunity. The old demand of Socialist orators that the Government should nationalize this, that and the other is moribund, if not dead. What all classes now want, and want so badly that their hearts ache for it, is to complete the war in a manner satisfactory to the Allies, and to get rid of the Government control of industry."

Even more important as an object lesson is the present experience of Russia—an experience by no means as yet completed. In that country State control is avowed, complete, final and to all appearances permanent. What is the result? The cables from Petrograd have been telling us. Transportation has completely broken down. With wheat rotting in the fields, the cities are starving; and this is not even, as in our own case, because of blizzard weather or snow blockades, but because the Government cannot control the workers.

Train hands, believing themselves to be the real arbiters of industrial discipline and Governmental operation, work or not as they see fit, and demand the same pay for such service as for continuous labor. Under that same Government control, laborers in the mills have demanded wages which existing prices for the products would not earn, and insist on immediate compliance. The result has been either that the factories shut down completely, or that prices, already abnormally high, were put up still higher to cover the cost of operation.

Whatever may be said of the prospects of the Bolsheviki rulers in the matter of negotiations with Germany, the one outstanding fact is that the whole industrial system of Russia has broken down under the plan of unrestricted State control. This was so even under the less extravagant Socialism of the Kerensky Government, and was admittedly the main cause of that Government's downfall. Its evil results will certainly be intensified under the present regime; with what economic or political results, it may be premature to say. We have not the slightest doubt, however, as to the impression which this perfectly logical experiment in State Socialism will make on the mind of the outside world—on the laboring as well as on the capitalist community. These tangible results in Russia, coming along with the experience of other countries

in Government control, may very possibly perform in history, and in their effect on public opinion at large, the same office as was performed in another era by the not at all dissimilar political experiments of the French Revolution.

THE BENUMBING EFFECTS OF THE FUEL ADMINISTRATOR'S ORDER.

In our article on "The Financial Situation" we discuss the Fuel Administrator's order involving the closing of practically the entire business of the country east of the Mississippi, including Louisiana and Minnesota, for five days beginning yesterday, and on ten consecutive Mondays. Emergency is pleaded as excuse, with an assurance in words that such an extreme conservation of fuel will enable supply to overtake demand. But the sole reason for submitting to any form of public control and as to any subject material is the possibility that efficiency in results may be attained thereby and the country may get things accomplished. The business of a Fuel Administrator is to forward supply and distribute indispensable fuel, not to withhold it and tell the country to halt its production and reduce its physical needs by force.

That the weather has been of unexampled severity we all know, with movement obstructed by bitter cold, by freezing of fuel in transit, by ice on the streets, by the general excitement and tension, and by scarcity of available labor. Yet we in New York have been repeatedly assured that the worst was over, and, as pointed out in our previous article, there seems no doubt that sufficient coal is here at our doors, needing only to be distributed. Nor is there reason for despair as to other industrial centres. The usual January thaw may be expected; in this week the obstructive conditions have moderated, there being only a little ice and almost no snow; at the very least, we have a breathing-spell granted us, in which our duty is to set our jaws and make extraordinary exertions, instead of giving way to panic, folding our hands, and uttering cries of despair.

If the announcement stopped with ordering a waiting line of preferences in coal deliveries and again calling upon everybody, at work or at home, to use the very utmost possible economy in consumption, that would not be without some recent precedent, it need not startle us, and it might be measurably carried out. But Dr. Garfield goes farther, actually ordering that on the days specified "no manufacturing plant shall burn coal or use power derived from fuel, for any purposes," except in plants which from their nature must be continuously operated, and in food-making plants. He tells newspapers and printing plants when, and to what extent, they "may burn fuel," tells business places and stores for how many hours they "may maintain necessary heat," and orders a limit on the movement of urban or suburban cars. Conceivably, when a person affected by these orders attempts, as all of us have been attempting betimes, these many weeks past, to procure coal, he might be subjected to inquiry whether he had been scrupulously obeying this order; but suppose any person covered in the order has coal on hand, how does Dr. Garfield imagine he can be prevented from using it? As well might a peremptory order be issued that everybody shall stay in bed (ordinarily a comfortably warm place) on certain days.

The exceptions named in the order attempt to cover plants and work where suspension would cause great injury. Such injury would result from interruption in every useful and necessary work. The amusement owners and employees have protested the hardships to themselves; the newspapers have protested; the personal suffering to follow a general stoppage of industry would be incalculable; and the effect upon our military preparations may be imagined. There is only too much reason to fear that those are not proceeding as they should be, and some of the newspapers tell of anchors reaching the seaboard in advance of ships. By multiplying commissions, bureaus, controls and administrators, are we not putting wibes upon our own members, in a situation when the country should be at its maximum of industrial production and efficiency? Could anything be more disheartening in its moral effect upon the country and more encouraging to the enemy than such an order as this? And that its benumbing effect be minimized, should we not take it as a confession of individual incompetency, neither necessary in the circumstances nor representative of American character, and insist on its prompt withdrawal?

Human life proceeds with strict reference to natural laws, one of which is that effects follow in a chain. We have committed the folly of starving our railroads, and have persisted in that, against repeated warnings, for twenty years, increasing the severity of the process even in recent years, when all should have seen that we were preparing for a transportation breakdown before we finished. The war emergency has precipitated the break, and now, instead of halting the folly and turning with our might in the return to sanity and safety we rush into the wildest statutes and orders, hoping to thus avert the results of our own conduct. Penalties cannot be thus evaded. We cannot recall the past. The wrong turn at the fork of the road was taken, and we cannot go back to that fork; all that is open to us is to see our mistake and choose the right turn now. What we should do is to halt the radical process of trying to control natural results; to say in distinct terms that we have set up a directorship over transportation solely as an emergency relief; that we will not adopt any such permanent policy as that suggests, but that this action is only during the war and when that ends the property shall be restored intact to its owners. We do need to calm ourselves, to rally our American shrewd common sense and refuse to let individual initiative be swallowed and smothered by Governmental orders. A broad headline in one of the morning journals of Thursday was: "Washington Order Startles the Country." It should have that effect; and inasmuch as excess naturally tends to check itself by its own reaction, if this amazing instance of officialism misdirected calls a halt upon the whole futile process the country may have reason to rejoice.

NO RELAXATION OF CHILD LABOR LAWS.

The attitude of the "Administration" on this important subject is wholly to be commended, though this seems hardly necessary. The demands of the war are many and exacting; they extend in all directions, and place new duties and burdens upon citizens in every walk of life. But the children may well be spared. They are the hope of the nation, and they are, furthermore, entitled, in their own right, to

that life and development which inures to them by reason of birth and being.

It is needless to say they cannot escape the knowledge of war. They are taught to save. They are asked to plant and tend gardens. In many instances they are deprived of a father's care. The pinch of curtailment in food and fuel comes to them, though they may vaguely understand. More or less they hear the home conversations which describe, if they do not discuss, the mighty upheaval of the forces of life. Largely according to age must come realization. But life opens its invitations to them; their expanding minds seize upon the pleasures and pursuits of childhood; their cares are fleeting as their tears; they dwell in the sunshine and shower period of youth, when growth unnoticed presages the full corn in the ear. And they should have their due.

The exploitation of child labor in factories has always been wrong. It is more so now than ever, when greed may strive to make an excuse of alleged necessity. Laws are intended to prevent this, not to prevent the inculcations of habits of industry. To learn early the true lesson of labor—that it is the law of life and the measure of advancement—this should nowhere be denied. But parents, aided by schools, are sufficient. The real test will come soon enough to the majority. The thing is to be ready when it does come. To know in truth the old adage, "there is no excellence without great labor," should be the portion of the rich no less than the poor; and the "poor little rich" girl or boy is one of the saddest spectacles we know. Yet, as always, the reverse side to this is too often overlooked. The dignity and delight of labor is its real virtue. The times witness vast organizations seeking to promote by an appeal to law, even by a coercion of Government, "to improve the conditions of the laboring classes." The measure of this is high wages, special privileges, in extreme cases what amounts to a confiscation of wealth by reason of a so-called "unearned increment." As these principles come upon the child, they have a tendency to teach a false doctrine. Labor is not a curse but a blessing. The glory of manhood and womanhood is the full exercise of all the faculties of "production," economic, civic and social, which make up our civilization. And the reward is in the doing more than in the result.

Thus enforced labor in trades and industry not only deprives the child of the enjoyment of mounting life, but it mocks the spiritual beauty of the inherent creative power to fill the world with articles of use and worth. And here, we believe, the much vaunted vocational training in our common schools becomes a failure. Not only is it insufficient to produce a trained worker in any industry, but it so emphasizes the idea of work for gain's sake that work for work's sake is forgotten, and at an age when it should be especially impressed upon the child mind. And men are but "children older grown." The responsibilities of the trust of wealth are not appreciated by those who see in it the end and not the means of life. Ownership is not rightly guaranteed when it carries with it no injunction of use for human benefit. Acquisition is power, and power is duty. Development demands use of the proceeds of labor. Capital is saved-up labor. Its use is a duty; its acquirement a benefit. And the fulness of individual life cannot come without initiative, use and ownership—which in the end is itself a burden, and only

lightened when wealth is made to minister to human good. So that the child should be early taught to labor for its own sake, for the fruits it brings to the spirit, for the thrill of unfolding being, of expressing self, which comes through doing. Enforced or routine labor induces antagonism and distaste. The sole object of gain through trade defeats the principle of self-development. To "leave the world a little better for having lived" alone satisfies the quickened soul.

By no fault or permission of its own the child of to-day comes suddenly upon a heritage of woe—the war! All the fruits of ordinary labor are consumed in its conduct. To require a child to work at any of the industrial agencies which feed this huge anomaly of civilization would be doubly a crime. How shall it learn to know that labor is a privilege, not a penalty, when all its ends are destructive? How shall it perceive the ministration of production and exchange, the soul of things physical, when the whole world is distorted with a colossal retrogression to savagery? How shall it imbibe the beneficence of democracy when on every hand it finds its elders and teachers utilizing restrictive powers over the processes of life to accomplish death and destruction? To force it to dry up the founts of its own life, to contribute its puny portion of real toil to this end would be sacrilege—and it would destroy the high estate which a "war for democracy" hopes to bequeath to the world, for the child of to-day must be the man or woman of to-morrow. As 'tis intended to give a new and better world to mankind through this struggle, so should the embryo citizen be preserved a worthy inheritor of a worthy legacy. Let the child be still a child. Show forth the promised land of good works worthily bestowed, but let not the devil of war whisper of possessions through the worship of war and not of the nobler and finer purposes of war.

We write these thoughts because in our absorption we are apt to consider of minor importance matters that affect powerfully our civilization, if not our "cause." Seemingly it is necessary for the Government to assume a paternalistic attitude towards the people. But let us not, in fact or in spirit, conscript the children. All that the world shall be rests at last in them. For them we fight. We should preserve their souls, as well as their strength. We should demand no tribute from their labor. But, pursuing their lives, as nearly as may be in the old way, let them labor as an expression of love, as a token of freedom, as an earnest of that good time coming when the world shall be filled with prescience and peace. As for women, they are asking for rights and privileges that can never be fully enjoyed unless they work, either in the home or the mart. And they now have their choice.

SEEKING GOVERNMENT CONTROL OF THE OUTPUT OF NEWSPRINT PAPER.

It is not clear that the joint resolution, which was rejected by the Senate on Tuesday, empowering the President to authorize the Federal Trade Commission to take entire control of the output of newsprint paper, is what that regulative body wanted, and in terms it is not what it had asked for. Last year, having made a compounding arrangement with the leading manufacturers, on the basis of agreed prices for the next half-year, and having reported to the

President what it had done, while in the same report disclaiming any intention to fix prices, no improvement in the situation followed, and then the Commission, existing for the purpose of checking unfair conduct in competition, held up its hands in despair and asked that Congress take up the subject. It made this request a second time, and now the rejected resolution would have handed the subject back to it, with authority to distribute the paper output fairly, at prices fixed by it. Following the line of a part of the food control law, one feature in the resolution provided for an inducement to the makers to accept the figures fixed by the Commission by allowing them 75% of the amount in case of dissatisfaction, and leaving them to seek the remainder through the courts.

No publisher will be expected (at least by his fellow publishers) to take up the championship of the newsprint makers or to feel any warmth of friendship for them. As we pointed out months ago, there appears no reason for doubting that they are a monopoly in legal contemplation and quite open to proceedings under the Acts. Therefore, it appeared to us, there was no justification for not applying to them the course provided by those Acts and followed in many previous cases. Yet on the 26th of November, according to the journals of the day following, "by an agreement between the Government through the Department of Justice and the newsprint makers dominating their industry in this country and Canada," the situation, "uncertain and menacing for more than a year," was brought to an adjustment that "guaranteed safety and security for the duration of the war" to all concerned. Some of the indicted men came forward and paid fines, as an apparent condition of this agreement, which went into details with considerable particularity, and (as announced at the same date) the trust was dissolved by court decree.

The persistent trouble was thus apparently disposed of, yet it did not stay so. Senator Smith of Arizona, author of the rejected resolution, declared on Tuesday that many smaller publications through the country will be unable to continue, which seems more than likely, especially if the postage rates, as stated in the Revenue Law, remain unchanged. The paper trust, he declared, made in 1917 over 105 millions an increase of one-half upon 1916, and 17½ millions of this represents the increased prices; this may be true, or, at least, we do not deny it. Referring to the recent order through the Federal Trade Commission for paper at 2½ cents per pound for Governmental use, Mr. Smith said this allows an ample profit, and if it is enough for Government it is enough for the people. "These newsprint profiteers," he said, "have shamefully raised prices in the markets, they have resisted every effort of the Federal Trade Commission to control them, and now it becomes necessary for Congress to intervene."

As to this, the Commission is "empowered and directed [in the Act creating it] to prevent everybody [with some exceptions not in point here] from using unfair methods of competition in commerce;" it is to determine the facts and then take them to the courts for enforcement of its order to desist. After this particular trust has apparently been successful in resisting the Commission, the necessity and propriety of handing some further power to it in this matter is not clear.

However, the opposition developed in the Senate was on several grounds. One was discovered in the form of the resolution, which purported to "provide further for the national security by securing to the Government of the United States an adequate supply of print paper at a fair price and by inducing a supply and equitable distribution at fair prices to the industries of the United States." This reads smoothly, but in the preamble the proposed action is said to be in order "that all proper news may be generally and efficiently distributed." Here is hidden a possible censorship, as in these times and in view of the trend of affairs it may reasonably be considered. The resolution looked, in distinct terms, to commandeering all paper mills and operating them on Government account, and Senator Smoot of Utah said that under it any newspaper could be controlled by making it dependent on Governmental approval for its supply of paper on which to print. He also opposed the resolution (and apparently others agreed with him, for so we interpret, in part, their negative votes) as being vicious legislation; existing anti-trust laws seemed to him sufficient, and if the courts do not deal with offenders with enough severity, he thought they should be urged to go to the limit of the laws. Senator Sherman of Illinois said we have already too much bureaucracy and he cannot see how Congress has any more right to govern the newsprint industry than it has to govern the potato fields. Senator King of Utah, who is counted as an Administration member, declared himself "amazed at the tendency and the development of democracy as interpreted by Democrats." Said he:

"It is high time we were starting back to the ideals of self-endeavor and self-government. You are putting the rights of the States to govern and control their industries into the hands of the Federal Government. Out of such measures as this bureaucracy grows. We need right now the assertion of a proper and just individualism. We are losing the right to acclaim that the Anglo-Saxon race possesses in the highest degree the power of self-initiative."

Although the resolution failed by the rather small margin of four votes (32 to 36) this is perhaps encouraging as indicative that the Senate still retains some power of independent self-assertiveness, and the warning of the Utah Senator certainly applies to a number of radical propositions already passed with a sort of joyful consent, one of the latest being the prohibition amendment.

THE DANGER OF GOVERNMENT CONTROL OF THE RAILROADS AFTER THE WAR.

Almost immediately following the outbreak of the war in Europe England took possession of her entire railroad system; commandeered it, as a war measure. Forestalling such a move on the part of the Government of the United States, almost immediately following our entry into the conflict last April, the Railroads' War Board was organized.

The splendid work accomplished by this Board in the nine months of its existence is too well known to need comment. The handicap of previously existing laws was, however, too strong to be overcome and Government control has followed on the theory that the Government can do, as measures of war, those things that were prohibited of private corporations. Whatever may be thought of the wisdom of the President's action as a war measure,

there can be no doubt that the greatest danger connected with railroad control lies in the future—in the future after the war. The Government is now running the roads and paternalistic movements of this kind are difficult to break down, particularly in view of the present almost world-wide leaning towards socialism. Government control of operation may easily and naturally lead to the next step, complete nationalization through actual ownership.

In the meantime, while Director-General McAdoo is operating the lines as a measure of war and before the nationalization movement has gone too far, let us review the field. Let us see what profit may be gained by examining into our own experiences and those of some of our neighbors in public ownership. Prior to England's action, of the 76 separate political organizations that go to make up the independent nations and colonial dependencies of the world, 44 had already declared themselves, as a matter of practical politics, as being in favor of complete or partial nationalization of their railroads. This had been done by taking over and operating some considerable portion of their mileage. Of the remainder, 32, all of the railroads were privately owned. Conspicuous in this latter class were the democratic Governments of Great Britain and the United States. It is probably not very well known that this country has had quite an extended experience in building, owning and operating railroads. In the early days of railroading the "Sovereign State" was considered the only medium strong enough or sufficiently well qualified to cope with such large affairs. Many of our States entered the railroad field, some to their ultimate profit, others eventually to shoulder a heavy loss. The fact, however, that out of the many hundreds of miles built and operated in the past by the various States, not a single mile is now so operated (with the exception of 32 miles in Texas, used as an adjunct to its penitentiary system) would not, of itself, appear to be a very conclusive argument in favor of the Federal Government assuming the operating role.

Former Governor Stubbs of Kansas in a contribution to the "Saturday Evening Post" (June 6 1914) brought out a very large number of what were supposed to be arguments in favor of Government ownership of our railroads. Governor Stubbs quoted figures and made comparisons in support of his arguments, many of which were palpably overdrawn and inaccurate. Among other things the Governor made the following statement: "No railroad system once taken over by the Government has ever been permanently returned to private ownership." In what follows it will be shown how nearly correct this statement is. It will be shown that, in the past, many of the States of this country have operated railroads that are now being operated by private corporations, and it will be shown further that in no instance was State operation successful.

The North Carolina Railroad Company was incorporated in that State in 1849, and during the next few years built some 223 miles of line from Goldsboro to Charlotte. The State owned a large majority of the stock, built the road and operated it until 1871, when it was leased to the Richmond & Danville Railroad (now part of the Southern Railway). The State now derives a good yearly income from the stock which it still owns in this road.

North Carolina also built and was at one time sole owner of the Western North Carolina Railroad, 185 miles, from Salisbury to the Tennessee line. This road was State owned and operated from 1875 to 1880, when it was sold to a private company and afterward passed into the hands of the Southern Railway, the State having now no interest in the ownership. North Carolina built a third road, from Goldsboro to the coast, 95 miles. This was called the Atlantic & North Carolina Railroad. The State owned (and still owns) two-thirds of the stock of this company and had absolute control of its operation from the time of its completion, about 1856, until 1904, when a 95-year lease was entered into with a private company. This lease shortly afterward became the property of the Norfolk & Southern Railroad, and the road since has been operated as part of that system, the State deriving a handsome income from its stock holdings under the lease.

North Carolina presents perhaps the most striking example of State ownership and operation that this country affords, both in length of line operated and in length of time as well. At one time it had something more than 500 miles of operation on its hands, and for nearly half a century it operated the 95 miles from Goldsboro to the Atlantic. Since 1904 it has had no interest in these operations other than to draw its interest and dividends. That the experience of this State, so far as operation is concerned, was unsuccessful nobody attempts to deny. On the other hand, as a result of the retention of ownership while the lines are being operated by experienced private corporations as business enterprises, the State is receiving substantial benefit.

According to Judge Womack of that State, nearly the entire bonded debt, amounting to more than six million dollars, was the result of obligations incurred for railroad purposes, and it is believed that the present value of the railroad stocks owned by the State amounts to considerably more than this figure. The writer was employed by the lessee of the Atlantic & North Carolina Railroad in 1904 to make a physical valuation of the property and to superintend the reconstruction of the line. The writer feels that he is in no danger of contradiction when he makes the statement, based on personal observation, that State operation of this road was a failure.

The experience of Missouri in railroad ownership and operation is rather a sore point. As C. M. Keys of the "Wall Street Journal" points out, this State had a hand in owning, financing and operating several of its lines—The Hannibal & St. Joseph, the St. Louis & Iron Mountain, the Cairo & Fulton and the Pacific Railroad. The resulting net loss he figures at nearly twenty-five million dollars. High finance in this border State was well understood in those early days. Mark Twain was well advised when he wrote "The Gilded Age," and Governor Stubbs, living so near Missouri, should have known about it. All these properties are now prosperous. They form integral parts of big Western systems. Missouri made no mistake in selecting the line it would own and operate, but Missouri did demonstrate, at least to its own satisfaction, that it was unprofitable for a State to become a railroad promoter.

Massachusetts has had her try at railroading. To pierce the Berkshire Mountains with a tunnel was thought to be too expensive a task for private capital. The building of the Hoosac Tunnel,

therefore, was undertaken by the State and by it was operated unsuccessfully several years. The property finally passed into the hands of the Boston & Maine Railroad.

W. F. Allen, Secretary of the American Railway Association, is authority for the statement that the Western & Atlantic Railroad, 137 miles in length, which was built and operated by the State of Georgia, gradually became a "prolific source of loss and injury to the community that had supplied the funds for its construction." It has been operated under lease since 1870 and is now part of the Nashville Chattanooga & St. Louis Railroad, though still owned by the State.

Regarding State ownership in Pennsylvania, Mr. Allen says: "Eighty miles of railway, extending from Philadelphia to Columbia, were built by the State of Pennsylvania and operated unremuneratively by its Government several years to the disgust of the people of the State. The road finally was sold to the Pennsylvania Railroad in 1857 and forms part of its original main line." The price paid by the Pennsylvania Railroad to the State was \$7,500,000 which is said to have been at least twice what it was worth, yet but about a quarter of what it had cost the State. W. B. Wilson, historian of the Pennsylvania Railroad, says in referring to this line: "The individual transporter who did not dance when the politician in charge of traffic piped was placed at a great disadvantage. It became a potent factor for corruption and reached such an extent that the transporters who would do certain things for the politicians at elections would have their tolls rebated to an extent that nearly always reached a refund of the entire amount paid. The State debt grew and grew till bankruptcy stared the people in the face." This railroad experiment is said to have cost the State of Pennsylvania upward of twenty million dollars.

There are other instances where State and municipal bodies have taken up building and operating railroads, as in Cincinnati, where the city built and now owns (but has ceased to operate) the Cincinnati Southern Railroad, 338 miles in length; also, as in Texas, where a little railway, 32 miles long, was built and is to this day being operated by the State. This last example is the only case in our entire land where the State at present operates a railroad.

It is not believed that the experiences here cited can be construed into an argument in favor of public ownership and operation of all or any portion of our railroad system. It is proper to state, however, that under the conditions then existing it is probable none of these lines would or could have been built without the assistance of the credit of the State, and it must be remembered, too, that in those early stages of railroad development it had yet to be learned whether public or private management was best adapted to the needs.

In considering Government ownership, it is proper that the Panama Railroad, 47 miles long, now owned and operated by the Federal Government, should be mentioned. About 13 years ago the United States acquired this railroad and the steamship company as well, this being necessary to facilitate the construction of the canal. On the average it costs the railroads of this country about \$7,700 per mile for operating expenses. At Panama, leaving the steamship company out of the calcula-

tion, it costs rather more than \$50,000 per mile. In order therefore to avoid showing a deficit from operation, a freight rate of almost seven times the United States average is charged and collected. The steamship company, taken by itself, shows a deficit from operation, though when its figures are merged with those of the railroad a goodly surplus appears.

Of the 22,994 miles of Canadian railways in operation in 1910, 1,717 were Government owned and operated, by far the larger part of this being the Intercolonial Railway. This property occupies some of the best territory in Canada, but has been going steadily to the bad. It seldom pays its bare operating costs, the deficit being met by general tax. If this property had a funded debt with interest to meet, it would have been bankrupt long ago. W. R. Givens, in "Moody's Magazine," says that the trouble is "because it lives, moves and has its being as a political institution. It was not born on economic grounds, but for military and political necessities, and the fiction is that it was never intended to pay, but to be run for the good of Canada." Each political party when out of office charges that its poor results are due to the use of the railway for the political purpose of the party in office. At any rate the deplorable results of Government operation of the Intercolonial are too well known to require further comment.

Canada's experience in railroad operation is not likely to end with the Intercolonial. For reasons now beyond her control it is likely she will be obliged to take over the operation of the Grand Trunk Pacific (controlled by the Grand Trunk Railway) and the Canadian Northern, both unprofitable lines under present conditions. This will leave the Canadian Pacific, the one profitable railroad of any size in Canada, the only privately owned and operated road in the Dominion.

It is not believed that the advocates of Government ownership and operation in the United States will find any very conclusive arguments to bolster up their cause in the experiences of either this country or Canada. The same, also, may be said of the experiences in other countries. With the possible exception of Germany, where practically all of the railroad lines are State owned and operated as a part of her military system, no one could justly claim success for the public operation idea.

The activities of the Railroads' War Board have taught us a distinct lesson, namely that the kind of regulation practiced by the Inter-State Commerce Commission for the past ten years has been a failure. The activities of Director-General McAdoo may be expected to teach further and useful lessons in what is capable of being gotten out of the rail carriers when untrammelled by adverse legislation and regulation and when operated on a non-competitive basis, as a unit, but they are not likely to show that Government management is superior to private management, except so far as Government management is not hampered by restrictive and oppressive laws.

Granted equal opportunities of unhampered endeavor, there is nothing to be found in the history of railroading that would justify the United States in delegating permanent command of these vast properties to political agents, as against the trained and skilled operators under private ownership.

BUILDING OPERATIONS IN 1917.

The year 1917 witnessed a marked decline in activity in building construction, and in that respect the situation was in sharp contrast with the year immediately preceding, when, notwithstanding high cost of material and labor, which quite naturally would act as a deterring influence, operations were upon the heaviest scale in the history of the United States. General business during the late year continued of a character to encourage activity in building, but all other conditions were inimical thereto. First, there was a decided shortage of labor, this having been due not only to the drafting of many skilled mechanics into the national army, but to the utilization of a large force in the construction of the buildings at the numerous cantonments for the shelter of the soldiers. Indicating how great was the demand for men for this work we may state that high schools in many localities were drawn upon for hands. The labor shortage was rendered more acute by the lucrative employment offered in munition and kindred plants. This, it can well be understood, served to raise wage scales in building lines. In the second place, materials greatly advanced in cost over the already high level of 1916, and in addition they were, in many instances, scarce, this being due in considerable measure to Government orders taking precedence over all others. It thus happens that practically all developments were adverse to activity in building operations, whereas under normal conditions as regards labor and supply of materials it is highly probable much more work would have been undertaken despite the high cost, as the prevailing prosperity of the country furnished a demand that would quite well have absorbed any structures erected.

The year 1916 had closed with construction work on a very active scale for the time of year and contracts entered into in January 1917 covered a slightly greater total of contemplated outlay than in the year preceding. Thereafter, however, each recurring monthly statement furnished evidence of contraction in work and in most instances notably heavy. The outcome for February and March was nominally less than in 1916 and for April a fairly large decrease was shown, but the May and June aggregates of contemplated expenditures were respectively 34.5% and 31.7% under those of a year earlier. Thus the six months' total for 172 cities at 437¼ million dollars fell below 1916 by 16¼% and was only a little heavier than for 1915. The July returns gave a total not much over half that of the preceding year, the decline in August reached 35%, in September 23½% and in October rose to 50.3%, with 129 of the 151 cities included in our compilation showing decreases. The November exhibit was of much the same character, the drop in intended outlay being a little above 37%, while the December showing—the poorest of all—was even less favorable than for the month in 1914.

It is perhaps not too much to say that virtually every variety of material entering into building construction work advanced considerably in cost in the late year, this following a rather marked and quite general rise in 1916 over 1915. Add to that fact the further one that in most cases even the higher prices gave no assurance of prompt delivery and the hesitancy in floating important enterprises finds ample explanation. It was a simple matter for architects

to draw plans but not so easy by any means to induce contractors to submit estimates, with not only high and possibly increasing prices to contend against, but also uncertainty as to their ability to obtain supplies to meet engagements within the time the contracts had to run, or a reasonable interval thereafter.

It is not out of place to note that construction interests are already looking ahead into 1918, especially as Government building plans now being arranged at Washington will call for vast supplies of materials, railroad work under Federal control will increase the drain, requirements for the carrying out of the shipbuilding program adds to the strain, and finally the demand for American building materials from South America and Europe is expected to expand and further complicate the situation. Referring to these various matters, the Dow Service Building Reports have stated that it has been put up to New York to show the rest of the country the way out of the dilemma. Noting the completion of the organization of the Association of Building and Allied Industries of New York on Jan. 9, the Dow Service remarks that "if the stringency of building materials now beginning to be apparent should interfere with the vast amount of construction work contemplated for housing, hospitals, industrial plants and the like, it might be necessary to place in charge of the several centres of supply of the country a Building Material Administrator. In the interim one of the important functions of the new organization will be to bring the various building and allied industries together on some sort of self-governing plan whereby the Government may be relieved of the necessity of exercising supervision over the distribution and production of basic building materials through a plan of self-government or honor system among the heads of the various industries themselves."

Our compilations for 1917 include 280 cities, or 7 more than the high-record number reporting in 1916, and every State but Mississippi is represented. The returns, as heretofore, have been obtained from official sources, where possible, but in a number of instances we have had to rely upon private individuals for information, city ordinances making no provision for its collection. It is a noteworthy fact that whereas in 1916 a vast majority of the cities (181 out of 273) reported greater activity in building than in 1915, the 1917 returns indicate a contraction in work in 220 out of 280, with such leading centres of trade as New York, Chicago, Minneapolis, Philadelphia, Portland, Ore., Detroit, Rochester, Milwaukee, St. Paul, Seattle, Louisville and Toledo conspicuous therein. For the 280 cities which furnish returns, the estimated outlay under the contracts arranged in 1917 totals \$816,809,294, against \$1,133,500,089 in 1916, or a diminution of 27.9%. In 1915 the aggregate for the identical cities was \$929,546,876, and in 1914 it was \$889,895,524.

We have adhered to the plan of former years of giving due prominence to the leading cities in each State or section in segregating the returns into groups, and it follows that as the influence of Greater New York in the compilation overshadows that of all others cities, its operations head the list. For the five boroughs of the city the construction work for which permits were issued in 1917 was of extremely contracted proportions, the total of expenditures falling below that of any preceding twelve-month period in

our record, which extends back to 1906, and being actually smaller than for many years prior thereto. All the boroughs shared in the 1917 decrease to an appreciable extent, with Manhattan, however, by far the chief contributor to it. The cause of the sensational slump in operations needs no further elucidation than that given above as accounting for the general decline. For 1917 the estimated outlay for the city as a whole aggregated only \$102,123,458, against \$221,293,974 in 1916, or a loss of 53.8%.

From the Middle States outside of Greater New York our returns embrace 56 cities, which collectively furnished an aggregate outlay of but \$153,074,874, against \$198,581,171 in the previous year. Appreciably smaller expenditures than in 1917 were covered by the operations at Philadelphia, Pittsburgh, Washington, Baltimore, Rochester, Albany, Jersey City, Wheeling, Reading, Wilkes-Barre, Elizabeth, Paterson, Utica, Allentown, Troy, Yonkers, Hoboken and 13 smaller municipalities, while an increase in activity has to be noted at Erie, Atlantic City, Harrisburg, Huntington and Schenectady. The exhibit in New England was of much the same nature, the building contracts at 60 cities totaling \$94,471,959, against \$129,721,685 in 1916. Mentionable activity was confined to Hartford, New Haven and a few municipalities of lesser prominence. On the other hand, contraction in construction work was reported from Boston, Bridgeport, Holyoke, Lawrence, New Bedford, Springfield, Worcester, Providence and 48 other points.

The Middle West, too, made a much poorer showing for the late year than in 1916. At such cities as Chicago, Cleveland, Detroit, Milwaukee, Louisville, Columbus, Toledo, Indianapolis, Grand Rapids, Terre Haute, and Springfield, Ill., evidence of a diminution in activity in building lines is at hand, which was in no great measure offset by the increased amount of work prosecuted at Dayton and a few other points. For the whole group of 54 cities, the 1917 outlay foots up only \$247,094,839, against \$333,271,512 in 1916.

Less activity than in 1916 likewise was the outcome of the year's operations on the Pacific Slope, only one or two of the larger cities, Los Angeles among them, reporting a greater building outlay. The 25 cities in the section give a total of \$63,507,700, or \$6,855,297 less than in 1916 and \$7,070,256 more than in 1915. In the States west of the Mississippi River to the Pacific Slope, except Louisiana, Texas, Oklahoma and Arkansas, which are included by us in the Southern group, building operations also experienced quite a let-up in the late year. The result attained, however, was much better than in Eastern sections, although not as satisfactory as on the Pacific Coast. Among the cities showing important gains we mention Omaha, Denver, Wichita, Kansas City, Kan., Great Falls and Pueblo. In all, the 40 cities that make up the division afford an aggregate of \$90,830,823, or 20 3/4 million dollars less than for the preceding year, but exceeding the totals of either 1915 or 1914.

The extremely high prices ruling for cotton for some time past has served to give impetus to industry at the South, which is reflected in building lines, but not with sufficient strength to fully overcome the adverse influences in the general situation. This is indicated by the fact that for 44 cities the contemplated expenditures for the year at \$65,705,641 were 3 million dollars under those of 1916.

For the United States outside of Greater New York the total for 1917 was much smaller than for 1916, the contrast being between \$714,685,836 and \$912,206,115, and compared with 1915 there is a loss of 42 million dollars. A compilation covering the building statistics for the last four years for some of the leading cities in each section of the country, together with the aggregates for the remaining municipalities in each State, is now subjoined:

UNITED STATES BUILDING OPERATIONS.

Table with columns: 1917, 1916, Inc./Dec. %, 1915, 1914. Rows include New York, Maine, N.H., Vermont, Massachusetts, Connecticut, New Haven, Rhode Island, Total New Eng. (60), New York, Buffalo, Other 12 cities, New Jersey, Pennsylvania, Delaware, Maryland, D.C., West Virginia, Total Middle (56), Ohio, Cincinnati, Other 11 cities, Indiana, Illinois, Michigan, Wisconsin, Kentucky, Total Mid. West (54), Missouri, Kansas, Minnesota, Nebraska, Iowa, Colorado, South Dakota, North Dakota, Utah, Montana, Idaho, Wyoming, N. Mex., Arizona, Nevada, Total Pacfic (25), Virginia, Richmond, Roanoke, North Carolina, South Carolina, Georgia, Florida, Alabama, Louisiana, Texas, Arkansas, Oklahoma, Tennessee, Total South (44), Total (280 cities), Outside New York.

The foregoing compilation, it will be noted, covers the last four years and under ordinary circumstances, would furnish all needed comparisons. But, as conditions during 1917 were out of the ordinary, we append a statement affording comparison of the various totals back to and including 1906:

Year.	No. Cities	New York.	Outside Cities.	Total All.
1917	280	\$102,123,458	\$714,685,836	\$816,809,294
1916	280	221,293,974	912,206,115	1,133,500,089
1915	280	172,945,720	750,001,156	922,946,876
1914	280	138,115,266	751,780,253	889,895,519
1913	273	162,942,325	518,029,278	680,971,603
1912	235	228,601,308	798,913,875	1,027,515,183
1911	235	300,325,288	762,174,380	1,062,499,668
1910	223	218,846,617	763,368,183	972,214,800
1909	209	273,108,030	740,677,942	1,013,785,972
1908	206	174,757,619	555,324,252	730,081,871
1907	200	197,618,715	604,671,736	802,290,451
1906	163	241,084,458	564,486,823	805,571,281
Total, 12 years.		\$2,326,744,738	\$8,742,919,334	\$11,069,664,572

No extended comment on the above seems to be called for as the table speaks for itself. At the same time we would draw attention to the wide variations in operations in Greater New York and their vastness—over 2,326 million dollars in twelve years.

In the Dominion of Canada building operations have exhibited no real snap since the boom times of 1913 and 1912, and it would, of course, be too much to expect any real or sustained revival in the industry until the heavy drain upon the country in men, material and money occasioned by the war in Europe has quite measurably ceased. A little more activity, on the whole, was displayed in some localities in 1917 than in 1916, but not enough to offset dulness elsewhere and the result attained makes sorry comparison with the two years referred to above and with 1914 as well. Our compilation for 53 cities, of which 33 in the East and 20 in the West, indicates that the permits issued during the year covered an estimated outlay of \$35,728,455, against \$42,517,829 in 1916, or a decrease of 16.0%, but that there were losses of 65.2% and 72.4%, respectively, from 1914 and 1913, and of over 80% from 1912. Analyzing the returns by sections we find that the 38 cities in the Eastern Provinces show a decrease of 14.8% from the preceding year, with Hamilton, Maissonneuve, Fort William, Welland, Sydney, Peterborough St. John and Lachine conspicuous for gains, and Montreal, Ottawa, Halifax, Westmount, Galt and Outremont for losses. In the West, Edmonton, Regina and Saskatoon report rather heavy gains over 1916 and Vancouver and Medicine Hat important declines with the total for 20 cities at \$6,135,854 falling 21.0% under the previous year.

CANADIAN BUILDING OPERATIONS.

	1917.	1916.	Inc./Dec.	1915.	1914.
Quebec—Montreal	4,387,638	5,334,184	-17.8	8,511,221	17,635,446
Other 6 cities	4,738,775	4,902,421	-3.3	5,411,872	7,956,500
Ontario—Toronto	7,163,556	6,882,487	-27.5	6,051,859	20,694,288
Hamilton	2,733,865	2,406,781	+13.6	1,323,248	3,703,805
Ottawa	1,041,017	1,530,460	-32.0	1,605,160	4,332,600
Other 20 cities	7,679,570	8,781,325	-12.6	5,519,859	11,849,248
Nova Scotia—2 cities	1,316,900	1,451,482	-8.3	1,261,617	990,193
New Brunswick—1 city	531,250	464,350	+14.4	380,475	503,700
Total East, 33 cities	29,592,571	34,752,410	-14.8	30,865,341	67,728,840
Manitoba—Winnipeg	2,212,450	2,507,300	-11.8	1,826,300	13,942,050
Other 2 cities	180,333	296,243	-39.2	191,127	804,680
Alberta—Calgary	545,000	663,500	-17.8	150,550	3,429,450
Edmonton	309,809	228,640	+35.4	301,725	4,913,277
Lethbridge	90,888	84,122	+18.5	58,420	413,320
Other 2 cities	105,000	434,180	-75.8	80,285	1,845,306
Saskatchewan—Regina	416,460	219,875	+89.6	464,065	1,765,875
Saskatoon	582,739	146,150	+298.6	20,200	337,210
Moose Jaw	295,460	318,945	-7.2	88,222	459,610
Other 2 cities	100,745	102,485	-1.7	70,610	389,895
Brit. Col.—Vancouver	768,255	2,412,893	-68.1	1,593,279	4,484,470
Victoria	147,875	115,334	+28.2	202,450	2,243,660
Other 5 cities	372,074	235,747	+57.9	321,840	1,992,865
Total West, 20 cities	6,135,854	7,765,419	-21.0	5,459,073	37,018,674
Total all, 53 cities	35,728,455	42,517,829	-16.0	36,324,414	104,747,514

RAILROAD GROSS AND NET EARNINGS FOR NOVEMBER.

Now that the Government has assumed control of the railroads and is to give a definite fixed basis of compensation for the period of their use, the course of earnings, gross and net, has lost much of its interest as far as the security holders in the properties are concerned, but the figures are useful and important as showing how desperate was the plight of these rail carriers, by reason of the tremendous rise in operating costs, at the time the Government stepped in. The latest returns of ex-

penses and net earnings cover the month of November and we present our compilation for the same in tabulated summaries further below. The character of the exhibit is the same as in the months immediately preceding and they reveal a condition which would be paradoxical if the reason were not so well known, by which we mean that these rail carriers are getting steadily poorer in net income notwithstanding uninterrupted expansion in their traffic and gross revenues.

It is not necessary to enlarge upon the causes responsible for this situation, since we have done so on so many occasions in the past. We will merely say that in November such was the continued augmentation in expenses that with a gain in gross earnings as compared with the corresponding month of the preceding year of \$33,304,905, or 10.19% there is nevertheless a loss in net earnings in the large amount of \$20,830,409, or 17.79%. But that, bad as it is, does not tell the whole story of the shrinkage in net revenues. Our figures show the net earnings *before* the deduction of taxes. These taxes, as is well known, are mounting up even more rapidly than the ordinary expenses of operation. Complete returns regarding the taxes for November are not yet available, but from the returns already at hand it is safe to say that the aggregate of taxes for this month will be larger than for the same month of the preceding year by fully \$10,000,000, making with the \$20,830,409 loss in net, revealed by our figures, a total falling off in net of over \$30,000,000. In other words the November figures show that in that month the railroads of the United States were falling behind in their net at the rate of over \$360,000,000 a year. The general aggregates, according to our compilations, are shown in the following:

November (320 Roads)—	1917.	1916.	Inc.(+) or Dec.(-).
Miles of road	242,407	241,021	+786 0.32
Gross earnings	\$360,082,052	\$326,757,147	+33,304,905 10.19
Operating expenses	263,789,836	209,634,522	+54,135,314 25.82
Net earnings	\$96,272,216	\$117,102,625	-\$20,830,409 17.79

What makes the augmentation of \$54,135,314 in ordinary operating expenses (entirely independent of the rise in the item of taxes) as disclosed in the foregoing, all the more noteworthy is that already in the previous year rising expenses had been a striking feature of the returns. In other words already in November 1916 we were obliged to note that in the case of many separate systems the increases in expenses were outrunning the gains in gross receipts. Our statement then showed \$23,652,274 addition to the gross, all but \$323,090 of which had been consumed by augmented expenses. In November 1915, on the other hand, before the great rise in operating costs, the result was superlatively good, the addition to the gross having been no less than \$66,310,622 and having been attended by a gain of \$50,002,894 in the net. These exceptional gains, however, at that time were in no small measure deprived of their significance by the circumstance that they represented in no small part a recovery of previous losses or the absence of previous growth. In November 1914 our compilations showed a falling off of \$32,646,340 in the gross earnings and of \$9,578,383 in the net, and this followed a falling off of \$9,143,593 in gross and \$15,069,894 in the net in 1913. Contrariwise in 1912 we had very large gains in both gross and net—\$31,968,171 in the former and \$12,701,071 in the latter. Going still further back we find that in November 1911

there was a small decrease in gross, namely \$1,767,625, and a loss of \$3,018,867 in the net. In November 1910 there was a trifling gain in gross (\$994,650), but a loss in net in the sum of \$10,460,960 because of a large augmentation in expenses.

In the following we furnish the November summaries back to 1896. It is proper to state that for 1910, for 1909 and for 1908 we use the Inter-State Commerce totals, which then were on a very comprehensive basis, but for preceding years we give the results just as registered by our own tables each year—a portion of the railroad mileage of the country being always unrepresented in the totals of these earlier years owing to the refusal of some of the roads at that time to give out monthly figures for publication:

Table with columns: Year, Gross Earnings (Year Given, Year Preceding, Inc. (+) or Dec. (-)), Net Earnings (Year Given, Year Preceding, Inc. (+) or Dec. (-)). Rows from 1896 to 1917.

Note.—In 1896 the number of roads included for the month of November was 127; in 1897, 134; in 1898, 140; in 1899, 122; in 1900, 122; in 1901, 109; in 1902, 107; in 1903, 106; in 1904, 102; in 1905, 96; in 1906, 97; in 1907, 87; in 1908, the returns were based on 232,577 miles of road; in 1909, 239,038; in 1910, 241,273; in 1911, 234,200; in 1912, 237,376; in 1913, 243,745; in 1914, 246,497; in 1915, 246,910; in 1916, 248,803; in 1917, 242,407.

In the case of the separate roads or systems the showing is almost uniformly of the same character, that is, there are gains in the gross but losses in the net. The only exceptions are a few Southern and Southwestern roads. Taking the Pennsylvania Railroad and the New York Central as typical examples, the former added \$2,827,844 to its gross earnings, but nevertheless suffered a decrease of \$3,060,673 in net. Including all lines owned and controlled which make monthly returns to the Inter-State Commerce Commission the result for the Pennsylvania is a gain of \$4,171,972 in gross but a loss of \$2,916,300 in net. The previous year there was a gain of \$2,019,695 in the gross but a loss of \$911,944 in net. The New York Central makes a closely similar showing; with \$1,643,729 addition to gross there is a decrease of \$1,864,041 in the net. This is for the Central itself. Including the various auxiliary and controlled roads, the whole going to form the New York Central System, the result is a gain of \$3,378,962 in the gross, but a loss of \$2,726,866 in the net. The previous year there was \$2,432,743 gain in gross, but \$864,452 loss in net. Illustrations of this kind might be multiplied indefinitely. Exceptions to the rule where instead of a decrease in the net there is an increase are, as already stated, found chiefly among Southern and Southwestern roads. We may name as illustrations the Southern Railway, the Louisville & Nashville, the Norfolk & Western, the St. Louis Southwestern, the Missouri Kansas & Texas and the Rock Island. In the following we show all changes for the separate roads or systems for amounts in excess of \$100,000, whether increases or decreases, and in both gross and net.

PRINCIPAL CHANGES IN GROSS EARNINGS IN NOVEMBER.

Table with columns: Road Name, Gross Earnings (Increases, Decreases), Net Earnings (Increases, Decreases). Lists various railroads and their financial changes.

Note.—All the figures in the above are on the basis of the returns filed with the Inter-State Commerce Commission. Where, however, these returns do not show the total for any system, we have combined the separate roads so as to make the results conform as nearly as possible to those given in the statements furnished by the companies themselves.

a This is the result for the Pennsylvania RR., together with the Pennsylvania Company and the Pittsburgh Cincinnati Chicago & St. Louis, the Pennsylvania RR. reporting \$1,516,769 increase, the Pennsylvania Company \$556,555 gain and the P. C. C. & St. L. \$754,620 gain. Including all lines owned and controlled which make monthly returns to the Inter-State Commerce Commission, the result is a gain of \$4,171,972.

b These figures cover merely the operations of the New York Central itself, including the various auxiliary and controlled roads, like the Michigan Central, the "Big Four," &c., the whole going to form the New York Central System, the result is a gain of \$3,378,962.

c These figures are furnished by the company.

PRINCIPAL CHANGES IN NET EARNINGS IN NOVEMBER.

Table with columns: Road Name, Net Earnings (Increases, Decreases). Lists various railroads and their net earnings changes.

Representing 12 roads in our compilation \$2,660,482

Table with columns: Road Name, Net Earnings (Increases, Decreases). Lists various railroads and their net earnings changes.

Representing 40 roads in our compilation \$21,765,254

a This is the result for the Pennsylvania RR., together with the Pennsylvania Company and the Pittsburgh Cincinnati Chicago & St. Louis, the Pennsylvania RR. reporting \$2,044,852 decrease, the Pennsylvania Company \$646,710 loss and the P. C. C. & St. L. \$369,111 loss. Including all lines owned and controlled which make monthly returns to the Inter-State Commerce Commission, the result is a loss of \$2,916,300.

b These figures merely cover the operations of the New York Central itself, including the various auxiliary and controlled roads, like the Michigan Central, the "Big Four," &c., the whole going to form the New York Central System, the result is a loss of \$2,726,866.

c These figures are furnished by the company.

When the roads are arranged in groups or geographical divisions, according to their location, the part played by the rise in expenses is again revealed in very striking fashion. In other words, while every division without exception shows enlarged gross revenues, every division without exception also shows diminished net earnings. Our summary by groups is as follows:

SUMMARY BY GROUPS. Table with columns: Section or Group, Gross Earnings (1917, 1916, Inc. (+) or Dec. (-)), Net Earnings (1917, 1916, Inc. (+) or Dec. (-)). Rows for various groups of roads.

NOTE.—Group 1, includes all of the New England States.

Group II, includes all of New York and Pennsylvania except that portion west of Pittsburgh and Buffalo; also all of New Jersey, Delaware and Maryland, and the extreme northern portion of West Virginia.

Group III, includes all of Ohio and Indiana; all of Michigan except the northern peninsula, and that portion of New York and Pennsylvania west of Buffalo and Pittsburgh.

Groups IV, and V, combined include the Southern States south of the Ohio and east of the Mississippi River.

Groups VI, and VII, combined include the northern peninsula of Michigan, all of Minnesota, Wisconsin, Iowa and Illinois; all of South Dakota and North Dakota and Missouri north of St. Louis and Kansas City; also all of Montana, Wyoming and Nebraska, together with Colorado north of a line parallel to the State line passing through Denver.

Groups VIII, and IX, combined include all of Kansas, Oklahoma, Arkansas and Indian Territory, Missouri south of St. Louis and Kansas City; Colorado south of Denver, the whole of Texas and the bulk of Louisiana; and that portion of New Mexico north of a line running from the northwest corner of the State through Santa Fe and east of a line running from Santa Fe to El Paso.

Group X, includes all of Washington, Oregon, Idaho, California, Nevada, Utah and Arizona and the western part of New Mexico.

LISTINGS ON THE NEW YORK STOCK EXCHANGE FOR THE YEAR 1917.

The listings on the New York Stock Exchange during the year just past bear striking evidence of the extraordinary change that has taken place in the general financial situation throughout the United States, due in great measure to the entrance of this country into the war. The new financing during the latter half of the year was overshadowed and largely curtailed as a natural result of the two United States Liberty loans, the first offered in June of \$2,000,000,000 and the second in the fall of more than \$3,800,000,000. The changed condition is manifested particularly by the great amount of capital invested in short term securities which for 1917 totals over \$729,000,000 as compared with but \$225,000,000 in the previous twelvemonth.

Bond issues listed during the year just closed total nearly 1,627 millions as compared with 1,829 millions in the year previous. The greatest increase in bond issues is noted in the item of bonds issued for new capital, for the funding of floating debt and for the capitalizing of enterprises previously of a private character. It is to be noted that the new capital issues brought out during the year are chiefly of miscellaneous companies, there being but three or four railroad loans of large size included. A considerable amount of new money, however, has been put in railroad securities as a result of a number of successful railroad reorganizations.

The total amount of stock issues listed for the year was 1,481 millions, an increase of approximately 541 millions over the 1916 aggregate of 967 millions. In this class of investment a total of 617 millions is recorded for stock issued for new capital, &c.

The principal note issues as compiled at the end of this article show the greatly enlarged total of \$729,872,200 as compared with a total of but \$225,241,400 in 1916. This total, of course, includes to a large extent notes issued for the extension or renewal of maturing notes. Note issues, it will be recalled, are not only not usually listed themselves, but serve to a greater or less degree to reduce the volume of stock and bonds that would normally be presented for listing on the Exchange.

Following is our usual ten-year listing table:
LISTINGS ON NEW YORK STOCK EXCHANGE.

Bonds.	Issues for New Capital, &c.		Replacing Old Securities.		Total.
	\$	%	\$	%	
1917	1,349,656,350*	64.445,000	212,702,200	1,626,353,550	
1916	1,595,330,000*	25,925,000	300,751,000	1,829,186,000	
1915	451,864,514	40,539,000	48,793,756	541,192,300	
1914	331,770,867	5,000,000	122,222,333	458,993,000	
1913	447,815,200	25,000,000	175,250,900	648,066,100	
1912	417,675,900	207,300,850	654,977,750	1,279,954,500	
1911	397,563,800	35,122,000	148,148,000	580,834,400	
1910	571,526,500	52,003,300	184,627,400	808,157,200	
1909	712,734,963	8,479,000	377,742,537	1,098,956,500	
1908	648,869,500	95,794,000	128,294,500	872,958,000	
Stocks.					
1917	616,957,245	139,877,552	724,450,548	1,481,285,345	
1916	479,284,618	69,781,875	418,186,265	967,161,758	
1915	319,506,950	96,127,390	323,691,500	739,325,840	
1914	139,383,000	—	441,413,360	571,796,360	
1913	264,714,115	—	347,279,115	611,993,230	
1912	463,935,140	193,956,217	503,139,433	1,161,030,790	
1911	255,897,215	38,000,000	249,717,615	543,614,830	
1910	304,681,500	467,175,700	467,644,255	1,239,501,455	
1909	297,253,037	363,701,600	664,571,448	1,325,526,085	
1908	123,977,000	248,780,200	141,169,350	513,926,550	

Note.—Applications for the listing of trust company receipts and of securities marked "assented" (if preparatory to reorganization), or of securities stamped "assumed" or "assessment paid"—the securities themselves having previously been listed—are not included in this table.

* Government loans are included in the above.

Year.	BONDS.			STOCKS.		
	Railroad.	Electric Ry.	Miscell.	Railroad.	Electric Ry.	Miscell.
1917	\$ 525,320,250	\$ 17,897,000	\$ 447,636,300	\$ 623,507,050	\$ 31,951,365	\$ 825,326,920
1916	337,899,500	43,119,000	178,687,500	161,185,600	52,903,635	753,072,523
1915	325,555,100	23,810,000	191,727,200	367,827,670	140,403,200	481,095,370
1914	314,933,800	14,515,000	129,494,200	346,016,100	50,065,100	175,715,160
1913	281,291,000	183,611,000	153,144,000	242,809,050	13,139,000	357,044,580
1912	209,732,900	34,100,000	248,670,500	136,034,100	109,405,900	915,590,790
1911	298,004,900	177,401,500	267,823,350	304,889,550	141,226,600	297,498,680
1910	444,167,700	53,679,000	310,315,800	361,865,490	9,763,500	808,072,585
1909	770,500,700	37,319,000	291,116,300	742,503,115	11,002,500	599,015,470
1908	506,160,000	65,076,000	301,722,000	200,502,600	2,417,600	411,007,250
1907	267,992,000	16,073,000	136,749,000	146,750,800	20,443,400	408,837,350

Railroad bonds issued for the year total 525 millions as compared with a total for the year 1916 of 337 millions. Chief among the issues of this class are the \$65,000,000 General 4½% bonds, Series A, of the Pennsylvania RR. issued to retire the 10-year Convertible 3½% bonds; \$25,000,000 Chicago Milwaukee & St. Paul General Refunding bonds, issued for improvements, &c.; \$20,000,000 Western Pacific 1st 5s, Series A, issued for improvements, extensions, &c. The new issues of both the Missouri Pacific RR. and the St. Louis-San Francisco RR., both reorganized companies, are found among the important securities listed during the year.

The miscellaneous bond listings for the year, totaling 447 millions, are notable largely for capital purposes, there being a considerable number representing issues put out for improvements, betterments, additions and the like. Principal among this class are: American Tel. & Tel. Co., \$80,000,000 30-year Collateral Trust 5% bonds; American Smelting & Refining Co., \$31,000,000 First 5% bonds, Series A, issued to acquire the preferred shares of the "Securities Co.," Bethlehem Steel Co., \$22,000,000 Purchase Money & Improvement 5s; Chile Copper Co., \$35,000,000 Collateral Trust 6s, Series A; International Mercantile Marine, \$40,000,000 First Collateral Trust 6s, issued under the plan for the reduction of funded debt; United States Rubber Co., \$60,000,000 First & Refunding 5s, Series A, issued chiefly for funding and refunding.

Included in the list of railroad stock listed is the Pittsburgh Cincinnati Chicago & St. Louis (Consolidated Co.) capital stock, \$80,000,000; Western Maryland common stock, \$40,000,000 and the \$77,000,000 common (the entire stock of the reorganized company) and the \$45,000,000 preferred stock v. t. c. of the Missouri Pacific RR., reorganized company. Another large railroad stock issue is that of the Chicago & North Western Ry., \$15,000,000 issued for construction, improvements, &c.

In the miscellaneous stock issues the \$100,000,000 issue of capital stock of the Midvale Steel & Ordnance Co. is noteworthy, as having been issued in connection with the merger prompted by the war, as are also the issues of the American Tel. & Tel. Co., \$39,000,000, issued for corporate purposes, and the \$49,000,000 stock of the American International Corp., issued in furtherance of the plan for the development of the country's foreign trade in many diversified lines. We may also mention the \$25,000,000 stock of the Ohio Cities Gas Co., issued to acquire the assets, &c., of the Pure Oil Co.

GOVERNMENT LOANS LISTED AND AUTHORIZED TO BE LISTED DURING 1917.

City of Bordeaux Temporary 3-year 6s.....	\$12,000,000
City of Paris Municipal Ext. Loan 5-year 6s.....	50,000,000
City of Lyons Temporary 3-year 6s.....	12,000,000
City of Marseilles Temporary 3-year 6s.....	12,000,000
United Kingdom 5-year notes.....	150,000,000
Three-year notes.....	150,000,000
Two-year notes.....	150,000,000
One-year notes.....	100,000,000
Total.....	\$636,000,000

It must be borne in mind that the above items represent securities listed during the past year. There were many other new loans not listed which cannot properly be included in this compilation. The large issues of the two Liberty loans dealt in on the Stock Exchange have not as yet been regularly listed, and the amount, therefore, is not given.

The purposes on account of which the several blocks of corporate bonds listed during the year were issued are seen from the following:

RAILROAD BONDS—FIRST SIX MONTHS OF 1917.

Table with columns: Company and Class of Bonds, Amount, Purpose of Issue. Includes entries like Ala Great Southern 1st cons 6 1/2, Balto & Ohio 1st 50-year 4 1/2, Buff Roch & Pitts Ref 4 1/2, etc.

RAILROAD BONDS, SECOND SIX MONTHS OF 1917.

Table with columns: Company and Class of Bonds, Amount, Purpose of Issue. Includes entries like Atl & Charlotte Air Line 1st 5 1/2, Baltimore & Ohio RR, Toledo & Cincinnati Div, etc.

ELECTRIC RAILWAY BONDS, FIRST SIX MONTHS OF 1917.

Table with columns: Company and Class of Bonds, Amount, Purpose of Issue. Includes entries like Interborough Rap Tran 1st ref 5 1/2, New York State Rys 50-yr 1st 4 1/2, Washington Wat Pow Co 1st ref 5 1/2.

ELECTRIC RAILWAY BONDS, SECOND SIX MONTHS OF 1917.

Table with columns: Company and Class of Bonds, Amount, Purpose of Issue. Includes entries like Pacific Gas & Elec gen ref 6 1/2.

MISCELLANEOUS BONDS FIRST SIX MONTHS OF 1917.

Table with columns: Company and Class of Bonds, Amount, Purpose of Issue. Includes entries like Amer Tel & Tel Co 30-yr Temp, Armour & Co Real Est 1st M 4 1/2, Central Foundry Co 1st M 6 1/2, etc.

MISCELLANEOUS BONDS SECOND SIX MONTHS OF 1917.

Table with columns: Company and Class of Bonds, Amount, Purpose of Issue. Includes entries like Am Smelt & Ref 1st 5 1/2 Ser A, Bethlehem Steel Co purch money, Cincin Gas & El Co 1st ref 5 1/2, etc.

RAILROAD STOCKS FIRST SIX MONTHS OF 1917.

Table with columns: Company and Class of Stock, Amount, Purpose of Issue. Includes entries like Atch Top & Sante Fe com stock, Chicgo & North West Ry com stk, New York Central RR capital stk, etc.

Table with columns: Company and Class of Stocks, Amount, Purpose of Issue. Includes entries like Southern Ry common stock, Preferred stock, Western Maryland Ry 4 1/2 2d pref, etc.

x During the year the stock certificates of the New York Central RR. have been in process of exchange for the certificates of the old New York Central & Hudson River RR. On Dec. 31 1917 the stock of the New York Central RR. listed aggregated \$127,185,200 against \$92,320,300 in Jan. 1917, the increase, except a small amount of \$253,000, being due to the aforesaid process of exchange. The offer of \$25,000,000 new stock to shareholders was withdrawn owing to market conditions.

RAILROAD STOCKS SECOND SIX MONTHS 1917.

Table with columns: Company and Class of Stock, Amount, Purpose of Issue. Includes entries like Atch Top & Sante Fe com stock, Chic R I & Pac—Temporary etfs, Common stock, etc.

ELECTRIC RAILWAY STOCKS FIRST SIX MONTHS OF 1917.

Table with columns: Company and Class of Stock, Amount, Purpose of Issue. Includes entries like Detroit United Ry capital stock, Interboro Consolidated, Common stock, etc.

ELECTRIC RAILWAY STOCKS SECOND SIX MONTHS OF 1917.

Table with columns: Company and Class of Stock, Amount, Purpose of Issue. Includes entries like Havana Elec Ry, L & P pref stock, Interb Cons Corp, etc.

MISCELLANEOUS STOCKS FIRST SIX MONTHS OF 1917.

Table with columns: Company and Class of Stock, Amount, Purpose of Issue. Includes entries like Acme Tea Co 1st pref, Ajax Rubber Co, Inc, capital stock, Amer Ice Co 6 1/2 non-cum pref stk, etc.

MISCELLANEOUS STOCKS SECOND SIX MONTHS.

Table with columns: Company and Class of Stock, Amount, Purpose of Issue. Lists various companies like Amer International Corp, Amer Shipbuilding Co, etc.

Miscellaneous (Continued) table with columns: Int., Date, Maturity, Amount. Lists companies like General Refining & Producing Co, Gillette Safety Razor Co, etc.

* Indicates listing of stock of no par value. Amount given is "declared" value.

PRINCIPAL NOTE ISSUES NOT LISTED FIRST SIX MONTHS 1917.

Table with columns: Railroad and Electric Ry., Int., Date, Maturity, Amount. Lists various railroad and electric companies.

NOTE ISSUES NOT LISTED, SECOND SIX MONTHS 1917.

Table with columns: Railroad and Electric Ry., Int., Date, Maturity, Amount. Lists various railroad and electric companies.

TAXABILITY OF STOCK DIVIDENDS UNDER INCOME TAX LAW.

We referred last week to the decision of the U. S. Supreme Court in the case of Henry R. Towne, of the Yale & Towne Manufacturing Co., against Mark Eisner, Internal Revenue Collector, involving the question of the taxability of stock dividends.

The question which arises is whether the Supreme Court will sustain the Internal Revenue Department in this differentiation. In the following, Louis H. Porter, who conducted the suit for Mr. Towne (Charles E. Hughes, George Welwood Murray and Charles P. Howland being associated with him in the argument before the Supreme Court) goes at length into the merits of the contention of the Internal Revenue Department.

The recent decision of the Supreme Court in the suit of Towne vs. Eisner has been generally accepted by newspaper writers as exempting stock dividends from income tax, not only under the law of 1913, but also under the laws of 1916 and 1917.

par value, of new stock. This new stock was distributed in January 1914. The earnings of the corporation thus capitalized were all earned prior to Jan. 1 1913, and thus before the adoption of the Sixteenth Amendment to the Federal Constitution, which authorized Congress to lay a tax on incomes without apportioning the total amount of the tax to be collected among the several States according to their respective populations.

Mr. Towne was a substantial stockholder in the company, and duly received the new shares of stock. The Treasury Department held that this new stock constituted income to Mr. Towne, which was taxable under the Income Tax Law of 1913, the stock being valued for this purpose at par. Mr. Towne paid the tax under protest; and having complied with the necessary formalities, brought suit to recover back the amount of the tax.

The District Court sustained the Government, and held that this stock was taxable income to Mr. Towne, both within the meaning of the Sixteenth Amendment to the Constitution and of the Income Tax Law of 1913. A writ of error to review this judgment was taken direct to the Supreme Court.

Such a direct appeal to the Supreme Court can only be taken, without an intermediate appeal to the Circuit Court of Appeals, if a substantial constitutional question is directly and necessarily involved in the decision of the lower court. On the appeal in Mr. Towne's case the Government contended that the sole question presented was the meaning of the word "income," and whether it was broad enough to include a stock dividend; that this was a matter of construction of the tax law of 1913 and did not necessarily raise a constitutional question. The Government accordingly moved to dismiss the direct appeal on this ground.

The Court held on this question that a word (that is, in this case, the word "income") might have a different meaning when used in the Constitution from that which it had when used in the statute; and that viewed solely from the standpoint of the Government's motion to dismiss the appeal, the stock in question might be taxable income within the meaning of the statute, and yet not taxable income within the meaning of the Constitution; and as the sole ground upon which the Government justified the retention of the money it had taken from the plaintiff was that the statute, properly construed, justified such taking, the plaintiff had a right to invoke the protection of the Constitution; and that this properly raised a constitutional question and authorized a direct appeal to the Supreme Court. The Court pointed out that the case being properly before it, could be decided by it on any ground, and that they had the power not only to construe the Constitution, but also the statute.

On Jan. 8 1918 the Supreme Court reversed the judgment of the District Court, and held that the shares of stock received by Mr. Towne in 1914 were not taxable income to him.

Is the ruling of the Commissioner of Internal Revenue correct? Under our system of government an executive officer is given no power to hold a statute unconstitutional. That privilege or duty is vested solely in the courts. And it is apparent that if an executive officer could properly disobey the direct mandate of a statute because he thought the statute unconstitutional, there would be an immediate end of constitutional government, and the substitution in its place of executive despotism. Until a court of proper jurisdiction has held a specific statute unconstitutional, the executive officers of the Government have no choice, but must observe the express terms of the statute. In the Towne case the Court held stock dividends were not taxable income under the law of 1913. But the laws of 1916 and of 1917 were not before the Court, and those acts in terms declare stock dividends are taxable income. Until a court holds these statutes invalid, the revenue officers must enforce them. Commissioner Roper's ruling is therefore clearly right.

To determine whether the popular view that stock dividends are not taxable income, even under the laws of 1916 and 1917, is correct requires a more careful analysis of the decision in *Towne vs. Eisner*. In taking the case to the Supreme Court there was strong probability (1) that the decision of the court below was erroneous and would be reversed, and (2) that the Court would confine its decision to the precise point presented in the case and would not necessarily announce general rules of law to control the decision of cases not then before it. The Court could, on the facts in the Towne case, reverse the judgment on any one of the following grounds:

1. The resolutions of the Yale & Towne Manufacturing Company did not denominate the stock distribution as a stock dividend. While in substance the transaction had the characteristics of what is commonly called a stock dividend, it was in fact characterized by the Company as a recapitalization. The Court could have held that because of the particular facts in the case, the stock did not come within the language of the Act of 1913. This decision would have been of substantially no importance as a precedent, and would have avoided deciding any general rule of law.

2. It is a familiar canon in the construction of a statute that if it is amended by the insertion of particular words in a later statute, such words are not to be considered as even impliedly present in the original statute. For example, a statute forbade the sale of intoxicating liquors in the Indian Territory. A man was indicted for selling lager beer in the prohibited area. Thereafter the statute was amended by adding a list of prohibited liquors, wherein lager beer was included. The Supreme Court held that the amendment, by expressly including lager beer, gave a conclusive construction that Congress had not intended the original act to include lager beer. So in the Towne case, the Court could have held that by expressly including stock dividends as taxable income in 1916, Congress had declared a construction that they were not such under the law of 1913. Such a construction would have established a rule for all stock dividends taxable under the Act of 1913, but would have had no effect on the laws of 1916 and 1917.

3. The Act of 1913 imposed a tax on all income arising or accruing during the preceding calendar year. The income to the corporation which was capitalized by the stock dividend all accrued prior to 1913. No part of the stock received by Mr. Towne represented earnings which had accrued subsequently to the adoption of the Sixteenth Amendment. The Acts of 1916 and 1917 expressly recognize the impropriety and doubtful constitutionality of taxing stock dividends representing earnings prior to 1913, and exempt them from these later income taxes. The Court could have held that the stock received by Mr. Towne represented earnings or income which had accrued to him before the taxable year, or even before the adoption of the Sixteenth Amendment, and were therefore not taxable under the terms of the Act itself. Such a construction would have been consistent with the intentions of Congress as expressed in the later statutes, and would only have affected the relatively small groups of corporations whose distributions represented in fact the earnings of years prior to 1913.

4. Finally, the Court could consider the essential and real nature of a stock dividend, and could find that this was not in any sense income, but capital, and therefore not subject to taxation except subject to the rule of apportionment according to population. On this question there is an apparent conflict between the various State courts, the cases usually arising in trust estates where one person receives the income for life, and the principal or capital goes to another person at his death. More than twenty years ago in such a case the Supreme Court had held that in the Federal Courts a stock dividend was to be considered capital going to the remainderman, and not income going to the life tenant. The Court below distinguished this case on the ground that the rule adopted was merely one of convenience as between individuals, and was not applicable as between the Government and a tax payer.

The actual decision of the Court in the Towne case went directly at this broad and fundamental point. Mr. Justice Holmes said in his opinion:

Notwithstanding the thoughtful discussion that the case received below, we cannot doubt that the dividend was capital as well for the purposes of the income tax law as for distribution between tenant for life and remainderman. What was said by this Court upon the latter question is equally true for the former. "A stock dividend really takes nothing from the property of the corporation, and adds nothing to the interests of the shareholders. Its property is not diminished, and their interests are not increased. . . . The proportional interest of each shareholder remains the same. The only change is in the evidence which represents that interest, the new shares and the original shares together representing the same proportional interest that the original shares represented before the issue of the new ones." *Gibbons vs. Mahon*, 136 U. S. 549, 559, 560. In short, the corporation is no poorer, and the stockholder is no richer than they were before. *Logan Co. vs. U. S.*, 169 U. S. 255, 261.

This language was not in terms directed to a construction of the word "income" in the Sixteenth Amendment to the Constitution; neither was it in terms limited to the meaning of the word as used in the statute. The Court could have declared that stock dividends were not income within the meaning of the Sixteenth Amendment, and that would have settled the question for subsequent laws. It could have

declared that stock dividends were not income under the statute of 1913, but that they did not find it necessary to decide whether they could be income under the Sixteenth Amendment. This would have left the question open under the subsequent Acts, and would have been in conformity with the practice often followed by the Supreme Court.

In fact, it did not limit its decision in either of these ways. The Court holds broadly that for purposes of taxation a stock dividend is capital and not income. At the time the decision was rendered the Court knew of the provisions in the Acts of 1916 and 1917. It was certain that it would shortly be required to pass on the stock dividend provisions in these laws. If the Court believed that stock dividends could be taxed as income under the Sixteenth Amendment, or if they felt any doubt on the question, it seems improbable that in the Towne case they would unnecessarily have announced a general rule inconsistent with the constitutionality of the provisions of the laws of 1916 and 1917. I have indicated the various grounds upon which the Towne case could have been decided without establishing an embarrassing precedent. The fact that the case was decided on the broad fundamental ground of the essential nature of a stock dividend seems a strong indication that the Court intended this case to settle the question permanently, and that the stock dividend provisions of the laws of 1916 and 1917 will be held unconstitutional when directly presented for determination.

LOUIS H. PORTER.

J. P. MORGAN & CO. CONTINUE SALE OF BRITISH TREASURY BILLS.

J. P. Morgan & Co. during the past week offered for sale another block of \$15,000,000 of ninety-day British Treasury bills. The notes, as has been the practice during the past several weeks, continue to be sold on a discount basis of 6%. It is understood that the present week's offering was fully taken up. The total amount of bills outstanding, it is understood, aggregates approximately \$100,000,000.

FRENCH LOAN TO UKRAINE.

A loan by the French Government to the Ukraine of 2,000,000 rubles in gold was reported in a dispatch from the Odessa correspondent of the London "Times" dated Jan. 11, according to an Associated Press cable from London on Jan. 15. It is also stated that the French Mint has printed a large quantity of Ukraine paper money. We quote further from the London cable as follows:

Gen. Vinnichenko, president of the Ukraine Secretariat, it is added, in the course of a long report to the Rada, declared that France, the United States, Great Britain, Belgium, and Rumania were interested greatly in the organization of the Ukraine republic. He added: "As circumspect people, they hesitate to recognize the republic completely, but when they find it expedient they will extend us their hands, which we will accept, if we think it necessary."

Gen. Vinnichenko described the Ukraine as an oasis of order and constitutional policy, saying: "One constantly hears that the regeneration of the Muscovite monarchy is impossible, and, therefore, perhaps the Ukraine will appear also as an oasis of revolutionary conquest."

The correspondent of the "Times" says that the feeling of Rumanians toward the Russians is embittered greatly. The Rumanians feel that they have been thrice betrayed by Russia; first by the Czar's Government, next by the Provisional Government, and now, worst of all, by the Bolshevik Government.

BRITISH GOVERNMENT TO TAKE OVER PAYMENT OF RUSSIAN CREDITS.

Announcement that the British Government had arranged to take over the payment of Russian credits and Treasury bills, maturing this month, in exchange for three-year Exchequer bonds, was made by Andrew Bonar Law, Chancellor of the Exchequer, in the House of Commons on Jan. 17. The dispatch reporting this said:

At the present market value the Exchequer bonds are worth about 82. The effect of the Government's program is that the Treasury assures the holders of this paper against loss at a premium of 18%. The total cost to the Government, the Chancellor said, would be £17,500,000.

The bills for which the British Government has assumed responsibility according to the announcement of Bonar Law, are Treasury bills issued on behalf of Russia through the Bank of England, which mature Jan. 28, and bills drawn under a credit commercial arrangement by the Russian Finance Minister through the Bank of England in 1915.

The Chancellor of the Exchequer explained that the Government had no direct responsibility in the matter, but in view of the serious consequences to holders and acceptors of these bills through the financial disturbance between England and Russia, the Government had decided to assume their rights against the drawers and guarantors.

ITALIAN DECREE PROHIBITING PAYMENTS TO PERSONS ABROAD.

An Italian decree respecting payments to persons abroad prohibits banks from according exchange facilities without previously ascertaining the ends for which such exchange

are intended to be used. The "Official Bulletin" of Jan. 14 reprints the decree as follows from the British (Government) "Trade Journal":

An Italian decree of Nov. 25 prohibits payments to persons abroad, with certain exceptions. Article 1 of the decree prohibits the export of bills checks, drafts, &c. and the granting of credit to foreigners unless for the purpose of paying for goods the importation of which has been permitted, or for the liquidation of debts due, or for the procuring of foodstuffs for persons residing abroad who have their property in Italy. Other exceptions to the prohibition may be made by the Treasury in cases of acknowledged necessity.

Applies to Bank Credits.

Banks, credit institutions, and all institutions negotiating foreign exchange are consequently prohibited from giving exchange facilities without having previously ascertained the ends for which such exchange is intended to be used; they must exact from the assignee an assurance that it is actually for the necessary purposes referred to in the preceding paragraph, even when such facilities are given to other institutions, exchange agents, or banks.

Entry must be made in the exchange register instituted by virtue of the decrees of Aug. 23 and Sept. 2 of the reason for each case in which facilities are granted.

Article 2 provides that whoever is compelled to keep an exchange register must make a declaration to the Treasury within 15 days of the publication of the present decree.

Effect on Goods Exported.

Under article 3 the exportation of goods abroad is made subject to the proviso that for all sales effected after the date of publication of the present decree the relevant price must be fixed and must be remitted in the currency of the purchasing country or the country of destination. Exceptions may be made to this provision by the Treasury in agreement with the Minister of Finance.

Article 4 provides that persons infringing the provisions of the decree shall be subject to a fine not exceeding three times the value of the operations. Omission to carry out the instructions prescribed by the last paragraph of Article 1 regarding the exchange register, or to make the declaration required by Article 2 shall be punished by a fine.

CANADIAN ISSUES SOLD WITHOUT KNOWLEDGE OF REGULATION REQUIRING GOVERNMENT APPROVAL LEGALIZED BY NEW ORDER.

Supplementing the Canadian Order in Council passed Dec. 22 whereby the issuance and sale of securities is permitted only with the approval of the Minister of Finance, a later Order in Council has been promulgated so as to make legal sales of securities since sold without knowledge by the parties concerned of the regulations of last month. The following is the new Order in Council:

AT THE GOVERNMENT HOUSE AT OTTAWA.

Wednesday, Jan. 9 1918.

Present: His Excellency the Administrator in Council.

Whereas the Minister of Finance reports that he is informed that securities have been issued and sold without the certificate of approval required by the regulations enacted by the Order in Council of the 22nd day of Dec. 1917 (P. C. No. 3439), such issues having been made and securities sold and purchased by the parties concerned without knowledge on their part of the said regulations;

And whereas in the case of these issues there would have been no objection, in the public interest, to the granting of a certificate of approval if it had been applied for and, as the effect of the said Order is to make the securities illegal and the several parties liable to penalties, and as there may be other causes of a similar nature of which the Minister of Finance has not been advised, or which may arise in the future: it is therefore deemed desirable that the regulations should be amended and the following regulations enacted and made—

Therefore His Excellency in Council, on the recommendation of the Minister of Finance and in virtue of the powers in that behalf conferred by the War Measures Act, 1914, or otherwise vested in the Governor-General in Council, is pleased to make the following regulations and the same are hereby made and enacted accordingly.

Regulations.

1. Notwithstanding any provisions to the contrary in the regulation enacted by the Order in Council of the 22nd Dec. 1917 (P. C. 3439), the Minister of Finance shall have power to give his certificate of approval for the offering and sale within Canada of any bonds, debentures or other securities or shares of capital stock referred to in said regulations after the same have been issued, offered, advertised for sale, sold, purchased, agreed to be purchased, mortgaged or pledged, or any right or interest therein has been parted with or acquired and such certificate, or proper evidence of the issue thereof, shall be conclusive evidence that the offering and sale within Canada of the bonds, debentures or other securities or shares of capital stock mentioned in such certificate was duly authorized and approved by the said Minister; and that the issuing, offering, sale, advertising for sale or otherwise dealing with such securities or shares, or any right or interest therein, was not done in contravention of the said regulations, and did not constitute an offence thereunder.

2. The Minister of Finance may grant his certificate of approval as aforesaid with respect to any bonds, debentures or other securities or shares of capital stock referred to in the said regulations which have been or may be issued on or after the said 22nd day of Dec. 1917.

3. The powers conferred upon the Minister of Finance by the said regulations and by these regulations may also be used and exercised by a Minister acting for, or, if the office is vacant, in the place of the said Minister, and also his successors in such office and his or their lawful deputy.

RODOLPHE BOUDREAU,

Clerk of the Privy Council.

UNITED STATES LOANS ADDITIONAL \$2,000,000 TO SERBIA.

The United States Government on Jan. 12 made a further loan of \$2,000,000 to Serbia, bringing the total of credits so far advanced to that country up to \$6,000,000. The total of all loans to all the Allies now stands at \$4,238,400,000.

DRAFTING OF DECREE NULLIFYING RUSSIAN DEBTS.

London advices under date of Jan. 14 stated that the Council of Commissaries at Petrograd, according to a Reuter dispatch, had drafted the proposed decree concerning the national debt. All national loans, issued by the Imperial and bourgeois Governments, it is said, are declared null and void. All domestic loans, held by foreigners, are to be annulled without reservation. The only loans to be declared valid are short term loans and the series of the national treasury.

NEW ISSUE OF \$400,000,000 TREASURY CERTIFICATES OF INDEBTEDNESS.

Secretary of the Treasury McAdoo on Jan. 17 took what is regarded as his first step in preparation for the Third Liberty Loan, when he announced that he would receive subscriptions to a new offering of \$400,000,000 of Treasury certificates of indebtedness, bearing interest at 4% from Jan. 22, and payable April 22. Subscriptions to the new issue of certificates will be received by Federal Reserve Banks at par and accrued interest until Jan. 29, and payment must be made on that date. The certificates will be received in payment of Third Liberty Loan subscriptions. They will be issued in denominations of \$1,000, \$5,000, \$10,000 and \$100,000, and are exempt from all Federal, State and local taxes, except estate and inheritance taxes, income surtaxes and excess profits taxes. Secretary McAdoo on the latest offering of certificates, reserves the right to reject any subscriptions, to allot less than the amount applied for, to close the subscription books at any time, and to redeem the certificates before their maturity date. Regarding the new issue of certificates, a special dispatch to the New York "Times" on Jan. 17 said:

The announcement of the new certificate issue was interpreted as the first financial step in the preparation for the Third Liberty Loan. The certificates will be received in payment of Third Liberty Loan subscriptions. The arrangement of the payment on the certificate issue indicates that the first payment on the Third Liberty Loan will be on or about April 22, and that if the same plan of installment payments is maintained for the Third as for the Second loan, the bond-selling campaign will be in March.

SUBSCRIPTIONS TO TREASURY CERTIFICATES OF INDEBTEDNESS AGGREGATE ABOUT \$940,000,000.

Secretary of the Treasury McAdoo on Jan. 15 announced that subscriptions had been received and allotted up to that time for about \$250,000,000 of the issue of Treasury certificates of indebtedness, dated Jan. 2 and maturing June 25 1918, which makes the total issue of certificates maturing June 25 1918 about \$940,000,000. A statement issued by the Federal Reserve Bank of New York on Jan. 16 regarding the Secretary's announcement said:

Secretary McAdoo announced that subscriptions have been received and allotted for \$250,000,000 of the issue of Treasury certificates of indebtedness, dated Jan. 2 and maturing June 25 1918, which makes the total issue to date of certificates maturing June 25 1918, about \$940,000,000.

These certificates have been issued with a view to sale to those having income and excess profits taxes to pay and to avoid concentration of tax payments on one date. The sale of so large an amount more than five months before the taxes are due is very gratifying.

The Secretary has directed the Federal Reserve Banks to continue to receive subscriptions for certificates of this issue at par and accrued interest and until further notice to make allotment in full in the order the subscriptions are received still reserving the right, however, to close the issue at any time, to reject any subscriptions and to allot less than the amount subscribed for.

FINAL INSTALLMENT ON SECOND LIBERTY LOAN PAID IN AT FEDERAL RESERVE BANKS.

The final instalment of 40% on the Second Liberty Loan fell due and was paid in at the various Federal Reserve Banks on Jan. 15. Allotments to the extent of 40% for the Second Liberty Loan would call for about \$1,500,000 as the Government sold \$3,808,000,000 of the 4% bonds. However, many subscribers had anticipated their bond payments, and, as a matter of fact only \$355,000,000 was left to be paid in on the 15th throughout the whole country. At the Federal Reserve Bank of New York about \$55,000,000 fell due and, at the close of business on Jan. 17, it was stated at the local Reserve Bank that about \$1,400,000 was still outstanding mainly from out-of-town institutions.

MARYLAND BOND MEN'S ASSOCIATION TO FURTHER LIBERTY BOND SALES.

Preliminary to the issuance of the third Liberty Loan the Maryland Bondmen's Association has been formed in Baltimore, the new body having for its chief object the institution of steps looking toward increased efforts in the campaign for the sale of the coming and subsequent issues.

The organization was perfected at a meeting on Jan. 11 of 75 bond salesmen representing the leading investment houses and trust companies. The officers of the new association are:

President T. Stockton Matthews, of Robert Garrett & Sons; Vice-Presidents E. Boyce, of Colston, Boyce & Co.; James H. Brady, Jr., of Strother, Brogden & Co.; William T. Henning, Townsend Scott & Son; Clarence I. Reynolds, Mercantile Trust & Deposit Company; W. N. Stromenger, Alexander Brown & Sons; Robert B. Turner, A. B. Leach & Co.; J. Harold Wheeler, Jr., Middendorf, Williams & Co.; Treasurer, George G. Shriver, Hambleton & Co.; Secretary, Benjamin Dobson, W. W. Lanahan & Co.

The gathering was addressed by Governor Goldsboro, who was elected the first honorary member of the association. With its organization the association sent the following telegraphic advices to Secretary of the Treasury McAdoo:

The Maryland Bondmen's Association was formed last night in Baltimore City under the most enthusiastic conditions. This association feels that its first duty is to its country and desires its first official action to be a tender of the entire association's services to you in the distribution of the coming Liberty Loan.

LOANS BY NATIONAL BANKS TO DEALERS IN COMMODITIES REQUIRING LICENSES.

A circular bearing on the making of loans to concerns dealing in commodities requiring licenses was addressed to the national banks by Comptroller of the Currency John Skelton Williams, on Dec. 24. In accordance with the regulations of the Food Administrator, the Comptroller suggests that such loans be limited to a maximum of 70% of the market value of said commodity, and that a margin of not less than 30% be maintained at all times. We give the Comptroller's circular herewith:

Washington, December 24 1917.

To All National Banks:

Your attention is directed to Rule 5 of the Rules and Regulations Governing Licensees Engaged in Business as Cold Storage Warehousemen, promulgated by the United States Food Administrator, with the approval of the President, on Nov. 1 1917.

Rule 5 reads as follows:

"The licensee in making loans, either directly or indirectly, to patrons or other persons concerned, on commodities required to be licensed, or who shall become liable on notes covering such loans by indorsement, guarantee or otherwise, shall limit the amount of such loans, including all advance charges, to a maximum of 70% of the market value of the said commodity on the date of the said loan. A margin of not less than 30% on all such loans and advance charges shall be maintained at all times."

A list of the commodities required to be licensed and referred to in the rule above quoted is appended. The United States Food Administrator requests the co-operation of the national banks looking to the observance of this rule.

In making loans on the security of the commodities required to be licensed, as shown in the following list, it is suggested that the national banks require a margin of security in accordance with the rule of the Food Administration applying to cold storage warehousemen.

Respectfully,

JNO. SKELTON WILLIAMS, Comptroller of the Currency.

List of Commodities Required to be Licensed.

- | | |
|--|---|
| Wheat, wheat flour, rye & rye flour; | Oleomargarine, lard, lard substitutes, |
| Barley and barley flour; | oleo oil and cooking fats; |
| Oats, oatmeal and rolled oats; | Milk, butter and cheese; |
| Corn, corn grits, cornmeal, hominy, | Condensed, evaporated and powdered milk; |
| corn flour, starch from corn, corn oil, corn syrup and glucose; | Fresh, canned and cured beef, pork and mutton; |
| Rice, rice flour; | Poultry and eggs; |
| Dried beans; | Fresh and frozen fish; |
| Pea seed and dried peas; | Fresh fruits and vegetables; |
| Cottonseed, cottonseed oil, cottonseed cake and cottonseed meal; | Canned: peas, dried beans, tomatoes, corn, salmon and sardines; |
| Peanut oil and peanut meal; | Dried: prunes, apples, peaches and raisins; |
| Soya bean oil, soya bean meal, palm oil and copra oil; | Sugar, syrups and molasses. |

NEW YORK FEDERAL RESERVE BANK'S NOTICE OF WITHDRAWAL OF GOVERNMENT FUNDS.

Notice to depository banks and trust companies that there would be further withdrawals of Government funds on Jan. 18, was issued this week by the Federal Reserve Bank of New York in its capacity as fiscal agent for the Government. The New York "Times" of Jan. 17 in reporting this, added:

On Tuesday there were considerable withdrawals, and after to-morrow's transfers, the only funds remaining with the banks will be the money received in payment of the final Liberty Loan installment early this week, and the proceeds of the sale of the last issue of Treasury certificates of indebtedness. According to figures given out at the Reserve Bank yesterday, the Liberty Loan receipts from all banks in this district have thus far amounted to \$44,000,000, of which \$37,000,000 was in the form of book credits and the balance in cash. At the close of business Friday, the Clearing House banks had Government deposits aggregating about \$126,000,000, but the total is much smaller now, despite the additions due to the Liberty Loan payments. The withdrawal of funds is believed to have been partially responsible for the advance to 6% in call money rates.

PROPOSED GOVERNMENT CONTROL OF SECURITY ISSUES.

At the instance of Secretary of the Treasury McAdoo the Federal Reserve Board is to pass on such financial undertakings of a public and private nature as may be submitted to it. Before making contracts requiring the use of labor and material, or before placing new securities or agreeing to

purchase new issues, Secretary McAdoo has urged bankers and corporations to confer with the Reserve Board in order that it may determine whether the proposed undertaking "is necessary for the public health and welfare or contributes directly toward winning the war." The following statement with regard to this has been issued by Secretary McAdoo:

In my annual report to Congress, dated Dec. 3 1917, I referred to the importance at this time of avoiding unnecessary capital expenditures in both public and private enterprises. While no specific authority has been conferred upon me to approve or disapprove new undertakings, a number of corporation executives, bankers and municipal officials, inspired by the idea that they should do nothing which would in any way retard our efforts in the prosecution of the war, have submitted to me plans for new enterprises or new issues of securities.

It is now apparent that the Government may count upon a full measure of co-operation on the part of the States, municipalities, and private corporations, with the result that a large number of such plans for future developments will be submitted from time to time. It, therefore, becomes necessary that each of these proposals receive adequate consideration and that a recommendation be made without delay as to the course to be pursued.

Pending action by Congress, I have requested the Federal Reserve Board to pass upon such proposals as may be submitted to them or referred to them by me, and advise whether or not such expenditures of capital or such issues of new securities should be made.

The Board has consented to undertake this responsible work, and I therefore strongly urge upon the corporations and the bankers of the country, that before making contracts requiring the use of labor and material, or before placing new issues of securities or agreeing to purchase new issues of securities, they confer with the Federal Reserve Board in order that it may determine whether the undertaking covered by the proposals is necessary for the public health and welfare, or contributes directly toward winning the war.

This is not alone a question of capital, but of material and labor. Public improvements or new private enterprises which in times of peace might be entirely proper, should now be considered in the light of, or in connection with, the great Governmental problems arising out of our military necessities. I am confident that I can count upon the cordial co-operation of all concerned in this great work of conserving our capital resources, so that we may devote them primarily to bringing victory and peace.

Coincident with the issuance of the above statement Associated Press dispatches from Washington on Jan. 11 stated that the regulation of the issue of practically all private securities would soon be proposed by the Government. The following details of the Government's plans were furnished in the dispatches:

Legislation now is being drafted by Administration officials in conference with members of Congress authorizing the Treasury to license each individual security issue, and to refuse approval to enterprises regarded as not essential to the conduct of the war. The exercise of this function would be assigned to the Federal Reserve Board, or some agency created by it, which also would pass on the priority of capital needs.

As a collateral plan, formation of a Government corporation to absorb any of the approved stock or bond issues, has been agreed upon tentatively.

A preliminary step, now being considered at the White House is issuance of a proclamation calling on Governors and Legislatures of all States, and county, city or other local officials, to cease making expenditures for public improvements not absolutely necessary and to refuse building or other permits, as far as possible, to private construction not contributing directly to prosecution of the war.

Secretary McAdoo discussed the whole question to-day with Treasury advisers and some definite action is expected within a week.

The result of the Government's undertaking would be far reaching. Not only bonds, stocks and other securities of big corporations would be affected, but building operations on a small scale probably would feel the effect of the tightening of capital. The Government would have a tight grip on the securities market, with power to indicate into which business ventures capital should be placed and from which it should be withheld until the war's end.

The necessity of Federal regulation of capital expenditures has been emphasized by Secretary McAdoo and other Government officials since the first Liberty loan, and the Secretary has declared that the Government must be prepared to absorb the supply of new capital available for investment during the war. This in turn made it essential, he said, that unnecessary capital expenditures should be avoided in public and private enterprises. Government control over securities should be both regulatory and constructive, in his opinion.

Steps to unify the nation's financial resources must be taken before the third Liberty loan, officials say, or the Government will find a mass of private issues of bonds, stocks and notes on the market in competition with its own war bonds, to the detriment of both Government and private financing.

Many corporations already have applied informally to Secretary McAdoo or the Federal Reserve banks for some sort of approval of their contemplated bond issues. Some represented that without this approval they could not find buyers, and that contractors declined to start construction jobs without better assurance that the capital would be forthcoming. This is said to be one of the principal contributing causes of the dulness of construction work recently, even with industries whose expansion is required by the war.

The Federal Reserve Board and Assistant Secretary Leffingwell, of the Treasury, have analyzed these applications and found a majority based on actual war needs for industrial extensions. Specific approval has been withheld, however, for lack of authority. This would be given by the bill now under consideration. Securities to which approval is refused would be barred from inter-State sale.

One plan contemplated, but said to have been abandoned, involved the use of the Federal Reserve Board's control of discount rate as an instrumentality in discriminating in favor of essential securities. The unfavorable feature of the plan was that it would have required the Federal Reserve System to deal in long term securities.

Some financial advisers of Secretary McAdoo advocate the organization of a Government corporation with perhaps \$500,000,000 capital, with power to buy and sell securities recognized by the Government as necessary to maintenance of financial health in the war emergency. They say this reservoir of capital would serve to establish confidence in the approved securities to such an extent that it probably would not be necessary to absorb any great proportion. The plan was suggested incidentally as a means of helping savings banks and similar institutions out of difficulties caused by low prices of securities. The corporation also

would absorb farm loan bonds, if necessary, eliminating the necessity of the special \$1,000,000,000 fund authorized by Congress for that purpose.

Private securities maturing this year are estimated unofficially at \$675,000,000 of which \$265,000,000 are of railroads, \$215,000,000 of public utilities and \$195,000,000 miscellaneous. A large proportion of these must be met by issue of new securities, special redemption funds not having been provided.

Comprehensive figures on railroad financial needs have been gathered by Inter-State Commerce Commissioner Daniels from reports ordered by Director-General McAdoo. Preliminary study of these shows that railroads contemplated extensive improvements this year to care for enormous war traffic, particularly for new terminal facilities. These requirements will be subjected to the same scrutiny as other enterprises requiring new capital, and non-essential improvements or extensions eliminated. Officials plan to emerge railroad financing with the general plan if Congress assents to organization of a big Government corporation. A \$500,000,000 appropriation for railroad equipment and extension is proposed in the pending railroad bill.

The Federal Reserve Board has paved the way for curtailment of loans to non-essential enterprises by appealing to banks to scan every application closely to ascertain whether it is necessary in view of war requirements. Conservation of credits as well as of materials has been preached persistently by Secretary McAdoo, and by Frank A. Vanderlip, director of the War Savings Campaign, and other financial leaders.

In announcing on Jan. 17 that the first efforts of the Federal Reserve Board to regulate the issue of private securities would be on a voluntary basis, Washington dispatches reported that bills now drafted would be introduced in Congress and pressed for enactment only if the Government is unable to shut off capital expenditures for non-essential enterprises by moral persuasion and patriotic appeal. A committee, consisting of Paul M. Warburg, C. H. Hamlin and Frederick A. Delano, members of the Reserve Board, undertook on the 17th to work out plans for effecting the voluntary regulation. The committee's recommendations will be submitted to the Board and to Secretary McAdoo. Meanwhile, it is stated, hundreds of requests for specific approval of contemplated securities issues are held without action, having been referred to the Board by Secretary McAdoo.

BILL AUTHORIZING GOVERNMENT TO PURCHASE \$200,000,000 OF FARM LOAN BONDS ACCEPTED BY BOTH BRANCHES OF CONGRESS.

The bill authorizing the Secretary of the Treasury to purchase \$100,000,000 of Farm Loan Bonds during each of the fiscal years ending June 30 1918 and June 30 1919 was passed by the House on Jan. 5. The adoption of the bill by the Senate as indicated in these columns Dec. 22 occurred on Dec. 18, after the acceptance by that body, on motion of Senator Weeks, of an amendment limiting the purchase to the present fiscal year. Another Weeks amendment adopted by the Senate and stricken out by the House provided that:

Until all bonds so purchased by the Secretary of the Treasury have been so redeemed or repurchased no loans in addition to those now approved shall be made by Federal Land banks, except under special rules prescribed by the Federal Farm Loan Board, limiting further loans from funds derived from the Treasury to those made for the sole purpose of increasing food products.

Both the Senate and House have adopted the conference report on the bill which provides for the Government taking over \$100,000,000 of the bonds of the farm loan banks each year for two years. The Senate receded from its disagreement and accepted the House bill on Jan. 10, and the House agreed to the report on Jan. 11.

Representative McFadden, in declaring in the House on the 5th that "there would appear to be no more reason for the purchase of the bonds on the part of the United States than there would be for the Government to purchase its own bonds in an endeavor to make a fictitious market for its own securities," had the following to say in part with regard to the legislation:

A little over a year ago we enacted the Farm Loan law. At that time I pointed out certain features of the bill which in my judgment would become unworkable. I might assume an attitude to-day of "I told you so." One or two of the vital points that I criticized at that time were that this system was cumbersome and that it would not work without Government aid. That position, I believe, has been thoroughly vindicated by the introduction of this measure to-day.

Now, let us look at this proposition. The first bank of the 12 that was organized under this system was organized in March 1917. The first loan under the system was made last June, after the declaration of war. Now, what has happened since that time? The Federal Farm Loan Bureau has received and approved and are obligated for \$105,000,000 worth of loans. They have sold through investment bankers approximately \$28,000,000 of these bonds on a 4¼% basis, or par plus a premium of 1¼%.

In answer to a question which I put to the Farm Loan Commissioner, interrogating him as to the theory upon which this law was predicated and enacted, that one-half of 1% would cover the cost of the operation of the system from the farmer to and including the sale of the bonds—in answer to my question as to whether or not they had kept within that limit, he informed me that the total cost had been 1 4-10% plus the 1¼% premium which was paid to the bond house, who paid par to the Farm Loan Bureau, making something like 2½% or 2¾% as the actual cost of the operation thus far, instead of one-half of 1%.

It seems to me that in the operation of the system thus far the Farm Loan Board have not exercised ordinary business acumen in the sale of

these bonds. These bonds appear to me to be a semi-Government obligation that should be put on a basis that would insure their sale to investors, and there would appear to be no more reason for the purchase of these bonds on the part of the United States than there would be for the Government to purchase its own bonds in an endeavor to make a fictitious market for its own securities.

Mr. Chairman, on the day that this bill came up for discussion, I introduced House resolution No. 206, calling upon the Secretary of the Treasury for information in regard to the Federal farm loan system.

I had no ulterior motive in doing this, but was prompted solely because of the lack of information in regard to this system. I felt that the members of the House should have other information than simply the letter of the Farm Loan Commissioner asking for an appropriation of \$200,000,000 before appropriating this vast sum of money in as critical a time as this and especially so when the people of this country are denying themselves and are patriotically subscribing for Thrift stamps and War Savings certificates, and Liberty bonds, and in addition are paying heavy taxes for the purpose of winning the war.

So far as I am aware, there is no concerted move which has for its object the breaking down of the Federal farm loan system. I am not opposed to the granting of loans to farmers for the purpose of increasing agricultural production, and I am not opposed to loaning to the farmers 50% of the valuation of their property, providing the loans are in accordance with the intentions of this Act. I am opposed to the operation of a system such as presented, which is under political control and domination, and which can not exist except by Government aid and support, which contention is fully justified by this bill.

Nor do I think that the farmers of this country are demanding or expecting in this critical period aid or assistance in this respect from the Government, and the enactment of this bill may be the basis of a serious criticism of this Congress and may be a factor in the sale of future Liberty bonds.

The farmers of this country are patriotic and are supporting the Government to the fullest extent of their ability in the production of crops and foodstuffs, and are furnishing their share of the man force for the army and navy, and will continue to do so in this crisis. I do not believe the farmer is asking nor does he expect to receive a more favorable rate of interest than the commercial interests of the country at this time are paying. I am, therefore, firmly of the opinion that if the Federal Farm Loan Board had seen fit to raise the rate of interest on its bonds offered to the public there would have been no difficulty in the flotation of these securities during the past six months.

I am told that because of the very great prosperity in the farming sections of the South and West there is ample money to invest in these bonds, but not at the rates quoted on Farm Loan bonds. Also that if the 12 banks had been permitted to do so (which privilege was withheld from them by the policy of the Farm Loan Board to sell the bonds) that large amounts could have been sold locally by them.

The very purposes that prompted the organization of this farm loan system in the first instance are being defeated by this legislation. The purpose of the plan was to furnish a system for the farmer to enable him to borrow from the investing public under Government supervision money on the same basis that commerce was getting it and not from the Government Treasury, and upon no other basis. Now, the Board after finding it impossible to sell these bonds to the investing public comes here and asks for an appropriation of \$200,000,000, and on top of that the Board, I understand, is asking that the maximum which can be loaned to any one borrower be raised from \$10,000 to \$25,000. The will mean an increase of applications from the well-to-do farmer and speculator, and still further demands upon the Treasury of the United States.

I lay no special claim to being more patriotic than the average member of Congress, but I do regard myself as fortunate wherein I represent a district which, while devoted almost exclusively to agriculture, yet at the same time no inflation in real estate values exists, as I will presently prove. I am, therefore, in a position to look at this important question from a sound economic viewpoint, not being carried off my feet by the terrible wall of the real estate speculator who paints the awful condition as resulting in case he fails to get into the Government crib with a pitchfork. I desire here and now to warn the members of the House that if they permit the establishment of this precedent all the schemers who favor Government aid will get into the crib, and there is no such thing as being able to satisfy this class once the door is open.

The fact that during the discussion of the bill in the Senate the proponents of this Farm Loan Act who had charge of the measure acquiesced in the amendment offered by Senator Weeks, and by unanimous consent the House is now considering the Senate bill as amended, which amendment limits the appropriation in this bill to \$100,000,000, and further provides that this money shall be used exclusively for the increase of agricultural production, I believe eliminates partisanship entirely in the discussion of this measure, at least so far as the Senate is concerned, and I sincerely trust that every member of Senate is concerned, and I sincerely trust that every member of this House will rise to the occasion and eschew all semblance of politics from the discussion of this important measure. This is not a political proposition, but an economic one, and should be considered and acted upon as such by this House.

History proves beyond all doubt that the class of people heretofore referred to have profited but by one argument, the sad argument of experience, after these teachings have brought ruin and destruction to the people. And the people of this century do not differ one bit from the people of the eighteenth century in which more harm was done by inflation than any century since the advent of Christian civilization. Every important country in Europe was ruined during that century as a result of the pernicious practices of inflation. And the injury was not confined to merely financial ruin, but moral as well. Corruption and crime have invariably attended such action.

It was during the reign of inflation in England—to be exact, in 1693—that Speaker Trevor was expelled from the House of Commons for accepting a bribe of 1,000 guineas to secure the passage of a bill introduced in Parliament for means of satisfying the debts due by the city of London to the orphans, by their orphans' fund, aggregating some \$3,000,000. It took them much longer to bring the disaster to England which they brought forth in France. The people of the latter country were only four years in gulping down the fallacies of John Law and causing the bursting of his "Mississippi Bubble."

If there is any question in the mind of any members of this House in regard to what inflation means, let him read the history of France from 1717 to 1721 and he will readily learn the evil effects.

I desire to call attention to a statement issued on Dec. 31 by the Federal Reserve Board, being an appeal to the people urging thrift, having reference to the heavy financial burden that rests upon the country at this time, and that the Nation must have goods, and urging the people to save in every way, including food, clothing, and fuel, and thus enable our Government and our Allied Governments to obtain goods with the requisite speed. As everybody knows, this is the most important factor at this juncture. Coal, copper, steel, and foodstuffs are cases in point.

The board says it can not have escaped the attention of the banks that since the beginning of the war deposits have increased at a rapid rate, and that loans, discounts, and investments have grown at an even more rapid rate. It is true that the Federal reserve holdings of gold have also increased to a point where they are larger than those of any other country, but the percentage of the gold reserves against the deposits and notes has decreased. This is a familiar phenomenon in time of war, and to a certain extent, perhaps, unavoidable, but it must, nevertheless, be our constant concern to keep every dangerous tendency in the banking situation under control and particularly to retard the too rapid expansion of banking credit as far as this can be done without jeopardizing the main business of the country at this time.

They further say that nobody should draw upon the credit resources of the country except to finance transactions which are essential for a national war. Credit should be saved as much as goods.

I would ask you to compare this statement with the bill now under discussion and ask you frankly whether or not this bill is in accordance with the suggestions of the Federal Reserve Board in this statement?

The Board further says that gigantic operations of the Government will cause a further growth of bank deposits and loans. Our credit structure should therefore be strengthened as far as possible, and to this end the banks should lend their efforts toward three things:

- First. Absorption of Government loans by savings.
- Second. Conservation of credit for public and other essential uses, with curtailment of nonessential enterprises.
- Third. Increase of the gold holdings of the Federal Reserve banks, so as to maintain an adequate basis for our growing credit structure.

I therefore argue that in conformity with the sentiment expressed by the Federal Reserve Board that the only argument that can be used in support of this measure, which provides for an appropriation of \$200,000,000 from the Treasury at this time, would be that it would aid in winning the war by increasing agricultural production. This may be true as to possibly 10% of the money, but the other 90% will be used for the purpose of refunding existing loans. Unless this amendment is added the argument might possibly be made that it was necessary to relieve the Farm Loan Board from the obligation to take \$75,000,000 of loans, which should never have been promised in times like the past six months.

During the continuance of this war we must do all we can to stimulate the production of foodstuffs, and nothing could be more conducive to that end than by Congress placing in the hands of the Federal Farm Loan Board \$100,000,000 with which to purchase Chilean or other nitrogen, seeds and fertilizers, to be sold to the farmers at the lowest price and on such terms as would encourage them to use it plentifully. No one will deny but that that would increase the production of foodstuffs, and that is the only way we can hope to reduce their cost during the war. War is naturally wasteful, and do what we may in economizing in foodstuffs, still we can not counteract the effect of the waste of war unless we increase the supply.

In this connection I would point out here that the Chairman of the Committee on Banking and Currency when interrogated replied, in answer to a question as to how much of this money was used for refunding purposes, that 90% of it was used to refund existing loans now held by private investors, banks, insurance companies, loan companies, and so forth. Credit should be saved as much as goods.

If we authorize this appropriation without imposing the safeguard imposed by the Senate amendment, and these funds are used by the Board for the purchase or refunding of loans or for the purchase of lands, we will commit an act of inflation which no member of this House can justify. This is no time for Congress to authorize the use of Government credit for inflation, and if we begin it on the small scale provided in this bill there will be no end to such demands during the period of the war. We have some four billions of real estate mortgages in this country, and if Congress favors a few farmers with a low rate of interest, then it will be asked to so favor all farmers; and if we favor all farmers, why not favor all classes of business.

Why \$200,000,000 would be a mere bagatelle in refunding the permanent investment of even the farmers, whereas \$100,000,000 used for the increase of farm production would accomplish wonders. The Government's demand for capital to carry on the war are so stupendous that they have impoverished the capital markets of the country, impoverished them to such an extent that it is impossible for the transportation companies to procure the means to make such repairs as are necessary to transport our war material. But the roads must be properly equipped to carry that and our foodstuffs, even if the Government must supply temporarily the capital to keep the roads running and do the work itself during the war.

But we should announce the policy that in no event will we employ the Government's credit to protect the credit of any business, however much such business may be in need of credit. In that way, and in that way only, can the Government protect its own credit. If the time comes when creditors ruthlessly foreclose land mortgages or other evidences of debt, Congress can afford the necessary relief by the establishment of a moratorium for the general public, just as it has already established it for the soldiers and sailors.

I would like the attention of the House for a few minutes while I point out how the bill under consideration will lead to inflation unless we adopt the Senate amendment. I shall not trespass on the patience of the House by making an extended argument on inflation and all the causes which produce that result, but this bill is such an important one that I must ask your kind indulgence while I give a few illustrations on inflation.

Definitions of any science are quite difficult to frame; that is to say, a definition which will meet every phase of the subject under all conditions. One definition of inflation which is doubtless familiar to all is the causing the price of an article to advance without a corresponding increase in its productivity. Any and every facility afforded for the purchase of a permanent investment will produce inflation, but any and every facility used to increase the productivity of a permanent investment will have the opposite effect.

To illustrate, suppose I lend a man money for the purpose of buying a piece of land and he makes such purchase. By that act he took that piece of land off the market, and in consequence caused the other lands in that vicinity to advance in price, and that without increasing their productivity. But suppose that instead of lending him that money to purchase that land I let him have it to buy fertilizers with and he had used it for such purpose and actually put them on the land and cultivated the land in such a way as to make those fertilizers useful. If the year be a seasonable one that loan would result in increasing the productivity of that land and become a blessing not only to the individual who obtained the loan for such purpose but to the community as well. So it is the use to which capital or credit is placed which counts. If it be used merely to change the ownership of a permanent investment, something which is already created, nothing is done to create value, and if that act advances the price there can be nothing to the transaction but inflation, and the public must pay for that without realizing any benefit in return.

The man who furnishes capital or credit for the production of agriculture or commerce, or for the distribution of those commodities through the

various channels until they reach the ultimate consumer, is a public benefactor because he has furnished the facilities for the creation of actual wealth.

It is pretty well agreed that lands in some sections of the country have become inflated during the past few years almost to the breaking point. To illustrate this I wish to present a table compiled from the 1910 census reports for the States of Iowa, Illinois, Indiana, and Pennsylvania, which I wish to incorporate with my remarks.

Value of farm lands in 1900 and 1910 and value of all farm product in 1909, and ratios of the values of such products in 1909 to such land value in 1910, according to the last United States census (1910):

State.	Value of farm lands in 1900.	Value of farm lands in 1910.	Value of farm products in 1909.	Ratio of 1909 products to 1910 land values.
Iowa	\$1,256,751,980	\$2,801,975,729	\$314,666,298	11
Illinois	1,514,118,970	3,090,411,148	372,270,470	12
Indiana	687,633,460	1,317,195,448	204,209,812	15
Pennsylvania	575,392,940	630,430,010	166,739,898	26
Fourteenth Pennsylvania Congressional Dist.	26,228,240	22,909,425	8,786,903	38

Number of Counties in the above States which increased and decreased in population between 1900 and 1910.

State.	Number of counties which increased in population.	Number of counties which decreased in population.	Total number of counties.
Iowa	28	72	100
Illinois	52	51	103
Indiana	31	60	91
Pennsylvania	46	21	67

Land and crop values of the Fourteenth Congressional District of Pennsylvania, given by counties.

	Bradford.	Susquehanna.	Wayne.	Wyoming.
Land values:				
1910	\$9,517,220	\$6,213,198	\$4,333,837	\$2,845,170
1900	11,596,340	6,548,760	4,991,840	3,091,360
Value of crops for '09	3,594,664	2,543,845	1,729,427	918,967

This table shows that the values of the farm lands of Iowa increased from \$1,256,751,980 in 1900 to \$2,801,975,729 in 1910, or 115%; those of Illinois from \$1,514,118,970 in 1900 to \$3,090,411,148 in 1910, or 104%; those of Indiana from \$687,633,460 in 1900 to \$1,317,195,448 in 1910, or 92%; that of Pennsylvania from \$575,392,940 in 1900 to \$630,430,010 in 1910, or 9%; while those of the district I have the honor to represent on this floor actually decreased from \$26,228,240 in 1900 to \$22,909,425 in 1910, or a decrease of 12%.

That makes out a pretty bad case for my district on paper, but only on paper, because the same census reports show the value of the farm products produced on those lands during the year 1909. The values of those products in proportion to the 1910 value of those lands were as follows: Those of Iowa, 11%; those of Illinois, 12%; those of Indiana, 15%; those of Pennsylvania, 26%; while those from the Fourteenth Pennsylvania Congressional District were 38%.

