



### THE FINANCIAL SITUATION.

The money market this week has been comparatively easy and call loan rates did not at any time get above 6% notwithstanding the stock market throughout has been very active. The Clearing House institutions in their return for last Saturday showed surplus reserves of \$33,036,470 above the legal requirements as against the deficiency of \$812,690 below the required reserve the previous Saturday, and on the face of things, therefore, the situation is greatly improved, apparently warranting the easier tone of the money market.

But the great transformation thus wrought in a single week is in a large measure misleading, and no one should allow himself to be deceived as to the real situation. The truth is, the banks are in an uncomfortably tight position, loans and discounts running \$736,000,000 in excess of the deposits and the improvement in the reserve situation was brought about almost entirely by increased borrowing at the Federal Reserve Bank. The reserve with the Federal Reserve Bank during the week was increased \$38,333,000 and when the different items in the Clearing House statement are carefully examined it is found that the increased reserve has followed almost wholly from heavier borrowings at the Reserve Bank.

There is two-fold proof of this. In the first place, the New York Federal Reserve Bank in its statement reports the aggregate of bills discounted added to in more than \$22,000,000, the total rising from \$772,182,299 to \$794,484,248. In the portion of these rediscounts secured by war obligations the addition was yet larger, the amount here rising from \$619,360,911 to \$656,305,186—an addition for the week of \$37,000,000. There is, however, still another proof and this is found in the Clearing House return itself: The item of "bills payable, rediscounts, acceptances and other liabilities" which, following the warnings issued by the Federal Reserve Bank during June and July, was for a time rapidly reduced, has latterly been increasing again and quite largely. On Aug. 16 the total of this item was down to \$786,931,000, but on Aug. 23 there was an increase to \$791,364,000, and on Aug. 30 (last Saturday) there was a further addition of over \$35,000,000, the total rising to \$826,445,000.

Thus the Clearing House banks are again, in an increasing degree, shifting their burdens to the Federal Reserve Bank. And, what is particularly unfortunate, the Reserve Bank has practically reached the limit of its power to extend further aid. The fact is, even the additional assistance extended last week put the Bank under a great extra strain. The New York Reserve Bank last Saturday was again in the position to which it had been reduced early in July when such high call loan rates were recorded and the Bank took on an extra load of acceptances, and rediscounted with exceptional freedom, in order to save the acceptance market. In the effort to accommodate the member banks the Reserve Bank has latterly again been adding to the volume of its outstanding Reserve notes and last Saturday reported no less than \$752,282,890 of these notes in actual circulation.

We take no account of its issue of Federal Reserve Bank notes in circulation, since against those no gold reserve is required, though the total of these notes is also increasing week by week, and last Saturday amounted to \$42,497,000. Simultaneously, the

Bank's gold holdings are being largely reduced through the gold outflow to foreign countries which has been in progress since the Federal Reserve Board removed the embargo against export shipments.

The result altogether is that last Saturday the Reserve Bank was down almost to the limit of its own reserve requirement. Against its deposit liabilities and Federal Reserve liability combined the gold holdings then were less than 40%. The statute requires a minimum of 35% of gold against the deposit liabilities and of 40% against the notes in circulation. Allowing nothing but the minimum of 35% against the deposits, even then the gold remaining constitutes no more than 42.6% of the Reserve notes in circulation—not counting at all the Reserve Bank notes in circulation. To show the change in recent weeks in the ratio of gold to liabilities we give the following table carrying the comparison back to May 29:

FEDERAL RESERVE BANK OF NEW YORK.

	Net Deposits.	Reserve Notes in Circulation.	Total Gold Reserves.	Ratio of Gold—	
				To Dep. a/l. 35% & Notes on Dep.	To Notes
	\$	\$	\$	%	%
May 29	822,577,715	742,389,900	751,487,900	48.0	62.4
June 6	792,184,821	736,673,920	766,149,538	50.1	66.4
13	770,262,013	736,288,450	737,356,587	48.9	63.5
20	774,416,612	735,225,675	771,514,949	51.1	68.1
27	800,001,963	737,436,625	782,981,949	50.9	68.2
July 3	769,601,063	762,914,860	656,095,602	42.8	50.7
11	814,053,067	751,780,870	615,348,822	39.3	44.0
18	713,164,398	742,980,305	614,174,243	42.2	49.1
25	730,257,243	739,164,845	642,194,640	43.7	52.3
Aug. 1	770,844,008	745,917,670	696,744,265	45.9	57.2
8	*722,080,472	745,722,695	645,930,410	44.1	52.7
15	*643,503,712	748,166,225	582,503,236	41.9	47.8
22	*598,747,338	749,975,055	557,161,174	41.3	46.4
29	*590,730,023	752,282,890	527,446,852	39.3	42.6

\* After deducting "gold in transit or in custody in foreign countries."

It will be observed that the ratio of gold holdings to liabilities last Saturday was at the lowest figure on record. Even compared with a date as recently as June 27 the gold ratio shows a decline from 68.2 to 42.6. It should be comprehended what a ratio as low as 42.6 signifies. It means that with the issue of less than \$20,000,000 additional notes for the purchase of acceptances the gold reserve would fall below 40% and its reserve position actually become impaired—the law requiring, as already stated, 35% as a minimum against the deposit liabilities (which is all that has been allowed in our computation) and 40% against the outstanding notes in circulation. It is therefore no exaggeration to say, as we have above, that it is not within power of the New York Federal Reserve Bank to take on very much more of the burden of the Clearing House institutions.

Bank clearings in the United States continue to reflect the very large business being transacted at highly inflated prices and, although the result for the latest month (August) does not establish a new high record total, the outcome is second only to that of July, and, of course, very much in excess of the period in the previous year. Prices for practically everything that goes into general consumption are so high that even normal buying would mean a very appreciable increase over preceding years in the volume of money passing in liquidating purchases, but with labor in very many lines now receiving compensation swollen in much greater ratio than the advance in commodity values, the purchasing power of a very large portion of the people has been considerably enhanced and this the clearing returns reflect. Speculative activity on the Stock Exchange has decreased latterly, but still runs much in excess

of a year ago. In 21 instances the current clearings totals are the heaviest for any month in our history, and at over 100 other cities they are high records for August.

In all, our compilation of clearings for August includes 174 cities and only 40 record decreases from a year ago, with the falling off in almost every case small, explainable by locally operating causes, and consequently devoid of significance. Gains of exceptional dimensions, moreover, continue a feature of the exhibit. For August they are to be found at such leading cities as New York, Detroit, Buffalo, Los Angeles, San Francisco, Portland, Ore., Kansas City, Minneapolis, St. Paul, Denver, Atlanta, Memphis, Dallas, Akron, Fort Worth and at very many points of lesser but growing prominence. For the whole country the total of clearings at \$34,681,871,970 exhibits an increase of 23.2% over 1918, and the gain compared with 1917, reaches 38.2%. The Greater New York aggregate of \$19,527,100,797 shows an augmentation of 30.5% and 33%, respectively, contrasted with one and two years ago, and for the 173 outside cities at \$15,154,771,173 exceeds 1918 by 14.8% and 1917 by 4.55%.

For the elapsed portion of the calendar year 1919—eight months—the total of clearings, needless to say, is by a very considerable margin a new high-water mark for such a period. The aggregate for the 174 cities reaches \$258,450,607,914, this showing a gain of 20.9% over 1918 and 28.7% over 1917. At New York the augmentation compared with last year is 26.1%, and the increase over two years ago 23.3%, while at the outside cities 14.8% and 36.4%, respectively, represent the gains. Passing detailed reference to the exhibit made at individual cities, we note that decreases are to be observed at only 32 points and that at 34 increases of 30% or over are shown, with the heaviest of all at Birmingham 174.4%, Jacksonville 70.9% and Sioux Falls 73.2%. Analyzed by sections the middle group of cities shows the heaviest improvement over 1918.

Speculative operations in stocks on the New York Stock Exchange in August, while of somewhat lesser volume than in recent preceding months, was at the same time decidedly more active than in the same month a year ago. Dealings aggregated 24,432,607 shares against only 6,887,589 shares last year and 11,636,853 shares in 1917, and for the eight months totaled 200,268,975 shares against 89,106,917 shares and 126,853,605 shares, respectively, in the corresponding period of the two preceding years. Decreased trading as compared with 1918 is to be noted in foreign securities, but operations in railroad and industrial bonds showed expansion, and transactions in Liberty Loan issues continued very active, reaching for the month an aggregate of 205½ million dollars against 118½ millions in August last year. Consequently, sales of all classes of bonds for the month were very much larger than those of August 1918—\$252,417,500 par value contrasting with \$163,698,000—and for the period since Jan. 1 they totaled no less than 2,131¾ million dollars against 1,024½ millions a year ago and 640¾ millions in 1917. At Boston the trading in stocks for August covered an aggregate of 676,956 shares against 266,988 shares in 1918, and for the eight months comparison is between 5,775,610 shares and 2,360,170 shares. Chicago reports considerably heavier aggregate this year than last—for the month 542,786 shares compared with

96,911 shares, and for the period since the 1st of January 3,824,602 shares with 960,841 shares.

The Canadian clearings exhibit is of much the same general character as that for the United States. Every city but one in the list of 25 shows an increase over 1918 and in a number of cases the gains are of noteworthy proportions. The improvement in the aggregate reaches 20.5% for the month, and 18.6% for the eight months, with Montreal, Ottawa and Kitchener leading in percentages of increase and losses confined to Winnipeg, Calgary, Lethbridge and Medicine Hat.

The cotton condition report for Aug. 25, issued by the Crop Reporting Board of the Department of Agriculture on Tuesday and indicating a further, but hardly more than average, deterioration during the preceding month, was quite in line with general expectations and, therefore, a rather negligible factor in the markets for the staple. Deterioration is apparent in almost every State and, in a memorandum accompanying the condition data, is officially ascribed to the depredations of various insect pests—boll weevil, boll worm, army worm and red spider—to continuous rains over wide areas, drought in localities of lesser extent and hot dry weather following the heavy rains of July. Elaborating the various adverse factors the Board refers to the boll weevil as having devastated much of the crop from southern and eastern Texas to several counties in southern South Carolina, and where rains were frequent got all the fruit put on after Aug. 5 to 10. The boll worm, it is stated, did serious damage over considerable territory in Texas and Oklahoma and in lesser degree in Arkansas and Louisiana, while being mentioned as having appeared in several other States. The caterpillar, or army worm, is reported in various sections of Texas, Louisiana, Arkansas, Mississippi and Alabama, and the red spider or rust is complained of in the Carolinas and Georgia. Damage by rain is especially noted in Georgia, the Gulf States, and Texas and Arkansas, and of the Carolinas it is remarked that hot weather following the heavy rains of July caused sappy growth of the plant and considerable shedding. Sea Island cotton has suffered very severely, according to the explanatory remarks, and the production will be very small, boll weevil having practically destroyed the crops in Georgia and Florida and are now causing damage in South Carolina.

As officially announced, the Department makes the decline in condition from July 25 some 5.7 points and shows the average Aug. 25 to have been 61.4 against 55.7 in 1918 (the lowest on record for that date), 67.8 two years ago, 61.2 in 1916 and a ten-year average of 68.4. As regards the individual States the condition in Texas and North Carolina is given as 6 points lower than in July 25, the drop in Oklahoma and South Carolina is stated as 4 points, Mississippi and California 2, Alabama 9, Louisiana 5, Georgia and Florida 12, and Arizona 3 points. Arkansas and Tennessee exhibit improvement of 2 points and Missouri 8 points. Compared with a year ago the situation east of the Mississippi is quite generally less favorable, but west of the river a better crop status is to be noted, condition being 6 points better in California, 13 in Arkansas, 15 in Missouri, 18 in Texas and 38 in Oklahoma.

The indicated yield per acre, based on the Aug. condition report, with average seasons hereafter, is

159.8 lbs. lint, and this foreshadows a total production of 11,203,000 bales (not including linters) allowance being made for a 1% abandonment of planted area. This estimate compares with the final compilations of the Census Bureau of 12,040,532 bales last year, 11,302,375 bales two years ago, 11,449,930 bales and 11,191,820 bales respectively in 1916-17 and 1915-16 and the 16,134,930 bales high-record yield of 1914-15. With so small a prospective yield as above indicated it is evident that the year's production will fall short of filling consumptive demands. Assuming that the crop will reach the figure mentioned above—11,203,000 bales—and adding 900,000 bales for linters, we have a total of approximately 12,100,000 bales. But to this must be added the carry over at the end of the season—3,978,522 bales at consuming establishments and in the public storage, 1,150,000 bales estimated as in private storage and on plantations, all this in the United States, and in addition 1,192,199 bales held in stock at British and Continental ports and afloat for Europe. These items furnish an aggregate of 6,320,721 bales, which added to, the 12,100,000 bales already referred to, would give an American supply of 18,420,721 bales, not counting stocks held at mills in Europe which were believed a quarter of a million bales or more at the close of July. A total of sufficient magnitude to dispel fears of a cotton famine in 1919-20 unless consumption should increase very largely.

The Supreme Council, a week ago this morning, decided to hand the complete draft of the proposed treaty with Austria to her delegates on Tuesday afternoon of this week. Announcement was made that the Austrians would be given five days in which to make known their decision. The Paris "Temps" claimed authority for the assertion that the treaty "does not solve the problem of the disposition of Fiume," but in a Paris cablegram it was stated that Signor Tittoni, the Italian Foreign Minister, and Lloyd George would meet within a day or two to "discuss the solution of the Fiume problem, looking toward making Fiume an Italian city, the hinterland being leased to the League of Nations." On the eve of the treaty being handed to the Austrian delegation the claim was made in Paris advices that in the covering letter accompanying the treaty the great responsibility of Austria in helping to bring on the war was set forth, but that "in view of the small expanse of her territory, it is impossible not to help her economically and financially in order to assure her the possibility of existence."

The treaty was handed to the Austrian delegation Tuesday afternoon as planned. The presentation was made by Paul Dutasta, General Secretary of the Peace Conference, who also at the same time handed the delegates the reply of the Allies to the Austrian counter-proposals, together with the covering letter, to which reference has been made. In spite of her blameworthiness in helping to bring on the war, it was stated specifically in the letter that "the Allies are willing to assist Austria to adapt herself to her new situation and to admit her to the League of Nations in the near future." The treaty was presented in French, English and Italian texts. Chancellor Karl Renner, Chairman of the Austrian peace delegation, left the same evening for Vienna with the treaty. Before going he stated that probably the document would be considered by the Austrian General Assem-

bly on Saturday and Sunday, and intimated that he might ask for an extension of time for the discussion and for coming to a final decision as to the signing of the treaty. Thursday afternoon it became known here that the American delegation to the Peace Conference had secured an extension of two days of the original five days that had been granted by the Peace Conference authorities. This will make it necessary for the Austrians to make known their decision next Tuesday. In Paris dispatches yesterday morning the belief was expressed that the treaty will actually be signed next Thursday or Friday.

On Tuesday afternoon also it became known in Paris that the Supreme Council had sent an ultimatum to the German Government declaring that within two weeks Germany must modify her Constitution, recently adopted, to the extent of eliminating the provision which admits Austrian delegates into the Reichstag. In justification of this step it was pointed out that this clause "is in contradiction to the Versailles treaty, which forbids interference by Germany in Austrian affairs." On Wednesday afternoon it became definitely known here through cablegrams from Paris that the revised Austrian treaty prohibits the annexation of Austria by Germany. According to several of the most prominent newspapers of Berlin the Germans have strongly resented the demands of the Allies to modify their Constitution with respect to the admitting of Austrian representatives to the German Reichstag. A cable gram from Berlin via Basle last evening stated that the Germans have sent a reply to the note of the Allies relative to this question. In the reply it is claimed that the Germans, on May 27, informed the Allies "that Germany had no intention to modify the Austro-German boundaries by violence, but could not undertake to oppose a German-Austrian spontaneous desire for union with Germany." A news agency dispatch was received in London from Berlin yesterday afternoon in which it was claimed that "the German Government has forwarded a note to Premier Clemenceau stating that Germany will not maintain its present attitude with respect to Austrian representation in the Reichstag and that she will change her Constitution to conform with the Allied demands." The War Finance Board at Washington announced on Tuesday that trade might be renewed with Austria at once. Exports from this country to Austria will be "controlled by individual export licenses," which will be freely issued, except with respect to aircraft and some other important commodities and products.

Hungary certainly is having a hard time getting a Ministry that can or will stick. Almost immediately following the announcement of the second and seemingly successful attempt of Premier Friedrich to name a complete Cabinet, came the report from Budapest a week ago to-day that "Franz Heinrich, a wholesale hardware dealer and business man of that city, had been chosen by the Liberals for Prime Minister." Friedrich, it was stated, was unwilling to give up and was reported to have declared that "he had the nation behind him and defied any party to remove him from the Ministerial chair." Reports received from Budapest on Tuesday indicated that already he had changed his mind and declared that he had even offered "to step down and out," proposing to the Entente "the resignation of his entire

Cabinet, to be succeeded by one under Franz Heinrich, the present Minister of Commerce." The advices stated that the latest Cabinet to be proposed would include Jules Peidll, the former Premier, and several members of the Friedrich Ministry. The offer of Friedrich was said to contain a condition that "the Entente must recognize and negotiate with the new Government as representing the constituted authority of Hungary and permit it to organize a new army and police force." Another stipulation was that the Rumanians should gradually leave Hungary, "and that while they remained they shall discontinue acts such as the disarming of officers and the requisitioning of supplies."

Paris advices Tuesday stated that the American Mission had received reports indicating that the Rumanians were planning to "withdraw entirely from Budapest, leaving the city wholly at the mercy of the Hungarian mobs." It was said that the motive behind this move was "the desire of the Rumanians to vindicate their action in occupying Budapest, and to place the responsibility for what may happen when they leave, on the Americans and British, both of whom have opposed their policy." Subsequent advices did not tend to confirm these suggestions, inasmuch as apparently the Rumanians have no intention of departing from Budapest in a precipitate way. In a special Paris cablegram Wednesday morning it was made clear that the Peace Conference authorities, and more particularly the French Government officials, had reached the limit of their patience because of the failure of the Rumanians in Hungary to give any regard or reply to the demands of the Entente authorities to discontinue looting Hungary and to leave the country. On Wednesday morning it was reported in Vienna dispatches that the latest Hungarian Cabinet was not likely to stand, some of the appointees having declined to serve and the Socialists and the workingmen being disinclined to support it. The same day it was definitely reported in Paris that the Supreme Council had decided to send another ultimatum to the Rumanian Government by a personal representative, Charles Jonnart, formerly Governor-General of Algeria, being most generally suggested for this important mission. According to the advices from Paris the Allies will once more order the Rumanians to leave Hungary for good. Yesterday morning Nicholas Misu, Rumanian representative in Paris, was reported to have declared to the Supreme Council that "Rumania never received the notes previously sent by the Peace Conference." By reason of this assertion the Council appointed Sir George Clerk, an official of the British Foreign Office, "to go to Bucharest to present to the Rumanian Government the desires of the Allied and Associated Powers with regard to Rumanian occupation of Hungary." The "Petit Parisien" said yesterday that the note "is couched in firm but cordial language," while "Le Journal" declared that "Sir George is taking with him 75 radiograms which the Rumanian delegation is reported to have stated were sent from Paris to the Rumanian Government within the last two weeks, none of which reached its destination." A Frenchman who recently returned to Paris from a visit to Budapest, Belgrade and Athens is said to have stated in the French capital that "the defiance by the Rumanians of the Supreme Council had caused a deplorable condition in the surrounding countries."

Affairs in Russia have continued to attract special attention. According to the reports from various sources the successes of the Kolchak and Denikin troops have been interspersed with defeats. The developments as reported from day to day have made more or less of a medley. Apparently the British naval and air forces have been active in their efforts not only to defeat but to drive out the Bolsheviki from Northern Russia. A week ago to-day London had a report that Kronstadt, the Bolshevist naval base near Petrograd, had been bombarded again. At that time, however, the British Admiralty had not received any official advices regarding the matter. A few days later Copenhagen received reports of severe fighting in the streets and public squares of Kronstadt. The very next day word came from Copenhagen from a Berlin correspondent of a local newspaper, that a large British squadron had passed Koenigsburg in East Prussia. It was believed that "the warships were reinforcements for an approaching general offensive against the Bolsheviki in Northern Russia."

Chief Engineer Steibiko of the Lithuanian railway system brought a report to Paris early in the week that a German army of some 40,000 men had "assembled in Lithuania and is preparing to march into Russia under the pretense of endeavoring to reach and help Admiral Kolchak." In describing the situation in greater detail this informant said that these German troops called themselves "Kolchakis," and were really making preparations not only to march into, but through, Russia. He declared also that the Germans had paid no attention to the numerous notes that had been sent by the Lithuanian Government demanding their withdrawal from its territory.

The General Staff of the Siberian army has issued an interesting proclamation to the soldiers comprising the army, and to the Siberian people, which contains the following significant statement: "Our armies, under the leadership of Admiral Kolchak, are fighting for the re-establishment of Russia as a free, united and independent State, built on the principles of democracy in accordance with the will of the people, which will be expressed through the Constituent Assembly." Through a delayed cablegram from Omsk word has come of the appointment of Leo de Hoyer, former head of the Russo-Asiatic Bank of Peking, to succeed J. A. Mikhailoff as Minister of Finance in the Kolchak Cabinet. His long experience in the Finance Ministry at Petrograd is regarded as having fitted him specially for this new and important post at this particularly critical period in the Kolchak regime.

Although it was reported in a Washington dispatch Wednesday morning that President Wilson had under consideration the report of Roland S. Morris, Ambassador to Japan, on the Omsk Government and conditions in northern Russia, it was not made known before he set out on his 10,000-mile trip across the Continent in defense of the Peace Treaty and the League of Nations, whether he had reached a decision on the proposal that the United States recognize Admiral Kolchak's Government.

Thursday morning London heard through Bolshevist sources a repetition of the frequently circulated report that Admiral Kolchak had "evacuated Omsk

and transferred his headquarters to Irkutsk." Leon Trotzky, in an address to the Petrograd Soviet a few days ago, was quoted as having asserted that "the Bolsheviks must stand proudly and impreguably in the defense of Petrograd," and to have added that "unless Finland gave guarantees of her security and the cessation of further provocation the Bolsheviki would make every preparation for an overwhelming advance into that country." A cablegram from Basle Thursday evening stated that "Ukrainian forces have captured Kiev after violent street fighting with the Bolsheviki defenders." A confirmation of this report reached the British War Office the same evening.

President Ebert of Germany is to be congratulated for having taken a firm stand against the radical demands of organized labor and strikes. In an address at Stuttgart recently he is reported to have said: "Peace conditions make it necessary for the available forces of the State to be gathered into one intimate organization. Everyone has the right to express his opinion clearly and to act freely in political matters, but freedom without reins or limitation is anarchy. We won't join others on that road." He added that "Germany's economic existence should not be destroyed by senseless strikes," and also that "whatever can be done by the State to safeguard the coal supply and to satisfy just claims shall be done with every means at our disposal." It was clearly indicated in a Berlin dispatch a few days later that at least the waiters in the restaurants and cabarets of that city were not disposed to co-operate with President Ebert in the matter of coal conservation, inasmuch as it was stated that they had threatened to strike unless they were permitted to serve drinks all night. The authorities estimated that in the West End of Berlin alone there were at least 100 places that were keeping open until morning. In a special cablegram from Berlin on Thursday morning the assertion was made that unquestionably that city had become, since the signing of the armistice, the principal "gaming city" in Europe. Similar reports have come to hand from that centre in recent weeks and months. While this outburst of extravagance and hilarity has been attributed to a natural reaction from the severe burdens and restrictions of the war period, it is safe to assume that the people of the outside world are not made more willing by reports of this kind to help the German people to rebuild their country.

The Majority Socialist Party has issued an official bulletin in which it urges the people to join in a determined effort to increase production greatly. The bulletin says: "It is useless to search for a scapegoat in the present economic crisis. The fact is that the whole industry of Germany is ailing and unless it rapidly improves the German people will freeze and starve during the coming winter."

Because of the greatly reduced production of coal in Germany, negotiations at Versailles are said to have resulted in a decision that Germany, during the next six months, "shall deliver 20,000,000 tons of coal to France, as compared with the 43,000,000 tons provided for by the terms of the Peace Treaty." According to the stipulations of the reported agreement "if Germany's total production exceeds the present level of about 108,000,000 tons annually, 60% of the extra production, up to 128,000,000 tons, is to be delivered to the Entente, and 50% of any extra production beyond that amount until the figure

provided for in the peace treaty is reached." In case the production falls below 108,000,000 tons the Entente is to "look into the situation and grant a hearing on Germany's side."

Whether or not the United States is to accept a mandate for a part or all of Turkey apparently has not been decided either by the American delegation in Paris or the Government at Washington. Charles R. Crane and H. C. King have presented a report to the former body on conditions in the Near East. The document is in three sections, the first dealing with Syria, the second with Mesopotamia, and the third with Arabic-speaking Turkey. The opinion was expressed in a Paris cablegram a week ago that while the American commission had declared that "their report does not necessarily advise a United States mandate for all of Turkey, they had recommended that much more than Armenia and Constantinople should be included in the American mandate, if the United States decide to accept it." The commissioners were said to have reported furthermore that "there seems to be an overwhelming sentiment for a United States mandate."

General Pershing left Paris last Sunday for Brest, whence he was scheduled to sail on the Leviathan the following day for New York. A large crowd gathered at the Invalides Station to see him off. Prominent among the French officials who bade him farewell in the French capital were Premier Clemenceau and Captain Andre Tardieu. The former declared that "the French people could never express all the gratitude they felt for the services he had rendered," and urged the General to come to France again "to give the French an opportunity to show their appreciation of the work he had done in the great war." Captain Tardieu in the course of a hearty tribute said: "It is a great friend of ours who leaves us. He will remain constantly in the thoughts of all of us, and personally I shall always retain for him a deep affection." The Leviathan set sail from Brest the following afternoon at 3 o'clock. Marshal Foch delivered an address on board the ship full of feeling and in part said: "In leaving France you leave your dead in our hands. On our soil we will care for them religiously and zealously as bearing witness to the powerful aid you brought us. These dead will bring from America many thoughts of remembrance and pious visits that will bind still more strongly our already close union."

The General is expected to land at Hoboken at 10 o'clock next Monday morning and to be the guest of the city until some time next Friday, when it is stated that he will leave for Washington. A committee is making elaborate plans for his entertainment, which will include a parade by the 1st Division, which General Pershing took to France, and which it is proposed that he lead on his own charger. There will be a dinner given by the city at the Waldorf Wednesday evening. Just before leaving on his trip last Wednesday evening, President Wilson signed a commission giving to General Pershing the permanent rank of General of the Regular Army "as a reward for his services as commander of the American Expeditionary Forces." Amid great applause the Senate, in open executive session the following day, unanimously confirmed the nomination. General Pershing is the fourth officer of the United States Army to hold this honor, and the eleventh American

upon whom this has been conferred. George Washington was the first American General.

A few days before sailing for the United States, Herbert Hoover gave an interview in which he charged that speculation in food products "in the United States and throughout the world's primary food markets, is largely responsible for high food costs." He asserted also that "wharves and warehouses in northern European ports are crowded with food-stuffs sent by merchants from all over the world," who had gambled on the possibility of selling them "in Poland, Czecho-Slovakia, the Baltic States and Germany at high prices." Unfortunately for the speculators the peoples of those countries had only a greatly depreciated currency with which to buy and could do so only as they could secure credit. He predicted that "we are now coming into a flood of production of foodstuffs in the Northern Hemisphere and will again have a great surplus in the United States." If soon ways are not found of extending credits to European peoples with which to buy their winter supplies, Mr. Hoover declared that "we are likely to have a glut and prices may fall below the cost of production to American farmers." He was quoted as saying that Attorney-General Palmer is "on the right track" in his efforts "to break down speculation and to secure powers never possessed by former administrations to enable him to accomplish this task." In the judgment of Mr. Hoover the "situation would not have been so acute if the blockade had been removed soon after the armistice was signed, as was urged by the United States Government." In his testimony a few days ago before a sub-committee of the Congressional Committee on War Expenditures, Mr. Hoover gave it as his opinion that "it was imperative for the United States to extend to Europe credits of from \$3,000,000,000 to \$4,000,000,000 for a year and a half or two years in order to provide a market for the American surplus and to save Europe from disaster." According to private advices received here Wednesday, Mr. Hoover will sail for New York to-day on the Aquitania. On Sept. 16th the American Institute of Mining and Metallurgical Engineers will tender him a dinner in this city. He will then proceed to Palo Alto, California, for a much needed and long deferred rest.

It seems not at all improbable that, as a result of the war, the crown lands of more than one European Power will be given up in part or altogether for the benefit of the common people. An interesting announcement comes from Milan that King Emanuel of Italy has made an official statement of his intention "to relinquish all crown lands throughout Italy for the benefit of the peasantry and the combatants for Italian unity." According to the statement the buildings on these lands are to be renounced "in favor of charitable institutions and organizations, whose aim is to mitigate the sufferings which have followed the war." As a still further step toward democracy, the King made it known that "in the future his own personal property would be taxed the same as that of the Commoners." As a result of a conference between Signor Tittoni and Lloyd George at Deauville this week, it was reported that finally "an agreement has been reached from which a solution of the Italian problems is expected."

The general discussion of the Peace Treaty in the French Chamber of Deputies came to a dramatic ending for the time being a week ago yesterday afternoon, when more than 20 deputies who had been counted upon to take part announced their decision not to do so. Naturally, the Government forces were taken by surprise and after a few minutes of consideration adjournment was taken until Tuesday of this week, when it was made known that Rene Viviani and Louis Barthou, former Premiers, would speak. The former was quoted as expressing the opinion at that time that the Treaty would be ratified Thursday or yesterday. Captain Andre Tardieu, in the course of a speech in the Chamber Tuesday afternoon in support of the Peace Treaty, declared that it "gave France all the necessary guarantees." He also said that "France did not win the war alone and therefore could not make peace alone. It was an Allied victory; thus it should be an Allied peace." Deputy Franklin Bouillon announced in the Chamber on Wednesday that he would vote against the Treaty. He was the fourteenth speaker in the debate, but was said to be the first to make known his intention to vote against the proposals of the document. Paul Mistral, Minority Socialist, in the course of the debate on the Treaty Thursday afternoon, declared that he and his party of about 35 members, would not vote in favor of ratification. In Paris advices yesterday morning the opinion was expressed that the Treaty finally would be ratified by a vote of approximately 350 to 100.

Already the forthcoming elections in France are receiving considerable attention. It seems to be the prevailing opinion that President Poincaré will not stand for re-election. Paul Deschanel, President of the Chamber of Deputies, is reported to be favored by a large majority of the present members of that body. Alexandre Ribot, a former Premier, is expected to offer the most formidable opposition.

A special correspondent of the London "Times" has contributed a long article to his paper on the importance of Great Britain resuming trade with Germany. He declared that German-made goods should be purchased by Great Britain and other countries to which Germany owes large indemnities under the terms of the Peace Treaty. Otherwise he contended that Germany would not have funds with which to buy raw material in other countries for the manufacture of products which she could sell in those countries and in turn get money with which to pay at least a part of her foreign obligations. Discussing conditions in Germany, the correspondent asserted that "after supplying France with the promised amount of coal under the Peace Treaty conditions, and by the strictest economy in household consumption, Germany will barely have sufficient coal to operate her factories at about one-third of their capacity."

The removal by Great Britain of import restrictions on Sept. 1, it was claimed in one London cablegram, "seemed to have made little difference to American importers." He added that "they are confronted with the exchange situation, in practice a far more formidable obstacle to trade than any tariff, and that they do not expect any great influx of American products as a consequence." A list of the commodities on which the restrictions were re-

moved was made public when official announcement of the action was first made. By way of reiteration it may be noted that since Sept. 1 all goods except the following may be brought into Great Britain: Dyes, chemicals, drugs, perfumes, optical glass, scientific instruments, gas mantles, magnetos, hosiery, needles, gasoline and other articles of the so-called "key industries." British business interests who do not allow their prejudice to get the better of their judgment were quoted in London cablegrams as saying that if Great Britain does not purchase German goods, Germany will not be able to buy British raw materials and products.

In another special dispatch from the British capital the statement was made that "German goods once more have made their appearance in the London market, although Great Britain opened her trade doors only to-day" (Sept. 1). The National Union of British Manufacturers was said to have received reports that "German representatives are already busy in London and provincial towns offering merchants every inducement to take goods for immediate delivery." The prices of some of the articles were reported to be much below those charged by the British shopkeepers. For instance, the correspondent said that "German postcards, hair-pins, curling irons and toys were placed on sale in several parts of London at prices 40% under local quotations." In another message it was admitted that the Germans would dominate the toy market in London and special regret was expressed because many crippled English soldiers had taken up the making of toys toward a livelihood. Naturally, there was general apprehension over the unmistakable evidence of formidable German competition for trade generally in Great Britain.

Announcement was made in London cablegrams on Wednesday that the British Government has appointed Sir George W. Buchanan Ambassador to Italy; Sir Esme W. Howard, Ambassador to Spain, and Ministers to eight other countries. Careful observers of political developments in Great Britain were reported to be of the opinion that the newspapers, in their campaign against the Government, would attempt to make Andrew Bonar Law "the scapegoat for Governmental mistakes and to exonerate the Premier on the ground that Bonar Law was virtually Acting Premier while Lloyd George was engaged at the Peace Conference." The latter promptly sent a message to the newspapers in which he asserted that "it would be grossly unfair to attribute continued war expenditure to any particular member of the Government." Sir Edward Carson, in an address in Belfast, was reported to have charged Viscount Northcliffe with being a "man hunter" for the purpose of becoming Prime Minister himself. He also characterized Northcliffe as the "greatest absentee Irish capitalist, and the greatest example of an Irishman, who, under the Union, has made untold wealth in England." It was reported from London Thursday morning that the Government had stopped, as a matter of economy, work on a half dozen dirigibles of the R-34 type.

The coal labor situation in Great Britain is giving fresh trouble to Lloyd George and his associates in the Government. The coal miners, who were in conference in London this week, were reported on Thursday morning to have "declared themselves in

favor of taking a ballot on the question of direct action" and to have resolved to vote in favor of such a ballot at a meeting of the Triple Alliance of transport workers, miners and railwaymen to be held during the day. The men were reported to have "adopted in its entirety the recommendations of the National Executive Committee that the Government's scheme for dealing with coal mines and coal miners be rejected, and decided to agitate for nationalization of the mines at the Trades Union Congress at Glasgow on Sept. 8th."

Robert Smillie, leader of the miners, declared that "the miners generally were convinced that nationalization of the mines was essential in the interests of national industry and the poorer consumers." William Brace, M.P., and president of the South Wales Miners' Federation, was quoted as saying that "coal is more valuable than gold," and as expressing surprise that "the Government trifles with a product so essential to the reconstruction of the nation." He expressed himself also as strongly favoring nationalization of the mines. The National Executive Committee, while recommending that the delegates reject the Government plan, let it be known that they did not urge a strike in order to "secure the adoption of the Sankey report." The committee rejected Lloyd George's plan for the Government to buy out the owners of coal mines as "wholly impracticable" and as "creating great trusts." London sent word last evening that at Thursday's meeting of the Triple Alliance of workers "a majority of the railway men supported the proposal to postpone a vote on the question of direct action." It was predicted that the Trades Union Congress, which opens its sessions in Glasgow next Monday, will be the largest ever held. As early as last Wednesday it was reported that 848 delegates, representing more than 2,225,000 workers, had been appointed.

In iron and steel circles in Birmingham the sentiment is more cheerful. The production of pig iron is still limited, but fortunately the supply of coke is increasing moderately. Eager buying of pig iron for early delivery is reported in London cable advices. Another favorable feature is an increase in the export inquiries, particularly from South Africa. Toward the end of the week higher prices were reported for tin plate, the quotations being 36s. to 36s. 6d. Keen interest was manifested in shipping circles in the announcement that Harland & Wolff had acquired D. & P. Henderson, Ltd., and A. & J. Inglis, of the Clyde, both competitors. As the week advanced the reports regarding the industrial outlook in Great Britain became still more encouraging. The scarcity of coal was spoken of as one of the most disturbing features. The Bank of Liverpool and Martins has absorbed the Palatine Bank of Manchester. British exporters were said to be getting a fair amount of business from Brazil, which during the war came largely to the United States. The sentiment in financial circles in London was declared to be better, in spite of the action of the coal miners and the continued attacks on the Government on the charge of extravagance. On the Stock Exchange oil, rail and rubber shares were most in favor. The rumors of another Government loan in the near future were discredited.

The British Treasury statement of national finances for the week ending Aug. 30, showed a further



reduction in the Exchequer balance reported to £4,201,000, a loss of £481,000. The week's expenses totaled £40,777,000 (against £29,272,000 for the week ending Aug. 23); while the total outflow, including repayments of Treasury bills, advances, and other items was £156,766,000, as against £107,830,000 last week. Receipts from all sources amounted to £156,285,000. This compares with £107,480,000 the week preceding. Of this total, revenues yielded £17,086,000, compared with £25,187,000 and savings certificates £860,000, against £935,000. Other debt contributed £6,666,000, against £1,102,000. Advances brought in £37,000,000, against £7,000,000, while from the new funding loan a total of £14,000 was received, contrasting with £759,000. Victory bonds only yielded £27,000, as against £8,261,000 the preceding week. The output of Treasury bills continues largely in excess of those repaid, being £94,632,000, against £64,236,000 a week ago, and repayments £77,383,000, against £61,400,000 last week, so that the total volume of Treasury bills outstanding has again been augmented and now stands at £817,725,000, in contrast with £800,447,000 the week before. Net temporary advances were also expanded, for the first time in several weeks, and are reported at £387,577,000, an increase of £6,000,000.

The Bank of England reported a nominal increase in its gold item, namely, £8,038, which compares with small losses the two weeks previous. The total reserve, however, as a result of another substantial expansion in note circulation of £997,000, was again reduced, the amount being £989,000. Other important changes included a gain in public deposits of £1,255,000 and an expansion of £8,359,000 in other deposits, while Government securities were increased £7,807,000. Hence, the proportion of reserve to liabilities was further reduced to 20.40%, which compares with 22.80% last week and 17.65% a year ago. Loans (other securities) registered an expansion of £1,967,000. Threadneedle Street's stock of gold on hand aggregates £88,252,131, as against £69,932,857 in 1918 and £54,288,561 the year before. Reserves now stand at £25,904,000, which compares with £29,785,432 last year and £32,068,191 in 1917. Circulation has reached a total of £80,797,000. A year ago it was £58,597,425 and in 1917 £40,670,370. Loans total £81,536,000. This compares with £98,886,445 and £97,739,184 one and two years ago, respectively. Clearings through the banks for the week were £537,590,000, against £536,090,000 a week ago and £436,282,000 last year. We append a tabular statement of comparisons:

BANK OF ENGLAND'S COMPARATIVE STATEMENT.

	1919. Sept. 3.	1918. Sept. 4.	1917. Sept. 5.	1916. Sept. 6.	1915. Sept. 8.
Circulation	80,797,000	58,597,425	40,670,370	36,264,120	31,790,860
Public deposits	24,515,000	37,012,191	44,461,822	52,218,939	129,887,552
Other deposits	102,313,000	131,725,161	124,997,022	105,094,078	85,942,422
Govt. securities	37,591,000	58,166,314	57,794,320	42,157,947	34,418,357
Other securities	81,536,000	98,886,445	97,739,184	95,739,358	145,230,005
Reserve notes & coin	25,904,000	29,785,432	32,068,191	37,527,683	54,138,361
Gold and bullion	88,252,131	69,932,857	54,288,561	55,341,803	67,479,221
Proportion of reserve to liabilities	20.40%	17.65%	18.92%	23.85%	24.11%
Bank rate	5%	5%	5%	6%	5%

The Bank of France continues to report gains in its gold item, the increase this week being 116,000 francs. The Bank's total gold holdings, therefore, now aggregate 5,572,539,525 francs, comparing with 5,436,150,453 francs last year and with 5,313,880,134 francs the year previous; of these amounts 1,978,278,416 francs were held abroad in 1919 and 2,037,108,484 francs in both 1918 and 1917. During the

week, bills discounted were augmented to the extent of 181,699,973 francs. On the other hand, advances were reduced 972,535 francs, silver declined 1,921,023 francs, Treasury deposits decreased 61,877,100 francs and general deposits fell off 119,146,679 francs. Note circulation registered the further large expansion of 365,777,965 francs, bringing the total outstanding up to 35,092,221,940 francs. This compares with 29,727,388,740 francs in 1918 and with 20,857,242,780 francs in 1917. Just prior to the outbreak of war in 1914 the total outstanding was but 6,683,184,785 francs. Comparisons of the various items in this week's return with the statement of last week and corresponding dates in 1918 and 1917 are as follows:

BANK OF FRANCE'S COMPARATIVE STATEMENT.

Gold Holdings—	Changes for Week	Status as of		
		Sept. 4 1919.	Sept. 5 1918.	Sept. 6 1917.
In France	Inc. 116,000	3,594,261,109	3,399,041,968	3,276,771,649
Abroad	No change	1,978,278,416	2,037,108,484	2,037,108,484
Total	Inc. 116,000	5,572,539,525	5,436,150,453	5,313,880,134
Silver	Dec. 1,921,023	295,000,000	320,174,602	260,085,121
Bills discounted	Inc. 181,699,973	1,051,627,187	892,479,054	560,050,389
Advances	Dec. 972,535	?	836,129,572	1,132,019,278
Note circulation	Inc. 365,777,965	35,092,221,940	29,727,388,740	20,857,242,780
Treasury deposits	Dec. 61,877,100	29,610,247	328,502,536	45,192,937
General deposits	Dec. 119,146,679	2,857,444,792	3,277,165,659	2,663,749,882

In its statement, issued as of Aug. 23, the Imperial Bank of Germany shows further radical changes in its principal items, chief among these being a reduction of 1,564,885,000 marks in bills discounted, and a loss of 1,461,792,000 marks in deposits. Gold reserves continue to decline and a loss of 1,909,000 marks was reported in gold and 2,027,000 marks in coin and bullion. Treasury certificates were reduced 98,453,000 marks, investments fell off 9,445,000 marks, while circulation was cut 301,060,000 marks. There were increases of 1,478,000 marks in notes, 3,742,000 marks in advances, 77,106,000 marks in securities and 170,358,000 marks in liabilities. The Bank's gold holdings have been reduced to 1,104,576,000 marks, which compares with 2,248,040,000 marks last year and 2,402,860,000 marks in 1917. Note circulation now stands at 27,824,276,000. In the corresponding period of 1918 the total was 13,111,320,000 marks and 8,977,980,000 marks the year preceding.

Official discount rates at leading European centres continue to be quoted at 5% in London, Paris, Berlin, Vienna and Copenhagen; 5½% in Switzerland; 6% in Sweden, Norway and Petrograd, and 4½% in Holland and Spain. In London the private bank rate has not been changed from 3 7-16 @ 3½% for sixty days and 3 9-16 @ 3½% for ninety days. Call money in London remains at 3½%. As far as can be learned, no reports have been received by cable of open market discount rates at other centres.

As had been expected, Saturday's statement of New York Associated banks and trust companies, which is given in greater detail in a subsequent section of this issue, showed that not only had the deficit been wiped out, but a surplus of \$33,849,160 established. The institutions increased their borrowings at the Federal Reserve Bank. The loan item was expanded \$13,345,000, while net demand deposits increased \$28,551,000, to \$4,037,160,000 (Government deposits of \$205,547,000 deducted), and net time deposits gained \$16,743,000, to \$217,284,000. There was an expansion of \$38,333,000 in the reserves of member banks, with the Federal Reserve Bank to \$547,238,000, but cash in own vaults (members of the Federal Reserve Bank) fell off

\$4,408,000, to \$93,038,000 (not counted as reserve); reserves in own vaults (State banks and trust companies) declined \$132,000, to \$10,692,000, and reserves in other depositories (State banks and trust companies), showed a reduction of \$190,000, to \$10,836,000. Aggregate reserves gained \$38,011,000, which brought the total to \$568,766,000, as against \$545,238,000 last year. Surplus, as already shown, was expanded \$33,849,160, and now stands at \$33,036,470. This compares with a deficit of \$812,690 a week ago, and an excess of \$46,825,730 in the same week of 1918. The above figures for surplus are based on legal reserves of 13% for member banks of the Federal Reserve system, but do not include cash in vault held by these banks, which on Saturday last amounted to \$93,038,000. Circulation is now \$36,197,000, an increase of \$43,000.

Conditions in the local money market did not undergo any special change this week. As already noted, the bank statement of a week ago showed a substantial surplus against a large deficit the week before, but this was not spoken of as a factor in the prevailing rates for money. They were not due to any one condition, but largely to a general slackening in the demand for funds. This included manufacturing and mercantile lines, as well as the financial district of New York. Generally speaking, there was less apprehension over the immediate future of the labor situation. Yesterday, however, the telegram sent by Samuel Gompers, President of the American Federation of Labor, to President Wilson, asking for a conference at an early date over the steel labor situation, exerted an unfavorable influence upon the stock market, though it came too late to have any effect upon the money market. The Western banks may be expected to continue throughout the autumn to withdraw funds from this centre for the movement of the crops, but even this seasonal practice has not been the subject of special comment in recent days. Arrangements for the extending of large credits to Europe are still a matter of the future. A Southern banker, in an address on Thursday before the Illinois Bankers' Association, expressed himself strongly in favor of the Government, instead of groups of private bankers, doing this. Herbert Hoover, in an interview in Europe, recommended credits of from \$3,000,000,000 to \$4,000,000,000 and said that otherwise the people of Europe would suffer and producers of food products in this country would be obliged to accept prices perhaps below the cost of production. With the labor situation apparently easier, corporations have again been offering securities more freely. Next Tuesday the Comptroller of this city will receive tenders for \$22,000,000 short-term revenue bills and corporate stock notes in equal amounts.

Dealing with specific rates for money, call loans this week have ranged between  $4\frac{1}{2}\%$  to  $6\%$ , which compares with  $5\%$  to  $6\%$  last week. Monday was a holiday (Labor Day). On Tuesday there was no range,  $6\%$  being the only rate quoted and the high, low and ruling figure for the day. Wednesday the high was still at  $6\%$ , and this was also the basis for renewals, although the minimum declined to  $5\%$ . Thursday's range showed a further easing to  $4\frac{1}{2}\%$  to  $5\frac{1}{2}\%$ , with renewals at  $5\%$ . On Friday  $6\%$  was the maximum, the low  $5\%$  and  $5\frac{1}{2}\%$  the ruling rate. The figures here given are for both mixed collateral and all-industrial loans, which have been quoted at

exactly the same rates on each day of the week. For fixed maturities very little change has been noted, beyond an increased firmness in tone, so that all periods from sixty days to six months on both regular mixed and industrial collateral were advanced to  $6\%$ , as against  $5\frac{3}{4}\%$  to  $6\%$  for sixty and ninety days and  $6\%$  for four, five and six months' money last week, until Friday when an increase in the supply of funds brought about an easier feeling and all maturities from sixty days to six months were quoted at  $5\frac{3}{4}\%$  to  $6\%$  for mixed collateral and  $6\%$  on all-industrials. Quite a fair volume of business was transacted. Last year fixed date loans from sixty days to six months were quoted at  $6\%$ .

Commercial paper rates continue to be quoted at  $5\frac{1}{4}\%$  to  $5\frac{1}{2}\%$  for sixty and ninety days' endorsed bills receivable and six months' names of choice character. Names not so well known still require  $5\frac{1}{2}\%$ . A good demand was reported for high grade names, but as the supply is still light, dealings were restricted accordingly.

Banks' and bankers' acceptances were moderately active with a fair volume of business recorded. The undertone was steady and quotations still without quotable change. Arrangements have been concluded, it is understood, for the first renewal of the \$50,000,000 acceptance credit granted to Belgium by a syndicate of New York bankers. As the first ninety-day period has expired, the banking group has already sold to local dealers \$10,000,000 of the second lot of bills at a rate of  $4\frac{5}{8}\%$  to  $16\%$ . Of this amount J. P. Morgan & Co., the Guaranty Trust Co., the National City Bank and the National Bank of Commerce have each accepted \$2,500,000, while the balance of the credit, \$40,000,000, will probably be offered here at the end of this month. Loans on demand for bankers' acceptances continue to be quoted at  $4\frac{1}{4}\%$ . Detailed rates follow:

	Ninety Days	Spot Delivery	Thirty Days	Deliver within 30 Days
Eligible bills of member banks.....	$4\frac{3}{4}\%$ @ $4\frac{1}{2}\%$	$4\frac{3}{4}\%$ @ $4\frac{1}{2}\%$	$4\frac{3}{4}\%$ @ $4\frac{1}{2}\%$	$4\frac{3}{4}\%$ bid
Eligible bills of non-member banks.....	$4\frac{3}{4}\%$ @ $4\frac{1}{2}\%$	$4\frac{3}{4}\%$ @ $4\frac{1}{2}\%$	$4\frac{3}{4}\%$ @ $4\frac{1}{2}\%$	$4\frac{3}{4}\%$ bid
Ineligible bills.....	$5\frac{1}{4}\%$ @ $4\frac{1}{2}\%$	$5\frac{1}{4}\%$ @ $4\frac{1}{2}\%$	$5\frac{1}{4}\%$ @ $4\frac{1}{2}\%$	$5\frac{1}{4}\%$ bid

No changes in rates, so far as our knowledge goes, have been made the past week 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.	Spot Delivery											
	Boston.	New York.	Philadelphia.	Cleveland.	Richmond.	Atlanta.	Chicago.	St. Louis.	Minneapolis.	Kansas City.	Dallas.	San Francisco.
<b>Discounts—</b>												
Within 15 days, incl. member banks' collateral notes....	4	4	4	4	4	4	4	4	4	4	4	4
16 to 60 days' maturity....	$4\frac{1}{2}$	$4\frac{1}{2}$	$4\frac{1}{2}$	$4\frac{1}{2}$	$4\frac{1}{2}$	$4\frac{1}{2}$	$4\frac{1}{2}$	$4\frac{1}{2}$	$4\frac{1}{2}$	$4\frac{1}{2}$	$4\frac{1}{2}$	$4\frac{1}{2}$
61 to 90 days' maturity....	$4\frac{3}{4}$	$4\frac{3}{4}$	$4\frac{3}{4}$	$4\frac{3}{4}$	$4\frac{3}{4}$	$4\frac{3}{4}$	$4\frac{3}{4}$	$4\frac{3}{4}$	$4\frac{3}{4}$	$4\frac{3}{4}$	$4\frac{3}{4}$	$4\frac{3}{4}$
Agricultural and live-stock paper, 91 to 180 days incl....	5	5	5	5	5	5	5	5	5	5	5	5
Secured by U. S. certificates of indebtedness—												
Within 15 days, including member banks' collateral notes.....	4	4	4	4	4	4	4	4	4	4	4	4
Secured by Liberty bonds and Victory Notes—												
Within 15 days, including member banks' collateral notes.....	4	4	4	4	4	4	4	4	4	4	4	4
Secured by U. S. Government war obligations—												
16 to 90 days' maturity....	$4\frac{1}{2}$	$4\frac{1}{2}$	$4\frac{1}{2}$	$4\frac{1}{2}$	$4\frac{1}{2}$	$4\frac{1}{2}$	$4\frac{1}{2}$	$4\frac{1}{2}$	$4\frac{1}{2}$	$4\frac{1}{2}$	$4\frac{1}{2}$	$4\frac{1}{2}$
<b>Trade Acceptances—</b>												
15 days maturity.....	4	4	4	4	4	4	4	4	4	4	4	4
16 to 90 days' maturity....	$4\frac{1}{2}$	$4\frac{1}{2}$	$4\frac{1}{2}$	$4\frac{1}{2}$	$4\frac{1}{2}$	$4\frac{1}{2}$	$4\frac{1}{2}$	$4\frac{1}{2}$	$4\frac{1}{2}$	$4\frac{1}{2}$	$4\frac{1}{2}$	$4\frac{1}{2}$

1 Rates for discounted bankers' acceptances maturing within 15 days,  $4\%$ ; within 16 to 60 days,  $4\frac{1}{2}\%$ , and within 61 to 90 days,  $4\frac{3}{4}\%$ .  
 2 Applies only to member banks' collateral notes; rate of  $4\frac{1}{4}\%$  on customers' paper.  
 3 Rate of  $4\frac{1}{4}\%$  on member banks' collateral notes.  
 Note 1. Acceptances purchased in open market, minimum rate  $4\%$ .  
 Note 2. Rates on paper secured by War Finance Corporation bonds, 1% higher than on commercial paper of corresponding maturities.  
 Note 3. Whenever application is made by member banks for renewal of 15-day paper, the Federal Reserve banks may charge a rate not exceeding that for 90-day paper of the same class.  
 Rates for commodity paper have been merged with those for commercial paper of corresponding maturities.

Sterling exchange until yesterday, when there was renewed weakness, experienced what might be termed a temporary lull, due largely to the interruption of the Labor Day holidays, and for the greater part of the week at least the market was comparatively bare of both buyers and sellers. With the resumption of business on Tuesday heavy offerings of commercial bills, which had accumulated over the week end, caused a drop of over 2 cents in rates, but when these were disposed of, there was a perceptible diminution in the supply, prices rallied fractionally and the market relapsed into dulness. Towards the close of the week, however, selling was resumed on a substantial scale, and under renewed pressure of bills, severe weakness developed and further losses were recorded. Demand, at its lowest point, touched  $4\ 14\frac{3}{4}$ , which compares with  $4\ 24\frac{1}{4}$  last week, and  $4\ 12\frac{1}{4}$ , the low point established a few weeks ago.

There have been no new developments, so far as foreign trade financing or the arrangement of credits is concerned. Discussion of a general plan for financing Europe is still in abeyance, awaiting, presumably, settlement of the Treaty question. It is understood that several individual credits are under consideration and will be ready for offering as soon as market conditions warrant, although bankers recently have shown an increased unwillingness to respond to suggestions of this character, on the ground that uncertainties surrounding the domestic situation render all such transactions, for the immediate present at least, somewhat hazardous. A further consideration, which is probably responsible for some of this hesitancy on the part of American financiers, is the fact that as time goes on and Europe's needs grow more urgent, negotiators on the other side are more likely to agree to terms which have heretofore proved an impassable barrier to the placing of loans here for any considerable amount.

As regards quotations in greater detail, sterling exchange on Saturday of last week was a shade easier and demand receded to  $4\ 20\ @\ 4\ 20\frac{1}{4}$ , cable transfers to  $4\ 20\frac{3}{4}\ @\ 4\ 21$ , and sixty days to  $4\ 18\ @\ 4\ 18\frac{1}{4}$ . Monday was a holiday (Labor Day). At the opening on Tuesday large offerings, accumulated over the week-end, made their appearance and rates were consequently forced down to as low as  $4\ 18\ @\ 4\ 18\frac{1}{2}$  for demand; cable transfers ranged between  $4\ 18\frac{3}{4}$  and  $4\ 19\frac{1}{4}$  and sixty days  $4\ 14\frac{1}{2}\ @\ 4\ 16$ ; trading was fairly active. Wednesday's dealings showed a falling off in volume, though the undertone was steady and quotations practically unchanged, with demand at  $4\ 18\ @\ 18\frac{1}{4}$ , cable transfers  $4\ 18\frac{3}{4}\ @\ 4\ 19$  and sixty days  $4\ 16\ @\ 4\ 16\frac{1}{4}$ . There was a broadening in activity on Thursday and as a result of increased offerings of bills, prices again broke, this time to  $4\ 16\frac{1}{2}\ @\ 4\ 17\frac{1}{2}$  for demand,  $4\ 17\frac{1}{2}\ @\ 4\ 18\frac{1}{4}$  for cable transfers and  $4\ 14\frac{3}{4}\ @\ 4\ 15\frac{3}{4}$  for sixty days. Friday's market was irregular and weak and demand suffered a further decline to  $4\ 14\frac{3}{4}\ @\ 4\ 15$ , cable transfers to  $4\ 15\ @\ 4\ 15\frac{3}{4}$ , and sixty days to  $4\ 12\frac{1}{2}\ @\ 4\ 12\frac{3}{4}$ . Closing quotations were  $412\frac{1}{2}$  for sixty days,  $4\ 14\frac{3}{4}$  for demand and  $4\ 15\frac{1}{2}$  for cable transfers. Commercial sight bills finished at  $4\ 14\frac{1}{2}$ , sixty days at  $4\ 13$ , ninety days at  $4\ 10\frac{3}{4}$ , documents for payment (sixty days)  $4\ 12\frac{3}{4}$ , and seven-day grain bills at  $4\ 14$ . Cotton and grain for payment closed at  $4\ 14\frac{1}{2}$ . Gold engagements for the week comprised \$865,000 in gold coin for shipment to South America; \$60,000 to Mexico; \$50,000 to India; \$10,000 to Canada; \$276,247 to London, and

\$129,568 to Paris, the two latter in gold bars. From the San Francisco Mint \$500,000 in coin and \$1,036,000 bars have been engaged for shipment to China. Gold to the amount of \$1,300,000 has been withdrawn from the New York Assay Office for shipment to Calcutta. This is for account of the Bank of Montreal, and presumably represents part of the proceeds of the recent sales of rupee exchange. The week's total was \$4,216,815.

No new feature of moment has developed in Continental exchange this week and here also dealings have shown an appreciable falling off. This was due to a variety of causes, chief among which may be mentioned the observance of the Labor Day holidays, which was responsible for the absence of many large operators from the city, thus inducing a holiday spirit during the greater part of the week, a more or less natural reaction from the marked activity of the previous week and a lessening in both the inquiry and the supply of offerings. The undertone, however, was weak throughout and on Friday a renewal of the selling movement sent prices down sharply, with the close at the lowest for the week.

Rate fluctuations, while less radical than in the recent past, were frequent and in some cases wide. Exchange on Paris ruled heavy, touching  $8\ 37\frac{1}{2}$  for checks, which is  $29\frac{1}{2}$  points below last week's final quotation, and 13 points lower than the previous low record. Italian lire continued weak and again established a new low point, viz., 9 75 for sight bills. Belgian exchange followed the course of the other exchanges, while German marks and Austrian kronen ruled alternately above and below last week's levels until Friday when there was a break in Berlin exchange to  $4\ 30$ , and Austrian kronen to  $1\ 87\frac{1}{2}$ , both new low points. Lower cabled quotations from abroad again figure prominently in the weakness on this market.

A dispatch from the American Ambassador in France under date of Sept. 2, states that much concern is being felt over the continued fall of the exchange value of the franc, and that proposals for stabilizing exchange are being widely discussed; although the stand taken by Premier Lloyd George against any attempt at artificial support on the part of Great Britain has made a deep impression in France and thus far militated against any decisive action in this direction. In the same cablegram it is stated that for the first time since the war the German mark is being quoted on the Paris Bourse. At present only the Mayence mark is given, at a rate of  $39.75\ @\ 41.75$ , but it is expected that the Berlin mark will soon be quoted. Resolutions proposed for discussion by the French Chamber of Deputies, the message states, provide for a financial society of nations to be founded by the Allied Powers.

From a ruling handed down by the Division of Foreign Exchange of the Federal Reserve Board, it is learned that foreign exchange transactions with Hungary are now permitted. The announcement follows the issuance by the War Trade Board Section of the State Department of a general enemy license authorizing the resumption of trade and communication with that country.

The official London check rate in Paris finished at 34.70, comparing with 34.05 last week. In New York sight bills on the French centre closed at  $8\ 37\frac{1}{2}$  against  $8\ 08$ ; cable transfers at  $8\ 35\frac{1}{2}$ , against  $8\ 06$ ; commercial sight at  $8\ 39\frac{1}{2}$ , against  $8\ 10$ , and com-

mercantile sixty days at 8 43½, against 8 14 the preceding week. Belgian francs finished at 8 56 for checks and 8 54 for cable remittances, as contrasted with 8 39 and 8 38 last week. German reichsmarks closed at 4 40 for checks and 4 45 for cable transfers. Final quotations a week ago were 4 85 and 4 90. Austrian kronen finished at 1 87½ for checks and 1 95 for cable remittances, compared with 2 10 and 2 20 last week. Closing rates on lire were 9 73 for bankers' sight bills and 9 71 for cable transfers. Last week the close was 9 65 and 9 64. Exchange on Czecho-Slovakia finished at 4 05, against 3 90@4 00; on Bucharest at 4 80@5 00 (unchanged); on Poland at 4 85@5 00 (unchanged), and on Finland at 6 85@7 00 (unchanged). Greek exchange continues to be quoted at 5 52 for checks and 5 50 for cable remittances.

The neutral exchanges have ruled dull and almost nominal. Transactions were again of minimum proportions and rate variations insignificant. Swiss francs were about steady. Guilders were a shade easier. Spanish pesetas, after firmness in the initial dealings, turned weak and closed at a substantial recession. Remittances on Stockholm, Christiania and Copenhagen were fractionally lower.

Bankers' sight on Amsterdam finished at 37, against 37 3-16; cable remittances at 37 3-16, against 37 3/8; commercial sight at 36 15-16, against 36 15-16, and commercial sixty days at 36 9-16, against 36 9-16 last week. Swiss francs closed at 5 68 for bankers' sight bills and 5 66 for cable transfers. This compares with 5 67 and 5 65 the week previous. Copenhagen checks finished at 21 50 and cable transfers at 21 65, against 21 55 and 21 70. Checks on Sweden closed at 24.10 and cable transfers 24.25, against 24.50 and 24.70, and checks on Norway at 22.20 and 22.85, against 23.15 and 23.30 a week ago. Spanish pesetas closed at 18.90 for checks and 18.95 for cable remittances. Last week the close was 19.07 and 19.12.

South American rates continue to rule at the levels recently prevailing, with the rate for checks on Argentina still at 41¾ and cable transfers 42.00. For Brazil the check rate remains at 25¾ and cable transfers at 25½. Chilean exchange has not been changed from 97/8 and Peru from 50.125@50.375.

Far Eastern rates are as follows: Hong Kong, 86@86¼, against 81½@82; Shanghai, 130¼@131, against 130½@131; Yokohama, 50½@50¾, against 50¾@51; Manila, 48¾@49, against 49½@49¾; Singapore, 50@50¼, against 52½@53; Bombay, 43¼@44, against 41½@42, and Calcutta (cables) 43¾@44, against 41½@42.

The New York Clearing House banks, in their operations with interior banking institutions, have gained \$4,617,000 net in cash as a result of the currency movements for the week ending Sept. 5. Their receipts from the interior have aggregated \$7,993,000, while the shipments have reached \$3,376,000. Adding the Sub-Treasury and Federal Reserve operations and the gold exports, which together occasioned a loss of \$89,666,000, 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 \$85,049,000, as follows:

Week ending Sept. 5.	Into Banks.	Out of Banks.	Net Change in Bank Holdings.
Banks' interior movement.....	\$7,993,000	\$3,376,000	Gain\$4,617,000
Sub-Treasury and Federal Reserve operations and gold exports.....	10,774,000	109,440,000	Loss\$9,666,000
Total .....	27,767,000	112,816,000	Loss\$85,049,000

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

Banks of	Sept. 4 1919.			Sept. 5 1918.		
	Gold.	Silver.	Total.	Gold.	Silver.	Total.
England.....	£ 88,252,131	£	88,252,131	£ 69,932,857	£	69,932,857
France a.....	143,770,444	11,800,000	155,570,444	135,961,680	12,800,000	148,761,680
Germany.....	55,228,800	936,050	56,164,850	117,404,950	5,956,850	123,361,800
Russia.....	129,650,000	12,375,000	142,025,000	139,650,000	12,375,000	152,025,000
Aus-Hun.c.....	10,327,000	2,352,000	12,679,000	11,008,000	2,239,000	13,247,000
Spain.....	96,232,000	25,786,000	122,018,000	87,187,000	25,973,000	113,160,000
Italy.....	32,204,000	2,976,000	35,180,000	37,226,000	3,077,000	40,303,000
Netherl'ds.....	63,230,000	489,000	63,719,000	59,172,000	600,000	59,772,000
Net. Bel. h.....	10,541,000	1,346,000	11,887,000	15,380,000	600,000	15,980,000
Switz'land.....	18,696,000	1,596,000	20,292,000	15,381,000	-----	15,381,000
Sweden.....	16,690,000	-----	16,690,000	14,287,000	-----	14,287,000
Denmark.....	10,410,000	157,000	10,567,000	10,493,000	131,000	10,624,000
Norway.....	8,170,000	-----	8,170,000	6,757,000	-----	6,757,000
Total week.....	674,091,375	59,863,050	733,954,425	709,840,487	63,801,650	773,642,137
Prev. week.....	674,849,147	60,839,950	735,689,097	714,701,071	63,945,250	778,646,321

a Gold holdings of the Bank of France this year are exclusive of £79,131,137 held abroad.

\* No figures reported since October 29 1917.

c Figures for 1918 are those given by "British Board of Trade Journal" for Dec. 7 1917.

h Figures for 1918 are those of Aug. 6 1914.

THE RETURN OF GENERAL PERSHING.

The return to the United States next week of the Commanding General of the American Expeditionary Army, and the formal reception to be extended to him by the country at large and by New York City in particular, may be regarded as in a way the closing of an episode in our history. It gives occasion for reviewing some interesting questions of the military command, and of its bearing—not only in the United States but in the European armies—on military results in the great war.

General Pershing returns to his country with what is in one respect an altogether exceptional record among the commanding generals; he is the only general who was appointed to chief command on his country's declaration of war and who retained that authority to the end of the hostilities. Joffre, Nivelle, and Foch, were successively put in charge of the French army; Sir Douglas Haig replaced Sir John French in the English high command after the two first years of fighting; General Cadorna gave way to General Diaz as head of the Italian army after the disastrous autumn campaign of 1917. In the German Army, von Moltke relinquished the command to von Falkenhayn, who in turn made place for Hindenburg, and Hindenburg at the last, though nominally retaining supreme authority, was quite obviously replaced in actual power by Ludendorff. Repeated changes were made in the Russian and Austrian leadership. The American high command alone remained unchanged.

Circumstances had much to do with this exceptional record; notably the fact that the American Expeditionary Forces entered on active participation in the campaign when the uncertain and experimental stage of the war was practically over; when the inevitable mistakes of a conflict conducted under so novel and trying conditions had been made and repaired, and when the successful plan for a united strategic movement, including the placing of the supreme command in the hands of Marshal Foch, had at last been put in operation. The military lessons of the war had been learned before Pershing's army took its position at the front.

This fact implies no derogation from the prestige of the American high command. The handling of the American army in France, indeed, involved certain problems which did not arise—certainly not in the same degree—in the case of any other army. It was an army drafted directly from civil life and organized without previous training, and this was true as a whole of no other army in the war. The nature of our participation required the transporta-

tion of two million American soldiers from the United States to Europe, their distribution into training camps largely extemporized for the purpose, the constructing of docks on an unexampled scale for disembarkation, the laying down of new railways for the carrying of supplies from the seaboard to the army, the continuance of intensive training whereby the troops should be fitted for action in a minimum of time. What was far from the least important consideration, it required the providing of efficient officers for the various American units, and the adequate and efficient support of the armies at the front by artillery and aircraft. The fact that this enormous task of organization was achieved so smoothly and with so unusual success—that not only were our armies brought effectively into action within a time limit which had previously been deemed impossible, but that fifteen hundred miles of railway track were laid down by our engineers in France within a year, and a hundred thousand miles of telegraph and telephone wire set up by our Signal Corps—these were the measure of the achievement.

The fact, however, that each of the actual military objectives undertaken by American divisions was successfully accomplished, must be judged in the light of what had already been undergone by the armies of our allies. It will necessarily remain a matter of conjecture what would have been the story of the American campaign, considered by itself, if our Government had entered the war at the beginning, or after the Lusitania episode in 1915.

General Pershing's individual repute was no higher than that of the European commanders of 1914. The changes which ensued in those commands were due primarily to shortcomings of their strategic methods, as applied to a military situation wholly unprecedented in character. Their successors learned the lesson from the failures of the original commanders. But this has been an almost invariable experience in the great wars of the past. The case of Napoleon, with whom a long war was virtually a series of personal victories, is altogether exceptional. In Napoleon's case, indeed, it may be said that his unbroken successes up to the last were due to the fact that the originality of his own strategic conceptions, in face of persistence in obsolete and old-fashioned theories by his opponents, created a military situation which handicapped his opponents without embarrassing his own plan of campaign.