Let us look at that from another viewpoint, that of the time required to purchase those lands. Let us assume that the labor cost of producing those crops and interest on the investment to be 50% of the annual yield, or the value of the 1909 crops. Under that assumption the lands of Iowa would be nearly a 20-year purchase; those of Illinois, nearly 17 years; those of Indiana, nearly 14 years; those of the State of Pennsylvania, less than 8 years; and those of the Fourteenth Pennsylvania Congressional District a little over 5 years. It will be observed, therefore, that the Fourteenth District does not show up so bad when the real test is applied, the test which takes into consideration the hard toll required to pay for those lands, and that is the only real test.

I do not give the statistics for the purpose of advertising it, for it needs no advertising at my hands. I give them for the sole purpose of showing that there was no speculation to speak of in farm lands in my district during the decade in question. Hence it is that I have no land speculators "prodding" me to vote for this bill. I do not use the term "prodding" in an offensive sense, for I believe that every member should be amenable to the healthy public sentiment of his district, but every member should be sure that the sentiment is a healthy one. The sentiment which actuates the inflationist is the most harmful sentiment which can pervade a community or State, and all who yield to that sentiment do much harm. Therefore I plead with every member on this floor, irrespective of party affiliation, to resist the plea of the inflationists who are behind this bill. Inflation is only caused by the use to which money is put. It is the use and not the money that is responsible for the cost of increase in prices. That inflation is giving the administration some concern is evidenced by the recent statement made by the Secretary of the Treasury, cautioning the people against the use of Thrift stamps, War Savings certificates, and Liberty bonds in settlement of commercial transactions, and so forth. He warns the public not to treat this medium as you would treat circulating notes or money.

The real truth of the matter is that Thrift stamps issued in denomination of 25 cents, War Savings certificates in denomination of \$5, and Liberty bonds in denominations of \$50 and multiples thereof are being used to-day the same as currency or bank credits, and if the practice continues an inflation equal to the amount of securities so issued can not fail to take place. Thus the Secretary of the Treasury very wisely warns the people to discontinue this practice, which has grown up innocently with a desire of the part of the people to popularize the purchase of these securities and to encourage the people to save and invest in Thrift stamps.

There is another tendency along this same line, and I want to call the attention of the House to it in this discussion, and that is the attempt on the part of many banks and bankers throughout the country to make municipal, railroad, and other first-class bonds available for rediscounting purposes with the Federal Reserve system in giving to them the same rights as commercial paper has at the present time.

This is an attempt to make liquid fixed assets, such as real estate and permanent improvements by municipalities, railroads, and so forth. If this were permitted, it would, in my judgment, lead to a serious abuse and inflation and should not under any circumstances be permitted.

The activity of the circulating medium should be limited to the requirements of business, and in this connection every transaction of a commercial nature should carry with it its own source of relief. When that transaction is closed and finally settled the circulating medium should automatically retire.

I mention this at this time because there is sleeping quietly in the Banking and Currency Committees of the House and Senate a bill to accomplish this very result, namely, to make railroad bonds, municipal bonds, and so forth, the basis of rediscount and the issuance of Federal Reserve notes, and such a measure should never pass.

FEDERAL RESERVE BOARD URGES ECONOMY ON PART OF PUBLIC.

The Federal Reserve Board in its "Bulletin" for January calls the attention of banking institutions to the necessity of (1) the absorption of Government loans by savings; (2) the conservation of credit for public and other essential uses, with curtailment of non-essential enterprises; and (3) the increase of the gold holdings of the Federal Reserve banks, so as to maintain an adequate basis for our growing credit structure. In seeking to impress upon the public the importance of economizing, it says: "Let the people everywhere be encouraged to consume fewer things and let those be the simple and substantial things that are necessary to health and strength. Let the public realize that it is more respectable in such war times as confront us to be seen in old clothes than in new ones." We give its appeal in full herewith:

In reviewing the year just closed the country cannot but regard with profound satisfaction the part played by its banking system under the leadership and with the support of the Federal Reserve banks. The way in which the Federal Reserve system has withstood every test to which it had been subjected shows the wisdom with which it was conceived, the foresight with which it has been developed and the strength with which it has been administered; in it the country possesses a financial foundation of unrivaled solidity.

Financing of the war has, however, placed unexpected and heavy burdens, not only upon the Federal Reserve banks, but on the banks of the country generally. The zeal and efficiency with which they have responded to the call made upon them is evidenced by the results which have been achieved in a year, which will forever be a memorable one.

Under the leadership of the Secretary of the Treasury the banks have done their duty admirably in placing both short and long term securities of the Government. As long as the war lasts their services in these directions will doubtless have to be relied upon in the future as much as in the past.

But there are other services of equal, if not of greater consequence in the successful financing of the war in which the help of the banks of the country will be needed. In extending a word of greeting to its member banks with the opening of the new year and as we approach the threshold of our second year in the war the board feels it proper to point out certain fundamental methods in which it believes the banks can help in placing the financing of the war upon a foundation of unshakable strength.

War financing in the last analysis means putting the Government in possession of goods and services. Financing by loans means the sale to the Government of goods on credit.

To win the war our Government and the Governments with which we are associated must have goods and services. It is of as much importance, therefore, that the Government should be helped to procure the credit it requires with which to pay for goods. In neither respect are the American people as yet co-operating to a sufficient degree primarily because they have not yet been adequately impressed with the paramount importance of their co-operation—they have not yet been made thoroughly to realize the fact that the success or failure of the war—in brief, the fate of the country—lies in their hands.

In the great work of educating the people of the country to an appreciation of their part in the effective conduct of the war, the banks of the country have an opportunity to make themselves leaders. In the communities they serve they should endeavor to make it clear that the amount of goods that can be produced, even in a country as large and as rich as ours, is limited; that saving, therefore is necessary, and that by saving goods the people are serving their country in four ways:

1. They enable our own Government and our allied Governments to obtain the goods required with the requisite speed. As everybody knows, time is a most important factor at this juncture. Coal, copper, steel and foodstuffs are cases in point.
2. By saving goods not required by the Government, they release corresponding quantities for export to other countries in exchange for which needed supplies may be secured. To illustrate: If everybody in the United States would cut down consumption of cotton and woolen goods even to a slight amount, goods to the value of millions of dollars would be available for export and could be made the basis of exchange to pay for much needed supplies of copper and nitrates for ourselves and beef and wheat for the use of our allies, obtained in South America.
3. By consuming goods in smaller amounts, not only are goods saved but money is saved, the people thus put in a position to absorb and pay for the war loans of the Government out of savings.
4. By diminishing the consumption of goods and by paying for Government bonds out of savings instead of from funds borrowed from the banks both rapid rise of prices of goods is retarded as well as banking inflation, which accelerates the rise of prices.

It cannot have escaped the attention of the banks that, since the beginning of the war, deposits have increased at a rapid rate, and that loans, discounts and investments have grown at an even more rapid rate. It is true that the Federal Reserve holdings of gold have also increased to a point where they are larger than those of any other country, but the percentage of gold reserves against deposits and notes has decreased.

This is a familiar phenomenon in time of war, and to a certain extent perhaps unavoidable; but it must nevertheless be our constant concern to keep every dangerous tendency in the banking situation under control and particularly to retard the too rapid expansion of banking credit as far as this can be done without jeopardizing the main business of the country at this time.

Events are, however, every day making it clearer that the conservation of our financial strength is not of itself sufficient to insure a successful financ-

ing of the war. The financing of the war is only in part a money problem; in very large part it is an economic problem—a problem of conserving the economic as well as the financial strength of the nation and developing our resources and productive power to the point where they will be equal to sustain the great military operations which are in prospect and all that is incident to them.

Nobody should, therefore, consume goods except to the extent that their consumption is necessary to maintain health and vigor.

Nobody should draw upon the credit resources of the country except to finance transactions which are essential for a nation at war. Credit should be saved as much as goods.

Conservation of credit as well as non-essential enterprises is necessary to provide without undue expansion the credit required by the Government and by business essential to the success of the war and the well-being of the country.

The Board most earnestly invites serious consideration of these and kindred steps in the development of a program of national economy and bespeaks the co-operation of all the banks of the country in behalf of their adoption in their several communities. The banks are urged to reach in their districts the meaning and necessity of saving and its relation to the successful financing of the war; to tell the city merchant and the country storekeeper that this is not the time to buy and stock up, especially with luxuries.

Let the people everywhere be encouraged to consume fewer things and let those be the simple and substantial things that are necessary to health and strength. Let the public realize that it is more respectable in such war times as confront us to be seen in old clothes than in new ones. Let the banks tell the people of their communities and their authorities, the mayors and governors, that this is not the time for cities to be spending money on public works; rather should they be considering the suspension of existing work with the view of releasing men and material for the use of the Government and so as not to compete with the Government for the savings of the people, thereby weakening the ability of the Government to place its loans.

There is neither an unlimited supply of men or of goods or of credit. This is, therefore, the time for both large and small enterprises, not engaged in the production of handling of essentials, to reduce inventories and thereby free goods and productive power and banking credit for essential uses.

Gigantic operations of the Government will cause a further growth of bank deposits and loans. Our credit structure should, therefore, be strengthened as far as possible, and to this end the banks should bend their efforts toward three things:

1. Absorption of Government loans by savings.
2. Conservation of credit for public and other essential uses with curtailment of non-essential enterprises.
3. Increase of the gold holdings of the Federal Reserve banks, so as to maintain an adequate basis for our growing credit structure.

The latter results can be achieved if the banks and the public, like those of England and France—and Germany as well—unite in a determined effort to concentrate fold and gold certificates with the Federal Reserve banks, using Federal Reserve notes instead for general circulation.

We must look to the future and prepare unceasingly for further demands which may be made upon us. The President of the United States, in a statement issued on Oct. 13, called attention to the fact that "the extent to which our country can withstand the financial strains for which we must be prepared will depend largely upon the strength and staying power of the Federal Reserve banks," and urged the importance of developing to the maximum degree our banking power, and of providing financial machinery adequate for the very great financial requirements imposed upon our country by reason of the war.

He pointed out that all banks should co-operate in strengthening the reserves of the Federal Reserve System, thereby enlarging the nations banking power. The reserve requirements in a few States practically prohibit the co-operation of State banks and trust companies with the Federal Reserve System, and make it impossible for them to exchange their Federal Reserve notes for gold, and the Board would urge State banking institutions in these States to endeavor to obtain such legislative action as will enable them to discharge what the President has termed a "solemn obligation."

In those States where the Legislatures do not meet for a year or more the banks might well petition their Government to call a special session of the Legislature. No State can afford not to do its full duty at this time in helping the national cause.

The Board, therefore, ventures to call upon the banks, member and non-member, each in its community to join in promoting and carrying on a campaign of education along the lines which have been indicated, confident that it may count upon their willing and effective co-operation.

NEW ASSISTANT CASHIERS OF NEW YORK RESERVE BANK.

Announcement was made yesterday (Jan. 18) of the election of W. B. Matteson, G. E. Chapin and J. W. Jones as Assistant Cashiers of the Federal Reserve Bank of New York. All three of the new officers have heretofore been connected with the Reserve Bank, Mr. Matteson in the short-term securities department; Mr. Chapin in the credit department, and Mr. Jones in the Liberty Loan bond issue department.

H. G. WERNER JOINS FEDERAL RESERVE BANK.

Harry G. Werner of Ladenburg, Thalmann & Co., has joined the Federal Reserve Bank for the period of the War and will devote his entire time to Liberty Loan work.

EARNINGS OF FEDERAL RESERVE BANK OF NEW YORK FOR 1917.

For the year just closed gross earnings of \$4,862,856 are reported by the Federal Reserve Bank of New York, while the net earnings are shown to have been \$3,729,609. The previous year (1916) the gross earnings of the Bank were \$983,609, with the net earnings amounting to \$426,189. There were, however, certain deductions from this on account of organization expenses, deficit for 1915, &c., which further reduced the item of net earnings to \$290,177. Out of its earnings for 1917 the Bank paid out in dividends \$1,942,818, for the period from April 1 1915 to Dec. 31 1917, a payment

of \$649,364 was also made to the United States Treasurer as franchise tax and there was transferred to surplus account a similar sum. The following shows the profit and loss account for the year just closed, and there is also furnished a comparative statement of condition for the two years.

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING
DECEMBER 31 1917.**

Gross earnings.....	\$4,862,856 27
Expenses.....	789,481 93
Cost of Federal Reserve notes issued to the bank.....	343,764 88
	1,133,246 81
Net earnings.....	\$3,729,609 46
Credit balance as per statement of Dec. 30 1916.....	163,063 98
Total.....	\$3,892,673 44
Deduct—	
Cost of unissued Federal Reserve notes in hands of the Comptroller of the Currency and the Federal Reserve Agent.....	\$445,248 14
Depreciation reserve account.....	205,880 00
	651,128 14
	\$3,241,545 30
Deduct dividends paid—	
To liquidated banks during 1917.....	\$1,176 54
June 30 1917 for period April 1 1915 to Dec. 31 1915.....	474,776 12
Dec. 31 1917 for period Jan. 1 1916 to Dec. 31 1917.....	1,466,865 51
	1,942,818 17
Balance to credit of profit and loss at close of business Dec. 31 1917.....	\$1,298,727 13
Applied as follows:	
Paid to Treasurer of the United States as franchise tax.....	\$649,363 57
Transferred to surplus account.....	649,363 56
	1,298,727 13

FEDERAL RESERVE BOARD GIVES PHOTOSTATIC COPIES OF LICENSES GRANTED BY ENEMY TRADE BUREAU SAME FORCE AS ORIGINALS.

The Federal Reserve Board has advised the Federal Reserve Bank of New York that the War Trade Board has ruled that photostatic copies of the originals of licenses granted by the Bureau of Enemy Trade may be used in lieu of, and will be given the same force and effect as the original licenses.

EARNINGS OF CHICAGO FEDERAL RESERVE BANK FOR 1917.

The Federal Reserve Bank of Chicago in its report for the year ending Dec. 31 1917 shows net earnings for the twelve months of \$1,231,752, as compared with net earnings for the previous year of \$402,535. Its balance carried forward at the end of 1916 was \$61,978., out of the profit and loss account for the year just closed the Bank paid in dividends of \$862,132—at the rate of 6% for the period from Jan. 1 1916 to Dec. 31 1917, inclusive—and paid to the Treasurer of the United States as Government franchise tax, \$215,799; a like sum was transferred to surplus. The following is the statement of the Bank summarizing its operations for 1917:

PROFIT AND LOSS ACCOUNT.

Balance—Jan. 1 1917.....	\$61,978 07
Net earnings, Jan. 1 1917 to Dec. 31 1917.....	\$1,231,751 89
Dividends paid, 6% for period Jan. 1 1916 to Dec. 31 1917, inclusive.....	862,131 60
	369,620 29
	\$431,598 36
Paid to Treasurer of United States as Government franchise tax.....	215,799 18
Transferred to surplus.....	\$215,799 18
Bills discounted—Members:	
3,747 applications for rediscount approved from 541 banks, as follows:	
Illinois, 156 banks.....	\$287,515,277 88
Indiana, 88 banks.....	28,124,689 39
Iowa, 198 banks.....	53,912,233 29
Michigan, 51 banks.....	92,127,979 10
Wisconsin, 48 banks.....	62,696,987 35
	\$524,377,167 01
Bills discounted—Bought:	
Bankers' acceptances and foreign trade acceptances, represented by bills drawn in connection with imports or exports, based upon domestic shipments or storage of goods, accepted by institutions of known responsibility and purchased in the open market.....	\$66,714,060 14
U. S. Government bonds and notes:	
Amount sold during year.....	\$1,462,000 00
Amount purchased during year.....	1,461,500 00
Investments:	
Warrants and bonds of seven municipalities, maturities ranging from ten days to six months, purchased in the open market.....	\$2,164,488 64
Check collection department:	
7,532,366 items have been handled, drawn on banks as follows:	
Chicago banks.....	1,807,728 items \$3,985,878,111 53
Other banks in District No. 7.....	4,362,436 items 987,820,456 11
Banks in other districts.....	511,438 items 187,450,434 16
U. S. Government checks paid.....	850,764 items 202,461,063 14
	\$5,363,610,064 94

DIRECTORS APPOINTED FOR DETROIT BRANCH OF FEDERAL RESERVE BANK OF CHICAGO.

The names of those who are to serve as directors of the Detroit Branch of the Federal Reserve Bank of Chicago was made known on the 9th inst. by the Federal Reserve Board. The two chosen by the Reserve Board are John Ballantyne, President of the Merchants' National Bank of Detroit and Charles H. Hodges, President of the Detroit Lubricator Company and a director of the National Bank of Commerce; the other three, appointed by the Federal Reserve Bank of Chicago are Emory W. Clark, President of the First and Old Detroit National Bank; Julius H. Haass, President of the Wayne County and Home Savings Bank and Robert B. Locke, Secretary and Manager of the Detroit Clearing House. Mr. Locke will be Manager of the Detroit branch of the Federal Reserve Bank. The proposed establishment of the Branch was referred to in our issue of Dec. 1.

EARNINGS AND DIVIDENDS OF FEDERAL RESERVE BANKS IN 1917.

The Federal Reserve Board in the January number of its "Bulletin" makes known that eight of the Federal Reserve banks have paid their dividends to the end of 1917, and that the four remaining banks have paid all dividends to June 30 1917. We quote below what the Board has to say relative to the earnings and dividend payments of the Banks:

Earnings of Federal Reserve banks have been heavy in 1917. At the end of the year 1916 the twelve Federal Reserve banks together showed aggregate arrears in dividends of about \$3,649,000 on an estimated total average capital of \$54,462,000, or about thirteen months' arrears for the twelve banks. At the end of this year back dividends amounted to only \$805,000 on an estimated total average capital of \$62,002,000, or about two and one-half months' arrears for the twelve banks.

Dividends have been declared by all Federal Reserve banks. Eight banks have paid their dividends to the end of the year 1917. The four remaining banks have paid all dividends to June 30 1917, so that arrears still to be paid under the cumulative requirements of the law are now quite small. The dividends thus authorized at the several banks, and the dates to which in each case dividends have been paid, are stated in the following table:

Bank.	From—	To—	Rate.	Total Amount of Dividends.
Boston	Jan. 1 1916	Dec. 31 1917	6%	\$597,829
New York	Jan. 1 1916	Dec. 31 1917	6%	1,466,720
Philadelphia	Jan. 1 1916	June 30 1917	6%	466,768
Cleveland	Jan. 1 1916	June 30 1917	6%	539,805
Richmond	July 1 1917	Dec. 31 1917	6%	105,254
Atlanta	Jan. 1 1917	Dec. 31 1917	6%	145,465
Chicago	July 1 1916	Dec. 31 1917	6%	*660,000
St. Louis	Jan. 1 1916	Dec. 31 1916	6%	*167,000
Minneapolis	July 1 1916	Dec. 31 1917	6%	*220,000
Kansas City	July 1 1916	June 30 1917	6%	183,513
Dallas	Nov. 1 1916	June 30 1917	6%	*110,000
San Francisco	Oct. 1 1915	Dec. 31 1916	6%	*295,000

*Estimate.

There never was any reason to doubt that, in due time, with even a normal volume of business, it would be possible for the banks, if wisely and economically managed, to pay their dividends in full and earn in addition a considerable surplus. The first two and a half years of the system's life were exceptional, because of the abundance of the member banks' lending power due to the change in reserve requirements and to the great increase of gold in the country resulting from our heavy favorable balance of trade. It may reasonably be expected that from this time on the facilities of the Reserve banks will normally be called upon more extensively, even without the added stimulus produced by the present great volume of operations on Government account.

Judged from the point of view of earning capacity, one of the most satisfactory aspects of the operations of the Federal Reserve banks during the past year is the fact that the Federal Reserve Board was able on their behalf to pay into the Treasury in round figures \$1,000,000 of surplus earnings. This has been done under the provisions of section 7 of the Federal Reserve Act, which specifies that after the cumulative dividend claims have been fully met "all the net earnings shall be paid to the United States as a franchise tax, except that one-half of such earnings shall be paid into a surplus fund until it shall amount to 40% of the paid-in capital stock of each bank." In the event of the liquidation of a Federal Reserve Bank, the surplus thus accumulated becomes the property of the United States, subject, of course, to such losses or deficiencies as may occur during the operation of the banks and which in ordinary corporation accounting would be a charge against an undivided profit and loss account. Theoretically, therefore, the \$1,000,000 paid into the Treasury by the Federal Reserve Board is only one-half of the actual earnings derived by the Government, since it retains a contingent claim upon the assets of Federal Reserve banks to an equal amount. The sum actually paid in, may, under provision of law, be used to supplement the gold reserves held against outstanding United States notes, or may be applied to the reduction of the outstanding bonded indebtedness of the Government at the discretion of the Secretary of the Treasury. While the success or failure of the Federal Reserve banks or the value of their services must never be judged by their earnings, it is gratifying to state that at this time they are adding to the national strength not merely through service and the conservation of banking resources, but through these direct contributions from earnings. With the arrears of the cumulative dividends practically disposed of, another year of activity equal to the last may be expected to provide a corresponding increase in the volume of surplus earnings. It should be borne in mind that the amount now paid to the United States has been arrived at after making all allowances from the earnings of Federal Reserve banks from the beginning for operating expenses, depreciation and other proper allowances. The Federal Reserve Act differs from the charters of most foreign central

banking institutions in that it names no specific annual franchise tax, but provides first for the payment of dividends to the stockholding banks at a moderate rate of return, leaving the excess of earnings, whatever it may be, for the Government.

OPENING OF CINCINNATI BRANCH OF CLEVELAND FEDERAL RESERVE BANK.

The Cincinnati Branch of the Federal Reserve Bank of Cleveland began operations on Jan. 9. The Branch has quarters in the Union Savings Bank & Trust Company Building, Cincinnati. L. W. Manning, formerly Secretary and Assistant Reserve Agent of the Cleveland Federal Reserve Bank is Manager of the Cincinnati Branch. Mr. Manning also serves as a director along with the following: Judson Harmon, former Governor of Ohio; W. C. Procter, President of the Procter & Gamble Company; and W. S. Rowe, President of the First National Bank of Cleveland. A statement relative to the opening of the Branch, issued by the Federal Reserve Bank of Cleveland says:

The territory assigned to the branch comprises that part of the State of Kentucky now in District No. 4, and the following 20 counties in the State of Ohio: Adams, Brown, Butler, Clermont, Clinton, Fayette, Gallia, Green, Hamilton, Highland, Jackson, Lawrence, Meigs, Montgomery, Pike, Preble, Ross, Scioto, Vinton and Warren. On Jan. 17 1918 the Federal Reserve Bank of Cleveland will discontinue receiving items on Cincinnati member banks for immediate availability. On and after that date all Cincinnati Clearing House items received by the Federal Reserve Bank, of Cleveland, will be deferred one business day.

Items on Cincinnati Clearing House banks sent direct by you or by your member banks for your account, received by the Cincinnati branch prior to 11 a. m., central time (except Saturday, when items must be received prior to 10 a. m., central time), will be credited on the day of receipt.

All checks on other banks located in the Cincinnati territory received by the Cincinnati territory received by the Cincinnati branch prior to 1:30 p. m., central time, on Mondays to Fridays, inclusive, and prior to 12 noon on Saturday, will be credited two business days after receipt. Items upon banks in the Cincinnati territory received by the Federal Reserve Bank of Cleveland prior to 1:30 p. m., Eastern time (Saturdays 12 noon), will be credited three business days after receipt.

The following is a list of the banks in Kentucky now on the par list assigned to the Cincinnati Branch:

Ashland—All national banks.	Latonia—All banks.
Augusta—All banks.	Lexington—All national banks.
Barbourville—All banks.	Bank of Commerce, Security Trust Company, Union Bank and Trust Company.
Berea—Berea National Bank.	Lodon—National Bank of Lodon.
Brookville—All banks.	Louisa—All banks.
Burlington—All banks.	Ludlow—All banks.
Burnside—First National Bank.	Manchester—First National Bank.
Cannel City—Morgan County National Bank.	Maysville—Farmers and Traders' Bank, First Standard Bank and Trust Company, State National Bank.
Carlisle—First National Bank.	Middlesboro—National Bank of Middlesboro.
Catlettsburg—Kentucky National Bank.	Mt. Sterling—All banks.
Clay City—Clay City National Bank.	Newport—All banks.
Corbin—All banks.	Nicholasville—All banks.
Corinth—All banks.	Olive Hill—All banks.
Covington—All banks.	Paintsville—All banks.
Cynthiana—All banks.	Paris—All banks.
Dayton—Bank of Dayton.	Pikeville—All banks.
Dry Ridge—All banks.	Pineville—Bell National Bank.
East Bernstadt—First National Bank.	Prestonsburg—First National Bank.
Falmouth—All banks.	Richmond—All national banks.
Flemingsburg—Deposit Bank of Pearce, Pant & Co., Fleming County Farmers' Bank, People's Bank of Fleming County.	Richmond—All national banks.
Georgetown—All national banks.	Russell—First National Bank.
Grayson—All banks.	Salyersville—Salyersville National Bank.
Greenup—First National Bank.	Somerset—All banks.
Hazard—First National Bank.	Stanford—All national banks.
Hustonsville—National Bank of Hustonsville.	Whitesburg—First National Bank.
Independence—Bank of Independence.	Williamsburg—First National Bank.
Jackson—All banks.	Wilmore—First National Bank.
Jenkins—First National Bank.	Winchester—All banks.
Laurens—All national banks.	

RECLASSIFICATION OF DISCOUNT RATES BY FEDERAL RESERVE BANKS.

With regard to the reclassification of discount rates we quote as follows from the "Federal Reserve Bulletin" for January:

Minor changes in the schedule of discount rates, published in the last issue of the "Bulletin," have been made during the month of December. These in practically all cases have been for the purpose of standardizing and harmonizing the rates now prevalent at the various banks. The comparative schedule shows greater uniformity in the rates established by the eleven banks which have acted than has existed heretofore. It has been the desire of the Board to simplify the rate schedule and the means of acting upon changes in rates. There are now only two schedules for 15-day paper, one for commercial paper and collateral notes secured by commercial paper (including commodity paper and trade acceptances) and the other for collateral notes and customers' paper secured by Government securities. Heretofore there were four rates, as some banks charged a different rate for a note secured by commercial paper than for 15-day commercial paper discounted, and some had a rate one-half per cent higher for member banks' customers' notes secured by Government securities than for a collateral note secured in the same way. Some banks had a special quotation for the 15-day trade acceptance.

The 15-day rate for commodity paper remains merged with the 15-day rate for commercial paper, even though a special rate for longer time commodity paper may later be established. Fifteen-day trade acceptances

will be taken under whichever classification may be the lower. If one of the banks has a trade acceptance rate of 3½% for 1 to 60 days, and a 15-day commercial paper rate of 4%, 15-day trade acceptances will accordingly be taken by that bank at 3½%. If, at another bank, the rate be 3½% for trade acceptances from 1 to 60 days and 3% for 15-day commercial paper, the trade acceptance would in that case be taken at the commercial paper rate of 3%. The Board holds the view that when commercial paper or trade acceptances have run down to 15 days, the difference in classification is not of sufficient importance to warrant a special quotation.

BRANCHES OF FEDERAL RESERVE BANKS.

With regard to the branches of the Federal Reserve banks, the January issue of the "Federal Reserve Bulletin" says:

Further progress has been made during the past month in the development of the Board's policy with respect to the establishment of branches. Shortly after the opening of the new year there will have been established branches of Federal Reserve banks at New Orleans, Seattle, Portland, Spokane, Louisville, Cincinnati, Pittsburgh, Detroit and Baltimore. Of these, all except the three last named are already in operation. Further modifications of a minor character have been made in the standard draft of by-laws suggested for use at branches, these changes being intended to adapt the by-laws more closely to local conditions. The general fact, already noted in former issues of the "Bulletin," remains—namely the recognition of two distinct types of branches, the one possessing an assigned territory and segregated capital, the other and later type, providing for a clientele consisting of banks which have voluntarily chosen to transact their business with the branch rather than with the parent office.

METHOD OF CONTROLLING GOLD EXPORTS.

In referring to the further change in the methods of administering the present regulations as to the shipment of precious metals which occurred during December, the Federal Reserve Board in its January "Bulletin" says:

Control of all applications for the exportation of manufactures of gold or silver when the metal value of the article shipped is distinctly small as compared with the cost of labor or of other material employed in its production has been transferred to the War Trade Board, the Federal Reserve Board confining its attention to applications for shipment of coin or fine bullion. The re-exportation of gold imported into the United States with the expectation of reshipment is being in general forbidden, except in those cases where the gold is returned to the country from which it came. This permits gold to continue to leave the United States for countries which have shipped it here for refining with the understanding that the refined proceeds of such shipment will come back to them. It, however, cuts off dealings in gold which have in the past been undertaken to some extent for the purpose of re-exporting coin at a profit to other countries. The movement of silver out of the country has been heavy, indications being that in a variety of cases it has been substituted for gold in the liquidation of international balances.

ASSESSMENT BY FEDERAL RESERVE BOARD.

In reporting an assessment of 0.00135 of 1% on the capital of the Federal Reserve banks to cover the estimated general expenses of the Board from Jan. 1 to June 30 1918, the Federal Reserve Bulletin just issued says:

Acting under the provisions of the Federal Reserve Act, the Federal Reserve Board on Dec. 12 voted an assessment of 0.00135 upon the capitalization of Federal Reserve banks to cover the estimated general expenses of the Board from Jan. 1 to June 30 1918. The assessment is based upon a capital of \$138,096,000 as of Dec. 7 1917. The rate of assessment will yield \$186,430. The resolution of the Board, with the figures on which the assessment is based and a detailed statement of expenditures and commitments as a basis of estimate, are given below. This assessment is slightly larger than that made for the previous six-month period. This is due to the enlargement of the activities of the Federal Reserve Board and the increased work which it has been and will be called upon to perform.

"Whereas, under section 10 of the Act approved Dec. 23 1913 and known as the Federal Reserve Act, the Federal Reserve Board is empowered to levy semi-annually upon the Federal Reserve banks in proportion to their capital stock and surplus an assessment sufficient to pay its estimated expenses, including the salaries of its members, assistants, attorneys, experts and employees for the half-year succeeding the levying of such assessment, together with any deficit carried forward from the preceding half-year; and

"Whereas, it appears from estimates submitted and considered that it is necessary that a fund equal to one hundred and thirty-five thousandths of one per cent (0.00135) of the capital stock of the Federal Reserve banks be created for the purposes hereinbefore described, exclusive of the cost of engraving and printing of Federal Reserve notes; Now, therefore,

"Be it resolved, That pursuant to the authority vested in it by law, the Federal Reserve Board hereby levies an assessment upon the several Federal Reserve banks of an amount equal to one hundred and thirty-five thousandths of one per cent (0.00135) of the total capital stock of such banks, and the fiscal agent of the Board is hereby authorized to collect from said banks such assessment and execute, in the name of this Board, a receipt for payment made. Such assessment will be collected in two installments of one-half each; the first installment to be paid on Jan. 1 1918 and the second half on March 1 1918.

Estimate for January 1918 Assessment.	
Average monthly encumbrance for period July 1 1917 to Dec. 31 1917.....	\$21,870 42
Estimated monthly requirements, January to June 1918, incl.	30,811 24
Estimated monthly increase.....	\$8,940 82
Estimated requirements, January to June 1918, inclusive.....	\$184,867 44
Estimated unencumbered balance Jan. 1 1918.....	0 00
Total capitalization of Federal Reserve banks Dec. 7 1917.....	\$138,096,000
Rate of assessment to produce \$184,867.....	0.0013387
Rate of assessment to produce \$186,430.....	.00135
Rate of assessment to produce \$193,334.....	.0014
Rate of assessment to produce \$207,144.....	.0015

In view of all conditions, I have the honor to recommend that an assessment of 0.00135 of 1% be levied.

Approved for 0.00135:
 F. A. DELANO,
 C. S. HAMLIN,
 A. C. MILLER,
 { Committee on Organization, Expenditures and Staff

SHERMAN ALLEN, Fiscal Agent.

QUESTIONNAIRE ADDRESSED TO MEMBERS OF TRUST COMPANY SECTION OF A. B. A.

In accordance with the announcement made by Leroy A. Mershon, Secretary of the Trust Company Section of the American Bankers' Association, at the annual meeting

in Atlantic City last September, a questionnaire, seeking information as to their stockholders, directors, officers, employees and corporate interests, was recently addressed to the members of the Trust Company Section by Mr. Mershon. In his communication Secretary Mershon said:

To the Members of the Trust Company Section A. B. A.

At the recent Atlantic City Convention, the within questionnaire was unanimously approved to be sent to members of the section. The purpose of these questions is to enable the Secretary to begin a comprehensive service along the lines indicated and thus assist members in all parts of the country in the solution of many problems with which they are confronted daily, as well as present them with material of great value in the management and upbuilding of their business.

The questions are designed to be answered without reference to books or records, and several of them may be answered with simply "Yes" or "No." The information as far as individual companies are concerned will be held in confidence, only total figures and information for the entire country and certain sub-divisions thereof published.

Your early co-operation through the return to the undersigned of this blank properly filled out will greatly assist the Section in rendering larger service to your company.

The following were the questions submitted:

If the officer answering the questions does not have at hand exact figures or totals, approximate figures will suffice.

How many stockholders has your company?.....
 How many directors?..... How many officers?..... How many employees?.....
 How many customers?..... How many of your employees are stockholders?.....

Please name the various departments of your company.....

Do you transact a trust business?.....
 What is the approximate total of your individual trusts?.....
 What is the approximate total of your corporate trusts?.....
 Please furnish the names of those in your company specializing in individual trust matters, and to whose attention should be directed items of interest along these lines.....

Are any of your officers or employees prepared to speak or write on trust company subjects?.....
 Please give names and subjects upon which they can speak or write.....

Do you have periodic meetings of your officers and department heads?.....
 Have you a club or other feature whereby your employees come together periodically for discussion of daily problems, betterments of methods, etc.?.....

Do you maintain a pension fund or other welfare work?.....
 Have you any educational plan for your employees?.....
 Are any of your employees taking the American Institute of Banking or other similar course of study?.....

Have any of your men graduated from such course?.....
 Do you publish a "House Organ" or other periodical?.....
 Have you a library?.....
 Do you maintain a dining room?.....
 Do you have a system of medical examination?.....
 Do you make any suggestions or assist your employees in connection with their summer vacation plans?.....

Do you have a "suggestion box"?.....
 Have you any men in the military or naval service?..... How many?.....
 Have you a safe deposit department or company?.....
 How many branch offices do you maintain?.....
 Do you mail statements periodically to customers in your banking department?.....
 Is your company represented at the Convention of your State Bankers Association?.....
 Is your company represented at the Convention of the American Bankers Association?.....

(Name of Company) (City) (State)

HOLIDAYS THE WORLD OVER.

What is believed to be the first attempt to compile a complete list of the holidays of all nations has been made by the Guaranty Trust Co. of this city. The result is a booklet of 145 pages through which, it is stated, the reader may determine in a moment whether any particular day of the year is a holiday anywhere in the world or, if the question is approached from the opposite side, what days in the year are celebrated as holidays by any particular country. According to this catalogue 261 holidays will be observed this year by one or more of the 97 nations or dependencies listed. Not all of these are legal holidays. Many of them are observed merely as a matter of custom and receive semi-official confirmation by being published by local chambers of commerce or in the year books or almanacs of the different countries. During the coming year 54 holidays will be observed in the United States. While some of them, such as New Year's Day, Washington's Birthday, Independence Day and Thanksgiving Day, are observed by all the States and by the District of Columbia, such observation is solely a matter for each State to determine for itself, there being in this country no national legal holiday. To make reference easy the booklet is divided into two parts. The first is a holiday calendar for 1918. Under each day and date of the year is given a list of the political sub-divisions everywhere in the world where that day and date are observed as a holiday. In the second part a list of these political sub-divisions is given and under each one the dates and names of all holidays celebrated there during the year. War has

had its effect upon these holidays. Many more than those listed are observed in ordinary peace years because in the warring nations of Europe many of the minor holidays are not being observed at present.

The booklet is designed for the use of bankers and merchants doing an international business. A knowledge of what days are closed to business in any given country is highly important in carrying on international trade.

SECRETARY OF STATE LANSING IN MESSAGE FROM WASHINGTON DECLARES WE ARE IN WAR TO WIN IT.

A brief, but enthusiastically applauded speech by Secretary of State Robert Lansing, was one of the features of the annual dinner of the New York State Bar Association at the Hotel Astor last Saturday night, Jan. 12. Secretary Lansing alluded in his remarks to the war aims outlined by President Wilson last week, and with regard thereto declared that "unless those aims are accepted by the Prussian Government this war must go on." Stating that he brought a message of good cheer from Washington, Secretary Lansing said that it charged us to have courage—that "we are going on with the war"—that "we must win it for the sake of humanity and we will win it." The address in its entirety follows:

Mr. President, your Excellency, Ladies and Gentlemen: While I feel that I am in the house of my friends, I still feel that the ruthless spirit of Prussia is abroad, and that I have been attacked without warning. In fact, I must cast myself on the sea of your good nature without chart or compass. While I send out the message "S. O. S.," I also bring you from the national capital a message of good cheer. In Washington there is cheerfulness and confidence, and that should prevail through the Republic.

If I were asked to name the principal trait of an American I should say it is optimism. Optimism is our great national asset. It is our source of wealth and power. American optimism won the wilderness, it built our railroads, and manufactories, it dug our mines, and it sent out fleets of merchantmen across the seas. In every task that this nation has undertaken optimism has been at the basis of its success, and here, with the greatest task that we have ever undertaken as a nation, optimism should be throughout the Republic the guiding spirit of the nation.

The President was challenged a short time ago to name the reasons why we are in this war, and what we aim to achieve. He named the reasons, and he has recently named the aims which we seek. He has done so frankly, without equivocation, and very definitely. This statement of the aims of this country in entering the war has not been received with favor by the Germans, and yet, unless we achieve those aims, we have no sure foundation on which to build an enduring peace. Unless those aims are accepted by the Prussian Government this war must go on. We are in this war as a republic to the very end.

The aims which we seek are to be achieved, and they will be achieved. America never put her hands to a task but she accomplished it. All we have to do is to set our jaws, to clinch our fists and to go to it with all our might.

When we have so many of the representatives of our co-partners in this great enterprise I extend to them on your behalf and on behalf of the American people our affection and esteem to France, glorious France, whose millions of brave hearts have been an impassable rampart to Prussian fury.

To Belgium, bleeding, prostrate Belgium, who, beneath the heel of the brutal Prussian, still lives as her soul shall always live.

To Britain, dogged, determined Britain, whose stalwart soldiery faced death in the trenches with a smile.

To Italy, Italy with the glorious spirit of the old Roman, whose armies to-day on the Venetian plains and through the mountains of the north are standing guard over her ancient shrine.

To Canada, our splendid neighbor of the north, who has given without stint her sons and her treasure in the cause of liberty.

To all our comrades in arms, those that are not represented here to-night but who stand shoulder to shoulder with us in the cause of human justice.

I am sure we are all to be congratulated on having as our guest this evening the Governor-General of the great Dominion, but I think we can congratulate him on representing a country which has shown by its deeds its intense patriotism and its devotion to the right. I have known for 25 years Canada and many of Canada's public men, and I have felt frequently in the past that they envied their big neighbor of the south. Your Excellency, envy has crossed the border. To-day Americans envy the splendid record which has been made by Canada in this war.

When the roll of honor is made up of this great conflict, I can hope for no higher honor for America than that her name may be written, not above, but, side by side with that of Canada, that is the highest honor that any country can ask.

Now, my friends, to return to my single message. My message is: Let us all have courage. We are going on with this war. We must win it for the sake of humanity, and we will win it.

AMBASSADOR JUSSERAND BEFORE BAR ASSOCIATION EXPRESSES ACKNOWLEDGMENT OF FRANCE TO UNITED STATES.

Jules J. Jusserand, the French Ambassador, was one of those who served to make last Saturday night's annual dinner of the New York State Bar Association a memorable event. The occasion brought together a distinguished gathering, and those who figured among the speakers included, besides Ambassador Jusserand, Secretary of State Lansing (whose remarks are referred to in another item), Count Macchi de Cellere, the Italian Ambassador, whose speech likewise is the subject of another item; E. de Cartier de Marchienne, the Belgian Minister; the Duke of Devonshire, Governor-General of Canada, and Elihu Root. Ambassador Jusserand's remarks in part were as follows:

The year that has just elapsed will be memorable till the end of time for that unique move of the President of the United States, an act unexampled in the history of this country and of the world, bringing to bear the forces and resources of the New World on the settlement of a conflict of the Old—a conflict on which depends the future of mankind. And it will be memorable, too, by the way in which the nation answered the appeal of its leader. To a country, without hostile neighbors and which has not known for ages any foreign enemy, the grandest sacrifices were suddenly asked; millions of men, billions of money.

Of the result the nation can be proud. The enthusiasm was universal the number of slackers insignificant. I know of an American mother of an only son, envying another whose only son would be at the front sooner than hers. Has republican Rome ever known nobler mothers? As for money, all that was asked was voted almost without discussion, and a former President of the United States was showing the other day that it was equal to \$20 a minute since the birth of Christ.

Of no less importance as evidencing the worth of the American heart is the response to the appeals made to the men and women of this land to help, not because the law obliges them, but because it will be of use. This is the test of democracy; a regime where, contrary to the Germanic ideal, laws, threats, prescriptions, are reduced to a minimum; an intelligent goodwill taking their place; a maximum effect, a minimum compulsion. Deprive yourself, if you please, the people were told, eat foods that cannot be preserved, squander nothing, transform at your leisure moments empty lots into vegetable gardens, and especially do not waste any leisure moments. And behold, as by magic, the nation took action, with extraordinary results.

For what concerns food producing about ten million families took action, which means nearly half the total population of the United States. The increase in staple food crops from farms, due to the appeal, during the few months since it was launched, has reached 1,000,000,000 bushels in 1917; that is, nearly ten bushels per capita. Yet this does not take into account the vegetables grown in the extra gardens cultivated in the cities; statistics are not available for the whole country, but in certain parts verifying was possible, giving an idea of what may be the sum total. It was found in one such area that where 40,000 urban families had gardens in 1916, 130,000 has them in 1917. The value of the crops drawn from those once empty urban spaces has been about \$312,500,000.

This was only one sort of appeal; the others found the same response. Scarcely had an appeal been made by the navy for binoculars than 3,000 were freely given. Newspaper men were asked not to reveal what they knew; and we know they know everything; not one of them yielded to temptation. All those appeals reached truly American hearts.

And while people exert themselves in this way here, others are now on the firing line in the land whence came Lafayette and Rochambeau; the three Yorktown nations, united, we trust, forever, fighting not for one nation's liberty, but for the independence of humanity.

Three words have been of late, frequently heard in the Old and the New World: "Conditions of peace." We all have in our ears, the grand statement, the product of a noble mind, delivered this very week before Congress by the President of the United States. May I be permitted to say that no day in my long diplomatic career, has been happier than that, when the successor of Washington, speaking as Washington himself would have spoken, delivered a statement which will be engraved till the end of time in every French heart: "The wrong done to France by Prussia in 1871 in the matter of Alsace-Lorraine, which has unsettled the peace of the world for nearly fifty years, should be righted, in order that peace may once more be made secure in the interest of all."

Of the words so often repeated of late, "Conditions of peace," we should pay attention just now, not the word peace, but to the word conditions. We have to win these; they will not be offered us as a gift by the destroyers of Reims and Louvain. The invaders of Serbia, the slaughterers of Armenians. The day's work is not finished, though the dawn of the morrow is not now far off. From Belfort to the sea, the watch is kept; the Belgian, the British, the French, the American armies are not only undefeated but on the move. While the enemy flatters himself, in his lust of destruction, that he may have bled white one or the other of us; it turns out that we have extra divisions to spare, and we can offer a helping hand to a dear friend, south of us, undergoing temporary troubles.

But we have to finish our work, and to finish it well, so that it need never to be done again. We may recall the statement of the German Henckel von Donnersmark, saying to a compatriot of mine in 1913: "Victory, at the next clash, will belong to the nation the most exact, by which I mean the one whose servants, from the highest to the lowest, are exact to fulfill their duty, be it the highest or the lowest."

Contrary to what this German thought, we shall be, all of us, the most exact. We shall continue to answer the appeals of our leaders as has been done before. All of us who, far from the firing line, can help only without risks to our persons, will remember that anything left undone which we might do, trifling as it may be, will weigh on our consciences till our last day. In this terrific struggle, in which millions are engaged and millions have died, all counts. The importance of working in unison, heart to heart, of never losing one minute which might have been usefully employed, of never allowing our personality to come athwart our tasks, is supreme. In case of temptation we may say to ourselves as a safeguard, "any hour I aimlessly spend is equivalent to my killing one of my own people." And so it is.

We shall prove the most exact, we shall be the winners. The goddess this association worships, Justice, will reign supreme.

ITALY'S ACTION IN ENTERING WAR DEFENDED BY AMBASSADOR COUNT MACCHI DE CELLERE.

A statement as to Italy's position in the war was furnished by the Italian Ambassador Count Macchi de Cellere at the annual dinner of the New York State Bar Association on Jan. 12. In outlining the situation so far as Italy is concerned, Count de Cellere is quoted as follows in the New York "Times":

It is the hope that I may make clear and distinct to you the unselfishness and purity of purpose of Italy that I undertake in a few words to recall to you her situation. Italy's position in this war has been perverted by a clever propaganda of our common enemy into an accusation of faithlessness; but, fortunately, your great President and you and others of the people of the United States have come to recognize that this accusation is hideously false. This German propaganda has centered around two points: (1) That we were traitors to the Triple Alliance; (2) that we entered the war only for selfish ends. How far from justified are these two accusations, with all the consequences that follow them, you know. I will, however, discuss them from the Italian point of view. I could easily disregard the accusation of treason made by our enemies against us.

The word treason is unknown to Italy in principle and in fact, and only Teutonic mentality could apply it to us. Italy did not betray her former

allies. She was brutally and repeatedly betrayed by them. One needs merely to consider the spirit and the wording of the treaty of the Triple Alliance to be at once convinced of the truth of my statement. Italy joined the Austro-German combination at a period when her national existence had hardly begun. Unable to withstand the dangers of isolation, Italy became a party to the treaty, but stipulated that the alliance should be purely defensive and that no step whatever should be taken by any of the signatories without previous consultation with the others. Italy kept her word to the last.

How the Teutonic powers kept theirs is demonstrated by their sending their ultimatum to Serbia without even letting Italy know that they were contemplating such a tremendous step. They kept Italy in the dark because they knew by experience that Italy would oppose their plans of aggression against Serbia or any other nation, and they realized that if their plans had been known in time the war they wanted to provoke, would not have been possible. Italy had stood by Serbia when, after Austria's annexation of the Serbian provinces of Bosnia Herzegovina, the Central Powers were preparing new aggressions in the Balkans and were looking for pretexts which Italy's attitude always forestalled. Knowing that Italy would never consent to their criminal plans, Germany and Austria prepared in secret. When they considered themselves ready, they broke the peace of the world. What Italy's attitude would have been if she had known what the Central Powers were preparing is demonstrated by the efforts she made with our noble and traditional friend England to prevent a war which everybody knew would be the ruin of Europe and would involve the whole of the world. Our efforts were as vain as were those of England, because the crimes which the Central Powers were plotting against humanity and civilization had been determined upon.

Italy was betrayed by her former allies in 1908, when Austria with the knowledge and open support of Germany annexed Bosnia-Herzegovina; she was betrayed again during her war with Turkey in 1912, when Austria threatened instant war if Italy should attack Turkey at Prevesa, and when Germany sent her officers and men to lead the Turks and the Arabs against the Italian soldiers; she was betrayed once more in 1914, when Germany and Austria struck without consulting her. Italy did the only thing she could possibly do at the time—she refused to join them and at once declared her neutrality.

The history of Italy, even in its darkest periods, abounds in instances of nobility and greatness. The Italian nation could not have become a party to a crime against humanity—a crime so cunningly premeditated that the most repulsive crimes of all suffer in comparison.

The Teutonic assault on Serbia had released Italy from any obligation under the Triple Alliance—an assault which was only the consummation of a series of crimes all preparatory to the same end, and committed in full view of the civilized world, which nevertheless could not be brought to realize what was about to happen.

We are all paying dearly now for our blind faith that no nation would dare to break a peace which the world had expended so much to secure.

Let me say, gentlemen, that in the bloody sacrifices civilization is making to overthrow barbarism once for all, Italy is second to none.

Italy had not been ready when the voice of history called her to be true to her immemorial traditions of love for liberty and justice; but she prepared with all speed to make her participation in the war of material advantage. You all know of what technical importance has been Italy's contribution to the war, in the perfecting of trench, mountain, and heavy artillery, in the wonderful evolution of the airplane, in the development of warfare among the clouds.

For two and a half years Austria had been kept on the verge of disaster by the bravery of a country that has been paying for her lack of artillery, ammunition, fuel and food with the purest blood of her sons.

Then, last October, owing to a combination of circumstances now known to all, Teutonic trickery and violence got the better of us. Our country was invaded, our army brought near destruction, our monuments razed with barbaric thoroughness, our women and children martyred. For the moment it seemed that we were lost, not only to the cause of the Allies but even to our own traditions. Thank God that impression proved false. Never was Italy so great as the day she realized her danger and transformed what appeared to be one of the greatest defeats known in military annals into a victorious rally of all her forces.

With faith in our destiny, with the assurance that right cannot be permanently destroyed by might, with the confidence and gratitude that the entrance of this glorious Republic into the war on our side has added her sense of right and her unlimited strength, we face the future bravely, certain that victory will be ours.

CHARLES E. HUGHES ON ADJUSTMENTS INCIDENT TO WAR.

Dealing with the war and the adjustments incident thereto, Charles E. Hughes, in his address as President of the New York State Bar Association on Jan. 12 in enunciating his views stated that "I cannot escape the belief that in the main the present exercise of authority over the lives of men will hereafter find its counterpart in a more liberal exercise of power over the conduct, opportunities and possessions of men." Setting out that "we are witnessing the most extraordinary adjustments of business to the demands of war" he averred that "we are not going to be made over in this war but we shall have a new grasp on realities." "Is it," he asked, "too much to expect that we shall have a safer attitude toward business, toward the necessary activities which afford the basis of progress toward organization of industry, of transportation, of labor?" According to Mr. Hughes' way of thinking "the problems of the democracy of the future will not be problems of power, but problems of administration." In part Mr. Hughes spoke as follows:

When we turn from the normal processes of peace to the extraordinary conditions incident to a state of war we are struck (1) with the complete adequacy of constitutional authority to meet all the exigencies of war; (2) with the willingness of our people that these vast reservoirs of power should be freely drawn upon, and (3) with the enormous difficulty of transmitting constitutional energy into actual achievement. Our difficulties are those of a peace-loving democracy unprepared for war—the difficulties of an indulgent people who have never addressed themselves with sufficient seriousness and definiteness of purpose to the problems of administrative efficiency in the conduct of the public business.

We bind our agents with red tape. We multiply offices, bureaus, and councils without assuring necessary co-ordination. We make government a great circumlocution office, a practice bad enough in time of peace, but fatal if not remedied in war. It is relatively easy to devise grants of power, to discuss, to formulate policies, to frame measures. The difficult thing is to get things done, and that is the first essential in war. The problems of the democracy of the future will not be problems of power, but problems of administration. And this war is a vast school. We are grateful that, despite difficulties, so much is being accomplished, and that we are learning the better and the necessary way.

I can speak but briefly of some of the adjustments incident to war. And, first, of conscription, in raising our Army. The immediate result will be to give us the fighting men to win the war. We shall never win without them. But the by-products of this process may be of the greatest importance not only during, but after, the war.

We now have a real melting pot. There cannot but be a new feeling of fellowship, of mutual interest, a better understanding of other lives and points of view. "Fellow citizens" will have a fresh significance. Of course, we had this experience in the ordeal of the Civil War. But then we were divided. This is the war of North, South, East and West—the war of the reunited nation. And then we have the later generations and the millions of new-comers, and our young men of every race and condition are being fused in the heat of a common preparation and a common strife into a citizenry with a common inspiration and ideal. It is a hard saying, but it may well be that America needed this war to get rid to some extent of the impurities of class distinction, of racial bigotry, and separateness, of urban provincialism and sectional selfishness, and to give us the new America with a better appreciation of our mutual dependence, of the necessity of co-operation, and of the worth of character, regardless of race, or color, or sex, or fortune.

There cannot fail to be also a new sense of individual obligation to the nation on the part of those thus compelled to serve it. The selective service law has taught a needed lesson of duty in democracy. And there is likely to be in the case of many who have misconceived our institutions, and their duty, a new appreciation of the power of our Government.

What will be the reaction to this new impression of power? Will it be in favor of individual liberty, or in favor of a larger measure of governmental control over individual conduct and property in the days of peace? I am disposed to think that in some degree there will be both reactions. But I cannot escape the belief that in the main the present exercise of authority over the lives of men will hereafter find its counterpart in a more liberal exercise of power over the conduct, opportunities and possessions of men.

Among the 10,000,000 young men who have been registered under the Draft Act, there will probably be a host who are not likely to shrink at the application of power to others if they conceive it to be in the general interest, the supremacy of which they have been bound to acknowledge. If former conceptions of property right and individual liberty are to be maintained in the years to come, it will not be through the same instinctive regard for them which has hitherto distinguished our people, but because it is the conviction that the common interest will be better served by freedom of individual opportunity than by fettering it.

In that field of controversy we shall have our campaigns of education, and what such campaigns may fail to teach we may be sure that experience will teach. But individual privilege when challenged will have to show cause before a public to which old traditions are no longer controlling—a public trained in sacrifice—which will have and enforce its own estimate of the extent of the common right.

We are witnessing the most extraordinary adjustments of business to the demands of war. Momentous events are too recent to need mention and it is too early to define permanent effects. Out of this extraordinary laboratory will come new methods, new discoveries. Many illusions will vanish; much vain theorizing will lose its power. We are not going to be made over in this war, but we shall have a new grasp on realities. Is it too much to expect that we shall have a saner attitude toward business, toward the necessary activities which afford the basis of progress, toward organization of industry, of transportation, of labor?

Now that we have a real fight on our hands, demanding the organization and direction of all our resources of men and things, can we not learn to distinguish the real evils from the bogies of the imagination? I hope that the days devoted to the application of the uncertainties of such statutes as the Sherman Act are numbered. May we not hope for a better appreciation and a more precise definition of wrongs?

What an absurdity it is to find that the very co-operation which the nation finds necessary for its own economic salvation under the strain of war is denounced as a crime in time of peace. Let our legislators free our statute books of cant. Let us give honest business, fair and reasonable co-operation, fair and reasonable organization, whether of business or of labor, a broad field and permit the enjoyment of the essential conditions of efficiency in the coming days of peace in the interest of the common prosperity.

May we hope that through this war we may learn how to regulate and not destroy, how to open the door to American enterprise here and abroad under rules of public protection which can be known in advance and which reason can approve. We cannot tell what the present necessary action with regard to the railroads may portend. But may we not expect that we shall at least have a conserving and upbuilding policy which will recognize that there is no adequate protection to the public interest which does not foster the instrumentalities of commerce. I do not look to the period after the war with an undue optimism. I think that our real progress will still be slow. But I do expect a better adjustment of legislation to the facts of life.

We are at the beginnings of history. It is only a few hundred years since the dawn of what we call modern civilization. It is a very short time since science changed the habits of centuries and swept us into a world of new intimacies. The old Orient is only in the beginning of history. Japan and China are nations of the future, not of the past. Russia has just begun to live, and for many hundreds of years the forces now let loose will have their play in shaping the destiny of that wonderful people.

And our nation, the great Republic of the West, is just at the beginning of its career. The dream of isolation is at an end. We are now to take our part in a new world, which we are assisting in creating—a world where Law is to be supreme, where Force shall be only the minister and agent of Justice as expressed in Law. Those who scoff at Law have no conception of democracy, for Law is the vital breath of democracy. Those who scoff at courts have no conception of democracy, for the courts are its most essential instruments. Democracy can change the forms of its life, but it cannot dispense with the tribunals which apply its principles.

We are now fighting the battle of the Law, the battle for the rule of reason against the rule of force, for the establishment of the orderly processes of examination, deliberation, and judgment instead of the despotism of arbitrary will, for the sanctity of covenants between States, for the maintenance of the obligation of States to recognize the principles which lie at the foundation of the international order and which express the common sense of justice.

To the new order America could not escape relation if it would. We shall not relate ourselves to particular matters which do not concern us, but a concert to keep the peace, to establish the supremacy of international law—that is our concern. We shall take our part in international conference; we shall be represented in international courts; we can be counted upon to bear our share of the burden of endeavor to make sure that unscrupulous military power, destroyer of treaties, bestial and inhuman in its cruelties, shall never threaten the peace of the world and curse the earth with its ambition.

OTTO H. KAHN ON DUTY AND OPPORTUNITY OF AMERICANS OF GERMAN BIRTH.

Speaking of the "Duty and Opportunity of the American of German Birth" Otto H. Kahn, of Kuhn, Loeb & Co. in an address at Milwaukee on Jan. 13 stated that "the American of German descent who at this time of test and trial, does not serve the land of his adoption with the utmost measure of single-minded devotion and with every ounce of his power perjured himself when he took his oath of allegiance and proves himself guilty of treacherous duplicity." He further said:

It is not enough for us Americans of German descent to do our duty by our country and fellow citizens, however fully and unreservedly, if we do it in resigned and oppressed silence . . . I believe that we should speak out, we Americans of German birth, because we have been misrepresented to our fellow citizens and to the world, by a small minority of professional spokesmen and pernicious agitators by no means all of German birth.

I believe that we should speak out, to convince our native-born fellow-citizens that our fundamental conceptions of right and wrong are like theirs, that the taint of Germany is not in the blood, but in the system of rulership, that we are with them and of them wholeheartedly, singlemindedly, and unreservedly; because if we failed in conveying to them that conviction in the hour of our common country's stress and trial there would ensue the calamity of a spiritual, if not an actual, breach between them and us which it would take a generation to heal.

I do not apologize for, nor am I ashamed of, my German birth. But I am ashamed—bitterly and grievously ashamed—of the Germany which stands convicted before the high tribunal of the world's public opinion of having planned and willed war; of the revolting deeds committed in Belgium and northern France, of the infamy of the Lusitania murders, of innumerable violations of The Hague conventions and the law of nations, of abominable and perfidious plotting in friendly countries and shameless abuse of their hospitality, of crime heaped upon crime in hideous defiance of the laws of God and men.

Stating that he knew "something from actual and personal experience of the plotting of the Prussian party, and how for a full generation they had endeavored again and again to bring about a situation which would force war upon the world." Mr. Kahn continued:

I know of my personal knowledge that the stage was set for it six or seven years ago in connection with the Agadir episode. I know that the Pan-Germans meant to have a footing in South America, and, once there, would have threatened, and had prepared plans to threaten, this very country of ours.

I know that Austria, in 1913, meant to conquer Serbia, and so informed her then ally, Italy, believing that she could do so with impunity. And I know that Austria did not believe that its ultimatum to Serbia in July 1914 would bring on a serious war.

I know it, because the week following the outbreak of the war I saw a letter just arrived from a gentleman in high position in Austria, closely connected with the Austrian Foreign Office, in which, writing to New York under date of about July 20 1914, he said:

"We are now passing through a nerve-wearing time because of our difficulty with Serbia, but by the time this letter reaches you everything will be all right again. The Serbians have been intriguing against us these many years, and this time they must be settled with for good and all. We shall go in and take Belgrade, but inasmuch as we have given assurance to Russia that we shall not permanently interfere with the integrity and independence of Serbia, and inasmuch as neither Russia nor her Allies are ready to fight the whole thing will be a military promenade and will have no serious consequences."

A defensive war. Was it a defensive war which Prussianism was thinking of when it declined England's repeated offer for a reduction by both countries of the building of warships; when it refused at the last Hague conference to discuss the limitation of standing armies and armaments when Germany—alone amongst the great nations—rejected our offer of a treaty of arbitration?

Years before the war, Nietzsche than whom no man had greater influence in shaping the trend of German thought in the past thirty years, wrote:

"You shall love peace as a means to prepare for new wars. You say that a good cause may hallow even war, but I say to you that it is a good war which hallows every cause."

On July 29 1914, the well informed German newspaper, "Vorwaerts," declared:

"The camarilla of war-lords is working with absolute, unscrupulous means to carry out their fearful designs to precipitate a world war."

In October 1914 three months after the outbreak of the war, Maximilian Harden, one of the ablest and most influential of German publicists wrote:

"Let us renounce those miserable efforts to excuse the actions of Germany in declaring war. It is not against our will that we have thrown ourselves into this gigantic adventure. The war had not been imposed upon us by others and by surprise. We have willed the war. It was our duty to will it. We decline to appear before the tribunal of united Europe. We reject its jurisdiction. One principle alone counts and no other—one principle which contains and sums up all the others—might."

I could go on for hours quoting similar views and sentiments from the utterances of leading German writers and educators before and since the war. It is worth mentioning, though, that since then Maximilian Harden has seen a new light, and for some time has been courageously speaking and writing in a very different strain.

There are a number of influential men in Germany who, like him, have undergone a change of mind and heart, and the strong and outspoken assertion of liberal sentiment and independent aspirations in that country within the last six months have not perhaps received here as yet the full recognition due to their significance.

A defensive war. There are certain telegrams from Sir Edward Grey the British Minister of Foreign Affairs, to the British Ambassador in Germany, sent during the week preceding the outbreak of the war in Europe, which even to this day are unknown in Germany, as they were never permitted to be published.

In these messages the British Foreign Minister went almost on his knees to beg Germany to consent to a conference in order to avoid war. He went to the utmost limits in promising benevolent consideration for Germany's viewpoint and wishes, then and in the future, and he stated that if Germany would put forward any reasonable proposition honestly calculated to maintain peace, England would support it with all its influence and if France and Russia would not fall in line England would promptly separate itself from these two countries.

These overtures and pleas met with no response from the Masters of Germany. They declared war. It is probably true that the Russian Pan-Slavists had planned war sooner or later, just as the Pan-Germans did.

War might perhaps have come then or at some other time, even if the Prussian rulers had not precipitated it. But the fact remains that it was the Imperial German Government which did declare war.

In conclusion Mr. Kahn said:

The spirit of Prussianism and the spirit of Americanism cannot live in the same world. One or the other must conquer. In the mad pride of its contempt for democracy, Prussianism has thrown down the gauntlet to us.

We have taken up the challenge and now stand arrayed by the side of the other freedom-loving nations of the world, giving our fresh strength and our boundless resources to them who, heroically striving, have borne the heat and burden of a dreadfully long and exhausting struggle, yet stand unwearied, erect and resolute.

The enemy is of formidable strength. But even if he were far stronger than he is; even if we did not have the men and the means which are ours; even if our comrades in arms had not demonstrated their superb and indomitable prowess, still must our cause prevail—for there is fighting with us a force which has ever proved itself stronger than any other power on earth, and again and again has triumphed over overwhelming odds. That force, God inspired, death-defying and unconquerable, is the soul of man.

And when—Heaven grant it may be soon—the soul of the German people will have freed itself from the sinister powers that now keep it in ban and bondage; when it will have found again the high impulses and aims of its former self; when it will once more understand and speak the universal language of humanity and right, then, in God's own time there will be peace.

TRADE RELATIONS WITH GERMANY TO BE DEPENDENT UPON GOVERNMENT RESPONSIBILITY.

It was made known on Jan. 14 that 500,000 American business men are voting, through their commercial organizations, on the question of notifying the business men of Germany that they will not re-establish trade relations with Germany unless a Government, responsible to the people, is given power. This message was contained in a referendum submitted to its membership by the United States Chamber of Commerce on the 14th inst. The proposed action, the Chamber stated, has no thought of revenge or punishment, but is based upon the logic that only through industrial intercourse with the United States can the military party of Germany get the sinews with which to precipitate a second great world war. The chamber's proposition is as follows:

Whereas, The size of Germany's present armament and her militaristic attitude have been due to the fact that her Government is a military autocracy, not responsible to the German people; and

Whereas, The size of the German armament after the war will be the measure of the greatness of the armament forced on all nations; and

Whereas, Careful analysis of economic conditions shows that the size of Germany's future armament will fundamentally depend on her after-war receipts of raw materials and profits from her foreign trade; and

Whereas, In our opinion the American people for the purpose of preventing an excessive armament will assuredly enter an economic combination against Germany if Governmental conditions in Germany make it necessary for self-defense; and

Whereas, We believe the American people will not join in discrimination against German goods after the war if the danger of excessive armament has been removed by the fact that the German Government has in reality become a responsible instrument controlled by the German people; therefore, be it

Resolved, That the Chamber of Commerce of the United States of America earnestly calls the attention of the business men of Germany to these conditions and urges them also to study this situation and to co-operate to the end that a disastrous economic war may be averted and that a lasting peace may be made more certain.

The Chamber's statement of this week further says:

If the proposed action carries, the industrial leaders of Germany, who with the military party constitute the most powerful caste in Germany, will be bluntly told that Germany must choose a responsible Government to conclude a just peace or suffer the consequences of an outlaw after the war.

She will be denied economic intercourse with her best customer—the United States. The message could not fall of its purpose as Germany cannot hope for years to come to re-establish satisfactory trade relations with Great Britain, Italy or France.

No single action by the United States can be calculated to go further than this proposed action of America's business men. It is more potent in its authority, perhaps, than any similar warning coming from official sources. The difference lies in the fact that Germany might doubt whether Congress would sanction a treaty with the Allies for a trade boycott of Germany or that the people would abide by such a treaty were it made. This, on the other hand, would be direct notice to German business men that the business men of America have taken a concerted stand to close trade to Germany as long as it remains an outlaw.

The further fact should be borne in mind that the proposal to discriminate against German trade after the war is not at variance with the President's announced policy not to continue after the war policies which would engender hatred among the nations. Quite the contrary, it might be said to constitute the second great drive to compel responsible Government in Germany, the first being directed to the constitutionalists within the Empire.

One paragraph in the President's recent statement of war aims—a paragraph, by the way while it was not understood in this country will be appreciated in Berlin—indicates that the President's thought is along similar lines to the views expressed in the referendum. This paragraph follows:

III. The removal, so far as possible, of all economic barriers and the establishment of an equality of trade conditions among all the nations consenting to the peace and associating themselves for its maintenance.

The distinction should be kept clearly in mind that there is no thought of revenge or punishment for past wrongs. German business men are to be told in so many words that America, in common with other nations, supplied Germany with the raw materials and the sinews with which she made herself ready to turn these assets against the world that had supplied her. It would be poor business not to profit by this experience, the referendum implied. If Germany wants the trade of the United States she can have it but only upon these terms—a stable Government in Germany to guarantee the future peace of the world.

The referendum is the suggestion of the Boston Chamber of Commerce. After listening to the recommendations the directors of the national body decided that this was a question for the whole country to pass upon. The Boston organization was requested to place its material in shape for submission to the National Chamber membership.

The difficulty of getting such a report into the hands of the German business men is real but not insuperable. The National Chamber points out the following possibilities:

1. In spite of rigid censorship, a great deal of news is getting into Germany from the nearby neutral press. The papers of Switzerland, Holland, Sweden, Denmark and other neutral countries are getting into Germany constantly. With this resolution published in Switzerland alone, we could be practically sure of its getting into the hands of German business men.

2. There are throughout the neutral countries business men, members of the International Congress of Chambers of Commerce and otherwise, who, if this resolution were placed in their hands, would have many opportunities to discuss the matter with individual business men of Germany upon their frequent visits to these neutral countries. German business men are visiting Switzerland, Holland, Denmark, Sweden, and other neutral countries constantly. This word-of-mouth communication of the report would spread the idea widely. Our personal correspondence with these neutral business men would help greatly.

It is thought that this blow directed by American business at German business will supplement the steps already taken to bring home to the different classes in Germany the purposes and will of America to establish conditions which will eliminate as far as possible factors which will disturb again the peace of the world.

OTTO H. KAHN ON "LIBERTY FRENZIED" AND THE "MILITANT BOLSHEVIKI."

Declaring that "the deadliest foe of democracy is not autocracy, but liberty frenzied," Otto H. Kahn in an address at Madison, Wis., on Jan. 14 delivered a warning to the "militant Bolsheviki in our midst," saying:

The time is ripe and over-ripe to call a halt upon those spreaders of outlandish and pernicious doctrines. The American is indulgent to a fault and slow to wrath. But he is now passing through a time of tension and strain. His teeth are set and his nerves on edge. He sees more closely approaching every day the dark valley through which his sons and brothers must pass and from which too many, alas, will not return.

It is an evil time to cross him. He is not in the temper to be trifled with. Let the militant Bolsheviki in our midst be warned in time.

When I speak of the militant Bolsheviki in our midst as foes of national unity, I mean to include those of American stock who are their allies, comrades and followers—those who put a narrow class interest and a sloppy internationalism above patriotism, with whom class hatred and envy have become a consuming passion, whom visionary obsessions and a false conception of equality have inflamed to the point of irresponsibility. But I am far from meaning to reflect upon those who, while determined Socialists, are patriotic Americans.

I believe the Socialistic State to be an impracticable conception, a Utopian dream, human nature being what it is, and the immutable laws of nature being what they are. But there is not a little in Socialist doctrine and aspirations that is high and noble, some things, too, that are achievable and desirable.

And to the extent that Socialism is an antidote to and a check upon excessive individualism and holds up to a busy and self-centered and far from perfect world grievances to be remedied, wrongs to be righted, ideals to be striven for, it is a force distinctly for good.

Still less do I mean to reflect upon the labor union movement, which I regard as an absolutely necessary element in the scheme of our economic life. Its leaders have acted with admirable patriotism in this crisis of the nation, and on the whole have been a factor against extreme tendencies and irrational aspirations.

Trades unions have not only come to stay, but they are bound, I think, to become an increasingly potent factor in our industrial life. I believe that the most effective preventive against State Socialism is frank, free and far-reaching co-operation between business and trades unions, sobered and broadened increasingly by enhanced opportunities, rights and responsibilities.

I do not preach standpatism. I believe, by no means, that everything is right as it is. I believe, by no means, that reforms are not necessary. I yield to no one in the warmth of my sympathy for those whose life is a hard and weary struggle to make both ends meet and in the genuineness of my desire to see their burdened lightened. I believe in progress and social justice. I believe we must all strive in every way consistent with economic truth and with such laws of nature as are beyond our power to change, to spread ever more extendedly the comforts, rewards, joys and inspirations of life.

But this is not the time for settling complex social questions. When your house is being invaded by burglars you do not discuss family questions. Let us win the war first. Nothing else must now be permitted to occupy our thoughts and divert our aims.

When we shall have attained victory and peace, then will be the time for us to sit down and reason together and make such changes in political and social conditions as, after full and fair discussion, free from heat and passion, the enlightened public opinion of the country deems requisite.

OTTO H. KAHN SUGGESTS BOARD OF ECONOMIC AND FINANCIAL STRATEGY.

"Our Needs—National Unity and National Efficiency," was the topic of an address prepared by Otto H. Kahn, of Kuhn, Loeb & Co., for presentation at the banquet of the Bankers' Club, Chicago, on Jan. 12. Mr. Kahn's arrival at Chicago was delayed on account of the severe snowstorm which developed in that section a week ago. Mr. Kahn referred to the fact that the war is to a very large extent a test of organizing ability and industrial power, and he pointed out that equal in importance to industrial effort is

economic power and endurance. He suggested that it would serve a useful purpose, if out of the various commissions now dealing with economic affairs, or as a separate body suitably co-ordinating them, the President or the Secretary of the Treasury were to see fit to appoint a Board of Economic and Financial Strategy—just as the army and navy have boards of experts to elaborate and deal with strategic problems. Among other things he proposed that it prepare a comprehensive plan for the marshaling and intensive utilization of our potential and actual resources, both during war times and afterwards. Mr. Kahn's address also dealt with the conscription of wealth and the taxing of incomes with regard to which latter he noted that our big incomes are taxed higher than in other lands, while small incomes are taxed lower than is the case in other belligerent countries.

O YOU HOOVER.

The Food Administration, in its "Weekly Bulletin" of Jan. 12 notes that the following poem, without the author's name, is going the rounds of employees in Government departments at Washington:

My Tuesdays are meatless,
My Wednesdays are wheatless;
I am getting more eatless each day.
My home it is heatless,
My bed it is sheetless;
They're all sent to the Y. M. C. A.
The barrooms are treatless,
My coffee is sweetless;
Each day I get poorer and wiser;
My stockings are feetless,
My trousers are seatless;
My, how I do hate the Kaiser.

ARRANGEMENTS FOR SALE OF WHEAT TO ALLIES BY ARGENTINA.

According to press advices from Buenos Ayres on Jan. 14 the Foreign Minister on that day signed an agreement with the British and French Ministers to sell 2,500,000 tons of wheat to the Allies. Argentina is to open a credit at the Bank of the Nation in favor of the Allies, which, it is said, is to be liquidated in two years. It is added that this arrangement is virtually a huge loan to the Allies, and is made in order to stabilize the rate of exchange. Mention of the proposed plans perfected this week was made in our issue of Saturday last, page 129.

PRESIDENT WILSON PLACES MANY ADDITIONAL FOOD COMMODITIES UNDER FEDERAL CONTROL.

The United States Food Administration's control over food commodities was considerably extended under a proclamation by the President made public on Jan. 14, which places under license importers, manufacturers and distributors of a number of essential foodstuffs and cattle fodder. Among these now brought under Federal control are salt water fishermen and distributors; all persons engaged in the business of malting barley or other grains, or in the business of storing or distributing malt (except brewers of malt liquors, who do not malt their own grain); canners of peas, dried beans, corn, tomatoes, salmon and sardines; manufacturers of all products derived from wheat or rye, and other food products. The following is the President's proclamation, dated Jan. 16, and made public on the 14th inst.:

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA.
A Proclamation.

Whereas, under and by virtue of an Act of Congress entitled "An Act to provide further for the national security and defense by encouraging the production, conserving the supply, and controlling the distribution of food products and fuel," approved by the President on the 10th day of August, 1917, it is provided, among other things, as follows:

"That, by reason of the existence of a state of war, it is essential to the national security and defense, for the successful prosecution of the war and for the support and maintenance of the Army and Navy, to assure an adequate supply and equitable distribution and to facilitate the movement of foods, feeds, fuel, including fuel oil and natural gas, and fertilizer and fertilizer ingredients, tools, utensils, implements, machinery, and equipment required for the actual production of foods, feeds and fuel, hereafter in this Act called necessities; to prevent, locally or generally, scarcity, monopolization, hoarding, injurious speculation, manipulations, and private controls affecting such supply, distribution and movement; and to establish and maintain Governmental control of such necessities during the war. For such purposes the instrumentalities, means, methods, powers, authorities, duties, obligations, and prohibitions hereinafter set forth are created, established, conferred and prescribed. The President is authorized to make such regulations and to issue such orders as are essential effectively to carry out the provisions of this Act."

And whereas it is further provided in said Act as follows:
"That, from time to time, whenever the President shall find it essential to license the importation, manufacture, storage, mining or distribution of any necessities, in order to carry into effect any of the purposes of this Act, and shall publicly so announce, no person shall, after a date fixed in the announcement, engage in or carry on any such business specified in the announcement of importation, manufacture, storage, mining, or dis-

tribution of any necessities as set forth in such announcement unless he shall secure and hold a license issued pursuant to this section. The President is authorized to issue such licenses and to prescribe regulations for the issuance of licenses and requirements for systems of accounts and auditing of accounts to be kept by licensees, submission of reports by them, with or without oath or affirmation, and the entry and inspection by the President's duly authorized agents of the places of business of licensees."

And whereas it is essential in order to carry into effect the provisions of the said Act, that the powers conferred upon the President by said Act be at this time exercised to the extent hereinafter set forth

Now, therefore, I, Woodrow Wilson, President of the United States of America, by virtue of the powers conferred upon me by said Act of Congress, hereby find and determine and by this proclamation do announce that it is essential, in order to carry into effect the purposes of said Act, to license the importation, manufacture, storage, and distribution of feeds, and certain other food commodities, to the extent hereinafter specified.

(1) All persons, firms, corporations, and associations engaged in the business of (a) importing, manufacturing (including mixing and processing of all kinds), storing or distributing any commercial mixed feeds (including dairy feeds, horse and mule feeds, stock feeds, hog feeds, and poultry feeds); (b) manufacturing feeds from any of the following commodities or importing, storing, or distributing any of the following commodities as feeds or feed ingredients: Buckwheat, kaffir, milo, feterita, broom corn, cane seed, spelt, emmer, millet, sunflower seed, grain and seed screenings, lentils, linseed-oil cake, linseed-oil meal, beans, peas, dried brewers' grains, dried distillers' grains, dried yeast meals, malt sprouts, baled hay, baled alfalfa, baled straw, animal or fish products or by-products, tankage; (c) importing, manufacturing, storing, or distributing as feed any products or by-products of any of the following commodities except products or by-products whose importation, manufacture, storage, or distribution is already covered by a license held by any such person, firm, corporation, or association: Shelled corn, ear corn, oats, barley, wheat, rye, buckwheat, sorghum grains, rice, grain and seed screenings, soya beans, velvet beans, peas, peanuts, copra, palm nut, palm kernel, sugar beets, sugar cane, hay, alfalfa, straw.

(2) All persons, firms, corporations, and associations engaged in the business of malting barley, or other grains, or in the business of storing or distributing malt, except brewers of malt liquor who do not malt their own grain.

(3) All persons, firms, corporations and associations engaged in the business of importing, manufacturing, or distributing copra, palm kernels, palm kernel oil, and peanuts.

(4) All salt-water fishermen not already licensed by the United States Food Administration, whether fishing independently or on shares, engaged at any period of the year, in the commercial distribution, including catching and selling, of any or all varieties of salt-water fish, including menhaden, and of shellfish and crustaceans.

(5) All persons, firms, corporations, and associations engaged in the business of canning peas, dried beans, corn, tomatoes, salmon, or sardines, not already licensed, whose gross production is more than five hundred (500) cases per annum, except home canners and bona fide boys' and girls' canning clubs recognized by the Department of the Agriculture of the several States in the United States.

(6) All persons, firms, corporations, and associations not already licensed, engaged in the business of manufacturing tomato soup, tomato catsup, or other tomato products.

(7) All persons, firms, corporations and associations engaged in the business of manufacturing alimentary paste.

(8) All persons, firms, corporations, and associations, not already licensed, engaged in the business of manufacturing any products derived from wheat or rye, excepting, however: (1) retailers whose gross sales of food commodities do not exceed \$100,000 per annum; (2) common carriers, as to operations necessary to the business of common carriage; (3) farmers, gardeners, co-operative associations of farmers or gardeners including livestock farmers and other persons with respect to the products of any farm, garden, or other land owned, leased, or cultivated by them, are hereby required to secure on or before Feb. 15 1918 a license, which license will be issued under such rules and regulations governing the conduct of the business as may be prescribed.

All persons hereby made subject to license must apply, specifying the kind of license desired, to the United States Food Administration, License Division, Washington, D. C., on forms prepared by it for that purpose, which may be secured on request.

Any person, firm, corporation, or association other than those hereinbefore excepted who shall engage in or carry on any business hereinbefore specified after Feb. 15 1918, without first securing such license will be liable to the penalty prescribed by said Act of Congress.

In witness whereof I have hereunto set my hand and caused the seal of the United States to be affixed.

Done in the District of Columbia this 10th day of January, in the year of our Lord 1918, and of the independence of the United States of America the 142d.

[Seal.]

WOODROW WILSON.

By the President:

ROBERT LANSING, Secretary of State.

FOOD ADMINISTRATION TO PURCHASE 30% OF COUNTRY'S FLOUR OUTPUT FOR WAR NEEDS.

The Federal Food Administration at Washington on Jan. 9 announced that, in order to supply the needs of the United States Army and Navy and the Entente nations, it will purchase from every flour mill in the country during 1918 30% of its output. This leaves 70% of the output for ordinary domestic requirements, a much smaller proportion, it is stated, than had been generally believed would be reserved for this purpose. The announcement of the Food Administration gives an indication of the extent to which civilian consumption of flour in the United States must be reduced during the present year. The following is the Food Administration's announcement:

The United States Food Administration has sent out a notice to every mill that in order to supply the needs of the Army and the Navy, and the export trade to the nations associated in the war with the United States, the Food Administration desires to buy from every mill not to exceed 30% of its output.

Bids shall be made in the usual manner for Army and Navy requirements, and where awards are made to mills on such bids, such awards will be applied as a part of the 30% required by the Food Administration.

Notice will be sent to each mill at least two weeks in advance of the percentage of output which the Food Administration desires to obtain from

them for a subsequent period of 30 days. The Food Administration will retain at all times out of the flour purchased a reserve stock and will ship flour to any point where the local supply might be short.

This measure is not taken with the view of diminishing supplies to the market, but is to fundamentally further adequate handling of transportation in respect to Army, Navy and export requirements, and a regular supply of flour for the associates in the war of the United States at favorable loading points, and more regular flow of the commodity and to prevent congestion and inequalities in stocks of flour owing to transport difficulties

CANADIAN ORDER-IN-COUNCIL ESTABLISHING NEW STANDARDS OF QUALITY FOR GRAIN PRODUCTS.

An Order-in-Council establishing new standards of quality for grain products was signed by the Canadian Governor-General on Dec. 3. It revokes the Order-in-Council of Oct. 29 1910, as well as the amendatory order of May 1 1911. Standards are fixed for grain, meal, flour, bleached flour, graham flour, gluten flour, maize meal, corn meal, Indian meal, rice, rice flour, oatmeal, rye flour, buckwheat, corn starch, bran, shorts or middlings and chop feed. The order although signed on Dec. 3, did not appear in the official "Canada Gazette" until Dec. 22. It reads:

At the Government House at Ottawa.

Monday, Dec. 3 1917.

Present: His Excellency the Governor-General in Council.

His Excellency the Governor-General in Council, on the recommendation of the Minister of Inland Revenue, is hereby pleased to revoke the Order-in-Council of Oct. 29 1910, establishing Standards of Quality for Grain Products, as well as the Order-in-Council of May 1 1911, amending same.

His Excellency in Council is further pleased to order that the following Standards be established in lieu of those rescinded and the same are hereby established accordingly:

Grain Products.

1. *Grain* is the fully matured, clean, sound, air-dry seed of wheat, maize, rice, oats, rye, buckwheat, barley sorghum, millet or spelt.

2. *Meal* is the clean, sound product made by grinding grain.

3. *Flour* is the fine, clean, sound product made by bolting wheat meal, and contains not more than thirteen and one-half (13.5) per cent of moisture, not less than one and twenty-five one hundredths (1.25) per cent of organic nitrogen, not more than two (2) parts per million of nitrite reacting nitrogen, not more than one (1) per cent of ash, and not more than fifty-one hundredths (0.50) per cent of fibre.

4. *Bleached Flour* is flour which has undergone processing for the purpose of making it lighter in color. The residual nitrite reacting nitrogen must not exceed five (5) parts per million. The presence of two (2) parts per million of nitrite reacting nitrogen in flour shall be held to be proof of its having been bleached by oxides of nitrogen.

5. *Graham Flour* is unbolted wheat meal.

6. *Gluten Flour* is the clean, sound product made from flour by the removal of starch, and contains not less than five and six-tenths (5.6) per cent of nitrogen, not more than ten (10) per cent of moisture, and not more than fifty (50) per cent of starch.

7. *Maize Meal, Corn Meal, Indian Meal*, is meal made from sound maize grain, and contains not more than fourteen (14) per cent of moisture, not less than one and twelve one-hundredths (1.12) per cent of nitrogen, and not more than one and six-tenths (1.6) per cent of ash.

8. *Rice* is the hulled, or hulled and polished grain of *Oryza Sativa*.

9. *Rice Flour* is the clean, sound product made by bolting rice meal, and contains not more than fifteen (15) per cent of moisture, not less than one (1) per cent of nitrogen, and not more than one (1) per cent of ash.

10. *Oatmeal* is meal made from hulled oats, and contains not more than twelve (12) per cent of moisture, not more than one and eight-tenths (1.8) per cent of crude fibre, and less than two (2.00) per cent of nitrogen, and not more than two and two-tenths (2.2) per cent of ash.

11. *Rye Flour* is the fine, clean, sound product made by bolting rye meal, and contains not more than thirteen and one-half (13.5) per cent of moisture, not less than one and thirty-six one-hundredths (1.36) per cent of nitrogen, and not more than one and twenty-five one-hundredths (1.25) per cent of ash.

12. *Buckwheat flour* is bolted buckwheat meal, and contains not more than twelve (12) per cent of moisture, not less than one and twenty-eight one-hundredths (1.28) per cent of nitrogen, and not more than one and seventy-five one hundredths (1.75) per cent of ash.

13. *Corn starch* is the starch obtained from maize or Indian corn (*Zea Mays*), and contains not less than eighty-four (84) per cent of actual starch, and not more than thirteen (13) per cent of water, and not more than one (1) per cent of ash, and not more than three (3) per cent of substances other than starch and water.

14. *Bran* is a product of the milling of wheat or other grain, and contains not less than fourteen (14) per cent of proteids, not less than three (3) per cent of fat, not more than ten (10) per cent of crude fibre, and must be free from vital seeds of any of the noxious weeds defined by the Governor in Council under "The Seed Control Act."

15. *Shorts or Middlings* is the coarser material sifted out from the products of a second treatment of the grain by crushing the coarsely ground material that is sifted out from the bran after the first grinding; and contains not less than fifteen (15) per cent of proteids, not less than four (4) per cent of fat, not more than eight (8) per cent of crude fibre, and must be free from vital seeds of any of the noxious weeds defined by the Governor in Council under "The Seed Control Act."

16. *Chop Feed* is whole grain of one or more kinds more or less finely ground, and contains not less than ten (10) per cent of proteids, not less than two (2) per cent of fat, not more than ten (10) per cent of crude fibre, and must be free from vital seeds of any of the noxious weeds defined by the Governor in Council under "The Seed Control Act."

17. The presence of presumably vital weed seeds in any form of Feeding Stuff shall be held to constitute adulteration under the Act, when more than 25 seeds per pound, as enumerated in the Seed Control Act of 1911, are present in the feed.

Note 1. Proteids as employed in the foregoing definitions means the product of multiplying organic nitrogen by 6.25.

Note 2. Nitrite reacting Nitrogen is stated as Sodium Nitrite—(NaN.O₂)—which for purposes of this definition is identical with nitrogen.

Note 3. The Griess-Hosway method of determining nitrite nitrogen, described in Sutton's Volumetric Analysis, 8th Edition, p. 486 (J. & A. Churchill, London) is made official.

RODOLPHE BOUDREAU,

Clerk of the Privy Council.

CANADIAN EMBARGO ON EXPORT TO SCANDINAVIA AND THE NETHERLANDS.

An embargo was placed on exports from Canada to the Scandinavian countries and the Netherlands, under an Order-in-Council, issued by the Canadian Government on Sept. 8. The order reads as follows:

At the Government House at Ottawa.
Saturday, the 8th day of Sept. 1917.

Present:
His Excellency the Governor-General in Council.

His Excellency the Governor-General in Council, on the recommendation of the Minister of Customs, and under and in virtue of the provisions of section 291 of The Customs Act, and Section 6 of The War Measures Act 1914, is pleased to order and it is hereby ordered as follows:

The exportation of the following goods is hereby prohibited to all destinations in Norway, Sweden, Denmark and Holland, viz.:

All kinds of arms, guns, ammunition and explosives, machines for their manufacture or repair, component parts thereof, materials or ingredients used in their manufacture, and all articles necessary or convenient for their use;

All contrivances for or means of transportation on land or in the water or air, machines used in their manufacture or repair, component parts thereof, materials or ingredients used in their manufacture, and all instruments, articles and animals necessary or convenient for their use;

All means of communication, tools, implements, instruments, equipment, maps, pictures, papers and other articles, machines and documents necessary or convenient for carrying on hostile operations;

Coin, bullion, currency, evidences of debt, and metal, materials, dies, plates, machinery and other articles necessary or convenient for their manufacture;

All kinds of fuel, food, foodstuffs, feed, forage, and clothing, and all articles and materials used in their manufacture;

All chemicals, drugs, dyestuffs and tanning materials;

Cotton, wool, silk, flax, hemp, jute, sisal, and other fibres and manufactures thereof;

All earthen, clay, glass, sand, and their products;

Hides, skins and manufactures thereof;

Non-edible animal and vegetable products;

Machinery, tools and apparatus;

Medical, surgical, laboratory, and sanitary supplies and equipment;

All metals, minerals, mineral oils, ores, and all derivatives and manufactures thereof;

Paper pulp, books, and printed matter;

Rubber, gums, rosins, tars and waxes, their products, derivatives, and substitutes, and all articles containing them;

Wood and wood manufactures;

Coffee, cocoa, tea and spices;

Wines, spirits, mineral waters, and beverages.

This Order-in-Council shall be proclaimed by publication in the "Canada Gazette."

RODOLPHE BOUDREAU,
Clerk of the Privy Council.

The daily publication of the U. S. Bureau of Foreign and Domestic Commerce, in its issue of Sept. 17, pointed out that "Canadian embargo lists prior to 1917 maintained a special division of a limited number of articles, the exportation of which to the four neutral countries in question was prohibited."

CANADIAN FOOD CONTROLLER FIXES MAXIMUM PRICE FOR BRAN AND SHORTS.

The official "Canada Gazette" for Dec. 19 publishes the following order issued by W. J. Hanna, Canadian Food Controller, fixing the maximum price, effective Dec. 17, at which millers shall sell bran and shorts in bulk, freight paid at Fort William and Port Arthur:

Order No. 5.

OFFICE OF THE FOOD CONTROLLER, OTTAWA.

Whereas by Order in Council dated the 15th day of Nov. 1917, it was amongst other things provided that, the Food Controller may, by written order, from time to time prescribe the maximum amount of profit or the maximum price (or both) to be charged on the sale in Canada, or within any part or parts of Canada designated by the Food Controller, of any food or foods or of any food products designated by the Food Controller;

And whereas it is advisable in the public interest to make the following order,—

Therefore, I do hereby order:

That the maximum price at which millers shall sell bran and shorts after the 17th day of Dec. 1917 shall be:

- \$24.50 per ton of 2,000 lbs. for bran.
- \$29.50 per ton of 2,000 lbs. for shorts.

These prices shall be for bran and shorts in bulk, freight paid at Fort William and Port Arthur. To these prices may be added the cost of bags and freight from Fort William and Port Arthur to the point of destination, east of Fort William and Port Arthur. At points west of Fort William and Port Arthur, the maximum price of bran and shorts in bulk shall be, the price at Fort William and Port Arthur, less the difference between the freight charges to such points and the freight charges for delivery at Fort William and Port Arthur.

On all invoices covering sales made east of Fort William and Port Arthur, the following information shall be given,—

- (a) The maximum price at Fort William and Port Arthur.
- (b) The freight charges to point of destination.
- (c) The cost of bags.
- (d) Any rebate or other deductions that may be made.

On all invoices for shipment west of Fort William and Port Arthur the following information shall be given,—

- (a) The maximum price freight paid at Fort William and Port Arthur.
- (b) The freight charges for delivery of bran or shorts at Fort William and Port Arthur, and the freight charges on such bran or shorts to the point of destination.
- (c) The cost of bags.
- (d) Any rebate or other deductions that may be made.

Dated at Ottawa, this 17th day of Dec. 1917.

W. J. HANNA, Food Controller.

FOOD DEALERS IN CANADA REQUIRED TO FURNISH DETAILS OF PURCHASES AND SALES.

An order-in-council in Canada requiring wholesale producers and dealers in food to make returns to the Food Controller setting out their names and addresses and particulars regarding purchases, sales, shipments, prices of food dealt in by them, &c., was issued as follows on Oct. 11:

AT THE GOVERNMENT HOUSE AT OTTAWA.

Thursday, October 11 1917.

Present: His Excellency the Governor-General in Council.

Whereas it is necessary that the Food Controller be given power to require wholesale producers and wholesale dealers in articles of food to make returns giving their names and addresses, the particulars with respect to the purchases, sales, shipments and prices of articles of food dealt in by them and the capacity and equipment of their premises,—

Therefore, His Excellency the Governor-General in Council is pleased to enact and does hereby enact the following regulations under the provisions of The War Measures Act, 1914:—

Regulations.

1. The Food Controller for Canada may, from time to time, require the producers and manufacturers in wholesale quantities and wholesale dealers in any particular article or articles of food specified by such Controller to furnish him with statements, in such form and on or before such date or dates as such Controller may from time to time prescribe, containing all or any of the following particulars:—

- (a) Their names and addresses;
- (b) Any information that the said Controller may require with respect to the purchases, sales, shipments, origin, destination or prices of the specified article or articles of food, produced, purchased or sold by such wholesale producers, manufacturers or dealers;
- (c) The capacity, dimension and equipment of any premises occupied or used by any such wholesale producers, manufacturers or dealers.

2. Any person neglecting or refusing to furnish the said Food Controller with any information demanded by such Controller under the above regulations, or wilfully furnishing any incorrect or false statement or information, shall be guilty of an offence and shall be liable on summary conviction to a penalty not exceeding \$1,000, or to imprisonment for any period not exceeding three months, or to both fine and imprisonment.

RODOLPHE BOUDREAU, Clerk of the Privy Council.

THE GOVERNMENT FIVE-DAY FUEL CONSERVATION ORDER—SUSPENSION OF BUSINESS ON TEN MONDAYS PROVIDED.

The serious fuel famine in the Eastern States, which has reached a very critical stage, has impelled the promulgation by the Fuel Administration at Washington of a drastic and far-reaching order which calls for the closing down of practically every factory east of the Mississippi and in Minnesota and Louisiana during fourteen working days, and the Monday closing affecting stores and offices and other business activities as well. The order, the full text of which is given further below, by denying the use of fuel, will force the suspension of business in practically every factory in the locality designated above on five days beginning yesterday, Friday, Jan. 18, and up to and including next Tuesday, Jan. 22. In addition, every Monday for nine weeks beginning Jan. 28 up to and including March 25, and including also Jan. 21, is put on a basis of even greater restriction in the use of fuel. On those days there is to be a general suspension of business and financial activities. Stores, excepting food and drug stores, will have to close on these Mondays. Subways, elevated trains, street cars and suburban trains must reduce to Sunday schedules. No theatres are to open on Mondays until after March 25. Fuel Administrator Garfield's order was promulgated with the President's authority and its issuance followed a conference with the Chief Executive at the White House between Dr. Garfield, Secretary of War Baker, and Secretary of the Navy Daniels. The order gives fuel service to bakeries and public institutions, to army cantonments and naval stations, and to industries whose output is of immediate and direct use to the Government in moving troops and in prosecuting the war. Through the enforcement of the order, the Fuel Administration expects to effect a saving of 30,000,000 tons of coal. The order also prescribes a preferential list of consumers who are to be given preference in coal shipments. These users will get coal in the following order: Railroads, household consumers, hospitals, charitable institutions, army and navy cantonments, public utilities, telephone and telegraph plants, by-product coke plants suppling gas for household use, shipping for bunker purposes, the United States for strictly Government purposes, and so on to the end. The announcement of the Fuel Administration's action was made late on Wednesday evening, Jan. 16. At that time the full text of the order was not available for publication. Dr. Garfield, however, then issued an abstract of the provisions of the order, and the following explanatory statement:

The unprecedented adverse weather conditions of recent weeks and the inadequacy of the present coal supply and transportation facilities to meet the enormous wartime demand, have made necessary immediate restrictive measures as to the use of coal in that part of the United States east of the Mississippi River.

The movement of coal in transportation must be so directed as to aid the Director-General of Railways in dealing with the railroad emergency created by recent blizzard conditions. Domestic consumers of coal must be kept warm, and other absolutely necessary consumers must be supplied.

All industry must be equally restricted in its use of coal in order that the available supply for the remainder of the winter may be properly distributed and may be made sufficient for absolutely essential needs during the remainder of the winter.

To meet these necessities, the Fuel Administration has ordered as an immediate emergency measure that on the days of Jan. 18, 19, 20, 21 and 22, preference and priority in the use of coal shall be given only to those consumers whose consumption of coal is absolutely necessary. These include in order: Railroads, domestic consumers, hospitals and charitable institutions, public utilities, ships at tidewater for bunker purposes, United States Government use, municipal or county governments for necessary public use, manufacturers of perishable food or food for immediate consumption.

During the five days designated no manufacturing industry shall be allowed to operate even if it has its coal supply on hand. By this means all industry will be placed on an equal footing and each will be called upon to make its share of the sacrifice necessary to maintain the nation at the highest possible point of military and economic efficiency for the prosecution of the war.

In addition to this emergency, restriction over the designated five days, the Fuel Administration has ordered that all use of fuel except by consumers classed as absolutely necessary shall be prohibited on Monday of each week from Jan. 21 to March 25; that is, on Jan. 21 and 28, Feb. 4, 11, 18 and 25, and March 4, 11, 18 and 25.

The order under which these restrictions are made is designed to distribute with absolute impartiality the burden of patriotic denial. All classes of business are treated alike.

Except on the days covered in the order, the normal supply of coal to all consumers will be maintained. The necessary consumers designated in the order are given preference and priority in the delivery and use of coal at all times as well as on the days when other use of coal is prohibited.

The United States Fuel Administration counts upon the complete patriotic co-operation of every individual, firm, and corporation affected by the order in its enforcement. Every effort will be made by the Fuel Administration and other Government officials charged with the enforcement of the order to carry out the plan proposed without undue interference with the ordinary course of business.

It is the earnest desire of the Fuel Administration to prevent entirely any dislocation of industry or of labor.

The complete text of the Fuel Administration's order was made public on Jan. 17, and it reads as follows:

UNITED STATES FUEL ADMINISTRATION.

Washington, D. C., Jan. 17 1918.

Regulation making provision for a more adequate supply of fuel for railroads, domestic consumers, public utilities and other uses necessary to the national security.

The United States Fuel Administrator, acting under the authority of an Executive order of the President of the United States dated 23d August 1917, appointing said Administrator, in furtherance of the purposes of the said order and of the purposes of the Act of Congress therein referred to, approved 10th August 1917, and finding it essential effectively to carry out the provisions of this Act to make provision for a more adequate supply of fuel for railroads, domestic consumers, public utilities and for other uses necessary to the national security in certain parts of the United States, hereby makes and prescribes the following regulation:

Section 1. Until further order of the United States Fuel Administrator, all persons selling fuel, in whatever capacity, shall, in filling their contracts or orders now on hand, give preference to necessary current requirements of railroads, domestic consumers, hospitals, charitable institutions, army and navy cantonments, public utilities, by-product coke plants supplying gas for household use, telephone and telegraph plants, shipping for bunker purposes, the United States for strictly governmental purposes (not including factories or plants working on contracts for the United States), manufacturers of perishable food or of food for necessary immediate consumption, and municipal, county or State Governments for necessary public uses. Any tonnage remaining after the foregoing preferred shipments have been made may be applied in filling any other contracts or orders.

Section 2. On the following days, namely Jan. 18, 19, 20, 21 and 22 1918, the State Fuel Administrators and their accredited representatives in the various communities in the territory in which this regulation applies are hereby empowered and directed to divert such fuel as arrives in such communities in carload lots to meet the current requirements and to provide an adequate and normal supply for such consumers of fuel as are specified in Section 1 hereof.

Section 3. On the following days, namely Jan. 18, 19, 20, 21 and 22 1918, and also on each and every Monday, beginning Jan. 28 1918 and continuing up to and including March 25 1918, no manufacturer or manufacturing plant shall burn fuel or use power derived from fuel for any purpose, with the following exceptions:

(a) Plants which necessarily must be continuously operated seven days each week to avoid serious injury to the plant itself or its contents may use only such quantity of fuel as is necessary to prevent such injury to the plant or its contents.

(b) Manufacturers or plants manufacturing perishable foods or foods for necessary immediate consumption.

(c) Manufacturers of foods not perishable and not necessary for immediate consumption may burn fuel to the extent authorized by the Fuel Administrator of the State in which such plant is located or by his duly authorized representative upon application by the United States Food Administrator.

(d) Plants necessary to the printing and publication of daily papers may burn fuel or use power derived therefrom as usual, except that on every Monday from Jan. 21 to March 25 1918, inclusive, they may burn fuel or use power derived therefrom only to such extent as is necessary to print and publish such editions as such plants customarily do print and publish on legal holidays other than the Sabbath; of, if such plants do not customarily print or publish any editions on such legal holidays, they may burn fuel or use such power to such extent as is necessary to issue one edition on the said Mondays.

(e) Printing establishments may burn fuel on Jan. 18, 19, 20, 21 and 22 1918 to such extent as is necessary to issue current numbers of magazines and other publications periodically issued.

Section 4. On each Monday, beginning Jan. 21 1918 and continuing up to and including Monday, March 25 1918, no fuel shall be burned (except to such extent as is essential to prevent injury to property from freezing) for the purpose of supplying heat for:

(a) Any business or professional offices, except offices used by the United States, State, county or municipal Governments, transportation companies, public utility company, telephone or telegraph companies, banks, trust companies, physicians or dentists.

(b) Wholesale or retail stores or any other stores, business houses or business buildings whatever, except that, for the purpose of selling food only, stores may maintain necessary heat on any of the specified days until 12 o'clock noon; and except that for the purpose of selling drugs and medical supplies only, stores may maintain necessary heat throughout the day and evening.

(c) Theatres, moving-picture houses, bowling alleys, billiard rooms, private or public dance halls or any other place of public amusement.

Section 5. On each Monday, beginning Jan. 21 1918 and continuing up to and including March 25 1918, no fuel shall be burned for the purpose of heating rooms in which intoxicating liquor is sold or served on those days.

Nothing in this regulation shall be construed to forbid the heating of restaurants, hotels or other places in which meals are served, but in which no intoxicating liquor is sold or served on the said Mondays.

Section 6. No fuel shall be burned on any of the Mondays specified in the foregoing section for the purpose of supplying power for the movement of surface, elevated, subway or suburban cars or trains in excess of the amount used on the Sunday previous thereto.

Section 7. Nothing in this regulation shall be construed to apply to or affect the operation of any mine or plant producing fuel, nor shall this regulation be construed to forbid the heating of such rooms or offices, or such portions of buildings, as are used in connection with the production, transportation or distribution of fuel.

Section 8. State Fuel Administrators and their representatives specifically authorized so to do are hereby empowered to grant such relief as may be essential to prevent injury to health or to prevent destruction of or injury to property by fire or freezing.

Section 9. This regulation is effective throughout the United States east of the Mississippi River, including the whole of the States of Louisiana and Minnesota.

Section 10. Any person, firm, association or corporation which violates or refuses to conform to the above regulation may be liable to the penalty prescribed in the aforesaid Act of Congress.

H. A. GARFIELD, United States Fuel Administrator.

In making available for publication on Jan. 17 the full text of the order, Dr. Garfield, in a statement, said:

The most urgent thing to be done is to send to the American forces abroad and to the Allies the food and war supplies which they vitally need. War munitions, food, manufactured articles of every description, lie at our Atlantic ports in tens of thousands of tons, while literally hundreds of ships, waiting loaded with war goods for our men and the Allies, cannot take the seas because their bunkers are empty of coal. The coal to send them on their way is waiting behind the congested freight that has jammed all terminals.

It is worse than useless to bend our energies to more manufacturing when what we have already manufactured lies at tidewater, congesting terminal facilities, jamming the railroad yards and side tracks for a long distance back into the country. No power on earth can move this freight into the war zone where it is needed until we supply the ships with fuel.

Once the docks are cleared of the valuable freight for which our men and associates in the war now wait in vain, then again our energies and power may be turned to manufacturing, more efficient than ever; so that a steady and uninterrupted stream of vital supplies may be this nation's answer to the Allies' cry for help.

It has been excess of production, in our wartime speeding up, that has done so much to cause congestion on our railroads, that has filled the freight yards to overflowing, that has cluttered the docks of our Atlantic ports with goods waiting to go abroad. At tidewater the flood of freight has stopped. The ships were unable to complete the journey from our factories to the war depots behind the firing line.

Added to this has been the difficulty of transporting coal for our own domestic needs. On top of these difficulties has come one of the most terribly severe winters we have known in years.

The wheels were choked and stopped, zero weather and snow-bound trains; terminals congested; harbors with shipping frozen in; rivers and canals impassable—it was useless to continue manufacturing and pile confusion on top of confusion.

A clear line from the manufacturing establishments to the seaboard and beyond—that was the imperative need. It was like soldiers marching to the front. The men in the foremost ranks must have room to move.

More than a shock was needed to make a way through that congestion at the terminals, and on the docks, so that the aid, so vitally needed by the Allies, could get through.

The incidental effect of this transportation situation on coal production has been disastrous. There is and always has been plenty of fuel, but it cannot be moved to those places where it is badly needed while railroad lines and terminals are choked. Throughout the coal fields scores and even hundreds of mines are lying idle because of railroad inability to supply the cars to carry away their product. Coal mines cannot operate without cars. Cars cannot be supplied while the railroads are crippled by the present freight congestion, which keeps idle cars lying useless in the freight yards.

For the last week the production of coal has been disastrously reduced. Reports in some cases have shown 90% of the mines in certain fields closed completely for lack of cars.

This is war. Whatever the cost, we must pay it, so that in the face of the enemy there can never be the reproach that we held back from doing our full share. Those ships, laden with our supplies of food for men and food for guns, must have coal and put to sea.

Dr. Garfield, when first announcing the details of his order to the newspaper correspondents at Washington on Jan. 16, in an interview with the New York "Sun," said:

In issuing this order I have followed the lines of the order put out by Mr. McAdoo in directing the railroads which interests should first receive coal.

In the group permitted to continue to run I do not include munition factories. They are closed with all other industries. You will notice that under two clauses in the order it is not permitted that coal shall be delivered to these industries, nor shall they use any on the days named except in so far as they must maintain power to guard against fire risks or to injury to their plants. This permits greenhouses to maintain fires and blast furnaces and office buildings to prevent damage to their plants.

No attempt is made to distinguish between the so-called more essential or less essential industries in this order. Study of the situation shows thousands and thousands of industries are engaged directly or indirectly in making Government goods and munitions. It is impossible to make a list which would rightly place them in the order of their necessity.

As a matter of fact, the industries of the country have been running almost at full steam, so that, for the most part, we are stocked up ahead with war supplies. This very fact and the rush of freight to the railroads and the terminals has interfered with the delivery of vital essentials. Our docks are so well filled with goods the ships cannot carry the freight away.

That is the chief reason why we have not attempted to distinguish between war industries, but have included all in the list which must close on the 14 days named. We believe the breathing spell given by these days, particularly the first five days beginning Friday, will enable the railroads to catch up and carry on their huge task. Of course, no one can venture a guess as to what more blizzard weather would bring forth.

As to whether banks and trust companies would be forced to close on the Mondays, beginning Jan. 21, Dr. Garfield on Jan. 16 stated that the Governors of the various States would be asked to declare each of the ten Mondays a legal holiday, thus providing means for the closing of the banks. Regarding this and other points, he said, according to the New York "Sun:"

Banks and trust companies are asked to close every Monday, just as if it were a legal holiday. We will ask the State Governors, or whatever State bodies have the power, that the nine Mondays named in the order be declared legal holidays. I believe, however, no matter what action is taken the public can be depended upon to give the Government its full support.

Coal, of course, will be provided for bakeries and for the preservation of perishable foods. In this connection State Fuel Administrators have the power to grant special permits to meet the needs of business which are not specifically set forth in the order, but for which good reason must be given. For instance, no provision is made for laundries, but no doubt the Administrators will see to it that during the coming three days they are permitted to carry out their work.

It is urgently desired that employees should suffer no losses through the enforced shutdown. There may be employers who have labor engaged on piecework and even on salary who will cut down the incomes of their help, but this should not be done, as this is a war emergency in which all must share the burden.

We have no means of knowing the exact saving in coal which this order will effect, but it will be about 30,000,000 tons in round numbers.

That there may be shortages of some goods in various districts due to the closing down of many local industries was admitted by Dr. Garfield. "I know there will be a flood of complaints, but we will stick rigidly to our program."

Food Administrator Herbert C. Hoover, after a conference on Jan. 17 with Dr. Garfield, issued the following statement, indicating that a number of food industries may not be affected by the fuel conservation order:

It is my understanding that Dr. Garfield's order does not include grain elevators, grain mills, bakeries, stock yards, meat packing establishments, cold storage houses, sugar factories and refining plants or any other form of food industry.

Further, there are certain other industries not directly handling foods upon which food production depends and Dr. Garfield has agreed to leave determination of the position of these industries to State Food Administrators, who will secure supplies for them through State Fuel Administrators. The flow of foodstuffs must continue without interruption.

On Jan. 17 orders were issued by Dr. Garfield that coal be provided to the firms named in the following list which was compiled from information furnished by the Secretary of War and the Secretary of the Navy:

- The Bath Iron Works, Bath, Me.
- Fore River Shipbuilding Corporation, Quincy, Mass.
- William Cramp & Son, Philadelphia.
- New York Shipbuilding Company.
- Newport News Shipbuilding and Dry Docks Company.
- Camden Forge Company, Camden, N. J.
- Allis-Chalmers, Milwaukee, Wis.
- Erie Forge Company, Erie, Penn.
- Babcock & Wilcox Company, Bayonne, N. J.
- Such portions of the plants of the following firms as are engaged in the manufacture of seamless tubes less than 1 1/2 inches in diameter:
- National Tube Company, McKeesport, Pa.
- Pittsburgh Steel Tube Company, Pittsburgh.
- Pittsburgh Steel Products Company, Pittsburgh.
- Ohio Seamless Tube Company, Shelby, Ohio.
- That part of the plants of the following firms engaged in the manufacture of condenser tubes, 5-8 inches in diameter:
- American Brass Company, Bridgeport, Conn.
- Bridgeport Brass Company, Bridgeport, Conn.
- General Electric Company, Lynn, Mass.
- Du Pont Powder plants at Carney's Point, N. J.; Hopewell, Va.; Haskell, N. J.; Parlin, N. J., and Barksdale, Wis.
- Savage Arms Company, Utica.
- Marlin Arms Company, New Haven.
- Remington U. M. C. Company plants at Bridgeport, Conn.; Dillon, N. Y.; Hoboken, N. J., and Swanton, Vt.
- Colt Patent Fire-Arms Company, Hartford.
- Marlin-Rockwell Corporation, New Haven.
- Winchester Repeating Arms Company, Eddystone, Pa.
- United States Cartridge Company, Lowell, Mass.
- National Pressed and Copper Tube Company, Hastings, N. Y.
- Peters Cartridge Company, Cincinnati.
- Western Cartridge Company, Upper Alton, Ill.
- Smith and Wesson, Springfield, Mass.
- United States Machine Gun Company, Meriden, Conn.
- Bethlehem Steel Company, South Bethlehem, Pa.
- Midvale Steel Company, Nicetown, Ohio.
- Hydraulic Pressed Steel Company, Cleveland.
- American Car and Foundry Company, Detroit.
- Hercules Powder Company.
- Aetna Powder Company.