So celebrated a commander as Frederick the Great had to learn by his own blunders; if he had not been both sovereign and general-in-chief, and therefore responsible only to himself, nothing is more certain than that he would have been removed from the high command after Mollwitz and Kunersdorf. In the middle of England's Transvaal War, the chief command was wholly reorganized. Our own Civil War, in which commander after commander was removed because of failure to achieve results, and in which the success of General Grant was in large measure due to profiting by the mistakes of McClellan, Burnside and Hooker, and to the Government's own belated realization of the magnitude of its task, was in this respect a very fair parallel to the military history of the present war.

As most of us remember, the strategy of the Civil War became the focus of embittered controversy during the two ensuing decades. The unsuccessful generals came into print, as time went on, to defend their reputation. Often they did it through at-

tempting to throw the blame for failures on other generals or on the Government at Washington. They always attracted a body of supporters from the general public. This military precedent also has been repeated on the present occasion, and with considerably more of promptness than after 1865.

It is true that neither Joffre nor Nivelle has publicly pleaded his own cause in France, nor General Cadorna in Italy—though in both countries some political controversy over the merits of the case has arisen. But Ludendorff has already written his own book; in which, by all accounts, he puts the blame for the ultimate German collapse on bad generalship by his military predecessors at Verdun in 1916. All the German commanders have freely and with abundant reason thrown responsibility on the blundering diplomacy and conflicting military plans of the Imperial Government.

The case of England is even more striking; for the present Lord French, of whom most students of the campaigns of 1914 and 1915 were of opinion that his lethargy at the Marne and his military misjudgments in Flanders had made his removal imperative, has published an exhaustive review of his own campaigns; in which, with all but indiscriminate censure, he scatters the blame on the Asquith Government, on the late Lord Kitchener, and on his own fellow-commanders at the front, claiming as largely due to his own military foresight the successes of the time—not excluding the first victory of the Marne. This very extreme instance, which quite surpasses the attempt of General McClellan to rehabilitate his own military prestige after the war, evoked a temporary storm in British political and military circles which was regrettable, even though it ended with Lord French altogether in the worst of the controversy.

From that sort of thing, at any rate, the United States is fortunately spared. Mistakes were undoubtedly made in the course of the American campaign; it would have been a new thing in military history if they had not. But they were not mistakes which obscured or upset the real objectives or the real achievement of our army. Next week's welcome to the commanding general will therefore be the natural expression of the American public's justified belief that our own participation in the war ended, as it began, with the country's military prestige heightened and its achievements of 1917 and 1918 not tarnished by unhappy blunders and miscalculations, and not obscured by dispute and recrimination between the men who led the army.

#### THE "STRIKE CRAZE" AND "PROFITEERING."

There is testimony to show that, in certain lines, wages have advanced faster and are now at a higher level than prices. We do not attach much importance to these hastily compiled averages. The overwhelming fact is that, with respect to wages and prices, affairs are in a complete muddle. Nor do we regard psychology as a definite science when applied to economics, if it ever is a dependable science. We may be told that "times" are good or bad, as we imagine or believe them to be so. But this explains nothing, and will not pay our bills, whether exorbitant or not. Yet we are all unconsciously influenced by the general expression of popular belief. And in this mood or frame of mind we hearken to the voice of the people. Our concentration upon our own personal business is broken. And we are very apt to see difficulties and dangers

where none really exist. At such a time it is good policy to stick closer to "number one."

Many an honest workman is laying up future troubles for himself by joining in these wanton strikes that are daily occurring throughout the country. And especially is this so if he is a member of a union. We do not discuss now the proposition as to whether or not he ought, in his own ultimate interest, to be a member. But being one he should more than ever consider his vote in the premises. Let him believe what he will concerning the inadequacy of his wages, all things weighed in the balance. One of the first things to be determined is whether his trade is of more worth to him than his membership and the temporary success of the exercise of a "union's" power. Is it not beyond question that an appeal to this form of force or, if you will, this method of adjudicating rights has no reference to the dignity and intrinsic worth of his vocation. The striking employee does not attempt to show that his present work is more productive or of a better quality than heretofore. This is proven by the universal complaint over the high cost of living. Every appeal to Government to arbitrate or enforce his demands, therefore, is upon an arbitrary basis, and, being so, cannot continue to sustain him in other and more normal years. Not laying the basis of his demand in more and better work, he has lost his main dependence and antagonized capital and cannot at other times offer it as reason for continuance upon the present high level. Having sacrificed his calling to expediency he has destroyed himself not only as an individual but as a worthy workman.

This is indubitably true unless the striking-union-workman actually believes that the time has come for a so-called complete change of policy, and that the Government will, ever after this, fearing perhaps his vote, continue to heed his plea, and by laws or commissions make a way for his triumph, by the exercise of an independent will having no relation to his worth. And it is at this point that what is known as "profiteering" enters in to complicate the matter, and to emphasize the hollowness of both claim and remedy. If it is true, as generally believed, that excessive prices are being added on all along the line, and that this procedure is tainted with selfishness, if not with crime, then a strike because of the "high cost of living" amounts to a demand that wages be increased for no other reason than because of the evil deeds of those, outside the workman's trade, who are either avaricious or criminal. Can any honest man believe that capital—the investment that pays wages—is in duty bound to increase wages because the clothier and grocer are charging more than they ought for their respective merchandise? Can any reasoning man believe that this can continue? And can the thoughtful workman fail to see that in voting to strike because of the "high cost of living" he is placing his wage-demand upon the most insecure foundation possible—and in a sense compelling a perpetuation of the very evil of which he complains?

Where, then, will he stand, and where will his "union" stand when, sometime, the inevitable lower prices come? Can he then fall back on the legitimacy of more and better work? Rather is it not to be expected that having increased his wages without reference to quantity or quality of work, he will have grown careless and discover that he is doing less work, and poorer, than ever? Having

degraded the nobility and usefulness of his labor, he will be the puppet of circumstance and will suffer the consequences not only as an individual but as a member of a union. And there is little doubt that in the successes of this saturnalia of strikes the unions are destroying themselves, for they are revealing the fact that it is not justice they seek but advantage.

When we come to profiteering, whether we take dealers collectively or individually, they are setting for themselves a pace they cannot keep up. And when the inevitable drop comes, be it soon or late, they will find their whole business tumbling about them in ruins. If an item of proof be needed it might be deduced from the business man's deposits now swollen at the bank. His credit is based to a considerable extent on the volume and character of his bank account. Having lived awhile in a fool's paradise of inflated prices and large volume of deposits and consequent credits, he will sometime find the "bottom dropping out of business," and himself in straits because of lessened deposits and curtailed credit at the bank. At another time we have spoken of the destruction of good-will by "profiteering," but coupled with this, unmistakably is a destruction of ability and zest to do business under the new conditions coming. Here again must be interposed the thought that the business man who gets his extra profits "while the getting is good," to justify his common sense, to say nothing of honor and honesty, must believe that the present conditions and opportunities will last forever. Who more than the business man knows that a suit of clothes produced and sold in normal times for thirty-five dollars will and can be sold again at that price allowing for a certain increase in population as against the volume of production? Can he then charge seventy dollars for such a suit simply because everybody is adding to prices and wages, and expect such a level of high price to stand? And if perchance he carries such a suit at such a price unsold for several years, what will be the effect upon his financial stability? Inflation, it should always be remembered, is not so much in dollars as in the exchange value of commodities, including labor. And here is where and why the whole people in thinking on an inflated and muddled condition of affairs by their very excitement and ultra wage demands and price increases are laying up panic for themselves.

Never was there a more urgent time calling for reasonableness and sanity or common sense upon the part of workmen and dealers. The whole structure of production and exchange is upon a feverish and an artificial foundation. Plain thinking is the need—getting away from this frenzy in the air—call it what psychological name you please. Plain thinking, plain acting and also plain living. If the profiteer and wage earner spend their present advantage or inordinate excess in riotous living they, at least, will sometime, whenever that normal time shall be, come back from their prodigality to eat the husks and mayhap sleep with the swine. No man ever got something for nothing and kept it long. It is not only "come easy, go easy," but that something gotten for nothing has no real and permanent value. The bubble of abnormality is pricked always by the first thrust of the normal—and evaporates into nothingness. These wages, these profits, in excess, have only the appearance of substance and value. The wage-grabber and the profiteer, with whatever of excess they may have unduly gained, must quit

to get even, or to hold what they have. And in the end they will even then find that what they thought their cashed-in profits and wages have shrunken to the general lower level. In a way this may be done—though easier for the profiteer than for the wage earner—but it amounts to business or earning death to do it. Therefore labor in its true worth (the so-called labor of the few) should see that it is sacrificing itself now for an advantage that will in the end be a mess of pottage; and the petty profiteer should see that his small advantages now will undo him in the future, both inwardly and outwardly. And, knowing it is impossible that it can last, should not every man ask himself, is this crowding, rushing life after all worth while?

#### RAILROAD WAGES AND THE WISDOM OF EXPERIENCE.

Arbitrary wage scales for railroad employees as a process was doomed from the start. Our point of view changes so rapidly, however, that we are continually looking at the temporary aspect of things. The first great increase, made by Director-General McAdoo, came during the war, estimated at some four or five hundred millions of dollars annually, but actually found to be much larger. At that time the avowed urgency was war—the urgency of necessity; millions were going into the service, the demand for labor suddenly became stringent, transportation of materials and men was imperative, a general strike would have paralyzed "winning the war," munitions workers were demanding and receiving extraordinary wages, the argument of comparative compensation won its way. With not quite the same conditions or the same argument Director-General Hines granted other increases running into hundreds of millions. The higher cost of living entered somewhat into the consideration. To-day it is the chief argument put forth by union managers, although admitted to be ineffective in the long run. Manifestly no such process, constituting the now famous "vicious circle," could go on indefinitely. The end had to come. It is here. And the President calls for a truce.

In his address to the people, the President says:

"The Director-General of Railroads and I have felt that a peculiar responsibility rests upon us, because in determining this question we are not studying the balance sheets of corporations merely; we are in effect determining the burden of taxation which must fall upon the people of the country in general. We are acting not for private corporations, but in the name of the Government and the public, and must assess our responsibility accordingly.

"For it is neither wise nor feasible to take care of increases in the wages of railroad employees at this time by increase in freight rates. It is impossible at this time, until peace has come and normal conditions are restored, to estimate what the earning capacity of the railroads will be when ordinary conditions return.

"There is no certain basis, therefore, for calculating what the increases of freight rates should be, and it is necessary, for the time being at any rate, to take care of all increase in the wages of railway employees through appropriations from the public treasury."

This is a very frank admission, and it means far more than it says. It means in the first place that as far as earnings and wages are related to each other Director-General McAdoo had no valid basis for the tremendous increase in wages he brought about

with one stroke of the pen. It means that when a few weeks later he increased freight rates twenty-five per cent and passenger rates accordingly, he did not know what he was doing, for conditions then were more complex than they are now. At the time all the experts in the world could not have told whether rates would meet expenses. And we now know that they did not, and that now by the President's admission, taxes alone avail to pay the huge and increasing deficit. If it be granted that that action assisted in winning the war, that the necessity was imperative, the necessity of unimpeded operation at any cost—still the action was arbitrary and bore no relation to income and outgo of roads. It therefore follows that the present wage scales are wholly arbitrary, and rest upon no reasonable foundation, and must all be subject to readjustment when normal times do come. The war is over, the high cost of living is to come down when the laws of supply and demand "operate of themselves," and these temporary conditions disappearing, the labor unions will be left without a leg to stand on, and railway wages should then come down. This is the logical end.

It is not fair to interpret this message to the people as an admission of failure upon the part of the Government. If arbitrary action (action without reference to expenses and earnings) cannot win one time, is it possible to believe it can at another? More, is it possible that action outside the corporation privately owned, action that is without inside knowledge of actual operation, can succeed more in peace than in war? How can any action in equalization of wages to earnings ever be intelligent save by experience, the experience of those who own and operate? The end has come. The unions have pressed their "advantage" to an absurdity. Strangely enough they admit the "high cost of living" argument is a delusion. It is believed by some that they have been pressing "increase demands" to the limit, that they might then maintain a status quo on some such ground as "better living conditions than before the war." If so, the President, perhaps unwillingly, has pricked the bubble. All living conditions will change, will tend, at least, to return to a pre-war basis when peace comes, is his argument. Who is to sense, to feel, to know, these business and living conditions, save those in interest, employers and employees? The arbitrary Governmental method ended, there is no other way to determine what roads can earn and what they can pay. On such a basis argument for public or Government ownership is dead in its sins. As we read it the President has buried it. A "truce" means not only ultimate demobilization of Government control and operation, but a complete readjustment of wages to earnings, according to the conditions of operation, under private ownership, as determined by employers and employees, in direct equable, national, and not enforced relations.

#### THE FREEDOM OF THE SEAS.

The freedom of the seas has been a live question between the nations through the centuries, and it has been Protean in its changes of form. Beyond opening the Dardenelles and the Kiel Canal the Peace Congress has in the League of Nations incidentally set up the machinery which in the future will determine its bounds or remove its dangerous elements. Meanwhile it remains to be discussed.

To that end it needs to be understood; and to aid in that Miss Louise Fargo Brown, at present acting professor of History in Vassar College, has rendered valuable service by her new book, "The Freedom of the Seas," published by E. P. Dutton & Co. It is a rapid, but careful and thoroughly readable history of the question, written not to sustain any preconceived opinion, but to tell the story of the struggle for the sovereignty of the sea clearly and adequately.

These two facts emerge: throughout history, the nations have all been on both sides of the question as, according to the view they took at the time, their interests lay on one side or the other; and second the fact that the question to-day has practically narrowed to the situation in time of war.

As the League of Nations presupposes peace and the sea is to be open to all, the Treaty is not immediately concerned with it. Should attempt be made to restrict the open sea a situation will arise that threatens war, there will then be call for the international machinery for enforcing the law of the sea and an international tribunal to judge transgressors of it. Law is henceforth to be lord of the sea; when that is frankly accepted the freedom of the sea will be secure and the war over it will cease.

It is worthy of note that the phrase "The law is lord of the sea", goes back to the elder Antoninus and the Roman Empire of the 2nd century; and the law to which he referred was the Rhodian law of a still earlier day. This, reinforced by citations from classical poets and Hebrew prophets and arguments from Nature and man, was the basis for learned treatises in the 17th and 18th centuries on the Freedom of the Seas. Nevertheless claim to exclusive dominion over certain areas persisted, in the midst of which English tradition of responsibility for administering the law of the sea gradually grew up, and has continued for six centuries. France and England quarreled over prize jurisdiction in 1305; and that question with others, like disposition of the crews of captured vessels, goods of an enemy on the ship of a friend, and goods of a friend on an enemy's ship, have continued under debate until to-day. The discovery of the Western world led to the attempt to appropriate both sea and land by the competing nations, and resulted in two centuries of warfare.

Meanwhile the great monopolies of the trading companies in the East and the West arose, and no seas were safe against the prize-seeking adventurers of any land having available ships, the nations to which they belonged varying their action and modifying their laws according to the situation. The Dutch had "new maxims and principles" with the growth of their maritime strength, and the English met them with new Navigation Acts. England joined Spain in confirming to each nation the "Lordship of the Seas, Straits and Fresh Waters in America which belonged to them," and France under Louis XIV increased her navy and claimed freedom for her subjects everywhere.

Disputes over the right of search go back to the 15th century, as disputes over the status of neutral and enemy's goods do to the 14th, and usage constantly varied. The definition of contraband, then as now, has turned upon individual interest. England, for example, claimed that naval stores were contraband when the Dutch were carrying them to Spain with whom she was at war, and then took the opposite view when she was at war with France and

the Dutch were bringing stores to England. In turn the French and the Dutch did the same.

Similar trouble arose with regard to blockade, beginning quite as early, and has been a source of recurring controversy until now. The Treaties of Utrecht in 1713 mark an important stage in the recognition of maritime law, and foreshadow three changes that were to be felt in the struggle for freedom of the seas in the 18th century; the effort to prevent the breaking down of colonial monopoly; the general movement to protect maritime trade by limiting belligerent rights; and the spread of new ideas concerning commercial relations. Here is the appearance of that removal of economic barriers and the establishment of equality of trade conditions which our author finds as having its most recent formulation in one of President Wilson's fourteen points.

England's interests were strongly in favor of the first of these movements, to preserve her colonial enterprises; and chiefly antagonistic to the second, limiting belligerent rights; while her hard headed business men had no patience with theories and new ideas in commerce relations.

The English public, says our author, had put before it in the controversy that arose "the case for letting down trade barriers and establishing commercial relations, which might have prevented a century of wars by establishing mutually beneficial relations for non-intercourse and suspicion. But, as has been the case so often before and since that day, the arguments that seemed practical and sensible and business-like won the day; the English manufacturer was not exposed to the dangers of French competition and instead of becoming friends the two nations remained rivals."

Then follows the long story of the struggle with the closed door and the open sea, the constant distress of the small nations because of the varying claims of the English and the French in their prolonged struggle, until the American colonies were affected, and "in so far as the American Revolution was a revolt against trade restrictions, it may be regarded as part of the great struggle for freedom of the seas."

The controversy waged through eventful years with many changes of position and many Treaties until the war of 1812, into which the United States was drawn through a secondary effect of the war between England and France and the immediate effect of the former's attempt to cut off French trade together with the assertion of the right of search and imprisonment.

The question of the sea was suppressed in the Treaty of Ghent, but appeared at Vienna in 1814, again at Aix la Chappelle in 1818, and at Verona in 1822. It lay back of the Monroe Doctrine, and when in 1841 France, Russia, Austria and Prussia agreed with England as to the application of the right of search in connection with the slave trade, and the American Ambassador in France, Lewis Cass, intimated that America was prepared to fight over it, peace was secured by the assurance of Lord Ashburton that England had ceased to impress seamen and the practice would not be renewed. Finally agreement was reached of a joint police by the vessels of both countries. And when the slave trade was found to be increasing under protection of the American flag, the outbreak of the Civil War released the hands of our Government and a neutral right of search was promptly arranged.



The treaty of Paris, at the close of the Crimean War, in neutralizing the Black Sea, led France to propose a wide extension of maritime law for protection of neutrals, but the United States refused to unite in the agreement, though she strove to make the Baltic also a free sea; which was finally accomplished in 1859.

The treaty of Paris was the high water mark of the limitation of belligerent rights. Our attitude was changed and the European one affected by the new situation. The question of continuous voyage arose to chief importance, contraband acquired fresh definition, American decisions were turned against ourselves, and a general state of controversy created, which has continued more or less unsettled until to-day.

Despite the hopes that centred in the Hague Conferences, little or nothing was accomplished by them toward a final settlement. The dominant fact was the desire of one and all to avoid the surrender of any practice which in case of war might give advantage to the enemy. The other result, which the teaching of the recent war has confirmed, is that a League of Nations accepted and made effective is the only instrument that will lead to the goal that has so long been sought in vain, and on which the peace of the world so largely turns.

#### DELICATE MUNICIPAL FINANCIAL MACHINERY.

How delicate and intricate a matter it is for a city to change its charter is being demonstrated by the city of Philadelphia. For 25 or 30 years Philadelphia has been conducting its municipal affairs under what was known as the Bullitt Bill, but a few eminent citizens became convinced that the ills from which the city was suffering were traceable to the charter, and urged upon the public the necessity of procuring a new charter which would act as a general panacea. So the Legislature of Pennsylvania put through the reform measure and the new charter has been in effect for a few weeks, just long enough to get the municipality's financial affairs into a tangle and to make an appeal to the courts necessary in order that the Mayor and other city officials may ascertain what they may do and what they must not do. Philadelphia's experience may make citizens of other communities a little more cautious about shifting from old to new charters.

The shifting in Philadelphia has tied up proposed loans amounting to about \$122,000,000. The loans were authorized by City Councils under the old charter, but only a small amount of each of three loans so authorized was sold. The new charter forbids the city to borrow money or to incur debts for the repair of buildings, bridges or other structures or for repaving or repairing streets. Recently the city of Philadelphia sold to a syndicate of bankers \$2,000,000 of 4 $\frac{1}{4}$ % bonds, but the lawyers for the successful bidders have refused to approve the issue and the Supreme Court of Pennsylvania has been appealed to in order to settle the dispute. The new charter requires a certificate from the City Controller that the proceeds of the loans will not be used for the purposes forbidden, as above noted. The three old loans authorized before the enactment of the new charter are provided with no certificate of the kind. The court must determine just when a city "borrows" money or "incurs a debt." Was the money borrowed and the debt incurred when City Councils authorized

the loan under the old charter, or will the money only be borrowed and the debt incurred when bonds are actually sold and issued as the city, had it not been interrupted by a suit in equity, proposed to do when it sold the \$2,000,000 bonds referred to?

Municipal financial machinery is a delicate and complicated apparatus which ought not to be tampered with except upon very rare and important occasions. Relying upon its supposed ability to raise funds by the sale of bonds already authorized to be issued, the city's officers have let contracts upon which there will soon be due payments aggregating \$6,000,000. The court may hold that some of these payments should be made out of current receipts and not out of the proceeds of bond sales which would come under the name of "capital expenditures" as distinguished from "current expenses," terms which were incorporated in the new charter by the Bureau of Municipal Research.

Philadelphia's credit stands high, as is shown by the premium of 1.533% bid by the successful syndicate which was awarded the \$2,000,000 of 4 $\frac{1}{4}$ s maturing in 50 years. The city's borrowing capacity has recently been enlarged to the extent of \$32,239,000 because a court has ruled that this sum is so invested as to produce an annual revenue to the city.

The three loans authorized but not placed before the adoption of the new city charter provided for the expenditure of about \$20,000,000 for what might be termed temporary purposes, which are forbidden under the new charter. The principle of compelling a municipality to pay for temporary improvements out of current receipts is a wholesome doctrine, as it is entirely unfair to saddle upon an unborn generation the cost of making such improvements as repairs to pavements and the interest on the money borrowed to effect the repairs. One of the most conspicuous examples of making a long-term loan to raise money for temporary use was presented by an Ohio city which borrowed money to pay for street cleaning. Probably this extreme circumstance helped to bring about the reform which is now generally accepted throughout the United States.

#### THE WILL OF ANDREW CARNEGIE.

The will of Andrew Carnegie is of interest not only because he obtained and disposed of in his lifetime so vast an amount, but because of the showing the document makes of the original character of the man. Having been almoner in giving to his own and following generations, with a wise and far-seeing beneficence, an amount estimated at over 350 millions, he has distributed the remaining 20 or 30 millions in a manner distinctly partaking of the thoughtfulness, the shrewdness, and the personal breadth of sympathy of the man. His strictly public bequests number only six, and amount to not quite a million. To Cooper Union he leaves \$60,000 to make up a total of \$750,000; to Stevens Institute he gives \$100,000 "to improve my original gift;" and to Hampton Institute, a most fertile spot for sowing seeds of nation-wide value, he gives \$300,000. For the public he laid "foundations," and he lived to see buildings grow upon them.

The bequests to those who have been personally in contact with him and have served him, remembering them all down to even the "piper" at his castle in Scotland, justify themselves and again prove the man he was, but need no comment. The annuities he provided are unusual and of public

interest. Those to Mr. Taft and to the widows of two Presidents reach farther than his own personal admiration, evidently expressing his belief that some regular provision for ex-Presidents ought to be established nationally. Those to Lloyd George and to several other well-known Englishmen express his admiration and friendship; the gifts will doubtless prove welcome, and they will carry with them the approval of intelligent Americans. The annuitants mentioned by name are forty, besides some other designated only by the degree of relationship to the testator. The sums to these forty total a little over a quarter million, and at the rate of 5% will involve a capital investment of a little over five millions. The executor is directed to establish a sufficient productive fund for each annuitant, and, as alternative to some other mode of investing, to purchase annuities in any life insurance company in good standing in this city "or elsewhere." For reasons which are well understood, annuities are not in much favor and practice in this country, except in the form of settlement of life insurance payments, and have been declining for many years in amount and importance. An annuity necessarily ends with the life of the recipient, but one company began an alternative form (long ago discontinued) under which, if the annuitant die before drawing an amount equal to the original deposit, the remainder was to be refunded to the estate. The provision in the Carnegie will that "upon the termination of each annuity [by the death of the annuitant, of course] the principal of the fund held to produce such annuity shall be treated and disposed as a part of my residuary estate," is interesting as indicating the length of the term during which the work of administering may continue, but seems to preclude any use of life insurance for this purpose, since the moving factor in annuity granting is that the death of the party leaves any unconsumed remainder as the profit for which the grantor of the annuity is paying.

The executor is carefully directed and limited as to investments: to those permitted by law to savings banks in this State, to first mortgages of railroads which have regularly paid dividends for at least the two years preceding the investment; to any other class of bonds of trunk line roads which have regularly made return on all stock for at least five years; to the preferred stock of such companies; to any industrial stocks that have been paying for five years; or to first mortgages on real estate. These restrictions, though showing the testator's good judgment, are not other than careful men generally would make; but at this time they suggest serious thoughts anew. This will is more than seven years old, and in reviewing it by codicil only a few months ago this man of shrewd foresight could not do better than to let them stand. How have we drifted and gone since 1912, and where could the railway securities answering the description be discovered now?

Yet this unique man, whose life proves anew that wealth is a trusteeship, had not lost his faith in a future which he could no more penetrate than can any of us who have less mental grasp, nor must we lose faith, however thick the clouds now before us. The path out exists—let us never permit even an instant's doubt of that. It not only exists, but we shall find it, provided the failure is not in ourselves—in our integrity, our courage, our determination to stand firm for national honor.

*CANADA WORKING WITH UNITED STATES  
IN ATTEMPTS TO LOWER FOOD PRICES—  
HOME DEMAND TO HAVE PREFER-  
ENCE OVER FOREIGN.*

*Ottawa, Canada, Sept. 5 1919.*

The Dominion Government this week entered upon its first attempt to deflate food and clothing prices and govern the distribution of supplies. A working arrangement with the Attorney-General at Washington was quickly effected and official procedure in this country will be somewhat similar to what has already been displayed by Mr. Gregory.

The first day's sitting at Montreal had a prompt and popular consequence in that the sugar refineries hitherto busied with high-priced export orders, undertook to concede the demands of the West for weekly shipments of 2,000 tons to save the fruit crop. The evidence showed that export opportunities had caused the domestic scarcity and that at one juncture part of the Canadian output had been turned over five times by speculators before being finally sold to France.

The Chief Commissioner, Judge Robson, gave notice that he would try to find a method of suspending sugar speculation. In the meantime, home demand takes priority to foreign bidding. This ruling is accepted in business circles here to be henceforth applicable to other lines of export trade and may have far-reaching effect.

As in the United States, the major problem of Canadian politics is a reduction of the cost of living. Upon the success of this depends the postponement of an infinite array of labor troubles. The Government therefore has endowed its new Board of Commerce with such extensive powers as would enable it to cause the removal of customs duties on lines of goods on which "protection" had developed unfair profits or restriction of supplies. The program of the Board, which in its personnel is composed of trusted economists and investigators, places the management of packing houses, storage plants, food factories, textile companies, &c., under an almost arbitrary official control for an indefinite period.

There is no intention, however, on the part of the Government, of inviting a few days of popular hand-clapping by dumping goods on the market and smashing prices. The instructions of the Board are quite otherwise. Indeed, the trend of conditions in Canada and the recent choking up of American food shipments at some European ports because of unsatisfactory financial terms, would appear to indicate more the necessity of governing and restraining future attempts to unload surplus food and clothing stocks than of deliberately encouraging such action.

*IMMIGRATION AND EMIGRATION IN 1918-19.*

The ending of the European war last November has had no perceptible effect upon immigration into the United States. In other words, the end of the conflict has not been followed by any increase in the movement of aliens in this direction. On the contrary, shortly after hostilities ceased the trend of alien travel, which had been slightly in our favor, began to turn and in every month but one since the beginning of 1919 departures of aliens have exceeded arrivals, and for the six months ended June 30 the net loss in foreign-born population was 6,638, this following a gain of 27,428 in the first half of the fiscal year. The outward tide, moreover, has continued

since the close of the fiscal year, especially of Italians, the nationality from which of late years the great mass of unskilled labor has been recruited, without any compensating inflow, this notwithstanding the high wage scales now prevailing in this country. The fact is that the Italians, naturally frugal and saving, were enabled as a result of the war to earn and save to such an extent that now they are returning to the home country, many to stay permanently. This loss of a necessary element in our population could be viewed with equanimity were it not for the fact that efforts are now being made practically to ban immigration, except from contiguous lands for a period of four years, and action on much the same lines proposed in Canada serves to make the situation even more serious.

The alien arrivals at the various ports of the United States for the twelve months ended June 30 1919 were, with the exception of those for 1917-18, the smallest since the Civil War period, and made up in greatest measure of entrants across the border from Canada and Mexico. They aggregated 237,021 (of which 141,132 immigrants and 95,889 non-immigrants), this comparing with 211,853 last year, 362,877 two years ago, approximately the same number in the year preceding, no less than 1,403,681 in 1913-14, and totals above a million in several years prior thereto. In fact, for the five years July 1 1914 to June 30 1919, the aggregate influx of immigrant aliens was less than for the single twelve-month period immediately preceding. Coincident with the decidedly contracted inflow in the latest year there was an augmentation in the volume of departures, the emigrant and non-emigrant outflow reaching 216,231, against 193,268 a year ago and 146,379 in 1916-17. It follows, therefore, that the net increase in foreign-born population in 1918-19 was but very little greater than that of the previous year, which in turn had been much the smallest in over half a century. Specifically, the 20,790 net arrivals of the last twelve months contrast with 18,585 in the previous fiscal year, 216,498 a year earlier, 125,941 in 1915-16 and 815,303 in 1912-13.

The change in the normal trend of travel between Italy and the United States is not a development of the latest fiscal year, as it was in evidence in 1917-18, only it has gained impetus, the 1918-19 net outflow having been 33,592, against 3,287. Similarly, the net loss of Greek nationality was 14,935, against 168. Polish, 9,072, against 5,168, while Spanish departures exceeded the influx by 3,754, against net arrivals of 4,004, and a like change is to be noted of Holland. On the other hand, the inflow of French, Irish, Germans, Finnish, Scotch and English was greater than a year earlier, and there was not a great disparity between the two years in the net movement this way of Hebrews and Scandinavians. But the big factor in the year's immigration was the number coming across our Northern and Southern boundary lines—51,953 net from Canada and 18,219 from Mexico.

With the movement of immigrants so restricted no great interest attaches to the distribution of entrants among the various States, so we merely remark in passing that Texas, Michigan and the Pacific Coast seem to have benefited chiefly thereby. By contrast, New York and Pennsylvania show the greatest drain on their labor forces by the large Italian departures. As regards the occupations of those who came among us during the late year, it is observable that in practically every branch of those classed as

professionals—physicians, teachers, lawyers, clergy, &c.—the inflow more or less materially exceeded the outflow. This is true also of entrants in the skilled classification, such as carpenters, engineers, iron and steel workers, machinists, mariners and stokers, and weavers and spinners. But there was a further net efflux of miners following that of the previous year, and among the unskilled there was a noticeably heavy loss of ordinary laborers, again drawing attention to the Italian emigrants.

## Current Events and Discussions

### CONTINUED OFFERING OF BRITISH TREASURY BILLS.

The usual offering of ninety-day British Treasury bills was disposed of this week by J. P. Morgan & Co., on a discount basis of  $5\frac{1}{2}\%$ , the rate recently prevailing. The bills are dated Sept. 2.

### CONTINUED OFFERING OF FRENCH TREASURY BILLS.

The fourth block of the French Treasury bills are being offered in the market up to an amount of \$50,000,000, as market conditions justify and on much the same scheme as the British Treasury bills, were disposed of by J. P. Morgan & Co., this week. The offering in any one week is limited to \$5,000,000. The rate on the bills is  $5\frac{1}{2}\%$ . Those in this week's offering are dated Sept. 5.

### NEW CREDIT TO ITALY.

The Treasury Department yesterday advanced a credit of \$17,000,000 to Italy, making a total of \$1,618,975,945 advanced to Italy and bringing the total of all the loans established by the United States in favor of the Allies up to \$9,684,272,568.

### TENDERS FOR RUPEES ON ACCOUNT OF INDIAN GOVERNMENT.

In pursuance of authority conferred by the Secretary of State for India in council, the Bank of Montreal this week asked for tenders for the purchase of immediate telegraphic transfers in Rupees on Calcutta up to 3 o'clock p. m., Wednesday, Sept. 3, at the agency, Bank of Montreal, 64 Wall Street, for a total sum not exceeding 4,000,000 rupees. It was yesterday (Sept. 5) announced that the result was a total of tender of 18,000,000 rupees. The average rate bid by the successful tenders was, it is stated, over 43 cents per rupee. Tenders for 3,000,000 rupees, received by the New York agency of the Bank of Montreal up to Aug. 27, resulted in the receipt of tenders for more than 16,000,000 rupees (as reported by us last week), the average bid, as in the present instance being slightly over 43 cents per rupee.

### BANK OF ENGLAND RATE ON FOREIGN BALANCES STILL $4\frac{1}{2}\%$ .

A special cable dispatch to the New York "Evening Post" from London, Aug. 31, published in its issue of Sept. 2, said:

The report that the Bank of England has withdrawn its special rate of  $4\frac{1}{2}\%$  allowed on foreign balances deposited with it, is untrue. Such a policy has conceivably been discussed, but nothing has been settled.

Reports of the reduction in the rate to  $3\%$  were referred to in our issue of a week ago, page 830.

### RENEWAL OF BELGIAN EXPORT CREDIT.

It was reported on Sept. 4 that arrangements had been concluded for the first renewal of the \$50,000,000 three months' commercial export credit established by a syndicate of New York bankers for a consortium of Belgian banks. Trading in the acceptances was begun on June 5. The first 90-day period having expired, the banking group is said to have already sold to local dealers \$10,000,000 of the second lot of bills at  $4\frac{5}{8}\%$ . J. P. Morgan & Co., Guaranty Trust Co., National City Bank and the National Bank of Commerce, it is stated, have accepted \$2,500,000 each. The balance of the credit amounting to \$40,000,000 will, it is said, be offered about the latter part of this month.

### REMOVAL BY BRAZIL OF RESTRICTIONS AGAINST GERMAN BANKS.

A Buenos Aires dispatch to the daily papers Sept. 6 says:

The Brazilian Government has canceled the decree by which it placed German banks and insurance companies in that country under Federal control, according to an official dispatch from the Argentine Legation at Rio Janeiro. It is stated that the Government has also extended by ten years the time the Brazilian Bank of Germany may operate in Brazil.

### NEW BANK NOTE ISSUE BY NORTHWESTERN RUSSIAN GOVERNMENT.

Press advices to the daily papers from Stockholm Aug. 27, said:

A dispatch from Helsingfors says the Northwestern Russian Government is printing 350,000,000 rubles in new banknotes for the replacement of its interim notes. The notes will bear the signature of General Judenich, head of the new Government in Helsingfors, and the circulation throughout Russian territory will be compulsory.

Three months after Petrograd is taken from the Bolsheviki the notes are to be redeemable against State bonds. The new issue is to be guaranteed by Russia's entire assets. Forty rubles are to be considered equal in value to a pound sterling.

### FLIGHT OF GERMAN CAPITAL.

The following special correspondence to the New York "Evening Post," from Zurich, Switzerland, July 28, appeared in the Aug. 23rd issue of that paper:

The amount of German capital which has escaped into Switzerland since the defeat is estimated at 35,000,000,000 marks. This estimate, which was made by the most competent German economic paper, the "Frankfurter Zeitung," is perhaps a little exaggerated, but is not far away from the truth. Expressed in Swiss currency according to the actual depreciation of German currency, this amounts to only something more than 10,000,000,000 francs.

The Swiss national wealth was estimated before the war as being 40,000,000,000 Swiss francs, and now, owing to the increase of all prices, it will be 50,000,000,000 francs. One can easily understand that, under such conditions, the general capital flight out of Germany into the bordering neutral countries is not only a problem for the German taxation authorities. In view of the general bribery among the German civil and military authorities, the German taxation defrauders cannot be efficiently prevented from leaving the country of bankruptcy.

The figures given above clearly show the dangerous character of such capital emigration from Germany to her small neighbors. Already one-sixth of the wealth in Switzerland, if we accept the estimates, is constituted by property of German taxation defrauders. Fortunately for Switzerland, the bulk of this capital is not liquid, neither in the form of German bank notes nor in the form of Swiss assets. Most of this escaped capital consists of German securities.

Should this escaped capital consist of liquid Swiss francs, the Germans would very quickly become the most important shareholders in the leading Swiss industrial enterprises and the most important creditors of Swiss banks. Though this has not yet happened, Swiss public opinion foresees the moment when this German capital escaped to Switzerland will seek and find opportunities of penetrating into the Swiss economic life.

### DISTINGUISHED SERVICE MEDAL PRESENTED TO HENRY P. DAVISON.

A Distinguished Service Medal was presented to Henry P. Davison, of J. P. Morgan & Co., on Aug. 27, by Secretary of War Baker, in behalf of President Wilson, in recognition of Mr. Davison's work in the interest of the Government and the American Red Cross during the war. The citation, explanatory of the services rendered by Mr. Davison, was read as follows by Secretary Baker in making the presentation:

Mr. Henry P. Davison, for exceptionally meritorious and distinguished service. As Chairman of the War Council, American Red Cross he assumed general direction of the war measures of that society and by the exercise of rare tact and consummate powers of construction and direction brought it to a perfection of organization which made it possible to extend relief promptly and bountifully to our armies and to those of the allied nations. His dynamic qualities as a financier and his forceful personality assured to the soldier in the field and to the inhabitants of the devastated countries of Europe systematized measures of relief beyond the limits of specific statement.

In personal remarks in tribute to Mr. Davison, Secretary Baker said in part:

As I read that and as the world reads it, it will seem, I hope, a generous recognition of the services of Mr. Davison and the great society of which he was president, and yet it is a very restrained estimate of a very great and noble service.

The society which Mr. Davison controlled has left the touch of its relieving hand on every battlefield and in every hospital, and in the homes of the poor and the oppressed throughout the world. Without that society I do not know whether the world would have been able to bear the horrors and devastation of this fearful war.

Perhaps now that the war is technically over and fighting has ceased, society can look with confidence upon the great reservoir of good will which was generated by the healing influences and built up among men by the presence of this non-partisan, non-sectarian, non-national society. It had as the basis of its work and activity that broader emotion which makes all mankind kin and cut across all the sectionalism and restricting limitations of race and creed and followed only the precepts of mercy.

Those of us who were more or less intimately with him know that Mr. Davison is responsible in a very peculiar and personal way for the work the Red Cross did. The American Army, for whom the medal was primarily designed, will feel that those of its members who wear the medal are honored by its being worn by Mr. Davison, whose services with the Red Cross have been so distinguished.

### NEW HIGH RECORD FOR SILVER.

A special cable to the "Journal of Commerce" from London Aug. 26, said:

Silver was quoted to-day at 60 $\frac{1}{4}$ d. an ounce, being the highest price recorded in this market since 1867. It is expected that the rupee will be raised to 24d. against the present price of 22d. to guard against India melting rupees to sell the metal.

In reporting a fall in the price Aug. 28, the London cables said:

The price of silver to-day fell three pence an ounce to 58 $\frac{1}{4}$ d. on the cessation of Chinese selling and liberal American offerings which found few buyers.

### COMPARATIVE FIGURES OF CONDITION OF CANADIAN BANKS.

In the following we compare the condition of the Canadian banks, under the last two monthly statements, with the return for June 30 1914:

	ASSETS.		
	July 31 1919.	June 30 1919.	June 30 1914.
	\$	\$	\$
Gold and subsidiary coin—			
In Canada .....	61,045,702	60,543,234	28,948,841
Elsewhere .....	19,157,828	18,736,201	17,160,111
Total .....	80,203,530	79,279,435	46,108,952
Dominion notes .....	180,823,245	175,547,837	92,114,482
Depos. with Minister of Finance	5,931,480	5,930,608	
for security of note circulation			6,667,668
Deposit of central gold reserves ..	108,400,000	107,200,000	3,050,000
Due from banks .....	230,474,800	203,283,857	123,608,936
Loans and discounts .....	1,210,761,109	1,236,692,782	925,681,966
Bonds, securities, &c. ....	586,895,648	533,640,098	102,344,120
Call and short loans in Canada ..	93,587,497	95,852,728	67,401,484
Call and short loans elsewhere	178,098,434	167,236,045	
than in Canada .....			137,120,167
Other assets .....	97,566,604	92,901,044	71,209,738
<b>Total .....</b>	<b>2,772,742,437</b>	<b>2,697,564,414</b>	<b>1,575,307,413</b>
	LIABILITIES.		
	\$	\$	\$
Capital authorized .....	194,075,000	189,075,000	192,866,666
Capital subscribed .....	116,599,100	116,360,000	115,434,666
Capital paid up .....	115,721,629	115,823,327	114,811,775
Reserve fund .....	122,230,372	122,124,261	113,368,898
Circulation .....	206,906,941	217,608,105	99,138,029
Government deposits .....	164,074,288	153,344,656	44,453,738
Demand deposits .....	878,827,542	846,128,467	495,067,832
Time deposits .....	1,175,092,155	1,139,569,570	668,650,230
Due to banks .....	48,666,898	50,723,996	32,426,404
Bills payable .....	3,371,364	3,920,081	20,096,365
Other liabilities .....	32,881,260	28,209,048	12,656,085
<b>Total, not including capital</b>	<b>2,509,820,448</b>	<b>2,439,504,013</b>	<b>1,330,488,683</b>
or reserve fund .....			
<b>Total .....</b>	<b>2,509,820,448</b>	<b>2,439,504,013</b>	<b>1,330,488,683</b>

Note.—Owing to the omission of the cents in the official reports, the footings in the above do not exactly agree with the total given.

### FOREIGN EXCHANGE TRANSACTIONS WITH HUNGARY PERMITTED.

Following the announcement of the War Trade Board Section of the State Department that trading with Hungary had been resumed, J. I. Case, Deputy Governor of the Federal Reserve Bank of New York on Sept. 3 issued the following notice stating that foreign exchange transactions with Hungary were now permitted

The Division of the Foreign Exchange of the Federal Reserve Board has issued to-day the following announcement which we submit herewith for your attention:

"As the War Trade Board Section of the Department of State has issued a general enemy trade license effective Sept. 2 authorizing the resumption of trade and communication with Hungary, it is therefore in order to permit foreign exchange transactions with Hungary."

### MANAGING COMMITTEE IN CHARGE OF CONDUCT OF FEDERAL RESERVE BANK OF NEW YORK.

The growth in scope and volume of operations of the Federal Reserve Bank of New York has occasioned the division of the entire work of the bank along functional lines, according to an announcement on Sept. 2, which in stating that the administration will continue as heretofore under the board of directors and the Governor, also makes known the formation of a managing committee which will have general charge of the conduct of the bank. The following is the announcement:

Since the organization of the Federal Reserve Bank of New York in the autumn of 1914, the rapid growth of the institution in both scope and volume of its operations (it now has on its payroll approximately 3,000 employees) has necessitated almost continuous readjustment of internal control and operation.

With the modification of the activities incidental to the war period, the officers have given careful consideration to a recasting of the organization on a more permanent basis designed to provide more efficient service to member banks, and for their greater convenience in conducting their transactions with the bank.

To meet the requirements of Federal reserve banking, a somewhat radical departure from usual bank organization is necessary and, accordingly, the entire work of the bank has been divided along functional lines.

As heretofore, the administration of the bank is under the Board of Directors and the Governor.

Under the new plan a managing committee is formed consisting of the Governor, the Chairman of the Board and the Deputy Governors, which will have general charge of the conduct of the bank. The Deputy Governors for the present will act also as Controllers of certain functions.

Each of the twelve principal functions of the bank is under the immediate supervision of a senior officer with title of Controller. These functions will operate through twenty-five departments, each of which will be under the immediate direction of a junior officer with title of Manager.

The revised organization becomes effective to-day.

Those constituting the managing committee are: Benjamin Strong, Governor; Pierre Jay, Chairman of the Board; Robert H. Treman, J. Herbert Case and Louis F. Saller, Deputy Governors.

#### **JAMES F. CURTIS, FORMERLY OF FEDERAL RESERVE BANK OF NEW YORK, NOW IDENTIFIED WITH LAW FIRM.**

James F. Curtis, whose resignation as Deputy Governor and Counsel of the Federal Reserve Bank of New York, was reported more than a month ago, became, on Sept. 1 a member of the law firm of Denison & Curtis, with offices in the Woolworth Building.

#### **CHANGES IN STAFF OF BUFFALO BRANCH OF FEDERAL RESERVE BANK OF NEW YORK.**

The Federal Reserve Bank of New York stated on Sept. 2 that I. W. Waters had been appointed Assistant Manager of its Buffalo Branch. Mr. Waters was Acting Cashier of the branch pending the appointment of a Cashier. W. W. Schneckenburger of Warsaw, N. Y. who has been appointed Cashier of the branch has assumed his active duties. Mr. Schneckenburger's early banking experience was acquired in the Wyoming County National Bank, and for the past twelve years he has managed the Wyoming Banking Company which has offices at Wyoming, N. Y., and Pavilion, N. Y.

#### **H. A. MOEHLLENPAH NOMINATED AS MEMBER OF FEDERAL RESERVE BOARD.**

Henry A. Moehlenpah of Clinton, Wis., was nominated on Sept. 2 by President Wilson to be a member of the Federal Reserve Board, succeeding F. A. Delano, resigned.

#### **SUBSCRIPTIONS CLOSED FOR THIRD ISSUE OF TREASURY CERTIFICATES ACCEPTABLE FOR GOVERNMENT NOTES.**

The closing of subscriptions for the issue of Treasury certificates, series C, 1920, dated Sept. 2 1919, maturing Feb. 2 1920 was announced by Secretary Glass on Sept. 4. Final reports it is stated have not yet been received, but preliminary reports indicate that the aggregate subscriptions approximate \$550,000,000. These certificates are acceptable in payment of Government notes. The offering was referred to in our issue of Saturday last, page 830.

#### **TREASURY CERTIFICATES ISSUED IN ANTICIPATION OF VICTORY LIBERTY LOAN CALLED.**

Announcement was made by Secretary of the Treasury Glass on Sept. 4 that Treasury Certificates of Indebtedness, Series VK (issued in anticipation of the Victory Liberty Loan) dated May 1 1919, and maturing Oct. 7 1919, had been called for redemption on Sept. 15 1919, at par and accrued interest pursuant to the provision for such redemption contained in the certificates. Secretary Glass adds that "on Sept. 15 1919 interest on all certificates of said series will cease to accrue." The Federal Reserve Bank of New York in calling attention to the announcement on Sept. 4 said:

The Federal Reserve Bank of New York as fiscal agent of the United States will, therefore, redeem certificates of Series VK in compliance with this notice.

Banking institutions are urged to advise their customers holding these certificates of this call for redemption in order that loss of interest after September 15 1919 may be avoided.

#### **NEW OHIO BANKING LAW.**

A new banking law, passed by the Ohio Legislature, and approved by the Governor, went into effect on July 10 1919. According to the Cincinnati "Enquirer", a committee of the Ohio Bankers' Association and Philip C. Berg, State Superintendent of Banks in Ohio, spent practically a year in the drafting of the new law. In part the "Enquirer" in its issue of April 20 said:

Though the law repeals all laws on the books relative to the organization, inspection and supervision of banks, and replaces them by an entirely new law, still it is essentially a codification and there is nothing revolutionary or experimental in it.

Its first aim is to simplify the law. The old law contained an entire chapter relating to the organization and powers of "Free Banks," institu-

tions now obsolete; separate provisions as to organization and control of private banks; separate provisions as to organization and control of other banking corporations, and all general provisions, as to organization and in other respects, referred each time to "banking companies, savings banks, savings societies, societies for savings, savings and loan associations, savings and trust companies," or to "such corporation, company, association or society," or to "commercial bank, savings bank, safe deposit company, trust company, or a company having departments for two or more, or all of such classes of business."

Under the new law the word "bank" is used instead of the catalogue of names thus used several hundreds times in the old law. This is done by defining the word bank so that it applies to all the corporations or associations named in the old law and making all general provisions apply to them as "banks." Special provisions applying to any particular kind of bank are briefly stated and easily found. All obsolete and inconsistent provisions are repealed.

#### **Unauthorized Banking Prohibited.**

By starting with the definition of the word "bank," making its distinguishing attribute the power to receive money on deposit, restricting the use of the name "bank" in any form to such corporations or institutions as have such power, and prohibiting the banking business to all others—authorized banking is protected and unauthorized banking is prohibited.

Inspection, supervision and regulation by the Superintendent of Banks is made more effective by increasing the responsibility of Directors and making them responsive to certain requirements by the Superintendent of Banks, by authorizing the Superintendent to prescribe the manner and form of keeping bank records so as to have the same uniform; similar provision as to reports, and by providing a banking fund, to be raised entirely by assessments upon banks and which must be used solely for maintaining the Banking Department. The salary of the Superintendent is increased from \$5,000 to \$7,500 a year. The present Superintendent, however, will not benefit by this increase during his term of office.

Hereafter no private banks can be organized or allowed to commence business. Private banks now existing may continue, but they are required to have an actual paid-in capital (minimum \$10,000) in cities and villages of more than 2,000 population minimum \$25,000; in cities with a population exceeding 10,000, minimum \$50,000, and become subject to all laws relative to regulation of other banks. Existing private banks must comply with capital provisions within one year. Special provisions are made as to the manner of holding property belonging to private banks, and as to statements of financial worth to owners.

#### **Foreign Business Controlled.**

The law seeks to do away with the foreign exchange evil by limiting the power to receive money on deposit for the purpose of transmitting the same to foreign countries to regularly incorporated railroad, steamship and express companies and banks. Railroad, steamship and express companies desiring to transact this business are required to deposit \$50,000 in securities or cash, or a bond in that amount with the Treasurer of State, and designate each agent authorized to receive money for this purpose. Designated agents are made the agents of the company. It is a criminal offense for any person not so designated to solicit or receive, or hold himself out as authorized to receive money to be transmitted to foreign countries.

Banks are incorporated largely in the same manner as other corporations, but hereafter may only incorporate as a commercial bank, savings bank, trust company or a combination of two or all. Guaranty title and trust companies may qualify as banks, and special plan (Morris plan) banks may be formed. Capital requirements are: Commercial or savings, or combination of both, minimum, \$25,000; in cities with a population of 10,000 or more, minimum, \$50,000; trust companies, \$100,000, which in case of combination must be in addition to capital required for other departments. All banks now having a less capital than that specified must increase their capital to above requirements within three years. Capital must be fully paid in before a bank may begin business. If capital is increased the increase must be paid within six months.

#### **Formation of New Banks.**

No banking corporation can be formed without approval of Superintendent of Banks. When articles of incorporation are filed with Secretary of State he must at once notify Superintendent of Banks, and cannot record such articles till notified to do so by Superintendent of Banks. Full provision is made for preliminary examination by Superintendent of Banks. If he refuses to consent to organization of a proposed bank an appeal may be taken to a board composed of the Governor, Attorney-General and Superintendent of banks. The decision of this board is final. The fact that any fee or commission has been paid to any one for promoting or selling stock in a proposed bank is by law a ground for rejecting its application for authority to commence business.

The law provides fully for liquidation for insolvent banks, the intent being to make such liquidation as expeditious and inexpensive as possible. The cause for which the Superintendent may take charge of a bank for the purpose of liquidation are unchanged.

Provision is made for proper and safe voluntary liquidation; also for consolidation of banks, both being subject to approval and supervision of the Superintendent of Banks.

Banks are extended acceptance powers under certain restrictions. Investment by the different classes of banks cover many pages, and the intent of the new law is to provide an avenue for such investments which time and experience have proven to be satisfactory. The powers of commercial banks, savings banks and trust companies are more clearly defined and are broadened so as to include powers which properly belong to the different classes of banks.

#### **PROSPEROUS YEAR FOR OHIO STATE BANKS.**

Ohio incorporated and unincorporated State banks are shown to have had the most prosperous year in all their history by the annual report of State Bank Superintendent, Philip C. Berg, for the fiscal year which ended June 30 1919, which has just been transmitted to Governor James M. Cox. The superintendent bestows high praise upon the banks of the State for the effective service they rendered the Government during the period of the war, declaring that their co-operation and support contributed in a great measure to the successful financing of the war. He declares that banks are destined to play a big part in the gigantic reconstruction program undertaken by the Government for the solution of the grave problems confronting it, and says there is every reason to believe that the banks will extend the same magnanimous help in the future as they have in

the past. "In my judgment it seems inevitable that a remedy for the existing disquietude will soon be found, and with it will come an adjustment of disturbing differences," says Mr. Berg. "There are many indications that prosperity will continue and that the nation will triumphantly emerge from the troubles now threatening business and industry." A statement issued by Mr. Berg, summarizing the showing of the incorporated and unincorporated State banks at the close of the fiscal year says:

The combined resources of these banks amounted to \$1,161,115,825, a growth of more than \$188,000,000 during the year, and a gain of nearly \$683,000,000 in ten years. This shows an unprecedented increase in business.

There were 607 incorporated banks and 169 unincorporated banks under the supervision of the State Banking Department at the close of 1918. Under the old law which has been superseded by the new Graham banking code, which became effective in July of this year, unincorporated banks were not required to report on their earnings and expenses, but such reports are required under the new law. The gross earnings of the 607 incorporated banks during the year 1918 were \$49,485,295, or nearly 4.19% of the assets. The gross earnings were 6.22% of the amount of loans and investments in bonds, stocks and other securities as compared with 6.12% for 1917.

The ratio of loans and discounts and other securities to total deposits, as shown by a report on June 30 1919 were as follows: Number of banks, 612; loans and discounts, 60.86%; U. S. bonds, 12.29%; municipal bonds 7.65%; other bonds, 13.62%. Total bond investments of incorporated bank, at this time amounted to \$320,530,390, of which sum \$117,380,830 was invested in U. S. bonds.

The total of such securities comprised 28.8% of the entire resources of the incorporated banks. Ten years before the investment in U. S. bonds amounted to but \$4,923,186, and in these and other securities \$106,446,606.

Since June, 1917, United States bonds have increased approximately 470%, while municipal bonds decreased 6.9% and other bonds and securities 2.7%.

Stock held in the Federal Reserve Bank by State member banks June 30 1919, amounted to \$1,214,050. Total deposits of incorporated banks increased from \$340,067,914 on Aug. 18 1908 to \$964,106,932 on June 30 1919.

This was an increase of approximately 183.2%. Savings deposits showed an increase of 142% during that period. The increase in savings deposits during the past fiscal year was approximately 14.9%.

Loans and discounts, including acceptances, reached their maximum in incorporated banks on June 30 1919 when they amounted to \$581,210,812, or approximately 52.38% of the total assets. Loans and discounts increased approximately 80 million dollars or over 15% during the year.

Total real estate, largely consisting of banking premises, owned by incorporated banks at the close of the fiscal year, amounted in value to \$25,834,855, or 2.33 of the total assets.

Reserve held by both incorporated and unincorporated banks on June 30 1919, amounted to \$29,951,021, or 17.2% greater than a year ago.

The ratio of deposits to capital of incorporated banks is \$16.50 to \$1 as compared with \$13.42 to \$1 in 1916. The ratio to capital, surplus and profits is \$8.14 to \$1 as compared with \$7.12 to \$1 in 1916.

The amount of capital stock authorized was \$59,378,000, practically all subscribed and paid in. The surplus amounted to \$42,620,632. The net earnings and dividends were \$12,692,751 and \$5,650,193, respectively, or 9.91% to the capital. Net earnings show an increase of 9.3 over those of 1918. Gross earnings which totaled \$49,485,295, show an increase of 24.4 for the same period.

Total capital and surplus invested at the close of 1918 was \$99,604,710. Capital and surplus increased \$5,346,307, during the year.

#### OTTO H. KAHN ON TAXATION AS FACTOR IN HIGH LIVING COST.

In a memorandum (made public Sept. 2) dealing with "possible measures for alleviating the high cost of living" Otto H. Kahn, of the firm of Kuhn, Loeb & Co., suggests "the appointment by the Government of a non-political body of experts to study the effects of the various kinds of taxation which have been in force during and since the war and to make recommendations to Congress based upon such study." The memorandum in which the suggestion is made was forwarded to a public officer in Washington in accordance with the latter's request, following a conversation between the two on the question of the high cost of living. In offering his suggestion, Mr. Kahn stated that "it is a remarkable circumstance that in the public discussion of the factors which are responsible for the prevalence of excessively high prices, the subject of taxation has hardly been mentioned." "Yet," he continued, "it is, I believe, a demonstrable fact that the unscientific system of taxation adopted in this country since 1917 has played a considerable part in boosting prices." In part Mr. Kahn added:

Nothing is further from my thought than to object to the obvious purpose underlying our war taxation, namely, to impose the greatest burden upon those best able to bear it. I do not wish to dispute for a moment that taxation must be laid in accordance with the dictates of social justice. To advocate a scheme of taxation which would spare wealth would be both wrong and fatuous. Yet I cannot escape the conclusion that the very extreme of the burden laid upon business, and income has partially defeated the purpose which the framers of our taxation legislation apparently had in view, and at the same time has given rise to certain unforeseen and troublesome developments—as invariably happens in the case of extreme measures, especially where economics are involved. Now that the emergency of the war is over, I believe that the entire matter should be subjected to unprejudiced and competent critical review.

##### a. The Excess Profits Tax.

There can be no question that, owing to the increased cost of living or the decreased purchasing power of the dollar, the farmer, the wage worker, the man and woman living on salaries, are entitled to a proportionate in-

crease in income. But the enhanced cost of living and the diminished purchasing power of the dollar affect the owner of industrially invested capital no less than they do other callings. And in addition thereto he is subject to a heavy excess profits tax and, if his income is large, to an income tax and, if his income is large, to an income tax of unparalleled severity.

When I speak of the owners of industrially invested capital, I mean primarily the storekeeper, the average merchant, and the millions of men and women who derive all or part of their income from investment in securities of corporations. By the same token as the farmer, the wage worker and the salaried man, they feel the need of a larger return than formerly.

Let me point out, incidentally, that the spectacular earnings of certain corporations and individuals afford no just criterion of the earnings of business on the whole. As against a number of concerns and individuals who have made exceedingly great profits during and since the war, there are numerous others whose earnings have shrunk during and since the war. It may be interesting to quote in this connection the results of an investigation made recently in England (where conditions appear to be very similar to those prevailing here) as to how the increased cost of certain articles in the past two years, compared with the two years preceding the war, had been divided. The investigator found, taking such increase as 100%, that labor received 57% more than before the war, the State through taxation 40% more and capital 3% more.

This is not the place to argue the question whether in the pre-war era, industrially invested capital received too large a part of the national income. In some respects, I believe it did. But the fact is that since 1914 the wages of labor have been vastly increased. The farmer also rightly receives a much greater return than formerly, and it must be remembered that both the wage-worker and the farmer are little burdened by direct taxation. The return on industrially invested capital, on the other hand, after making allowance for taxation, has no doubt been diminished on the whole, and in many cases very greatly diminished. If, in addition, it is considered that the purchasing power of the dollar has been reduced by nearly one-half, it will be seen that the actual yield of industrially invested capital is much less than it was prior to the war and that there has taken place in fact a drastic readjustment in the distribution of the national income.

The excess profits tax, until the present year, ranged from 30% to 65% over and above an arbitrarily fixed and, everything considered, low return on money actually invested in business. In addition to that, every corporation had to pay an income tax of 12% in its total profits. Let us assume the case of an incorporated business for which the excess profits tax amounted to, say, 40%. That means that it was impossible for such a business to make one dollar profits over and above the arbitrarily fixed and low return above referred to without charging something over two dollars to the purchaser. The Government takes the difference. In addition to that, the Government, of course, takes the individual income tax.\*

And it must be remembered that most articles before reaching the ultimate consumer pass through four or five different handlings. The activities of the producer of the raw material, the manufacturer, the jobber and the retailer—all are more or less subject to this same condition. Each expects to be able to earn a somewhat larger profit to take care of the increased cost of present-day living, whether it be for himself as in the case of the individual merchant or for holders of the securities which he represents, as in the case of the corporate manager—and each must take into account the operation of the excess profits tax, not to mention the income tax. And that necessarily spells increased cost to the public.

The excess profits tax has tended furthermore to increase actual cost of production, inasmuch as costs naturally are deducted before taxable profits are arrived at, and, therefore, under the operation of the excess profits tax, there is of the same inducement as under normal circumstances to keep costs down as much as possible, but in fact rather the reverse. Nor is there any longer any inducement to employ accumulated profits in the business without capitalizing them, which, of course, makes for lower cost of production. On the contrary, there is every inducement to capitalize every justifiable item—and this makes for higher cost.

The excess profits tax in peace time must not be confounded with the war profits tax in time of actual warfare. A war profits tax, however heavy, is wholly sound, morally, socially and economically, and its effect on prices is largely mitigated through circumstances and agencies which are operative when a country is at war.

The objection to a very heavy excess profits tax in peace time rests not so much on equitable grounds as on the ground that on the one hand it does not, and cannot, accomplish the social purpose aimed at, and on the other hand it tends to hurt trade, discourage enterprise and burden the public. Our excess profits tax certainly has not stopped, but rather has intensified what is commonly termed "profiteering."

##### b. The Income Tax.

One of the most valuable by-products of wise taxation is the promotion of thrift. But our personal income tax, by reason of the kind and manner of its gradation, instead of promoting more frugal living, is a breeder of extravagance, and thus of higher prices. Proof of this is everywhere. America has probably never been as spendthrift as she is now. For this phenomenon, there are various psychological and economic explanations which it would take too long to set forth in this memorandum. One of these explanations is expressed in the sentiment which I have heard expressed repeatedly: "What is the use of trying to save a few hundred or a few thousand dollars when the Government takes it away from us 'in chunks'?" In other words, the incentive to saving has become gravely diminished.

Moreover, the investor, in order to recoup a portion, at least, of his income tax, demands securities yielding much higher rates of interest than formerly, thus enhancing the cost of capital—which again makes for higher prices. Or he buys tax exempt municipal, State or Government bonds, thus diminishing the quantity of funds available for private enterprise.

An incidental evil is disclosed in the fact that seeking, because of the income tax, a higher return than bond investments offer, not a few investors have come to be tempted and induced to turn to speculation. The promoter of "get rich quick" schemes is reaping a harvest.

The investor's reluctance to buy bonds subject to the income tax, or at least his insistence on an abnormally high yield of interest, is bound in the long run to have a decidedly unfavorable effect on our export trade, because if the world under existing circumstances is to buy from us, we must enable foreigners to borrow from us not only by means of opening commercial credits to them, but also by freely purchasing their securities. Also, this attitude of the American investor, caused as it is, at least in part, by the income tax, militates gravely against our capacity to come to equal with England as an international money centre. It is true, England also has a heavy income tax, but its effect owing to several reasons, is not the same as it is with us from the point of view of international finance and trade. Furthermore, a very unfortunate impression is created abroad by the fact

\*For the present year, the excess profits tax, while reduced, is still very severe, ranging from 20% to 40%, in addition to a corporate income tax of 10% and individual income taxes up to 73% (to which must be added in many States, including New York, a State income tax).

that at a time when we alone are capable of supplying the nations with urgently needed funds, we fail to do so adequately, and when we do accord loans to foreign countries, exact very onerous conditions. The fault is attributed to the American character, when, as a matter of fact, the cause—apart from natural conditions—is primarily due to our taxation measures.

The housing famine and the resulting hardships and high rentals are due, in considerable part, to the fact that the private investor, generally speaking, has withdrawn from the field of real estate mortgages, because they do not yield him a sufficiently attractive return after taking into account the income tax.

The excessive heaviness of both the excess profits tax and the income tax in its higher gradations discourage enterprise and thereby retard production. In introducing in Parliament recently the British Government's budget which included provision for a 50% reduction of the British War Profits Tax, the Chancellor of the Exchequer said that experience had shown that the existing high rate "encouraged wasteful expenditure" and acted "as a great deterrent to enterprise, industry and development."

We have raised in taxes over 40% of our total Governmental expenditures in the two war years (excluding loans to Allied nations). Indeed, if we deduct from "current" expenditures the amounts spent for investments of permanent value, such as ships, ship yards, stocks of the War Finance Corporation, &c.—as any business man would in making up his balance sheet—we find that we have raised by taxation pretty nearly 50% of the Government's total expenditures during the war. That is a stupendous achievement, which no other nation has come anywhere near paralleling. I think the necessity, and with it the advisability, of imposing taxes of extreme magnitude has gone by with the passing of the war, and that the disproportionate burdening of the present generation to enable unduly rapid extinction of our war debt would be both an injustice and a mistake, but I am convinced that during the war it was wise and advantageous to resort to taxation to the extent that we did.

My criticism is not of the magnitude, but of the method of our tax measures. My point is that we have omitted to impose certain easily borne, easily collected, greatly productive and well tested taxes such as—to quote only one minor, but characteristic instance—a stamp tax on checks, and have grossly maladjusted others, with the result that our revenue legislation has largely contributed to throw our economic equilibrium out of gear—to the detriment of everybody, and particularly to the great cost and damage of the masses of the people. I realize, of course, that even if strict Governmental economy is practised, we are faced with the necessity of raising a vast sum of money annually by taxation. For years to come, direct taxation is bound to be far heavier than formerly, because in addition to the interest and sinking fund on our war debt and other items accruing more or less directly from the war, we have to meet the loss in revenue arising from the advent of Prohibition. But I am convinced that the needed amount can and should be raised with far less vexation, complexity and economic dislocation and disadvantage than have resulted, and were bound to result, from the revenue measures now in force.

Everybody agrees, of course, that we must have a progressive income tax, but it ought certainly not to be any heavier than that of our chief competitor, Great Britain, in any part of its scale (it is now considerably heavier in its upper scale and 50% heavier in its maximum scale). If possible, it should be less heavy in its scale, because that would aid us in our world trade; and it ought to be possible, for our population is twice as numerous and our wealth much more than twice as great as that of Great Britain, and the financial war-burden which we have to take care of is much less than that of Great Britain.

It is an old maxim of taxation that an excessive impost destroys its own productivity. It attains that inevitable result in a variety of ways, both actual and psychological. Good intentions are not a sufficient qualification for the formable task of devising a plan and methods of taxation to balance our vast expenditures. Exact and dispassionate thinking is required, technical capacity and adequate knowledge. Economics are stubborn things and will not permit themselves to be either disregarded or overridden or dealt with emotionally.

In England, a non-political committee of experts was recently appointed by the Government to study the effects of the various kinds of taxes which have been in force during the past five years, and to make recommendations to Parliament based upon such study.

My first suggestion is that in this country a similar committee for the like purpose be appointed by the Government.

Mr. Kahn also suggested the creation of a Federal Bureau of Salvage and furthermore took occasion to quote from a speech made in Chicago in January 1918 (referred to in the "Chronicle" of Jan. 19 1918) in which he suggested that it would serve a useful purpose, if out of the various commission 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 boards of experts to elaborate and deal with strategic problems.

#### CONFERENCE OF CAPITAL AND LABOR URGED BY SECRETARY LANE.

A conference of representatives of capital, labor, business executives, and the public is what Secretary of the Interior Lane has suggested as a potential means of solving the perplexing economic problems now confronting the nation. Mr. Lane in a statement issued Aug. 28 urged that President Wilson call such a conference to meet at Washington in the near future. He insisted that "there are four sides to the table, and it is time the public was given a seat in the council chamber and a voice in the proceedings." He also said that the prevailing high cost of living was in large part attributable to the "concentration of workers in the great cities of the land," pointing out that "shop and mill workers could produce a considerable part of their own food were factories located in smaller communities, with a view to the welfare of the workers as well as the convenience of the workers." "More of our people" he declared "must become producers of foodstuffs, even on a small scale if the cost of living is to be lowered." Secretary Lane's statement

was summarized in Washington press dispatches of Aug. 28 as follows:

Heretofore only capital and labor has been considered in discussions of vital economic questions, Mr. Lane asserted, but the time has come when the public must be given a voice as well as the business managers and executives who are "the brains of modern industrial organizations."

"There are four sides to the table," said Mr. Lane, "and it is time the public was given a seat in the council chamber and a voice in the proceedings. The problems confronting the United States to-day vitally threaten the welfare of the nations, and the situation is growing worse daily."

"I believe the President should call immediately a conference of representatives of the four great factors involved in the present economic situation—labor, capital, business executives and the public. Such a conference would go far toward solving the perplexing and dangerous problems the nation to-day faces."

The proposed conference, the Secretary held, should take up the questions of relations between employer and employee, of labor's proportion of earnings and of improving industrial conditions by calling in executives who have solved these problems successfully in their own organizations.

Mr. Lane declared the word "capital" had come to be considered as representing the actual governing forces of modern industry, when, as a matter of fact, the business executives and managers who direct the destinies of great industrial organizations are men who stand between capital in the strict sense and labor.

"The concentration of workers in the great cities of the land is one of the chief reasons for the unprecedented high cost of living prevailing to-day," said the Secretary. "Shop and mill workers could produce a considerable part of their own food were factories located in smaller communities, with a view to the welfare of the workers as well as the convenience of the workers. More of our people must become producers of foodstuffs, even on a small scale, if the cost of living is to be lowered."

Mr. Lane said that President Wilson should call such a conference at once without waiting for action of Congress on legislation now pending. The economic tangle is too rapidly approaching a climax, he said, to permit of any delay.

"Steps should be taken to make this conference both definite and practicable. There should be no theorizing. It is a very definite and real problem we have to solve, and we should administer only definite and tested remedies. And it is entirely possible to determine on those remedies and their application if we summon to the conference the knowledge and experience of all elements and interests in our industrial life."

"The organization of the conference should be given careful thought. While it might be termed a conference of capital and labor those are rather indefinite terms. Capital is a rather vague term. While capital, as representing finance, should, of course, have representation, there should also be representatives of management and of those groups which, under capital, have a more immediate contact with the problems of labor and production as they arise in the mill and shops and the farms."

#### CONFERENCE OF LABOR, CAPITAL AND AGRICULTURAL INTERESTS CALLED FOR OCTOBER 6 BY PRESIDENT WILSON.

The proposed conference of representatives of labor and capital which President Wilson in his Labor Day Message made known his intention of calling is to be held in Washington on Oct. 6. Agricultural interests, along with those of capital and labor will meet at the instance of the President to discuss the economic situation. On Sept. 4 the President addressed the Chamber of Commerce of the United States, representatives of the leading agricultural associations, investment bankers and to Samuel Gompers, President of the American Federation of Labor, asking that they submit nominations for delegates representing each group. After receiving this list the President will select a list of his own and combine the two. Forty or forty-five delegates, it is understood, will be chosen. The letters say:

For the purpose of reaching, if possible, some common ground for agreement and action with regard to the future conduct of industry, I desire to obtain the combined judgment of representative employers, representative employees and representatives of the general public, conversant with these matters, and for the accomplishment of that purpose I have decided to call a conference of five persons to be selected by the Chamber of Commerce of the United States, five persons to be selected by the National Industrial Conference Board, 15 persons to be selected by the American Federation of Labor, three persons to be selected by the farming organizations, and two persons to be selected by the Investment Bankers, to confer with the 15 representatives of the general public whom I shall select, these representatives to meet in the City of Washington on Oct. 6 1919, for the purpose of consulting together on the great and vital questions affecting our industrial life and their consequent effect upon all our people, to discuss such methods as have already been tried out of bringing capital and labor into close co-operation, and to canvass every relevant feature of the present industrial situation, for the purpose of enabling us to work out, if possible, in a genuine spirit of co-operation a practical method of association based upon a real community of interest which will redound to the welfare of all our people.

The wastages of war have seriously interfered with the natural course of our industrial and economic development. The nervous tension of our people has not yet relaxed to normal. The necessity of devising at once methods by which we can speedily recover from this condition and obviate the wastefulness caused by the continued interruption of many of our important industrial enterprises by strikes and lockouts emphasizes the need for a meeting of minds in a conference such as I have suggested.

I am sure that your organization will gladly bear the expenses of its own representatives to a conference called for such an important purpose, and I would therefore request that you select five persons to act as the representatives of the National Industrial Conference Board in the conference, and advise the Secretary of Labor of the names and addresses of the persons selected, so that he may make the necessary arrangements for the meetings.

Letters are said to have been addressed to Magnus W. Alexander, managing director of the National Industrial Conference Board, Boston; Samuel Gompers; William G. Baker, Jr., President of the Investment Bankers' Association; J. M. Tittmore, President of the American Society

of Equity; Oliver Wilson, President of the National Grange; C. S. Barrett, President of the National Farmers' Union; Homer L. Ferguson, President of the United States Chamber of Commerce.

**PRESIDENT WILSON IN LABOR DAY MESSAGE  
GRATIFIED AT SUPPORT OF LABOR—PROPOSED  
CONFERENCE OF CAPITAL AND LABOR.**

In line with Secretary Lane's suggestion that a conference between representatives of capital and labor be called by the President, a Labor Day message made public by President Wilson on Sept. 1 made known the latter's intention of calling such a conference at as early a date as practicable. The chief feature of this message, however, was the gratification expressed by the President at "the progress which is being made in controlling the cost of living." The President expressed himself as particularly gratified at the support which the Government's policy has received from the representatives of organized labor and he evinced the hope that "the workers generally will emphatically endorse the position of their leaders and thereby move with the Government instead of against it in the solution of this greatest domestic problem." This week's message of the President follows his appeal of last week (printed in the "Chronicle" of Aug. 30, page 836) that demands for wage increases be deferred pending the result of efforts to reduce living costs. The President's Labor Day Message follows:

I am encouraged and gratified by the progress which is being made in controlling the cost of living. The support of the movement is widespread and I confidently look for substantial results, although I must counsel patience as well as vigilance, because such results will not come instantly or without team work.

Let me again emphasize my appeal to every citizen of the country to continue to give his personal support in this matter, and to make it as active as possible. Let him not only refrain from doing anything which at the moment will tend to increase the cost of living, but let him do all in his power to increase the production; and, further than that, let him at the same time himself carefully economize in the matter of consumption. By common action in this direction we shall overcome a danger greater than the danger of war. We will hold steady a situation which is fraught with possibilities of hardship and suffering to a large part of our population; we will enable the processes of production to overtake the processes of consumption; and we will speed the restoration of an adequate purchasing power for wages.

I am particularly gratified at the support which the Government's policy has received from the representatives of organized labor, and I earnestly hope that the workers generally will emphatically endorse the position of their leaders and thereby move with the Government instead of against it in the solution of this greatest domestic problem.

I am calling for as early a date as practicable a conference in which authoritative representatives of labor and of those who direct labor will discuss fundamental means of bettering the whole relationship of capital and labor and putting the whole question of wages upon another footing.

WOODROW WILSON.

As indicated in another item the date for the conference has been set for Oct. 6.

**SENATE RESOLUTION INDORSING CALLING OF  
CAPITAL AND LABOR CONFERENCE BY  
PRESIDENT WILSON.**

A joint resolution indorsing President Wilson's action in calling a conference of capital and labor in Washington on Oct. 6 was adopted by the Senate on Sept. 4. The resolution was reported to the Senate and the House after a joint session of their respective committees on labor. Action was to have been taken on resolutions of Senators Edge and Poindexter and Representative Kelly calling for a conference on labor and capital, but with the President's move to this end it was decided to record approval of the President's action. The following is the resolution adopted:

Resolved by the Senate and House of Representatives of the United States of America, in Congress assembled that

Whereas, the President of the United States has called or is about to call a conference of the representatives of labor, capital and agriculture for the purpose of discussing questions relating to these great interests as affecting each other and the public.

Therefore be it resolved, That the Congress of the United States endorse the plan of the President in calling such conference and pledges to him its earnest support and co-operation for the success thereof.

**INTERNATIONAL TRADE CONFERENCE CALLED BY  
UNITED STATES CHAMBER OF COMMERCE.**

For the proposed International Trade Conference called by the Chamber of Commerce of the United States at Atlantic City from Sept. 31 to Oct. 3 invitations have been extended to 10,000 business men by the Executive Committee of the Conference, which has been called for the purpose of conferring with delegates from England, France, Italy and Belgium regarding plans for the restoration of commerce. The United States Chamber of Commerce in an announcement relative to the Conference says:

The International Trade Conference gives promise of being the most important gathering of the kind ever undertaken, and as every State in the Union is a factor in the trade of the world, the entire country will be

interested in the deliberations and the results. The aim of the Chamber of Commerce of the United States in bringing about the Atlantic City convention is to have focused on various phases of commerce the best business thought of the age, to the end that the channels of the world's commerce will be opened, production stimulated and demand supplied.

While the program has not been completed, the committee in charge of this feature, under the Chairmanship of John H. Fahey of Boston, has laid down the general lines on which the conference will be held. The proceedings will be divided and time allotted in accordance with the importance of the various subjects to be brought up, numbering about 20 in all.

Relative to the discussion of a subject, fuel supply, for instance, there will be an American committee including producers, shippers, economists and business men who will meet from day to day with the foreign delegates. By this method Italy, for example, will have every opportunity to present its needs in conference with the committee on fuel supply, which from day to day will meet with the representatives of other countries. The composition of the committees appointed to deal with each of the main subjects to come up will be such as to insure that the best authorities in the United States will be at the disposition of the foreign delegates.

Following an examination in detail of such questions, the conclusions reached will be reported to the conference as a whole. In this way the representatives of each country will have an exceptional opportunity to present their views, and the information they bring with them, in the most effective way, making it possible for the open sessions to be devoted to discussions and addresses of a general character.

There will be from five to seven delegates from England, France, Italy and Belgium, and in addition a force of secretaries, making a party of 50. It is expected that not fewer than 3,000 American business men will meet them at Atlantic City.

After the conference the foreign delegates will make a short tour, visiting leading industrial centres as guests of the Chamber of Commerce of the United States.

**PRESIDENT WILSON THANKS HOBOKEN PAINTERS  
FOR RESCINDING WAGE DEMANDS.**

Acknowledgment of the action of the Hoboken painters, paperhangers and decorators in deciding to stand behind the President by renouncing their demands for an increase \$1.50 a day, as noted in these columns a week ago (page 836), was made by President Wilson on Aug. 29, in a letter to the Secretary of "Local 78" Brotherhood of Painters, Paperhangers and Decorators, in which he said:

May I not express to you, and through you to your fellow members of Local 78, my admiration of the public spirited action they have taken, an action which I am sure is in the interest of the whole country as setting an example of patriotic co-operation in relieving, not complicating, a situation which must be dealt with with as much wisdom as energy?

**HEAD OF STATE FEDERATION OF LABOR REPU-  
DIATES REPORT OF FEDERATION'S COMMITTEE  
URGING SUSPENSION OF STRIKES AND  
INCREASED PRODUCTION TO  
CURB LIVING COSTS.**

A report, embodying recommendations to suspend all strikes for six months and urging increased production to bring down the cost of living, which was made to the New York State Federation of Labor by its committee on the high cost of living and made public Sept. 1 was repudiated by James P. Holland, President of the Federation on the next day in a statement which he made to the press. On the following day (Sept. 3) the committee, consisting of John F. Pierce and Isadore Epstein was formally discharged from consideration of the subject by Mr. Holland. The following letter was sent to the committee by Mr. Holland:

I have been trying to locate you for the past two days and learned only this evening of Mr. Epstein's address. I am surprised that you have not up to this time sent me or the Executive Board of the New York State Federation of Labor a copy of the report that you published on Tuesday morning.

I am therefore compelled to remove you from any further consideration as far as the New York State Federation of Labor is concerned.

On the preceding day, Sept. 2, Mr. Holland, commenting on the committee's report was quoted in the New York "Times" of Sept. 3 as having said:

I appointed the committee at a meeting held in Carnegie Hall some months ago to discuss the high cost of living. It was empowered to investigate the excessive cost of commodities, but was ordered to refrain from taking up hours, wages, and working conditions.

The committee has overstepped its bounds in this report. To-morrow I shall dictate a letter to John F. Pierce and Isadore Epstein, the members of the committee, discharging them.

The committee has not kept me in touch with its activities. I have not been advised whom the members have conferred with, and I was astonished to learn that a report had been drawn up, apparently by some "outsider," and made public through the press.

I have not even received a copy of the report, and was not consulted before it was given to the press. The report would bind labor to give up its right to strike, but does not bind the employers to anything in return. I am unalterably opposed to labor giving up its right to strike unless an equal concession is made by the employers. Labor has been fooled long enough, and it does not propose to stand it much longer.

I shall not refer the report to the Executive Council of the State Federation, neither shall I forward a copy of it to President Wilson. The committee disobeyed instructions, and will be discharged. I repudiate their action. Make that as strong as you like.

The committee in its report to Mr. Holland recommended that the American Federation of Labor, the national organization with which the State body is affiliated, be called upon to put a ban for six months on all strikes not "imperatively necessary." It unreservedly upheld the position



President Wilson latterly has taken with regard to the railway shopmen's proposed strike and set forth that "it is labor's duty and should be its pleasure to produce as much in eight hours as it formerly produced in ten, and even more."

The committee conferred, it is stated, with representatives of industrial, commercial and financial enterprises and associations; it found that "the causes of the high cost of living . . . are patent to all thoughtful men;" that it "is due to the high cost of and decrease in production." Uncertainty as to Government regulation, uncertainty as to industrial conditions and uncertainty as to everything affecting or related to the nation's industrial activities "have disturbed and dislocated industry to a degree never experienced before." The report continues: "These are facts which no body of men ought to dispute. Labor will certainly not question them." It says:

Your committee is convinced that this condition is all wrong and cannot be permitted to continue unless we—and by "we" your committee means not labor alone but the people of the whole United States—wish to invite a disaster unparalleled in history. The people must be given a breathing spell. There must be a suspension of struggling for class and party advantage. All Americans must bend their backs to their oars and pull steadily together against the storm-tossed waters until our boat again rides safely on the placid sea of prosperity.

The part that labor can play in bringing tranquility and prosperity to our industrial life has been pointed out by recent events.

The report condemns unauthorized and unnecessary strikes and strikes "provoked by radical agitators who have not the interest of labor at heart, but who seek to promote industrial warfare for the purpose of destroying our present economic system and substituting "industrial ownership by the proletariat." It says "your committee is of the opinion that President Wilson's reasoning is based on sound economic principles and that organized labor owes a duty to the President to give him whole-hearted assistance in his efforts to reduce the high cost of living and place the nation on a strong business basis." It therefore recommends:

1. That the Executive Council take steps to cancel and suspend all strikes now in progress in New York State, and to use their influence to prevent the calling of future strikes except in such circumstances as, in the opinion of the Executive Council, render it imperatively necessary to use the strike weapon.

2. That the truce shall be on the basis of the status quo

3. That the period of the truce shall be six months, or for such longer period as President Wilson may require to enable him to effect a reduction of the cost of living.

4. That notice be served on all employers that any individual, firm or corporation which attempts to take advantage of organized labor's attitude to serve its own interests at the expense of labor shall be left for a reasonable time to such disciplinary measures as other employers or organizations of employers may wish to put into effect, and that if disciplinary measures be not taken by the employers themselves then organized labor will fight such unfair and disloyal individual firm or corporation in a manner that will never be effaced from the culprit's memory.

5. That copies of this report be transmitted to Samuel Gompers, President of the American Federation of Labor, and to the various State Federations of Labor throughout the United States, with the recommendation that the policy outlined herein be adopted by all.

The report of the State Federation's committee as given to the press on Sept. 1 in full was as follows:

New York, Sept. 1 1919.

To James P. Holland, President New York State Federation of Labor.

Dear Sir and Brother:—Your committee of members of trade unions under the jurisdiction of the New York State Federation of Labor and affiliated with the American Federation of Labor, whom you instructed on July 29 to confer with representatives of industrial, commercial, manufacturing, financial, transportation, and other enterprises and associations representing such enterprises with a view to devising plans to effect a reduction in the cost of living, beg leave to submit the following report:

Your committee does not intend to burden you with a tiresome dissertation on the causes of the high cost of living. They are patent to all thoughtful men. The representative business men with whom your committee conferred presented facts and figures to show that the high cost of living is due to the high cost of and decrease in production. These facts were well known to your committee.

#### Uncertainty in Business World

Arguments were also presented to support the contention that since the armistice was signed the business men of the country have been in a state of apprehension, due to rapidly changing conditions. No man could predict one day what new conditions he would have to meet the next. Uncertainty as to Government regulations, uncertainty as to industrial conditions, uncertainty as to labor's attitude, uncertainty as to new legislation, uncertainty as to future market conditions, have disturbed and dislocated industry to a degree never experienced before. These are facts which no body of men ought to dispute. Labor will certainly not question them.

#### Co-operation Needed.

Your committee is convinced that this condition is all wrong and cannot be permitted to continue unless we—and by "we" your committee means not labor alone but the people of the whole United States—wish to invite a disaster unparalleled in history.

The people must be given a breathing spell. There must be a suspension of struggling for class and party advantage. All Americans must bend their backs to their oars and pull steadily together against the storm-tossed waters until our boat again rides safely on the placid sea of prosperity.

#### Quotes President Wilson.

The part that labor can play in bringing tranquility and prosperity to our industrial life has been pointed out by recent events.

The President of the United States, in a message to his fellow-citizens on Aug. 25, refers specifically to the threatened strike of railway shopmen, and makes a plea which advisedly may be considered as applying to industrial disturbances generally. The President said:

"The substantial argument which the shopmen urge is the very serious increase in the cost of living. This is a very potent argument indeed. But the fact is that the cost of living has certainly reached its peak, and probably will be lowered by the efforts which are now everywhere being concerted and carried out. It will certainly be lowered so soon as there are settled conditions of production and of commerce; that is, so soon as the treaty of peace is ratified and in operation and merchants, manufacturers, farmers, miners, all have a certain basis of calculation as to what their business will be and what the conditions will be under which it must be conducted."

Again President Wilson said:

"The demands of the shopmen, therefore, and all similar demands, are in effect this: That we make increases in wages, which are likely to be permanent, in order to meet a temporary situation which will last nobody can certainly tell how long, but in all probability only for a limited time. Increases in wages will, moreover, certainly result in still further increasing the costs of production and, therefore, the cost of living, and we should only have to go through the same process again.

"Any substantial increase of wages in leading lines of industry at this time would utterly crush the general campaign which the Government is waging with energy, vigor, and substantial hope of success, to reduce the high cost of living. Only by keeping the cost of production on its present level, by increasing production and by rigid economy and saving on the part of the people, can we hope for large decreases in the burdensome cost of living which now weighs us down."

As a result of President Wilson's appeal, backed by the attitude of Samuel Gompers, President of the American Federation of Labor, and the leaders of the railway brotherhoods, the threatened railroad strike was averted and the country spared a terrible tragedy.

#### Unwarranted Strikes.

On every hand there are strikes and threats of strikes. Most of these disturbances have been provoked by the radical agitators who have not the interests of the toilers at heart, but who seek to promote industrial warfare for the purpose of destroying our present economic system and substituting "industrial ownership by the proletariat."

Fortunately, the sane leaders of organized labor have, after a short period, succeeded in regaining control of their temporarily rebellious unions, and restoring orderly procedure under the laws and rules of the American Federation of Labor.

The conduct of men who call themselves loyal supporters of trade unionism in breaking away from the authority of their duly elected officials and inaugurating uncalled for, unnecessary, and unauthorized strikes should at all times be severely condemned and the agitators who foment such outbreaks should be visited with the severest penalties possible under trade union rules.

For trade unions to permit themselves to be brought under the influence of lawless agitators at this time of national stress is treason not only to the principles of trade unionism but to the United States of America. It would not be too severe punishment to revoke the American Federation of Labor charters of such unions and put them outside the pale of decent organized labor.

#### Support President's Stand.

Your committee is of the opinion that President Wilson's reasoning is based on sound economic principles and that organized labor owes a duty to the President to give him whole-hearted assistance in his efforts to reduce the cost of living and place the nation on a strong business basis. We owe the President of the United States the same loyal support that we gave him during the war, even though we may suffer from a temporary disadvantage which, after all, may be more apparent than real.

#### Recommendations: Increased Production.

Your committee therefore recommends:

FIRST—That organized labor exert itself to the utmost to increase production of essential commodities and thereby lower the cost to the producer, to enable him to lower the cost to the consumer. This applies not alone to the necessities of life, but to all manufactured articles which are bartered in commerce at home and abroad, and the production, manufacture and sale of which supply the income from which labor draws its earnings and employers their profits.

This can only be accomplished by employers and wage earners working together to that end, each casting aside all striving for temporary advantage, and pulling together in double harness for the general good of all the people of the United States and the emancipation of the world from the economic troubles which now beset the peoples of all lands. The eight-hour day for toilers is, generally speaking, an accomplished fact.

#### 10 Hours' Work in 8.

It is labor's duty and it should be its pleasure to produce as much in eight hours as it formerly produced in ten, and even more. To that end every man and woman that works for wages should bend every effort to letting the close of each day's work see that he or she has individually added more and still more of marketable commodities to the wealth of the world than he or she produced the day before.

There should be no letting down. There must be intensified production. That means that we will all have to work a little harder than we are now working. Our material reward will come through decreasing the cost of living, thus automatically increasing our wages. Our spiritual reward will come from the fact that every additional motion we make with our tools adds by so much to the help we extend to the peoples of other lands who are less fortunate than we Americans.

#### Quotes Samuel Gompers.

Remember what Samuel Gompers has said: "American labor fights not so much for itself as it does to bring more of light and happiness into the lives of less fortunate people everywhere."

As American organized labor did not spare itself in the gigantic task of producing the manufactured commodities which contributed to relieve the world of a military peril, so it should now resolve not to spare itself in relieving the world from the menace of economic ruin.

SECOND—As every strike which stops a factory wheel from turning or otherwise interrupts the processes of production contributes to retard the United States from regaining the rightful supremacy, and the people from realizing the prosperity to which they are entitled, your committee is of the opinion that every effort should be made by the New York State Federation of Labor to discourage strikes except in cases where vital principles of trades unionism are at stake or where employers are practicing intolerable oppression.

#### Suspension of Strikes.

1. Your committee earnestly recommends that the Executive Council take steps to cancel and suspend all strikes now in progress in New York State, and to use their influence to prevent the calling of future strikes

except in such circumstances as, in the opinion of the Executive Council, render it imperatively necessary to use the strike weapon.

2. That the truce shall be on the basis of the status quo.

3. That the period of the truce shall be six months, or for such longer period as President Wilson may require to enable him to effect a reduction of the cost of living.

4. That notice be served on all employers that any individual, firm, or corporation which attempts to take advantage of organized labor's attitude, to serve its own interests at the expense of labor, shall be left for a reasonable time to such disciplinary measures as other employers or organizations of employers may wish to put into effect, and that if disciplinary measures be not taken by the employers themselves, then organized labor will fight such unfair and disloyal individual, firm, or corporation in a manner that will never be effaced from the culprit's memory.

5. That copies of this report be transmitted to Samuel Gompers, President of the American Federation of Labor, and to the various State Federations of Labor throughout the United States, with the recommendation that the policy outlined herein be adopted by all.

Your committee, through the courtesy of the Merchants' Association of New York, was enabled to hold several conferences at the rooms of the Merchants' Association with representatives of the interests above mentioned. The Merchants' Association named the Committee on Industrial Relations to advise your committee, and by unanimous action of the Executive Committee Mr. William Fellowes Morgan, President of the Merchants' Association of New York, was authorized to appoint and did appoint the sub-committee of the Industrial Relations Committee to continue indefinitely the conferences with your Organized Labor Committee.

For these acts of courtesy and helpfulness your committee extends its thanks to the Merchants' Association of New York, President Morgan, Secretary S. C. Mead, Alfred L. Smith, manager of the Industrial Bureau; the Committee on Industrial Relations, the Executive Committee and general officers of the Association.

For the committee, respectfully submitted,

JOHN F. PIERCE, *Chairman.*  
ISADORE EPSTEIN, *Secretary.*

At the annual convention of the New York State Federation of Labor James P. Holland, President of the Federation on Aug. 26 expressed himself as favoring a shorter working day to prevent the growth of the unemployment problem which he stated "continues and apparently aims to be constant." The State Federation which is affiliated with the American Federation held its annual convention in Syracuse. It was also addressed on Aug. 26 by Governor Smith whose remarks were summarized in special correspondence to the N. Y. "Tribune" of Aug. 27 as follows:

Governor Smith told the Federation that profiteering would be stopped whenever apprehended, and urged organized labor to stand by the Government in these chaotic times. He said the enormous increases in the cost of necessities was a direct result of the war.

"There has been profiteering, and when it is apprehended it can and will be stopped," the Governor declared. "We are still and will be for some time paying the price of the war. War is a debauch, and the settling up is harder than the racket which precedes it."

In conclusion, the Governor said:

"Let organized labor in this State be an agency for carrying to our people the message that every citizen owes a duty to the country at this time. Let the slogan of your convention be patriotism before personal interests."

The plan for a shorter working day which was proposed by Mr. Holland was reported from the same source as the above as follows:

Solution of the unemployment problem is the six-hour working day, according to James P. Holland, President of the New York State Federation of Labor. At the convention of that organization here to-day he declared that the unemployment problem is a very serious one, despite reports to the contrary, and that the problem can be solved by a shorter working day, cutting down the hours of the employed to give the unemployed a chance.

However, if Mr. Holland attempts to have the Federation go on record in favor of the six-hour day he will, it is said, encounter difficulty, as there are many members who contend that the eight-hour day has not yet been adopted by all the crafts, and that the matter of the forty-four-hour week is still to be worked out.

Mr. Holland touched upon the shorter working day in his annual message to the convention, but did not specify the number of hours until later, when he took up the subject in an interview.

"Despite all optimistic calculations and predictions to the contrary," Mr. Holland said in his message, "the fact remains that the unemployment that developed with the signing of the armistice and the resultant cessation of war industries continues and apparently aims to be constant."

"There is no possibility of our industries, as at present organized on a peace basis, absorbing back to full employment this great host of men and women who must live by the sweat of their brows. The only hope of ending the present unemployment and preventing its expansion to dangerous limits is reduction of the working day hours—a reduction of hours that will be an honest and capable attempt to avert the calamity of unemployment and its attendant horrors that confront us."

Resolutions were adopted at the convention on Aug. 27 putting the State Federation on record in favor of the Plumb plan for nationalization of the railroads and the application of a similar scheme to the telephone and telegraph lines and also of municipal ownership of public utilities.

A letter was sent the latter part of last month by Abram I. Elkus, Chairman of the New York State Reconstruction Commission, to Governor Smith, urging that in view of the serious economic and industrial problems confronting the people of this State and the labor unrest the Governor immediately call "a State-wide conference of representative employers, workers and public-spirited men and women for the purpose of preparing a programme of action, which will endeavor to prevent strikes if possible and to bring about arbitration and mediation of differences and disputes between employer and employe by men and women who are willing to serve the State voluntarily."

### SAMUEL GOMPERS AND STEEL WORKERS ASK PRESIDENT WILSON TO ARRANGE CONFERENCE WITH UNITED STATES STEEL CORPORATION.

On Sept. 5 President Wilson, who is now on his Western speaking tour for the Peace Treaty, received a telegram from Samuel Gompers, President of the American Federation of Labor, and the Executive Committee of Iron and Steel Workers asking him if a conference between that committee and officers of the United States Steel Corporation could be arranged in the near future to take up questions of wages and working conditions. Judge Elbert H. Gary, Chairman of the Steel Corporation, as was noted in these columns last week, page 835, refused a personal interview to the committee claiming to represent a majority of the workers in the steel industry, which committee had called at his office on Aug. 26, but asked them to submit a written statement, which they did the same day. In reply to this latter, Judge Gary on the following day wrote to the committee that the officers of the Steel Corporation "do not think you are authorized to represent the sentiment of a majority of the employees of the United States Steel Corporation and its subsidiaries." The Corporation has been firmly opposed to the primary principle of trade unionism, namely the "closed shop." The committee on Aug. 26 conferred with Samuel Gompers regarding the plan of action that should be followed in their efforts to organize the workers, and on Aug. 27 before leaving this city for Washington they sent a further communication to Judge Gary stating that if a conference were not granted they would be compelled shortly to put into effect the strike vote. The committee accompanied by Samuel Gompers went to the White House on Aug. 29 and conferred with the President, asking him, it was said, to intervene to prevent a nation-wide strike of the iron and steel workers. The telegram sent to the President on Sept. 5 said a meeting of all presidents of the twenty-four international unions in the steel industry had been called for Sept. 9 at Washington "to take such action as they deem necessary," and asked the President "whether or not a conference with the Steel Corporation is possible." The telegram read as follows:

The executive committee representing the various international unions in the iron and steel industries met to-day to consider the awful situation which exists in many of the iron and steel industry centres. The coercion, the brutality employed to prevent men and unions from meeting in halls, engaged upon private property, in the open air, the thuggery of the Corporation's emissaries, the wholesale discharge of numbers of men for no reason than the one assigned, that they have become members of the union, have brought about a situation that it is exceedingly difficult to withhold or restrain the indignation of the men, and the resistance that they declare it is their purpose to present.

The executive committee, relying upon the case as presented to you last week and your earnest declaration to endeavor to bring about a conference for the honorable and peaceful adjustment of the matters in controversy, have thus far been enabled to prevail upon the men not to engage in a general strike.

We cannot now affirm how much longer we shall be able to exert that influence, but we urge you, in the great work in which you are engaged, to give prompt attention to this most vital of issues; for if the men can no longer be restrained, it is impossible to foretell what the future may hold in store for an industrial crisis which may ensue and frustrate the projects which you have worked at for peaceful and honorable adjustment of industrial affairs in our country.

A meeting of all the presidents of the 24 international unions in the steel industry has been called to take place on Tuesday, Sept. 9, in Washington, D. C., to take such action as they deem necessary. May we not have your reply on or before that time as to whether or not conference with the Steel Corporation is possible?

Judge Gary was quoted as saying yesterday afternoon that he had no information regarding the report that President Wilson would endeavor to bring about a conference between the Steel Workers' committee and the Steel Corporation. Steel interests denied that there was any basis for the allegations of coercion, brutality, &c., in the telegram.

### BRITISH MINERS' FEDERATION REJECT POLICY PROPOSED BY PREMIER LLOYD GEORGE—SEVEN HOUR DAY ADOPTED.

The Miners' Federation in conference at London on Sept. 3 adopted in its entirety the recommendation of its National Executive Committee that it reject the scheme for operation of the coal mines proposed by the British Government. The Federation decided to agitate for nationalization of the mines at the trade union congress to be held at Glasgow on Sept. 8. The vote on rejection of the Government's plan was unanimous. On the following day, Sept. 4, the triple alliance of railway employees, transport workers and miners, at their meeting at London decided to defer consideration of taking a ballot on direct action in support of their demands until after the Glasgow trades congress. The National Executive Committee of the Miners' Federation

agreed to recommend rejection of the Government's scheme on Sept. 2. William Brace, M.P. for Monmouthshire and who is President of the South Wales Miners' Federation, declared at the meeting on Sept. 3 that "coal is more valuable than gold." He asked why the Government trifled with a product so essential to the reconstruction of the nation and said nationalization was the only solution. Robert Smilie, leader of the Yorkshire miners, said the miners generally were convinced nationalization of the mines was essential in the interests of national industry and the poorer consumers.

Premier Lloyd George in his address to the House of Commons on Aug. 18 announced that the British Government would not adopt the plan of nationalization for the British coal mines, which was recommended in the majority report of the Sankey Coal Commission submitted some months ago after an investigation of the coal industry. The policy of the British Government will be the taking over of partial control of the coal mines, buying out the owners of the coal lands who receive royalties from mining companies, giving miners a share in the control of the mines, organizing the mines into districts and establishing a fund for improving the living conditions of mine workers. The House of Commons on Aug. 8 adopted a bill providing for a 7-hour day at the mines. The report of the Sankey Coal Commission recommended 7 hours of work under ground, instead of 8 hours, from July of this year until July 1921, when it was provided a 6-hour day would be effected if the economic condition of the coal industry warranted.

The decision of the British Government to raise the price of coal to the consumer by six shillings a ton was announced by Sir Auckland Geddes on July 9. In making his announcement Sir Auckland, according to the London dispatches, said it was hoped that the increase of six shillings would meet the increased cost of the payment of standard wages, the reduction of hours and the reduced shift. This increased cost of fuel, he pointed out, obviously would seriously hamper manufacturing and export business. Its effect undoubtedly would be very serious upon the Lancashire manufacturing concerns, he added. The Minister also pointed out that the profits of the colliery owners would be limited, in accordance with the report of the Sankey Mining Commission, to one shilling two pence per ton.

A strike affecting the coal mines in the principal mining districts of England, involving 250,000 workers and which had threatened to paralyze many of the nations' industries was brought to an end on July 25 when the Miners Federation accepted the offer of the British Government to grant increased wage rates to piece workers. The increase was made necessary by the displacement of the 8 hour day by the 7 hour day which will mean decreased output by the mines and would have meant reduction in the wages of piece workers under ordinary conditions. Following a conference on July 25 between Premier Lloyd George, a committee of the Miners' Federation, the Coal Controller and other Government officials at London an official report was issued announcing that an agreement had been reached whereby the mine workers would not suffer by reason of the reduced output. On July 25 Lloyd George, Andrew Bonar Law, Sir Auckland Geddes, Sir Robert Horne and other members of the cabinet conferred with the mine owners. The settlement of coal miners strike was reported in detail in London dispatches of the Associated Press of July 25 as follows:

The strike of approximately a quarter of a million men in the coal mines that threatened to paralyze many industries was settled to-day. As one of the immediate results of the settlement, the order forbidding the export of coal has been withdrawn.

An official report issued after a conference held to-day between Premier Lloyd George and the executive body of the Miners' Federation said an agreement had been reached and that the principle laid down by the Government in its proposition had been adopted.

The Government proposition, based on the interim report of the Sankey Coal Commission, that the reduction of output through reduced hours would be less than 10% afforded a Government assurance that piece workers should not suffer any loss in earnings, and that the piece rates would be increased by an amount which on the average was found necessary to correspond with the 10% reduction in hours.

In order to carry out this agreement, says the report, it was necessary to fix a definite average of reduction in working time resulting from the introduction of the seven-hour day, and after an examination of the figures it was decided to accept forty-seven minutes as the basis for this calculation.

Before to-day's conference began it was understood that the Miners' Federation officials had accepted the principle of the Government's offer for the settlement of the Yorkshire dispute. Their conference with the Premier began early this afternoon.

Late in the day, after reaching of the agreement, Secretary Hodge of the Miners' Federation issued a statement strongly urging all districts affiliated with the Federation loyally to accept the settlement and resume work.

No disorders or outbreaks marked the strike.

A strike of some 200,000 coal miners in Yorkshire, which started on July 21 and was not affected by the settlement of the main strike, was brought to a close on Aug. 13 at a mass meeting at Barnsley. The Coal Controller on Aug. 9 told the men's leaders it was impossible to grant their demands.

The strike of the Yorkshire miners involved losses to the mines and British industries of more than \$37,000,000, according to Associated Press correspondence from London of Aug. 14. The advices said:

The Yorkshire miners' strike has been an expensive bit of business for the union as well as for people not directly connected with the dispute. The generally accepted figures are: Damages to mines, \$10,000,000; coal lost to industry, \$15,000,000; losses to kindred industries, \$12,500,000.

The strike fund of the miners, amounting to \$1,400,000, was exhausted with the payment of the fourth week's strike benefits. This fund, it was stated, had taken some twenty-five years to accumulate.

The Local Government Board, it is stated, cut a lot of red tape, and with the sympathetic co-operation of the local relief authorities, averted dire distress throughout the district. In some cases \$2.50 a week was allowed every married woman, with \$1.25 additional for every child.

#### RESIGNATION OF WILLIAM C. REDFIELD, SECRETARY OF COMMERCE.

It became known on Sept. 5 that William C. Redfield, Secretary of Commerce for the past seven and half years, had resigned from that office and would retire to private life. Mr. Redfield's resignation has been accepted by President Wilson and it will take effect Nov. 1. In personally making known the fact to the press, Secretary Redfield said he found it necessary to give attention to personal business affairs. "I have been in President Wilson's Cabinet for seven and half years" he was quoted as having said, "and I believe I am entitled to work a little for myself now." He had requested on Aug. 1 that his resignation be accepted to take effect Oct. 15 but being informed of the President's plan to tour the country during September agreed to remain till Nov. 1. Mr. Redfield denied, it is stated, that his resignation was caused on account of the difficulties he encountered in trying to gain support for the plan to which some months ago he proposed the Industrial Board be devoted and which was opposed and practically defeated by the action of Walker D. Hines, Director-General of the Railroads. The underlying principle and purpose of the Industrial Board was to promote the stabilization of prices. The Director-General of the Railroads refused in the case of steel prices to adhere to its decisions.

#### RECORDS OF WAR INDUSTRIES BOARD TRANSFERRED TO NATIONAL DEFENSE COUNCIL.

By order of President Wilson the files and records of the War Industries Board and of the Committee on Public Information have been transferred to the United States Council of National Defense, according to an announcement made on Aug. 24 by Grosvenor B. Clarkson, Director of the Council. In his announcement Mr. Clarkson said:

The War Industries Board was originally created by the Council and remained under its direction for nearly a year. Since the records deal in such a vital way with the American industrial and economic capacity for war, they are naturally reassigned to the Council, which as a permanent body is charged by the congressional act creating it with the co-ordination of industries and resources for the national security and welfare. It is the intent that these and similar war records shall, as material bearing directly upon the national defense, be carefully studied and catalogued by the Council, not only to preserve in the most coherent form the lessons learned from the war on the industrial and economic side, but to make the data quickly and effectively available against future emergency. It is also the intent to make the records available to American business wherever proper to do so, though of course, all confidential information given to the Council and the War Industries Board throughout the war days will be scrupulously safeguarded. The Director of the Council has initiated steps to organize these records for their most efficient use.

With regard to the Committee on Public Information records the Council logically falls heir to these files under the duty charged upon it by the Congress to bring about "the creation of relations which will render possible in time of need the immediate concentration and utilization of the resources of the nation."

#### UNITED STATES TO PAY GREAT BRITAIN \$81.75 FOR EACH SOLDIER TRANSPORTED OVERSEAS.

Under an agreement reached between Brig.-Gen. Frank T. Hines, Director of Transportation in the War Department, and Lord Reading, representing the British Government, the United States is to pay Great Britain \$81.75 for each man transported overseas in British vessels. It was stated on Aug. 24 that Secretary Baker has approved the agreement which fixes the price at slightly more than half that tentatively put forward by the British at the beginning of the negotiations. The total cost of the British tonnage used in troop transportation is estimated at \$83,757,250, the number of men carried having been 1,027,000. Similar negotiations are in progress with the French and other Governments.

**DAYLIGHT SAVING REPEAL BILL PASSED BY CONGRESS OVER PRESIDENT'S VETO.**

Both houses of Congress overrode President Wilson's veto of the bill to repeal the daylight saving law, which will permanently put the clocks back an hour on the last Sunday in October, the 26th of that month. The House passed the bill over the veto on August 19 by a vote of 223 to 101. The following day the Senate sustained the House vote in passing the measure by a vote of 57 to 19. President Wilson had twice vetoed legislation for the repeal of the daylight saving measure since his return from the Peace Conference. On July 12 he vetoed the 1920 Agricultural Appropriation Bill because it carried a daylight saving repeal rider and on August 15 he similarly vetoed the separate repeal bill which Congress has now re-passed over his veto.

The repeal of the daylight saving law is a victory for the farming interests of the country who have contended that the law interfered with maintaining normal and regular farm practices and policies. On the other hand the industrial interests of the country, including the American Federation of Labor, and merchants and manufacturers associations have urged that the great mass of labor has greatly benefited by the law since it made it possible to have an extra hour of daylight. The repeal of the law, it is pointed out, will go down in legislative history as one of the very few measures which have twice been vetoed by a President and become a law by a vote of more than two thirds of both houses of Congress. References to the various repeal measures introduced in the present Congress will be found in the "Chronicle" of August 16, p. 639; July 19, p. 234; June 21, p. 2489; and June 14, p. 2392.

**CUMMINS BILL FOR RETURN OF RAILROADS TO OWNERS.**

The so-called Cummins' bill, providing for private ownership and operation of railroads under strict Government control, was submitted to the Senate on Sept. 2 by Senator Cummins as Chairman of the Sub-Committee of the Senate Committee on Inter-State Commerce which drafted the bill. Besides Senator Cummins (Republican) the Sub-Committee consisted of Senators Watson and Poindexter (Republicans) and Senators Robinson and Pomerene (Democrats). The bill proposes the consolidation of all the railway properties of the country into not less than twenty nor more than thirty-five regional systems, and it provides for the creation of a railway transportation board consisting of five members appointed by the President. It would also transfer from the Inter-State Commerce Commission to the Transportation Board many of the functions and powers conferred upon the commission. The creation of a Committee of Wages and Working Conditions, consisting of eight members, four representing labor and four representing the railway companies is likewise provided for in the measure which would also prohibit strikes and lockouts. The establishment of a system of profit sharing by employees is also one of the features of the bill. Further below we give a summary of provisions of the bill as furnished by Senator Cummins, who in presenting the proposed legislation to the Senate said in part:

We will never be able successfully to meet all the problems of Governmental regulations until the consolidation of the railroad systems as outlined in this bill have taken place. And I venture that unless some such plan as this can be carried into effect Government ownership and Government operation are but a question of time. I think it is the duty of the Government to see that adequate transportation is furnished the people of the United States at the lowest possible cost consistent with fairness to the capital involved.

If I believed that the Government could operate the railroads, furnishing the people with transportation at less cost than it can be furnished through private corporations, I would instantly be for Government ownership and operation.

It is because I believe, and I know from the experience not only of our own Government but of others, it would cost the people of this country more for their transportation if its operation were in the hands of the Government than through rigidly regulated private companies, that I am for the latter rather than the former.

Senator Lenroot of Wisconsin, according to the New York "Times" of Sept. 3, asked Senator Cummins if, in his opinion Congress had the constitutional right to "deprive a particular road that may be well managed and well conducted of an adequate return upon the value of its property," in the broad scheme for consolidation. Senator Cummins is quoted as saying in reply:

Personally, I have no doubt about that. It has been very much disputed, but it will be remembered that in this bill we have provided that the excess shall be over and above a fair return upon the value of its property. The bill provides that the Inter-State Commerce Commission shall establish rates that will make a fair return upon the value of all property. When these rates are applied the result will necessarily be excessive earnings with some companies and inadequate earnings with others. We take all the excessive

earnings from the strong roads and deposit them in the fund either for the use of the employees of the railways or for the betterment of the weaker ones.

A query by Senator Lenroot as to whether the inevitable result would not be to force the weaker roads into bankruptcy, brought from Senator Cummins the rejoinder, "weaker roads are in bankruptcy, that is the unfortunate part of the situation."

In explaining the bill's provisions affecting railroad employees Senator Cummins said the prohibition of strikes has his unqualified support. He added:

I have always regarded the strike as an invaluable weapon—the only weapon of the laboring man to secure justice, but when we advance to the point that the Government undertakes to fix his wages there is no room longer for the interruption to commerce of a strike or a lockout. I believe the bill will result in justice to the employee.

The provisions for two directors representing the employees and two representing the Government on all railroad corporation directorates. Senator Cummins said, recognized a "just demand" by the employees for participation in the policies and affairs of the companies. It will not be long until all industries are organized that way," he added. "It is a condition precedent to peaceful, intelligent settlement of controversies between capital and labor."

The following is the outline of the provisions of the bill (which comprises 47 sections) as furnished by Senator Cummins:

Section 1.—This section repeals the Federal Control Act of March 21 1918. The repeal takes effect on the last day of the month in which the bill becomes a law, and the railroads are to be returned to their owners at that time. Rates in force at the time the repeal takes effect are to remain in force until changed by competent authority.

Section 2.—Advances made by the Government to the railroads and properly chargeable to capital account are to be evidenced by bonds or other securities payable in five years, with interest at 5% per annum; other indebtedness to be evidenced by demand notes with interest at 6% per annum.

Section 4.—Upon the passage of this Act the Interstate Commerce Commission is to divide the country into rate districts and the carriers into rate groups for rate-making purposes; and hearings are provided for with respect to the adequacy of rates for revenue purposes, considering the rate district or rate group as a whole. This issue is to be tried separate and apart from the question of the reasonableness of rates upon particular commodities or for particular communities.

Section 5.—New schedules of rates which are filed within thirty days after Federal control ceases become effective at the end of four months after they are filed, with such changes as the commission may, in the meantime order; and, until the expiration of the four months period, this Act constitutes a guaranty to the railroads which have entered into contracts respecting compensation under the Act of March 21 1918, of a proportionate amount of the contract compensation, and with respect to the railroads with which no contracts have been made, it constitutes a guaranty of a proportionate railway operating income. At the end of this period the guaranty ceases. If, during this period, any railroad earns more than the guaranty, the excess is to be paid into the Treasury of the United States.

Section 6.—In making rates for the rate groups, the commission is to take into consideration the interest of the public, the shippers, the wages of labor, the cost of maintenance and operation—including taxes—and a fair return upon the value of the property used or held for the purpose of transportation, and it is required to lower or advance rates accordingly. If any railroad in the group receives more than a fair return upon the value of its property the excess is to be paid to the railway transportation board, mentioned hereafter. One-half of the excess is to be used by the board in the following manner:

- First—The promotion of invention and research to ameliorate the conditions of labor and to lessen the hazards of employment.
- Second—To extend and improve hospital relief.
- Third—To supplement existing systems of insurance and pensions.
- Fourth—To afford opportunity for the technical education of employees.
- Fifth—To establish a system of profit-sharing by employees, in the administration of this fund, the board is to organize an employees' advisory council, composed of one representative from each organized craft of railroad employes.

The remaining one-half of the excess is to be deposited in a fund and expended by the board in the purchase of equipment to be leased to railroads under proper terms or to be loaned to carriers unable to provide themselves with proper equipment and facilities upon reasonable security.

No excess earnings above a fair dividend are to be capitalized or used as a basis for increased rates.

Section 7.—This section creates a railway transportation board and is one of the most important in the bill. The board consists of five members appointed by the President, with the advice and consent of the Senate. Its members are to receive a salary of \$12,000 per year. No member of the board during his term of office can hold any office or employment under any railroad corporation or be peculiarly interested in the stock or bonds of any such corporation. It has the same powers with respect to summoning witnesses and securing testimony as the law now gives to the Interstate Commerce Commission.

Section 9.—This section furnishes the keynote of the solution of the railroad problem presented by the bill. It declares it to be the policy of the United States that the railways of the country shall be divided in ownership and for operation into not less than twenty or more than thirty-five separate and distinct systems; each of said systems to be owned and operated by a distinct corporation, organized or re-organized under this Act. It provides that, in the division of the railways into systems, competition shall be preserved as fully as possible, and wherever practicable several systems shall be so arranged that the cost of transportation as between competitive systems and as related to the value of the railroad properties shall be the same so far as practicable, to the end that these systems can employ uniform rates in the movement of competitive traffic and, under efficient management, earn substantially the same rate of return upon the value of their respective properties.

Section 10.—As its first duty the railway transportation board is required to adopt a plan for the consolidation of all the railway properties of the country into not less than twenty nor more than thirty-five systems. When it has agreed upon a tentative plan, it is to give it publicity and provide for full and complete hearings upon the plan. The plan must receive the ap-

proval of the Interstate Commerce Commission; but, after it is finally adopted, the voluntary consolidations which are provided for must be in harmony with it, and the compulsory consolidations which are also provided for are to complete it. Street railways and interurban railways used chiefly in the transportation of passengers, and certain other railway facilities which cannot be properly consolidated, are excepted from the plan.

The Transportation Board is clothed with many and most important powers, in addition to making the plan of consolidation. It is to make continuous inquiry respecting the transportation needs and facilities of the whole country and ascertain when and how they shall be enlarged or improved. It is to inquire into the state of the credit of all common carriers and inform itself respecting the relation between revenues and net income and the like. It is to inquire with respect to the new capital which may be required for adequate and efficient transportation service and the conditions under which it can be secured. It is to certify to the Interstate Commerce Commission its findings in these respects and the commission is to accept such certificate as prima facie evidence in any hearings which it may conduct. It has authority to lay before the commission any matter of public interest and show such cause as it may deem proper and appropriate. It has authority to make reports to Congress and recommend such measures and policies as will promote and protect the interest of the public concerning the efficiency of the transportation service and the adequacy of transportation facilities.

This section transfers from the Interstate Commerce Commission to the Transportation Board many of the functions and powers heretofore conferred upon the commission, notably the administration of the car-service Act, the administration of the safety-appliance Acts, the administration of the hours-of-service Act, the administration of the locomotive inspection Act, and many others which need not be specifically mentioned, but which are of the same general character.

It is required also to inquire into water transportation facilities and the relations between land carriers and water carriers, the best methods of coordinating the two kinds of transportation, and the most practical plan for preserving in full vigor the two kinds of transportation when they are competitive.

Section 11.—The board also has the power, where congestion of traffic exists upon any road to divert it over other lines of railway, in order to relieve the congestion. It has the power to compel a common or joint use of terminals or other facilities when the public interest requires it, and, in a general way, to compel such unification as is necessary to secure the most efficient use of railway facilities for prompt and economical transportation.

Section 12.—This action makes lawful the consolidation of railways, but only under the following conditions:

First—The consolidation must be in harmony with and in furtherance of the ultimate complete consolidation already referred to, and must be recommended by the board and approved by the commission.

Second—The corporation which is to become the owner of the consolidated properties must be either organized under Federal authority or reincorporated under this Act.

Third—The capitalization of the consolidated corporation must not exceed the value of its railway property, as determined by the Interstate Commerce Commission.

The public hearings are to be held in any case of a proposed consolidation, of which the State authorities are to be notified.

Section 13.—This section provides that at the end of seven years, in which the voluntary consolidations may take place, the transportation board is to proceed to the completion of the plan of consolidating the railway properties of the country according to its original determination. The compulsory consolidation is to be accomplished through the organization of railway companies under this Act, or the enlargement of so incorporated companies which have been organized under State laws. It is not necessary to enter into the details of this section. It is sufficient to say that it is to be so carried out that no obligation on the part of the United States will be created, and that when the work is finished the railways of this country will be divided into the number of competitive systems prescribed by the board, and that the capitalization of each of the companies will represent the actual value of the property used in transportation as fixed by the Interstate Commerce Commission.

Sections 14, 15, 16, 17, 18 and 19.—These sections provide for the reincorporation of corporations now owning and operating railways; as to give them the character of Federal corporations, and the only feature of these sections which need be mentioned is that in any such reincorporated company the classified employees of the corporation are to be presented by two members on the Board of Directors, and the Government is to be represented by two members appointed by the transportation board.

Section 20.—This section provided that existing railway corporations must have upon their boards of directors two members representing the classified employees and two members representing the Government.

Sections 21 and 22.—These sections relate to the original organization of railway corporation under this Act. The two distinctive things in it are:

First—that the system of railways which it has organized to own and operate cannot be capitalized for a greater sum than the actual value of the property as determined by the Interstate Commerce Commission, and each corporation so organized must have on its board of directors two representatives of the classified employees and two representatives of the Government.

Section 24.—This is a section which confers upon the Interstate Commerce Commission exclusive authority to regulate and control issuance of railway stocks and bonds, and needs no comment.

Section 25.—This section provides for the use of the excess earnings of any railway company in behalf of its employees. It has already been mentioned.

Section 26.—This section provides a new method for settling disputes between railroad companies and their employees. It creates a committee of wages and working conditions, which is to be composed of eight members, four of them representing labor and four of them representing the railway companies. Each railroad craft is to nominate candidates for this committee, and the board is required to appoint four from each such nominees. Each railroad corporation is to nominate a candidate for membership, and the board is to appoint four persons from among such nominations. This committee to consider all complaints submitted by representatives of the employees or of the carriers, and is to decide by a majority vote, and its decisions are to be certified to the Transportation Board. If the committee of wages and working conditions is evenly divided upon any dispute, the whole matter is to be certified to the board, and the decision of the board is final, and constitutes a Governmental judgment with respect to the matters in controversy.

Section 27.—This section prescribes some of the things which must be taken into account by the Committee of Wages and Working Conditions in determining wages. It provides that the committee and Transportation Board shall take into consideration, among other relevant circumstances, the following:

First—The scale of wages paid for similar kind of work in other industries.

Second—The relation between wages and the cost of living.

Third—The hazards of the employment.

Fourth—The training and skill required.

Fifth—The degree of responsibility and

Sixth—The character and regularity of the employment.

Section 29.—This section imposes a penalty of fine or imprisonment, or both, upon any carrier, or officer of any carrier, who refuses to obey the decisions of the committee after it has been approved by the board, or of the board itself, in the cases referred to.

It also provides that if two or more persons enter into any combination or agreement with the intent substantially to hinder, restrain, or prevent the movement of commodities or persons in interstate commerce, or enter into any combination or agreement which substantially hinders, restrains or prevents the movement of commodities or persons in interstate commerce, such persons so combining and agreeing shall be deemed guilty of a conspiracy, and shall be punished by a fine not exceeding \$500 or by imprisonment not exceeding six months, or by both such fine and imprisonment;

Provided, that nothing herein shall be taken to deny any individual the right to quit his employment for any reason. It will be observed that this section applies equally to the officers or managers of railway companies and their employees. The intent is to prevent substantial interruption in transportation, and the effect of it is to forbid not only what is ordinarily known as a "lockout" but also what is commonly known as a "strike" of the employees of a railway company. It must be remembered, in this connection that the bill in forbidding a strike or combination for a strike, has also provided for the settlement of all disputes by Government tribunal.

Section 31.—This section increases the compensation of the members of the Interstate Commerce Commission to \$12,000 per annum.

Section 32.—This section materially enlarges the scope of what is commonly known as the car service Act, and transfers its administration to the Transportation Board. One of its features is that it requires the approval of the Government for the extension of an old line of railroad or the construction of a new line.

Sections 33, 34 and 35.—These sections are amendments to well-known provisions of the Act to regulate commerce, and while important, need not be specially mentioned.

Section 36.—This section authorizes a division of traffic or earnings between carriers, but only when in the interest of better service and economy and not so as to unduly restrain competition. There can be no such division of traffic or earnings until the arrangement is expressly approved by the Interstate Commerce Commission after full notice and hearings.

Sections 37 and 38.—These sections are amendments to the Act to regulate commerce and need not be described in this summary.

Section 39.—This section gives the transportation board full authority to require connections between water and land carriers so as to utilize water transportation to the fullest extent.

Section 40.—This section empowers the Interstate Commerce Commission to make both maximum and minimum, or maximum or minimum joint rates, and this authority is also conferred in another section with respect to all rates.

Section 43.—This section deals with the conflict between intrastate rates and interstate rates, and gives the Interstate Commerce Commission full authority to remove any unjust discrimination against interstate or foreign commerce.

Conclusion.—There are many amendments to the Interstate Commerce Act in the bill to secure more efficient administration, but it is assumed that they need not be referred to at this time.

#### SAMUEL GOMPERS ON LABOR'S ACTION ON PLUMB R. R. PLAN—AMSTERDAM CONFERENCE.

Final action toward determining the attitude of the American Federation toward the Plumb plan for the nationalization of the railroads was deferred at last week's conference in Washington of the Executive Council of the Federation, which extended over three days, namely Aug. 28, 29 and 30. On the latter date a statement issued by Samuel Gompers, President of the Federation, in announcing that it had been decided to withhold action on both the plan and the Sims bill, embodying its proposals, stated that a sub-committee had been created "for the purpose of examining into all the facts and evidence obtainable to secure advice of all we can who can contribute to a full understanding of the subject." Mr. Gompers also announced that the representatives of the Federation who had attended the International Trades Union conference at Amsterdam, submitted their report at last week's conference, and while stating that the Federation was not prepared to give out the same prior to its presentation direct to labor, Mr. Gompers stated that "it showed clearly that the wave of Bolshevism has receded" and that the conference at Amsterdam had "voted overwhelmingly against any Bolshevik principles or tendencies." The following is Mr. Gompers's statement of Aug. 30:

The Executive Council of the American Federation of Labor was called into extra session to consider a number of vexatious questions which are occupying the attention of the working people and the people generally of our country. They desired to have immediate information regarding the activities of the delegation of the American Federation of Labor at the Amsterdam conference of International Trade Unions—the conference which our delegation held with the representatives of labor in those countries.

The delegation consisting of Samuel Gompers, Daniel J. Tobin and John J. Hynes submitted its report in writing, which will be made public very shortly. We are not prepared to give that out at this time, believing that it is most appropriate that the report be made direct to labor first and jointly with it to the general public.

This can be said for the report, that it showed clearly that the wave of Bolshevism has receded and that the International Trade Union Conference at Amsterdam voted overwhelmingly against any Bolshevik principles or tendencies; that the International Trade Union movement is founded now upon a more democratic basis, that is, that the representation of organized workers, such as the United States, England, France and Germany, should have its seats in these international conferences, and that officers and officials have been taken away from Germany.

The Executive Council had under consideration the iron and steel organizing effort and have endeavored to bring about the very best results.

The efforts are still being made and the hope is entertained that an amicable adjustment may be reached before any outbreak or cessation of work shall be inaugurated.

The cigarmakers of the United States are engaged in strikes for improved conditions occasioned by the high cost of living, and there are 125,000 of that industry who are now engaged in the struggle. The Executive Council endorsed that strike and pledged its moral and financial support to it and will issue additionally an appeal to all labor and friends to come to the financial and moral assistance of the men engaged in that controversy.

In regard to the actors' situation, a new charter was issued to the Actors' Equity Society and the old-time White Rats Association under the title of Actors' and Artists' Association of America, and the pledge was given for the full support of the Federation with its membership to the actors engaged in the contest.

The Executive Council had before it the representatives of the labor organizations and their counsel, who favor the Plumb plan of railway ownership or railway control and administration. The Council considered the plan as well as the provisions of the Sims bill dealing with this important subject. The plan and the bill, so the Council declared, are of such transcendent importance to labor, to the people, and to the country that the Council decided to defer final action determining the position of the American Federation of Labor thereon, and that, in the meantime, a sub-committee was created for the purpose of examining into all the facts and evidence obtainable to secure advice of all we can, who can contribute to a full understanding of the subject, and the sub-committee after its examination and investigation is to report to the Executive Council of the American Federation of Labor upon the entire subject.

There were other matters of importance considered, but those by us are regarded hardly of public interest.

Messrs. Gompers, Tobin and Hynes went abroad on July 11 to attend the Amsterdam conference, and the two first named returned on the George Washington which arrived here on Aug. 26. With his return Mr. Gompers issued the following statement bearing on the Amsterdam conference:

This Amsterdam conference marks a new stage in the progress of labor. The international organization that existed before the war was based upon unequal representation and controlled by the Germans. The new organization for the first time approximates the democratic conception of genuine internationalism. The headquarters have been removed from Berlin to Amsterdam, Holland; a genuinely representative executive has been elected, and a fairly just basis of voting has been laid down for later international congresses.

The new organization is already something more than a mere framework. It has already taken a firm and unmistakable attitude on what is perhaps the gravest problem of this critical hour—is organized labor to be inveigled into the revolutionary movements that have been showing their heads in every country of Europe as a result of the war. I fear that the public reports of the Amsterdam conference taken up with the spectacular duel on war responsibilities between the German delegates on the one hand, and the American and Belgian delegates, on the other, may have failed to note the remarkable stand taken on Bolshevism and near-Bolshevism. The Bolsheviki resolution was killed by the committee on which I was chairman. The Bolshevists or semi-Bolshevists being literally overwhelmed.

In fact, no acknowledged Bolshevist unions were present for the reason that Bolshevism proper has made very little headway among European labor unions outside of Russia, Italy and a few minor countries.

However, there is a far more dangerous near-Bolshevism endorsed by many of the Socialist parties. It was this movement which proposed an international and revolutionary general strike throughout Europe and America July 20 and 21 1919.

The Socialists endorsed the idea, but the labor unions in every country of Europe turned it down, with the partial exception of Italy. This proposed general strike was the last hope of the pro-Bolsheviki and other revolutionists in western Europe and proved an absolute fizzle.

At Amsterdam the near-Bolshevik type of Socialists were represented by the so-called "free trade unions," of Germany, with 60,000 members, and the National Secretariat of Holland, with 45,000 members. The two organizations together represented 105,000 out of a total of 17,740,000 labor unionists represented. These figures accurately represent the relative force of labor unionism and Bolshevism in the European labor union movement.

I am glad to report that these Bolshevists brought their doctrine to a test before one of the committees of the convention. They called for an endorsement of the political or revolutionary strike in language just about as clear and precise as could be asked for, and it was voted down unanimously by all the fourteen nations represented at the conference except the minorities in Holland and Germany.

The defeated resolution was as follows:

"The International Congress, responding to the appeal of the working classes of the Soviet countries to support their struggle by means of demonstrations and strikes with a view to force the Imperialist Governments to raise their blockade and stop their military intervention, expresses its satisfaction over the joint efforts undertaken by the proletarian class of several countries on July 21, and,

"Resolves to promote and undertake a renewed joint international action for that purpose."

The defeat of this proposition means the definite and final repudiation by the organized labor of Europe and America not only of Bolshevism but of the whole effort to involve labor unions in international revolutionary movements of any kind. It is true that the majority of the delegates profess more or less socialistic doctrines but they have finally and definitely repudiated the persistent and ceaseless efforts of the socialist parties to utilize the union for a revolutionary cataclysm.

In reporting the conclusion on Aug. 1 of the International Labor Congress, at which a new international federation was formed the Associated Press dispatches from Amsterdam Aug. 2 said:

It cannot be said that a great amount of practical work was accomplished at this first meeting. But ground was laid for the future which promises to prove fruitful in reforms in social questions upon which the workers of all nations are urging action. The last hours of the Congress were spent in discussing a number of important resolutions with regard to the League of Nations, the socialization of means of production, and the blockade of Russia and Hungary, all of which were accepted by the Congress. Only the American delegates voted against the resolutions while the British were absent, owing to the necessity of catching a cross-Channel steamer. Samuel Gompers, President of the American Federation of Labor, explained that the Americans agreed almost entirely with the spirit of all the resolutions, but that, owing to their mandate, they could not vote for them.

The entire governing body has changed since the last international, the Germans and Austrians at present taking no part either in the presidency, vice-presidency, treasury, or secretariat. Many of the members expressed

sorrow at the disappearance of Carl Legien, the most prominent German labor leader and organizer, from participation in an official capacity.

Several delegation leaders spoke of their hopes for the future, Mr. Gompers saying that the Americans would do all in their power to further legislation for improvement of the condition of the workers of all countries.

Herr Legien told the correspondent that he thought the international movement would prove successful and that the workers of all countries would act together. He was totally against any idea of war of revenge, he said, as were all the German workers.

In one resolution the Congress declared:

"The economic disorganization, accentuated by the war, was caused by the impotence of capitalism to reorganize production in such a way as to insure the well-being of the masses. The Congress declares it imperative that the efforts and activities of the working classes of all countries should be directed toward obtaining complete trade union organization as a necessary basis for realization of the socialization of means of production."

The bureau of the International Trades Union Federation was instructed to obtain information on the result of socialization and to report to the national centres, the report to be accompanied by affidavits. The resolution further states:

"Even when the means of production are socialized, it is only by normal production, scientifically and continually developed, that general and individual well-being can be obtained and guaranteed for all everywhere."

Another resolution declares: "The League of Nations should be founded on the will and co-operation of all the peoples. Nations may no longer launch their own cases by force. On the other hand, the League must become a judicial community, free from oppression." The resolution declares that the working classes should prevent the League from becoming a centre of reaction and oppression. It says the workers should organize internationally and "attain the way to power. Then they will become the effective controlling organ of the League of Nations."

Only the Dutch and German Syndicalists voted against the resolution.

#### JUDGE ANDERSON'S PROPOSAL FOR SOLUTION OF RAILROAD PROBLEM IN ONE COMPANY.

The formation of a Federal railroad company, with broad powers "eminent domain to take existing transportation facilities, as well as land, &c., for additional facilities, stocks, bonds of existing companies, or any other kind of needed property with power to issue stocks and bonds for cash at par or for exchange with present security holders" was proposed by Judge George W. Anderson of the U. S. District Court at Boston before the House Committee on Interstate and Foreign Commerce on Aug. 27. Judge Anderson, who was formerly a member of the Inter-State Commerce Commission, in offering his solution of the railroad problem, while stating that "No plan for the reorganization of our railroad system has any reasonable prospect of success that does not recognize the fundamental need of a radically changed status for labor," had the following to say regarding the Plumb plan:

Labor is entitled to a large and influential position in the management of our transportation industry. It is not entitled to control that industry, either as proposed in the Plumb plan, through management of the corporation administering the rail facilities, or as is potentially involved in the present system through the domination of extra corporate organizations called labor unions. Railroad business is a public business. It must be managed by, and controlled for, public interests. Until that fundamentally important principle is recognized and sought to be made effective, there will be neither peace, security, nor progress in our transportation field.

He also said:

Labor must be given just and proper representation in the initial management of the roads, and assume a responsibility for the uninterrupted, efficient, economical, and progressive development of the rail facilities—entirely different from that which has obtained hitherto when the railroads have been run by corporations, organized for profit, and by labor unions, organized for economic war. Full recognition must be given to the fact that the men who contribute faithful, efficient and long-continued service in the transportation industry are as much entitled to representation in the management thereof, and must be held as responsible for the wise exercise of managerial powers, as are the contributors of capital used to pay for the railroad facilities.

The present status of irresponsibility and consequent threatened interruption of railroad service, together with the utter lack of proper incentive for efficiency and economy in the management and operation of rail facilities, is practically admitted by all to be intolerable. The only plan now before Congress which really undertakes to meet this essential difficulty is the Plumb plan, and that plan offers, in my view, a remedy which may not improbably be almost, if not quite, as bad as the disease that it undertakes to cure.

Without further present elaboration of this point, I propose to meet the difficulty by providing that in the contemplated unified United States Railroad Company the classified employees shall elect one-third of the directors or governors, another third to be elected by the stockholders, the other third to be public directors, probably appointed by the President and confirmed by the Senate. In addition to such initial managerial power and resultant responsibility the law should provide for a competent and impartial tribunal to deal with all wage and other labor controversies, its decision to be final. Labor should also have a one-third profit-sharing interest in any surplus profits above standard dividends.

Judge Anderson is also quoted in the New York "Times" of Aug. 23 as saying:

Unification of the railroads in one owning and operating company is, in my view, fundamentally necessary.

Pretty careful study of the plans proposed for, say, a dozen large companies, convinces me that:

(a) No one of these plans can be put in operation without long, expensive and wasteful proceedings, during which honest investing interests will be exploited by speculators and manipulators to an unparalleled degree. Without attacking the motives of the proponents of these plans, I do confidently suggest that the result of the plans would be a speculative exploitation working vast and grievously unjust results.

(b) If the plan of a dozen railroads were in operation, problems of administration and rate-making (infinitely difficult at the best), would find my

opinion, be insoluble. Certainly, if the Warfield plan of retaining State charters were adopted, the situation would be hopeless.

(c) The notion that competition can be kept or made a force for efficiency and progress is a delusion. Even those who, in their own minds, advocate competition, on analysis do not. What is really desired, for instance, by the representative of the United States Chamber of Commerce, is not competition, but incentive for efficiency, economy, and progressive development. There ought to be such incentive. It cannot, in my view, be found in the competitive theory. All of these apparent advocates of competition accept and assert that rates should be uniform. They eliminate rate-cutting as a competitive factor. Otherwise stated, the selling price of the product is not to be fixed by the theoretical competitors, but by public authority. Securities also are to be issued only under public approval. Extensions for new business, whether competitive or not, are to be made only on public approval. New facilities, whether profitable or not, may be ordered by public authority. Wages, the first and largest item in the expense account, are expected to be made, not by the separate corporations, but by some outside power.

In many other minor respects the kind, quality, and cost of the service rendered is to be subject, and properly so, to control for the recognized paramount public interests. The right to pool earnings under public approval is advocated. This, on analysis, means that if any competition in railroading survives under the theories of regulations sketched above, so that the railroad companies find themselves in actual struggle for the same line of business, that struggle shall cease by a pooling of earnings. This is, in effect, an admission that real competition is neither desired nor expected to result from the administration of the railroads by separate corporations.

As to the management of the corporation Judge Anderson said:

This corporation might well be managed by a board of, say, fifteen directors, elected and appointed for, say, terms of five years each, so classified that the term of one of each class shall end each year. Five of the directors should be elected by the classified employees under by-laws approved by the Inter-State Commerce Commission. Five should be elected by the stockholders, and represent capitalistic and profit-seeking interests. Five should be public directors, probably appointed by the President, probably from both political parties, and confirmed by the Senate, and required to have no financial interest in the stock of the company. All the directors should be paid adequate, but reasonable, salaries, and be required to give all their energies to the business.

He also proposed that the

United States Railroad Company be capitalized not less than 25% nor more than 40% in capital stock, the balance in bonds. The capital stock should have a standard dividend rate not less than 5% nor more than 6% cumulative—such rate as will fairly insure par market values in all normal times. Probably new issues for extensions and additions should be distributable to outstanding stockholders at par, although the stock would in ordinary times undoubtedly sell at a substantial premium. But it is desirable that there should be an adequate incentive to spend new money for needed and useful railroad development.