Dispatches from Washington yesterday (Jan. 18) stated that the Fuel Administration had made public a list of more than one thousand firms exempted from the fuel restriction order as being necessary to the national interest.

PRESIDENT WILSON DECLARES FUEL ORDER "ABSOLUTELY NECESSARY"—OTHER ACTION.

In reply to a protest sent by Governor Charles S. Whitman of New York, in which the Governor characterized Fuel Administrator Garfield's fuel conservation order as "unne-

sary and unwise," President Wilson, in a telegram to Mr. Whitman, yesterday declared that the fuel order was "absolutely necessary." The President at the same time announced his intention of making a public statement regarding the necessity for the order. The President's reply read:

Hon. Chas. Whitman, Governor at Albany:

I have your telegram and appreciate the force of what it urges, but beg to assure you that the order was absolutely necessary for reasons of which I am expecting presently to make a public statement. I greatly appreciate your assurance of prompt compliance on the part of the people of New York, though I had confidence in that from the first.

WOODROW WILSON.

Governor Whitman's message sent to President Wilson on Jan. 17 read as follows:

To the President of the United States, Washington, D. C.:

In view of the overwhelming opposition to the Garfield order, expressed to me by the people of the State, I deem it my duty respectfully and most earnestly to protest against its enforcement. I am satisfied that the carrying out of the order would work incalculable and unnecessary hardship and injury to our industries and to our people. Of course, I shall render prompt obedience to the mandates of the Federal authorities. Our State is willing and ready at all times to uphold the hands of the Federal Administration, but the well-nigh universal sentiment here is that this order is unnecessary and unwise.

CHARLES S. WHITMAN.

In an interview just prior to sending the protest to the President, Governor Whitman on Jan. 17 questioned the power of the Fuel Administration to order bank holidays, and declared that that was the function of the Governors of the States. The Governor added that there would be no closing of banks in New York State by his order. The Governor's action in deciding not to close the financial institutions in the Empire State is said to have been influenced by his receipt of the following telegram from State Superintendent of Banks Geo. I. Skinner at New York City:

Hon. Chas. S. Whitman, Executive Chamber, Albany, N. Y.:

I do not think it would be wise to declare additional bank holidays at this time. By chance the council representing the Association of State Banks of this State, the Savings Bank Association of the State of New York, and Trust Companies Association of the State of New York, was in session this morning, and after full discussion and thorough consideration, the following resolution was adopted:

Resolved, That according to our best judgment, after having given careful consideration to the question it would be unwise to declare additional bank holidays at this time."

You are at liberty to quote their opinion if you desire. The State institutions are ready to make any sacrifice that may be deemed necessary, but except in the case where they are located in large office buildings, the saving of coal would be comparatively slight, and in many cases they would be obliged to maintain fires to prevent freezing. The effect upon business must be considered.

GEO. I. SKINNER, Superintendent of Banks.

J. P. Morgan in discussing on Jan. 17 the coal situation and the fuel conservation order is quoted as having said:

The Administration with all the facts before it has decided that this is the best way of meeting a situation which was rapidly becoming a serious menace to all the work of the country, and therefore to the successful carrying on of the war.

The only right course therefore is for all the people to co-operate to the extent of their ability to make this measure effective.

At a special meeting of the directors of the New York Cotton Exchange yesterday (Jan. 18) it was decided to keep the Exchange closed next Monday (Jan. 21) in accord with the spirit of Fuel Administrator Garfield's order.

The Board of Governors of the New York Stock Exchange at a special meeting on Jan. 17 called to consider the fuel order, adopted the following resolution deciding not to close the Exchange on the ten Mondays designated in Fuel Administrator Garfield's orders as days on which industry is to be suspended:

Whereas, The Fuel Administrator of the United States has directed that on Mondays, Jan. 21, 28, Feb. 4, 11, 18, 25, March 4, 11, 18 and 25, the use of fuel be radically curtailed, rendering such days practically holidays, and

Whereas, We are informed by the banks that they will be open for the transaction of business as usual on said days; therefore,

Resolved, That in order that the money loan market be in a position to be undisturbed, and that the banks and borrowers and lenders of money have the facilities of a market, the Exchange be open for the transaction of business as usual on each and all of said Mondays.

The New York Stock Exchange authorities while deciding not to close the Exchange, have ordered that the Fuel Administrator's plans for curtailment in the use of coal be adhered to, and, consequently, it is stated, the Exchange building will be heatless and the elevator service will be discontinued on Mondays. Action similar to that taken by the New York Stock Exchange has been agreed upon by the New York Consolidated Stock Exchange, the New York Produce Exchange, and the Chicago Board of Trade.

Indication that many of the business houses in this city will be compelled to transact their affairs next Monday in heatless buildings was given yesterday (Jan. 18), when the New York Building Managers Association, representing,

it is said, 90% of the office buildings, apartment houses, manufacturing, loft buildings and other mercantile buildings in New York City, adopted resolutions to the effect that no heat will be furnished in their buildings on the Mondays from Jan. 21 to March 25, inclusive, and that other service in these buildings will be cut down to a holiday schedule.

Announcement was made by Judge Elbert H. Gary, Chairman of the board of the United States Steel Corporation, on Jan. 17, that it had been decided that the Steel Corporation would not pay the wages of employees when the latter are not actually working, that is, on the days when the fuel conservation order is effective. Judge Gary, in making this announcement, said:

We shall probably not pay the wages of our men when they are not actually employed. To do so would be contrary to the custom of the trade and would establish a precedent that would eventually be unfair to employer and employee.

We are preparing to shut down certain of our plants unless Dr. Garfield's order is modified.

Editors of five large Greater New York newspapers, the "World," the "Herald" and "Telegram," the "Evening Post" and the "Brooklyn Daily Eagle," on Jan. 16 sent the following telegram to the President, protesting against the Fuel Administrator's "calamitous" and "unnecessary" fuel order:

To Woodrow Wilson, President of the United States, Washington, D. C.:

We, the undersigned New York newspapers, earnestly represent that the order just issued by the Fuel Administrator is calamitous in its character and unnecessary under the fast improving conditions. It will dislocate industry, throw millions out of employment, and impoverish families who depend upon daily wages. A five-day interruption and ten Monday shutdowns will wipe out their living margin. Why not order five working days of sixteen hours on coal deliveries and mine production, so bringing certain relief instead of destruction?

(Signed)

"The World," DON C. SEITZ.

"The Herald" and "Telegram," FRANK B. FLAHERTY.

"Evening Post," O. G. VILLARD.

"Brooklyn Daily Eagle," H. F. GUNNISON.

CONGRESSIONAL ACTION ON FUEL CONSERVATION ORDER.

Denunciation by Republicans and Democrats alike of Fuel Administrator Garfield's order shutting down industry, as entailing "national calamity" and "industrial paralysis," figured largely in the proceedings of both houses of Congress on Thursday, Jan. 17. In the Senate a resolution introduced by Senator Hitchcock of Nebraska, urging the Fuel Administrator to suspend the operation of his order for five days, in order that an investigation of its feasibility might be undertaken, was adopted by a vote of 50 to 19. Efforts to get a vote on a similar resolution in the House were unsuccessful. The Senate resolution as adopted reads as follows:

Resolved, That the Fuel Administrator of the United States be requested to delay for five days the order suspending the operation of industrial plants in portions of the United States in order that protest may be heard, investigation made, and information presented.

The discussion in the Senate on the Hitchcock resolution was preceded by the appearance of Dr. Garfield before the Senate Committee on Manufactures, which, as heretofore stated in these columns, has undertaken an investigation into the coal situation. Dr. Garfield, according to the New York "Times," gave the following basic reasons for his action in issuing the fuel conservation order:

1. To alleviate human suffering from lack of coal.
2. To allow ships waiting at ports to coal up and carry supplies to our allies.
3. To relieve the congested condition of the railroads and move coal and food products to various points.

Dr. Garfield declared the order was made imperative because of the fuel and transportation crises. If coal were not cut off to all industries for a period, many of them, he said, would be forced to close anyhow and the Government in closing down everything intended to treat all alike. The suspension, Dr. Garfield explained, had been decided upon after a representative of the Fuel Administration had conferred with Fuel Administrators, business men and railroad officials in New York and Boston. The Fuel Administration knew, he admitted, that the order would be "objected to," but it was decided that there was no alternative. Dr. Garfield told the investigating committee that the order would be suspended as to various industries, but it had not been deemed advisable to specify them in advance, as that, he stated, would bring an overwhelming demand for concessions from all over the country. Chairman Reed of the Investigating Committee asked the Fuel Administrator, why it was necessary to shut down industries that had an adequate coal supply. To this Dr. Garfield replied that

the Fuel Administration wanted to treat all industries alike, that to allow some to go on, while others had to close down for want of coal, would be discriminating.

After the Senate Committee's session with Dr. Garfield, which took only a few hours, Senator Reed addressed the Senate itself. He denounced the action of the Fuel Administrator and declared that the order which forced the closing of manufacturing plants which were sufficiently supplied with fuel to proceed with their work, was unjust, uneconomical and unnecessary. The direct loss to the country through Dr. Garfield's order, Senator Reed thought, was certain to fall heaviest on the wage-earners. Regarding this point, he said:

The order for a fifteen day cessation of business and industrial activity means the employment of nearly 11,000,000 operatives being stopped. But we are informed there are numerous exceptions to the list, and therefore, let us assume practically half the industries are put out of action for the period of ten days. In other words, 5,000,000 wage-earners stop earning for fifteen days. That is the equivalent of 75,000,000 men stopping work for one day, and on the basis of an earning power of \$3 a day this means a stoppage of wages aggregating \$225,000,000.

It is estimated the ratio of the cost of labor to the value of the production of industry is approximately one to six. This means the wealth of the nation is actually curtailed, set back, through this utterly senseless halt in production by a total of \$1,350,000,000.

Senator Hitchcock, of Nebraska, in discussing his resolution, which as heretofore stated, was subsequently adopted, said:

Without foreboding and without warning this order has burst on the industries of the nation. There was no opportunity to present facts in regard to the order, no chance for protests, no chance to ask for a modification of the order.

The interests involved in this order are so tremendous and the loss involved is so enormous it ought to receive the fullest consideration before being put into effect.

The situation is an argument for reform in our Government. I predict that before much time elapses we will be compelled to lodge somewhere absolute power for co-ordination of branches of our Government that are now running wild. The various officials and branches of the Government are not working in harmony or co-ordinating. It is impossible for the President, with his manifold duties and enormous tasks, to have all the directions. What we need is a war cabinet, below the President and above the Cabinet. If we had had such a war cabinet this coal order never would have been issued.

Senator Calder of New York, in supporting the Hitchcock resolution, cited how a shipbuilder, protesting against the order, said his shipyard had enough coal to run for three weeks, but would have to suspend work if the order was placed into effect. "I submit," Senator Calder is quoted as having said, "that what we need in this nation in many of the commissions are men with business training, who will plan in advance and co-ordinate their work."

A joint resolution to prevent the enforcement of the fuel order was introduced in the House on the 17th by Representative Smith of New York. The resolution declared that "it is the sense of Congress that the order of the Fuel Administrator is unnecessary, and that an efficient movement of cars and ships and full operation of coal mines will obviate the need of shutting down the industrial machinery of the country and meet the need of the present situation." The resolution was referred to the Agriculture Committee. Its preamble recited that the order would throw out of employment thousands of workers, and that the intermittent running of the industrial machinery of the country would not result in any considerable saving of fuel, because large furnaces and steam plants cannot be extinguished and started again with any economy in fuel.

Republican Leader Gillett of the House, after a conference with Representatives Lenroot of Wisconsin; Moore of Pennsylvania, and others, perfected a postponement resolution and immediately conferred with Democratic Leader Kitchin with a view to enlisting support from the Democratic side. Mr. Kitchin announced, however, that he could not support the resolution and would object to it. Representative Gillett's resolution said:

Resolved, That the House regrets the summary action of the Fuel Administrator in suddenly closing the industries dependent upon a coal supply, and in view of the disorganization of essential industries certain to follow, and the consequent idleness and distress of labor, urges a reconsideration of the order by the President and that final action thereon be taken only after he is fully advised of its effect.

NEW YORK CITY'S ALDERMEN AUTHORIZE MAYOR TO SEIZE COAL IN CITY.

Acting in accordance with a letter received from Mayor Hylan on Jan. 14, the Board of Aldermen at its meeting on Thursday (Jan. 17) passed an ordinance providing for the acquisition by the city of coal for the preservation of the public health, safety and general welfare of the people of the city. Under its provisions the Mayor is empowered, through duly authorized representatives, to seize any coal situated within the limits of the city and to distribute it in

any way he sees fit. The Mayor's letter to the Aldermen follows:

City of New York, Office of the Mayor, Jan. 14 1918.

To the Honorable the Board of Aldermen:

Gentlemen,—I feel that your honorable body has had brought to its attention the serious consequence to the life, health and welfare of the community resulting from the shortage of coal.

One of the reasons for it, which seems to be within the power of the City to remedy, is the question of distribution. Great quantities of coal are within sight of our people, but the City is lacking in the power to take it for general distribution. This it should be permitted to do without loss or inconvenience to the owners.

I would, therefore, recommend that your honorable body vest the power by ordinance to acquire surplus supplies, making provision for compensation to the owners, and providing further for its distribution through an agency of the Government.

Respectfully,
JOHN F. HYLAN, Mayor.

The ordinance passed by the Board of Aldermen reads:

AN ORDINANCE to provide for the acquisition by the City of New York of coal for the preservation of the public health, safety and general welfare of the people of said City.

Whereas, There is a great scarcity of coal and other fuel in the City of New York, caused by the lack of sufficient supply and the unnecessary hoarding thereof; and

Whereas, Said lack of coal has produced a condition of want and suffering, seriously menacing the public health, safety and general welfare of the inhabitants of said city; and

Whereas, the foregoing conditions amount to a grave public emergency, necessitating the exercise of the power of eminent domain; now, therefore,

Be it Ordained by the Board of Aldermen of The City of New York as follows:

Section 1. The Mayor of the City of New York is authorized and empowered by and through such person or persons as he may designate for that purpose, to take and acquire in the name and on behalf of the City of New York, coal situated within the limits of said city by whomsoever the same may be owned or possessed, in such quantities and amounts as said person or persons so designated by him, for such purpose, may determine to be necessary for the preservation of the public health, safety, general welfare and the relief of the poor of the city and which may be determined by said person or persons so designated by the Mayor to be unnecessary for the use of the person or corporation from whom the same may be taken and acquired.

Section 2. Upon the taking of such coal in the manner aforesaid, title thereto shall vest in the City of New York and the same shall be distributed in such manner as the Mayor may direct.

Section 3. Within 30 days after any such taking, the City of New York, by its Corporation Counsel, shall apply to the Supreme Court in the First Judicial District, upon notice, to have said Supreme Court, without a jury, ascertain and determine the compensation which should justly be made by the City of New York to the owner or owners of the coal so taken. Such notice shall be personally served upon the owner or owners of coal so taken as aforesaid 5 days prior to the making of the application by the Corporation Counsel, and in the event that personal service upon the owner or owners cannot be effected, said notice shall be given to such persons and in such manner as the Supreme Court shall direct. Said Supreme Court, without a jury, upon such application, shall ascertain and determine the compensation which should justly be made to the owner or owners of the coal so taken, and shall make an award therefor to such owner or owners who shall be entitled to enter a judgment against the City of New York for the amounts awarded as such compensation. Such judgments may be reviewed in the manner prescribed by law for the review of final decrees in condemnation proceedings, under Chapter XXI of the Greater New York Charter.

Section 4. The Comptroller of the City of New York is hereby authorized to settle and adjust in the manner prescribed by Section 149 of the Greater New York Charter, any and all claims which any owner or owners of coal may have against said city by reason of the taking of such coal, as provided in this ordinance.

Section 5. Any person or persons designated by the Mayor to act under the provisions of this ordinance shall be freed from any personal liability for such acts as he or they may perform in carrying out the provisions of this ordinance, and the Comptroller of the City of New York is hereby authorized to execute a bond on behalf of the City of New York, indemnifying and holding such person or persons free and harmless from any and all actions at law or suits in equity or special proceedings which may be brought against him or them to recover damages or to prevent him or them from enforcing the provisions of this ordinance.

Section 6. This ordinance shall be liberally construed for the purpose of carrying into effect the objects and purposes specified in the preamble.

Section 7. This ordinance shall take effect immediately.

U. S. COAL EXPORTS DURING 1918 TO BE RESTRICTED TO WAR NEEDS.

Coal shipments from the United States during the year 1918, Fuel Administrator Garfield on Jan. 7 announced, will be limited strictly to shipments to be used for war purposes and to those necessary in exchange for commodities urgently needed in the United States. Dr. Garfield further declared that in no event will exports be permitted to equal in volume those of the year 1917, and that all shipments this year would be subject to the approval of the War Trade Board, which will pass on all contracts and make allotments. The announcement of the Fuel Administration's new policy as regards the exportation of coal was contained in the following statement, issued on Jan. 7:

Owing to the greatly increased requirements for coal by industries within the United States, due to war demands, it is impossible to predict how much coal can be spared for export during the coming year. It is clear, however, that it will be impossible to allow coal to be exported, except for purposes contributing materially to the conduct of the war. This, of course, includes coal for the manufacture of food products, and for bunkers for ships moving such supplies, as well as for the manufacture of munitions.

Six Questions to Be Answered.

No coal will be allowed to be exported unless the information required by the War Trade Board, which is authorized under its powers to grant export licenses, is furnished.

The Board requires satisfactory reply to the following questions before a license is granted:

No. 1. What is the 100% monthly or annual requirements of the wholesale dealer or dealers, the manufacturing plant or plants, or industry or industries to whom the coal or coke will be delivered at destination, and give name of final consignee or consignees if other than named in application.

No. 2. What is the amount of this commodity now in stock at destination. (This information must be given in tons of 2,240 pounds, regardless of amount.)

No. 3. Will it assist in the conducting of the war, either directly or indirectly, from the Allies' point of view? If so, in what way?

No. 4. If for bunkering purposes at destination, to what steamship lines will it be furnished?

No. 5. Have you now any licenses outstanding on coal or coke in transit for same consignee, and destination? If so, give amount in tons.

No. 6. In the event license is not granted, can some other fuel be substituted?

With the object of conserving tonnage, it is not desired that coal should be exported from the United States to countries which may be more easily supplied by countries associated with us in the war.

Notice is hereby given that no contracts for the purchase or sale of coal during the year 1918 can be relied upon for a sure supply.

All contracts for export coal are subject first to the requirements of the United States, and secondly, to such regulations as exist or may hereafter exist governing exports.

(Signed) H. A. GARFIELD,
United States Fuel Administrator.

INCREASED OUTPUT OF COAL IN FRANCE.

An increase of 7,000,000 tons in the amount of coal mined in France this year, compared with the output for 1916, a surplus that promises a speeding up of munitioning, manufacturing and emergency shipments to Italy, is set forth in an official bulletin just received by the Philadelphia Bourse from the Paris Chamber of Commerce. Most of the increase, it is said, took place in the southern regions within a short rail haul of Italy. At the same time the Pas-de-Calais fields, a part of which are in German hands and the remainder within range of enemy guns, showed a considerable gain. By the increase of mining production any immediate call by the Allies on the output of American mines is believed to be postponed for the present. In commenting upon the year's gain in coal mining the bulletin says:

In spite of the difficulties caused by the occupation by German troops of several important centres, the production of French coal is continually progressing. The monthly output rose in a year from 1,771,769 tons to 2,410,039 tons, or 36%.

Each of the coal fields has taken its part in the common effort. The Pas-de-Calais mines, some of which are in the hands of the enemy, have increased their output by 50,000 tons a month since May 1. The Loire coal fields yielded about 400,000 tons more than the previous year. In the Gard fields the increase exceeds 33%. The secondary fields of the Tarn, Saone-et-Loire are also helping with the increase in the general output, which enables us to conclude, judging by figures for the last four months that the total yield for 1917 will be over 28,000,000 tons, whereas in 1916 it realized hardly more than 20,000,000 tons.

FUEL ADMINISTRATOR GARFIELD ORDERS PAPERBOARD MAKERS TO USE NO FUEL ON TWO DAYS A WEEK.

Federal Fuel Administrator Garfield on Jan. 10 issued the first of a series of orders which call for the conservation of fuel by industries not absolutely essential in the prosecution of the war. The initial order is addressed to the manufacturers of boxboard, paperboard, strawboard, binderboard, tagboard, and other kinds of board made from waste paper or rags. It provides that no coal, coke, natural gas, fuel oil, or other petroleum products shall be used in the manufactures agreed upon, from 7 a. m. on Saturday each week until 7 a. m. the following Monday morning. A majority of the manufacturers affected by the order, it is stated, decided upon the limitation as imposed, and agreed to abide by its requirements. Through the enforcement of the new order, Fuel Administrator Garfield announces, it is hoped to reduce the coal consumption about 15,000 tons a week during the present year. A statement, issued by the Fuel Administration on Jan. 10, said:

The first actual ruling regarding the consumption of fuel by industries has been issued by the United States Fuel Administration to the manufacturers of boxboard, paperboard, strawboard, binderboard, tagboard and other kinds of board made from waste paper or rags. A majority of the manufacturers in this industry decided upon the limitation as imposed by the order, and they volunteered to abide by the rule. The regulation just issued will bind all of the manufacturers in the industry.

Two Fuelless Days.

The ruling provides that no fuel of any sort shall be used in the manufactures agreed upon from 7 o'clock in the morning of Saturday of each week to 7 o'clock in the morning of the following Monday.

This method of conserving fuel by shutting off manufacture for a stated period of hours was deemed most effective both by the United States Fuel Administration and by the manufacturers themselves.

The result of this shutting off manufacture in this particular industry for the time mentioned will show in the actual saving of 15,000 tons of fuel a week, or 780,000 tons a year.

Text of the Order.

The order reads:

Whereas it is essential effectively to carry out the provisions of the Act of Congress approved Aug. 10 1917 and referred to in the Executive order of the President of the United States dated Aug. 23 1917, appointing the United States Fuel Administrator, to restrict the consumption of fuel by manufacturers of box board, paper board, straw board and other boards hereinafter enumerated to the extent hereinafter specified, and

Whereas it appears to the United States Fuel Administrator, after consultation with a majority of the manufacturers of box board, paper board, straw board, and other boards hereinafter enumerated, in the United States, that the restriction of fuel consumption herein required is reasonable, and that the consequent limitation of their output during the present emergency will not seriously endanger the future of the industry now carried on by them:

Under President's Authority.

Now therefore the United States Fuel Administrator, acting under an Act of Congress controlling the distribution of food products and fuel, approved Aug. 10 1917, and pursuant to the authority vested in him by Executive Order of the President of the United States issued Aug. 23 1917, hereby makes and prescribes the following regulation, effective until further or other order and subject to modification hereafter from time to time and at any time:

Offenders Liable to Penalty.

No person, firm, association or corporation shall hereafter use, consume or burn fuel of any description, including coal, coke, natural gas, fuel oil, or other petroleum products, or use power derived from any such fuel, for or in connection with the manufacture of box board, paper board, straw board, pulp board, binder board, tag board, or any other boards whatsoever, made from white pulps, waste paper, or rags of a thickness in excess of seven-thousandths of an inch, from 7 o'clock in the morning of Saturday in each week until 7 o'clock in the morning of the following Monday.

Any person, firm, association, or corporation which violates or refuses to conform to the above regulation, will be liable to the penalty prescribed in the aforesaid Act of Congress.

The above regulation effective this 9th day of January, 1918.

(Signed) H. A. GARFIELD,
United States Fuel Administrator.

LATEST IRON AND STEEL PRICE REVISIONS ANNOUNCED BY JUDGE GARY.

What is expected to be the last announcement for some time relative to prices and differentials on iron and steel products was issued on Jan. 9 by Judge E. H. Gary, Chairman of the Committee on Steel and Steel Products of the American Iron and Steel Institute. In making known the latest prices, which affect pig iron, iron rolls, tool steel, high-speed steel and carbon steel, Judge Gary gave out the following statement:

Referring to the statements of the Chairman of the Committee on Steel and Steel Products of the American Iron and Steel Institute, dated Nov. 13, Nov. 20 and Dec. 22 1917, recommending prices for certain steel products to be adopted as maximum prices, to take effect immediately, to apply to the requirements of the United States Government, to the war requirements of the Allies and for domestic consumption within the United States, the committee now makes similar recommendations to the iron and steel industry in respect of the prices and differentials below stated.

The recommendations so far made by the committee as to maximum prices, differentials, &c., cover the principal iron and steel products, and the committee does not at present deem it necessary to make further specific recommendations.

In view of President Wilson's statement under date of Nov. 5 1917, that the iron and steel manufacturers have agreed promptly to adjust the maximum prices of all iron and steel products other than those on which prices have been agreed upon, the committee now recommends to the iron and steel industry that the prices of all iron and steel products, maximum prices for which have not been agreed to with the War Industries Board or recommended by the committee, be promptly adjusted so as to be in line with the basic intermediate and finished products for which definite maximum prices have been established. The committee relies upon the patriotism and good faith of the iron and steel industry to accomplish this, and expresses the hope that all connected with the industry will co-operate in the proper spirit to this end.

On Dec. 28 1917 President Wilson authorized the following announcement:

The President has approved the recommendation of the War Industries Board that the maximum prices heretofore fixed by the President upon the recommendation of the board upon ore, coke, pig iron, steel and steel products, subject to revision on Jan. 1 1918, be continued in effect until March 31 1918. No new contracts calling for delivery of any of said commodities or articles on or after April 1 1918 are to specify a price unless coupled with a clause making the price subject to revision by any authorized United States Government agency, so that all deliveries after that date shall not exceed the maximum price then in force, although ordered or contracted for in the meantime.

It is expected that all manufacturers and producers will observe the maximum prices now fixed.

The committee calls the especial attention of the industry to the above announcement, which applies to all prices, differentials and extras recommended by the committee.

The following are some of the differentials and prices prescribed in the latest pronouncement:

PIG IRON DIFFERENTIALS.

Special Car Wheel or Cylinder Iron.—The price for Virginia or other special car wheel or cylinder irons containing over 1.00% manganese may be made by adding to the base price of \$33 the following differentials for manganese.

Manganese—	Per ton.	Manganese—	Per ton.
1.00% to 1.50%, add.....	\$0 50	3.50% to 4.00%, add.....	\$5 50
1.50% to 2.00%, add.....	1 50	4.00% to 4.50%, add.....	6 50
2.00% to 2.50%, add.....	2 50	4.50% to 5.00%, add.....	7 50
2.50% to 3.00%, add.....	3 50	5.00% to 5.50%, add.....	8 50
3.00% to 3.50%, add.....	4 50	5.50% to 6.00%, add.....	9 50

For iron with phosphorus over .04 use the following scale:

Phosphorus—	—Add to base price per ton—	
	For copper-free iron.	For copper-bearing iron.
.04 maximum.....	\$20 00	\$17 00
.045 maximum.....	17 50	15 00
.05 maximum.....	15 00	13 00
.055 maximum.....	12 50	11 00
.06 maximum.....	10 00	9 00
.065 maximum.....	8 50	8 50
.070 maximum.....	6 50	5 50
.075 maximum.....	5 00	5 00
.075-.09 maximum.....	—Use Bessemer price—	

Notes.—The above should appear at the end of the list of pig iron differentials dated Nov. 2 1917, immediately after the paragraph showing scale of advances for phosphorus below .04 and silicon in excess of 2%.

IRON ROLLS.

Prices for condensed grain (sand) and chilled iron rolls recommended by the committee on steel and steel products of the American Iron and Steel Institute Jan. 7 1918.

The following prices are subject to the usual customs of the trade, as regards terms, guarantees, adjustments, replacements, &c. The delivery point is f. o. b. maker's works, but the prices include an allowance for actual freight, in accordance with published freight rates, to the freight station of purchaser, provided same does not exceed 20 cents per hundred pounds. All freight in excess of 20 cents per hundred pounds to be paid by purchaser. The freight allowance does not include any additional charges at destination (for switching service, spotting of cars, drayage, cartage, transfer, ferry car service) or any other expense over and above that covered by the published freight rate applying to the regular delivery station.

PLAIN CHILLED ROLLS.

	Per lb.
Under 8 inches diameter.....	10.00c.
8 inches diameter and under 10 inches.....	8.75c.
10 inches diameter and under 13 inches.....	7.95c.
13 inches diameter and under 21 inches.....	7.15c.
21 inches diameter and under 24 inches.....	6.15c.
24 inches diameter and under 33 inches, under 91 inches long.....	5.70c.
24 inches diameter and under 33 inches, 91 inches long and over.....	6.15c.
33 inches diameter and under 35 inches.....	6.15c.
35 inches diameter and under 39 inches.....	7.20c.
39 inches diameter and under 43 inches.....	8.30c.
43 inches diameter and under 45 inches.....	10.25c.

Rail rolls, 20 inches diameter and over, with open chilled finishing pass on one or both ends, 7.15c. per pound.

Rail rolls, under 20 inches diameter, with open chilled pass on one or both ends, 7.45c. per pound.

Plain rolls, part chilled, same price as chilled rolls of like diameter. Plain chilled rolls requiring over 1½ in. chill, ¼c. additional, and at purchaser's risk of breakage, regardless of excessive depth of chill.

Sand rolls, with but one or two plain chilled passes, not less than plain chilled rolls of like diameter.

All other rolls having enclosed chilled passes or grooves, not less than 1.7c. per pound higher than plain chilled rolls of same diameter; chills for making same to be charged for at not over 10% above cost, and when paid for may be delivered to customers on demand.

Gap rolls for shovel mills, ½c. per pound additional.

SAND ROLLS.

	Per lb.
Under 10 inches diameter.....	7.95c.
10 inches diameter and under 13 inches.....	7.15c.
13 inches diameter and under 21 inches.....	5.90c.
21 inches diameter and under 34 inches.....	5.50c.
34 inches diameter and over.....	5.90c.

IRON PINIONS.

Under 10 inches diameter.....	8.35c.
10 inches diameter and under 13 inches.....	7.55c.
13 inches diameter and under 21 inches.....	6.35c.
21 inches diameter and over.....	5.90c.

Boxing or crating: 2% of face of bill additional.

The above prices for rolls are subject to a discount of one-quarter cent per pound where the purchaser sells and ships to the maker the broken and worn out scrap rolls and pinions produced in operation of its mills, not to exceed 70% in weight of new rolls received, at not over \$30 per ton of 2,240 pounds in trade account, f. o. b. seller's mills. Any excess freight over \$2 50 per ton necessary to transport such scrap rolls and pinions to works of maker to be paid by the seller of the scrap rolls and pinions.

TOOL STEEL.

Base prices and extras recommended by the committee on steel and steel products of the American Iron and Steel Institute Jan. 7 1918 (all prices f. o. b. point of shipment, and net without discount):

In the case of high-speed steel, the basic prices are:

Base prices—	Mill shipments from makers' warehouses.	Shipments from maker's warehouses.
High-speed steel, per lb.....	\$2 00	\$2 01
Tungsten finishing steel, per lb.....	65	66

All dimensions, inclusive intermediate sizes, take the next higher extra. Basic sizes, round, square and octagon, ¼-inch to 2 inches inclusive. Flat, ¼-inch to 2 inches thick by ½-inch to 2 inches wide.

Subject to established customs of trade, and with specified extras.

The schedules also include prices for extra sizes on high-speed steel and carbon steel; in the case of the latter, the basic price is as follows:

CARBON STEEL.

Base Price—	Mill shipments.	Warehouse stocks.
Tool steel—Non-shrinkable.....	\$0.35 per lb.	\$0.36 per lb.
—Special.....	0.23 per lb.	0.24 per lb.
—Extra.....	0.18 per lb.	0.19 per lb.
—Regular.....	0.15 per lb.	0.16 per lb.

Subject to established customs of trade, and with following extras:

All Dimensions Inclusive.—Intermediate sizes take the next higher extra. *Basic Sizes.*—Round, square and octagon, ¼ inch to 2 inches inclusive. *Flat.*—¼ inch to 2 inches wide by 9-16 inches to 2 inches thick.

The only other prices given in Judge Gary's announcement of the 9th inst. are for forged discs and forged die blocks, the prices for which follow:

FORGED DISCS.

Weighting above 25 lbs.....	Extra per lb.
Weighting 15 to 25 lbs.....	6c.
Weighting 10 to 15 lbs.....	10c.
Weighting 7½ to 10 lbs.....	12c.
Weighting 5 to 7½ lbs.....	14c.
Weighting 3 to 5 lbs.....	16c.
Weighting 2 to 3 lbs.....	18c.
Weighting 1 to 2 lbs.....	22c.
Annealing.....	24c.

FORGED DIE BLOCKS.

Weighting above 25 lbs.....	Extra per lb.
Weighting 15 to 25 lbs.....	4c.
Weighting 10 to 15 lbs.....	6c.
Weighting 7½ to 10 lbs.....	10c.
Weighting 5 to 7½ lbs.....	14c.
Weighting 3 to 5 lbs.....	16c.
Weighting 2 to 3 lbs.....	18c.
Weighting 1 to 2 lbs.....	22c.
Annealing.....	24c.

E. N. HURLEY SUCCEEDS W. G. McADOO AS CHAIRMAN OF NEW YORK PORT WAR BOARD.

The election of Edward N. Hurley, Chairman of the Federal Shipping Board, as Chairman of the New York Port War Board, succeeding Secretary of the Treasury McAdoo, who has resigned because of work entailed by his new office

as Director-General of Railroads, was made known at Washington on Jan. 7. The New York Port War Board, of which Irving T. Bush is chief executive officer, was formed in November to aid in the more expeditious handling of troops and war supplies at the Port of New York.

**REORGANIZATION OF ORDNANCE BUREAU OF ARMY
—GUY E. TRIPP HEADS NEWLY CREATED
PRODUCTION DIVISION.**

Secretary of War Baker in furtherance of his plans for the reorganization of the Ordnance Bureau of the War Department, referred to in these columns last week, on Jan. 13 announced the selection of Guy E. Tripp of New York as head of the Production Division, which will have general charge of production for the Ordnance Bureau, and will follow up, supervise and stimulate the production of all articles contracted for by the Procurement Division of the Bureau, which, as stated in these columns last week, is headed by Samuel McRoberts, formerly Executive Manager of the National City Bank of New York. Mr. Tripp has been granted a leave of absence as Chairman of the Board of the Westinghouse Electric & Manufacturing Co. to enter the Government's service. He is also President of Westinghouse, Church, Kerr & Co., engineers and contractors of New York, and is a director of many prominent business and financial corporations. Associated with Mr. Tripp and Colonel McRoberts in their new positions will be a number of prominent business men. Two men well-known in the business world have already been appointed. They are E. N. Black, of New York, formerly of the engineering firm of Ford, Nacon & Davis and Ralph Crews, one of the foremost business lawyers of Chicago.

**RESIGNATION OF DANIEL WILLARD AS CHAIRMAN
OF WAR INDUSTRIES BOARD.**

It became known on Jan. 16 that Daniel Willard had resigned as Chairman of the War Industries Board. Mr. Willard's resignation was tendered to President Wilson under date of Jan. 11. In his letter he said in part:

The taking over of the railroads by the Government has naturally raised many unforeseen and intricate questions, and it seems clear to me that I ought now to give my whole time to the affairs of the Baltimore & Ohio Railroad Co. Further, the Baltimore & Ohio Railroad Co., because of its location, is one of the heavy coal carriers and also serves many of the industries engaged in the manufacture of materials necessary for the prosecution of the war, and in common with all other American railroads, its operating organization has been considerably weakened during the last year because of the large number of officers and skilled employees who have gone to France and Russia.

With all this in mind it has seemed to me best that I should ask you to relieve me, at least temporarily, of the duties of Chairman of the War Industries Board in order that I may devote my whole time to the Baltimore & Ohio service. If I felt that my resignation would interfere with the usefulness of the Board, I should hesitate to make this request, but I am confident that there are many others much better qualified than I am to perform the duties of that important position.

MR. McADOO REPLACES A. W. THOMPSON AS TRANSPORTATION DIRECTOR BY GEORGE R. LOYALL.

It was reported on Jan. 15 that Director-General of Railroads McAdoo had replaced A. W. Thompson, Vice-President of the Baltimore & Ohio, by George R. Loyall, Assistant Vice-President of the Southern RR., as Transportation Director, with instructions to work toward clearing up the congestion about the Washington terminals. It was explained that Mr. Thompson's onerous duties attendant to his own road prevented him from devoting all his time to the Washington situation.

**LABOR UNIONISM RAMPANT—STRIKES COMMON
THROUGHOUT THE COUNTRY.**

[From the Washington Correspondent of the Boston Evening Transcript.]

Washington, Nov. 6.
When representatives of union coal miners declared to Dr. Garfield a day or two ago that they would sign no paper containing an agreement not to strike during the period of the war, they illustrated in one simple incident the most serious domestic problem the United States is facing in the execution of its military program. Dr. Garfield had asked both sides to agree to a penalty clause covering interruption of work, the operators to forfeit if they locked the men out and the miners to be penalized if they struck. The operators agreed, the union miners refused. As a result, the meeting, at which the coal interests of Kansas, Missouri, Oklahoma and Arkansas were represented, was suddenly adjourned, the Fuel Administrator declaring that unless the Government could be assured of non-interference with coal production, he would not approve the advance in wages to the miners upon which agreement already had been reached. The incident is illuminating. With insistent demands for wage increases being made by the unions on every hand, with the Government actually raising the price of coal at the mines 15 cents a ton to permit the operators

to "take care of labor," the unions nevertheless are unwilling to agree that once a settlement is made to which the Government is in effect a party, they will stand by the contract and keep their men at work. In many of the coal regions, as this correspondence has pointed out before, high wages have been the direct cause of lessened production, for the individual, after making in three or four days as much as he received in four or five days previously, quits work and enjoys himself for from one to three days a week.

"Souvenir Maguire" Speaks.

The extent to which the strike has been made the resort of union labor for its own ends is appalling. Shipyard after shipyard on the Atlantic Coast has been tied up until the owners, working on the cost plus system, have been able to confer with the Government and secure permission to increase costs, that higher wages might be paid. On the Pacific Coast shipbuilding from the Canadian line to Oakland has been held back while petty dictators have tried to enforce their will upon the employers. Today's papers carry the news that the Federal Wage Adjustment Board has laid down a minimum wage scale for the Pacific Coast plants and expects the men who are out to return to work in accordance with it. "There won't be many ships built under this scale," declares M. J. Maguire, one of the conferees of the Metal Trades Craftsmen at San Francisco. "I believe the entire shipbuilding crafts of the Pacific Coast will appeal to Wilson against the decision." This union leader is known as "Souvenir Maguire." He represents the boilermakers and also mixed himself in the now defunct street railway strike in San Francisco, when he exhorted his followers to sabotage and told them to return with some souvenir of their prowess, if it was only an eye or an ear. Maguire tried to hold up the settlement made by the unions with the Metal Trades Association by injecting the street car issue into it; and now he is trying to breed further trouble by defying the Federal Wage Adjustment Board. He does not represent the better class of union labor and his influence is not paramount on the Pacific Coast, but he typifies the spirit which is injuring the labor cause everywhere and eventually will result in a drastic conscription, once Congress and the country understand the purposes of men of the Maguire type.

Behind Themselves, Not Wilson.

The October issue of the "Boilermakers' Journal," published at Kansas City, Kan., inadvertently discloses the attitude of organized labor toward the war situation. The argument is taken from the speech of James O'Connell, President of the Metal Trades Department of the American Federation of Labor. "It is not a mere question of being behind President Wilson," said President O'Connell; "that is a sort of a catchy expression, a catch phrase, sounds nice. The question is, are you behind yourself. If you are, you will say so before you leave here"—the "here" being a great labor convention. "No movement can be, no movement can progress, no movement can become a power in this country, no movement can be successful unless the trades union movement says so," went on President O'Connell amid applause. "Otherwise, the President of the United States would not send for the President of the American Federation of Labor. . . . If he did not believe that behind all this struggle for democracy organized labor must be at the head of it." Mr. O'Connell did not mix his Hibernianisms quite so badly when he got down to the cases. "You remember," he said, "when we used to strike to get 25 or 26 or 27 cents an hour, an increase of a cent or two an hour, and in some instances half a cent or a cent and a half. Now we are striking for dollars. We have forgot there is such a thing on the market as a penny any more. Out on the Pacific Coast, you know what is going on out there now. Seattle, Portland, San Francisco—all asking for dollars, two dollars a day increase, three dollars a day increase. It doesn't frighten anybody any more. Nobody gets bolsterous about it any more. We are just coming together and going to get dollars now instead of pennies."

After All the Munition Plants.

This James O'Connell is the same man whom President Wilson made a member of the notorious Industrial Commission, now snuffed out because Congress declined to maintain it any longer. Mr. O'Connell has served his own cause very usefully in Washington, and already boasts that "Uncle Sam is paying the expenses of union committees to come to Washington and meet the employers." "That, however, is only the beginning," he says. "We are now working on another plan to handle all the munition plants, outside of the shipbuilding, all of the munition factories where munitions of any kind are made for the Government, either direct or by contract or by sub-contract. That commission will handle all that (presumably a reference to the Advisory Commission of National Defense, of which President Samuel Gompers of the American Federation of Labor is one of the seven members). "That," continues President O'Connell, "will be for the purpose of giving labor the benefit of the increased cost of living, which is climbing head over heels upward every day. And if flour jumps two dollars to-morrow and jumps again the next day, we will call the commission together and jump wages, keep jumping, getting more and more and more. I like that word 'more' (applause). It sounds good to me. It is natural. It is human. Now, I hope the boilermakers in convention here will get in their minds that beautiful thought of 'more.'" Mr. O'Connell went on, after a few remarks indicating that, as the millions went after billions, so working men should go after all they can get. "Place officers in a position to go out and demand," advised O'Connell, "and then back them up. And in this crisis, instead of our organization being wiped out, instead of our power being lessened, we will come out after the war is over bigger and greater and grander and better understood than we ever were before." (Applause).

Making the Public Pay the Bills.

One of the noteworthy events of the recent week has been the settlement by the President's labor commission of the strike in the Clifton-Morenci-Metcalf copper district of Arizona. The statement made by the Commission—which body, by the way, naturally has such a Washington background as President Gompers of the Advisory Commission and the Department of Labor naturally would provide—is noteworthy in several respects. One of the most interesting of the findings of the Commission is that which makes such exquisite provision for taking care of an increase in wages at the public expense, but none for restricting the demands of labor when they have gone beyond a reasonable point. This provides, in brief, that if the Administrator should recommend a war increase which the company can afford to pay, very well. If, however, the new wage scale does not leave a fair profit, the Commission shall then recommend to the President an increased selling price, and the increase shall not become effective until such selling price has been obtained. The plan is a very simple one; the men may make such demands for "more and more and more" as gentlemen like President O'Connell would approve, and the President of the United States has only to jig up the price of copper to keep labor contented. The scheme is beyond criticism in its efficiency for obtaining results for the men, but it leaves one in profound doubt as to where the company would get off after its contracts had been made, and as to where the public is to be protected if this form of settlement is to be made general. If the theory herein embodied applies throughout all in-

dusty, it is easy to see that there can be no rational limit to either wages or prices.

Violation of Agreements.

Another feature of the rules laid down by the Commission is one assuring re-employment to all striking workmen without discrimination, "except those guilty of seditious utterances against the United States or those who have membership in an organization which does not recognize the obligation of contract." How this last named body of workers is to be defined the Commission do not state. It is the ambition of the American Federation of Labor to gather all trades unions within its ample folds, but the responsibility of labor leaders for the men they lead is so uncertain and evasive that in construing the Commission's proposition the Administrator might have some difficulty in drawing the line. For example, the job press feeders and pressmen of New York have an agreement with the Association of Employing Printers which does not expire until 1918. Just as the printers were getting ready to turn out the ballots for the day's election in New York, the press feeders and pressmen throw up the agreement and some 4,500 of them struck for a flat wage increase of two dollars a week. There was immediate danger at one time that the election would come on with no ballots ready, but the employers finally granted an increase of two dollars, leaving the other two dollars for arbitration. The men at first declined this arrangement but later went back to work.

Price-Fixing and Wages.

About a month ago the longshoremen on the North River front violated a contract which did not expire until Dec. 31 and tied up three great piers by a strike. The men were getting forty cents an hour, with sixty cents for overtime and sixty-five for Sunday and holiday work. They demanded forty-five cents, sixty-five cents and eighty-five cents, a nine instead of a ten-hour day, and longer time for meals. Superintendents along the piers said that at this time men who could not write their names and were doing the simplest kind of work were making \$60 to \$75 a week. Not long ago the coal miners of the central fields wiped out all existing agreements and presented demands for increases ranging from 20 to 80%. The union leaders said they had no desire to break the agreements, but the high cost of living and the attraction of higher pay in factories made it impossible to keep the miners contented. It was pointed out by the union leaders that now that the Government was fixing prices, all that was necessary was to secure its assent to higher prices for coal, and everything would be serene.

Game Is to Unionize Now.

All through the Middle West strikes have been common ever since the United States entered the war. Many of these have been over the open shop—i. e., the determination of the unions, now that their men were in the saddle at Washington, as Mr. O'Connell pointed out, to unionize all plants while the going was good. It is evident from the utterances not only of the President of the boilermakers but of hundreds of other labor leaders that all along the line it is the deliberate intention to secure a strong union grip on the Government and then to force the issue with the employers, on the theory that if the employers did not yield the Government, owing to the pressing need for war materials, would take over the plants, and then the unionists in control at Washington would see to it that the demands of labor were granted. This unquestionably has been the game throughout the industrial world, regardless of the effect of such a policy upon the conduct of the war. W. E. B.

CONFERENCE IN N. Y. OF RAILROAD EXECUTIVES REGARDING GOVERNMENT CONTROL—HEARINGS ON ADMINISTRATION BILL.

A conference of some seventy or eighty railroad Presidents, representing 177 roads, was held in this city last Sunday (Jan. 13) in the directors' rooms of the New York, New Haven & Hartford R. R. at the Grand Central Terminal to discuss matters incidental to the taking over of the roads by the Government. The meeting is said to have been called by Frank Trumbull, Chairman of the Railway Executives Advisory Committee. The deliberations extended over many hours, but little regarding the discussions has been divulged. According to the New York "Tribune" of the 14th Chairman Trumbull at the conclusion of the conference said:

The meeting had the end in view of reaching an understanding among the railroads, and then with the Government. Shall Government control end with the conclusion of the war, six months after, or at the discretion of Congress?—that was one of the vital questions upon which the members voiced their opinions.

This meeting was preparatory to the Government committee hearings which begin in Washington to-morrow (Monday). Two or three informal resolutions were passed, to be presented probably before the Government committee.

The "Tribune" also stated that it was understood that one of the resolutions urged that the period of Government control be fixed for the duration of the war, or, if that is rejected, for a definite period afterward, instead of being dependent upon subsequent Congressional action, as the proposed law now stands. The future of the Railway Executives' Advisory Committee, in view of the operation of the roads by the Government, is also said to have been one of the matters considered at the meeting, and it is reported in the "Times" that it was voted to continue its work. Figures were presented at the meeting to show what the guarantees of the three-year average earnings, recommended by President Wilson, would mean to the individual roads; from the "Times" it is learned that for 86% of the roads of the country it was shown that they would receive a return of \$866,214,884 or 5.22% a year on the "property investments." Following the conference the heads of the

Eastern roads held a separate meeting to take up problems affecting their systems. According to newspaper reports of Jan. 15 the railway executives are of the opinion that the roads should be returned to their control one year after the conclusion of the war or sooner if the President should direct.

During the hearing of the bill before the Senate Committee on Inter-State Commerce on Jan. 15, the validity of the proposal to appropriate \$500,000,000 to carry out the Government control of the railways is said to have been questioned by Senator Underwood and members of the committee. They expressed the opinion that the railroads were taken over as a war measure, and that under the Constitution, appropriations for the support of armies are limited to two years. Senator Underwood in his comments on the proposed legislation said:

The question that faces us is whether Congress conferred military or civil powers on the Secretary of War. I think Congress conferred military powers on him. If Director-General McAdoo is acting through the powers of the Secretary of War, hasn't the War Department the absolute right to control the management of these roads as it would a commissary train?

Inter-State Commerce Commissioner Anderson, to whom the question was put, stated that "it would fall very little, if any, short of that," which brought from Senator Underwood the statement that "if these railroads were taken over for military purposes, then it seems to me they were taken over with the two-year limitation."

It was stated on the 14th that Commissioner Anderson advocated repeal of the anti-trust and anti-pooling laws as they affect railroads, and Government control of railroad securities. These measures should be tried before Government ownership, he is said to have stated, adding that there was nothing in the bill anticipating Government ownership. He defended the clause in the bill leaving to Congress the time after the war when the Government should relinquish control by saying it would be necessary to thoroughly study conditions as they existed at that time. On the 14th, Representative Lenroot of Wisconsin, Republican, speaking in the House, declared that that portion of the President's proclamation taking over the railroads, in which power is conferred on the Director-General to issue orders, is without authority and cannot legally be carried out until authorized by Congress. That part of the proclamation, he said, sets aside Federal and State statutes, orders of the Inter-State Commerce Commission and orders of State commissions.

It developed on Jan. 15 that many of the "short lines" are not embraced in the roads taken over by the Government. This was divulged at the hearing before the House Committee on Inter-State Commerce when John Barton Paine, Counsel for Director-General McAdoo, stated that the President's proclamation announced that the Government would take over at noon on Dec. 28 the "transportation systems" as a war measure, Mr. Paine adding that the short lines and the smaller railroads were not considered as a part of the systems and necessary for the Government's uses during the war. Bird M. Robinson, attorney for the "short lines," is quoted in the "Times" as saying:

The smaller roads cannot live if this interpretation is final. They will get no freight from the larger lines, and in addition will be forced to pay the higher wage scale which the Government will advance to the employees on the systems taken over and operated.

On Jan. 16 an amendment to the bill so as to include in its provisions all common carriers was presented to the Senate Committee by Col. B. B. Dean of Gainesville, Ga., representing one of the short lines. Representatives of short line carriers yesterday (Jan. 18) urged upon the Senate committee several amendments to the Sims-Smith bill. They hope to fix firmly the authority of State railways commissions by them. Opposition to centralization of power in the Federal Government to determine reasonable intra-State rates developed. Luther M. Walter, representing a group of Western carriers, declared that the powers of the State commissions should not be impaired. He said they deserved credit for bringing about efficient regulation of intra-State roads and that there was ample scope in the Inter-State Commerce Commission to deal with inter-State rates.

On Jan. 16 Director-General McAdoo made known that all State railway rate laws and regulations will remain in full effect under Government operation. Information to this effect was conveyed by him to a delegation representing the National Association of Railway and Utilities Commissioners. The ruling disposes of the contention of many railroads that under Government operation they were not subject either to intra-State rates prescribed by State authorities or to other regulations.

EFFORTS TO REMEDY FREIGHT CONGESTION SITUATION.

The action taken this week by Fuel Administrator H. A. Garfield in calling for a suspension of business by manufacturing plants throughout the country for a period of five days beginning yesterday (Jan. 18) and for a shut down of business generally for the nine succeeding Mondays up to and including March 25, has been the chief development of the week in the freight congestion situation. Dr. Garfield's order is given in full in another column in to-day's issue of our paper, and we also refer elsewhere to the comments relative to the effect of the measure. Dr. Garfield stated on Thursday that various angles of the plan were discussed with W. G. McAdoo, Director-General of the Railroads, and the Secretaries of Navy and War before the order was approved by him, and that he finally reached the decision "that the action taken was essential to relieve the coal famine and break up congestion on the transportation lines, which threatened to hopelessly cripple the nation's war program." The issuance of the order came during "Freight Moving Week"—Jan. 14-21—Director-General McAdoo having last week appealed to the nation to unite this week "in a supreme effort to clear up the congestion at terminals before the demurrage order goes into effect and to keep it cleared up thereafter." Storm conditions prevailing a week ago throughout the country, and which were particularly acute in Chicago and territory west of that city, served to intensify the congested situation which has been giving concern for weeks past. On Jan. 13, the day preceding the opening of Freight Moving Week, it was stated in reports from Washington that Railroad Administration officials had sent appeals to various organization in the principal cities urging redoubled efforts to clear the terminals in view of the extra burden thrown on the railroads by the blizzard in the West. To A. H. Smith, Assistant Director in Charge of Eastern Lines, and R. H. Aishton, Vice-President of the Chicago & North Western, Director-General McAdoo telegraphed:

"I am very much distressed at the inconvenience and suffering the blizzard has brought to the people in the West and Central West. The paralysis of railroad service is inevitable, but I should like you to use every possible means to overcome the situation and restore railroad service at the earliest possible moment."

On the 12th inst. the Railroad Administration sought to meet the storm conditions with informal instructions to move coal first and to redouble energies to keep locomotives in running order. Mr. Smith's report for the New York committee territory on the 12th stated that conditions were abnormal with respect to the number of eastbound cars cut out short of their destinations for handling through New York terminals. He summarized the situation as follows:

"An entire stoppage of traffic on all railroads at Chicago has resulted from the severe blizzard. The temperature in Chicago has been from 7 degrees below zero to 25 below. The storm is extending to the East and to the West. The entire Middle Western territory, between Pittsburgh, Buffalo, Chicago and St. Louis, and throughout all of Illinois, Indiana, Ohio and Michigan, is being swept by the severe storm. It is impossible to make any freight movement or delivery except in a few instances.

"It is difficult to get men to work at the coal docks, at the terminals, and to clean out switches. The temperature at many points is 24 below zero, with high winds. With low temperature there has also been snow, the fall being in some places two feet, drifting badly. The drifts are from two to twelve feet deep over the tracks in many places.

"The indications are that no passenger trains can be started from Chicago this evening. No freight trains have moved from Pittsburgh and only a few passenger trains. There is no prospect of improvement at present. The low temperature is moving eastward."

An order designed to help clear the congested freight situation was put into effect on the 15th inst., the measure calling for an embargo on domestic freight in carload lots, and applying to all shipments except food for human consumption, live stock, perishable freight, newsprint paper, coal and freight consigned to an officer of the United States Government or to officers of the railroads. With the putting into effect of this order, it was announced that all permits for shipments would be issued by the newly created Domestic Division of the Freight Traffic Committee, North Atlantic ports. This committee has been divided into the Domestic Division and the Export Division; the general committee consists of George D. Ogden, Chairman, Traffic Manager of the Pennsylvania RR.; Francis La Bau, Vice-Chairman, Traffic Manager of the New York Central; Richard Van Ummersen, Robert L. Russell, Archibald Fries, Joseph R. Ruffin and Elmore D. Hotchkiss. H. C. Hamilton, General Freight Agent of the Lehigh Valley Ry., is in charge of the Domestic Division, and J. A. McCauliffe, Foreign Freight Agent of the New York Central Lines, is in charge of the Export Division. The following statements were issued in the matter:

To the Presidents, Lines in Official Classification Territory:

In connection with the issuance of inland shipping permits on export freight by the Export Division, 141 Broadway, New York City, that committee will also handle questions pertaining to domestic freight. The name of the committee will be changed to "Freight Traffic Committee, North Atlantic Ports," and for convenience of administration will be subdivided as follows:

(a) Export Division: Issuance of inland shipping permits for export freight as outlined in Circular "A" of the Export Division, dated Dec. 7 1917.

(b) Domestic Division: All matters pertaining to domestic freight at North Atlantic ports, including lighterage and marine practices at New York.

Please be governed accordingly.

A. H. SMITH,

Assistant to the Director-General of Railroads.

A domestic division has been created with offices at 141 Broadway, New York City, known as "Domestic Division Freight Traffic Committee, North Atlantic Ports."

For the present the Domestic Division will only assume control of carload domestic freight, embargoes as defined in next paragraph, for Manhattan Island, the Bronx (New York City), and station or lighterage deliveries on New York Harbor.

On Jan. 15 1918 embargoes will become effective on carload domestic freight (except food for human consumption, newsprint paper, live stock, perishable freight, coal and freight consigned to an officer of the United States Government or to officers of the railroads); exceptions thereto will be covered by shipping permits to be issued by the Domestic Division, Freight Traffic Committee, North Atlantic Ports, and no railroad shipping permits will be issued except by the Domestic Division.

In observance of the procedure on carload domestic freight, it is necessary that the consignee (not the shipper) shall make application for permit as follows:

(a) For lighterage deliveries, to lighterage representative of the delivering road;

(b) For pier, station or team track deliveries, to railroad representative at the delivery desired.

The lighterage representative or the railroad representative as the case may be, will then present to the Domestic Division application for the issuance of railroad shipping permit for the forwarding of the freight from the point of origin.

Shipping permits (as exceptions to embargoes) will be sent from this office in the name of the Domestic Division, Freight Traffic Committee, North Atlantic Ports, to the consignee (copy to delivering carrier), through the same channel as presented. Consignee will send the permit to the shipper, which permit must be surrendered by the shipper to the initial road's agent, with bill of lading and shipping order. Permits will be issued under serial numbers bearing "F. T. C." prefix, and waybilling agents must endorse on card and revenue billing reference to authority "F. T. U. No. —" otherwise car will be rejected at junctions.

To keep transportation lines and terminals open for the use of the general public, it is imperatively necessary to co-ordinate to the fullest possible extent the rail movement with each consignee's requirements and ability to promptly take delivery upon arrival at destination. Delinquent consignees cannot expect favorable consideration of applications for shipping permits for carload domestic freight if and when they have excess quantities on hand at railroad terminal.

The initial roads must not accept freight in excess of quantity covered by permits and shipments will not be accepted after expiration of permit time limit.

All the foregoing is intended to reduce accumulation and create greater efficiency and it is confidently hoped that the shipping and receiving public will co-operate to this end.

FREIGHT TRAFFIC COMMITTEE, NORTH AMERICAN PORTS,
GEO. D. OGDEN, Chairman.

A representative of Mr. Smith was quoted in the "Herald" of Jan. 12 as saying:

The plan adopted by the newly formed Domestic Division Freight Traffic Committee involves a radical departure from all previous railroad usage, in that it puts the grip of the Government upon the throat of the stalker consignee. For the first time in railroad history, this order places upon the consignee of all domestic commercial freight shipments, instead of upon the shipper, the burden of obtaining the necessary shipping permits before he can hope to obtain the goods desired.

All applications for shipping permits must be made by the consignee, and not by the shipper. Applications for lighterage deliveries will have to be made to the lighterage representative of the delivering railroad and applications for shipping permits for pier, station or team track deliveries to the proper railroad representative at the point of delivery desired. All such applications then must be referred to the Domestic Division Freight Traffic Committee, which has its headquarters in a suite of rooms at No. 141 Broadway. There Mr. La Bau, the Vice-Chairman, will be in immediate charge of the committee's work.

For the expeditious handling of the shipping applications, without the formal approval of which no domestic freight for this port will be permitted to leave its point of origin, there is to be associated with Mr. La Bau a sub-committee composed of one man from each of the principal railroads entering this port.

When a would-be shipper files his application, he will be compelled to give to the agent at the point of prospective delivery assurances and guarantees that, if the permit be granted, he will promptly unload and deliver to its destination the goods consigned to him.

Should the sub-committee member find that the author of the application already has standing on the rails or piers or on board lighters freight consignments which have not been unloaded or delivered to destination, thus contributing to congestion, it will be a simple matter to discipline the offender.

Assuming that the consignee applicant succeeds in getting his permit granted, he will then forward it to the shipper of the freight, with a copy thereof to the delivering carrier, through the same channel as presented. The prospective shipper, on receiving the permit, must surrender it to the agent of the initial carrying road, together with the bill of lading and shipping order.

To meet the crisis in New York City caused by the coal shortage and the crippled railroad service, Director-General of Railroads McAdoo on Jan. 14 ordered preference of movement as follows for New York City and its vicinity:

First, Coal for domestic use and vital public utilities.

Second, Food.

Third, Coal for bunkering the ships in New York Harbor which are loaded for American armies abroad and for the Allies.

In issuing this order Mr. McAdoo said:

This appears to be the shortest cut to a restoration of normal conditions. It is hoped, therefore, that everybody will co-operate by submitting as cheerfully as possible to the temporary inconveniences the plan may occasion, in order that it may be made in the highest degree effective and that prompt relief may be brought about.

In his report to Mr. McAdoo on the 14th Mr. Smith stated:

Between Pittsburgh, Buffalo, Chicago and St. Louis there has been practically no freight movement for twenty-four hours. Practically the only passenger movements have been those incident to getting stalled passenger trains into terminals.

Snow has drifted very heavily, packing into cars on sidetracks and in yards, and it will take considerable time and much effort to get them loose. Temperature this morning at Pittsburgh and Buffalo is still zero with extremely high winds. West of there weather was moderating. It has likewise moderated in New York and at other points east.

The very low temperature with snow and high winds has produced a combination which is said to be worse than anything in the history of the railroads in the Central West.

Little freight eastbound from Chicago and St. Louis to-day on account of accumulation in yards. Efforts being made to place coal to relieve fuel situation in Western cities. Everything being done with the help and power available to restore service at the earliest possible moment.

In answer to your telegram, you may be assured of the utmost efforts in this direction on the part of all concerned.

I believe we should devote our attention to keeping people warm, moving food, and coaling ships in harbor, even if manufacturing industries close down for a few days until effect of this storm can be cleared away and working room afforded.

There are 118 ships in the harbor this morning coaling, and 21 bunkered last twenty-four hours.

On Jan. 15 it was stated in dispatches from Washington that the situation was regarded as worse than at any time within the last week of paralyzing weather. It was said that railroad administration officials acknowledged that they could do little against the weather except to distribute cars, locomotives and snow-fighting apparatus to the districts where the need was greatest. Investigations by the Inter-State Commerce Commission's inspectors, working under directions of Commissioner McChord was said to have disclosed hundreds of coal cars on sidings in the East blocked behind lines of almost immovable freight cars, destined for points already suffering from fuel shortage. Freight moving week, although recognized in telegrams from a number of commercial organizations on the 15th seemed almost, it is said, snowed under.

In a statement issued on the 17th inst. with regard to the bearing on the railroads of the five-day suspension period, put into force by the Fuel Administration, Mr. Smith said:

The railroads are not included in the partial suspension order. Under present conditions their duty is to keep hard at it days, nights, Sundays, and holidays.

I wish the public could appreciate what the effects of the weather conditions have been and are. In fifty years, taking the testimony of the oldest railroad men, nothing approaching it has been experienced. Man and metal have been taxed to the limit of their endurance and beyond.

Tracks have been covered with snow to the depth of many feet, resisting the efforts of the largest engines and snowplows. The cars in yards are buried in snow so deep that they have to be shoveled out before they can be moved. Certain parts of the country have been without transportation for days, and there are required special and energetic movements as lines are opened up to get fuel into certain districts to keep people from freezing.

As I understand the intention, the five-day partial suspension period is aimed to relieve these emergencies and to give the railroads a chance to "dig out" and get cars moved that are standing in the way of other movements. Particularly in New York Harbor, if the ice trouble lessens the movement will be increased materially between cars and consumers.

Of prime importance, which must be obvious to all who will consider the question, is the bunkering or placing of fuel upon the many steamships which have been sent to New York Harbor for food and other essential materials. When fueled they will take cargo, which in turn releases freight occupying space required to take in other freight which is held back in cars, on piers, in yards, and on sidetracks, congesting operation.

It is the story of "The House That Jack Built" reversed: "This is the coal that fueled the ship, that took the freight, that cleared the space, that released the freight from the car in the yard, that blocked the road."

According to the "Times" of yesterday, when it was brought to Mr. Smith's attention from many parts of the East that the Garfield order threatened to work the wrong way in respect to clearing congestion of domestic freight, he sent the following telegram to the Presidents of the Eastern roads:

I am advised by the Fuel Administration that nothing which helps in the movement of cars is forbidden by Dr. Garfield's order directing a five-day partial industrial suspension. Formal notice will be issued by the Fuel Administration in Washington. I am giving you information in advance, however, in order that you may disseminate it as widely as possible in your immediate territory. This means that freight can be loaded into cars and unloaded from cars at all industrial points, and suggests the possibility of diverting labor not otherwise engaged to unloading freight and releasing railroad equipment.

HOW BRITISH RAILWAYS ARE OPERATED BY GOVERNMENT.

The British Government's arrangements for handling the financial side of the railroad problem in England is dealt within a special report shortly to be published by the Carnegie Endowment for International Peace. The study has been made by Prof. Frank H. Dixon of Dartmouth and Dr. Julius H. Parmelee of the Bureau of Railway Economics. Because

of the measures taken by the Administration to unify American railway operation and provide for the financial necessities of the carriers, an advance abstract of the Carnegie report has been released for public information. The following is taken from the abstract:

The essential features of the English railway mobilization plan include operation of the lines by the same officials and employees as before the war, with the exception, of course, of the men called to the colors; a cabinet officer at the head of a committee of railway operating officials, in existence before the war, under an Act of Parliament more than forty years old; the transport of all Government business without the necessity of routine payment for each specific service; the guarantee by the Government to the railway companies of the same net earnings that they had in the last year of peace; the equitable settlement of all labor disputes by the payment of war bonuses.

The merit of the English plan, as stated by F. A. McKenzie, a British financial authority, is that the interests of the railway shareholders having been assured, the companies were able to devote themselves to the work of economical and efficient distribution, without worrying over the usual and unusual financial problems.

England declared war on Germany Aug. 4 1914. At one minute after midnight on Aug. 5, the railroad systems of England, Scotland and Wales passed under the control of the Central Railway Executive Committee vested with governmental powers under a law put on the statute books in 1871.

At the head of the committee is the Chairman of the Board of Trade, a Cabinet officer heading the department roughly corresponding to the United States Department of Commerce and Labor. The active head of the British committee, however, is a railway executive, Sir H. A. Walker of the London Southwestern Railroad.

The law under which the Government took over the railroads required it to render them full compensation for loss or injury sustained because of Government control. To carry out this provision of law the Government made an agreement with the railroad companies, the principal features of which are:

1. That the railroads place their entire organization at the disposal of the military authorities and handle traffic in accordance with directions from them.

2. That the Government periodically pays to each road such sums of money as are necessary to make its net income for the period equal to its net income for the corresponding period of the calendar year 1913. In other words, the last year of peace was taken as the basis of payment.

Several modifications of the agreement have been made. The first modification covers the question of fixed charges on new railway capital invested during the war period. Fixed charges are, of course, paid out of net revenue. Under the agreement as originally made a company compelled by military or other exigency to enlarge its facilities would automatically be placed in a worse position than a road on which no such exigency occurred. Accordingly early in 1917 the Government agreed to allow 4% interest on all capital invested in new railway property since Aug. 4 1914.

The second modification covers the question of deferred maintenance. Under war conditions the English roads found it difficult to maintain normal maintenance either on way and structures or on equipment. Yet deferred maintenance was properly chargeable to the expense account of the year during which the wear and tear of service made the maintenance necessary. Accordingly early in 1917 the English Government permitted the railroads to enter reasonable charges for maintenance in their operating expense accounts. If such maintenance charges were not wholly expended the deferred portion was credited to reserves to be drawn upon later.

Despite the loss of some 150,000 employees who enlisted for service at the front, the physical operation of the British railroads under the agreement with the Government has been a success. They have furnished the largest amount of transportation in the history of the country, with a smaller and less skilled labor force.

Radical measures to improve the car service situation were not undertaken until the beginning of this year, after over two years of war. The pooling of cars, undertaken by the American railroads on their own initiative, was not ordered in England until Jan. 1 1917.

English railways wages have presented many difficulties. At various times the Railway Executive Committee representing the Government have granted war bonuses, amounting in all to 15 shillings (about \$3 50) per week for adult men, and half that amount for women and boys engaged in train transportation. The shop workers in the English railroads have received bonuses amounting to 12 shillings (about \$2 88) per week for adult men, and half that amount for women and boys.

There have been no substantial increases in freight rates. Passenger rates, on the other hand, were subjected to a number of adjustments, all tending to a higher level, and then were, on Jan. 1 1917, increased by 50%.

It is known that there have been deficits for the Government to pay, as it is not charged for specific movements of troops or supplies. Speaking in the House of Commons in the spring of this year, Mr. Bonar Law, Chancellor of the Exchequer, stated that the English railway agreement was "an extraordinarily good bargain for the Government."

From the railway point of view the English railroads have been granted a fixed wage and have, in effect, agreed to perform every service within their power for this wage without expectation of any increase. Although the dividend return upon English railway stock has been certain, those securities have, of course, suffered greatly in comparison with other securities which with rising prices could obtain a rising income. The market value of 26 standard railroad stocks declined from £278,000,000 in 1914 to £201,000,000 in 1917.

The English railroads have probably borrowed less than \$100,000,000 for extensions or additions to equipment. Such money as has been invested has behind it a Government guarantee of 4% interest. In considering the smallness of this investment, it must be remembered that the total mileage of English railroads is only about 30,000 miles as contrasted with approximately 260,000 miles in the United States. The total mileage of the English roads is only a little larger than that of the Pennsylvania, New York Central and Baltimore & Ohio systems.

ORGANIZATION OF RAILWAY MAIL CLERKS CHARTERED BY AMERICAN FEDERATION OF LABOR —POSTMASTER-GENERAL BURLERSON'S ATTITUDE ON SUBJECT.

Announcement that the Railway Mail Association, with a membership of 13,000 railway mail clerks, had been granted a charter by the American Federation of Labor, was made at Washington by Edward J. Ryan, of Boston, the association President, on Dec. 30. Mr. Ryan is said

to have stated that this action was taken despite Postmaster-General Burleson's known opposition. Mr. Burleson's views on this point were set out in his annual report, made public on Dec. 6, in which he was direct and emphatic in his expressions of disapproval. Mr. Burleson said:

The Department feels constrained from a sense of public duty to again call attention to the activities of certain organizations of postal employees. Many years ago these organizations first attempted to influence legislative and administrative action in behalf of their members.

He then cited an order issued by the Postmaster-General in 1895 directing that no personal employee visit Washington, under penalty of dismissal, whether on leave or without leave, for the purpose of influencing legislation before Congress, and the Executive order issued by President Roosevelt in 1902 forbidding all officers and employees of the United States to either directly or indirectly, individually or through associations, solicit an increase of pay, or influence, or attempt to influence in their own interest any legislation whatever, either before Congress or its committees. Through the efforts of Government employees a provision was included in the Act of Congress, Aug. 24 1912, which permits them to become members of associations or organizations and affiliate with outside organizations so long as they do not impose an obligation or duty to engage or assist in any strike against the United States, &c. Mr. Burleson recommended the repeal of this Act for reasons he states. In voicing his disapproval of organizations of postal employees he further said in part:

Some of the organizations maintain representatives in Washington for the purpose of influencing legislation and presenting grievances, many of which are imaginary. By distorting and misrepresenting the facts, they encourage disrespect for administrative officers, disloyalty to the service, and make the maintenance of discipline extremely difficult. This antagonistic attitude has been assumed for years, irrespective of how or by whom the service was being administered. In a report submitted some time since, covering an investigation at an office where the Department was experiencing much difficulty, it was stated that the whole trouble was due to too much unionism of the employees, and that because of their affiliation they were inclined to resent any efforts on the part of the postmaster to enforce discipline. The Department insists that all employees shall be treated in a fair, just and equitable manner, and to secure such treatment it is not necessary that they belong to any organization, because the employees who do not are entitled to the same just and fair treatment as those who do.

While the employees should at all times be jealous of their own rights and protection, yet they should ever be mindful of their obligations to the public and devote their talents and energy to the betterment of the service to the people in which they are engaged. This they could do by co-operating and assisting in solving the postal problems that are constantly arising.

The need for this co-operation was never greater than at the present time, when the nation is engaged in a world war to maintain the right of liberty and self-government.

An outside organization has during the past several years attempted to unionize Government employees, including those in the Postal Service, and a large number of postal employees are now affiliated with it, and others soon will be, notwithstanding the fact that such affiliation is believed to be contrary to the Act of Aug. 24 1912. The advisability of permitting Government employees to affiliate with an outside organization and use the strike and boycott as a last resort to enforce its demands is seriously questioned by those interested in the public welfare.

If by combining Government employees are enabled to unduly influence members of Congress and others seeking election to public office, the situation will naturally arise, if it has not already arisen, where Congress will be unduly influenced by such combinations, the appropriations for the salaries of such employees will be greatly increased and economic provision for the conduct of the service impossible. The conduct of these organizations at this time is incompatible with the principles of civil service and with good administration of the Postal Service. They are fast becoming a menace to public welfare and should no longer be tolerated or condoned. It is earnestly recommended that the provision in the Act of Aug. 24 1912, referred to, be repealed.

In making this recommendation it is not an expression unfavorable to organizations where employees are obliged to protect themselves against the selfishness of private employers. The organization under those circumstances is necessary. In the case of Government employees, however, the situation is essentially different. They are not working for private employers but for the Government, whose officers are merely executing the will of the people. Therefore, the relations between the employee and the Government are always matters of public information, and the interests of the employee will always be protected by public sentiment. The reasons for justifying organizations among other employees under other circumstances and for the purposes for which such organizations are approved do not therefore exist in the case of Government employees. They can always depend upon public opinion to insure their enjoyment of their full rights under their employment.

In an answer to Postmaster Burleson, Samuel Gompers, President of the American Federation of Labor, was quoted on Dec. 9 as saying:

Mr. Burleson cannot point to a single instance where an affiliated organization of postal employees has threatened to strike. He cannot name a single officer of these organizations who has remotely suggested such a course. Personally, in the many times I have addressed postal employees in all parts of the country I have explained to them that legislation and not the strike was their weapon of last resort.

To deny the right of workers in our largest Governmental agency to organize is to make a mockery of our faith in democracy. If autocracy is harmful to the morals of our alien enemies abroad, then let us not introduce a species of it into our largest Federal institution by attempting to disfranchise industrially the army of postal workers.

Mr. Gompers was further quoted as follows:

The American Federation of Labor will resist any effort made by Postmaster-General Burleson to put into effect his recommendation to Congress that postal employees be denied the right of direct appeal to Congress

and the right to organize and affiliate with labor. More than 10 years ago the American Federation of Labor presented its historic bill of grievances to President Roosevelt and mentioned as one of the particulars the restoration of the right of direct petition to Congress of Government employees—a right that was denied them by executive orders issued by Presidents Roosevelt and Taft. We kept this issue prominently before the public and on Aug. 24 1912 the Sixty-second Congress enacted what was then commonly called the anti-gag law—a law granting postal and other Government workers the right to maintain their own organization in the interest of the men and free from the domination of the department heads. It also restored to them the constitutional right of direct petition to Congress. It is this law which Mr. Burleson is seeking to have repealed. We fought for its enactment, we believe it is a wise, just, necessary law and we are prepared to fight against its repeal.

Mr. Gompers' statement brought from the Postmaster-General the following on Dec. 10:

I have no disposition to engage in a controversy with Mr. Gompers, who deserves the highest commendation for his patriotic stand and support of America in the crisis presented by the world war, but apparently he has misunderstood the issue raised by the Postoffice Department.

The issue is not whether Government workers should have the right to maintain organizations, but whether it is wise that they should affiliate with an outside organization and use the strike and boycott as a last resort to enforce their demand.

There is no desire on the part of the Department to repress men in the "free expression of their grievances;" its sole desire is to protect the postal service and the Government itself from what is believed to be a growing menace.

POST OFFICE DEPARTMENT CHARGES DELAY IN MAILS TO RAILROAD CONGESTION.

In reply to complaints of mail delay, and more especially in answer to "editorial comment" on the subject, the Post Office Department has taken occasion to issue a statement placing responsibility for the delay in mail transmission to the congestion of the railroad system. Its statement is published as follows in the "Official Bulletin" of Jan. 14:

Newspapers complaining editorially of delay in the mail associate this with the fact that under the administration of Mr. Burleson the postal service has been economically administered and a large surplus of postal revenues has been turned into the general fund of the Treasury.

In effect the criticisms of the Post Office Department are aimed at the policy of economical administration, and the complaints of delay in the delivery of mail are citations in support of antagonism to the curtailment of unnecessary and extravagant expenditures.

Economy and Efficiency.

The gravamen of the complaints appear to be that \$5,000,000 or \$9,000,000 has been saved to the Government from the postal revenues and turned into the Treasury; and that the delays in the delivery of mail which have been occasioned by traffic conditions, like those in the delivery of all freight, express and in the passenger service of railroads, are chargeable to a policy of the department which has curtailed extravagant and useless expenditures of public money.

So far as has appeared in any editorial criticism of this sort which has come to the attention of the department, no attempt has been made to indicate how by the expenditure of more money—by the restoration of a system of prodigality of expenditure—the delivery of mail could be made more prompt.

Reports from all branches of the postal service show promptness and efficiency in the handling of the mail at this time, in so far as the postal service is concerned, not surpassed in any period in the history of the service, even when the expenditures were such as to produce a deficiency which drew upon the taxpayers to support this branch of the Government that should have been self-supporting. The records of the department do not show that efficiency has been promoted by extravagant expenditures.

Service Without Wastefulness.

Under the present administration of the Post Office Department the aim has been to avoid wastefulness of public money, no matter what private or corporate interests might be served by extravagance, but no expenditure required for the good of the service has been cut off and not a dollar has been saved at the sacrifice of efficiency. The department welcomes criticisms and suggestions of improvement of the service, and does not complain even of such criticism as is unjust. But where the public interests are equally concerned in promptness and efficiency of service and in the expenditure of money which must be drawn from the pockets of the taxpayers it is essential that an unjustifiable complaint of inefficiency in the service should not be made an excuse for reckless expenditure of public money without resultant benefit.

Causes of Delay Beyond Control.

Reports on the daily operations of the railway mail service, the post offices and city delivery—all that is under the control of the Post Office Department—show that the mail, though presented in greater volume than before in the history of the country, is being handled more expeditiously by the postal employees than in previous years. There is no indication of where by more liberal lawful expenditure of money in any branch of the service under the control of the Department the delivery of mail could be facilitated.

That there has been delay, sometimes quite serious, in the transmission of the mails is a matter of public knowledge not disputed by the Department. But this is no more due to inefficiency in the administration of the postal service than is delay, which is much greater than that of the mails, in the delivery of freight and express carrying the necessities of life to merchants for distribution.

The congestion of the railroad system of the country, which has resulted in deprivation and suffering to the public through fuel and food shortage, has recently made necessary the taking over of the entire system by the Government. The Post Office Department is no more responsible for delay in the delivery of a letter than it is for the delay in the delivery of coal and sugar, and were additional sums expended much in excess of the surplus of the last ten years the mail could in no wise be expedited.

Enormous Volume of Mails.

The Post Office Department has regularly received telegraphic reports from all branches of the service, and these reports show that notwithstanding an increase of above 25% in first-class matter and approximately 40% in parcel post, there was a marked improvement in the service during 1917, as compared with that of other years. A large volume of packages heretofore handled by express companies has been diverted to parcel post by

the public to facilitate its delivery. The reports on the holiday season show that with this enormous increase in the volume of mail the only point where a congestion occurred in a post office was at Washington, D. C., and the congestion there was due to failure on the part of the railroads to furnish sufficient cars, the mail matter through this office by reason of its being the gateway to army cantonments and mobilization camps, having been increased to at least ten times the normal amount.

Due to Rail Congestion.

The delay in the transmission of the mail, like that of freight, express and passenger service, is due to the congestion of the railroad system. During the month of November 1917 there were 86,712 failures by mail trains to make their scheduled connections. One of the most important mail trains carrying mail of Washington, Philadelphia, Baltimore and points west failed fully 70% of the time during the past four months, and the principal train between New York and Chicago failed 71 times of its south-west connection during three months and 57 times of its northwest connection.

The distribution and handling of mail at all post offices is on a definite and prompt schedule. The failure of a train to make its connection operates to delay the handling of that mail until the next delivery, which in some cases means the next day. It also piles up the load of mail of the delayed train with that of trains to follow, enormously increasing the work to be done by the postal clerks within the limited time between deliveries. Yet these deliveries have not been delayed nor the schedule of delivery changed. As rapidly as the mail has been delivered to the post offices by the railroads it has been distributed and delivered at its destination.

Fairness to Department.

The department is not criticizing the railroads for the existence of conditions, but in all fairness it is felt by the department it should be known by the public that the delay in mails is due entirely to railroad congestion, and should be measured up against the delay in other railroad traffic. The result of such a comparison would disclose marvelous efficiency on the part of the postal service. The postal service has delivered its mail as rapidly as it received it and made a better record in 1917, under more adverse conditions, than any previous year.

The fact that in addition to improving the service \$9,000,000 has been paid into the general fund of the Treasury by the Post Office Department should not be made the subject of complaint. Nor should inconvenience to the public resulting from war conditions which are felt with respect to all forms of traffic be made an excuse for demanding the unnecessary expenditure of postal service revenues when benefit could not result from such additional expenditure.

The implication in some criticism that inefficiency has resulted from poor pay to the postal employees is not justified by the records of the department or testimony of employees before the committee of Congress. The economy accomplished by the department has not involved a reduction of the salary of any of the employees. These salaries are fixed by law.

COMMERCE COMMISSION REFUSES INCREASE IN WEIGHT OF PARCEL POST—MAIL DELAYS.

The Merchants' Association of New York made known on Dec. 3 that as a result of its protest the Inter-State Commerce Commission had refused the Postmaster General's request for an increase in the parcel post maximum weight until the Commission can complete an investigation of the situation. In accordance with this decision, C. C. McChord, for the Inter-State Commission, wrote to the Postmaster General as follows:

With reference to your application, made by letter under date of Aug. 23 1917, for authority to make certain increases in parcel post weights, and having before it the decided differences of view on the part of yourself and of the carriers' committee, the Commission considers it essential to make an independent investigation of the present methods of handling parcel post matter, of alleged delays to passenger trains occasioned in handling the mails, of the probable effect of an increase in the volume of parcel post matter upon train service, and of other matters which may be pertinent to the question presented.

One or more of the Commission's inspectors will be detailed for this work, and it is quite possible that the designation of an inspector on the part of the Post Office Department and of the railroads to work with the Commission's inspectors at various representative points, would be of assistance in bringing the important facts to the Commission's attention at the earliest practicable moment. The results of this investigation will be presented in such form that they can be later made a part of the record in Docket No. 9200, Railway Mail Pay, if so desired.

The Association points out that under the existing regulations the maximum weights are as follows:

- Within the first and second zones (150 miles), 50 pounds.
- Within the third and eighth zones (over 150 miles), 20 pounds.

The Postmaster-General proposed the following increases:

- Within the first and second zones, from 50 to 70 pounds.
- Within the third zone, from 20 to 70 pounds.
- Within the fourth to eighth zones, from 20 to 50 pounds.

The Merchants' Association submitted to the Inter-State Commerce Commission two main reasons why the Postmaster General's application should be refused, as follows:

1. That it will further impair the efficiency of the first class mail service, already seriously impaired by recent changes in postal methods.
2. That it will materially interfere with the regular movements of passenger trains, the disorganization of whose schedules will, in turn, cause protracted delay in the movement of freight trains at a time when the speediest possible movement of freight is of vital national importance.

Regarding complaints of mail delay received by it, the Association says:

The Association has recently received numerous complaints as to delays in the delivery of important mails that have hitherto been received during the early morning hours. Some of the most pressing of these complaints have come from dry goods commission merchants with relation to delayed communication between them and the New England mills for which they are selling agents.

The effect of the delays complained of in some instances is to prevent the completion of important business transactions upon the day on which letters are received, thereby imposing one day's delay in matters which are frequently of importance.

Wholesale merchants in various lines have experienced similar delays in correspondence from all parts of the country, with a like result in the delay of shipments.

In the case of banks, failure to receive incoming letters by the first mail prevents exchanges from reaching the clearing house on the same day, thereby involving the loss of one day's interest, which, in the aggregate, is a very considerable amount.

Speaking generally, the time required for the movement of mails between the points of origin and destination has within the recent past been materially lengthened and much inconvenience and in some cases loss has been thereby imposed upon the business community.

One cause for this deterioration in the postal service appears to be the changes that have recently been made by the Post Office Department in the methods of handling mail. The Department has taken out of service several hundred postal cars, which class of cars was formerly attached to all important trains, and in which cars the process of sorting mail was carried on in transit. The effect of the removal of these cars has been to concentrate on later trains a heavy bulk of mail which formerly moved by several trains, was assorted during progress and was placed in the carrier's hands immediately on arrival at destination. This mail, formerly handled in installments, is now in some instances concentrated upon a single late train, is not assorted in transit, and after arriving at destination in bulk must be delayed while the preliminary sorting process is performed. All mails thus delayed reach the carrier's hands for delivery at a later hour than formerly.

GOV. WHITMAN'S MESSAGES—WAR ACTIVITIES OF NEW YORK STATE, STATE'S REVENUES, &c.

Governor Whitman in his annual message to the New York Legislature, which has been in session since Jan. 2, recommended that there be but few laws passed this year, "lest in the name of patriotism some unnecessary and unwise legislation be enacted." The message also embodied a review of what the State Administration already had accomplished for the promotion of war purposes and enjoined the lawmakers to leave nothing undone at the present session to speed the war on to its victorious conclusion. He asserted that "the State Administration has stood solidly behind the President and the Federal authorities;" told what New York State has done in the war, saying we must not forget that "we are not merely New Yorkers—we are Americans," and urged the Legislature to consider the shortage of farm labor, the decline of the live stock industry and other matters pertaining to the success of the nation at war.

The Governor declared that he is convinced now is the time for the adoption of a policy that will enable the State to develop its water powers and derive a substantial revenue therefrom. He submitted recommendations asking legislation to enable the State to develop water powers and market the power thus developed. The Governor, it is said, is opposed to the State entering the hydroelectric business.

The Governor asserted the full use of the barge canals is a military necessity and pointed out the need for boats to load the canals to their limit of 10,000,000 tons of freight annually and thereby release 500,000 freight cars for use in other sections of the country. He also asks the Legislature to provide for the registration of women so they may participate in the spring elections and for their enrolment in political parties, that they may take part in the primaries next fall.

Another important recommendation of the Governor is that the Legislature enact a law staying civil proceedings against soldiers and sailors in the Federal service.

Much of the Governor's message was devoted to a summary of the State's war activities which, according to the daily papers, are shown in part as follows:

There are 164,014 New York State men in the military and naval service of the United States.

The 7,947 men comprising and connected with the boards of exemption in all but two or three unfortunate instances have cheerfully and faithfully performed their duties at great personal sacrifice.

The amount of the first Liberty Loan apportioned to the State of New York was \$897,922,000, the amount subscribed was \$1,044,724,000.

The amount of the second Liberty Loan apportioned to the State of New York was \$1,346,898,000, the amount subscribed was \$1,413,107,000.

The State Food Commission upon its appointment conferred with Mr. Hoover and the Federal authorities and has worked out a plan of co-operation, and as the Federal authorities recognized the fact that the State law was stronger in some sections than the Federal law, the State Commission was given control over retail distribution, control of public eating places, establishment of public markets, purchase and sale of food by municipalities, collection of information, control of transportation and stimulation of production.

The Governor has signed five orders prohibiting the sale of alcoholic beverages near camps and barracks, munition factories and places where war supplies are being produced.

The New York Guard was organized to take the place of the National Guard of the State which was called into the Federal service, and was placed in active service eight days after the Federal authorities notified the State that the Federalized guardsmen were to be withdrawn. The new force is now recruited to more than 14,000 men.

The Home Defense Corps of the State now number more than 11,000 men.

Between April 1 and Nov. 30 1917, there were 228 strikes involving less than 65,000 persons in New York State, compared to 385 strikes involving 216,043 persons in the same period in 1916.

The farmers of New York State have increased the cultivated acreage more than 30%, and consequently the food supply has been augmented.

The Federal prohibition amendment was submitted to the Legislature by Governor Whitman in a special message in which he said it had been received too late from the Federal authorities for inclusion in his annual message. He added further: "I submit it to your honorable body for such action as may be had thereon."

The executive budget for 1918 which Governor Whitman submitted to the Legislature at its opening on Jan. 2 recommended appropriations amounting to \$78,458,209, as compared with \$65,746,716 recommended in the last executive budget, an increase over 1917 of more than \$12,000,000.

The total of the executive budget for 1918 is about \$20,000,000 less than the total appropriations asked for by the heads of the various State departments and institutions for the support of the State Government during the coming year. The total of all appropriations made by the 1917 Legislature, including \$68,796,527 contained in the State budget as amended by the Legislature, was \$78,742,834.

Regarding the tentative appropriations for 1918 the Governor said:

With respect to the personal service of the State because of the large increase in the cost of all necessities of life I have allowed increases for practically all those in the labor, mechanical and low paid clerical and technical service where requested by department heads.

In my own department I did not recommend any increases.

In this tentative Appropriation Act I have disallowed all requested increases for employes now receiving \$3,000 a year or more. I realize, of course, that the increasing cost of living affects the man drawing a salary of \$3,000 or upward the same as it affects the man drawing less money, but I felt that the State had the right to call upon such of its employes as are now above that mark to make whatever sacrifices might be necessary because of the increased cost of living by curtailing their expenditures for luxuries in time of war.

The allowance for personal service last year was \$22,005,648. My tentative act recommends \$23,265,757 for the same purposes, an increase of \$1,260,108.

I have considered the increased cost of food, fuel, equipment and supplies and have allowed in all departments additional appropriations to meet the existing high prices.

I have been requested by the Council of National Defence to defer construction where possible until after the war. I have recommended a reduction in the construction account of approximately \$1,000,000 below the figure last year.

This reduced construction program, however, makes provision for the rehabilitation of the insane hospital properties. It includes also provisions for the necessary progress in the construction work for the care of the feeble minded. The reports of investigators in Europe make it clear that these developments will be more than ever in demand in the work of the war.

The construction program also includes \$400,000 for continuing the prison reform construction begun at Sing Sing and Wingdale.

In a special message to the Legislature on Jan. 9, Gov. Whitman pointed out that the State can get along with a direct State tax of only \$5,000,000 for the fiscal year beginning July 1 next, provided the Legislature limits the appropriations for the next fiscal year to the amount recommended by him in his tentative budget mentioned above.

The Governor states that the anticipated revenues and receipts for the ensuing year, according to the State Comptroller's estimate, are \$58,440,766, and that the State Treasury balance on July 1 next will be \$11,084,423. Added to this is the estimate of the Governor's Budget Bureau that the lapsed appropriations to June 30 1919 will amount to \$4,000,000, giving a total State revenue of \$73,525,189, or about \$5,000,000 less than the executive budget of \$78,458,209.

The Governor's message also sets forth that the Comptroller estimates a net increased revenue of \$9,017,276 during the current fiscal year from the 3% tax on the net earnings of manufacturing and mercantile corporations. According to the Comptroller's estimate, too, adjustments of liquor tax laws, combined with the fact that the area of dry territory in the State is steadily increasing, will result in an estimated decrease of \$1,835,228 from that source. This, the Governor states in his message, will be due in part to new "dry" territory to be created after the cities have held their first election under the Hill local option law.

In his special message the Governor urges the Legislature to practice the most rigid economy, saying:

In your consideration of appropriations during this time of war, I urge upon you the paramount and patriotic necessity for economy. The State's first duty is to aid in winning the war, and any proposed expenditure for labor or materials or of money should be tested by that rule.

To spend needlessly at this time is to compete with the Federal Government, which needs all the available labor materials and money or credit possible for war purposes.

The Governor is opposed, it is said, to any direct State tax next year, except to meet payments for the sinking fund and State bond interest, which totals \$13,000,000, and which is included in the Governor's tentative budget. At first it was thought that all of this amount would have to be raised by a direct tax.

NEW YORK STATE'S MILITARY EXPENSES.

State Comptroller Travis in his annual report to the Legislature at Albany shows how this war has imposed extraordinary burdens of a financial nature upon the State of New York. Mr. Travis explains some of the expenses as follows:

The normal expenses for military purposes during the last ten years averaged about \$1,000,000 per year. For the last fiscal year, however, they amounted to \$2,768,257.49, the increase being due to the Mexican disturbance. During the past year \$9,162,513.72 was appropriated to finance the various functions necessary to protect life and property.

These appropriations include the \$2,610,000 for the Rockaway Point fortification, part of which amount is to be refunded by the Federal Government. For maintaining the State's military and naval forces until mustered into Federal service, \$1,000,000 more was necessary, and in order to ascertain the State's resources \$150,000 was set aside. Half a million was required to maintain the State Food Supply Commission.

To co-ordinate and expedite the support of a proper military organization required an appropriation of \$1,000,000; that the dependents of State employe soldiers should not suffer \$500,000 was added, and to protect the State against the intrigues of the enemy within our borders an appropriation of \$50,000 enabled the Attorney-General to prosecute.

To prepare boys soon to become of proper age for military service \$62,880 was appropriated, while extraordinary demands for guards to protect public buildings required an increase to \$2,000,000. The powers of the State Food Supply Commission were enlarged and transferred to the State Food Commission, necessitating an appropriation of \$1,000,000.

The extensive highway work which the State has been carrying on for some years past was affected because of the high cost of materials and the difficulty of obtaining labor. For these reasons, as well as for the patriotic purpose of releasing men (particularly engineers) engaged upon such work, that they might enter military service, highway work in the State has been practically abandoned.

The additional expenditure caused by the war did not to any appreciable extent affect the treasury operations for the fiscal year ended June 30 last. The aggregate disbursements of the general fund for that year were \$60,329,721, and the receipts were \$61,415,239, which, added to the surplus as of June 30 1916, left a general fund surplus of \$6,852,722 as of June 30 1917. Comparisons with the preceding fiscal year would be of no value, because the latter was only of nine months' duration, owing to the change in the fiscal year period.

MORATORIUM PROPOSED AGAIN IN NEW YORK LEGISLATURE.

A bill was introduced on Jan. 16 in the New York Legislature by Assemblyman William C. Amos of New York providing for a moratorium to protect not only residents of the State who are in the Federal and State service, but all New Yorkers affected by circumstances caused by the war. The bill is said to have especial reference to industries closed by Government order.

The measure would not call for an arbitrary moratorium, it is said, but would provide the machinery by which debtors would be given an opportunity to present their cases before a local court should occasion arise. A prohibitory section of the bill restricts the use of this legal machinery to persons in moderate circumstances. In explaining the provisions of the bill, Mr. Amos declared that an arbitrary, sweeping moratorium was unfair, in that it permitted a man fully capable of meeting his obligations to evade them during the period of the war. Continuing he said:

The bill I have introduced seeks to remedy this evil. It undertakes to provide genuine relief for worthy cases and it meets this requirement immediately and effectively. It brings each individual case before a court of local jurisdiction and gives each opportunity to such court to pass upon the merits of the case and to decide whether the applicant for relief is entitled to it.

It is also pointed out by Mr. Amos that if the Government adopts a policy of restricting the operation of non-essential industries this would work a hardship upon the owners, for which they should have relief. He declares:

If such a manufacturer had no other income than that derived from his business, it is readily seen that the closing of his industry makes him a legitimate and worthy beneficiary under a moratorium Act. And the same applies to many classes of citizens who may be prevented from meeting their just obligations for reasons directly attributable to the war and to the institution of emergency or other war measures.

VIRGINIA LEGISLATURE RATIFIES NATIONAL PROHIBITION AMENDMENT.

The lower House of the Virginia Legislature ratified the national prohibition amendment on Jan. 11 by a vote of 84 to 13. The Senate approved the amendment on the preceding day by a vote of 30 to 8. Virginia is the second State to ratify the amendment, the State of Mississippi having passed the same on Jan. 8.

KENTUCKY LEGISLATURE RATIFIES NATIONAL PROHIBITION AMENDMENT.

Following the example of the States of Virginia and Mississippi in ratifying the national prohibition amendment, both the Senate and House on Jan. 14 adopted the proposed amendment by votes of 27 to 6 and 66 to 10, respectively.

SNOW STORM SWEEPS WEST, MIDDLE WEST AND SOUTHERN STATES.

A severe snow storm, accompanied by high winds and cold waves, swept over the West, Middle West and Southern States on Friday and Saturday, Jan. 11 and 12, causing, together with the prevailing shortage of fuel, intense suffering and a discontinuance of commercial and industrial activity. In and around Chicago the storm was the worst that has been witnessed in years, transportation and communication lines being completely disabled. On Saturday last the department stores in Chicago closed at 3 p. m. because of unusual lack of business, and also to conserve coal. Because of the scarcity of coal and suspension of traffic, the huge packing plants of Armour & Co. and Swift & Co. closed down, as did many other important business concerns. Transportation over the railroads was most seriously affected, practically no trains, suburban or otherwise, leaving or arriving in Chicago while the storm continued. On Monday, the 14th, an army of workers estimated at more than 100,000, including 60,000 school boys, was placed at work removing the snow, so that business activity could be resumed. As an emergency measure, the public schools of Chicago did not open on Monday, the Board of Education having decided that the children could render valuable service in clearing away the streets in order that vehicles would be able to make deliveries in the residential districts. County Fuel Administrator Raymond E. Durham on Jan. 14 commanded every ton of coal in the railroad yards at Chicago and orders were given to the railroads to divert coal on the tracks to the most available yard or team track.

INSURANCE POLICIES AND BONUSES FOR EMPLOYEES OF EQUITABLE BUILDING.

The Equitable Building Corporation has presented to each employee in its service at least six months a life insurance policy for \$500, to be increased \$100 for each year of completed service until the amount reaches \$1,000; it has also paid each employee, receiving less than \$3,100 per annum a cash bonus of 5% of his salary, and contemplates creating a fund out of which payments under certain conditions will be made periodically to the employees. The following is the announcement made by the corporation:

New York, Dec. 24 1917.

To the Employees of the Equitable Building:

Realizing the extra burdens which prevailing high prices have placed upon you and being mindful of your welfare and appreciative of the service you are rendering to our tenants of the Equitable Building, the officers and directors of the Equitable Office Building Corporation have considered many projects for your relief, and we are pleased to announce at this holiday season that we have arranged to put through the following plans to this end:

1. A life insurance policy will be handed to each employee (in the service of the corporation for a period of not less than six months) to the amount of \$500, which amount will be increased \$100, for each completed year of service, until a maximum of \$1,000, is reached, which will be continued without expense to the employee during his term of service.
 2. To assist in meeting the high cost of living, a bonus in cash will at this time be handed to each employee (receiving less than \$3,100 per annum), amounting to 5% of the normal wages received during the year 1917.
 3. In appreciation of long and faithful service, the corporation is now perfecting a plan by which it is expected to create a fund equal to 5% of the normal wages of each employee (receiving less than \$3,100 per annum) to be set aside annually beginning Dec. 31 1918 and which may be payable periodically to the employee under conditions which will be more clearly set forth at a later date.
 4. The corporation will endeavor to take prompt means to establishing a co-operative store or otherwise see that its employees may have the opportunity to purchase some of the necessities of life at cost, plus the expense of maintenance.
- Further details of these plans will be explained more fully by the heads of Departments.

ANSWERS TO QUESTIONS BEARING ON PAYMENT OF INCOME TAX.

Collector Edwards makes public the following set of questions and answers relative to the payment of income tax, in order that the public may understand something of the nature of the questions which are being asked in the different collectors' offices:

1. Am I required to render a personal income tax return for the year 1917?

Yes, if unmarried and your net income for that year equals or exceeds \$1,000. If you are married, no return is required unless your net income, including that of your husband or wife, equals or exceeds \$2,000.

If you act as the guardian of a minor or incompetent person, or as the administrator, executor or trustee of an estate or trust, a return will be required of you for and in behalf of your ward, or the estate or trust for which you act, if the conditions outlined under the head of "fiduciaries," as requiring a return, are present in your case.

2. Where should my personal return for the year 1917 be filed?

Section 8 (a) of the Act of Sept. 8 1916 provides that your return may be filed with the Collector of Internal Revenue for the district in which you have your legal residence or principal place of business. If your legal residence is located in one collection district and your principal place of busi-

ness in another, it is optional with which Collector your return should be filed; but for administrative reasons the Commissioner of Internal Revenue desires that it be filed with the Collector of the district in which your legal residence is located.

3. When may my 1917 return be filed with a Collector of Internal Revenue?

On any day after Dec. 31 1917, but not later than March 1 1918.

4. Will failure to file my return within the time prescribed by law render me liable to any penalty?

Yes. Under the provisions of Section 18 of the Act of Sept. 8 1916, as amended, you will be liable to a specific penalty of not less than \$20 nor more than \$1,000 if you fail to have your 1917 return in the office of the Collector of Internal Revenue for your district before the close of business on March 1 1917; and, under the provisions of Sec. 3176, Revised Statutes, you will also be liable to 50% additional tax. Therefore you should use extreme care to see that your return is placed in the mails in ample time to reach the office of your collector before the close of business March 1 1918.

5. May an extension of time beyond March 1 1918 be obtained for the filing of my 1917 return?

Yes. If, on account of illness or absence from home, you are unable to render your return within the time prescribed by law, you may obtain an extension of thirty days if a request therefor is filed with the Collector of your district before the due date of the return. See Sec. 3176, Revised Statutes. In this request you must state the reason why the return cannot be filed within the time prescribed by law.

Collectors of Internal Revenue are not authorized to grant extensions of more than thirty days, but the Commissioner of Internal Revenue has authority under the provisions of Section 14 (c) of the Act of Sept. 8 1916 to grant reasonable extensions beyond thirty days in meritorious cases. If you desire an extension of more than thirty days, your request should be addressed to the Commissioner and should contain a detailed statement covering the reasons which make it impossible for you to file your return on or before March 1.

6. Would a personal return rendered by an agent, for and in my behalf, be accepted?

If, by reason of illness, absence or non-residence, a taxpayer is unable to personally render his return, he may appoint an agent to act for him, and the return executed by the agent will be accepted if he makes affidavit that he has sufficient knowledge to make a complete and accurate return for his principal, and assumes responsibility for making the return and incurring the penalties provided for a delinquent, erroneous, false or fraudulent return.

7. What would happen should a taxpayer make a false or fraudulent return with intent to evade a proper payment of income tax?

Under the provisions of Sec. 3176, Revised Statutes, he would become liable to an additional tax of 100%, and under the provisions of Sec. 13 of the Act of Sept. 8 1916, as amended, to a fine or not to exceed \$2,000 or to one year's imprisonment, or both, in the discretion of the Court and to the costs of prosecution.

8. May a husband and wife, living together, and each receiving an independent income, render separate returns?

Yes. If the husband and wife each receive an independent income equal to or in excess of \$1,000, separate returns may be rendered. If, however, the income of either is less than \$1,000, but their combined income equals or exceeds \$2,000, a joint return should be rendered.

9. If a husband and wife render a joint return, is the additional tax assessed against that return based upon the aggregate amount of income shown?

No. The normal income tax will be assessed against the aggregate amount reported by the husband and wife, whether a joint or separate returns are rendered, but the additional income taxes are only assessed against the separate income of each.

10. Is a married man entitled to a personal exemption of \$2,000, and \$400 additional exemption on account of two dependent children, whose total net income does not exceed \$2,400, but does equal or exceed \$2,000, required to render a return?

Yes. While he will not be required to pay an income tax, he is required to render a return if his net income equals or exceeds \$2,000.

POLICY HOLDERS FAVOR MUTUALIZATION OF EQUITABLE LIFE ASSURANCE SOCIETY.

The vote of the policyholders on Dec. 6 on the question of the mutualization of the Equitable Life Assurance Society was greatly in favor of the plan. The official count, according to a statement issued by the Society this week, shows that the total valid vote was 88,126, of which 84,964 were in favor of the plan, or over 96%. The mutualization plan was adopted by the directors on July 19 and the stockholders representing a majority of the stock approved the plans on Aug. 21. Besides the directors' vote, the plan has to be approved by the State Superintendent of Insurance before it can become effective.

QUESTIONS ON INCOME TAX TO BE PUT TO INDIVIDUALS.

An outline of the questions which will be put to the salaried man, the man engaged in business and the professional man in the collection by the Government of income tax is furnished by William H. Edwards, Collector of Internal Revenue for the Second District of New York. We quote from his announcement as follows:

As a practical aid to the millions of new taxpayers, a comparatively simple self-explanatory income tax return form has been devised for the use of persons having a net income of less than three thousand dollars. Many of these people do not keep books or records of accounts. They are not familiar with accounting terms and methods and would be unnecessarily confused if confronted with a form which carried the intricate questions required by the surtax and excess profits tax features of the law. Consequently, the man of small income, who is subject only to the normal tax of 2%, is to have the benefit of a schedule drafted in the simplest possible form and language.

A man of larger income, who is required to compute surtax and excess profits taxes in addition to the normal tax, will be required to use more detailed forms with appropriate instructions.

Questions that You Will Be Asked by the Government Representative.

- What is your name?
- Where is your legal residence?
- Are you married or single?
- If married, are you living with your wife, how many dependent children under 18 years of age?
- If single, are you the head of a family?
- If single, are you supporting others who have a legal or moral claim upon you for such support? If so, how many?
- Did you file an income tax return for prior years?
- If so, in what collection district was such return filed?
- Tax period, one year, Jan. 1 to Dec. 31 1917.
- From what source or sources do you receive income?
- If married, have you included your wife's income?

Instructions for Making Out Returns When the Net Income Does Not Exceed \$3,000.

Salaried Man.

State amount of salary received during year 1917 and from whom received.

State any income received by wife or minor children.

State amount of all other income received, from any source whatsoever, such as rents, interest on bank deposits, interest on bonds and mortgages, dividends, any gains or profits made during the year from any source whatsoever.

A salaried man may deduct from the total of the above all interest paid by him on mortgages or loans during the year, also all taxes paid during the year; the remainder will be his net income.

His net income may be further reduced by amount of his exemption (\$1,000 for single man, or \$2,000 for married man or head of a family), also any dividends he may have received during the year.

The remaining income is the amount upon which tax must be paid, the tax to be paid will be 2% of this amount.

Man Engaged in Business.

A man who derives his income from business, may state his gains from business by either one of the following methods: Total sales for year; add to this the amount of inventory at end of year; from this sum deduct cost of goods bought, plus inventory at beginning of year; the result will be the gross gain on business; from this he may deduct business expenses, such as rent, wages, offices expenses, &c.; this will show net income from business; in addition should be reported all other income from any source whatsoever, including wife's income; the different sources of other income are as referred to in explanation of income to salaried man above.

A man engaged in business may deduct from total of the above all interest paid on loans and mortgages, and all taxes paid during the year.

If a man engaged in business keeps his books upon a cash receipt and disbursement basis and by this method he can accurately reflect his net income from business, he may make his return upon this basis, subject to the approval of the Commissioner of Internal Revenue.

A man engaged in business may further deduct from his income exemption of \$1,000 if he is a single man or \$2,000 if he is a married man or the head of a family; also any dividends received during the year.

The remaining income is the amount upon which tax must be paid; the tax to be paid will be 2% of this amount.

Professional Man.

A professional man who keeps his books upon a cash basis should return total receipts for services during the year; to this should be added income received from all other sources, such as rent, interest on notes, bonds and mortgages, dividends and income from all other sources, of every kind. From this income he is permitted to deduct expenses, actually paid during the year, for the practice of his profession; he may also deduct all interest paid during the year on loans and mortgages and all taxes paid during the year.

He may further deduct exemption of \$1,000 if he is single, or \$2,000 if he is married or the head of a family, also any dividends that may have been received during the year.

The remaining income is the amount upon which tax must be paid; the taxes to be paid will be 2% of this amount.

The above information only refers to those persons whose net income does not exceed \$3,000; in cases where the net income is in excess of \$3,000 a different form will be required, and a higher rate of tax applies.

Generally speaking, the income tax laws now in force are the Act of Sept. 8 1916, to which has been added the War Revenue Act of Oct. 3 1917; the former Act imposes a normal tax of 2% on taxable income; the War Revenue Act of Oct. 3 1917 imposes an additional normal tax of 2% on taxable incomes. In addition to the normal taxes above referred to, the surtaxes imposed by the Act of Sept. 8 1916 still remain in force, viz., from 1 to 13% on all net incomes in excess of \$20,000; also surtaxes as imposed by War Revenue Act of Oct. 3 1917, viz., from 1 to 50% on all net incomes in excess of \$5,000.

The matter of excess profits tax is treated separately.

Depreciation, while not specifically referred to in the above instructions, is, however, an allowable deduction under the Income Tax Law; but depreciation can only be deducted for wear and tear on physical assets, due to their use in business.

Depreciation must be computed upon the cost of the physical assets, and the probable life of the same; from this, however, must be deducted the amount expended during the year for repairs.

INCOME TAX LAW—SECURITY DEPRECIATION—INDIVIDUAL BUYERS OF SECURITIES NOT "DEALERS."

Individuals who buy and sell for investment and speculation, and officers of corporations or members of partnerships which deal in securities are not "dealers in securities" within the meaning of Treasury Decision 2609 calling for inventories (for purposes of income and excess profits returns) which was published in our issue of Dec. 22, page 2424. A statement to this effect has been given out as follows by the Treasury Department:

Treasury Decision 2609 authorized dealers in merchandise and dealers in securities to make their income and excess-profits tax returns upon the basis of inventories taken "at cost or market price, whichever is lower." The question was raised as to whether returns upon the basis of inventories taken at market value are permissible under the law, and the matter was referred to the Attorney-General for an opinion. The Attorney-General advises that the principle at issue is involved in several cases now pending in the Supreme Court of the United States and that the cases

are set for hearing on March 4 next. In view of the proximity of final judicial determination of the question, the Attorney-General expressed a preference not to give a formal opinion at this time.

Revised Returns Required.

If, as a result of the decision of the Supreme Court, it is determined that the return of income upon the basis of inventories at market value is not permitted by the law, any dealers in merchandise or in securities who have made returns upon such basis will be required to make revised returns based upon inventories taken at cost. In returns filed on or before March 1, dealers in merchandise or in securities will be required to specify upon what basis returns were made.

Definition of Dealers.

A dealer in securities in order to come within the meaning of Treasury Decision 2609 must be a merchant of securities, whether an individual, partnership, or corporation, with an established place of business, whose principal business is the purchase of securities and their resale to customers. Taxpayers who buy and sell for investment or speculation, and (in their individual capacity) officers of corporations or members of partnerships which deal in securities, are not dealers.

MORRIS HILLQUIT DECLARES PRESIDENT'S WAR AIMS ACCORD WITH SOCIALISTS' PLATFORM.

A statement that the war aims of President Wilson as embodied in his message to Congress on Tuesday are in accordance with the platform of the Socialists of the world was made this week by Morris Hillquit, Socialist candidate for Mayor at the last election. The New York "Tribune" quotes Mr. Hillquit as follows in addressing a meeting held in this city on the 9th inst. under the auspices of the New York State Woman's Suffrage Party:

President Wilson's message marks one of the greatest steps in history. It ought to bring peace sooner to the world. His war aims are exactly in accordance with the platform of the Socialists of the world, including those in Germany and Russia. I believe his message is about the best expression of the platform of internationalism that could be made.