"I think, although this is not free from doubt, that the Government should guarantee an annual dividend on this stock, possibly of 4%, not less than 3%. Such guarantee would, in my present view, cost the Government nothing; it would stabilize the financial market, improve the credit of the company, and reduce the ultimate capital cost of our transportation facilities.

"Any surplus profits above operating expenses, fixed charges, and standard dividends should annually be divided into thirds:

"(a) One-third for the benefit of capital, applicable to an additional dividend up to a reasonable maximum, probably 7%. Any balance of this one-third accruing in fat years should be held in a reserve for the purpose of providing for the payment of the standard dividend in bad years.

"(b) One-third as a dividend to labor on a properly classified schedule.

"(c) One-third for strictly public uses; at the outset perhaps to pay for the Government's advances hitherto or hereafter to be made during the transition period, thereafter for such public purposes as Congress may authorize by statute or through the United States Railroad Company and the Inter-State Commerce Commission.

"Railroad stock of the chief roads would be exchanged for the United States Railroad Company so as to give the present stockholders somewhat less than their present returns. For instance, if the United States Railroad Company fixes the dividend at 6% the stock of the Pennsylvania Railroad would be exchanged for an equal amount of Government owned stock, and stock of other railroads now paying more than 6% would be exchanged for a larger amount of the Government railroad stock."

The rates under Mr. Anderson's plan are to be initiated by the railroad company subject to reversing power by the Inter-State Commerce Commission. Local rates, such as commutation rates, around the large cities should be left to the States to decide.

Extensions and improvements can be undertaken by the railroad corporation, but proposals involving large expenditures must be approved by the Inter-State Commerce Commission before undertaken under Mr. Anderson's proposed plan.

"I think the substance of the Plumb plan of co-ordinating capital of the United States Railroad Company with the local capital is practical and should be adopted. It is in substance now in use between the Federal Government and State or other local governments in the building of highways. But full title to all properties thus created should vest in the United States Railroad Company," said Mr. Anderson.

**ULTIMATUM TO STRIKING SHOPMEN IN EAST—  
STRIKING TRAINMEN IN CALIFORNIA RETURN.**

An ultimatum, similar to that sent a week ago to the striking trainmen in California, Arizona and Nevada, was issued on September 4 by Director-General of Railroads Walker D. Hines to striking shopmen of the New York Central, Baltimore & Ohio, and Chicago, Burlington & Quincy roads. Mr. Hines' warning of the 4th was sent to Regional Directors A. T. Hardin at New York, C. H. Markham at Philadelphia and Hale Holden at Chicago, who were asked to instruct the strikers that those who failed to resume work this morning (September 6) would be considered as having permanently left the service of the Railroad Administration. The letter to Regional Director Hardin follows:

Washington, D. C., Sept. 4.

A. T. Hardin, Regional Director of Railroad Administration, New York City:  
I am advised that certain mechanical department employees of the New York Central Railroad at Depew are engaged in a strike in violation of the agreements with the individual railroad upon which they have been employed, and in violation of the agreement for adjustment of grievances by the United States Railroad Administration and the chief executives of the organizations to which the strikers belong, as well as in violation of the laws of organizations of which they are members. The chief executives of these organizations have definitely instructed their members to return to work.

Will you please at once instruct the Federal Manager of the New York Central Railroad to post copies of this telegram on bulletin boards and in conspicuous places at and in the vicinity of the shops affected, as notice to all employees who are on strike to resume work not later than their regular reporting time on Saturday, Sept. 6, and further as a notice that those who do not report and resume duty at or before their regular reporting time on that date will be considered as having permanently left the service of the United States Railroad Administration, their places will be filled, and if they return to the service of the United States Railroad Administration later it will be only as new employees.

This telegram will also be considered by the Federal Manager as his instructions to proceed accordingly.

WALKER D. HINES,  
Director-General of Railroads.

Last week's warning that the Government would man the trains if the striking trainmen in the West failed to report on Saturday August 30 served to effect the return on that day of practically all striking steam road engineers, conductors, brakemen and switchmen, following a vote to discontinue their strike at Los Angeles. The steam road men, it is stated, returned without gaining concessions. The electric line men were still reported out on the 30th. The steam railroad men are said to have admitted that they were greatly influenced to return to work by statements of Warren S. Stone, Grand Chief of the Engineers, and W. G. Lee, head of the conductors, and also by the stand of the Railroad Administration. Striking railroad employees at Fresno and San Francisco returned to work on August 29.

**THE DEFICIT IN THE OPERATION OF THE NEW ENGLAND ROADS.**

The following is taken from the "Journal of Commerce" of Sept. 2:

Federal operation of the New England railroads has resulted in an annual deficit of \$23,346,000, and expenses have increased so much more proportionately than revenues that there is not now enough left to keep the roads solvent, according to a report compiled by a conference of representatives of the lines. The systems covered by the data comprise the Bangor & Aroostook, Boston & Maine, Central New England, Central Vermont, Maine Central, New Haven and the Rutland.

The purpose of the railroad officials in undertaking the inquiry was to show, first, what will be the financial condition of the railroads of New England if returned to their owners without increase of revenue or remedial legislation by Congress, and, second, that the present compensation guaranteed by the Government should be continued until such remedies have become effective.

The statistics presented combine the results of operation for the roads for the "test period" from June 1 1914, to June 30 1917, and for the eighteen months of Federal control, from January 1 1918, to June 30 1919.

The following table gives the comparison for the New England railroads combined:

	Ann. Ave. for Test Period	Ann. Ave. during Fed. Control
Operating revenues	\$157,931,753	\$207,575,037
Operating expenses	\$110,255,223	\$190,404,131
Taxes	6,428,115	7,183,614
Equipment and joint facility rents	6,428,535	5,142,847
Total operating expenses, etc.	123,111,873	202,730,592
Miscellaneous income	\$34,819,880	\$4,844,445
Net Federal income	\$34,819,880	\$5,208,373
Percentage net Federal income to operating revenues	22%	2%

The report points out, from the above statement, that from every dollar received from railroad operations the companies would, if the properties were now returned to them, be compelled to pay out 98c for operating expenses, taxes, joint facility and equipment rentals, and would be able to retain only 2c to meet interest, rentals and other fixed charges.

The report says that the 2% available for fixed charges under Federal control amounted to \$11,719,000, the gross corporate income. The charges against this gross income for the test period and also for the period of Federal control are shown in the following table for the New England roads combined:

	Ann. Ave. for Test Period	Ann. Ave. during Fed. Control
Gross Corporate Income	\$42,614,828	\$11,719,609
Deductions from gross corp. income (int., rentals and other fixed charges, excluding dividends)	32,967,506	35,065,632
Surplus or deficit after deductions	(surp.) \$9,647,322	(d) 23,345,023

The statement is made that the New England railroads will be bankrupt if their properties are returned without immediate and adequate increases of revenues, or a continuation of the compensation until remedial legislation is enacted. The far-reaching effect of such a bankruptcy is called evident from the fact that the total interest-bearing obligations of the New England roads in the hands of the public are in excess of half a billion dollars.

The officials, under whose direction the report was made, are as follows: Gordon Abbott, Chairman, Reorganization Managers, Boston & Maine Railroad; George W. Anderson, former member of the Interstate Commerce Commission, and Trustee of the Boston Railroad Holding Company's interest in Boston & Maine stock; Edward G. Huckland, President, New York New Haven & Hartford, Central New England and Rutland Railroad Companies; Howard Elliott, Chairman, Committee on Inter-Company Relations, Board of Directors, New York, New Haven & Hartford Railroad Company; John Henry Hammond, Acting President, Bangor & Aroostook Railroad Company; Henry J. Hart, Vice-President, Bangor & Aroostook Railroad

Company; James H. Hustis, Temporary Receiver, Boston & Maine Railroad; Morris McDonald, President, Maine Central Railroad Company; James L. Richards, member of Executive Committee, Board of Directors, New York, New Haven & Hartford Railroad Company; Edward C. Smith, President, Central Vermont Railway Company.

**PRESIDENT WILSON BEGINS WESTERN TOUR IN BEHALF OF LEAGUE AND PEACE TREATY— PLANS 25 DAYS OF PUBLIC SPEAKING.**

President Wilson left the capitol on Wednesday, Sept. 3, in accordance with plans announced last week on a 25-day public speaking tour in behalf of the German Peace Treaty and the League of Nations Covenant. His first speech was made at Columbus, Ohio, and is referred to elsewhere in these columns to-day. The trip will carry the President through the Central States northwesterly to the Pacific Coast and he plans to reach Spokane, Wash., and speak there on Sept. 12. He will stop at the principal Pacific ports going as far South as Los Angeles, Cal. He will then come eastward from the Pacific and will end his speech-making trip in Louisville, Ky. The trip will be the most extensive that Mr. Wilson has undertaken since he entered public life; he will cover, it is estimated, more than 10,000 miles and return to Washington on Sept. 30 from virtually 25 days of uninterrupted speech making. Besides those scheduled it is believed President Wilson will make several back platform speeches or talks as occasion demands. In the President's party are Mrs. Wilson, Private Secretary Tumulty and Admiral Grayson, his physician. There are also large numbers of Secret Service men, stenographers and press correspondents. In the House on Aug. 29 a resolution of protest against the President's proposed tour was introduced by Representative Strong of Kansas. It said the absence of the Chief Executive "in these troublous times, in which a crisis involving labor, credits, transportation, the cost of living, profiteering, the welfare of former service men, or foreign relations may assume grave proportions" was fraught with grave danger and the House therefore respectfully requested that the President remain at the at the National Capitol. The resolution was ruled out on a point of order that there was no quorum present which was raised by Representative Blanton, Democrat of Texas. A joint resolution of very much the same purpose was introduced on Aug. 29 by Representative Rodenberg, Illinois, and referred to the Committee on Judiciary. The official program of the President's tour as made public on Aug. 29 at the White House was as follows:

The President plans to leave Washington Wednesday evening, Sept. 3, for Columbus, O., where he will make an address Thursday morning, Sept. 4. Thereafter he will visit the following cities in the order named, making addresses as indicated:

Thursday, Sept. 4, evening, Indianapolis; Friday, Sept. 5, St. Louis; Saturday, Sept. 6, morning address, Kansas City; Saturday and Sunday, Sept. 6-7, Des Moines, Ia.; Monday, Sept. 8, morning address, Omaha, evening address Sioux Falls, S. D.; Tuesday, Sept. 9, all day in St. Paul and Minneapolis; Wednesday, Sept. 10, noon address in Bismarck, N. D.; Thursday, Sept. 11, forenoon address in Billings, Mont., evening address Helena, Mont.; Friday, Sept. 12, forenoon in Couer d'Alene, Ida.; afternoon address in Spokane, Wash.; Saturday, Sept. 13 and Sunday, Sept. 14, day meeting in Tacoma, evening address in Seattle; Monday, Sept. 15, all day and evening in Portland, Ore.; Wednesday, Sept. 17, Thursday, Sept. 18, in San Francisco; Friday, Sept. 19, afternoon and night in San Diego; Saturday, Sept. 20, and Sunday, Sept. 21, in Los Angeles; Monday, Sept. 22, evening address in Reno, Nev.; Tuesday, Sept. 23, evening address in Salt Lake City; Wednesday, Sept. 24, late afternoon address in Cheyenne Wyo., spend night in Denver; Thursday, Sept. 25, forenoon address in Denver, afternoon address in Pueblo; Friday, Sept. 26, forenoon address in Wichita, Kans., evening address in Oklahoma City, Okla.; Saturday, Sept. 27, mid-afternoon address in Little Rock, Ark., night address in Memphis, Tenn.; Sunday, Sept. 28, and Monday, Sept. 29, all day Sunday and Monday forenoon in Louisville; Tuesday, Sept. 30, arrive Washington at 11 a. m.

**PRESIDENT WILSON INFORMS SENATE UNITED STATES HAS TRIED TO PRESERVE PEACE IN CENTRAL AMERICA.**

President Wilson, responding to a Senate resolution asking for certain information regarding the status of Costa Rica and her relations with Nicaragua as well as why the former had been denied the right to sign the Treaty of Peace with Germany, told the Senate on Aug. 21 that the "United States has consistently used its best efforts to maintain peace in Central America." He said the Tinoco regime in Costa Rica had never been treated even as a de facto government and was considered by the United States as "legally non-existent," for this reason Costa Rica had not been permitted to sign the Peace Treaty. The resolution calling for information regarding Costa Rica was introduced by Senator La Follette. The President's communication to the Senate was summarized in Washington press dispatches of Aug. 21 as follows:

The Senate was informed to-day by President Wilson that the United States Government was not aware of any armed interference by Nicaragua

in Costa Rican affairs, and that the State Department repeatedly had urged Nicaraguan officials not to make any such interference.

Answering another part of the same resolution with reference to why Costa Rica "was not permitted" to sign the Peace Treaty, though she had declared war on Germany, the President said the Tinoco Government in Costa Rica, having never been recognized even in a de facto sense by the United States, was considered "legally non-existent and therefore not to be treated as a belligerent."

The President transmitted a statement by Secretary Lansing declaring the United States "has consistently used its best efforts to maintain peace in Central America," and had made the following representations to Nicaragua on the subject:

On Nov. 4 1918, the President of Nicaragua was asked to exercise his good offices to prevent any revolutionary activities in that country directed against Costa Rica.

On Jan. 27 1919, reiterating the position taken in the previous note.

On April 29 1919, expressing the hope that "Nicaragua would be guided in this matter by the considerations of international comity," and

On May 23 1919, urging Nicaragua to remain neutral in any conflict between General Tinoco and his enemies and to prevent organizations of any expeditions in Nicaragua.

"The President and Government of Nicaragua," Secretary Lansing wrote, "have responded in a gratifying manner to the requests for their co-operation, and the efficacy of the steps taken to preserve peace in Central America is indicated by the fact that the Government of the United States is not advised of any serious collision with defensive forces by any armed forces seeking to enter Costa Rica from Nicaragua or Nicaragua from Costa Rica."

President Juan Bautist Quiros of Costa Rica, successor of Federico Tinoco, has been notified by the American Government that the validity of the Tinoco constitution or any government acting under that constitution would not be recognized by the United States.

Ex-President Gonzales has been informed by the State Department of this action. He has been in Washington since his overthrow by Tinoco and has been in close touch with the revolutionary movement against the Tinoco regime headed by Julio Acosta, Minister of Foreign Affairs under Gonzales.

**PRESIDENT WILSON'S COUNTRY WIDE TOUR IN BEHALF OF TREATY AND LEAGUE OF NATIONS—COLUMBUS SPEECH.**

President Wilson's speech making tour in behalf of the Peace Treaty and the League of Nations was opened on Thursday, Sept. 4, at Columbus, Ohio, where in addressing a gathering at Memorial Hall he declared that "this treaty was not intended merely to end this war; it was intended to prevent any similar war." Similarly he said "the League of Nations is the only thing that can prevent the recurrence of this dreadful catastrophe and redeem our promises. And the character of the League is based upon the experience of this very war." The President expressed astonishment "at some of the statements I see made about this treaty," adding "the truth is that they are made by persons who have not read the treaty, or who, if they have read it, have not comprehended its meaning." In stating that "this treaty is not meant to end this single war," the President in his Columbus speech declared that "it is meant as a notice to every Government who in the future will attempt this thing that mankind will unite to inflict the same punishment." As to the League of Nations the President averred "if there is no League of Nations the military point of view will prevail in every instance and peace will be brought into contempt, but if there is a League of Nations Italy need not fear the fact that the shores on the other side of the Adriatic lower above her sandy shores on her side of the sea because there will be no threatening guns there and the nations of the world will have considered not merely to see that the Slavic people have their rights, but that the Italian people have their rights as well." The President stated that he had not come to debate the treaty. It speaks for itself, he said, "if you will let it. The arguments directed against it are directed against it with a radical misunderstanding of the instrument itself. Therefore I am not going anywhere to debate the treaty. I am going to expound it, and I am going right here now to-day to urge you in every vocal method that you can use to assert the American spirit in support of it."

Besides his speech at Columbus on the 4th the President also on that day addressed a mass meeting at Indianapolis. In his remarks on that occasion he told the gathering that no one behind the League of Nations would make all wars impossible, but he expected it to make war "violently improbable." The economic and arbitration sections of the Covenant, he asserted, would "keep war on the outskirts" and make it only a "last resort." Opponents of the League of Nations, said the President, had discussed only three out of twenty-six articles of the Covenant. The articles that would make war improbable had been overlooked. Referring to the Shantung settlement, the President pointed out that Japan had repeatedly promised to return the peninsula to China. He did not go into the subject at length but mentioned it in emphasizing that the Covenant would refuse to recognize the validity of secret treaties.



The press dispatches concerning the President's Indianapolis speech also state:

At the outset of his speech Mr. Wilson traced the incidents from which the great war started, saying that the significant circumstance was that Austria and Germany "did not dare to discuss" the demands made on Serbia. It was generally admitted abroad, he asserted, that if there had been discussion, there would have been no war.

This fact, he said, recalled that the "heart of the League Covenant"—the agreement not to go to war for nine months after a controversy became acute—had not been considered at all by those who criticize the League.

"If there had been nine days," said the President, "Germany would not have gone to war."

It was a solemn pledge to those who fought the war, said the President, that there should be such an arrangement to prevent future wars.

"The act which was characteristic of the beginning of this war was the violation of the territorial integrity of Belgium," he continued, adding that one of the primary provisions of the League Covenant was to prevent violation of territorial integrity.

This provision, he pointed out, was contained in the much discussed Article X.

"Article X," declared the President, "speaks the conscience of the world. It goes to the heart on this whole bad business."

It was true, Mr. Wilson said, that every man surrendered part of his sovereignty whenever he promised to respect the rights of his neighbors; but, he declared, he could see no harm, nevertheless, in making such a promise for the common good.

Pointing out that decisions by the League Council must be unanimous the President said that whatever judgment was passed upon the United States by the Council must have the concurrence of the United States. He added that, of course, the American delegate on the Council would not act without instructions from his Government.

Referring to the economic pressure that would be brought to bear on Covenant breakers the President said that economic pressure would preclude the need of force.

Some delegations, the President said, came to the Paris Conference with causes which were not considered properly within the scope of the Peace Conference. In that connection he pointed out that under Article XI any threat of war could be investigated by the League.

"At present," said he, "we have to mind our own business but under the Covenant and the League we can mind other people's business."

The President's tour will extend throughout the month, terminating on Sept. 29 at Louisville, Ky. His itinerary is given in another item in to-day's issue of the "Chronicle." In his speech at Columbus the President spoke as follows:

*Mr. Chairman, Governor Campbell, and My Fellow Citizens:*—It is with very profound pleasure that I find myself face to face with you. I have for a long time chafed at the confinement of Washington. I have for a long time wished to fulfill the purpose with which my heart was full when I returned to our beloved country, namely, to go out and report to my fellow-countrymen concerning those affairs of the world which now need to be settled.

The only people I owe any report to are you and the other citizens of the United States, and it has become increasingly necessary, apparently, that I should report to you. After all the various angles at which you have heard the Treaty held up perhaps you would like to know what is in the Treaty. I find it very difficult in reading some of the speeches that I have read to form any conception of that great document.

It is a document unique in the history of the world for many reasons, and I think I cannot do you a better service or the peace of the world a better service than by pointing out to you just what this Treaty contains and what it seeks to do.

In the first place, my fellow-countrymen, it seeks to punish one of the greatest wrongs ever done in history, the wrong which Germany sought to do to the world and to civilization, and there ought to be no weak purpose with regard to the application of the punishment. She attempted an intolerable thing, and she must be made to pay for the attempt.

The terms of the Treaty are severe, but they are not unjust. I can testify that the men associated with me at the Peace Conference in Paris had it in their hearts to do justice and not wrong, but they knew, perhaps with a more vivid sense of what had happened than we could possibly know on this side of the water, the many solemn covenants which Germany had disregarded, the long preparation she had made to overwhelm her neighbors, the utter disregard which she had shown for human rights, for the rights of women and children and those who were helpless.

They had seen their lands devastated by an enemy that devoted itself not only to the effort of victory, but to the effort of terror, seeking to terrify the people whom they fought, and I wish to testify that they exercised restraint in the terms of this Treaty. They did not wish to overwhelm any great nation, and they had no purpose in overwhelming the German people, but they did think that it ought to be burned into the consciousness of men forever that no people ought to permit its government to do what the German Government did.

In the last analysis, my fellow-countrymen, as we in America would be the first to claim, a people are responsible for the acts of their Government; if their Government purposes things that are wrong, they ought to take measures and see to it that that purpose is not executed.

Germany was self-governed. Her rulers had not concealed the purposes that they had in mind, but they had deceived their people as to the character of the methods they were going to use, and I believe from what I can learn that there is an awakened consciousness in Germany itself of the deep iniquity of the thing that was attempted.

When the Austrian delegates came before the Peace Conference they, in so many words, spoke of the origination of the war as a crime, and admitted in our presence that it was a thing intolerable to contemplate. They knew in their hearts that it had done them the deepest conceivable wrong; that it had put their people and the people of Germany at the judgment seat of mankind, and throughout this treaty every term that was applied to Germany was meant not to humiliate Germany, but to rectify the wrong that she had done.

And if you will look even into the severe terms of reparation, for there was no indemnity—no indemnity of any sort was claimed—merely reparation, merely paying for the destruction done, merely making good the losses, so far as the losses could be made good, which she had unjustly inflicted, not upon the Governments—for the reparation is not to go to the Governments—but upon the people whose rights she had trodden upon, with absolute absence of everything that even resembled pity. There is no indemnity in this treaty, but there is reparation, and even in the terms of reparation a method is devised by which the reparation shall be adjusted to Germany's ability to pay it.

I am astonished at some of the statements I see made about this treaty, and the truth is that they are made by persons who have not read the treaty or who, if they have read it, have not comprehended its meaning.

There is a method of adjustment in the treaty by which the reparation shall not be pressed beyond the point which Germany can pay, but she will be pressed to the utmost point that she can pay, which is just, which is righteous. It would be intolerable if there had been anything else, for my fellow-citizens, this treaty is not meant merely to end this single war; it is meant as a notice to every Government who in the future will attempt this thing that mankind will unite to inflict the same punishment.

There is no national triumph sought to be recorded in this treaty. There is no glory sought for any particular nation. The thought of the statesmen collected around that table was of their people, of the sufferings that they had gone through, of the losses they had incurred, that great throbbing heart which was so depressed, so forlorn, so sad in every memory that it had had of the five tragical years, my fellow-countrymen. Let us never forget the purpose, the high purpose, the disinterested purpose, with which America lent its strength, not for its own glory, but for the advance of mankind.

And, as I said, this treaty was not intended merely to end this war; was intended to prevent any similar war.

I wonder if some of the opponents of the League of Nations have forgotten the promises we made our people before we went to that peace table. We had taken by processes of law the flower of our youth from every countryside, from every household, and we told those mothers and fathers and sister and wives and sweethearts that we were taking those men to fight a war which would end business of that sort, and if we do not end it, if we do not do the best that human concert of action can do to end it, we are of all men the most unfaithful—the most unfaithful to the loving hearts who suffered in this war, the most unfaithful to those households bowed in grief, yet lifted with the feeling that the lad laid down his life for a great thing—among other things in order that other lads might not have to do the same thing.

That is what the League of Nations is for, to end this war justly, and it is not merely to serve notice on Governments which would contemplate the same thing which Germany contemplated, that they will do so at their peril, but also concerning the combination of power which will prove to them that they will do it at their peril. It is idle to say the world will combine against you because it may not, but it is persuasive to say the world is combined against you and will remain combined against any who attempt the same things that you attempted.

The League of Nations is the only thing that can prevent the recurrence of this dreadful catastrophe and redeem our promises. And the character of the League is based upon the experience of this very war.

I did not meet a single public man who did not admit these things—that Germany would not have gone into this war if she had thought Great Britain was going into it, and that she most certainly would never have gone into this war if she had dreamed America was going into it, and they have all admitted that a notice beforehand that the greatest powers of the world would combine to prevent this sort of thing would have prevented it absolutely.

When gentlemen tell you, therefore, that the League of Nations is intended for some other purpose than this, merely reply this to them: "If we do not do this thing, we have neglected the central covenant that we made to our people," and there will be no statesman of any country who can thereafter promise his people any alleviation from the perils of war.

The passions of this world are not dead; the rivalries of this world have not cooled; they have been rendered hotter than ever. The harness that is to unite nations is more necessary now than it ever was before, and unless there is this sureness of combined action before wrong is attempted, wrong will be attempted just as soon as the most ambitious nations can recover from the financial stress of this war.

Now look what else is in the treaty. This treaty is unique in the history of mankind because the centre of it is the redemption of weak nations.

There never was a congress of nations before that considered the rights of those who could not enforce their rights. There never was a congress of nations before that did not seek to effect some balance of power brought about by means of serving the strength and interest of the strongest powers concerned, whereas this treaty builds up nations that never could have won their freedom in any other way. It builds them up by gift, by largess, not by obligation; builds them up because of the conviction of the men who wrote the treaty that the rights of people transcend the rights of Governments, because of the conviction of the men who wrote that treaty that the fertile source of war is wrong; that the Austro-Hungarian Empire, for example, was held together by military force and consisted of peoples who did not want to live together, who did not have the spirit of nationality as toward each other; who were constantly chafing at the bands that held them.

Hungary, though a willing partner of Austria, was willing to be her partner because she could share Austria's strength for accomplishing her own ambitions, and her own ambitions were to hold under the Jugoslavic peoples that lie to the south of her. Bohemia, an unhappy partner—a partner by duress, flowing in all her veins the strongest national impulse that was to be found anywhere in Europe; and north of that pitiful Poland, a great nation divided up among the great powers of Europe, torn asunder—kinship disregarded, natural ties treated with contempt and an obligatory division among sovereigns imposed upon her, a part of her given to Russia, a part of her given to Austria, and a part of her given to Germany, and great bodies of Polish people never permitted to have the normal intercourse with their kinsmen for fear that that fine instinct of the heart should assert itself which binds families together.

Poland could never have won her independence. Bohemia never could have broken away from the Austro-Hungarian combination. The Slavic peoples to the south, running down into the great Balkan peninsula, had again and again tried to assert their nationality and their independence, and had as often been crushed, not by the immediate power they were fighting, but by the combined power of Europe.

The old alliances, the old balances of power, were meant to see to it that no little nation asserted its rights to the disturbance of the peace of Europe, and every time an assertion of rights was attempted they were suppressed by combined influence and force. And this treaty tears away all that and says these people have a right to live their own lives under the governments which they themselves choose to set up. That is the American principle and I was glad to fight for it, and when strategic consideration were urged I said (not I alone, but it was a matter of common council) that strategic conditions were not in our thoughts; that we were not now arranging for future wars, but were giving people what belonged to them.

My fellow-citizens, I do not think there is any man alive who has a more tender sympathy for the great people of Italy than I have, and a very stern duty was presented to us when we had to consider some of the claims of Italy on the Adriatic, because strategically, from the point of view of future wars, Italy needed a military foothold on the other side of the Adriatic, but her people did not live there except in little spots. It was a Slavic people, and I had to say to my Italian friends that everywhere else in this treaty we have given territory to the people who lived on it, and I do not think that it is for the advantage of Italy, and I am sure it is not for the advantage of the world, to give Italy territory where other people live.

I felt the force of the argument for what they wanted, and it was the old argument that had always prevailed, namely, that they needed it from a

military point of view, and I have no doubt that if there is no League of Nations they will need it from a military point of view. But if there is a League of Nations they will not need it from a military point of view. If there is no League of Nations the military point of view will prevail in every instance and peace will be brought into contempt, but if there is a League of Nations Italy need not fear the fact that the shores on the other side of the Adriatic lower above her sandy shores on her side of the sea, because there will be no threatening guns there, and the nations of the world will have considered not merely to see that the Slavic peoples have their rights but that the Italian people have their rights as well. I would rather have everybody on my side than be armed to the teeth; and every settlement that is right, every settlement that is based upon the principles I have alluded to, is a safe settlement because the sympathy of mankind will be behind it.

Some gentlemen have feared with regard to the League of Nations that we will be obliged to do things we don't want to do. If the treaty were wrong, that might be so; but if the treaty is right, we will wish to preserve right. I think I know the heart of this great people, whom I for the time being have the high honor to represent, better than some other men that I hear talk.

I have been bred and am proud to have been bred in the old Revolutionary stock which set this Government up when America was set up as a friend of mankind, and I know, if they do not, that America has never lost that vision or that purpose.

But I haven't the slightest fear that arms will be necessary if the purpose is there. If I know that my adversary is armed and I am not, I do not press the controversy; and if any nation entertains selfish purposes, set against the principles established in this treaty, and is told by the rest of the world that it must withdraw its claims, it will not press them.

The heart of this treaty, then, my fellow-citizens, is not even that it punishes Germany—that is a temporary thing—it is that it rectifies the age-long wrong which characterized the history of Europe.

There were some of us who wished that the scope of the treaty would reach some other age-long wrong. It was a big job, and I don't say that we wished that it were bigger; but there were other wrongs elsewhere than in Europe, and of the same kind, which no doubt ought to be righted, and some day will be righted, but which we could not draw into the treaty because we could deal only with the countries whom the war had engulfed and affected. But, so far as the scope of our treaty went, we rectified the wrongs which have been the fertile source of war in Europe.

Have you ever reflected, my fellow countrymen, on the real source of revolutions? Men don't start revolutions in a sudden passion. Do you remember what Thomas Carlyle said about the French revolution? He was speaking of the so-called Hundred Days Terror which reigned, not only in Paris, but throughout France, in the days of the French revolution; and he reminded his readers that back of that Hundred Days of Terror lay several hundred years of agony and of wrong. The French people had been deeply and consistently wronged by their Government; robbed; their human rights disregarded, and the slow agony of those hundreds of years had after a while gathered into a hot agony that could not be suppressed.

Revolutions don't spring up over night; revolutions gather through the ages; revolutions come from the long suppression of the human spirit; revolutions come because men know that they have rights and that they are disregarded. And when we think of the future of the world in connection with this treaty, we must remember that one of the chief efforts of those who made this treaty was to remove that anger from the heart of great peoples—great peoples who had always been suppressed and always been used, who had always been the tools in the hands of governments—generally of alien governments—not their own. And the makers of the treaty knew that if these wrongs were not removed, there could be no peace in the world, because, after all, my fellow citizens, war comes from the seed of wrong, and not from the seed of right. This treaty is an attempt to right the history of Europe, and in my humble judgment it is a measurable success.

I say "measurable," my fellow citizens, because you will realize the difficulty of this. Here are two neighboring peoples. The one people have not stopped at a sharp line, and the settlements of the other people, or their migrations, begun at that sharp line; they have intermingled. There are regions where you can't draw a national line and say there are Slavs on this side and Italians on that; there is this people there and that people there. It can't be done. You have to approximate the line. You have to come to it, as near to it as you can, and then trust to the process of history to redistribute, it may be, the people who are on the wrong side of the line. And there are many such lines drawn in this treaty and to be drawn in the Austrian treaty, and where, perhaps, there are more lines of that sort than in the German treaty.

When we come to draw the line between the Polish people and the German people (not the line between Germany and Poland—there wasn't any Poland, strictly speaking) there were districts like the upper part of Silesia, or rather the eastern part of Silesia, which is called "Upper Silesia" because it is mountainous and the other part is not. High Silesia is chiefly Polish, and when we came to draw a line to represent Poland it was necessary to include High Silesia if we were really going to play fair and make Poland up of the Polish people wherever we found them in sufficiently close neighborhood to one another.

But it wasn't perfectly clear that Upper or High Silesia wanted to be part of Poland. At any rate, there were Germans in High Silesia who said that it did not, and therefore we did there what we did in many other places—we said, "Very well, then, we will let the people that live there decide." We will have a referendum within a certain length of time after the war under the supervision of an international commission which will have a sufficient armed force behind it to preserve order and see that nobody interferes with the elections. We will have an absolutely free vote, and High Silesia shall go either to Germany or to Poland, as the people in High Silesia prefer.

And that illustrates many other cases where we provided for a referendum, or a plebiscite, as they choose to call it; and are going to leave it to the people themselves, as we should have done, what Government they shall live under.

It is none of my prerogatives to allot peoples to this Government and the other. It is nobody's right to do that allotting except the people themselves, and I want to testify that this treaty is shot through with the American principle of the choice of the governed.

Of course, at times it went further than we could make a practical policy of, because various peoples were kept upon getting back portions of their populations which were separated from them by many miles of territory, and we could not spot over with little pieces of separated States.

I even had to remind my Italian colleagues that if they were going to claim every place where there was a large Italian population we would have to cede New York to them, because there are more Italians in New York than in any Italian city.

But I believe—I hope—that the Italians in New York City are as glad to stay there as we are to have them. I would not have you suppose that I intimating that my Italian colleagues entered any claim for New York City.

We, of all peoples in the world, my fellow citizens, ought to be able to understand the questions of this treaty and without anybody explaining them

to us; for we are made up out of all the peoples of the world. I dare say that in this audience there are representatives of practically all the peoples dealt with in this treaty.

You don't have to have me explain national ambitions to you, national aspirations. You have been brought up to them; you learned of them since you were children, and it is those national aspirations which we sought to realize, to give an outlet to, in this great treaty.

But we do much more than that. This treaty contains, among other things, a magna charta of labor—a thing unheard of until this interesting year of grace. There is a whole section of the treaty devoted to arrangements by which the interests of those who labor with their hands all over the world, whether they be men or women or children, are all of them to be safeguarded. And next month there is to meet the first assembly under this section of the League—and let me tell you it will meet, whether the treaty is ratified by that time or not.

There is to meet an assembly which represents the interests of laboring men throughout the world, not their political interests. There is nothing political about it. It is the interests of men concerning the conditions of their labor, concerning the character of labor which women shall engage in; the character of labor which children shall be permitted to engage in; the hours of labor, and, incidentally, of course, the remuneration of labor. The labor shall be remunerated in proportion, of course, to the maintenance of the standard of living which is proper, for the man who is expected to give his whole brain and intelligence and energy to a particular task.

I hear very little said about this magna charta of labor which is embodied in this. It forecasts the day which ought to have come long ago, when statesmen will realize that no nation is fortunate which is not happy, and that no nation can be happy whose people are not contented—contented in their industry, contented in their lives, and fortunate in the circumstances of their lives.

If I were to state what seems to me to be the central idea of this treaty it would be this: It is almost a discovery in international conventions—"that nations do not consist of their Government, but consist of their people."

That is a rudimentary idea; it seems to us to go without saying to us in America; but, my fellow-citizens, it was never the leading idea in any other international congress that I ever heard of, that is to say international congress made up of the representatives of government.

They were always thinking of national policy, of national advantages, of the rivalries of trade, of the advantages of territorial conquest.

There is nothing of that in this treaty. You will notice that even the territories which are taken away from Germany, like her colonies, are not given to anybody. There isn't a single act of annexation in this treaty. But territories inhabited by people not yet able to govern themselves, either because of economic or other circumstances or the stage of their development, are put under the care of powers who are to accept as trustees—trustees responsible in the forum of the world, at the bar of the League of Nations, and the terms upon which they are to exercise their trusteeship are outlined. They are not to use those people by way of profit and to fight their wars for them; they are not to permit any form of slavery among them or of enforced labor. They are to see to it that there are humane conditions of labor with regard to only to the women and children, but the men, too. They are to establish no fortifications; they are to regulate the liquor and opium traffic; they are to see to it, in other words, that the lives of the people whose care they assume—not sovereignty over whom they assume, but whose care they assume—are kept clean and safe and holy.

There again the principle of the treaty comes out, that the object of the arrangement is the welfare of the people who live there and not the advantages of the Government.

It goes beyond that, and it seeks to gather under the common supervision of the League of Nations the various instrumentalities by which the world has been trying to check the evils that were in some places debasing men, like the opium traffic, like the traffic—for it was a traffic—in men, women, and children; like the traffic in other dangerous drugs; like the traffic in arms among uncivilized peoples, who could use arms only for their detriment; for sanitation; for the work of the Red Cross.

Why, those clauses, my fellow-citizens, draw the hearts of the world into league; draw the noble impulses of the world together and make a poem of them.

I used to be told that this was an age in which mind was monarch, and my comment was that if that were true then mind was one of those modern monarchs that reign and do not govern; but as a matter of fact we were governed by a great representative assembly, made up of the human passions, and that the best we could manage was that the high and fine passions should be in a majority, so that they could control the face of passion, so that they could check the things that were wrong, and the treaty seeks something like that.

In drawing the humane endeavors together (it makes a mirror of the fine passions of the world, of its philanthropic passions, and of its passion of pity, of this passion of human sympathy, of this passion of human friendliness and helpfulness, for there is such a passion. It is the passion that has lifted us along the slow road of civilization; it is the passion that has made ordered government possible; it is the passion that has made justice and established the thing in some happy part of the world.

That is the treaty. Did you ever hear of it before? Did you ever know before what was in this treaty? Did anybody before ever tell you what the treaty was intended to do?

I beg, my fellow-citizens, that you and the rest of these Americans with whom we are happy to be associated all over this broad land will read the treaty for themselves, or (if they won't take time to do that, for it is a technical document that is hard to read) that they will accept the interpretation of those who made it and know what the intentions were in the making of it.

I hear a great deal, my fellow-citizens, about the selfishness and the selfish ambitions of other Governments, but I would not be doing justice to the gifted men with whom I was associated on the other side of the water if I didn't testify that the purposes that I have outlined were their purposes.

We differed as to the method, very often; we had discussions as to the details, but we never had any serious discussion as to the principle. And while we all acknowledge that the principles might, perhaps, in detail have been better, really we are all back of those principles.

There is a concert of mind and of purpose and of policy in the world that was never in existence before. I am not saying that by way of credit to myself or to those colleagues to whom I have alluded, because what happened to us was that we got messages from our people; we were there under instructions, whether they were written down or not, as we didn't dare come home without fulfilling those instructions.

If I could not have brought back the kind of treaty I brought back I never would have come back, because I would have been an unfaithful servant and you would have had the right to condemn me in any way that you chose to use. So that I testify that this is an American treaty, not only but it is a treaty that expresses the heart of the peoples—of the great peoples who were associated together in the war against Germany.

I said at the opening of this informal address, my fellow-citizens, that I had come to make a report to you. I want to add to that a little bit. I have not come to debate the treaty. It speaks for itself if you will let it.

The arguments directed against it are directed against it with a radical misunderstanding of the instrument itself. Therefore, I am not going anywhere to debate the treaty. I am going to expound it and I am going, right here now today, to urge you, in every vocal method that you can use, to assert the spirit of the American people in support of it. Don't let them pull it down. Don't let them misrepresent it. Don't let them lead this nation away from the high purposes with which this war was inaugurated and fought.

As I came through that line of youngsters in khaki a few minutes ago I felt that I could salute it because I had done the job in the way I promised them I would do it, and when the treaty is accepted men in khaki will not have to cross the seas again.

That is the reason I believe in it. I say "when it is accepted," for it will be accepted. I have never entertained a moment's doubt of that, and the only thing I have been impatient of has been the delay. It is not a dangerous delay, except for the temper of the peoples scattered throughout the world who are waiting.

Do you realize, my fellow-citizens, that the whole world is waiting on America? The only country in the world that is trusted at this moment is the United States, and they are waiting to see whether their trust is justified or not.

That has been the ground of my impatience. I knew their trust was justified, but I begrudge the time that certain gentlemen oblige us to take in telling them so. We shall tell them so in a voice as authentic as any voice in history, and in the years to come men will be glad to remember that they had some part in the great struggle which brought this incomparable consummation of the hopes of mankind.

### SENATOR KNOX URGES REJECTION OF TREATY WITH GERMANY—LABOR PROVISIONS WOULD WRECK WORLD.

A lengthy speech in which he declared that the more he considered the Treaty of Peace with Germany, the more he is convinced that "the only safe way for us to deal with it is to decline to be a party to it at all" was delivered in the Senate on August 29 by Senator Philander C. Knox of Pennsylvania. Senator Knox further declared it as his conviction that the Treaty "does not spell peace, but war—war more woeful and devastating than the one we have but now closed." He characterized the instrument as "not the treaty but the truce of Versailles." With the signing of the armistice and the abdication of the German Emperor, said Senator Knox, we achieved the full purpose for which we entered the war. "There," he said, "we, who sought no territory, nor indemnity, nor aggrandized power, should have rested, signed our peace when our associates made peace, and quit the war as we entered it, still free and independent, masters of our own destiny, able to work for the benefit of all mankind, unhampered by entangling alliances or commitments."

In his analysis of the terms of the Treaty the Senator reverted to the part dealing with labor, declaring that "either it will never be enforced as drawn, and perhaps was never intended to be enforced as drawn, but to be merely a sop thrown to labor, or if enforced as written and in the spirit its provisions seem to carry it will wreck the world." In his reference to the labor provisions Senator Knox also said: "It compels the class antagonism between capital and labor which wisdom requires that we lessen, not increase, if we are to remain a free people; and makes possible an ultimate interference of foreign nations in our labor disputes at the instance of residents of our own country." Declaring that it was for the Senate "—the co-ordinate treaty making power of this great neutral nation of ours—to make of the document a peace treaty if possible, or if that be impossible, then we must put this nation in such relation to the treaty and to the Powers of the world that our voice may hereafter, as heretofore, be always raised for peace," Senator Knox expressed his views in part as follows:

We did have, we had to have, a quarrel with the German people; it was inevitable that we should entertain toward them hostile feelings. But we had and have a sympathy for them as misguided and misdirected, and we did hope that winning the war we should liberate them from an intellectual despotism they seemed not to sense, and that thereafter they would arise a free, great people.

So we entered the war. Eighteen months later Germany, staggering, asked for an armistice to arrange a peace. Before the armistice was granted the Emperor and the Crown Prince fled their dominions, followed by certain of their military chieftains. Next came the abdication of the Emperor and the initiation of proceedings looking to the democratization of Germany.

Thus, prima facie, we had achieved the full purpose for which we entered the war; our enemy was defeated, the Imperial Government destroyed, and the German people were liberated, free—again quoting the President—to "choose their way of life and of obedience."

Following this came the signing of the armistice of November 11, the terms of which wisely and properly put it beyond the power of Germany thereafter effectively to continue this war.

There we, who sought no territory, nor indemnity, nor aggrandized power, should have rested, signed our peace when our associates made peace, and quit the war as we entered it, still free and independent, masters of our own destiny, able to work for the benefit of all mankind, unhampered by entangling alliances or commitments.

We should have left the political adjustments and the indemnities to the Powers of Europe who alone were immediately concerned, we at most exercising a restraining hand to see, first, that justice was done to a fallen foe—and this in spite of the fact that he initiated and carried out the most cruel, relentless, inhuman war of modern times—and in the next place to insure that no more dragon's teeth were sown in Europe than the indispensable necessities imperatively required. Such a course would neither have endangered nor sacrificed those threatened peoples to whose assistance we came, for Germany had been disarmed, and our two millions of young

men, now for the first time fairly equipped, were still in France at the behest of any military exigency which might arise.

But such was not the course followed, and our representatives sat at the peace table as coequal negotiators.

Twenty-seven Powers (besides Germany) have signed this treaty. Five of these—the United States, the British Empire, France, Italy, and Japan—are designated as the principal Allied and Associated Powers. These 5 with the other 22 signing the Treaty (besides Germany) are termed the Allied and Associated Powers. Of these 22, 4 only were European Powers in existence at the outbreak of the war, namely, Belgium, Greece, Portugal, and Rumania; three others of Europe are created or recognized by the treaty—Poland, Czechoslovakia, and the Serb-Croat-Slovene State, the boundaries of which nor its location the Treaty does not disclose. Of the remaining 15 States, 3 are Asiatic—Siam, China—who has the sole distinction of being robbed by her allies—and the Hedjaz—likewise with undefined boundaries and, as to the treaty, unlocated. The 11 remaining States are of Latin-America as follows: Bolivia, Brazil, Cuba, Ecuador, Guatemala, Haiti, Honduras, Nicaragua, Panama, Peru, and Uruguay. I have mentioned these 22 States so we may have clearly in mind the fact that all of them combined could not under the most favorable conditions one could hope for, withstand the armies of Germany one day, or enforce against Germany's will the most inoffensive treaty stipulation. In the domain of force, in which Germany has lived and will continue for a time to live, these Powers count for naught. The great responsibilities of the Treaty, the only Power behind the Treaty, is that of the five principal Allied and Associated Powers. Nor does the Treaty in any of its parts blink this. There is no single important function in the Treaty, performable by the victor Powers, which is not consigned to the five great Powers. There is no single important immediate function consigned to the League of Nations which does not run to the council of the League which these five Powers control and of which they are the sanctioning force. The small Powers are named that may be granted benefits. The load of the world, the keeping of the peace of the world, under this Treaty, rests on the five Powers.

Think you Germany—smarting and staggering under the terms of this, the hardest treaty of modern times—will, even if we were to set up the League and she should join it, supinely rest content with the dole of grace and surffiance we are vouchsafing her, the crumbs from her victors' table? It is beside the point to say that such is but her just deserts and the full measure thereof. Lacking the wisdom to go forward and inflict a military punishment that would have uprooted their philosophy of force and taught them the lesson of live and let live, we have left them, beaten but proud and arrogant, with their mighty spirit bent for the time but unbroken, with their damning philosophy unchanged, and with a will, fired by hate, to mete out revenge.

That people will no more cease to plot and plan to recover their former high estate than did Satan, plunged into the abyssal depths of Hell. Whether they are in the League if formed or out of it, Germany's agents, secretly or openly, will be at work with her former allies, and with injured Russia, and with Japan—whose conceptions, ideals, aspirations, and ambitions are of Imperial Germany, not democratic America, Britain and France. As Russia goes, so will go the whole Slavic and affiliated peoples. And if Germany succeed in this and be able to unite these Powers to herself, to turn the teeming millions of Russia to swell her own ranks, and to augment this by the great yellow races of the Pacific, who, through Russia, would have unimpeded access to the battle front, Western Europe, at least, must perish. Think you, Germany, revenged, will turn aside from so imposing and grateful a vision in order to grace for generations a conqueror's triumph?

Why have we invited this vision? Was there none at all of that much-vaunted forward-looking at the peace table? The wise, the obviously wise course required not months of inventing and piling up penalties, but a few hours devoted to a plan that should rid Germany of the Hohenzollerns, that should provide for her democratization, that should impose a lesson-bearing indemnity, and that should then bind with rivets of steel, because rivets of friendship, the German people to western Europe, to France, who cannot hope to keep Germany under her feet. Napoleon tried to conquer a people and failed—this should be France's lesson. The only possible wise course for France, her only permanent safety, is closest friendship with Germany. The restoration of Alsace-Lorraine, the payment of a suitable indemnity, and then forgetfulness as the past, hard as that might prove—this should have sufficed. It may seem I am unsympathetic, unmindful, and forgetful of wrongs and injuries, unmoved by suffering and grief. I am none of these. I am trying to point out how France herself might escape further and more overwhelming wrong, suffering, and grief. For as certain as the sun rises, if we follow the road in which this Treaty sets our feet, France and ourselves shall meet those on the way.

By this treaty Germany cedes outright portions of her European territory to Belgium; to France, a recession of Alsace-Lorraine; to Poland; to the Czech-Slovak State; and to the principal Allied and Associated Powers, including the United States, who get unconditionally Memel—a small strip of territory in the extreme northeastern tip of Germany—and the free city of Danzig with its adjacent territory, to be placed under the protection of the League of Nations. Germany also cedes, contingent upon the wishes of the people in the area affected as expressed by a vote, further portions of her territory to Belgium, to Poland, and to the Allied and Associated Powers, who thus take Schleswig with an obligation at some time to hand it over to Denmark if the people so vote. The Czech-Slovak State secures a further bit of territory if a determination of the Polish frontier should isolate it from Germany; and the League of Nations takes as trustee the Saar Basin, which shall be governed, however, by a commission appointed, not by the League but by the council of the League, pending the plebiscite of 15 years hence. Thus the United States becomes the owner in fee of a tenant in common of European territory and a trustee as to other territory.

For this territory so ceded nobody pays Germany anything, nor is any credit allowed Germany for it on her reparation account, to which I shall shortly refer. However, all cessionary powers, except France and the League of Nations as to the Saar Basin, assume that portion of the imperial and State debt attaching to the ceded area—fixed, stated roughly, upon the basis of the pre-war revenue of the area to the pre-war total imperial and State revenue, respectively.

The imperial and State property in all these areas, including the private property of the former German Emperor and other royal personages, is turned over to the cessionary of the area, who must pay the value of the same to reparation commission, which places the same to the credit of Germany on the reparation account. This does not apply to France who takes such property in Alsace-Lorraine without payment, nor to Belgium, nor to the Saar Basin.

Germany cedes all her overseas possessions in fee simple to the Allied and Associated Powers, who do not assume the debts and who take all the property, without any compensation whatever running to Germany, either for the territory ceded or for the actual property taken. Thus the United States becomes a tenant in common with the British Empire, France, Italy, and Japan, of Germany's African possessions, comprising Togo, Kamerun, German Southwest Africa, and German East Africa, with an area of nearly 1,000,000 square miles—almost one-third the size of the United States—

and a native population of about eleven and a half millions; of her Pacific possessions, including Kaiser Wilhelm's Land, Bismarck's Archipelago, Caroline Island, Palau or Pelew Islands, Marianne Islands, Solomon Islands, and Marshall Islands. It may be noted in passing that certain of these island possessions form a barrier ring to access to the Philippines, and their possession by any other Power than ourselves is big with potential troubles for us.

Germany cedes also, without compensation of any sort or description, her extraterritorial and analogous rights in Siam, Morocco, Egypt, and Samoa, and recognizes the French protectorate in Morocco and the British protectorate in Egypt. The Imperial and State property in these areas go to the cessionaries without compensation. The same is true of such property located in and ceded to China. Germany's rights in Shantung and German property also are ceded to Japan "free and clear of all charges and encumbrances."

"Thus territorially Germany has been closed out in all the world without a penny's compensation. Moreover, she loses the efforts of a generation to provide an outlet for her rapidly increasing surplus population, which now must and will find expanding room elsewhere. To this situation is added a restriction of Germany's European area, which would have taken care of a part of this expansion.

The indemnities provided by the treaty may be classed roughly into two divisions: (1) Restitution in cash of cash taken away, seized, or sequestered, and also restitution of animals, objects of every nature, and securities taken away, seized, or sequestered in the cases in which it proves possible to identify them in territory belonging to Germany or to her allies; and (2) reparation for all the damage done to the civilian population of the Allied and Associated Powers and to their property during the period of the belligerency of each as an Allied or Associated Power against Germany by her aggression by land, by sea, and from the air, and this includes damages inflicted not only by Germany but by Germany's allies, and also by the Allied and Associated Powers themselves upon their own nationals.

There can, of course, be no question as to the propriety of compelling Germany to disgorge the loot which she seized and which she still has, nor in requiring her to replace that which she seized and has since consumed or otherwise used or destroyed. No matter what this may mean to Germany, no matter how it may leave her, this must be done. The thief must not be heard to plead necessity for the article he stole nor inconvenience from restoring it. This is the most elemental justice and the wholesomest morality. Thus far we move on solid ground.

But when we get away from and go beyond this, it behooves us to proceed with care, lest we go beyond the bounds of wise statesmanship and, in the homely adage, kill the goose that we expect to lay the golden eggs.

But the Treaty edges in on the perfectly proper theory of restitution by a theory designated as replacement, which places Germany under rather startling obligations. She is first made to "recognize the right of the Allied and Associated Powers to the replacement, ton for ton (gross tonnage) and class for class, of all merchant ships and fishing boats lost or damaged owing to the war." She then acknowledges "that the tonnage of German shipping at present in existence is much less than that lost by the Allied and Associated Powers in consequence of the German aggression," and agrees that "the right thus recognized will be enforced on German ships and boats under the following conditions": Germany cedes to the Allied and Associated Powers, on behalf of herself and of all other parties interested, all German merchant ships which are of 1,600 tons gross and upward. Included in these will doubtless be the 32 auxiliary cruisers and fleet auxiliary—named in another part of the Treaty—which are to be disarmed and treated as merchant ships. In addition to the foregoing, Germany further cedes one-half, reckoned in tonnage, of the ships which are between 1,000 tons and 1,600 tons gross; one-quarter, reckoned in tonnage, of the steam trawlers; and one-quarter, reckoned in tonnage, of the other fishing boats. All the foregoing must be delivered to the reparation commission within two months of the coming into force of the present Treaty.

Thus, we take practically all of Germany's means of conducting commerce through her own vessels with overseas countries, of whom we are the farthest away and of which we shall stand most in need, for it is an open secret that before the war the German shipping was the peer at least of any shipping in the world.

But the Treaty goes further than this and compels Germany to lay down in her own shipyards a maximum of 200,000 tons of shipping for each of the next five years—approximately half, I am told, of her shipbuilding capacity—and our representatives, the reparation commission, determine the specifications, conditions of building, price to be paid—by giving credit against the reparation bill the commission will make up—and all other questions relating to the accounting, building, and delivery of the ships.

Thus, for a number of years at least, we have pretty effectively barred German vessels from the seas.

But this is only half the story. She is also in good part stripped of her inland shipping, for by this Treaty she very properly undertakes to restore to kind and in normal condition of upkeep to the Allied and Associated Powers any boats and other movable appliances belonging to inland navigation which since August 1 1914, have by any means whatever come into her possession or into the possession of her nationals, and which can be identified. This would, of course, cover boats purchased by Germans for full value, transactions that might have been carried out through neutrals.

Nor is this all. With a view to making good the loss of the Allied and Associated Powers in inland-navigation tonnage which cannot be made good by the restitution already recited, Germany agrees to cede to the reparation commission a portion of her river fleet up to the amount of the loss mentioned to a maximum extent of 20% of the river fleet as it existed November 11 1918.

As to all the foregoing ocean-going and inland-navigation vessels, Germany agrees to take any measures indicated to her by the reparation commission for obtaining the full title to the property in all ships which have during the war been transferred, or are in process of transfer, to neutral flags without the consent of the Allied and Associated Governments.

Nor is this all. She waives all claims against the Allied or Associated Powers for the detention, employment, loss, or damage of any German ships, except as called for by the armistice agreement; all claims to vessels or cargoes sunk by naval action, and subsequently salvaged, in which the nationals of the Allied and Associated Powers or the Powers themselves may be interested either as owners, charterers, insurers, or otherwise, notwithstanding any decree of condemnation which may have been made by a prize court of Germany or her allies.

But I am compelled to note still further shipping deliveries. The Treaty obliges Germany to cede to France tugs and vessels from among those remaining registered in German Rhine ports—after the above deductions—to an amount fixed not by the treaty even in maximum but by an arbitrator appointed by the United States. The tugs and vessels so taken must have with them their fittings and gear, shall be in a good state of repair to carry on traffic, and shall be selected from among those most recently built.

Similarly and under like conditions, tugs and vessels to an unnamed amount must be transferred to the Allied and Associated Powers from those used on the river systems of the Elbe, the Oder, the Niemen, and the Danube; and, in addition, Germany must cede material of all kinds necessary

for the utilization of these river systems by the Allied and Associated Powers concerned.

France also gets all installations, berthing and anchorage accommodations, platforms, docks, warehouses, plants, and so forth, which German subjects or German companies owned on August 1 1914, in Rotterdam, and the shares or interests possessed by such nationals or companies therein.

Thus seemingly under a theory of replacement the Treaty likewise strips Germany of much of her inland shipping.

The effect of all this upon Germany's future and upon her ability to meet the other requirements of this Treaty are well worthy of deep and mature reflection.

But drastic and possibly ruinous as all this is, it yet is but the beginning.

The next inroad on the doctrine of restitution is made under the name of physical restoration. Germany undertakes to devote her economic resources directly to the physical restoration of the invaded areas of the Allied and Associated Powers to the extent that these Powers may determine. Under this provision the Allied and Associated Governments may list the animals, machinery, equipment, tools, and like articles of a commercial character, which have been seized, consumed, or destroyed by Germany or destroyed in direct consequence of military operations—this would include military operations by the Allied and Associated Powers themselves—which such Powers urgently and immediately need and which they desire to have replaced by animals and articles of the same nature, in being in Germany at the coming into force of this treaty. As an immediate advance of animals on this account, Germany must within three months deliver to France 30,500 horses, 92,000 cattle, 101,000 sheep, and 10,000 goats; and to Belgium 10,200 horses, 92,000 cattle, 20,200 sheep, and 15,000 sows. As to such animals, machinery, equipment, tools, and like articles of a commercial character, the reparation commission in deciding the amount which shall ultimately be given by Germany must take into consideration Germany's needs, having in mind the maintenance of Germany's social and economic life and the general interest of the Allied and Associated Powers that the industrial life of Germany shall not be so impaired as adversely to affect Germany's ability to perform the other acts of reparation called for. It is, however, provided that of machinery, tools, equipment, and like commercial articles a maximum of 30% may be taken of the quantity actually in use in any one establishment.

Similar lists, subject to the same regulations may be made by the Allied and Associated Powers of reconstruction materials—stones, bricks, refractory bricks, tiles, wood, window glass, steel, lime, cement, and so forth—machinery, heating apparatus, and like commercial articles which the Powers may desire to have produced in Germany.

In addition to the foregoing and of like character is the obligation of Germany to furnish coal to France at France's option, up to a maximum of 20,000,000 tons for each of the first five years and 8,000,000 tons for any one of the succeeding five years; to Belgium, at her option, 8,000,000 tons per year for 10 years; to Italy, at her option, amounts beginning at 4,500,000 tons for the first year and increasing to 8,500,000 tons for the last six years and to Luxembourg, her annual pre-war supply, if the reparation commission so directs: a possible total of 32,000,000 to 35,000,000 tons for the first five years and of 25,000,000 tons for the next five years. At the option of the vendees, metallurgical coke instead of coal must be delivered at fixed ratios. In this category also is to be placed the German obligation to deliver to France for the next three successive years some 115,000 tons of coal distillation products, and to the reparation commission 50% of the total dye stuffs and chemical drugs in Germany or under German control at the date of the coming into force of the present treaty.

In considering the question of supplying coal we must not lose sight of the cession of the Saar Basin coal mines to France.

But we come now to an item which is not to be accounted for as restitution, or replacement, or physical restoration. I refer to the cession by Germany on her own behalf and on behalf of her nationals of her submarine cables. By this act the Treaty takes from Germany all direct telegraph relations with overseas countries.

As a final entry under this general head I wish to observe that, speaking generally, Germany also cedes to the States which secure portions of her territory all railways situated therein, and I find in the Treaty no positive provision for the payment therefor by anyone. This cession carries with it the works and installations; the rolling stock, complete where a ceded road has its own stock, in a normal state of upkeep, and where a ceded road has no rolling stock of its own, then rolling stock from German lines with which the ceded portion forms a system; and stocks of stores, fittings, and plants. And while on this point I may add that Germany must build for Czechoslovakia a designated railroad if that State so elects, at the latter's cost, and must build for Belgium the German portion of a deep-draft Rhine-Meuse navigable waterway at her own cost, seemingly, if Belgium decides the canal should be built.

Now, as to the bill against Germany. Germany is made to admit as a basis of her liability, the responsibility for herself, and for all her allies, for causing all the loss and damage to which the Allied and Associated Governments and their nationals have been subjected as a consequence of the war.

The Allied and Associated Powers, recognizing the burden thus stated is too heavy for German resources to bear "after taking into account permanent diminution of such resources which will result from other provisions of the present treaty," require, and she so undertakes, that Germany make compensation for all damage done to the civilian population of the Allied and Associated Powers and to their property during the period of belligerency of each as an Allied or Associated Power, by land, by sea, and by air.

The reparation commission is to find one bill against Germany for this damage, the elements of which are of such importance that I feel I ought to cover them in some detail. They are as follows: (1) Damage to injured persons and to surviving dependents by personal injury to or death of civilians caused by acts of war, including all attacks on land, on sea, or in the air, and all the direct consequences thereof, and of all operations of war by the two groups of belligerents wherever arising. (2) Damage to civilian persons, caused by Germany or her allies, by acts of cruelty, violence, or maltreatment—including injuries to life or health as a consequence of imprisonment, deportation, internment, or evacuation, of exposure at sea or of being forced to labor—wherever arising, and to the surviving dependents of such victims. (3) Damage to civilian persons injured either in German territory or invaded territory, caused by Germany or her allies by acts injurious to health or capacity to work or to honor, as well as to their surviving dependents. (4) Damage caused by any kind of maltreatment of prisoners of war. (5) As damages, the pensions and compensations in the nature of pensions to naval and military—including members of the air force—victims, whether mutilated, wounded, sick or (invalided, and to the dependents of such victims, sums so due to be capitalized on the basis of the French scale in force on the coming into effect of the present treaty. (6) The cost of assistance extended to prisoners of war and their families. (7) Allowances by the Governments of the Allies and Associated Powers to the families and dependents of mobilized persons or persons serving in the forces, the sum to be paid to be capitalized on the basis of the French scale in force during the year the payment was made. (8) Damage to civilians by being forced by Germany or her allies to work without just remuneration. (9) Damage to all property, wherever situated belonging

to any of the Allied or Associated States or their nationals, with the exception of naval or military works or materials, which has been carried off, seized, injured, or destroyed by the acts of Germany or her allies on land, on sea, or from the air, or damages directly in consequence of hostilities or of any operations of war. (10) Damages in the form of levies, fines, and other similar exactions imposed by Germany or her allies upon the civil population.

It is admitted that certain of these damage rules violate the principles of international law as hitherto recognized and observed by the family of nations. The reason why we as well as the enemy should discard such benign principles as have been worked out by the nations in the last centuries is not clear.

The thought has been entertained that the treaty fixes, at least tentatively, the German indemnity under these rules at 120,000,000,000 gold marks, about \$24,000,000,000, but such an idea is not justified.

In the first place, Germany agrees, in addition to the sum named, to pay Belgium's debt to the Allied and Associated Powers, whatever the debt may be. This payment is to be considered restoration.

In the next place, the treaty stipulates that the \$24,000,000,000 worth of gold bonds which Germany undertakes to issue is to cover "whatever part of the full amount of the approved claims is not paid in gold, or in ships, securities, and commodities, or otherwise." Thus the total values of all the materials to be turned over as heretofore mentioned seem quite clearly to be in addition to this \$24,000,000,000 of gold bonds.

Moreover, it is provided that "further issues [of bonds] by way of acknowledgment and security may be required as the [reparation] commission subsequently determined from time to time."

So that the bill against Germany will clearly not stop at \$24,000,000,000 and may run to any amount.

I may here also correct another impression that has gone out, namely, that somehow the reparation commission can reduce the amounts to be paid by Germany, if they decide such a course is wise and just. Now, the reparation commission is made up of representatives of the United States, Great Britain, France, and Italy, who always sit at its sessions, and the representatives of one other Power, either Belgium, Japan, or the Serb-Croat-Slovene State. While each other Allied and Associated Power may have a representative present when its interests are involved, such representative may not vote. This commission decides the amount of the claims against Germany by a majority vote—that is to say, the representatives of Great Britain, France, and Italy, or Belgium, or Japan, or the Serb-Croat-Slovene State, any three of them—may fix the amount of this indemnity. But a decision to cancel the whole or any part of the German debt or obligation requires a unanimous vote of all of them sitting, and before this decision can become operative the commission must have the specific authority of the several Governments represented on the commission. In other words, unless the four great Powers and Belgium or Japan or the Serb-Croat-Slovene State unanimously so agree, the claims once fixed by a majority of the commission cannot be abated one penny, except by the consent of all the Powers represented on the commission. Moreover, the commission is closely limited even as to the postponement of total or partial reparation payments, for all such postponements beyond 1930 of payments falling due between May 1, 1921, and the end of 1926, and of any postponement, for more than three years, of any installment falling due after 1926 requires a unanimous vote.

Assuming, for the sake of the argument, that some one of the Powers represented on the commission is determined to exact the pound of flesh, there is no way under this Treaty to prevent it, short of the application of coercive measures. The reparation commission is not and is not intended to be a beneficent philanthropic or eleemosynary institution; it is and must be the enforcer of stern retribution, imposing on the vanquished the utmost burden his back will bear.

But these measures are by no means the end of the story. Reference has already been made to the payment by Germany in securities of what I shall designate her nonbond debt. On this point I quote from the Treaty:

"Germany will within six months from the coming into force of the present treaty deliver to each Allied and Associated Power all securities, certificates, deeds, or other documents of title held by its nationals and relating to property, rights, or interests situated in the territory of that Allied or Associated Power, including any shares, stock, debentures, debenture stock, or other obligations of any company incorporated in accordance with the laws of that power."

That is to say, German investments in Allied or Associated countries and held in Germany are to be wholly closed out.

Moreover, all other property held by Germans or German companies in Allied or Associated countries, or territories, colonies, possessions, and protectorates, may be retained or liquidated by such Powers. This completes the closing out of German interests in Allied and Associated countries. Nor is this all, for this last provision applies to territories ceded to the Allied and Associated Powers by this Treaty, so that Poland, Czecho-Slovakia, the free city of Danzig, the principal Allied and Associated Powers in Memel, Denmark, Belgium, and France may sell out property and interest of every German national or company within their newly acquired territory.

Furthermore, the reparation commission may require, by a majority vote, the German Government to acquire and turn over to it the rights and interests of German nationals in any public utility or concession operating in Russia, China, Turkey, Austria, Hungary, and Bulgaria, or in the possessions or dependencies of these States, or in any territory formerly belonging to Germany or her allies, or to be administered by a mandatory under this Treaty.

Nor is this the end. Germany must fully compensate, and most properly so, the nationals of all Allied and Associated Powers for the losses they have suffered with reference to property located in German territory, and this includes all property acquired or in course of acquisition by the German alien property custodian, this compensation to be reduced by the actual value of any property restored to the owners.

For all property rights or interests taken by the Allied and Associated Powers from German nationals, Germany undertakes to compensate them.

Now the disposition of the proceeds of all this German property is obviously of the utmost importance. The Treaty proposes two methods, one of which is so fantastic that it is difficult to believe our wildest dreamer would, on study, care to adopt it. I shall give you the effect of a few of its salient features: If we should proceed under it, the United States would guarantee the payment of all specified debts owed by our citizens—who were solvent at the beginning of the war—to Germans. We would establish a clearing office which would take over all such debts due to our citizen from Germans, and we would undertake to act as a collection agent for all such debts due from our citizens to Germans, making good any we did not collect. From the coming into force of this treaty all payments or acceptance of payments and all communications regarding the settlement of specified obligations would be absolutely prohibited between our citizens and Germans, under penalties imposed for trading with the enemy, except correspondence through our clearing office, and each Government would promise to do its utmost to ferret out and report violations of the prohibitions to the others.

If an American citizen made a claim which was not allowed, he would be fined. If he contested a claim which was allowed, he would be fined. Where he and the German could not agree, the two clearing offices would settle it if they could; if they could not agree, it would go to the mixed arbitral tribunal. If, finally, a debt were held either by the clearing offices or the mixed tribunal not to be within the specified classes, permission is graciously given to the parties to go to court.

When all such debts are liquidated any credit balance in favor of Germany goes to the reparation commission to be credited on Germany's account. That is to say, the excess proceeds of German property in the United States would go to compensate Italian or Greek or some other Power's losses.

If this clearing-office system be not adopted, then Germany pays directly to the Allied and Associated Governments, or their interested nationals, the cash assets and the proceeds of the property, rights, and interests in her hands belonging to them; but each of the Allied and Associated Powers shall dispose of the proceeds of the property rights and interests and of the cash assets of German nationals in accordance with its laws and regulations. They may apply them if they wish to the payment of claims and debts held by their nationals against German nationals, including claims against the German Government for acts committed by it after July 31 1914, and before the particular power concerned entered the war against Germany. Or, and this is most remarkable, the Power may use this money derived from the proceeds of property owned by German nationals to pay debts due to the Power's nationals from nationals of German allies. That is, we may use German money to pay a Turk's debt.

And in all of this it is well to remember that by the treaty the property rights and interests of German nationals will continue to be subject to exceptional war measures that have been or will be taken against them.

It had not been and is not my purpose to attempt a discussion of the number of provisions of this instrument which run counter to our constitutional guaranties, but I can not forbear the observation that no one will, I apprehend, be so hardy as to contend that, peace being established, we shall continue to have power to take private property without compensation.

Under this plan also the excess of German property over American debts will go to the reparation commission, if we retain the excess. The Treaty is not clear as to any other disposition of the surplus.

Now, for all this German property so disposed of, and for which Germany assumes liability to her own nationals, no credit is given on the reparation account, save as to that part which may be ultimately turned over to the reparation commission.