The Socialists certainly believe that they are thoroughly and fully loyal. The question of what constitutes the best course in a given case and the best interests of the country in a given case, is always one for which different persons who have not abdicated the right of thinking and feeling are responsible to their consciences.

"ON TO WASHINGTON," NEW SOCIALIST SLOGAN, SAYS HILLQUIT.

At a meeting at Madison Square Garden on Nov. 25, attended by over 4,000 men and women, gathered to celebrate the Socialist gains at the polls in the New York City elections on Nov. 6, Morris Hillquit, defeated candidate for Mayor, who acted as Chairman of the meeting, after reviewing the gains of Socialists in this city, declared that the new Socialist slogan now is "On to Washington." "The next general election will be nation-wide," he said. "The people of the United States will be called upon to choose a new House of Representatives." "The Socialist Party," he continued, "must be represented in Congress by an imposing delegation to voice the sentiments and demands of the great masses of the American people." The showing made by the Socialist Party at the polls on Nov. 6 has, in Mr. Hillquit's opinion, "signalized a crushing defeat for the dangerous propaganda of militarism and the undemocratic policy of suppression sought to be introduced into this country." Mr. Hillquit's remarks, according to the New York "Times," were as follows:

"I have every reason to rejoice at the Socialist showing in the recent election. We have put socialism on the map of New York and on the map of the United States. After 50 years of persistent and dogged work, and hard, at times, seemingly hopeless, struggle, we have established socialism as an important and permanent factor in the political and social life of America."

After reviewing the Socialist vote and recalling the fact that 11 Socialist Assemblymen are to go to Albany, while the part for the first time is to be represented in the Board of Aldermen, Mr. Hillquit denied that the Socialist vote was a vote of unrest, declared that the Socialists had shown similar great gains elsewhere, and then went on:

"One great and historical importance of the recent election is that it has signalized a crushing defeat for the dangerous propaganda of militarism and the undemocratic policy of suppression sought to be introduced in this country. All the ruling powers of the American metropolis in business, finance, politics, pulpit, and schools combined to make the issue unmistakably clear to the whole world. They presented to the people of New York a program of militarization of our Government and schools, of our actions and our thoughts, a program of political and moral terrorism, and a program of intellectual and mental straight-jacketism. They had the audacity to proclaim this miscreant child of own imagination as the only embodiment of true patriotism and true loyalty. Very well. The people of New York accepted the issue, and the fourth of them have voted it down to eternal defeat."

"While the Fusion forces on their fire-eating platform lost one-half of their political strength, the Socialist Party, which made its campaign on the clear-cut issue of social justice, preservation of democratic liberties and a speedy and general cessation of war, increased its vote almost five-fold."

"And we have secured the vote to the women of the State. Of late we have heard some interesting discussion about the factor primarily responsible for the marvelous victory of the great cause of woman in the last election. Now that we have the election returns, the subject has ceased to be one of speculation and has become a matter of mathematical demonstration. The 150,000 votes which we gained in the State of New York turned the defeat of two years ago into a decisive victory this year, and these votes have come in decisive numbers and heaviest from precisely the same districts which have given us the heaviest Socialist pluralities. It was also the Socialist Party which forced the standard bearers of all other

parties, much against their will, to openly espouse and support the cause of woman suffrage.

"We do not ask the political gratitude of the women. We do not expect either recognition or support from the conservative women of the rich, and their frantic disclaimers to-day only amuse us."

In closing his speech Mr. Hillquit said: "The election has demonstrated the great political power of the Socialist movement in this country. We must now organize and vitalize and perpetuate it as a great weapon in the hands of the working class in the struggle for liberty all through the country. We have forced open the doors of many local legislative assemblies to our representatives. Our slogan now is: 'On to Washington!'"

"The coming general election will be nation-wide. The people of the United States will be called upon to choose a new House of Representatives, the most important body in the foundation and determination of the vital national policies of this country. The Socialist Party of the United States must be represented in Congress by an imposing delegation to voice the sentiments and demands of the working class and of the great masses of the American people.

"There is nothing ahead of us but victory. Socialism is triumphant all over the world. No power of earth, no capitalistic reign of terror, no sanguinary international war can stop the progress toward social justice and human liberty and eternal peace. Our campaign must go on from day to day, our struggle continues, and the best, the most valiant fighter in our ranks between and during campaign times is that wonderful little organ, 'The Call,' against which the ruling powers have combined to compass its destruction. But they have combined in vain, for so long as we are 150,000 male Socialists and 150,000 female Socialists, so long as we remain alive and active and struggling, will we be able to maintain our 'Call.'"

GERMAN ESTIMATE OF BRITISH SHIP LOSSES THROUGH SUBMARINE WARFARE.

In stating that Germany is depending on her U-boats to defeat the efforts of the United States in the war, the Berlin "Tageblatt" was quoted in a London cablegram of Jan. 11, as saying:

Reviewing the first year of Germany's ruthless submarine campaign, which ends on Feb. 1, the "Tageblatt" asserts that the Central Powers have succeeded in upsetting the economic life of the Entente. It adds that the submarine campaign, which has now become the principal factor in naval warfare, is being expanded and developed still further.

Summarizing the results of the underwater campaign since Feb. 1, the "Tageblatt" states that the U-boats have sunk on an average 821,000 tons of shipping monthly from February to December, and that for the whole year the toll may be expected to show nearly 10,000,000 tons. The building of new ships by the Entente and neutrals during the year will replace only 2,500,000 to 4,000,000 tons of these losses, it asserts.

The newspaper says that the monetary loss to Germany's enemies as the result of the year's work by the U-boats will reach \$5,000,000,000, figuring the value of the ships at \$250 a ton and their cargoes at the same amount.

SIR AUCKLAND GEDDES CALLS FOR 400,000 MEN FOR BRITISH ARMY.

Announcement that it would be necessary for Great Britain to recruit at once from 420,000 to 450,000 men into the British Army was made by Sir Auckland Geddes, Minister of National Service, in the House of Commons on Jan. 14. He reported that the total enrollment in the British armed forces during the war had been about 7,500,000, and that to-day the British Army had more than 4,000,000 men on its rolls. The number now to be taken into the ranks will comprise the younger men, who up to the present time have been exempt because of their employment in industries essential to the war services. The additions to the British Army are designed to strengthen the existing forces in holding their own against the enemy until the American quota is available. Sir Auckland stated that the Government had decided not to introduce conscription in Ireland nor change the military age limit in Great Britain and the colonies. He praised the spirit in which the labor leaders had met the Government, but regretted that the Amalgamated Society of Engineers had remained outside the conference, adding, however, that the invitation was still open to the members of that society. He paid warm tribute, it is stated, to the work of the women, and said that some of the young men among the million exempted workers apparently considered themselves a privileged class, and threatened to hold up by strikes the building of airplanes and ships. "If they do," he is quoted as saying, "they will meet such a blast of hatred as will surprise them." Sir Auckland prefaced his remarks on the Government's man power proposals by the statement that nothing could be more misleading than the suggestion that the man-power problem could be solved by a dramatic stroke. It was the central problem of the war. Further details as to what he had to say are given as follows in the press accounts from London on Jan. 14:

"It means everything," he said, "ships, armies, munitions, food, light, heat and coal. At the moment, the most anxious problem is not the supply of men for the Army, but we have to take steps against the time when it will be—a time, which, I believe, is not far distant." Going into the details of the situation, the Minister said in part:

The plain facts do not support the statement that the armies are melting for lack of recruits and that recruiting has broken down. The Government has examined in detail the position of the Allies, and the results are not unsatisfactory. Excluding Russia and Rumania, the Allies have a substantial superiority in fighting and ration strength over the Central Powers.

From a statistical standpoint the strength of the enemy gives no cause for anxiety.

The withdrawal of Russia means that no less than 1,600,000 men (Germans and Austrians) will be made available on the western front. Notwithstanding Russia's defection, the resources of the Allies and America are sufficient to assure victory, and nothing but a psychological catastrophe can save the Central Powers.

Every day the hitting force of Britain becomes of greater importance to the alliance. Russia no longer strikes for freedom. France has poured forth her strength in the struggle and cannot sustain the full burden indefinitely. America is not yet in the field, and months must elapse before she can advance with full stride. Italy has suffered grave misfortunes.

On Britain and the skill with which she handles her man power in the months to come everything depends.

At sea we must be supreme; in the air we must win supremacy, and on land we do the best we can to fill the gap Russia has made until America can take her place. And all the time we have to keep our vital industries going.

While the enemy possessed the advantage of an interior position, with a good railway system, continued Sir Auckland, it possessed no corresponding advantage in stability and solidarity of public opinion.

Discussing the age question, he said that the Germans were using boys of 18 on the Russian front and that Austria had raised the limit to 55 years. Analyzing the enemy's strength, he said that the Germans would be able to withdraw 950,000 men from the eastern front, and the Austrians would be able to relegate enough to make the total 1,600,000.

Sir Auckland assured the House that the Entente Allies at the present time in numbers and morale were on equal terms with the forces of the enemy at present opposed to them, and with the necessary reinforcements which would be found during the year, could face any additional forces which the enemy could bring. When the full force of America came into play, a superiority would be established which would be the sure herald of complete and final victory.

The naval personnel, said the Minister, had expanded during the war from 150,000 to 400,000. The Army to-day had more than 4,000,000 men on the rolls. The combined air service had increased from 2,000 to 125,000.

The total enrollment in the British armed forces had been 7,500,000. England had contributed 4,530,000, Scotland 620,000, Wales 280,000, Ireland 170,000, the dominions and colonies 900,000. The remaining 1,000,000, composed of native fighting troops, labor corps, carriers, and similar workers, were from India, Africa, and other dependencies.

The Minister declared that it would be necessary to raise in this country at once from 420,000 to 450,000 men from civil life as an absolute minimum. More might be necessary during the coming year. He added that the Government had decided not to introduce conscription in Ireland for the present, nor change the military age limit in Great Britain and the colonies.

The Government could not give preferential treatment to any organization, the Minister said. Many young men in essential industries had acted as if they held a privileged position, but they must share the burden with the others and be replaced by older men.

Sir Auckland praised the spirit shown by the labor leaders in the negotiations with the Government. Efforts were being made by pacifists to stir up strife in munition factories, and young men were threatening to hold up the output of ships and airplanes in order to force the Government to send the wounded back to the front and drag out their fathers and stop the leave of the men at the front.

"I believe that if they do they will meet such a blast of hatred that it will surprise them," he declared.

The men who have acted as Directors of recruiting, continued the Minister, would in the future be regional Directors of national service. The Government departments had arranged for their requirements, amounting to 90,000 men, to be supplied through the labor exchanges. Prospective demands for labor at the munitions plants and under the Admiralty amounted to 439,000 men and 119,000 women. The appeal for labor for shipyards, he said, had met with a gratifying response. More than 5,000 men had presented themselves in the last month, and 2,100 had started to work. Altogether, during December, 40,000 vacancies for men and 36,000 for women had been filled.

Opportunities for the increased use of the service of allied and neutral aliens were being arranged, and enemy aliens who had not been interned would have to undertake work of national importance or be interned. The intention to extend schoolboy labor in the harvest fields was announced. The number of women engaged in munition work had increased from 227,000 in 1914 to 815,000 last year.

"Owing to the way women have come forward," said the Minister, "there has been no great difficulty in obtaining sufficient numbers for the work for which they are required. Nearly three-quarters of a million women have been placed in employment of one kind or another in the last eleven months. But it is clear that a great further call will be made on women of all classes."

Sir Auckland appealed particularly to two classes—first, men with private means, who, with little inconvenience and sacrifices small compared with those made by the younger men in the Army could easily leave their homes for work in the shipyards, munition factories, or at timbering on the farms; second, manual laborers over the military age employed on non-essential work, who should volunteer for public work as the younger men had done for the Army. His plans for national service were only to guide all men and women into channels where the energy of the nation was most needed.

Three possibilities for increasing the Army, said Sir Auckland, had been considered. These were:

First.—Lowering of the military age. While the Germans were taking boys of 17, lowering the age below 18, the Minister said, was contrary to natural instincts and economically unsound, and the fighting value of the average youth of 18 was not commensurate with his value in civil life.

Second.—Raising the age limit. Economically, Sir Auckland said, this was less objectionable. Although Austria-Hungary had raised the age to 55 years, the British limit was practically 43. The fighting value and staying power of a man of 45 are less than those of a man of 25. The Government felt strongly that it would be contrary to national interests to raise the age limit while there were notoriously large numbers of younger men fit for service.

Third.—Compulsion for Ireland. The Government had considered this vexed question carefully and was satisfied that the reasons which excluded Ireland from the first compulsion act had lost none of their potency.

The Government had determined, Sir Auckland asserted, to take a large number of young men engaged in essential industries and also to take steps to maintain the industries after the young men were withdrawn. More than 1,000,000 men were now exempted on occupational grounds. The Government had divided the essential industries, roughly, into three classes. From the first it would take no men; from the second about half of the fit men, and from the third class about one-third.

**GERMAN PAPERSON PRESIDENT WILSON'S MESSAGE
RESTATING WAR AIMS AND PEACE CONDITIONS.**

Material differences of opinion by the papers of Germany with respect to President Wilson's message to Congress last week, restating the war aims of the United States and the basic conditions of the world's peace program, are reported to have developed. Most of the Berlin papers are said to have printed the address in full, but some gave only the fourteen conditions enunciated by President Wilson on which peace might be established. An Amsterdam dispatch to London on Jan. 11 gave the following as some of the newspaper comments in Germany on the President's speech:

Count Ernst von Reventlow, pan-German publicist, writing in the "Tageszeitung," says that President Wilson's message is likely to prove a valuable service throughout Germany in the way of enlightening public opinion. Count von Reventlow asserts that the President, with "gratifying firmness," has allied himself with Dr. von Kuehlmann, the German Foreign Secretary, and Count Czernin, the Austro-Hungarian Foreign Minister. In referring to President Wilson's remarks on the freedom of the seas, Reventlow says:

"This passage, rendered into German, means that Germany would be deprived of the use of the North Sea and all connection with world traffic until she accepts all the international treaties put up to her, among which would be an agreement to abandon the subject of commercial warfare."

The "Vossische Zeitung" of Berlin calls particular attention to that part of President Wilson's address affecting Russia, and says:

"Anglo-Saxon clear-sightedness here is very evident. Beaten and disorganized, Russia is not bound unconditionally to submit to us in the sense that many Germans imagine. Of course, we can force her to give up territory to us—and that is what America and England want—but we cannot force her to love us. If our policy forces Russia to regard us and the Anglo-Saxon group as two evils, she undoubtedly will consider our opponents the lesser evil, and her enmity will be directed not against those who have tolerated her dismemberment, but those who have accomplished it.

"The consequence for us would be that German territory would be enlarged by so many square miles, but still relatively small, and surrounded by hostile minded neighbors, which fact would react unfavorably on our economic development, and on the problem of how to feed our increasing population. That danger faces us now, and it is high time that it should be properly recognized."

The "Weser Zeitung," a German radical newspaper, calls the American President's speech on the Entente's war aims "Wilson's latest words of wisdom," and says:

"It looks as if Germany is to be drowned in words, since she cannot be beaten by arms. Wilson asks for whom are the representatives of the Central Powers speaking at Brest-Litovsk. We are extremely sorry that we cannot inform the President. We do not know ourselves."

Referring to the freedom of the seas, the newspaper asks whether there were treaties guaranteeing it prior to 1914, and adds:

"Of course, but that did not prevent the Entente from making free navigation a dead letter. Future treaties, were they written on the thickest of donkey skin and signed and sealed thirty-fold, would suffer the same fate. Therefore, the only safety lies in a strong German fleet with adequate bases."

The Berlin "Lokal-Anzeiger" characterizes President Wilson's message as "a peace program of hypocrisy," and adds: "If he is sincere in his desire to apply his principles of justice to all peoples and all nations, his peace treaty would have to contain fully a score of additional articles. He would have to demand that Ireland, India, Egypt, Malta, Cyprus and Gibraltar be freed from the English yoke; that the French evacuate Morocco and the Italians retire from Tripoli."

The "Allgemeine Zeitung" of Essen says: "President Wilson seems not to know that the smallest appropriation for the army requires the sanction of the Reichstag, the most democratic parliament in the world. Yet he, who, unheeding the spirit of the American Constitution, has erected a brutal military dictatorship in his own country, now presumes to talk about autocracy in free Germany."

In a special cable (copyrighted) to the New York "Times" from Amsterdam on Jan. 11, George Renwick gave the following details with reference to some of the newspaper comment:

The Cologne "Volkszeitung" adopts a peculiar and, doubtless in its own opinion, a lofty and dignified attitude toward President Wilson's address. It says:

"President Wilson has again sent a long message to Congress, of which, in the interests of our readers, we do not give a full report. We do not consider it the duty of the German press to print conscientiously every word which comes from the mouth or pen of that bloated individual. So far as essential considerations and German interests do not come into question, this attitude of reserve is all the more necessary in connection with his new message, which contains impudent insinuations that do not possess the slightest actual value, but show President Wilson in the pose of a world judge to whose decisions every living creature is supposed to bow."

Having given, therefore, the summarized report, the "Volkszeitung" adds that his unbidden judgment on the Brest-Litovsk negotiations can only be regarded as uncalled-for interference in matters which do not concern him, so that there is no need to correct his false assertions. The paper characterizes as silly Wilson's question as to whom the delegates of the Central Powers represent.

"Why," replies the "Volkszeitung," "they represent the Central Powers, of course. Every child knows that. It remains for an American professor to ask such pert questions."

The Krupp organ, the "Rheinische Westfälische Zeitung," has an even more exaggerated conception of its duty, for it publishes a still shorter report. That journal sees in President Wilson's "compliments" to Dr. von Kuehlmann and Count Czernin and his onslaught on the military leaders an effort to sow discord in Germany. The two persons mentioned are told to observe what fruits their policy is bringing.

"The German people," that paper goes on, "will not go in Wilson's path. They still look to their military leaders with boundless confidence. They know what they have to thank him for. The war would long since have been over and a complete and victorious peace would have crowned our good right had not Wilson provided our enemies with cannon and munitions, with raw materials and foodstuffs. Thousands of German women would not have become widows and many thousands of German soldiers would still be living had not Wilson, with his hate directed toward the annihilation of the German people and their commerce, ever placed new weapons in the hands of our bitterest enemies."

"With cynical cruelty he agreed to a blockade which starves millions of German women and children, and he has supported it by all possible methods. The German people will not be influenced by such a man."

Such quotations show, as did the comments on Lloyd George's speech, that Germany is not at the present moment in a mood to listen to any proposals. She is suffering from the swelled head just now. She believes that she has a chance, all the greater in the event of peace with Russia, of realizing her annexationist hopes. The military omens, she thinks are in her favor, and therefore she is determined to make one more appeal to the god of battles. She thinks that she may succeed, and believes that if she does not conditions will not be much worse than they are now.

Thus the press from end to end of Germany contemptuously brushed aside Lloyd George's speech and the same consideration will be meted out to Wilson's message.

Everything is being done by the Pan Germans to rouse bellicose feelings. They are putting the choice before the people of Hindenburg and Ludendorff, or Hertling and Kuehlmann, in order to drag the Government away from any objections, certainly not very evident ones, which they may have to the Pan German plans of conquest by force. The Pan German organ (and for all practical purposes every journal save those of Independent Socialist leanings, and a few others, come under that description), are rejoicing to-day that they have won. They say that the political tension is over, the Socialists have surrendered. Germania declares that the unrest is gone, that "everything remains as before," and that all parties support the Government.

"We are further from peace than ever," says the Leipzig "Volkszeitung", in a powerful onslaught on "the disloyal attempts" of the German Government to trick the Russians.

The Pan Germans, with the Government and the Reichstag in their clutches, are determined to go on, and at present all utterances, such as those of Lloyd George and Wilson, will fall only on deaf ears.

In still another cable from the Hague, Jan. 11, the "Times" said:

The Cologne "Volkszeitung" publishes a short summary of President Wilson's message interspersed with notes of exclamation and sarcastic turns of phrases. After quoting textually the passage regarding the freedom of the seas with an exclamation added, the paper continues:

"Wilson then adopts, on the whole, the claims laid down in the secret treaties of the robber alliance and partly adopts the actual wording of Lloyd George's sufficiently notorious war aims speech. The only passage of any special interest is his attempt to trap the Poles. In conclusion, Wilson throws to the German people a few cheap compliments, as Lloyd George did."

This summary is printed as the text of a telegram received from Amsterdam. At the end of the summary, the "Volkszeitung" prints in large type:

"The following short comment may be added to the above: Since President Wilson, in common with his allies, has allowed to pass the period of grace within which he was allowed to decide to take part in general peace deliberations, his uninvited verdict upon the German or Russian viewpoint at Brest-Litovsk can only be considered officious interference in matters which do not concern him and which are only to be arranged between the Germans and Russians. Therefore his false assertions do not deserve objective correction.

"As for Mr. Wilson's peace terms, we have set down in detail some few wherein we partly agree with him. But certain reservations which must be made and questions which must be put can be discovered and answered by our readers for themselves, for they have been more than once discussed in these columns."

The "Rheinische Westfälische Zeitung" says in its comment on the Wilson address:

"We are working out our terms of peace, and Mr. Wilson will soon become aware of them."

The paper asserts that it could be foreseen that Wilson would not content himself with simple approval of Lloyd George and that his address was one of the most cunning speeches by any statesman since the beginning of the war. The hope is expressed that the "dangerous policy" of the German majority party toward the peace negotiations is finally exposed, the paper adding sarcastically, that to the honor of the majority party's members it is to be supposed that they will not accept Wilson's compliments.

The "Zeitung" proceeds to explain that the Russians must also recognize what Wilson really meant, asserting that many American intrigues have been revealed in Russia, and that America desires to exploit Russia.

"The big hypocrite on the other side of the ocean," it says, "would do away with secret documents, but this does not prevent him from conspiring in Petrograd, Moscow and Siberia and taking economic advantage of all the confusion reigning in Russia."

"As far as Wilson's aims regarding the freedom of seas are concerned, Germany agrees to that principle without sophistical interpretations or restraints. We would, however, remark that Wilson is not in a position to protect the freedom of the seas for us and the whole world, and so suggest that he give us this duty. Our U-boats are at work, and proof that they are succeeding is indicated by the crazy attack of the English on our bases on the Flanders coast."

Regarding the paragraph in the address on economic barriers and equal trade conditions among all nations, the paper continues:

"It is necessary to state that America has helped England with all her power to destroy German trade and commerce, and that now that German world commerce has been more or less destroyed and English spies have poked their noses into Germany's business, Wilson proclaims equality of trade conditions."

Discussing the question of guarantees proposed to be given and taken on the question of armaments, the paper says:

"It is unnecessary to waste breath on this, because in Germany's position with the never-ending hatred of her enemies, even though victorious, disarmament would be suicidal."

The "Mittag Zeitung" says:

"It seems to us that the right thing is to reject the competence of this American busybody. Not one of the problems with which he deals in his fourteen commandments, least of all European, Asiatic and African territorial questions, is any concern of America."

"We shall not here investigate once more the reason why America entered this war. Surely it was not on account of Serbia, Italy, Rumania, Alsace-Lorraine and our African colonies, and has remained so for three years. We shall never admit that Wilson by his unjust, light-hearted declaration of war obtained the right to act as Europe's arbiter at the peace conference, the less so as he only plays second to England."

"From this point of view we save ourselves the trouble of analyzing the attempts of Wilson to profit from certain differences existing among ourselves regarding our own war aims. If these differences exist, they prove nothing but the great fact of Germany's peacefulness. Before this war Germany, unlike France, which lived for revenge, never had any war aims whatever. That is why, after three and a half years of the heaviest

sacrifices in war, we are still divided on what and how much we must demand from our enemies.

"Any discord among us disappears at once when our enemies talk of our sacrificing parts of the German Empire like Alsace-Lorraine and Posen. For us only our Eastern war aims assume concrete form just yet. There is no need of hurrying to discuss the programs of Wilson and Lloyd George. Our sword will answer them, and in a little while the program of London and Washington will most likely be cleansed automatically from the indiscussible points that to-day make any arrangement impossible."

In reporting on Jan. 12 that the German newspapers had begun violently to quarrel among themselves regarding their respective views of President Wilson's message, an Associated Press dispatch from Amsterdam said:

The "Taegliche Rundschau," of Berlin, for instance, under the caption "The Pied Piper of Washington," attacks the comment of the socialist newspaper, "Vorwaerts," which it pillories as despicable backbonedness, while the "Rheinische Westfalsche Zeitung," under the head of "Wilson's Last Hope," turns fiercely on the "Berliner Tageblatt," the "Chemnitz Volkszeitung" and others, which it accuses of having confirmed President Wilson in the belief that Germany some day will "oblige the Entente by surrendering the fruits of victory."

Compared with his previous pronouncements, President Wilson's recent address to Congress seems "an example of statesmanlike moderation," says the Berlin socialist newspaper "Vorwaerts."

"It is a beautiful, alluring program of world peace," continued the socialist organ, "but we must be on guard against too ready a confidence. We cannot welcome Mr. Wilson's utterances enthusiastically without testing what he means."

"We never stood behind our statesmen for any other purpose than to exercise pressure from the rear in the direction of peace. We shall continue to do so, and if the workers of other countries do the same then a general world peace will be attained at no distant date."

The "Frankfurter Zeitung," while dissenting from many points in President Wilson's message, says the whole document seems inspired by the desire which also animates Germany, namely, to avoid further bloodshed.

"If our enemies desire to convert their words into deeds," the newspaper continues, "and if President Wilson is able to induce the Entente to make similar concessions, then indeed the basis for conversations with a view to ending the war is supplied."

After remarking that there is no certainty that there is anything tangible behind the President's words the newspaper declares so many of his demands are so vague that there is plenty of room for varying interpretations. It dissents entirely from his position regarding Alsace-Lorraine, possession of which, it asserts, is indispensable to Germany's national integrity and freedom, but it expresses the opinion that Mr. Wilson, like Premier Lloyd George, intentionally phrased his reference to the Alsace-Lorraine question in a manner not intended to convey the idea of territorial accretions by France.

"President Wilson's program," adds the "Frankfurter Zeitung," "has a number of points upon which negotiations could be based; for instance, the freedom of the seas, the abolition of economic barriers, equality of commercial conditions, the reduction of armaments, the evacuation of Belgium and the foundation of a league of nations. Other points are entirely unacceptable."

It mentions as of the latter class the readjustment of the Italian frontiers and the reorganization of Austria-Hungary, and it insists that the German colonies must be returned.

"We, on our part," it urges, "should not allow the Presidential reproach regarding the lack of clearness and definiteness of our war aims to continue any semblance of holding good. Germany and her allies must state them openly now."

A more extended account of the "Frankfurter Zeitung" and "Berliner Tageblatt" discussions was furnished the New York "Times" in a special cable from the Hague on Jan. 12:

The "Frankfurter Zeitung" regards the speech as a peace offer. There are two significant passages in its long comment. It says:

"President Wilson's speech does not show any expectation that the war can be won by the weapons of the Entente and the United States. The setting up of a peace program and its contents appear, considering all circumstances, to have arisen rather from the desire if possible to arrive at peace without further bloodshed."

Again the newspaper says:

"If Wilson can bring the Governments of the Entente countries to make similar declarations, while it is true that there will be not yet a basis for peace negotiations, we will have come much nearer to a possibility thereof."

"Wilson is seeking a way out of war, although he is doing it in a manner not yet quite acceptable to us."

The Frankfurt paper accepts some of Wilson's proposals with some provisions, and rejects others, setting up at the same time counterclaims for Germany, as for instance, the complete restoration of her colonies.

Regarding Alsace-Lorraine, the newspaper says that Wilson's language shows even clearer than Lloyd-George's that "neither England nor America any longer considers seriously the accepting of any obligation to recover Alsace-Lorraine for France." The paper chuckles over the idea that President Wilson's speech, like Lloyd George's, will be a bitter pill to France.

Regarding some of Wilson's proposals the "Zeitung" says: "It looks as if Wilson hardly realized to whom he was speaking or what had been the results of the world war."

Taking it altogether, the newspaper twists some of Wilson's phrases into a confession of inability to win the war and a request for peace. Others it rejects as being due to American inability to realize that Germany has won.

The "Berliner Tageblatt" discusses the treatment which President Wilson would apply to the various belligerents, saying:

"There is a decided contrast between the polite note sounded by Wilson this time, the quiet form and conciliatory phraseology on the one hand and his demands on the other. Otherwise a man like Senator Stone, who until recently was opposed to America's entrance into the war, could not possibly have adopted Wilson's program without reserve."

"We cannot change this; we must accept it in the same manner as we do the fact that the President's address on world peace really means a continuation of the world's war. Now even the British Labor Party is convinced of the moral necessity for the reconstruction of Europe according to the demands of British policy."

"It is sad that instead of a moral and logical discussion only military persuasions are possible as yet. Historians will surely recognize the tragedy of the consequences to the human spirit that will result."

"It is of hardly any use to discuss the fourteen formulas of Wilson's message. To some of them we are quite ready to subscribe. Others open a vista to new possibilities, perhaps not to his allies' liking. His demand for the removal of all economic barriers sounds like a hint of idealistic

international free trade, the realization of which might prove one of the strongest guarantees of world's peace."

"We favor also the disarmament of nations, the freedom of the seas, and the abolition of secret diplomacy. But these aims will never be achieved if the settlement of territorial questions in the Entente's sense is what America wants to fight for to a finish."

The same cable also said:

The Weser "Zeitung," the National Liberal shipping organ, speaks of Wilson's "latest wisdom" and says that the speeches of the Entente statesmen follow one another quickly, but don't always agree. It asserts, however, that all these speeches have a double purpose, some being intended for Germany and her allies and others for the Entente and for neutral consumption. The paper thinks Wilson's latest message so similar in sense and intention to his former messages that Germany knows with whom she has to deal.

Commenting on Wilson's question as to whether the delegates at Brest-Litovsk still adhere to the resolution of July 19, the paper says that Germans themselves are unfortunately unable to answer this. It goes on:

"We know that annexations are only contested when made by the Central Powers, but not when it is a case of dis-annexation or restoration on the part of a band of robbers. In the playful tone which Wilson knows so well how to use, he falls into a trap in speaking of the freedom of the seas."

The paper argues "that the seas are free as long as the powers possessing the largest fleets are able to take advantage of this freedom. This was the case before Wilson's message and before the outbreak of the war, and so we will not lose this opportunity of warning against the senseless use of these words, 'freedom of the seas.'"

The paper remarks that even before the war a agreements existed regarding freedom of the seas, adding that the only security against a recurrence of this state of affairs is a powerful Germany fleet bases and coaling stations. It holds that as long as the fleet and bases hold good, the international agreements will also hold good.

According to a Rotterdam dispatch to the London "Daily News" on Jan. 11, "Germania," the Berlin organ of the Centrist party, which formed part of the Reichstag majority, and has been a strenuous supporter of the Chancellorship of Von Hertling, writes:

"Wilson shouts somewhat less loudly than ordinarily, but for the rest he acts as if he were conqueror of a Germany thrown to the ground. Therefore his message makes as little impression upon us as the former 'Barabas.' The speeches of the President and his intervention in the affairs of Europe can scarcely be called compatible with the Monroe Doctrine held by America."

The "Berliner Tageblatt" says:

"Wilson in pointing to conditions in Germany suggests that world peace depends upon whether the majority or Imperialist minority stands behind the representatives of the Central Powers. He errs, however, if he thinks the Reichstag majority would support peace on the ground which he names as the only possible one. It is not only the well-known German majority which is a hindrance to such a peace. It is well to state outright that the Reichstag majority, which formulated the principle of peace by agreement and upon whose confidence the existence of the present Government depends, rejects the principles of so-called justice regarding all peoples and nationalities as formulated in his message."

Commenting on President Wilson's address, Prince Alexander von Hohenlohe, who was among the German representatives at the pacifist congress held at Berne in November, is reported to have written in the "Neue Zurichische Zeitung" as follows:

"Every unprejudiced leader must admit that President Wilson's new message can become a way toward peace. But for that it will be necessary that the German people disengage itself from the fixed idea that America entered the war only for selfish and material interests."

"The truth is that President Wilson in declaring war on Germany followed the pressure of the overwhelming majority of the American people and that every American soldier sailing for Europe goes in the firm conviction that he is to fight for the threatened freedom and justice of the world."

BRITISH LABOR ACCEPTS RUSSIAN PRINCIPLES OF SELF-DETERMINATION FOR BRITISH PEOPLE.

In a message to the Russian people and an appeal to the peoples of Central Europe, the British Labor Party on Jan. 15 announced that the British people accepted the Russian principle of self-determination of peoples and no annexations or indemnities for the British Empire, particularly in the Middle East, Africa and India, and adjured "the peoples of Central Europe to declare themselves or make their Governments speak for them in answer to Russia and ourselves." The text of the message, which was issued by the Labor Party in conjunction with the Parliamentary Committee of the Trades Union Congress, is as follows:

We have reached a crisis in the war. The negotiations at Brest-Litovsk have been interrupted because the Germans have refused to admit the principle of self-determination of peoples and the doctrine of no annexations. In thus acting, the Central Powers are speaking clearly in the name of a militarist State.

In this crisis the British people must speak, because the Russians can only succeed in their great and perilous task if supported by the people everywhere. The British people must proclaim to Russia and the Central Powers that its aim is identical with Russia's: that we, too, see no solution for the evils of militarism except self-determination and no indemnities.

In applying this Russian principle to our own case, we are conscious of the problems raised, but we do not shrink therefrom. The British people accepts the principle of no annexations for the British Empire. This applies in our case to the Middle East, Africa and India.

We wish to remind the Russian people that Great Britain, taught by the loss of the American colonies in the eighteenth century, was the first modern State to grant complete self-determination to any group of its inhabitants, for example, the Dominions of Canada, Australia, South Africa, and New Zealand. We accept the principle, also, for India and other dependencies of the British Empire, though we believe that the record of the British Government here gives little occasion for reproach.

We intend to meet this by more rapid development of self-government. We respect the sovereign independence of the Turkish people in their

tional home, but we believe that the domination of their Government over other peoples is a hindrance to their own national development. Our Government is pledged to some of those peoples—Arabs, Palestinians, Armenians—that the Ottoman rule shall not again be imposed on them. This responsibility should be undertaken by the peace conference and a permanent international organization that we hope will be there constituted.

In tropical Africa we repeat our renunciation of annexations. Nobody contends that the black races can govern themselves. They can only make it known that the particular government under which they have been living is bad in some or all respects, and indicate the specific evils from which they desire liberation. We believe that the peace conference would be well advised to place all tropical Africa under uniform international control.

We adjure the peoples of Central Europe to declare themselves or make their Governments speak for them in answer to Russia and ourselves. We call on them to renounce annexations in Europe with the same good faith in which we are renouncing them in Asia. We call on them to give the same self-determination to the French, Alsatian, Italian, Polish, and Danish members of their States as Russia has given to Finland, Courland, Lithuania and Russian Poland.

The family interests of dynasties or the desire of the German, Austrian, and Magyar governing classes to dominate other classes and nationalities must no more be suffered to prevent self-determination in central Europe, and thereby imperil it in Europe as a whole, than the interests of British imperialism or British capitalism must be suffered to do elsewhere.

Peoples of Central Europe, this catastrophe of the human race, this fatal schism in the civilized world, can only be ended by the defeat of militarism on both sides, and by the victory on both sides of moral and intellectual fair dealing. If the world is to be saved, it must be saved by good faith and reciprocity on the part of all. Do not fail us now. Do not let your Governments drive the British people, as they are driving the Russian people, into the terrible choice between continuing the war and abandoning the only principles that can save the world.

If this choice is forced upon us, we shall choose as Russia chose. We shall continue, but the responsibility will be yours.

BOLSHEVIST-GERMAN PEACE PARLEYS.

The extension until Feb. 18 of the armistice agreement between the Bolshevik Government and the Teutonic Powers was announced in advices to the London "Daily Mail" from its Petrograd correspondent on Jan. 14. The armistice, as was noted in these columns Dec. 22, became effective at noon on Monday, Dec. 17, and was to remain in force until Jan. 14. Reports of the suspension and resumption of the peace negotiations at Brest-Litovsk have figured in the papers frequently during the past few weeks, but the latest advices, as contained in an Associated Press cable from Amsterdam on Jan. 16, are to the effect that the peace negotiations are again in progress at Brest Litovsk. These dispatches stated:

Great dissatisfaction is expressed by the German newspapers at the slow progress of the negotiations at Brest Litovsk and the Russians are charged with prolonging them deliberately. This delay is affecting the negotiations in progress at Petrograd, where, according to the "Weser Zeitung" of Bremen, the discussions regarding exchange of prisoners has yielded no results thus far. The "Tageblatt" of Berlin makes a similar complaint regarding the work of the special German Commercial Commissions now in Petrograd.

Most of the newspapers assert that Germany will never think of completely evacuating the occupied Russian territory before peace has been brought about on all fronts.

The "Lokal-Anzeiger" declares the Russian people reckoned on favorable results from the negotiations and that the Bolshevik Government will have to bear the consequences should it prove they had been deceived. The "Vossische Zeitung" says that Russia can have complete peace at home the moment she comes to an agreement with the Central Powers.

The withdrawal by the Central Powers of their general peace terms, made public at the Brest-Litovsk conference on Dec. 25, was announced by Dr. von Kuehlmann, the German Foreign Secretary, in a speech at the Brest-Litovsk conference with the Russians on Jan. 10, according to Amsterdam cables of the 11th received here on the 12th inst. Dr. von Kuehlmann was said to have stated that the document had "become null and void," owing to the non-acceptance of the terms by all the enemy Powers. So far as Russia was concerned, he stated that the first task of the conference was to resume negotiations at the point where they had been broken off at the time of the Christmas adjournment. Referring to the fixed determination of the Central Powers not to accede to the Russian suggestion of transference of the negotiations to neutral territory, Dr. von Kuehlmann said Germany and her allies were not in a position to conduct elsewhere the discussions begun at Brest-Litovsk, although they were willing to have final formal negotiations carried on, and the signatures to the preliminary agreement affixed, at some place to be agreed upon after the debate. He continued:

As for the conduct of the negotiations, the atmosphere in which they take place is extremely important. It must be mentioned that since the conclusion of the exchange of views before the temporary interruption of the negotiations, much has happened which appeared calculated to create doubt as to the sincere intention of the Russian Government to arrive at a speedy peace with the Powers of the Quadruple Alliance. I may refer to the tone of certain semi-official declarations of the Russian Government against the Central Powers, especially the declaration of the Petrograd Telegraph Agency, which is regarded abroad as the semi-official Russian agency.

It reproduced in detail a reply M. Jaffe (a member of the Russian delegation) is alleged to have made at the sitting of Dec. 28, which, as the protocol shows, originated solely in the imagination of its author. This entirely unfounded report has had a good deal to do in confusing judgment in regard to the course of the negotiations and in endangering their results.

Count Czernin, the Austro-Hungarian Foreign Minister, told the conference that as Russia's allies had not replied to

the invitation to participate in the negotiations, it was now a question of a separate peace between Russia and the Central Powers. Count Czernin gave reasons for not wishing to transfer the negotiations to neutral territory and said that if the Russians were animated by the same intentions as the Central Powers the result of the negotiations would be satisfactory. If not, responsibility for war would fall exclusively on the Russians. In explaining why the Central Powers refused categorically to transfer the negotiations to neutral territory, Count Czernin said both parties had direct telegraphic communication with their respective Governments, which neither could forego without interminably prolonging the negotiations and rendering them difficult. He continued:

The second motive is more important. You gentlemen invited us to take part in general peace negotiations. We accepted the invitation and came to an agreement about the basis of a general peace. On this basis you presented a ten days' ultimatum to your allies, who have not answered, and to-day it is no longer a question of negotiation of a general peace, but rather of a separate peace between Russia and the Quadruple Alliance.

The Count asserted that the transfer of the negotiations to neutral territory would give the Entente an opportunity to interfere and endeavor to prevent a separate peace. He added:

We refuse to give the Western Powers this opportunity, but we are ready to conduct the final negotiations and sign a peace treaty at a place to be fixed.

Regarding the questions on which an understanding has not been reached, we came to a binding agreement at the last plenary session to submit them to a commission, to begin work immediately. All the four members of the Quadruple Alliance are entirely agreed to conducting the negotiations to the end on the basis explained by Dr. von Kuehlmann and myself and agreed upon with the Russians. If the Russian delegation is animated by the same intentions we shall attain a result satisfactory to all. If not, then matters will take a necessary course, but responsibility for war will fall exclusively on the Russian delegation.

The Turkish and Bulgarian representatives are said to have associated themselves with these remarks.

The Ukrainian delegate, M. Bolubowsch, is said to have announced on Jan. 10 that the Ukrainian Republic, having resumed its international existence, which it lost 250 years ago, had decided to adopt an independent attitude toward the present negotiations, and that the General Secretariat had instructed him to hand the following note to the Powers represented at the conference:

The Ukrainian people's republic brings the following to the knowledge of all belligerent and neutral States: The Central Rada on Nov. 20 proclaimed a people's republic, and by this act an international status was determined.

Striving for the creation of a confederation of all the republics which have arisen in the territory of the former Russian Empire, the Ukrainian people's republic, through its General Secretariat, proceeds to enter into independent relations pending the formation of a federal government in Russia and until the relations of the Ukraine with the future federation are established.

M. Bolubowsch protested that the commissaries were agreeing to an armistice independently of the Ukrainian delegates, and proceeded to declare that the Ukraine was striving for a general world peace on democratic lines, and insuring even the smallest nation unlimited self-determination, with proper guarantees for rendering possible a real expression of the peoples' will.

A Brest-Litovsk dispatch to Amsterdam giving an account of the session, said it was opened at 11 o'clock, all the delegations, including the Ukrainians, participating. Talaat Pacha, the Turkish Grand Vizier, called the meeting to order and turned over the chair to Dr. von Kuehlmann, who said:

Inasmuch as changes have occurred in the composition of some of the delegations, it will not be out of place to give a short survey of the history of the course of the negotiations.

After a lengthy review of the proceedings to date, Dr. von Kuehlmann said he hoped they would lead to a salutary result. His hope was based on knowledge gained during the course of the negotiations, and on the expression by the Russian delegation of the Russian people's wish for a secure and lasting peace. He continued:

I consider that the difficulties met with up to the time the negotiations were interrupted were not great enough to cause the failure of the peace work and, presumably, resumption of war in the East, with its unforeseen consequences.

At the Brest-Litovsk conference on Jan. 12 Leon Trotzky, the Bolshevik Foreign Minister, is credited with stating that in order not to leave any possibility in the efforts for peace unutilized, the Russian delegation had accepted the demand that the negotiations be continued at Brest-Litovsk. The Bolsheviks had previously insisted that the parley be resumed on neutral ground. He is said to have stated that, in full accord with their former resolution, the Russians desired to continue peace negotiations quite apart from the fact whether or not the Allied Powers participated. Concerning Mr. Trotzky's remarks and the other details of the conference on the 12th inst., the cable said:

Referring to the objection raised by the Central Powers that the transferring of the negotiations to Stockholm or some other neutral point, as requested by Russia, might enable the Entente nations to interfere, M.

Trotsky said the Bolshevik Government had been consistent and independent in its peace policy and that there was no reason to assume Entente diplomacy would be able to oppose the conclusion of peace more successfully on neutral soil than in Petrograd.

As for the fear of the Central Powers that the Entente nations might endeavor behind the scenes to hinder the conclusion of peace, M. Trotsky declared that the Bolshevik policy was conducted without the secret methods of the old diplomacy, which, like many other things, had been abolished by the Russians in their victorious revolution of October. It was the opinion of the Russian delegates, he said, that neither political nor technical circumstances rendered it necessary to continue to hold the sessions at Brest-Litovsk.

Moreover, M. Trotsky continued, the Russian delegation could not pass over another point which had been mentioned by the German Chancellor, Count von Hertling.

"I refer," he said, "to the portion of Count von Hertling's statement (before the Reichstag Main Committee) in which he referred, in addition to Germany's just intentions, to Germany's powerful position (Machtstellung). The Russian delegation cannot deny, and does not intend to deny, that its country, owing to the policy of the classes until recently in power, has been weakened. But the world position of a country is not determined by its technical apparatus alone, but also by its inherent possibilities—as, indeed, Germany's economic strength should not be judged by her present conditions and means of supply."

M. Trotsky considered that the greater forces of the Russian people had been awakened and developed by the revolution, just as the reformation of the sixteenth century and the revolution of the eighteenth century had vitalized the creative forces of the German and French peoples. He added:

"The Russian Government, however, wrote the word peace at the head of its program. The great sympathies of the Russian people for the peoples of the Allies strengthen the desire to attain the speediest peace based on an understanding among the peoples.

"To remove from the quadruple alliance a pretext for breaking off the peace negotiations on technical grounds the Russian delegation accepts the demand to remain in Brest-Litovsk, in order not to leave unutilized any possibility in the fight for peace. In renouncing its proposal regarding the transfer of negotiations to neutral soil the Russian delegation proposes continuation of the negotiations."

M. Trotsky said he considered it necessary to remove a misunderstanding which had arisen. He referred to the statement made at the previous sitting by Dr. von Kuehlmann, the German Foreign Minister, that the semi-official Russian news agency had disseminated a fictitious account of the reply made at the sitting of Dec. 28 by M. Jaffe, of the Russian delegation. M. Trotsky said the official account of that sitting, as published in the German newspapers, reproduced accurately the speech of M. Jaffe, and that the Russian delegation was entirely ignorant of any real or fictitious telegrams on the subject, such as those to which Dr. von Kuehlmann referred. The speaker said the matter would be investigated, and in the meantime he expressed regret for a misunderstanding which was in no way connected with the work of the delegation.

As for the protest made by General Hoffmann, in the name of the German chief command, against Russian wireless messages containing appeals of a revolutionary character to the German troops, M. Trotsky stated that neither the conditions of the armistice nor the character of the peace negotiations limited freedom of press or speech.

Dealing with the declarations at the previous session by Dr. von Kuehlmann and by Count Czernin, Austro-Hungarian Foreign Minister, respecting the failure of Russia's allies to participate in the negotiations, which vitiated the peace offer of the Central Powers and resolved the discussions to a question of a separate peace, with Russia, M. Trotsky said:

"We are in full accord with our former resolution. We desire to continue the peace negotiations quite apart from the question whether or not the Entente Powers take part.

"We note the statement of the Quadruple Alliance that the basis for a general peace formulated in their declaration of Dec. 25 is null and void, as the Entente countries in the period of ten days allowed them did not join in the peace negotiations. We on our side adhere to the principles of a democratic peace proclaimed by us."

The desire of the Russians to transfer the negotiations to neutral soil, M. Trotsky explained, arose from their wish for equally favorable conditions on both sides. He continued:

"Public opinion in Russia, moreover, takes umbrage at the fact that the Russian delegation is conducting the negotiations in a fortress occupied by German troops, especially as they involve the fate of peoples. The Russian delegation does not believe the technical difficulties entailed by transference of the negotiations to neutral soil constitute a valid objection, any more than it recognizes as valid the fear of Entente intrigues, against which Russia knows how to protect herself."

Dr. von Kuehlmann, with the assent of the meeting, declared that the question of separate representation for Ukraine would first be discussed among the delegations of the Quadruple Alliance, and that further consideration would be reserved for a plenary sitting.

On the proposal of the president it was decided to hold private deliberations between the delegations of Austria-Hungary and Germany on the one hand and of Russia on the other.

The delegates of Russia, Germany and Austria-Hungary agreed to form a committee to discuss political and territorial questions, and a second committee of experts for preliminary discussion of economic and legal questions. The former committee held a meeting.

M. Bolubowysch, Ukrainian delegate, in elaborating the Ukrainian peace policy, said that any annexations or the surrender of territory without the consent of the peoples involved was inadmissible, as likewise were war indemnities. Material assistance should be extended to small States which had suffered from the devastating effects of war.

Inasmuch as the Russian Council of People's Commissioners did not represent Ukraine, he said, any peace which might be negotiated would be binding for Ukraine only, if accepted by it. The same principle, he added, applied to the other Russian republics.

Dr. von Kuehlmann proposed that the Ukrainian note be placed on the records of the conference as "an important historical document." He added that the Allies (Teutonic) welcomed the Ukrainian representatives, but reserved their attitude toward their proposals.

As the negotiations heretofore had been carried on with representatives from Petrograd regarding the affairs of the entire Russian territory, von Kuehlmann said that he would have to ask the president of the Petrograd delegation whether his delegation intended in the future to represent the affairs of all Russia. Leon Trotsky declared that his delegation was in full accord with the fundamental recognition of the right of self-determination of every nation, even to complete severance, and he saw no obstacle to the participation of the Ukrainian delegation in the negotiations.

A long discussion ensued regarding the meaning of this statement, which finally was condensed into the question whether the Ukrainian delegation was a sub-commission of the Russian delegation or whether it should be treated with as the representation of an independent State. Trotsky re-

plied that he considered the question as settled because the Ukrainian delegation acted as an independent body which had been recognized by this delegation.

On the 13th inst., when the text of the German version of the Brest-Litovsk conference on Jan. 12, transmitted by the Wolff Bureau, was made public, the London cable dispatches noted that the Russian account showed a considerable variance from the German version. In thus commenting, the London dispatches said:

The Russian version pictures the Russian delegates as acting throughout with more than a suspicion—rather with an actual conviction—that the German delegates were virtually agents of the military and annexationist groups. One passage of Trotsky's speech, which the Wolff Bureau omits, follows:

"The sincerity of our aspirations for peace are sufficiently proved by our attitude regarding the free right of development of Finland, Armenia and Ukraina. The other side has only to show an analogous attitude regarding the regions occupied by it."

Referring to an early part of Trotsky's speech, the German version speaks of a certain telegram, about which it says M. Trotsky expressed regrets. The Russian version says nothing about regrets, but introduces a fiery passage asserting that the German viewpoint regarding reoccupied territories is merely that the will of the people should be replaced by the will of a privileged group. Near the close is a passage which the German version gives thus:

"The Russian Government, however, wrote at the head of its program a world peace. The great sympathies of the Russian people for the peoples of the Allies strengthen it in its desire to attain the speediest peace based on understanding among the peoples."

The Russian account says: "Our Government placed at the head of its program a world peace, but it promised the people to sign only a democratic and just peace. The sympathies of the Russian people are with the working classes of Germany and her allies. Years of war have not hardened the hearts of the Russian soldiers, who stretch forth their hands to the people on the other side."

Regarding the proposal to remove the negotiations to Stockholm, the Russian version says in part:

"The refusal of the Central Powers to transfer the conference to a neutral site is only explicable by the desire of their Governments and powerful annexationist groups to base their dealings not on reconciliation of peoples, but on the war map. But war maps disappear, while peoples remain. We regard as idle the assertions of the German press that refusal to transfer the conference was in the nature of an ultimatum. We were wrong. An ultimatum was delivered—parleys at Brest-Litovsk or none."

"The German annexationists regard the rupture of negotiations as preferable to a conciliatory settlement of the future of Poland, Lithuania, Courland and Armenia. Semi-official annexationist agitators in the Central countries are trying to persuade the German people that behind the open and frank policy of Russia is a British or other stage manager. Therefore we decided to remain at Brest-Litovsk so that the slightest possibility of peace may not be lost; so that it may be established whether peace is possible with the Central Powers without violence to the Poles, Letts, Armenians and all other nationalities to which the Russian revolution assures full right of development, without reservation or restriction."

The Wolff Bureau report was furnished as follows in an Amsterdam cable of the 13th:

The report of the Wolff Bureau, the German semi-official news agency, on Saturday's deliberations at the Brest-Litovsk peace conference, says that at the opening of the sitting Count Czernin, the Austro-Hungarian Foreign Minister, announced that the Central Powers recognized the Ukraine delegation as "an independent delegation representing the Ukraine Republic," but that formal recognition of the Ukrainian Republic as an independent State would be reserved for the peace treaty.

M. Trotsky, the Bolshevik Foreign Minister, followed Count Czernin, saying that such conflicts as had occurred between the Russian Government and the Ukraine "have had no connection with the question of the self-determination of the Ukraine, concerning which there is no room for conflict between the two sister republics."

M. Bolubowysch, the Ukrainian Secretary of State, accepted the statements of Count Czernin and M. Trotsky and announced that his delegates would participate in the peace negotiations on that basis.

Later in the session the delegates discussed the German claim that the Russian wireless statements issued during the recess constituted a transgression of the spirit of the armistice. M. Trotsky desired to know in what particular the spirit of the armistice had been transgressed by the communications, and General Hoffmann of the German delegation replied:

"At the head of the armistice treaty stood the words 'bring about a lasting peace.' Your Russian propaganda transgressed this intention because it did not strive after a lasting peace, but to carry the resolutions concerning civil war into the countries of the Central Powers."

M. Trotsky answered General Hoffmann, pointing out that all the German newspapers were being freely admitted into Russia, even newspapers which were supporting the views of the extreme Russian reactionaries. Complete equality had been observed in this respect, and it had nothing to do with the armistice treaty. General Hoffmann retorted that his protest was not directed against the Russian press, but against official Government statements and statements which bore the signature of Ensign Krylenko, Commander-in-Chief of the Bolshevik forces.

To this statement M. Trotsky replied that the treaty contained no restrictions or expressions of opinion by citizens of the Russian Republic or their governing officials. Dr. Richard von Kuehlmann, the German Foreign Minister, interrupted M. Trotsky, saying:

"Noninterference in Russian affairs is the fixed principle of the German Government, but the Government has the right to demand reciprocity in this respect."

Answering Dr. von Kuehlmann, M. Trotsky replied: "On the other hand, the Russians will recognize it as a step forward if the Germans freely and frankly express their views regarding internal conditions in Russia as far as they think it necessary."

On Jan. 14 it developed through a Wolff Bureau report that the Central Powers at the Brest-Litovsk conference had refused last week to evacuate Courland, Lithuania, Riga and the islands in the Gulf of Riga. An account of this report was given as follows in an Amsterdam dispatch of Jan. 14:

A committee composed of Germans, Austro-Hungarians and Russians for the discussion of territorial questions held three long sittings on Friday and Saturday. It was agreed that the first paragraph of the peace treaty

should be a clause announcing that the state of war between the parties had been concluded.

The Germans proposed a clause "that the contracting parties have resolved henceforth to live in peace and friendship."

Leon Trotzky, the Bolshevik Foreign Minister, refused to indorse this, declaring that it was "a decorative phrase, which does not describe the relations which in the future will exist between the Russians and German peoples."

It was confirmed that the evacuation of occupied territory by both parties should take place on the basis of full reciprocity, so that the evacuation by the Central Powers of Russian territory would synchronize with the evacuation by Russia of the occupied regions in Austria-Hungary, Turkey and Persia. Later Persia was struck out, as not being a belligerent party, and M. Trotzky proposed to add the following:

"Russia undertakes as speedily as possible to remove her troops from neutral Persia."

He said he had no other ground for this than a desire to emphasize the crying wrong committed by the former Russian Government against a neutral country.

The Wolff Bureau report covers nearly 5,000 words, and shows that the discussion concerning the date of the evacuation was broken off, the parties failing to agree. A long discussion concerning which parts of the occupied territory should be evacuated also resulted in a disagreement.

A prolonged debate arose over the question of admitting representatives of Poland, Courland and Lithuania to the negotiations and on the question of what constituted self-determination by these provinces. The discussion became embittered, and the only result was a protest by General Hoffmann of the German delegation against the tone of the Russian delegation, which he said "speaks as if it stood victorious in our countries and could dictate conditions."

General Hoffmann reminded the delegates that the Bolshevik authority, as much as the German, was founded on force, as instanced by what he termed the attempts to suppress the White Russia and the Ukrainian attempts at self-determination. General Hoffmann finally declared that the German supreme army command must refuse to evacuate Courland, Lithuania, Riga and the islands in the Gulf of Riga.

Dr. von Kuehlmann, the German Foreign Minister, then declared that he must reserve a further statement of the position of the Central Powers on all points. He protested against the position the Russians had adopted of presenting their views in written declarations, and said that the conference must be adjourned in order that there might be a consultation between the Teutonic Allies. No date for the resumption of the conference was fixed.

On Jan. 16 a London dispatch said:

The Bolshevik Government has announced officially, according to a Reuter dispatch from Petrograd, that the reports regarding the progress of the peace pourparlers sent out by the Wolff Bureau, the German semi-official agency, alter the real sense of the negotiations.

Foreign Secretary von Kuehlmann, the dispatch adds, has declared to the Russian delegates that the German Government reserves the right to intercept all communications which might excite the popular masses in Germany.

According to Petrograd advices on Jan. 14 the Social Revolutionary members of the Constituent Assembly have issued a manifesto bitterly denouncing the Bolsheviks as "usurpers of power, who have precipitated the country into an abyss of civil war and anarchy." The dispatch reporting this says:

While putting the restoration of peace at the head of their own program, the signers of the manifesto reproach the Bolsheviks for having defuded the worn-out soldiers with hopes of immediate peace, instead of which "they have opened the front to the enemy, brought the country to the verge of a new and overwhelming war, caused by the rupture of relations with the Entente, and left Russia to her fate."

The manifestants emphasize the danger of a general peace at Russia's expense, and declare that only the members of the Constituent Assembly are entitled to represent Russia and bring about a universal democratic peace.

The program of the Social Revolutionary members is to demobilize the wearied army and recruit a new volunteer army, cease civil war, and proclaim federalism on the basis of a Russian republic.

The program includes also abolition of private ownership of land and the nationalization of mines and natural resources.

Under date of Jan. 13 a London dispatch stated that the call of Ensign Krylenko, the Bolshevik Commander in Chief, for volunteer for a Russian army, according to the Bolshevik telegraph agency at Petrograd, was issued in the form of an appeal to the soldiers and workmen and as a reply to the German peace proposals. The appeal refers to Germany's rejection of the proposals framed previously and their open talk of annexation. In the event of a separate peace, the call said, the Russian republic and its councils will be surrounded on all sides by enemies. He continued:

"American and French financiers are lending money to provide war material for Kaledine. The German bourgeoisie are quite prepared to use them as allies for stifling the Russian revolution. These are conditions which raise for the Russian peasants and workmen the whole question of the defense of the conquest, achieved by the revolution, and of the holy war against the bourgeoisie, not only of Russia, but of Germany, France and Great Britain.

"Should the bourgeoisie be victorious, they will take vengeance in the shape of the most cruel terror and torture, drenching the land with blood. This would put in the shade the torments inflicted by the satellites of the Czar. It may be that a holy war on the fronts, as well as behind the lines, stands before us as a terrible and unavoidable fate."

Krylenko is said to have explained that the old army was exhausted and that a new one must be created with the Red Guard as a nucleus, and it must be subject to rigorous, revolutionary discipline. He said:

"Comrades, the people of Italy, Spain, France, Austria and Switzerland watch you with hope and await the call to battle against their bourgeoisies. Their soldiers will not march against revolutionary Russia. Enroll yourselves in the ranks of the people's guard and safeguard the revolution and socialism."

The appeal concludes by asserting that there will be no compulsion in recruiting, and appealing to the comrades in the Ukraine to respond to the call in order to defend liberty.

AMBASSADOR FRANCIS'S STATEMENT DENYING BOLSHIEVICK ACCUSATION AGAINST EMBASSY AND RED CROSS.

The statement made by David R. Francis, the American Ambassador to Russia, on Dec. 25 denying the charges made against the American Embassy by the Bolsheviks that it and the American Red Cross were implicated in a plot to aid General Kaledine, leader of the Cossacks, was published in the United States Government's daily publication—"The Official Bulletin"—on Dec. 31. Reference to the charges was made in these columns December 29 page 2516. In his statement Ambassador Francis said:

My attention has to-day been called to an article appearing in to-day's issue of the "Bulletin" of the Soviets, in which it is alleged that the most prominent representatives of the United States are shown to be implicated in the Kaledine plot; that they have taken all measures to assist in it; that under the guise of a Red Cross train, destined for the southwest front, American officers in Jassy, Messrs. Anderson and Perkins, and their associates, and the Russian officers Kalpaschnikoff and Verbyounsky have made an attempt to send several dozen automobiles "and other things," to be placed at the disposal of Kaledine; that Colonel Kalpaschnikoff and his accomplices have been arrested; that papers of exceptional importance have been seized, among them a telegram from the chief of the American Red Cross mission in Jassy commissioning Colonel Kalpaschnikoff to receive from me 100,000 rubles to send the train from Rostov and a certificate signed by me to the effect that the train is going "from Petrograd to Jassy"; that the plot of the American imperialists with the Kaledinists has been exposed, and that it is now time for me and for the Government which I represent to speak.

I have also been informed that in a speech at the Alexander Theatre on the night of Dec. 8 (21st) Mr. Trotzky has charged (me?) with "counter-revolutionary" activities.

Instructions of my Government are very definite and positive, prohibiting any interference by any American representative in Russia in the internal affairs of this country. I have observed these instructions scrupulously and, so far as my authority extends, have directed their strict observance by all connected with the American Embassy or under its control. The charge or insinuation that I was aiding Kaledine or any other of the numerous and varied factions in Russia is absolutely without foundation, and my statement to this effect should be sufficient to convince all of its truth and correctness.

The American Red Cross is an organization in my country supported by voluntary subscription and officially recognized by the Government of the United States, the purpose of whose existence is the alleviation of human suffering. During the present war in which the United States is now engaged the American Red Cross maintains certain missions operating in the countries of its allies, among them a mission to Russia and one to Rumania, under the Chairmanship of Lieut.-Col. Raymond Robins and Lieut.-Col. Henry W. Anderson, respectively.

The American Embassy at Petrograd has never failed to afford all assistance and co-operation possible with the American Red Cross in Washington and with its missions in Russia and Rumania especially, one of its chief duties and privileges being the transmission to their respective destinations of cables between the respective missions and the American Red Cross in Washington.

The bulletin of the Soviets published the text of a telegram from Colonel Anderson to Colonel Kalpaschnikoff relative to the shipment of certain motor cars to Rostov on Don, directing Colonel Kalpaschnikoff to apply to me for the advance of 100,000 rubles for the account of the Red Cross. The bulletin does not publish the text of the two following telegrams from Colonel Anderson which, together with the text of the telegram published, were delivered to Colonel Kalpaschnikoff on Dec. 1 (14):

AMERICAN EMBASSY, PETROGRAD, NO. 575.

Following Signed Anderson, for Kalpaschnikoff:

Jassy, Dec. 11.
Perkins and Verblunsky left for Petrograd 10th. In view changed conditions here disregard my 559, Dec. 5. Have motors ready for shipment on arrival Pekin, who carries instructions, spend necessary funds up to 50,000 rubles, move them promptly. See Robins about other supplies mentioned my 559, Nov. 25, and act on Perkins's advice as to further purchase.

VOPIKA,
American Minister.

AMERICAN EMBASSY, PETROGRAD, NO. 568.

Following from Anderson:

Jassy, Dec. 5.
Please see my No. 569 to-day, which is for Colonel Kalpaschnikoff. Please supply him, for the purposes stated therein, necessary funds up to 100,000 rubles, and draw on American National Red Cross, Henry P. Davison, Chairman, with this telegram attached to cover. It is most urgent that this matter be done at once, so please assist Kalpaschnikoff in the matter in every way possible.

AMERICAN MINISTER.

In this connection I desire to state that I have never paid Colonel Kalpaschnikoff a kopeck for this purpose or for any other, nor has he ever applied to me for any funds whatever.

Copies of these telegrams and of all others relating to Red Cross work are on file with the American Red Cross Mission to Russia, the Chairman of which, Lieut.-Col. Robins, is empowered to speak on all matters relating to his mission.

On Oct. 24 (Nov. 6) Lieut.-Col. Anderson requested the Russian Red Cross to transfer to the American Red Cross Mission to Rumania, in order to relieve the Rumanian situation, the motor cars, ambulances, equipment and supplies originally obtained through the efforts of the Siberian Regiment's American Ambulance Society in the United States, represented by Colonel Kalpaschnikoff, intended for use upon the various Russian fronts, which was granted. Since that time the respective missions have been engaged in an endeavor to fulfill the terms of the agreement.

The charge that these motor cars are intended for the use of General Kaledine, which in itself is preposterous and impugns the good faith of the official representatives of a Government known to be actuated by the most friendly motives toward the Russian people, is additionally disproved by the following letter to me from Colonel Anderson, which shows his desire that the safety of the cars be assured:

Dec. 8 1917.

My Dear Mr. Ambassador—I hand you herewith copy of my recent telegram regarding the motor cars which Colonel Kalpaschnikoff is to bring to this Commission.

The American Red Cross recently placed at my disposal an additional appropriation of \$1,000,000 and I am anxious that the motor cars and supplies of this Commission shall not fall into the hands of the enemy in the event of further invasion of this territory.

Major Perkins will explain more fully the plans of the Commission and is fully authorized to act for me.

Sincerely yours,

HENRY W. ANDERSON.

Lieutenant-Colonel and Chairman American Red Cross Mission to Rumania.

Also:

My Dear Mr. Ambassador—I thank you for your letter of Nov. 13, inclosing copies of the notice in regard to the motor cars of Colonel Kalpaschnikoff. I desire to express my appreciation of your courtesies and the assistance rendered to Colonel Kalpaschnikoff in the matter.

Major Perkins of this Commission, who will call on you, will explain our present purpose in regard to these motor cars, and I will be grateful for any assistance you may be able to give in carrying that purpose into effect.

I have determined that these cars and other property of this Commission shall not fall into the hands of the enemy if it can be avoided.

Sincerely yours,

HENRY W. ANDERSON.

Lieutenant-Colonel and Chairman American Red Cross Mission to Rumania.

The document given by me to Colonel Kalpaschnikoff bespeaking assistance in the transportation of these automobiles from Petrograd to Jassy followed customary precedent in such instances. In fact, since the issuance thereof I have also given on Dec. 1 (14th) a similar certificate bespeaking protection and safe conduct for ambulances, medicines and clothing sent from Petrograd to Jassy by the American Red Cross Mission to Russia.

It is inconceivable that further documentary evidences or statements are needed to disprove the incendiary allegations intended to arouse animosity towards the American Government and this embassy of the American people, or to attribute to the American Government or its representatives an act so wholly contrary to its traditional policy.

I trust it will be very difficult for any one to convince the Russian people that America does not feel friendly to Russia and that her people do not cherish an earnest and sincere sympathy for the people of this country in the difficulties that confront them. Many substantial evidences of such sentiment have been given since the revolution of March last. Only yesterday a delegation called at the embassy and presented a floral offering as an expression of the efforts I am making to have 1,075,000 pairs of boots and shoes shipped from America for the members of the railway union and their wives and children.

On Dec. 28 a Petrograd dispatch stated that Colonel Anderson had telegraphed from Jassy to American Ambassador Francis an explanation of the Colonel Kalpaschnikoff-Rostov automobile incident. He stated that it was intended originally to send the automobiles to Jassy, but "suddenly conditions developed here which indicated it might be possible for the entire mission to leave at once and we were advised it might be impossible to go by the northern route." The telegram added:

On Dec. 5 conditions became acute. It then appeared that it might be necessary for the safety of the Red Cross units to leave Rumania by the southern route with the motor transport.

I instructed Colonel Kalpaschnikoff to take the automobiles to Rostov, intending to have a unit go southward by motor from there. A few days later conditions changed for the better and I canceled the order and sent Kalpaschnikoff back to Petrograd. The only reason for ordering the cars to Rostov was to provide for the safety of the units in case of emergency.

The statement concluded, it is said, by saying that Colonel Anderson had nothing to do with political or military conditions in Russia, directly or indirectly.

BANKING AND FINANCIAL NEWS.

Only ten shares of bank stock were sold at the Stock Exchange this week and no sales of bank or trust company stocks were made at auction.

Shares.	BANK—New York.	Low.	High.	Close.	Last Previous Sale.
10	Nat. Bank of Commerce.	175	175	175	Jan. 1918-178

Authorization is said to have been asked of the State Superintendent of Banks for the merger of the Bank of the Metropolis with the Bank of The Manhattan Company, both of this city. Stephen Baker is President of both institutions. The stockholders of The Bank of the Metropolis are to meet on Feb. 6 to vote on the proposition authorizing the merger. The capital of the Bank of The Manhattan Company, under the plan of merger, it is said, will be increased from \$2,050,000, consisting of 41,000 shares of the par value of \$50 each, to \$2,500,000, consisting of 50,000 shares of the same par value. The board of the Bank of The Manhattan Company, it is stated, will be increased from 12 to 14 members. The Bank of The Manhattan Company on Nov. 14 reported surplus and profits of \$5,221,209, and gross deposits \$41,500,000. The Bank of the Metropolis now has a capital of \$1,000,000 and, under date of Nov. 14 reported surplus and profits of \$2,353,600, and gross deposits of \$13,670,000.

Several promotions were made by the directors of the Bankers Trust Co. at their meeting Wednesday. B. W. Jones, who has been Secretary of the company, and Samuel M. Greer, formerly with the Chesapeake & Potomac Telegraph Co., were elected Vice-Presidents; G. F. Trefcer and L. C. Outcault were appointed Assistant Treasurers. Mr. Jones has been active as Secretary of the committees of many important organizations which have been handled by the Bankers Trust Co. during recent years, and is looked upon as an authority in this particular field. He will continue to exercise general supervision of the reorganization,

transfer, registration and coupon divisions of the trust company. Mr. Greer, the new Vice-President, has been connected with the telephone industry, and gives up his position as General Commercial Superintendent of the Chesapeake & Potomac Telephone Co. to come with the Bankers. Mr. Trefcer, appointed Assistant Treasurer, has been with the company for many years, having first entered the Mercantile Trust Co. as office boy twenty-five years ago. Later Mr. Trefcer was made paying teller of the Mercantile, from which position he was promoted to Chief Clerk of the Bankers in 1912. Mr. Outcault, Assistant Treasurer, gained his first banking experience in the Leather Manufacturers', later the Mechanics & Metals National Bank, coming with the Bankers fourteen years ago. During practically all this time he has been Chief Paying Teller, having recently been promoted an assistant in the Treasurer's department.

At the annual meeting of the stockholders of the Guaranty Trust Co. of this city last Wednesday, Walker D. Hines, Chairman of the board of directors of the Atchison Topeka & Santa Fe Railway Co., was elected a director of the Guaranty Trust Co. for the term of three years. Mr. Hines entered the employ of the Louisville & Nashville Railroad Co. as assistant attorney in 1893, and was made Vice-President of the same road in 1900. Since 1906, when Mr. Hines came to New York City, he has been general counsel for the Atchison Topeka & Santa Fe Railway Co., becoming Chairman of the board of directors two years later. He is the author of numerous pamphlets and articles on governmental and railroad problems, especially those connected with governmental regulation of railroads.

It became known on the 9th inst. that Max May had been temporarily relieved of his duties as Vice-President and head of the foreign exchange department of the Guaranty Trust Co. of New York for the duration of the war. The board of directors of the Guaranty Trust, it is stated, took this action at Mr. May's request, and it is understood that after the war he will be asked to resume his services at the bank. Mr. May, who is regarded as one of the most capable foreign exchange experts in the country, is a German by birth, but is a naturalized American citizen, having lived in the United States during the last twenty-five or thirty years. Owing to his German origin, however, it was thought best, it is stated, not only by the directors of the company, but by Mr. May himself, that he sever official relationship with the bank to avoid any possible outside criticism.

The executive committee of the Guaranty Trust Co. of this city has re-appointed Sigmund Metz an Assistant Manager of the company's foreign department. Since May 1916 Mr. Metz has been the South American representative of the institution, being stationed in Buenos Aires. He returned from there only a few days ago. Mr. Metz was born in Amsterdam, Holland, in 1885. He was graduated from the Commercial College of Amsterdam and entered the employ of an export and import house. A year later Mr. Metz went to London, where for seven years he was connected with the Swiss Bank (now the Swiss Bank Corporation). He returned to Amsterdam as the representative of a prominent New York banking concern, serving in that capacity for six years. In December 1915 Mr. Metz became associated with the Guaranty. He was appointed Assistant Manager of the company's foreign department in March 1916 and a few months later was made its representative in South America.

Joseph Epes Brown, for fifty-four years associated with the banking house of Blake Brothers of Wall Street, a member of the Stock Exchange from 1876 to 1916, died Jan. 17, at his home at No. 123 Remsen St., Brooklyn, in his seventy-fourth year. Mr. Brown was a prominent figure in financial, social and religious circles. He began his business life when he was twenty years old and was active in many walks of life. His benevolences were many. He was born in Boston in 1843, the descendant of old New England ancestry. He began his business career with Blake Brothers in Boston as an accountant. In 1875 he was transferred to this city as a partner of the firm and was for twenty-five years senior member of the firm, until he retired in 1917.

Mr. Brown was a director of the Canada Southern Ry., a trustee and director of the Franklin Trust Co., a trustee of and Vice-President of the South Brooklyn Savings Institute,

a member of the Downtown Club, the Hamilton Club, American Lloyds, and the Long Island Historical Society. He was connected with the Church of the Pilgrims from the time of the Rev. Dr. Storrs's incumbency to the present time, and was a deacon there, and a superintendent of its Mission Sunday School. He was also a trustee of the Long Island and Brooklyn hospitals.

The National Bank of Commerce in New York has issued a statement which discusses the American trade with New Zealand from the beginning of 1915 until the present time.

The Irving National Bank of this city has issued a pamphlet of "Practical Questions and Answers on the Trade Acceptance Method," which fully covers the points upon which the best authorities of the country are in substantial agreement. The bank will furnish the pamphlet to inquirers.

At the annual meeting of the stockholders of the Columbia Trust Co. of this city on Jan. 16, all the directors were re-elected with the exception of Henry Goldman, who declined re-election. He was succeeded on the board by Arthur Sachs of the firm of Goldman, Sachs & Co.

Three additions have been made to the executive staff of the Equitable Trust Co., of this city. Frank W. Black has been chosen Executive Manager of the Foreign Exchange Department; James J. Rogers has been appointed Assistant Manager of the Foreign Exchange Department, and J. J. Graeber, Jr., has been appointed an Assistant Secretary.

Three new trustees were elected to the board of the Fulton Trust Co., of this city, at the annual meeting on Jan. 16. Lewis Spencer Morris, of the firm of Morris & McVeigh, and Arthur D. Weekes, of the firm of Weekes Brothers, were elected for the term ending in January 1920, succeeding Henry Lewis Morris, deceased, and A. D. Weekes, Sr., retired, respectively. Charles M. Van Kleeck, was elected for the term ending in 1921, succeeding Frank S. Witherbee, deceased.

Eugene V. R. Thayer, President of the Chase National Bank of New York, has been elected a director of the Mercantile Trust & Deposit Co., of this city. H. D. Campbell, Secretary of the company, has been elected a Vice-President.

Crowell Hadden, President of the Brooklyn Savings Bank, has been elected a Vice-President of the Nassau National Bank of Brooklyn. Mr. Hadden, who has been a director of the Nassau National for some time, succeeds as Vice-President G. Foster Smith, who was elected to the Presidency.

Paul Armitage of Douglas, Armitage & McCann, and Harry F. Turtle of Turtle Brothers, have been elected to the directorate of the Fidelity Trust Co. of this city.

Benjamin D. Riegel, President of the Riegel Sack Co., has been elected a director of the Coal & Iron National Bank of this city.

William Pabst, formerly Cashier, and Arthur L. Burns, heretofore Assistant Cashier, of the Second National Bank of this city, have been elected Vice-Presidents. Charles W. Case, heretofore Assistant Cashier, has been chosen Cashier to succeed Mr. Pabst, and Edward H. Webb has been appointed Assistant Cashier.

Joseph M. Adrian has been elected Chairman of the Board of the German Exchange Bank of this city, and has been succeeded in the Presidency by Louis A. Fahs, heretofore Vice-President. Joseph Fray has been made First Vice-President, and Louis J. Adrian, formerly Assistant Cashier, has been elected Second Vice-President. George Kern remains as Cashier of the bank, and Harry Engel has been appointed Assistant Cashier.

The offices of the Bank of Cuba in New York have been removed from 1 Wall Street to 34 Wall Street. The bank, of which W. A. Merchant is President, has a capital of \$100,000. It began business in May 1916.

The stockholders of the Columbia Bank, of this city, at a meeting on Jan. 15 voted in favor of increasing the capital of the institution from \$300,000 to \$1,000,000. The new issue of stock has already been underwritten without cost or commission of any kind and will become effective on March 1. A 100% cash dividend has been declared to stockholders of record Jan. 15.

The Mercantile Bank of the Americas, of this city, has announced the opening of a new branch at Fernando, 2, Barcelona, Spain. This is the second European branch of the Mercantile Bank, it having already established a branch in Paris, France.

It was announced on Jan. 8 that the Sumitomo Bank, Limited, which recently obtained authority to open an agency in New York City, has taken a lease in the Singer Building, 149 Broadway, where it expects to open its offices about the middle of February. With the establishment of this agency, another long step toward closer commercial relations with the Far East will have been taken. The Bank is said to be one of the most influential banking institutions of Japan. Upon its incorporation in 1912, it took over the private bank of the Sumitomo family, which had been organized in 1871. Its capital and surplus amount to more than \$12,000,000 and it has total resources of more than \$127,000,000. Its head office is at Osaka, in Japan, and it operates 22 branches in the cities of Tokio, Yokohama, Kobe, Osaka and other Japanese cities, where most of the important foreign business of Japan is transacted. The Bank has already established branches in San Francisco and Seattle, besides Shanghai, Hankow and Bombay; and through the Sumitomo Bank of Hawaii, in Honolulu, it has extensive banking connections in the islands of the Pacific. The House of Sumitomo, of which Baron K. Sumitomo is now the head, besides controlling the Sumitomo Bank, Limited, is widely interested in copper mines and smelters, copper works, coal mines, steel works, cable and wire works and other manufacturing and industrial enterprises in Japan. Y. Yamashita, the Manager of the Sumitomo General Head Office, is now in this city as a member of the Japanese Finance Commission. S. Imamura and K. Ohdaira, representatives of the Bank, have been in this city since November last, engaged, with the assistance of Shearman & Sterling, counsel for the Bank, in making preparations for establishing an office and carrying on business. Mr. Imamura will remain as Agent in charge, and will have a competent corps of Japanese and American assistants.

At a meeting of the directors of the Irving Trust Co. of this city on Jan. 17 John Williams was elected Vice-President, George F. Gentes, Secretary and Treasurer; C. E. DuFresne and William Feick, Assistant Secretaries. Mr. Williams was formerly Secretary and Treasurer of the Irving Trust Co., and Mr. Gentes was formerly Assistant Cashier of the Philadelphia National Bank.

John H. Lascolles, for the past twenty-five years connected with the Marine National Bank, of Buffalo, N. Y., latterly as Vice-President, has been elected to the Presidency of the institution to succeed George F. Rand, who has become Chairman of the board. Emil Diffine, formerly Cashier of the Marine National, has been elected a Vice-President, and Merle H. Denison, heretofore Assistant Cashier, has been made Cashier to succeed Mr. Diffine. Edwin J. Voltz and Henry J. Beitz have been appointed new Assistant Cashiers.

At the annual meeting of the directors of the Farmers National Bank of Rome, N. Y., on Jan. 8, G. G. Clarabut, heretofore Cashier of the institution, was elected Active Vice-President, and was succeeded in the Cashiership by C. H. Simon, formerly Assistant Cashier. C. W. Williamson Jr., who, for the past five years has been connected with the Peoples National Bank, of Salem, N. Y., has been appointed Assistant Cashier of the Farmers National Bank of Rome, and will assume his new duties on or about Feb. 15. Mr. Clarabut, the newly elected Active Vice-President of the Farmers National, has been connected with that institution for thirty-five years, having commenced as messenger and working his way up through the various positions to that of Vice-President. Mr. Simon, the new Cashier of the Farmers National, has been in the employ of the bank for the past fourteen years. Edward Comstock is Presi-

dent of the Farmers National Bank of Rome, and W. L. Kingsley is a Vice-President.

The City Bank of Syracuse, N. Y., of which Arthur N. Ellis is President, has increased its capital from \$500,000 to \$1,000,000. The bank also has a surplus of \$500,000.

The Connecticut Savings Bank of New Haven announces the death on Jan. 14 of Elliott H. Morse, its Controller. Mr. Morse had been associated with the bank since 1863.

The consolidation of the First National Bank and the Yale National Bank of New Haven, Conn., under the name of the former institution, has been carried into effect, and the enlarged bank has begun operations. The officers of the bank are Thomas Hooker, Chairman of the board; John T. Manson, President; Pierce N. Welch, George F. Burgess and Edwin P. Root, Vice-Presidents; Frederick L. Trowbridge, Cashier; Robert S. Bradley, George S. Stirling and George E. Tester, Assistant Cashiers. The First National Bank, in a pamphlet announcing the consolidation of the two banks, says:

The First National Bank was one of the first national banks permitted to operate under the National Bank Act of Feb. 25 1863, and holds Charter No. 2. The Yale National Bank was founded Feb. 9 1853. It was then the Quinplac Bank, a State bank, but about eleven years later it became the Yale National Bank. For over fifty years these two banks have been prominent figures in Connecticut banking history. The new bank will be called the First National Bank of New Haven, Connecticut, and will operate in the building at 42 Church Street formerly occupied by the original First National Bank. The banking quarters of this building have been completely remodeled and re-equipped. The advantages of the merger are many. The total capital now amounts to \$1,000,000. Combining the accounts of both banks brings the deposits up to \$6,000,000. Having been active in this field over a long period of time, both banks have numerous valuable connections. These can now be utilized with far greater effectiveness than was ever possible when the banks were separate. Taken in its entirety, this merger is one of great value to New Haven in a financial way.

George W. Shephard, for several years check teller of the International Trust Co. of Boston, Mass., has been appointed an Assistant Treasurer.

William B. McSkimmon and Harry C. Dodge have been added to the directorate of the State Trust Co. of Boston, Mass.

George E. Hall, Vice-President and General Manager of the Boston Woven Hose & Rubber Co., has been elected a director of the Beacon Trust Co. of Boston, Mass. The directors of the Beacon Trust Co. at their meeting on Jan. 7 declared an extra dividend of 2%, payable on stock of record Jan. 7 1918.

George B. Bacon, Credit Manager of the Merchants' National Bank of Boston, Mass., has been elected a Vice-President of the institution.

Two new directors have been elected to the board of the Boylston National Bank of Boston, Mass. They are Charles M. Leonard of Leonard & Barrows, Middleboro, Mass., and Austin H. Decatur of Decatur & Hopkins Co., wholesale hardware dealers of Boston.

The following have been elected additional directors of the First National Bank of Boston, Mass.: Nathaniel Stevens, President of M. T. Stevens & Sons Co. of North Andover, Mass.; Frank J. Hale of the Saco-Lowell Shops; Albert B. Wells, Treasurer of the American Optical Co. of Southbridge, Mass., and Robert Amory of Amory, Browne & Co.

James Hulton Jr. has been elected a director of the Textile National Bank of Philadelphia, Pa., to succeed the late James D. Kelley. Leon L. Darling has been elected Vice-President and Cashier of the Textile National, and Oscar Vanselow has been elected Assistant Cashier.

William H. Harding, President of the Whitehall Portland Cement Co., has been elected a director of the Corn Exchange National Bank of Philadelphia, Pa., to succeed J. E. Baum, retired.

Charles C. Drueding has been elected a director of the Market Street National Bank of Philadelphia in place of Henry S. Paul Jr., deceased.

Harry C. Graham, President of the Graham Nut Co., has been elected a director of the Diamond National Bank of Pittsburgh, Pa., to succeed the late James P. McKinney.

Charles T. Crane was unanimously elected Chairman of the board of the Farmers & Merchants National Bank of Baltimore, Md., on Jan. 10, and has been succeeded as President by Carter G. Osburn, heretofore Vice-President.

R. Rossiter Rever, formerly Auditor of the National Bank of Baltimore, has been appointed Assistant Cashier. Mr. Rever was at one time connected with the old Commercial & Farmers National Bank and when this bank was consolidated with the National Bank of Baltimore in 1911, he went with the latter institution. He is well known in banking circles and for a number of years has been active in the affairs of the Baltimore Chapter, American Institute of Banking, and is a member of the Board of Governors. He is also a graduate of the Institute.

Carroll Van Ness, Vice-President of the Maryland Trust Co. of Baltimore, Md., has been elected to the directorate of the institution.

The directors, auxiliary board and officers of the Guardian Savings & Trust Co. of Cleveland, Ohio, on Wednesday evening Jan. 9 tendered a dinner to H. P. McIntosh Sr., Chairman of the Board of the bank, at the Hotel Winton. The event was in recognition of Mr. McIntosh's twenty years of service as President of the bank and his recent election to the Chairmanship of the board of directors. Former Judge W. B. Sanders acted as toastmaster. During the course of the evening H. C. Robinson, First Vice-President of the bank, on behalf of the hosts, presented Mr. McIntosh with a hand-wrought and hand-illuminated book picturing the progress of the Guardian Savings & Trust, and containing the signatures of his associates in the institution.

At the annual meeting of the Guardian Savings & Trust Co. on Jan. 9, H. V. Shulters, Secretary-Treasurer of the East Ohio Gas Co., was elected a member of the auxiliary board to succeed S. P. Shane, President of the Great Lakes Towing Co. Arthur F. Young, who has been connected with the trust department of the Guardian Savings & Trust, has been appointed an Assistant Secretary.

The stockholders of the Western German Bank of Cincinnati, Ohio, at their annual meeting on Jan. 9 took favorable action on three important matters relating to the bank's affairs. They unanimously decided to change the name of the bank from the Western German Bank to the Western Bank & Trust Co.; to become a member of the Federal Reserve system, and to increase the capital of the institution from \$375,000 to \$500,000.

Walter B. Beebe, formerly Vice-President of the Central National Bank of Columbus, O., has been elected to the Presidency of the institution to succeed C. Edward Born, who, as noted in these columns on Jan. 5, has resigned in order to devote his entire time to other business interests.

Philip L. Schneider, formerly Cashier of the National Bank of Commerce of Columbus, O., has been elected Vice-President and Manager, and William E. Rex, heretofore Assistant Cashier, has been elected Vice-President. Richard Patton, recently Assistant Cashier, has been promoted to Cashier to succeed Mr. Schneider. Edmund E. Fox has been appointed Assistant Cashier and Arthur J. Buehler has been chosen Auditor. The directors of the bank have added \$50,000 to the surplus account, making it \$150,000, with capital of \$200,000.

John Seibert has resigned as Chairman of the board of the Ohio National Bank of Columbus, O., because of ill health and advanced age, and has been succeeded by George J. Hoster. C. S. M. Krumm has been elected to the Ohio National directorate to succeed Mr. Seibert and G. Edwin Smith has also been elected a director of the bank to succeed C. Christian Born, who resigned on account of ill health. The old officers were all re-elected.

Four new directors have been elected to the board of the First & Old Detroit National Bank of Detroit, Mich. They are James E. Davidson, who succeeds his father, Captain James Davidson, and Joseph J. Crowley, head of Crowley

Bros. and of the firm of Crowley, Milner & Co.; Eugene W. Lewis of the Timken-Detroit Axle Co., and Joseph B. Schlotman, Treasurer of the Digestive Ferments Co. Charles H. Wagar, formerly General Teller of the First & Old Detroit National, has been appointed an Assistant Cashier.

Walter G. Toepel, formerly Cashier, and H. L. Chittendon, heretofore Credit Manager of the Peninsular State Bank of Detroit, Mich., have been elected Vice-Presidents. H. H. Ellerton, formerly Assistant Cashier, has been promoted to the Cashiership relinquished by Mr. Toepel, and Milton S. Webb has been appointed an Assistant Cashier.

Price McKinney of Corrigan, McKinney & Co. of Cleveland, O., and Robert W. Stewart, General Counsel of the Standard Oil Co. of Indiana, have been elected directors of the Continental & Commercial National Bank of Chicago, Ill. Reuben G. Danielson, formerly manager of the transit department of the Continental & Commercial National, has been appointed an Assistant Cashier.

The directors of the Union Trust Co. of Chicago, Ill., at their annual meeting on Jan. 8 transferred \$200,000 from undivided profits to surplus account, making the latter \$1,700,000. The bank has a capital of \$1,500,000. George A. Ranney, Secretary and Treasurer of the International Harvester Co., has been elected a director of the Union Trust Co. H. L. Benson, manager of the credit department of the Union Trust, has been given the title of Assistant Cashier.

Albert M. Tierney, who was connected with Graham & Sons Bank of Chicago, until it closed last year, has been chosen Cashier of the Market Trust & Savings Bank, of Chicago, to fill the vacancy caused by the resignation of J. H. Crosby, early in 1917. Since Mr. Crosby's resignation, Walter T. Larsen, Assistant Cashier, has acted as Cashier.

At the annual meeting of the stockholders of Greenebaum Sons Bank and Trust Company, of Chicago, held on Jan. 14, all of the officers and directors were re-elected. Frederic J. Greenebaum was elected Assistant Cashier, this being the only change.

Joseph Silyta has resigned as Cashier of the Kaspar State Bank, of Chicago, Ill., because of ill health, and has been succeeded by Emil F. Smrz.

The directors of the National Bank of the Republic, of Chicago, Ill., at their annual meeting on Jan. 8, conferred the title of First Vice-President and Manager on Vice-President William T. Fenton, who since the bank's inception more than a quarter of a century ago has been active in the management of its affairs. While John A. Lynch is President of the National Bank of the Republic, much of the work of direction falls to Mr. Fenton.

At the annual meeting of the directors of Noel State Bank of Chicago all the officers were re-elected. They are:

President, Joseph R. Noel,
Vice-President, James Davis,
Vice-President and Cashier, Frank W. Hausmann,
Assistant Cashier, H. O. Schwerdtfeger,
Assistant Cashier, James T. Perkins,
Chief Clerk, Victor A. Libretti (on leave for service in the U. S. Army),
Manager Mtg. & Bond Dept., Nicholas J. Reuland,
Chairman of the Board, Otto J. Hartwig.

At the annual meeting of the stockholders of Noel State Bank, held Jan. 14, all the directors were re-elected. Dec. 31 1917, \$25,000 was added to surplus, thereby increasing this fund to \$100,000, all of which has been earned. Profits for last year were \$37,892 which is 12.63% on the capital. For the fifth year 1% of the profits for the previous year were distributed among employees, according to the amount of salary received during the previous year and the length of service of each employee. Four of the officers and employees enlisted in the Army. This bank was the thirteenth Chicago State bank or trust company to join the Federal Reserve system.

The board of directors of the Fort Dearborn Trust and Savings Bank, of Chicago, at their last meeting elected Frank M. Forrey Secretary and Trust Officer. Mr. Forrey was born in Cambridge City, Indiana, Nov. 1 1859, and

went to Chicago with his parents in 1865. His first position in the financial world was with the Central National Bank of Chicago in 1875, where he was employed as clearing house and exchange clerk, and has been connected with the larger banking institutions up to the present time, having been connected with the State Bank of Chicago for seventeen years, filling positions of trust in various capacities. For the past seven years Mr. Forrey has been Manager of the Credit Department of the Fort Dearborn National Bank.

A. R. Fay of Swift & Co. of Chicago has been elected a Vice-President of the South Side State Bank, and George B. Robbins, Vice-President of Armour & Co. of Chicago, has been elected Chairman of the Board. At a previous meeting Isaac N. Powell of Powell, Garard & Co. was elected a Vice-President to succeed the late C. H. Randle.

Congratulations have been pouring in from all sections of the country to R. Frank Newhall, whose election as Cashier of the First National Bank of Chicago was noted in these columns last Saturday. Mr. Newhall's banking career is a splendid example of the "First's" system of promotion and the man's ability to "make good." Born at Florence, Kan., in 1874, he finished his schooling at the Newton, Kan., high school and entered the employ of the bank in 1892. After serving in various capacities on the bank's clerical staff, he was elected in January 1912 Assistant Cashier of Division "F" of the bank's official organization, which handles the accounts of banks and bankers. Last week he was elected Cashier, retaining his connection with Division "F." Mr. Newhall's activities have not been confined to inside work. He has been a regular attendant at many of the conventions of the various bankers' associations and is particularly well-known in his native State and throughout the West.

After having entered and robbed the Army Bank at Camp Funston, Kansas, of over \$62,000, and having murdered four men and seriously wounded another, who were in the bank at the time of the burglary, Captain Lewis R. Whisler of Camp Funston committed suicide on Jan. 12. The four men killed were C. Fuller Winters, Vice-President of the National Reserve Bank of Kansas City, Mo., of which the Army Bank at Camp Funston is a branch; John W. Jewell of Springfield, Mo., editor of the Camp Funston paper; Carl Ohleson, a contractor of Kansas City, and O. M. Hill, a clerk in the bank. Kearney Wornall, Cashier of the Army Bank, was seriously wounded. The robbery and murder took place at 7:30 p. m. on Jan. 12, according to Wornall, the only surviving witness. The door of the bank was unlocked, according to dispatches from Camp Funston on Jan. 12, and for this reason Captain Whisler easily gained entrance to the bank. Walking around the counter, it is said, he drew an automatic pistol and told the men he was "short in his accounts," and believed that this was the "best bet" to remedy it. Wornall says that the officer's remarks were treated as a joke until he took an ax from under his overcoat and struck Mr. Winters with its flat side. All of the men were then forced to lie face down on the floor, while Whisler selected money, mostly bills of large denomination, and threw them into a sack. Wornall says he then was forced to get up and bind the other men. His own hands then were tied by the officer and all of the five men were gagged. Here, says the staff officer who reported Wornall's statement, the Cashier's mind is blank, and he recalls nothing that happened until he became conscious in an ambulance on the way to the hospital. The discovery of the robbery of the bank was made by a sentry, who found Wornall wandering near the bank. He gave the alarm and shortly afterwards an order was issued at headquarters calling upon all company commanders to report at once. Captain Whisler at the time of the issuance of the order was attending a class in French. Believing detection to be at hand, he went to his quarters and there shot himself to death. Captain Whisler's home was in Salina, Kansas. His parents live in Goodland, Kan. He was divorced from his wife and had a son 14 years old. Captain Whisler fought in the Spanish-American war and upon the entrance of the United States into the present war entered the officers' training camp at Fort Riley, Kansas, and was commissioned Captain. He was 36 years old. Announcement was made at Division Headquarters at Camp Funston on Jan. 15 that an official check of the funds of the Army Bank revealed that Captain

Whisler stole \$62,826 21. It is said that no trace of the missing money has been found. William Huttig of Kansas City, Mo., President of the National Reserve Bank of that city, of which the Army Bank was a branch, announced through Divisional Headquarters at Camp Funston on Jan. 15 that the money would be replaced by him, as owner of the bank, and that he already had made good on deposits of \$50,000.

The Comptroller of the Currency has approved a change in the title of the German-American National Bank of Little Rock, Ark., to the American National Bank. The American National has a capital of \$750,000, and on Nov. 20 last reported gross deposits of \$3,637,307.

Two new Vice-Presidents and three Assistant Cashiers have been added to the executive staff of the Union National Bank of Louisville, Ky., because of the rapid growth in the bank's business. A. B. Davis, heretofore Cashier, and J. H. Waterfill, formerly Assistant Cashier and manager of the new business department, are the new Vice-Presidents. Mr. Davis, who previous to becoming Cashier of the Union National last year, was Secretary of the Kentucky Bankers Association, has been succeeded in the Cashiership by J. H. Mershon, formerly Assistant Cashier and office manager. The three newly appointed Assistant Cashiers are E. B. Daumont, heretofore Auditor; C. A. Rodman, formerly discount clerk, and S. C. Liga, formerly a teller. Other officers of the Union National Bank are J. D. Stewart, President, and F. M. Gettys and W. R. Cobb, Vice-Presidents. The Union National has a capital of \$500,000, surplus and profits of \$607,047 and deposits of \$10,671,920.

The First National Bank of Pell City, Ala., of which McLane Tilton Jr., the well-known banker, is President, has been placed in voluntary liquidation, and will reorganize under the name of the Union State Bank of Pell City. There will be no change, it is stated, in the bank's executive staff or in its capital or surplus.

Charles Gordon Carroll of Baltimore, the Southern representative of the New York banking firm of R. M. Grant & Co., has been appointed on the Liberty Loan organization by the Treasury Department at Washington. Mr. Carroll will have his headquarters at the Federal Reserve Bank of Atlanta, Ga.

At the election of officers of the Hibernia Bank & Trust Co. of New Orleans, the following changes were made: Charles Palfrey was made Vice-President; Paul Villere, Cashier, and William F. Tutt, Assistant Cashier. Mr. Palfrey, who would have celebrated next month his thirty-sixth anniversary as Cashier of the Hibernia Bank, and who has been promoted to a Vice-Presidency, is one of the oldest bankers in point of service in New Orleans, and is undoubtedly one of the best known bankers in Louisiana. Mr. Villere has been continuously connected with the Hibernia Bank and its predecessors since 1894 and has filled practically every position in the bank. He was made Assistant Cashier in 1907 and has now been promoted to the Cashiership. Mr. Tutt became connected with the Hibernia Bank in 1905, when he resigned his position as Secretary-Treasurer of the Louisiana Tobacco Co., and after filling various positions in the bank, has been note teller for the past several years. He is now promoted to an Assistant Cashiership. John J. Gannon, President, Hugh McCloskey, R. W. Wilmot, L. M. Pool and R. S. Hecht, Vice-Presidents, and all other officers were re-elected.

O. Ellinghouse, formerly Cashier, and F. O. Cooke, recently Assistant Cashier, of the Mercantile National Bank of San Francisco, Cal., were elected Vice-Presidents of the bank, at the annual meeting on Jan. 8. Thomas H. Paterson, heretofore Assistant Cashier, has been chosen Cashier and Secretary; John C. Boyey has been appointed Assistant Cashier and Assistant Secretary, and Allen Knight has been appointed Assistant Secretary. The reports presented at the annual meeting indicate that the bank enjoyed a prosperous year during 1917. The capital and surplus of the Mercantile National Bank is \$3,000,000. The capital of the Mercantile Trust Co. of San Francisco (which is owned by the stockholders of the Mercantile National) is \$1,000,000 additional.

George O. Bordwell has resigned as Cashier of the Federal Reserve Bank of San Francisco to become Auditor of the Bank of Italy, of San Francisco, Cal. Mr. Bordwell was for many years Chief Clerk and Auditor of the First National Bank of San Francisco, prior to the establishment of the San Francisco Reserve Bank in 1914. E. C. Aldwell, heretofore Auditor of the Bank of Italy has taken charge of the institution's loan department as senior Assistant Cashier.

At the annual meeting of the Anglo & London Paris National Bank, San Francisco, Challen R. Parker and H. Choyinski, Cashier and Assistant Cashier, respectively of this institution, were elected to Vice-Presidencies—Mr. Parker retaining the Cashiership as well, for the present.

ENGLISH FINANCIAL MARKET—PER CABLE.

The daily closing quotations for securities, &c., at London, as reported by cable, have been as follows the past week:

London,	Jan. 12,	Jan. 13,	Jan. 14,	Jan. 15,	Jan. 16,	Jan. 17,	Jan. 18—
Week ending Jan. 18.	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.	
Silver, per oz.....d.	45 1/4	45 1/4	44 3/4	44 1/4	44 1/4	44 1/4	44 1/4
Consols, 2 1/2 per cents.....	Holiday	55 1/4	55 1/4	55 1/4	55	55	55
British, 5 per cents.....	Holiday	93 1/4	93 1/4	93 1/4	93 1/4	93 1/4	93 1/4
British, 4 1/2 per cents.....	Holiday	99 1/4	99 1/4	99 1/4	99 1/4	99 1/4	99 1/4
French Rentes (in Paris).....fr.	58.25	58.25	58.25	58.25	58.25	58.25	58.25
French War Loan (in Paris).....fr.	83.45	83.50	83.50	83.55	83.55	83.55	83.55

The price of silver in New York on the same days has been:

Silver in N. Y., per oz.....cta.	90 1/4	90 1/4	89 3/4	89 3/4	89 3/4	89 3/4	89 3/4
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TRADE AND TRAFFIC MOVEMENTS.

ANTHRACITE COAL SHIPMENTS.—The shipments of anthracite coal in December 1917, as reported to the Anthracite Bureau of Information at Philadelphia, Pa., amounted to 5,698,945 tons, as compared with 5,582,747 tons in December 1916, an increase of 116,198 tons. "This is a remarkable showing," states the official report, "when the difficulties encountered as a result of the recent unusually severe cold weather are considered. The weather affected seriously all of the varied working conditions in and about all the mines, and some had to suspend operations entirely." The total movement for the year 1917 aggregated 77,133,305 tons, establishing a new record, and exceeding the amount sent to market in 1916 by 9,756,941 tons and that of 1911, the previous record year, by 7,179,006 tons. In the following we compare the shipments by the various carriers for December 1917 and 1916 and for the years ending Dec. 31:

	December		Jan. 1 to Dec. 31—	
	1917.	1916.	1917.	1916.
Philadelphia & Reading.....tons.	1,101,919	1,040,643	14,910,240	12,942,731
Lehigh Valley.....	995,102	964,007	13,669,507	12,056,078
Central Railroad of New Jersey.....	600,694	690,254	8,286,640	7,135,544
Delaware Lackawanna & Western.....	964,780	953,565	12,409,120	10,638,500
Delaware & Hudson.....	584,234	591,874	8,633,716	7,095,297
Pennsylvania.....	447,739	449,052	5,610,846	5,841,475
Erie.....	659,396	634,190	8,541,894	7,718,099
New York Ontario & Western.....	167,814	147,007	2,010,724	1,945,030
Lehigh & New England.....	*187,267	*202,155	*2,560,618	*2,103,620
Total.....	5,698,945	5,582,747	77,133,305	67,376,364

*After deducting (to avoid duplication) tonnage delivered to the Central Railroad of New Jersey at Hauto by the Lehigh & New England RR. and included as part of the tonnage of the latter. This amounted to 100,842 tons in December 1917 (against 73,174 tons in December 1916), and to 1,388,554 tons for the 12 months ending Dec. 31 1917; in 1916 this tonnage was included from June 1 only and amounted to 550,344 tons for the 7 months ending Dec. 31 1916.

Commercial and Miscellaneous News

STOCK OF MONEY IN THE COUNTRY.—The following table shows the general stock of money in the country, as well as the holdings by the Treasury and the amount in circulation on the dates given.

—Stock of Money Jan. 1 '18—Money in Circulation—
In U. S. as held in Treas. Jan. 1 1918. Jan. 1 1917.

	\$	\$	\$	\$
Gold coin (incl. bullion in Treasury).....	3,040,439,343	212,230,098	6972,561,266	679,702,890
Gold certificates b.....			1,096,860,344	1,660,030,029
Standard silver dollars.....	868,269,513	16,300,521	77,869,853	72,330,864
Silver certificates b.....			472,191,576	476,795,613
Subsidiary silver.....	218,226,379	1,791,850	216,434,729	190,171,320
Treasury notes of 1890.....			1,908,063	2,035,188
United States notes.....	346,681,016	8,781,228	337,899,788	341,271,554
Federal Reserve notes.....d.	1,350,764,025	23,677,065	1,227,243,190	298,013,235
Federal Reserve bank notes	12,605,165	69,240	12,535,925	11,764,495
National bank notes.....	719,212,630	14,292,456	704,920,174	708,817,446
Total.....	6,256,198,271	277,043,358	5,120,424,908	4,440,932,634

Population of continental United States estimated at 105,006,000. Circulation per capita, \$48.76.

a This statement of money held in the Treasury as assets of the Government does not include deposits of public money in Federal Reserve banks, and in national banks and special depositories to the credit of the Treasurer of the United States, amounting to \$843,994,142.

b For redemption of outstanding certificates and Treasury notes of 1890 an exact equivalent in amount of the appropriate kinds of money is held in the Treasury, and is not included in the account of money held as assets of the Government.

c Includes \$299,843,787 50 Federal Reserve Gold Settlement Fund deposited with Treasurer United States.

d Does not include Federal Reserve notes held by Federal Reserve banks.

Note.—On Jan. 1 1918 Federal Reserve banks and Federal Reserve agents held against Federal Reserve notes \$312,489,095 gold coin and bullion and \$246,297,230 gold certificates, and \$99,943,770 Federal Reserve notes, a total of \$858,730,095, against \$272,582,451 on Jan. 1 1917.

GOVERNMENT REVENUE AND EXPENDITURES.
—The details of Government receipts and disbursements for December 1917 and 1916 and for the six months of the fiscal years 1917-18 and 1916-17 are as follows:

Receipts—	Dec. 1917.	Dec. 1916.	6 Mos. 1917.	6 Mos. 1916.
Ordinary—				
Customs	11,247,214 10	17,205,032 71	83,739,324 35	102,794,503 63
Ord'y internal rev.	61,425,075 02	34,074,339 98	329,364,144 25	204,241,607 99
Income tax	13,725,634 51	6,030,749 50	46,187,785 36	20,236,777 99
Miscellaneous	18,034,677 89	5,880,104 88	107,819,527 28	35,232,518 57
Total	104,432,502 12	62,190,237 07	567,110,781 24	362,505,308 18
Panama Canal—				
Tolls &c	626,568 30	528,304 35	2,430,886 82	2,535,419 22
Public Debt—				
*First Liberty L n bonds	10,094,233 43		523,350,193 17	
*Second Liberty Loan bonds	709,157,807 13		3,401,074,617 21	
Cfts. of Indebt.	691,622,000 00		3,462,115,000 00	
War Savings and Thrift stamps	10,236,451 32		10,236,451 32	
Sale of Postal Savings bonds			718,800 00	906,700 00
Depos. for purch. of 1-Yr. Treas. Notes &c.			9,849,000 00	
Depos. for red'nt of nat. bk. notes & Fed. Reserve bank notes b...	613,867 50	6,039,445 00	2,284,860 00	19,655,320 00
Total	1,421,724,349 43	6,039,445 00	7,410,228,921 70	20,562,020 00
Grand total rec'ed	1,526,783,419 85	68,757,976 42	7,979,770,589 76	385,802,747 40
Disbursements—				
Ordinary—				
Checks & warrants paid (less bal. repaid, &c.)	594,718,375 80	80,792,928 34	2,393,117,038 77	471,569,448 53
Int. on public debt paid	16,579,049 82	459,243 31	27,927,518 99	11,530,105 19
Total	611,297,425 62	81,252,171 65	2,421,044,557 76	483,099,553 72
Special—				
Panama Canal: Checks paid (less bal. rep'd, &c.)	1,914,433 70	1,560,048 01	9,634,007 41	9,140,699 18
Purch. of obligat'ns of foreign govts.	493,914,433 70		2,771,129,750 00	
Total	1,435,929,477 97	2,893,254 50	3,092,419,382 67	19,278,272 50
Grand total disbursements	2,541,141,337 29	85,705,474 16	3,294,228,297 84	511,518,525 40
Excess of total disbursements over total receipts	1,014,357,914 44	18,947,497 74	314,457,708 08	125,915,778 00

* Includes accrued interest receipts. a Sec. 18, Federal Reserve Act, approved Dec. 23 1913. b Acts of July 14 1890 and Dec. 23 1913. c Includes interest paid.

National Banks.—The following information regarding national banks is from the office of the Comptroller of the Currency, Treasury Department:

APPLICATIONS FOR CHARTER.

For organization of national banks:	
The First National Bank of McAllen, Texas. Capital	\$50,000
The First National Bank of Vernon, Cal. Capital	25,000
The First National Bank of Fort Pierce, Fla. Capital	25,000
The First National Bank of Gridley, Cal. Capital	40,000
To succeed the Gridley State Bank.	
The Citizens' National Bank of Ashville, Ohio. Capital	50,000
To succeed the Citizens' Bank of Ashville.	
For conversion of State banks:	
The First National Bank of Manning, S. C. Capital	25,000
Conversion of the Peoples Bank of Manning.	
The First National Bank of Mansfield, Ark. Capital	25,000
Conversion of the People's Bank of Mansfield.	
First National Bank of Reidsville, N. C. Capital	100,000
Conversion of the Rockingham Savings Bank & Trust Co. of Reidsville, N. C.	
Total	\$340,000

INCREASES OF CAPITAL APPROVED.

The Citizens National Bank of Roswell, N. M. Capital increased from \$100,000 to \$200,000. Increase	\$100,000
The Whitman County National Bank of Rosalia, Wash. Capital increased from \$40,000 to \$50,000. Increase	10,000
The Yakima National Bank of North Yakima, Wash. Capital increased from \$50,000 to \$100,000. Increase	50,000
The First National Bank of Kingsburg, Cal. Capital increased from \$25,000 to \$50,000. Increase	25,000
The City National Bank of Gloversville, N. Y. Capital increased from \$200,000 to \$500,000. Increase	300,000
The First National Bank of New Haven, Conn. Capital increased from \$500,000 to \$1,000,000. Increase	500,000
The First National Bank of Creedmoor, N. C. Capital increased from \$25,000 to \$50,000. Increase	25,000
The Freedom National Bank, Freedom, Pa. Capital increased from \$100,000 to \$175,000. Increase	75,000
The First National Bank of Filer, Idaho. Capital increased from \$25,000 to \$50,000. Increase	25,000
The First National Bank of Columbus, Neb. Capital increased from \$50,000 to \$70,000. Increase	20,000
The Okemah National Bank, Okemah, Okla. Capital increased from \$30,000 to \$60,000. Increase	30,000
Total	\$1,160,000

REDUCTIONS OF CAPITAL APPROVED.

The Martindale National Bank, Martindale, Texas. Capital decreased from \$50,000 to \$25,000. Decrease	\$25,000
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CHANGES OF TITLE.

The German National Bank of Cincinnati, Ohio, to "The Lincoln National Bank of Cincinnati."
The German National Bank of Newport, Ky., to "The American National Bank of Newport."
The German National Bank of Little Rock, Ark., to "The American National Bank of Little Rock."

The German-American National Bank of St. Joseph, Mo., to "The American National Bank of St. Joseph."
The Albany County National Bank of Laramie City, Wyo., to "The Albany National Bank, Laramie."
The Tootle-Lennon National Bank of St. Joseph, Mo., to "The Tootle-Lacy National Bank of Saint Joseph."
The German National Bank of Vincennes, Ind., to "The American National Bank of Vincennes."
The First-Second National Bank of Pittsburgh, Pa., to "First National Bank at Pittsburgh."
The German National Bank of Covington, Ky., to "The Liberty National Bank of Covington."
First National Bank of Commerce of Hattiesburg, Miss., to "First National Bank of Hattiesburg."

VOLUNTARY LIQUIDATIONS.

To consolidate with other national banks:	
The Yale National Bank of New Haven, Conn. Capital	\$500,000
Liquidating Agent, J. T. Manson, New Haven. Consolidated with the First National Bank of New Haven.	
To consolidate with other national banks:	
The St. Clair National Bank of Freedom, Pa. Capital	\$75,000
Consolidated with the Freedom National Bank, Freedom, Pa., which is acting as liquidating agent.	
Other liquidations:	
The Citizens' National Bank of Middletown, Del. Capital	80,000
Absorbed by the Delaware Trust Company of Wilmington, Del.	
The Citizens' National Bank of Cisco, Texas. Capital	25,000
Liquidating agent, D. K. Scott, Cisco. Succeeded by the Guaranty State Bank & Trust Co. of Cisco.	
The First National Bank of Pell City, Ala. Capital	25,000
Liquidating agent, McLane Tilton, Jr., Pell City. Succeeded by the Union State Bank of Pell City.	
Total	\$705,000

Canadian Bank Clearings.—The clearings for the week ending Jan. 10 at Canadian cities, in comparison with the same week in 1917, show an increase in the aggregate of 12.2%.

Clearings at—	Week ending January 10				
	1918.	1917.	Inc. or Dec.	1916.	1915.
Canada—	\$	\$	%	\$	\$
Montreal	81,126,310	77,295,725	+5.0	70,582,999	43,810,979
Toronto	64,395,261	63,347,095	+1.7	46,100,863	34,714,866
Winnipeg	46,670,378	39,296,273	+18.8	35,153,945	24,345,032
Vancouver	9,721,322	6,676,371	+45.6	5,160,652	5,220,839
Ottawa	6,008,899	4,735,863	+26.9	3,848,144	3,479,512
Quebec	4,139,220	3,646,026	+13.5	3,470,810	2,944,488
Halifax	3,918,930	3,354,896	+16.4	2,797,282	1,969,815
Hamilton	5,325,504	4,496,504	+18.4	3,277,209	2,522,254
St. John	2,517,818	2,002,859	+25.7	1,592,485	1,628,817
Calgary	7,981,649	4,054,226	+71.5	3,732,288	2,867,873
London	3,208,418	3,428,671	-31.9	2,001,325	1,616,963
Victoria	2,103,000	1,532,701	+37.3	1,363,857	1,645,013
Edmonton	4,619,571	3,044,018	+51.7	2,163,449	2,033,503
Regina	4,317,281	3,040,875	+42.0	2,325,165	1,284,251
Brandon	600,000	529,456	+13.3	552,306	399,238
Lethbridge	812,548	761,906	+6.7	437,903	334,613
Saskatoon	2,018,000	1,701,090	+18.6	1,134,518	753,060
Branford	922,676	747,352	+23.4	608,773	484,515
Manoos Jaw	1,456,000	1,458,938	-0.2	981,643	672,518
Port William	789,976	631,323	+25.0	403,227	347,412
New Westminster	390,330	259,448	+50.5	217,666	262,636
Medicine Hat	534,658	512,947	+4.2	293,025	219,699
Peterborough	746,846	545,066	+36.1	602,297	407,935
Sherbrooke	732,032	570,872	+28.6		
Kitchener	621,417	604,423	+2.8		
Total Canada	255,663,368	227,888,829	+12.2	188,702,216	133,966,221

Auction Sales.—Among other securities, the following not usually dealt in at the Stock Exchange, were recently sold at auction in New York, Boston and Philadelphia:

By Messrs. Adrian H. Muller & Sons, New York:

Shares, Stocks.	Per cent.	Shares, Stocks.	Per cent.
100 Internat. Motor Co., com.	3 1/2	50,000 Neco Nat. Oil Land & Mining, Ltd., of Mexico	\$200 lot
500 Everett, Heaney & Co., \$21 per sh.			

By Messrs. Millett, Roe & Hagen, Boston:

Shares, Stocks.	\$ per sh.	Shares, Stocks.	\$ per sh.
1 Bigelow-Hartf., Carpet, pref.	81	1 Hood Rubber, pref.	98 1/2
112 Booth Mills, common	83-83 1/2	10 Lowell Bleachery	138
1 Berkshire Cotton Mfg.	175	3 Plymouth Cordage	185

By Messrs. R. L. Day & Co., Boston:

Shares, Stocks.	\$ per sh.	Shares, Stocks.	\$ per sh.
3 First National Bank, Clinton	110	1 Hood Rubber, preferred	97
33 Hill Manufacturing	78	4 Essex Company, \$50 each	156
12 Booth Mills, common	85	1 Lowell & Andover RR.	81 1/2
10 Draper Corporation	111 1/4	1 Boston Wharf	80 1/2
20 Ginter Grocery, pref., \$10 each	9 1/2	1 N. Boston Lt. & Rys., pref.	70 1/2
50 Dunkin Mining, \$1 each	100.		

By Messrs. Barnes & Lofland, Philadelphia:

Shares, Stocks.	\$ per sh.	Shares, Stocks.	\$ per sh.
4 Provident Life & Trust	425	1 Philadelphia Trust	800
7 Lehigh Val. Coal Sales, \$50 ea.	84	10 Tenth National Bank	120
5 Peoples Nat. Bank, Langhorne	225	20 Phila. Warehousing & C. S.	80
2 1st Nat Bank, Trenton	209-212	10 Independence F. I. Security, \$25 each	30
7 Mechan. Nat. Bank, Trenton, \$50 each	261	10 Camden & Burl. Co. Ry., \$25 each	28
13 Trenton Banking Co., \$50 ea.	108 1/2	250 Kentucky Securities, common	25
14 Farmers Nat. Bank of Bucks Co., \$15 each	60		
5 Yardley Wat. & Pow., \$20 ea.	25		
1 Yardley (Pa.) Nat. Bank	148		
400 Butterfly-Terrill Gold Mfg., \$6 lot			
30 Taxi Service Co. of Phila., pref.	15		
11 Stanley Realty, \$10 each	\$2 lot		
14 Phila. Bourse, com., \$50 ea.	5 1/2-5 3/4		
13 German Theatre Realty, \$10 ea.	3		
1 Commercial Trust	400		

DIVIDENDS.
The following shows all the dividends announced for the future by large or important corporations.

Dividends announced this week are printed in italics.

Name of Company.	Per Cent.	When Payable.	Books Closed. Days Inclusive.
Railroads (Steam).			
Alabama Great Southern, preferred	\$1.50	Feb. 21	Holders of rec. Jan. 21a
Preferred (extra)	25c	Feb. 21	Holders of rec. Jan. 21a
Ath. Topeka & Santa Fe, com. (quar.)	1 1/2	Mar. 1	Holders of rec. Jan. 31a
Athelston Topeka & Santa Fe, pref. (No. 39)	2 1/2	1	Holders of rec. Dec. 31a
Baltimore & Ohio, common	2 1/2	Mar. 1	Holders of rec. Jan. 19a
Preferred	2	Mar. 1	Holders of rec. Jan. 19a
Canada Southern	1 1/2	Feb. 1	Holders of rec. Dec. 31a
Central Railroad of New Jersey (quar.)	2	Feb. 1	Holders of rec. Jan. 26a
Chicago St. Paul Minn. & Omaha, com.	2 1/2	Feb. 20	Holders of rec. Feb. 1a
Preferred	3 1/2	Feb. 20	Holders of rec. Feb. 1a
Clev. Cin. Chic. & St. Louis, pref. (qu.)	1 1/4	Jan. 21	Holders of rec. Dec. 31a
Cuba RR., pref. (payable in scrip)	6 1/2	Feb. 1	Holders of rec. Jan. 26
Delaware & Hudson Co. (quar.)	2 1/4	Mar. 20	Holders of rec. Feb. 26a

Member Banks of the Federal Reserve System.—Following is the fourth of a new series of weekly statements issued by the Federal Reserve Board giving the principal items of the resources and liabilities of the Member Banks and dated Jan. 4. Definitions of the different items contained in the statement were given in the weekly statement issued under date of Dec. 14 1917 and which was published in the "Chronicle" of Dec. 29 1917, page 2523.

STATEMENT SHOWING PRINCIPAL RESOURCE AND LIABILITY ITEMS OF MEMBER BANKS LOCATED IN CENTRAL RESERVE, RESERVE AND OTHER SELECTED CITIES AS AT CLOSE OF BUSINESS JANUARY 4, 1918.

Reports from 640 member banks (as against 630 banks heard from the week before) showing their condition as at close of business on Jan. 4, indicate a total of 11,234 millions of loans and investments and of 10,697 of aggregate net deposits, including Government deposits, the ratio of the former item to the latter being 105%. Loans and investments of the New York City banks totaled 4,393 millions, an increase for the week of about 19 millions, while aggregate deposits of these banks are given as 4,363 millions, or about 13 millions less than the week before. The ratio of loans and investments to total deposits of the New York City banks is 100.7, as against 99.8 shown the week before.

Reserve with the Federal Reserve banks and cash in vault of all reporting banks aggregate 1,626 millions, an increase for the week of about 53 millions. For the New York banks the corresponding figure is 687 millions, which is 23 millions below the total shown the week before. The ratio of combined reserve and cash in vault to total net deposits of all reporting banks is about 15.2%, as against 15.7% for the New York City banks.

Aggregate holdings of U. S. securities are shown as 1,013 millions, an increase for the week of about 122 millions, while like holdings of the New York City member banks increased by 72 millions. Of this total of over 1 billion of Government securities held by all reporting members less than 275 millions represents the amount of United States bonds deposited with the Treasurer of the United States to secure circulation, the remainder being largely Liberty bonds and U. S. certificates of indebtedness.

As the total of U. S. bonds held by the U. S. Treasurer is slightly in excess of 700 millions, it is evident that the national banks in the smaller cities hold over 60% of the circulation bonds. No inference should be drawn from the above figures regarding the total amount of Liberty Loan securities held by the banks of the country. Aggregate loans secured by U. S. securities are reported as 423 millions, or 35 millions larger than the week before. About 55% of these loans are reported by the New York banks, the amount shown being 42 millions in excess of the total shown the week before.

1. Data for all reporting banks in each district. Two ciphers (00) omitted.

Member Banks.	Boston.	New York.	Phila.	Cleveland.	Richmond.	Atlanta.	Chicago.	St. Louis.	Minneapolis.	Kan. City.	Dallas.	San Fran.	Total.
Number of reporting banks...	35	90	45	75	68	35	87	29	18	69	40	43	640
U. S. securities owned.....	\$ 29,623.0	\$ 506,112.0	\$ 30,484.0	\$ 113,954.0	\$ 48,329.0	\$ 31,584.0	\$ 75,572.0	\$ 44,573.0	\$ 10,927.0	\$ 33,795.0	\$ 30,081.0	\$ 56,645.0	\$ 1,013,779.0
Loans sec. by U. S. bonds & etc.	42,583.0	268,572.0	21,982.0	20,797.0	11,294.0	2,304.0	34,890.0	8,544.0	2,607.0	3,431.0	5,580.0	5,580.0	423,832.0
All other loans & investments.....	693,409.0	4,102,273.0	579,992.0	900,485.0	120,517.0	203,340.0	1,324,186.0	342,051.0	183,445.0	449,573.0	192,800.0	609,992.0	9,797,557.0
Reserve with Fed. Res. Bank.....	55,533.0	607,923.0	62,706.0	84,147.0	30,299.0	26,094.0	132,465.0	34,355.0	47,728.0	45,231.0	19,036.0	42,435.0	1,193,952.0
Cash in vault.....	23,681.0	135,192.0	23,218.0	49,904.0	21,786.0	15,885.0	73,447.0	15,897.0	15,069.0	19,995.0	14,422.0	24,142.0	432,698.0
Net demand deposits on which reserve is computed.....	535,830.0	4,231,809.0	551,599.0	654,471.0	258,180.0	206,493.0	981,751.0	273,459.0	8,681.0	373,676.0	194,560.0	359,747.0	8,660,256.0
Time deposits.....	75,755.0	329,441.0	18,326.0	302,364.0	54,720.0	68,610.0	329,899.0	67,652.0	157,466.0	44,092.0	24,056.0	88,833.0	1,460,927.0
Government deposits.....	41,077.0	248,588.0	38,205.0	69,727.0	14,835.0	2,290.0	78,728.0	11,250.0	40,127.0	16,609.0	8,470.0	15,017.0	575,923.0

2. Data for banks in each Central Reserve city, banks in all other Reserve cities and other reporting banks.

Two ciphers omitted.	New York.		Chicago.	St. Louis.	Total Central Res. Cities.		Other Reserve Cities.		Country Banks.		Total.	
	Jan. 4 '18.	Dec. 28 '17.	Dec. 28.	Dec. 28.	Jan. 4 '18.	Dec. 28 '17.	Jan. 4 '18.	Dec. 28 '17.	Jan. 4 '18.	Dec. 28 '17.	Jan. 4 '18.	Dec. 28 '17.
	\$ 56	\$ 56	\$ 37	\$ 14	\$ 107	\$ 107	\$ 393	\$ 377	\$ 140	\$ 146	\$ 640	\$ 630
Number of reporting banks.....	56	56	37	14	107	107	393	377	140	146	640	630
U. S. securities owned.....	\$ 462,200.0	\$ 390,479.0	\$ 34,446.0	\$ 22,066.0	\$ 518,712.0	\$ 436,283.0	\$ 388,291.0	\$ 359,538.0	\$ 106,776.0	\$ 95,805.0	\$ 1,013,779.0	\$ 891,626.0
Loans secured by U. S. bonds and certificates.....	245,169.0	203,821.0	21,109.0	7,333.0	273,611.0	231,934.0	127,225.0	131,629.0	22,999.0	24,805.0	423,832.0	388,268.0
All other loans & investments.....	3,636,579.0	3,781,147.0	852,753.0	247,832.0	4,787,169.0	4,660,749.0	4,319,817.0	4,169,519.0	690,571.0	753,779.0	9,797,557.0	9,674,047.0
Reserve with Fed. Res. Bank.....	571,354.0	692,840.0	96,468.0	30,715.0	698,540.0	712,117.0	416,529.0	399,942.0	78,883.0	49,764.0	1,193,952.0	1,161,823.0
Cash in vault.....	116,547.0	118,067.0	46,444.0	9,880.0	172,871.0	169,979.0	221,080.0	201,785.0	38,747.0	40,975.0	432,698.0	412,739.0
Net demand deposits on which reserve is computed.....	3,850,703.0	3,792,684.0	691,798.0	202,066.0	4,744,567.0	4,539,535.0	3,366,447.0	3,353,950.0	549,242.0	576,798.0	8,660,256.0	8,470,283.0
Time deposits.....	285,448.0	272,716.0	135,318.0	53,287.0	474,053.0	466,702.0	817,120.0	678,576.0	169,754.0	176,656.0	1,460,927.0	1,321,944.0
Government deposits.....	227,279.0	310,196.0	58,631.0	9,929.0	295,539.0	364,652.0	244,934.0	200,897.0	35,150.0	26,029.0	575,923.0	591,578.0

† Amended figures.

The Federal Reserve Banks.—Following is the weekly statement issued by the Federal Reserve Board on Jan. 12.

The Federal Reserve Board made public to-day its weekly bank statement as at close of business on Jan. 11 1918. Owing to interruption of telegraphic communication the statements for the Atlanta Reserve Bank, including its New Orleans branch, and for the St. Louis Reserve Bank, including its Louisville branch, failed to reach Washington and figures for Jan. 4 had to be repeated. For the other banks the comparative figures given represent their condition as at close of business on Jan. 4 and 11.

The statement indicates net liquidation of earning assets of about 14.6 millions, and an almost equal gain in cash reserve. For the first time since Jan. 26 1917 Federal Reserve notes in circulation show a substantial decrease for the week. Member banks' reserve deposits show an increase of 50.8 millions, which is, however, more than offset by net withdrawals of 70.5 millions of Government deposits.

New York reports an increase of 7.1 millions in reserve. Bills held by the bank decreased 11.6 millions while U. S. certificate holdings show a gain of 36 millions. The banks' net deposits increased 39.9 millions, while Federal Reserve notes in circulation declined 8.4 millions. For the Chicago bank an increase of 12.7 millions in reserve is shown, accompanied by net liquidation of 13 millions in total bills, an increase of 3.2 millions in net deposits and a reduction of 3.6 millions in Federal Reserve note circulation. Gains in reserves reported by the Boston, Philadelphia and San Francisco banks are due to liquidation of bills and to substantial changes of balances in account with other Federal Reserve banks. A decrease of 20.6 millions in reserve reported by the Cleveland bank goes hand in hand with a decrease of 26.1 millions in net deposits and an increase of 4.9 millions in outstanding circulation.

Discounts shown by the 10 banks reporting for the two weeks show a decrease of 50.1 millions, partly in Liberty Loan paper, all the banks reporting smaller holdings than the week before. These decreases are, however, offset to a large extent by an increase of 45.2 millions in the total of U. S. certificates of indebtedness held, the New York and Cleveland banks reporting large purchases of these securities mainly for the temporary accommodation of their members. Acceptances on hand decreased 8.6 millions, the Eastern banks and Minneapolis reporting considerable net liquidation of this class of paper. No material changes are shown for other earning assets. Total earning assets decreased about 14.6 millions for the week. Of the total discounts constitute 55.8%; acceptances, 25.5%; U. S. securities, 18.2%, and other earning assets, including warrants and bill of lading drafts, 0.5%.

Payment by newly admitted members for Federal Reserve stock accounts for a total increase of \$740,000 in capital account. Six Reserve banks report additions to their paid-in capital. Of the total increase shown, \$630,000 represents the amount paid on capital account by the Fidelity Trust Co. of Philadelphia. Large withdrawals of Government deposits shown for all reporting banks were used chiefly for advances to the Allied Governments, causing an increase for the time being in the members' reserve account with the New York Federal Reserve Bank.

Federal Reserve Agents at 10 reporting banks report an increase of \$3,210,000 for the week in the total of reserve notes outstanding. Five banks report reductions in the amount of reserve notes in circulation. Gains in gold coupled with retirement of Federal Reserve notes account for an increase in the ratio of total reserves to combined net deposit and Federal Reserve note liabilities from 64.2 to 64.8%.

The figures of the consolidated statement for the system as a whole are given in the following table, and in addition we present the results for each of the seven preceding weeks, together with those of the corresponding week of last year, thus furnishing a useful comparison. The earlier figures have been revised in order to conform with new form adopted by the Federal Reserve Board as of June 22. In the second table we show the resources and liabilities separately for each of the twelve Federal Reserve banks. The statement of Federal Reserve Agents' Accounts (the third table following) gives details regarding the transactions in Federal Reserve notes between the Comptroller and the Reserve Agents and between the latter and the Federal Reserve banks.

COMBINED RESOURCES AND LIABILITIES OF THE FEDERAL RESERVE BANKS AT THE CLOSE OF BUSINESS JAN. 11, 1918.

	Jan. 11 1918.	Jan. 4 1918.	Dec. 28 1917.	Dec. 21 1917.	Dec. 14 1917.	Dec. 7 1917.	Nov. 30 1917.	Nov. 23 1917.	Jan. 12 1917.
RESOURCES.									
Gold coin and certificates in vault.....	\$ 477,038,000	\$ 480,072,000	\$ 499,917,000	\$ 524,350,000	\$ 502,840,000	\$ 500,656,000	\$ 499,887,000	\$ 530,045,000	\$ 292,829,000
Gold settlement fund—F. R. Board.....	366,629,000	338,687,000	317,520,000	304,604,000	393,810,000	376,778,000	395,236,000	386,662,000	206,541,000
Gold with foreign agencies.....	52,500,000	52,500,000	52,500,000	52,500,000	52,500,000	52,500,000	52,500,000	52,500,000	-----
Total gold held by banks.....	896,167,000	871,259,000	869,937,000	881,454,000	949,150,000	929,934,000	947,623,000	969,207,000	499,370,000
Gold with Federal Reserve Agent.....	731,774,000	797,191,000	781,851,000	746,307,000	683,378,000	683,939,000	601,824,000	723,948,000	274,512,000
Gold redemption fund.....	19,592,000	19,270,000	19,345,000	17,782,000	17,710,000	17,485,000	12,278,000	11,849,000	1,782,000
Total gold reserves.....	1,697,533,000	1,687,720,000	1,671,133,000	1,645,543,000	1,650,238,000	1,631,358,000	1,621,725,000	1,694,704,000	775,664,000
Legal tender notes, silver, &c.....	50,324,000	45,310,000	49,635,000	48,127,000	50,116,000	51,949,000	54,436,000	54,058,000	16,769,000
Total reserves.....	1,747,857,000	1,733,030,000	1,720,768,000	1,693,670,000	1,700,354,000	1,683,307,000	1,676,161,000	1,748,762,000	792,433,000
Bills discounted—members.....	575,738,000	625,813,000	680,706,000	693,509,000	713,431,000	686,902,000	756,457,000	656,002,000	24,355,000
Bills bought in open market.....	262,691,000	271,338,000	275,366,000	277,943,000	254,428,000	199,682,000	206,454,000	209,905,000	115,979,000
Total bills on hand.....	838,429,000	897,151,000	956,072,000	971,452,000	967,859,000	877,584,000	962,911,000	865,907,000	140,334,000
U. S. Government long-term securities.....	50,132,000	51,167,000	48,350,000	50,438,000	53,774,000	49,198,000	47,394,000	53,062,000	41,106,000
U. S. Government short-term securities.....	137,227,000	92,058,000	58,883,000	58,130,000	48,046,000	50,424,000	41,792,000	57,850,000	14,837,000
All other earning assets.....	5,117,000	5,167,000	4,990,000	1,102,000	994,000	914,000	1,429,000	1,422,000	9,859,000
Total earning assets.....	1,630,905,000	1,645,543,000	1,688,295,000	1,681,122,000	1,670,673,000	1,633,120,000	1,652,436,000	1,679,141,000	295,156,000
Due from other F. R. banks—net.....	27,242,000	45,241,000	41,976,000	41,375,000	31,494,000	29,332,000	47,091,000	41,872,000	11,632,000
Uncollected items.....	304,364,000	302,007,000	301,659,000	325,574,000	319,656,000	310,572,000	373,180,000	302,525,000	120,846,000
Total deductibles from gross deposits.....	331,796,000	347,251,000	313,043,000	364,949,000	351,150,000	336,904,000	380,251,000	314,397,000	132,478,000
6% redemp. fund agst. F. R. bank notes.....	537,000	537,000	537,000	537,000	537,000	537,000	537,000	537,000	409,000
All other resources.....	554,000	637,000	2,813,000	2,678,000	2,810,000	2,968,000	2,499,000	3,293,000	12,261,000
Total resources.....	3,111,849,000	3,126,898,000	3,102,689,000	3,142,956,000	3,125,554,000	3,091,836,000	3,104,843,000	2,956,130,000	1,144,728,000

	Jan. 11 1918.	Jan. 4 1918.	Dec. 28 1917.	Dec. 21 1917.	Dec. 14 1917.	Dec. 7 1917.	Nov. 30 1917.	Nov. 23 1917.	Jan. 12 1917.
LIABILITIES.									
Capital paid in.....	\$ 71,565,000	\$ 70,825,000	\$ 70,443,000	\$ 69,852,000	\$ 69,440,000	\$ 69,048,000	\$ 68,500,000	\$ 67,136,000	\$ 55,706,000
Surplus.....	1,134,000	1,134,000	1,134,000	1,134,000	1,134,000	1,134,000	1,134,000	1,134,000	1,134,000
Government deposits.....	80,523,000	131,006,000	108,213,000	221,761,000	129,285,000	168,568,000	220,962,000	196,411,000	27,759,000
Due to members—reserve account.....	1,500,021,000	1,449,230,000	1,453,166,000	1,389,434,000	1,549,030,000	1,437,174,000	1,489,429,000	1,426,648,000	689,586,000
Due to non-members—clearing account.....	203,359,000	192,649,000	191,689,000	205,819,000	190,707,000	189,861,000	17,549,000	22,291,000	111,238,000
Collection items.....	20,405,000	20,594,000	17,969,000	14,238,000	14,282,000	115,586,000	231,779,000	215,190,000	111,238,000
Other deposits, incl. for Gov't credits.....	1,784,308,000	1,793,479,000	1,771,037,000	1,831,272,000	1,889,364,000	1,811,189,000	1,966,807,000	1,860,519,000	819,583,000
Total gross deposits.....	1,244,280,000	1,251,205,000	1,246,488,000	1,227,642,000	1,153,385,000	1,110,537,000	1,056,983,000	1,015,892,000	268,168,000
F. R. notes in actual circulation.....	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000
F. R. bank notes in circulation, net liab.....	2,362,000	2,255,000	1,732,000	6,190,000	5,365,000	13,082,000	4,553,000	4,553,000	271,000
All other liabilities.....	3,111,649,000	3,126,898,000	3,102,689,000	3,142,956,000	3,125,554,000	3,001,836,000	3,104,843,000	2,956,130,000	1,143,728,000
Gold reserve against net deposit liab.....	61.7%	60.2%	59.7%	60.1%	61.7%	63.1%	63.8%	62.6%	81.4%
Gold res. agst. F. R. notes in act. circ'n.....	64.4%	65.3%	64.3%	62.2%	60.8%	63.2%	63.8%	62.6%	103.0%
Ratio of gold reserves to net deposit and Fed. Res. note liabilities combined.....	62.9%	64.2%	61.8%	61.1%	61.3%	63.1%	61.5%	62.6%	81.2%
Ratio of total reserves to net deposit and Fed. Res. note liabilities combined.....	64.8%	62.5%	63.6%	62.9%	63.2%	65.1%	63.6%	64.7%	83.0%

	Jan. 11 1918.	Jan. 4 1918.	Dec. 28 1917.	Dec. 21 1917.	Dec. 14 1917.	Dec. 7 1917.	Nov. 30 1917.	Nov. 23 1917.	Jan. 12 1917.
Distribution by Maturities—									
1-15 days bills discounted and bought.....	\$ 372,652,000	\$ 387,017,000	\$ 395,697,000	\$ 403,671,000	\$ 471,689,000	\$ 463,644,000	\$ 581,763,000	\$ 526,820,000	\$ 37,079,000
16-30 days bills discounted and bought.....	10,000	10,000	116,000	213,000	69,000	8,000	517,000	518,000	1,526,000
31-60 days bills discounted and bought.....	88,375,000	96,322,000	118,545,000	121,060,000	84,359,000	82,098,000	91,556,000	66,295,000	25,837,000
61-90 days bills discounted and bought.....	267,649,000	259,444,000	280,136,000	273,339,000	191,626,000	143,070,000	140,417,000	146,900,000	36,884,000
Over 90 days bills discounted and bought.....	634,000	634,000	634,000	634,000	634,000	634,000	634,000	634,000	634,000
Over 90 days municipal warrants.....	99,663,000	114,629,000	162,708,000	164,729,000	213,195,000	182,232,000	141,627,000	120,481,000	29,546,000
Over 90 days bills discounted and bought.....	10,090,000	9,739,000	8,988,000	8,593,000	6,990,000	6,540,000	6,248,000	5,611,000	1,637,000
Over 90 days municipal warrants.....	335,000	335,000	104,000	104,000	104,000	104,000	120,000	113,000	3,729,000
Federal Reserve Notes—									
Issued to the banks.....	1,369,545,000	1,366,335,000	1,341,752,000	1,295,069,000	1,229,007,000	1,184,667,000	1,126,345,000	1,102,287,000	293,440,000
Held by banks.....	125,265,000	115,130,000	95,264,000	67,427,000	75,622,000	74,130,000	69,362,000	86,395,000	25,272,000
In circulation.....	1,244,280,000	1,251,205,000	1,246,488,000	1,227,642,000	1,153,385,000	1,110,537,000	1,056,983,000	1,015,892,000	268,168,000
Received from the Comptroller.....	1,854,060,000	1,825,700,000	1,796,340,000	1,747,700,000	1,693,320,000	1,640,600,000	1,590,340,000	1,540,720,000	462,350,000
Returned to the Comptroller.....	254,905,000	248,065,000	247,163,000	239,571,000	242,933,000	236,633,000	234,195,000	229,293,000	101,056,000
Amount chargeable to Agent.....	1,599,155,000	1,577,635,000	1,549,177,000	1,508,189,000	1,450,367,000	1,403,967,000	1,356,155,000	1,311,427,000	361,324,000
In hands of Agent.....	229,610,000	211,300,000	207,425,000	213,120,000	221,860,000	219,300,000	229,810,000	209,140,000	67,894,000
Issued to Federal Reserve banks.....	1,369,545,000	1,366,335,000	1,341,752,000	1,295,069,000	1,229,007,000	1,184,667,000	1,126,345,000	1,102,287,000	293,440,000
How Secured—									
By gold coin and certificates.....	265,759,000	269,951,000	250,423,000	227,302,000	239,833,000	240,351,000	242,985,000	243,111,000	162,877,000
By lawful money.....	587,771,000	569,144,000	559,901,000	548,962,000	545,629,000	500,728,000	464,521,000	478,380,000	18,928,000
By eligible paper.....	42,498,000	41,138,000	41,479,000	41,251,000	39,471,000	35,773,000	33,714,000	32,524,000	14,225,000
Gold redemption fund.....	473,519,000	486,082,000	489,949,000	477,824,000	404,074,000	407,815,000	388,125,000	348,313,000	97,516,000
Total.....	1,369,545,000	1,366,335,000	1,341,752,000	1,295,069,000	1,229,007,000	1,184,667,000	1,126,345,000	1,102,287,000	293,440,000
Eligible paper delivered to F. R. Agent.....	618,678,000	611,136,000	606,705,000	602,074,000	602,067,000	536,473,000	400,932,000	532,411,000	20,845,000

^a Net amount due to other Federal Reserve banks, \$7,091,000, included in gross deposits. ^b This item includes foreign Gov't credits. ^c Revised figures.

WEEKLY STATEMENT OF RESOURCES AND LIABILITIES OF EACH OF THE 12 FEDERAL RESERVE BANKS AT CLOSE OF BUSINESS JAN. 11 1918.

Two ciphers (00) omitted.	Boston.	New York.	Philadel.	Cleveland.	Richm'd.	Atlanta.	Chicago.	St. Louis.	Minneapolis.	Kan. City.	Dallas.	San Fran.	Total.
RESOURCES.													
Gold coin and certs. in vault.....	\$ 16,472.00	\$ 312,564.00	\$ 13,614.00	\$ 28,434.00	\$ 6,209.00	\$ 6,102.00	\$ 31,239.00	\$ 6,373.00	\$ 15,995.00	\$ 1,669.00	\$ 10,965.00	\$ 26,372.00	\$ 477,038.00
Gold settlement fund.....	25,284.00	43,519.00	36,993.00	28,179.00	22,684.00	21,295.00	78,279.00	21,314.00	12,993.00	30,314.00	20,209.00	25,570.00	366,629.00
Gold with foreign agencies.....	3,675.00	18,112.00	3,675.00	4,725.00	1,837.00	1,576.00	7,350.00	2,100.00	2,100.00	2,625.00	1,838.00	5,200.00	62,500.00
Total gold held by banks.....	45,431.00	374,195.00	59,282.00	58,338.00	30,730.00	28,972.00	116,879.00	29,787.00	30,103.00	34,608.00	33,012.00	54,830.00	896,167.00
Gold with Federal Res. Agents.....	42,424.00	227,052.00	63,102.00	59,693.00	26,478.00	47,701.00	129,356.00	31,241.00	35,699.00	44,950.00	24,121.00	49,967.00	781,774.00
Gold redemption fund.....	2,000.00	10,000.00	1,500.00	92.00	379.00	1,110.00	668.00	930.00	1,037.00	484.00	1,240.00	152.00	19,592.00
Total gold reserves.....	89,855.00	611,247.00	123,884.00	118,123.00	67,587.00	77,783.00	246,903.00	61,958.00	66,839.00	80,042.00	58,373.00	104,939.00	1,697,533.00
Legal-tender notes, silver, &c.....	4,795.00	36,347.00	2,404.00	780.00	196.00	434.00	2,620.00	889.00	510.00	88.00	870.00	391.00	6,032.00
Total reserves.....	94,650.00	647,594.00	126,288.00	118,903.00	67,783.00	78,217.00	249,523.00	62,847.00	67,349.00	80,130.00	59,243.00	105,330.00	1,747,867.00
Bills:													
Disco.—Member & F.R. banks.....	51,210.00	232,430.00	29,166.00	33,673.00	23,528.00	14,687.00	80,889.00	34,299.00	12,220.00	32,873.00	8,635.00	22,139.00	575,738.00
Bought in open market.....	5,832.00	159,982.00	17,015.00	17,300.00	13,780.00	6,373.00	8,578.00	7,416.00	4,973.00	32.00	13,593.00	16,817.00	262,691.00
Total bills on hand.....	57,042.00	383,412.00	46,201.00	50,972.00	37,308.00	21,060.00	89,467.00	41,715.00	17,193.00	32,905.00	22,198.00	38,956.00	838,429.00
U. S. long-term securities.....	610.00	5,152.00	6,417.00	8,268.00	1,231.00	2,397.00	7,097.00	2,233.00	2,004.00	8,862.00	4,166.00	2,455.00	50,132.00
U. S. short-term securities.....	2,194.00	68,113.00	3,300.00	43,771.00	1,969.00	1,491.00	3,378.00	1,444.00	1,853.00	5,784.00	2,330.00	1,606.00	137,227.00
All other earning assets.....	511.00	511.00	511.00	511.00	511.00	511.00	511.00	511.00	511.00	511.00	511.00	511.00	5,117.00
Total earning assets.....	59,346.00	457,188.00	54,918.00	103,011.00	40,520.00	25,802.00	100,504.00	46,165.00	22,050.00	47,551.00	30,389.00	42,961.00	1,030,905.00
Due from other F. R. banks—Net.....	2,361.00	7,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	127,242.00
Uncollected items.....	21,933.00	70,302.00	41,242.00	19,436.00	14,872.00	17,384.00	35,383.00	19,198.00	10,948.00	25,194.00	16,152.00	12,510.00	304,554.00
Total deducts from gross dep.....	24,294.00	70,302.00	41,242.00	30,001.00	14,872.00	17,384.00	44,347.00	28,034.00	11,880.00	30,580.00	16,152.00	12,510.00	331,796.00
5% redemption fund against Federal Reserve bank notes.....										400.00	137.00		537.00
All other resources.....					397.00	117.00						34.00	534.00
Total resources.....	178,790.00	1,175,084.00	222,448.00	251,915.00	113,572.00	121,530.00	394,374.00	137,046.00	101,279.00	188,661.00	105,921.00	160,841.00	3,111,649.00
LIABILITIES.													
Capital paid in.....	\$ 5,838.00	\$ 18,718.00	\$ 6,773.00	\$ 3,068.00	\$ 3,694.00	\$ 2,819.00	\$ 9,121.00	\$ 3,475.00	\$ 2,642.00	\$ 3,399.00	\$ 2,795.00	\$ 4,206.00	\$ 71,565.00
Surplus.....	75.00	649.00	649.00	649.00	649.00	649.00	649.00	649.00	649.00	649.00	649.00	649.00	1,134.00
Government deposits.....	1,036.00	12,216.00	2,779.00	9,480.00	*617.00	4,779.00	3,681.00	4,109.00	5,502.00	4,841.00	6,319.00	6,315.00	80,523.00
Due to members—Reserve acct.....	80,710.00	671,696.00	91,234.00	112,784.00	44,944.00	38,598.00	178,270.00	55,646.00	39,418.00				

Statement of New York City Clearing House Banks and Trust Companies.—The following detailed statement shows the condition of the New York City Clearing House members for the week ending Jan. 12. The figures for the separate banks are the averages of the daily results. In the case of totals, actual figures at end of the week are also given

NEW YORK WEEKLY CLEARING HOUSE RETURN.

Main table with multiple columns: CLEARING HOUSE MEMBERS, Capital, Net Profits, Loans, Discounts, Investments, etc., Gold, Legal Tenders, Silver, National Bank and Federal Reserve Notes, Reserve with Legal Depositories, Additional Deposits with Legal Depositories, Net Demand Deposits, Net Time Deposits, National Bank Circulation. Includes sub-sections for State Banks and Trust Companies.

a U. S. deposits deducted, \$170,238,000. b U. S. deposits deducted, \$126,248,000. c Includes capital set aside for foreign branches, \$6,000,000. Note.—There has been no change in the formation of this statement for the past four weeks, but on Dec. 15 the aggregates of the German-American Bank, which were formerly included in the State Bank group, were transferred to the group composed of members of the Federal Reserve Bank.

STATEMENTS OF RESERVE POSITION.

Table with columns: Averages, Actual Figures. Sub-columns include Cash Reserve in Vault, Reserve in Depositories, Total Reserve, Reserve Required, Surplus Reserve, Inc. or Dec. from Previous Week.

* Not members of Federal Reserve Bank. a This is the reserve required on net demand deposits in the case of State banks and trust companies, but in the case of members of the Federal Reserve Bank includes Jan. 12, \$5,836,890; also amount of reserve required on net time deposits, which was as follows: Jan. 5, \$5,680,920; Dec. 29, \$5,676,000; Dec. 22, \$5,550,900. b This is the reserve required on net demand deposits in the case of State banks and trust companies, but in the case of members of the Federal Reserve Bank includes also amount of reserve required on net time deposits, which was as follows: Jan. 12, \$5,809,410; Jan. 5, \$5,631,510; Dec. 29, \$5,536,350; Dec. 22, \$5,458,830. c Amount of cash in vault, which is no longer counted as reserve for members of the Federal Reserve Bank, was as follows: Jan. 12, \$116,074,000; Jan. 5, \$112,331,000; Dec. 29, \$109,232,000; Dec. 22, \$108,578,000; Dec. 15, \$110,485,000; Dec. 8, \$110,027,000. d Amount of cash in vault, which is no longer counted as reserve for members of the Federal Reserve Bank, was as follows: Jan. 12, \$117,290,000; Jan. 5, \$113,243,000; Dec. 29, \$113,906,000; Dec. 22, \$106,951,000; Dec. 15, \$107,594,000; Dec. 8, \$109,949,000.

The State Banking Department reports weekly figures showing the condition of State banks and trust companies in New York City *not in the Clearing House*, and these are shown in the following table:

(Figures Furnished by State Banking Department.)		Differences from Jan. 12, previous week.	
Loans and investments	\$802,955,400	Dec \$12,498,400	
Specie	17,155,000	Dec. 1,202,500	
Currentcy and bank notes	12,517,300	Dec. 545,100	
Deposits with the F. R. Bank of New York	55,272,900	Inc. 992,100	
Total deposits	925,040,100	Dec. 35,459,900	
Deposits, eliminating amounts due from reserve depositaries and from other banks and trust companies in N. Y. City, exchanges and U.S. deposits	\$36,463,900	Dec. 6,101,500	
Reserve on deposits	163,359,300	Dec. 13,977,700	
Percentage of reserve, 21.5%			

The averages of the New York City Clearing House banks and trust companies, combined with those for the State banks and trust companies in Greater New York City outside of the Clearing House, compare as follows for a series of weeks past:

Week Ended						
Week Ended	Loans and Investments	Demand Deposits	Specie	Legal Tenders	Total Cash in Vault	Reserve in Depositories
Oct. 20	\$ 4,918,137.4	\$ 4,524,374.4	\$ 178,469.4	\$ 47,878.0	\$ 226,347.4	\$ 643,019.0
Oct. 27	5,032,907.2	4,465,739.9	153,532.8	71,363.1	224,895.9	593,573.3
Nov. 3	5,428,246.7	4,473,000.6	132,152.9	70,739.1	218,872.0	588,607.7
Nov. 10	5,491,980.2	4,473,207.0	138,626.2	86,904.7	224,530.9	625,012.3
Nov. 17	5,557,891.9	4,477,113.2	137,330.8	84,363.2	221,694.0	623,908.5
Nov. 24	5,619,230.7	4,452,162.1	124,803.8	83,834.2	208,638.0	611,381.8
Dec. 1	5,559,742.4	4,297,610.1	113,749.3	96,122.9	209,872.2	650,784.8
Dec. 8	5,827,092.0	4,353,272.1	112,093.5	96,747.7	208,841.2	682,360.1
Dec. 15	5,575,672.8	4,417,314.1	110,725.3	96,692.9	207,418.2	671,117.1
Dec. 22	5,011,186.0	4,357,133.8	108,504.8	95,878.3	204,383.1	602,178.4
Dec. 29	4,952,579.3	4,352,163.0	104,273.2	98,864.9	203,138.1	603,984.8
Jan. 5	5,945,390.8	4,443,769.4	104,006.5	100,321.2	204,327.7	617,798.8
Jan. 12	4,893,792.4	4,525,394.9	104,736.0	102,483.3	207,219.2	613,402.6

Included with "Legal Tenders" are national bank notes and Fed. Reserve notes held by State banks and trust cos. but not those held by Fed. Reserve members

In addition to the returns of "State banks and trust companies in New York City *not in the Clearing House*," furnished by the State Banking Department, the Department also presents a statement covering all the institutions of this class in the whole State. The figures are compiled so as to distinguish between the results for New York City (Greater New York) and those for the rest of the State, as per the following:

Week ended Jan. 12.	State Banks in Greater N. Y.	Trust Cos. in Greater N. Y.	State Banks outside of Greater N. Y.	Trust Cos. outside of Greater N. Y.
Capital as of Sept. 8	\$19,775,000	\$88,950,000	\$16,573,000	\$25,938,700
Surplus as of Sept. 8	38,506,722	162,901,400	10,937,000	25,748,040
Loans and investments	425,625,500	1,847,021,700	194,350,600	322,572,300
Change from last week	-3,530,000	-18,718,300	-569,700	-1,827,900
Specie	18,427,000	10,526,100		
Change from last week	-224,700	-1,245,100		
Currentcy and bank notes	24,363,300	15,073,500		
Change from last week	+402,000	+193,200		
Deposits with the F. R. Bank of New York	32,977,400	198,079,200		
Change from last week	-6,543,400	+5,855,300		
Deposits	556,894,500	2,059,324,200	202,925,100	313,979,800
Change from last week	-10,002,000	-57,666,000	-812,800	-1,017,900
Reserve on deposits	107,029,800	325,208,200	31,965,100	40,206,600
Change from last week	-3,706,900	-8,645,200	+1,500,000	+1,080,500
P. C. reserve to deposits	24.2%	20.2%	19.3%	17.6%
Percentage last week	25.3%	20.6%	18.3%	16.0%

+ Increase over last week. - Decrease from last week.

Non-Member Banks and Trust Companies.—Following is the report made to the Clearing House by clearing non-member institutions which are not included in the "Clearing House return" on the preceding page:
RETURN OF NON-MEMBER INSTITUTIONS OF NEW YORK CLEARING HOUSE.

CLEARING NON-MEMBERS	Capital	Net Profits	Loans, Discounts, Investments &c.		Gold	Legal Tenders	Sliver	National Bank & Federal Reserve Notes	Reserve with Legal Depositories	Additional Deposits with Legal Depositories	Net Demand Deposits	Net Time Deposits	National Bank Circulation
			Average	Average									
Members of Federal Reserve Bank	4,495,000	494,700	5,011,000	14,000	13,000	4,000	172,000	958,000	149,000	6,012,000	67,000	194,000	
Battery Park Nat. Bk.	400,000	599,500	2,965,000	1,000	1,000	---	2,000	393,000	---	1,675,000	---	750,000	
W. R. Grace & Co.'s Bank	500,000	677,900	6,531,000	22,000	17,000	---	126,000	65,000	587,000	4,981,000	---	639,000	292,000
First Nat. Bank, Brooklyn	300,000	618,600	6,209,000	29,000	36,000	99,000	92,000	61,000	522,000	737,000	---	5,360,000	381,000
Nat. City Bank, Brooklyn	300,000	618,600	6,209,000	29,000	36,000	99,000	92,000	61,000	522,000	737,000	---	5,360,000	381,000
First Nat. Bank, Jersey City	400,000	1,334,700	6,605,000	221,000	458,000	90,000	170,000	1,078,000	3,357,000	6,370,000	---	3,423,000	397,000
Hudson Co. Nat., Jersey City	250,000	791,100	4,553,000	93,000	5,000	83,000	158,000	307,000	1,492,000	3,826,000	---	453,000	199,000
First Nat. Bank, Hoboken	220,000	701,000	6,887,000	19,000	7,000	62,000	210,000	322,000	784,000	2,980,000	---	3,423,000	219,000
Second Nat. Bank, Hoboken	125,000	308,100	5,676,000	39,000	49,000	108,000	60,000	237,000	466,000	2,613,000	---	2,446,000	99,000
Total	2,495,000	5,525,600	45,242,000	438,000	588,000	572,000	902,000	4,405,000	7,572,000	33,717,000		8,159,000	1,523,000
State Banks, Not Members of the Federal Reserve Bank	100,000	467,000	2,525,000	105,000	1,000	62,000	82,000	127,000	2,000	2,170,000	---	---	---
Bank of Washington Heights	500,000	970,800	9,071,000	599,000	183,000	422,000	134,000	691,000	655,000	9,850,000	---	---	---
Columbia Bank	300,000	748,500	11,157,000	642,000	---	364,000	329,000	697,000	542,000	11,609,000	---	---	---
International Bank	500,000	142,800	4,578,000	174,000	29,000	98,000	207,000	287,000	383,000	4,398,000	---	323,000	---
Mutual Bank	200,000	491,500	8,851,000	467,000	57,000	294,000	74,000	426,000	187,000	7,990,000	---	201,000	---
New Netherlands Bank	200,000	201,100	4,005,000	191,000	154,000	200,000	71,000	175,000	---	4,357,000	---	184,000	---
Yorkville Bank	100,000	687,000	6,775,000	449,000	80,000	290,000	129,000	443,000	261,000	7,383,000	---	49,000	---
Mechanics' Tr. Co., Brooklyn	1,600,000	829,100	21,248,000	616,000	330,000	810,000	505,000	1,302,000	1,598,000	21,709,000	---	124,000	---
North Side Bank, Brooklyn	200,000	210,600	4,142,000	150,000	48,000	153,000	223,000	341,000	341,000	4,274,000	---	400,000	---
Total	3,700,000	4,749,700	72,662,000	3,393,000	882,000	2,604,000	1,754,000	4,315,000	3,969,000	73,740,000		1,281,000	
Trust Companies, Not Members of the Federal Reserve Bank	500,000	1,002,900	8,779,000	391,000	46,000	27,000	122,000	355,000	671,000	7,112,000	---	851,000	---
Hamilton Trust Co., Brooklyn	200,000	338,500	7,921,000	31,000	45,000	95,000	118,000	501,000	216,000	5,008,000	---	2,998,000	---
Mechanics' Tr. Co., Bayonne	200,000	1,341,400	16,700,000	425,000	91,000	122,000	240,000	856,000	455,000	12,120,000	---	3,849,000	---
Total	700,000	2,344,300	24,679,000	816,000	137,000	249,000	462,000	1,411,000	1,127,000	19,232,000		2,850,000	
Grand aggregate	6,895,000	11,016,700	134,594,000	4,256,000	1,559,000	3,207,000	2,896,000	9,576,000	12,428,000	619,577,000		13,289,000	1,523,000
Comparison previous week	---	---	+1,657,000	-33,000	-63,000	-39,000	+9,000	+113,000	-2,665,000	+1,593,000		+176,000	+3,000
Excess reserve	\$242,730	decrease											
Grand aggregate Jan. 5	6,895,000	11,010,700	132,937,000	4,289,000	1,622,000	3,336,000	2,887,000	9,463,000	15,093,000	617,984,000		13,113,000	1,520,000
Grand aggregate Dec. 29	6,895,000	11,241,200	133,164,000	4,283,000	1,602,000	3,550,000	2,883,000	8,610,000	11,882,000	617,107,000		13,017,000	1,520,000
Grand aggregate Dec. 22	6,795,000	11,375,300	132,719,000	4,363,000	1,468,000	3,383,000	2,687,000	8,558,000	10,291,000	615,733,000		13,039,000	1,518,000
Grand aggregate Dec. 15	6,795,000	11,375,300	136,279,000	4,476,000	1,412,000	3,467,000	2,716,000	9,242,000	8,827,000	617,474,000		12,973,000	1,519,000
Grand aggregate Dec. 8	6,795,000	11,375,300	139,068,000	4,618,000	1,526,000	3,488,000	2,629,000	9,137,000	9,021,000	617,350,000		13,092,000	1,525,000

U. S. deposits deducted, \$3,093,000

Boston Clearing House Banks.—We give below a summary showing the totals for all the items in the Boston Clearing House weekly statement for a series of weeks:

	Jan. 12 1918	Change from previous week.	Jan. 5 1918.	Dec. 29 1917.
Circulation	\$5,459,000	Inc.	\$5,453,000	\$5,560,000
Loans, disc'ts & investments	441,650,000	Dec.	3,152,000	484,802,000
Individual deposits, incl. U. S.	389,312,000	Inc.	695,000	388,617,000
Due to banks	137,235,000	Dec.	4,352,000	132,883,000
Time deposits	22,435,000	Dec.	22,200	22,708,000
Exchanges for Clear. House	17,825,000	Dec.	3,723,000	21,548,000
Due from other banks	102,847,000	Inc.	7,636,000	95,211,000
Cash in bank & in F. R. Bank	59,323,000	Dec.	618,000	59,841,000
Reserve in bank & Federal Reserve Bank	18,056,000	Dec.	1,235,000	19,291,000
				17,476,000

Philadelphia Banks.—The Philadelphia Clearing House statement for the week ending Nov. 10 presented the weekly returns under a new classification of the members. Both the Grand and Philadelphia Trust Companies, which have been admitted into the Federal Reserve system, are now included with the national banks under the heading "Members of the Federal Reserve System." The remaining trust company members of the Clearing House Association are grouped under the caption "Trust Companies not Members of the Federal Reserve System."

Reserve requirements for members of the Federal Reserve system are 10% on demand deposits and 3% on time deposits, all to be kept with the Federal Reserve Bank. "Cash in vaults" is not a part of legal reserve. For trust companies not members of the Federal Reserve system the reserve required is 15% on demand deposits and includes "Reserve with legal depositaries" and "Cash in vaults."

Previous (00) omitted.	Week ending Jan. 12 1918			Jan 5 1918	Dec 29 1917
	Mem. of F. R. Syst.	Trust Cos.	Total.		
Capital	\$25,975.0	\$5,500.0	\$31,475.0	\$31,475.0	\$31,475.0
Surplus and profits	65,871.0	13,956.0	79,827.0	80,071.0	80,010.0
Loans, disc'ts & invest'mts	633,163.0	45,341.0	678,504.0	531,303.0	578,275.0
Exchanges for Clear. House	22,035.0	384.0	22,419.0	31,966.0	23,546.0
Due from banks	136,400.0	183.0	136,583.0	142,844.0	135,390.0
Bank deposits	173,551.0	1,066.0	174,617.0	175,827.0	170,239.0
Individual deposits	440,427.0	33,659.0	474,086.0	481,833.0	468,000.0
Time deposits	3,392.0	---	3,392.		

Bankers' Gazette.

Wall Street, Friday Night, Jan. 18 1918.

The Money Market and Financial Situation.—Business at the Stock Exchange was practically featureless during the early part of the week. Announcement of a reduction in Willys-Overland's dividend rate from 12 to 4% had a depressing effect on motor stocks and an authentic report that the output of steel products is only 30 to 40% of capacity caused a decline in steel shares. At the same time call loans rates were quoted at 6% and this "brightened" only the lenders' "corner."

On Thursday everybody, in and out of Wall Street, was surprised—to put it mildly—by announcement of the Fuel Administrator's most extraordinary scheme to conserve the coal supply. The depression caused thereby in the security market was, however, momentary. The market opened with prices an average of about a point below Wednesday's closing, but almost immediately turned strong and soon recovered, not only the over-night drop but a substantial part of the previous day's decline. This movement was stimulated, perhaps, by announcement that Baltimore & Ohio's former dividend rate is for the time being maintained. One event of the week has been new low quotations for the recently issued Liberty Loan 4s, presumably foreshadowing another similar offering in the near future.

Foreign Exchange.—Sterling exchange continues in its arbitrary position. Cable transfers have not been changed, but rates otherwise are, if anything, a shade firmer. The continental exchanges have ruled firm.

To-day's (Friday's) actual rates for sterling exchange were 4 71½@4 72 for sixty days, 4 75¼@4 7530 for cheques and 4 76 7-16 for cables. Commercial on banks sight 4 75@4 75½, sixty days 4 71½@4 71¼, ninety days 4 69¼@4 69¾, and documents for payment (sixty days) 4 71@4 71½. Cotton for payment 4 75@4 75¼ and grain for payment 4 75@4 75½.

To-day's (Friday's) actual rates for Paris bankers' francs were 5 77¼@5 77½ for long and 5 71¼@5 71¾ for short. Germany bankers' marks were not quoted for sight, nominal for long and nominal for short. Amsterdam bankers' guilders were 43 1-16@43 9-16 for long and 43 3-16@43 11-16 for short.

Exchange at Paris on London, 27.15 fr.; week's range 27.15 fr. high and 27.18 fr. low.

Exchange at Berlin on London, not quotable.

The range for foreign exchange for the week follows:

	Sixty Days.	Cheques.	Cables.
High for the week	4 72	4 76 32½	4 76 7-16
Low for the week	4 71½	4 75¼	4 76 7-16
Paris Bankers' Francs			
High for the week	5 77¼	5 70½	5 68½
Low for the week	5 79½	5 72½	5 70¾
Germany Bankers' Marks			
High for the week			
Low for the week			
Amsterdam Bankers' Guilders			
High for the week	43 9-16	43¾	44¾
Low for the week	42 9-16	42¾	43¾

Domestic Exchange.—Chicago, no market. Boston, par. St. Louis, 10c. per \$1,000 discount bid and par asked. San Francisco, par. Montreal, \$13.4375 per \$1,000 premium. Minneapolis, 10c. per \$1,000 premium. Cincinnati, par.

State and Railroad Bonds.—No sales of State bonds have been reported at the Board this week.

The market for railway and industrial bonds has been generally dull and weak. In most cases fluctuations have been narrow, however, and of a list of 12 active issues only 2 are fractionally higher.

Among the exceptional features Ches. & Ohio conv. 5s have lost 1½ points, New York Cent. deb. 6s 1¼ and Burlington joint 4s and Union Pacific 1st and ref. 4s each 1 point.

In addition to the above the active list includes Atchison, Rock Island, Northern Pacific, Missouri Pacific, St. Louis & San Francisco, U. S. Rubber and Steel bonds.

United States Bonds.—Sales of Government bonds at the Board include \$1,000 3s coup. at 99¼, Liberty Loan 3½s at 98.48 to 98.70, Liberty Loan conv. 4s at 96.80 to 97.92 and Liberty Loan 2d 4s at 96.08 to 96.70. For today's prices for all the different issues and for week's range see third page following.

Railroad and Miscellaneous Stocks.—From the limited volume of business aggregating less than 500,000 shares on Monday the transactions in this department dwindled day by day until on Thursday only 375,000 shares were traded in. The influences noted above very naturally depressed the market so that of a list of 15 relatively active railway issues only one has advanced. Declines are, however, generally fractional. Among exceptional features Canadian Pacific is conspicuous for an advance of 3½ points, a part

of which it retains. This is the only active stock in this group which shows a net gain for the week. Balt. & Ohio has covered a range of 3¾ points with a net loss of 1¼. Union Pacific's range is 3½; net loss 2.

Miscellaneous stocks have been much more irregular. Of a list of 22 most active issues 10 are higher, 11 are lower and 1 unchanged.

The result of the week's operations is a net gain of 5¾ points in the case of Mex. Petroleum. Texas Co.'s gain is 4½, Inter. Mer. Mar. pfd's is 2¾ and others are from 2 to 3 points higher. On the other hand General Motors has declined 4¾ points, General Electric 3¼ and U. S. Steel 3¾.

For daily volume of business see page 287.

The following sales have occurred this week of shares not represented in our detailed list on the pages which follow:

STOCKS. Week ending Jan. 18.	Sales for Week.	Range for Week.		Range for Year 1917.	
		Lowest.	Highest.	Lowest.	Highest.
Am Sumatra Tob. pf. 100	100 88	Jan 16	88	Jan 16	80
Amer. Telex & Cae. 100	300 51	Jan 15	51½	Jan 15	57½
Associated Oil 100	100 50	Jan 15	50	Jan 15	52½
Atlantic Burn & Art. 100	80 8½	Jan 17	8½	Jan 12	8½
Barrett, pref. 100	122 10½	Jan 17	10½	Jan 17	98½
Baroplas Mining 20	600 1	Jan 15	1	Jan 17	¾
Brown Shoe, pref. 100	100 95	Jan 17	95	Jan 17	88
Brunswick Terminal 100	100 6½	Jan 12	6½	Jan 12	5
Callf Paek Corp., no par 1,400	38	Jan 15	39	Jan 16	33½
Calumet & Arizona 10	100 63½	Jan 16	63½	Jan 16	55½
Case (J. I.), pref. 100	250 76	Jan 15	78	Jan 16	75
Central Foundry 100	100 35½	Jan 12	35½	Jan 12	24½
Preferred 100	200 44	Jan 18	44	Jan 17	35
Cent & So Am Telex 100	5 104½	Jan 17	104½	Jan 17	100
Chicago & Alton 100	100 9¾	Jan 16	9¾	Jan 16	7½
Ch St P M & Om. 100	110 70	Jan 14	70	Jan 14	70
Cluett, Peabody & Co. 100	200 49	Jan 14	50	Jan 16	45
Cons Interstate Call. 10	100 10	Jan 15	10	Jan 15	7
Continental Tr. r. 2½	150 45	Jan 15	45	Jan 15	38
Cuban-Am Sugar, pf. 100	100 95	Jan 14	95	Jan 14	93½
Detroit Edison 100	150 98	Jan 15	98	Jan 19	112½
Detroit United 100	142 90	Jan 14	90	Jan 14	90
Elk Horn Coal 50	200 23	Jan 14	23½	Jan 19	18
Fed M & Smeit, pref. 100	200 28½	Jan 14	30	Jan 16	28
Fisher Body Corp. no par 100	25	Jan 15	28	Jan 15	25
General Chemical 100	20 175	Jan 17	175	Jan 17	153
Preferred 100	20 104	Jan 15	104	Jan 16	100
General Clay, Inc. 100	200 35	Jan 15	35	Jan 18	30½
General Electric rights 1,000	2½	Jan 12	2½	Jan 17	2
Hartman Corp. 100	100 44	Jan 19	44	Jan 19	31½
Heak & Bark C., no par 700	34	Jan 14	35½	Jan 18	27½
Int. Harv. N. J. pref. 100	200 108	Jan 14	108	Jan 17	110
Int. Harvester Corp. 100	300 64	Jan 18	65	Jan 19	50
Kaiser (Auto) & Co. 100	50 100	Jan 14	100	Jan 17	95
Kelsey Wheel, Inc. 100	500 23	Jan 16	23	Jan 15	21
Kings Co Elec L. & P. 100	35 92	Jan 14	95	Jan 12	95
Liggett & Myers 100	200 170	Jan 16	171½	Jan 14	161
Preferred 100	400 10½	Jan 15	10½	Jan 14	97½
Lordbird (P) 100	250 175	Jan 16	175	Jan 16	145½
Preferred 100	200 98	Jan 15	99	Jan 16	100
Manhattan (Elev) Ry. 100	25 99½	Jan 19	99½	Jan 19	94½
National Ry. of Mex 50	1,200 27½	Jan 19	29½	Jan 18	25½
Nat Rys of Mex 2d pf 100	1,100 6½	Jan 15	7½	Jan 15	4½
N O Tex & Mex v t e. 100	100 19	Jan 15	19	Jan 15	15½
Ohio Fuel Supply 25	1,900 43½	Jan 15	44½	Jan 19	49½
Owens Bottle-Mach. 2½	100 60	Jan 17	60	Jan 17	51½
Pan-Am Pet & T. of 100	400 87	Jan 16	88	Jan 17	87
Pettibone-Mulhiken 100	450 20½	Jan 15	20	Jan 20	20
Powers-Arrow Mot. no par 200	34	Jan 19	34	Jan 18	23
Preferred 100	500 89½	Jan 17	91	Jan 17	88
Pittsburgh Steel pref. 100	200 90½	Jan 17	91	Jan 17	87
St. L. & N. pref. A. 100	400 23	Jan 17	26½	Jan 15	24
Savage Arms Corp. 100	100 55	Jan 14	55	Jan 14	49½
So Porto Rico Sugar 100	10 160	Jan 14	160	Jan 14	135
Stutz Motor Car. no par 100	30 39½	Jan 16	39½	Jan 16	31½
Tide Water Oil 100	221 178	Jan 15	178½	Jan 18	165
Underwood, pref. 100	20 108½	Jan 19	108½	Jan 12	112½
United Drug 100	100 69½	Jan 19	69½	Jan 12	64
First preferred 50	100 47	Jan 15	47	Jan 18	48
Wells Fargo Express 100	500 81	Jan 19	83½	Jan 15	70½
Western Pacific 100	1,000 14	Jan 14	14½	Jan 18	10½
Preferred 100	1,800 49½	Jan 19	52½	Jan 18	35½

Outside Market.—Business was very quiet in the "curb" market this week with no definite trend to values. Price changes for the most part were insignificant. Motor and oil stocks shared in the limited activity, with the latter the most prominent as the week closes. Houston Oil com. surpassed its previous high record, advancing some 9 points to 53¼ and reacting finally to 48¾. Queen Oil, traded in for the first time, recorded transactions of some 500,000 shares up from 50c. to 86c. and down to 78c. Cosden & Co. com., after an advance of about half a point to 8, dropped to 6½ and ends the week at 6¾. Midwest Oil com. opened at 1.12 and moved down to 1.03, closing to-day at 1.06. Midwest Refining weakened from 109 to 103, the final figure to-day being 104½. Of the Standard Oil issues, Standard Oil of N. J. gained 15 points to 545, and Standard Oil of N. Y. 17 points to 272. The former reacted to 535 and the latter to 270. Chevrolet Motor was erratic, selling at its lowest for the week to-day at 105, down some 8 points from last Friday's closing. The close was at 108. United Motors lost 2 points to 20¼ and sold finally at 20¾. Submarine Boat sold up fractionally to 14, then down to 13. Mining stocks were quiet and featureless. Fair activity in bonds was accounted for by the trading in the Amer. Tel. & Tel. and Westinghouse 1-year 6% notes, the latter for the first time, up from 98¾ to 98½ and back to 98¾. Amer. Tel. & Tel. notes from 99½ eased off to 99, recovering finally to 99½. Russian Govt. 6½s dropped from 51¾ to 46 and finished to-day at 48.

A complete record of "curb" market transactions for the week will be found on page 288.

OCCUPYING TWO PAGES.

For record of sales during the week of stocks usually inactive, see preceding page.

Main table with columns: HIGH AND LOW SALE PRICES—PER SHARE, NOT PER CENT.; STOCKS NEW YORK STOCK EXCHANGE; PER SHARE Range for Year 1917; PER SHARE Range for Precious Year 1916. Rows include various stock categories like Railroads, Industrial & Miscellaneous, and Advances.

* Bid and asked prices; no sales on this day. † Ex-rights. ‡ Less than 100 shares. a Ex-div. and rights. b Ex-dividend. c Before payment of first instalment.

New York Stock Record—Concluded—Page 2

For record of sales during the week of stocks usually inactive, see second page preceding.

Main table with columns: HIGH AND LOW SALE PRICES—PER SHARE, NOT PER CENT. (Saturday Jan. 12 to Friday Jan. 18), Sales for the Week (Shares), STOCKS NEW YORK STOCK EXCHANGE, PER SHARE (Lowest, Highest), PER SHARE (Lowest, Highest) for previous year (1917, 1916).

* Bid and asked prices, no sales on this day. † Less than 100 shares. ‡ Ex-rights. § Ex-div. and rights. ¶ Par \$10 per share. ** Par \$100 per share. †† Certificates of deposit. ‡‡ Ex-dividend.

In Jan. 1909 the Exchange method of quoting bonds was changed and prices are now—"and interest"—except for interest and defaulted bonds.

Main table with columns: N. Y. STOCK EXCHANGE, Week ending Jan. 18, Interest Period, Price Friday Jan. 18, Week's Range or Last Sale, Bonds Sold, Range Year 1917, and detailed bond listings including U.S. Government, Foreign Government, State and City Securities, and Railroad.

*No price Friday; latest this week. a Due Jan. d Due April. e Due May. g Due June. h Due July. k Due Aug. o Due Oct. p Due Nov. q Due Dec. r Option date.

N. Y. STOCK EXCHANGE Week ending Jan. 18.										N. Y. STOCK EXCHANGE Week ending Jan. 18.									
Bonds	Interest	Period	Price		Week's		Bonds	Range		Bonds	Interest	Period	Price		Week's		Bonds	Range	
			Bid	Ask	Low	High		Year	Year				Bid	Ask	Low	High		Year	Year
Delaware & Hudson—																			
1st lien equip g 4 1/2s	1922	J - J	93	95 1/2	95 1/2	Oct '17	4	95 1/2	101 1/4	101 1/4	112	101 1/2	101 1/2	101 1/2	Dec '17	100 1/2	100 1/2	100 1/2	100 1/2
1st & ref 4s	1943	M - N	85	87	87	87	4	85	99 1/2	99 1/2	100	100	100	100	Mar '17	100	100	100	100
70-year conv 5s	1935	A - O	88 1/2	91 1/2	88 1/2	89	11	89 1/2	107	107	108	108	108	108	Jan '18	102	102	102	102
4th & Susq conv 3 1/2s	1946	A - O	71	74 1/2	74 1/2	74 1/2	3	71	80 1/2	80 1/2	81 1/2	81 1/2	81 1/2	81 1/2	Oct '13	80	80	80	80
Bonds & Saratoga 1st 7s	1921	M - N	100 1/4	101 1/2	112 1/2	Dec '16	110	102 1/2	86	86	87	87	87	87	Apr '17	87	87	87	87
Danv & R Gr 1st conv g 4s	1936	J - J	63	64 1/2	63 1/2	63	110	62 1/2	80	80	81	81	81	81	Jan '18	100	100	100	100
Consol gold 4 1/2s	1926	J - J	61 1/2	70	63	Jan '13	103	67	91	91	92	92	92	92	Jan '18	100	100	100	100
Improvement gold 5s	1925	J - J	74	76	74	Jan '13	103	72 1/2	90	90	91	91	91	91	Jan '18	100	100	100	100
Rio Grande 1st g 5s	1939	J - J	50 1/2	50 1/2	50 1/2	50 1/2	8	47 1/2	93	93	94	94	94	94	Feb '17	85	85	85	85
Rio Gr Sou 1st g 5s	1939	J - J	95	95	95	95	8	92 1/2	98	98	99	99	99	99	July '17	90	90	90	90
Rio Gr Jun 1st g 4 1/2s	1940	J - J	61 1/2	67	67 1/2	Jan '18	103	67 1/2	84 1/2	84 1/2	85	85	85	85	Oct '06	85 1/2	85 1/2	85 1/2	85 1/2
Guaranteed	1940	J - J	52	53 1/2	55	55	1	49 1/2	74 1/2	74 1/2	75	75	75	75	Jan '18	77 1/2	77 1/2	77 1/2	77 1/2
Rio Gr West 1st g 4s	1939	J - J	64 1/2	67	67 1/2	Jan '18	103	67 1/2	84 1/2	84 1/2	85	85	85	85	Jan '18	95 1/2	95 1/2	95 1/2	95 1/2
Mtge & coll trust 4s A	1949	A - O	52	53 1/2	55	55	1	49 1/2	74 1/2	74 1/2	75	75	75	75	Jan '18	77 1/2	77 1/2	77 1/2	77 1/2
Moines Un Ry 1st g 5s	1917	M - N	72	81	84	Aug '17	103	72	100	100	101	101	101	101	Oct '17	79 1/2	79 1/2	79 1/2	79 1/2
Dat & Mack—1st lien g 4s	1905	J - D	72	81	84	Aug '17	103	72	100	100	101	101	101	101	Oct '17	79 1/2	79 1/2	79 1/2	79 1/2
Gold 4s	1905	J - D	72	81	84	Aug '17	103	72	100	100	101	101	101	101	Oct '17	79 1/2	79 1/2	79 1/2	79 1/2
Det Ind Tun—Ter Tun 4 1/2s	1911	M - N	72	81	84	Aug '17	103	72	100	100	101	101	101	101	Oct '17	79 1/2	79 1/2	79 1/2	79 1/2
Dul Missabe & Nor con g 5s	1941	J - J	94 1/2	101	99 1/2	Dec '17	103	94 1/2	105 1/2	105 1/2	106	106	106	106	Aug '16	96 1/2	96 1/2	96 1/2	96 1/2
Dul & Iron Range 1st 5s	1937	A - O	87 1/2	101	90	Nov '17	104	87 1/2	104	104	105	105	105	105	Nov '17	90	90	90	90
Registered	1937	A - O	87 1/2	101	90	Nov '17	104	87 1/2	104	104	105	105	105	105	Nov '17	90	90	90	90
Dul & Iron Range 1st 5s	1937	A - O	87 1/2	101	90	Nov '17	104	87 1/2	104	104	105	105	105	105	Nov '17	90	90	90	90
Registered	1937	A - O	87 1/2	101	90	Nov '17	104	87 1/2	104	104	105	105	105	105	Nov '17	90	90	90	90
Dul & Iron Range 1st 5s	1937	A - O	87 1/2	101	90	Nov '17	104	87 1/2	104	104	105	105	105	105	Nov '17	90	90	90	90
Registered	1937	A - O	87 1/2	101	90	Nov '17	104	87 1/2	104	104	105	105	105	105	Nov '17	90	90	90	90
Dul & Iron Range 1st 5s	1937	A - O	87 1/2	101	90	Nov '17	104	87 1/2	104	104	105	105	105	105	Nov '17	90	90	90	90
Registered	1937	A - O	87 1/2	101	90	Nov '17	104	87 1/2	104	104	105	105	105	105	Nov '17	90	90	90	90
Dul & Iron Range 1st 5s	1937	A - O	87 1/2	101	90	Nov '17	104	87 1/2	104	104	105	105	105	105	Nov '17	90	90	90	90
Registered	1937	A - O	87 1/2	101	90	Nov '17	104	87 1/2	104	104	105	105	105	105	Nov '17	90	90	90	90
Dul & Iron Range 1st 5s	1937	A - O	87 1/2	101	90	Nov '17	104	87 1/2	104	104	105	105	105	105	Nov '17	90	90	90	90
Registered	1937	A - O	87 1/2	101	90	Nov '17	104	87 1/2	104	104	105	105	105	105	Nov '17	90	90	90	90
Dul & Iron Range 1st 5s	1937	A - O	87 1/2	101	90	Nov '17	104	87 1/2	104	104	105	105	105	105	Nov '17	90	90	90	90
Registered	1937	A - O	87 1/2	101	90	Nov '17	104	87 1/2	104	104	105	105	105	105	Nov '17	90	90	90	90
Dul & Iron Range 1st 5s	1937	A - O	87 1/2	101	90	Nov '17	104	87 1/2	104	104	105	105	105	105	Nov '17	90	90	90	90
Registered	1937	A - O	87 1/2	101	90	Nov '17	104	87 1/2	104	104	105	105	105	105	Nov '17	90	90	90	90
Dul & Iron Range 1st 5s	1937	A - O	87 1/2	101	90	Nov '17	104	87 1/2	104	104	105	105	105	105	Nov '17	90	90	90	90
Registered	1937	A - O	87 1/2	101	90	Nov '17	104	87 1/2	104	104	105	105	105	105	Nov '17	90	90	90	90
Dul & Iron Range 1st 5s	1937	A - O	87 1/2	101	90	Nov '17	104	87 1/2	104	104	105	105	105	105	Nov '17	90	90	90	90
Registered	1937	A - O	87 1/2	101	90	Nov '17	104	87 1/2	104	104	105	105	105	105	Nov '17	90	90	90	90
Dul & Iron Range 1st 5s	1937	A - O	87 1/2	101	90	Nov '17	104	87 1/2	104	104	105	105	105	105	Nov '17	90	90	90	90
Registered	1937	A - O	87 1/2	101	90	Nov '17	104	87 1/2	104	104	105	105	105	105	Nov '17	90	90	90	90
Dul & Iron Range 1st 5s	1937	A - O	87 1/2	101	90	Nov '17	104	87 1/2	104	104	105	105	105	105	Nov '17	90	90	90	90
Registered	1937	A - O	87 1/2	101	90	Nov '17	104	87 1/2	104	104	105	105	105	105	Nov '17	90	90	90	90
Dul & Iron Range 1st 5s	1937	A - O	87 1/2	101	90	Nov '17	104	87 1/2	104	104	105	105	105	105	Nov '17	90	90	90	90
Registered	1937	A - O	87 1/2	101	90	Nov '17	104	87 1/2	104	104	105	105	105	105	Nov '17	90	90	90	90
Dul & Iron Range 1st 5s	1937	A - O	87 1/2	101	90	Nov '17	104	87 1/2	104	104	105	105	105	105	Nov '17	90	90	90	90
Registered	1937	A - O	87 1/2	101	90	Nov '17	104	87 1/2	104	104	105	105	105	105	Nov '17	90	90	90	90
Dul & Iron Range 1st 5s	1937	A - O	87 1/2	101	90	Nov '17	104	87 1/2	104	104	105	105	105	105	Nov '17	90	90	90	90
Registered	1937	A - O	87 1/2	101	90	Nov '17	104	87 1/2	104	104	105	105	105	105	Nov '17	90	90	90	90
Dul & Iron Range 1st 5s	1937	A - O	87 1/2	101	90	Nov '17	104	87 1/2	104	104	105	105	105	105	Nov '17	90	90	90	90
Registered	1937	A - O	87 1/2	101	90	Nov '17	104	87 1/2	104	104	105	105	105	105	Nov '17	90	90	90	90
Dul & Iron Range 1st 5s	1937	A - O	87 1/2	101	90	Nov '17	104	87 1/2	104	104	105	105	105	105	Nov '17	90	90	90	90
Registered	1937	A - O	87 1/2	101	90	Nov '17	104	87 1/2	104	104	105	105	105	105	Nov '17	90	90	90	90
Dul & Iron Range 1st 5s	1937	A - O	87 1/2	101	90	Nov '17	104	87 1/2	104	104	105	105	105	105	Nov '17	90	90	90	90
Registered	1937	A - O	87 1/2	101	90	Nov '17	104	87 1/2	104	104	105	105	105	105	Nov '17	90	90	90	90
Dul & Iron Range 1st 5s	1937	A - O	87 1/2	101	90	Nov '17	104	87 1/2	104	104	105	105	105	105	Nov '17	90	90	90	90
Registered	1937	A - O	87 1/2	101	90	Nov '17	104	87 1/2	104	104	105	105	105	105	Nov '17	90	90	90	90
Dul & Iron Range 1st 5s	1937	A - O	87 1/2	101	90	Nov '17	104	87 1/2	104	104	105	105	105	105	Nov '17	90	90	90	90
Registered	1937	A - O	87 1/2	101	90	Nov '17	104	87 1/2	104	104	105	105	105	105	Nov '17	90	90	90	90
Dul & Iron Range 1st 5s	1937	A - O	87 1/2	101	90	Nov '17	104	87 1/2	104	104	105	105	105						

SHARE PRICES—NOT PER CENTUM PRICES.

Table with columns for days of the week (Saturday Jan. 12 to Friday Jan. 18) and stock prices. Includes sub-headers for Bid and asked prices, Dividend and rights, Assesment paid, and Ex-rights.

Sales of the Week Shares

STOCKS BOSTON STOCK EXCHANGE

Range for Year 1917

Range for Preceding Year 1916

Main table listing various stocks and bonds, including categories like Railroads, Miscellaneous, and Mining. Columns include stock name, price, and date.

* Bid and asked prices. d Dividend and rights. e Assesment paid. f Ex-rights. g Ex-dividend. h Half-paid.

Outside Stock Exchanges

Boston Bond Record.—Transactions in bonds at Boston Stock Exchange Jan. 12 to Jan. 18, both inclusive:

Table with columns: Bonds, Friday Last Sale Price, Week's Range of Prices, Sales for Week, Range for year 1917 (Low, High).

Baltimore Stock Exchange.—Complete record of the transactions at the Baltimore Stock Exchange from Jan. 12 to Jan. 18, both inclusive, compiled from the official sales lists, is given below. Prices for stocks are all dollars per share, not per cent. For bonds the quotations are per cent of par value.

Table with columns: Stocks, Friday Last Sale Price, Week's Range of Prices, Sales for Week, Range for Year 1917 (Low, High).

Pittsburgh Stock Exchange.—The complete record of transactions at the Pittsburgh Stock Exchange from Jan. 12 to Jan. 18, both inclusive, compiled from the official sales lists, is given below. Prices for stocks are all dollars per share, not per cent. For bonds the quotations are per cent of par value.

Table with columns: Stocks, Friday Last Sale Price, Week's Range of Prices, Sales for Week, Range for year 1917 (Low, High).

Chicago Stock Exchange.—Record of transactions at Chicago Jan. 12 to Jan. 18, compiled from official sales lists:

Table with columns: Stocks, Friday Last Sale Price, Week's Range of Prices, Sales for Week, Range for year 1917 (Low, High).

z Ex-dividend. b Ex-50% stock div. c Ex-25% stock div. d Ex-div., 1 1/2%.

Philadelphia Stock Exchange.—The complete record of transactions at the Philadelphia Stock Exchange from Jan. 12 to Jan. 18, both inclusive, compiled from the official sales lists, is given below. Prices for stocks are all dollars per share, not per cent. For bonds the quotations are per cent of par value.

Table with columns: Stocks, Friday Last Sale Price, Week's Range of Prices, Sales for Week, Range for Year 1917 (Low, High).

Volume of Business at Stock Exchanges

TRANSACTIONS AT THE NEW YORK STOCK EXCHANGE DAILY, WEEKLY AND YEARLY.

Table with columns: Week ending Jan. 18 1918, Stocks (Shares, Par Value), Railroad &c Bonds, State, Mun. & Foreign Bonds, United States Bonds.

Table with columns: Sales at New York Stock Exchange, Week ending Jan. 18, 1918, 1917, Jan. 1 to Jan. 18, 1918, 1917. Rows include Stocks—No. shares, Par value, Bank shares, Bonds, Government bonds, State, mun., &c., bonds, RR. and misc. bonds, Total bonds.

DAILY TRANSACTIONS AT THE BOSTON, PHILADELPHIA AND BALTIMORE STOCK EXCHANGES.

Table with columns: Week ending Jan. 18 1918, Boston, Philadelphia, Baltimore. Sub-columns: Shares, Bond Sales. Rows include Saturday, Monday, Tuesday, Wednesday, Thursday, Friday, Total.

New York "Curb" Market.—Below we give a record of the transactions in the outside security market from Jan. 12 to Jan. 18, both inclusive. It covers the week ending Friday afternoon:

It should be understood that no such reliability attaches to transactions on the "Curb" as to those on the regularly organized stock exchanges.

On the New York Stock Exchange, for instance, only members of the Exchange can engage in business, and they are permitted to deal only in securities regularly listed—that is, securities where the companies responsible for them have complied with certain stringent requirements before being admitted to dealings. Every precaution, too, is taken to insure that quotations coming over the "tape," or reported in the official list at the end of the day, are authentic.

On the "Curb," on the other hand, there are no restrictions whatever. Any security may be dealt in and any one can meet there and make prices and have them included in the lists of those who make it a business to furnish daily records of the transactions. The possibility that fictitious transactions may creep in, or even that dealings in spurious securities may be included, should, hence, always be kept in mind, particularly as regards mining shares. In the circumstances, it is out of the question for any one to vouch for the absolute trustworthiness of this record of "Curb" transactions, and we give it for what it may be worth.

Table with columns: Week ending Jan. 18, 1918, Friday Last Sale, Week's Range of Prices, Sales for Week, Range for Year 1917. Rows include various stocks like Aetha Explosives, Am Writing Paper, Brit-Am Tob, etc.

Table with columns: Stocks (Concl.), Friday Last Sale, Week's Range of Prices, Sales for Week, Range for Year 1917. Rows include Cumberland Prod & Ref, Dumble Oil, Elkland Oil & Gas, etc.

Table with columns: Mining Stocks, Range for Year 1917. Rows include Alaska-Brit Col Metals, Atlanta Mines, Big Ledge Copper, Booth, Boston & Montana Dev., etc.

Table with columns: Bonds, Range for Year 1917. Rows include Am Tel & Tel 1-yr 6 1/2 W, Beth Steel 5% notes, Canada (Dom of) 5%, etc.

* Odd lots. † No par value. ‡ Listed as a prospect. § Listed as the Stock Exchange this week, where additional transactions will be found. ¶ New stock. * Unlisted. † Ex-cash and stock dividends. ‡ When issued. § Ex-dividend. ¶ Ex-rights. † Ex-stock dividend.

CURRENT NOTICE

Ford, Bacon & Davis, Engineers, announce the formation of the Ford, Bacon & Davis Corporation, organized for the purpose of conducting a general contracting business...

The National City Company of this city announce in their page advertisement appearing to-day opposite our weekly statement of bank clearings, that a representative of the Internal Revenue Bureau is located in the company's New York City office...

The 129th semi-annual statement of the Home Insurance Co. of New York, published in this issue, shows this great fire insurance institution in a remarkably strong financial condition.

To assist investors in the preparation of individual income tax reports, Bonbright & Co., Inc., 25 Nassau St., this city, have issued a revised edition of their book, "Quotations of Public Utility Securities As of March 1 1913."

Bonbright & Co. have just issued a new edition of their booklet containing quotations as of March 1 1913, of more than 600 public utility securities.

Booklet "A" which the bond department of the Equitable Trust Co., 37 Wall St., advertised in last week's issue of the "Chronicle," is now ready for distribution.

The investment bond firm of Glidden, Lyon & Co., 5 Nassau St., this city, was dissolved Jan. 15 and succeeded by the new firm of Glidden, Davidge & Co., members of the New York Stock Exchange.

J. S. Bache & Co., 42 Broadway, N. Y., have issued in pamphlet form a "Comparative Analysis of Leading Railroad Stocks," containing an estimate of earnings, based on 3-year average of net operating income...

At 98 1/2 and interest, yielding 7.82%, Harris, Forbes & Co. and the National City Co. of this city are jointly offering and advertising in this issue for investment, \$10,500,000 Toledo Tractition, Light & Power Co. first lien 7% two-year bonds.

Messrs. Pynchon & Company, members of the New York and Chicago Stock exchanges, announce the opening of an office in Suite 436 and 437, Spitzer Building, Toledo, under the management of Mr. Norman J. Cornell.

New York City Banks and Trust Companies

Table listing various banks and trust companies in New York City, including American, Amer. Eschb., Atlantic, Battery Park, Bowery, Bronx Boro., Bronx Nat., Bryant Park, Chase, Chat & Phen, Chelsea Ex., Chemical, Citizens, City, Coal & Iron, Colonial, Columbia, Commerce, Corn Exch., Cosmopol'n, East River, Fifth Ave., Fifth, First, Garfield, Germ. Amer., German Ex., Germania, Gotham, Greenwich, Hanover, Hartman, Imp & Trad., Irving, Liberty, Lincoln, Manhattan, Mark & Full, Mech & Met, Merchants, Metropoll's, Metropol'n, Mutual, New Neth., New York City, New York, Pacific, Park, People's, Prof. Eschb., Merchants, Seaboard, Second, Sherman, State, 23d Ward, Union Exch., Unit States, Wash H'ts., West Ave., West Side, Yorkville, Brooklyn, Coney Isl'd, First, Flatbush, Greenpoint, Hillside, Homestead, Meehan's, Montauk, Nassau, Nationl City, North Side, People's.

New York City Realty and Surety Companies

Table listing various realty and surety companies in New York City, including Alliance R'ty, Amer Surety, Bond & M G, Casualty Co, City Invest's Preferred, Lawyers Mfg, Mfg Bond, Nat Surety, N Y Title & Mfg, Realty Assoc (Brooklyn), U S Casualty, U S Title G, West & Brons, Title & M C.

Quotations for Sundry Securities

All bond prices are "and interest" except where marked "T"

Large table of quotations for sundry securities, including Standard Oil Stocks, RR. Equipments, Bonds, Ordnance Stocks, Public Utilities, and Industrial and Miscellaneous. Columns include company names, par values, and bid/ask prices.

* Banks marked with a (*) are State banks. x Sale at auction or at Stock Exchange this week. f NMW stock. y Ex-rights. z Last sale.

* Per share. b Basis. c Purchaser also pays accrued dividend. d New stock. / Flat price. n Nominal. x Ex-dividend. y Ex-rights.

Investment and Railroad Intelligence.

RAILROAD GROSS EARNINGS.

The following table shows the gross earnings of various STEAM roads from which regular weekly or monthly returns can be obtained. The first two columns of figures give the gross earnings for the latest week or month, and the last two columns the earnings for the period from Jan. 1 to and including the latest week or month. We add a supplementary statement to show fiscal year totals of those roads whose fiscal year does not begin with January, but covers some other period.

It should be noted that our running totals (or year-to-date figures) are now all made to begin with the first of January instead of with the 1st of July. This is because the Inter-State Commerce Commission, which previously required returns for the 12 months ending June 30, now requires reports for the calendar year. In accordance with this new order of the Commission, practically all the leading steam roads have changed their fiscal year to correspond with the calendar year. Our own totals have accordingly also been altered to conform to the new practice. The returns of the electric railways are brought together separately on a subsequent page.

Main table with columns: ROADS, Latest Gross Earnings (Week of Month, Current Year, Previous Year), Jan. 1 to Latest Date (Current Year, Previous Year), Latest Gross Earnings (Week of Month, Current Year, Previous Year), Jan. 1 to Latest Date (Current Year, Previous Year). Rows include various railroads like Ala N O & Tex Pac, Atch Topoka & S Fe, etc.

AGGREGATES OF GROSS EARNINGS—Weekly and Monthly.

Summary table with columns: Weekly Summaries (Current Year, Previous Year, Increase or Decrease, %), Monthly Summaries (Current Year, Previous Year, Increase or Decrease, %). Rows include 4th week Oct, 1st week Nov, etc.

* Includes Cleveland Lorain & Wheeling Ry. and Cincinnati Hamilton & Dayton. b Includes Evansville & Terre Haute. c Includes Mason City & Fort Dodge and the Wisconsin Minnesota & Pacific. d Includes not only operating revenue, but also all other receipts. e Does not include earnings of Colorado Springs & Cripple Creek District Ry. f Includes Louisville & Atlantic and the Frankfort & Cincinnati. g Includes the Texas Central and the Wichita Falls lines. h Includes the St. Louis Iron Mountain & Southern. i Includes the Lake Shore & Michigan Southern Ry., Chicago Indiana & Southern RR., and Dunkirk Allegheny Valley & Pittsburgh RR. j Includes the Alabama Great Southern, Cincinnati New Orleans & Texas Pacific, New Orleans & Northeastern and the Northern Alabama. k Includes Vandalla RR. n Includes Northern Ohio RR. p Includes Northern Central.

Latest Gross Earnings by Weeks.—In the table which follows we sum up separately the earnings for the first week of January. The table covers 25 roads and shows 1.05% increase in the aggregate over the same week last year.

Table with 4 columns: First Week of January, 1018., 1917., Increase, Decrease. Lists 25 railroad companies and their earnings for the first week of 1918 compared to 1917.

ELECTRIC RAILWAY AND PUBLIC UTILITY COS.

Table with 6 columns: Name of Road or Company, Latest Gross Earnings (Week of Month, Current Year, Previous Year), Jan. 1 to Latest Date (Current Year, Previous Year). Lists various electric and utility companies.

b Represents income from all sources. c These figures are for consolidated company. f Earnings now given in milreis. g Includes constituent companies.

Net Earnings Monthly to Latest Dates.—In our "Railway Earnings" Section or Supplement, which accompanies to-day's issue of the "Chronicle," we give the Nov. figures of earnings of all steam railroads which make it a practice to issue monthly returns or are required to do so by the Inter-State Commerce Commission.

In the following we give all statements that have come in the present week covering a later or a different period from that to which the issue of the "Railway Earnings" Section is devoted.

Table with 6 columns: Gross Earnings, Net Earnings, Other Income, Total Income, Charges & Taxes, Balance, Surplus. Shows monthly earnings for Toledo Peoria & Western.

EXPRESS COMPANIES.

Table with 6 columns: Company Name, Month of September (1917, 1916), Jan. 1 to Sept. 30 (1917, 1916). Lists various express companies like Adams Express Co., American Express Co., Canadian Express Co., etc.

Electric Railway and Other Public Utility Net Earnings.—The following table gives the returns of ELECTRIC railway and other public utility gross and net earnings with charges and surplus reported this week:

Table with 6 columns: Companies, Gross Earnings (Current Year, Previous Year), Net Earnings (Current Year, Previous Year). Lists companies like American Tel & Tel., British Columbia El Ry., etc.

		Gross Earnings.	Net after Taxes.	Fixed Charges.	Balance, Surplus.
Arkansas Val Ry Lt & Pow	12 mos to Nov	1,410,176	640,080	368,344	271,736
	Nov	1,252,209	561,204	343,546	217,658
Bell Telephone System	11 mos to Nov	269,855,019	63,901,381	23,761,723	247,267,957
	Nov	240,836,856	66,684,576	19,950,231	253,115,680
Cleveland Painesy & East	Nov	41,784	13,771	11,634	2,137
	Nov	35,940	14,724	11,649	3,075
	11 mos	496,164	185,252	128,473	56,779
	Nov	426,105	185,418	125,691	59,727
Detroit Edison	Dec	1,296,188	414,025	87,375	326,650
	Dec	1,112,433	385,586	92,371	393,215
	12 mos	12,279,925	3,664,410	1,028,562	2,635,848
	Nov	10,066,786	3,795,693	978,280	2,717,413
Lake Shore El Ry System	Nov	142,814	38,893	35,150	3,743
	Nov	125,610	38,821	36,263	2,558
	11 mos	1,618,440	515,100	381,998	133,102
	Nov	1,468,736	543,940	400,090	143,850
Milwaukee El Ry & Light	12 mos	7,968,192	2,129,454	931,361	2,130,220
	Nov	6,961,152	2,029,825	759,394	2,137,607
Milw Lt Heat & Tract	12 mos	2,232,387	539,654	446,774	293,787
	Nov	1,852,071	572,847	586,582	237,278
New Eng Co Pow System	Nov	251,305	95,236	49,460	45,776
	Nov	196,438	125,577	49,526	76,051
	11 mos	2,378,458	1,035,760	548,358	487,402
	Nov	1,857,710	1,170,336	549,917	620,419
Western Union (corrected) (Dec 1917 estimated)	12 mos	78,400,187	14,098,800	1,331,850	12,766,950
	Nov	63,621,600	13,727,255	1,331,850	12,395,405

z After allowing for other income received.

ANNUAL REPORTS.

Annual Reports.—An index to annual reports of steam railroads, street railways and miscellaneous companies which have been published during the preceding month will be given on the last Saturday of each month. This index will not include reports in the issue of the "Chronicle" in which it is published. The latest index will be found in the issue of Dec. 29. The next will appear in that of Jan. 26.

Republic Iron & Steel Company.

(Advance Results for Last Quarter and Full Calendar Year 1917.)

The company has submitted a statement of earnings for the quarter ending Dec. 31 1917, showing results which "are subject to change incident to excess profits and income tax rulings and to adjustment at the end of the year when accounts are finally audited." Based upon the particulars so given, the following tables are compiled:

(1) RESULTS FOR FOUR QUARTERS OF 1917 (FOR TOTAL NET INCOME, &c., SEE TABLE 2), SUBJECT TO ADJUSTMENT.

	Quarters in 1917 ending			
	Dec. 31,	Sept. 30,	June 30,	March 31,
Net income	\$5,398,905	\$8,697,465	\$8,778,342	\$5,836,181
Other income	170,491	88,304	60,554	41,675
Total income	\$5,569,396	\$8,785,769	\$8,838,896	\$5,877,856
Depreciation, &c.	\$1,034,096	\$604,160	\$331,499	\$304,078
Bond interest	178,493	181,644	193,935	205,262
Excess profits reserve	1,299,848	6,431,960	1,183,056	1,021,589
Prof. dividends (1 3/4%)	437,500	437,500	437,500	437,500
Common divs. (1 1/2%)	407,865	407,865	407,865	407,865
Total deductions	\$3,357,802	\$8,063,129	\$2,553,855	\$2,376,294
Balance, surplus	\$2,211,594	\$722,640	\$6,285,041	\$3,501,562

* After deducting for the last quarter of 1917 maintenance and repairs of plants, \$1,102,261. † Includes for Dec. 1917 quarter provision for depreciation and renewals of plants, \$545,634; provision for exhaustion of minerals, \$71,488, and provision for depreciation extraordinary, \$418,974.

(2) RESULTS FOR CAL. YEARS (1917 SUBJECT TO ADJUSTMENT).

	1917.	1916.	1915.	1914.
Net earnings	\$32,280,074	\$18,683,009		
Maintenance, &c.	3,569,391	2,138,373		
Net income	\$28,710,683	\$16,544,636		
Other income	361,024	348,576		
Total income	\$29,071,707	\$16,893,212	\$5,622,909	\$2,407,562
Depreciation, &c.	\$2,273,832	\$1,245,312	\$1,237,180	\$338,478
Bond interest	759,334	858,737	869,904	840,326
Excess profits reserve	9,936,453			
Preferred dividends (7%)	(7)1,750,000	(8)4,500,000	(4 1/4)1,187,500	(3 1/2)875,000
Common dividends (1 1/2%)	(6)1,631,460	(1 1/2)407,865		
Total deductions	\$16,351,079	\$7,011,915	\$3,294,500	\$2,253,804
Balance, surplus	\$12,720,628	\$9,881,297	\$2,328,319	\$153,748

Unfilled orders on hand for finished and semi-finished Dec. 31 1917 amounted to 418,943 tons, against 617,950 tons as of Dec. 31 1916.—V. 105, p. 1622, 394.

National Biscuit Co., New York.

(20th Annual Report—Year ending Dec. 31 1917.)

President R. E. Tomlinson says in substance:

All finished product as well as other merchandises has been inventoried at cost, and the only indebtedness is for those raw materials and supplies which were purchased so recently that the bills could not be adjusted before the close of the fiscal year.

Since the organization on Feb. 3 1898, there have been paid out of earnings 79 consecutive quarterly dividends of 1 1/4% on the preferred stock. On the common stock 77 dividends have been paid—30 quarterly dividends of 1%, 8 quarterly dividends of 1 1/4%, 8 quarterly dividends of 1 1/2%, 27 quarterly dividends of 1 3/4%, three extra dividends of 1% each, in 1906, 1907 and 1908, and one extra dividend of 2% in 1911.

The only subsidiary corporation of the company, the Howe & Davidson Co., which operated the carton factory at Marseilles, Ill., was dissolved during the present year. This factory, which includes a board mill located on the Illinois River at Marseilles, Ill., has exceptional water power facilities, but on account of its necessary exposure to unusual flood conditions,

a reserve for replacement purposes was accumulated by Howe & Davidson Co. several years ago, and this reserve is maintained as "Carton factory reserve"—\$1,250,000.

A new bakery in Pittsburgh built of reinforced concrete will be completed during the next month, and the machinery will then be installed for its operation in time to take care of the summer business in that section. This new bakery is located upon a lot having an area of 100,000 square feet at the corner of Penn Ave. and Lambert St., adjoining the new East Liberty freight terminal facilities of the Pennsylvania R.R. Suitable pieces of property also have been purchased and will be held for the erection of bakeries in Detroit, Mich., and Cleveland, Ohio, as our business demands.

The war conditions have imposed difficult problems upon our organization, which have been met and disposed of.

INCOME ACCOUNT.

	Years ending Jan. 31—			
	1917.	1916-17.	1915-16.	1914-15.
Net profits	\$4,622,348	\$4,579,306	\$4,129,791	\$4,520,402
Dividends—				
Common (7% yearly)	\$2,046,520	\$2,046,520	\$2,016,520	\$2,046,520
Preferred (7% yearly)	1,736,315	1,736,315	1,736,315	1,736,315
Balance, surplus	\$839,513	\$796,471	\$346,956	\$737,567

BALANCE SHEET.

	Dec. 31 '17.		Jan. 31 '17	
	\$	\$	\$	\$
Assets—				
xPlant, real estate, mach'y, &c.	54,480,785	55,184,018		
Cash	2,415,827	2,090,577		
Stocks & securities	1,201,160	1,207,855		
Acct's receivable	4,941,979	3,836,388		
Raw mat'l's, supplies, &c.	10,466,702	7,691,310		
Total	73,506,453	70,310,653		
Liabilities—				
Preferred stock	24,804,500	24,804,500		
Common stock	29,236,000	29,236,000		
Accounts payable	595,544	575,917		
Com. divs., payable				
Jan. 15 1918	511,030			
Carton fact'y res.	1,250,000			
Tax reserve	700,000	125,000		
Surplus	16,408,780	15,589,267		
Total	73,506,453	70,310,653		
x After deducting \$300,000 depreciation account.—V. 105, p. 2099.				

Swift & Co., Packers, Chicago.

(Report for Fiscal Year ending Sept. 30 1917.)

The statement made by V.-Pres. Edward Swift at the annual meeting was cited last week (p. 186). The company's printed report contains the income statement below shown. The following average range of wholesale prices was also given out in Chicago:

Average Wholesale Prices of Dressed Beef at Consuming Centres.

	1917.	1916.	1915.	1914.	1913.	1912.
New York	\$14 15	\$12 12	\$11 64	\$12 24	\$11 60	\$10 30
Philadelphia	14 22	12 11	11 77	12 33	11 56	10 13
Washington	13 67	11 86	11 63	12 19	11 40	9 86
Chicago	13 10	11 10	10 85	11 59	11 16	9 94
Average	\$13 78	\$11 82	\$11 42	\$12 09	\$11 43	\$10 36

OPERATIONS FISCAL YEARS END. ON OR ABOUT SEPT. 25 AND 30

	1916-17.	1915-16.	1914-15.	1913-14.
Business done exceeded	\$75,000,000	\$75,000,000	\$500,000,000	\$425,000,000
Net earnings	\$34,650,000	\$30,465,000	\$4,087,500	\$4,500,000
Dividends	(10)10,000,000	(8)6,000,000	(7 1/4)5,437,500	(7)5,250,000
Balance to surplus	24,650,000	14,465,000	8,650,000	4,200,000

a After making allowance for special reserve, \$10,000,000. On Nov. 25 1916 there was paid to shareholders a cash dividend of 33 1/3% in order to distribute \$25,000,000 of accumulated earnings. The net earnings for 1916-17 are shown above after carrying 10,000,000 to a special reserve account, increasing the total reserves to \$16,458,541 on Sept. 30 1917, as against \$6,290,162 on Sept. 28 1916. After providing for this reservation and after allowing for the \$25,000,000 distributed as a stock dividend on Nov. 25 1916 and some minor items, the profit and loss surplus on Sept. 30 1917 stood at \$59,965,000, as against \$60,315,000 in Sept. 1916. The figure of earnings shown last week came from newspaper advices erroneously compiled. Compare V. 106, p. 186.

Manhattan Shirt Co., New York.

(Report for Fiscal Year ending Nov. 30 1917.)

Pres. Lewis Levi, New York, Jan. 12, wrote in substance:

During that period the Solway Dyeing & Textile Co. has erected an additional plant for the weaving of fabrics, the looms of which are now in operation.

The directors have appropriated out of the surplus profits of 1916, a sum sufficient for the redemption of \$500,000 of the preferred stock, which has been retired, leaving a total of \$1,600,000 outstanding of \$3,000,000 originally issued.

All of our factories are at the highest point of efficiency and due attention has been given to their maintenance.

The report of the Treasurer shows that \$175,000 has been set aside for the excess profits and income tax.

The business in hand for the future compares favorably with other years.

CONSOLIDATED INCOME ACCOUNT FOR YEARS ENDING NOV. 30

	1917.	1916.	1915.	1914.
Net profits	\$95,723	\$821,019	\$450,455	\$475,014
Dividend on inv'ts	12,241	18,199	24,094	23,797
Interest (net)	28,838	7,458	9,484	2,956
Net income	\$96,412	\$846,676	\$484,033	\$501,767
Res. for Income & Excess Profits taxes	\$175,000			
Prof. dividends (7%)	120,750	\$154,000	\$181,125	\$201,250
Common dividends (4%)	200,000	(3)150,000	(1 1/2)75,000	(2)250
Balance, surplus	\$468,376	\$542,676	\$227,908	\$300,517
Previous surplus	504,823	437,134	560,777	340,748
Total	\$973,199	\$979,810	\$788,685	\$641,265
Prof. stock reserve	\$500,000	\$400,000	\$350,000	\$301,250
Difference between cost and par value of stock written off (net)		72,692		
Adjustments	cr. 5,548	deb. 2,295	deb. 1,551	cr. 20,762
Total profit and loss surplus	\$478,747	\$504,823	\$437,134	\$360,777

CONSOLIDATED BALANCE SHEET NOV. 30.

	1917.	1916.	1917.	1916.
Assets—				
Land, bldgs., mach'y, &c., less deprec'n.	1,034,254	890,281		
Trade name, goodwill & patents	5,000,000	5,000,000		
Investments a.	72,513	543,500		
U. S. Govt. bonds (at cost)	74,455			
Cash	336,312	207,352		
Notes & acct's rec.	8875,630	647,776		
Inventories	2,645,558	2,132,049		
Deferred charges	38,444	84,363		
Total	10,275,215	9,505,322		
Liabilities—				
Preferred stock	1,600,000	2,100,000		
Common stock	5,000,000	5,000,000		
Notes and accounts payable and accrued accounts	1,796,463	950,499		
Div. payable Dec. 1		50,000		
Reserve to retire preferred stock	1,400,000	900,000		
Profit and loss	478,747	504,823		
Total	10,275,215	9,505,322		

a Includes Manhattan Shirt Co. pref. stock purchased. b After allowing for discounts and doubtful accounts and deducting in 1917 loans secured by collateral, \$10,425.—V. 104, p. 71.

Goodyear Tire & Rubber Co., Akron, Ohio.

President's Remarks at Annual Meeting Dec. 3—10 Years' Growth.

Pres. F. A. Seiberling, at the annual meeting on Dec. 3, said in substance:

Business for Year 1916-17.—As the report indicates (V. 105, p. 2362), we have moved from a position of \$63,000,000 in volume for last year to \$111,000,000 for this year. The tonnage of rubber used in handling that business was over 24,000, with a value of \$35,000,000. We used 42,000,000 yards of cotton fabric last year. We paid out \$20,000,000 in Akron payrolls, and at the peak point, in May, paid \$2,000,000.

We had in our employ at the peak point in May 19,900 men in the factory and about 1,150 in the offices, or here in Akron 21,000 men. This does not take into account 425 men employed in our cotton plantations, 3,300 men in Sumatra on our rubber plantations, and 750 salesmen in our field force. With these in the computation, the company was employing over 26,500 men during the summer months. Our accounts on our books and our product is being distributed to over 1,000,000 users in this country, while our losses have been less than one-tenth of 1% per annum for several years.

Plant, &c.—Our plant account has been practically doubled the past year in accordance with the plans formulated nearly two years ago. In other words, as we stand to-day, we have a capacity, based on present selling values, of over \$200,000,000 of product. Our inventory is very large, as also our liabilities, due to the abnormal war situation.

Cotton Company in Arizona—Rubber Co. in Sumatra.—Of the "advances to Companies" (\$2,300,000), about \$2,000,000 is represented in advances to our Cotton Company in Arizona and our Rubber Company in Sumatra. Long-staple cotton—vital in the manufacture of our product—was becoming short in supply. So we have gone out to Arizona in the Salt River Valley, taken up 24,000 acres of desert land; irrigated it; planted it; and produced the past year over 4,000 acres of cotton under our own direct cultivation, 2,000 acres additional on leased land. We expect to have 15,000 acres in cultivation the coming year. Ultimately with the 24,000 acres of land under full cultivation, it will furnish less than one-half of the long-staple cotton that we require.

We have also acquired 20,000 acres of land in fee in Sumatra. About 2,500 were planted in rubber, tea and cocoa, and were in cultivation; the rest of it was wild jungle. We have about 6,000 acres now cleared and are planting it to rubber. The tea lands are being converted in the same fashion. We expect the coming year to have 10,000 acres planted, and the balance will come in bearing in the course of five years. Ultimately we shall have it all planted and in bearing, and even when we have it so planted and in bearing, those 20,000 acres will probably furnish less than one-fifth of our entire requirements of crude rubber.

Advances to Realty Cos.—The Goodyear Improvement Co. represents the corporation owning our four warehouses in the cities of New York, Boston, Detroit and Indianapolis, and the advance to that company is something less than \$800,000. The rest is distributed mainly to The Goodyear Heights Realty Co.—the development over on the hill.

Growth in 10 Years.—I don't know of any corporation of the size of this one that can make such a statement—a growth of ten years from a volume of \$2,000,000 of business to \$111,000,000; in net earnings from \$120,000 to \$14,000,000. The total business for the ten years amounts to over \$230,000,000; the net profits for ten years, over \$38,000,000; the distribution in cash dividends to preferred stockholders, \$3,800,000; to common stockholders, \$8,800,000; and in stock dividends, \$13,000,000. The remaining \$12,000,000 was carried into surplus and is still available for distribution if we shall ever desire to use it.

The past year we have earned, not taking into account what may be deducted for Federal tax, 6 1/2% for the common stock—the highest record that we have ever made. The value of the common shares intrinsically is 163 per share, all based on liquidating values, except the plant and without listing what, in our judgment, is the most valuable item of all—the Good Will of this Company.

Outlook.—There never has been a year in our history when we were so incapable of figuring anticipated results down through the twelve months as to-day. So far as the figures are concerned, there is no evidence of any slacking up, and if that should continue, we would for the coming year do a business approximating \$180,000,000. As a matter of fact, we don't expect to do \$180,000,000 of business; we don't know whether we shall do \$150,000,000 of business. We are well satisfied that we are going to do more business in 1918 than we ever did in our history; we are not desirous of pushing to the extreme of our opportunity, chiefly because we have the uncertainty of war facing us, and second, because we think this is a good time to run along steadily and evenly, keeping in tune with the Government program.

Aeronautical Department.—A year ago we had an Aeronautical Department—the only one in the United States in the rubber business. We had made a few spherical, "sporting balloons," if you please; we were doing experimenting along other lines; but the department was practically profitless. We were simply feeling our way. When our Government entered the war, it had to have immediately dirigible balloons. Ours was the only factory in the United States ready at the instant to do such work. We took an order, at the Government's insistence, for 12 of those bags. Out at Wingfoot Lake we put up a steel hangar and hydro gas plant, and within seven weeks of the time we got the word from the Government, we had it built, ready to operate. That undertaking cost us \$300,000. The Government, anxious to have us do our utmost, is offering us now more business than we can handle. We are going to support their program in the rubber line to the limit of our ability.

Rubber on Artillery Wheels.—Five years ago one of our Boston boys insisted that the Government ought to put rubber on its artillery wheels. He found the officers at Washington keen for the test. We made samples but there was no money available for any orders. The other day we were called down to Washington and informed that the Government had taken out that set of artillery wheels for a test over the roads of Maryland and Virginia, with the brakes half locked practically all the time—completely locked a part of the time; that the test had been a complete success and that in the future all equipment of the United States Government would be with rubber tires. More than that, after five years, in spite of whatever deterioration comes to rubber with time, these tires were in practically as good condition as the day we sent them out.

Outlook for Commercial Car.—The commercial car, yet in its infancy, is going to be called upon to do a service far greater proportionately than the railroads are now doing. To begin with, if you gather from its initial source all the freight that must be transported and handled by the automobile, you will find that its tonnage will even now approximate that of all the railroads of the country. It must first be carried to the railroad stations and freight houses by automobile. It must be delivered from railway stations the same way. And there are actually millions of opportunities for automobiles to handle immense freight tonnage without contact with the railways in any way, direct from producer to consumer. In this transition that I see taking place, many of the touring cars will have their bodies replaced with commercial bodies. The percentage of commercial cars is going to increase tremendously, both old and new, and the service they are going to perform in my judgment is beyond our vision.

We have endeavored to demonstrate the possibilities of motor-truck service on public highways. We have been operating a service between Akron and Boston, three and five-ton trucks on regular schedule, making a round trip in a week, demonstrating that we can beat the express service both in cost and time. That is just the beginning of a development that I believe is coming to fulfillment in this country as we complete our program of hard highways and broaden out in this use of the motor truck. In my judgment, the development after the war is going to be tremendous along the line of the commercial car, and I am looking no sleep as to the number of tires that are going to be consumed between now and the close of the war, or thereafter.

Plant Expansion Completed for Three Years or More.—We feel that so far as plant expansion is concerned, we are through; it is completed; that nothing of that sort will be undertaken here of any account for three years, possibly not for five years. Our output can be doubled practically beyond its present limit in production. Therefore, the change in the future will be in the direction of liquid assets, and not fixed assets, as was the case the past year. We shall certainly come to you a year from now showing smaller liabilities than we do to-day.

[See increase of stock on a following page and annual report V. 105, p. 2362.]

The common shareholders were recently given the first right to subscribe at par for 10% of \$15,000,000 of the new 8% 2d pref. stock. See full statement, V. 105, p. 2459, 2362.

TEN-YR. SUMMARY—(1) ANNUAL RESULTS, YRS. END. OCT. 31.

Oct. 31 Years.	Sales.	Net Earnings.	1911-12	Sales.	Net Earnings.
1916-17	\$111,450,644	\$14,044,206	1911-12	\$25,232,207	\$3,001,295
1915-16	63,950,400	7,003,330	1910-11	13,262,266	1,291,625
1914-15	36,490,652	5,137,083	1909-10	9,560,145	1,406,105
1913-14	31,056,129	3,301,165	1908-09	4,277,067	651,687
1912-13	32,998,827	2,041,268	1907-08	2,189,749	129,925

(2) PREFERRED AND COMMON DIVIDENDS PAID.

	Prof. (7%).	Common.	Prof. (7%).	Common.	
1916-17	\$1,499,040	\$2,228,342	1911-12	\$139,605	\$803,192
1915-16	764,239	1,261,332	do (in stock)		2,329,100
do (in stock)		8,427,000	1910-11	70,000	\$274,092
1914-15	469,583	727,248	1909-10	43,034	\$120,000
1913-14	431,667	\$958,933	do (in stock)		1,000,000
do (in stock)		1,006,620	1908-09	17,629	\$49,200
1912-13	350,000	\$604,056	do (in stock)		400,000
			1907-08	10,308	

(3) BALANCE SHEET OCTOBER 31.

	1917.	1916.	1915.	1908.
Assets—				
Plant and equipment	\$24,942,790	\$12,689,056	\$3,855,569	\$615,109
Quick assets	51,053,656	30,682,264	8,884,833	737,576
Other assets	6,566,146	5,846,474	1,077,762	90,500
Total assets	\$82,562,592	\$49,217,794	\$13,818,214	\$1,442,735
Liabilities—				
Preferred stock	\$24,393,700	\$17,500,000	\$5,000,000	\$171,800
Common stock	20,278,620	17,500,000	5,026,700	365,000
Bonds				220,400
Other liabilities	21,126,529	9,167,973	1,116,407	82,199
Reserves	4,000,062	2,796,654	818,219	140,514
Surplus	12,763,681	2,253,167	1,856,859	462,882
Total liabilities	\$82,562,592	\$49,217,794	\$13,818,214	\$1,442,735

—V. 105, p. 2459, 2362.