One point more and I shall be done with this part of the Treaty. It is stipulated that all investments, wheresoever affected with the cash assets of nationals of the high contracting parties, including companies and associations in which such nationals were interested, by persons responsible for the administration of enemy properties or having control over such administration, or by order of such persons, or of any authority whatsoever, shall be annulled. That is to say, either the Treaty annuls or we obligate ourselves to annul all investments by our Alien Property Custodian of enemy funds. The disposition of such funds is not clear.

Thus we close out German interests in all Allied and Associated countries. But we also take other commercial measures no less far-reaching. The Treaty terminates all multilateral treaties to which Germany is a part except those specifically named in the instrument, and all bilateral treaties and conventions between her and other Powers save only those which the other Powers notify their intention to revive. Thus another presumed tenet of international law passes out with this Treaty.

Moreover, under this treaty the Allied and Associated Powers acquire all the treaty and conventional rights and advantages enjoyed by Austria, Hungary, Bulgaria, or Turkey, and such rights and advantages granted to and enjoyed by non-belligerent States or their nationals since August 1 1914, so long as such treaties, conventions, or agreements remain in force. Thus no Power having with Germany a treaty which gave to Germany a favored position at the expense of the Power will revive such a treaty, and every Power having a treaty which gives her an advantage over Germany will revive that treaty. Furthermore, if Germany shall undertake to make with any foreign country any reciprocity treaty in regard to the importation, exportation, or transit of any goods, then all favors, immunities, and privileges granted by it shall simultaneously and unconditionally and without request or compensation be extended to all the Allied and Associated States. The treaty thus effectually prevents Germany from fostering her commerce by special trade agreements with other countries.

The tariff and customs provisions are equally drastic. Notwithstanding the increased costs of production throughout the world, Germany may not, for the first six months after the coming into force of this treaty, impose higher tariffs than the most favorable duties applied to imports into Germany on July 31 1914; and for a period of 30 months thereafter the same rule shall apply to all imports covered by a designated schedule which employed rates conventionalized by treaties, to which imports are added other named articles.

Furthermore, as to all duties, charges, prohibitions, and restrictions on both exports and imports, the Allied and Associated Powers enjoy favored-nation treatment. I shall make no attempt even to list the exceptional tariff privileges granted to France, to Poland, to Luxemburg, to Morocco, and to Egypt.

The nationals of Allied and Associated Powers resident in Germany have as to all measures relating to occupation, professions, trade, and industry most-favored-nation treatment; and as to taxes, charges, and imports, direct or indirect, touching the property rights or interests of nationals or companies of such powers or restrictions, the treatment must be that accorded to German nationals. In all the foregoing I do not recall one reciprocal favor granted to Germany or her nationals.

The general principle of favored-nation treatment, and in some cases national treatment, is granted to the Allied and Associated countries and their nationals in all matters referring to transit, which Germany must expedite over and through German territory, and as to all charges connected therewith, all without any reciprocal undertaking in favor of Germany. All regulations governing such traffic must be equal and nondiscriminating as against the Allied or Associated Powers or their nationals. Moreover, all inland traffic, our "coastwise" trade, is open to the vessels of the Allied and Associated Powers on the same terms as German vessels, while Germany may not engage without permission in the like traffic of any other Power.

Existing free zones in ports shall be maintained, and, in addition, Germany shall lease to Czecho-Slovakia areas in Hamburg and Stettin, which shall be placed under the regime of free zones.

Certain specified areas of the great German river systems of the Elbe, the Oder, the Niemen, and additional parts of the Danube, and all navigable parts of these river systems, are internationalized and placed under the administration of international commissions. The internationalization of the Rhine is extended. On these the traffic is open to the vessels of all nations on terms of perfect equality. Special concessions are given to France and Belgium on the Rhine, which need not be further noted.

Finally, Germany undertakes so to adapt her railway rolling stock that it may accommodate the inclusion in German trains of the rolling stock of

the Allied and Associated Powers, and that the trains of the latter may incorporate German rolling stock. In addition to this, regulations are laid down as to rates and traffic on through trains, which Germany undertakes to accept and operate.

These are broad statements, covering an almost infinity of details on these various subjects. For no one of these various trade concessions and agreements is Germany given any credit or compensation nor any direct or conspicuous advantage named in the Treaty.

In addition to all this, she waives all claims arising out of the internment or repatriation of German nationals and all claims arising out of the capture and condemnation of German ships or the liquidation of German property in China and Slam. Germany waives to all of the Allied and Associated Powers and their nationals—as already noted—all claims of any description in respect to the detention, employment (except under the armistice terms), loss or damage of any German ships or boats, and all claims to vessels or cargoes sunk by or in consequence of naval action and subsequently salvaged, in which any of the Allied or Associated Governments or their nationals may have any interest either as owner, charterer, insurer, or otherwise, notwithstanding any decree or condemnation by a German prize court. Finally, Germany undertakes not to put forward, directly or indirectly, against any Allied or Associated Power signatory of the present Treaty, including those which without having declared war have broken off diplomatic relations with the German Empire, any pecuniary claim based on events which occurred at any time before the coming into force of the present Treaty, such claims by this provision to be finally and completely barred.

And as a capstone to this whole remarkable edifice let me refer to that provision by which Germany, on the one hand, accepts and agrees to be bound by all decrees and orders concerning German ships and goods made by any prize court of the Allied and Associated Powers and agrees to put forward no claim arising out of such orders and decrees, and on the other hand acknowledges the right of the Allied and Associated Powers to challenge all German prize-court decisions and orders.

As to that part of the Treaty which deals with labor, I shall now merely say: Either it will never be enforced as drawn and perhaps was never intended to be enforced as drawn, but to be merely a sop thrown to labor, or if enforced as written and in the spirit its provisions seem to carry it will wreck the world. It compels the class antagonism between capital and labor which wisdom requires that we lessen, not increase. If we are to remain a free people; and makes possible an ultimate interference of foreign nations in our labor disputes at the instance of residents of our own country.

I regret, sir, that this has been a long and tedious process, but its importance could be satisfied in no other way. It has shown us the treaty takes Germany's territory, European and foreign, without compensation; that it takes from her practically all of her ocean shipping and a large portion of her inland vessels; that it deprives her of all special benefits of treaties and conventions; that it takes her cables; that it compels her to supply large quantities of raw materials; that it internationalizes her great river system and throws them open to traffic of all nations on a national basis as if they were the high seas; that it opens her coastwise shipping to all nations; that it compels her to grant exceptional import and export privileges and to accept important restrictions; that it lays down far-reaching principles governing her internal commerce and transportation; that it closes out German interests in practically the whole civilized world—outside the territories of her late allies—including those areas which have been taken from her and given to others; that it closes out the interests of that same world in Germany. It has shown that having done all this it assesses against her provisionally, with a stipulation permitting an increase, a debt of 120,000,000,000 gold marks, which is in addition to the property restored in kind, and to the value of the boats, gold, and securities delivered; that it makes her responsible for these damages inflicted not only by herself but by her allies, and even by the Allied and Associated Powers themselves, with a list of items which includes some admittedly contrary to the rules of international law hitherto existing, and that finally and in addition she is compelled to answer to her own nationals for the value of the property taken by the Allied and Associated Powers.

It remains for me to add that the United States is bound up in every one of the obligations and duties incident to the enforcement of these terms, with the great responsibilities attached thereto.

We are participants, either as one of the principal Allied and Associated Powers, or as a member of the council of the League of Nations, in the Belgian, Saar Basin, Czecho-Slovak State, Polish, free city of Danzig, and Schleswig boundary commissions. We are in like manner participants in the Saar Basin governing commission, with all the inevitable difficulties and dangers attached thereto. We participate in plebiscite commissions of Poland, Schleswig, and East Prussia, and the interallied military, naval, and aeronautical commissions of control charged with enforcing the disarmament provisions of this Treaty. In addition we have our own prisoners and graves commissions, our own clearing offices if we adopt that method of adjusting the enumerated debts. Finally, we are one of the four Powers whose representatives are to sit as a reparation commission to assess damages against Germany, to appraise credits, to judge of her economic requirements as affecting her ability to furnish certain raw materials, to pass on her tax system, to postpone payment on her debts, to prescribe the conditions of her bonds, to recommend abatement of her debt, to appraise the value of public property in ceded territories, and a great bulk of other duties that need not be here referred to, all of which may make or break the peace of Europe, with an obligation on our part that having so participated in the breaking we shall once more contribute our millions of men and our billions of dollars to the readjustments.

In addition to this, the United States is to appoint arbitrators to determine the amount of river craft that shall go to France on the Rhine and to the Allied and Associated Powers—including ourselves—on the Elbe, the Oder, the Niemen, and the Danube, and to determine the conditions under which the international convention relative to the St. Gothard Railway may be denounced.

Mr. President, the more I consider this Treaty the more I am convinced that the only safe way for us to deal with it is to decline to be a party to it at all. I think we should renounce in favor of Germany any and all claims for indemnity because of the war and see that she gets credit for what we renounce, as indeed she should for the value of all she gives up as against a fixed and ample indemnity. I agree with the President when he says the indemnity should have been a fixed amount. We ought to renounce all participation or membership in commissions, committees or boards otherwise provided for in the Treaty in aid of its execution to which by its terms we are parties. We ought not to accept cessions of German territory. We ought to declare a general policy to regard with concern any threat of disturbance of general world peace, but at the same time we should reserve complete liberty of action either independently or in conjunction with other Powers in taking such steps as we determine wise for preserving the peace. We ought, then, to carry out the spirit of the act of 1916, which authorized the President to convene the nations of the world together to establish a code of international law, reduce armaments, to establish an international tribunal and go as far as possible in the direction of securing peace through justice, through a League to which all the world are parties in its formation. This would be a fitting, generous, and dignified exit from a situation in which primarily we had no direct concern.

It is indeed a hard and cruel peace that this Treaty stipulates, and I have no objections to its being so, but see no reason why we, who do not partake in its spoils, should become parties to its harshness and cruelty. I see no reason why we should be parties to imposing upon Germany a Treaty whose terms, our negotiators say, she will not be able to meet; a treaty that robs our ancient friend, China, in a way disapproved by our negotiators; a treaty that lays the foundation for centuries of blood-letting, into which we should not be drawn; a treaty that, contrary to our own judgment, falls to fix the amount of indemnity to be paid, leaving that vast question to the whim of a majority of a commission on reparations; a treaty predicated upon the assertion that a stricken and helpless world requires our counsel and support but leaves to the beneficiaries the decision as to the measure and character of the benefactions they are to receive; a treaty that with ominous words presages our involvement in the eruptions of suppressed volcanic world conditions; a treaty that would require us to underwrite all the regional understandings between nations recognized by the League, most of which are based upon oppression of weaker nations, many of which are as yet secret and undisclosed, and when disclosed might drive us to acts of injustice similar to that in which the President felt himself compelled to acquiesce in the case of Shantung.

The mind stands appalled and refuses to grasp the infinite possibilities which arise from the ramifications of the obligations we are asked to assume. Looking at the Treaty as a whole, is it to be wondered at that we are asked to guarantee by our arms and our resources the territorial status which it creates?

#### RESERVATIONS TO LEAGUE COVENANT ADOPTED BY SENATE COMMITTEE—TREATY ORDERED REPORTED.

The labors of the Senate Foreign Relations Committee on the Peace Treaty with Germany were completed on Sept. 4, when, after adopting four reservations to the League of Nations Covenant, it ordered the Treaty reported to the Senate. As the Treaty goes to the Senate it also contains a number of amendments previously adopted by the Committee. The four reservations to the League Covenant were sponsored by Senator Lodge. They are embodied in a resolution providing for conditional ratification of the treaty. The reservations provide:

First—For the right of "unconditional" withdrawal of the United States from the League.

Second—Refusal of the United States to assume any foreign territorial guarantees, under Article X of the League Covenant, or mandates without action by Congress.

Third—Exclusive action by the United States on domestic affairs.

Fourth—Interpretation of the Monroe Doctrine solely by this nation.

The following is the text of the four reservations:

Resolved, (two-thirds of the Senators present concurring herein,) that the Senate advise and consent to the ratification of a treaty of peace with Germany, signed by the plenipotentiaries of the United States and Germany and by the plenipotentiaries of the twenty-seven allied and associated powers, at Versailles, on June 28, 1919, with the following reservations and understandings to be made a part and a condition of such ratification, which ratification is not to take effect or bind the United States until the said following reservations and understandings have been accepted as a part and a condition of said instrument of ratification by at least three of the four principal allied and associated powers, to wit: Great Britain, France, Italy, and Japan:

1. The United States reserves to itself the unconditional right to withdraw from the League of Nations upon the notice provided in Article I, of said treaty of peace with Germany.

2. That the United States declines to assume, under the provisions of Article X., or under any other article, an obligation to preserve the territorial integrity or political independence of any other country or to interfere in controversies between other nations members of the League or not, or to employ the military or naval forces of the United States in such controversies, or to adopt economic measures for the protection of any other country, whether a member of the League or not, against external aggression or for the purpose of coercing any other country, or for the purpose of intervention in the internal conflicts or other controversies which may arise in any other country, and no mandate shall be accepted by the United States under Article XXII., Part 1, of the treaty of peace with Germany except by action of the Congress of the United States.

3. The United States reserves to itself exclusively the right to decide what questions are within its domestic jurisdiction, and declares that all domestic and political questions relating to its affairs, including immigration, coastwise traffic, the tariff, commerce, and all other domestic questions, are solely within the jurisdiction of the United States and are not under this treaty submitted in any way either to arbitration or to the consideration of the council or of the assembly of the League of Nations, or to the decision or recommendation of any other power.

4. The United States declines to submit for arbitration or inquiry by the assembly or the council of the League of Nations, provided for in said Treaty of Peace, any questions which in the judgment of the United States depend upon or relate to its long established policy, commonly known as the Monroe Doctrine: said Doctrine to be interpreted by the United States alone and is hereby declared to be wholly outside the jurisdiction of said League of Nations and entirely unaffected by any provision contained in the said treaty of peace with Germany.

The first of the reservations was agreed to by a vote of 9 to 8; the second by a vote of 9 to 7; the third and fourth by a vote of 11 to 6. The treaty as amended was ordered reported without a record vote. Some of the amendments to the Treaty were referred to in these columns last Saturday, page 844. Besides the one adopted on Aug. 23 and that adopted Aug. 26, as detailed a week ago, the Committee on Aug. 29 adopted three other amendments to the Treaty. The first of the amendments adopted on the 29th was offered by Senator Johnson, Republican, California, and provides that the United States shall have as many representatives as the British Empire on the league of nation assembly. The provision would not reduce the six votes held by Great Britain and its dominions on the assembly, but provides that the United States shall have equal repre-

sentation. The second amendment adopted on Aug. 29 was proposed by Senator Fall and concerns this country's representative on the reparation commission; it proposes that such representation "shall have no vote in the proceedings of the commission except concerning a matter wherein such delegate is specifically instructed by his Government to take part in proceedings of the commission and to cast and record the vote of the United States thereupon, but shall always have such right when Annex III. to the reparation clauses or any section thereof is under consideration."

The third amendment of a week ago, sponsored by Senator Moses, would prevent the British dominions from participating in a League Controversy affecting them. These three amendments were adopted by a vote of 9 to 8, Senator McCumber (Republican) voting with the Democrats against amendment. The amendment of Aug. 23rd would restore to China the German rights in Shantung, instead of giving them to Japan. The amendment of the 26th would eliminate the United States from representation on the various international commissions which are to supervise European reconstruction, except the Reparations Commission and such others as are to be appointed by the League of Nations. This was a blanket amendment, embodying it is understood, some thirty-five sectional amendments. The treaty it is stated, will be submitted to the Senate by Senator Lodge next week with a majority report. A minority report by the Democrats opposing the amendments and reservation will also be filed, and consideration of the document is expected to be undertaken by the Senate about Sept. 15.

#### THE INTERNATIONAL LABOR CONFERENCE TO BE HELD AT WASHINGTON OCTOBER 29.

In discussing the plans for the International Labor Conference which it is planned will be held in Washington on Oct. 29 in accordance with the provisions of the German Peace Treaty, Secretary Wilson of the Labor Department on Sept. 2 said that the United States could not officially participate in the conference, since the Peace Treaty has not been ratified by the Senate. The Conference will meet nevertheless, Mr. Wilson was authorized by President Wilson on July 24 to arrange for the calling and holding of the conference. He was quoted in the New York "Times" of Sept. 3 in reference to the plans for the conference as follows:

The President will appoint all American delegates to the conference. They will have no diplomatic character. The third paragraph of Article 389 provides for the appointment of non-Government delegates and advisers chosen in agreement with the industrial organizations which are most representative of employers or of work people, as the case may be.

It is generally understood that the American Federation of Labor is the organization which is most representative of American work people, and I, therefore, assume the delegates to represent employees will be selected in agreement with that organization.

The purpose of the conference is to adopt a standard which will secure and maintain a fair and humane condition for men, women, and children, with due regard to climate, habits and conditions of living in the respective countries. It will reduce the difficulties of our own industrial problems, in so far as the conference may assist in bringing living conditions of our people closer to the ideals they are striving for.

By no possible stretch of the imagination can it be assumed that there is the slightest chance of any change being made in our living conditions except for the better. Because we might endorse a world standard presents no argument against establishing and maintaining a higher standard.

The action of the conference will have only the moral force of the conference itself. It may take the form of a recommendation or of a draft convention. If the proposals take the form simply of recommendations, then they will require action by Congress in the form of legislation to make them effective. If the proposals should take the form of a draft convention, we would then have a proposed treaty to be ratified by the Senate.

American Ambassadors in all countries were instructed by Secretary Wilson on Aug. 11 to inform the Governments to which they were accredited of the plans for the international conference and to extend to them invitations therefor. The Department of Labor issued the following announcement on that date:

The annual labor conference, which Part XIII of the treaty of peace between the Allied and Associated Governments and Germany, signed at Versailles June 28 1919, requests the Government of the United States to convene in Washington, has been called by the President, under the authority vested in him by Congress, to assemble at noon on the 29th day of October 1919.

The invitation is extended to each nation which is, or which prior to the meeting shall become, a member of the International Labor Organization, as defined in Article 307 of the Peace Treaty, in the form of a cablegram to American Ambassadors reading as follows:

"You are instructed to deliver the following invitation in the name of the President to the Government to which you are accredited:

"The President of the United States, in accordance with the provisions of Part XIII of the Treaty of Peace between the Allied and Associated Powers and Germany, signed at Versailles June 28 1919, and under authority vested in him by Congress, hereby convenes the first meeting of the annual labor conference therein described to assemble in Washington at noon on the 29th day of October 1919.

"The Government of the United States hereby extends to each nation which is or which prior to the said meeting shall become a member of the International Labor Organization as defined in Article 307 an invitation to send its delegates and other representatives to Washington for the purpose of attending such conference.

"You will also inform the Government to whom you are accredited that all details as to reception of and accommodations for its representatives in Washington may be arranged through its diplomatic representatives here. Please obtain and telegraph to the Department the names of the delegates and their advisers. The cost of all telegrams should be stated therein in order that the Department may obtain reimbursement.

"You will also offer your aid in the matter of passports, transportation, &c.

President Wilson was authorized to call the international labor conference by a joint resolution recently passed by Congress. Further details regarding the plans for holding the conference were given in Washington press dispatches of Aug. 11:

President Wilson on July 24 1919 personally instructed the Hon. W. B. Wilson, Secretary of Labor, to take entire charge of all the arrangements for convening and holding the conference, Secretary Wilson thereupon appointed Nathan A. Smyth, of New York City, assistant to the Secretary for this purpose. E. H. Greenwood of Washington, special assistant to the Director of the War Risk Insurance Bureau, has been appointed by the Secretary as assistant to Mr. Smyth.

The International Organization Committee of the annual labor conference which has been sitting in London has completed its work. Ambassador Davis has been instructed to invite the committee, in the name of the President, to meet in Washington in September, and it will probably transfer its office to the Department of Labor at that time.

The Government will be largely in control of the make-up of the international conference, and will determine whether radical or more conservative delegates are sent. There are to be present for each country a representative of labor, one of the employers and two appearing as representatives of the people. They will be accompanied by experts, who will sit in the conference but will not have a vote.

The program for the first conference deals with four major questions:

First—The application in each country of the principle of the eight-hour day. In the treaty all powers have agreed to accept this principle.

Second—The question of State help to remedy unemployment. The Treaty of Peace establishes the duty of each member of the League of Nations to provide for legislation to undertake remedial legislation with reference to unemployment. The conference in October will discuss and develop the definite laws which the experience of all the world may suggest.

Third—The question of women in industry. This will include the question of the prohibition of night work for women. Another consideration will be the question of women's employment in dangerous trades.

Fourth—The last major question to be considered will be that of children in industry. The prohibition of child labor up to 12 years is proposed.

#### RATIFICATION IN NEW ZEALAND OF PEACE TREATY WITH GERMANY.

A Wellington, N. Z., dispatch Sept. 2 announced that the Peace Treaty with Germany had been unanimously ratified on that day by Parliament, after members of the Labor Party had criticised its terms.

#### KING ALFONSO OF SPAIN SIGNS LAW AUTHORIZING ADHESION TO LEAGUE OF NATIONS.

A cablegram to the daily papers from Madrid on Aug. 16 stated that King Alfonso of Spain had on that day signed the law authorizing adhesion by Spain to the Covenant of the League of Nations comprised in the Treaty of Versailles, that part of the Treaty dealing with the organization of labor also being accepted by Spain.

#### ADHESION OF CHILE TO LEAGUE OF NATIONS APPROVED.

Press advices from Santiago, Chile, on Aug. 16 reported that without a dissenting vote the Foreign Relations Committee of the House of Representatives had on that date approved the adhesion of Chile to the League of Nations. The Senate, it is stated, had previously given its approval.

#### COAL SITUATION IN GERMANY.

According to Associated Press advices from Berlin Aug. 15 the opinion that all Europe is facing disaster in the coal situation is held by the industrial and shipping leaders, who have been conferring on the subject there. These advices also stated:

Walther Fehling of Hamburg, a shipping expert, in discussing prospects of the coming winter, so far as Germany is concerned, declares the fuel situation will positively prove a more potent reviver of acute Bolshevism than food.

"The question is, can the hungry people stand added privation and freezing for three or four months," he said. "Machine guns may subdue Bolshevism, but they cannot yield coal. Their effect is purely negative, while the present critical situation makes for positive accomplishments."

Experts estimate the shortage in the German coal output for the next twelve months will be approximately 100,000,000 tons, and predict the United States will be called on to offset the Continental shortage.

Further indications as to the coal situation in Germany were contained in a Berlin cablegram from the same source (Associated Press) Aug. 27 which we quote herewith:

That any possibility of averting a coalless winter is regarded as a forlorn hope is indicated by reports received from the Silesian and Ruhr coal fields, the action taken by municipalities in many sections of the country, and the restrictive measures agreed upon by the Coal Commission, which promise about as much light and warmth as the winter moon.

Greater Berlin was informed to-day that it would be permitted to indulge in the luxury of a hot bath on the first and third Friday of each month. Kitchen ranges will not be permitted to operate between the hours of 8 and 11.30 a. m. and 2 and 7 p. m. The use of bathroom, ovens, and of all emergency heating devices consuming coke briquettes is also prohibited.

The first warning, emanating from the workers and addressed to the Government by the labor unions at Bochum, urging the adoption of the

sovereign measures to curtail the needless consumption of coal, advises the Government to restrict show window illumination by the early closing of shops, and by shutting down places of entertainment and amusement long before midnight.

The appointment of a commission of employers and workers to devise means of increasing Germany's production of coal was announced on Aug. 7. Concerning the inquiry the Associated Press in Essen advised Aug. 21 said:

A commission of experts appointed by the German bureau of labor to investigate economic conditions and working hours in the coal fields has completed its examination of the Rhenish district, having visited six mines and twelve workmen's colonies, cross-examining owners, directors and workers.

Peter Kloeckner, one of the leading Rhenish industrialists, informed the commission held at the hearing held in this city that the nation was facing an economic catastrophe. He said that, even if the Entente's levy of 40,000,000 tons of coal was reduced one-half, Germany was heading toward ruin, as the country cannot dispense 20,000,000 tons annually.

"If the Entente Powers enforce this provision," he said, "we must extinguish our blast furnaces, which is tantamount to a cessation of all production. What little coal there would be left us would barely suffice to operate railroads and lighting plants."

Herr Kloeckner opposes a further reduction in working hours and disputes the assertion that a miner can produce as much coal in five and one-half hours as in seven. He believes the reduction in working time in all industrial lines has proved disastrous to the nation's economic revival and, with the abolition of piece work, has greatly curtailed the output in all branches of industry.

In discussing living conditions among miners, Herr Kloeckner told the Commission that a workman's home, which cost 5,000 marks when built in peace time, would now cost 25,000 marks. Nevertheless, mine owners are building homes for their men, but if they build all that are needed the cost will be 3,000,000 marks. He pointed out the mines cannot stand such a drain and that the Government cannot be expected to grant a subsidy in view of present demands upon the national exchequer. He therefore proposed that the Government approve a price increase of ten marks a ton, the proceeds to be devoted to the building of workmen's homes.

An appeal to miners was made by Herr Kloeckner, who asked that the men drop their demand for a six-hour day for the present and contribute the maximum production which the domestic and foreign situation demands. One of the miners who attended the meeting attempted to refute Herr Kloeckner's conclusion, declaring the miners had not yet recovered from the physical privations of the war sufficiently to permit them working more than seven hours. Herr Kloeckner suggested that the miners take a patriotic view of the situation and work overtime for the next three months. He recommended that the Commission try to enlist able-bodied students in an effort to divert 100,000 men to the mines to help overcome the present crisis. He believes workmen are gradually overcoming the hysteria born of revolutionary conditions and are showing a more reasonable interpretation of their duties to the nation.

A copyright cable to the New York "Tribune" from Berlin Aug. 10 had the following to say concerning an offer of coal to Germany by the United States at \$26 a ton:

American offers of coal of \$26 a ton, to be delivered through Rotterdam or Antwerp, have been received in the Essen coal region, according to a statement in the Berlin "Tagblatt."

While a serious coal famine is threatened in Germany this winter, it is hardly expected the reported offers will be accepted, since the price, at the present rate of exchange, amounts to about 400 marks, whereas German coal of the best grade is sold for 70 marks. The paper is inclined to doubt the correctness of the report, in view of recent statements that America is unable to supply the coal requirements of France and Italy.

#### GERMAN COAL SUPPLY TO FRANCE UNDER PEACE TREATY REDUCED.

According to an official German statement received at Copenhagen, Germany will not be required in the next six months to deliver to France half of the allotment of coal which is provided for in the Treaty of Peace. While the treaty calls for the delivery of 43,000,000 tons within that period Germany will deliver only 20,000,000. This modification of the plan of the treaty is, it is stated, the result of recent negotiations at Versailles. Further details of the new arrangement were given as follows in Copenhagen press dispatches of Sept. 2:

As a result of negotiations at Versailles, it has been decided that Germany within the next six months shall deliver 20,000,000 tons of coal to France, as compared with the 43,000,000 tons provided for by the terms of the Peace Treaty, a German official statement received here says.

If Germany's total production exceeds the present level of about 108,000,000 tons annually, 60% of the extra production, up to 128,000,000 tons, is to be delivered to the Entente, and 50% of any extra production beyond that amount until the figure provided for in the Peace Treaty is reached.

If the total production falls below 108,000,000, the statement adds, the Entente will examine into the situation, hearing Germany's side.

This agreement, it is added, is only to be valid if Germany begins immediate delivery of the coal, which the statement says she is resolved to do, trusting that the Entente will not insist upon deliveries to the extent demanded if it be shown that Germany's economic position would be thrown into disorder by the drain.

The European Commission on Coal Control, the inter-Allied body which was formed at the recommendation of Herbert Hoover to pool Europe's coal supply, left Paris recently for Upper Silesia, the coal district which supplies practically all the Central European railways with fuel. The purpose of the Commission is to stimulate coal production in Upper Silesia, where racial difficulties between Poles and Germans have hampered operation of the mines. The Inter-Allied Coal Commission was formed in the early part of August following conferences at Paris on Aug. 4 and 5 between Herbert Hoover and shipping and fuel representatives of France, Belgium and Italy. Mr. Hoover was

offered the Presidency of the Commission at that time but he declined it on the ground it was said that he viewed Europe's coal problem as a purely European affair "which Europeans ought to solve for themselves." The Paris conferences were called after a meeting of the Supreme Economic Council at London on Aug. 1 at which Mr. Hoover warned the representatives of the Allied Governments against the possibility of a coal shortage in Europe the coming winter and the seriousness of this situation. At the Paris conference on Aug. 4 Mr. Hoover was said to have declared that "the coal problem, with that of the approaching harvest and the solution of the immediate food pressure, comes to the front as the greatest menace to the stability of Europe." Paris dispatches of the Associated Press gave the following account of the conference:

The meeting was held as a result of a warning given by Mr. Hoover in an address at the recent conference in London of the Supreme Economic Council. He said that Europe's coal production was 35% below normal, and that the United States could not offer relief because of the shortage of shipping. During his address Mr. Hoover said:

"The fate of European civilization now rests in the hands of the coal mines and coal mine owners of Europe to an equal, if not a greater, degree than in the hands of the providers of foods and supplies during the next year."

At to-day's meeting Mr. Hoover declined to accept the permanent direction of the proposed European Coal Commission, stating that he believed the problem to be strictly European and that the situation cannot be relieved materially by the slight help which the United States can give. Mr. Hoover said to the fuel representatives of the various Governments:

"The coal problem, with that of the approaching harvest and the solution of the immediate food pressure, comes to the front as the greatest menace to the stability of life in Europe. This problem is domestic to Europe and is incapable of solution from the United States. Disregarding all other questions, an additional load of 1,000,000 tons monthly on American ports would indeed be a large tax in the face of the trebling of the food exports of the United States above the normal pre-war level. Furthermore, such a tonnage would entail a tax on the world's shipping which cannot but affect freight rates generally. With a shortage in production of 20,000,000 tons per month, the contribution of even 2,000,000 tons monthly from America would be of little importance."

Only a greatly increased coal production and an improved organization for its distribution can save Europe from disaster next year, Mr. Hoover explained, and he urged that some sort of fuel control be established which will greatly stimulate production and secure such distribution as will maintain essential services upon which economic and political stability must rest.

According to figures gathered for Mr. Hoover by experts, England's annual production of coal has fallen from 292,000,000 tons in 1913 to 183,000,000 tons, the present production. Germany's decline is slightly greater. Europe, at the present rate, will produce 443,000,000 tons next year, while the amount needed is estimated at 614,369,000 tons.

The Supreme Economic Council has looked forward to Germany giving material relief to the countries of Central Europe in the event of a coal shortage this winter and the Council has calculated upon the potential coal supply of Silesia to make up deficiencies from other sources. Associated Press advices from London of Aug. 3 said:

Coal will be brought from Germany this winter to relieve the acute shortage in Central Europe and reduce shipments from the United States, if the plans laid before the Supreme Economic Council materialize.

The Council to-day agreed that a committee should meet with the Reparation Commission to evolve a plan by which immediate coal production will be made attractive to Germany. In the opinion of the Council's members, this would mean a lessening of the reparation strain on other German industries.

To facilitate the delivery of coal, the Council even considered special inducements of clothing and food to the German miners to get them to work. This plan superseded that of a Central Europe control, discussed yesterday. The Council is likely to meet next at Brussels at a date not fixed.

#### PACT BETWEEN GREAT BRITAIN AND PERSIA.

An agreement between Great Britain and Persia whereby the former will be enabled to assist Persia to re-establish herself on a sound basis was recently concluded between the two countries. In announcing this fact London press dispatches of Aug. 15th said:

Official announcement was made to-day that the Persian and British Governments have concluded an agreement by which Great Britain will be enabled to provide Persia with expert assistance and advice toward the rebuilding of the Persian State. The negotiations have been in progress for nine months.

The first article of the agreement pledges Great Britain to respect absolutely the territorial integrity and independence of Persia.

Persia, by the terms of the agreement, will establish a uniformed force in which will be incorporated the various existing armed bodies. This force will be put under the instruction of British officers.

Great Britain will advance Persia £2,000,000 to enable her to initiate certain contemplated reforms with the help of a British financial adviser. Persian customs receipts will be security for the loan.

Provisions of the agreement will enable Great Britain to back Persia in realizing upon several unsatisfied claims.

There is also provision for a revision of the existing treaties between Great Britain and Persia. The agreement recognizes Persia's claim to compensation for material damage suffered at the hands of other belligerents during the war and for some frontier rectifications.

The Anglo-Persian pact recently concluded embraced two agreements, one political and the other financial. The latter is said to have related to a loan by Great Britain to Persia of £2,000,000 at 7%, redeemable in 20 years. The political agreement included assurances by Great Britain that she would respect the integrity and independence of Persia and



would furnish to Persia expert advisers for the Persian administration to be engaged on contract and given adequate powers. The main features of the pact were outlined in Washington dispatches to the New York "Times" of Aug. 30 which in part said:

The Anglo-Persian agreement was made public only a short time ago by the British Government in London. It embraced two agreements signed by Great Britain and Persia at Teheran on Aug. 9 last, accompanied by two letters of the same date from the British Minister at Teheran to the Persian Premier.

The first agreement was political in character and promised the cementing of Anglo-Persian ties and promotion of the progress and prosperity of Persia. According to this agreement, Great Britain agreed in the most categorical manner to respect the integrity and independence of Persia, the supply expert advisers for the Persian administration to be engaged on contract and endowed with adequate powers, to supply at Persia's cost such officers, munitions, and equipment as might be adjudged necessary by a joint Anglo-Persian commission of military experts for a uniform Persian force to preserve order, to prescribe a loan for these purposes, to co-operate with the Persian Government in railway construction and other forms of transport, and finally both Governments agreed to the immediate appointment of a joint committee to examine and revise the existing customs tariff.

The second agreement related to a loan of £2,000,000 at 7%, redeemable in twenty years, and to be secured on the revenues and customs reserved and assigned for the repayment of the 1911 loan. Should these prove insufficient Persia, under the agreement, is to make good the difference from other sources of revenue. Article V of the Anglo-Persian agreement of 1911 is included in the understanding.

The first letter of the British Minister to the Persian Premier, according to information received here announced as further evidence of the British Cabinet's good will the latter's readiness to co-operate with the Persian Government in securing a revision of the existing Anglo-Persian treaty, compensation to Persia for damages inflicted, and the rectification of the Persian frontier, where the parties agree it is justifiable.

The second letter of the British Minister to the Persian Premier stated that Great Britain would not claim from Persia the cost of the maintenance of the British troops which had to be sent to defend Persia's neutrality, while Persia would claim no indemnity for any damage that may have been caused.

After the then Persian Government had received assurances from certain Allied Governments of sympathy and support and recognition of right to representation at the Peace Conference, the Persian Government sent a delegation to Paris last January. The Persian mission presented certain claims of the country to the Peace Conference on Feb. 14 1919, followed by a supplementary memorandum on March 23 and a reminder on April 6. Those Persians who oppose the new Anglo-Persian treaty and who tried to bring about Persian representation at the Paris conference seem to feel that no reasonable attention has been paid to Persian demands.

One of the grounds on which Persia claimed the right to appear at the Paris Conference was that England, Russia and Turkey had violated Persian neutrality and sovereignty during the war. The British, it was claimed, had established military bases on Persian territory and had used it as ground for military operations.

While it has not been demonstrated that the British Government had made any promise to favor participation by Persia in the Peace Conference the former Persian Charge d'Affaires at Washington communicated to the Washington State Department some months ago what purported to be a copy of a note from the British Minister at Teheran to the Persian Foreign Office in which it was asserted that "the British Government on its own part is ready to receive the empowered representative of Persia at the place where the Peace Conference will be held so that he may give information when matters pertaining to Persia may be discussed."

After the Peace Conference met the American Government having endeavored to arrange for a hearing for Persia at Paris a delegation appeared claiming to represent the Persian Government but was unable to obtain a hearing through the alleged interposition of another power. The allegation is being made by Persians who are in opposition to the Anglo-Persian treaty that the young Persian Shah who is 23 years old in fear of losing his throne removed certain Persian officials from office and appointed successors who favored the making of the Anglo-Persian treaty.

The Anglo-Persian pact was reported on Aug. 18 to be the topic of the day in French and Peace Conference circles, the French discussing especially the probable effect of the agreement upon French interests in Syria. Paris dispatches of the 18th said:

"L'Echo de Paris," which is credited with reflecting the views of the French peace delegation, publishes the full text of the Anglo-Persian agreement, and in its comment says:

"If the above stipulations do not constitute a most complete protectorate then words have lost their meaning. Doubtless nowhere is a formal protectorate mentioned, and doubtless a clause announces the independence and full integrity of Persia, but the substance of the agreement will fool no one."

A strong party in the French Chamber of Deputies is advocating the extension of French influence in Syria. Henry Franklin-Bouillon has given notice to President Deschanel that he will interpolate the Government on the question when the Chamber meets again on Aug. 26.

The French press does use the word "protectorate" in connection with French influence in Syria. The papers argue that from time immemorial France has had great interests in Syria, and claim that until such time as Syria is able to govern herself France should be designated to afford her such financial help as she needs to help her through her formative period.

In this connection the papers are somewhat caustic in their comment on the news that Prince Faisal, son of the King of the Hedjaz, is returning to Paris to resume his place at the head of the Arab delegation. They print reports that the Prince is dissatisfied with the prospective Syrian settlement.

"Let Great Britain make a sign," says *Le Republique Francaise*, "and Prince Faisal will submit. France is not used to dealing with straw men. The Conference believes it is accomplishing miracles in procrastinating and in postponing the settlement of difficulties instead of solving them immediately. Nothing embitters conflicts more than to leave them in suspense."

"Le Figaro" says that the Anglo-Persian agreement is equivalent to a protectorate over Persia, and quotes the "Morning Post" of London as saying:

"Were we not concerned in this matter we should say this was a protectorate."

In the House of Commons on Aug. 18 Cecil B. Harmsworth, Under Secretary of State for Foreign Affairs, denied

that Britain in the new Anglo-Persian treaty contemplated anything in the nature of a protectorate over Persia. He was reported in London press dispatches of the same date as follows:

Nothing in the nature of a protectorate over Persia is contemplated by the agreement between Great Britain and that country, according to Cecil B. Harmsworth, Under Secretary of State for Foreign Affairs, who addressed the House of Commons in replying to questions regarding the treaty.

"The policy of his Majesty's Government," Mr. Harmsworth said, "is to assist Persia to re-establish herself on a sound basis. There is not the slightest foundation for a suspicion that the Government proposed or that the Persian Government would have consented to create anything in the nature of a protectorate."

"The Persian Government turned to Great Britain as her most powerful friendly neighbor, and this Government would have departed from its traditional policy of warm interest in the Persian Government had it declined to respond to her appeal."

Mr. Harmsworth said the attitude of the Persian Cabinet and the impending visit of the Shah to England constituted a sufficient answer to all the insinuations.

#### TREATY BETWEEN UNITED STATES AND FRANCE NOT IN CONFLICT WITH CONSTITUTION.

It is announced that in the opinion of a sub-committee of the Senate Judiciary Committee the proposed treaty whereby the United States would go to the aid of France in the event of an unprovoked attack by Germany is not in conflict with the constitution. The report of the Sub-Committee, which was filed on Aug. 25, in deciding that the ratification of the convention is within the treaty making powers of the Constitution says:

It will be seen that the covenant only aims at protection against Germany and that it is of a temporary character to be merged in and substituted by the authority of the League of Nations when that is established and put into operation. As the armistice covers the ground between the end of the war and the ratification of the treaty of peace, so the treaty in question aims to cover the ground from the time of the adoption of the treaty until the League of Nations, provided for in the treaty, can take its place. In other words the treaty in question is of a temporary character, to be merged in the final treaty of peace.

Such a treaty is clearly warranted by international law and usage, and is therefore within the scope of the treaty making power of the United States.

The report also states:

While Germany has been vanquished, she is still, by reason of her great resources, her large population, and her military and imperialistic spirit, liable to be a menace in the future, for nothing but force is likely to restrain her from seeking world dominion at the earliest opportunity. Compared with France, her losses in the war were moderate. France, with a population of little more than half of Germany, lost in killed over 1,200,000 of her population and crippled and wounded more than twice that number. One-fifth of her territory, and that the most valuable part, was devastated and reduced to a wilderness by the German armies. And she incurred a debt so large as to strain her credit to the utmost and to make it a most serious problem to liquidate the same. In resources and in man power Germany is nearly double that of France, and if left free and untrammelled—in the unrepentant mood she seems to be in—she could, in the near future, easily overrun and cripple, if not destroy, France. It is for the interest of our country that France should be allowed to recuperate and recover her old-time vigor, for she will then be a great shield and protection to us against the German menace in the future, and, besides, she will be a great source of profitable commercial intercourse.

Aside from England, no country under present conditions is more vitally interested in preserving the integrity of France than is our own country, and what we promise to do for France by the proposed treaty England is also ready to undertake.

The Sub-Committee which made the report was composed of Senators Nelson of Minnesota, Chairman Kellogg of Minnesota, and Fall of New Mexico, Republicans, and Senators Walsh of Montana and Overman of North Carolina, Democrats. The inquiry into the subject was called for under a resolution of Senator Walsh adopted by the Senate as follows on Aug. 7:

Whereas doubts have been expressed as to the authority of the treaty-making power under the Constitution to enter into the treaty with France, submitted to the Senate for ratification on the 29th day of July 1919:

Resolved, That the Committee on the Judiciary be, and it hereby is, requested to inquire and advise the Senate as to whether there are any constitutional obstacles to the making of the said treaty.

The following in the matter is taken from the New York "Tribune" of Aug. 20:

The constitutionality of the treaty never has been questioned on the floor of the Senate. Senator Walsh said his resolution was submitted on the basis of reports in the newspapers that the terms of the treaty would be attacked as being in violation of those sections of the Constitution that confer upon Congress the sole authority of declaring war.

The text of the Anglo-French Treaty was given in our issue of Aug. 2, page 441.

#### NEW ORLEANS CONVENTION OF AMERICAN INSTITUTE OF BANKING.

For the 1919 Annual Convention of the American Institute of Banking, to be held Oct. 7, 8 and 9 at New Orleans, definite acceptance, it is announced, has been received from the following speakers at the various sessions of the business meetings:

J. C. Thomson, President of the American Institute of Banking; Assistant Cashier, Northwestern National Bank, Minneapolis, Minn.  
Gardner B. Perry, Vice-President, American Institute of Banking; Vice-President, National Commercial Bank, Albany, N. Y.

Rudolph S. Hecht, Member Executive Council, American Institute of Banking; President, Ibernian Bank and Trust Co., New Orleans, La.  
 George E. Allen, Educational Director, American Institute of Banking, New York, N. Y.  
 J. Howard Ardrey, Vice-President, National Bank of Commerce, New York, N. Y.  
 Jerome Thralls, Secretary Discount Corporation, New York, N. Y.  
 Freas B. Snyder, President and Treasurer, W. C. Hamilton & Sons, Philadelphia, Pa.  
 Robert H. Bean, Executive Secretary, American Acceptance Council, New York, N. Y.

In addition there is to be a symposium on practical banking; a conference of the Chapter Presidents; and a debate between New York and Chattanooga Chapters, the probable subject being, "Resolved that Congress co-ordinate the Merchant Marine and Railroads for the purpose of encouraging Foreign Trade."

The Entertainment Committee has planned a series of interesting events, which include, a smoker at the Grunewald Hotel; a rendezvous at Spanish Fort for the first night; a boat-ride on the Mississippi River, followed by an automobile tour of the City; a banquet at the Grunewald Hotel and a reception and dance at one of the City's clubs, when three of the most prominent men of New Orleans will speak.

Bank men considering making the trip are requested to communicate with Thomas F. Regan, Chairman of Publicity, A.I.B., Citizens' Bank & Trust Co., New Orleans, La., and those desirous of making hotel reservations should write F. L. Ramos, Canal Bank & Trust Co., New Orleans, La.

**ANNUAL DINNER OF AMERICAN INSTITUTE OF BANKING AT A. B. A. CONVENTION.**

The usual dinner of the American Institute of Banking, which is held annually during the Convention of the American Bankers' Association, will be held this year at the Hotel Statler, Wednesday evening, October 1, at seven o'clock, preceded by an informal reception. All A. I. B. men in attendance at the Convention are not only cordially invited, but expected to be present. Reservations may be made with Byron W. Moser, Vice-President of the First National Bank in St. Louis, after arrival at the Convention.

**ITEMS ABOUT BANKS, TRUST COMPANIES, ETC.**

No bank stocks were sold at the Stock Exchange this week and nine shares were sold at auction. There were no transactions in trust company stocks. Extensive tables reporting bid and asked quotations, deposits, surplus, &c., of banks and trust companies in all important cities in the United States are published monthly in the "Bank and Quotation" Section, the September issue of which accompanies to-day's "Chronicle." Bid and asked quotations for all New York City banks and trust company stocks are also published weekly in another department of this paper, and will be found to-day on page 972.

Shares.	BANK—New York.	Low.	High.	Close.	Last previous sale.
9	First National Bank	1000	1000	1000	Aug. 1919—1009

The Asia Banking Corporation announced on Sept. 2 that the New York State Banking Department had authorized an increase of \$2,000,000 in the capital of the Corporation, raising it from \$2,000,000 to \$4,000,000; at the same time, it was arranged that the surplus should be increased from \$500,000 to \$1,100,000. A certain amount of the new stock was set aside for the Continental and Commercial National Bank of Chicago, National Shawmut Bank of Boston, and the Guardian Savings and Trust Company, Cleveland, which institutions were invited, and expressed a desire, to become stockholders in the Corporation. It is stated that the banks named will, together with the banks who were the original stockholders, center their efforts in furthering the fast-increasing volume of trade between the United States and China, which is the prime purpose of the Asia Banking Corporation, with its six branches in vital trade sections of the Far East.

The Equitable Trust Company of New York has prepared a safe deposit record folder for the use of Liberty Bond owners, showing the various tax exemption privileges, official names of original and converted issues and containing space for all items pertaining to Liberty Loan investments. Copies may be had on application to the Company.

At a meeting of the Executive Committee of the Guaranty Trust Company of New York, on August 28, Sanford T. Bennett was appointed an Assistant Secretary of the Company. Mr. Bennett is in the Bond Department of the Fifth

Avenue Office. Mr. Bennett entered the service of the Company on October 1 1910. He went to the Fifth Avenue Office on January 1 1917, and remained there until he entered the Army. From May 1918 to March 1919, he served overseas, returning to the Company upon receipt of his discharge.

Cable advices received by the agent of the Standard Bank of South Africa, Ltd., in this city announces the establishment of new branches in the following places: Cofimvaba, Kei Road, Napier, Ugie, Wynberg, Durbanville, Kuruman, Sandfiats, Vesburg, Bellville, Lexton and Somerset West, all in Cape Province; also Hendrina, Johannesburg, Lake Crissie and Oogies in Transvaal; Dannhauser, Umfulosi, Tangaat and New Hanover in Natal; Lindley Road in Orange Free State; seven sub branches have also been opened.

The Municipal Bank of Brooklyn, opened on Sept. 2 at 1783 Pitkin Ave., near Stone Ave., with a capital and surplus of \$300,000. The bank is under the management of Shephard J. Goldberg, President, Julius Josephson, Vice-President and Frank A. Gallagher, Cashier. The Directors are Stephen Caplin, Shephard J. Goldberg, Simon Gasner, Julius Josephson, Alexander Kantor, Simon H. Kuge, David Shapiro, Heyman Shapiro, Simon Shapiro, D.D.S., Herman Tribitz, Morris Weinberg.

The proposal to increase the capital of the Fort Dearborn National Bank of Chicago from \$3,000,000 to \$5,000,000 was ratified by the stockholders on August 26. As noted in our issue of July 19 the new stock will be offered at 150 to stockholders of record September 27, payment to be made on or before October 10. With its capital of \$5,000,000 the bank will have a surplus of \$2,000,000 and undivided profits of \$500,000.

An increase of \$25,000 in the capital of the First National Bank of Lincoln, Neb., raising the amount from \$500,000 to \$525,000, has been approved by the Comptroller of the Currency.

Approval by the Comptroller of the Currency is announced of the issuance of \$300,000 of new stock by the Whitney-Central National Bank of New Orleans, raising the capital of the institution from \$2,500,000 to \$2,800,000. The increase which was ratified by the stockholders Aug. 29 was made in furtherance of the plans for the absorption by the Whitney-Central Trust & Savings Bank of the City Bank & Trust Company of New Orleans. An announcement issued on Aug. 29 by J. D. O'Keefe, First Vice-President of the Whitney-Central National, says:

The latter [City Bank & Trust Company] with its \$7,000,000 of deposits, became a branch of the Whitney-Central Trust & Savings Bank on Aug. 27, and on that same day, John Legier, President of the City Bank & Trust Company, became a Vice-President and director of the Whitney-Central Trust & Savings Bank, while the entire board of directors of the City Bank & Trust Company became an advisory board of the City Branch of the Whitney-Central Trust & Savings Bank.

The consolidation plans were referred to in our issue of Aug. 9. It is announced that the following constituting the Board of the City Bank & Trust Company have consented to serve as the Advisory Board of the City Branch of the Whitney-Central Trust & Savings Bank.

- |                    |                         |
|--------------------|-------------------------|
| S. J. Besthoff,    | Robert Legier           |
| A. C. Carpenter,   | Sol Levi,               |
| Ed. C. Carrero,    | Dr. Geo. A. Macdlarmid, |
| E. A. Carrero,     | Leo A. Marrero,         |
| Dr. J. A. Danna,   | Julius Meyer,           |
| Dr. J. M. Elliot,  | Sam H. Meyer,           |
| Walter L. Glenson, | William Pfaff,          |
| Frank G. Hardie,   | D. W. Pipes,            |
| Chas. A. Hartwell, | B. V. Redmond,          |
| Louis Hausmann,    | W. J. Sonnemann,        |
| W. J. Kearney,     | Chas. A. Weiss,         |
| A. J. Krower,      | Elmer E. Wood,          |
| Geo. M. Leahy,     | Paul Zibilleh.          |

**ENGLISH FINANCIAL MARKETS—PER CABLE.**

The daily closing quotations for securities, &c., at London, as reported by cable, have been as follows the past week:

London,	Aug. 30.	Sept. 1.	Sept. 2.	Sept. 3.	Sept. 4.	Sept. 5.
Week ending Sept. 5—	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
Silver, per oz. ....	58	59	61	61	61	61
Consols, 2½ per cent. ....	Holiday	---	50½ex.	50½	50½	50½
British, 5 per cent. ....	Holiday	---	94½	94½	94½	94½
British, 4½ per cent. ....	Holiday	---	87	87	87	87
French Rentes (in Paris) fr. ....	---	61.10	60.80	61.10	60.80	---
French War Loan (in Paris) fr. ....	---	---	88.50	---	---	---

The price of silver in New York on the same days has been:  
 silver in N. Y., per oz. .... Holiday 113¼ 113¼ 113¼ 113¼

Other Western and Southern Clearings brought forward from first page.

Table of Clearings at - August. Eight Months. Columns include City, 1919, 1918, Inc. or Dec., 1919, 1918, Inc. or Dec. Lists cities like Kansas City, Minneapolis, Omaha, etc.

Canadian Bank Clearings.—The clearings of the Canadian banks for the month of August 1919 show an increase over the same month of 1918 of 20.5%, and for the eight months the gain reaches 18.6%.

Table of Canadian Bank Clearings. Columns include City, August (1919, 1918), Inc. or Dec., Eight Months (1919, 1918), Inc. or Dec. Lists cities like Montreal, Toronto, Winnipeg, etc.

The clearances for the week ending Aug. 28 at Canadian cities, in comparison with the same week in 1918, show an increase in the aggregate of 15.3%.

Table of Clearings at - Week ending August 28. Columns include City, 1919, 1918, Inc. or Dec., 1917, 1916. Lists cities like Canada, Montreal, Toronto, etc.

Table of Clearings at - Week ending August 30. Columns include City, 1919, 1918, Inc. or Dec., 1917, 1916. Lists cities like Kansas City, Minneapolis, Omaha, etc.

Clearings by Telegraph—Sales of Stocks, Bonds, &c.—The subjoined table, covering clearings for the current week, usually appears on the first page of each issue, but on account of the length of the other tables is crowded out once a month. The figures are received by telegraph from other leading cities

Table of Clearings—Returns by Telegraph. Week ending Sept. 6. Columns include City, 1919, 1918, Per Cent. Lists cities like New York, Chicago, Philadelphia, etc.

Our usual monthly detailed statement of transactions on the New York Stock Exchange is appended. The results for the eight months of 1919 and 1918 are given below:

Table comparing transactions on the New York Stock Exchange for Eight Months 1919 and Eight Months 1918. Columns include Description, Par Value or Quantity, Actual Value, Aver. Price, etc.

The volume of transactions in share properties on the New York Stock Exchange each month since Jan. 1 in 1919 and 1918 is indicated in the following:

SALES OF STOCKS AT THE NEW YORK STOCK EXCHANGE.

Table with columns for Month, Number of Shares, Values (Par, Actual), and 1918/1919 data for various months like Jan, Feb, Mar, etc.

The following compilation covers the clearings by months since Jan. 1 1919 and 1918:

Table with columns for Month, Clearings Total All (1919, 1918, %), and Clearings Outside New York (1919, 1918, %).

The course of bank clearings at leading cities of the country for the month of August and since Jan. 1 in each of the last four years is shown in the subjoined statement:

BANK CLEARINGS AT LEADING CITIES.

Table showing bank clearings at leading cities from 1919 to 1916, including New York, Chicago, Boston, Philadelphia, etc.

FINANCIAL STATEMENT OF U. S. MARCH 31 1919. (Formerly Issued as "Statement of the Public Debt.")

The following statements of the public debt and Treasury cash holdings of the United States are as officially issued as of March 31 1919:

Table showing CASH AVAILABLE TO PAY MATURING OBLIGATIONS, including balance held by the Treasurer and Treasury warrants.

a The unpaid interest due on Liberty Loans is estimated in cases where complete reports have not been received.

PUBLIC DEBT BEARING NO INTEREST

Table showing obligations required to be released when redeemed, including United States Notes and excess of notes over reserve.

DEBT ON WHICH INTEREST HAS CEASED SINCE MATURITY

Table showing funded loans of 1891, 1900, 1904, 1907, and refunding certificates, along with other debt items.

INTEREST-BEARING DEBT.

(Payable on or after specified future dates.)

Table with columns for Title of Loan, Interest Payable, Amount Issued, Outstanding Jan 31 1919 (Registered, Coupon), and Total.

a This amount represents receipts of the Treasurer of the United States on account of principal of bonds or the Fourth Liberty Loan to March 31. b The average issue price of War Savings Stamps for the years 1918 and 1919...

RECAPITULATION.

Summary table showing Gross Debt (\$241,007,707 69), Net Debt (\$24,207,907 626 11), and Gross debt opposite (\$24,207,907 626 11).

\* The amount of \$8,528,014,550 00 has been expended to above date in this and preceding fiscal years from the proceeds of sales of bonds authorized by law for purchase of the obligations of Foreign Governments.

Commercial and Miscellaneous News

Breadstuffs figures brought from page 998.—The statements below are prepared by us from figures collected by the New York Produce Exchange.

Table showing receipts of flour, wheat, corn, oats, barley, and rye from 1917 to 1919, categorized by city like Chicago, Minneapolis, etc.

Total receipts of flour and grain at the seaboard ports for the week ended Aug. 30 1919 follow:

Table showing receipts of flour, wheat, corn, oats, barley, and rye from New York, Philadelphia, Baltimore, etc., for the week ended Aug. 30 1919.

\* Receipts do not include grain passing through New Orleans for foreign ports on through bills of lading.

The exports from the several seaboard ports for the week ending Aug. 30 are shown in the annexed statement:

Table showing exports of wheat, corn, flour, oats, rye, barley, and peas from New York, Boston, Philadelphia, etc.

The destination of these exports for the week and since July 1 1919 is as below:

Table with columns: Exports for Week and Since July 1 to—, Flour, Wheat, Corn. Sub-columns include Week Aug. 30 1919, Since July 1 1919, and various units like Barrels, Bushels, Bunches.

The world's shipments of wheat and corn for the week ending Aug. 30 1919 and since July 1 1919 and 1918 are shown in the following:

Table with columns: Exports, Wheat, Corn. Sub-columns include 1919 and 1918, and Week Aug. 30, Since July 1.

The quantity of wheat and corn afloat for Europe on dates mentioned was as follows:

Table with columns: United Kingdom, Continent, Total, Wheat, Corn. Sub-columns include Bushels, Aug. 30 1919, Aug. 23 1919, Aug. 16 1919.

TREASURY CURRENCY HOLDINGS.—The following compilation, made up from the daily Government statements, shows the currency holdings of the Treasury at the beginning of business on the first of April, May, June and August 1919:

Table with columns: Holdings in Sub-Treasuries, Apr. 1 1919, May 1 1919, June 1 1919, Aug. 1 1919. Lists items like Net gold coin and bullion, Net silver coin and bullion, etc.

FOREIGN TRADE OF NEW YORK.—MONTHLY STATEMENT.—In addition to the other tables given in this department, made up from weekly returns, we give the following figures for the fall months, also issued by our New York Custom House:

Table with columns: Month, Merchandise Movement at New York, Customs Receipts at New York. Sub-columns include Imports, Exports, 1919, 1918, 1916, 1918.

Imports and exports of gold and silver for the 7 months:

Table with columns: Month, Gold Movement at New York, Silver—New York. Sub-columns include Imports, Exports, 1919, 1918, 1919, 1918.

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:

Table with columns: Stock of Money Aug. 1 '19—Money in Circulation—, U. S. Held in Treas. Aug. 1 1919, Aug. 1 1918. Lists items like Gold coin (incl. bullion in Treasury), Gold certificates, Standard silver dollars, etc.

Total... Population of continental United States estimated at 106,223,000. Circulation per capita, \$54.40.

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 depositaries to the credit of the Treasurer of the United States amounting to \$626,450,929.81.

b Includes \$62,279,006.60 Federal Reserve Gold Settlement Fund deposited with Treasurer of the United States.

c Includes own Federal Reserve notes held by Federal Reserve banks.

d Revised figures.

Note.—On Aug. 1 1919 Federal Reserve banks and Federal Reserve agents held against Federal Reserve notes \$789,621,300 gold coin and bullion, \$208,417,280 gold certificates and \$159,984,880 Federal Reserve notes, a total of \$1,158,023,520, against \$945,895,180 on Aug. 1 1918.

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:

Table with columns: Shares, Stocks, \$ per sh., Shares, Stocks, \$ per sh. Lists various securities like Amr. Oil Co., 100 Underhill Realty, etc.

By Messrs. Barnes & Lofland, Philadelphia:

Table with columns: Shares, Stocks, \$ per sh., Shares, Stocks, \$ per sh. Lists securities like National Shawmut Bank, 25 Draper Corporation, etc.

National Banks.—The following information regarding national banks is from the office of the Comptroller of the Currency, Treasury Department:

Table with columns: For organization of National banks, For conversion of State banks, For conversion of State banks. Lists banks like The First National Bank of Clanton, Ala., etc.

Original organizations: Audubon National Bank, Audubon, N. J., etc.

Table with columns: Conversion of State banks, Conversion of State banks. Lists banks like The First National Bank of Narrows, Va., etc.

CHARTERS EXTENDED.

The First National Bank of Roswell, N. Mex. Until close of business Sept. 1 1939.

CHARTER RE-EXTENDED.

The First National Bank of Bismarck, N. D. Until close of business Sept. 2 1939.

INCREASES OF CAPITAL.

Table with columns: Name of Company, Amount. Includes The First National Bank of Cuba, N. Y., The First National Bank of Lincoln, Neb., etc.

CHANGES OF TITLE.

The Brownwood National Bank, Brownwood, Tex., to "First National Bank in Brownwood."

VOLUNTARY LIQUIDATIONS.

Table with columns: Name of Company, Capital. Includes The First National Bank of Richland, Iowa, The First National Bank of Shirley, Ind., etc.

DIVIDENDS.

The following shows all the dividends announced by the future by large or important corporations:

Dividends announced this week are printed in italics.

Main table with columns: Name of Company, Per Cent., When Payable, Books Closed, Days Inclusive. Includes Railroads (Steam), Street and Electric Railways, Banks, Trust Companies, and Miscellaneous.

Main table with columns: Name of Company, Per Cent., When Payable, Books Closed, Days Inclusive. Includes Miscellaneous (Continued), Amer. Smelters Securities, Preferred B, American Knuff, etc.

Table with columns: Name of Company, Per Cent., When Payable, Books Closed, Days Inclusive. Lists various companies like Lorillard (P.) Co., Mackay Companies, etc., with their respective percentages and payment dates.

\* From unofficial sources. † Declared subject to the approval of Director-General of Railroads. ‡ The New York Stock Exchange has ruled that stock will not be quoted ex-dividend on this date and not until further notice.

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 Aug. 30. 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 RETURNS. (Stated in thousands of dollars—that is, three ciphers [1,000] omitted.)

Main table showing clearing house returns with columns: Clearing House Members, Net Capital, Net Profits, Loans, Discards, Cash, Reserve, Net Demand Deposits, Time Deposits, Nat'l Bank Circulation. Includes sub-sections for Fed. Res. Bank, State Banks, and Trust Companies.

\* Includes deposits in foreign branches not included in total footings, as follows: National City Bank, \$101,888,000; Guaranty Trust Co., \$44,199,000; Farmers' Loan & Trust Co., \$36,643,000.





Member Banks of the Federal Reserve System.—Following is the weekly statement issued by the Federal Reserve Board giving the principal items of the resources and liabilities of the Member Banks. Definitions of the different items in the statement were given in the statement of Dec. 14 1917 published in the "Chronicle" Dec. 29 1917, page 2523.

STATEMENT SHOWING PRINCIPAL RESOURCE AND LIABILITY ITEMS OF MEMBER BANKS LOCATED IN FEDERAL RESERVE AND OTHER SELECTED CITIES AS AT CLOSE OF BUSINESS AUG. 22 1919.

Moderate liquidation of United States war securities and of loans supported by such securities (so-called war paper) is indicated by the Federal Reserve Board's weekly statement showing condition on Aug. 22 of 773 member banks in leading cities. Government and other demand deposits likewise show some decreases as well as reserve balances with the Federal Reserve banks.

United States bond holdings show a decline for the week of 2.3 millions, Victory notes on hand fell off 4.8 millions, while those of Treasury certificates declined 16.4 millions, a larger decrease being reported under the latter head for the member banks in New York City. War paper on hand fell off 12.8 millions, largely at the New York City banks. Loans secured by stocks and bonds declined from 2,948.7 to 2,939.3 millions, larger decreases reported by the banks in New York and in other Federal Reserve bank cities being offset to a large extent by increases in such loans shown for the

banks in the less important bank centres. Other loans and investments increased 53.2 millions in Federal Reserve bank cities and about 37 millions at all reporting banks.

Aggregate holdings of U. S. war securities and war paper declined from 3,494.7 to 3,458.3 millions and constitute 23.4% of the total loans and investments of all reporting banks as against 23.4% the week previous. For the New York City banks a decline in this ratio from 27.7 to 27.2% is noted.

Net withdrawals of Government deposits totaled 51.6 millions, other demand deposits (net) declined 87.5 millions, while time deposits show but a nominal change. Reserve balances with the F. R. banks declined 74.5 millions, largely in New York City. Accommodation by the Reserve banks as measured by discounts for reporting banks of collateral notes and customers' paper shows an increase of 48.9 millions.

1. Data for all reporting banks in each district. Three ciphers (000 omitted).

Table with 14 columns: Boston, New York, Philad., Cleveland, Richm'd., Atlanta, Chicago, St. Louis, Minneap., Kan. City, Dallas, San Fran., Total. Rows include: Number of reporting banks, U. S. bonds to secure circulation, Other U. S. bonds, U. S. Victory notes, U. S. certificates of indebtedness, Total U. S. securities, Loans secured by U. S. bonds, etc., Loans secured by stocks and bonds, All other loans and investments, Reserve balances with F. R. bank, Cash in vault, Net demand deposits, Time deposits, Government deposits, Bills payable with F. R. bank, Bills rediscounted with F. R. bank.

2. Data for Banks in Federal Reserve Bank and Branch Cities and All Other Reporting Banks.

Table with 12 columns: New York, Chicago, All F. R. Bank Cities, F. R. Branch Cities, All Other Reporting Banks, Total. Rows include: Number of reporting banks, U. S. bonds to secure circulation, Other U. S. bonds, U. S. Victory notes, U. S. certificates of indebtedness, Total U. S. securities, Loans secured by U. S. bonds, etc., Loans secured by stocks and bonds, All other loans and investments, Reserve balances with F. R. bank, Cash in vault, Net demand deposits, Time deposits, Government deposits, Bills payable with F. R. bank, Bills rediscounted with F. R. bank, Ratio of U. S. war securities and war paper, total loans & invest., %.

\* Including Liberty bonds.

The Federal Reserve Banks.—Following is the weekly statement issued by the Federal Reserve Board on Aug. 29:

Aggregate increases of 46.2 millions in the holdings of war paper accompanied by slightly larger additions to reserve deposits are indicated in the Federal Reserve Board's weekly bank statement issued as at close of business on Aug. 29 1919. The statement also shows an increase of 27.1 millions in Federal Reserve note circulation and a further decrease of 7.5 million in gold reserves.

As against the considerable rise in the amount of war paper on hand, the banks' holdings of other discounts fell off 5.4 millions, while their acceptance holdings underwent but little change. Treasury certificates, on the other hand, show an increase for the week of 5.6 millions. Holdings of war paper by the Chicago, St. Louis and Minneapolis banks include 53.7 millions of

paper discounted for other Federal Reserve banks, as against 59 millions the week before, while acceptance holdings of the Cleveland, Kansas City and San Francisco banks are inclusive of 39.4 millions (as against 41.4 millions) purchased from other Federal Reserve banks.

Government deposits show a decline for the week of 48.8 millions, reserve deposits an increase of 50.1 millions, while the "float" carried by the reserve banks declined 11.4 millions. Net deposits work out about 8.7 millions in excess of the previous week's total. Total cash reserves fell off 6.7 millions. The banks' reserve ratio because of the reduction in reserves and the increase in both deposit and note liabilities shows a decline from 51.3 to 50.7%.

The figures for the system as a whole are given in the following table, and in addition we present the results for seven preceding weeks, together with those of corresponding week of last year. The second table shows the resources and liabilities separately for each of the twelve banks. The Federal Reserve Agents' Accounts (third table following) gives details regarding transactions in Federal Reserve notes between the Comptroller and Reserve Agents and between the latter and Federal Reserve banks.

COMBINED RESOURCES AND LIABILITIES OF THE FEDERAL RESERVE BANKS AT THE CLOSE OF BUSINESS AUG. 29 1919

Table with 10 columns: Aug. 29 1919, Aug. 22 1919, Aug. 15 1919, Aug. 8 1919, Aug. 1 1919, July 25 1919, July 18 1919, July 11 1919, Aug. 29 1918. Rows include: RESOURCES (Gold coin and certificates, Gold settlement fund, Gold with foreign agencies, Total gold held by banks, Gold with Federal Reserve agents, Gold redemption fund, Total gold reserves, Legal tender notes, silver, &c., Total reserves, Bills discounted, Secured by Govt. war obligations, All other, Bills bought in open market, Total bills on hand, U. S. Government bonds, U. S. Victory Notes, U. S. certificates of indebtedness, All other earning assets, Total earning assets, Bank premises, Gold in transit or in custody in foreign countries, Uncollected items and other deductions from gross deposits, 5% redemp. fund agst. F. R. bank notes, All other resources, LIABILITIES (Capital paid in, Surplus, Government deposits, Due to members, reserve account, Deferred availability items, Other deposits, Incl. for Govt. credits, Total gross deposits, F. R. notes in actual circulation, F. R. bank notes in circulation—net liab., All other liabilities, Total liabilities).

\* Includes One-Year Treasury Notes.

Table with 10 columns (Aug. 29 1919, Aug. 22 1919, Aug. 15 1919, Aug. 8 1919, Aug. 1 1919, July 25 1919, July 18 1919, July 11 1919, Aug. 29 1918) and multiple rows detailing gold reserves, liabilities, and distribution by maturities.

WEEKLY STATEMENT OF RESOURCES AND LIABILITIES OF EACH OF THE 12 FEDERAL RESERVE BANKS AT CLOSE OF BUSINESS AUG. 29 1919

Table with 13 columns (Boston, New York, Phila., Cleveland, Richmond, Atlanta, Chicago, St. Louis, Minneap., Kan. City, Dallas, San Fran., Total) and multiple rows detailing resources and liabilities for 12 Federal Reserve Banks.

\*Includes Government overdraft of \$623,000.

STATEMENT OF FEDERAL RESERVE AGENTS ACCOUNTS AT CLOSE OF BUSINESS AUG. 29 1919.

Table with 13 columns (Boston, New York, Phila., Cleveland, Richmond, Atlanta, Chicago, St. Louis, Minneap., Kan. City, Dallas, San Fran., Total) and multiple rows detailing Federal Reserve notes, chargeable to F. R. Agent, and other financial data.



Occupying three pages. For record of sales during the week of stocks usually inactive, see preceding page

Table with columns for High and Low Sale Prices (per share, not per cent.) for Saturday through Friday, and a main section for Stocks New York Stock Exchange. The stock section includes categories like Railroads, Manufacturing, and Industrial & Miscellaneous, with columns for Shares, Par, and various price points.

\* Bid and asked prices; no sales on this day. † Ex-rights. ‡ Less than 100 shares. § Ex-div. and rights. ¶ Ex-dividend. ¶ For fluctuations in rights, see page 961.

For record of sales during the week of stocks usually inactive, see second page preceding.

Table with columns: HIGH AND LOW SALE PRICES—PER SHARE, NOT PER CENT. (Saturday, Sunday, Monday, Tuesday, Wednesday, Thursday, Friday); Sales for Week; STOCKS NEW YORK STOCK EXCHANGE (Indus. & Miscell. (Con) Par); PER SHARE Range Since Jan. 1 On basis of 100-share lots (Lowest, Highest); PER SHARE Range for Previous Year 1915 (Lowest, Highest). Rows list various stocks like American Ice, American Locomotive, etc.

\* Bid and asked prices; no sales on this day. † Less than 100 shares. ‡ Ex-rights. § Ex-div. and rights. ¶ Ex-dividend. †† For fluctuations in rights see second page preceding.

For record of sales during the week of stocks usually inactive, see third page preceding.

Table with columns: HIGH AND LOW SALE PRICES—PER SHARE, NOT PER CENT. (Saturday, Aug. 30, Monday, Sept. 1, Tuesday, Sept. 2, Wednesday, Sept. 3, Thursday, Sept. 4, Friday, Sept. 5); Sales for the Week; NEW YORK STOCK EXCHANGE (Industrial & Misc. (Con.) Par, Laclede Gas (St. Louis), Lee Rubber & Tire, Liggett & Myers Tobacco, Do preferred, Loose White Blsult r etts, Do 2d pref, Lordillard (P), Do preferred, Mackay Companies, Do pref, Manhattan Shirt, Marlin-Rockwell v t c, Maxwell Motor, Inc, Do 1st pref, Do 2d pref, May Department Stores, Do preferred, Mexican Petroleum, Do pref, Miami Copper, Midvale Steel & Ordnance, Montana Power, National Acme, National Biscuit, Do preferred, National Cloak & Suit, Do preferred, Nat Conduit & Cable, Neo Exam'g & Stamp's, Do pref, National Lead, Do pref, Nevada Consol Copper, New York Air Brake, New York Dock, Do preferred, North American Co, Nova Scotia Steel & Coal, Ohio Clites Gas (The), Ohio Fuel Supply, Oklahoma Prod & Refining, Ontario Silver Mining, Owens Bottle, Pacific Gas & Electric, Pacific Mail SS, Pacific Telegraph & Teleg, Pan-Am Pet & Trans, Do pref, Penn-Southern & Cylv v t c, People's G. L. & C (Chic), Royal Dutch Co (Am shares), Ctts for New York shares, Pierce-Arrow M Car, Do pref, Pierce Oil Corporation, Pittsburgh Coal of Pa, Do pref, Pittsburgh Steel pref, Pond Creek Coal, Pressed Steel Car, Do pref, Public Serv Corp of N J, Pullman Company, Punta Alegre Sugar, Railway Steel Spring, Do pref, Ray Consolidated Copper, Remington Typewriter v t c, Do 1st preferred v t c, Republic Iron & Steel, Do pref, Republic Steel v t c, Royal Dutch Co (Am shares), Ctts for New York shares, St Joseph Lead, Savage Arms Corp, Saxon Motor Car Corp, Sears, Roebuck & Co, Shattuck Arts Copper, Sinclair Oil & Refg, Sioux-Sheffield Steel & Iron, Do preferred, So Porto Rico Sugar pref, Standard Milling, Do preferred, Stromberg-Carluret v t c, Stuebaker Corp (The), Do pref, StutsMotor Car of Am, Superior Steel Corp, Tenn Copp & C r etts, Texas Company (The), Tidewater Oil, Tobacco Products Corp, Do pref, Transcontinental Oil, Transue & Williams St, Norwood Typewriter, Union Bag & Paper Corp, United Alloy Steel, United Cigar Stores, United Drug, Do 1st preferred, Do 2d preferred, United Fruit, United Retail Stores v t c, U S Cnst I Pipe & Fdy, Do pref, U S Express, U S Food Products Corp, U S Industrial Alcohol, Do pref, U S Realty & Improvement, United States Rubber, Do 1st pref, U S Smelting Ref & M, Do pref, United States Steel Corp, Do pref, Utah Copper, Utah Securities v t c, Virginia-Carolina Chem, Do pref, Virginia Iron C & C, Wells, Fargo Express, Western Union Telegraph, Western Union Tel Brks, Westinghouse Elec & Mfg, White Motor, Willys-Overland (The), Do pref (new), Wilson & Co, Inc, v t c, No par, Do preferred, Woolworth (F W), Do pref, Worthington P & M v t c, Do pref A, Do pref B.

\* Bid and asked prices; no sales on this day. † Less than 100 shares. ‡ Ex-rights. § Ex-div. and rights. ¶ For fluctuations in rights see p. 961.

New York Stock Exchange—Bond Record, Friday, Weekly and Yearly

Jan. 1909 the Exchange method of quoting bonds was changed and prices are now—"and interest"—except for interest and defaulted bonds.

Table with columns: BONDS N. Y. STOCK EXCHANGE, Week Ending Sept 5, Interest Period, Price Friday Sept 5, Week's Range or Last Sale, Bonds Sold, Range Since Jan. 1. Includes sections for U.S. Government, Foreign Government, and State and City Securities.

Table with columns: BONDS N. Y. STOCK EXCHANGE, Week Ending Sept 5, Interest Period, Price Friday Sept 5, Week's Range or Last Sale, Bonds Sold, Range Since Jan. 1. Includes sections for U.S. Government, Foreign Government, and State and City Securities.

\*These are prices on the basis of \$1000

Table with columns: State and City Securities, N.Y. City, Railroad, and various municipal bonds.

Table with columns: State and City Securities, N.Y. City, Railroad, and various municipal bonds.

\*No price Friday; latest this week. \* Due Jan. \* Due April \* Due May \* Due June \* Due July \* Due Aug. \* Due Oct. \* Due Nov. \* Due Dec. \* Option sale





Main table containing bond listings with columns: BONDS N. Y. STOCK EXCHANGE, Interest Period, Price Friday, Week's Range or Last Sale, Range Since Jan. 1, and various bid/ask prices.

\* No price Friday latest bid and asked. † Due Jan. ‡ Due Feb. § Due June. ¶ Due July. ¯ Due Aug. ° Due Oct. °° Due Nov. °°° Due Dec. °°°° Option sale.



SHARE PRICES—NOT PER CENTUM PRICES.

Table with columns for days of the week (Saturday Aug. 30 to Friday Sept. 5) and stock prices. Includes vertical text 'STOCK EXCHANGE CLOSED—EXTRA HOLIDAY' and 'STOCK EXCHANGE CLOSED—LABOR DAY'.

Sales for the Week Shares.

STOCKS BOSTON STOCK EXCHANGE

Range Since Jan. 1. Lowest Highest

Range for Previous Year 1918. Lowest Highest

Main table of stock prices and ranges for various companies, including Railroads, Miscellaneous, and Mining.

\* All and ask prices, † Bid and bid and rights, ‡ Assessment paid, § Ex-stock dividend, ¶ Ex-rights, \* Ex-dividend, \*\* Half-paid.

Outside Stock Exchanges

Boston Bond Record.—Transactions in bonds at Boston Stock Exchange Sept. 2 to Sept. 5, both inclusive:

Table with columns: Bonds, Friday Last Sale Price, Week's Range of Prices, Sales for Week, Range since Jan. 1. Includes entries like U S Lib Loan 3 1/4, 1st Lib Loan 4 1/4, etc.

Baltimore Stock Exchange.—The complete record of the transactions at the Baltimore Stock Exchange from Sept. 2 to Sept. 5, both inclusive, compiled from the official sales lists, is given below.

Table with columns: Stocks—, Par., Friday Last Sale Price, Week's Range of Prices, Sales for Week, Range since Jan. 1. Includes entries like Alabama Co, Atlantic Petroleum, Baltimore Tube, etc.

Chicago Stock Exchange.—The complete record of transactions at the Chicago Stock Exchange from Sept. 2 to Sept. 5, both inclusive, compiled from the official sales lists, is given below.

Table with columns: Stocks—, Par., Friday Last Sale Price, Week's Range of Prices, Sales for Week, Range since Jan. 1. Includes entries like Amer Shipbuilding, Armour & Co preferred, Booth Fish com new, no par, etc.

\* No par value.

Philadelphia Stock Exchange.—The complete record of transactions at the Philadelphia Stock Exchange from Sept. 2 to Sept. 5, both inclusive, compiled from the official sales lists, is given below.

Table with columns: Stocks—, Par., Friday Last Sale Price, Week's Range of Prices, Sales for Week, Range since Jan. 1. Includes entries like American Gas, American Rya pref, Am Ship & Commerce, etc.

Pittsburgh Stock Exchange.—The complete record of transactions at the Pittsburgh Stock Exchange from Aug. 30 to Sept. 5, both inclusive, compiled from the official sales lists, is given below.

Table with columns: Stocks—, Par., Friday Last Sale Price, Week's Range of Prices, Sales for Week, Range since Jan. 1. Includes entries like American Sewer Pipe, Amer Wind Glass Mach, Arkansas Nat Gas com, etc.

Volume of Business at Stock Exchanges.—See p. 961.

New York "Curb" Market.—Below we give a record of the transactions in the outside security market from Aug. 30 to Sept. 5, both inclusive.

It should be understood that no such reliability attaches to transactions on the "Curb" as to those on the regularly organized stock exchanges.



Table with columns: Bonds (Concluded), Friday Last Sale Price, Week's Range of Prices, Sales for Week, Range since Jan. 1. Includes entries like C C C & St Louis 6 1/2, 1929.

\* Odd lots. † No par value. ‡ Listed as a prospect. § Listed on the Stock Exchange this week, where additional transactions will be found. ¶ New stock. † Unlisted. \* When issued. ‡ Ex-dividend. † Ex-rights. ‡ Ex-stock dividend. † Dollars per 1,000 lire flat.

New York City Realty and Surety Companies.

Table with columns: Bid, Ask, Bid, Ask, Bid, Ask. Lists companies like Alliance Realty, Amer Surety, Bond & M.G., etc.

Quotations for Sundry Securities

All bond prices are "and interest" except where marked "f."

Large table with multiple columns: Standard Oil Stocks, RR. Equipments, Tobacco Stocks, Short Term Notes, Industrial and Miscellaneous. Lists various stocks and bonds with bid/ask prices.

CURRENT NOTICES

H. M. Webster, B.O.S., C.P.A., formerly of Webster & Mills, public accountants, and who during the war served the Government as Comptroller for and a Director of the U. S. Housing Corporation, Washington, D. C., and A. A. Webster, also recently released from war service, announce the resumption of practice, under the name of H. M. Webster & Co., at 140 Nassau St.

The Columbia Trust Co. of this city has published for public distribution a pamphlet entitled "Calendar for Taxpayers." This pamphlet, the facts in which are arranged chronologically, is prepared for use as a monthly reminder for individuals, partnerships and corporations residing or doing business in the City of New York, who are required to file returns of net income or to pay any tax pursuant to the various tax laws of the State of New York and of the United States.

Geo. B. Gibbons & Co., 40 Wall St., this city, specialists in municipal bonds, this week made a new offering of \$1,097,500 City of Yonkers, N. Y., registered 5% bonds legal investment for savings banks and savings trust funds.

As a part of their organization, Colgate, Parker & Co., 49 Wall St., this city, maintain a Liberty Loan department to deal actively in all Liberty Loan issues and denominations. The firm will purchase the small denominations 0.10% below and sell 0.10% above market prices.

In our advertising columns I. M. Taylor & Co., Inc., 7 Wall St., this city, Boston, Philadelphia, Pittsburgh, Cleveland, Cincinnati and Indianapolis, are publishing as a matter of record only all the issue having been sold, their recent offering of \$5,000,000 East Coast Fisheries Co. 7% cumulative preferred stock.

For record purposes only, the Guaranty Trust Co., jointly with the National City Co. and Dominick & Dominick, are inserting their recent offering of \$9,856,100 Procter & Gamble Co. 6% Preferred stock in this issue of the "Chronicle." All the stock has been sold at 100 and accrued dividend.

All the stock having been sold, Bernhard, Scholle & Co., 14 Wall St., this city, and 3 Princes St., London, are advertising as a matter of record only opposite our weekly statement of clearings, \$3,000,000 Durham Hosiery Mills 7% cumulative sinking fund preferred stock.

A selected list of municipal bonds for conservative investment of September funds, exempt from all Federal income taxes, is advertised by William R. Compton Co., 14 Wall St., this city. The yields range from 4.40 to 5.625%.

Potter Brothers & Co., 5 Nassau St., this city, are publicly offering to investors, by advertisement on another page, \$3,500,000 West India Sugar Finance Corporation 8% cumulative sinking fund preferred stock.

At 98 1/2 and interest, to net 6 1/2%, Wm. A. Read & Co. are offering and advertising in this issue, \$2,500,000 Newport Co. first mtge. 3-year 6% bonds, due Sept. 1, 1922.

The definitive certificates for Preferred and Common stock of the Endicott-Johnson Corporation are now ready for delivery at the offices of the Columbia Trust Co., N. Y. City, or the Old Colony Trust Co. of Boston, Mass., the transfer agents.

Lloyd E. Work, for many years with Peabody, Houghteling & Co., has joined the Bankers Mortgage Co., which has offices in Chicago, Des Moines and New York, and is in charge of its bond and investment departments.

New York City Banks and Trust Companies.

All prices now dollars per share.

Table with columns: Banks—N Y, Bid, Ask, Banks, Bid, Ask, Trust Co's, Bid, Ask. Lists various banks and trust companies like America, Amer Exch, Atlantic, etc.

\* Banks marked with a (\*) are State banks. † Sale at auction or at Stock Exchange this week. ‡ Includes one-half share Irving Trust Co. † New stock. ‡ Ex-rights.

\* Per share. † Basis. ‡ Purchaser also pays accrued dividend. † New stock. ‡ Lat price. † Nominal. ‡ Ex-dividend. † Ex-rights. (†) Without par value.

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. The returns of the electric railways are brought together separately on a subsequent page.

Main table of Railroad Gross Earnings with columns: ROADS, Latest Gross Earnings (Week or Month, Current Year, Previous Year), Jan. 1 to Latest Date (Current Year, Previous Year). Includes roads like Alabama & Vicksburg, Ann Arbor, Atchafalaya, etc.

AGGREGATE OF GROSS EARNINGS—Weekly and Monthly.

Summary table showing Weekly Summaries and Monthly Summaries with columns: Current Year, Previous Year, Increase or Decrease, %.

\* We no longer include Mexican roads in any of our totals.





Table with columns: Name of Road or Company, Latest Gross Earnings (Month, Current Year, Previous Year), Jan. 1 to Latest Date (Current Year, Previous Year). Rows include various utility and railway companies like Ft Worth Pow & Lt., Galt-Hous Elec Co., etc.

Table with columns: Name of Road or Company, Gross (1919, 1918), Net after Taxes (1919, 1918), Surplus after Charges (1919, 1918). Rows include Baton Rouge Elec Co., Blackstone Val Gas & El Co., etc.

a Includes Milwaukee Light, Heat & Traction Co. b Includes all sources of Earnings given in miles. c Includes constituent or subsidiary companies. d Subsidiary companies only. e Lewiston Augusta & Waterville Street Ry. earnings, expenses, &c. not included in 1919. f Includes Tennessee Ry., Light & Power Co., the Nashville Ry. & Light Co., the Tennessee Power Co. and the Chattanooga Ry. & Light Co. g Includes both elevated and subway lines. h Of Abington and Rockland (Mass.).

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 columns: Companies, Gross Earnings (Current Year, Previous Year), Net Earnings (Current Year, Previous Year). Rows include Beaver Val Trac Co., Brazilian Traction, Light & Power Co., Ltd., etc.

a Net earnings here given are after deducting taxes. b Given in Miles.

Table with columns: Companies, Gross Earnings, Net after Taxes, Fixed Chgs., Balance, Surplus. Rows include Detroit Edison Co., Newport News & Hampton Ry., Gas & Elect Co., etc.

FINANCIAL REPORTS.

Financial Reports.—An index to annual reports of steam railroads, street railway 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 Aug. 30. The next will appear in that of Sept. 27.

Transcontinental Oil Co.

(Official Statement to N. Y. Stock Exchange—Balance Sheet.) The official statement made to the New York Stock Exchange in connection with the listing of capital stock will be found on subsequent pages of this issue.—V. 109, p. 636.

American Locomotive Company.

(18th Annual Report—Year ended June 30 1919.) President Andrew Fletcher, Aug. 30, wrote in substance: Results.—The year ended June 30 1919 was the most successful year in our history. The plants were engaged entirely on locomotive business. The gross earnings amounted to \$108,923,524. The profits were \$16,935,356, from which there has been deducted \$4,922,789 reserved for Income and Excess Profits taxes, leaving a net profit available of \$12,012,567. After the payment of the usual 7% dividend of \$1,750,000 on the Preferred stock and dividends on the Common stock aggregating 5% or \$1,250,000, there remained a surplus of \$9,012,567, of which \$5,000,000 has been reserved for additions and betterments to the plants. The remaining profit of \$4,012,567 was added to the accumulated surplus of the company. Special Deductions—Depreciation, War Taxes, &c.—In arriving at the net profits for the year there has been included under the heading of manufacturing expenses and deducted from earnings the sum of \$1,155,556 for depreciation on all classes of property, and \$548,491 covering the total of expenditures made during the year for new drawings and patterns. Provision has been made for United States and Canadian income and war taxes, including the taxes imposed under an Act passed by the Canadian Parliament on June 26 1919, upon the profits of the Montreal Locomotive Works, for the fiscal year ended June 30 1919. Additions and Improvements.—During the year there was expended for permanent additions and betterments to the plants \$1,704,854, all of which has been charged against the reserve created for such expenditures. To offset the effect of the shorter working day and the increased cost of labor of all kinds, the management of the company continuing the past

policy of improving the physical conditions and facilities of the plants and increasing their efficiency, has set aside out of the profits of the year a reserve of \$5,000,000 for further additions and betterments.

The improvements are now in progress and are principally to the Schenectady, Brooks and Montreal plants and for the extension of the company's steel casting plant at Chester, Pa.

Production.—The tonnage produced in the year ended June 30 1919 was about 23% greater than in the preceding year. This was due to the new high records of production obtained at the larger plants of the company in the forefront of the year, and to the increased tonnage of the Montreal and Richmond plants which during part of the preceding year were being converted from munitions to locomotive manufacturing.

Unfilled Orders.—The amount of unfilled orders on the books on June 30 1919 was \$16,034,678, compared with \$74,736,543 on June 30 1918 and \$54,517,373 on Dec. 31 1918.

Since the armistice was signed in Nov. 1918 the volume of sales has been very low. There was, however, a considerable amount of unfilled orders on hand when the war ended and with new business booked subsequently, all plants except Pittsburgh were enabled to operate for the remaining months of the fiscal year at a slightly reduced rate of production.

The Pittsburgh plant was closed at the completion of its schedule in March 1919 and the reduced volume of business concentrated at the larger and more efficient plants of the company.

There has been \$2,135,352 of new locomotive orders taken since July 1 1919.

Net Current Assets.—The excess of current assets over current liabilities on June 30 1919 was \$35,508,422.

Inventories.—The amount of inventories of materials and supplies on hand and work in progress on June 30 1919 was \$11,018,309, as compared with \$25,411,834 on June 30 1918.

Government Orders.—During the year the company completed the order of 800 standard locomotives for the U. S. Railroad Administration, which were contracted for on April 30 1918. The company also completed 381 standardized locomotives for the Railroad Administration, applying on a contract of 500, dated Nov. 1 1918.

Because of the omission of Congress to provide funds prior to its adjournment in March last, the Railroad Administration was unable to meet its obligations in cash for locomotives delivered. To meet this situation the Director-General of the R.R. Administration issued 5% Certificates of Indebtedness for all unpaid bills due this company, and on June 30 1919 the company had received from the Administration \$25,324,424 of such Certificates of Indebtedness.

Application of Proceeds of Certificates of Indebtedness, &c.—On July 15 1919 the Railroad Administration, having obtained an appropriation from Congress, paid the Certificates of Indebtedness then held by your company, amounting to \$26,102,218. As this amount of cash added to other accumulations since July 1 1919 is far in excess of immediate needs of the company because of the small amount of business on hand, the company has liquidated all of its loans payable, amounting to \$7,535,000, and purchased \$23,500,000 of U. S. Treasury 4 1/2% Certificates.

U. S. Contract Adjusted.—The contract with the U. S. War Department for 190 trench locomotives, amounting to \$1,873,400, which was canceled shortly after the signing of the armistice, has been adjusted without loss to the company.

Purchase of War Bonds, &c.—The company subscribed for \$3,020,000 of the United States Liberty Loan bonds and \$2,200,000 of Victory Loan bonds, making a total of \$5,220,000 U. S. bonds subscribed for during the year of which the company's employees purchased \$1,777,100, to be paid for on the installment plan. The Montreal Company subscribed for \$660,000 of the Second Canadian Victory Loan bonds, of which that company's employees purchased \$122,700, to be paid for on the installment plan.

In Nov. 1918 the company contributed \$100,000 to the United War Work Campaign Fund.

New Fiscal Year.—At a meeting of the board held May 22 1919 the fiscal year was changed to the calendar year, effective after June 30 1919. The period from July 1 1919 to Dec. 31 1919 is to be treated as a six months fiscal period. The date of the annual meeting has been changed to the third Tuesday in April, beginning with the year 1920.

Outlook.—The immediate prospect of orders for domestic locomotives is not bright and undoubtedly this condition will continue until the ultimate disposition and financing of the railroads of the country, now under control of the U. S. R.R. Administration as a war measure, has been determined.

While the company has been receiving orders for foreign service, a greater volume of foreign business could be obtained but for the problems of finance and credit, many of the inquiries requiring long terms of payment extending from five to ten years. One solution of the credit problem, in our opinion, would be obtained by forming a combination of railroad equipment companies and allied industries of this country together with banking interests, under the form of a Foreign Railway Equipment Finance Corporation, rather than by individual action by any railroad equipment company.

The long delay in the settlement of peace is a measure preventing the formulation of definite plans and action tending toward the re-establishment of normal business relations with European and other foreign countries.

The quarterly dividend on the Common stock has been increased from 1 1/2% to 1 3/4% or from 5% to 6% per annum, beginning with the distribution made to be paid Sept. 30 1919.—V. 109, p. 678.

RESULTS FOR YEARS ENDING JUNE 30 (Incl. Montreal Locomotives)\*

Table with 5 columns for years 1918-19, 1917-18, 1916-17, 1915-16, 1914-15. Rows include Gross earnings, Mfg., maint. & admin. expenses & deprec'n., U. S. & Can. tax on prof, Net earnings, Int. on bonds of constit. cos., coupon notes, &c., Available for dividend, Div. on pref. stock, Div. on com. stock, Special Red Cross div., Bal., sur. or def., Res. for add'ns & bet't's, Balance.

CONSOLIDATED BALANCE SHEET JUNE 30.

Table with 4 columns for 1919, 1918, 1919, 1918. Rows include Assets (Cost of property, U. S. RR. A. cert., Cash, Accts. & bills rec., Lib. Loan bds., Install. paym'ts, Empl. sub. for Can. Victory bonds, U. S. Lib. bonds, Can. Vic. bonds, Mat'l & supplies, Accrued interest, Contract work in course of constr., Locomotives and parts in stock, Deferred charges) and Liabilities (Common stock, Preferred stock, Bonds constit. cos., Loans payable, Subs. Lib. L. bds., Accts. payable, Unclaimed Int., &c., Pref. div. pay July, Com. div. pay July, U. S. & Canadian war. & c. taxes, Res. for add'ns &c., Adv. pay on contr., Demitties, &c., Profit and loss).

\* Bonds of constituent companies in 1919 include \$432,000 Richmond Locomotive & Machine Works, \$1,500,000 Locomotive & Machine Co. of Montreal, L. & Henrico Iron Works Corp. \$25,000. a These certificates were paid July 15 1919. b Loans payable were paid during July 1919.—V. 109, p. 678.

Tide Water Oil Company and Subsidiaries.

(Report for Half Year Ended June 30 1919.)

INCOME AND SURPLUS ACCOUNTS FOR 6 MONTHS ENDING JUNE 30.

Table with 3 columns for 1919, 1918, 1917. Rows include Total volume of business, Operating expenses, Operating income, Other income, Total income for the six months, Depreciation & depletion charged off, Federal income and profits taxes, Less outside stockholders' proportion, Tide Water Oil Co. stockholders' proportion of total net income for the six months, Dividends paid in cash in March, do in June, Balance of net income for the 6 mos., Profit & loss surplus June 30.

\* This is the business "done by the Tide Water Oil Co. and its subsidiaries as represented by their combined gross sales and earnings, exclusive of inter-company sales and transactions. y Includes "total expenses incident to operations, including repairs, maintenance, pensions, administration, insurance, costs and all other charges, exclusive of depreciation and depletion and Federal income and profits taxes." z After allowing for stock dividend of 10%, \$2,900,000. c After adding \$618,637 through acquisition of Tidal Oil Co. outside interests.

CONSOL. GENERAL BALANCE SHEET INCL. THE COMPANY & SUBS.

Table with 4 columns for June 30 '19, Dec. 31 '18, June 30 '19, Dec. 31 '18. Rows include Assets (Prop. & equip't., Other investments, Cash, U. S. cifs. (tax fd.), 3 1/4% Lib. bonds, Other Liberty bds., Accts. & notes rec., Prepaid expenses, Crude oil & prod., Supplies & mater'l, Deferred items) and Liabilities (Tide Water Oil, Subsidiaries, out- side interests, Res'v. for fire loss, Accts. payable, Accrued taxes, T. W. Oil Co. surpl. & profit, Subsidiaries, out- side interest, sur., Total each side).

\* Property and equipment are shown after deducting "reserves for depreciation as of June 30 1919, \$11,625,197, and Dec. 31 1918, \$9,656,018."—V. 108, p. 2637.

Mexican Petroleum Co., Ltd. (Delaware).

(Results for Fiscal Year ending Dec. 31 1918.)

COMBINED INCOME ACCOUNT FOR YEARS ENDING DEC. 31.

Table with 4 columns for 1918, 1917, 1916, 1915. Rows include Gross earnings, Oper. exp., deprec., &c., Mexican Gov't. taxes, Net earnings, Other income, Total income, Bond interest, Bond discount & exp., Amortization, Balance, Inc. & excess prof. taxes, Preferred dividends, Common dividends, Balance, surplus, Tot. sur. and previous yr, Adjustments, deprec. & operating expenses, Balance, Inv. in prop. & wkg. cap, Profit & loss sur., Dividends for 1918 were paid half in cash and half in Liberty bonds.

CONSOLIDATED BALANCE SHEET DECEMBER 31.

Table with 4 columns for 1918, 1917, 1918, 1917. Rows include Assets (Oil lands & leases, wells, &c., Cash with M. Trus., Investments, Accts with affil. cos., Cash, Accts. & bills rec., Oil stocks, Materials & supp., Live stock, Mex. Gov. dues paid under protest, Mex. war. claim, Deferred charges, Liberty Loan bds.) and Liabilities (M. P. Co. (Del.), Common stock, Preferred stock, M. P. Co. (Cal.) stck., Bonded debt, Lib. bd. sub. unpd, Pan. Amer. Pet. & Transp. Co., Accts. payable, Accr. bond Int., &c., Prof. div. payable, Jan. 1, sur. stock, Div. on com. stock, Reserve for taxes, Deprec'n reserve, General reserve, Exhausts of oil lands, Profit and loss).

Total 78,546,834 83,634,140 Total 78,546,834 83,634,140 The annual report will be cited fully another week.—V. 109, p. 378.

Pan-American Petroleum & Transport Co.

(Report for Fiscal Year ending Dec. 31 1918.)

The remarks of President E. L. Doheny will be cited fully another week.

RESULTS FOR 1918 FOR THE COMPANY AND COS. OWNED BY IT.

Table with 3 columns for 1918, 1917. Rows include Income from steamships, Income from oil, Gross income, Depreciation and expenses, Net income, Other income, Total income, Bond and miscellaneous interest, Income and excess profits taxes, Preferred dividends, Common dividends, Balance, surplus, Previous surplus, Profit and loss surplus.



BALANCE SHEET JUNE 30.

Table with columns for 1919 and 1918, and sub-columns for Assets and Liabilities. Assets include Perm't invest't, Goodwill, Inv. allied eos., Cash, Liberty bonds, etc. Liabilities include Debenture stock, Preferred stock, Common stock, etc.

Maxwell Motor Co.—Chalmers Motor Corp.

(Financial Statements Accompanying Plan of Aug. 30 1919.) The Readjustment Plan, which is cited on subsequent pages of this issue, is accompanied by substantially the following tables showing the earnings of the properties and their status as regards capitalization and fixed charges on the old and also on the new basis.

INCOME ACCOUNTS—JULY 31 1915 TO JUNE 30 1919.

Table showing income accounts for Maxwell Motor Co., Inc. for the period July 31 1915 to June 30 1919. Columns include 1918, 1917, and 1916. Rows include Net earnings from operations, Other Income—Cash discounts, Deprec'n on bldgs., mach. & tools, etc., and Net income.

x Corporation income tax deducted at 12% for 5 months 1918 and 10% for six months 1919. "Net income" in this case is subject to change in accordance with settlement, when finally effected, of claims against U. S. Govt.

Table showing income accounts for Chalmers Motor Corp. for the period July 31 1915 to June 30 1919. Columns include 1918, 1917, and 1916. Rows include Net earnings from operations, Other Income—Cash discount, Deprec'n on bldgs., mach. & tools, etc., and Net income.

\* Subject to change in accordance with settlement, when finally effected, of claims against United States Government.

(3) Maxwell Motor Co. and Chalmers Motor Corp. Consol. Income Account.

Table showing consolidated income accounts for Maxwell Motor Co. and Chalmers Motor Corp. for the period July 31 1915 to June 30 1919. Columns include 1918, 1917, and 1916. Rows include Net earnings from operations, Other Income—Cash discounts, Deprec'n on bldgs., mach. & tools, etc., and Net income.

\* Subject to change in accordance with settlement, when finally effected, of claims against United States Government.

CAPITALIZATION AND FIXED CHARGES.

Table showing capitalization and fixed charges for Maxwell Motor Co. and Chalmers Motor Corp. Rows include Principal, Annual Charges, and Total as to securities outstanding in hand of public.

NEW COMPANY BALANCE SHEET AS OF JUNE 30 1919.

Table showing assets and liabilities for the new company as of June 30 1919. Assets include Capital assets, Current Working Assets, and Inventories. Liabilities include Preferred stock, Common stock, and Current liabilities.

\* Subject to change in accordance with settlement, when finally effected, of claims against the United States Government.

Maxwell Motor Co. and Chalmers Motor Corporation. CONSOLIDATED BALANCE SHEET JUNE 30 1919—PRESENT BASIS.

Table showing consolidated balance sheet for Maxwell Motor Co. and Chalmers Motor Corporation as of June 30 1919. Columns include Maxwell, Chalmers, and Combined. Rows include Assets (Plant & equip., Investments, etc.) and Liabilities (Preferred stock, Common stock, etc.).

\* Subject to change in accordance with settlement, when finally effected, of claims against United States Government.

Table showing consolidated balance sheet for Maxwell Motor Co. and Chalmers Motor Corporation as of June 30 1919, including adjustments. Columns include Maxwell, Chalmers, and Combined. Rows include Assets and Liabilities.

\* Subject to change in accordance with settlement, when finally effected, of claims against United States Government.

x Current assets of Chalmers Motor Corporation include: (a) Excess of personal property over amount of current liabilities and purchase money obligations taken over by Maxwell Motor Co. at date of lease, \$5,597,362; less expenditures charged against reserve for special purposes, \$410,784; balance, \$5,177,579. (b) Additions to June 30 1919: (aa) 50% of operating profit to July 31 1918, \$42,034; (bb) 50% of operating profit, 11 mos. to June 30 1919 (including \$533,040 on Government contracts), provisional, \$248,218; less cash from Maxwell Motor Co.—Chalmers factory account, \$45,000; balance, \$245,252; total, \$5,422,830.

The Spanish River Pulp & Paper Mills, Limited.

(Report for Fiscal Year Ending June 30 1919.) Pres. George H. Mead, Toronto, Aug. 25, wrote in substance: "The completion of construction work and proper balancing of the plants as referred to in the Report of last year has given the first annual opportunity to the company for demonstrating its earning ability. The result of the past twelve months' operation, while showing substantial increase over the previous year, does not, however, in the opinion of your directors, yet represent an adequate return upon the very valuable resources of the company or the large amount of capital invested. The year's available water supply was particularly good and the company consequently had a large production of groundwood. With the exception of sulphite (the market for which has been somewhat limited in recent months) the output of all products of the company has nearly approximated capacity. Financial.—As there were no sinking fund requirements during the past fiscal year, the company, having paid no dividends upon its capital stock, has been able to materially reduce its bank indebtedness and therefore finds itself in a strong cash position. Refunding—New Note Issue.—Your directors have determined that it is in the best interests of all security holders to pay the deferred interest on bonds and notes due in 1922, and redeem the 2nd Mtge Debentures, due in 1924. To provide the necessary funds they have arranged the sale of \$3,500,000 new 6% Serial Mortgage Lien Ten Year Notes, part of an authorized issue of \$5,000,000. Because of the increasing demands of regular customers of the company the installation of two additional paper machines at Espanola with a capacity of 100 tons per day, has become necessary. It is proposed to pay for this installation out of the proceeds of the sale of the \$3,500,000 of Notes and the earnings of the ensuing year. [See news item on a following page.] In anticipation of the payment of Deferred Interest and 2nd Mortgage Debentures, a call has been issued as of Aug. 1st, upon the talons and notes representing the Deferred Interest, and a call will be made upon Sept. 1st, for the 2nd Mortgage Debentures. In each case six months' notice must be given to holders, therefore payment will be made on Feb. 1st, and Mar. 1 1920, respectively.





BALANCE SHEET JUNE 30.

Table with columns for 1919, 1918, and 1917. Rows include Assets (Lands, bldgs., notes, cash, etc.) and Liabilities (Common stock, preferred stock, etc.).

x After deducting \$1,236,102 for depreciation in 1910 against \$845,134 for the preceding year.
y After deducting \$467,951 for reserve.
z After deducting \$281,798 for reserve against losses.

Philadelphia & Western Railway.

(Report for Year Ended June 30 1918 and 6 Mos. to Dec. 31 '18)

President Thomas Newhall, Phila., July 21, wrote in sub.:
New Fiscal Year.—The company's fiscal year has been changed from the year ending June 30 to the calendar year.

Increased Expenses, &c.—Your company, in common with all public utility companies, suffered heavily from the enormous increase in cost of labor, coal and all material in the period covered by this report, and its gross earnings were adversely affected by reason of the absence of so many men on Government service.

The track and roadbed have suffered somewhat from the lack of stone ballast, which it was impossible to secure, but this condition will shortly be remedied.

Earnings for the six months ended Dec. 31 1918 were adversely affected by the "influenza" epidemic in the fall months.

Rates.—The application for an increase in rates on one-way and ten-trip tickets, effective July 5 1917, resulted favorably, but the further rise in costs of operation due to war conditions rendered this increase insufficient, and on Nov. 1 1918 another increase in fares was made effective, this time without protest.

Express.—The unification of all express companies under Government control resulted in the cancellation in September 1918 of this company's contract with the Adams Express Co. This contract had been in force since Dec. 1912 and was profitable.

Reserve.—The "reserve for purchase of additional car equipment" has been increased by setting aside each month a fixed sum in cash and this fund now amounts to \$28,190, from which an appropriation of \$23,750 has been made for additional equipment.

Contract for Power.—Your board has given much attention to the question of the company's present and future electric power requirements, and a well-known firm of engineers after exhaustive studies recommended that the company purchase power and discontinue generating it.

New Directors.—The vacancies in your board caused by the death of Edward B. Smith and the resignations of George R. Sheldon and G. Trowbridge Hollister, both of New York, were filled by the election of W. Barkley Henry, Charles H. Bean and Edward F. Beale, all of Philadelphia.

OPERATING STATISTICS AND INCOME ACCOUNT.

Table with columns for 6 Mos. end. Dec. 31, 1918, 1917, 1916, and 1915. Rows include Traffic Statistics (Passengers, receipts, etc.) and Operating Expenses (Maintenance, power, etc.).

BALANCE SHEET.

Table with columns for Dec. 31 '18, June 30 '17, and June 30 '16. Rows include Assets (Cost road & equip., cash, etc.) and Liabilities (Preferred stock, common stock, etc.).

F De Kalb Realty Co. (all), \$10,000; Interborough Electric Light & Power Co. (all), \$3,000; Norristown Transit Co. (1/2), \$12,000.—V. 109, p. 578.

GENERAL INVESTMENT NEWS

RAILROADS, INCLUDING ELECTRIC ROADS.

Atlantic City (N. J.) & Shore RR.—Wage Increase.—The employees were granted a wage increase of about 10 cents an hour, effective Sept. 1.

Belvidere Delaware RR.—Bonds Canceled.—On Aug. 29 there were struck off the regular list of the Philadelphia Stock Exchange \$72,000 Consol. Mtge. 4% bonds, reported redeemed and canceled under the terms of the sinking fund during the years Jan. 2 1917 to Jan. 2 1919 incl., leaving the amount listed \$677,000.—V. 102, p. 1539.

Berkshire St. Ry.—Receivership.—Judge Lawton in the Massachusetts Superior Court on Aug. 29 appointed Clinton Q. Richmond receiver for the company.—V. 109, p. 886, 675.

Birmingham Ry., Lt. & Power Co.—Fare Incr.—Wages.—The City Commission on Aug. 23 adopted a resolution allowing the company to increase its fares to 6 cents. This 6-cent fare is temporary and is subject to modification at any time on the part of the City Commission.

The employees on Sept. 1 entered into a wage agreement for three years with the company. The employees demanded (a) a minimum of 60 cents, with a sliding scale extending as high as 70 cents an hour, (b) an eight-hour day with time and a half for all overtime.

Birmingham Tidewater Ry.—Fare Increase.—See Birmingham Ry., Lt. & Power Co. above.—V. 108, p. 2432.

Brooklyn Rapid Transit Co.—Accept 25% Increase.—The employees on Aug. 29 accepted the offer of a 25% increase in wages and a nine-hour day, as agreed upon by the arbitration board.—V. 109, p. 887, 774.

Burlington (Va.) Traction Co.—Strike Settled.—The company resumed operation on Aug. 16, having reached an agreement demanding an increase in wages, an eight-hour day and time and a half for overtime.—V. 109, p. 676.

Central of Georgia Ry.—Interest Payments.—Full interest for the 12 months ended June 30 1919, of 5% on the First, Second and Third Preferred Income bonds will be paid on Oct. 1.—V. 109, p. 884.

Chicago & Joliet Electric Ry.—Fare Increase.—The Illinois P. U. Commission has granted the company an increase in fares allowing a 10-cent fare for adults, 5 cents for children between the age of 7 and 12 years and 3 1/2 cents for children under 7 years.—V. 107, p. 500.

Chicago & North Western Ry.—Dividends.—The company has declared the usual quarterly dividends of 2% on the Preferred stock and of 1 1/4% on the Common stock, payable Oct. 1 to holders of record Sept. 8.

Chicago & Western Indiana RR.—Note Extension.—The Bankers Trust Co., N. Y., depository under the plan for the extension for one year at 7% of the One-Year 6% Collateral gold notes dated Sept. 1 1917, states that over a majority of such notes have been deposited for extension. Compare V. 109, p. 274.

Cincinnati & Columbus Traction Co.—Discontinue.—On the application of the Union Savings Bank & Trust Co., Cincinnati, trustee for the First Mortgage note holders, to abandon the entire line, the Ohio P. U. Commission on Aug. 28 rendered a decision whereby the line between Owensville and Hillsboro, eastern terminus, will be dismantled and junked.

Columbus (O.) Ry., Pow. & Light Co.—Strike.—The motormen and conductors went on strike on Sept. 3 in sympathy with striking linemen, who struck on Aug. 8, asking increased wages.—V. 109, p. 887, 774.

Des Moines City Ry.—Strike Settled.—The employees returned to work on Aug. 20 after being out on strike since Aug. 13 after the following settlement was agreed upon: (a) The men agreed to return to work if the Council passed an ordinance submitting a 6-cent fare to the people; (b) that Judge Wade of the Federal Court should order the issuance of receiver's certificates to cover \$105,000 of back pay.

East St. Louis & Suburban Ry.—Seeks Note Issue.—The company has filed a petition with the Illinois P. U. Commission for permission to reissue notes to pay off part of the original debt of the company in the amount of \$400,000.—V. 109, p. 887, 676.

Eastern Wisconsin Electric Co.—Fare Increase.—The Wisconsin RR. Commission on Aug. 10 handed down a decision granting the company a 7-cent cash fare on its Oaklawn City line. The company originally asked for a 5-cent fare. The Commission's order calls for 6 tickets for 35 cents and 50-ticket books for \$2.50.—V. 107, p. 1192.

Georgia Ry. & Electric Co.—Bond Application.—The company has applied to the Georgia RR. Commission for approval of an additional issue of \$105,000 Refunding & Improv. Mtge. bonds of 1909, to be used in paying 75% of the cost of additions and extensions to its plants and properties, from Jan. 1 1919 to June 30 1919, inclusive.

Georgia Ry. & Power Co.—Bond Application.—This company has applied to the Georgia RR. Commission for approval of an additional issue of \$489,000 First & Refunding 5% 40-year sinking fund gold bonds of 1914 to reimburse the treasury to the extent of 80% and 85% of the cost of additions and extensions to its plant and properties, Jan. 1 1919 to June 30 1919, both inclusive.

Hot Springs (Ark.) St. Ry.—Increased Fares.—The company has filed a tariff with the Arkansas Corporation Commission increasing the fares to 6 cents, effective Sept. 23.—V. 106, p. 1030.

Huntington (L. I.) RR.—Citizens to Purchase Road.—At a meeting held Aug. 29 Counselor Willard N. Baylis who as referee appointed by the Supreme Court had rendered an opinion to the effect that





Madison, Ia.; Geneva Works, Geneva, O.; Harriman Works, Harriman, Tenn.; Otsego Works, No. Girard, Pa.; Philadelphia Works, Frankford, Philadelphia, Pa.; Southern Works, Memphis, Tenn.; Wilmington Works, Jackson, Mich.; The National Handle Co., Fort Wayne, Ind., and Memphis, Tenn.—V. 109, p. 889.

**American Hide & Leather Co.—Bonds.—Directors.**—The company announces: The First Mortgage bonds, due Sept. 1, will be paid on and after Sept. 2 by the Equitable Trust Co., New York. J. P. Story, Jr., Frederick E. Thompson and Thomas B. Doe have been elected directors to succeed T. J. Ryan, M. C. Branch and Henry Evans, retiring.—V. 109, p. 885, 777.

**American Steel Foundries Co.—Preferred Dividend.**—An initial dividend of 1½% has been declared on the Preferred stock, payable Sept. 30 to holders of record Sept. 15. The regular quarterly dividend of 75 cents on the Common was also declared payable Oct. 15 to holders of record Oct. 1.—V. 109, p. 777.

**American Stores Co.—Preferred Stock Listed.**—The Philadelphia Stock Exchange has listed \$2,600 additional First Pref. stock, issued in exchange for an like amount of First Pref. stock of the Acme Tea Co., making the total amount of American Stores Co. First Pref. stock listed \$3,594,500.—V. 109, p. 272, 74.

**American Sumatra Tobacco Co.—Earnings.**

July 31 Years—	1918-19.	1917-18.	Decrease.
Gross earnings—	\$1,704,250	\$3,300,000	\$1,595,750
Net before taxes—	997,000	2,700,000	1,703,000

**American Tel. & Tel. Co.—Officer.**—E. K. Hall has been elected Vice-President and will be associated with N. C. Kingsbury, who is first Vice-President in charge of operations.—V. 109, p. 678, 478.

**American Woolen Co.—Common Dividend Increased.**—The directors declared a quarterly dividend of 1½% on the Common stock, which increases the annual rate from 5% to 7%. A quarterly dividend of 1½% was paid on the Common stock since April 1916. The regular quarterly preferred dividend of 1½% was also declared, both payable Oct. 15 to holders of record Sept. 15.  
**"Boston News Bureau"** Sept. 5 said: "Largely to compensate for the long, lean period of years in which Common stockholders were without dividends, the directors to-day established the stock on a permanent \$7 dividend basis. It is no secret that the ultimate aim has always been to bring the company to the point where junior shareholders would be receiving as much as the Preferred. American Woolen is now busy in all of its plants and operating at practically capacity with over 40,000 employees on its roster. The second half-year should in all probability be considerably ahead of the first six months as regards earnings, as the four months' strike earlier in the year cut well into net. Unless there is the most unexpected let-down in demand for cloth, 1920 should prove the company's biggest year. There is the most pronounced shortage of goods, particularly staples, the country over."—V. 109, p. 678, 75.

**Anaconda Copper Mining Co.—Output (in Pounds).**

	1919.	1918.	1917.
Month of August—	12,600,000	24,000,000	11,175,000
Jan. 1 to Aug. 31—	183,702,000	208,084,000	186,225,000

**Barnsdall Corp.—Subsidiary Company Earnings.**—"The net earnings of the subsidiary companies for July 1919 amounted to \$297,118; of this amount \$272,175 accrued to Barnsdall Corporation. These figures are after accruing interest and taxes, but before depreciation and depletion."—Official.—V. 109, p. 679, 673.

**Beckley-Ralston Co., Chicago.—Offering of Notes.**—Elston & Co., Chicago, are offering, at prices ranging from 98.66 and int. to 96.37 and int., to yield 6½%, \$400,000 6% Serial Gold Notes, dated Aug. 1 1919, due \$50,000 each Aug. 1 from 1922 to 1929, inclusive. (See advertising pages.) The bankers state:  
 Interest payable E. & A. without deduction for Federal taxes, net exceeding 2%. Redeemable, all or part, upon any interest date to Jan. 1 1922, at 102 and int.; thereafter at 101 and int. Peoples Trust & Savings Bank of Chicago, trustee. Denom. \$1,000 and \$500 (c).  
**Company.**—Incorp. under the laws of Illinois. Has been doing business since 1897. Is engaged in buying and selling automobile equipment, parts, supplies and bicycle sundries, maintaining sales offices in Chicago, San Francisco, N. Y. City and Detroit, doing a wholesale business in all parts of the United States, South America and Europe. Is the largest distributor of this class of material in the United States.

**Balance Sheet June 30 1919, After Financing.**

Assets—		Liabilities—	
Fixed assets—	\$117,318	Capital stock—	\$487,100
Current cash—	125,984	Notes (this issue)—	400,000
Bills and acceptances—	9,099	Re. notes—	13,750
Accounts receivable—	618,784	Bills payable—	91,460
Inventory—	1,081,048	Accounts payable—	302,213
Liberty bonds, &c.—	28,854	Non-current notes—	62,250
Other assets—	64,353	Other items—	27,596
Total (each side)—	\$2,046,040	Surplus—	661,671

Gross assets (\$1,549,021) equal 3.87 times, and net quick assets (\$1,432,274) equal 3.58 times the outstanding notes.  
**Earnings.**—The earnings for the past five years have averaged \$165,000 per annum, about 7 times the interest requirements for these notes.  
 At the present time is doing a gross business of about \$1,000,000 per year. Net earnings for the year ended Oct. 31 1918 were over \$130,000, or nearly 5½ times the interest charges on these notes.  
**This issue.**—Trust deed provides that no mortgage or note issue can be placed on the real or personal property in excess of \$62,250 now outstanding. The company agrees to maintain net quick assets equal to 200% of outstanding notes at all times. In the event of any default in company agreements, these notes become a first mortgage on all its assets.  
**Purpose of Issue.**—The proceeds will be used to retire bank obligations and to extent the operations of the company.

**Bingham Mines Co.—Dividend.**—A dividend of 25 cents has been declared on the \$1,500,000 capital stock (par \$10), payable Sept. 30 to holders of record Sept. 20. In June last 25 cents was paid in U. S. Liberty 4¼% bonds.—V. 108, p. 2530.

**Boise Gas Light & Coke Co.—Earnings, &c.**—See American Public Utilities Co. under "Reports" above.—V. 107, p. 1006.

**Borne-Scrymser Co.—Dividend.**—A dividend of \$20 per share has been declared on the \$200,000 capital stock, payable Oct. 15 to holders of record Sept. 13. A like amount has been paid in October of each year since 1912.—V. 106, p. 1038.

**Bucyrus Company.—Preferred Dividend Increased.**—The company has declared a dividend of 1½% on the Preferred stock, payable Oct. 1, to holders of record Sept. 20. Previous quarterly payments were 1%.—V. 108, p. 1062.

**Cerro Pasco Copper Corp.—Production (Lbs.).**

	1919.	1918.	1917.
Month of August—	5,726,000	5,786,000	6,036,000
Jan. 1 to Aug. 31—	37,810,000	48,112,000	45,534,000

**Chalmers Motor Corporation.—Plan.**—See Maxwell Motor Co. below.—V. 109 p. 2332.

**Chesapeake & Potomac Telephone Co. of Virginia.**—Judge Moncre in the Richmond (Va.) City Chancery Court on Aug. 29 refused to grant an injunction restraining the company from charging its patrons war telephone rates when its bills for service are presented on Sept. 1. The Court refused to make a decision in conflict with the act of

Congress, as interpreted, which provides that any modification of the war rates must be made by the duly constituted body—the State Corporation Commission of Virginia.  
 Assistant City Attorney George Wayne Anderson noted an appeal to the State Supreme Court.—V. 100, p. 558

**California Petroleum Corp. and Subsidiary Cos.**—The half-yearly income account was published in V. 109, p. 679.  
**Consolidated Balance Sheet as at June 30 1919 and Dec. 31 1918.**

Assets—	June 30 '19		Dec. 31 '18		Liabilities—	June 30 '19		Dec. 31 '18			
	\$	\$	\$	\$		\$	\$	\$	\$		
Property accounts—	31,755,951	29,477,984	Preferred stock—	12,343,026	12,343,026	Investment at cost—	100,000	715,568	Common stock—	14,877,005	14,877,005
U. S. Receiver (assets of co. in control of U. S. rec'r pending outcome of litigation)—	1,435,303	1,326,653	Sub. eos. stock in hands of public at book value—	510,388	669,995	Bonded debt—	1,525,300	1,535,300	Accounts payable—	168,446	198,575
Aud'n's & better's since Jan. 1 1913—	—	—	Notes payable—	65,000	100,000	Cash—	1,420,663	2,126,761	Accrued interest—	29,848	31,310
Liberty bonds—	186,300	288,650	Reserve (Federal (taxes) account)—	402,546	381,607	Acc'ts receivable—	538,987	652,852	Dividend payable—	524,670	462,863
Oil inventories—	301,566	605,951	Special reserve—	1,426,517	1,347,341	Materials & supp.—	828,209	908,036	Deferred charges—	392,424	15,933
Deferred charges—	392,424	15,933	Total—	36,909,404	36,839,404	From a small beginning in 1886, in which year only 26 gallons were sold, the business has grown till the output reached 12,109,420 gallons in 1917. The production in 1918 was somewhat less on account of the curtailment of the sugar supply by the Government. For the first 7 months of 1919, however, sales amounted to 11,099,569 gallons and a demand for 20,000,000 gallons for the year is indicated. Sales for the current year by months have been as follows:					

\* At June 30 1919 the unpaid dividends accumulated on the Preferred stock aggregated 2¼%. y Bonded debt includes American Oilfields Co. 6% 1930, \$923,800; American Petroleum Co. 6% 1920, \$601,500; total, \$1,525,300.—V. 109, p. 679.

**China Mail Steamship Corp. (of Cali.).—Offering of Bonds.**—Blyth, Witter & Co., San Francisco, N. Y. & C., are offering at prices to yield 6½% \$333,000 First Mortgage 7% bonds, maturing \$167,000 July 1 1920 and \$166,000 July 1 1921.

The bonds are a part of an issue of \$1,750,000, of which \$583,000 retired. The present issue was repurchased by Blyth, Witter & Co., the original underwriters (see V. 105, p. 698).  
 A statement of the earnings as given out by the bankers shows that for the year ended June 30, gross income was \$1,968,152; oper. exps. \$777,325; depreciation, \$150,158, and net earnings, \$1,040,668; bond interest required is \$112,500, leaving a balanced of \$928,168. Compare V. 107, p. 698, 1006.

**Coca-Cola Co.—Directors Elected, &c.**—The following have been elected directors: W. C. Bradley, C. H. Candler (Pres.), S. C. Dobbs (Vice-Pres.), Harold Hirsch, Louis H. Liggett, W. B. McCaw, J. H. Nunnally, E. W. Stetson, E. V. R. Thayer, E. Woodruff. Four additional directors are to be elected and announcement thereof is expected to be made shortly.

From a small beginning in 1886, in which year only 26 gallons were sold, the business has grown till the output reached 12,109,420 gallons in 1917. The production in 1918 was somewhat less on account of the curtailment of the sugar supply by the Government. For the first 7 months of 1919, however, sales amounted to 11,099,569 gallons and a demand for 20,000,000 gallons for the year is indicated. Sales for the current year by months have been as follows:

Sales		Inc. over		Sales		Inc. over	
(gals.)		1918.		(gals.)		1918.	
January—	1,160,177	63%	May—	1,768,317	89%		
February—	1,158,504	31%	June—	1,537,517	148%		
March—	1,245,090	13%	July—	2,239,362	171%		
April—	1,590,602	83%	Total—	11,099,569	82%		

During the last seven years about \$21,000,000 was disbursed in dividends. The election of the foregoing board is intended to insure the further development of the business. Many inquiries from foreign countries for Coca Cola indicate a possibility for expansion in that direction, and it is the intention of the management to enter that field in the near future. (The company filed a certificate of incorporation with the Secretary of State of Delaware on Sept. 5.)—V. 109, p. 890, 778.

**Cole Motor Car Co., Indianapolis.—Dividend, &c.**—The directors on Aug. 25 declared a dividend of 20%, or \$20 per share, on the Common stock. The company has no preferred stock or bonds out. During the present year the company anticipates a total production of 6,500 motor cars, exclusively of one chassis—the Aero-Eight—with nine styles of bodies. The present output is reported as twice that of any other year.—V. 103, p. 63.

**Columbia Oil Producing Co., Los Angeles.—Acquired.**—Control of the company will pass to the principal stockholders of the Commonwealth Petroleum Co. as a result of negotiations just completed. The syndicate formed to put over the deal has been assured of securing 85% of the Columbia stock. Something more than \$6,000,000 is said to be involved in the deal. The monthly production is said to be from \$5,000 to 100,000 barrels of oil—"San Francisco News Bureau," Aug. 25.—V. 85, p. 1404.

**Commonwealth Petroleum Corp., N. Y.—New President.**—Charles H. Schlacks has been elected President, succeeding Eugene Mackey who resigned.

Mr. Schlacks was until recently in charge of the rifle plant of the Midvale Steel & Ordnance Co. at Eddystone, Pa., said to be the greatest rifle plant in the world. (See V. 109, p. 77—also, see Baldwin Locomotive Works in V. 109, p. 272.)

**New Stock.**—Treasurer H. F. Osborn, Jr., 120 Broadway, N. Y., in circular of Aug. 29, says in substance:  
 This company hereby offers 100,000 shares of its non-par value Common stock for subscription at \$40 per share, to the holders of stock of record at the close of business Sept. 9 1919, at the rate of one-half share of the stock so offered for subscription for every share of this company's stock held by them respectively at said time. Subscriptions must be made at or before 3 p. m. Sept. 24 1919, at the Guaranty Trust Co., 140 Broadway, N. Y. Fractional rights must be combined so as to entitle the holders to subscribe for only whole share of stock. Neither this company nor Guaranty Trust Co. will buy or sell rights.  
 Subscriptions will be payable as follows: either (a) \$20 per share at or before 3 p. m. Sept. 24 1919, and \$20 3 p. m. Oct. 24 1919; or (b) \$40 per share at or before 3 p. m. Sept. 24 1919. Subscription warrants will issue about Sept. 9 1919.

The purpose of the board in offering said stock for sale is to provide funds for the extension of the operations of this company and for the future development of properties owned and controlled by it and in addition to place this company in such position that it may be able to secure for its stockholders participation in plans at present in process of formation, embracing not only the properties now owned or controlled by this company but also other properties or interests therein.

The New York "Times" has the following, apparently on authority:

The company recently acquired a dominant interest in the Union Oil Co. of California and the Columbia Oil Producing Co., also of California. Within a short time the formation of a holding company to take over the stock of the Union and Columbia Companies will be announced. It is planned after the additional Commonwealth stock has been subscribed for to offer stockholders an exchange for stock of the holding company, which will be known as the Commonwealth-Union Co. This consolidation will make the company one of the largest independent concerns in the country. (President Schlacks is now on his way to the Pacific Coast and in his absence no one is authorized to confirm or deny this statement. Included in the aforesaid purchase of stock in the Union Oil Co. of Los Angeles are

said to be 37,500 shares owned by Andrew Weir, now Lord Inverforth.—Editor "Chronicle."

**Control Secured.**—See Columbia Oil Producing Co. above.—V. 109, p. 581, 479.

**Computing-Tabulating-Recording Co.—Magazine.**—Thos. J. Watson, Pres. & Gen. Mgr., announces the publication of the first issue of "The International," which is intended to disseminate knowledge regarding the company, its products, organization, &c. This initial issue contains portraits of the company's officers and directors and of officers and executives of the leading controlled companies, and also pictures of the well-known products of these companies—notably: (a) computing scales; (b) tabulating devices for the electrical and mechanical compilation of statistics and business facts; (c) time recording clocks, &c.—V. 109, p. 374.

**Cresson Consolidated Gold Mining & Milling Co.—Distribution No. 83.**—

A distribution of 10 cents per share has been ordered paid from funds received from the sale of ore reserves acquired prior to March 1 1913 upon all outstanding stock, payable Sept. 10 to holders of record Aug. 31 1919.—V. 107, p. 2100.

**Dallas (Tex.) Power & Light Co.—Prof. Stock Offered.**—A press dispatch from Dallas states that the company is offering \$1,000,000 7% Preferred stock to its employees and patrons.  
J. W. Carpenter, Vice-President, is quoted as saying: Practically 100% of the employees already have purchased stock and a great many patrons of the company have likewise invested in the issue. For the convenience of those who desire to extend their payments over a long period of time, the company is offering to sell not more than 25 \$100 shares to one individual, payable in ten monthly payments of \$10 per month on each share so purchased. Purchasers who invest on this basis have the option of withdrawing all partial payments, including interest, on ten days' notice any time prior to date of final payment. Compare V. 109, p. 175, 274, 479.

**Draper Corporation, Boston.—Dividend Increased.**—A quarterly dividend of \$3 per share has been declared payable Oct. 1 to stockholders of record Sept. 6 on the \$17,500,000 capital stock. This is at the rate of \$12 per ann. as against previous annual rate of \$8, which has been in force since present corporation was formed in 1916.—V. 107, p. 85.

**Duquesne Light Co.—Approves Bonds.**—The stockholders have approved the issuance of a \$100,000,000 mortgage. Compare V. 109, p. 176, 891.

**Durham (N. C.) Hosiery Mills.—Stock Sold.**—Bernhard, Scholle & Co., N. Y., announce by advertisement on another page that all of the \$3,000,000 7% Cumulative Sink Fund Pref. stock offered by them at 98 and div. has been sold, the offering having been largely oversubscribed. Compare V. 109, p. 891.

**Eagle & Blue Bell Mining Co.—Dividend.**—The directors have declared a dividend of 5c. a share, payable Sept. 20 to holders of record Sept. 10. The previous payment was 5c. a share last March.—V. 107, p. 1006.

**East Butte Copper Mining Co.—Copper Prod. (Lbs.)**—

	1919	1918	1917
Month of August	2,054,760	1,714,358	1,676,360
8 months to Aug. 31	12,414,320	11,704,358	11,822,040

—V. 109, p. 681, 176.

**East Coast Fisheries Co.—Preferred Stock Sold.**—I. M. Taylor & Co., New York, &c., announce, by advertisement on another page, that they have placed the unsold portion of \$3,000,000 7% Cumulative Preferred (a. & d.) stock, par \$100. The bankers state:

Dividends payable Q-J. Redeemable, in whole or in part, at the option of the directors, at \$115 and divs. No bonded debt can be placed on any of the property while this issue is outstanding, except by the written consent of two-thirds of the outstanding Preferred stock.

Capitalization (No Bonded Debt).

7% Cumulative Preferred (par \$100) ----- \$5,000,000  
 Common stock (par \$10) ----- 5,000,000  
**Company.**—Is a profitable producing company operating out of Boston, Portland, Gloucester and New York. In addition to other interests, owns and operates five large food-producing vessels and is doubling the scope of its present operations by the addition of five other highly efficient, all-steel, steam trawling vessels, the company's contracts calling for the completion of these new steam trawlers during the present year. The plans of the company are in accord with those laid down by the U. S. Government.  
**Purpose of Issue.**—The proceeds of this issue, already largely subscribed, are for the enlargement of the company's fishing equipment, by the addition of further highly productive steam trawling vessels.

**Estimated Net Earnings for 12 Months, Based upon Actual Earnings.**  
 15 trawlers, when in full operation, per annum ----- \$2,700,000  
 Dividend requirements on 7% Preferred, approximately ----- 210,000  
 Balance available for surplus ----- 2,490,000

**Directors.**—F. O. Bemer, I. M. Taylor, C. E. Knoeppel, Irving Cox, W. G. Timothy, Richard Cole, Walter P. Wells, W. E. Auchinbaugh, New York City; L. F. Nagle, Potstown, Pa.; W. F. Birch, Dover, N. J.; Mark W. Norman, Darien, Conn. Compare V. 105, p. 2458, 2546.—V. 109, p. 891.

**Electric Storage Battery Co.—Dividends.**—The directors have declared a quarterly dividend of \$2 per share on both Common and Preferred stocks, payable Oct. 1 to stock of record Sept. 15. Previously the company has been paying quarterly dividends of \$1 on both classes of stock.—V. 109, p. 681.

**Elkhart Gas & Fuel Co.—Earnings, &c.**—See American Public Utilities Co. under "Reports" above.—V. 107, p. 1006.

**Firestone Tire & Rubber Co.—Capital Increase.**—A dispatch from Akron, O., states that the stockholders voted to increase the capital stock from \$15,000,000 to \$75,000,000, as per plan in V. 109, p. 681.

**General Asphalt Co.—Listing.**—The Philadelphia Stock Exchange has admitted to list \$60,000 additional Common stock, issued in exchange for \$40,000 Pref. stock surrendered and canceled, making the total amount of Common stock listed \$13,022,800 and reducing amt. of Pref. stock listed to \$11,984,000. See V. 109, p. 778.

**General Tractors, Inc.—Common Stock.**—Chas. F. Lutz & Co., New York, have underwritten, and are offering for subscription, 100,000 shares of Common stock, no par value. A circular shows:

**Capitalization.**

	Authorized.	Issued.
Preferred 7% cumulative (par \$100)	\$1,000,000	\$200,000
Common (incl. present 100,000) (no par value)	500,000 sh	320,000 sh.

**Note.**—An additional 30,000 shares of Common stock may be issued in exchange for outstanding Monarch Tractor Co. Common stock.

**Company.**—Organized under the laws of Delaware. Has acquired: (a) \$300,000 of the outstanding Common stock of the Monarch Tractor Co. of So. Dak., with issued capital as follows: Common stock, \$399,750; Preferred stock (7% cumulative participating), \$83,000. (b) \$409,000 of the Common stock of the Monarch Tractors, Ltd., Canada, with issued capital as follows: Common stock, \$500,000; Preferred stock (7% cumulative participating), \$255,000. The factories are located in Watertown, Wis., Maulsboro, N. J., and Brantford, Ontario, Can.

**Purpose of Issue.**—The new capital is to be used for increasing the production of tractors in the company's plants and for the general expansion of the business, and also to provide working capital of \$700,000.

**Future Production.**—The company's manufacturing schedule contemplates 3,600 tractors in its three plants during the coming year, the selling value of which is \$7,700,000. The General Tractors, Inc., share of the profits from these sales would amount to over \$600,000, before allowance being made for replacement and Federal taxes.

**Officers.**—Wm. N. Smith, Pres.; Alfred F. Leopold, V. Pres.; Henry O. Pond, V. Pres.; Russell S. Tucker, Treas.; C. D. Imman, Secy.  
**Directors.**—E. B. Cadwell, K. P. Emmons, Leo Bernard Levy, New York City; Henry O. Pond, Wm. N. Smith, Emil G. Wetten, Chicago, Ill.; Russell S. Tucker, Paulsboro, N. J.; Chas. E. Brown, Brantford, Ont.; U. H. Wheeler, Watertown, Wis.

**Grasselli Chemical Co.—Extra Dividend.**—An extra dividend of 3/4 of 1% has been declared on the Common stock, along with the regular quarterly dividends of 1 1/4% on the Common and 1 1/2% on the Preferred, all payable Sept. 30 to holders of record Sept. 15. A like amount was paid extra in June last.—V. 108, p. 2437.

**Gray & Davis, Inc., Cambridge, Mass.—Plan.**—The shareholders will vote Sept. 10 on the following propositions:  
 (1) To reduce the capital stock from \$2,361,300, made up of \$1,000,000 Preferred, par \$100, and \$1,361,300 Common stock, par \$25, to \$1,493,100, made up of \$131,800 Pref., par \$100, and \$1,361,300 Common, par \$25.  
 (2) To increase the capital stock from \$1,493,100 to \$2,854,400 by the issue of 64,452 new or additional shares of Common stock of \$25 each.

**Digest of Statement by Chairman H. C. Dodge, Cambridge, Sept. 2.**  
 The company now has contracts and orders for its regular lines of starting, lighting, ignition and lamps of about \$5,000,000 and at present is producing at that annual rate. This production is in excess of any previous rate and by the first of the year it is expected to be 50% greater than at present. During the past six months we have changed from practically 100% war working capital to increasing inventories in our regular lines.  
 After several years of development the company has placed on the market a new ignition system which should add materially to our automotive business. We are making all the starting-lighting systems for the Cleveland, Chandler, Paige, American, Bethlehem and Biddle cars, and have closed contracts with other makers. We are manufacturing component parts of the starters installed by the Ford and other companies.

We are supplying lamps for the Cadillac, Apperson, Cunningham, Franklin, Biddle, Mercer and Kissel, a part of the lamp equipment for several other cars and have recently started large deliveries for the Ford Motor Co. Our Assembly plant is now running at the rate of about \$1,250,000 a year, largely on lamps.

We are commencing to manufacture the "Unit Car," a railroad car with a self-contained steam power plant, developed by Stanley Brothers, manufacturers of the Stanley steam automobile. We also have a house-lighting system about ready for the market.

Our munition work has been completed excepting the manufacture of fuses for the normal requirements of the Navy Department. Government contracts have been largely settled. This work was profitable rather on account of large production than because of any great percentage of profit.

The proceeds of this contemplated financing would be used largely as working capital in increasing inventories in raw and finished materials, with the exception of about \$240,000, which is to be used in the retirement of the remaining outstanding Pref. stock and of the bonds on the factory building in Cambridge.

We recommend the offering of 54,452 shares of additional Common stock to the Common stockholders of record Sept. 10 at \$35 per share in amounts equal to one additional share for each share registered in his or her name. Arrangements have been made with a banking syndicate to underwrite the issue (less 4,452 shares reserved by the company for special purposes)—V. 108, p. 2245.

**Hercules Powder Co.—Extra Dividend.**—An extra dividend of 2% has been declared on the Common stock along with the regular quarterly dividend of 2%, both payable Sept. 25 to stock of record Sept. 15. The same amount was paid in June and March and the four quarters of 1918.—V. 109, p. 481.