Lawyer's Mortgage Co., New York.
(Report for Year ending Dec. 31 1917.)

The comparative tables follow:

	1917.	1916.	1915.
Guaranteed mortgages sold	\$40,027,251	\$41,781,187	\$45,844,367
Guaranteed mortgages paid off	41,373,747	38,129,926	42,345,755
Guar. mtgs. outstanding Dec. 31	146,669,302	148,015,794	144,364,633
Income from—			
Premiums for guarantees	\$684,942	\$684,030	\$672,919
Interest on mortgages	266,445	251,893	251,053
Rents, commissions, &c.	125,920	166,081	139,647
Gross earnings	\$1,077,307	\$1,105,004	\$1,063,619
Operating expenses and taxes	\$341,550	\$312,975	\$296,287
Loss on real estate	215,809	69,635	542
Net earnings	\$520,148	\$722,394	\$766,790
Dividends paid	(9,540,000)	(12,720,000)	(12,720,000)
Balance, surplus or deficit	def. \$19,852	sur. \$2,394	sur. \$46,790

BALANCE SHEET DEC. 31.

	1917.	1916.	1917.	1916.
Assets—				
N. Y. City mtgs.	6,295,146	5,281,960	Capital	6,000,000
Acct'd int. receivable	331,308	299,255	Surplus	2,750,000
Company's Brooklyn building, cost	175,000	175,000	Undivided profits	281,619
Real estate	1,116,792	1,429,660	Mortgages sold, not delivered	213,803
Real estate under contract of sale	399,056		Reserves for prepaid premiums, &c.	53,854
Cash	1,381,120	1,777,480		27,657
Total	9,290,368	9,362,411	Total	9,299,366

—V. 103, p. 242.

Mortgage-Bond Company, New York City.
(Report for Fiscal Year ending Dec. 31 1917.)

The company's financial statement will be found in our advertising department.

COMPARATIVE RESULTS FOR CALENDAR YEARS.

	1917.	1916.	1915.	1914.
Gross income	\$535,011	\$545,742	\$503,397	\$479,789
Operating expenses	87,548	97,349	68,107	64,121
Net earnings	\$447,463	\$448,393	\$435,290	\$415,668
Interest on bonds	\$244,077	\$234,429	\$223,708	\$213,228
Dividends	(7%) 140,000	(7) 140,000	(7) 140,000	(6) 120,000
Balance, surplus	\$63,386	\$73,964	\$71,492	\$82,440

In addition to \$355,000 of N. Y. City mortgages, securing Series I Bonds, the company has \$6,846,914 of mortgage loans outstanding in 20 cities of the West and South, the value of the properties covered by these mortgages aggregating \$17,253,140. The average size of the loans made is less than \$3,000. Bonds outstanding, \$2,363,500 Series 1 and 2 4s and \$2,988,000 Series 3 5s.

STATEMENT OF ASSETS AND LIABILITIES JANUARY 1.

	1918.	1917.	Liabilities—	1918.	1917.
Assets—			Capital	\$2,000,000	\$2,000,000
Mortgages	\$7,201,514	\$7,538,005	Surplus	500,000	500,000
U. S. certificates	300,000		Undivided profits	204,347	147,812
U. S. bonds	131,000		Mortgage bonds	5,351,500	5,271,409
Other bonds	64,233	9,278	Mortgage certifs.		22,350
Real estate	95,295	62,993	Interest payable	97,210	96,297
Interest receivable	153,449	158,783	Reserve for taxes	13,500	
Cash	319,151	218,710			
Total	\$8,166,537	\$8,037,859	Total	\$8,166,537	\$8,037,859

—V. 104, p. 160.

Union Oil Company of California, Los Angeles.
(Report for Twelve Months ending Dec. 31 1917.)

The report, signed by Pres. W. L. Stewart and Comptroller R. D. Matthews, on Jan. 5 1918, says in substance:

Producers' Transportation Co.—Inasmuch as the Union Oil Co. of Cal. now owns almost the whole of the capital stock of the Producers' Transportation Co., the assets and liabilities of that company will be consolidated in the annual report and have been so treated in this statement.

Profits.—The profits earned from all operations, less general expense, taxes, interest charges and employees' share of profits were approximately as follows, the year having been a prosperous one for the company:

12 Months to	1917.	Yrly. on	1916.	Yrly. on	Increase—
Dec. 31—	Amount.	Stock.*	Amount.	Stock.*	
Profits (as above)	\$12,060,000	32 1/4%	\$9,650,000	28 1/4%	\$2,410,000 25%
Prov. for deprec'n	3,160,000	8 1/4%	2,430,000	7%	730,000 31%
War income and excess prof. tax	1,250,000	3 1/4%			1,250,000
Net profit	\$7,650,000	20 1/4%	\$7,220,000	21 1/4%	\$430,000 6%

* Percentages per annum indicated are calculated to average capital stock outstanding for the year.

The earnings of the Producers' Transportation Co. show a decline for the year, while the results for the Union Oil Co. show a marked increase.

Production.—The production of crude oil by the company and controlled companies combined approximates 7,150,000 net barrels, an increase over 1916 of 175,000 bbls. This production, together with regular purchases and agency deliveries, aggregates about 19,000,000 net bbls., or about 21% of the State production for the year of about 92,500,000 net bbls.

Sales.—The sales for the year will approximate \$33,850,000, an increase in value of \$6,100,000, or 22% over the year 1916. The deliveries of fuel oil have been large and heavy drafts were made on the State stocks, these

decreasing during the year about 12,000,000 bbls., but we are able to go into 1918 with only about 500,000 bbls. less of crude oil in storage than was carried a year ago.

Capital Expenditures.—These approximate \$7,400,000, being represented by the cost of the Pinal Dome properties, new drilling, purchases of oil properties, extensions to our distributing system and additions to refineries.

Balance Sheet.—Current assets, consisting of oil inventories, materials and supplies, accounts and bills receivable, Liberty bonds, U. S. Treasury certificates and cash, at Dec. 31 1917 approximate \$21,800,000, an increase over Dec. 31 1916 of \$6,440,000. Current assets are about 8 to 1 of current liabilities, and including accrued war taxes, over 5 to 1, and are considerably more than the total of all indebtedness.

The quantity of crude oil in storage owned by the company Dec. 31 was approximately 10,500,000 net bbls., and including stocks controlled through the agency about 12,250,000 net bbls., the State storage being about 32,000,000 bbls., which is the lowest reserve carried since the year 1911.

Current Liabilities and Accrued War Taxes.—These items as of Dec. 31 1917 approximate \$4,100,000, or approximately \$2,050,000 greater than at the end of 1916, due principally to the accrued war taxes and the increased cost of our oil purchases. The balance of the purchase price of the Pinal Dome properties was liquidated by the issuance of \$3,283,000 First Lien 5% bonds, and the decrease on account of retirements and purchases of First Mortgage bonds during the year amounts to \$1,126,000, so that there has been a net increase in First Mortgage bonds in the hands of the public during the year of \$2,157,000. Collateral trust notes were reduced during the year \$299,000 (leaving \$390,000 due and payable on May 1 1918), and purchase money obligations were reduced roundly \$385,000. The bonded debt at Dec. 31 1917 amounts to \$11,688,000, and the total indebtedness approximates \$16,940,000, as against total assets of about \$33,000,000 the reserve for depreciation against that amount being \$15,000,000. The percentage of indebtedness to total assets at book value is now about 18%.

Surplus and Operating Reserves.—On Dec. 31 the sum of these items will approximate \$21,500,000, which, however, will be reduced approximately \$4,000,000 when the 10% stock dividend recently declared is paid on March 15 next. The book value of the company's stock at the close of the year was about \$155 per share.

Dividends.—The regular quarterly dividend of \$1.50 per share, together with an extra dividend of \$1 per share, was declared on Jan. 2 1918, payable on Jan. 19 to holders of record Jan. 10 1918. The dividends paid during the year amount to \$3,297,866 and the dividends paid to date (and including the 10% stock dividend recently declared) since the incorporation of the company approximate \$35,500,000, while the surplus has been increased about \$17,500,000. Relative to the stock dividend payable March 15 1918, the Secretary will as promptly as possible subsequent to Feb. 16 1918 advise those stockholders who are entitled to fractions of shares as to the amount thereof and the method of handling the same.

Outlook.—Our business and financial position is strong and we believe the oil business in this State will continue prosperous for some time to come.

Production of Crude Oil (Net Bbls.) and Sales for 12 Months ending Dec. 31.

	1917.	1916.	Increase.
Crude oil (net bbls.)	7,150,000	6,675,000	475,000
Sales	\$33,550,000	\$27,750,000	\$6,100,000

—V. 106, p. 196, 93.

(The) Sherwin-Williams Co. of Canada, Ltd., Montreal.
(6th Annual Report—Year ending Aug. 31 1917.)

Pres. Walter H. Cottingham, Dec. 11, wrote in substance: The cost of all renewals and repairs is still charged to operating expenses, and \$80,746 has been added to the reserve for depreciation, now amounting to \$555,862. The increase in the current liabilities is due to larger inventories, necessitated by a larger turnover and also to higher costs of materials. The plant at Sydney, Australia, has been completed and is now in operation. No returns, however, from this plant were received during the last fiscal year. The outlook for satisfactory results from the Australian company is promising.

Substantial gains in sales have been made in all departments of your business during the past year, and your directors consider the outlook for the present year satisfactory. [As to "extra dividend" see a subsequent page, Ed.]

The earnings for the past year, before providing for depreciation and interest on bonds, amounted to \$945,273, and after deducting reserve for depreciation and renewals of plant, \$80,746; interest on bonds, \$133,092; divs. on preferred stocks, \$220,132; donations to patriotic fund, allowances to employees on active service, and provision for British war tax on profits of the Berger companies, \$118,966, the balance, surplus, was \$392,337. The surplus account and reserves now amount to \$2,402,560.

INCOME ACCOUNT FOR YEARS ENDING AUG. 31.

	1916-17.	1915-16.	1914-15.
Net earnings	\$945,273	\$846,944	\$777,304
Bond interest	\$133,092	\$136,470	\$139,323
Depreciation	80,746	76,710	53,485
Preference dividend	220,133	210,583	210,000
Patriotic Fund	118,966	49,807	15,337
British & Canadian war & income taxes			
Balance, surplus	\$392,337	\$373,374	\$159,159

BALANCE SHEET AUG. 31.

	1917.	1916.	1917.	1916.
Assets—			Liabilities—	
Land, bldgs., trade marks, good-will, &c.	9,100,337	8,712,464	Preferred stock	3,237,000
Stocks of oth. eos.	320,475	320,475	Common stock	4,000,000
War loan bds., &c.	3,124		6% 1st M. Gs.	1,873,200
Sink. fd. deposits	59,636	50,854	Mtges. & bonds of sub. eos.	444,327
Cash	167,966	235,836	Bills payable	447,221
Accts' receivable	1,714,321	1,230,513	Accts' payable	544,268
Bills receivable	115,250	80,534	Loans of Berger Cos.	190,705
Inventories	2,417,614	1,820,162	Acc'd bond int.	24,458
Prepaid interest, taxes, &c.	14,623	11,282	Sher.-W'ms Co. of Cleveland	706,112
			Special reserve fda.	100,000
			Deprec'n reserve	555,862
			Surplus	1,746,698
Total	13,913,851	12,462,120	Total	13,913,851

x Includes in 1917 mortgages and bonds of the Canada Paint Co., Ltd., \$340,667, and Lewis Berger & Sons, Ltd., \$103,660. y After deducting in 1917 \$444,300 bonds deposited with trustees for redemption of bonds of the Canada Paint Co., Ltd., and the Lewis Berger & Sons, Ltd., \$124,200 bonds for sinking fund and \$8,300 bonds held in treasury. Contingent liability for bills under discount, \$28,221.—V. 105, p. 2462.

Dominion Bridge Co., Ltd., Montreal.
(Report for Fiscal Year ending Oct. 31 1917.)

President Phelps Johnson, Dec. 20, reported in substance: Results.—The profits of the year after making allowance for bad and doubtful accounts receivable and for depreciation of buildings, plant and equipment are \$1,186,438.

The outcome is on the whole disappointing, due largely to unremunerative contracts for shells and other munition work.

Orders.—The volume of bridge and structural work secured has been small and the profits thereon moderate. The prospect for remunerative business in this line not being encouraging, your officers have been looking in other directions for work for your shops and have secured contracts for marine engines and boilers totaling in value about \$1,170,000. It is believed all of this work has been taken at prices which will prove satisfactory, though a considerable capital expenditure is involved in additions to shops and equipment to handle engine and boiler work.

We have also recently secured orders for fabricating ship plates and frames which will keep the structural departments of your Lachine and Toronto shops profitably busy for some seven months to come and there is good prospect of further similar orders.

Quebec Bridge.—The financial statements below do not benefit from your company's interest in the Quebec Bridge work. The suspended span of the bridge was successfully erected in Sept. last and the structure is now being used for the crossing of freight trains. The structure will not be fully completed until midsummer of 1918.

On the acceptance of the bridge by the Government a distribution of profits should be made and your company will then receive about \$1,500,000 as its share of the profits accumulated in the seven years the work has been in progress and will also benefit by the return of a good portion of the cash capital invested in the work.

Outlook.—The recent great increase in the cost of labor, material and supplies involve much larger cash investments in all contracts in progress, payments for munition work are now being in part deferred and new legislation as regards business profits taxation may be expected. These conditions and the great uncertainty as to general business conditions after the war has ended make it essential that your company maintain a strong cash position and it is not clear that dividend disbursements at the present rate should be continued. This will be a matter for the serious consideration of your incoming board.

Inventory.—The material in stock has been inventoried at conservative prices, well below cost prices or current market value, but present prices for steel and engineering supplies are so abnormal it has been thought prudent to set aside a special reserve out of the profits of this year of \$300,000 to provide against loss should a sudden drop in prices take place before our present stock of material can be marketed.

Dominion Copper Products Co., Ltd.—This subsidiary still occupies under temporary arrangements the shops of the National Bridge Co. and a good portion of your main plant at Lachine. The larger portion of your property situated between St. Joseph St. and the Lachine Canal has been leased to the Copper Products Co. for a period of fifty years, the rental and other conditions being subject to revision each ten years. The Copper Products Co. has had a prosperous year and has good prospects for continued success.

Annual Meeting.—The stockholders will be asked to change the date of the annual meeting to the second Wednesday in January.

INCOME ACCOUNT FOR YEAR ENDING OCT. 31.

Profits from contracts and interest on dividends received on investments, \$1,205,788, and misc. earns., \$154,746; total	\$1,360,534
Deduct—Depreciation of plant, machinery, &c., \$123,101; interest and exchange, \$30,330; reserved for doubtful accounts, \$8,556; directors' fees, \$14,110	174,097
Net income for year ending Oct. 31 1917 (see below)	\$1,186,436

	1916-17.	1915-16.	1914-15.	1913-14.
Net income (See above)	\$1,186,436	\$2,762,280	\$1,330,437	\$616,348
Dividends paid	(9,137,700)	(10,550,000)	(5,373,750)	(471,250)
Bonus to stockholders	(2,136,000)	(12,750,000)	(3,195,000)	
Reserves, &c.	382,620	588,107	204,282	58,091
Nat. bk. acct. written off			174,587	
Balance surplus	\$56,316	\$874,173	\$382,818	\$87,007

x Includes in 1916-17 \$300,000 transferred to special reserve for stock of material on hand and \$82,620 transferred to investment reserve.

BALANCE SHEET OCT. 31.

	1917.	1916.	1917.	1916.
Assets—			Liabilities—	
Real est., plant, &c.	4,265,645	3,854,079	Capital (authorized)	6,500,000
Invest. in oth. eos.	3,164,391	2,980,873	100,000,000	6,500,000
Cash	463,337	291,491	Depr., &c., reserve	386,704
Deposits on tenders	112,681	115,354	Accidents in erect'n	181,358
Dom. of Canada war loan bonds		616,144	Accident insurance	56,787
Exp. on contracts	1,360,034	701,781	Investment reserve	386,064
Accts. & bills rec.			Div., &c., pay Jan. 1	162,500
less reserves	1,202,773	1,076,486	Bal. of purch. price	
Inventory	1,253,434	1,003,540	Loque Pte. prop.	84,442
Unexp. insur., &c.	47,860	53,789	Bank, &c., loans	1,150,000
			d Accts. payable	1,283,309
			Profit and loss	1,679,501
Total	11,876,355	10,695,536	Total	11,876,355

a After deducting in 1917 \$123,101 depreciation. b Includes in 1917 expenditures on uncompleted contracts less amounts reserved for contingencies, \$2,456,082, less \$1,090,049 received on account. c After deducting \$300,000 special reserve. d Includes provision for war taxes.

The Royal Trust Co. holds \$2,012 fully paid non-assessable shares of the company for the purpose of selling them to the company's employees on an installment plan.—V. 105, p. 2546, 2368.

Northern Securities Company, New York.
(Report for Fiscal Year ending Dec. 31 1917.)

President E. T. Nichols, Jan. 10, wrote in substance: No change has been made in the investments which the company held Dec. 31 1916. The company during the year subscribed and paid for \$50,000 U. S. Liberty Loan 4% bonds of 1917, and \$50,000 U. S. 4% certificates of indebtedness, maturing in June, 1918.

The Chicago Burlington & Quincy RR. paid during the past year its regular dividend of 8%, and, in addition thereto, paid an extra dividend of 10% in September last, from earnings accumulated prior to March 1 1913.

During the past year the labor difficulties of the Crow's Nest Pass Coal Co. continued, and in the spring of 1917 its operations were suspended on account of strikes. Mining has since been resumed, and the business of that company is now on a more satisfactory basis. On account of these labor difficulties, the earnings for the past year have been reduced, and the directors of the coal company have declared no dividends during the year.

A dividend of 3 1/2% on the capital stock has been declared, payable Jan. 10 1918.

RESULTS FOR CALENDAR YEARS.

	1917.	1916.	1915.	1914.
Divs. from C.B. & Q.R.R.				
Regular (8%)	\$119,704	\$119,704	\$119,704	\$119,704
Extra (10%)	149,630			
Divs. Crow's Nest Pass C		(6)165,312		
Interest	7,711	464		
Total receipts	\$277,046	\$285,480	\$119,704	\$119,704
Deduct—Taxes	\$11,783	\$4,469	\$4,455	\$4,461
Administra'n expenses	12,624	12,458	12,505	12,592
Interest on loans	77	1,284	3,514	4,795
Dividends	(3 1/2%) 138,383	(2)79,074	(2)79,074	(2)79,072
Total deductions	\$162,867	\$97,235	\$90,548	\$100,920
Balance, surplus	\$108,179	\$188,245	\$20,156	\$18,784

BALANCE SHEET DECEMBER 31.

	1917.	1916.	1917.	1916.
Assets—			Liabilities—	
Organization exp.	\$85,048	\$85,048	Capital stock	\$3,954,000
Investments	6,599,975	6,599,975	Div. unclaimed	5
Cash	156,278	148,157	U. S. Income Tax	14
			Surplus	2,987,282
Total	\$6,941,302	\$6,833,180	Total	\$6,941,302

a Investments include in 1917 14,963 shares Chicago Burlington & Quincy RR., valued at \$2,858,788; 27,552 shares Crow's Nest Pass Coal Co. Ltd., \$3,741,166; \$21 N. S. fractional scrip \$22; U. S. Second Liberty loan 4% of 1917, \$50,000 and U. S. 4% certificates of indebtedness, dated Nov. 30 1917, due June 25 1918, \$50,000.—V. 104, p. 358.

GENERAL INVESTMENT NEWS.

RAILROADS, INCLUDING ELECTRIC ROADS.

Dividends in Relation to Income Tax.—Notice to Stockholders—Assistance Desired to Complete Information.—Section 31 (b) of the Federal Income Tax Law, as amended Oct. 3 1917, provides that:

Any distribution made to the stockholders . . . of a corporation . . . in the year 1917, or subsequent tax years, shall be deemed to have been made from the most recently accumulated undivided profits or surplus, and shall

constitute a part of the annual income of the distributees for the year in which received, and shall be taxed to the distributee at the rates prescribed by law for the years in which such profits or surplus were accumulated by the corporation.

In view of this provision, it is of much importance for all stockholders when compiling their income tax returns to know which if any of the dividends received by them during the year 1917 were paid from the earnings of 1916 or earlier years when the tax levy was far less severe than it is at present.

The time in which to get this information is short—less than six weeks. We desire to publish it promptly. Officials and individual stockholders can co-operate by sending us the facts for the various investment properties—steam railroad, electric railway, public utilities, industrial, &c.—as to which they happen to be informed.

Please address "Railroad Department," Box 3, Wall St. Station, and accept the Editor's acknowledgment and thanks in advance.

In last week's issue will be found the statements issued by: International Nickel Co. United States Rubber Co.

In the present issue will be found those obtained from:

- xAlabama Great Southern RR.
- xCleveland & Pittsburgh RR.
- xFitchburg RR.
- Great Northern Ry.
- xIllinois Central RR.
- xMaine Central R.
- Southern Pacific Co.
- xSouthern Railway.
- Union Pacific RR.
- American Can Co.
- American Car & Foundry Co.
- American Smelting & Refining Co.
- American Smelters Securities Co.
- American Tel. & Teleg. Co.
- Central Leather Co.
- New York Air Brake Co.
- U. S. Steel Corporation.
- Western Union Telegraph Co.

x Special statement obtained by the "Chronicle" from an officer of the company. The other statements cited were issued officially in printed or typewritten form for distribution among the shareholders.

Alabama Great Southern RR.—Source of 1917 Dividends
 "Dividends of 3 1/2%, declared payable Feb. 32 1917, on pref. stock was paid out of 1916 income. The dividends of 3 1/2% on pref. paid Aug. 28 1917, 3 1/2% on ordinary stock paid June 26 1917 and 3 1/2% on ordinary stock paid Dec. 28 1917, were less than net income from Jan. 1 1917, and were all paid out of 1917 earnings."—V. 105, p. 1704.

Baltimore & Ohio RR.—Usual Dividends Declared, the 2 1/2% on the Common Shares Out of Surplus Earnings.—The directors on Jan. 16 1918 declared the usual semi-annual dividends, payable March 1 to stockholders of record Jan. 19, the pref. dividend, 2%, "from the net earnings for the six months ending Dec. 31 1917," the common dividend, 2 1/2%, "from the surplus earnings of the company."

Statement issued by President Daniel Willard, Jan. 16 1918.
 The board of directors has declared semi-annual dividends of 2% on the preferred stock and 2 1/2% on the common stock. The dividends are payable on March 1 next to stockholders of record on Jan. 19.

The statement of the six months' operations considered at the meeting was based on actual figures for five months, and estimated figures for the month of December showing a deficit for the period of about 1% and for the year a deficit of approximately 1 1/2%.

The statement for the year showed total gross earnings of \$133,662,126, an increase of \$11,868,284. The expenses, at \$103,449,244, showed an increase of \$15,669,089, so that after deducting taxes, &c., \$4,477,310, the railway operating income was \$25,735,571, or a decrease of \$4,068,515, and the final net income of \$7,695,550 showed a decrease of \$5,488,840.

It was pointed out that this decrease in net operating income, notwithstanding an increase in gross revenues of approximately \$12,000,000, was because of increases in rates of pay and in the cost of fuel and supplies aggregating approximately \$14,000,000, offset in part by increase in rates of approximately \$6,000,000, and consequently did not represent the normal earning power of the present property.

Under these circumstances the board deemed it advisable to draw on the accumulated surplus of previous years to make up the deficiency of this year of abnormal operations.

It was stated that this action was not taken with the view of future operations under Federal control, as that matter has not yet been definitely determined. It is the belief and expectation of the management, however, that any basis of compensation which may be determined upon for the properties of the company turned over at Jan. 1 1918 for Federal control and operation should provide funds sufficient for the maintenance of the 5% dividend it has been customary to pay since 1914. During the three-year period to June 30 1917, taken as the test period under the proposed bill, the company earned 5% on its common stock with an average surplus of approximately \$2,000,000 per annum.—V. 106, p. 85.

Bay State Street Ry.—Time Extended.
 The Bondholders' Protective Committee, John R. Macomber, Chairman, of the 4% bonds due July 1 1954, both of Boston & Northern Street Ry. and Old Colony Street Ry., has extended the time to Feb. 15 1918, the time for depositing the above bonds with the Boston Safe Deposit & Trust Co., depository.—V. 106, p. 188, 85.

Beaver Valley Traction Co., New Brighton, Pa.—Fares.
 This company has issued on 30 days' statutory notice a new schedule of rates and fares in the boroughs of Beaver, West Bridgewater, Rochester, Monaca, Freedom, Conway, New Brighton, Beaver Falls, College Hill and surrounding territory, increasing the 5-cent fares to 6 cents. A fare zone has been added for through passengers from 12th St., Conway to Vanport. Cut-rate tickets in books of 21 for \$1 will be discontinued. The new 6-cent tickets will be offered in strips of 16 for 55 cents. The new rates are effective from Jan. 26.—V. 87, p. 345.

Bellefonte Central RR.—Dividend Omitted.
 The annual dividend of 50 cents per share (1%), due Feb. 15 1918 on the \$500,000 capital stock (par \$50), is reported to have been omitted.—V. 104, p. 451.

Boston & Maine RR.—Reorganization in Abeyance—State May Consider Purchase.—In his annual report to the Massachusetts Legislature, Attorney-General Henry C. Atwill says:

I recommend that provision be made authorizing the Commonwealth to take such steps as may be necessary to protect its interests in the disposition of the road and its leased lines. This would include authority to purchase the road and leased lines, with provision for financing the same, and would impose the obligation of operation until such time as it might be deemed expedient to sell the road to others.

It seemed to both the counsel for the receiver of Boston & Maine and myself that if a reorganization could be effected within a reasonable time it was better that the temporary receiver should continue to operate the road. This position was justified so long as the road earned a net income after due allowance for depreciation.

Experience during the last few months has caused apprehension that this could not be achieved. On the other hand, conditions arising out of the war make it very improbable that a reorganization on lines originally proposed can be effected. The situation, therefore, at the time the road was taken possession of by the Government, Dec. 28 1917, was such as to indicate that it would be necessary to make the receivership permanent and that liquidation of the road would result. Without further legislation the Commonwealth would not be in a position to protect its interest. It holds \$5,000,000 of bonds of the railroad, upon which there is due \$225,000 interest.

There are at present outstanding bonds of B. & M. amounting to \$43,338,000. Floating indebtedness amounts to \$13,306,000. There is no assurance of payment of the Commonwealth's claim in full unless some method is provided by which the Commonwealth can appear as a competitor for purchase of the property in event of a proposed sale by the receiver.

There are some advantages in State ownership of Boston & Maine which in a measure at least offset objections to public ownership. Acquisition of the Fitchburg would be a concomitant to development of the port of Boston, and would probably place a means in the hands of the Commonwealth of insuring the same freight rates between points in the West and Boston as will obtain between the same points and New York.—V. 105, p. 2093, 1897.

Brooklyn Rapid Transit Co.—New Lines.—See Rapid Transit in New York below.—V. 106, p. 188, 85.

Canadian Pacific Ry.—Dividend.—The company informs us that the dividend paid April 1 1917 was for the last quarter of 1916 and the other dividends are for 1917.—V. 105, p. 1897, 1208.

Chesapeake & Ohio Northern RR.—Stock Increase.—This company has filed amended articles of incorporation increasing its capital stock from \$3,500,000 to \$4,200,000.—V. 105, p. 1208.

Chicago Rock Island & Pacific Ry.—Preferred Dividends.—Director N. L. Amster is quoted as saying:

Some one has been distorting the facts respecting the recent dividends on the pref. stock. Information has been sent to the I.-S. C. Commission that the directors met at 11 p. m. Dec. 31 (or an hour before the President's proclamation came into effect) and declared a special dividend, all of which is absolutely untrue. The dividend on Rock Island preferred shares was not "special."

The company earned, for the year just closed, the full dividend on the two preferred issues besides 7.4% on the common stock. In 1916 it earned 10.75% on the common and not a cent of that was paid to stockholders. In addition, in 1917 7.4% was earned on the stock and not paid out; or a total of over \$17 per share on the common during the last two years, all of which remained as working surplus.

Furthermore, over \$30,000,000 of the stockholders' cash has been used to pay off collateral loans and maturing obligations, instead of refunding same by sale of new securities. Few railroads in this country have financed their maturing obligations, extension and improvements out of earnings and treasury cash as has the Rock Island, and few railroads are in a better position financially or have less future maturing obligations to meet than the Rock Island.—V. 105, p. 2542, 2271.

Cincinnati & Dayton Traction Co.—Successor Co. Stock.
 On behalf of the protective committee representing the First Mtgo. 5% consolidated bonds of the old Cincinnati Dayton & Toledo Traction Co., which property was purchased at foreclosure sale June 30 1917 by the committee, authority is asked to issue \$1,250,000 common stock and \$4,500,000 of 20-year 5% bonds, to be sold to cancel mortgage indebtedness on the old property, now acquired by the successor co.—(V. 105, p. 72.)

Cincinnati Dayton & Tol. Trac. Co.—Successor Inc.—See Cincinnati & Dayton Traction Co. below.—V. 105, p. 72.

Cincinnati Georgetown & Portsmouth (Elec.) RR.—The I.-S. C. Commission on Jan. 15 authorized this company to increase its passenger fares 15%.—V. 105, p. 2271.

Cleveland & Pittsburgh RR.—Dividends, When Earned.
 "One-third of March 1 1917 dividend paid from earnings during December 1916, being rental accrued for that month under lease of property to the Pennsylvania RR. All remaining dividends paid in 1917 charged to income accrued during that year."—V. 105, p. 2093, 606.

Cuba Railroad.—Preferred Dividend.—The company has declared a scrip dividend of 3% on the \$10,000,000 6% non-cum. pref. stock, payable Feb. 1 1918 to holders of record Jan. 26, and redeemable on Feb. 1 1921, or earlier at the option of the company, with 6% interest payable annually on Feb. 1 of each year until time appointed for payment. (Official.)—V. 105, p. 1992, 1309.

Denver & Rio Grande RR.—Receivership Application.—The Elliot Frog & Switch Co. of East St. Louis, Ill., has filed a petition in the United States District Court at Denver, Colo., asking the appointment of a receiver. The action, it is said, is an effort to thwart the execution of the recent judgment for \$36,000,000 given the Equitable Trust Co. of N. Y. The Court has set Jan. 24 for a hearing on the application. See V. 106, p. 188, 185.

Eric RR.—New Jersey Tax Act Upheld.—The New Jersey State Board of Taxes and Assessments on Jan. 16 upheld the assessment and taxation of the company's property for 1917 despite the corporation's appeal on the ground that the action included the Edge road tax. The railroad company objected to the valuation and assessment, and contended that the Act was unconstitutional.—V. 105, p. 2272.

Fitchburg Railroad.—Source of Dividends.—The dividend paid Jan. 1 1917 was the stockholders' proportion of the rent for the months of October, November and December 1916 paid to the stockholders of record Dec. 1 1916 (official).—V. 105, p. 1309, 1103.

Fort Wayne & Decatur Traction Co.—Fare Increase.—This company, operating in Ohio and Indiana, has been authorized by the I.-S. C. Commission to increase its passenger fares 15%.—V. 103, p. 60.

Fort Wayne & Nor. Indiana Trac. Co.—Fare Increase.
 The I.-S. C. Commission on Jan. 15 authorized this company to increase its passenger fares by 15%.—V. 106, p. 189.

Gary Connecting Ry.—Reorganization.—See Gary & Interurban Ry. below and Gary & Valparaiso RR. in V. 105, p. 2272.—V. 96, p. 359.

Gary & Interurban (Elec.) RR.—Reorganization.—Plans are under way looking to the reorganization of the Gary & Interurban Ry., sold under foreclosure last Sept. (V. 105, p. 1309) along with constituent properties, to Carl M. Owen of N. Y., Edwin Poe of Baltimore, and others. The plan, it is expected, will be ready in two or three weeks. The foreclosure sale, we are informed, leaves the stock of the company without value. The Gary Connecting Ry. and Valparaiso & Northern Ry. are being reorganized separately, the Gary & Valparaiso RR. having been incorporated Nov. 19 last to acquire these two properties. (See V. 105, p. 2272.) The Goshen South Bend & Chicago RR. (one of the roads sold.—V. 105, p. 1309), has been junked.—V. 105, p. 2272, 2183.

Gary & Valparaiso RR.—Reorganization Matters.—See Gary & Interurban RR. above.—V. 105, p. 2272.

Great Northern Ry.—Source of Dividends.—The dividend paid Feb. 1 1917 was declared Dec. 19 1916. The form of declaration of dividend used by the directors is as follows: "Resolved, That hereby there is declared out of the net revenues of this company from its railways and investments, a dividend of % upon its outstanding shares of capital stock, &c., &c." "The four dividends paid during the year ended Dec. 31 1917 were charged against the net income of the company for the year 1917."—V. 105, p. 2183, 1898.

Great Western Ry.—Acquisition—Officers.—That part of the former Denver Laramie & Northern RR. extending from Milliken, Colo., southward to Wattenberg, Colo., a distance of 22.5 miles, and from Milliken eastward to Elm, Colo., a distance of 4.3 miles, has been sold to the Great Western Ry. Operation of the remainder of the line of the Denver Laramie & Northern RR. formerly extending from Wattenberg to Denver, Colo., a distance of 21.92 miles, and from Elm to Greeley, Colo., a distance of 8.27 miles, has ceased.

The purchasing company was incorporated in Colorado in 1901 and it has had outstanding \$2,132,000 capital stock (but no bonds) and its line extends from Longmont to Eaton, Colo., 42 miles. There are two branches: (a) Johnston to Milliken (2.3 miles) and (b) Johnston to Welby (5.8 miles). Officers are: W. L. Petriken, Pres.; E. R. Griffin, 1st V.-P. & Gen. Mgr.; Chas. Boettcher, 2d V.-P. & M. D. Thatcher, Treas.; C. W. Luff, Sec. and Asst. Treas. General offices, Sugar Bldg., Denver, Colo.

Gulf Mobile & Northern RR.—Acquisition.—The following statement is pronounced practically correct:

The negotiation for the acquisition of the Meridian & Memphis Ry., pending for several months, has practically been concluded by the purchase of securities of the latter company, consisting of \$500,000 capital stock, \$675,000 (closed mtg.) 30-year 5% bonds, due 1943, and \$260,000 collateral notes, due July 1, 1919.

The directors have been elected as follows: J. T. Schley of Mobile, Ala. (Pres.); I. B. Tigrett of Jackson, Tenn. (V.-P.); W. F. Owen, H. M. Hood, J. C. Rich, S. A. Neville and Eugene Bostick of Meridian, Miss. R. W. Harris and F. M. Hicks have been appointed acting General Manager and acting Auditor and Treasurer, respectively. This management is more or less temporary, pending the final settlement of details.

The Meridian & Memphis Ry. will be, as heretofore, operated as a separate property under its original and present charter. It is understood to be the purpose of the new owners to materially improve the property and service.—V. 105, p. 2542. 818.

Huntington & Broad Top Mountain RR. & Coal Co.—*Equipment Trust Bonds Placed.*—Wm. Marriott Canby, Phila., in reply to our inquiry, states that the issue of \$134,000 6% Equipment Trust bonds dated Jan. 15 1918, purchased by him, have all been placed.

The notes will be secured as stated on sixty all-steel gondola cars of 140,000 lbs. capacity to be built by the Pressed Steel Car Co. The issue is to mature in substantially equal amounts from six months up to Jan. 15 1928. Denom. \$1,000. Trustee, Pennsylvania Co. for Insurances on Lives & Granting Annuities. The issue is put out under the "Philadelphia plan" and the interest is paid without deduction for State or United States tax so far as it may be lawful for the company to do so.—V. 105, p. 2542.

Illinois Central RR.—*Source of 1917 Dividends.*—An officer of the company writes to the "Chronicle": "Quarterly dividend, 1 1/4%, paid March 1 1917, declared out of earnings of 1916."

Death of Treasurer—Fare Decision.—The death of Treasurer A. J. Wykes on Jan. 14 is announced. See "Passenger Fares" below.—V. 106, p. 189, 85.

Interborough Rapid Transit Co.—*New Lines.*—See Rapid Transit in New York below.—V. 106, p. 86.

Kansas City Terminal Ry.—*Offering of First Mtg. 4s.*—Lee, Higginson & Co. and Tilney, Ladd & Co. are offering at 75 1/2 and int., to yield 5 1/2%, a block of \$2,000,000 First Mtg. 4% gold bonds due Jan. 1 1960, of which there have been \$33,094,000 outstanding for some time. Of the total of \$50,000,000 authorized, \$12,375,000 are pledged to secure notes and the balance, \$4,531,000, are reserved for construction, equipment, additions and improvements. Compare V. 96, p. 135; V. 98, p. 1244.—V. 105, p. 1998.

Lafayette & Logansport Trac. Co.—*Extension of Time.*—The committee representing holders of this company's First Mtg. 5% bonds of 1936 announces that the limit for the deposit of bonds under the protective agreement, which expired Jan. 15, has been extended, with the understanding that it may be terminated at any time. The Logan Trust Co., Philadelphia, is the depository.—V. 105, p. 1522, 1208.

Lehigh Valley RR.—*New Director.*—Arthur W. Sewall, President of the General Asphalt Co. has been elected a director to succeed the late Edward B. Smith.—V. 105, p. 2184, 1898.

Lehigh Valley Transit Co.—*Govt. Control Denied.*—The "Electric Railway Journal" states that upon investigation at the office of the Director-General of Railroads in Washington, no record was found of an order placing under Government control portions of this company's lines. Compare V. 105, p. 86.

Lexington & Eastern Ry.—*Application to List.*—This company has applied to the New York Stock Exchange to list \$200,000 additional First Mtg. 50-year 5% guaranteed coupon bonds due April 1 1965.—V. 105, p. 1708.

Mahoning & Shenango Ry. & Light Co.—*Bonds—Guar.*—The Ohio P. U. Commission has granted this company permission to issue \$2,000,000 bonds, the proceeds to pay for improvements to be made during 1918. See also Republic Railway & Light Co. below.—V. 105, p. 2456.

Maine Central RR.—*Dividends, When Earned.*—"The dividends paid Jan. 1 1917 were from 1916 earnings" (official)—V. 105, p. 1802, 1617.

Missouri Kansas & Texas Ry.—*Decision Reversed.*—The Supreme Court on Jan. 14 reversed a decision of the Texas RR. Commission which imposed penalties aggregating \$400,000 on the M. K. & T. RR. Corp. of Texas for alleged violation of the Texas RR. Commission's order in failure to adhere to its train schedule. The Court held that the order of the Commission involved an interference with inter-State commerce.—V. 104, p. 2094.

N. Y. & North Shore Traction Co.—*Fare Inc. Denied.*—The P. S. Commission has approved an opinion by Commissioner Travis H. Whitney denying, until such time as the city of New York has removed the constitutional barrier to the granting thereof, the application of the company for an increase in fare from 5 cts. to 7 cts. This company operates a trolley system in Nassau County and also in Queens Borough, its lines within the city extending from Flushing to the city line, and from Flushing to Whitestone Landing.

Commissioner Whitney finds that on the facts as to its finances the company is entitled to an increase in its fare; that its income is not sufficient to meet the various items in the cost of operation to which a street railroad is entitled, such as operating expenses, maintenance and depreciation, and afford a reasonable return on the value of the property used. The opinion holds, however, that the Commission is without power to authorize an increase in this case, for the reason that the so-called local franchise obtained from the city contains a provision that not more than 5 cents shall be charged for a single fare.—V. 101, p. 923.

Passenger Fares.—*Illinois Two-Cent Fare Law Upheld.*—The Supreme Court on Jan. 14 handed down a decision dismissing proceedings instituted by the Illinois Central RR. and others to restrain the Illinois P. U. Commission from placing into effect the two-cent passenger fare law. The Court also affirmed the lower court opinions, which held that the I.-S. C. Commission exceeded its authority in issuing an order which brought about the suspension of the two-cent rate fixed by law and the substitution of a rate not exceeding 2.4 cents.—V. 104, p. 257.

Petaluma & Santa Rosa (Electric) Ry.—*Reorganization.*—The reorganization committee has extended the time for deposit of bonds under the plan until and including Feb. 1 1918. In a circular letter dated Dec. 29 the committee states that the response to the call for deposit of the 1st and 2d Mtg. bonds has been a gratifying one. The reorganization agreement, they add, will become operative upon the deposit of 90% of the outstanding bonds, and this amount, the committee says, is practically assured. Foreclosure proceedings on both mortgages will, it is stated, probably be instituted without delay. See plan, V. 105, p. 2456.

Philadelphia Co., Pittsburgh.—*Subsidiary Co. Fares.*—See Beaver Valley Traction Co. above.—V. 106, p. 86.

Philadelphia Rapid Transit Co.—*To Vote Feb. 8 on Agreement With City—Dividend.*—

The stockholders will vote Feb. 8 on adopting the proposed lease of the municipal rapid transit lines and the agreement with the City of Philadelphia which has been tendered to the Philadelphia Rapid Transit Co. by the Mayor and Councils. Compare V. 105, p. 2366; V. 106, p. 86.

The regular semi-annual dividend of 2 1/4% or \$1 25 per share has been declared "out of the surplus earnings of the current fiscal year beginning July 1 1917" upon the capital stock, payable Jan. 31 1918 to shareholders of record Jan. 24 1918.

Status.—Pres. Mitten is quoted as follows (in substance):

This company, in common with all steam and electric railway carriers, has been suddenly confronted with supernormal demand on its facilities at a time of scarcity in the labor market and delays in the delivery of necessary materials. Government and State fuel administrations are imposing on public utilities the strictest conservation of coal and recommend all possible saving in schedules and heating regulations.

The company has thus far avoided actual reduction in schedules, but has been greatly hampered in maintaining full schedules because of shortage in such materials as armatures, wheels, bearings, &c., the manufacturers being unable to make deliveries either because of demands on their own plants or because of congestion in transportation. This management is in consultation with responsible representatives of the Government looking to means of relief, including priority orders on equipment and materials required.

While preference in the assignment of our available cars must be given those lines serving shipbuilding and munition plants, the company is exerting its utmost not to discommode any patrons unavoidably.—V. 106, p. 86.

Pittsburgh Terminal RR. & Coal Co.—*Dividends.*—See Pittsburgh & West Va. Ry. below.—V. 105, p. 1618.

Pittsburgh & West Virginia Ry.—*Sub. Co. Dividends.*—An initial semi-annual dividend of 3% was paid Dec. 31 1917 on the \$14,000,000 stock of the Pittsburgh Terminal RR. & Coal Co., a subsidiary, and a further dividend of the same amount has been declared, payable next June. The Pittsburgh & West Virginia Ry. Co., as sole owner of this subsidiary, will receive the entire \$840,000 cash represented by these distributions, this sum being equivalent to the full 6% on the \$9,000,000 P. & W. Va. pref. stock and an additional 1% on the \$30,000,000 common.

A newspaper statement authoritatively approved includes the following: "Since the railway company earns sufficient to pay the full 6% on the preferred, this \$840,000 may be said to apply entirely to the common stock. On this basis it is equivalent to 2.80% on the common."—V. 105, p. 2095, 1898.

Port Wentworth Terminal Corp.—*Listed on Curb.*—The \$1,000,000 3-year 7% debenture notes dated Oct. 1 1917 have been listed and admitted to trading on the New York "Curb." See offering, V. 105, p. 2189.

Rapid Transit in N. Y. City.—*Report of P. S. Commission for First District for Cal. Year 1917—Progress of Construction on New Rapid Transit Lines.*—The report to the Legislature by the P. S. Commission, First District (N. Y. City), for the calendar year affords the following data:

[Compare map of lines operated or to be operated by Interborough Rapid Transit on p. 67 of "Railway and Industrial Section," and Brooklyn Rapid Transit lines on p. 15 of "Electric Railway Section."]

In the last ten years the Commission for the First District has passed upon the issuance of nearly \$700,000,000 in securities of the various corporations. The decade has also seen vast improvements in transit conditions, but the City of New York grows so fast that its facilities have not yet caught up with its population. The passenger traffic upon street surface lines has increased more than 600,000,000 since 1907.

For several years the Commission has given its attention to the construction of the new Dual System of rapid transit, which will cost in the neighborhood of \$400,000,000 and will effect approximately an increase of more than 100% in the city's transit facilities as they existed in 1907, and reaching hundreds of acres of suburban territory now sparsely settled.

Exercising its functions as a rapid transit board, the Commission awarded [during the cal. year 1917] additional contracts for the construction of the Dual System, nearly to the amount of \$5,000,000 [chiefly for station finishing, steel, &c.], and work on other contracts already let was steadily prosecuted. At the end of the year there remained only five construction contracts to be awarded. Contracts already let amount to more than \$200,000,000 upon lines to be owned by the City of New York.

Besides the contracts on city-owned lines awarded by the city, the Interborough Rapid Transit Co. and the New York Municipal Railway Corp. (Brooklyn Rapid Transit) had either completed or under construction on Dec. 31 improvements to their elevated railroads amounting to \$52,000,000. The companies have also under way provision of equipment for all lines amounting to \$56,000,000.

In addition to their payments for new equipment and construction costs of elevated third-tracking and other improvements, both companies have also contributed substantially to the cost of construction of city-owned lines—the Interborough Rapid Transit Co. to the extent of \$58,000,000, and the New York Municipal Railway Corp. of by about \$14,000,000.

At the close of the year 65 different contractors employing about 11,000 men were engaged upon the various forms of rapid transit construction, about half the number employed at the maximum two years ago. The city and the two operating companies during the year disbursed \$30,993,504 for rapid transit construction, of which the city disbursed \$25,938,196 and the Interborough Rapid Transit Co. \$5,055,307. The New York Municipal Railway Corp. disbursed previously about \$5,000,000 for real estate purchased for the city's rapid transit lines. The next year or two will witness the completion of approximately all of the work proposed under the Dual System agreements.

The following New Lines Opened in 1917 (and Company Operating on.—Ed.)

Rapid transit lines placed in operation in 1917 aggregate about 82 track miles making 170 miles of new lines now in use.

(1) *City-owned.*—7th Av. Subway, Times Square to Pennsylvania Station (Int. R. T.).

Broadway Subway from Brooklyn to Union Sq., Manhattan (B. R. T.).

Elevated branches of Queensboro Subway from Bridge Plaza to Astoria and to Corona, respectively (Int. R. T.).

White Plains Road extension, 177th St. to 238th St. (Int. R. T.).

Jerome Ave. branch of Lexington Ave. Subway, 149th St. to Kingsbridge Road (Int. R. T.).

New Utrecht Ave. (West End) line service, 25th Ave. to Coney Island (B. R. T.).

(2) *Company-owned.*—Queensboro Bridge Line, connecting the 2d Ave. Elevated RR. in Manhattan with the Queens elevated (B. R. T.).

Portion of Putnam Ave. Extension of Broadway Elevated from Cypress Hills to Richmond Hill (B. R. T.).

Rebuilt portion of Brighton Beach Line, Sheepshead Bay to Coney Island (B. R. T.).

Bergen Ave. Connection from first subway to 2d and 3d Ave. elevated lines (Int. R. T.).

Lines to Be Opened in 1918 (and Companies to operate Same).

Service on the Broadway Subway, Manhattan, between 42d St. and Rector St., was not begun (by the B. R. T.), owing to delays caused by the war, until Jan. 5 1918. It is expected that this service will be extended from 42d St. north to 59th St. during 1918, and possibly by way of Whitehall St. and East River Tunnel to the Fourth Ave. Subway in Brooklyn.

General conditions also delayed the beginning of operations on the 162d St. Connection between the West Side elevated lines and the Jerome Ave. branch of the Lexington Ave. subway, but a shuttle service over part of this connection, coincident with the opening of a new terminal of the Putnam RR. at 162d St. and Sedgwick Av., the Bronx, was started on Jan. 6 1918 (by Int. R. T.). The remainder of the 162d St. Connection should be completed within the next two or three months so that trains may be run over the Jerome Ave. branch in connection with the West Side elevated lines in Manhattan.

Early in the new year, possibly by March 31, the Interborough Rapid Transit Co. will place in operation the new Lexington Ave. Subway and the Seventh Ave. Subway. The Lexington Ave. subway is to be connected with the first subway in the vicinity of 42d St. extending thence northward into the Bronx, forking in the vicinity of 135th St. into two branches, one extending to Pelham Bay Park and the other to Woodlawn Road.

The Seventh Ave. Subway joins the First subway at Times Sq. and extends south, forking at Park Place into two two-track branches, one of which continues to a connection with the First Subway at the Battery Loop, while the other extends through Park Place, Beekman and William Streets to Old Slip, from which it will be connected with the Interborough line in Brooklyn by a tunnel now under construction.

These two lines, it is expected, operating as part of the First Subway, will provide the greatest amount of traffic relief possible for a good many years.

Instead of one four-track subway, there will be two, and for the portion of Manhattan Island south of 42d St. there will in the near future, with the Broadway Subway, be twelve subway tracks instead of four.

The connection between the Park Place, Beekman and William St. branch of the 7th Ave. Subway and the Interborough lines in Brooklyn,

in part consisting of the East River tunnel, will, it is believed, be ready for service late in the year.

Other lines to be placed in operation during 1918 include:
(a) The Flatbush Ave. and Eastern Parkway lines, constituting an extension in Brooklyn of the Interborough Subway; with a subway branch in Nostrand Ave. and an elevated branch in Livonia Ave. It is expected that the operation of the subway portion may begin late in the summer or fall, while the elevated section will be ready for trains some time afterward. Operation may be possible on the Nostrand Ave. line soon after the trains begin running in the Eastern Parkway subway.

(b) The Webster Ave. extension, a three-track elevated railroad connecting the Third Ave. elevated line and the White Plains Road extension of the First Subway, is under construction. Train operation is looked for late in the year. [Int. R. T. Co.]

(c) Two sections of the Culver Rapid Transit RR. in Brooklyn may be in service during the summer of 1918 as far as Avenue X. [B. R. T.]

(d) The remaining portion of the Jamaica Ave. line to Cliffside Ave., Jamaica, should be in operation during the summer. [B. R. T.]

(e) The Montague St. tunnel in Brooklyn and the Broadway subway in Manhattan, may perhaps be in service during 1918. [B. R. T.]

(f) Reconstruction of a portion of the Brighton Beach line in Brooklyn is well advanced, with some hope that the cut off connecting with the Fourth Ave. subway may be effected late in the year. [B. R. T.]

Completion of the extensive work being carried on by the Brooklyn company at its East New York yards is also looked for late in the year, thus making possible the operation of increased facilities upon several of the Brooklyn company's elevated lines. The new Coney Island Terminal, providing facilities for the elevated lines reaching to the seashore, is approaching completion and its full use is looked for in 1918.—V. 106, p. 191, 87.

Reading Transit & Light Co.—Fares—Rental.

The increase in street-car fares from 5 to 6 cents went into effect on Jan. 10 on all lines of the company in Reading, Norristown, Roxborough and Lebanon. The suburban fares having been increased to 6 cents on Nov. 6, 1917, a universal 6-cent fare is now in force over the entire 200 miles of street railways.

The rentals due to Reading Traction Co., we understand, have been paid when due (compare Inter-State Rys., V. 106, p. 189).

Bonds Called.

Notice is given to holders of the First Mtge. & Collateral Trust gold bonds of United Traction Co. (old name) that said bonds (outstanding at last accounts \$149,900) will be redeemed July 1, 1918 at the Real Estate Title Insurance & Trust Co., Phila., at par and int.—V. 105, p. 2543, 1420.

Republic Railway & Light Co.—Offering of Guaranteed Two-Year Convertible Notes.

Reilly, Brock & Co., Harper & Turner, Philadelphia, and the First National Bank of Cleveland, Ohio, are offering \$1,500,000 of an auth. issue of \$2,500,000 Two-year 6% convertible secured gold notes dated Jan. 15 1918, due Jan. 15 1920, but callable, all or part, on 30 days' notice at 100 1/2 and int. at the First Trust & Savings Co., Cleveland, O., trustee. The notes are guaranteed as to principal and interest by endorsement by Mahoning & Shenango Ry. & Light Co. (V. 105, p. 2456).

Interest is payable J. & J. 15. Denom. \$1,000. Tax refund in Penn. The company has indicated its intention of paying the normal Federal income tax in so far as such payment may be legally made.

The notes will be convertible into Mahoning & Shenango 7% pref. stock, par for par, with interest and dividend adjustment, between July 15 and Dec. 31 1919, both inclusive. This pref. stock is free of the Ohio State tax and the Pennsylvania State tax.

Data from Letter of Vice-President R. P. Stevens, Jan. 14 1918.

Organization.—Incorporated in N. J. June 27 1911. Owns all of the outstanding common capital stock of the Mahoning & Shenango Ry. & Light Co., which in turn owns directly or through stock ownership electric urban and interurban railways, gas, steam heat, electric light and power properties, serving Youngstown, O., and Sharon and New Castle, Pa., and the surrounding territory. Total population served estimated at 250,000. Subsidiary companies of the Mahoning & Shenango Ry. & Light Co. formerly controlled through stock ownership have been consolidated with the parent company, until at the present time over 80% of the property is owned in fee.

Capitalization	Authorized	Outstand'g.
Two-year 6% notes (this issue)	\$2,500,000	\$1,500,000
Cumulative 6% preferred stock	10,000,000	5,191,400
Common stock	7,500,000	6,206,000

The Mahoning company and its subsidiaries now have outstanding, or will have, upon the completion of present financing, \$15,609,000 bonds (V. 105, p. 1999), \$5,139,000 7% pref. stock and \$10,628,300 com. stock.

Security.—These notes will further be specifically secured by the deposit of collateral, as follows: (1) By the deposit of Mahoning & Shenango Ry. & Light Co. 7% cum. pref. (a. & d.) stock equal in par value to the notes outstanding. This stock has full voting power. As notes are called from time to time, an equal amount of pref. stock shall be released and delivered to the company.

(2) Deposit of \$10,628,025 common stock of the Mahoning & Shenango Ry. & Light Co., being all outstanding except 2 1/2 shares. Any additional issue of this stock will be pledged hereunder.

Remaining notes may be issued upon deposit of additional pref. stock equal to the notes so issued. The company, however, may issue pref. stock to the public to an amount equal to the unissued notes in lieu of the issuance of notes; and such stock shall reduce by an equal sum the notes which may be issued.

Properties.—The Republic company, through the Mahoning & Shenango company, owns and operates about 170 miles of electric, urban and interurban railways. Of the latter, approximately 40 miles are on private right of way. The company owns and operates an extensive light and power system having three power plants, with an aggregate installed capacity of 80,000 h. p. Of this, approximately 60,000 h. p. is produced at the Lowellville plant, which plant is of the most modern construction, and permits of very efficient operation. A 20,000 h. p. unit has just been completed and placed in operation.

Annual Earnings and Expenses for 12 Months ending Nov. 30	1917.	1916.	1915.	1914.
Gross earnings	\$2,655,601	\$3,001,285	\$3,121,297	\$3,987,017
Net, after depreciation and taxes				\$1,628,368
Interest charges, etc.	\$750,842	dividend Mahoning & Shenango Ry. & Light Co. pref. held by public, \$244,646		995,388
Interest \$1,500,000 2-year 6% notes (this issue)				90,000
Net income				\$542,980

Equity.—The Republic company has just paid its 26th consecutive pref. dividend, and since Dec. 1916 has paid common dividends at the rate of 4% per annum. These stocks have a present aggregate market value of about \$4,375,000. Under date of Dec. 11 1916, Stone & Webster made a report on Mahoning & Shenango Ry. & Light Co., estimating reproduction value considerably in excess of \$17,000,000. Since that time expenditures for additions aggregating more than \$4,200,000 have been undertaken, which added would give a value in excess of \$21,000,000.—V. 105, p. 998.

St. Louis Southwestern Ry.—Lease.

Effective Jan. 1 1918, the railway and property of the Pine Bluff Arkansas River Ry. was leased to the St. Louis Southwestern Ry. Co. The leased property, long a subsidiary of the system, extends 34 miles from Pine Bluff, Ark., to Waldstein. Practically all of the \$200,000 capital stock, together with the \$125,000 outstanding bonds, are owned by the St. Louis Southwestern and pledged under its 1st Consol. Mtge.—V. 105, p. 1863, 1420.

San Diego & Arizona Ry.—New Secretary.

L. J. Masson succeeds H. I. Kittleby as Secretary.—V. 105, p. 2366, 2095.

Southern Pacific Co.—Source of 1917 Dividends.

The dividends paid by this company in the year 1917 were by their terms paid out of accumulated surplus, including all earnings up to the date of payment of the dividends, respectively. The earnings of the company for each of the years 1916 and 1917 exceeded the aggregate amount of dividends paid by the company during those years, respectively.—V. 105, p. 2367, 1999.

Southern Traction Co., Bowling Green, Ky.—Decision.

The Kentucky Court of Appeals has affirmed the finding of the lower court in refusing to permit the company to carry out its plan of selling its property for junk. Under the decisions of the courts the railway will be required to show that it is losing money before it can scrap its lines and discontinue service.—V. 105, p. 2367, 1899.

Southern Railway.—Source of 1917 Dividends.

Dividend of 2 1/4% on pref. So. Ry. paid Nov. 20 was less than net income from Jan. 1 1917 to the date the dividend was declared, and we take it that under Sec. 31 (paragraph B) of Act of Sept. 8 1916, as amended by Act of Oct. 3 1917, the law deems that this dividend was paid out of 1917 earnings.—V. 105, p. 2543, 2457.

Toledo Traction, Light & Power Co.—Offering of First Lien 7% Two-Year Gold Bonds.

Harris, Forbes & Co. and the National City Co. are offering by advertisement on another page, at 98 1/2 and interest, yielding 7.82%, the unsold portion of \$10,500,000 First Lien 7% Two-Year gold bonds dated Jan. 1 1918, due Jan. 1 1920, but callable on four weeks' notice at 101 and int. prior to Jan. 1 1919, and thereafter at 100 1/2 and interest. Denom. \$1,000 e. Trustee, New York Trust Co.

Extracts from Letter of President Henry L. Doherty, Jan. 2 1918.

This company, a subsidiary of the Cities Service Co. (V. 103, p. 1119), was incorp. Jan. 31 1912 in Maine. It owns all the two major bond issues (excepting \$3,000 of a total of \$11,999,000 of bonds) and over 92% of the capital stock of the Toledo Rys. & Light Co., which does practically the entire electric light and power business, the entire local street railway and artificial gas and a hot-water heating business in Toledo, O., and suburbs.

It also owns all the bonds (\$3,200,000) and all the capital stock (excepting directors' shares) of the Acme Power Co., which has under construction at Toledo a large new power station designed to increase the power supply of the Toledo Rys. & Light Co. system. The Toledo Traction, Light & Power Co. likewise owns certain bonds and the entire capital stocks (excepting directors' shares) of four interurban railway companies, which together operate about 121 miles of track in northwestern Ohio and southeastern Mich., the lines radiating from Toledo.

Capitalization in Hands of Public (Upon Completion of Present Financing).

	Authorized	Outstand'g.
Common stock	\$9,200,000	\$9,061,203
Preferred (6% cum. from Jan. 1 1914)	8,000,000	7,861,675
1st Lien 2-year 7s. due Jan. 1 1920	13,000,000	10,500,000
2d Lien 7s. due Jan. 1 1921	1,200,000	1,200,000
Coll. Trust Certs. & Real Est. M. (Tol. R. & L. Co.)	429,500	396,500
Subsidiary company bonds (closed mortgages), all but \$3,000 of which are secured only by liens on the gas and heating properties and a small electric station in Toledo and on property of two interurban roads		\$4,194,000

Property.—The total rated installed generating capacity of the electric department of the Toledo Rys. & Light Co. is 64,380 k.w., of which 43,580 k.w. has been installed within five years. The Acme Power Co. has under construction a large new steam power station on the Maumee River, is designed for an ultimate generating capacity of from 200,000 k.w. to 300,000 k.w., and will, it is planned, be the eventual main source of power for Toledo and vicinity. It is anticipated that the initial 20,000 k.w. unit will operate in Feb. 1918, with an additional 20,000 k.w. by Aug. 1. The electric distributing systems are modern and adequate, the business district being served through an underground system of 305 duct miles of conduits. There are now in service 31,446 meters and current is supplied to 28,822 customers. The local street railway system of Toledo comprises about 117 1/2 miles of single-track equivalent. There are about 121 miles of interurban lines owned by allied companies. The gas department operates 221 miles of mains, but the gas business done by the company in the past has not been extensive due to natural gas competition.

Franchises.—The electric light and power franchises and rights under which the Toledo Railways & Light Co. operates in the city of Toledo are, in the opinion of counsel, unlimited in time and impose no unusual or burdensome restrictions. The principal street railway franchises of the Toledo Railways & Light Co. having expired, the company is negotiating with the city with a view of obtaining a blanket franchise covering the operation of all its street railway lines. The gas and heating franchises are satisfactory and are unlimited in time. The interurban roads operate almost entirely over private right of way, but where franchises are necessary same are satisfactory and all but three extend until at least 1929.

Security.—These First Lien 7% bonds will be secured by the deposit of the following securities:

- (a) All the \$5,999,000 5% Consolidated gold bonds of the Toledo Traction Co.
- (b) \$5,997,000 of the \$6,000,000 4% Consolidated 1st M. bonds of Toledo Rys. & Light Co.
- (c) All the \$3,200,000 7% 1st M. bonds of the Acme Power Co.
- (d) Over 92% of the \$13,875,000 of capital of Toledo Rys. & Light Co.
- (e) All the \$3,200,000 capital stock (except directors' shares) of the Acme Power Co.
- (f) All the capital stocks (except directors' shares) and certain bonds of the Toledo & Western RR., the Maumee Valley Rys. & Light Co., the Adrian St. Ry. Co. and the Toledo Ottawa Beach & Northern Ry. Co.

The 7% bonds will be a first collateral lien on practically the entire electric light and power and street railway business of Toledo, including the large new Acme plant. Also a lien subject to divisional bonds on the artificial gas and heating plants and the interurban lines. If, while any of the First Lien 7% bonds are outstanding, the Rys. & Lt. Co., for the purpose of accepting a new street railway franchise, shall desire to effect the release of its existing street railway property, such release may be effected upon the payment for the redemption of outstanding bonds of this issue, of cash to 40% of whatever valuation is fixed upon such street railway property in connection with any new street railway franchise that may be accepted, provided, however, that the cash so to be paid shall not be less than \$4,000,000.

Purpose.—The present issue will immediately retire the \$8,699,000 bonds of the Toledo Trac. Lt. & P. Co. maturing Feb. 1 1918, and cover in part costs of extensions, incl. the new Acme station. Extension bonds may be issued for only 75% of cash cost of extensions to the light and power properties of the Rys. & Light Co. and (or) of the Acme Power Co.; provided additional bonds to be issued under an Improvement Mtge., dated Jan. 1 1918, of the Toledo Rys. & Light Co. and (or) additional First Mtge. bonds of the Acme of Power Co. are pledged securing the First Lien bonds to 100% of the cash cost of the extensions, &c., for which bonds of this issue are applied for, and provided combined income of the sub. cos. shall be twice the interest on all First Lien 7% bonds incl. those proposed.

Combined Earnings Year ended Nov. 30 1917 of Toledo Railways & Light Co. and Other Operating Subsidiaries—Inter-Company Charges Eliminated.

Gross earnings	\$6,175,332
Net after taxes, &c. (excluding depreciation)	1,845,197
Earnings applicable to securities not owned	326,973
Balance	\$1,518,224
Interest on First Lien 7% bonds	735,000
Balance	\$783,224

The electric light and power department contributed to the above net earnings the sum of \$1,147,170, or over 1 1/2 times the annual interest on the \$10,500,000 First Lien 7% bonds, which bonds will cover as a first collateral lien the entire property of said electric light and power department (excepting only one small station valued at less than \$300,000). Present electric light and power earnings, moreover, reflect no benefit from the large investment being made for the new Acme power station, scheduled for initial operation Feb. 1 1918 and urgently needed to enable the system adequately to meet the present power demands of the community, which are rapidly increasing.

Population of City of Toledo.

1917 (Est.)	1910.	1900.	1890.	1880.
225,000	168,497	131,822	\$1,454	50,137

The total estimated population served by the Toledo Railways & Light Co. and allied companies is over 300,000.

Management.—Since 1913 has been under the direction of Henry L. Doherty & Co. of N. Y. (See V. 103, p. 1119.)

Equity.—The replacement value, as determined by engineers, of the physical property upon which the First Lien 7% bonds will be secured by a first collateral lien, is largely in excess of the bonds issued; and the Second

Lien bonds, together with the preferred and common stocks of the company, represent a very large investment junior thereto. For further data see V. 97, p. 1358; V. 105, p. 181; V. 106, p. 191.

Tri-City Railway & Light Co.—Tenders.

The N. Y. Trust Co., as trustee, will, until Feb. 11, receive tenders for the sale of \$250,000 5% collateral Trust First Lien Mtge. bonds, dated April 1 1906, at not exceeding 105 and int.—V. 105, p. 1709, 820.

Union Pacific RR.—1917 Dividend Allocation.

*Paid wholly out of 1917 profits: Preferred dividends of 2% paid April 2 and 2% paid Oct. 1. Common dividends of 2% regular and 1/2% extra paid July 2, and 2% regular and 1/2% extra paid Oct. 1.
*Paid wholly out of 1916 profits: Common dividend of 2% paid Jan. 2.
*Paid partly out of 1916 and partly out of 1917 profits: 2% extra on common stock, declared Dec. 21 1916, to stockholders of record Jan. 3 1917, paid Jan. 15 1917. 2% regular and 1/2% extra on common stock, declared Feb. 8 1917, to stockholders of record March 1 1917, paid April 2 1917. On the assumption that the above-quoted statutory provision requires the computation of the "most recently accumulated undivided profits" up to the record or vesting date of the dividend, the \$2 per share dividend paid Jan. 15 should be allocated 5.221 cents per share to 1917 and \$1.94779 per share to 1916 earnings, and the \$2.50 per share dividends paid April 2 should be allocated 19.666 cents per share to 1917 and \$2.30334 per share to 1916 earnings.—V. 105, p. 1523, 910.

United Traction Co., Reading, Pa.—Bonds Called.

See Reading Transit & Light Co. above.—V. 106, p. 88.

Valparaiso & Northern Ry.—Reorganization.

See Gary & Interurban RR. above and Gary & Valparaiso RR. in V. 105, p. 2272.—V. 98, p. 612.

West Penn Railways.—Earnings.

See Amer. Water Works & Elec. Co., Inc., under "Industrials" below.—V. 105, p. 1523

INDUSTRIAL AND MISCELLANEOUS.

Acadia Sugar Refining Co.—Sale Off.

All negotiations have been called off, according to the "Financial Post" of Canada, for the purchase of the company by Montreal interests. The directors have decided that it would be better to endeavor to reorganize, secure more capital if possible, and continue operations. The Halifax fire, while it did not destroy the active refining plant, but only the one that was being used as a warehouse, has naturally made conditions a little more difficult.—V. 106, p. 88.

Acme Power Co.—Subsidiary Company Plant.

See Toledo Traction, Light & Power Co. under Railroads above.

Alaska Packers' Association.—Dividends.

See California Packing Corp. below.—V. 105, p. 1210.

American Can Co., N. Y.—Source of Dividend.

The company reports that "dividend No. 52, on the pref. stock, paid Jan. 2 1917, was declared from net profits accrued in the calendar year 1916."—V. 106, p. 192, 88.

American Car & Foundry Co.—Dividend Source.

"Common dividend No. 57 and preferred dividend No. 71, paid Jan. 1 1917, were declared and paid entirely out of profits accrued during the year 1916."—V. 106, p. 192.

American Gas & Electric Co.—Offering of 6% Secured Gold Notes.

The \$3,000,000 6% Secured gold notes offered by William A. Read & Co. and noted in these columns last week are described in a circular substantially as follows:
Of the total issue \$2,500,000 are due Jan. 1 1920 and \$500,000 due Jan. 1 1921. Callable as a whole or in amounts of not less than \$500,000 at 100% and int. on 60 days' notice. Denom. \$1,000*. Interest J. & J. The company agrees to pay any taxes, not exceeding four mills on the dollar, levied by the State of Penna. against Penna. holders. Principal and interest payable in N. Y. in U. S. Gold. Total authorized \$5,000,000.

Extracts from Letter of Pres. R. E. Breed, New York, Jan. 9 1918.

Company.—The company, controlled by interests identified with the General Electric Co., owns numerous public service corporations, which supply electric light and power, steam and hot water heating, and operate in 109 communities located in six States, including Scranton, Penna.; Canton and Newark, Ohio; Muncie and Marion, Ind.; Wheeling, W. Va.; Atlantic City, N. J., and Rockford, Ill., serving an aggregate population of approximately 912,000.

Capitalization (in Addition to the Present Issue of Notes).

Col. trust 6s, due 2007—\$6,282,000 6% preferred stock.....\$5,899,250
6% gold debs, due 2014—3,500,000 Common stock.....4,020,350
Security.—These notes are our direct obligation, specifically secured by pledge of \$5,063,000 First & Refunding Mortgage 5% bonds, due 1947, of the Central Power Co., the entire common stock of which is owned. The pledged bonds thus represent at least 166 2/3% of the amount of notes issued. Reserved notes are issuable only as additional First & Ref. 5s of the Power Co., pledged to at least 166 2/3% of notes to be issued.

COMPARATIVE INCOME ACCOUNT AFTER PROVISION FOR WAR EXCESS PROFITS TAXES.

12 Months Ended Nov. 30—	1917.	1916.
Gross earnings of subsidiaries.....	\$7,719,578	\$5,875,502
Net after charges, applicable to this company.....	712,284	1,349,409
Other income this company, net.....	688,945	371,439
Total income.....	\$1,401,229	\$1,720,848
Interest charges.....	619,024	
Balance over all fixed charges.....	\$782,205	

The decrease in 1917 net income was due to causes which will be largely remedied by the operation of the new Windsor Generating Station on the Ohio River, the cost of which is being financed in part by these notes. Regular dividends have been paid on the pref. stock since issue. Dividends on the common stock have been paid since 1910 at increasing rates, the present annual rate being 10% in cash and 4% in common stock.

Purpose of Issue.—With the proceeds of these notes the company will install a 30,000 k. w. unit at the electric power generating station on the Ohio River at Windsor, W. Va., in addition to the present producing capacity of 30,000 k. w., all under the first mortgage lien of the pledged bonds. This plant, adjacent to coal mines with which long term fuel contracts have been made, and planned for an ultimate capacity of 180,000 k. w., is being constructed jointly by the Central Power Co. and the West Penn Power Co.

Organization of Central Power Co.

A consolidation of the electric light and power cos. in Ohio controlled by the company and which, heretofore separately operated as local companies, having earned 25% to 30% of the American company's total gross revenue. It operates in farming, coal, oil-producing and mfg. sections of Ohio, serving 42 cities and towns. Franchises are satisfactory and contain no burdensome requirements. A large number are unlimited in time and none, except in a few villages, expires prior to 1947.

Pledged Bonds of Central Power Co.—The \$5,063,000 First & Ref. Mtge. bonds of the Central Power Co. are a direct mortgage lien on the entire property now owned or hereafter acquired, subject (as to a part only of the property) to \$2,596,500 bonds of the companies consolidated, outstanding under closed mortgages and provided for in the First & Ref. Mtge.

The value of the property of the Central Power Co., based upon appraisals at consolidation, together with subsequent cash expenditures and those still to be made with the proceeds of these notes, is approximately \$13,500,000 against which there are outstanding \$7,659,500 bonds, including the \$5,063,000 pledged. Of this value about \$7,400,000 is covered by the direct first lien of the pledged bonds, which are subject, on the remaining \$6,100,000 property values, to liens of the div. bonds aggregating \$2,596,500. In addition to the bonds pledged, there may be issued \$4,090,000 in connection with the acquisition of the properties consolidated. The maximum of bonds which may be outstanding against property values of about \$13,500,000 is therefore limited to \$11,749,500. Bonds in excess of that amount, except those reserved for the divisional bonds, may be

issued, under careful restrictions, only for 80% of the cash cost of additions and betterments subject to the lien of the mortgage.

Estimated Earnings of Central Power Co. for Calendar Year 1918.

Gross earnings.....	\$2,793,000
Net after taxes, depreciation, &c.....	1,183,000
Interest on divisional bonds.....	130,000

Balance for interest on 1st & Ref. 5s—\$1,053,000
The estimated available balance shown above is equivalent to over four times annual interest on the \$5,063,000 First & Ref. 5% bonds outstanding and pledged.—V. 106, p. 192.

American International Shipbuilding Corp.—Plant.

The "Engineering News-Record" Jan. 3 published an extensive article illustrated with charts, &c., describing the construction of plants for the building of fabricated steel ships for the Government. The plants mentioned are those of the (a) American International Shipbuilding Corp. at Hog Island, Phila.; (b) the Submarine Boat Corp. at the Newark (N. J.) Terminal, and (c) the Merchants' Shipbuilding Corp. at Bristol, Pa.—V. 106, p. 89.

American Smelters Securities Co.—Source of Divs.

"The following dividends, paid during the year 1917, were paid from the undivided profits or surplus accumulated during the year 1916: Pref. 'A' stock dividend No. 48, paid Jan. 2; pref. 'B' stock dividend No. 47, paid Jan. 2."—V. 104, p. 2554, 1802.

American Smelting & Refining Co.—Lead Price Raised.

Effective Jan. 17 this company has announced that all lead in Colorado ores, where the amount reaches 3% or over in assay test, will be paid for according to schedule at \$6 50 per 100 pounds. The rule heretofore limited payment to 5% or over.

Source of Divs.

"The following dividends, paid during the year 1917, were paid from the undivided profits or surplus accumulated during the year 1916: Pref. stock dividend No. 71, paid March 1; common stock dividend No. 54, paid March 15."—V. 105, p. 2000.

American Sumatra Tobacco Co.—Dividend Increased.

A regular quarterly dividend of 1 1/2% has been declared on the common capital stock, payable on Feb. 1 to holders of record Jan. 25. This is an increase of 1% per annum, placing the stock on a 7% basis. The last div. of 1 1/2% was paid Nov. 1. The regular quar. 3 1/2% on the pref. will be paid March 1 to holders of record Feb. 15.—V. 105, p. 1619, 1421.

American Telephone & Telegraph Co.—Combined Results for 11 Mos. ending Nov. 30 (see foot-note below)—Div.

Statistics—	Nov. 30 '17.	Nov. 30 '16.	Results—(Con-)	1917.	1916.
Miles wire owned 22,195,963	19,637,485		(Inused)	\$	\$
Bell sta. owned	7,001,262	6,480,832	Net earnings.....	83,262,039	81,638,768
Bell cond'd sta.	3,436,991	3,301,971	Uncoll. revenues.....	1,193,706	1,394,727
Results—11 mos. 1917.	1916.		Taxes.....	18,166,952	13,559,466
to Nov. 30—	\$	\$			
Exchange rev.	189,854,264	172,103,650	Oper. income.....	63,901,381	66,684,576
Ret. revenues.....	77,284,106	60,207,555	Net non-op. rev.	7,128,299	6,381,335
Misc. revenues.....	2,716,649	2,525,051			
			Total income.....	71,029,680	73,065,911
Tot. oper. rev.	269,854,019	240,836,856	Rent, &c. deduc.	3,648,542	3,476,489
Depreciation.....	48,865,676	44,936,265	Int. deductions.....	20,113,181	16,473,742
Current maint.	37,473,608	31,563,908			
Traffic expenses.....	91,579,166	48,723,572	Bal. for divs.	47,267,957	53,115,680
Commercial exp.	25,993,407	23,421,509	Div. pd. for 9 mos.		
Gen'l. &c. exp.	12,650,143	10,552,834	& sur. for 2 mos.	33,562,276	32,167,945

Tot. oper. exp. 186,592,980 159,198,088 Surplus earn. \$13,705,681 20,947,735

* The figures for the 11 months of 1917 are partly estimated and are subject to some adjustments in December.

The above statement includes the American Telephone & Telegraph Co. and associated companies in the United States, but not including connected independent or sub-licensee companies. All duplications, including interest, dividends and other payments to American Telephone & Telegraph Co. by associated companies are excluded.

The dividend paid on Jan. 15 1917, declared in Dec. 1916, was made from net profits accumulated in the calendar year 1916. Subsequent dividends paid during 1917 and the latest dividend paid Jan. 15 1918 have been made from accumulated profits of the year 1917.—V. 106, p. 192, 89

American Tobacco Co., N. Y.—Record Business.

It is officially stated that the gross sales of the company for the calendar year 1917 aggregated \$89,000,000, being far the best record in the history of the company and comparing with \$70,000,000 for the year 1916. The December net income has not yet been more than approximately determined, but it is known that even after the deduction of war taxes, the net for the year will run considerably in excess of the \$22 70 per share earned on the common stock in 1916, estimates ranging as high as \$27 per share.
Payment of Current Dividends on Common Stock in 6% Scrip Due Mar. 1 1921, Exchangeable at Maturity at Option of Holders Either for Cash or Class B Common Stock at Par.—The plan outlined to the stockholders on Jan. 7 by President Percival S. Hill (see V. 106, p. 192) contemplates, we learn, the payment of dividends on the \$40,242,400 common stock in 6% scrip, probably at the present 20% rate, for a very limited period, the duration of which is entirely uncertain, being dependent on future conditions. The representatives of the company here in New York, however, have no idea that it will be necessary to pursue this policy "for a longer period certainly than two years."

The scrip in question is due March 1 1921, but is redeemable at maturity at option of holder, either in cash or Class B (non-voting) common stock. This scrip will be issued from time to time when and as the dividends fall due, at such rate or rates as may be declared by the board. The funds thus set free will be used to finance the requirements of the great increase in business and value of inventory, as stated in the official announcement last week.

President Percival S. Hill, replying to our inquiry, says: "We have no idea that the dividends of the company will be paid in scrip for three years. We are uncertain as to how long we will find it necessary to pay in scrip, but the question of the length of time will depend upon the situation, and none of us here have any idea that we will need to pursue this policy for a longer period certainly than two years. This is not positive in any manner, but your comments would indicate that we had definitely decided upon paying our dividends in scrip for three years, and this is not so. (See also the statement made by President Hill last week, p. 192.)"

American Water Works & Electric Co., Inc.—Earnings of Subsidiaries (1) West Penn. Rys.—(2) West Penn. Power Co.

(1) West Penn. Railways Company:

	Month of Nov.	11 Mos. ending Nov. 30
	1917.	1916.
Gross earnings.....	\$672,613	\$568,381
Net earnings.....	269,870	278,829
Taxes.....	33,929	26,641
Fixed charges.....	156,943	173,107
Balance surplus.....	\$78,998	\$70,080

(2) West Penn. Power Co.:

	1917.	1916.
Gross earnings.....	\$6,984,869	\$5,708,741
Net earnings.....	3,096,544	2,956,574
Taxes.....	329,998	257,530
Fixed charges.....	1,780,172	1,875,794
Balance surplus.....	\$986,372	\$823,250

(2) West Penn Power Company:

	Month of Nov.		11 Mos. ending Nov. 30	
	1917	1916	1917	1916
Gross earnings	\$365,238	\$297,012	\$3,076,572	\$2,205,802
Net earnings	\$110,312	\$129,827	\$1,160,186	\$1,219,132
Fixed charges	47,418	38,399	457,791	418,349
Prof. dividends	16,041	11,667	141,604	105,000
Balance surplus	\$46,853	\$79,702	\$560,790	\$695,783

—V. 105, p. 2457, 2274.

Aurora Automatic Machinery Co.—Dividend Increase.

—E. T. Kongsberg & Co., Chicago, furnish the following: The Aurora Automatic Machinery Co. increased its dividends four times during the year 1917. In Jan. 15 the company paid a quarterly dividend of 1/4 of 1%, an increase of 1/4%. On April 15 the rate was raised to 1% and on July 15 another increase was made to 1 1/4%. On Oct. 15 1917 the rate was raised to 1 1/2%. The net before taxes was then said to be running at the rate of about 35% per annum on the \$5,000,000 stock.

The Aurora Automatic Machinery Co. (which controls the Independent Pneumatic Tool Co. through stock ownership) was established in 1902 and is one of the largest manufacturers of pneumatic tools and electric drills in the world. Chicago factory equipped to manufacture motorcycles, gasoline motors and motor parts. Earnings are highly satisfactory. The stock is now on a 6% dividend basis with extras.

Directors—John P. Hopkins, James B. Brady, Simon H. Florsheim, John D. Hurley, F. W. Buchanan, Leonards S. Florsheim, August Gatzert, William Libkeman and John J. McCarthy.

Earnings (Inc. Independent Pneumatic Tool Co.) for calendar year 1916 (not 1917):

Calendar Year	Gross Sales	Total Net Income, Discnt., &c. (2 1/4%)	Interest	Dividends	Balance	Tot. Sur.
1916	\$2,242,005	\$645,485	\$47,594	\$67,320	\$530,571	\$623,891

The balance sheet as of Dec. 31 1916 (1917 has not yet been issued) shows capital stock outstanding \$2,988,000 (after deducting \$12,000 held in treasury), 1st mtge. bonds \$50,000, and notes payable \$165,000. Patents, trade mark and goodwill, as of Dec. 31 1916, amounted to \$1,481,880. —V. 105, p. 1710.

Automatic Electric Co., Chicago.—Sales.—

Calendar Years	1917	1916	Decrease.
Net profits	\$264,189	\$359,942	\$95,753

Orders on hand Jan. 1 1918 aggregated \$1,594,424. —V. 105, p. 1524, 609.

Baker Hamilton & Pacific Co.—Incorporated.—

This enterprise, successor to the business heretofore conducted by the Pacific Hardware & Steel Co. and Baker & Hamilton, was incorporated under the laws of California Dec. 23 with \$4,250,000 authorized capital stock, par \$100, of which 30,000 shares are preferred stock and 12,500 shares are common. All of the assets of the existing companies employed in their merchandise business will be transferred to the new company. The amount of stock of the new company issued therefor will be equally divided between the existing companies, each of which will be represented by three of the six directors of the new company.

Directors are: Alexander Hamilton, W. T. Smith, Philip S. Baker, Herbert Fleischacker, A. S. Holmes (Chairman) and Jesse W. Lillenthal. —V. 105, p. 89.

Belding-Paul-Corticelli, Ltd.—Accumulated Dividends.

A report recently circulating to the effect that the company was about to pay off the entire 17 1/2% deferred dividends on the pref. stock is officially denied. We are advised that the back dividends will be paid only from time to time, as has been done during the past year. The yearly financial statement to shareholders will be issued at the annual meeting on Feb. 6. [The last deferred dividend of 3 1/2% was declared payable Dec. 15 1917.] —V. 105, p. 2096.

Benton Harbor St. Joseph Gas & Fuel Co.—Refunding.

We are advised that the \$100,000 1st M. 6% bonds, due Jan. 1 1918, were paid off at maturity on or after Jan. 1 1918, on presentation at Union Trust Co., Detroit, Mich. In connection with this payment the company will issue \$105,000 5% bonds (mortgage), dated Oct. 1906 and due Nov. 1 1926. The new securities have been underwritten by bankers.

The company was incorporated in Michigan and supplies gas to Benton Harbor and St. Joseph, Mich. Annual output, 110,000,000 cu. ft. Capital stock at last accounts, \$125,000 pref. and \$250,000 common; par, \$100. Pres. is E. W. Beach. Office of company, 39 So. La Salle St., Chicago.

Bigheart Petroleum Refining Co.—Offering of Pref. Stock.

—Shapker, Waller & Co., Chicago, are offering at par and divs., \$250,000 8% cumulative preferred (s. & d.) stock, par, \$100. Divs. Q.-M. Callable on any int. date at 110 and divs. Free from Federal normal income tax. A circular shows:

Company—Organized in Mass. and owns and is now operating a refinery at Bigheart, Okla., capacity 1,250 barrels per day. It is intended to install the Cosden cracking process and a casing head gas absorption plant which will add greatly to the yield of refined oil.

The company has contracts running until 1931 with the Massachusetts-Oklahoma Oil Co. for its entire production of crude petroleum from its Osage and Bird Creek leases. It has also a contract for all the casing head gas on the Osage leases of this company. The Mass. Okla. Oil Co. now has 59 producing wells with a settled production of 400 barrels per day, and gas enough to produce in the neighborhood of 1,500 gallons of gasoline per day. The refining company has also taken over contracts for oil from leases in the vicinity of the Mass.-Okla. Oil Co. property and is assured of an immediate supply of crude oil of from 500 to 800 barrels per day.

The refining co. at present has under lease for nine months, forty 8,000 gallon tank cars, and will have built sixty cars of 8,000 gallons capacity before the expiration of the lease.

The Mass.-Okla. Oil Co. has 2,990 acres under lease and 120 acres owned in fee in the Osage and Bird Creek districts. Under the former ownership, the refinery has been running from five to eight hundred barrels per day, and as the Mass.-Okla. Oil Co. further develops its property, there will be a proportionate increase in the number of barrels for refining. The refuse gas from the absorption casing-head gasoline plant will be utilized for fuel in the refinery.

	Authorized	Outstd.
Preferred stock	\$75,000	\$250,000
Common stock	\$75,000	250,000

Estimate on Refined Products from 400 bbl. Crude daily, with \$54,750 from Gasoline Plant.

Gross receipts (est.)	\$255,500	18% on \$250,000 pref.	\$20,000
Net, after taxes, ins., &c.	183,900	Surplus	163,900

Directors (and Officers)—Carleton T. Phelps, Judge of the Mass. District Court, North Adams, Mass.; Herbert W. Clark, Pres. Clark Biscuit Co., North Adams, Mass.; Roy A. Curtiss, director Sixth Ave. RR. of N. Y., Sheffield, Mass.; Stanley L. Smith (Pres.), Pres. Mass.-Okla. Oil Co., N. Y.; George D. Locke (V.-Pres.), Pres. Fayetteville, Ark., Gas & Elec. Co.; Earle G. Hastings (Sec'y-Treas. and Gen. Mgr.), Gen. Mgr. Mass.-Okla. Oil Co., Tulsa, Okla.; Wm. H. Blood Jr., Stone & Webster, Boston, Mass. To be elected.—Edward B. Shapker, Pres. Shapker, Waller & Co., Chicago.

Binghamton Lt., Ht. & Pow Co.—New Pref. Stock.

This company is offering for sale approximately 1,200 shares of the 6% pref. stock to customers and employees. Arrangements have been made so that this stock can be sold at 85, netting the purchaser 7.06% on the investment. It can be paid for in full or in installments. —V. 105, p. 392.

Blackstone Valley Gas & Electric Co.—Rate Advance.

This company has advanced its rate for gas by 15 cents per 1,000 cu. ft. in the cities of Pawtucket, Woonsocket, Central Falls, Cumberland and Lincoln, Rhode Island. —V. 105, p. 1520.

Brompton Pulp & Paper Co.—Acquisitions.

Announcement is made that this company has acquired the properties, &c., of the Claremont (N. H.) Paper Co. and the Wyman Flint & Sons Paper Co. of Bellows Falls, Vt. It is stated that no new financing will be necessary. —V. 106, p. 193.

(Edward G.) Budd Mfg. Co., Phila.—Bonds Called.

One hundred and fifty-eight (\$158,000) First Mtge. 6% gold bonds, dated Aug. 1 1916, have been called for payment Feb. 1 at 101 and int. at the Philadelphia Trust Co.—V. 104, p. 1803.

California Packing Corporation.—Sub. Co. Earnings, Dividends, &c.

—An official statement shows: At the annual meeting of the Alaska Packers' Association, in which the California Packing Corporation has a 79% stock interest, held Jan. 16, the annual statement covering the calendar year 1917 was submitted and showed that, after deducting depreciation and making allowance for excess profits taxes, the net profits amounted to \$3,097,000, which compares with \$2,099,360 for 1916, or a gain of approximately 50%.

The dividends declared out of the 1917 earnings aggregated 10% regular and in addition an extra dividend of 20% was declared, making 30% for the year. This distribution compares with a total of 10% dividends declared out of the 1916 earnings.

The total dividends of 30% on the Alaska Packers' stock bring in \$1,364,000 to the treasury of the California Packing Corp. Based on its ownership of 79% in the stock of the Alaska Packers' Association, the proportion of the 1917 profits accruing to the California Packing Corp. amounted to nearly \$2,500,000, which is equivalent to approximately \$7.25 per share on the outstanding common stock of the California Packing Corp., this sum being apart from the profits which the California Packing Corp. derives from the packing and distribution of its regular fruit and vegetable lines. The fiscal year of the California Packing Corp. ends on Feb. 28 1918. —V. 105, p. 1203.

Calumet & Arizona (Copper) Mining Co.—Production.

	—12 Mos. end. Dec. 31—		
	1917	1916	1915
Copper production (in pounds)	5,816,000	59,938,400	74,898,788

—V. 105, p. 2458, 2097.

Canada Iron Foundries, Ltd.—Listed in London.

The British Treasury some weeks ago sanctioned dealings in this company's £600,000 6% "B" Debenture Stock which was issued in lieu of the £600,000 6% First Mtge. bonds. —V. 102, p. 610.

Canadian Cereal & Flour Mills Co.—Reorg. Effected.

The reorganization of this company has been effected, A. G. McLeod of the McLeod Milling Co., Stratford, Ont., taking over the management that has been in the hands of H. T. Jamieson, receiver, for four years. Recently the company sold its 300-bbl. London mill, the proceeds making it possible to open the Tilsonburg Flour & Oat Mill, with 1,000-bbl. capacity, which had been closed for four years. This with the incorporation of the McLeod mill at Stratford, gives the company a daily capacity of 2,500 bbls. The company now has mills at Ayr, Galt, Tilsonburg, Stratford, Lindsay and a small mill at Embro that has been idle for some time.

The new directors are: A. C. McLeod, H. T. Jamieson, K. W. Blackwell, E. E. M. Smith, W. M. Dobell, John Wilson. The office of the company will be in Stratford. ["Financial Post" of Canada.] Compare V. 102, p. 524.

Canonsburg (Pa.) Steel & Iron Works.—Control.

The dispatch to the Pittsburgh "Gazette" on Dec. 2 reported the transfer of the stock of the company from the 2,019 shareholders to Cincinnati men, headed by E. W. Edwards and adds "It is understood that the stockholders received \$330 a share, the par value being \$100. The purchasers will retain the company's old name and will operate under the present charter. It is understood that the new owners will expand the plant, which employs about 350 men. The company manufactures sheet steel and certain lines of specialties. The plant was erected in 1882. The present capital stock of the company is \$250,000."

Carbo-Hydrogen Co. of America, Pittsburgh, Pa.—Stock Increase—Dividend.

This company, incorporated in Delaware June 5 1915 to manufacture carbo-hydrogen gas, on Dec. 19 1917 filed a certificate in Dover, Del., increasing its authorized capital stock from \$3,500,000 (including \$2,000,000 common and \$1,500,000 pref.) to \$5,000,000 (par \$5 a share), to consist of \$2,750,000 common and \$2,250,000 7% cum. preferred. The semi-annual dividend of 3 1/2% was paid Jan. 1 on the \$1,500,000 preferred stock. Pres., J. S. Trees; Sec. Treas., Wm. H. Weis. Office, Benedum Trees Bldg., Pittsburgh, Pa.

Central Leather Co.—Source of Dividends.

"Stockholders are advised that dividends of \$1.75 per share on pref. stock paid Jan. 2 1917, and dividend of \$1.25 on common paid Feb. 1, were declared prior to Dec. 31 1916 out of earnings accumulated prior to that date." —V. 105, p. 1711, 1312.

Central Power Co., Canton, O.—Bonds Pledged—Valuation of Property Estimated—Est. Earnings for 1918.

See American Gas & Electric Co. above.—V. 105, p. 2186, 1524.

Central Sugar Corporation.—Syndicate Dissolved.

The syndicate consisting of Spencer Trask & Co., A. B. Leach & Co., Engineering Securities Corp. and Boetcher, Porter & Co., which underwrote this company's issue of \$3,000,000 7% pref. stock and 80,000 shares of common stock some months ago, has been dissolved. —V. 104, p. 1389.

Chalmers Motor Corp.—Lease—Extension of Notes—Output—Balance Sheet.

See Maxwell Motor Co., Inc., below.—V. 105, p. 2001, 1312.

Chicago Breweries Co., Ltd.—Earnings.

Nov. 30 Year	1916-17	1915-16	1916-17	1915-16	
Divs. received	\$35,821	\$36,950	Int., taxes, &c.	\$22,832	\$22,414
Other income	2,116	2,139	Dividends	(4%) 12,000	(5) 15,500

Total income... \$37,937 \$39,089 Balance, surplus \$3,105 \$1,176
The combined sales of the two breweries controlled were 261,758 bbls. in 1916-17, against 294,221 in 1915-16. Debentures outstanding, \$219,400, \$600 having been redeemed during the late year.—V. 103, p. 2431.

Chicago Title & Trust Co.—Earnings.

Cal. Years	1917	1916	1917	1916	
Net earnings	\$966,566	\$1,201,969	Balance, surp.	\$266,566	\$571,969
Dividends	(10) 700,000	(9) 630,000	Undiv. profits	\$426,134	\$159,567

The balance sheet as of Dec. 31 1917 shows capital stock \$7,000,000 and surplus \$4,000,000, and undivided profits \$26,134. In 1917 collateral loans aggregated \$2,266,384; loans on real estate, \$1,508,418, and bonds, stocks, &c., \$1,747,142, against \$981,412, \$2,796,893 and \$1,007,029, respectively, in 1916.

Civic Investment & Industrial Co.—Name Changed.

The Quebec Legislature, it is announced, has approved the change in the name of the company from Civic Investment & Industrial Co. to the Montreal Light, Heat & Power Consolidated.—V. 105, p. 2186.

Chile Copper Co.—Production (in lbs.).

1917—Dec.—1916	Increase	1917—12 Mos.—1916	Increase.
7,912,000	6,138,000	1,794,000	88,458,110
41,305,477	47,152,633		

—V. 105, p. 2545, 2388.

Clark Thread Co., Newark, N. J.—Stock Increase.

This company on Nov. 17 filed a certificate at Trenton, N. J., increasing its authorized capital stock from \$750,000 to \$12,500,000. The company was incorporated under private law in N. J. on Feb. 23 1866.

The company has been very closely held. The J. & P. Coats Co. of London controls it. The increase of stock, however, was done for the purpose of bringing the capitalization more in line with the assets.

On Nov. 25 the company assumed ownership of the Jersey City thread mill of James Chadwick & Bro., Ltd., of Manchester, Eng. The Clark company owns two mills in Newark and East Newark. The price of the new mill is said to have been \$200,000. In connection with the above purchase Gen. Mgr. Groel is quoted as saying: "The recent taking over of complete control of the Greenville plant was only a natural conclusion of the long business arrangements that had prevailed. In the same manner the Clark company took over a comparatively short time ago the Mile End thread mill in East Newark, which adjoins our own factory. The

Mile End products had always been used entirely by the Clark company which now owns the concern.
The Clark Mile End Spool Cotton Co. of East Newark was incorporated in New Jersey on Dec. 6 1882 with \$2,000,000 of authorized capital stock as to the J. & P. Coats Co., Ltd., see that company below.

Cleveland Worsted Mills Co.—War Orders.—
See American Woolen Co. in last week's issue.—V. 105, p. 2275.

(J. & P.) Coats Co., Ltd., London.—Earnings.—Sub. Co.
A London paper says: "For the year ending June 30 the amount of profit carried to balance sheet is £3,360,950, comparing with £3,387,395 for the previous 12 months. With £2,456,492 brought forward from last year, we have a total of £5,817,442. The allocation is as follows: On preference shares at 6%, £1,806,031; the preferred ordinary 5%, £150,000; ordinary, 7½%, £337,500, leaving a balance of £3,523,911, out of which the directors recommend that the round sum of £2,000,000 should be placed to war contingencies fund, the carry-forward being £1,523,911. It may be noted that the decrease in net profit is almost exclusively due to higher general charges. The capital account is unchanged, and we propose to touch further on the company's affairs in a future issue." See also Clark Thread Co. above.

Colorado Power Co.—Earnings for year ended Nov. 30, 1917.—

Bonbright & Co., Inc., in submitting the following figures call attention to the fortunate position under present conditions of public utility companies operating hydro-electric plants, and add: "It is an interesting commentary upon present financial conditions that the income applicable to common stock dividends is now 25% better than for the preceding year. A year ago, the common stock of this corporation was quoted at around 30-32; it is now quoted at 20-23."

Nov. 30 Yr.	1916-17.	1915-16.	1916-17.	1915-16.
Gross earnings	\$1,166,757	\$1,000,627	Depreciation	\$115,817
Net, aft. taxes	664,562	559,959	Prof. divs. (7%)	44,718
Other income	35,530	40,793	Com. divs. (2%)	221,264

Gross income	\$700,092	\$600,752	Balance, surplus	\$91,261	\$20,448
Int. charges	227,031	215,840	Operating ratio	43.2%	44.0%

Note.—The Sterling property was added in May 1916 and United Hydro-Electric in July 1916.—V. 105, p. 2001, 1900.

Connecticut Power Co.—Offering of Two-Year Notes.—
Stone & Webster are offering at a price to yield over 7% an issue of this company's Two-Year 6% gold coupon notes dated Jan. 2 1918, due Jan. 1 1920.

Company.—This company, under special charter granted by the State, does the entire gas, electric lighting and commercial power business in New London, the entire electric lighting and commercial power business in Middletown and serves numerous other manufacturing communities in Connecticut.

Purpose of Issue.—These notes will finance bank loans and are not for new construction. These bank loans were incurred for plant additions required to a large extent to meet demands of industries engaged in war work.—V. 105, p. 610.

Consolidated Mining & Smelting Co. of Canada, Ltd.—Earnings—New Director.—

Sept. 30.	Total	Mining	Custom Ore	Dec or Inc	Div'ds.	Balance
Years.	Income.	Exp's, &c.	&c. Pur'd. in Incen'y	(10%)	Surplus	
1916-17.	\$12,917,412	\$5,911,271	\$5,899,032	-\$30,230	\$995,013	\$81,817
1915-16.	7,349,945	4,976,643	2,913,427	1,536,221	776,337	220,159

"Mining expenses, &c." include depreciation, amounting to \$648,058 in 1916-17.

Henry Johns of Montreal succeeds W. Farwell as a director.—V. 104, p. 167.

Cosden & Co.—Stock Dividend.—In order to conserve cash resources, the directors have declared a 5% dividend in common stock (\$15,973,285 outstanding) in place of the regular quarterly cash distribution. On Nov. 1 the company paid 2% and 4% extra. An official explanation follows:

In view of the uncertainty of the present general situation in the whole country, interference with production and shipments of oil, due to cold weather and railroad congestion, of the large and as yet unascertained excess profits taxes to be paid within the first half of the year, the directors of Cosden & Co. have thought it prudent to preserve the cash resources of the company and have therefore declared a stock dividend of 5% to be paid Feb. 1 to holders of record Jan. 23. The earnings for the year 1917, with December estimated, amount to approximately \$9,500,000. This is after full payment of interest on bonds and current debt, but before allowance for income and excess profits taxes.—V. 105, p. 2458, 2275.

Covington & Cincinnati Bridge Co.—Stock Purchase.—The City Commissioners of Covington, Ky., on Jan. 10 authorized the sale to the company of \$100,000 par value of its stock for \$25,000, the company having authorized the purchase, according to a local dispatch. The stock, purchased by the city in 1855, was paid for with a bond issue of \$100,000. The company later sold the bonds for \$69,000.

Crucible Steel Co.—No Common Dividend.—At the directors' meeting on Jan. 17 no action was taken on the declaration of a dividend on the common stock.—V. 106, p. 193.

Cuba Cane Sugar Corporation.—New Directors, &c.—W. P. Conway, Henry P. Kroyer and Charles D. Lithgow have been elected directors to succeed C. N. Bliss Jr., Orestes Ferrara and G. H. Whigham.

Vice-Pres. Alfred Jaroski is quoted as saying: "The company has reduced its net liabilities from \$11,000,000 to \$6,000,000 and there is sufficient cane planted to take care of grinding requirements for the year. The quality of the cane this year is so much better than with 2 million less cane than in the preceding year, something like 18,000 bags more of sugar was produced. There is no likelihood of a dividend on the common stock until the end of the grinding season has been reached and the company is in a position to ascertain actual profits."—V. 105, p. 2550, 2540.

De Long Hook & Eye Co.—Dividend Omitted.—The usual quarterly dividend of 2% on the \$1,000,000 stock (par \$100), due in Feb. 1918, is reported to have been omitted.—V. 104, p. 1804.

Detroit Edison Co.—Earnings.

	—Month of December—	—Year ending Dec. 31—
	1917.	1916.
Gross earnings	\$1,296,186	\$1,112,434
Net, after taxes, &c.	\$414,025	\$485,589
Interest	\$7,375	\$2,374
Balance for dividends	\$326,650	\$393,215

—V. 105, p. 2358, 2275.

Detroit Shell Co.—Purchase of Plant.—A Detroit press dispatch states that this company has closed an option on the property of the Springsfield Body Co. in that city at a price of \$500,000, including all land, buildings and machinery.—V. 105, p. 2546.

Diamond Laundry Co., Los Angeles, Calif.—Offering of Serial Bonds.—S. W. Straus & Co. Inc. are offering at par and interest to net 6% \$200,000 First Mtgo. 6% Serial bonds, dated Nov. 30 1917. Int. M. & N. 30 at any of the offices of S. W. Straus & Co. Inc. A circular shows:

Maturities: \$12,000, Nov. 30 1918-1926, incl.; \$92,000, Nov. 30 1927. Denom. \$100, \$500 and \$1,000. The mortgage covenants to pay the normal Federal income tax. The bonds are callable after 2 years at 102 and int. Guaranteed by J. E. Reid, W. W. Murray and J. M. Lancaster, all officers of the company.

Security.—The bonds are the direct obligation of the company, a California corporation. A direct closed first mortgage on the land in fee and on the building and equipment of the company, viz: (a) The building is a

modern industrial structure of steel and reinforced concrete, absolutely fireproof, and is four stories in height, with basement and a sub-basement. (b) Equipment consists of all facilities required by an efficient laundry. The building has a plant for power, light and heat, and a well for water. The machines are all motor driven.

The land fronts 110 feet on 8th St. and 200 feet on Towne Ave. Property is appraised at \$502,000.
Income.—The average annual net earnings of the Diamond Laundry Co. for the past five years have been in excess of \$32,500. Improved methods and increased production in the new building will make a large increase in the earnings.

Doble-Detroit Steam Motors Co., Detroit, Mich.—Offering of Stock.—Fisher Johnson, Detroit, and W. E. Hutton & Co., N. Y. City, are offering at \$12 per share 250,000 shares, par \$10, of this company's capital stock. Authorized, all common, 1,000,000 shares. No pref. stock, no bonded or other indebtedness.

Data From Letter of Pres. C. L. Lewis, Detroit, Oct. 30 1917.
The sale of the stock enables the company to enter immediately into commercial production of cars, and to fill the necessary requirements of the sales agreements on hand for 1918. The remaining stock will be held for future extensions.

The Company.—Has general license during the life of the patents to manufacture and sell under the Abner Doble patents, pleasure cars, and any other devices wherein the application of Doble patents may be of value e. g., trucks, aeroplanes, tractors, small stationary power plants, &c. The car is fully developed and tested. The company has sales agreement for \$20,000,000 worth of cars, for delivery during the year 1918 and receives 25% of the net profits of the General Engineering Co., the present owners of the Abner Doble patents.

For the rights and licenses as above, the company pays the General Engineering Co. the licenseor: (1) Stock of the Doble-Detroit Steam Motors Co. equal to 15% of the stock actually sold, paid for and issued, but this stock is available to the General Engineering Co. only when 6% per annum is being earned on the entire outstanding stock. This stock is now in escrow. (2) A royalty of 1% on the list price of all motor vehicles sold and delivered, and 5% of the list price of all separate power plants manufactured, sold and delivered.

The Car.—The fuel used is kerosene, the mileage per gallon compares favorably with gas cars. There are 22 moving units in the whole car, of which but 11 are in the engine. The engine's speed is about 250 revolutions, at a car speed of 20 miles per hour. There is no clutch, gear shift, nor complicated starting device.

Production.—The company is now producing demonstrating cars which will be followed immediately by production for distribution, which will be brought up to 10,000 cars per year. Present production will be confined to the luxurious motor car, with a list price of \$2,500 or more. A smaller and lighter car at a popular price will later be produced. The company is preparing to produce steam propelled motor trucks, using kerosene or lower grade fuel.

Officers.—C. L. Lewis, Pres.; Abner Doble, V.-Pres.; T. P. Myers, V.-Pres. and Sales Director; Morgan J. Hammers, Sec., Treas. and Director of Production.

W. E. Hutton, N. Y., are also interested.

Doherty Operating Co.—New Director.—C. T. Brown, as a director, succeeds M. R. Bump.—V. 89, p. 1485.

Dominion Steel Products Co., Ltd.—Stock Increase.—Notice is given that under the "Companies' Act" supplementary letters patent have been issued as of Jan. 2 1918, increasing the capital stock from \$500,000 to \$1,000,000, to consist of 5,000 shares of \$100 each.—V. 105, p. 2458.

Dow Chemical Co.—Favorable Decision.—Judge Kelly S. Searl in the Circuit Court at Detroit has handed down a decision favorable to the Dow company as plaintiff in its suit against the American Bromine Co. and Arthur B. Schaefer. The plaintiff asked a permanent injunction restraining the defendants from making use of certain trade secrets, claimed to be the exclusive property of the Dow company and unfairly obtained from certain of its employees, and also asks that a certain patent be transferred to the Dow company, since through a contract with defendant Schaefer, the property right in the patent was held to belong to the Dow company.—V. 105, p. 202.

(E. I.) du Pont de Nemours & Co.—Stock Litigation.—Judge Thompson in the U. S. District Court at Phila., on Jan. 12 heard argument on exceptions to a Master's report which confirmed the stockholders' vote in rejecting a proposal for the powder company to purchase the \$57,000,000 worth of powder company stock in litigation. The complainants, Phillip du Pont et al., seek to file a petition for further testimony to show that Pierre du Pont dominated the stockholders' meeting at which the vote was taken.

The defendants filed a motion to dismiss the bill of complaint, contending that the vote of the stockholders carried out the Court's decree and ended the matter. Compare V. 105, p. 2001, 1901.

Powder Plant Near Nashville, Tenn., Acquired by Government.—Announcement has been made of the establishment of a Government powder plant at Hadley's Bend, near Nashville, Tenn., which will cost about \$60,000,000 and employ 15,000 men. The Government has taken over options obtained on the property in Nov. 1917 by du Pont interests.—V. 105, p. 2187.

Durham (N. C.) Hosiery Mills.—Offer to Stockholders of Common "B" Stock.—The shareholders were given until Jan. 1 to subscribe pro rata at \$250 for one share of new common B stock with one share of preferred to the extent of \$250,000 of each issue, thereby making outstanding, of pref. stock, \$1,250,000 (auth., \$1,500,000), and common B stock, \$250,000. Common stock outstanding amounts to \$1,250,000. Par value in each case \$100.

None of the above new stock will be sold to the general public. Stockholders subscribing must make payment by Jan. 15. The common B stock will draw dividends from Jan. 1, as will all such stock issued up to Jan. 15.

Extracts from Letter of Pres. J. S. Carr Jr., Durham, N.C., Dec. 14 1917.
Stock Increase.—To meet the demands of the rapidly increasing business and in order to increase "invested capital," under the War Revenue Bill, the stockholders on Dec. 8 1917 increased the authorized capital stock by \$250,000 7% preferred stock and \$250,000 of common B stock. For the present this increased capital will be used to convert, in part, bills payable into "invested capital" and also to convert into "invested capital" real estate, at the original purchase price, rented at this time by the corporation as tenement property. Only minor investments in machinery and buildings will be made.

New Pref.—The additional issue of pref. stock is to be of the same preference &c., as the present issue. The common B stock is to have the same rights and privileges as the present common, except that it shall not vote unless the corporation fails for 90 days to pay the regular common dividend thereon, as due, in which event it shall vote as the common stock as long as such default shall continue.

Plant, &c.—The corporation owns and operates ten knitting mills, well equipped with modern machinery, in North Carolina, valued at over \$4,000,000 exclusive of all debts, which manufacture both unfleeced and fleeced "Durable Durham Hosiery." The organization distributes its products in all parts of the United States and abroad. At the present time our business is only limited by the facilities, because of the home demand for "Durable Durham Hosiery."

The company has no mortgage, and none can be placed upon the property without the consent of the majority of each class of stock.

Financial Statement June 30 1917 (Total each side, \$4,541,328.)

Assets	Liabilities
Plant, mach., real est., &c. \$2,461,329	Prof. capital stock.....\$1,250,000
Cotton.....477,274	Capital stock.....1,250,000
Furniture and fixtures.....15,612	Bills payable.....605,000
Cash & Accts. receivable.....1,025,002	Reserve.....450,583
Live stock, &c. (5,723 U. S. bds.).....7,123	Profit and loss.....985,743
Merchandise on hand.....554,986	

Earnings.—These for the fiscal year, ending June 30 1917, were \$822,273, of which amount \$85,407 was paid as a regular 7% pref. dividend, \$99,054 was charged to depreciation account, leaving a balance of \$637,811.

Production.—The entire production of 17,000-dozen pairs per day is being marketed under the brand of "Durable Durham Hosiery," which began its active campaign in 1914, at which time 324,424 dozen were sold during 11 months. The increase in the sale of this brand is shown in the sales from Sept. 20 to Nov. 24 1917 of 1,707,521 dozen. An increase in two months of approximately 1,400,000 dozen more than 11 months in 1914.

During the past several months the company has received orders covering all branches of the United States service, totalling 3,420,829 pairs of cotton socks; there is now in warehouses enough stock to good middling white cotton to meet requirements till the new crop—1918—begins to move.

(Officers are) J. B. Carr Jr., Pres.; A. M. Carr, 1st V.-Pres.; A. H. Carr, 2nd V.-Pres.; C. M. Carr, Treas.; W. F. Carr, Secretary & Asst. Treas.; N. Y. office 88 Leonard St.; Chicago office, Cont. & Comm. Bank Bldg.; San Francisco office, 619 Hobart Bldg.—V. 102, p. 2079.

Eddystone Munitions Co., Philadelphia.—Officers.—James McNaughton has been elected President and Captain Walter Wilhelm, Vice-President. Charles J. Schlaefli has been made Chairman of the board.—V. 105, p. 2459.

(Otto) Eisenlohr & Bros., Inc., Phila.—Retired.—The outstanding pref. stock has been reduced from \$2,910,000 to \$2,610,000, an additional \$300,000 having been retired and canceled as of Dec. 31 last. The original pref. stock was \$3,000,000. See V. 106, p. 90.

Empire Gas & Electric Co.—Acquisition.—This company has taken over the plant and holdings of the Empire Coke Co., which furnishes the Empire Co. with gas and supplies the cities of Auburn and Geneva and the towns of Waterloo, Seneca Falls and Lyons.—V. 106, p. 193.

Fall River Electric Light Co.—Offering of Two-Year 7% Notes.—Merrill, Oldham & Co., Lee, Higginson & Co., and the Guaranty Trust Co., N. Y., are offering at 99 3/4 and int. yielding about 7 1/2% \$1,000,000 Two-Year 7% Coupon gold notes, dated Jan. 15 1918, due Jan. 15 1920, but callable at 101 and interest on Jan. 15 1919 or July 15 1919, on 60 days' notice. Int. J. & J. 15 in Boston. Trustee, Commonwealth Trust Co., Boston.

Data From Letter of Vice-Pres. Philip Cabot, Jan. 12 1918.
Company.—Incorporated in Massachusetts in 1883. It does the entire commercial electric lighting and power business in the city of Fall River and vicinity, serving a population of about 122,000.

Purpose of Issue.—The notes are sold to provide for the retirement of substantially all of the present debt which was incurred for extensions and additions.

Capitalization (No Mortgage Debt).
 Two-Year 7% Coupon notes (this issue) Denom. \$1,000 and \$500 (c*) \$1,000,000
 Capital stock 1,400,000

In addition there has been invested in the property premiums received from the sale of capital stock aggregating 445,000

Years Ending—	June 30 1914.	June 30 1915.	June 30 1916.	June 30 1917.	Nov. 30 1917.
Gross revenues	\$422,201	\$442,783	\$489,337	\$556,219	\$618,734
Net after oper. ex. & tax.	\$171,693	\$190,910	\$208,243	\$211,774	\$209,584

Net earnings have been maintained upon substantially the same level as in previous years, in spite of the extremely high cost of fuel during the past year, due to war conditions. In addition to ordinary repairs charged to operating expenses, liberal amounts have been set aside from undivided surplus for depreciation. Net earnings for 12 months ended Nov. 30 1917 were \$207,355, or almost three times the \$70,000 annual interest charges on these notes.

Dividends of 6% per annum or more have been paid on the capital stock continuously for 32 years. The present annual rate of 8% has been paid for the last 11 years.

Notes.—No mortgage shall be placed on any of the company's properties while any of the notes are outstanding. The total amount of indebtedness incurred by the company, including these notes, shall not at any time exceed the amount of capital stock and premiums. The company has no mortgage debt.

Property.—The company owns a steam electric power plant of 20,000 h. p. capacity, including a new unit of 8,300 h. p., which has been recently installed. Electricity is distributed by means of a transmission system comprising 166 miles of pole lines and 19 miles of underground lines. All the properties have been well maintained and are in excellent operating condition. The properties have a value of approximately three times the amount of these notes. This valuation is based upon actual cash expenditures and is much less than it would cost to reproduce the properties at the present time.—V. 97, p. 1359.

Firwood Building, Chicago, Ill.—Offering of First Mortgage Serial Bonds.—S. W. Straus & Co. Inc. are offering at par and interest, yielding 6%, \$160,000 First Mtge. 6% Serial bonds, dated Nov. 1 1917. Int. M. & N. at any of the offices of S. W. Straus & Co. Inc. A circular shows:

Maturities: \$8,000, Nov. 1 1919-1920; \$8,500, 1921; \$7,000, 1922-1923; \$7,500, 1924-25-26 and \$105,000, Nov. 1 1927. Denom. \$100, \$500 and \$1,000. The mortgagor covenants to pay the normal Federal income tax.

Security.—A direct closed first mortgage on the land in fee and on the building, a six-story apartment structure, containing 48 two-room and 12 three-room apartments. The exterior is dressed brick and the building is fireproof. The mortgagor will rent the apartments furnished. A garage contains private appointments for 20 automobiles. Total value of property, ground and building, \$250,000.

The building fronts 100 feet on Sheridan Road and the lot has a depth of about 275 feet.

The bonds are the direct obligation of A. Irving Jordan.

Income.—Annual net income based on the rental of similar buildings in the vicinity is estimated at \$30,000.

Forestal Land, Timber & Rys. Co., Ltd.—Debs. Called. One hundred and forty-three First Mtge. 5% Refunding debentures of \$100 each, and 110 debentures of \$20 each, aggregating \$16,500, were called for payment Jan. 1 at 102 1/2 and int. at the office of Messrs. Eclangers, 8 Crosby Square, London.—V. 105, p. 1325.

General Petroleum Corp.—Sale of Land—Retirement of Corporation's Bonds—New Trustee for Pipe Line Bonds.

The proceeds from the sale of 565 acres of land in the Coalinga oil district, remote from the pipe line, to the Standard Oil Co., it is announced, will be used to retire the \$900,000 First Mtge. 6% sinking fund gold bonds, due Jan. 1 1925. The San Francisco "Chronicle" understands that "the price obtained for the lands sold will provide for the retirement of the remaining General Petroleum Corporation's bonds and leave a substantial sum for the General Pipe Line sinking fund."

In his letter to stockholders of the General Petroleum Corporation, President Barneson says of the payments to be made to the sinking fund: "These payments will relieve the income of the General Petroleum Corporation from annual interest charges amounting to \$54,000 on General Petroleum Corporation bonds and of payments to the sinking fund amounting to \$150,000 per annum, and later of interest requirements on the bonded debt of the General Pipe Line Co. to the extent that its bonds may be retired."

In view of the prospective retirement of the 1st Mtge. bonds of the General Petroleum Corporation, it has been found convenient for the handling of the details of the sinking fund to substitute the Mercantile Trust Co. of San Francisco for the Columbia Trust Co. of New York as trustee for the General Pipe Line Co. bonds, all of these bonds are now held in San Francisco.—V. 105, p. 1517, 1423.

General Pipe Line Co. (Cal.)—New Mtge. Trustee.—See General Petroleum Corporation above.—V. 104, p. 2556.

Gillette Safety Razor Co.—Second Dividend.

The directors have declared a dividend of \$1.75 per share, payable March 1 1918, to stockholders of record Jan. 30 1918. On Nov. 15 last an initial dividend of the same amount. See V. 105, p. 1902.—V. 106, p. 194.

Goodyear Tire & Rubber Co.,—Ten-Year Resume.—Compare "Annual Reports" on a preceding page.

Increase in Authorized Capital Stock to \$100,000,000.

The shareholders voted Jan. 14 to increase the authorized capital stock from \$50,000,000, consisting of \$25,000,000 common stock and \$25,000,000 7% cum. pref. stock (of which on Oct. 31 \$20,278,620 common and \$24,393,700 preferred were outstanding) to \$100,000,000 to include \$50,000,000 common, \$25,000,000 7% cumulative 1st preferred stock (the present preferred) and the remaining \$25,000,000 to be a new issue consisting of 8% cum. 2nd pref. stock. The certificate increasing the authorized stock as aforesaid was filed at Columbus, O., on Oct. 15, a fee of \$50,000 being paid therewith.—V. 105, p. 2459, 2362.

(H. W.) Gossard Co., Inc., Chicago.—Initial Dividend.

An initial dividend of \$3 per share has been declared on the common stock out of the earnings for the year 1917, payable April 1 to holders of record March 25, and the regular quarterly 1 1/4% on the preferred, payable Feb. 1 to holders of record Jan. 25.—V. 104, p. 767.

Hartford (Conn.) City Gas Light Co.—New Stock.

The shareholders voted Jan. 15 1918 to increase the outstanding common stock from \$1,250,000 to \$1,750,000. There is also \$750,000 8% pref. stock outstanding, and all the shareholders, both common and preferred, are given the right to subscribe for the new common shares at par (\$25 a share) to the extent of 25% of their respective holdings.—V. 105, p. 2369.

Haskell & Barker Car Co.—Admitted to List.

We are advised that the common stock, auth. 250,000 shares, outstanding 220,000 shares, no par value, has been admitted to the regular list of the Chicago Stock Exchange.—V. 106, p. 194.

Holt Mfg. Co., Stockton, Cal.—Stock Increase.

This company has been authorized to issue the remaining \$396,800 of its \$1,000,000 7% cum. pref. stock and \$500,000 additional common stock to shareholders at par (\$100), thus increasing the latter to \$1,000,000.

The proceeds from the sale of stock will, it is stated, be used for improvements and betterments on the two factories at Stockton and East Peoria, Ill. There will be no public offering.—V. 105, p. 1001, 502.

Hutchinson Sugar Plantation Co.—Dividend Reduction.

This company reduced its monthly dividend from 30 cents to 20 cents per share (par \$25), payable Jan. 5.—V. 103, p. 1984.

Internat. Arms & Fuze Securities Corp.—Acquisition.

This company has acquired by merger the International Arms & Fuze Co. of 511 Fifth Ave., N. Y., with a plant at Bloomfield, N. J.—V. 104, p. 1804.

Interstate Electric Corporation, N. Y.—Earnings.

The earnings of the subsidiary co's are reported as follows:

Subsidiary Companies	—Year ending October 31—	—Year ending November 30—
	1917.	1916.
Gross earnings	\$658,575	\$601,533
Oper. expenses	\$82,942	\$48,168
	\$575,633	\$553,365

Net earnings—\$275,633 \$253,365 \$22,268 \$272,758 \$254,900 \$17,858

A. E. Fitkin & Co., N. Y., bankers for the enterprise, write: "These figures reflect a very satisfactory operating condition, for, notwithstanding the very substantial increases that all public utility corporations have been confronted with in the cost of labor, fuel and materials, the Interstate Electric Corporation's properties have been able to save a substantial amount of its increased gross revenues for net earnings. The showing is all the more noteworthy in view of the fact that none of the Interstate Electric Corporation's subsidiary companies have applied for or received any increases in rates in connection with the business they are engaged in. However, this is contemplated, and we are confident will receive favorable consideration."—V. 106, p. 90.

Island Oil & Transport Corp.—Further Particulars.—Regarding the offering of the unsold portion of \$3,000,000 First Lien Collateral 7% gold notes by A. B. Leach & Co., the following particulars are given:

Data from Letter of Pres. R. H. Sears, New York, Sept. 1 1917.

Organization.—Incorporated in Virginia to acquire oil properties in Mexico, Colombia and Cuba as well as to transport oil to tidewater. These properties are owned or controlled through stock ownership of companies organized or protcolized under the laws of each country. Arrangements are under way for initial tank storage capacity equal to 330,000 barrels in connection with the pipe line, with which line in operation the company will be able to deliver at tidewater about 30,000 barrels of oil per day. The company starts with a potential production of over 20,000,000 barrels per annum and the oil rights in about a million acres of oil territory.

Capitalization (Authorized).

First Lien Collateral 7% gold notes, due September 1920, \$3,000,000
 10-year 6% gold debent., due March 1927 (entire issue pledged) 5,000,000
 Capital stock, par \$10 (issued, \$22,500,000; reserved, \$7,500,000) 30,000,000

Purpose of Issue.—To provide funds for the construction of a pipe line from the Tepetate oil district to the Gulf of Mexico, the construction of a loading station, the erection of storage tanks, drilling operations and the further development of properties.

Properties Owned or Controlled.—Capuchinas Oil Co. Has oil rights on about 7,925 acres in Mexico in the Tampico fields. There is a large gas well on one tract. All stock is owned by the Island Corporation.

Esfuerzo Tampiqueno, S. A.—Comprises about 251 acres in Tepetate. One well is now being drilled. Over 60% of stock owned.

Compania Petrolera Navari, S. A.—Organized to take over valuable leases in the Juan Casiano and Cerro Azul districts, comprising about 2,088 acres in 28 parcels. All stock owned.

Compania Metropolitana de Oleoductos, S. A.—Owns pipe line concessions from the light oil district to the Gulf and controls 277 acres for terminals and pumping stations at tidewater. All stock owned.

Compania Mexicana de Petroleo la Libertad, S. A.—Has under lease 1,387 acres on which the La Libertad well, now in position to deliver oil. These lands will produce, it is believed, from 50,000 to 70,000 barrels a day. All stock owned.

Antillan Corp.—Protcolized in Cuba and owns the oil rights on 40,000 acres. Two wells are at present drilling, one having reached 3,000 feet, the second about 2,400 ft. This property is about 18 miles south of Havana. Two-thirds of the stock owned.

Colombia Petroleum Syndicate, Ltd.—Has lease contracts covering 900,000 acres in Colombia. No drilling operations have as yet been begun, but surveys reveal existence of well-defined anticlines and numerous and prolific seepages of high-grade oil. 90% stock owned.

Security.—Secured by deposit of \$5,000,000 (entire issue) of the company's Ten-Year 6% debentures, the indenture securing which prohibits the mortgaging, pledging or otherwise disposing of the stocks of the subsidiary co's, except as security for the notes. None of the subsidiary companies mentioned have any outstanding indebtedness, except such as is pledged as security for these notes. A sinking fund amounts to 5 cents per barrel of oil sold, payable monthly to purchase notes on tenders or call at not exceeding 105 and interest.—V. 106, p. 194.

Isle Royale Copper Co.—Dividend Reduced.

A quarterly dividend of 50 cents per share has been declared, payable Jan. 31 to holders of record Jan. 17. This compares with \$1 in Oct. and \$1.50 in July and April last.—V. 105, p. 1621.

Jones Bros. Tea Co.—Sales—Grand Union Tea Co. and Globe Grocery Stores.

1917—Dec.—1916.	Increase.	1917—12 Mos.—1916.	Increase.
\$1,141,801	8888,961	\$252,840	\$12,002,800
		\$9,650,934	\$2,351,866

—V. 105, p. 2460, 2369.

Kellogg Switchboard & Supply Co.—Extra Dividend.

The directors have declared an extra dividend of 2% along with the regular quarterly disbursement of 2% on the \$4,000,000 authorized and outstanding capital stock, payable Jan. 31 to shareholders of record Jan. 26.—V. 105, p. 2547.

Kelly-Springfield Tire Co.—Status.—The following published data are understood to be a fair statement:

This company has just closed its most prosperous year. Sales aggregated \$14,000,000 and profits before war taxes were around \$2,700,000. Allowing \$210,000 for preferred dividend leaves close to \$2,500,000 for slightly less than \$5,000,000 common stock, a return of 50% or \$12.50 a share. War tax will cost about \$600,000. This leaves \$1,900,000 for the junior issue after all taxes, or slightly less than \$10 a share. After these special allowances earnings are approximately the same as in 1916.

After war taxes and dividends on both issues, Kelly Co. put more than \$1,000,000 to surplus, being total surplus to \$6,000,000. This surplus is sufficient to retire all preferred at par and leave \$2,500,000 on hand. Profits in the year just closed are about the same as total sales of the company in 1912, five years ago.

On business in sight the company is practically assured of a business of \$18,000,000 in the current year. A single contract amounting to \$250,000 annually was closed during the past week with Ward Bread Co.

With three plants operating at capacity, Kelly-Springfield is turning out in excess of 2,200 pneumatic tires daily. Output a year ago at this time was 1,400 a day. On basis of a 20% net to sales, earnings in 1918 should run up to \$3,600,000 before war taxes. ("Wall St. Journal," V. 105, p. 293)

McCroly Stores Corp., N. Y.—Sales.—
 1917—Dec.—1916. Increase. 1917—12 Mos.—1916. Increase.
 \$1,293,234 \$1,232,211 \$61,023 \$7,860,194 \$6,786,989 \$1,073,205
 —V. 105, p. 2460, 2003.

(W. H.) McElwain (Shoe) Co.—War Orders.—
 See American Woolen Co. in last week's issue.—V. 105, p. 1621.

Magnolia Petroleum Co.—New Stock at Par.—
 The auth. capital stock having been increased from \$30,000,000 to \$60,000,000, the holders of the \$22,000,000 stock outstanding, as shown by the books, are being offered the right to subscribe at par (\$100 a share) for \$22,000,000 (100%) of the new stock, from Jan. 15 to Feb. 1, both inclusive, in amounts proportional to their holdings as of record on Jan. 21.

The "Oil Trade Journal" of N. Y. learns from the official circular that the proceeds of the new issue will be used "to provide larger working capital, for growth and expansion and such additional capital as is deemed necessary to meet all requirements of the company foreseen under existing war conditions."—V. 106, p. 194.

Maryland Coal Co.—Extra Dividend.—
 The directors have declared an extra dividend of 2% in addition to the regular quarterly payment of 1%, both payable Feb. 1 on stock of record Jan. 21.—V. 104, p. 2557.

Merchants' Shipbuilding Corp., Bristol, Pa.—Plant.—
 See Amer. International Shipbuilding Corp. above.

Metropolitan Steamship Co.—New President.—
 W. E. Reid of Portland, Me., has been elected President of the reorganized company.—V. 105, p. 2460, 2369.

Montreal Light, Heat & Power Consolidated.—New Name.—
 See Civic Investment & Industrial Co. above.

Maxwell Motor Company, Inc.—Lease of Chalmers Plant—Extension of Notes—Output—Balance Sheet—Statement Made to N. Y. Stock Exchange Nov. 26 1917.— Upon the listing of the first and second pref. and common stocks the following data were given to the N. Y. Stock Exchange:

Lease of Chalmers Motor Co.—On Sept. 1 1917 the company leased for five years all the property and assets of Chalmers Motor Co. of Mich. at a rental of one-half of the net profits as defined in the lease derived from the operation of the leased property. Under the lease the Chalmers Co. agreed forthwith to provide \$3,000,000 in cash, to be used by the Maxwell Co. through the sale by the Chalmers Co. of \$3,150,000 of its first Mtge. 5-year 6% gold notes due Oct. 1 1922. To be secured by a first mortgage upon the real property, buildings, plants and fixed assets by said lease demised, which said mortgage shall authorize the execution of said lease but said lease shall be in all respects subject to said mortgage.

The Chalmers Co. was also required to obtain from the holders of at least \$2,625,000 of its notes, agreements to extend such notes for six months from Sept. 1 1917, and same for further periods, as follows: For six months from March 1 1918, upon payment of 15% of the face amount of said notes; for six months from Sept. 1 1918, upon payment of 20%; for six months from Sept. 1 1919 upon payment of 20% of the face amount of said notes.

The Maxwell Co. covenants to use its best efforts to secure contracts from the U. S. Government for the manufacture of trucks or cars up to the surplus capacity of the Chalmers factory above that required for the manufacture of Chalmers automobiles, and falling therein, to use its best efforts to utilize such surplus capacity for the manufacture at reasonable manufacturing profit, of products of the Maxwell Co. or of others. Separate accounts are to be kept of the operations under the lease, and for any semi-annual period, the operation of the property results in a loss, one-half of the amount of such loss may be deducted by the Maxwell Co. from one-half of the net profits for any subsequent semi-annual period payable by it to the Chalmers Co., and no debt shall arise against the Chalmers Co. in respect of said loss until the termination of this indenture, and then only within the provisions contained therein.

If for any annual period no net profits herein shall be derived by the Maxwell Co. from the demised premises and property, either the Maxwell Co. or a majority in amount of the bank creditors, represented by the bank creditors' committee aforesaid, or the Chalmers Co., may at its or either of their options terminate this indenture by sixty days' written notice either from the Maxwell Co., to said bank creditors' committee, and the Chalmers Co., or from the said bank creditors' committee to the Maxwell Co. and the Chalmers Co., or from the Chalmers Co. to the Maxwell Co. and said bank creditors' committee, as the case may be.

In case of default by the Maxwell Co. in the payments to the Chalmers Co. of the interest on the shares of the net profits derived from the operation of the demised premises, the Chalmers Co. may at its option terminate this lease upon sixty days' notice. In the event that the Maxwell Co. fails to make all the payments required by it as provided for in Section 5 of this Article (Article Seventh), a majority in amount of the bank creditors of the Chalmers may at their option terminate this lease by 60 days' notice.

An arbitration committee of three members, one appointed by the Maxwell Co., another by the Chalmers Co. and a third disinterested party to be appointed by the other two members shall, during the term of said lease, be the final arbitrators with respect to any and every dispute in respect of the terms of said lease or the rights of the parties thereunder, and the decision of said arbitration committee shall be final and binding on the parties hereto, without right of appeal or review; provided, however, that nothing herein shall be construed to limit in any wise the rights conferred by said lease upon the aforesaid bank creditors' committee or the aforesaid President of the Security Trust Co. of Detroit.

Chalmers Plant.—The plant is located near the Detroit River on the Detroit Terminal RR., on the east side of Detroit. The real estate consists of about 38.31 acres.

The plant manufactures complete motor parts, gears, sheet metal parts, machining, and does the finishing of crank shafts, cam shafts and other drop forgings bought in the rough, as well as the assembling of the other parts of the chassis and of the essential parts of car parts. It has a balanced capacity in pleasure cars of approximately ten cars per hour, or 30,000 per annum on a ten-hour basis. The industrial motor truck capacity of the plant could, if desired, be readily made at least two-thirds that for pleasure cars. There are various departments that have a much greater capacity than that necessary for a 30,000 car output; for example, the sheet metal working department, the automatic machine department and the foundry. The foundry is equipped to produce 75 tons of gray iron parts per day.

Canadian Plant.—The Canadian branch of the company, which is supervised by the company, is conducted by a Canadian corporation, the Chalmers Motor Co. of Canada, all of the capital stock of which is owned by the Chalmers Motor Co. of Detroit. The original plant was recently nearly destroyed by fire, the only portion now in use being the office building. The assembling and smaller manufacturing is now carried on in the temporary frame building, which is satisfactorily arranged for this purpose and is equipped with a sprinkler system. The present capacity for assembling is five cars per day. Plant located at Walkerville, Ont., directly across Detroit River.

Factory Production of Chalmers Cars (see V. 105, p. 2001)

	1912.	1913.	1914.	1915.	1916.	To Nov 28 '17
Cars	7,282	6,674	7,374	6,118	21,408	11,189

Chalmers Motor Co. (of Michigan) Consol. Balance Sheet Aug. 31 1917. (Adjusted balance sheet for determining the operating results.)

Assets (Total, \$14,893,966)—	
Real estate, buildings, machinery and equipment (after deducting depreciation, \$1,194,373)	\$4,103,253
Investment in other cos. (after deducting \$20,000 res'v for losses)	10,002
Inventories—At factories (Detroit & Canada), \$5,599,101; with selling companies, &c., \$578,701	6,177,802
Notes receivable (less reserve), \$73,244; accounts receivable (less reserve), \$816,242	890,486
Cash on hand and in banks	303,252
Cash due upon issue of first mortgage five-year notes	3,000,000
Prepaid insurance, taxes and interest, unexpired proportion	120,141
Liabilities—	
First mortgage five-year notes of Sept. 1 1917	\$3,150,000
Notes payable to banks, \$2,636,900; car drafts (disc.), \$102,532	2,739,432
Accounts payable vouchered, \$1,726,817; unvouchered, \$281,901	2,008,718
Due employees, \$61,978; due dealers on contracts, \$88,285	150,263
Accrued interest and royalty payments	16,816
Purchase money obligations on realty	78,090
Reserves for special purposes	750,000
Equity of Chalmers Motor Corp. and other stockholders	5,800,645

See also V. 105, p. 914, 1106, 1211, 1417, 1427. Compare V. 105, p. 2548, 2460.

National Biscuit Co.—Annual Report.—
 See company's statement under "Annual Reports" on a preceding page.

Sources of 1917 Dividends.—Treasurer G. P. Wells says: Dividends paid on the common stock Jan. 15 1917 were earned in 1916 and are taxable under the Federal Income Tax Law at the rates prescribed by the Act of Sept. 8 1916, but not at the rates imposed by the Act of Oct. 3 1917; 73% of both the preferred dividend paid Feb. 23 1917 and the common dividend paid April 14 1917 was earned in the year 1916 and is taxable under the laws in force in 1916; 27% of these dividends was earned in the year 1917 and is taxable at the rates enforced in 1917.

All subsequent dividends paid in 1917 on both preferred and common stocks were earned in 1917 and are taxable at the rates in force in 1917.—V. 105, p. 2099.

Nevada-California Electric Corp.—Preferred Dividend.

A press report from Denver says that in connection with the announcement of the regular quarterly dividend of 1 1/2%, payable on the pref. shares on Jan. 30 to holders of record Jan. 16, it was stated that hereafter 1 1/4% quarterly would be paid on this stock. [While the press report attributes this action to the Nevada-California Power Co., it presumably was intended to refer to the Nevada Electric Corporation, which in January 1917 paid off all the accumulated dividends on its \$5,343,600 pref. shares and has since been paying regular quarterly dividends of 1 1/4% April 30, &c.] See note offering in last week's issue.—V. 105, p. 195.

New York Air Brake Co.—Source of 1917 Dividends.—

"The board of directors declared on Nov. 22 1916 a dividend out of the surplus net earnings for 1916 of \$25 per share, payable as follows: \$5 on Dec. 22 1916; \$5 on Mar. 23 1917; \$5 on June 22 1917; \$5 on Sept. 21 1917; \$5 on Dec. 21 1917.

"Under Section 31 of the Income Tax Law of Sept. 8 1916, as amended by the Act approved Oct. 3 1917, it would seem that the dividends so paid in the year 1917 are taxable at the rates prescribed by law for the year 1916."—V. 105, p. 2460.

Northern Indiana Gas & Elec. Co.—Gas Rates Increased.

This company has been authorized by the Indiana P. S. Commission to increase rates for gas at Michigan City, South Bend, Mishawaka, River Park, Ft. Wayne and Hammond, Whiting and East Chicago. The increases are to users of 500,000 or more cu. ft. a month. The new rate will be 65 cents per 1,000 ft., net, as against 45 cents to 55 cents.—V. 104, p. 1903.

Northern Sugar Corp. (N. Y.), Detroit.—Stock Increased

The stockholders on Jan. 16 voted to increase the 7% cum. pref. stock from \$1,250,000 (auth. and outstanding) to \$1,600,000 (par \$100). The company has also outstanding 12,500 shares of common stock of no par value.—V. 106, p. 92.

Ohio Cities Gas Co.—Application to List.—

Application has been made to the N. Y. Stock Exchange to list \$1,750,000 additional common stock.—V. 105, p. 2451.

Oklahoma Producing & Refining Co.—Acquisition.—

Shareholders of the Osage-Hominy Oil Co. on Dec. 29 last voted to sell all property and assets, including corporate franchises, to this company, which owns 561,200 shares of the stock. The terms of exchange are on a pro rata basis, one share of Oklahoma company's stock for each Osage share. See V. 105, p. 2004. The Bankers Trust Co., N. Y., is depository.—V. 105, p. 2099.

Pacific Hardware & Steel Co.—Successor Company.—

See Baker, Hamilton & Pacific Co. above.—V. 106, p. 92.

Pan-American Debenture Corporation, N. Y.—No Pref. Dividend at Present Time.—President William Gilman Low Jr. in circular of Jan. 10 1918 says in substance:

At a recent meeting of the board it was determined not to pay a dividend on the pref. stock at the present time. A year ago the directors declared a dividend of 6%, payable in quarterly installments during the year 1917, the last on Oct. 1 1917. The directors feel that, while the earnings are sufficient to make payment of a dividend, the present conditions in the financial world are such as to make it more prudent not to do so. The company is in excellent condition, and there is every reason to hope that a dividend may be paid in the not far distant future. The great decline in security prices which has taken place during the past six months makes this conservative course eminently proper and in the interest of the stockholders.—V. 106, p. 199; V. 103, p. 2435.

People's Gas Light & Coke Co., Chicago.—Rate Charge.

This company has applied to the Illinois P. U. Commission for permission to increase the net rate charge to Chicago customers 22% as a temporary and emergency measure.—V. 105, p. 1903.

(Albert) Pick & Co., Chicago.—December Sales.—

	1917.	1916.	Increase.
December sales	\$583,708	\$405,920	\$177,788

—V. 105, p. 2278, 815.

Prairie Oil & Gas Co.—Admitted to Texas.—

This company has been granted a permit to do a general oil and gas business in Texas.—V. 105, p. 2370, 1109.

Republic Iron & Steel Co.—Advanced Earnings.—

See under "Annual Reports" on a preceding page.—V. 105, p. 1622, 394.

River Plate Commercial Co., Inc.—Stock Increase.—

The stockholders will vote Jan. 31 to increase the company's capital stock from \$400,000 preferred stock, consisting of 4,000 shares, to \$750,000, consisting of 7,500. No increase in the common stock, which totals \$75,000 of 15,000 shares, is contemplated.

(W. A.) Rogers Co., Ltd., Toronto.—Acquisition.—

Regarding the increase in this company's capital stock from \$2,400,000 to \$3,000,000 and the acquisition with part of the proceeds thereof of the business of Simeon & Geo. H. Rogers Co. of Hartford, Conn., the company informs us that R. E. Sage, Pres. & Gen. Mgr. of the Hartford Co., will become Gen. Mgr. of Wm. A. Rogers, Ltd., and the plant will be moved to the Rogers factories at Niagara Falls and Northampton. See V. 106, p. 196.

Rolls-Royce Co., Ltd., Derby, Eng.—American Order.—

See (F. B.) Stearns Co. below.

Royal Dutch Co.—Dividend Remains Unchanged.—

An Amsterdam cable as of Jan. 10 stated that the company has declared the usual dividend due at the present time, amounting to 15%. American shares will participate to the amount of about \$2 per share.—V. 105, p. 2190.

St. Clair Inclined Plane Co. (Penn.)—Stock Increase.—

Stockholders of this company, incorporated in Penn., will vote March 25 on increasing the indebtedness of the company from \$133,000 to \$208,000. August Sprung is Sec. Office, 2211 Salisbury St., Pittsburgh, Pa.

Saxon Motor Car Corp.—Status.—

Benjamin Gottfredson, elected President Jan. 9, is quoted as saying: "In spite of the war and other heavy demands on the pocketbook of automobile purchasers, the company has shown a gain in sales each month over previous months and to-day we have more unfilled orders at the factory than at any previous time during the last six months. The prospects for the coming year are very bright. They are so substantial, in fact, that we are rushing work on our new plant in preparation for the spring business. Rather than retrenching, we are branching out and the new plant, which will completely house the Saxon in fresh and specially constructed quarters, will be finished as rapidly as the contractors can do the work."—V. 106, p. 196.

Shattuck-Arizona Copper Co.—Production.—

	Copper (lbs.)	Lead (lbs.)	Silver (oz.)	Gold (oz.)
Dec. 1917	626,612	47,556	5,817	85.97
Dec. 1916	1,419,339	285,401	16,352	250.00
12 months 1917	11,985,317	2,010,145	154,344	1,542.26

—V. 105, p. 2461, 2370.

Shawinigan Water & Power Co.—Shareholders Offered the Right to Subscribe at 97½ for the Remaining \$1,500,000 Two-Year 6% Convertible Notes.—Of the issue of \$4,500,000 Two-year 6% convertible notes, dated Dec. 15 1917, \$3,000,000 were recently placed in the United States and the remaining \$1,500,000 are now offered by the company at 97½ and int. to its shareholders of record Jan. 14 until 3 p. m. March 1. Subscriptions are payable at the Royal Bank of Canada, Montreal (where the subscription must be filed) either in full March 1 (amounting to \$98 75 a share) or in installments of \$50 March 1 and \$49 01 April 1.

Pres. J. E. Aldred in circular dated Jan. 14 says in subst.: During the war your company has furnished the electrical energy for numberless works employed in the production of war material and has also been carrying out special war contracts through its auxiliary companies. These operations have involved large expenditures necessitating new financial arrangements.

As part of its plan for creating storage reservoirs in the head waters of streams which are utilized for water-power purposes, the Government of the Province of Quebec undertook to provide a large dam at La Loutre, on the St. Maurice River, increasing the capacity of the existing water power at the low stage of the river fully 50%. Your company contracted to build the dam and install the necessary apparatus for the control thereof, the work being carried out through the St. Maurice Construction Co. This work has involved the expenditure of approximately \$2,000,000, and will be paid for in bonds of the Province of Quebec, from the eventual sale of which your company will recoup its expenditure.

It has also been necessary to build numerous extensions for our transmission system, including aerial lines over the St. Lawrence River at Three Rivers, additional lines between the Laurentide Power Co. at Grand Mere, and the Shawinigan Co.'s plant at Shawinigan Falls, and the supplementing of existing plant in substations and in many ways involving the company in a large capital expenditure. As the result of this, our business and profits have expanded.

In respect to auxiliary companies, there has been developed a large plant operated by the Canadian Electro Products Co. (owned by the Shawinigan Co.), which plant has been engaged in the manufacture, under contracts with the British Government, of certain chemicals required for war purposes. These contracts have been extended to cover the entire year 1918. This plant has involved the expenditure by the Shawinigan Co. of approximately \$1,800,000. It has been necessary in connection therewith to make extensive additions to the plant of the Canada Carbide Co. (also owned by the Shawinigan Co.). Your company has also found it desirable to enlarge its plant for the manufacture of carbon electrodes, used in large quantities by the Canada Carbide Co.

While it is true that a large part of the investment made in these various undertakings will be returned to the company through the continued operation of the plants, for the time being we shall have a substantial investment.

In view of these conditions and having in mind the desirability of the company having its obligations on a reasonably permanent basis, your directors have deemed it advisable to authorize this issue of Two-Year 6% Notes.

Compare map on page 191 "Railway & Indus." Section.—V. 105, p. 2370.

Sinclair Gulf Corporation.—Earnings for 7 Months—Production, &c.—The following was given out by Pres. H. F. Sinclair, at the recent annual meeting of shareholders:

Earnings.—Combined earnings accrued to the corporation through ownership of stock in subsidiary companies, covering the seven months from organization to Nov. 30 1917, were \$2,795,685, after interest and taxes, but before depreciation.

Assets.—Total assets as of Nov. 30 last, approximated \$55,504,000, and current assets \$4,948,000, of which \$1,975,000 was cash in bank. Current liabilities as of Nov. 30 last totaled \$1,522,951, of which about \$500,000 represented accrued interest, taxes, &c. In the seven months' period current liabilities showed a decrease of \$5,025,000 against a corresponding decrease of only \$1,893,000 in current assets.

Production.—The company's subsidiaries produced 5,575,547 bbls. of crude oil in the seven months to Nov. 30, of which 2,112,495 were produced in Oklahoma and Texas and 3,463,052 bbls. in Mexico. All the oil produced by subsidiaries in Oklahoma to Nov. 30 was sold, and in addition approximately 985,000 bbls. were purchased and sold. Of the oil produced in Mexico all was sold except about 400,000 bbls. Total sales in the seven months approximated 6,000,000 bbls., or at the rate of more than 10,285,700 bbls. annually.

The subsidiaries had in storage on Nov. 30 about \$67,386 bbls. in Oklahoma and Texas and 1,090,000 bbls. in Mexico and at various terminals from which Mexican crude is delivered. These subsidiaries are now interested in about 230 oil and gas wells, the greater portion of which are located in Oklahoma.

Sinclair completed a large installation in Cuba last December and is now making deliveries of Mexican crude to Cuban buyers.

Houston Refinery.—About 713 acres of land have been purchased at Houston, Tex., and materials fabricated for the erection of a refinery. The plant will be modern in every respect and constructed to handle heavy crude oils from Texas and Oklahoma and also lighter crude oils from Oklahoma.—V. 105, p. 2280.

Sinclair Oil & Refining Co.—Completion of Pipe Line.—Announcement is made that the company's pipe line from Cushing, Okla., via Kansas City, Mo., to East Chicago, will be completed and placed in operation Feb. 1, along with the completion of the East Chicago refinery which will have an initial capacity of 10,000 bbls. per day.—V. 105, p. 2462.

Sloss-Sheffield Steel & Iron Co.—New Directors.—W. W. Crawford, Pres. of the American Trust & Savings Bank of Birmingham, Ala., has been elected a director, succeeding Major J. S. Sewell, resigned. J. W. McQueen, V.-Pres. of the company, has also been elected a director to fill a vacancy.—V. 105, p. 2462.

Smith Motor Truck Corp. (of Va.), Chicago.—The management of the corporation has been taken over by a creditors' committee, David R. Forgan, Chairman. The report of the committee, it is stated, shows liabilities of \$1,700,000 and assets of \$3,300,000, principally inventories.—V. 106, p. 93.

Southern Sierras Power Co.—Acquisition.—This company, according to press reports, is planning to take over the property, &c., of the Corona Gas & Electric Light Co., which operates in Riverside County.—V. 102, p. 2172.

Springfield Body Corporation.—Sale of Plant.—See Detroit Shell Co. above.—V. 105, p. 2548.

(F. B.) Stearns Co., Cleveland (Motor Cars).—Order.—This company has taken an order from the Rolls-Royce Co., Ltd., Derby, England, for 1,500 Rolls-Royce airplane motors. The Stearns Co. will furnish nearly all the parts, but minor parts will be furnished by American manufacturers. The motors will be assembled and tested in England

and used for driving battleplanes. The Stearns Co. has purchased equipment to the amount of \$400,000 in anticipation of building these motors, and will devote practically all its plant to this work, although it announces that it will continue the production of automobiles at the rate of six per day. The Rolls-Royce Co. has opened an office at 220 Union Bldg., Cleveland ("Iron Age").—V. 104, p. 2122.

(John B.) Stetson Co. of Phila.—Sales, &c.

Year end, Oct. 31—	1916-17	1915-16	Increase.
Sales of hats (doz.)	313,573	238,663	74,910
Value of output	\$11,232,403	\$7,652,582	\$4,579,821

—V. 106, p. 196.

Submarine Boat Corp.—Plant, &c.

See Amer. International Shipbuilding Corp. above.—V. 105, p. 2190.

(T. H.) Symington Co., Balt.—Accumulated Dividends.—An extra dividend of 2% has been declared on the pref. stock on account of accumulations, in addition to the regular quarterly 2%, both payable Feb. 15 to holders of record Feb. 5.—V. 105, p. 2005, 1904.

Torrington Co. (Conn.)—Canadian Co. Incorporated.—See Torrington Co., Ltd., below.—V. 105, p. 2372.

Torrington Co., Ltd., Upper Bedford, Que.—Incorp.—This company was incorporated Dec. 22 in Canada with a capital stock of \$150,000 in \$100 shares.

United Chemical & Industrial Cos.—Organization, &c.

This company was incorporated Jan. 10 1918 under a declaration and deed of trust at Boston, Mass., as a holding company. Capitalization authorized and outstanding consists of 40,000 shares of common stock of no par value and 10,000 shares of 3% cum. non-cum. pref. stock, par \$100, which is callable at any time at 120 and divs. Both classes of stock have equal voting power. There are no bonds.

The companies controlled are the Concord & Knapolls (N. C.) Gas Co., the Gastonia & Suburban Gas Co., the Syracuse Gas Co., the Canadian Gasoline Corp., Ltd., Toronto, and the Buffalo Potash & Cement Corp. of Buffalo, N. Y.

Officers of the new company are: Pres., Walter Whetstone; V.-Pres., Guy Murchie; Sec.-Treas., Ralph R. Landes.

(It is officially stated that the present organization has no connection whatever with the International Gas & Electric Co. of Phila., which formerly operated some of the properties.)

United States Gypsum Co.—New Director.

Reports state that Ralph Van Vechten has been elected a director.—V. 105, p. 1809, 723.

United States Steel Corporation.—Dividend Source.

The company announces that "Dividend No. 83 on the pref. stock, paid Feb. 27 1917, and dividend No. 49 on the common stock, paid March 30 1917, both declared Jan. 30 1917, were declared from net profits accumulated in the calendar year 1916, which were the most recently accumulated profits and surplus."—V. 106, p. 197, 93.

Universal Winding Co., Boston.—Offering of Pref. Stock.

—Bodell & Co., Boston, New York and Providence, are offering at \$100 per share, a block of this company's 7% cumulative pref. (a. & d.) stock, par \$100, of which there is authorized and outstanding \$500,000. Divs. Q.-F.

The stock is redeemable all or part, on any div. date at \$110 and dividend. Capitalization (no funded debt)—Authorized and Outstanding. 7% cumulative preferred stock \$500,000. Common stock 1,000,000.

Organization.—Incorporated in 1893 in Maine, and in July 1916 was re-incorporated in Mass. Manufactures machines for winding in every conceivable form, a large variety of materials, including flax, hemp and jute rope, linen, cotton and silk thread; yarn of all kinds; wire, &c.

Plant.—A great part of the cost of our foundry building and all its equipment must come into this calendar year. We have also been forced during the year to make other substantial additions and rearrangements of buildings, the sum total Nov. 1 as compared with Jan. 1 being \$283,000. For the three types of new machines which we have developed, and which are now being shipped in limited quantities, and in view of the ever increasing difficulty of getting material and supplies, we have added since Jan. 1 to our investment in coal, iron, steel, &c., \$517,200.

Extracts from Letter from the Treasurer dated Nov. 26 1917. Profits.—Credit to surplus for the nine months to Oct. 1 (1917) after depreciation and estimated taxes abroad, but before deducting U. S. taxes, was \$140,219. Net credit to surplus for Oct. on the same basis, \$52,200. Equally substantial returns for Nov. and Dec. would give a total net credit to surplus of approximately \$300,000. [The officials, it is said, expect that next year the company will earn at least \$420,000, or 6 times the dividend on the \$1,000,000 pref. stock.]

Sales.—These for ten months to Nov. 1, amounted to \$1,656,500, as compared with \$1,308,400 for the 12 months of 1916. Total net sales for 1917 expected to aggregate over \$2,000,000. We are at present about five months behind on one of our staple types of machines and substantially behind on most of the others.

Data from Letter of Pres. J. R. Leeson, dated Boston, Dec. 31 1916.

Plant.—The manufacturing property owned is in South Auburn, a section of Cranston, R. I., near Providence. The property consists of about 12 acres. In all there are about 20 buildings, with a total floor space of about 300,000 sq. ft. The new foundry is 22½x160 ft. and will include tracks for receiving and distributing material and product.

Comparative Yearly Sales Since 1906.				
1906.	1907.	1908.	1909.	1910.
\$349,233	\$376,713	\$273,004	\$377,541	\$660,481
1911.	1912.	1913.	1914.	1915.
\$710,041	\$721,966	\$628,770	\$957,814	\$1,333,183

The balance sheet of July 31 1916, after giving effect to the issue of the initial \$500,000 pref. stock, showed: offsetting the capital stock of \$1,500,000 (\$500,000 being pref.), surplus of \$81,279 and current liabilities of \$213,404, the following items: real estate, machinery, patents, &c. (book value), \$938,225; cash, \$69,783; notes and accounts receivable, \$195,516; merchandise inventory, \$573,680; and miscellaneous, \$17,498.

Officers and Directors.—Joseph B. Leeson, Pres.; Edmund W. Converse, V.-Pres.; Robert A. Leeson, Treas.; Frederick H. Bishop, Sec.; Woodward Emery; and Harry L. Rice, all of Boston, Mass. The officers and directors own over 85% of the common stock.

Preferred Stock Provisions.—The company shall not, without vote of 75% of the pref. stock outstanding: (1) increase the auth. pref. stock; (2) create any stock prior to or on a par with this pref. stock; (3) create a mortgage, pledge or other lien upon any of its properties; (4) issue or guarantee any bonds, notes, &c., maturing later than one year from issue; (5) dispose of all or the major part of its property or business.

On or before Dec. 31 of each year, beginning 1917: (1) 3% of the par value of the aggregate amount of pref. stock theretofore issued; or (2) 10% of the net earnings for the calendar year in question, without deduction of any divs. No stock to subscribe for or to take any stock, whether common or preferred, shall appertain to the preferred stock. If six quarterly pref. dividends are unpaid the preferred stock votes exclusively.]

Vindicator Consol. Gold Mining Co.—Div. Deferred.

—Due to the high operating cost and a lower average grade of ore mined, this co. has deferred action on the regular quar. div., due Jan. 25.

The company was incorp. in Colorado in 1899 and owns mining claims of about 130 acres at Independence, Cripple Creek district, Colo. Production in 1916 was 119,130 tons. Capital stock (auth. and outstanding) is \$1,500,000 (par \$1). No bonded debt.

Div. Record.—'00, '01, '02, '03, '04, '05, '06, '07, '08, '09, '10-'16, 1917 Regular, ½-17½, 15½, 23, 16, 9, 13, 12, 13, 15, 7½, 12, 3, 3. Extra, ½-6% in Dec. 1914; 3% each in Dec. 1915, July and Oct. 1916.

Pres., G. S. Wood; V.-P. & Gen. Mgr., L. T. Snyder; V.-P. & Treas., A. F. Zang; Sec., Geo. A. Stahl. Office, Denver, Colo.

Wakefield Iron Co., Cleveland.—Bonds Called.

Twenty-five (\$25,000) First Mtsge. 8% leasehold sinking fund gold bonds (Nos. 876 to 900, inclusive), dated Sept. 1 1913, have been called for payment March 1 at 102 and int. at First Trust & Savings Co., Cleveland, or Security Trust Co., Detroit.—V. 105, p. 186.

War Regulations.—Coal Situation.—See general news in this and last week's issues.—V. 106, p. 197.

West Penn Power Co.—Earnings.—See American Water Works & Elec. Co., Inc., above.—V. 105, p. 1528.

Western Union Telegraph Co.—Source of Dividends.—The company states that "the dividend of 2¼% paid Jan. 15 1917 was declared from the earnings of 1916 and the dividends of 1½% paid April 16, July 16 and Oct. 15 1917, respectively, were declared from earnings of 1917."

Corrected Earnings
For Years ending Dec. 31 (Dec. 1917 Est.)— 1917. 1916.
Total revenues—\$78,400,187 \$63,621,600
Maintenance, repairs, and reserved for deprec'n.—11,640,449 8,651,595
Other oper. exp., incl. rent of leased lines & taxes—52,660,938 41,242,840

Balance—\$14,098,800 \$13,727,255
Deduct—Interest on bonded debt—1,331,850 1,331,850
Net income—\$12,766,950 \$12,395,405
*Includes special payments to employees and special reserves.—V. 105, p. 2372.

Westinghouse Electric & Manufacturing Co.—Mr. Tripp Given Leave of Absence for War Service.—Guy E. Tripp, heretofore Chairman of Westinghouse Electric & Mfg. Co., has been appointed head of the Division of Production in the Ordnance Department of the United States Army. He has already entered upon his duties and his board of directors has given him a leave of absence for the duration of the war.

New Issue of \$15,000,000 One-Year Notes.—Kuhn, Loeb & Co. and the Chase Securities Co. have sold, the subscription price being 99 and int., a new issue of \$15,000,000 One-Year 6% notes, dated Feb. 1 1918, issued by the company, "in order to assure to itself for a fixed period working capital temporarily required to carry the large inventories which it is essential that the company should have under present conditions."

Data from Letter of Chairman Guy E. Tripp, Dated Jan. 11 1918.
Security.—The company (including its proprietary companies) must at all times, while the notes are outstanding, have on hand current assets equal to at least twice the amount of its current obligations, and it will not hereafter and so long as any of the notes are outstanding make or permit to be made any mortgage on any of its properties or the properties of any of its proprietary companies.

Note Issue.—The new notes will be issued in denominations of \$1,000 each, will be in coupon bearer form and will mature on Feb. 1 1919. Interest Aug. 1 1918 and Feb. 1 1919 without deduction for any tax or taxes which the company or the trustee may be required to pay or to retain therefrom under any present or future law of the U. S. (except any Federal income tax) or of any State, county, municipality or other taxing authority therein.

Orders.—As of Jan. 1 1918 the company had on hand unfilled orders amounting to more than \$130,000,000, exclusive of contracts for rifles. As of Dec. 1 1917 its current assets amounted to over \$71,000,000, while its current liabilities amounted to less than \$24,000,000, which the present issue of notes will not increase, as the proceeds thereof will be applied to the payment of outstanding notes. The funded debt of the company, consisting almost entirely of the Westinghouse Machine Co. First & Refunding Mfg. bonds, due 1940, amounting to about \$6,700,000 and its capital stock, now paying 7% dividends per ann., amounts to \$74,812,650 and has a present market value of over \$60,000,000.

Earnings.—The earnings for the eight months ended Nov. 30 1917, after deduction of all interest charges and after setting aside a maximum reserve for all income and excess profits taxes, amounted to \$9,032,323, which is only \$582,101 less than for the same period of the previous fiscal year, when there were no war income or excess profits taxes deductible.—V. 106, p. 93.

Willys-Overland Co.—Dividend Reduced.—A quar. dividend of 1% has been declared on the \$41,621,825 common stock (par \$25), payable Feb. 1 to holders of record Jan. 25. The last quar. dividend was 3%, paid Nov. 1.

Pres. John N. Willys made the following statement:
Subject to final audit, Willys-Overland Co. earned for the 12 months ended Dec. 31 1917, net profits of \$8,500,000 before deduction of the Federal excess profits taxes, which costs have not yet been determined, but which it is estimated, will not exceed \$600,000. The production of automobiles last year aggregated 140,002, as compared with 142,441 in 1916. During the final quarter of 1917 the company was in process of transition from a peace to a war basis in order to care for the manufacture on a large scale of motors and parts for the Curtiss Aeroplane Corp., as well as for heavy orders for the U. S. Government. This has called for large expenditures from earnings for plant additions, new tools, dies and other equipment. In addition, it has necessitated the accumulation of large supplies of raw and semi-finished materials, the inventory amounting at the close of the year to \$39,000,000.

Because of this fact, directors have deemed it advisable at this time to adopt a conservative dividend policy with respect to the common stock. With the factory readjustment now completed, liquidation of inventories in the coming six months should be very rapid and permit of the release of surplus funds.—V. 105, p. 2462, 916.

Wire Wheel Corporation.—Litigation.—Papers have been filed in the U. S. District Court at N. Y. instituting suit against C. T. Silver, N. Y., alleging infringement of basic patents held by the company relative to the use of wire wheels. The suit is in the nature of an injunction against the use of the Frayer wheel on the Silver-Apperson cars.—V. 106, p. 197.

Youngstown (O.) Sheet & Tube Co.—Construction.—The company summarizes the construction in 1917 as follows:

The construction work done by this company during 1916 involved the expenditure of \$12,000,000 and added materially to its productive capacity.

During 1917 the record of 1916 was exceeded, construction work in greater variety and involving even larger expenditure having been authorized and begun. Much of this has been completed and all of it is already well under way.

The outlay authorized for these extensions and betterments reaches a total of \$14,752,900, exceeding the construction expenditures of 1916 by more than \$2,000,000.

Principal Units Begun or Completed During 1917.

An additional plate mill having capacity for sheared plates up to 88 inches in width and output of 10,000 tons per month.

Three additional open-hearth furnaces, increasing the number in operation to twelve.

One additional lap-weld tube mill, increasing the number of lap-weld mills in operation to six.

102 additional Koppers by-product ovens, increasing the number in operation to 303.

One 12-inch merchant bar mill, capacity 10,000 tons per month.

One 9-inch merchant bar mill, capacity 5,000 tons per month.

Four additional soaking pit furnaces and new stripper building.

Homes for workmen estimated to cost \$1,000,000, with parks, playgrounds and similar improvements.

Complete system for supplying filtered and cooled drinking water to all parts of the works.

Development of 5,000 acres of coal land and housing proposition connected therewith.

New locomotive repair shop and new fireproof warehouse.

Extensions to threading floors at tube mills; extensions to power houses; new electric sub-station No. 7; new tube mill shops; yard extensions, trackage and other improvements.

While the world conflict lasts, the chief business of this country must be war. Ultimately, however, these extensions are designed to serve our customers by increasing our production and the diversity of our products.—V. 105, p. 2549, 2010.

The Commercial Times.

COMMERCIAL EPITOME.

Friday Night, Jan. 18 1918.

Of course the overshadowing factor of the week was the order of the Fuel Administration at Washington closing down the industries east of the Mississippi River for five days, beginning on Jan. 18 and for nine Mondays thereafter. This at first evoked a storm of protest from all over the country. The order was considered as at once drastic and unnecessary. But it was remarked that the stock market took it calmly and further reflection seems to encourage the idea in various branches of business that the ultimate effect may, on the whole, be beneficial. Yet nobody blinks the fact that it will, to all appearance, mean a curtailment of production and a very large loss in wages to operatives in hundreds of different lines of business. On the other hand, the possible action in the cotton manufacturing business may furnish a hint to other lines. There it is intimated longer hours will be observed on Saturdays and according to a Boston dispatch to-day, Massachusetts, Rhode Island and Connecticut may temporarily modify their labor laws by authorizing overtime in the mills in order to make up for the loss of production on Mondays. And the President of the Boot and Shoe Manufacturers' Association to-day recommended to the members of that organization that six days' work be done in five. In this way production would be conserved, needed wants met and the working population would suffer less hardship. It is hoped that the Fuel order will end the long period of something like nightmare in many branches of industry, due to the scarcity of fuel and cars for many months past. The steel trade is operating at the rate of only about 30% to 40% of the normal production, solely because of the lack of fuel and cars. This seems like a reflection on American efficiency and should be remedied with the least possible delay. Meanwhile foreign trade has suffered from ice-bound harbors and the scarcity of bunker coal. And again we have had storms of almost or quite unprecedented severity, almost uncannily coinciding with these strange times. On the 12th and 13th inst. there was a remarkable blizzard and cold wave at the South, the worst in its history. For 48 hours business and traffic of all kinds in Louisiana, Mississippi, Arkansas, Tennessee, Kentucky and Georgia were paralyzed. Intense suffering was general. The coal supply was so low in many of the principal cities of the South that appeals were sent to Washington. Arkansas and many places in Mississippi were entirely without fuel. At Memphis it was 9 degrees below zero and at New Orleans only 11 degrees above. New Orleans had snow for the first time in 15 years. Deaths due to these conditions at the South are supposed to have numbered 100. The Ohio Valley on the 12th inst. had the lowest temperatures for January on record. A new storm menaced the country by the 15th inst., after some 200,000 cars, it is believed, had been tied up by the previous one. Wire service to the West at the beginning of the week was almost suspended, owing to the severe storm. Packing plants at Chicago have had to close down, owing to the coal famine there, due partly to one of the severest blizzards in 50 years, and the blast furnaces at South Chicago also had to close down. Phenomenally high tides in New York Harbor, the highest in 20 years, following storms of rain, sleet and snow, and ice in the rivers have hampered loading and unloading of ships. Many vessels have been detained awaiting coal. For the first time in many years the Hudson River was frozen over as far south as 230th Street, and pedestrians crossed on the ice. Ice jams in the rivers here have delayed the arrival of coal supplies, although there are 360,000 tons at tidewater. The scarcity of coal has closed Brooklyn schools to 325,000 children. And to-day there was zero weather throughout the West, further hampering railroad traffic. On the Chicago Board of Trade it was so cold that 100 telegraph operators stopped work and practically all outside trading was suspended. The brokers worked in overcoats, caps and mittens with the temperature at 45 degrees. On account of the fuel order, the New York Cotton Exchange will be closed on Monday, Jan. 21. The coal order from Washington caused a break in cotton on the 17th inst. of 1 to 2 cents per pound in a few minutes. Retail trade is comparatively quiet, owing partly to recent bad weather and difficult traveling. Business with cantonments continues large, however. The winter-wheat crop has a good snow covering as far south as Oklahoma, Arkansas and western Tennessee. Collections are generally fair, but it is noticed that conservatism is being exercised in granting increased credits. But in these times of small stocks business is largely on something like a cash basis.

LARD higher; prime Western, 25.45@25.55c.; refined refined to the Continent, 27c.; South America, 27.25c.; Brazil, 28.25c. Futures advanced early in the week, owing to higher prices for hogs, due to light receipts following big storms. But on the rise packers have been selling. Poor wire service has interfered with business. In Liverpool lard has been in good demand. To-day prices were irregular, with slight net fluctuations. There has been some advance for the week. Closing prices were as follows:

DAILY CLOSING PRICES OF LARD FUTURES IN CHICAGO					
	Jan. 17	Jan. 18	Jan. 19	Jan. 20	Jan. 21
January delivery	23.35	24.32	24.47	24.72	24.85
May delivery	23.85	24.77	24.90	24.95	25.10

PORK easier; mess \$50@55 50; clear \$50@55. Beef products steady; mess \$31@32; extra India mess \$52@54. Cut meats lower; pickled hams, 10 to 20 lbs., 24 1/2c.; pickled bellies, 29c. In Liverpool the general market is very firm, with moderate allocations and practically no offerings of bacon. Export clearances are light, Argentine clearances are fair and American holders reserved. Recent purchases of supplies are noted in America, but shipments are difficult. Import needs are apparent and further economy in consumption is being practiced. To-day January closed at \$46 75; May \$45 85. Prices slightly higher for week. Butter, creamery, 53 1/2@54c. Cheese, State, 25@25 1/2c. Eggs, 70@71c.

COFFEE steady; No. 7 Rio, 8 1/2c.; No. 4 Santos, 10 1/2@10 3/4c.; fair to good Ceuata, 11 1/2@12 1/2c. Futures declined under liquidation and reports of lower cost and freight prices in Brazil. There has been a little buying for Liverpool account, but the trade has sold and there has been more or less selling out for long account as talk of peace has died out. The crop movement is about 230,000 bags larger than up to this time last year, although 1,300,000 less than two years ago. Buying of coffee hinges for the most part on peace or anti-peace talk. To-day prices closed 8 to 13 points higher. There is a net advance for the week. Prices were as follows:

January	cts. 7.92@7.97	May	cts. 8.45@8.47	September	cts. 8.84@8.85
February	8.02@8.05	June	8.55@8.56	October	8.91@8.92
March	8.25@8.27	July	8.64@8.65	November	8.98@8.99
April	8.35@8.37	August	8.74@8.75	December	9.05@9.06

SUGAR steady; centrifugal, 96-degrees test, 6.005c.; granulated, 7.45c. The recent receipts of raw sugar have shown a marked increase and relief from the scarcity is now making progress. Altogether, 20,945 tons were received from Cuba, and 1,840 tons from Porto Rico last week at Atlantic ports. The purchases totaled about 60,000 tons, but these do not cover all the cargoes of sugar allotted to refiners during the week. Many centrals opened the campaign in Cuba and now over half of those expected to work this year are in operation. Lately there has been some raw sugar sold at the equivalent of 6.005c. duty paid at New York. Coal shortage and the scarcity of raw sugar militates seriously against refining business. The outlook for increased supplies of raw, however, is said to be brightening. Unless Cuban sugar planters receive a guarantee that all the sugar which they raised in 1917 is taken off their hands, many of them, it is said, will give up their cane and return to the cultivation of garden truck. It is said here that the sugar trade will not be much affected by the Government coal order.

OILS.—Linseed steady; city, raw, American seed, \$1 30 @ \$1 31; Calcutta, \$1 40. Lard, prime, \$2 25. Coconut, Cochin, 21 @ 22c.; Ceylon, 17 1/2 @ 18c. Soya bean, 18 1/8 @ 18 1/4c.; Palm, Lagos, 30 @ 31c. Spirits of turpentine, 51 @ 51 1/2c. Strained rosin, common to good, \$7 20 @ \$7 25. Cottonseed oil closed higher on the spot at 20 @ 25c. Prime crude, Southeast, 17.50, nominal. Closing prices for refined for future delivery are as follows:

January	20.30@20.40	March	20.35@	May	20.40@
February	20.35@	April	20.30@		

PETROLEUM firm; refined in barrels, \$12 50 @ \$13 50; bulk, \$6 50 @ \$7 50; cases, \$16 50 @ \$17 50. Naphtha, 73 to 76 degrees, in 100-gallon drums and over, 54 1/2c. Gasoline firm; motor gasoline, in steel barrels, to garages, 24c.; to consumers, 26c.; gasoline, gas machine, steel, 41c.; 72 to 76 degrees, 38c. Car congestion still hampers distribution. Severe winter weather has greatly restricted field work, especially in the Eastern region. Increased costs for drilling, &c., have also been a damper on new work. Late results in the Gulf Coast fields have shown only light producers.

Pennsylvania dark	\$3 75	North Lima	\$2 08	Illinois, above 30	
Cabell	2 73	South Lima	2 08	degrees	\$2 12
Mercer black	2 23	Indiana	1 93	Kansas and Okla-	
Orlchton	1 50	Princeton	2 12	homa	2 00
Corning	2 80	Somerset, 32 deg.	2 55	Caddo, La., light	2 00
Wooster	2 38	Ragland	1 20	Caddo, La., heavy	1 00
Thrall	2 00	Electra	2 00	Canada	2 45
Strawn	2 00	Moran	2 00	Healdton	1 20
De Soto	1 90	Plymouth	2 03	Henrietta	2 00

TOBACCO has continued quiet, but firm. The offerings are small. Much inconvenience is caused by the freight congestion at the terminals. The supply of Sumatra is down to the vanishing point. Efforts are being made by importers who have nearly 25,000 bales of 1917 crop stored in Holland to bring it to New York. But they are apparently making very slow progress. Havana tobacco is being imported readily enough under the system of permanent licenses. But the supply in Havana is said to be pretty small, owing to the active American buying of the 1917 crop. There is a brisk demand reported for Havana here.

COPPER continues quiet, awaiting further developments as to the official price. It is not expected that any change will be made. The 23 1/2-cent price seems to be agreeable to the producers. But the industry is rather uncertain as to what effect the Garfield closing order will have on general trade. Lead higher on the spot at 6 3/4 @ 7 1/2c. The immediate supply is none too plentiful; it is hard to get lead to the market. Tin remains quiet. Lately a lot of five tons was sold for immediate delivery at 84 cents. Total stocks, 660 tons; afloat, 5,300 tons. Spelter higher but quiet on the spot at 8 @ 8 1/2c. Supplies are ample. The statistical position is regarded as none too strong.

PIG IRON has been in demand, but few sales of importance have been made. Contracts are much behind hand. Business is confined for the most part to the last half of 1918. It remains to be seen how the coal order will affect business in the near future.

STEEL has been quiet, partly owing to heavy snows and an intense cold wave. Production is said to be down to 30 to 40% of the normal. Fuel shortage is the crying evil. The Garfield order may in the end have a beneficial effect. Certainly everybody hopes so. There are some large inquiries for shell steel for the British Government. Steel rails are said to have sold at \$55 for Bessemer and \$57 for open hearth, though it is also said that in some cases mills have got as high as \$65 for Bessemer and \$68 to \$70 for open hearth.

COTTON.

Friday Night, Jan. 18 1918.

THE MOVEMENT OF THE CROP, as indicated by our telegrams from the South to-night, is given below. For the week ending this evening the total receipts have reached 130,483 bales, against 153,526 bales last week and 139,274 bales the previous week, making the total receipts since Aug. 1 1917 3,850,353 bales, against 5,013,722 bales for the same period of 1916-17, showing a decrease since Aug. 1 1917 of 1,163,369 bales.

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.	Total.
Galveston	3,109	3,636	9,333	2,769	3,343	2,112	24,302
Texas City	---	---	---	---	---	8,846	8,846
Port Arthur	---	---	---	---	---	---	1,294
Aranas Pass, &c.	---	---	---	---	---	---	1,846
New Orleans	5,676	7,458	6,481	7,016	7,022	10,470	35,499
Mobile	68	25	746	242	---	47	1,138
Pensacola	---	---	---	---	---	at 15,042	15,042
Jacksonville	---	---	---	---	---	---	800
Savannah	3,576	3,858	3,473	3,565	3,994	2,683	21,149
Brunswick	---	---	---	---	---	---	1,500
Charleston	722	1,066	1,740	1,790	423	2,611	8,352
Wilmington	42	11	79	49	2	25	208
Norfolk	1,570	3,627	1,638	2,187	614	373	8,909
N'port News, &c.	---	---	---	---	---	---	143
New York	178	---	210	---	---	---	388
Boston	117	110	562	337	140	1,060	2,316
Baltimore	---	---	---	---	---	---	597
Philadelphia	---	---	---	---	---	---	597
Totals this week	15,058	18,791	24,152	17,955	15,548	38,079	130,483

a Received in December, not before reported. The following shows the week's total receipts, total since Aug. 1 1917 and stocks to-night, compared with last year:

Receipts to Jan. 18	1917-18.		1916-17.		Stock.	
	This Week.	Since Aug 1 1917.	This Week.	Since Aug 1 1916.	1918.	1917.
Galveston	24,302	1,194,258	73,652	1,948,886	267,841	339,095
Texas City	8,846	40,603	1,241	225,882	28,645	30,972
Port Arthur	---	5,492	---	29,850	---	---
Aran. Pass, &c.	1,294	16,178	3,797	46,309	---	---
New Orleans	35,499	936,998	17,971	1,087,114	396,922	503,330
Mobile	1,138	66,977	1,339	78,876	9,354	9,285
Pensacola	15,042	20,707	---	30,855	---	---
Jacksonville	800	33,650	1,587	43,262	14,800	6,010
Savannah	21,149	746,805	8,625	722,618	238,912	181,244
Brunswick	1,500	102,900	1,000	82,000	10,800	8,800
Charleston	8,352	170,888	1,938	136,884	65,849	60,507
Wilmington	208	63,858	761	79,599	50,110	51,317
Norfolk	8,909	206,011	5,055	372,636	90,967	102,484
N'port News, &c.	143	3,205	248	10,338	---	---
New York	388	102,693	1,425	29,186	141,179	159,538
Boston	2,316	77,198	2,304	57,384	20,054	10,569
Baltimore	597	58,318	2,986	30,643	22,304	5,583
Philadelphia	---	3,455	---	1,400	7,981	2,266
Totals	130,483	3,850,353	123,929	5,013,722	1,365,718	1,471,000

In order that comparison may be made with other years, we give below the totals at leading ports for six seasons:

Receipts at—	1918.	1917.	1916.	1915.	1914.	1913.
Galveston	24,302	73,652	42,624	160,472	108,417	52,375
Texas City &c.	10,140	5,038	20,528	43,708	23,531	26,801
New Orleans	35,499	17,971	32,673	70,185	56,402	29,528
Mobile	1,138	1,339	2,291	6,355	3,971	3,031
Savannah	21,149	8,625	16,705	75,032	26,160	19,288
Brunswick	1,500	1,000	5,000	12,000	4,500	2,500
Charleston &c.	8,352	1,938	3,360	13,160	2,176	1,567
Wilmington	208	761	4,063	7,956	5,452	7,227
Norfolk	8,909	5,055	10,726	25,313	10,962	6,307
N'port N., &c.	143	248	7,482	3,587	4,307	10,078
All others	19,143	8,302	10,337	7,395	2,736	6,788
Total this wk.	130,483	123,929	155,789	425,164	248,614	159,990
Since Aug. 1.	3,850,353	5,013,722	4,532,182	5,864,807	7,927,056	7,783,034

The exports for the week ending this evening reach a total of 77,814 bales, of which 68,871 were to Great Britain, 8,023 to France and 920 to other destinations. Exports for the week and since Aug. 1 1917 are as follows:

Exports from—	Week ending Jan. 18 1918. Exported to—				From Aug. 1 1917 to Jan. 18 1918. Exported to—			
	Great Britain.	France.	Other.	Total.	Great Britain.	France.	Other.	Total.
Galveston	7,774	6,200	---	13,974	402,012	39,455	130,742	572,209
Port Arthur	---	---	---	---	5,492	---	---	5,492
Laredo, &c.	---	---	---	---	---	---	2,247	2,247
New Orleans	---	---	100	100	248,290	77,146	32,590	355,386
Mobile	2,729	---	---	2,729	48,895	---	1,000	49,895
Pensacola	615,042	---	---	615,042	21,641	---	---	21,641
Savannah	---	---	---	---	132,850	79,843	113,945	325,647
Brunswick	9,451	---	---	9,451	97,749	---	---	97,749
Wilmington	---	---	---	---	7,174	28,218	9,450	44,842
Norfolk	---	---	---	---	45,831	21,000	---	66,831
New York	---	---	---	---	262,465	74,638	163,015	500,168
Boston	213,616	81,823	6520	15,959	81,103	19,579	2,507	103,189
Baltimore	7,702	---	300	8,002	72,970	1,367	2,252	16,689
Philadelp'a.	611,682	---	---	611,682	20,082	---	473	20,555
Port'd, Me.	6595	---	---	6595	---	---	---	6,595
Detroit	---	---	---	---	---	---	---	---
Pacific Ports	---	---	---	---	---	---	---	---
Total	68,871	8,023	920	77,814	1,448,981	341,294	684,818	2,445,093
Tot. '16-17	64,133	14,656	40,093	118,882	1,788,149	480,832	1,233,953	3,402,935
Tot. '15-16	50,646	5,723	29,479	85,848	1,176,410	410,185	1,055,707	2,642,305

a Exported in December but not before reported. * Corrected on basis of final December returns.

In addition to above exports, our telegrams to-night also give us the following amounts of cotton on shipboard, not cleared, at the ports named. We add similar figures for New York.

Jan. 18 at—	On Shipboard. Not Cleared for—					Total.	Leaving Stock.
	Great Britain.	France.	Germany.	Other Cont't.	Coast-wise.		
Galveston	11,897			19,615	10,500	42,012	225,829
New Orleans	10,656	35,831		4,293	6,048	56,858	340,064
Savannah					3,000	3,000	235,012
Charleston					800	800	65,049
Mobile	4,071					4,071	5,283
Norfolk					350	350	90,617
New York	3,000	5,000		5,000		13,000	128,179
Other ports	8,000	4,000				12,000	142,694
Total 1918	37,654	44,831		28,908	20,698	132,091	1,233,627
Total 1917	49,665	36,532		50,235	16,582	153,014	1,317,986
Total 1916	99,383	14,071	100	54,205	21,174	188,933	1,578,462

Speculation in cotton for future delivery has been generally quiet, though on Thursday an unusually large business for these times was done. Prices that day fell 75 to 202 points, owing to the Fuel Administration order which will close most of the mills east of the Mississippi for five days beginning Jan. 18 and for ten Mondays thereafter. It was supposed that this would cut down the consumption anywhere from 250,000 to 300,000 bales, though, on the other hand, some think this largely overestimates the possible curtailment. Many of the mills, too, are run by water power. And it is supposed that hours on Saturday may be increased and that on other days than Mondays longer hours may also be adopted at least for the time being. This would also of course tend to lessen the effects of the coal order from Washington. And at one time early in the week prices were higher. Spot markets were strong. Liverpool and American trade interests were persistent buyers. The drought in Texas continued. It has lasted for a year and half with little mitigation. And the boll weevil in that State causes some uneasiness. The fear is that the pest may spread northward and eastward as the boll weevil did after it reached Texas 26 years ago, by way of Mexico. As regards the eastern section of the belt there is the trouble about fertilizers and labor. Both, it is feared, will greatly impede the raising of cotton this year. The draft alone will be a serious factor. The attractions of the munitions works with their high wages will be another. Also the high cost of living, it is argued, tends towards diversification of the crops. The South has had a sharp lesson in the difficulties of railroad transportation and the high cost of food. Meanwhile many Southern holders, finding themselves in a strong financial position, have shown a disposition to hold for higher prices. Cotton goods have been strong with a good demand. And on the 15th inst. the Census Bureau furnished some bullish statistics. It is true that the American consumption in December was smaller than in November and for the same month in 1916 and 1915. But, on the other hand, the total consumption for five months ending Dec. 31 was even larger than the unprecedented figures of last season. The New York stock is smaller than it was a year ago. Strict middling here is said to have sold at 34 1/2c. Also, there has been a certain amount of peace talk by reason of political developments in Europe, rather than anything on the field of battle. The labor agitation in Russia and Germany is supposed to have some bearing on this question. Finally, as a rule there has been very little Southern hedge selling. On the other hand, trading has been generally light. Exports continue small. The coal situation, even before Dr. Garfield's order, caused a number of New England mills to close down for the time being. Mills at the South have also been troubled more or less in the same way. Even on the 15th inst. there was selling here on talk to the effect that Monday of each week for a period of eight or ten weeks might be declared a legal holiday in order to conserve the supply of coal. And peace is not regarded by everybody as a bullish factor. It is argued that it would mean the cancellation of vast orders by the Government and a gradual return to normal conditions of trade and prices. These, it is contended, would certainly not warrant anything like 30 to 32 cents per pound for raw cotton. Lately, moreover, the Eastern belt has had beneficial rains. A period of rather prolonged dry weather in Georgia has been broken. Some maintain that present high prices for cotton will cause an increase in the acreage, whatever may be said to the contrary. Of late the West and Wall Street have sold more freely. So have local operators. Liverpool has at times sold July and October, even if it bought March and May. Some spot houses are latterly said to have been selling. Prominent bulls in the opinion of not a few have been reducing their lines. Also of late there have been isolated reports of an easier spot basis in the Southwest and coincident with this there has been more Southern selling here. The high price, too, makes the speculative element hesitate. It is afraid of some unexpected development which might cause a decline. To-day prices declined early and rallied later. There was very heavy long liquidation, attributed to prominent interests. But on the decline the West covered heavily; so did Wall Street. And trade buying also set in. A Boston dispatch said that Massachusetts, Rhode Island and Connecticut may modify their labor laws in the direction of longer hours temporarily to make up for ten Monday closings. Middling upland closed at 31.75c., a decline of 85 points for the week.

The official quotation for middling upland cotton in the New York market each day for the past week has been:

Jan. 12 to Jan. 18—	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
Middling uplands	32.65	32.60	32.60	32.65	31.80	31.75

NEW YORK QUOTATIONS FOR 32 YEARS.

1918	31.75	1910	13.85	1902	8.31	1894	8.06
1917	17.35	1909	9.80	1901	9.88	1893	9.50
1916	12.50	1908	12.25	1900	7.75	1892	7.58
1915	8.50	1907	10.50	1899	6.12	1891	6.44
1914	12.90	1906	12.25	1898	5.88	1890	10.62
1913	12.90	1905	7.25	1897	7.19	1889	9.94
1912	9.50	1904	14.10	1896	8.19	1888	10.56
1911	14.90	1903	8.95	1895	5.75	1887	9.44

MARKET AND SALES AT NEW YORK.

The total sales of cotton on the spot each day during the week at New York are indicated in the following statement. For the convenience of the reader we also add columns which show at a glance how the market for spot and futures closed on same days.

	Spot Market Closed.	Futures Market Closed.	SALES.		
			Spot.	Contract.	Total.
Saturday	Quiet, 5 pts. adv.	Steady			
Monday	Quiet, 5 pts. dec.	Barely steady		100	100
Tuesday	Quiet, unchanged	Steady			
Wednesday	Quiet, 5 pts. dec.	Barely steady			
Thursday	Quiet, 7 1/2 pts. dec.	Barely steady			
Friday	Quiet, 5 pts. dec.	Steady			
Total				100	100

THE VISIBLE SUPPLY OF COTTON to-night, as made up by cable and telegraph, is as follows. Foreign stocks, as well as the afloat, are this week's returns, and consequently all foreign figures are brought down to Thursday evening. But to make the total the complete figures for to-night (Friday), we add the item of exports from the United States, including in it the exports of Friday only.

Jan. 18—	1918.	1917.	1916.	1915.
Stock at Liverpool	441,000	837,000	767,000	915,000
Stock at London	22,000	29,000	60,000	31,000
Stock at Manchester	68,000	97,000	84,000	91,000
Total Great Britain	531,000	963,000	911,000	1,037,000
Stock at Hamburg		*1,000	*1,000	*6,000
Stock at Bremen		*1,000	*1,000	*90,000
Stock at Havre	139,000	272,000	290,000	218,000
Stock at Marseilles	4,000	4,000	4,000	2,000
Stock at Barcelona	47,000	86,000	78,000	34,000
Stock at Genoa	27,000	210,000	167,000	130,000
Stock at Trieste		*1,000	*1,000	*4,000
Total Continental stocks	217,000	575,000	542,000	484,000
Total European stocks	748,000	1,538,000	1,453,000	1,521,000
India cotton afloat for Europe	43,000	78,000	51,000	132,000
Americ. cotton afloat for Europe	242,000	472,568	432,982	871,367
Egypt, Brazil, &c. afloat for Europe	139,000	90,000	39,000	59,000
Stock in Alexandria	328,000	186,000	232,000	*295,000
Stock in Bombay, India	*510,000	550,000	714,000	452,000
Stock in U. S. ports	1,365,718	1,471,000	1,767,395	1,918,425
Stock in U. S. interior towns	1,297,609	1,273,617	1,452,104	1,313,646
U. S. exports to-day	15,160	6,199		53,344
Total visible supply	4,688,487	5,665,384	6,141,481	6,615,782
Of the above, totals of American and other descriptions are as follows:				
American—				
Liverpool stock	274,000	682,000	503,000	650,000
Manchester stock	24,000	74,000	60,000	68,000
Continental stock	*184,000	*482,000	*454,000	*424,000
American afloat for Europe	242,000	472,568	432,982	871,367
U. S. port stocks	1,365,718	1,471,000	1,767,395	1,918,425
U. S. interior stocks	1,297,609	1,273,617	1,452,104	1,313,646
U. S. exports to-day	15,160	6,199		53,344
Total American	3,402,487	4,461,384	4,675,481	5,298,782
East Indian, Brazil, &c.—				
Liverpool stock	167,000	155,000	264,000	265,000
London stock	22,000	29,000	60,000	31,000
Manchester stock	44,000	24,000	18,000	23,000
Continental stock	*31,000	*93,000	*88,000	*60,000
India afloat for Europe	43,000	78,000	51,000	132,000
Egypt, Brazil, &c. afloat	139,000	90,000	39,000	59,000
Stock in Alexandria, Egypt	328,000	186,000	232,000	*295,000
Stock in Bombay, India	*510,000	550,000	714,000	452,000
Total East India, &c.	1,286,000	1,304,000	1,466,000	1,317,000
Total American	3,402,487	4,461,384	4,675,481	5,298,782
Total visible supply				
Middling Upland, Liverpool	23.25d.	10.94d.	8.09d.	5.10d.
Middling Upland, New York	31.75c.	17.35c.	12.30c.	8.70c.
Egypt, Good Brown, Liverpool	31.95d.	21.70d.	11.75d.	7.10d.
Peruvian, Rough Good, Liverpool	--- d.	18.00d.	11.75d.	8.75d.
Braoch, Fine, Liverpool	22.05d.	10.45d.	7.75d.	4.85d.
Timnevelly, Good, Liverpool	22.30d.	10.57d.	7.87d.	4.78d.

* Estimated.

Continental imports for past week have been 21,000 bales. The above figures for 1918 show an increase over last week of 47,905 bales, a loss of 976,897 bales from 1917, a decrease of 1,452,094 bales from 1916 and a decline of 1,927,295 bales from 1915.

QUOTATIONS FOR MIDDLING COTTON AT OTHER MARKETS.—Below are the closing quotations of middling cotton at Southern and other principal cotton markets for each day of the week.

Week ending Jan. 18.	Closing Quotations for Middling Cotton on—					
	Saturday.	Monday.	Tuesday.	Wed'ay.	Thursday.	Friday.
Galveston	31.65	31.65	31.25	31.50	31.00	31.00
New Orleans		32.00	31.75	31.60	31.25	31.00
Mobile	31.50	31.75	31.75	31.38	31.00	31.00
Savannah	31 1/4	31 1/4	31 1/4	31 1/4	31 1/4	31 1/4
Charleston	31	31	31	31	31	31
Wilmington	30 1/2	30 1/2	30 1/2	30 1/2	30 1/2	30 1/2
Norfolk	30.75	30.75	31.00	30.75	30.25	30.00
Baltimore	31 1/2	31 1/2	31 1/2	31 1/2	31 1/2	30 1/2
Philadelphia	32.90	32.85	32.85	32.80	32.05	32.00
Augusta	31.50	31.50	31.50	31.33	31.00	31.00
Memphis	31.25	31.25	31.25	31.25	31.25	31.25
Dallas		31.10	31.00	30.80	30.30	30.40
Houston	31.75	31.90	31.75	31.50	31.00	31.00
Little Rock	31.25	31.25	31.25	31.25	31.00	31.00

FUTURES.—The highest, lowest and closing prices at New York for the past week have been as follows:

	Saturday, Jan. 12.	Monday, Jan. 14.	Tuesday, Jan. 15.	Wed. day, Jan. 16.	Thurs'd'y, Jan. 17.	Friday, Jan. 18.	Week.
January—							
Range	31.35-66	31.60-04	31.62-00	31.33-75	30-31.00	30.50-90	30-32.04
Closing	31.80-61	31.77-70	31.68-69	31.37-40	30.93-65		
February—							
Range					30.70		30.70
Closing	31.23	31.41	31.29	31.08	30.39	30.58	
March—							
Range	30.90-31	31.05-66	31.20-63	30.90-37	29-30.60	30.02-10	29-31.66
Closing	31.18-20	31.36-37	31.23-27	31.02-03	30.29-33	30.48-49	
April—							
Range						29.75-80	29.75-80
Closing	30.88	31.03	30.35	30.70	30.00	30.17	
May—							
Range	30.45-96	30.74-32	30.81-23	30.53-06	29.35-28	29.72-20	29.35-732
Closing	30.83-84	30.98-01	30.90-02	30.05-07	29.95-98	30.12-14	
June—							
Range							
Closing	30.01	30.76	30.68	30.43	29.79	29.96	
July—							
Range	30.18-67	30.45-01	30.51-91	30.20-60	29.55-95	29.46-85	29.35-01
Closing	30.54-65	30.99-70	30.55-59	30.30-31	29.66-70	29.79-80	
August—							
Range	29.98	30.37			29.45-50		29.45-37
Closing	30.29	30.44	30.30	30.08	29.44	29.53	
October—							
Range	28.98-50	29.28-73	29.20-62	28.82-32	28.15-51	28.02-40	28.15-73
Closing	29.35-40	29.45-46	29.30-31	28.90-92	28.18-20	28.37-40	
December—							
Range	29.19	29.32-35	29.61	28.77-79	28.18-20		28.18-75
Closing	29.22	29.34-35	29.15	28.77-79	28.01	28.17	

131c. 1/2c.

AT THE INTERIOR TOWNS the movement—that is, the receipts for the week and since Aug. 1, the shipments for the week and the stocks to-night, and the same items for the corresponding period of the previous year—is set out in detail below.

Towns.	Movement to Jan. 18 1918.			Movement to Jan. 19 1917.		
	Receipts.		Shipments.	Receipts.		Shipments.
	Week.	Season.	Jan. 18.	Week.	Season.	Week.
Afa., Enfauia..	80	3,925	2,532	9	9,303	9,209
Montgomery	576	45,449	1,167	13,690	293	37,298
Selma	119	33,012	411	2,102	40	20,481
Ark., Helena..	208	31,752	1,023	19,478	1,400	52,047
Little Rock..	3,058	158,760	8,895	55,572	2,407	189,419
Pine Bluff..	1,200	104,304	2,200	57,000	800	110,050
Ga., Albany..	70	12,135	41	2,150	41	18,951
Athens	2,157	95,294	4,188	35,798	165	91,760
Atlanta	7,839	223,090	9,854	63,035	2,891	239,891
Augusta	7,453	379,142	2,145	163,894	2,868	319,563
Columbus	550	28,760	1,550	10,000	1,174	56,781
Macon	3,726	128,143	3,875	25,444	1,807	126,759
Rome	1,104	44,558	791	15,594	395	50,206
La., Shreveport	4,038	171,963	2,940	60,094	461	133,449
Miss., Columbus		8,560	3,097	5,077		5,077
Clarksdale*	700	97,194	1,700	53,000	200	53,711
Greenwood	2,624	108,539	4,314	30,310	600	97,832
Meridian	927	25,676	1,156	11,451	191	16,928
Natchez	100	13,484	400	9,700	42	32,912
Vicksburg	707	17,598	18	6,319	267	14,318
Yazoo City	731	32,156	18	15,096	18	18,989
Mo., St. Louis	22,438	641,903	20,291	18,368	51,254	723,457
N.C., Granboro	300	21,202	401	4,000	500	51,022
Raleigh	511	6,311	525	340	28	8,620
O., Cincinnati	5,700	81,801	5,030	32,036	4,225	144,777
Okl., Ardmore		23,750	2,000	5,000	115	50,663
Chickasha	1,559	40,245	2,183	11,376	836	64,248
Hugo	83	25,746	2,351	4,829	31	24,520
Oklahoma		22,676	1,422	6,000	855	31,756
S.C., Greenville	3,420	67,738	3,898	16,915	2,802	100,361
Greenwood		11,641	123	6,628		16,027
Tenn., Memphis	21,583	745,156	16,154	284,910	27,003	934,662
Nashville		1,217		969	18	38
Tex., Abilene	100	23,498	300	1,300	700	56,396
Brenham	70	18,810	150	905	4	23,626
Clarksville	856	44,845	867	9,191	28	40,857
Dallas	2,985	104,495	1,274	19,664	1,157	88,543
Honey Grove	1,176	49,246	1,071	7,865	68	38,936
Houston	40,895	1,515,959	41,999	214,499	39,731	2,069,791
Paris	3,850	71,625	3,730	11,632	1,407	110,874
San Antonio	532	25,760	37	1,993	825	11,168
Total, 41 towns	143,105	5,337,850	143,423	1,297,609	147,468	6,322,069

* Last year's figures are for Greenville.

The above totals show that the interior stocks have decreased during the week 318 bales, but are to-night 23,992 bales less than at the same time last year. The receipts at all towns have been 4,353 bales less than the same week last year.

OVERLAND MOVEMENT FOR THE WEEK AND SINCE AUG. 1.—We give below a statement showing the overland movement for the week and since Aug. 1, as made up from telegraphic reports Friday night. The results for the week and since Aug. 1 in the last two years are as follows:

	—1917-18—		—1916-17—	
	Week.	Since Aug. 1.	Week.	Since Aug. 1.
Shipped—				
Via St. Louis	20,291	632,890	50,407	4704,584
Via Mounds, &c.	1,241	293,152	6,552	186,992
Via Rock Island		5,220	115	5,150
Via Louisville	3,911	49,233	5,047	79,373
Via Cincinnati	3,039	30,157	1,675	62,613
Via Virginia points	1,518	153,588	4,124	80,204
Via other routes, &c.	20,341	368,924	20,168	517,500
Total gross overland	50,391	1,533,164	88,088	1,636,316
Deduct shipments—				
Overland to N. Y., Boston, &c.	3,301	241,664	6,715	118,613
Between interior towns	1,538	54,113	6,342	73,694
Inland, &c., from South	24,629	423,920	12,346	200,899
Total to be deducted	29,528	719,697	25,403	393,206
Leaving total net overland*	20,863	813,467	62,685	1,243,110

* Including movement by rail to Canada. a] Revised.

The foregoing shows the week's net overland movement has been 20,863 bales, against 62,685 bales for the week last year, and that for the season to date the aggregate net overland exhibits a decrease from a year ago of 429,643 bales.

In Sight and Spinners' Takings.	—1917-18—		—1916-17—	
	Week.	Since Aug. 1.	Week.	Since Aug. 1.
Receipts at ports to Jan. 18	130,483	3,850,353	123,929	5,013,722
Net overland to Jan. 18	20,863	813,467	62,685	1,243,110
Southern consumption to Jan. 18	81,000	2,059,000	80,000	1,951,000
Total marketed	232,346	6,722,820	266,614	8,207,832
Interior stocks in excess	6318	942,667	228,896	919,883
Came into sight during week	232,028		237,718	
Total in sight Jan. 18		7,665,487		9,127,715
Nor. spinners' takings to Jan. 18	61,130	1,372,619	90,888	1,782,498

a Decrease during week. * These figures are consumption; takings not available.

Movement into sight in previous years:

Year	Bales	Since Aug. 1—	Bales
1916—Jan. 21	237,561	1915-16—Jan. 21	8,003,783
1915—Jan. 22	528,076	1914-15—Jan. 22	9,212,389
1914—Jan. 23	338,055	1913-14—Jan. 23	11,134,115

NEW ORLEANS CONTRACT MARKET.—The closing quotations for leading contracts in the New Orleans cotton market for the past week have been as follows:

	Saturday, Jan. 12.	Monday, Jan. 14.	Tuesday, Jan. 15.	Wed. day, Jan. 16.	Thurs'd'y, Jan. 17.	Friday, Jan. 18.
January	30.61	30.79	30.54-56	30.35-38	29.48-50	29.57-59
March	30.21-25	30.36-40	30.15-19	29.97-00	29.27-29	29.36-39
May	29.93-95	30.06-09	29.83-87	29.69-71	29.02-04	29.13-16
July	29.71-73	29.80-82	29.53-57	29.43-44	28.76-80	28.88-90
October	28.42	28.55	28.30-31	27.99	27.26-32	27.45-48
December	28.23	28.33	28.12-15	27.84	27.10	27.33

WEATHER REPORTS BY TELEGRAPH.—Telegraphic advices to us this evening from the South indicate that the temperature has continued low with 8 below zero registered at Memphis and close to the zero mark in parts of Texas. Snow and ice have interfered with the movement of cotton in some sections.

Galveston, Tex.—Although rains have occurred in nearly all sections, moisture is still needed, especially in those localities where the drought has been severe. Truck and other tender vegetation have suffered severely from continued low temperatures. It has rained on three days during the week, to the extent of twenty-five hundredths of an inch. The thermometer has averaged 42, the highest being 66 and the lowest 18.

Abilene, Tex.—There has been rain on two days during the week, the precipitation being two hundredths of an inch. The thermometer has averaged 30, ranging from 6 to 54.

Dallas, Tex.—We have had rain on three days during the week, the rainfall being seventy-four hundredths of an inch. The thermometer has ranged from 2 to 56, averaging 29.

Brownsville, Tex.—Dry all the week. Average thermometer 50, highest 74, lowest 26.

Fort Worth, Tex.—We have had rain on two days of the week, the rainfall being seventy hundredths of an inch. The thermometer has averaged 29, the highest being 54 and the lowest 4.

Palestine, Tex.—There has been rain on two days during the week, the precipitation being seventy-two hundredths of an inch. The thermometer has averaged 51, ranging from 2 to 60.

San Antonio, Tex.—We have had rain on one day of the week, the rainfall being two hundredths of an inch. The thermometer has ranged from 12 to 62, averaging 37.

Taylor, Tex.—There has been rain here one day of the week, the rainfall being eighteen hundredths of an inch. Minimum thermometer 6.

New Orleans, La.—We have had rain on two days of the week, the rainfall being two inches and eleven hundredths. The thermometer has averaged 43.

Shreveport, La.—There has been rain on three days during the week, the precipitation being one inch and twenty-eight hundredths. The thermometer has ranged from 2 to 53.

Vicksburg, Miss.—We have had rain on one day during the week, the rainfall being twenty-nine hundredths of an inch. The thermometer has ranged from 4 to 64, averaging 30.

Mobile, Ala.—There has been rain on two days of the week, the rainfall being one inch and fifteen hundredths. Average thermometer 42, highest 66 and lowest 17.

Selma, Ala.—There has been snow on one day and rain on two days during the week, the precipitation being eighty-five hundredths of an inch. The thermometer has averaged 27, ranging from 8 to 46.

Savannah, Ga.—There has been rain on four days of the week, the rainfall being fourteen hundredths of an inch. Average thermometer 44, highest 64 and lowest 18.

Charleston, S. C.—There has been rain on two days during the week, the precipitation being thirty hundredths of an inch. The thermometer has averaged 40, ranging from 18 to 61.

Charlotte, N. C.—We have had rain the past week to the extent of one inch and forty-nine hundredths. The thermometer has ranged from 6 to 45, averaging 25.

Memphis, Tenn.—Snow and ice have interfered with the movement of cotton. There has been rain and snow on three days of the week, with the precipitation two inches and seventy-four hundredths. Average thermometer 17, highest 36 and lowest 8 below zero.

WORLD'S SUPPLY AND TAKINGS OF COTTON.

Cotton Takings Week and Season	1917.		1916.	
	Week.	Season.	Week.	Season.
Visible supply Jan. 11	4,640,582		5,716,813	
Visible supply Aug. 1		2,814,776		3,198,251
American in sight to Jan. 18	232,028	7,665,487	237,718	9,127,715
Bombay receipts to Jan. 17	570,000	570,000	74,000	986,000
Other India ship's to Jan. 17	51,000	47,000	6,000	142,000
Alexandria receipts to Jan. 16	555,000	667,000	9,000	334,000
Other supply to Jan. 16 *	62,000	68,000	4,000	68,000
Total supply	5,000,610	11,832,263	6,047,531	14,055,966
Deduct—				
Visible supply Jan. 18	4,688,487	4,688,487	5,665,384	5,665,384
Total takings to Jan. 18. a	312,123	7,143,776	382,147	8,390,582
Of which American	230,123	5,782,776	311,147	6,754,582
Of which other	82,000	1,361,000	71,000	1,636,000

* Embraces receipts in Europe from Brazil, Smyrna, West Indies, &c. a This total embraces since Aug. 1 the total estimated consumption by Southern mills, 2,059,000 bales in 1917-18 and 1,951,000 bales in 1916-17—takings not being available—and the aggregate amounts taken by Northern and foreign spinners—5,084,776 bales in 1917-18 and 6,439,582 bales in 1916-17, of which 3,723,776 bales and 4,803,582 bales American. b Estimated.

CENSUS BUREAU'S REPORT ON COTTON GINNING.—The Division of Manufactures in the Census Bureau completed and issued on Jan. 9 its report on the amount of cotton ginned up to Jan. 1 the present season, and we give it below, comparison being made with the returns for the like period of the two preceding years:

	Counting Round as Half Bales—		
	1918.	1917.	1916.
Alabama	483,016	540,661	1,007,130
Arizona	13,748	5,776	1,415
Arkansas	858,445	1,060,569	753,180
California	37,245	28,237	20,383
Florida	46,353	50,254	54,687
Georgia	1,768,280	1,810,934	1,906,771
Louisiana	605,937	435,437	332,428
Mississippi	809,712	775,452	888,813
Missouri	44,739	55,727	43,465
North Carolina	543,523	642,816	695,978
Oklahoma	834,829	798,761	561,950
South Carolina	1,146,226	922,152	1,133,596
Tennessee	200,320	357,029	281,879
Texas	2,987,947	3,523,905	2,935,697
Virginia	16,273	26,192	15,079
All other States	3,788	6,589	4,297
United States	10,450,401	11,039,491	10,636,778

The number of round bales included this year is 184,510, contrasted with 188,052 bales in 1917 and 105,785 bales in 1916. The number of Sea Island bales included is 86,813 compared with 113,343 bales in 1917 and 88,933 bales in 1916. The distribution of Sea Island cotton for 1918 by States is: Florida, 86,109 bales; Georgia, 44,748 bales; and South Carolina, 5,946 bales.

DOMESTIC EXPORTS OF COTTON MANUFACTURES.—We give below a statement showing the exports of domestic cotton manufactures for October and for the ten months ended Oct. 31 1917, and, for purposes of comparison, like figures for the corresponding periods of the previous year are also presented:

Manufactures of Cotton Exported.	Month ending Oct. 31.		10 Months ending Oct. 31.	
	1917.	1916.	1917.	1916.
Piece goods.....yards	59,005,403	64,565,329	585,437,424	508,494,614
Piece goods.....value	\$8,203,797	\$6,203,068	\$69,614,305	\$56,725,596
Wearings apparel.....value	1,384,987	1,742,352	11,330,391	10,413,939
Knit goods.....value	816,645	1,071,714	9,865,647	12,390,445
All other.....value	1,090,410	528,871	7,391,141	3,838,897
Waste cotton.....value	843,178	435,578	4,804,220	4,829,752
Yarn.....value	1,641,466	2,267,893	16,997,042	20,200,865
All other.....value				
Total manufactures of value	\$13,990,473	\$12,249,476	\$119,002,746	\$107,399,484

COTTON CONSUMPTION AND OVERLAND MOVEMENT TO JAN. 1.—Below we present a synopsis of the crop movement for the month of December and the five months ended Dec. 31 for three years:

	1917.	1916.	1915.
Gross overland for December	401,246	758,104	280,120
Gross overland for 5 months	1,380,296	1,445,268	835,901
Net overland for December	230,371	275,193	216,288
Net overland for 5 months	726,186	1,104,601	644,485
Port receipts in December	673,521	795,592	985,460
Port receipts for 5 months	3,499,880	4,837,396	4,036,341
Exports in December	470,022	674,233	527,825
Exports in 5 months	2,207,469	3,139,096	2,323,984
Port stocks on Dec. 31	1,307,614	1,518,786	1,741,557
Northern spinners' takings to Jan. 1	1,190,190	1,582,953	1,386,832
Southern consumption to Jan. 1	1,843,000	1,723,000	1,478,000
Overland to Canada for 5 months (included in net overland)	57,645	67,622	69,655
Burnt, North and South, in 5 months			2,522
Came in sight during December	1,405,312	1,512,695	1,720,876
Amount of crop in sight Dec. 31	7,017,066	8,506,567	7,229,948
Came in sight balance of season		4,469,092	5,726,592
Total crop		12,975,659	12,953,450
Average gross weight of bales	512.85	516.88	514.22
Average net weight of bales	487.85	491.88	489.22

MANCHESTER MARKET.—Our cable from Manchester this evening states that the market is unchanged and featureless. We give prices for to-day below and leave those for previous weeks of this and last year for comparison:

	1917-18.				1916-17.			
	32s Cop Tret.	8 1/4 lbs. Shirts, common to finest.	Cot'n Mid. U'p's.		32s Cop Tret.	8 1/4 lbs. Shirts, common to finest.	Cot'n Mid. U'p's.	
Nov 30	d. 36 1/4	d. 33 1/4	s. d. 17 3 @ 23 0		d. 22 1/2	d. 18	s. d. 19 1/4 @ 9 6 @ 11 10 1/2	12 21
Dec 7	37 1/4	39	17 0 @ 24 0		22 1/2	18 1/4	9 6 @ 12 1 1/4	12 05
14	37 1/4	39	17 0 @ 24 3		22 3/4	17 3/4	9 6 @ 12 1 1/4	11 00
21	38 1/4	39 1/4	17 0 @ 24 6		22 3/4	16 3/4	9 4 1/2 @ 11 10 1/2	10 09
28	38 1/4	39 1/4	17 0 @ 24 6		22 6 1/2	16 1/4	9 4 1/2 @ 11 10 1/2	10 63
Jan 4	39	40 1/4	18 4 1/2 @ 25 9		23 10	16 3/4	9 5 1/2 @ 11 10 1/2	10 99
11	39	40 1/4	18 4 1/2 @ 25 9		23 10	17 1/4	9 4 1/2 @ 11 10 1/2	11 11
18	39	40 1/4	18 4 1/2 @ 25 9		23 25	16 3/4	9 6 @ 12 1 1/4	10 94

LIVERPOOL.—By cable from Liverpool we have the following statement of the week's sales, stocks, &c., at that port:

	Dec. 27.	Jan. 4.	Jan. 11.	Jan. 18.
Sales of the week	4,000	13,000	14,000	13,000
Of which speculators took				
Of which exporters took				
ales, American	3,000	7,000	8,000	8,000
Actual export				
Forwarded	57,000	62,000	78,000	81,000
Total stock	449,000	454,000	471,000	441,000
Of which American	281,000	299,000	307,000	274,000
Total imports of the week	75,000	66,000	95,000	50,000
Of which American	26,000	66,000	62,000	13,000
Amount afloat	249,000	265,000	260,000	
Of which American	155,000	146,000	121,000	

The tone of the Liverpool market for spots and futures each day of the past week and the daily closing prices of spot cotton have been as follows:

Spot.	Saturday.	Monday.	Tuesday.	Wednesday.	Thursday.	Friday.
Markets 12:15 P. M.		Quiet.	Quiet.	Quiet.	Quiet.	Quiet.
Mid. Up'ds Good Mid. Uplands		23.37	23.46	23.51	23.44	23.25 23.77
Sales	HOLIDAY.	3,000	3,000	3,000	3,000	3,000
Futures Market opened		Steady at 11@15 pts. des.	Steady at 5@9 pts. adv.	Quiet at 2@3 pts. dec.	Qui t, unc. to 4 pts. decline.	Irregular, 8@16 pts. decline.
Markets 4 P. M.		Quiet, 1 pt. adv. to 8 pts. dec. on new, 28 pts. dec. on old.	Quiet, 5@13 pts. adv. on new, 9 pts. on old.	Barely at'y 12@17 pts. dec. on new, 5 pts. on old.	Easy, 27@39 pts. dec. on new, 27 pts. on old.	Quiet, 9@17 pts. dec. on new, 12 pts. adv. on old.

The prices of futures at Liverpool for each day are given below.

The prices are given in pence and 100ths. Thus: 23 70 means 23 70/100d.

Jan 12 to Jan 8	Sat	Mon	Tues	Wed	Thurs	Fri
	12 1/2 12 1/2	12 1/2 4	12 1/2 4	12 1/2 4	12 1/2 4	12 1/2 4
	p.m. p.m.	p. m. p.m.	p.m. p.m.	p.m. p.m.	p.m. p.m.	p.m. p.m.
New Contr't January	d. d.	d. d.	d. d.	d. d.	d. d.	d. d.
February	23 70 69	71 76	71 64	68 33	33 24	33 24
March	23 54 52	54 57	54 44	47 17	16 02	16 02
April	23 17 20	22 27	25 13	15 80	73 65	73 65
May	23 02 03	05 11	07 95	97 60	50 43	50 43
Old Contract January	d. d.	d. d.	d. d.	d. d.	d. d.	d. d.
Jan.-Feb.	22 81 82	87 95	92 78	75 39	29 23	29 23
Mar.-Apr.	22 22 22	21 31	36 26	29 99	11 11	11 11
May-June	22 12 12	21 21	26 16	19 89	31 01	31 01
July-Aug.	21 94 94	03 03	08 98	01 71	83 83	83 83
Sept.-Oct.	21 78 78	87 87	92 82	85 55	67 67	67 67
Nov.-Dec.	21 70 70	79 79	84 74	77 47	59 59	59 59

BREADSTUFFS.

Friday Night, January 18 1918.

Flour has continued quiet, with receipts small. A good many cars are close at hand. The difficulty is to bring them into New York. The Food Administration is endeavoring to enlist the aid of consumers in efforts to reduce the consumption of flour 30%. This is with a view for providing for the additional 90,000,000 bushels of wheat which are to be furnished by this country to the Allies. To this end substitutes will have to be used. And these are not so easily procured. Some of them are selling at relatively higher prices than flour itself. They include cornmeal and barley and rice flours. Traffic conditions hereabouts are still very bad. Indeed, congestion is severe throughout the whole territory east of Pittsburgh and Buffalo. Big storms have had made matters worse. For 24 hours little or no freight was moved in the territory west of Pittsburgh and east of Chicago and St. Louis. It is hoped that determined efforts will be made to bring forward the flour on sidetracks at points east of Buffalo. In Liverpool the tone has been firm, with a steady demand. The cold weather and the fact that the native offerings have been only moderate, have increased the absorption of foreign arrivals. The Garfield fuel order is not expected to hamper the flour trade and it should help the congestion in traffic.

Wheat has continued firm with small stocks and a steady demand. It is reported from Argentina that the Allied Governments have completed the arrangements for the purchase of 2,500,000 tons of wheat and that the tonnage for its transportation is being arranged for. This may mean that exports from Argentina, even apart from this, will shortly begin to increase materially. Buenos Ayres prices early in the week dropped 5 to 5 1/2 cents. Receipts at the West have been small. Traffic conditions are bad, owing to great storms. Director-General McAdoo was quoted as saying that all freight movement had been abandoned east of Pittsburgh and Buffalo. The tie up is said to be the worst ever known and may not be relieved for some days. This is all due to heavy snows. But while they impede traffic, they certainly tend to help the winter wheat crop. Also the drought in the Southwest was broken by rains and snows. Taking it for all and all, the outlook is more favorable for the American crop. From France the reports are almost unanimous as describing the outlook for the winter wheat crop as good. In parts of France, too, it now appears the acreage is either larger than that of last year or is not far short of the normal. Further threshing has been done. Supplies are coming forward more regularly. On the other hand, foreign arrivals are moderate and export offerings are at high prices. In Italy there are complaints of delayed seeding. Yet here, too, the reports now are on the whole satisfactory. A committee has been appointed in Italy to consider a scheme of

agricultural mobilization. This may go far to increase the grain crops. The scarcity of ocean tonnage delays importation of grain, but the Italian Government is giving close attention to the matter. In the end it is believed that supplies will be increased from the United Kingdom and the United States. The agreement for Allied purchases of 2,500,000 tons of wheat f.o.b. Argentina has established a credit with both France and England, it is stated, of equal to \$100,000,000 each at 5% interest. This is expected to stabilize exchange rates. The Argentine exchange is limited i. e., 50d. for London and 5.60d. for Paris. It is supposed that these credits may cover purchases of other products also. In Russia the winter thus far has been very severe on agricultural prospects. Freezing has been heavy and the snow covering scanty, except in parts where it is heavy. Railway traffic is blocked. Stocks of grain in Russia are large, but it appears that they are mostly owned by officials. The movement for general consumption is small. Liverpool comments on the fact that the Canadian receipts are only moderate and is inclined to think that the recent Government estimate of 231,000,000 bushels is too large. In Spain prices have been stong, owing to a continued drought which threatens to damage the crop. In North Africa stocks are very light and it is feared they will be not sufficient to tide over to another crop. Seed grain, moreover, is scarce there and the acreage may be reduced. In the Scandinavian Peninsula native supplies are small, but on the other hand foreign arrivals are increasing. The weather there has been cold and wet. Taking the situation as a whole there is undoubtedly a world demand that will call for all that can be produced. The North American available supply increased last week 314,000 bushels. That was in rather striking contrast with the decrease in the same week last year of close to 3,000,000 bushels. Yet the total supply available is still only 72,134,000 bushels, against 160,451,000 bushels a year ago and 176,924,000 at this time in 1916. A. Stamford White, the new President of the Chicago Board of Trade, in an address before that body says that a world shortage of wheat makes it imperative that further drastic Government action shall be taken to conserve supplies for the Allies. He adds that consumption must be reduced, as the Allies need wheat as much as they need men and munitions. In Argentina there was heavy liquidation by Allied brokers and German interests were said to be supporting, hoping to sustain values. Trading was on a large scale. To-day wheat was still firm on the smallness of stocks.

DAILY CLOSING PRICES OF WHEAT IN NEW YORK.

No. 2 red	cts. 225	Sat. 226	Mon. 226	Tues. 226	Wed. 226	Thurs. 226	Fri. 226
No. 1 springs	cts. 229	Sat. 229	Mon. 229	Tues. 229	Wed. 229	Thurs. 229	Fri. 229

Indian corn has fluctuated but slightly, especially as compared with the big price movements of some time ago. Prices declined somewhat. There is talk of establishing maximum prices on cash corn as well as oats. President A. Stamford White, of the Chicago Board of Trade, takes the ground that maximum prices for cash corn, oats, rye and barley are a necessity. It is assumed that no minimum will be necessary. The railroad situation throughout the West shows little improvement. Another storm in Indiana and eastward made transportation over Eastern lines still more difficult. Very little grain has been moving in any section. This may continue to be the case until after the January thaw. It is assumed that that is the only thing that will give decided relief. It is estimated that the Eastern roads have anywhere from 20,000 to 40,000 box cars belonging to the grain roads of the West. Until these can be returned, it is argued that there is little use to look for much improvement in the situation. This has certainly been an unfortunate season. The corn was green and frost nipped it, it is stated, before the moisture was out of it. Warm weather might cause considerable deterioration. Just now supplies from Argentina are being drawn upon to some extent. In fact, Argentina may play an important part in the New York trade in corn. Ordinarily it would be little regarded. An effort is being made to have corn substituted for wheat. The trouble is to get the corn. But determined efforts are being made at the West to remedy the existing situation, and it is hoped that before long shipments Eastward will greatly increase. Last week the North American visible supply increased 616,000 bushels, but this was over half a million bushels less than the increase in the same week last year, and the total supply is still only 4,703,000 bushels, against 9,496,000 a year ago and 14,195,000 at this time in 1916. Contracts are still selling very close to the maximum price of \$1.28. This of itself tends to restrict trading. It certainly keeps fluctuations within very narrow bounds. Meanwhile, however, the recent very cold weather at the West is believed to have been highly favorable for the crop as an unusually large proportion of it was soft. It looks to many as though the grading would improve in the near future. On the other hand, country shippers have been more willing to sell. More cars are being loaded than is generally believed. Argentina corn, as we have seen, may compete with American on perhaps a larger scale than usual. In Liverpool the market has been dull and easier. They expect larger shipments from Argentina to America. The crop there is looking better. American offerings, it is true, are moderate, but in Liverpool they expect increasing receipts. They believe that arrivals at the seaboard will be larger before long. The demand from consumers is good, but the actual consumption in England is

regulated. At the same time the Continental demand at Liverpool is urgent. Cash prices fell sharply early in the week, in some cases at the West. New rules have just been issued by Illinois Public Utilities Commission governing inspection of grain on review or inspection. A review costs one dollar. Reinspection costs \$1.50, replaces old special inspection and calls for fresh samples from cars. To-day prices were a shade higher. But they are a little lower for the week.

DAILY CLOSING PRICES OF CORN IN NEW YORK.

No. 3 yellow	cts. 181	Sat. 180 1/2	Mon. 177	Tues. 177	Wed. 177	Thurs. 182	Fri. 182
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DAILY CLOSING PRICES OF CORN FUTURES IN CHICAGO.

January delivery in elevator	cts. 127 1/2	Sat. 127 1/2	Mon. 127 1/2	Tues. 127 1/2	Wed. 127 1/2	Thurs. 127 1/2	Fri. 127 1/2
May delivery in elevator	cts. 125 1/2	Sat. 125 1/2	Mon. 124 3/4	Tues. 124 3/4	Wed. 124 3/4	Thurs. 124 3/4	Fri. 124 3/4

Oats like corn, have fluctuated within a very limited compass, pending further developments. The export demand has been slow. The railroad situation hurts foreign as well as domestic business. Very little grain has latterly been moved out of Chicago. Northwestern markets have been weaker. And early in the week Argentina prices dropped 1 to 1 1/2 cents. In Liverpool prices have been easier with increased arrivals. Argentina is offering more freely there. And the quality is fine. Irish oats are in larger supply there and finally moreover Chilean arrivals are larger. It is true on the other hand that the demand for American oats in Liverpool continues. The Continent is buying on a liberal scale. With continued cold weather in England the feeding is large. In North America the available supply decreased last week 553,000 bush., as against a decrease of approximately 2,700,000 bush. in the same week last year. The total supply is now 26,736,000 bush. against 40,000,000 more than this last year and 16,000,000 more in 1916. It is contended by the new President of the Chicago Board of Trade that maximum cash prices should be fixed on oats as well as corn, rye and barley. Meantime the movement is greatly restricted by the recent big storms and car scarcity. Four hundred thousand bushels of oats will be shipped from an Atlantic port to France within a short time. In Argentina trading is neglected. The final settlement of the Allied purchases will result in a better merchantable outlook and holders will remain reserved, as it is recognized that world's need for grain is unprecedented. To-day prices advanced. Receipts were very small. For the week prices, however, are a trifle lower.

DAILY CLOSING PRICES OF OATS IN NEW YORK.

Standards	cts. 97 1/2	Sat. 99 1/2	Mon. 99 1/2	Tues. 97 @ 99	Wed. 98 @ 100	Thurs. 100	Fri. 100
No. 2 white	cts. 97 1/2	Sat. 100	Mon. 100	Tues. 97 @ 99	Wed. 98 @ 100	Thurs. 100	Fri. 100

DAILY CLOSING PRICES OF OATS FUTURES IN CHICAGO.