**Hupp Motor Car Corporation.—Earnings.**

Years ending June 30—	1918-19	1917-18	1916-17
Net profits	\$535,603	\$836,091	\$271,479
Pref. dividends (7% per annum)	79,030	91,553	91,554

Balance, surplus, ----- \$458,573  
 \$745,138  
 \$179,925  
 The balance sheet of June 30 1919 shows cash, \$379,832, with no outstanding bills payable.—V. 109, p. 177.

**International Fur Exchange, Inc.—Offering of Pref. Stock.**—William Salomon & Co., New York, and G. H. Walker & Co., St. Louis, are offering at 95.50 and div. \$2,500,000 7% Cumulative Pref. (a. & d.) stock, par \$100.

Subscribers to the Preferred stock may also enter a subscription for the Common stock at \$35 per share in the proportion of three shares of the Common stock for every ten shares of the Preferred stock subscribed for.

Redeemable in whole or in part at 110% and divs. Divs. payable Q-J. A cumulative sinking fund to be applied annually to the purchase or redemption of the Pref. stock at not exceeding \$110 and accrued dividends is to be created by setting aside from surplus profits on June 30 commencing with 1920 (a) a sum equal to 3% of the aggregate par value of Pref. stock therefor issued, whether or not outstanding; (b) a further sum depending on the amount of dividends paid on the Common stock.

**Data from Letter of President P. B. Fouke, Dated Aug. 30 1919.**  
**Organization.**—The company is about to be organized under the laws of Delaware (incorporated Aug. 29) to acquire the entire outstanding Common stock (except directors' qualifying shares), or the property and assets of International Fur Exchange, a Missouri corporation, which in 1916 acquired the assets, business, trade names, &c., of Finsten Brothers & Co. (established 1881), and F. C. Taylor Fur Co. (established 1871).

**Capitalization on Completion of Present Financing.** Authorized, Outstandg.  
 Preferred stock 7% Cumulative (par \$100) ----- \$5,000,000 \$2,500,000  
 Common stock (with no par value) ----- 100,000shs. 80,000shs.  
 A substantial majority of the outstanding Common stock is to be acquired by the men associated with and in active charge of the business. The existing \$500,000 Pref. stock of the Missouri corporation has been called for redemption on Nov. 1 at \$115 and divs.

**Business.**—Conducts the largest business in the world for the wholesale purchase and sale of raw furs, comprising practically every different variety of marketable fur known. The two main divisions of the business are: (a) Fur receiving: Furs are shipped to the company's warehouses in St. Louis by trappers and country dealers located through the trapping sections of North America in response to price lists sent out once or twice a month during the trapping season, quoting prices payable to the shipper for furs. These furs are sold for the company's account to St. Louis dealers daily from about November to April on sealed bids. (b) Public Auctions, which are held three times a year (spring, fall and winter) at the company's salesrooms in St. Louis, each sale running from one to two weeks. Dealers in North America as well as Russia, Japan, China, South America, Australia and other countries ship raw and dressed furs to the company for sale at these auctions. These furs are sold on commission to the highest bidder, the customary commission being 5%. Finsten Brothers & Co. under a contract represents the U. S. Government in the disposal of these cautious sales of its Alaska sealings and other furs.

Of the total volume of sales in both branches of the business for the past fiscal year about 75% represented the sales at auction and 25% the fur receiving sales. The total volume of sales during the past fiscal year was about \$32,000,000.

**Earnings.**—The consolidated net earnings, after making provision for depreciation and Federal taxes, plus 6% per ann. on \$2,350,000 new net cash working capital to be introduced, have been as follows:  
 Average annually for 3 years and 2 mos. ended June 30 1919 (being 3.39 times annual div. requirements on the Pref. stock) ----- \$593,310  
 Annual rate for 13 months ended June 30 1919 (over 5 times the dividend requirements) ----- 878,735

The provision for Federal taxes for the past fiscal year was about \$300,000 and in the preceding year was about \$200,000. The consolidated net earnings for current fiscal year, after Fed'l taxes, will be upwards of \$1,000,000.

**Assets.**—The consolidated assets (exclusive of good-will, trade-names, &c.) as of June 30 1919, after giving effect to \$2,350,000 new net cash working capital, shows total consolidated net assets, \$3,956,668 (equal to

\$158 per share), of which the consolidated net quick assets alone amount to \$3,375,410 (equal to \$135 per share).  
**Preferred Stock Provisions.**—The new company agrees to maintain at all times (a) total net assets, including its subsidiaries, equal to 120%, and (b) net quick assets equal to 100% of the Pref. stock outstanding; (c) the company (incl. subsidiaries) may not, without the consent of 2-3ds of the outstanding Pref. stock (1) create any mortgage upon real property, except purchase money mortgages on after acquired property, (2) issue any evidence of debt running more than one year from date of issue, (3) issue any shares of stock prior to or on a parity with the Pref. stock, (d) has no voting power, except there shall be a default in the payment of the Pref. stock divs. for four quarterly periods, when it shall be entitled to elect one-half of the board of directors.

**International Paper Co.—Three Rivers Plant.**—An officer of the company under date of Sept. 2 informs us as follows: "Work was started at Three Rivers, Canada, this week on the sulphite pulp plant of the company. The capacity will be about 800 tons per day. It is probable that this will be followed in a reasonable time by a news-paper plant."—V. 109, p. 891.

**International Products Co.—Prof. Divs.—New Stock.**—Notice is hereby given that all dividends accumulated upon the Pref. stock up to June 30 1919 have been declared payable to holders of record Sept. 3 1919.  
 The Boston Stock Exchange on Aug. 4 1919 authorized for the list 6,000 additional shares, par \$100, Pref. stock which were issued for working capital, &c., under resolution of July 30 1919 authorizing in substance: That of the 17,525 shares remaining unissued of the total authorized issue of 50,000 shares of the 7% cum. Pref. stock, par \$100, 6,000 shares be disposed of at par, carrying Certificates of Obligation up to the face amount of \$73,500, equal to the accumulations of dividends thereon from Oct. 1 1917 to June 30 1919. Said certificates obligate the company if, when and as from its accumulated net profits or surplus it may pay accumulations of dividends upon its Pref. stock to pay, likewise, to the holders of said certificates a corresponding proportion of the face amount of their certificates until fully paid.  
 Hartshorne, Fales & Co., 71 Broadway, N. Y., recently issued an interesting circular regarding the enterprise.  
 The stockholders voted on Sept. 2 to increase the authorized issue of Pref. stock from \$5,000,000 to \$6,000,000 and the authorized Common stock from 100,000 shares (of which 93,577 were recently outstanding) to 135,000 shares of no par value. There are \$1,300,000 1st M. bonds, due 1927, outstanding.—V. 104, p. 2237.

**Jackson Light & Power Co.—Earnings, &c.**—See American Public Utilities Co. under "Reports" above.—V. 107, p. 1007.

**Kennecott Copper Corp., N. Y.—Dividend.**—The directors on Aug. 26 declared a dividend of 25 cents per share and a capital distribution of 25 cents per share, payable Sept. 30 1919, to stockholders of record Sept. 5 1919. In March 1919 the quarterly rate was reduced from \$1 (one-half being capital distribution) to the present figures.—V. 109, p. 779, 376.

**Kerr Lake Mines, Ltd.—Capital Distribution.**—The stock having been reduced from \$3,000,000 to \$2,400,000, a capital distribution of \$1 per share will be made at the office, 61 Broadway, N. Y., to holders of record Sept. 13.—V. 109, p. 891, 779.

**Lake of the Woods Milling Co., Ltd.—To Inc. Capital.**—It is announced that the shareholders will vote on Oct. 3 on increasing the capital stock. The present capital consists of \$1,500,000, authorized and issued Preferred, and \$2,500,000 Common authorized, of which \$400,000 unissued.—V. 107, p. 1578.

**Maxwell Motor Co., Inc.—Plan of Readjustment and Merger, Dated Aug. 30 1919.**—The committee named below, Harry Bronner, Chairman, and C. B. Hughes, Secretary, 80 Broadway, N. Y. City, have prepared the following plan under which the stockholders of the Maxwell Motor Co. and the Chalmers Motor Corporation, and the noteholders of the Chalmers Motor Co. are urged to deposit their securities with the Central Union Trust Co. as depository, 80 Broadway, N. Y. City, on or before Nov. 8. See adv. pages.

All 5% notes deposited must be in negotiable form, and must be accompanied by the coupon maturing April 1 1920 and all subsequent coupons. The coupon maturing Oct. 1 1919 should be detached prior to the deposit of said notes and collected in the usual manner.

**Digest of Statement by Committee under Date Aug. 30 1919.**  
 The undersigned committee, made up of stockholders of the two companies, respectively, after a careful study of existing conditions and future prospects, agree in the opinion that the interests of the security holders of both companies will be best served by a present and permanent readjustment of the relations now existing between the companies, and their merger into one new corporation to be organized, which will continue the manufacture of the products of the present companies, and from time to time such other products as may be determined upon as advantageous.

The committee believes such readjustment should result in a reduction in operating, administrative and sales expenses; an opportunity to increase the combined capacity of the plants, thereby reducing production cost; greater economy in the purchase of raw materials; and increased facilities and savings arising from additional cash working capital.

In an endeavor to realize these advantages, the committee has prepared the attached plan of readjustment which has been approved by the boards of directors of Maxwell Motor Co., Inc., and of Chalmers Motor Corp. n.

The committee calls particular attention to the arrangements set forth in the plan which it has been able to make with Central Union Trust Co. of New York and Chase Securities Corporation for furnishing additional working capital for the new company. As the offer of the two banking companies referred to is open for acceptance only for a limited period, the committee urges that prompt deposit of the existing securities.  
 The members of the committee will act without compensation.

(Signed by committee, viz: (a) Harry Bronner, Chairman, James C. Brady, John R. Morrison and Elton Parks, stockholders of Maxwell Motor Co., Inc.; (b) Jules S. Bache, Hugh Chalmers and J. Horace Harding, stockholders of Chalmers Motor Corporation.)

**Plan of Readjustment.**

**New Company.**—It is proposed to effect the readjustment either by the use of an existing company or by the formation of a new company or companies, to be known as Maxwell-Chalmers Motor Corporation, or other appropriate name, which shall acquire, either directly or through ownership or control of stock, the entire property of said companies or such part thereof as the committee may determine.

**New Securities.**—The new company is to authorize the following securities:

**Description of New Securities.**

1. **Ten-Year 7% Sinking Fund Convertible Gold Notes.**—\$10,000,000 Payable 10 years from their date, interest payable semi-annually. Both the principal and interest payable in U. S. gold coin without deduction for Federal, State or municipal taxes, other than Federal income taxes in excess of 2% per annum and other than inheritance or succession taxes. Subject to redemption, all or part, at the option of the new company, on any interest payment date, after 30 days' notice, at par and interest plus a premium of 1/2% of 1% for each six months from the date of the maturity thereof to the date of redemption. Convertible at any time, at option of holders thereof, into Common stock.

Unless the committee shall otherwise determine prior to the consummation of the plan, each holder of new notes surrendered for conversion shall be entitled to receive, for each \$1,000 face amount of said notes in new Common stock: (a) if converted during first 90 days from date of notes, 15 shares; (b) if converted after first 90 days and prior to the date when the same shall be payable or shall be called for redemption, 12 shares.

The new company will pay to the trustee under said trust agreement, an annual sinking fund equal to 5% of the face amount of new notes outstanding at the end of each fiscal year, for the retirement of said notes either through purchase or by redemption by lot at their redemption price.

The quick assets of the new company must at all times, after the lapse of the first four months, be at least 1 1/2 times greater than all of its current liabilities, as defined in said trust agreement, including all new notes at the

time outstanding, and the new company will not declare or pay any dividends on its Common stock, if such payment would reduce its said quick assets to an amount less than double all of its said current liabilities. A committee to be appointed in and by said trust agreement may, however, from time to time waive any of the above requirements regarding the amount of the quick assets of the new company except the requirement regarding the declaration and payment of dividends on its Common stock.  
 The new company will not make any mortgage or pledge any of its assets except (a) purchase-money mortgages not exceeding 70% of the purchase price of additional property purchased; (b) temporary obligations running not more than one year and secured by quick assets in ordinary business.

2. **Preferred Stock, 7% Cumulative, Shares \$100 Par Value.**—\$3,150,000 Subject to redemption, all or part, at the option of the new company, at any time after 30 days' notice, at 110% and divs.

Convertible any time at option of holders into Common stock, share for share. The new company will, subject to the sinking fund and other requirements of the new notes, set aside at the end of each fiscal year as a sinking fund an amount equal to 2 1/2% of the par amount of Preferred stock then outstanding, said sinking fund to be applied to the retirement of shares of said stock either through purchase or by redemption by lot at their redemption price.

The Preferred stock and the Common stock will have equal voting rights. In case of liquidation or dissolution, whether voluntary or involuntary, the new Preferred stock shall be entitled to be paid in full its par amount and all accumulated dividends, before any payment to the holders of the Common stock.

3. **Common Stock without Nominal or Par Value.**—800,000 shares

**Disposition of New Notes—Option of Shareholders to Subscribe.**—For the purpose of providing funds for additional cash working capital of the new company and for its other corporate purposes, it is proposed to sell the \$10,000,000 new notes to Central Union Trust Co. of New York and Chase Securities Corporation (hereinafter called the bankers) which have agreed to purchase said notes on or before Dec. 3 1919.

The bankers have also agreed, in the event of the plan being declared operative on or before Nov. 8 1919, to offer to holders of certificates of deposit issued hereunder for stock, the opportunity to subscribe on their application, blanks at such price, plus accrued interest, as may be agreed upon between the bankers and the committee, for said new notes to the following amounts, viz.:

Option to holders of certificates of deposit for stock of Maxwell Motor Co., Inc., First Pref., Second Pref., and Common, on at least \$2,100 notes as to each 100 shares.....	\$7,775,000
Option to holders of certificates of deposit for stock of Chalmers Motor Corporation, Pref. and Common, on at least \$500 notes as to each 100 shares.....	2,225,000

In case under such offer, applications are received in excess of the amount of new notes offered to holders of certificates of deposit for stock of said respective companies, an allotment will be made on account of such excess subscriptions substantially in proportion to the additional amounts applied for. The above offer, if not accepted within the time limited as set forth in the plan, is not thereafter to remain open for acceptance by holders of certificates of deposit for stock deposited under the plan.  
 Upon allotment, application certificates, upon which the initial payment of 10% shall have been noted, will be exchangeable for subscription warrants specifying the face amount of new notes subscribed for.

**Table Showing Treatment of Deposited Securities.**

Existing Securities standing.	Cash and New Stock Deliverable in Exchange—	
	Cash	Com. Stock
<b>Maxwell Motor Co., Inc.—</b>		(No. shares.)
1st Pf. stk.—\$13,133,336 (7%)	\$919,333a	120%—157,601
2d Pf. stk.—10,227,468		66 1/2%—67,348
Com. stock—12,805,158		70%—89,637
<b>Chalmers Motor Co.—</b>		
5% notes—\$3,150,000	100%—\$3,150,000b	
<b>Chalmers Motor Corporation—</b>		
Pfd. stock—\$4,400,000		105%—446,200
Com. stock—399,364 shs.		15%—59,905
For conversion, &c.		379,309
<b>Total auth. stock, &amp;c.</b>	<b>\$919,333</b>	<b>\$3,150,000 (shrs.) 800,000</b>

a Less any part of the dividends accrued on the First Pref. stock of Maxwell Motor Co., Inc., which may be declared and paid pending the carrying out of the plan, this sum representing First Pref. divs. to Sept. 30 1919.

b With adjustment in cash of accrued interest and dividends.

c 10% of this represents dividends accrued on existing Preferred stock.

For statements of earnings and also for balance sheets, capitalization, &c., on the old and new bases, see "Financial Reports" on a preceding page.—V. 109, p. 482.

**Maytag Co., Newton, Iowa.—Offering of Notes.**—Stern Brothers & Co., Kansas City, Mo., are offering at prices ranging from 99.60 and int. to 94.65 and int. to yield 6.50% to 6.75%, according to maturities, \$600,000 6% Serial Gold Notes dated June 1 1919, due serially June 1 1920 to 1929, incl. A circular shows:

Callable as a whole or in part in reverse numerical order at 101 and int. on 10 days' notice. Int. payable J. & D. in Chicago or Kansas City, without any deduction for normal Federal income tax deductible at the source up to 2%. Denom. \$1,000 except 1929 maturity in \$500. Continental & Commercial Trust & Savings Bank, Chicago, Trustee.

**History.**—Business was founded in 1894; was incorporated in 1909, under the laws of Iowa. Is the largest manufacturer in the world of washing machines. Leading brands are the Maytag Electric Washer, and the Maytag Multi-Motor Washer. Present production 200 machines per day. Also manufactures and sells band cutters, self feeders, corn huskers and vacuum cleaners.

Owms a modern factory at Newton, Iowa, having a floor space of 205,000 sq. ft. Number of employees over 300.

**Balance Sheet Dec. 31 1918 (total each side, \$2,018,148).**

Assets	Liabilities
Land, bldgs, patents &c.—\$532,523	Preferred stock.....\$250,000
Cash.....273,169	Common stock.....750,000
Inventories.....787,693	6% Notes (this issue).....600,000
Other current assets.....419,442	Current liabilities.....77,369
Deferred charges.....5,322	Surplus.....340,779

**Net Earnings after Int. Depreciation & Federal Income & Excess Profits Taxes**  
 1916. 1913. 1915. 1916. 1917. 1918. 1919 (est.)  
 \$62,669 \$94,217 \$72,113 \$128,338 \$111,963 \$109,605 \$200,000

**Merchant's Heat & Light Co.—Earnings, &c.**—See American Public Utilities Co. under "Reports" above.—V. 108, p. 1064.

**Mexican Petroleum Co.—Com. Dividend Increased.**—The directors have declared a quarterly dividend of 2 1/2% on Common stock, payable Oct. 10 to stock of record Sept. 15. The regular quarterly Preferred dividend of 2% has also been declared, payable Oct. 10 to stock of record Sept. 15. The previous quarterly dividends on the Common stock were at the rate of 2%, payable half in cash and half in Liberty bonds since April 1918.  
 See also report for calendar year 1918 on a previous page.—V. 109, p. 376.

**Midvale Steel & Ordnance Co.—Labor Vote.**—Representatives of the workmen of the various plants of the company at a meeting held in Atlantic City on Aug. 24 adopted a resolution to the effect that "the persistent and increasing demand of workmen employed in all classes and kinds of industries for a shorter day's work and an increased wage in order to meet the present high cost of living is uneconomic and unwise and should not be encouraged." [There are said to be about 30,000 employees.]—V. 109, p. 583, 77.

**Montgomery Ward & Co.—Sales.**—Press reports state that sales in August increased 21 1/2% over the same month last year. The increase for the eight months ended Aug. 31 last over the same period in 1918 was 24.6%.—V. 109, p. 277.



31 amounted to \$7,412,708. Carl H. Pforzheimer & Co. quote President F. E. Kistler as follows: "Since the beginning of the new fiscal year net earnings have increased until they are now running at the rate of \$200,000 monthly. When extensions now under way are completed and in operation I can conservatively estimate that the net earnings will exceed \$300,000 monthly. As of May 31 1919 the company's current assets amounted to \$2,319,097, against current liabilities of \$956,062. The company is now a well-balanced organization embracing all branches of the petroleum industry." Compare V. 109, p. 179, 584.

**Quincy Mining Co.—Dividend.—**  
 The directors have declared a quarterly dividend of \$1 (4%) on the stock (par \$25), payable Sept. 29 to holders of record Sept. 6. In March and June last \$1 was paid, previous to which \$2 was paid.—V. 108, p. 2335.

**Robbins & Myers Co., Springfield, Ohio.—Offering of Notes.—**Kissel, Kinnecutt & Co., N. Y. and The Maynard H. Murch Co., Cleveland, are offering at prices ranging from 100 and int. to 98½ and int. to yield from 6% to 6.35% according to maturity \$2,500,000 6% Serial Gold notes, dated Sept. 1 1919, due \$500,000 each Sept. 1 1920 to 1924 incl.

Denominations \$1,000 and \$500 (c\*). Int. payable M. & S. at the First Trust & Savings Co., Cleveland, trustee, or Chase National Bank, N. Y., without deduction for any Federal normal income taxes now or hereafter deductible at the source up to 2%. Redeemable on any int. date prior to maturity upon 30 days' notice as a whole or in blocks of not less than \$500,000 (in which event it must call for redemption notes of one or more of the series last maturing) upon payment of a premium of ¼ of 1% for each 6 months between the date of redemption and the date of maturity, with a minimum redemption of ½ of 1%.

**Data from Letter of Pres. C. E. McGilvray, Dated Springfield, Aug. 22.—History.—**Established in 1878 in the foundry business and has specialized in the manufacture of small electric motors for over 17 years and now is the world's leading manufacturer in this line. Recently purchased adjoining property with buildings which will increase capacity 50%.

**Purpose of Issue.—**The proceeds will be used in the reduction of the present floating debt.

**Capitalization.—**  
 Pref. stock (\$105,000 redeemed) (V. 106, p. 1236).....\$2,500,000  
 Common stock.....2,500,000  
 6% Serial notes (this issue).....2,500,000  
**This Issue.—**A direct and only obligation of the company. The trust agreement provides that the company (a) will not mortgage or pledge any of its fixed assets without providing for payment of these notes, (b) will not consolidate or merge with any corporation unless it secures these notes then outstanding by a closed first mortgage and pledge on all of its property, (c) at all times to maintain net current assets equal to 150% of the outstanding notes, (d) to maintain net tangible assets before deducting this note issue equal to 300% of the outstanding notes.

**Years—** a1919. a1918. a1917. b1916. \*1912-13. \*1910-10.  
 Net sales \$9,000,000 \$6,961,076 \$5,758,335 \$3,885,258 \$2,356,332 \$890,139  
 \* Years ended Oct. 31, a calendar years 1917, 1918 and 1919(est.)  
 b 14 months ended Dec. 31.

The average net earnings for 6 years ending Dec. 31 1918 before Federal taxes amounted to 5 1-3 times and for the calendar year 1918 amounted to over 8 times the largest annual interest requirement on these notes. Based on the earnings of the first 6 months of 1919 the estimated earnings for the year before Federal taxes will amount to 10 times the largest annual interest requirement. The net earnings for 1918 after Federal taxes amounted to over 5 times and the estimated net earnings for 1919 are nearly 7 times the largest annual interest requirement.

**Balance Sheet Dec. 31 1918 and July 31 1919 (After Effect of Present Financing)**

Assets—		Liabilities—	
Dec. 31 '18	July 31 '19	Dec. 31 '18	July 31 '19
Real est., &c.	\$1,685,635	\$1,951,156	Preft. stock.....\$2,395,000
Patents.....	3,983	4,529	Common stock.....2,500,000
Cash.....	193,042	341,386	6% ser'l notes.....2,500,000
Notes receiv.....	105,406	155,344	Notes payable.....2,855,000
Accts. receiv.....	951,839	1,120,757	Accts. payable.....303,654
Inventory.....	6,064,383	5,661,234	Accr.accts.&c.....35,767
U.S.Govt. sec.....	146,582	253,842	Res. Fed. tax.....425,000
Other assets.....	228,986	213,525	Other liabil.....130,000
<b>Total a., &amp; \$1,937,921</b>	<b>\$9,701,872</b>	<b>Profit and loss</b>	<b>1,985,500</b>
			<b>2,624,713</b>

The statement as of July 31 1919, after giving effect to present financing, shows net quick assets of 264% and net tangible assets, before deducting this note issue, of 347% of the present issue of notes.—V. 106, p. 1236.

**St. Joseph Lead Co. and Subsidiary Cos.—Earnings.—**  
**Statement of Net Income for the Six Months Ended June 30 1919.**

Net income, \$735,133; less reserve for depreciation.....	\$497,938
Deduct fixed charges, including reserve for Federal taxes.....	63,603
<b>Balance.....</b>	<b>434,335</b>
Deduct reserve for depletion.....	541,947
<b>Deficit after deducting depletion.....</b>	<b>107,612</b>

V. 109, p. 1941.

**Saxon Motor Car Corporation.—Distribution.—**  
 Officials of the company are quoted as saying that a further payment of 30% on the company's indebtedness was made as of Sept. 3. A payment of 20% was made on Aug. 1. These payments were made possible through the sale of Saxon's new plant to the General Motors Company.—V. 109, p. 483.

**Sears, Roebuck & Co.—Sales.—**

	1919.	1918.	1917.
Month of August.....	\$18,009,326	\$13,974,722	\$11,399,184
Jan. 1 to Aug. 31.....	140,069,137	115,930,320	107,924,385

—V. 109, p. 531, 78.

**Submarine Boat Corporation.—Voting Trust Ends.—**  
 The voting trustees under agreement of Aug. 9 1915 have voted to terminate said agreement, and the voting trust as of Sept. 15 1919. Holders are, therefore, required to deposit their voting trust certificates, properly endorsed, on or before that date with the Bankers Trust Co., 16 Wall St., and receive after 3 p. m. Sept. 15 1919 the certificates of stock for a like number of shares, subject to payment of N. Y. transfer tax of 2c. per share and Federal transfer tax of 2c. per share. L. Y. Spear, Henry R. Sutphen, Thomas C. Dawson and Edward D. Duffield are voting trustees.—V. 108, p. 2439.

**Tonopah Extension Mining Co.—Extra Dividend.—**  
 An extra dividend of 5% has been declared in addition to the regular quarterly dividend of 5%, both payable Oct. 1 to holders of record Sept. 10. A like amount was paid in July last.—V. 108, p. 2131.

**Transcontinental Oil Co.—Official Statement to New York Stock Exchange.—**On subsequent pages will be found the very full statement regarding the company and its properties, which was issued by the New York Stock Exchange on Aug. 13 in connection with the listing of the 2,000,000 shares of capital stock. See also V. 109, p. 79, 180, 585, 686.

**United States Express Co.—Div. in Liquidation.—**  
 The directors have declared a seventh dividend in liquidation of \$1.25 per share, payable Oct. 15 to stockholders of record Sept. 20. This will make \$54.50 distributed out of assets. Compare V. 108, p. 387.

**Utah Gas & Coke Co.—Earnings, &c.—**  
 See American Public Utilities Co. under "Reports" above.—V. 107, p. 1009.

**Valparaiso Lighting Co.—Earnings, &c.—**  
 See American Public Utilities Co. under "Reports" above.—V. 107, p. 1009.

**Ventura Consolidated Oil Fields.—Earnings, &c.—**  
 For the six months ended June 30 1919 net earnings before depreciation and a reserve for taxes amounted to \$893,659, compared with \$490,803 in 1918, a gain of \$402,856, or over 82%.

Six Months to June 30—	1919.	1918.	1917.
Production high-grade crude oil (bbls.).....	550,174	417,121	300,932
Sales.....	\$1,927,216	\$933,966	\$584,278

—V. 109, p. 782.

**Wabasso Cotton Co.—Directors.—**  
 Hugh MacKay, Montreal, and William Hartly Jr., Kingston, have been elected directors to succeed Alex Pringle and the late Dr. J. J. Hartly. All other officers and directors were re-elected.—V. 109, p. 772.

**West India Sugar Finance Corporation.—Preferred Stock Offering.—**Potter Brothers & Co., New York, are offering, by advertisement on another page, at 100 and div., yielding 8%, \$3,500,000 Sinking Fund Cumulative 3% Pref. (a. & d.) stock, par \$100. Compare V. 109, p. 895; V. 108, p. 2440.

**Willys Corporation.—To Be Organized.—**  
 See Willys-Overland Co. below.

**Willys-Overland Co., Toledo.—New Corporation to Combine a Number of Willys Interests.—**President John N. Willys, in a statement issued Sept. 3, announced that plans have been completed for the formation of a new company, to be known as the Willys Corporation, which combines a number of Willys interests. The statement says in subst.:

**Expansion.—**The corporation will be in effect a combination to permit the further expansion of the Electric Auto-Lite Corp., Toledo, the New Process Gear Corp., Syracuse, N. Y., and the properties of the Dusenberry Motors Corp., Elizabeth, N. J.

Both the Auto-Lite and the Gear Corp. will continue as distinct units and will not in any way lose their identity in the new corporation. The general automobile parts business of both units will be continued and expanded. These two companies are among the largest of their kind in the country. The supplying of lighting and starting systems, gears and transmission sets for the new car to be manufactured by the Willys Corp. will be only a small portion of the parts which these corporations supply to various automobile companies.

The Auto-Lite Corp. will continue also to expand the manufacture and sale of the Willys Light, a farm lighting equipment which makes use of the Knight Sleeve Valve motor.

**Six-Cylinder Car.—**The principal expansion resulting from this combination is planned in the manufacture on a large scale of a new light six-cylinder automobile of a design and specification for which there is a public demand. The new light six which we have designed will fill a want long expressed by the public for a six-cylinder car at a low operating cost and at the right price. We will concentrate on one chassis embodying many of the features in the new Overland Four which we are now manufacturing in the Willys-Overland plants.

The new six was designed and the engineering of this car was carried on along with that of the spring suspension which has been tested for several hundred thousand miles for a period of two years with Overland Four.

This new spring suspension gives the riding qualities which I am convinced will establish an entirely new standard in the manufacture of a lightweight automobile. The new six has a power plant which develops much speed and remarkable hill-climbing ability and which in addition has a very low record of gasoline and oil consumption. I believe this car, because it will meet a demand that has never been filled, represents a remarkable opportunity for large sales.

**Contract.—**The Willys Corp. has made a contract with the Willys-Overland Co. whereby the latter will market this new six, organizing a separate sales unit for this purpose. This contract extends over a period of years and gives to the Willys Corp. advantages of the experience of the sales organization which has already sold over 650,000 cars.

**Capitalization.—**The capitalization of the corporation will consist of \$15,000,000 8% Cumulative First Preferred stock, \$10,000,000 7% Cumulative Second Preferred stock, and 5,000,000 shares of Common stock of no par value.

**Securities Owned.—**In addition to the acquisition of the companies mentioned above, the corporation will own securities of the Willys-Overland, Flisk and Federal Rubber, Bridgeport Crucible, and other corporations, which together with all other assets indicate a value of approximately \$25,000,000 for the Common stock over and above the First and Second Preferred stocks.—V. p. 788, 586.

**Wisconsin-Minnesota Light & Power Co.—Earnings.**  
 See American Public Utilities Co. under "Reports" above.

**Wolverine Copper Co.—Dividend.—**  
 A quarterly dividend of 50 cents has been declared on the stock payable Oct. 1 to stock of record Sept. 13. On July 1 paid 50 cents and on April 1 paid \$1 per share.—V. 109, p. 788, 586.

**(Wm.) Wrigley Jr. Co.—Stock Sold.—**F. B. Hitchcock & Co., Chicago, announce, by advertisement on another page, that the 20,000 shares of stock (par \$25) purchased by them has been sold at \$60 per share. The bankers state:

**Company.—**Incorporated under the laws of West Virginia. The business was founded in 1891 with \$5,000 capital, and up to the present time is the outgrowth of the original investment, the sale of this stock being the only outside capital ever introduced into the business. The company is to-day the largest manufacturer of chewing gum in the world, owning factories in Chicago and Brooklyn, with a combined daily capacity of over 250,000 boxes (25,000,000 sticks). Over \$20,000,000 has been expended by the company and its predecessors for advertising, resulting in a world-wide distribution for its product.

**Balance Sheet July 31 1919, After Giving Effect to the Sale of Above Stock.**

Assets—		Liabilities—	
Real estate, bldgs., &c.....	\$2,284,509	Preferred stock.....	\$1,500,000
Patents.....	742,617	Common stock.....	10,500,000
Goodwill.....	6,000,000	Real estate mortgage.....	190,000
Investments.....	2,513,825	Accounts payable.....	499,226
Cash.....	2,075,781	Federal and State taxes, incl. estimate for 7 mos.	3,040,646
Accts. & notes receivable.....	3,275,749	Reserves.....	3,264,811
Inventory.....	5,108,173	Surplus.....	5,293,928
Bonds (incl. \$1,874,927 U. S. Govt. bonds).....	2,287,927		
<b>Total each side.....</b>	<b>\$24,288,611</b>		

Earnings—		Year ending 7 Months to	
	Dec. 18 '17.	Dec. 18 '18.	July 31 '19.
Net sales.....	\$15,402,988	\$16,708,761	\$16,103,567
Net before Federal taxes.....	3,954,068	4,356,280	5,176,931
Net, after Federal taxes (incl. est. taxes for 7 mos. to July 31 1919).....	2,591,424	2,314,988	3,176,931

During the past five years the company has paid cash dividend averaging over 16% per annum and has at the same time created a very substantial surplus. Dividends are now being paid on the Common stock at the rate of 50c. per share monthly.

Capitalization July 31 1919—		Authorized.	Outstanding.
Preferred stock 7% Cumulative.....		\$1,500,000	\$1,500,000
Common stock.....		15,000,000	10,500,000

CURRENT NOTICES

- Charles L. Trumbull, formerly with Halsey, Stuart & Co., is now associated with George H. Burr & Co., Rookery Building, Chicago, as Manager of the investment department in its Chicago office.
- Brolaw & Co., of 165 So. La Salle St., Chicago, announce that Charles G. Cushing Jr. has become associated with them in their business as dealers in investment bonds and preferred stocks.
- Boettcher, Porter & Co., Denver, are distributing copies of a second leaflet to acquaint investors with the Nevada-California Electric Corporation and its securities.
- The Guaranty Trust Co. of New York has been appointed Registrar of the Common stock of the Madison Tire & Rubber Co., Inc.

Reports and Documents.

TRANSCONTINENTAL OIL COMPANY

(Organized under the laws of Delaware)

OFFICIAL STATEMENT TO N. Y. STOCK EXCHANGE IN CONNECTION WITH THE LISTING OF ITS CAPITAL STOCK WITHOUT NOMINAL OR PAR VALUE.

New York, August 6 1919.

Transcontinental Oil Company, hereinafter referred to as "the Company," hereby makes application for the listing on the New York Stock Exchange of temporary certificates for 2,000,000 shares Common Stock, without nominal or par value (total authorized), all of which are issued and are outstanding in the hands of the public, with authority to substitute permanent engraved certificates on official notice of issuance in exchange for outstanding temporary certificates.

Said stock is full paid and non-assessable, and no personal liability attaches to shareholders. The Company was organized under the laws of Delaware on the 27th day of June 1919, with an authorized capital

stock of 2,000,000 shares of common stock, without nominal or par value. The duration of its charter is perpetual.

In accordance with the terms of its charter the Company is engaged in the production, refining, sale and distribution of petroleum and its products, and the purchase, leasing and exploitation of lands or the oil, gas or mineral rights in lands, for the purpose of producing oil and gas therefrom.

Through the issuance of its capital stock the new Company acquired, among other things, all of the properties of Tex-Penn Oil Company, Pittsburgh-Texas Oil & Gas Company, the Riverside Eastern Oil Company, the Riverside Western Oil Company, and their several subsidiaries, as follows:

Name of Company—	Where Incorporated.	Date.	Duration.	Par.	Authorized.	Capitalization.	Issued.
Tex-Penn Oil Company	West Virginia	Oct. 24 1918	Perpetual	\$25 00	\$2,000,000 Common		\$328,000 Common
Pittsburgh-Texas Oil & Gas Company	West Virginia	Feb. 13 1919	Perpetual	5 00	5,000,000 Common		2,650,000 Common
The Riverside Eastern Oil Company	Delaware	Oct. 29 1915	Perpetual	5 00	2,000,000 Common		1,903,285 Common
The Riverside Western Oil Company	West Virginia	Jan. 18 1913	Perpetual	25 00	1,000,000 7% Cum. Pref. 1,500,000 Common 1,000,000 7% Cum. Pref.		998,200 Preferred 1,499,700 Common 903,275 Preferred
Subsidiary companies of The Riverside Eastern Oil Company:							
Gasoline Supply Company of Pittsburgh	Pennsylvania	May 1 1911	Perpetual	100 00	10,000 Common		10,000 Common
Riverside Oil Company of Illinois	Illinois	Mar. 24 1911	Perpetual	100 00	20,000 Common		20,000 Common
Gasoline Distributing Company Inc.	New York	Apr. 10 1914	Perpetual	25 00	300,000 Common		123,250 Common
Gasoline Supply Company	Delaware	Jan. 3 1914	Perpetual	100 00	200,000 Preferred 100,000 Common 50,000 Preferred		23,100 Preferred 100,000 Common 35,800 Preferred

and the sum of \$20,000,000 in cash, part of which was used in the acquirement of properties, and the balance, as reflected in the balance sheet hereinafter set forth, constitutes working capital of the Company.

The Company has no mortgage or funded indebtedness. The Company owns in fee or controls by lease 996,973 acres of oil and gas lands, which are distributed as follows:

Texas	185,673.62 acres
Oklahoma	300 "
South America	\$10,000 "
Louisiana	1,000 "

TEXAS.

Lease—Comanche County, oil and gas lease, Duke-Knoles	3,399 "
Oldham County	20,612 "
Brown County	940 "
Edwards and Real Counties	42,920 "
Real County	7,966 "
Uvalde County	24,445 "
Edwards County	27,087 "
Kimble County	7,182 "
Sutton County	33,409 "
Crockett County	14,429 "
Valverde County	9,534 "
Callahan County	970 "
Eastland and Stephens Counties	269 "
Coleman County	210 "
Somervell County	336 "

Fee—Comanche County (Carrying DeLeon warehouse.)

OKLAHOMA.

Fee—Muskogee County (Carrying with it Boynton Refinery.)	280.41 "
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WEST VIRGINIA.

Lease—Brooke County	501 "
Ritchie County	67 "
Kanawah County	79 "

OHIO.

Lease—Jefferson County	245 "
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OKLAHOMA.

Fee—Town of Delaware	4 "
Gasoline plant No. 1	
Blending station	2 "
Undivided one-half interest gasoline plant No. 4	10 "
(Other undivided one-half interest covered by long term lease.)	

Lease—Nowata County, Gasoline plant No. 4	4 "
Gasoline plant No. 5	5 "
Eram Loading Station	2 "
Delaware Blending Plant	1 "

Lease—Okmulgee County, Gasoline plant No. 3	1 1/2 "
Gasoline plant No. 2	4 "
Gasoline plant No. 6	3 "
Eram Blending station	3 "

WEST VIRGINIA.

Fee—Gasoline plant sites: lots 1 to 7, block E, Island View Plan Kanawha County, including Blue Creek Blending station	
Lots 6 and 7, Block A, same plan, including gasoline plant No. 3	
Undivided 1,113 fee interest and leasehold Myers Farm, 57 acres of same with exclusive gas right	
Lease—6 1/2 acres including gasoline plant No. 16 Pinch District, Kanawha County	
2 acres and employees' dwelling house	
4 acres including gasoline plant No. 14	
2 acres including employees' dwelling houses (all in Rowan County)	
Plant No. 15, Clay County	3 "
Plant No. 12, Ritchie County	3 1/2 "
Oil Lease	67 "
Perpetual ground lease covering gasoline plants 1 and 2	About 5 "
Gasoline plant 8	5 "
Ground lease and employees' dwelling houses (all in Brooke County)	1 "

NEBRASKA.

Fee—Five lots Pender Blending and Distributing station	
Three lots Wayne	
Lease—Storage plant at Concord	

SOUTH DAKOTA.

Lease—Storage Lake Andees, Tyndall and Wakonda	
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IOWA.

Lease—Storage plants, Des Moines and Sioux City	
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OHIO.

Lease—Jefferson County, Plant No. 17	2 acres
Dwelling house, storage plant	1 "

PENNSYLVANIA.

Fee—Lot 100 x 120, Deldorf Street and B. & O. Railroad, carrying Northside Terminals	
4 lots on principal thoroughfares of Pittsburgh, and 5 leaseholds in similar locations covering gasoline filling stations	
Lease—Mars, covering storage plant and retail station	

NEW YORK.

Fee—Lot Nurge Street and Long Island Railroad, Queensboro, covering storage and distributing plant	
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All the foregoing leaseholds are on a five per cent royalty basis, which is lower than the prevailing rate of royalty in the United States. All leaseholds run for the period that oil and gas are produced in paying quantities.

In addition to the foregoing the Company has 25 leasehold properties used for distribution and storage purposes throughout Texas, Oklahoma, Illinois, Pennsylvania, Nebraska, Iowa and New York. Each gasoline plant owned by the Company is supplied with gas through a number of contracts calling for the delivery of entire gas production, the leases numbering upwards of 550 and covering approximately 2,400 wells.

Also rights of way radiating from gasoline plants and loading stations.

LIFE OF OIL FIELDS.

From the thickness of the pay sands the character of the formation and the productivity of the wells, the probable life of the Company's oil fields in Texas and Oklahoma is doubtless as long as that of Pennsylvania, which has been producing since 1865. Geological reports and tests indicate that the South American properties will be equally long lived if not greater.

TEXAS.

The acreage in the State of Texas is distributed approximately as follows:

3,479 acres in Comanche County.
35,000 acres in Edwards County.
20,000 acres in Oldham County.
2,000 acres in Callahan County (half interest).
2,000 acres in Brown County (half interest).
123,194 acres in Kimble, Brown, Uvalde, Real, Kerr, Sutton, Edwards, Crockett and Valverde Counties.

3,479 acres in the northwestern corner of Comanche County, in the field known as the "Duke-Knoles or Desdemona Pool"—a prolific field of high grade oil. The acreage is practically in a solid block in the heart of the field, entirely surrounded by producing wells. The discovery well in this field was located at a depth of 2,700 feet, and two other producing sands have been discovered on the outskirts of the field below the depth at which oil was found in the "Duke-Knoles" wells, as deep as 3,200 feet. Ten wells have already been drilled in the first pay sand on this property, one of which, the "Knoles well" is 65 feet in the oil sand and pro-

duced 11,700 barrels the first 24 hours, after which it was "pinched in" and the flow confined owing to lack of pipe line facilities and storage capacity to handle the oil. None of the other wells has been drilled as deep in the sand as the "Knoles well" for the same reason, but each of them in the top pay sand give indications of being large producers. Seven additional wells are drilling, and material is going to the property for the drilling of thirty more. The oil obtained from this pool is of paraffine base, 39 gravity, with 33-35% gasoline content, and high in lubricating properties, comparing favorably with the high grade Pennsylvania crude oil. The companies whose pipe lines reach the vicinity are now paying \$2 25 per barrel for this oil at the well. Two gas wells have also been drilled on this acreage with an estimated daily capacity of 70,000,000 cubic feet of gas which is very rich in gasoline content. The gas is found 50 feet higher in the sand than the oil was found in the "Knoles well," and indications point to the fact that when these gas wells are drilled deeper oil will be found in large quantities at the same level as the other producing wells. The Company has built a six-inch pipe line, 12 miles in length, from its property to DeLeon, the nearest point on the St. Louis & San Francisco Railroad, and at the Company's loading rack oil is being shipped by tank cars to other refining interests, for which a premium is being paid for the crude oil over the prevailing market price of \$2 25 per barrel, and the Company is also supplying its own refinery at Boynton, Oklahoma, with shipments by rail. Plans have been prepared and material purchased for the erection of several large casinghead gasoline plants on this acreage to turn into gasoline the immense volume of casinghead gas now on the property.

**Edwards Plateau:** 35,000 acres in one solid block in the northeastern part of Edwards County, Texas, in the centre of which a well is now being drilled.

112,000 acres in Kimble, Brown, Uvalde, Real, Kerr, Sutton, Edwards, Crockett and Valverde Counties, Texas, all of which is adjacent or contiguous to territory now under lease to some of the largest producing companies. Ten wells are being put down on properties adjacent to those owned by the company toward the expense of some of which this Company has contributed. Geologists speak very favorably of this acreage, viewing it as a continuation of the Pennsylvania formation, considering it one of the most prolific oil fields on the North American continent.

**Bravo Dome, Oldham County, Texas.** Over 20,000 acres on the Bravo Dome in Oldham County, Texas. The acreage controlled by the Company is surrounded by leaseholds which other large companies have recently acquired, and for which they have paid bonuses. It is proposed to drill a number of wells on this structure during the present season. Geologists of international reputation whose work has been checked by geologists of all the larger producing companies in the mid-continent field, have expressed the view that this will develop into one of the largest fields of oil in the entire Texas field. The property is located in the northwestern corner of Oldham County, Texas, the eastern edge of the Dome being exposed at about 3 miles east of the New Mexico line. Charles M. Gould, former State Geologist of Oklahoma, in a report dated March 31 1919, together with Joseph M. Perkins, geologist, said, referring to this property: "The structure appears to be symmetrical dome with a diameter of about 15 miles, of which a little more than half is exposed. The amount of visible lift is 425 feet. The Bravo Dome is very similar to the John Ray Dome, north of Amorillo, near the apex of which a gas well has been drilled. We consider the Bravo Dome to be one of the best structures we have ever seen, and we believe it will develop into a prolific oil and gas field."

**Callahan and Brown Counties, Texas:** 2,000 acres in Callahan County and 2,000 acres in Brown County, in the vicinity of Brownwood, in which the company owns an undivided half interest, the acreage being located in the vicinity of proven oil territory. Wells are being started by the company on each of these blocks.

**OKLAHOMA.**

300 acres in the heart of a new field seven miles northwest of Boynton, Oklahoma, on which one producing well averaging 300 barrels per day of light oil of paraffine base, 39 gravity, from the Glenn Sand is located. The well is now three months old. The sand is very prolific and the formation very lasting in production. The oil sand runs from 50 to 75 feet in thickness, and is found at a depth of between 1,700 and 1,800 feet. Four other wells are now drilling on this property, all of which will be completed within thirty days. This oil is piped from the pool to the company's refinery at Boynton. Another well was brought in on this property August 5th, running 325 barrels of the same calibre oil.

**LOUISIANA.**

**Bull Bayou District of Louisiana:** 1,000 acres in the Bull Bayou District, which were acquired on a drilling basis, two wells having been started on the property. This acreage adjoins the celebrated Gusher Bend Pool on Red River, where wells have come in at the rate of two to five thousand barrels each.

**SOUTH AMERICA.**

750,000 acres of leaseholds along the Magdalena River, Colombia, which has been acquired from the owners of the lands. All these lands having been owned prior to 1874, when Colombian oil and mineral lands were nationalized. This land adjoins the properties of the Tropical Oil Com-

pany on which 3 wells have been drilled. Their experience shows that at a depth of 2,200 feet, 11 different producing formations have been passed through, each giving indication of a prolific production of high grade light oil of paraffine base. One of the wells on this adjoining property at the 2,200 feet level is producing approximately 10,000 barrels of oil per day, and geological reports and tests made on the properties indicate the presence of similar oil in quantity at various localities. The company now has men on the property making preliminary surveys and locating and building working camps, and it is anticipated that active drilling will start within a very short time.

60,000 acres about fifty miles from Bogota, which has been acquired, 5,000 acres in fee, and 55,000 acres by leasehold,—on which is located one of the largest oil springs known to the world, all of the South American properties according to the reports of geologists, showing formations containing the highest grade light oils at varying depths.

**REFINERIES.**

The company owns a refinery now in successful operation with a daily capacity of 3,000 barrels, located at Boynton, Oklahoma. Plans have been prepared and machinery is being ordered for the construction of an additional refinery, to be located in Texas, with a capacity of 10,000 barrels per day, which will probably be completed early in 1920.

The company has also acquired the exclusive right to operate its refineries under the "Brownlee" refining process, resulting in a considerable increase in the yield of refined products as compared with ordinary refining methods. A single unit of the plant operating under this process will handle about 2,000 barrels of oil per 24 hour day, yielding five to six per cent more gasoline and naphtha than by the usual still method, thereby increasing considerably the value of the products from a barrel of crude oil on the basis of present prices, adding twenty-five cents a barrel over ordinary methods.

**STORAGE FACILITIES.**

Six steel storage tanks of 55,000 barrels each, are completed or are under construction, two at Boynton, Oklahoma, and four on the "Duke-Knoles" property in Texas, and orders have been placed for additional storage aggregating 1,500,000, to be distributed over the company's producing properties.

**GASOLINE PLANTS.**

The company owns 17 gasoline plants now in actual operation, eight of which are located in Oklahoma, eight in West Virginia, and one in Ohio, which treat a total of 4,182,000 cubic feet of casinghead gas per day and produce daily 15,000 gallons of gasoline.

**TRANSPORTATION FACILITIES.**

Approximately 300 miles of pipe line for transportation of oil, gas and gasoline are owned by the company located in the various fields of Oklahoma, Texas, West Virginia and Ohio, all of which either connect the company's producing fields with refineries and gasoline plants, or afford means of delivering oil or gasoline to loading stations at railroad points. The company owns and operates 137 tank cars of a capacity of from eight to ten thousand gallons each, and from time to time, as occasion requires, leases similar cars to the total of approximately 400.

**TRADE-MARK.**

In taking over the Riverside Eastern Oil Company and the Riverside Western Oil Company, the company acquired the "Marathon" copyrighted trade-mark, under which brand gasoline, motor oils and similar products have been successfully marketed by these companies for a number of years past. It has been extensively advertised and is firmly established in the motor world. Behind it is a thoroughly established business organization with over 400 employees for the handling and marketing of these products, with 25 established wholesale and retail marketing stations in seven different States, including sales and distributing stations in New York, Chicago and Pittsburgh, which it is proposed forthwith to develop and extend.

The subsidiary companies taken over in connection with the Riverside Eastern Oil Company are local selling organizations, all the stock of which is held in the treasury of the Riverside company.

It is intended that all of the constituent companies and the subsidiaries (except selling companies) will be dissolved as soon as practicable.

The policy of the company is to constantly acquire and develop additional acreage and leaseholds in oil producing districts.

**RIVERSIDE EASTERN OIL COMPANY.**

**BALANCE SHEET AS OF DECEMBER 31 1917.**

ASSETS.	
Capital assets:	
Plants, Equipment and Developments.....	\$628,255 83
Rolling Stock.....	37,686 00
Real Estate and Leases.....	21,103 73
	\$687,045 56
Contracts, Patent Rights, Leases, &c.....	2,130,390 27
Investments:	
Subsidiary Companies—Stock.....	\$242,910 00
U. S. Liberty Loan Bonds.....	5,150 00
	248,060 00
Current assets:	
Inventories at cost.....	\$69,980 85
Accounts and Bills Receivable.....	486,698 45
Cash.....	13,634 92
	570,314 22
	<u>\$3,635,810 05</u>

**LIABILITIES.**

Capital liabilities:  
 Capital Stock:  
 Preferred Capital Stock (Authorized issue) \$1,000,000 00  
 Common Capital Stock:  
 Authorized Issue \$2,000,000 00  
 Less in Treasury 94,915 00  
 1,905,085 00  
 \$2,905,085 00

Special Donation Stock Surplus 236,115 00

Current liabilities:  
 Accounts and Bills Payable 348,580 07

Surplus:  
 Surplus—January 1 1917 \$90,862 23  
 Net Profit—Jan. 1 1917 to Jan. 1 1918 182,316 84  
 273,179 12

Less:  
 Preferred Stock Dividends,  
 Nos. 5-6-7-8 \$69,999 96  
 Common Stock Dividends,  
 Nos. 1-2-3-4 57,149 18  
 127,149 14

Surplus and Undivided Profits 146,029 98

**\$3,635,810 05**

**RIVERSIDE WESTERN OIL COMPANY.  
 BALANCE SHEET AS OF DECEMBER 31 1917.**

**ASSETS.**

Capital assets:  
 Plant Equipment and Development \$854,105 74  
 Rolling Stock 93,298 43  
 Contracts, Patents, &c. 1,510,156 50  
 Distributing Stations 30,000 00  
 \$2,487,560 67

Investments:  
 U. S. Liberty Loan 7,500 00

Current assets:  
 Inventories at cost or less \$77,869 42  
 Accounts and Bills Receivable 412,026 54  
 Cash in Bank 19,772 99  
 509,668 95

**\$3,004,729 62**

**LIABILITIES.**

Capital liabilities:  
 Preferred Capital Stock (Authorized issue, \$1,000,000) \$903,275 00  
 Common Capital Stock (Authorized issue) 1,500,000 00  
 \$2,403,275 00

Current liabilities:  
 Accounts and Bills Payable 435,415 72

Surplus—January 1 1917 \$119,474 85  
 Profit—Jan. 1 1917 to Dec. 31 1917 \$236,519 43  
 Less Reserve for Deferred and depreciation charges 44,396 83  
 Net Profit for Year 192,123 60  
 \$311,597 45

Less: Dividends Paid Jan. 1 1917 to Dec. 31 1917 145,558 55

Surplus and Undivided Profits 166,038 90

**\$3,004,729 62**

**RIVERSIDE EASTERN OIL COMPANY, RIVERSIDE WESTERN OIL COMPANY AND SUBSIDIARIES.  
 COMBINED INCOME ACCOUNT FOR THE YEAR ENDED DECEMBER 31 1918.**

Sales \$9,090,221 00  
 Purchases 8,151,778 96  
 Gross Earnings \$935,442 04  
 Expenses 687,866 62  
 Net Earnings \$250,575 42

**RIVERSIDE EASTERN OIL COMPANY.  
 BALANCE SHEET AS OF DECEMBER 31 1918.**

**ASSETS.**

Capital assets:  
 Plant, Equipment and Development \$657,736 73  
 Real Estate and Leases 59,873 30  
 Rolling Stock 37,686 00  
 Contracts, Patents, Rights, Leases, etc. 2,130,390 27  
 \$2,885,686 36

Subsidiary Companies Stock \$232,910 00

Investments:  
 U. S. Liberty Loans 26,600 00  
 259,510 00

Current assets:  
 Inventories at cost or less \$110,217 47  
 Accounts and Bills Receivable 449,374 14  
 Cash in Banks 31,329 95  
 590,921 56

Deferred Charges 7,979 32  
 Sinking Fund for Retirement of Debenture notes 12,777 76  
 17,757 08

**\$3,756,875 00**

**LIABILITIES.**

Capital liabilities:  
 Preferred Capital Stock authorized \$1,000,000 00  
 Less Treas. Stock 1,800 00  
 Total Outstanding Pref. Stock \$998,200 00  
 Common Capital Stock authorized \$2,000,000 00  
 Less Treas. Stock 96,715 00  
 Total Outstanding Common Stock 1,903,285 00  
 Total Outstanding Stock 2,901,485 00

Current liabilities:  
 Accounts and Bills Payable 371,950 36  
 Debenture Notes 74,500 00  
 Special Donation Stock Surplus 237,916 00  
 \$684,366 36

Surplus—Jan. 1 1918 \$146,029 98  
 Profit—Jan. 1 1918 to Dec. 31 1918 \$152,469 24  
 Less Reserve for Depreciation 1918 28,900 00  
 Net Profit 123,569 24

Total \$269,599 22  
 Less Dividends paid 1918 98,574 58

Surplus and Undivided Profits 171,024 64

**\$3,756,875 00**

**RIVERSIDE WESTERN OIL COMPANY.  
 BALANCE SHEET AS OF DECEMBER 31 1918.**

**ASSETS.**

Capital assets:  
 Plant Equipment and Development \$869,952 53  
 Rolling Stock 93,298 43  
 Contracts, Patents, etc. 1,510,156 50  
 Distributing Stations 33,512 50  
 \$2,506,919 96

Investments:  
 U. S. Liberty Loans \$33,800 00

Current assets:  
 Inventories at cost or less 63,401 56  
 Accounts and Bills Receivable 352,486 42  
 Cash in Banks 89,620 93  
 505,508 91

Deferred Charges \$3,500 40  
 Sinking Fund for Retirement of Deb. Notes 24,583 35  
 28,083 75

**\$3,074,312 62**

**LIABILITIES.**

Capital liabilities:  
 Preferred Capital Stock authorized and issued \$902,975 00  
 Common Capital Stock authorized and issued 1,500,000 00  
 \$2,402,975 00

Current liabilities:  
 Accounts and Bills Payable \$453,922 01  
 Debenture Notes 32,600 00  
 486,522 01

Surplus—January 1 1918 \$166,038 90  
 Profit—Jan. 1 1918 to Dec. 31 1918 \$165,756 18  
 Less Reserve for Depreciation for 1918 38,750 00  
 Net Profit for year 127,006 18

Total \$293,045 08  
 Less: Dividends Paid January 1 1918 to December 31 1918 108,229 47

Surplus and Undivided Profits 184,815 61

**\$3,074,312 62**

**RIVERSIDE WESTERN OIL COMPANY.  
 INCOME ACCOUNT FOR THE SIX MONTHS ENDED JUNE 30 1919.**

Sales \$869,119 95  
 Purchases 535,722 85  
 Gross Earnings \$333,397 10  
 Expenses 255,171 66  
 Net Earnings \$78,225 44

Note: The earnings of this company for the above period were seriously affected by a fire at its No. 1 plant at Nowata, Oklahoma, which materially curtailed production.

**BALANCE SHEET AS OF JUNE 30 1919.**

**ASSETS.**

Capital assets:  
 Plant, Equipment and Development \$1,079,519 78  
 Rolling Stock 93,298 43  
 Contracts, Patents, etc. 1,510,156 50  
 \$2,682,974 71

Investments:  
 U. S. Liberty Loans \$36,900 00

Current assets:  
 Inventories at cost or less 132,038 38  
 Accounts and Notes Receivable 734,409 91  
 Cash in Banks 38,712 87  
 905,161 16

Deferred Charges 6,062 78  
 Sinking Fund for Retirement of Debenture Notes 19,899 01  
 \$3,650,997 66

**LIABILITIES.**

Capital liabilities:  
 Preferred Capital Stock authorized and issued \$903,275 00  
 Common Capital Stock authorized and issued 1,499,850 00  
 \$2,403,125 00

Current liabilities:  
 Accounts and Notes Payable \$978,941 19  
 Debenture Notes 37,500 00  
 1,016,441 19

Surplus, Jan. 1 1919 \$184,815 61  
 Profits, Jan. 1 1919 to June 30 1919 78,225 44  
 \$263,041 05  
 Less dividends paid 1919 31,609 58

Surplus and undivided profits 231,431 47

Total \$3,650,997 66

**RIVERSIDE EASTERN OIL COMPANY AND SUBSIDIARY COMPANIES.  
 COMBINED BALANCE SHEET AS OF JUNE 30 1919.**

**ASSETS.**

Capital assets:  
 Plant, Equipment and Development \$933,694 17  
 Real Estate and Leases 55,391 76  
 Rolling Stock 37,686 00  
 Contracts, Patents, Rights, etc. 2,150,876 22  
 \$3,177,648 15

Investments:  
 Investment account \$28,310 00  
 U. S. Liberty Loans 29,200 00

Current assets:  
 Inventories at cost or less 131,164 75

Current liabilities:  
 Accounts and Bills Receivable \$97,153 27  
 Cash in Banks 25,340 53  
 1,111,168 55

Deferred Charges \$14,449 07  
 Sinking Fund for Retirement of Debenture notes 12,918 17  
 \$4,316,183 94

**LIABILITIES.**

Capital liabilities:  
 Preferred Capital Stock authorized \$997,550 00  
 Common Capital Stock issued 1,903,050 00  
 \$2,900,600 00

Current liabilities:  
 Accounts and Notes Payable \$1,052,697 43  
 Debenture Notes 83,100 00  
 Special Donation Stock Surplus 96,950 00  
 1,232,747 33

Surplus, Jan. 1 1919 \$171,024 64  
 Profit, Jan. 1 1919 to June 30 1919 46,728 77  
 \$217,753 41  
 Less dividends paid, 1919 34,916 90

Surplus and undivided profits 182,836 51

**\$4,316,183 94**



**RIVERSIDE EASTERN OIL COMPANY AND SUBSIDIARY COMPANIES.**

**INCOME ACCOUNT FOR THE SIX MONTHS ENDED JUNE 30 1919.**

Sales	\$1,190,448 66
Purchases	989,987 73
Gross Earnings	\$200,460 93
Expenses	153,732 16
Net Earnings	\$46,728 77

**PITTSBURGH TEXAS OIL AND GAS COMPANY.**

**BALANCE SHEET AS OF JUNE 30 1919.**

**ASSETS.**

Capital assets:		
Leaseholds	\$5,000,000 00	
Refining Plant	746,583 09	
Investment account	219,156 49	
		\$5,965,739 58
Current assets:		
Cash and advances	\$165,532 56	
Accounts Receivable	777,115 00	
Trustees Stock Account	2,350,000 00	
Expenses (development)	47,223 95	
		3,339,871 51
Total		\$9,305,611 09

**LIABILITIES.**

Capital liabilities:		
Capital Stock authorized and issued	\$5,000,000 00	
Working Capital	300,000 00	
Reserves:		
Reserve for Trustees Stock account	3,500,000 00	
Reserve for Purchase of Refinery	455,583 09	
Contingent liabilities:		
Accounts Payable	50,000 00	
Earned Interest	28 00	
Total		\$9,305,611 09

**TEX-PENN OIL COMPANY AND ASSOCIATED INTERESTS IN ITS OIL PROPERTIES.**

**CONSOLIDATED PROFIT AND LOSS STATEMENT FOR THE SIX MONTHS ENDED JUNE 30 1919.**

Oil Sales:		
Duko	\$27,987 45	
Knobs	185,266 22	
		\$213,243 67
Outstanding Interests		533,109 15
		\$746,352 82
Field Operating Expenses		13,839 71
		\$732,513 11
Gas Sales:		
Sales	\$13,115 48	
Outstanding Interests	21,859 15	
		\$34,974 63
Field Operating Expense		2,752 93
		32,221 70
Tank Car Sales:		
Sales of Crude Oil	\$8,105 45	
Cost of Sales	7,443 75	
		\$661 70
Operating Expenses		225 00
		436 70
Gross Profit		\$765,171 51
General Operating Expenses		7,247 72
		\$757,923 79
Administration and General Expense		26,485 76
		\$731,438 03
Other Income:		
Discount on Purchases	\$640 97	
Water Station	844 29	
		1,485 26
Depreciation		\$732,923 29
Surplus for 6 months		122,000 00
Less—Organization Expense	\$21,600 00	
Non-Production Expense	32,365 97	
		53,965 97
Surplus		\$566,957 32

The foregoing represents the earnings of the entire properties, in which the above company owned only an interest. Transcontinental Oil Co. has acquired the outstanding interests and now owns the entire property, for which reason earnings are shown as above.

**TEX-PENN OIL COMPANY AND ASSOCIATE INTERESTS IN ITS OIL PROPERTIES.**

**CONSOLIDATED BALANCE SHEET AS OF JUNE 30 1919.**

**ASSETS.**

Capital assets:		
Property	\$385,355 49	
Leaseholds	102,610 17	
		\$487,965 66
Current assets:		
Cash in Bank	\$245,013 61	
De Leon Cash	7,591 73	
Advance Accounts	16,556 79	
Bills Receivable	11,529 72	
Accounts Receivable	349,766 59	
Payments in Advance	40 00	
		\$630,498 44
U. S. Liberty Bonds	1,000 00	
Inventory Pipe Line Department at cost or less	73,341 29	
		704,839 73
Warehouses:		
De Leon	\$102,732 22	
Duko	47,533 31	
		150,265 53
Deferred Charges to Operators:		
Lease Bonus	\$32,036 95	
Stacker Heirs Taxes	235 73	
Development Accounts	11,394 90	
		\$43,667 58
Insurance Unexpired	69 90	
Rentals Paid in Advance	2,855 30	
Taxes Paid in Advance	500 00	
		47,092 78
		\$1,390,163 70

**LIABILITIES.**

Capital Liabilities:		
Capital Stock authorized and issued	\$316,000 00	
Current Liabilities:		
Notes Payable	\$224,478 43	
Accounts Payable	59,473 68	
Pay Roll	10,490 73	
		294,442 84
Reserve Accounts:		
Accrued Oil Royalty	\$60,844 74	
Accrued Gas Royalty	21,859 12	
Reserve for Depreciation	118,459 65	
Reserve for Deferred Charges	21,600 00	
		222,763 54
Surplus:		
Profit to June 30, 1919 (six months)	556,957 32	
		\$1,390,163 70

**TENTATIVE BALANCE SHEET OF TRANSCONTINENTAL OIL COMPANY (AS AT AUGUST 1, 1919)**

**ASSETS.**

Current Assets:		
Crude and refined oil at market		\$73,341 29
Materials and supplies at cost		150,265 53
Accounts Receivable	\$11,529 72	
Notes Receivable	378,772 39	
		390,302 11
Prepaid accounts		3,425 20
Cash		9,085,728 89
Capital Assets:		
Acceage, leaseholds (United States and South America), Refinery, Gasoline Plants, Real Estate, Pipe Lines, Tank Cars, Distributing Stations, Houses for employees, etc., against which, together with the foregoing enumerated assets, there have been issued 2,000,000 shares of Capital Stock without nominal or par value, appraised at		187,290,000 00
		\$196,993,064 02

**LIABILITIES.**

Capital Stock: 2,000,000 shares without nominal or par value	\$1 00
Capital Surplus, as shown by appraised valuation of properties	196,615,916 32
Current Liabilities:	
Accounts payable	\$69,964 41
Notes Payable	224,478 43
	294,442 84
Accrued accounts	82,703 86
	\$196,993,064 02

The Corporation agrees with the New York Stock Exchange as follows:

Not to dispose of its stock interest in any constituent, subsidiary, owned or controlled company, or allow any of said constituent, subsidiary, owned or controlled companies to dispose of stock interests in other companies unless for retirement and cancellation, except under existing authority or on direct authorization of stockholders of the company holding the said companies.

Beginning with 1920 to publish quarterly statements of earnings. To publish at least once in each year and submit to the stockholders, at least fifteen days in advance of the annual meeting of the corporation, a statement of its physical and financial condition, an income account covering the previous fiscal year, and a balance sheet showing assets and liabilities at the end of the year; also annually an income account and balance sheet of all constituent, subsidiary, owned or controlled companies; or a consolidated income account and a consolidated balance sheet.

To maintain, in accordance with the rules of the Stock Exchange, a transfer office or agency in the Borough of Manhattan, City of New York, where all listed securities shall be directly transferable, and the principal of all listed securities with interest or dividends thereon shall be payable; also a registry office in the Borough of Manhattan, City of New York, other than its transfer office or agency in said city, where all listed securities shall be registered.

Not to make any change in listed securities, of a transfer agency or of a registrar of its stock, or of a trustee of its bonds or other securities, without the approval of the Committee on Stock List, and not to select as a trustee an officer or director of the company.

To notify the Stock Exchange in the event of the issuance of any rights or subscriptions to or allotments of its securities and afford the holders of listed securities a proper period within which to record their interests after authorization, and that all rights, subscriptions or allotments shall be transferable, payable and deliverable in the Borough of Manhattan, City of New York.

To notify the Stock Exchange of the issuance of additional amounts of listed securities, and make immediate application for the listing thereof.

To publish promptly to holders of bonds and stocks any action in respect to interest on bonds, dividends on shares, or allotments of rights for subscription to securities, notices thereof to be sent to the Stock Exchange, and to give to the Stock Exchange at least ten days' notice in advance of the closing of the transfer books or extensions, or the taking of a record of holders for any purpose.

The fiscal year of the Corporation ends December 31st.

The principal office of the Corporation is in the City of Wilmington, Delaware.

The annual meeting of the Corporation is held at its office in Pittsburgh, Pa., on the first Tuesday of March of each year.

The Directors, elected annually, are: A. B. Dally, Jr., George J. Wolf, S. A. McCaskey, Ed. Kippax, T. R. Cowell, M. L. Benedum, O. D. Robinson, F. B. Parriott (all of Pittsburgh, Pa.), William Lilley, George W. Kendrick, 3rd (of Philadelphia, Pa.) and Hugh K. Pritchitt, (of New York, N. Y.).

The officers are: A. B. Dally, Jr., President; George J. Wolf, W. J. Wilson (Pittsburgh), D. A. Floto (Pittsburgh), J. F. Hanlon (Pittsburgh), William Lilley (Philadelphia) Vice-Presidents; T. R. Cowell, Secretary; S. A. McCaskey, John O'Connor (Pittsburgh), W. Evans Smith (Philadelphia) Assistant-Secretaries; Ed. Kippax, Treasurer; J. P. Steel (Pittsburgh), and P. A. Kleber (Pittsburgh) Assistant-Treasurers.

The transfer agent is: Central Union Trust Company of New York.

The Registrar is: Guaranty Trust Company of New York, TRANSCONTINENTAL OIL COMPANY, By T. R. COWELL, Secretary.

This Committee recommends that the above described temporary certificates for 2,000,000 shares common stock without nominal or par value, be admitted to the list, with authority to substitute permanent engraved certificates in lieu thereof on official notice of issuance in exchange therefor, in accordance with the terms of this application.