January delivery in elevator	cts. 80 1/2	Sat. 79 1/2	Mon. 78 3/4	Tues. 78 3/4	Wed. 78 1/2	Thurs. 79 3/4	Fri. 79 3/4
May delivery in elevator	cts. 77 1/2	Sat. 76 3/4	Mon. 76	Tues. 75 1/2	Wed. 75 1/2	Thurs. 76 3/4	Fri. 76 3/4

The following are closing quotations:

FLOUR.

Winter, low grades	-----	Spring, low grades	-----
Winter patents	-----	Kansas straights, sacks	-----
Winter straights	-----	Kansas clears, sacks	10 60 @ 11 00
Winter clears	-----	City patents	11 50
Spring patents	-----	Rye flour	10 00 @ 10 25
Spring straights	-----	Buckwheat flour	-----
Spring clears	-----	Graham flour	-----

GRAIN.

Wheat—per bushel—f. o. b.—		Corn, per bushel—	
N. Spring, No. 1, new	\$2 29	No. 3 mixed	f. o. b. \$1 77
N. Spring, No. 2	2 26	No. 2 yellow kiln dried	2 00
Red winter, No. 2, new	2 26	No. 3 yellow	1 82
Hard winter, No. 2	2 25	Argentina	2 00
Oats, per bushel, new—		Rye, per bushel—	
Standard	\$1 00	New York	c. i. f. -----
No. 2, white	1 00	Western	c. i. f. \$1 07
No. 3, white	1 00	Barley, malting	1 50 @ 1 55
No. 4, white	1 00	Barley, feeding	1 30 @ 1 40

The statement of the movement of breadstuffs to market indicated below are prepared by us from figures collected by the New York Produce Exchange. The receipts at Western lake and river ports for the week ending last Saturday and since Aug. 1 for each of the last three years have been:

Receipts at—	Flour.	Wheat.	Corn.	Oats.	Barley.	Rye.
	bbls. 196 lbs.	bush. 60 lbs.	bush. 56 lbs.	bush. 56 lbs.	bush. 48 lbs.	bush. 56 lbs.
Chicago	125,000	114,000	1,444,000	1,631,000	35,000	40,000
Minneapolis	-----	1,753,000	474,000	1,010,000	1,146,000	262,000
Duluth	-----	156,000	-----	6,000	75,000	17,000
Milwaukee	12,000	38,000	88,000	228,000	143,000	34,000
Toledo	-----	40,000	42,000	108,000	-----	-----
Detroit	6,000	23,000	82,000	58,000	-----	-----
Cleveland	20,000	22,000	59,000	45,000	2,000	1,000
St. Louis	38,000	169,000	434,000	514,000	40,000	9,000
Peoria	32,000	45,000	636,000	182,000	27,000	18,000
Kansas City	-----	176,000	676,000	279,000	-----	-----
Omaha	-----	255,000	7,082,000	612,000	-----	-----
Total wk. '18	233,000	2,804,000	5,037,000	4,693,000	1,485,000	371,000
Same wk. '17	426,000	5,653,000	6,369,000	3,736,000	1,679,000	470,000
Same wk. '16	413,000	7,815,000	5,575,000	5,645,000	2,309,000	420,000
Since Aug. 1—						
1917-18	7,834,000	127,501,000	68,759,000	173,632,000	23,936,000	16,096,000
1916-17	8,983,000	229,093,000	99,240,000	187,207,000	38,895,000	16,142,000
1915-16	10,666,000	332,404,000	95,910,000	149,472,000	69,546,000	16,226,000

The exports from the several seaboard ports for the week ending Jan. 12 are shown in the annexed statement:

	Wheat.	Corn.	Flour.	Oats.	Rye.	Barley.	Peas.
	bushels.	bushels.	barrels.	bushels.	bushels.	bushels.	bushels.
New York	605,115	-----	12,803	-----	651,400	142,046	3,000
Baltimore	321,732	-----	-----	562,850	161,000	-----	-----
New Orleans	48,000	83,000	-----	583,000	-----	980,000	-----
Galveston	19,000	-----	-----	-----	109,000	128,000	-----
Total week	993,847	83,000	12,803	2,004,850	931,400	12,500	3,000
Week 1917	4,810,430	1,731,284	295,426	1,271,413	675,595	243,238	8,543

The destination of these exports for the week and since July 1 1917 is as below:

Exports for Week and Since July 1 to—	Flour.		Wheat.		Corn.	
	Week Jan. 12 1918.	Since July 1 1917.	Week Jan. 12. 1918.	Since July 1 1917.	Week Jan. 12 1918.	Since July 1 1917.
	Barrels.	Barrels.	Bushels.	Bushels.	Bushels.	Bushels.
United Kingdom	1,015,148	425,000	20,581,043	40,000	3,861,849	3,861,849
Continent	12,893	1,605,453	568,247	21,986,298	3,696,692	3,696,692
So. & Cent. Amer.	-----	1,164,492	-----	19,384	43,000	369,224
West Indies	-----	289,271	-----	4,234	-----	29,466
Brit.No.Am.Cols.	-----	5,250	-----	-----	-----	-----
Other Countries	-----	54,129	-----	32,190	-----	4,951
Total	12,893	3,185,743	993,847	42,623,049	83,000	7,962,212
Total 1916-17	295,426	8,130,517	4,810,430	158,773,020	1,731,284	24,140,973

Total receipts of flour and grain at the seaboard ports for the week ended Jan. 12 1918 follow:

Receipts at—	Flour.		Wheat.		Corn.		Oats.	Barley.	Rye.
	Barrels.	Bushels.	Bushels.	Bushels.	Bushels.	Bushels.			
New York	188,000	848,000	4,000	162,000	73,000	125,000	-----	-----	-----
Philadelphia	26,000	216,000	50,000	156,000	1,000	19,000	-----	-----	-----
Baltimore	62,000	45,000	24,000	77,000	-----	99,000	-----	-----	-----
New Orleans*	137,000	31,000	33,000	22,000	-----	-----	-----	-----	-----
Montreal	18,000	231,000	-----	116,000	70,000	4,000	-----	-----	-----
Boston	38,000	16,000	8,000	95,000	-----	11,000	-----	-----	-----
Total wk. '18	389,000	1,387,000	169,000	1,497,000	144,000	258,000	-----	-----	-----
Since Jan. 1 '18	811,000	2,065,000	341,000	2,530,000	194,000	396,000	-----	-----	-----
Week 1917	425,000	4,855,000	2,034,000	2,114,000	546,000	409,000	-----	-----	-----
Since Jan. 1 '17	728,000	8,085,000	3,394,000	4,394,000	771,000	660,000	-----	-----	-----

* Receipts do not include grain passing through New Orleans for foreign port on through bills of lading.

The world's shipments of wheat and corn for the week ending Jan. 12 1918 and since July 1 1917 and 1916 are shown in the following:

Exports.	Wheat.			Corn.		
	1917-18.		a1916-17.	1917-18.		a1916-17.
	Week Jan. 12.	Since July 1.	Since July 1.	Week Jan. 12.	Since July 1.	Since July 1.
North Amer*	Bushels.	Bushels.	Bushels.	Bushels.	Bushels.	Bushels.
Russia	3,565,000	159,232,000	199,396,000	110,000	14,307,000	23,453,000
Danube	-----	-----	6,352,000	-----	-----	-----
Argentina	256,000	8,676,000	36,888,000	594,000	11,896,000	77,932,000
Australia	560,000	26,416,000	23,984,000	-----	-----	-----
India	98,000	10,024,000	22,338,000	-----	-----	-----
Oth. countr's	85,000	1,402,000	2,452,000	84,000	2,134,000	4,186,000
Total	4,564,000	205,760,000	291,210,000	788,000	28,337,000	105,576,000

* North America.—The Canadian Government has officially prohibited the issuance of both manifests and exports until after ten days. This is effective during the continuance of the war. a Revised.

The quantity of wheat and corn afloat for Europe on dates mentioned was as follows:

	Wheat.			Corn.		
	United Kingdom.		Total.	United Kingdom.		Total.
	Bushels.	Bushels.		Bushels.	Bushels.	
Jan. 12 1918	Not available	Not available	-----	Not available	Not available	-----
Jan. 5 1918	Not available	Not available	-----	Not available	Not available	-----
Jan. 13 1917	Not available	Not available	-----	Not available	Not available	-----
Jan. 15 1916	-----	-----	41,104,000	-----	-----	17,238,000

The visible supply of grain, comprising the stocks in granary at principal points of accumulation at lake and seaboard ports Jan. 12 1918 was as follows:

	GRAIN STOCKS.					
	Wheat bush.	Corn bush.	Oats bush.	Rye bush.	Barley bush.	Total.
United States—						
New York	481,000	-----	898,000	220,000	621,000	-----
Boston	8,000	10,000	356,000	22,000	-----	-----
Philadelphia	327,000	36,000	377,000	27,000	21,000	-----
Baltimore	278,000	382,000	321,000	214,000	12,000	-----
Newport News	-----	-----	190,000	-----	-----	-----
New Orleans	16,000	571,000	1,539,000	55,000	917,000	-----
Galveston	8,000	19,000	-----	44,000	100,000	-----
Buffalo	10,015,000	12,000	225,000	168,000	843,000	-----
" afloat	-----	-----	348,000	-----	-----	-----
Toledo	613,000	37,000	173,000	12,000	-----	-----
Detroit	137,000	41,000	173,000	39,000	-----	-----
Chicago	1,087,000	668,000	6,132,000	280,000	454,000	-----
Milwaukee	860,000	78,000	660,000	142,000	171,000	-----
Duluth	983,000	4,000	19,000	48,000	253,000	-----
Minneapolis	476,000	85,000	1,194,000	555,000	956,000	-----
St. Louis	107,000	72,000	671,000	135,000	1,000	-----
Kansas City	1,270,000	551,000	1,153,000	110,000	-----	-----
Peoria	14,000	85,000	659,000	-----	-----	-----
Indianapolis	37,000	325,000	489,000	-----	-----	-----
Omaha	645,000	255,000	625,000	38,000	29,000	-----
Total Jan. 12 1918	17,363,000	3,531,000	16,101,000	2,109,000	4,378,000	-----
Total Jan. 5 1918	17,671,000	3,155,000	16,873,000	2,097,000	3,531,000	-----
Total Jan. 13 1917	53,500,000	7,977,000	46,509,000	2,836,000	4,991,000	-----
Total Jan. 15 1916	69,897,000	11,892,000	21,065,000	2,038,000	3,949,000	-----
Note.—Bonded grain not included above: Oats, 61,000 New York, 924,000 Buffalo, 704,000 Buffalo afloat, 7,000 Duluth; total, 1,686,000 bushels, against 1,938,000 in 1916; and barley, 240,000 in New York, 3,000 Duluth, 132,000 Buffalo; total, 375,000, against 736,000 in 1916.						
Canadian—						
Montreal	4,251,000	17,000	553,000	21,000	67,000	-----
Ex. William & Pt. Arthur	6,499,000	-----	4,002,000	-----	-----	-----
" afloat	2,403,000	-----	-----	-----	-----	-----
Other Canadian	5,961,000	-----	2,488,000	-----	-----	-----
Total Jan. 12 1918	19,024,000	17,000	7,043,000	21,000	67,000	-----
Total Jan. 5 1918	19,456,000	12,000	6,429,000	19,000	69,000	-----
Total Jan. 13 1917	33,478,000	15,000	26,232,000	11,000	140,000	-----
Total Jan. 15 1916	30,069,000	8,000	16,024,000	23,000	64,000	-----
Summary—						
American	17,363,000	3,531,000	16,101,000	2,109,000	4,378,000	-----
Canadian	19,024,000	17,000	7,043,000	21,000	67,000	-----
Total Jan. 12 1918	36,387,000	3,548,000	23,144,000	2,130,000	4,445,000	-----
Total Jan. 5 1918	37,026,000	3,167,000	23,302,000	2,116,000	3,600,000	-----
Total Jan. 13 1917	86,978,000	7,992,000	71,741,000	2,847,000	5,131,000	-----
Total Jan. 15 1916	99,966,000	11,900,000	27,089,000	2,851,000	4,013,000	-----

THE DRY GOODS TRADE.

New York, Friday Night, Jan. 18 1918.

As with every line of business throughout the Eastern section of the country, the dry goods trade was thrown into a general state of unsettlement during the latter part of the week by the action of the Fuel Administrator in ordering a shut-down of all industries during the next five days and nine consecutive Mondays, the latter beginning with Jan. 28. While every one knows that this action was due to the coal shortage, and that the situation as regards fuel at manufacturing centres has been serious, few in the trade looked for such a drastic step to be taken. The closing down of the mills no doubt will be severely felt, but as both merchants and manufacturers during the past two or three years have been subjected to so many unsettling and unforeseen developments, it did not take them long to become reconciled to the latest occurrence. In view of the many protests sent to Washington against the action of the Fuel Administrator, some thought it quite likely that the order will be modified. It was an assured fact that some further curtailment of production had been contemplated, but it was generally thought that it would be in the way of differentiating between essentials and non-essentials. The production of many lines of goods at present is considered vitally essential both as regards military and civilian needs. Heavy inroads have been made in stocks in first and second hands, while production has not been equal to consumption as mills have had adverse labor, fuel and raw material situations to contend with. Transportation conditions have also been unfavorable, and the distribution of goods has been greatly delayed. It is expected, however, that the closing down of industries for the period specified will give railroads an opportunity to clear the freight congestion and improve distribution. During the early part of the week, and before the Fuel Administrator's order was announced, there was a good demand for goods with business checked by the scarcity of supplies. There was more snap to the demand for printcloths, and sales were made at firm prices for shipment through the spring months. An active inquiry was likewise noted for sheetings though business was hampered by small supplies available for prompt delivery.

DOMESTIC COTTON GOODS.—Prior to the issuance of the Fuel Administrator's order to suspend mill operations, demand for staple cotton goods continued to show improvement with the tendency of prices upward. Mills were not pressing sales but they were more willing to accept business than for some time past. Wide sheetings in particular were in active request, while offerings were far from being sufficient to meet the demand. The suspension of mills operations and consequent decreased production will now make the shortage more acute. Fall dress goods of a staple character have been put on display, and as the fabrics are heavy in weight they are expected to become very popular, and especially so in view of the scarcity of woollens and worsteds. The demand for gingham has also been very active, and many mills are said to be making every effort to increase their output in order to meet the increased consumption of this class of goods. Markets for gray goods continue firm, and both first and second hands are obtaining full prices whenever they are able to guarantee delivery. Gray goods, 38 1/2-inch standard, are quoted at 12 3/4c.

WOOLEN GOODS.—Although demand for woollens and worsteds has been less active, prices rule firm with every indication of their remaining so for some time to come. Supplies for civilian purposes are still difficult to obtain, and it is fully realized that the amount available for the year will be much smaller than last year. Furthermore, many of overcoatings and suitings that have been placed on sale contain cotton mixture. All lines of knit goods continue scarce, with prices advancing. Underwear buyers are reported in the market for liberal supplies of goods, but are finding pure wool fabrics very scarce and hard to secure. In retail centres there is a greater amount of silk goods shown in lieu of the usual display of woollens and worsteds. No material improvement is noted in the raw material situation, where supplies continue light and prices high.

FOREIGN DRY GOODS.—More activity has been noted in the markets for linens despite the many adverse factors surrounding the situation. Notwithstanding the prevailing high prices and dearth of supplies, road salesmen are sending in fair sized orders and report improvement in the inquiry in various parts of the country. On the other hand, importers are not pressing sales, as advices from abroad indicate that mills are finding it difficult to fill orders already accepted from this side. Government requirements are increasing to such an extent that mills are unable to guarantee deliveries for civilian account. The situation in Russia has led the trade to believe that there will be very little flax available from that country during the present year. Cotton substitutes continue to receive a favorable reception and are being purchased freely by both jobbers and retailers. Many merchants are advising American consumers, who are in a position to do so, to purchase all the household linens they will need for some time to come, while the January white sales are on as in view of the British embargo on flax and its manufacture other than war needs, indications point to very much higher prices later in the season. Quite a good demand is reported for burlaps, and with supplies light, prices have ruled firm. Light weights are quoted at 17.20c, and heavy weights at 21.00c.

STATE AND CITY DEPARTMENT.

NEWS ITEMS.

Fergus County (P. O. Lewiston), Mont.—High-School Bonds Upheld.—The \$100,000 5% coupon county free high-school-building bonds awarded on June 12 last to the First National Bank of Lewiston at 100.05—V. 104, p. 2571—were declared valid by the State Supreme Court on Dec. 24, thereby affirming the decision of the District Court.

Illinois (State of).—“Blue Sky” Law Ruling.—See reference to this in last week’s issue of our paper, page 133.

Kentucky (State of).—Legislature Ratifies National Prohibition Amendment.—See reference in our editorial columns this week.

Mississippi (State of).—Legislature Ratifies National Prohibition Amendment.—See reference in our editorial columns last week.

New York City.—Present Status of City’s Finances.—According to a detailed statement submitted to Mayor Hylan on Jan. 14 by Compt. Charles L. Craig, the debt incurring power of this city on Jan. 1, when the present administration took office, was \$50,270,155 96, against which the Comptroller states “there were commitments, unencumbered balances of authorizations of corporate stock for public improvements, and reserves made on July 2 1914 by the Board of Estimate and Apportionment for the South Brooklyn Marginal Railroad, aggregating altogether \$31,851,077 05, and thus leaving a margin, free from all encumbrances of \$18,419,078 91 available for additional specific authorization for any municipal purposes which the Board of Estimate and Apportionment may determine.” The Comptroller then adds:

These contingent encumbrances against the city’s legal right to incur further debt may be summarized in the following general groups: Commitments for rapid transit purposes under contracts No. 1 and No. 2 (including the Saratoga award of \$1,864,109 33), to be ultimately liquidated by corporate stock, \$2,207,100; unencumbered balances of authorizations of corporate stock heretofore made by the Board of Estimate and Apportionment at various dates for dock improvements, \$973,104 69; unencumbered balances of authorizations of corporate stock for the acquisition of sites and for the building, extension and equipment of school houses, \$11,810,814 29; unencumbered balances of authorizations for all other municipal purposes not included in the foregoing, \$7,010,786 51. Total, \$22,001,805 49. Reserve made by Board of Estimate and Apportionment on July 2 1914: For South Brooklyn Marginal RR., \$9,492,004 83; balance of reserve for dock, port and terminal improvements, \$357,266 73. Total, \$31,851,077 05.

The above items, the Comptroller points out, are merely contingent upon the \$50,270,155 96 debt limit, as they were made by the previous administration and might be rescinded or modified by the new Board of Estimate. The Comptroller estimates that the total available debt-incurring power to Dec. 31 1918 will be \$63,212,415 64. Charged against this total are certain commitments and estimated new requirements during 1918, amounting to \$52,351,077 05, leaving the unencumbered remainder of the debt limit for this year at \$10,861,338 59. The estimated requirements during 1918 are summarized as follows:

Table with 2 columns: Description of requirements and Amount. Includes items like 'Irrevocable commitments for rapid transit purposes under contracts Nos. 1 and 2', 'Estimated requirements for Street Improvement Fund', and 'Estimated cost of Classon Ave. sewer, Brooklyn, approx. at.'.

The total funded debt of the city is described by Comptroller Craig as follows:

The total funded debt of the city (long-term corporate stock, corporate stock notes, serial bonds, assessment bonds and “general fund” bonds) aggregated \$1,469,448,477 26.

Of this total the “general fund” bonds amounted to \$254,500,000, which reflects the total amount of unneeded surplus revenues of the old sinking fund of the City of New York, which, since 1903, have been transferred therefrom and used, in accordance with law, for general administrative purposes. When, in 1829, all of the debt redeemable by this sinking fund will have matured, these “general fund” bonds, together with all additions thereto, will simply be canceled and destroyed.

The total funded debt of the city which is therefore redeemable is \$1,214,948,477 26.

Of this grand total the sinking funds hold—plus cash available for redemption, \$194,277,375 01.

Consequently, the net amount of the funded debt (consisting of corporate stock, corporate stock notes, serial bonds, and assessment bonds, for which redemption provision must still be made) aggregates \$1,020,671,102 25.

The grand total of the funded debt, aggregating \$1,214,948,477 26, is redeemable through the following general sources: By the sinking funds, \$1,098,679,951 62; corporate stock notes, to be subsequently taken up by corporate stock, \$18,447,000; 15-year serial bonds; redeemable annually in stated proportions, \$43,171,580; long-term bonds of former municipalities, redeemable from direct appropriations in annual tax budgets, \$25,303,451 68; bonds redeemable directly from water revenue assessment bonds, \$29,101,493 96.

From the foregoing it may be noted that of the total funded debt issued by the City of New York, and the former municipalities consolidated therewith on Jan. 1 1898, there is \$1,098,679,951 62 redeemable through the seven sinking funds still maintained and administered by the city. These consist of: (1) The Sinking Fund of the City of New York, whose function it is to redeem all of the corporate stock issued by the present City of New York since Jan. 1 1898, for all purposes other than bonds issued since Jan. 1 1910, for rapid transit, and other than water bonds issued by the Greater City since consolidation; (2) the Water Sinking Fund of the City of New York, which has to redeem all of the water bonds issued by the Greater City; (3) the Rapid Transit Sinking Fund, through which will be redeemed all of the rapid transit bonds issued since Jan. 1 1910; (4) the old Sinking

Fund of the City of New York for the redemption of Debt, No. 1, which has to redeem the balance of the outstanding long-term bonds issued by the City of New York prior to 1898; (5) the Sinking Fund of the City of Brooklyn, the function of which is to redeem long-term bonds issued by said former municipality. The annual income from the investments held by this sinking fund is adequate to provide for the liquidation of all of the debt redeemable therefrom without any further installment in any annual tax budget; (6) the Water Sinking Fund of the City of Brooklyn, which has to redeem the small remaining balance of the water bonds issued by the former City of Brooklyn prior to 1898. The investments and other assets of this sinking fund, consisting of the surplus water revenues of Brooklyn, are several millions of dollars greater than all of the liabilities of the fund, but it must still be continued and administered until all of the bonds redeemable therefrom mature; (7) the Sinking Fund of Long Island City, established for the redemption of \$35,000 of fire bonds issued by that former municipality prior to 1898. The income from the investments held by this sinking fund is sufficient to provide for the redemption of all its bonds when these mature, without any further appropriation therefor in any tax budget.

Former Comptroller William A. Prendergast submitted a similar statement at the request of Judge Hylan in December, before the new Mayor assumed his duties, to which we referred at length in these columns on the 22d of that month.

North Dakota (State of).—Special Session of Legislature.—Local papers state that for the second time in the history of North Dakota, a special session of the Legislature was called by Governor Lynn Frazier, to convene at 9 a. m. Jan. 23, for the purpose of enacting legislation which will relieve the feed and seed situation throughout the State, and to provide for any other war measures that may be deemed advisable. It is likely, it is said, that the special session will take up the national prohibition amendment.

St. Clair County (P. O. Osceola), Mo.—County Treasurer Removed from Office.—The Board of County Supervisors on Dec. 27 removed from office County Treasurer Fred Warning. This action, it is said, was taken on receipt of a report from the County Auditor and from the Committee of Salaries and Accounts, that Mr. Warning was short \$79,000 in his accounts.

It is further stated that the attorney for Mr. Warning asked that the Supervisors delay action, saying his client was sick and therefore was unable to comply with the demand for an accounting. Members of the committee said they had called on the Treasurer several times for an account of the funds, but his replies had been evasive.

The County Auditor, it is said, reported that Mr. Warning was short \$48,000 as County Treasurer, and \$31,000 as County Collector.

San Juan, Porto Rico.—Bond Offering.—Frank McIntyre, Chief of the Bureau of Insular Affairs at Washington, D. C., and R. H. Todd, Mayor of San Juan, will receive proposals until Jan. 22 for \$300,000 6% registered gold notes to be used for the purpose of constructing works for the supplying of water, constructing and repairing roads and other conveniences, to facilitate and aid the Federal Government of the United States in the establishment and maintenance of military camps and cantonments and for other purposes.

Authority resolution passed by the Porto Rico Legislature and approved Oct. 31 1917. Denominations \$1,000. Date Jan. 1 1918. Principal and semi-annual interest (J. & J.) payable at such places as shall be designated by the Mayor of San Juan with the approval of the Municipal Council. Due yearly on Jan. 1 as follows:

Table with 4 columns: Year, Amount, and other details. Shows payments for 1919, 1920, 1921, 1922, 1923, 1924.

The official circular states that in case all the notes are not issued at one time, the series first falling due will be issued first and the others in the order in which they fall due. Notes maturing after Jan. 1 1923 are subject to redemption at the option of the municipality at par on said date or on any interest payment date thereafter.

The principal and interest of this issue of notes will be payable without the deduction of any tax or governmental charge to which it may be subject or which the municipality may be required to pay or retain therefrom under any present or future law of the United States of America or by any State, Territory, county, municipality or other taxing authority therein.

The principal and interest of notes are payable out of the proceeds of a special tax of .15 of 1% to be levied on all the taxable real and personal property of the municipality, in addition to all other taxes every year. Such part of the proceeds of the special tax as shall not be necessary to pay the principal and interest as they fall due, is to be paid into a sinking fund for the payment of future installments of the principal and interest, and for the refunding of notes of this issue. If at any time the receipts from the special tax are insufficient with the amount in the sinking fund to meet payments of principal and interest as they fall due, the deficiency is to be made up either from the general funds of the municipality or by raising the special tax limited to .25 of 1% as may be necessary.

Virginia (State of).—Legislature Ratifies Prohibition Amendment.—Reference is made this week in our editorial columns.

BOND PROPOSALS AND NEGOTIATIONS this week have been as follows:

ADAMS COUNTY (P. O. Council), Ida.—BOND SALE.—The \$100,000 road and bridge bonds offered without success on Aug. 15—V. 105, p. 924—have been awarded to Keeler Bros. of Denver at 101.979.

ALLEN COUNTY (P. O. Ft. Wayne), Ind.—BOND SALE.—The \$50,000 4% 19-year hospital bonds offered on April 10 last—V. 104, p. 1073—were awarded on Oct. 15 to the German-American Nat. Bank of Ft. Wayne.

ALLEN COUNTY (P. O. Lima), Ohio.—BOND SALE.—The two issues of 5% coupon road impt. bonds aggregating \$28,480 offered without success on July 2—V. 105, p. 199—were awarded to Well, Roth & Co. of Cincinnati for \$28,492 (100.042) int.

ALTOONA, Blair County, Pa.—BOND SALE.—As a matter of record we report that on Jan. 1 1917 \$21,100 and on July 1 \$97,200 5% public impt. bonds were purchased by the contractors. The bonds are dated Jan. 1 and July 1 1917, respectively. Due in 10 years and subject to call.

AMARILLO, Potter County, Tex.—BOND ELECTION PROPOSED.—Reports state that the City Commissioners will probably call an election at an early date to vote on the question of issuing \$200,000 municipal electric-light-plant bonds.

APLINGTON CONSOLIDATED INDEPENDENT SCHOOL DISTRICT (P. O. Aplington), Butler County, Iowa.—BOND SALE.—On Jan. 12 the \$10,000 5% 20-yr. school completion bonds—V. 106, p. 205—were awarded to Geo. M. Bechtel & Co. of Davenport for \$10,193 equal to 101.93. Date Feb. 1 1918. Int. M. & N.

ARAPAHO, Custer County, Okla.—BOND SALE.—An issue of \$3,400 6% funding bonds has been purchased by Geo. W. & J. E. Piersol

of Oklahoma City at par. Denoms. 3 for \$1,000 and 1 for \$400. Date Aug. 1 1917. Int. F. & A. Due Aug. 1 1942.

ASHEVILLE, Buncombe County, No. Caro.—BOND OFFERING.—Proposals will be received until 12 m. Jan. 28 by F. L. Conder, Secretary-Treasurer, for \$127,000 local impt. bonds not to exceed 6% int. Denom. \$1,000. Date February 1 1918. Principal and semi-annual interest (F. & A.) payable in New York. Due \$7,000 yearly on Feb. 1 from 1920 to 1936 incl. and \$8,000 on Feb. 1 1937. Cert. check on an incorporated bank or trust company for \$2,540 required. Bids to be made on forms furnished by city or said trust company. Official circular states that the city has never defaulted in the payment of principal or interest. Bonds to be delivered at office of U. S. Mtge. & Trust Co., N. Y., Feb. 11. Purchaser to pay accrued interest. The above trust company will certify as to the genuineness of the signatures and the seal impressed upon the bonds, and their legality will be examined by Caldwell & Masslich, of New York, whose favorable opinion will be furnished purchaser without charge. Bonded debt (incl. this issue), \$2,520,251; water debt (included), \$370,000; floating debt, \$422,051; sinking funds, \$32,607; assessed valuation, taxable property, 1917, \$17,911,125; estimated value, \$27,000,000 value of municipal property, \$2,986,792.

ASHLAND, Jackson County, Ore.—BOND OFFERING.—Proposals will be received until 6 p. m. Jan. 22, it is stated, by John B. Wimer, City Recorder, for \$46,500 5-20-year opt. refunding bonds at not to exceed 5 1/2% int. Int. semi-ann. Certified check for 2% of the amount of bonds bid for required.

AZUSA SCHOOL DISTRICT, Los Angeles County, Calif.—BONDS VOTED.—Reports state that this district recently voted \$50,000 grammar-school bonds.

BONDS PROPOSED.—The issuance of \$150,000 high-school bonds is being considered, it is stated.

BALFOUR SCHOOL DISTRICT (P. O. Balfour), McHenry County, No. Dak.—NO BOND ELECTION TO BE HELD.—In answer to our inquiry as to whether an election was to be held to vote on the issuance of the \$8,500 building bonds mentioned in V. 104, p. 179—the Board of Education replies "nothing doing."

BINGHAMTON, Broome County, N. Y.—BOND SALE.—This city sold at par and int. on Dec. 29 \$10,000 4 1/2% bonds as follows: \$7,000 school bonds to the Police Relief & Pension Fund, 6,600 street bonds as follows: \$2,500 to Fire Relief & Pension Fund, \$3,500 to Sinking Fund and \$500 to the Police Relief & Pension Fund, 2,500 charities deficiency bond to the First National Bank of Binghamton.

BONNER COUNTY (P. O. Sandpoint), Ida.—BOND SALE.—R. M. Grant & Co. of Chicago purchased on Dec. 30 \$100,000 5 1/2% road and bridge bonds at 100.78. Denom. \$1,000. Date Jan. 1 1918. Int. J. & J. Due in 1937.

BOONE COUNTY (P. O. Belvidere), Ills.—BONDS DEFEATED.—The issuance of \$400,000 road bonds failed to carry at the election held Jan. 9—V. 105, p. 2198. The vote was 788 "for" and 1,470 "against."

BRANDON GRADED SCHOOL DISTRICT (P. O. Brandon), Rutland County, Vt.—BOND SALE.—On Jan. 15 the \$60,000 4% refunding bonds—V. 106, p. 102—were awarded to the Rutland Sav. Bank, Rutland, at par.

BROOKLINE, Norfolk County, Mass.—TEMPORARY LOAN.—The Town Treasurer on Jan. 15 awarded the \$120,000 notes which are being put out in anticipation of a bond issue maturing July 15—V. 106, p. 205—to Salomon Bros. & Hutzler of New York at 4.86% discount.

BUCHANAN COUNTY (P. O. St. Joseph), Mo.—BOND ELECTION.—The proposition to issue the \$2,000,000 road bonds will be submitted to the voters on Jan. 24, it is stated.—V. 105, p. 2561.

BUFFALO, N. Y.—BONDS AUTHORIZED.—The following nine issues of bonds aggregating \$1,520,000 were recently authorized by Council: \$480,000 School bonds 30-year serial, 200,000 Trunk sewer bonds, 50-year serial, 150,000 Buffalo River improvement bonds, 30-year serial, 230,000 Repairs to grade crossing structures bonds, 20-year serial, 100,000 Blvd Island pier improvement bonds, 25-year serial, 30,000 Park bonds, 10-year serial, 60,000 Underground Police & Fire Department wires bonds, 15-year serial, 45,000 Hamburg turnpike improvement bonds, 10-year serial, 225,000 Water bonds, 20-year term.

CALCASIEU NAVIGATION DISTRICT NO. 1 (P. O. Lake Charles), La.—BONDS OFFERED BY BANKERS.—William R. Compton & Co. of St. Louis are offering to investors \$250,000 5% coupon impt. bonds—V. 105, p. 1330. Denom. \$1,000. Date Feb. 1 1917. Int. and ann. int. payable at the Mechanics & Metal Nat. Bank, N. Y. Due on Feb. 1 as follows: \$6,000, 1918; \$7,000, 1919 and 1920; \$8,000, 1921; \$9,000, 1922; \$10,000, 1923 and 1924; \$11,000, 1925; \$12,000, 1926, 1927 and 1928; \$13,000, 1929; \$14,000, 1930 and 1931; \$15,000, 1932; \$16,000, 1933; \$17,000, 1934; \$18,000, 1935; \$19,000, 1936; and \$20,000, 1937. Assess val.:

Financial Statement (as officially reported).	
Estimated actual value taxable property	\$60,000,000
Assessed value of taxable property 1916	19,324,290
This issue constitutes the total indebtedness of the District and represents less than 1 1/2% of its assessed valuation.	
Population, U. S. Census, 1910	18,832
Population, 1917, estimated	23,000

CALDWELL, Canyon County, Idaho.—NO ACTION YET TAKEN.—No action has yet been taken looking towards the issuance of the \$30,000 municipal hospital erection bonds.—V. 105, p. 1225.

CHESTER, Delaware County, Pa.—BOND OFFERING.—Sealed proposals will be received until 10 a. m. Feb. 4 by Joseph Messick, Jr., Supt. of Accts. and Finance, for \$70,000 4 1/2% 30-yr. tax-free bonds. Denom. \$1,000. Date Jan. 1 1918.

The official notice of this bond offering will be found among the advertisements elsewhere in this Department.

CINCINNATI, Ohio.—BOND SALES IN 1917.—During the calendar year 1917 the city of Cincinnati issued \$2,629,300 general bonds and \$77,452 45 assessment improvement bonds. All of the assessment bonds were taken by the sinking fund at par and interest, as it is not the policy of this city to offer such securities at public sale. A full description of the general bonds sold is given below:

Amount.	Purpose.	Int. %	Date.	Maturity.
\$125,000	Waterworks improvement	4 1/2	Jan. 2 1917	Jan. 2 1937
53,500	Street improvement	4 1/2	Feb. 1 1917	Feb. 1 1937
40,000	Hospital improvement	4 1/2	Feb. 1 1917	Feb. 1 1937
200,000	Street improvement	4 1/2	Feb. 15 1917	Feb. 15 1922
210,000	Parks, playgrounds, &c.	4 1/2	Feb. 1 1916	Feb. 1 1968
2,800	Street improvement	4 1/2	Feb. 1 1917	Feb. 1 1927
2,500	do do	4 1/2	May 15 1917	May 15 1927
107,000	do do	4 1/2	May 15 1917	May 15 1937
6,000	Viaduct improvement	4 1/2	May 1 1917	May 1 1937
150,000	Street improvement	4 1/2	May 15 1917	May 15 1922
1,600	do do	4 1/2	June 1 1917	June 1 1927
800	Sewer improvement	4 1/2	July 1 1917	July 1 1937
18,000	Street improvement	4 1/2	July 15 1917	July 15 1937
5,000	Sewer improvement	4 1/2	Aug. 1 1917	Aug. 1 1927
50,500	Street improvement	4 1/2	Sept. 1 1917	Sept. 1 1947
414,000	do do	4 1/2	Sept. 1 1917	Sept. 1 1947
692,000	Millereck sewer	4 1/2	Sept. 3 1917	Sept. 3 1937
150,000	Parks, playgrounds, &c.	4 1/2	Feb. 1 1916	Feb. 1 1968
100,000	Fire department	4 1/2	Dec. 1 1917	Dec. 1 1937
340,000	Funding	4 1/2	Dec. 1 1917	Dec. 1 1937

* These bonds are redeemable after Feb. 1 1941.
 † These: two issues were sold at public sale on Oct. 15—see V. 105, p. 1635; all the remaining issues were purchased by the Sinking Fund at par and interest.

TEMPORARY LOANS ISSUED IN 1917.—This city negotiated three loans during the year 1917, aggregating \$1,000,000. The loans mature Feb. 28 1918 and are described as follows: \$42,000 issued Sept. 1, at 4 1/2% interest. 738,000 issued Sept. 17, at 5% interest. 220,000 issued Nov. 20, at 5% interest.

CINCINNATI, Ohio.—BONDS NOT SOLD—INTEREST RATE RAISED.—No bids were received, according to reports, for the \$1,000,000 4 1/2% 20-year funding bonds offered on Jan. 15—V. 105, p. 2473. The City Council has enacted an ordinance increasing the rate of interest to 5%, and the bonds will be re-advertised.

CLARK COUNTY (P. O. Jeffersonville), Ind.—BOND OFFERING.—James E. Gray, Co. Treas., will receive bids until 10 a. m. Jan. 23 for \$30,000 4 1/2% Ernest W. Rauth et al highway impt. bonds of Jeffersonville Twp. Denom. \$500. Date Dec. 3 1917. Int. M. & N. Due \$1,500 each six months from May 15 1919 to Nov. 15 1928, incl.

CLEVELAND, Ohio.—BOND SALES.—On Dec. 31 an issue of \$10,000 4 1/2% public-hall bonds was purchased by the Sinking Fund at par. Date June 1 1917. Due June 1 1967.

On Nov. 21 the Sinking Fund purchased \$1,000 4 1/2% street-opening bonds at par. Due June 1 1918.

CLEVELAND CITY SCHOOL DISTRICT, Cuyahoga County, Ohio.—BOND SALE.—On Jan. 14 the \$1,500,000 5% 1-20-year serial coupon school bonds—V. 106, p. 206—were awarded jointly to Hayden, Miller & Co., Harris, Forbes & Co. and the National City Co., all of New York, at 100.138.

CLINTON TOWNSHIP UNION SCHOOL DISTRICT NO. 1 (P. O. Mount Clemens, Macomb County, Mich.—BOND OFFERING.—Sealed proposals will be received until 7 30 p. m. Feb. 7 by Edward A. Helme, Secretary, for \$50,000 5% building bonds. Denom. \$1,000. Date Mar. 15 1918. Int. semi-ann. Due \$5,000 yearly on Mar. 15 from 1921 to 1930, incl. Certified check for 2% of the amount of bonds bid for required.

COLORADO SPRINGS, El Paso County, Colo.—BONDS SOLD DURING 1917.—The following bonds, aggregating \$203,000, were issued during the calendar year ending Dec. 31 1917:

Amount.	Purpose.	Int. Maturity.	Sold.	Purchaser.	Price Paid.
\$150,000	Water works	4 1/2% at 1927-1932	July	Local banks	94.59
\$3,000	Refunding water	4 1/2% at 1914-1948	July	Local banks	100.00
* The sale of \$125,000 has already been reported in these columns.					
a Subject to call in and after the earlier year and mature in the later year.					

CONCORD RURAL SCHOOL DISTRICT (P. O. Urbana), Champaign County, Ohio.—BOND ELECTION.—An election will be held Feb. 5, it is stated, to vote on the question of issuing \$4,500 school bonds.

CONEMAUGH TOWNSHIP, Cambria County, Pa.—BOND OFFERING.—The Treasurer of the National Bank of Johnstown will receive proposals, it is stated, until Jan. 29 for \$27,000 5% 5 1-16-year aver. bonds. Cert. check for \$500 required.

COOPERSTOWN (Village), Otsego County, N. Y.—BOND SALE.—The \$25,000 5% coupon sewerage-system bonds offered on April 9 last—V. 104, p. 1412—were awarded on that day to Isaac W. Sherrill & Co. of Poughkeepsie at 106.38.

COSHOCOTON COUNTY (P. O. Coshocton), Ohio.—BOND SALE.—The \$4,700 5% 5-yr. coupon road impt. bonds offered without success on Sept. 15—V. 105, p. 1325—were awarded on Oct. 1 to the Farmers & Merchants Bank of Warsaw at par and int. Denom. \$500. Int. A. & O.

CUSTER COUNTY (P. O. Arapahoe), Okla.—BOND ELECTION.—The Board of County Commissioners on Dec. 34 called a special election, it is stated, to be held Jan. 22 for the purpose of voting \$100,000 in bonds for the building of bridges and culverts.

CUYAHOGA COUNTY (P. O. Cleveland), Ohio.—BOND SALE.—An issue of \$21,216 4 1/2% 2 1/2-year aver. road assess. bonds has been awarded to the Ohio National Bank of Columbus at 101.59.

DALLAS, Dallas County, Tex.—BOND SALE.—The City Sinking Fund purchased at par and int. on Dec. 31 the \$500,000 4% gold site-purchase, school-bldg. and equipment bonds, bids for which were rejected on Oct. 24 last.—V. 105, p. 1820. Denom. \$1,000. Date Nov. 1 1917. Int. M. & N. Due \$12,000 in one year, \$13,000 in two years, and with like maturities each alternate year, the last maturing Nov. 1 1957.

DAYTON SCHOOL DISTRICT (P. O. Dayton), Webster County, Iowa.—BONDS DEFEATED.—At a special election held on Dec. 31 the voters, it is said, turned down a proposition to issue \$30,000 school-building and improvement bonds by a vote of 34 "for" to 101 "against."

DEKALB COUNTY (P. O. Auburn), Ind.—BOND OFFERING.—Bids will be received until 1 p. m. Feb. 8 by S. P. Nelson, Co. Aud., for \$40,000 4 1/2% county jail bonds. Denom. \$1,000. Int. semi-ann. Due \$2,000 on Jan. 15 1923 and 1924. Cert. check for \$100 required.

DELANO, Kern County, Calif.—BOND SALE.—On Jan. 7 the \$45,000 6% 9-38-year serial coupon water-works bonds—V. 106, p. 103—were awarded to Cyrus Pierce & Co. of San Francisco for \$47,755, equal to 106.122. Other bidders were: McDonnell & Co., San Fr. \$46,174.50; G. G. Blymyer & Co., San Fr. \$45,260.

DELANAV, Walworth County, Wis.—BOND SALE.—An issue of \$15,000 water-works bonds has been purchased, it is stated, by the Hartford Exchange Bank at 100.174.

DES MOINES, Polk County, Iowa.—BOND ELECTION.—Local papers state that bonds to the amount of \$650,000 will be voted upon at the annual election in March for the purpose of building a new high-school at West Des Moines.

DES MOINES SCHOOL DISTRICT (P. O. Des Moines), Union County, N. Mex.—BOND SALE.—An issue of \$22,500 6% building bonds has been purchased by Keeler Bros. of Denver. Denom. \$500. Date Oct. 1 1917. Int. A. & O. Due Oct. 1 1947.

DE SOTO PARISH (P. O. Mansfield), La.—BONDS OFFERED BY BANKERS.—The Hibernia Bank & Trust Co. of New Orleans is offering to investors the following 5% coupon school bonds: \$15,500 Pelican Sch. Dist. bonds. Denom. \$500. Due on Jan. 15 as follows: \$2,000 1920, \$2,500 1921, \$3,000 1922, \$1,000 1923, \$3,000 1926 and \$4,000 1927. 28,000 Ward Three Sch. Dist. bonds. Denoms. \$500 and \$100. Due on Jan. 15 as follows: \$700 1918, 1919 and 1920; \$800 1921 and 1922; \$900 1923; \$1,000 1924; \$1,200 1925 and 1926; \$1,500 1927 and 1928; \$1,700 1929 and 1930; \$1,800 1931 and 1932, and \$2,000 from 1933 to 1937, incl. Date April 1 1917. Prin. and semi-ann. int.—J. & J.—at the Hibernia Bank & Trust Co., New Orleans.

DETROIT, Mich.—BOND SALE.—On Jan. 14 the \$1,000,000 school and \$750,000 public library 4 1/2% 30-yr. bonds—V. 106, p. 103—were awarded to local banks at par.

DETROIT, Becker County, Minn.—BOND SALE.—The \$7,500 5% fire-apparatus bonds voted in February last—V. 104, p. 880—have been awarded, it is stated, to John E. Sinclair of Minneapolis at 104.43.

DUBLIN, Laurens County, Ga.—BONDS VOTED.—The issuance of \$25,000 school, \$15,000 water and sewer and \$35,000 street-paving bonds carried at an election held Jan. 11.

DUCHESSNE, Duchesne County, Utah.—BOND SALE.—The \$7,000 6% water-works-system bonds voted in February last—V. 104, p. 778—were awarded on May 1 to Keeler Bros. of Denver at par. Denom. \$1,000. Date Dec. 1 1916. Int. J. & D. Due Dec. 1 1936, subject to call after Dec. 1 1928.

DUVAL COUNTY (P. O. Jacksonville), Fla.—BONDS DEFEATED.—The question of issuing \$577,000 road and \$423,000 bridge 5% 30-yr. bonds—V. 106, p. 103—failed to carry at the election held Jan. 8—V. 106, p. 103. The vote was: Road bonds, 612 "for" to 818 "against," and bridge bonds, 643 "for" to 787 "against."

EAST CHAIN TOWNSHIP CONSOLIDATED SCHOOL DISTRICT No. 37, Martin County, Minn.—BOND ELECTION.—An election will be held to-day (Jan. 10) to vote on the question of issuing \$10,000 4% school bonds. Nels Nelson is District Clerk.

EASTHAMPTON, Hampshire County, Mass.—TEMPORARY LOAN.—A temporary loan of \$25,000 was recently awarded to R. L. Day & Co. of Boston at 5.25% discount.

EASTON, Northampton County, Pa.—BOND SALE.—Local investors were awarded on July 2 at 102.58 the issue of \$30,000 4% 10-yr. coupon street bonds which was not sold as mentioned in V. 105, p. 519. Date July 2 1917.

EAST YOUNGSTOWN SCHOOL DISTRICT (P. O. East Youngstown), Mahoning County, Ohio.—BOND OFFERING.—Bids will be received until 12 m. Jan. 21 by A. O. Robinson, Clerk, Bd. of Ed. for \$70,000 5 1/2% coupon school bldg. bonds. Auth. Secs. 7624-7626 Gen. Code. Denom. \$1,000. Date Feb. 1 1918. Int. P. & A. Due \$5,000 yrly. on Feb. 1 from 1928 to 1942 incl. Cert. check for \$3,500 payable to the Bd. of Ed. required. Bonded debt (inc. this issue) \$387,000. Assessed val. 1917 \$18,000,000. Tax rate (per \$1,000) \$14.40.

EDDYVILLE, Wapello County, Ia.—BONDS PROPOSED.—Reports state that the question of issuing \$8,000 hmt. bonds is being considered.

EDGEcombe COUNTY (P. O. Tarboro), No. Caro.—BOND SALE.—We are advised that A. J. Hood & Co. of Detroit recently purchased \$10,000 6% bonds. Denom. \$1,000. Date Jan. 1 1918. Int. J. & J.

ELKO COUNTY (P. O. Elko), Nev.—BOND SALE.—Reports state that an issue of \$50,000 6% 13-1-3-yr. aver. funding bonds was sold to the First National Bank of Elko at 108.80.

ESCAMBIA COUNTY (P. O. Pensacola), Fla.—BOND OFFERING.—Bids will be received until Feb. 12 by J. Geo. White, Chairman Bd. of Co. Commrs. for \$25,000 4 1/2% and \$25,000 5% 20-year special road and bridge district bonds. Denom. \$500. Date Oct. 1 1918. Int. semi-ann. Cert. check for 5% of the amount of bonds bid for required. These bonds were offered on Jan. 8 but all bids were rejected. V-105, p. 2473.

ESSEX COUNTY (P. O. Lawrence), Mass.—LOAN OFFERING.—Reports state that the County Treasurer will receive bids until 12 m. Jan. 22 for a loan issued in anticipation of taxes not exceeding \$800,000. Date Jan. 25 and due \$100,000 on Nov. 10, Nov. 25, Dec. 15 and Dec. 30 1918, or dated Nov. 25 and due \$200,000 on Nov. 10, Nov. 25, Dec. 15 and Dec. 25 1918.

FAIRFIELD TOWNSHIP HIGH SCHOOL DISTRICT (P. O. Swan Quarter), No. Caro.—BOND SALE.—On Jan. 7 the \$5,000 school-building bonds—V. 105, p. 2382—were awarded to Sidney Spitzer & Co. of Toledo at par and int. for 6s. Int. J. & J. Due 1933.

FAIRMONT, Marion County, W. Va.—BONDS AWARDED IN PART.—Of the \$760,000 4 1/2% hmt. bonds offered on May 24 last (V. 105, p. 519), \$450,000 of the issue was awarded to the Fidelity Trust Co. of Baltimore at par and int.

FARGO SCHOOL DISTRICT (P. O. Fargo), Cass County, N. D.—BOND ELECTION PROPOSED.—An election is proposed, it is stated, to vote on the question of issuing \$225,000 school bonds.

FAYETTE, Jefferson County, Miss.—BOND SALE.—An issue of \$17,000 5% 20-year electric-light bonds was purchased last month by the Jefferson County Bank of Fayette at par. Denom. \$500. Date Nov. 1 1917. Interest annual.

FINDLAY, Hancock County, Ohio.—BOND OFFERING.—Sealed proposals will be received until 12 m. Jan. 28 by A. E. Risser, City Aud., for the following 5 1/2% street impt. bonds:

4,550 Washington Ave. impt. bonds. Denoms. 9 for \$500 and 1 for \$50. Due \$50 Jan. 1 1919 and \$500 yrly. on Jan. 1 from 1920 to 1928 1919 and \$500 yrly. on Jan. 1 from 1920 to 1928 incl.

7,080 Larkins Street impt. bonds. Denoms. 10 for \$500, 9 for \$200 and 1 for \$280. Due \$280 Jan. 1 1919, \$500 July 1 1919 and \$200 on Jan. 1 and \$500 on July 1 from 1920 to 1928 incl.

16,800 Carey Street impt. bonds. Denoms. 33 for \$500 and 1 for \$300. Due \$300 Jan. 1 1919, \$1,000 July 1 1919, \$500 on Jan. 1 and \$1,000 on July 1 from 1920 to 1924 incl. and \$1,000 each six months from Jan. 1 1925 to July 1 1928 incl.

15,910 Putnam Street impt. bonds. Denoms. 31 for \$500 and 1 for \$410. Due \$410 Jan. 1 1919, \$1,000 July 1 1919, \$500 on Jan. 1 and \$1,000 on July 1 from 1920 to 1925 incl., \$500 Jan. 1 1926 and \$1,000 each six months from July 1 1926 to July 1 1928 incl.

4,440 Prospect Street impt. bonds. Denoms. 8 for \$500, 1 for \$240 and 1 for \$200. Due \$240 Jan. 1 1919, \$210 Jan. 1 1920 and \$500 yrly. on Jan. 1 from 1921 to 1928 incl.

6,880 Baldwin Ave. impt. bonds. Denoms. 10 for \$500, 9 for \$200 and 1 for \$80. Due \$80 Jan. 1 1919, \$500 July 1 1919 and \$200 on Jan. 1 and \$500 on July 1 from 1920 to 1928 incl.

Auth. Sec. 3914 Munic. Code. Date Jan. 1 1918. Int. semi-ann. Cert. check for 3% of the amount of bonds bid for payable to the City Treas. required. Bonds to be delivered and paid for within 10 days from time of award. Purchaser to pay accrued int. Total bonded debt (inc. this issue) \$708,115. Floating debt \$35,000. Stinking fund \$35,896. Assessed val. \$55,000,000. True val. (approx.) \$60,000,000.

FINDLAY, Hancock County, Ohio.—BOND SALE.—The ten issues of 5% street and sewer bonds aggregating \$36,313, offered on Feb. 15 last—V. 104, p. 280—have been purchased, it is stated, by W. L. Slayton & Co. of Toledo at 101.52.

FLINT, Genesee Co., Mich.—BONDS VOTED.—By a vote of 1211 to 517 the question of issuing \$128,000 water-works system impt. bonds carried at the election held Jan. 8 (V. 105, p. 103).

FRAMINGHAM, Middlesex County, Mass.—LOAN OFFERING.—The Town Treasurer will receive bids, it is stated, until 12 m. Jan. 21 for a temporary loan of \$25,000, dated Jan. 24 and maturing Dec. 1 1918.

FRANKLIN COUNTY IRRIGATION DISTRICT (P. O. Pasco), Wash.—BONDS VOTED.—By a unanimous vote \$360,000 6% irrigation bonds were authorized at an election held Dec. 22.

FULTON INDEPENDENT SCHOOL DISTRICT (P. O. Fulton), Hanson County, So. Dak.—BOND SALE.—An issue of \$20,000 5% bldg. bonds was awarded on Jan. 12 1917, to the Wells-Dickey Co. of Minneapolis at par and int. Denom. \$1,000. Date April 2 1917. Int. A. & O. Due April 1 1937.

GIBSONBURG, Sandusky County, Ohio.—BOND SALE.—On Jan. 7 the \$9,700 6% 1-10-year serial street-improvement bonds (V. 105, p. 2562) were awarded to Gils & Co., of Cleveland, for \$9,770 (100.721) and int. The Tittonson & Wolcott Co. of Cleveland bid \$9,765.96.

GLENDALE, Los Angeles County, Calif.—BONDS NOT SOLD.—No award was made of an issue of \$17,000 5% coupon fire apparatus and equipment bonds offered on Jan. 3. Blythe, Witter & Co., of Los Angeles, bid par less \$490 expenses. Denom. \$1,000. Date Jan. 2 1918. Int. J. & J. Due \$1,000 yearly on Jan. 2 from 1919 to 1935, inclusive.

GLOVERSVILLE, Fulton County, N. Y.—BOND OFFERING.—Bids will be received until 2 p. m. Feb. 7 by E. A. James, City Chamberlain, it is stated, for \$20,200 5% 2-5-6-year aver. impt. bonds. Int. semi-ann. Cert. check for 2% of the amount of bonds bid for required.

GRAND RAPIDS, Kent County, Mich.—BOND SALE.—The six issues of 5% tax-free bonds, aggregating \$169,000, offered without success on Dec. 27 (V. 106, p. 103), have been purchased by the Sinking Fund Trustees.

GRANGEVILLE HIGHWAY DISTRICT (P. O. Grangeville), Idaho County, Ida.—BONDS TO BE OFFERED THIS SPRING.—We are advised that the \$35,000 highway improvement bonds which were voted during July 1917 will be offered for sale this spring.—V. 105, p. 625.

HALE COUNTY (P. O. Plainview), Tex.—BONDS DEFEATED.—It is stated that a proposition to issue road bonds was defeated at a recent election by a vote of 100 "for" to 105 "against."

HARRISON COUNTY (P. O. Corydon), Ind.—BOND SALE.—On Dec. 17 the First Nat. Bank of Corydon was awarded \$11,000 4 1/2% gravel-road bldg. bonds at par. Denom. \$500. Date Dec. 4 1917. Int. M. & N. Due Nov. 15 1928.

HARTFORD, Conn.—BONDS SOLD DURING YEAR 1917.—The city of Hartford during the calendar year closing Dec. 31 1917 placed with local institutions \$1,200,000 4% serial gold water-supply bonds at par. Date June 1 1917. Due \$200,000 yearly from 1940 to 1945 incl. The bonds were disposed of as follows: \$800,000 in June, \$150,000 in July, \$50,000 in August and \$200,000 in October. The sale of \$1,000,000 of these bonds has already been reported in these columns.

HILL COUNTY SCHOOL DISTRICT NO. 16 (P. O. St. Joseph), Mont.—BOND SALE.—An issue of \$25,000 5 1/2% school-building bonds was awarded on Oct. 2 to the Merchants Trust & Savings Bank of St. Paul for \$23,405, equal to 101.760. Denom. \$1,000. Date Nov. 15 1917. Int. M. & N. Due Nov. 15 1937.

HOBOKEN, N. J.—BOND OFFERING.—Further details are at hand relative to the offering on Jan. 23 of the following 5% coupon or registered

(purchaser's option) school bonds not to exceed said amounts (V. 106, p. 207): \$252,000 school bonds. Due \$13,000 yearly on Jan. 1 from 1919 to 1953, incl., and \$14,000 yearly on Jan. 1 from 1954 to 1958, incl. 125,000 school bonds. Due \$4,000 yearly on Jan. 1 from 1919 to 1939, incl., \$5,000 yearly on Jan. 1 from 1940 to 1947, incl., and \$1,000 Jan. 1 1945.

36,000 school bonds. Due \$1,000 yearly on Jan. 1 from 1919 to 1954, inclusive. Bids for these bonds will be received until 10 a. m. on that day by Dan A. Haggerty, City Clerk. Denom. \$1,000. Date J-n 1 1918. Principal and semi-annual int.—J. & J.—payable at the office of the City Treasurer.

Certified check on an incorporated bank or trust company for 2% of the amount of bonds bid for, payable to the city, required. The bonds will be prepared under the supervision of the U. S. Mtrge. & Trust Co. of New York, which will certify as to the genuineness of the signatures of the city officials and the seal impressed thereon and their legality will be approved by Hawkins, Delafield & Longfellow of New York, whose opinion will be furnished purchaser.

HOWARD COUNTY (P. O. Kokomo), Ind.—BOND OFFERING.—Proposals will be received until 10 a. m. Jan. 28 by Ora J. Davies, County Treasurer, for the following 4 1/2% highway-improvement bonds: \$40,000 John A. Martin et al road bonds of Liberty Twp. Denom. \$2,030. 12,300 Jos. W. Clark et al road bonds of Howard Twp. Denom. \$615.

HUMBOLDT COUNTY (P. O. Winnemucca), Nev.—BOND SALE.—The \$200,000 5% funding bonds voted in August last—V. 105, p. 733—have been sold.

HURON COUNTY (P. O. Norwalk), Ohio.—BOND SALE.—On Jan. 7 an issue of \$36,920 5% road bonds was awarded to the Huron 1 for \$420. Due Dec. 1 1917. Int. A. & O. Due \$1,420 April 1 1919 and \$1,500 each six months from Oct. 1 1919 to Oct. 1 1927, incl.

HYDE COUNTY (P. O. Swan Quarter), No. Caro.—BOND SALE.—The \$25,000 6% 15-year aver. coupon indebtedness and improvement bonds offered on May 21 last—V. 104, p. 1827—were awarded to Sidney Spitzer & Co. of Toledo at 103.67. Date Mar. 1 1917.

IRONTON, Lawrence County, Ohio.—BOND SALE.—On Jan. 15 the \$30,000 4 1/2% 20-yr. coupon water-filtration bonds—V. 105, p. 2563—were awarded to Sidney Spitzer & Co. of Toledo at par and int.

ITASCA COUNTY (P. O. Grand Rapids), Minn.—BOND ELECTION PROPOSED.—The County Commissioners, it is stated, are considering laying before the voters the question of issuing \$1,560,000 road bonds.

JACKSON COUNTY (P. O. Pascagoula), Miss.—BOND SALE.—The Capital National Bank of Jackson was awarded at 102 on April 1 1917 an issue of \$75,000 6% road bonds. Denom. \$500. Date April 1 1917. Int. A. & O. Due April 1 1931.

KNOXVILLE, Tenn.—NBOD SALE.—On Jan. 8 the \$135,150 36 6% street-impt. bonds—V. 105, p. 103—were awarded, it is stated, to the Holston Nat. Bank of Knoxville for \$138,768.36 (102.677) and int.

KROTZ SPRINGS, St. Landry Parish, La.—BOND OFFERING.—F. N. Wascom, Village Clerk, will receive sealed bids until 10 a. m. Feb. 5 for \$6,000 5% water-works bonds. Denom. \$1,000. Prin. and ann. int. (Feb. 1) payable at Village Treasurer's office, or at any bank at the option of the purchaser. Due \$1,000 on Feb. 1 in each of the years 1925, 1928, 1933, 1938, 1943 and 1948. Cert. check for 2 1/2% of amount of bonds bid for required.

LAKEWOOD, Cuyahoga County, Ohio.—BOND OFFERING.—Proposals will be received until 12 m. Feb. 11 by A. O. Gould, Director of Finance, for the following 5% bonds:

\$33,000 1) water-works-impt. bonds. Due \$1,000 on Oct. 1 1922 and \$2,000 yearly on Oct. 1 from 1923 to 1933, incl.

300,000 park bonds. Due \$20,000 yearly on Oct. 1 from 1930 to 1944, incl. 60,000 fire-dept. bonds. Due \$5,000 yearly on Oct. 1 from 1922 to 1933, incl.

Denom. \$1,000. Date day of sale. Prin. and semi-ann. int. (A. & O.) payable at the Cleveland Trust Co., Cleveland. Cert. check for 5% of the amount of bonds bid for required. Purchaser to pay accrued int.

LAS ANIMAS COUNTY SCHOOL DISTRICT NO. 42 (P. O. Soprius), Colo.—BOND SALE.—Oswald F. Benwell & Co. of Denver, were awarded on Mar. 23 last \$20,000 5% bonds for \$20,250 (101.25) and int. Denom. \$500. Date May 1 1917. Int. M. & N. Due May 1 1947, subject to call May 1 1932.

LEBANON, Wilson County, Tenn.—BONDS OFFERED BY BANKERS.—J. W. Jakes & Co. of Nashville are offering to investors \$25,000 6% coupon tax free water and light bonds. Denom. \$500. Date Dec. 1 1917. Int. J. & D. Due \$5,000 on Dec. 1 1927, 1932, 1937, 1942 and 1947.

Financial Statement (As Officially Reported)

Real valuation ----- \$3,400,000 Assessed value ----- 1,700,000 Total debt, including this issue ----- \$74,000 Water and electric light debt ----- 25,000 Net debt ----- 49,000 Population estimated ----- 5,500

LEE COUNTY (P. O. Fort Myers), Fla.—BONDS NOT SOLD.—No award was made of the \$40,000 6% Special Road and Bridge Dist. bonds offered on June 8 last—B. 104, p. 2262.

LEON COUNTY (P. O. Buffalo), Tex.—BONDS VOTED.—The issuance of \$20,000 highway construction bonds carried, it is stated, at an election held Jan. 5.

LINCOLN COUNTY SCHOOL DISTRICT NO. 1 (P. O. Troy), Mont.—BONDS WITHDRAWN.—The \$11,000 10-20-year opt. coupon school-building bonds offered without success on June 27—V. 105, p. 926—have been withdrawn.

LITTLE FERRY, Bergen County, N. J.—BOND SALE.—The \$10,200 5% funding bonds offered on Nov. 15—V. 105, p. 1914—have been awarded to B. J. Van Ingen & Co. of New York at par and int.

LITTLE ROCK STREET IMPROVEMENT DISTRICT NO. 261, Ark.—BOND SALE.—The \$76,500 6% bonds, bids for which were recently rejected—V. 106, p. 103—were subsequently awarded on Dec. 21 to the Southern Trust Co. of Little Rock at par. Denom. \$500. Date Jan. 1 1918. Int. M. & S. Due part yearly on Mar. 1 from 1919 to 1928, incl.

LORAIN, Lorain County, Ohio.—BONDS AUTHORIZED.—The \$90,000 water-works-impt. bonds mentioned by us in V. 105, p. 2473, were authorized by the City Council on Jan. 7.

LOWELL, Middlesex County, Mass.—PURCHASER OF BONDS.—As a matter of record, we report that Budget & Co. of Boston were the successful bidders at 101.059 for the two issues of 4% bonds aggregating \$125,000 offered on March 26 1917. A full list of the bids received was given in V. 104, p. 1311.

TEMPORARY LOANS NEGOTIATED DURING 1917.—The following loans aggregating \$1,200,000, were negotiated by this city during the calendar year 1917, in addition to those, already reported by us in these columns:

Amount. Date of Sale. Maturity. Purchaser. Price Paid. \$600,000 --- April 23 Nov. 15 1917 Old Colony Tr. Co. 4.18% discount 50,000 --- July 27 July 27 1918 Old Colony Tr. Co. 5% int. to follow 200,000 --- Aug. 16 Aug. 16 1918 S. N. Bond & Co. 4.73% discount 200,000 --- Sept. 12 Jan. 12 1918 Morgan & Bartlett 4.30% discount 150,000 --- Dec. 3 Nov. 1 1918 First Nat. Bank 4.85% discount

LUSK, Niobrara County, Wyo.—BOND SALE.—An issue of \$12,000 6% water bonds has been disposed of.

McHENRY COUNTY (P. O. Woodstock), Ill.—BONDS PROPOSED.—The question of issuing \$800,000 road bonds is being considered, it is stated.

MADISON COUNTY (P. O. Anderson), Ind.—BOND OFFERING.—Bids will be received until 10 a. m. Jan. 22 by S. L. Van Patten, County Treasurer, for \$10,000 Series A, \$10,000 Series B, \$10,000 Series C, \$10,000 D, \$10,000 Series E, \$14,000 Series F, Nelson, Waites et al road and \$5,080 John Stafford road bonds. Twenty bonds of equal denomination. Date Jan. 23 1918. Int. M. & N. Due one bond of each issue each six months beginning May 15 1919. Bids to be made on forms furnished by State Board of Accounts. The approved opinion of Smith, Remstar, Hornbrook & Smith of Indianapolis will be furnished purchaser.

MALDEN, Middlesex County, Mass.—BOND SALE.—The following bids were received for the three issues of 5% bonds, aggregating \$85,000, offered on Jan. 14—V. 106, p. 267:

Blodgett & Co., Boston	101,039
Edmund Bros., Boston	100.95
A. B. Leach & Co., Boston	100.90
Estabrook & Co., Boston	100.85
R. L. Day & Co., Boston	100.789
Curtis & Sanger, Boston	100.761
Merrill, Oldham & Co., Bost.	100.689
E. H. Rollins & Sons, N. Y.	100.667
Arthur Perry & Co., Boston	100.642
Old Colony Trust Co., Bost.	100.629

MANATEE COUNTY (P. O. Bradentown), Fla.—BOND SALE.—On Jan. 7 the \$200,000 6% Palmico Special Road and Bridge District bonds V. 105, p. 2475 were awarded to Cummings, Prudden & Co., of Toledo, at 95 and inter st. Other bidders were:

G. B. Savyers & Co., Jacksonville	\$194,050.00
Terry, Briggs & Co., Toledo	191,502.50
F. C. Hoehler & Co. and W. L. Slayton & Co., Toledo	190,100.00

The above bids appear to be higher than that of the purchaser but had some qualifying condition which it was impossible to accept.

MAPLE HEIGHTS (P. O. Cleveland), Cuyahoga County, Ohio.—BOND SALE.—The Superior Savings & Trust Co. of Cleveland recently purchased seven issues of street-improvement bonds, aggregating \$46,421.72 at par and interest. Date March 15 1917. Int. M. & S. Due part each year on Sept. 15 from 1918 to 1937, inclusive.

MAYFIELD, Graves County, Ky.—BOND SALE.—We are advised that this city has sold \$300,000 5% water bonds.

MC COLL SCHOOL DISTRICT (P. O. McColl), Marlboro County, So. Caro.—PURCHASER OF BONDS.—Hayden, Miller & Co. of Cleveland were the successful bidders on June 11 last for the \$15,000 10-20-year optional school-bldg. addition bonds offered on that day. The price paid was 100.11 for bonds bearing 5% int. Int. semi-ann. Bonded debt (including this issue) \$35,000. Assess. val., \$530,000.—V. 104, p. 2368.

MIDDLETOWN, Butler County, Ohio.—BOND SALE.—On Jan. 11 the \$7,236.40 5% street-impt. bonds—V. 105, p. 2475—were awarded to Oglesby & Barnitz of Middletown at par and int. There were no other bidders.

MILWAUKEE, Wis.—BOND SALE.—An issue of \$40,000 4½% hospital bonds was awarded on Oct. 10 to Edmunds Bros. of Boston. Denom. \$1,000. Date July 1 1917. Int. J. & J. Due \$2,000 yrlly. on July 1 from 1918 to 1937 incl.

MILWAUKEE, Wis.—BOND SALE.—An issue of \$480,000 4½% 1-20-yr. serial school bonds was recently awarded to the Wisconsin Trust Co. of Milwaukee. Denom. \$1,000. Date July 1 1917. Int. J. & J.

MONTGOMERY, Montgomery County, Ala.—BOND OFFERING.—Sealed proposals will be received until 11 a. m. Mar. 19 by C. J. Fay, City Clerk, for \$150,000 5% coupon sanitary-sewer refunding bonds. Denom. \$1,000. Date May 1 1918. Prin. and semi-ann. int.—M. & N.—payable at the Old Colony Trust Co., Boston. Due May 1 1918. Certified check for \$1,500, payable to G. W. Barnett, City Treasurer, required. The bonds will be prepared under the supervision of the Old Colony Trust Co. of Boston, which will certify as to the genuineness of the signatures of the city officials and the seal impressed thereon, and their legality will be approved by Storey, Thorndike, Palmer & Dodge of Boston, whose opinion will be furnished purchaser. Purchaser to pay accrued interest.

The official notice of this bond offering will be found among the advertisements elsewhere in this Department.

MOSELLE PUBLIC SCHOOL DISTRICT, Jones County, Miss.—BOND SALE.—The \$8,000 6% 16½-year aver. bldg. bonds offered on & Trust Co.

MOUNT VERNON, Westchester County, N. Y.—BONDS ISSUED DURING YEAR 1917.—The following bonds, aggregating \$557,000, were issued during the calendar year ending Dec. 31 1917:

Amount.	Purpose.	Int.	Maturity.	Mth.	Sold.	Purchaser.	Price Paid
\$150,000	Tax-relief	4%	Feb. 1 1920	Feb.	Geo. B. Gibbons & Co.	100.033	
\$25,000	School	4%	Feb. 1 1920	Feb.	Geo. B. Gibbons & Co.	100.000	
\$45,000	School	4½%	Feb. 1 1929	Feb.	H. A. Kahler & Co.	106.331	
60,000	Drainage	4½%	June 1 1937	June	Eastchester Sav. Bank	100.000	
10,000	Crossing	4½%	June 1 1937	June	Eastchester Sav. Bank	100.000	
3,000	Water	4½%	May 1 1937	May	Sinking Fund	100.000	
9,000	Assessm't	4½%	May 1 1922	May	Sinking Fund	100.000	
*150,000	Refund'g	4½%	Dec. 1 18-22	Nov.	Geo. B. Gibbons & Co.	100.126	
*65,000	Refund'g	5%	1919-1928	Dec.	H. A. Kahler & Co.	101.055	
*20,000	Crossing	5%	Jan. 2 19-38	Dec.	H. A. Kahler & Co.	101.055	
*20,000	Highway	5%	Jan. 2 19-38	Dec.	H. A. Kahler & Co.	101.055	

* The sales of these bonds were previously reported in these columns on another date.

NAVAJO COUNTY SCHOOL DISTRICT NO. 5 (P. O. Holbrook), Ariz.—BOND SALE.—On Jan. 7 an issue of \$25,000 6% 10-40-yr. (opt.) school bonds was awarded to the American Bank & Trust Co. of Denver at 101.02. Other bidders were:

Keeler Bros., Denver	\$25,100
Bosworth, Chanute & Co., Colorado	22,841

Denom. \$1,000. Date Dec. 31 1917. Int. J. & D.

NEBRASKA.—BONDS PURCHASED BY THE STATE.—During the month of December the following twenty issues of bonds aggregating \$223,500 were purchased by the State of Nebraska:

Amount	Purpose	Int.	Maturity	Date	Price
\$1,600	5½% water bonds of the Village of Nohrara			1916	101.16
16,500	5% light bonds of the Village of Pender			1917	101.17
16,000	5% school bonds of Sarpy County School District No. 32			1917	101.19
*30,000	5% light bonds of the Village of Ord			1917	101.19
35,000	5% sewer bonds of the Village of Oakland			1917	101.19
*9,000	5% sewer bonds of the Village of Bayard			1917	101.19
*4,500	5% water bonds of the Village of Bayard			1917	101.19
*4,500	5% ornamental street lighting bonds of the Village of Bayard			1917	101.19
6,000	5% school bonds of Adams County School District No. 42			1917	101.19
15,500	6% drainage bonds of the Red Willow Drainage District			1917	101.19
4,770	5% bonds of Lincoln Paving District No. 56			1917	101.19
1,400	5% bonds of Lincoln Paving District No. 58			1917	101.19
4,320	5% bonds of Lincoln Paving District No. 344			1917	101.19
25,000	5% inter-section paving bonds of the City of Superior			1917	101.19
5,000	5% sewer bonds of the City of Sidney			1917	101.19
*5,000	5% water bonds of the City of Sidney			1917	101.19

11,000	5% electric light bonds of the Village of Bertand			1936	101.19
3,500	5% water ext. bonds of the Village of Arnold			1937	101.19
10,000	5% water ext. bonds of the City of Scottsbluff			1917	101.19
15,000	5% city hall bonds of the City of Scottsbluff			1917	101.19

* These bonds were purchased from brokers and were previously reported sold in these columns.

All the above issues were purchased on a 5% basis.

NEWARK, N. J.—CERTIFICATE SALE.—On Dec. 26 certificates amounting to \$50,000 were purchased by the Merchants Nat. Bank of Newark at par for 5.40s. Date Dec. 26 1917. Due June 26 1918.

NEWPORT, Newport County, R. I.—TEMPORARY LOAN.—On Jan. 17 a temporary loan of \$50,000 issued in anticipation of revenue, was awarded; it is stated, to S. N. Bond & Co. of New York at 5% discount, plus \$3.50 premium.

NEWTON, Middlesex County, Mass.—BONDS AND NOTES ISSUED DURING 1917.—Below we give a list of bonds and temporary loans issued during the calendar year ending Dec. 31 1917:

Amount.	Purpose.	Int.	Bonds.		Purchaser.	Price Paid.
			Maturity.	Sold.		
\$3,600	School	4%	Jan. 1 18-24	Mar.	Merrill, Oldham & Co.	101.64
33,000	Fire sta.	4%	Feb. 1 18-37	Mar.	Merrill, Oldham & Co.	101.64
30,000	St. Impt.	4½%	June 1 18-27	June	Harris, Forbes & Co., Inc.	100.40
25,000	Bridge	4½%	Aug. 1 18-37	July	R. L. Day & Co.	100.375

The school bonds are dated Jan. 1 1917; fire-station bonds Feb. 1 1917; street-impt. bonds June 1 1917; and bridge bonds Aug. 1 1917. Total bonds sold during year, \$91,600.

Amount.	Maturity.	Temporary Loans.		Purchaser.
		Sold.	Price Paid.	
\$150,000	Nov. 20 1917	Mar.	*3.25%	Jackson & Curtis
50,000	Nov. 20 1917	Mar.	*3%	Harry C. Grafton Jr.
50,000	May 2 1918	Mar.	*4%	Chase & Co.
50,000	May 10 1918	May	*4%	Investor.
50,000	June 12 1918	June	*4.25%	E. H. Rollins & Sons
100,000	Nov. 2 1917	June	*5%	(Boston Safe Dep. & Tr. Co. [Nat. Shawmut Bank Boston Safe Dep. & Tr. Co. S. N. Bond & Co. Investor. Harris, Forbes & Co., Inc. Lee, Higginson & Co. R. L. Day & Co. Edmunds Bros.

* Discount. Total temporary loans sold during year, \$900,000.

NEWBURYPORT, Essex County, Mass.—TEMPORARY LOAN.—On Jan. 11 a temporary loan of \$160,000 was awarded to S. N. Bond & Co. of N. Y. at 5.19% discount. Other bids were:

F. S. Moseley & Co., Boston	5.33% discount
Blake Brothers, Boston	5.96% discount

NORFOLK, Va.—BOND SALE.—As a matter of record we report that on Jan. 10 1917 the Sinking Fund Trustees purchased at par an issue of \$10,000 4½% school bonds.

NORTH DAKOTA.—BONDS PURCHASED BY THE STATE.—The following nine issues of 4% bonds aggregating \$42,850 were purchased during the month of December at par, by the State of North Dakota:

Amount.	Purpose.	Date.	Maturity.
\$2,200	Wheeler Sch. Dist. No. 38.		
1,500	Veselyville Sch. Dist., No. 36, Walsh County	Bldg. Oct. 15 1917	Oct. 15 1932
2,550	Daio Sch. Dist., No. 30, Bowman County	do	Dec. 10 1917
1,000	Muskego Sch. Dist. No. 21, Renville County	do	Nov. 26 1917
10,000	Surrey Sch. Dist. No. 41, Ward County	do	Nov. 1 1917
1,000	Ridgeway Sch. Dist. No. 15, Dunn County	Funding. Nov. 26 1917	Nov. 26 1937
7,000	Rosebud Sch. Dist. No. 23, Bottineau County	Bldg. Nov. 26 1917	Nov. 26 1937
3,600	Stillwater Sch. Dist. No. 3, Bowman County	do	Nov. 30 1917
4,000	Grand Forks County Drain. Dist. No. 9	do	Nov. 26 1917
30,000	U. S. Liberty	War. Nov. 15 1917	Nov. 15 1942

OKLAHOMA CITY, Okla.—BONDS PROPOSED.—The issuance of \$75,000 fire-apparatus bonds is being considered, it is stated.

OMAHA, Douglas County, Neb.—BOND OFFERING.—Bids will be received until 10 a. m. Jan. 22 by Dan B. Butler, Supt. of Accounts and Finance, for \$400,000 sewer, \$100,000 park and \$100,000 intercession 5% 20-year coupon bonds. Denom., \$1,000. Date Feb. 1 1918. Prin. and semi-ann. int., payable at the office of the Co. Treas. Cert. or cashiers' check on a national bank for 2% of the amount of bonds bid, for payable to the City of Omaha, required. Official circular states that there is no litigation pending or threatened and that the city has never defaulted in the payment of principal or interest. Total bonded debt, Jan. 12 1918, \$1,336,688. Sinking fund, \$1,180,000. Assessed val. 1918, \$49,914,325. Actual valuation, \$249,571,625.

OTERO COUNTY (P. O. Alamogordo), N. Mex.—DESCRIPTION OF BONDS.—The \$70,000 5% 20-30-year (opt.) road and bridge bonds which were awarded to the Banquette Bond Co. of Chicago—V. 105, p. 1227—are dated July 1 1917 and are in the denomination of \$1,900. Prin. and semi-ann. int. (J. & J.) payable at the Chase Nat. Bank in N. Y. Due July 1 1947, optional after July 1 1937. Total bonded debt (incl. this issue) \$120,000. Assess. val. 1916 \$9,317,000. Estimated value \$12,000,000.

OWENSBORO, Daviess County, Ky.—BOND SALE.—An issue of \$225,000 5% 4-29-yr. (opt.) bonds offered on April 14 last has been awarded to the Central Trust Co. of Owensboro at par.

OZAN DRAINAGE DISTRICT NO. 2, Hempstead County, Ark.—BONDS SOLD.—The \$56,000 5½% 1-16-yr. serial drainage bonds offered on Feb. 15 last—V. 104, p. 474—have been sold to Francis Bros. & Co. of St. Louis at 102.02.

PALO ALTO, Santa Barbara County, Calif.—BONDS VOTED.—By a vote of 454 to 13 the question of issuing \$66,000 power-plant-impt bonds carried, it is stated, at the election held Jan. 5—V. 106, p. 208.

PAYETTE COUNTY (P. O. Payette), Ida.—BOND SALE.—The \$75,000 5½% 10-20-year (opt.) refunding bonds offered on Dec. 3—V. 105, p. 2113—all sealed bids for which were rejected, were sold on that day at public auction to James N. Wright & Co. of Denver at 100.261. Other bidders were:

Feris & Hardgrove, Spokane	\$75,195
Keeler Bros., Denver	75,192

Denom. \$1,000. Date day of sale. Int. semi-annual.

PHILADELPHIA, Pa.—PROPOSED OFFERING POSTPONED.—Owing to the condition of the financial markets, Mayor Smith and City Solicitor Connelly, it is stated, have decided not to float at this time a recently authorized loan of \$2,500,000. The proceeds of the loan were to have been used to pay the principal and interest of mandamus writs which have been accumulating since March 1917, and which now aggregate about \$2,000,000. The principal and interest of these mandamus writs now, it is said, be paid out of the consolidated loan fund and when the \$2,500,000 loan is put on the market the money will be replaced in the fund.

PLEASANT PRAIRIE, Kenosha County, Wis.—BOND SALE.—Two issues of 4 1/2% 5 1/2-yr. average bonds, aggregating \$80,000 offered on Mar. 12 last, were awarded to the First Nat. Bank of Kenosha as follows: \$45,000 at 100.85 and \$35,000 at 100.60.

PORT HURON, St. Clair County, Mich.—BOND SALE.—On Dec. 28 an issue of \$45,000 4 1/2% refunding bonds was disposed of. Denom. \$1,000. Date Jan. 1 1918. Prin. and semi-ann. int. payable at the Hanover Nat. Bank, N. Y. Due Jan. 1 1925.

Statement. City of Port Huron, Mich., organized 1857, assessed value Real and personal property, 1917. \$18,892,207 00 Total bonded debt, including this issue. 868,785 00 Water debt included in above. None Cash value sinking fund. 32,272 58 Total delinquent taxes, Dec. 1 1917. 14,316 98 Present population, estimated. 24,000

PRINEVILLE, Cook County, Ore.—BOND OFFERING.—The City Recorder will receive bids at any time for the \$80,000 to \$100,000 6% 20-year coupon tax-free railway-completion bonds—V. 105, p. 2564. Denom. \$1,000. Date Dec. 12 1917. Bonded debt (incl. this issue), \$180,000. Floating debt, \$10,000. Total debt, \$190,000. Assessed valuation, \$580,000.

PROVIDENCE, R. I.—BONDS AND LOANS ISSUED DURING YEAR 1917.—During the calendar year ending Dec. 31 1917 the following bonds and notes were issued:

Bonds. Amount. Purpose. Int. % Maturity. Month Sold. Purchaser. Price Paid. \$322,000—Improvements. 4 Jan. 1 1947 Jan. Sinking Funds 100 300,000—Park & playgrounds. 4 Nov. 1 1947 Nov. do do 100 300,000—Sewer. 4 Nov. 1 1947 Nov. do do 100

PUTNAM COUNTY (P. O. Palatka), Fla.—BOND ELECTION.—An election will be held Jan. 21 to vote on the question of issuing \$160,000 6% 4-25-yr. serial road bonds.

RAYMOND, Pacific County, Wash.—BOND SALE.—The \$134,300 8% 1-10-year serial harbor-impt. and lowland bonds offered on Dec. 24—V. 105, p. 2476—have been disposed of.

READING, Middlesex County, Mass.—TEMPORARY LOAN.—The Treasurer on Jan. 15 awarded a temporary loan of \$80,000, issued in anticipation of revenue, dated Jan. 15 and maturing \$40,000 Nov. 15 and \$40,000 Dec. 15 to S. N. Bond & Co. at 5.45% discount, it is stated.

RED BANK, Monmouth County, N. J.—BOND OFFERING.—Bids will be received until 8 p. m. Feb. 4 by A. G. Harrison, Boro. Clerk, for an issue of 5% coupon or registered (purchaser's option) fire bonds not to exceed \$20,000. Denom. \$500. Date Jan. 2 1918. Prin. and semi-ann. int. (J. & J.) at the Second Nat. Bank, Red Bank. Due \$2,500 vly. on Jan. 2 and 1919 to 1922 incl., \$2,000 Jan. 2 1923, \$1,500 vly. on Jan. 2 from 1924 to 1927 incl., and \$2,000 Jan. 2 1928. Cert. check on an im- corporated bank or trust company for 2% of the amount of bonds bid for payable to the Boro. Collector required. Purchaser to pay accrued int. The bonds will be prepared and certified as to genuineness by the U. S. Mgtg. & Trust Co. of New York.

REIDSVILLE, Rockingham County, No. Caro.—BONDS AUTHORIZED.—Ordinances providing for the issuance of the following bonds, not exceeding said amounts and 6% int., were passed by Council on Dec. 22: \$75,000 street-improvement bonds. Due in 20 years. 10,000 sanitary sewer bonds. Due in 20 years. 110,000 municipal-improvement bonds. Due in 20 years. 5,000 sewer and water bonds. Due in 10 years.

ROCK COUNTY (P. O. Janesville), Wis.—BONDS AUTHORIZED.—The Board of County Commissioners at its meeting in November adopted a resolution providing for the issuance of \$85,000 5% road-bldg. bonds. Denom. \$100.

ST. JOHN LEVEE AND DRAINAGE DISTRICT, Mississippi County, Mo.—BONDS OFFERED BY BANKERS.—Kauffman-Smith-Emert Investment Co. of St. Louis are offering to investors \$350,000 6% drainage bonds. Denoms. \$1,000, \$500 and \$100. Date Dec. 1 1917. Prin. and semi-ann. int. (J. & D.) payable at the Mercantile Trust Co. of St. Louis. Due \$7,000 1920, \$8,000 1921 and 1922, \$8,500 1923, \$9,000 1924, \$10,000 1925, \$11,000 1926, \$12,000 1927, \$12,500 1928, \$13,500 1929, \$14,500 1930, \$15,500 1931, \$16,000 1932, \$17,000 1933, \$18,500 1934, \$19,500 1935, \$72,500 1936 and \$77,000 1937.

ST. PAUL, Minn.—BONDS AUTHORIZED.—On Jan. 9 the City Council passed for first reading an ordinance providing for the issuance of \$300,000 5% 10-year water-works bonds, it is stated.

SACRAMENTO, Calif.—BOND SALE.—An issue of \$10,000 water bonds has been sold to the Capital Nat. Bank; it is stated.

SANTA CRUZ COUNTY (P. O. Nogales), Ariz.—BOND ELECTION.—An election will be held Jan. 26 to vote on the question of issuing \$175,000 5% 20-40-yr. (opt.) road bonds.

SAN JUAN COUNTY SCHOOL DISTRICT NO. 21 (P. O. Friday Harbor), Wash.—BOND SALE.—On Jan. 4 an issue of \$1,000 5 1/2% 2-20-year opt. school bonds were awarded to the State of Washington at par. Denom. \$200. Interest ann. in Jan. There were no other bidders.

SAVANNA AND YORK DRAINAGE DISTRICT (P. O. Savanna), Carroll County, Illa.—BOND OFFERING.—Sealed bids will be received until 2 p. m. Jan. 28 by N. D. French, Sec., care of Franklin J. Stransky, Savanna, Illa., for \$36,000 6% tax-free pumping station additional ditches and general impt. bonds. Date Feb. 1 1918. Int. ann. This dist. has no bonded indebtedness. Assessed val. 1916 \$88,860.

The official notice of this bond offering will be found among the advertisements elsewhere in this Department.

SAYBROOK TOWNSHIP, Ashtabula County, Ohio.—BOND OFFERING.—Bids will be received until 10 a. m. Jan. 28 by D. V. Wilkinson, Clerk, for \$3,000 5% 3-yr. park bonds. Auth. Secs. 3424 and 3425 Gen. Code. Denom. \$1,000. Int. semi-ann.

SCOTIA (Village), Schenectady County, N. Y.—BOND SALE.—On Jan. 7 the City Treasurer purchased at par for the Sinking Fund \$2,000 3 1/2% local refunding sewer bonds. Denoms. 2 for \$700 and 1 for \$600. Int. F. & A. Due Feb. 1 1927.

SCOTT COUNTY (P. O. Banton), Mo.—BOND SALE.—An issue of \$250,000 5% road bonds has been purchased by the Kaufman-Smith-Emert Investment Co. of St. Louis at par. Denom. \$1,000. Date Sept. 1 1917. Int. M. & S.

SHAKER HEIGHTS VILLAGE SCHOOL DISTRICT (P. O. Cleveland), Cuyahoga County, Ohio.—BOND SALE.—The Ohio State Industrial Commission has purchased \$250,000 school bonds, it is stated. The bonds bear 5% interest and were approved by the Attorney-General.

SHELBY, Cleveland County, No. Caro.—BOND SALE.—John Nuvon & Co. of Chicago were awarded at par \$30,000 6% bonds offered on June 20 last. Due 1919-1927.

SHELBY COUNTY (P. O. Shelbyville), Ind.—BOND SALE.—The four issues of 4 1/2% 5 1/2-yr. average road bonds aggregating \$32,500 offered on Mar. 24 last—V. 104, p. 1078—have been sold; it is stated, to the Fletcher American Nat. Bank of Indianapolis at 102.90.

SHERBURNE COUNTY (P. O. Elk River), Minn.—BOND SALE.—On Jan. 9 seven issues of 5 1/2% 20-year ditch bonds, aggregating \$97,200, were awarded to Kalman, Matteson & Wood of St. Paul. Date Jan. 2 1918. Interest J. & J.

SHREVEPORT, La.—BOND SALE.—An issue of \$110,000 4 1/2% coupon gold bonds has been purchased by the IJbernia Bank (Trust Co. of New Orleans). Denom. \$1,000. Date Jan. 1 1917. Prin. and semi-ann. int. (J. & J.) payable at the Seaboard Nat. Bank, New York. Due on Jan. 1 as follows: \$10,000 1935 and 1936, \$2,000 1938, \$6,000 1942, \$8,000 1943, \$9,000 1944, \$10,000 1946, \$11,000 1947, 1948 and 1951, \$9,000 1952 and \$13,000 1954.

FINANCIAL STATEMENT.

(As officially reported by Commissioner of Finance Feb. 5 1917.) Estimated actual value taxable property. \$80,000,000 Assessed valuation of taxable property (1916). 22,452,500 Total bonded debt including this issue. \$2,277,500 Less Sinking Fund: Bonds owned. \$38,000 Cash. 19,500 Water works debt included. 1,176,000 \$1,233,500

Net bonded indebtedness. \$1,044,000 Certificates of indebtedness, issued by the City of Shreveport and Bossier Parish jointly, for bridge purposes. (Amount outstanding. 168,500 Population, 1910 Census. 32,906 Population (estimated 1916). 42,000

SOUTH SOLON VILLAGE SCHOOL DISTRICT (P. O. Solon), Madison County, Ohio.—BONDS VOTED.—By a vote of 71 to 80 the question of issuing \$42,000 school bonds carried, it is stated, at an election held Jan. 3.

SPRINGFIELD, Clark County, Ohio.—BOND SALE.—On Jan. 14 the \$26,624 5% 1-10-yr. serial paying assessment bonds—V. 105, p. 2476—were awarded to the Springfield Savings Society at par and int.

STARK COUNTY (P. O. Canton), Ohio.—BONDS NOT SOLD.—No bids were received for the eight issues of 5% road bonds aggregating \$207,000 offered on Jan. 11.

STONINGTON TOWNSHIP SCHOOL DISTRICT (P. O. Pana), Christian County, Illa.—BONDS VOTED.—Reports state that the question of issuing \$60,000 school bonds carried at an election held Jan. 7.

STORDEN CONSOLIDATED SCHOOL DISTRICT NO. 24 (P. O. Storden), Cottonwood County, Minn.—BOND SALE.—On Dec. 5 an issue of \$45,000 5 1/2% school bldg. bonds was purchased by the Wells-Dickey Co. of Minneapolis for \$45,510 (101.133) and int. Denom. \$1,000. Date vly. from 1923 to 1927 incl., \$2,000 vly. from 1928 to 1931 incl. and \$32,000 Dec. 1 1932.

SWIT COUNTY CONSOLIDATED SCHOOL DISTRICT NO. 18 (P. O. Benson), Minn.—BOND SALE.—The \$65,000 5% 2-yr. bldg. bonds offered on May 25 last—V. 104, p. 2038—were awarded on that day to the Wells-Dickey Co. at Minneapolis at par and int.

TALENT IRRIGATION DISTRICT (P. O. Talent), Jackson County, Ore.—BOND OFFERING.—Bids will be received, it is stated, until 9 a. m. Feb. 12 by R. E. Robison, Pres. Bd. of Directors, for \$600,000 6% irrigation bonds. Int. semi-ann. Cert. check for \$12,000 required.

TAMA COUNTY (P. O. Toledo), Iowa.—BOND SALE.—On Jan. 4 the First Nat. Bank of Toledo, representing, it is stated, the Harris Trust & Savings Bank of Chicago, was awarded \$68,000 bridge-funding and \$16,000 funding poor 5% bonds for 69,465, equal to 102.154.

TAUNTON, Bristol County, Mass.—TEMPORARY LOAN.—On Jan. 15 a temporary loan of \$100,000 issued in anticipation of revenue and maturing April 16 1918, was awarded to F. S. Moseley & Co. of Boston at 4.73% discount plus \$1 premium. Other bids were: Estabrook & Co., Boston. 4.80% R. L. Day & Co., Boston. 4.88% Salomon Bros. & Hutzler, N. Y. 4.825% White, Weld & Co., Boston. 4.90% S. N. Bond & Co., N. Y. 4.83% National City Co., N. Y. 45-125 a Plus \$1 10 premium. b Plus \$13 premium.

TAUNTON, Britol County, Mass.—BONDS AND LOANS ISSUED DURING YEAR 1917.—We give herewith a list of bonds and temporary loans issued by this city during the calendar year ending Dec. 31 1917:

Bonds. Amount. Purpose. Int. % Maturity. Month Sold. Purchaser. Price Paid. \$10,000—Park. 4 1917-1946 Jan. Blodgett & Co. 102.14 15,000—Sewer. 4 1917-1931 May Private Sale. 100 200,000—High school. 4 1/2 1917-1936 May Private Sale. 100 45,000—Road. 4 1/2 1918-1922 June Harris, Forbes & Co. 100.31 16,000—Pavement. 4 1/2 1918-1927 Sept. Curtis & Sanger. 100.32 11,000—Street. 4 1/2 1918-1927 Sept. Curtis & Sanger. 100.32 56,000—School. 4 1/2 1918-1937 Sept. Curtis & Sanger. 100.32 6,000—Bridge. 4 1/2 1918-1929 Nov. Private Sale. 100 3,000—Street. 4 1/2 1918-1923 Nov. Private Sale. 100 20,000—Road. 4 1/2 1918-1922 Dec. Old Colony Tr. Co. 100.125 22,000—Street. 4 1/2 1918-1927 Dec. Old Colony Tr. Co. 100.125 Total bonds issued during 1917, \$404,000.

Temporary Loans. Amount. Maturity. Month Sold. Price Paid. Purchaser. \$100,000 Apr. 3 1917 Jan. 1 1/2% Coffin & Burr. 100 100,000 July 12 1917 March 3 1/2% Blake Bros. & Co. 100 50,000 Nov. 2 1917 March 3 1/2% Old Colony Trust Co. 100 150,000 Oct. 18 1917 July 4.20% Merrill, Lynch & Co. 100 60,000 Nov. 15 1917 Aug. 4.03% Salomon Bros. & Hutzler. 100 50,000 Apr. 10 1918 Nov. 4.68% Custis & Sanger. 100 4,000 May 29 1918 Nov. 4 1/2% Loring, Tolman & Tupper Sinking Funds. Total temporary loans issued during 1917, \$864,000.

TITONKA, Kosuth County, Ia.—BONDS VOTED.—The issuance of \$10,000 6% community house bonds carried at an election held Dec. 1.

TROY, N. Y.—CERTIFICATE OFFERING.—Bids will be received until 10 a. m. Jan. 22 by Frank H. Miter, City Comptroller, for \$100,000 5% tax-free certificates of indebtedness revenue bonds. Denom. \$25,000. Date Jan. 22 1928. Prin. and ann. int. payable at the office of the City Treasurer. Due April 18 1918. Cert. check for 1% of the amount of bonds bid for required. Official circular states that the city has never defaulted in the payment of principal or interest.

FINANCIAL STATEMENT, JAN. 12 1918.

General debt. \$1,871,312 54 Water debt. 2,640,136 24 Sinking fund. 100,947 25 Revenue bonds. 100,000 00 Certificate of indebtedness for public improvements. 192,750 00 Real estate assessed valuation, 1917. 55,005,584 00 Franchise assessed valuation, 1917. 4,790,250 00 Personal property assessed valuation, 1917. 2,039,217 00 Total assessed valuation, 1917. 61,835,051 00 Population (1910) Census. 76,813

TWIN FALLS, Twin Falls County, Ida.—BOND OFFERING.—Sealed bids will be received until 8 p. m. Feb. 6 by W. A. Mennick, City Clerk, for \$375,000 10-20-yr. (opt.) coupon water works impt. bonds not to exceed 6% int. The proposition to issue these bonds will be submitted to voters Jan. 30. Denom. \$1,000. Date Jan. 1 1918. Prin. and semi-ann. int. J. & J., payable at the office of the City Treas. or at Kuntze Bros., New York. Unconditional certified check on a national bank or trust company for 10% of the amount of bonds bid for required. Bids must be unconditional. Official circular states that there is no litigation pending as threatened and that the city has never defaulted in the payment of principal or interest. Purchaser to pay accrued int.

FINANCIAL STATEMENT

Assessed valuation of all taxable property, equalized for 1916. \$3,595,252 Actual value (est.) of all taxable property (real est. & personal). 10,000,000 Total bonded debt (including this issue). 616,000 Sinking funds reserved for payment of above bonds. None Special assessment bonds not included in above: Sidewalk, \$38,500; sewer, \$3,568. 47,068 Floating debt (warrants) not included in above. None Value of property owned by municipality: Waterworks. 100,000 Population, U. S. Census, 1910, 5,279; present population (est.), 11,000.

WACO, McLennan County, Tex.—BOND OFFERING.—Sealed proposals will be received until 10 a. m. Jan. 24 by John C. Davis, City Secretary, for \$225,000 5% 30-yr. sewage-disposal bonds. Date Jan. 1 1918. Int. J. & J. Certified or Cashier's check on some Waco bank for 2% of the amount of bonds bid for required. Bids must be unconditional.

WALLA WALLA COUNTY SCHOOL DISTRICT NO. 75 (P. O. Walla Walla), Wash.—BOND SALE.—On Jan. 2 an issue of \$7,000 5% 20-yr. school bldg. bonds was purchased by the State of Washington. Denom. \$1,000. Int. ann. in Jan.

WALTHAM, MIDDLESEX COUNTY, Mass.—BIDS.—The other bids received for the \$42,705 5% tax-free street paving, surface drainage

street and school bonds, awarded on Jan. 11 to the Old Colony Trust Co. of Boston at 100.735, were:
 Floodgate & Co., Boston, 100.444 W. L. Raymond & Co., Bos. 100.24
 Merrill, Oldham & Co., Bos. 100.419 Estabrook & Co., Boston, 100.21
 Curtis & Sanger, Boston, 100.261 R. L. Day & Co., Boston, 100.199
 Edmund Bros., Boston, 100.26 Harris Forbes & Co., Boston, 100.12

WARD COUNTY (P. O. Minot), No. Dak.—BOND SALE.—On Jan. 9 the Second Nat. Bank of Minot was awarded at 100.04 the \$250,000 6% bonds recently authorized by the Board of County Commissioners for the purchase of seed-grain for farmers. Denom. \$100. Date Jan. 2 1918. Int. J. & J. at Minneapolis. Due Jan. 2 1923. Bonded debt (including this issue) Jan. 14 1918, \$400,000. Floating debt \$173,000. Sinking fund \$105,000.

WARD COUNTY (P. O. Barstow), Tex.—BONDS NOT SOLD.—No award was made of the \$30,000 5% 10-40-year opt. bridge-construction and road bonds offered on Dec. 1.—V. 105, p. 2114.

WAUKESHA, Waukesha County, Wis.—BONDS TO BE SOLD LOCALLY.—The \$10,000 4 1/2% coupon school building bonds authorized on November—V. 105, p. 2201—will be sold locally.

WELLSVILLE, Columbiana County, Ohio.—BOND OFFERING.—Sealed proposals will be received until 12 m. Feb. 11 by J. F. McQueen, City Aud., for \$3,500 5% street impt. bonds. Auth. Sec. 3939, Gen. Code. Denom. \$500. Date Oct. 1 1917. Int. ann. Due Oct. 1 1927. Cert. check for 10% of the amount of bonds bid for payable to the City Treas. required. Bonds to be delivered and paid for within 10 days from time of award. Purchaser to pay accrued int.

WEST ALLIS, Milwaukee County, Wis.—BOND OFFERING.—Sealed proposals will be received until 2 p. m. Feb. 9 by A. L. Wichner, City Clerk, for \$50,000 5% coupon street impt. bonds. Denom. \$1,000. Date Sept. 1 1917. Int. M. & S. Due \$1,000 yrly. on Mar. 1 from 1918 to 1922 incl. and \$3,000 yrly. on Mar. 1 from 1923 to 1937 incl. Cert. check for 5% of the amount of bonds bid for required. Bonded debt \$412,500. Assessed val. 1917 \$18,781,095.

WESTFIELD, Plymouth County, Ia.—BONDS VOTED.—By a vote of 34 to 51 the question of issuing \$8,000 bldg. bonds carried at the election held May 14 last.—V. 105, p. 1933.

WHEELER COUNTY (P. O. Lincoln), Neb.—BONDS VOTED.—Reports state that this county recently voted \$5,000 court-house bonds.

WICHITA, Sedwick County, Kans.—BOND OFFERING.—In reply to our inquiry as to the proposed issuance by the City of Wichita of \$200,000 bonds for the purpose of buying a site and erecting an exposition building, Mayor L. W. Clapp writes us as follows:

"William B. Dana Company, New York City.
 Gentlemen.—In response to a recent inquiry from your company, you are advised that the limitations imposed upon the issue of \$200,000 of Wichita City bonds as authorized by Act of the Legislature, were that the bonds be sold on a basis of 4% interest, payable in annual instalments of one-fourth each year.
 "The statutes of Kansas provide that all municipal bonds shall be sold at par.
 "The issue of bonds thus authorized is open for subscription and the Commissioners of the city would appreciate any publicity that you may see fit to give to the real facts.
 "Yours very truly,
 L. W. CLAPP, Mayor.

WILLIAMS, Coconino County, Ariz.—BOND SALE.—On Dec. 22 an issue of 90,000 6% 15-30-yr. (opt.) water and light bonds was awarded to Jas. N. Wright & Co. of Chicago for \$91,000 equal to 101.111. Denom. \$1,000. Date Nov. 15 1917. Int. M. & N.

WILSON, Wilson County, No. Caro.—BOND SALE.—On Jan. 7 the two issues of 5 1/2% gold bonds aggregating \$82,000—V. 105, p. 2564—were awarded to Baker, Watts & Co. of Baltimore for \$82,101 equal to 100.123.

WINNEBAGO, Thurston County, Neb.—BOND SALE.—The \$3,000 10-20-year (opt.) registered water bonds offered without success on Jan. 15 1917—V. 105, p. 312—were awarded on Oct. 1 last to the Lincoln Trust Co. of Lincoln at par less accrued int. Bonded debt (including this issue) \$15,000. No floating debt.

WOOD COUNTY (P. O. Quitman), Tex.—BOND SALE.—An issue of \$150,000 5% 20-40-yr. (opt.) road bonds offered on April 30 last has been purchased by E. L. Twing of San Antonio at 101.40. Denom. \$1,000. Date Jan. 1 1917. Prin. and semi-ann. Int. (J. & J.) at the First Nat. Bank, Mineola, Tex., or at the Seaboard Nat. Bank, New York.

WOONSOCKET, Providence County, R. I.—BONDS PROPOSED.—The issuance of \$500,000 paving and bridge bonds is being considered, it is stated.

WOONSOCKET, Sanborn County, So. Dak.—BOND ELECTION.—An election will be held in April to vote on the question of issuing \$10,000 city hall bldg. bonds. H. R. Knight is City Aud.

YAKIMA COUNTY SCHOOL DISTRICT NO. 7 (P. O. North Yakima), Wash.—BOND OFFERING.—Bids will be received until Jan. 26 by the Board of Trustees for \$37,780 6% 1-20-yr. (opt.) bldg. and equip. bonds. These bonds were voted at an election held Dec. 29.

YALE SCHOOL DISTRICT NO. 46, Payne County, Okla.—BOND SALE.—An issue of \$25,000 6% school-building bonds was awarded during August to R. J. Edwards of Oklahoma City. Denom. \$500. Date July 1 1917. Int. J. & J. Due \$10,000 1922 and \$5,000 in 1927, 1932 and 1937.

YELL COUNTY ROAD IMPT. DISTRICT NO. 1 (P. O. Danville), Ark.—BOND SALE.—On Jan. 4 an issue of \$400,000 road impt. bonds was awarded, it is stated, to Gunter & Co. of Little Rock.

YELLOW CREEK TOWNSHIP ROAD DISTRICT (P. O. Wellsville), Columbiana County, Ohio.—BONDS NOT YET SOLD.—The \$2,500 5% road impt. bonds offered without success on Aug. 18—V. 105, p. 1732—have not been sold.

YOUNGSTOWN CITY SCHOOL DISTRICT (P. O. Youngstown), Mahoning County, Ohio.—BOND OFFERING.—Bids will be received until 12 m. Feb. 4 by J. H. Bennett, President of Board of Education, for \$350,000 5% coupon school assess. bonds. Auth. Sec. 7039, Gen. Code. Denom. \$1,000. Prin. and semi-ann. Int., payable at the office of the City Treasurer. Due \$20,000 yearly on Sept. 1 from 1920 to 1929, incl., and \$30,000 yearly on Sept. 1 from 1930 to 1934, incl. Certified check for 10% of the amount of bonds bid for required. Bonds to be delivered and paid for within 10 days from time of award. Bids must be unconditional.

CANADA, its Provinces and Municipalities.

ANDERDON TOWNSHIP, Ont.—DEBENTURES VOTED.—Reports state that the question of issuing \$13,000 bridge debentures carried at an election held Jan. 7.

BELLEVILLE, Ont.—DEBENTURES VOTED.—By a vote of 748 to 242 the question of issuing \$28,000 site-purchase debentures carried, it is stated, at an election held Jan. 7.

BRANTFORD, Ont.—DEBENTURES VOTED.—By a vote of 1,299 to 984 the question of issuing \$40,000 grade-crossing debentures carried, it is stated, at the election held Jan. 7—V. 105, p. 2565.

FERGUS, Ont.—DEBENTURES VOTED.—By a vote of 273 to 7 the question of issuing \$10,000 6% 10-yr. mill bldg. debentures carried at the election held Jan. 7.—V. 105, p. 2565.

FOREST, Ont.—DEBENTURES VOTED.—The question of issuing \$8,500 fire-apparatus debentures carried, it is stated, at the election held Jan. 7.—V. 106, p. 106.

GALT, Ont.—DEBENTURES VOTED.—Reports state that the issuance of \$18,500 water-works-system debentures carried at the election held Jan. 1.—V. 105, p. 2478.

GREATER WINNIPEG WATER DISTRICT, Manitoba.—BONDS AUTHORIZED.—Permission, it is stated, has been granted the district officials by the Canadian Minister of Finance to float bonds in order to complete the work on the project. The financing, it is said, will be done in Montreal, but all definite information as regards this has been so far withheld.

GRIMSBY, Ont.—DEBENTURES DEFEATED.—The question of issuing \$3,500 6% debentures failed to carry at the election held Jan. 7.—V. 105, p. 2565. The vote was 90 "for" and 141 "against."

HESPELER, Ont.—DEBENTURES AUTHORIZED.—A by-law providing for the issuance of \$2,500 Red Cross debentures was passed by Council on Dec. 19, it is stated.

KINCARDINE, Ont.—DEBENTURES VOTED.—By a vote of 239 to 43 the question of issuing \$17,000 6% bridge debentures carried at the election held Jan. 7.—V. 105, p. 2585. Due in 1932.

LETHBRIDGE, Ont.—DEBENTURES VOTED.—Local papers state that this city has voted \$70,312 50 electric-light-equipment debentures.

NEW LOANS

\$150,000

CITY OF MONTGOMERY, ALABAMA, 5% REFUNDING BONDS

Sealed proposals will be received by the Board of Commissioners of the City of Montgomery until 11:00 o'clock a. m., **TUESDAY, MARCH 19TH, 1918**, for the purchase of all of an issue of

\$150,000 00

5% REFUNDING BONDS.

Said bonds will be issued to refund \$150,000 00 Bonds issued to build Sanitary Sewers on May 1st, 1888, which mature May 1st, 1918, and will be coupon bonds of the denomination of a thousand dollars each, and will be dated May 1st, 1918, and will mature May 1st 1948, bearing interest at the rate of 5% per annum, payable semi-annually on the first days of May and November of each year. Both principal and interest of said bonds will be payable at the office of the Old Colony Trust Company in the City of Boston, in gold coin of the United States of America of the present standard weight and fineness.

Said bonds will be sold at not less than par and accrued interest from the date of the bonds to the date of delivery. The right is reserved to reject any and all bids.

Proposals should be addressed to C. J. Fay, Clerk of the City of Montgomery, and enclosed in a sealed envelope marked on the outside "Proposal for refunding bonds," and must be accompanied by certified check for \$1,500 00 payable to the order of G. W. Barnett, City Treasurer. Checks of unsuccessful bidders will be returned upon the award of the said bonds.

The successful bidder will be furnished with the opinion of Messrs. Storey, Thornhill, Palmer & Dodge, Attorneys, of Boston, that the bonds are binding and legal obligations of the City of Montgomery. The bonds will be prepared under the supervision of the Old Colony Trust Company of Boston, who will certify as to the genuineness of the signatures of the City Officials and of the seal impressed thereon. Bonds will be free from taxation, except United States Income Tax.

By order of the Board of Commissioners.
 Dated January 15th, 1918.

C. J. FAY,
 Clerk of the City of Montgomery.

NEW LOANS.

\$36,000

SAVANNA & YORK DRAINAGE DISTRICT CARROLL COUNTY, ILLINOIS 6% DRAINAGE BONDS

Sealed bids for \$36,000 6% Drainage Bonds, free of tax, dated February 1st, 1918, interest annually. No existing indebtedness. Assessed valuation taxable property 1916—\$88,860. Purpose—erection pumping station—additional ditches and general improvements. Approval—Horace S. Oakley, Engineers—Edmund T. Perkins Engineering Co., Chicago, Ill. Proposals received until 2 P. M. January 26, 1918, by N. D. French, Secretary, care of Franklin J. Stransky, Savanna, Ill. For complete financial statement request Franklin J. Stransky, Attorney, Savanna, Ill.

\$70,000

CITY OF CHESTER, PA. 4 1/2% BONDS

The City of Chester, Pennsylvania, will receive sealed proposals, addressed, "Proposals for Bonds," until **MONDAY, FEBRUARY 4TH, 1918**, at 10 o'clock a. m., for bonds to the amount of \$70,000 00 dated January 1st, 1918, in denominations of \$1,000 00 each, payable in thirty (30) years, at 4 1/2 per cent, clear of State and all Taxes. A financial statement will be furnished upon application.

JOSEPH MESSICK, Jr.,
 Supt. of Accounts and Finance.

MINING ENGINEERS

H. M. CHANCE & CO.

Mining Engineers and Geologists
COAL AND MINERAL PROPERTIES
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141 BROADWAY, NEW YORK.

Expert Operators and Engineers

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