WM. W. HEATON, Chairman.

Adopted by the Governing Committee, August 13, 1919.

HARRISON S. MARTIN, Asst. Secretary.

The Commercial Times

COMMERCIAL EPITOME

Friday Night, Sept. 5 1919.

Trade feels the effects of high prices, price agitations, low rates of exchange and more or less labor unrest, although the labor situation on the whole is believed to be better. But it would be useless to ignore the fact that trade is not so brisk as usual at this time of the year. The export trade suffers from the abnormally low rates of exchange and the delay in granting credits particularly to Continental Europe. Also prices are still very high and it may turn out that Europe in any case will buy from hand to mouth. Premier Lloyd George has made another speech exhorting the British people to practice rigid economy. The effect of the campaign against high prices is to restrict business at both retail and wholesale in not a few sections of the country. People believe that it is only a question of time when lower prices will prevail and that it is therefore advisable to purchase sparingly in the meantime. Drygoods are less active. The latest auction sale of surplus cotton goods by the Government met with only a fair response and prices were lower than at the previous sale. At that time the Government actually made money on its offerings. Cotton has fallen nearly 3 cents per lb., largely because it lacks an export outlet. It is true that the prospects for foreign business in cotton have improved by the progress of legislation at Washington. The Platt Bill for one thing will help export trade and the Edge Bill which it is believed will soon become a law will also have a similar effect.

The labor outlook had seemed to be improving but to-day it clouded over a little, owing to the action of Samuel Gompers, head of the American Federation of Labor, in asking President Wilson to arrange at once a conference between representatives of the steel workers of this country and the head of the U. S. Steel Corporation, before the conference of the unions, on Sept. 9th, in an effort to avert a strike. Mr. Gompers, with or without reason, seems to be alarmed. To-night there seems to be a disposition to take a somewhat calmer view of the situation, although a report that a conference had been arranged was promptly denied by Judge Gary. The issue of this weighty matter will naturally be awaited with great interest. It has been understood heretofore that the relations between the U. S. Steel Corporation and its employees have been mutually satisfactory. That being so the question arises by what right does any outside organization seek to disrupt these relations?

At the South trade is good although cotton is something like \$30 a bale lower than at one time in July. Also quite a good showing is made in the big grain states of the West and Northwest, as well as the Pacific slope. There is a good retail demand for drygoods and other wearing apparel. It is also a fact that luxuries like jewelry and automobiles meet with a brisk sale as well as house furnishings of all sorts. The demand for expensive goods is so keen as to be noteworthy. There is complaint of a scarcity of such goods. Also there is a big demand for houses and apartments, which are scarce and high despite the notable activity in construction during the last four months. There is a rather better tone in iron and steel with some increase in demand. A big business is being done in lumber at the primary points. Unfortunately the high price of material and of labor as well as the scarcity of trustworthy labor neutralizes other advantages to some extent. The corn crop will be 10% larger than that of last year. On the other hand crops like oats, barley and potatoes do not promise so favorably. To all appearance the cotton crop will be smaller than that of last year. And a scarcity of cars is a drawback in not a few sections of the country.

Telephone service will cost New York City subscribers 8% less beginning Oct. 1, and the toll charge for all calls by subscribers between any two points in Greater New York will be a flat 5-cent rate, on and after that date. The agitation in favor of lower cost of living continues unabated. Some declines in meat prices are reported. Grain markets are lower for the week. But dairy products are actually higher, and fruits and vegetables are still selling at very high prices. Progress has been made in bettering food price conditions, but there is still much room for improvement. A Washington dispatch said that criminal proceedings against the meat packers of this country will be begun by the Department of Justice before a Grand Jury in Chicago on Sept. 15. President Wilson has called a conference of capital and labor at Washington for Oct. 5, looking to a peaceful adjustment of questions of one kind or another at issue. The conference will discuss industrial conditions generally, including wages, cost of living, strikes and some arrangement in short analogous to a stabilizing of labor conditions in this country. He is now asked by Samuel Gompers to use his influence quickly to bring the heads of the U. S. Steel Corp. in conference with a committee from organized labor. The weather in this section of the country has for the most part continued cool. The first frost of the season damaged crops in Vermont on the night of Sept. 4.

STOCKS OF MERCHANDISE IN NEW YORK.

	Sept. 1 1919.	Aug. 1 1919.	Sept. 1 1918.
Coffee, Brazil	383,176	267,875	998,513
Coffee, Java	11,000	6,467	14,703
Coffee, other	375,193	396,275	629,110
Sugar	95,214	4,000	55,356
Hides	Not published during war		
Cotton	56,487	59,129	80,828
Manilla hemp			
Flour	7,100	3,800	24,100

LARD quiet and lower; prime Western, \$27 10@27 20; refined to the Continent, \$30 75; South American, \$31; Brazil in kegs, \$32. Futures declined with corn and hogs. Armour predicts lower prices for food from now on. The total stock of lard at Chicago on Sept. 1 was 32,781,004 lbs. against 45,779,665 lbs. on Aug. 1 and 34,722,929 lbs. on Sept. 1 last year. Mr. Herbert Hoover says that Europe is holding big stocks of foodstuffs. The Federal authorities have been hunting out hoarders and profiteers on this side of the water. Cash trade has been dull. Deliveries on contract at Chicago were 1,000,000 lbs. of lard and 400,000 lbs. of ribs. Covering of shorts has now and then caused rallies. Packers have bought September at times. To-day prices advanced with corn. Liquidation, moreover, has been very severe. Prices show a small net decline for the week.

DAILY CLOSING PRICES OF LARD FUTURES IN CHICAGO.

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
September delivery cts.	27.67	HOLI-	28.00	27.10	26.40	27.50
October delivery	27.65	DAY	27.50	26.70	26.00	27.05
January delivery	24.65		24.20	23.45	22.70	23.80

PORT quiet and lower; mess \$52 00@52 50; family \$53 00 @54 00; short clear \$56 00@61 00. September pork closed at \$42 75, a slight decline for the week. Beef also lower; mess \$27 00@28 00; packet \$28 00@29 00; extra India mess \$53 00@54 00; No. 1 canned roast beef, \$3 50; No. 2, \$7 25. Cut meats easier; pickled hams, 10 to 20 lbs., 31 1/2@31 3/4c.; pickled bellies, 31@32c. Butter, creamery extras, 58 1/2@59 1/4; other grades, 48 1/2@60c. Cheese, flats 20@31 1/2c. Eggs, fresh gathered extras, 55@56c.; first to extra firsts, 47@54c.

COFFEE on the spot has been inactive and lower; Rio No. 7, 18 1/2c. to 18 3/4c.; No. 4 Santos, 28c.; fair to good Cuetana, 27@27 1/2c. Futures have dropped with Brazilian markets. New levels on this movement have been reached. The price is down about 7 cents from the high level of last June. Within a week prices fell nearly 2 cents. It is a fact on the other hand, that there is a tendency to accumulate a good sized short interest here. The technical position is certainly better than it was. But trade is poor. Though stocks are smaller by some 600,000 bags here than they were a year ago, they seem to be ample for the time being. To-day prices declined and they are lower for the week. Closing prices follow:

Sept. cts.	17.75@17.85	Jan. cts.	17.20@17.21	May cts.	17.05@17.10
October	17.60@17.65	March	17.15@17.18	July	16.98@17.01
December	17.25@17.26				

SUGAR on the spot remains unchanged at 7.28c. for centrifugal 96 degrees test Cuba and Porto Rico; granulated 9c. Arrivals of raw sugar have noticeably increased. Refiners can now work up to their full capacity; and certainly this is a gratifying change. The country is gradually replenishing its supplies, though some sections are still short. A normal basis of supplies of refined is near at hand. Business in old crop raw sugar has not been active. New crop is offered at 6.50c. f.o.b. Cuba. Neutral countries, it is understood, have bought new crop sugar. Purchases for September shipment were 484,000 bags Cuba at 5.88c. c. and f. and 14,500 tons Porto Rico at 7.28c. c.i.f. Refiners continued far behind on deliveries, but as they have withdrawn from the export business it is expected that they will catch up speedily as further increases in raw arrivals are permitting steady expansion of production. The big exports from Cuba were a leading feature of the statistics. They were 122,172 tons last week against 94,549 tons in the previous week and 70,066 tons two weeks ago. Of the exports 100,443 tons came to our Atlantic ports. The receipts at Cuban ports for the week were 36,818 tons against 18,350 last week. Cuban stocks fell off to 813,072 tons against 898,426 tons in the previous week. A year ago the stock was 556,251 tons and two years ago 232,900.

OILS.—Linseed quiet but steady; car lots \$2 12. Lard, prime edible, unchanged at \$1 95@2; Coconut oil, Ceylon, bbls., lower at 18@18 1/2c. Olive still \$2 50; Corn oil, refined, unchanged at 26@27c. Cod, domestic, \$1 15. Newfoundland, \$1 17. Spirits of turpentine, \$1 72 1/2@1 75. Common to good strained rosin, \$1 75.

PETROLEUM in fair demand and steady; refined in bbls., 19.25@20.25c.; bulk, New York, 11.50@12.50c.; cases, New York, 23.25@24.25c. Gasoline in good demand and steady; motor gasoline in steel bbls. 24 1/2c.; consumers, 26 1/2c.; gas machine, 41 1/2c. The estimated production of the fields of the Mid-Continent at the close of the past week was as follows: North Louisiana, 45,040 bbls.; North Texas, 238,995 bbls.; Corsicana light and Thrall, 900 bbls.; Kansas, 84,000 bbls.; Oklahoma, outside of Cushing, Shamrock and Healdton, 145,000 bbls.; Cushing and Shamrock, 36,000 bbls.; Healdton, 36,500 bbls.; total, 586,435 bbls. The estimated daily production of heavy gravity oil in the Gulf Coast field was 77,515 bbls.; Corsicana heavy, 500 bbls. The petroleum output was larger in August. More completions were made than in July and the production was correspondingly increased. Kentucky, Mid-Continent and Texas led. In fact the number of completions, the amount of new production and the work under way made a new high record it is stated, completely dwarfing any previous exhibit. The completions in all fields made a total of 2,722 wells, an increase of 104. Kansas led with a gain of 94.

Pennsylvania	\$4 25	Indiana	\$2 28	Strawn	\$2 25
Corning	2 95	Princeton	2 42	Thrall	2 25
Cabell	2 87	Illinois, above 30 deg.	2 42	Healdton	1 30
Somerseset, 32 deg. and above	2 70	Plymouth	2 33	Moran	2 25
Ragland	1 25	Kansas&Oklahoma	2 25	Henrietta	2 25
Wooster	2 85	Corsicana, light	2 35	Canada	2 75
North Lima	2 38	Corsicana, heavy	1 05	Caddo, La., light	2 25
South Lima	2 35	Electra	2 25	Caddo, heavy	0 60
				De Soto	2 15

RUBBER—London & Singapore advices have been bullish but here trade has been quiet at firm quotations. Ribbed smoked sheets on the spot 46c. Oct.-Dec. arrival, 46 1/2c.; Jan.-March, 47 1/4c.; and Jan.-June 47 1/2c. with 1c. premium on first latex pale crepe. Para steady but quiet. Caucho ball, up on the spot to 32c., with rather more demand. Central scrap is being reduced and it is not likely to be replenished very soon; Corinto and Esmeralda 32 asked. Para upriver fine, 54 1/2c.; coarse, 32c.

OCEAN FREIGHTS are in steady demand, but tonnage for the European trade has been rather hard to get. There is grain congestion still at the Gulf ports. Shipping people learn with approbation a report that the U. S. Shipping Board is about to be reorganized, and new blood infused into it by securing the services of experienced men in the ocean carrying trade of this country. There is plenty of American merchandise on the Atlantic seaboard awaiting transportation to Europe and other parts of the world. But tonnage has been lacking. But as proverbially a new broom sweeps clean, it is hoped and believed that under its new head the U. S. Shipping Board will take early steps to remedy existing drawbacks and thus further a return to normal conditions. All restrictions on trade with Hungary have been removed. Trade with it will be direct. The supply of tonnage has latterly been increased by allocations. Wheat tonnage is in increasing demand. Charters included refined petroleum from Philadelphia or New York to Montevideo, Buenos Aires or La Plata, 165,000 cases at 96c. Sept.; grain, Atlantic range to Antwerp, 36,000 quarters at 15s. Oct. 15; coal from Baltimore or Philadelphia to Genoa at \$26 50; general cargo from New York to three ports in Spain, \$29 net form, Sept.; coal Atlantic range to River Plate, reported at about 72s. 6d., Sept.; coal in schooners from a Virginian port to Porto Rico at \$11 net form; 12 months time charters at \$9 50 Sept.; Steamer from Port Arthur to Antwerp or Visardinger with gas oil in bulk at 85 and 90 cents respectively; barley from Buenos Aires to the United Kingdom or Continent at 140s. Japanese steamer 1960 tons, six months' time charter at 41s.; coal from Baltimore to Rotterdam at \$22 50.

TOBACCO has latterly been in pretty good demand for the better qualities. Binders still sell most readily. Wrappers are in pretty good demand. Fillers rather lag. Havana and Sumatra are in steady demand. Best grades of tobacco are the most wanted. Medium grades meet with only a moderate demand at best. The Philippine tobacco crop for 1919 is expected to be from 40% to 50% smaller than last year owing to drouth. In the United States late tobacco has been benefited by rains in Tennessee and parts of Kentucky, and there is a slight improvement in Ohio. The harvest is under way in the central and northern States. The earlier wet weather had an unfavorable effect in the central Atlantic Coast section. Dry weather unfavorably affected the crop in the Ohio Valley. The estimated farm value of this season's Connecticut Valley tobacco crop is from \$20,000,000 to \$25,000,000, which is more than comes from any other 35,000 acres of farm products in the United States.

COPPER quiet but firm; electrolytic 23 1/2c. Lead quiet but steady at 5.90@6c. for New York and 5.75@5.80c. for St. Louis. Spelter quiet but firmer; spot New York 7.50@7.75c. Tin quiet but steady at 56 1/2c.

PIG IRON has been firm and the drift of prices, particularly in Pennsylvania and the Cleveland districts, where advances of 50 cents to \$1 have occurred, is towards higher levels of quotations. But there is no evidence of any very sharp demand generally. Pittsburgh, indeed, reports trade quiet. On the other hand, there is no anxiety to sell for 1920 delivery. Railroad transportation is in better shape. It may not be impossible for business to be accepted for distant delivery before very long. Ore is moving more freely of late. Dock strikes at shipping points have been settled. The demand for coke is better, and prices are firmer. On the whole, the feeling in the pig iron trade is more cheerful. It is pointed out that August's production of pig iron, 2,743,388 tons, was as much greater than that of July, 2,428,541 tons, as July exceeded that of June. According to the "Iron Age," the daily output in August was 88,496 tons, against 78,340 in July. The blowing in of furnaces kept up through the month, 266 being in blast on Sept. 1st, as against 239 on Aug. 1st. The rate of pig iron production on Sept. 1st was 93,360 tons per day, or at a yearly rate of about 34,500,000 tons. The 1918 output was 39,400,000 tons. The daily rate a month ago was 85,635 tons.

STEEL prospects seem to be brightening. For one thing, the labor outlook has been more promising. It is hoped that there will be nothing like a strike for a long time to come. To-day's rumors, it is true, were not so promising. The August output was, it is understood, close to that of July. August shipments would have been larger but for the scarcity of cars. Orders for steel in August generally exceeded mill capacity. Mills in some directions seem less anxious for new business. Skilled labor is rather scarce in some departments, for instance, in sheet mills. Yet prices are not advanced, in spite of this automatic limiting of production. Steel bars are not easy to buy at 2.35c. Pittsburgh basis, and it is said that 2.40 to 2.50c. has been paid. Tin plates are advancing abroad, according to London cable advices, on buying by the Continent and the Far East.

To-day, the fact that Mr. Samuel Gompers asks President Wilson to use his influence at once to have the head of the U. S. Steel Corp. confer with representatives of labor, had a more or less disturbing effect as perhaps portending trouble.

COTTON

Friday Night, Sept. 5 1919.

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 33,572 bales, against 39,517 bales last week and 50,756 bales the previous week, making the total receipts since Aug. 1 1919 268,618 bales, against 294,888 bales for the same period of 1919, showing a decrease since Aug. 1 1919 of 26,269 bales.

Table showing weekly cotton receipts from various ports including Galveston, Texas City, Pt. Arthur, New Orleans, Mobile, Pensacola, Jacksonville, Savannah, Brunswick, Charleston, Wilmington, Norfolk, N'port News, New York, Boston, Baltimore, and Philadelphia. Columns include days of the week and total receipts.

The following shows the week's total receipts, the total since Aug. 1 1919 and the stocks to-night, compared with last year:

Table comparing 1919 and 1918 cotton receipts and stocks from Galveston to Philadelphia. Columns show 'This Week', 'Since Aug 1 1919', 'This Week', 'Since Aug 1918', '1919', and '1918'.

In order that comparison may be made with other years, we give below the totals at leading ports for six seasons:

Table showing totals at leading ports for six seasons (1919, 1918, 1917, 1916, 1915, 1914) for various ports like Galveston, Texas City, New Orleans, Mobile, Savannah, Brunswick, Charleston, Norfolk, N'port N., and All others.

The exports for the week ending this evening reach a total of 65,123 bales, of which 9,377 were to Great Britain, 20,362 to France and 35,384 to other destinations. Exports for the week and since Aug. 1 1919 are as follows:

Table showing weekly cotton exports from various ports including Galveston, New Orleans, Mobile, Jacksonville, Savannah, Brunswick, Charleston, Wilmington, Norfolk, New York, Boston, Philadelphia, San Fran, Seattle, and Tacoma. Columns include 'Week ending Sept. 5 1919' and 'From Aug. 1 1919 to Sept. 5 1919' with sub-columns for Great Britain, France, Other, and Total.

\* Figures adjusted to make comparison with this season approximately correct.

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.

Sept. 5 at—	On Shipboard, Not Cleared for—					Total.	Leaving Stock.
	Great Britain.	France.	Germany.	Other Cont'.	Coastwise.		
Galveston-----	24,322	----	----	4,472	1,000	29,794	80,401
New Orleans----	7,449	4,460	4,935	6,481	-----	23,325	239,763
Savannah-----	8,000	-----	-----	9,000	1,500	18,500	174,326
Charleston-----	-----	-----	-----	-----	700	700	19,900
Mobile-----	5,570	-----	-----	-----	-----	5,570	4,832
Norfolk-----	-----	-----	-----	-----	800	800	63,521
New York*-----	3,000	-----	-----	1,000	-----	4,000	81,053
Other ports*---	2,000	-----	-----	3,000	-----	5,000	88,288
Total 1919---	50,341	4,460	4,935	23,953	4,000	87,689	752,084
Total 1918---	53,937	12,000	-----	36,000	11,650	113,587	709,726
Total 1917---	39,251	2,000	-----	30,670	8,706	80,627	376,923

\*Estimated.

Speculation in cotton for future delivery has not been at all active, but fluctuations have. And they have carried the price down over \$15 a bale. Everything seems to have been against cotton. The latest fear of a steel strike. The Government report on the 1st inst. of 61.4 had been discounted. In any case, it was 5.7 better than a year ago. Besides, very many believe that the condition has, if anything, improved since Aug. 25, the real date of the report. And the size of the crop is not so important just now in moulding the sentiment of the cotton trade as it usually is at this time. For trade is dull, the carryover was large and existing supplies are widely believed to be ample at least for some time to come. Indeed, there are those who believe that there is no possibility of anything approaching scarcity during the present season. Exports have continued small. The serious obstacle has been the steadily declining rates for foreign exchange, notably sterling and francs. Not only is the export demand halted but there is little demand from domestic mills. Cotton goods have been quiet and rather weaker. Manchester has latterly reported trade quiet and yarns easier. Premier Lloyd George has delivered another speech advocating economy by the British people. Liverpool prices on the 4th inst. broke 125 to 176 American points. Spot sales there have not gone above 6,000 bales in a day and generally they have been less than that. It is said that Czech-Slovakian and Austrian merchants have found difficulty in financing cotton ordered from this side. Italian cables assert that Italy is well supplied with cotton for the time being. Barcelona has a big stock. Liverpool's stocks are much larger than those held in recent years, and she cannot sell freely to the Continent. And while the foreign outlet has been choked up by low exchange, lack of credits and possibly by a disposition on the part of Europe to economize the agitation for lower prices for food and clothing has continued unabated in this country. And grain markets have fallen heavily. In two days September corn dropped 15 cents per bushel. From the high point of last month it has declined some 35 to 40 cents. Other foodstuffs have also been notably cheaper than recently. All this has its effect on cotton. People have been angered by the high price of what they have to eat and wear. And the campaign for lower prices for food is not going to end right off, even though progress towards a betterment of conditions has undoubtedly been made. For living costs are still high. Meanwhile short hours mean shorter production. Even in Italy there is complaint of a reduced output of cotton goods because of the adoption of the eight-hour day. In this country mills have a 48-hour week also, but in actual practice the hands take frequent holidays. Besides, labor seems less efficient than formerly. The result is a lessened demand for raw cotton from mills, especially as their goods sell less freely even at some decline in prices. Buyers of cotton goods seem to be holding off in the expectation that both lower prices for raw cotton and the agitation for cheaper costs of living will tend to bring down quotations for goods.

And from parts of the belt the crop reports have been somewhat more favorable. Conditions look better in Tennessee, Arkansas, Oklahoma and parts of Texas. The plant is fruiting well in parts of Arkansas and blooming and fruiting nicely in Oklahoma. Texas was benefited by local showers and also by considerable sunshine. With a late frost date the yield may turn out to be much better than is generally expected. Meantime the selling has been at times heavy. Wall Street and the West have sold freely. Large interests in Wall Street are understood to have thrown over their holdings. Some other prominent interests are supposed to have done the same. Liverpool sold to some extent and Southern hedge selling has not been wanting. Local traders have been for the most part bearish. The talk is that the receipts will soon be larger. And when that comes true the question arises: Who is to take the cotton? Both foreign and domestic demand are now lacking. Storage difficulties, it is intimated, may complicate the situation.

On the other hand, the decline in cotton has been very severe and the technical position is better. A rally is believed to be due on general principles. Besides the stock market has at times advanced. Some think that the country has come to the turn in the lane. They believe that things will gradually improve from now on. Labor on the whole has seemed to be inclined to be more reasonable. A committee of the American Federation of Labor recommends a ten-hour production in an eight-hour day. Also a six months' abstention from strikes. Recently some workers in the iron trade passed resolutions deprecating the demand for higher wages and shorter hours as economically unwise. To some it has seemed as though light was breaking through.

It may mean increased production—that is, intensive production that will offset the reduced hours of labor. It is believed that sooner or later labor is bound to grasp the fact that scarcity of goods and high prices can only be cured by increased production. In other words, it may come to pass later on that the production of cotton goods, for instance, and with it a necessary increase in the consumption of raw cotton, will become one of the cheerful and influential features of the cotton business of this country. In any case there is a scarcity of cotton goods at home and abroad. Central Europe is almost bare of raw cotton. It badly needs American cotton to set the wheels of its textile industries going. It needs credits. In fact, the need is so great that it would seem that this fact of itself will sooner or later provide its remedy. Meanwhile the Platt Bill has passed the House of Representatives. Certain amendments were attached to it which will require a conference with the Senate, which had already passed it. But in the near future, it is said, it will become law—possibly to-day or to-morrow. And before long it seems no less clear that the Edge Bill will be also passed. These two bills ought to do much to facilitate the export trade in cotton as well as other commodities. It is expected that the Edge Bill will of itself do much toward stabilizing rates of exchange. And some are not disposed to minimize the importance of the last Government crop report. With two exceptions it was the worst on record for this time of the year. Only twice in about half a century has anything like so poor a report been issued for Sept. 1. It was 7% under the ten-year average. It points to a crop, according to the Government computation, of 11,230,000 bales only, against 12,040,532 bales as computed at this time last year, 11,302,375 in 1917 and 11,449,930 in 1916. The crop is two to three weeks late. That necessarily exposes it to all the greater danger of a possible early frost. On the surface it looks as though only the best results could be attained by an exceptionally late frost. On Sept. 8 the first ginning report of the season will appear. It is expected to be bullish, or any rate to look so. If there is a big short interest it may easily have considerable effect in that event. The South is well-to-do after some years of high prices. Some think it will market its cotton cautiously. To-day prices were very irregular, advancing 20 to 30 points, then dropping 104 to 110 points from the morning's "high," owing to fears of a big steel strike, a decline in foreign exchange, good weather and heavy liquidation. But there was a good rally later, owing to more cheerful reports about the steel labor situation. A better outlook, according to Washington reports, for foreign credits and covering of shorts. But prices are sharply lower for the week. Middling closed at 29.40c., a decline for the week of 265 points.

The official quotation for middling upland cotton in the New York market each day for the past week has been:

Aug. 30 to Sept. 5—	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
Middling uplands-----	31.40	30.75	29.55	29.40		

NEW YORK QUOTATIONS FOR 32 YEARS.

The quotations for middling upland at New York on Sept. 5 for each of the past 32 years have been as follows:

Year	Price	Year	Price	Year	Price	Year	Price
1919 c.	29.40	1911 c.	11.60	1903 c.	12.50	1895 c.	8.25
1918	35.55	1910	15.00	1902	9.00	1894	6.91
1917	22.15	1909	12.85	1901	8.56	1893	8.00
1916	15.95	1908	9.30	1900	9.88	1892	7.06
1915	9.85	1907	13.55	1899	6.25	1891	5.31
1914	-----	1906	9.90	1898	5.75	1890	10.42
1913	13.00	1905	10.75	1897	7.50	1889	11.38
1912	11.60	1904	11.10	1896	8.50	1888	10.50

FUTURES.—The highest, lowest and closing prices at New York for the past week have been as follows:

	Saturday, Aug. 30.	Monday, Sept. 1.	Tuesday, Sept. 2.	Wednesday, Sept. 3.	Thursday, Sept. 4.	Friday, Sept. 5.	Week.
September—							
Range-----			30.48	29.80	28.61	28.75	28.75
Closing-----						28.49	28.49
October—			30.40-84	30.00-114	29.01-.98	28.25-30	28.25-84
Range-----			30.88-.90	30.19-.25	29.01-.06	28.59	28.59
Closing-----							
November—			31.00	30.30	29.18	29.00	29.00
Range-----							
Closing-----							
December—			30.90-20	30.25-145	29.33-.25	28.55-65	28.55-70
Range-----			31.17-.19	30.52-.53	29.35-.37	29.11-.12	29.11-.12
Closing-----							
January—	HOLIDAY	HOLIDAY	30.94-15	30.20-140	29.25-.20	28.50-59	28.50-715
Range-----			31.11-.12	30.46-.50	29.28-.30	29.05-.07	29.05-.07
Closing-----							
February—					29.50	29.50	29.50
Range-----					31.17	30.46-.55	29.40
Closing-----							29.05-.12
March—			30.90-21	30.30-57	29.45-.30	28.71-75	28.71-71
Range-----			31.24-.26	30.65-.71	29.45-.40	29.20	29.20
Closing-----							
April—			31.25	30.65	29.48	29.24	29.24
Range-----							
Closing-----							
May—			31.20-20	30.50-54	29.52-.30	28.80-.65	28.80-720
Range-----			31.26	30.67-.73	29.52-.55	29.28-.30	29.28-.30
Closing-----							
June—			31.18	30.63	29.45	29.20	29.20
Range-----							
Closing-----							
July—			32.00-12	31.27-.40	-----	28.82-.59	28.82-712
Range-----			31.10	30.60-.65	29.37-.47	29.15-.25	29.15-.25
Closing-----							

f 32c. f 31c. f 29c.

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.

Sept. 5—	1919.	1918.	1917.	1916.
Stock at Liverpool.....bales.	810,000	204,000	243,000	621,000
Stock at London.....	12,000	20,000	22,000	32,000
Stock at Manchester.....	94,000	56,000	18,000	25,000
<b>Total Great Britain.....</b>				
	916,000	280,000	283,000	678,000
Stock at Hamburg.....				\$1,000
Stock at Bremen.....				1,000
Stock at Havre.....	175,000	101,000	144,000	189,000
Stock at Marseilles.....	4,000	1,000	3,000	10,000
Stock at Barcelona.....	68,000	21,000	78,000	52,000
Stock at Genoa.....	47,000	10,000	10,000	136,000
Stock at Trieste.....				\$1,000
<b>Total Continental stocks.....</b>				
	294,000	133,000	235,000	390,000
<b>Total European stocks.....</b>				
	1,210,000	413,000	518,000	1,068,000
India cotton afloat for Europe.....	26,000	18,000	22,000	23,000
Amer. cotton afloat for Europe.....	414,239	155,000	277,000	300,543
Egypt, Brazil, &c., afloat for Eur'e	79,000	59,000	32,000	10,000
Stock in Alexandria, Egypt.....	99,000	185,000	54,000	8,000
Stock in Bombay, India.....	1,001,000	641,000	880,000	461,000
Stock in U. S. ports.....	839,773	823,313	457,550	507,072
Stock in U. S. interior towns.....	623,050	628,183	253,166	325,188
U. S. exports to-day.....		20,312	6,947	28,243

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 Sept. 5.	Closing Quotations for Middling Cotton on—				
	Saturday.	Monday.	Tuesday.	Wed. day.	Thursd'y.
Galveston.....			31.50	31.00	30.00
New Orleans.....			31.25	30.75	30.00
Mobile.....			30.25	30.25	29.50
Savannah.....			30.63	30.63	29.25
Charleston.....			29.50	29.75	28.25
Wilmington.....			30.25	29.50	28.25
Norfolk.....					29.00
Baltimore.....			32.00	31.50	30.00
Philadelphia.....			31.65	31.00	29.80
Augusta.....			29.87	29.12	28.65
Memphis.....			32.50	32.50	31.50
Dallas.....			31.65	30.00	28.80
Houston.....			31.20	31.00	30.00
Little Rock.....			31.00	30.50	29.50

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:

Sept. 5 Shipped—	1919		1918	
	Week.	Since Aug. 1.	Week.	Since Aug. 1.
Via St. Louis.....	3,891	23,211	4,022	217,756
Via Mounds, &c.....	3,697	28,895	2,002	12,855
Via Rock Island.....		230		507
Via Louisville.....	762	5,206	1,262	13,879
Via Cincinnati.....	300	2,050	651	3,432
Via Virginia points.....	629	3,161	1,263	11,532
Via other routes, &c.....	2,218	23,208	3,871	35,935
<b>Total gross overland.....</b>	<b>11,497</b>	<b>85,961</b>	<b>13,071</b>	<b>95,896</b>
<b>Deduct Shipments—</b>				
Overland to N. Y., Boston, &c.....	1,279	9,760	1,242	9,279
Between interior towns.....	511	2,316	1,186	4,386
Inland, &c., from South.....	4,642	19,808	5,230	47,503
<b>Total to be deducted.....</b>	<b>6,432</b>	<b>31,884</b>	<b>7,658</b>	<b>61,168</b>
<b>Leaving total net overland*.....</b>	<b>5,065</b>	<b>54,077</b>	<b>5,413</b>	<b>34,728</b>

\* Including movement by rail to Canada. a Revised.

The foregoing shows the week's net overland movement has been 5,062 bales, against 5,413 bales for the week last year, and that for the season to date the aggregate net overland exhibits an increase over a year ago of 19,349 bales.

In Sight and Spinners' Takings.	1919		1918	
	Week.	Since Aug. 1.	Week.	Since Aug. 1.
Receipts at ports to Sept. 5.....	33,572	268,619	89,652	294,888
Net overland to Sept. 5.....	5,065	54,077	5,413	34,728
Southern consumption to Sept. 5a	65,000	319,000	85,000	443,000
<b>Total marketed.....</b>	<b>103,637</b>	<b>641,696</b>	<b>180,065</b>	<b>772,616</b>
Interior stocks in excess.....	10,284	178,937	1,538	268,433
<b>Came into sight during week.....</b>	<b>93,353</b>		<b>181,603</b>	
<b>Total in sight Sept. 5.....</b>		<b>462,750</b>		<b>704,183</b>
North spinners' takings to Sept. 5	35,473	176,083	22,483	112,746

\* Decrease during week. z Less than Aug. 1. a These figures are consumption; takings not available.

Movement into sight in previous years:	Week.	Bales.	Since Aug. 1—	Bales.
1917—Sept. 7.....		208,889		856,014
1916—Sept. 8.....		331,125		1,007,543
1915—Sept. 10.....		198,869		667,917

WEATHER REPORTS BY TELEGRAPH.—Our graphic advises this evening indicate that the rainfall has been light or moderate in the main during the week. From parts of Alabama there are complaints of bolls rotting. Texas reports are to the effect that cotton has made satisfactory progress and that the crop is quite promising in the northeast, northwest and central portions of the State.

Galveston, Tex.—The week was mostly cool and clear, with moderate showers in the northern sections and along the coast. Cotton made satisfactory progress and cool weather will tend to mature plants. Insects are still active in the eastern portion of the State. The crop is quite promising in the northeast, northwest and central portions. We have had rain on three days during the week, to the extent of seventy-eight hundredths of an inch. Average thermometer 79, highest 90, lowest 68.

Abilene, Tex.—We have had no rain the past week. The thermometer has averaged 78, the highest being 96 and the lowest 60.

Brenham, Tex.—Dry all the week. The thermometer has averaged 76, ranging from 60 to 92.

Brownsville, Tex.—We have had no rain during the week. The thermometer has ranged from 62 to 100, averaging 81.

Dallas, Tex.—There has been rain on one day during the week, the precipitation reaching thirty-six hundredths of an inch. The thermometer has averaged 78, the highest being 92 and the lowest 64.

Henrietta, Tex.—We have had rain on one day of the past week, the rainfall being eighty hundredths of an inch. Thermometer has averaged 80, ranging from 60 to 100.

Huntsville, Tex.—We have had no rain during the week. The thermometer has ranged from 57 to 91, averaging 74.

Kerrville, Tex.—It has been dry all the week. Minimum thermometer 54, highest 94, average 74.

Lampasas, Tex.—There has been no rain the past week. The thermometer has averaged 77, the highest being 97 and the lowest 57.

Longview, Tex.—Dry all the week. The thermometer has averaged 73, ranging from 49 to 96.

Luling, Tex.—Rain on one day of the week, to the extent of sixty hundredths of an inch. The thermometer has averaged 79, ranging from 63 to 95.

Total visible supply.....4,292,062 2,942,808 2,500,663 2,731,476  
Of the above, totals of American and other descriptions are as follows:

American—

Liverpool stock.....bales.	583,000	82,000	143,000	494,000
Manchester stock.....	57,000	22,000	11,000	22,000
Continental stock.....	258,000	*115,000	*202,000	*294,000
American afloat for Europe.....	414,239	151,000	277,000	300,543
U. S. port stocks.....	839,773	823,313	457,550	507,072
U. S. interior stocks.....	623,050	628,183	253,166	325,188
U. S. exports to-day.....		20,312	6,947	28,243
<b>Total American.....</b>	<b>2,775,062</b>	<b>1,845,808</b>	<b>1,350,663</b>	<b>1,971,476</b>
<b>East India, Brazil, &amp;c.—</b>				
Liverpool stock.....	227,000	122,000	100,000	127,000
London stock.....	12,000	20,000	22,000	32,000
Manchester stock.....	37,000	34,000	7,000	3,000
Continental stock.....	36,000	*18,000	*33,000	*96,000
India afloat for Europe.....	26,000	18,000	22,000	23,000
Egypt, Brazil, &c., afloat.....	79,000	59,000	32,000	10,000
Stock in Alexandria, Egypt.....	99,000	185,000	54,000	8,000
Stock in Bombay, India.....	1,001,000	*641,000	*880,000	461,000
<b>Total East India, &amp;c.....</b>	<b>1,517,000</b>	<b>1,097,000</b>	<b>1,150,000</b>	<b>760,000</b>
<b>Total American.....</b>	<b>2,775,062</b>	<b>1,845,808</b>	<b>1,350,663</b>	<b>1,971,476</b>

Total visible supply.....4,292,062 2,942,808 2,500,663 2,731,476  
Middling uplands, Liverpool.....18,150. 24,58d. 17,25d. 9,38d.  
Middling uplands, New York.....29,40c. 35,85c. 21,35c. 15,25c.  
Egypt, good saki, Liverpool.....32,50d. 33,92d. 34,50d. 19,50d.  
Peruvian, rough good, Liverpool.....29,50d. 39,00d. 26,80d. 13,75d.  
Broach, fine, Liverpool.....18,10d. 25,25d. 17,00d. 8,90d.  
Tinnevely, good, Liverpool.....18,35d. 25,50d. 17,18d. 8,92d.

\* Estimated.

Continental imports for past week have been 77,000 bales. The above figures for 1919 show a decrease from last week of 133,225 bales, a gain of 1,349,254 bales over 1918, an excess of 1,791,399 bales over 1917 and a gain of 1,560,586 bales over 1916.

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 Sept. 5 1919.			Movement to Sept. 6 1918.		
	Receipts.	Ship-ments.	Stocks Sept. 5.	Receipts.	Ship-ments.	Stocks Sept. 6.
Ala., Eufaula.....	74	254	54	1,653	242	379
Montgomery.....	1,156	1,750	809	16,075	2,912	5,483
Selma.....	477	750	217	8,633	3,256	3,654
Ark., Helena.....	8	116	663	645	42	229
Little Rock.....	279	1,694	1,216	10,667	710	7,267
Pine Bluff.....	25	380	825	12,000	55	334
Ca., Albany.....	926	1,904	709	3,507	976	1,018
Athens.....	294	1,839	1,607	13,507	1,103	5,732
Atlanta.....	2,371	11,606	3,580	17,723	9,264	14,601
Augusta.....	6,662	18,821	4,480	15,713	9,264	14,601
Columbus.....			1,495	30,132	1,670	4,749
Macon.....	2,096	10,764	1,454	6,454	94	393
Roanoke.....	264	1,031	1,299	33,452	2,570	3,716
La., Shreveport.....	667	25	1,400	443	443	217
Miss., Columbus.....	34	769	1,934	6,000	550	960
Clarksville.....	250	660	350	8,000	700	1,880
Greenwood.....	137	862	504	5,488	719	923
Meridian.....	37	193	374	443	443	534
Natchez.....		559	2,045	1,479	666	391
Vicksburg.....	73	263	3,891	5,045	2,706	14,757
Yazoo City.....	2,671	17,546	400	4,800	235	2,499
Mo., St. Louis.....	200	2,867	12	80	40	149
N.C., Gr'naboro.....	49	178	25	80	40	149
Raleigh.....	400	3,200	900	22,000	384	5,340
O., Cincinnati.....						1,202
Okla., Ardmore.....			1,197	200	1,704	200
Chokmah.....			37	582	582	582
Hugo.....			838			800
Oklahoma.....	995	3,577	2,594	15,267	12	1,742
S.C., Greenville.....	42	42	6,132	218	236	218
Greenwood.....	2,598	15,511	5,678	134,047	2,848	14,317
Tenn., Memphis.....			601			284
Nashville.....						63
Tex., Abilene.....			2,300	2,500	11,047	2,300
Brenham.....	20	197	1,080	1,060	1,060	75
Clarksville.....			5,305	3,177	5,073	791
Dallas.....			335	2,801	2,081	880
Honey Grove.....	6,135	43,867	6,512	108,654	69,639	194,971
Houston.....	280	1,309	280	2,421	7,180	7,180
Paris.....	788	905	338	1,380	2,000	5,883
San Antonio.....						1,500
<b>Total, 41 towns.....</b>	<b>30,654</b>	<b>145,632</b>	<b>40,938</b>	<b>623,050</b>	<b>115,321</b>	<b>330,488</b>

NEW ORLEANS CONTRACT MARKET.—The closing quotations for leading contracts in the New Orleans cotton markets for the past week have been as follows:

	Saturday, Aug. 30.	Monday, Sept. 1.	Tuesday, Sept. 2.	Wed. day, Sept. 3.	Thursd'y, Sept. 4.	Friday, Sept. 5.
September.....			30.28	29.62	28.55	28.40
October.....			30.68-70	30.02-07	28.95	28.80-82
December.....			30.70-73	30.09-15	28.97-02	28.78-82
January.....			30.75-76	30.13-18	28.96-00	28.77
March.....			30.85	30.22-26	29.05-05	28.88
May.....			30.88	30.27-30	29.05-10	28.97
<b>Tone—</b>			Dull	Quiet	Quiet	Quiet
<b>Spot</b> .....			Steady	Steady	Steady	Steady
<b>Options.....</b>						

*Nacogdoches, Tex.*—We have had no rain during the week. Average thermometer 74, highest 96, lowest 52.

*Palesine, Tex.*—It has rained on one day of the week, the rainfall reaching sixty-eight hundredths of an inch. The thermometer has averaged 75, the highest being 92 and the lowest 58.

*Paris, Tex.*—Rain has fallen on one day during the week, the precipitation reaching three hundredths of an inch. The thermometer has averaged 76, ranging from 58 to 94.

*San Antonio, Tex.*—We have had rain on one day during the week, to the extent of two hundredths of an inch. Average thermometer 79, highest 94, lowest 64.

*Taylor, Tex.*—We have had no rain the past week. Minimum thermometer 64.

*Weatherford, Tex.*—We have had rain on one day of the past week, the rainfall being thirty hundredths of an inch. The thermometer has averaged 76, ranging from 59 to 92.

*Ardmore, Okla.*—It has rained on two days of the week, the rainfall reaching two inches and forty-six hundredths. Minimum thermometer 62, highest 98, average 80.

*Muskogee, Okla.*—We have had rain on one day the past week, the rainfall being sixty-five hundredths of an inch. The thermometer has averaged 73, the highest being 92 and the lowest 54.

*Eldorado, Ark.*—The week's rainfall has been one inch and thirty hundredths, on one day. The thermometer has averaged 72, ranging from 53 to 91.

*Little Rock, Ark.*—It has been dry all the week. Minimum thermometer 60, highest 91, average 76.

*Alexandria, La.*—There has been rain on one day of the week, to the extent of sixty-five hundredths of an inch. The thermometer has averaged 75, the highest being 92 and the lowest 58.

*New Orleans, La.*—The precipitation during the week reached forty-three hundredths of an inch, on three days. The thermometer has averaged 80.

*Shreveport, La.*—It has rained on one day of the week, the rainfall reaching twenty-seven hundredths of an inch. Minimum thermometer 59, highest 92, average 76.

*Columbus, Miss.*—It has rained on one day of the week, the rainfall reaching fifty hundredths of an inch. The thermometer has averaged 73, the highest being 92 and the lowest 55.

*Vicksburg, Miss.*—We have had rain on two days of the past week, the rainfall being forty-two hundredths of an inch. The thermometer has averaged 73, ranging from 57 to 89.

*Mobile, Ala.*—Picking and ginning are progressing well. No improvement in condition of the plant. Much complaint of rotting bolls. Frequent showers maintain the excess of moisture. We have had rain on three days the past week, the rainfall being sixty-five hundredths of an inch. The thermometer has averaged, 78, the highest being 91 and the lowest 65.

*Montgomery, Ala.*—We have had no rain the past week. The thermometer has averaged 75, ranging from 60 to 91.

*Selma, Ala.*—There has been rain on one day during the week, the precipitation reaching seventeen hundredths of an inch. The thermometer has averaged 76, the highest being 91, and the lowest 60.

*Madison, Fla.*—The precipitation during the week reached one inch and ninety-six hundredths on five days. The thermometer has averaged 81, ranging from 67 to 95.

*Tallahassee, Fla.*—We have had rain on two days the past week, the rainfall being two inches and eighty-six hundredths. The thermometer has averaged 78, the highest being 91 and the lowest 65.

*Atlanta, Ga.*—We have had rain on two days of the past week, the rainfall being eleven hundredths of an inch. Thermometer has averaged 72, ranging from 58 to 86.

*Augusta, Ga.*—We have had rain on one day the past week, the rainfall being fourteen hundredths of an inch. The thermometer has averaged 76, the highest being 91 and the lowest 61.

*Savannah, Ga.*—Rain on three days of the week, to the extent of one inch and twenty-one hundredths. The thermometer has averaged 77, ranging from 66 to 89.

*Charleston, S. C.*—We have had rain on two days the past week, the rainfall being eighty-one hundredths of an inch. The thermometer has averaged 78, the highest being 89 and the lowest 66.

*Greenwood, S. C.*—We have had no rain the past week. Thermometer has averaged 73, ranging from 57 to 88.

*Spartanburg, S. C.*—We have had rain on two days the past week, the rainfall being one inch and eighty hundredths. The thermometer has averaged 67, the highest being 92 and the lowest 42.

*Charlotte, N. C.*—Cotton continues to make good progress. We have had rain on two days of the past week, the rainfall being one inch and forty-six hundredths. The thermometer has averaged 72, ranging from 59 to 89.

*Weldon, N. C.*—We have had rain on four days of the past week, the rainfall being three inches and twelve hundredths. Thermometer has averaged 72, ranging from 54 to 90.

*Dyersburg, Tenn.*—The week's rainfall has been one inch and twenty hundredths. The thermometer has averaged 69, ranging from 50 to 88.

*Memphis, Tenn.*—Rain has fallen on two days during the week, the precipitation reaching eight hundredths of an inch. The thermometer has averaged 74, ranging from 58 to 89.

**THE AGRICULTURAL DEPARTMENT'S AUGUST REPORT.**—The following statement, showing the condition of cotton on Aug. 25, was issued by the Department of Agriculture on Sept. 2:

The Crop Reporting Board of the Bureau of Crop Estimates of the United States Department of Agriculture estimates, from the reports of the correspondents and agents of the Bureau, that the condition of the cotton crop on Aug. 25 was 61.4% of a normal, compared with 67.1 on July 25 1919, 55.7 on Aug. 25 1918, 67.8 on Aug. 25 1917 and 68.4 the average on Aug. 25 of the past 10 years.

A condition of 61.4% on Aug. 25 forecasts a yield per acres of about 159.8 lbs., and a total production of about 11,203,000 bales. That is, the final outturn will probably be larger or smaller than this amount according as conditions hereafter are better or worse than average conditions. Last year's production was 12,040,532 bales, two years ago 11,302,375 bales; three years ago 11,449,930 bales; four years ago 11,191,820 bales, and five years ago 16,134,930 bales.

Comparisons of conditions, by States, follow:

State—	Aug. 25 1919.	July 25 1919.	1918.	Aug. 25 1917.	10-year Average.
Virginia.....	67	80	84	76	83
North Carolina..	70	76	77	69	75
South Carolina...	67	71	67	74	72
Georgia.....	55	67	66	68	72
Florida.....	38	50	60	65	72
Alabama.....	55	64	66	65	68
Mississippi.....	61	63	67	75	68
Louisiana.....	47	52	53	75	64
Texas.....	61	67	43	55	65
Arkansas.....	65	63	52	79	71
Tennessee.....	69	67	58	80	77
Missouri.....	75	67	60	83	77
Oklahoma.....	71	75	33	84	66
California.....	98	100	92	90	95
Arizona.....	90	93	96	89	--
United States...	61.4	67.1	55.7	67.8	68.4

\* Nine-year average.

**MARKET AND SALES AT NEW YORK.**

	Spot Market Closed.	Futures Market Closed.	SALES.		
			Spot.	Cont'l.	Total.
Saturday...		HOLIDAY			
Monday...		HOLIDAY			
Tuesday...	Quiet, 65 pts. dec.	Steady			
Wednesday...	Quiet, 65 pts. dec.	Steady			
Thursday...	Quiet, 120 pts. dec.	Barely steady			
Friday...	Quiet, 15 pts. dec.	Steady			
Total.....					

**WORLD'S SUPPLY AND TAKINGS OF COTTON.**—The following brief but comprehensive statement indicates at a glance the world's supply of cotton for the week and since Aug. 1 for the last two seasons, from all sources from which statistics are obtainable; also the takings, or amounts gone out of sight, for the like period.

Cotton Takings. Week and Season.	1919.		1918.	
	Week.	Season.	Week.	Season.
Visible supply Aug. 29.....	4,425,287	4,792,018	2,877,547	3,027,450
Visible supply Aug. 1.....		462,759	181,603	704,183
American in sight to Sept. 5.....	93,353		20,000	179,000
Bombay receipts to Sept. 4.....	640,000	217,000	2,000	2,000
Other India ship'ts to Sept. 4.....			1,000	12,000
Alexandria receipts to Sept. 3.....	23,000	11,000	3,000	11,000
Other supply to Sept. 3*.....	62,000	12,000		
Total supply.....	4,563,640	5,494,777	3,094,150	3,926,633
Deduct.....				
Visible supply Sept. 5.....	4,292,062	4,292,062	2,942,808	2,942,808
Total takings to Sept. 5.....	271,578	1,202,715	151,342	983,825
Of which American.....	223,578	887,715	121,342	798,825
Of which other.....	48,000	315,000	30,000	185,000

\* Embraces receipts in Europe from Brazil, Smyrna, West Indies, &c.

a This total embraces since Aug. 1 the total estimated consumption by Southern mills, 319,000 bales in 1919 and 443,000 bales in 1918—takings not being available—and the aggregate amounts taken by Northern and foreign spinners, 883,715 bales in 1919 and 540,825 bales in 1918, of which 568,715 bales and 355,825 bales American. b Estimated.

**BOMBAY COTTON MOVEMENT.**—The receipts of India cotton at Bombay for the week ending Aug. 14 and for the season from Aug. 1 for three years have been as follows:

Aug. 14. Receipts at—	1919.		1918.		1917.	
	Week.	Since Aug. 1.	Week.	Since Aug. 1.	Week.	Since Aug. 1.
Bombay.....	40,000	88,000	30,000	70,000	25,000	59,000

**ALEXANDRIA RECEIPTS AND SHIPMENTS OF COTTON.**—The following are the receipts and shipments for the week ending Aug. 13 and for the corresponding week of the two previous years:

Alexandria, Egypt, Aug. 13.	1919.	1918.	1917.
Receipts (cantars)—			
This week.....	22,000	22,112	4,816
Since Aug. 1.....	27,668	42,148	8,087

Export (bales)—	Week.	Since Aug. 1.	Week.	Since Aug. 1.	Week.	Since Aug. 1.
To Manchester, &c.....			5,035	7,085	1,200	2,371
To Continent and India.....	300	300				
To America.....		3,751				
Total exports.....	300	4,631	6,165	10,532	3,809	4,980

Note.—A cantar is 99 lbs. Egyptian bales weigh about 750 lbs. This statement shows that the receipts for the week ending Aug. 13 were 22,000 cantars and the foreign shipments 300 bales.

**MANCHESTER MARKET.**—Our reports received by cable to-night from Manchester state that the market is lower, with a limited business and an easier tendency. We

give prices for to-day below and leave those for previous weeks of this and last year for comparison:

Table with columns for 1919 and 1918, sub-columns for 32s Cop Twist, 8 1/2 lbs. Shirts, and Col'n Mid. Up's. Rows include months from July to Sept.

SHIPPING NEWS.—Shipments in detail:

Table listing shipping routes and quantities, including destinations like Liverpool, Galveston, New Orleans, and Philadelphia.

Total... 65,123

The particulars of the foregoing shipments for the week, arranged in our usual form, are as follows:

Summary table of shipments by origin: New York, Galveston, New Orleans, Savannah, Wilmington, Philadelphia.

LIVERPOOL.—By cable from Liverpool we have the following statement of the week's sales, stocks, &c., at that port:

Table of Liverpool market statistics: Sales of the week, Sales American, Forwarded, Total stock, etc.

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:

Table of daily closing prices for spot cotton from Saturday to Friday, including market status and prices.

Prices of futures at Liverpool for each day are given below:

Table of futures prices at Liverpool from August 30 to July, showing monthly price trends.

BREADSTUFFS

Friday Night, Sept. 5 1919.

Flour has been quiet, buyers hoping for lower prices. They see that the agitation against the high cost of living is having results in some directions. They hope for similar results in the flour trade.

Wheat has been firm in spite of large receipts and an increase in the visible supply in the United States last week of 7,908,000 bushels, making it 56,828,000 bushels against 42,175,000 a year ago.

DAILY CLOSING PRICES OF WHEAT IN NEW YORK.

Table of daily closing prices for No. 2 red and No. 1 Spring wheat.

Indian corn has fallen sharply owing partly to statements by Mr. Hoover that Europe has large stocks of foodstuffs. But the determined fight in this country against the high cost of living has also counted for a good deal.

DAILY CLOSING PRICES OF CORN IN NEW YORK.

Table of daily closing prices for No. 3 yellow corn.

DAILY CLOSING PRICES OF CORN FUTURES IN CHICAGO.

Table of daily closing prices for September, December, and May corn futures.

Oats declined in sympathy with lower prices for corn. Mr. Hoover's statement that there are enormous stocks of food in Europe had some effect. So also has the campaign against the high cost of living.

DAILY CLOSING PRICES OF OATS IN NEW YORK.

Table of daily closing prices for No. 1 white and No. 2 white oats.

**DAILY CLOSING PRICES OF OATS FUTURES IN CHICAGO**

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
September delivery in elevator, cts.	69 1/2	Holi-	69 3/4	69	67 3/4	69 3/4
December delivery in elevator	72 1/2	day	72 1/2	72	70 3/4	71 1/2
May delivery in elevator	77 1/2		76	75 1/4	74 3/4	75

The following are closing quotations:

**FLOUR.**

Spring patents.....	\$11 25@12 00	Barley goods—Portage barley:	
Winter straights, soft	10 10@ 10 40	No. 1.....	\$7 00
Kansas straights.....	10 75@ 11 25	Nos. 2, 3 and 4, pearl.....	6 00@6 25
Rye flour.....	nom. 7 20@ 8 00	Nos. 2-0 and 3-0.....	7 00@7 15
Corn goods, 100 lbs.—		Nos. 4-0 and 5-0.....	7 25
White gran.....	\$4 75	Oats goods—Carload,	
Yellow gran.....	4 75	spot delivery.....	9 50
Corn flour.....	4 60		

**GRAIN.**

Wheat—		Oats—	
No. 2 red.....	\$2 37 1/2	No. 1.....	83
No. 1 spring.....	2 40 1/2	No. 2 white.....	82@82 1/2
		No. 3 white.....	81@81 1/2
Corn—		Barley—	
No. 2 yellow.....	1 82 1/2	Feeding.....	133
No. 3 yellow.....	1 81 1/2	Malting.....	138
Rye—			
No. 2.....	1 48 1/2		

**WEATHER BULLETIN FOR WEEK ENDING SEPTEMBER 2.**—The influences of weather on the crops as summarized in the weather bulletin issued by the Department of Agriculture for the week ending Sept. 2 were as follows:

**COTTON.**—The temperature averaged near normal and rainfall was generally light to moderate in most sections of the cotton belt. As a result cotton made fairly good progress during the week, except in portions of North Carolina, in Florida and the south central portion of the belt, which was mostly poor. Progress was irregular in North Carolina, but was mostly poor and varied from poor to very good in South Carolina. Much of the intermediate and late crop is fruiting excellently in the latter State. Fair progress was made in Georgia, where cotton is opening rapidly in the central and southern portions, but no improvement was reported from Florida, where the condition continues poor. The week was mostly favorable in Tennessee, Arkansas, Oklahoma and Texas, and fairly good to very good progress was reported from these States. The plants are fruiting satisfactorily in Arkansas and are blooming and fruiting nicely in Oklahoma. Local showers and considerable sunshine produced beneficial results in Texas, but the damage by weevil and worms continues serious in the eastern half of that State, although there was a decrease in their activity in some sections where there was less rain and more sunshine than during previous weeks.

**SPRING WHEAT.**—Spring wheat harvest progressed in the late North-western districts under favorable weather conditions and thrashing advanced favorably in other sections of the spring wheat belt. The yield of this crop continues generally disappointing; it is reported as very poor to poor in Minnesota, where much of the grain can be used only for feed, and while yielding somewhat better than expected in central North Dakota. It is very poor in the western portion of that State, due to the long drouth, and below expectations in the eastern portion.

**WINTER WHEAT.**—The soil continues too dry for best results in preparing seed beds for winter wheat sowing in some important areas, particularly in Virginia, portions of Kentucky, Indiana and Illinois, and generally in Iowa and in the western plains area. In the lower Missouri Valley, however, especially in the eastern portions of Nebraska and Kansas and in southern Missouri, as well as in some localities in the Ohio Valley, rain during the week improved the condition of the soil and plowing and preparation for sowing made better advance.

**SEEDING OF GRAIN.**—Seeding of fall grains is progressing in the western Lake region and some wheat has been sown in western Kansas, but little seeding has as yet been done in the Far Northwest on account of continued dry weather.

**HARVESTING.**—Harvesting and thrashing spring grains were delayed in portions of the Northwest and there was considerable damage in New York to grain in shock, but otherwise the gathering of the spring grain crops advanced satisfactorily; the yield of barley and rye in Minnesota was reported as fair in the northern portions, but poor in the southern. Buck-wheat continues in fairly good condition in the Lake region and this crop is doing well in the northern Appalachian Mountain districts, but is late in New Jersey.

**CORN.**—The temperature was below the normal in the principal corn-growing districts, while there was a fair amount of sunshine. The rainfall was quite variable, but the amount was heavy in much of Oklahoma and Missouri, central Tennessee, extreme eastern Kansas and in part of the upper Ohio Valley. The rain, although too late to greatly benefit much of the corn in southern Missouri or in eastern Kansas and Nebraska, will cause some of this crop to fill better and will increase the stand of fodder. Late corn made fairly good progress in most of the South, although it is suffering for moisture in some of the Middle Atlantic Coast districts and in Kentucky.

For other tables usually given here, see page 954.

The visible supply of grain, comprising the stocks in granary at principal points of accumulation at lake and seaboard ports Aug. 30 1919 was as follows:

	GRAIN STOCKS.				
	Wheat, bush.	Corn, bush.	Oats, bush.	Rye, bush.	Barley, bush.
<b>United States—</b>					
New York.....	3,902,000	4,000	452,000	198,000	525,000
Boston.....	277,000		263,000	27,000	136,000
Philadelphia.....	2,510,000	18,000	246,000	36,000	97,000
Baltimore.....	3,450,000	55,000	125,000	329,000	205,000
Newport News.....	97,000		258,000		117,000
New Orleans.....	1,605,000	59,000	753,000		2,446,000
Galveston.....	3,125,000		48,000		197,000
Durham.....	8,279,000	4,000	2,329,000	1,290,000	420,000
Toledo.....	981,000	8,000	140,000	245,000	4,000
Detroit.....	50,000	45,000	145,000	104,000	
Chicago.....	10,006,000	168,000	6,898,000	2,363,000	317,000
Milwaukee.....	239,000	57,000	886,000	169,000	318,000
Duluth.....	36,000		293,000	1,595,000	438,000
Minneapolis.....	1,371,000	7,000	3,550,000	5,282,000	945,000
St. Louis.....	3,443,000	20,000	147,000	75,000	2,000
Kansas City.....	12,023,000	37,000	1,038,000	233,000	
Peoria.....	19,000		467,000		
Indianapolis.....	653,000	307,000	125,000	25,000	
Omaha.....	3,985,000	144,000	525,000	231,000	15,000
On Lakes.....	779,000		25,000	125,000	195,000
On Canal and River.....			675,000		153,000
Total Aug. 30 1919.....	56,828,000	956,000	19,411,000	12,327,000	6,534,000
Total Aug. 23 1919.....	48,920,000	1,061,000	18,935,000	11,581,000	7,459,000
Total Aug. 31 1918.....	48,821,000	5,232,000	19,309,000	1,325,000	1,810,000
Total Sept. 1 1917.....	5,035,000	2,472,000	7,033,000	725,000	3,206,000
Note.—Bonded grain not included above: Oats, 45,000; Boston, total, 45,000 against nil in 1918; and barley, 41,000 Boston, 2,000 Duluth; total, 43,000, against 1,000 in 1918.					
<b>Canadian—</b>					
Montreal.....	1,370,000	118,000	664,000	293,000	1,536,000
Pt. William & Pt. Arthur.....	421,000		1,179,000		224,000
Other Canadian.....	557,000		370,000		
Total Aug. 30 1919.....	2,348,000	118,000	2,213,000	293,000	1,760,000
Total Aug. 23 1919.....	2,783,000	1,000	2,601,000	312,000	2,476,000
Total Aug. 31 1918.....	4,250,000	126,000	8,403,000		391,000
Total Sept. 1 1917.....	2,519,000	11,000	6,102,000	2,000	103,000
<b>Summary—</b>					
American.....	56,828,000	956,000	19,411,000	12,327,000	6,534,000
Canadian.....	2,348,000	118,000	2,213,000	293,000	1,760,000
Total Aug. 30 1919.....	59,176,000	1,074,000	21,624,000	12,620,000	8,294,000
Total Aug. 23 1919.....	51,703,000	1,062,000	21,536,000	11,893,000	9,935,000
Total Aug. 31 1918.....	53,071,000	5,358,000	27,712,000	1,325,000	1,901,000
Total Sept. 1 1917.....	7,554,000	2,483,000	13,135,000	727,000	3,309,000

**THE DRY GOODS TRADE**

New York, Friday Night, Sept. 5 1919.

The first week of September found the market for dry goods still marking time with virtually all branches of the trade waiting for some sign of a more settled labor and financial outlook. Reports are still indicative of good business in the near future, and merchants who have been watching actual market conditions believe that the recent wave of advancing prices has been broken. A factor which has greatly helped the optimistic view taken by traders in general is the statement that the Government does not contemplate the continual buying of goods to sell in the retail stores it is about to establish. According to reports this system of retail selling will be well under way the latter part of this month, but only the present surplus of goods will be sold. A suggestion came from some quarter that the Government intended to remain in the dry goods business which resulted in a general feeling of alarm in all branches of the trade. At the mills there is no pressure to sell goods as they are well booked with orders and have comparatively few stocks to draw from. Second hands continue to offer goods at slight concessions but the lots are small and constructions that are in big demand, and of which there is a known scarcity, are commanding high figures. Strong confirmation of the cautious policy among merchants was evidenced by the new prices named for a number of denims, reports indicating that higher prices would have been possible. The idea was to benefit the mills by a fully sold condition and as a result the whole market has been strengthened. In the export division of the dry goods trade demand is still growing. This is especially true in quarters where satisfactory banking connections have been made. The uncertain condition of foreign exchange is still handicapping opportunities in European countries, but the demand from South and Central America continues strong. Merchants in these countries are placing orders running well into next year, especially for colored cottons, napped goods and knit underwear. Business is reported as very encouraging in instances where deliveries can be made. It is not always possible, however, to obtain the same level of prices quoted here.

**DOMESTIC COTTON GOODS.**—In the market for staple cottons the main feature of the week was the Government auction on Thursday. After the holiday, trading was very light in anticipation of the event which was looked forward to with general interest. The trade seemed to be pretty well united in the opinion that the sale would have an important bearing on the market although competition would not be as spirited as in the former sale. Many saw a decided change of opinion when buyers and sellers were listening to suggestions that Government goods would be an influencing factor in price fixing. Early reports of the sale seemed to bear out these predictions quite fully. There was a lack of snap in the bidding and it could be seen that the large operators were holding off and the small ones proceeding very cautiously in their buying. The prices obtained were reported as generally satisfactory to the Government, although they were somewhat lower than those secured in the previous sale, due largely to the general downward trend of cotton goods. In the gray goods division of the market there has been little change. Mills in general are still holding off, though in several instances bids are being received for goods on hand. Fine goods, twills, drills, and organdies continue in fair demand. Gray-goods, 38 1/2-inch standards are listed at 17 cents.

**WOOLEN GOODS.**—High prices continue to be the rule in the market for worsteds and woolsens and it is believed that such a condition will prevail until the entire industry's output begins to catch up with the demand for cloth. An effort is being made in this direction by the adoption of the policy to produce fewer varieties of worsted goods. Manufacturers are anxious to get the greatest yardage possible and this plan will tend to greatly speed up production. Reports on the opening of the fall season indicate an acute shortage of yarns in all branches of the trade and the mills are thus unable to promise deliveries at any set time. The result has been a growing hesitancy among buyers to place orders for future delivery.

**FOREIGN DRY GOODS.**—The strong tone still continues in the market for linens. Although a number of shipments arrived during the week the marked scarcity of linen goods still exists and will probably prevail for some time in the face of reports from Belfast. The flax crop conditions have dispelled all hopes that the Belfast mills would be able to operate on full time. Indications also seem to point to the fact that there will be no importations of flax from Russia this year. As a result the whole situation is causing deep concern throughout the entire trade. An item of interest this week is the announcement by the Material Disposal and Salvage Division of the Air Service of a sale of 125,000 yards of burplane linen in several widths and weights. Bids are being asked for all or part of the yardage offered and will be received until noon on Sept. 12th. More activity prevails in markets for burlaps with the undertone firm. Light weights are quoted at 14.50c. and heavy weights at 17.50c. to 17.75c.



The Chronicle

PUBLISHED WEEKLY.

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NOTICE.—On account of the fluctuations in the rates of exchange, remittances for European subscriptions and advertisements must be made in New York funds.

Subscription includes following Supplements—

Table listing supplements: BANK AND QUOTATION (monthly), RAILWAY AND INDUSTRIAL (semi-annually), RAILWAY EARNINGS (monthly), ELECTRIC RAILWAY (semi-annually), STATE AND CITY (semi-annually), BANKERS' CONVENTION (yearly).

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WILLIAM B. DANA COMPANY, Publishers, Front, Pine and Depeyster Sts., New York.

State and City Department

MUNICIPAL BOND SALES IN AUGUST.

The amount of long-term municipal bonds disposed of in the United States during August, although exceeding any other total for that month in previous years, showed a decrease of about 50% from the total of July. The aggregate was \$44,500,011, making a total for the eight months of \$420,520,395, compared with \$213,447,415 in the same period in 1918.

The largest undertaking in the way of municipal financing last month was the sale by the city of San Francisco, Calif., of \$5,570,000 4 1/2% "Hetch-Hetchy" bonds, which are being offered by a syndicate to investors at a price to yield 480%.

The above figures for August relate only to permanent obligations. As far as temporary securities are concerned, there were \$22,511,000 of these negotiated last month, including revenue bonds and bills and corporate stock notes issued by New York City, amounting to \$20,305,000.

In Canada \$4,938,374 debentures were placed during August, including the sale by the Province of Ontario of \$3,000,000 5 1/2% at 99.67.

A comparison is given in the table below of all the various forms of securities placed in August of the last five years:

Table comparing securities placed in August of the last five years (1915-1919) across various categories like Permanent loans, Temporary loans, Canadian loans, etc.

\* Including temporary securities issued by New York City, \$20,305,000 in August 1919, \$14,355,000 in 1918, \$11,350,000 in 1917, \$23,200,387 in 1916 and \$23,849,712 in 1915.

The number of places in the United States selling permanent bonds and the number of separate issues made during August 1919 were 351 and 454, respectively. This contrasts with 495 and 756 for July 1919 and with 315 and 368 for August 1918.

For comparative purposes we add the following table, showing the aggregates for August and the eight months for a series of years. In these figures temporary loans, New York City's "general fund" bonds and also issued by Canadian municipalities are excluded.

Table showing aggregates for August and the eight months for a series of years (1906-1919).

Owing to the crowded condition of our columns, we are obliged to omit this week the customary table showing the month's bond sales in detail. It will be given later.

NEWS ITEMS

Florida.—Constitutional Amendment Proposed Providing for Road Bonds.—The 1919 Legislature passed a resolution which was approved by the Governor on June 7, proposing an amendment to the State Constitution, which would allow the issue of bonds for the purpose of acquiring, building and maintaining a system of good roads and bridges.

We print below Section 6 of Article 9 of the Constitution as it is proposed to amend it, indicating the new matter by italic type:

Sec. 6. The Legislature shall have power to provide for issuing State bonds only for the purpose of repelling invasion or suppressing insurrection, or for the purpose of redeeming or refunding bonds already issued at a lower rate of interest, or for the purpose of acquiring, building and maintaining a system of good roads and bridges throughout this State under such regulations as may be prescribed by an act of the Legislature, provided that any bond issues authorized in pursuance hereof for a system of good roads and bridges shall not exceed in amount five (5) per cent of the total tax assessment of the State at the time of issue.

Wisconsin.—"Blue Sky" Law Effective.—The 1919 Legislature passed an act creating a commission to regulate the issuance, sale and disposition of stocks, bonds or other securities. This act became effective Aug. 1 1919.

BOND PROPOSALS AND NEGOTIATIONS

this week have been as follows:

ADA, Pontotoc County, Okla.—BOND ELECTION.—An election has been called for Sept. 18 to vote upon issuing \$35,000 water extension bonds.

ADRIAN, Lenawee County, Mich.—BOND OFFERING.—G. Percy Love, City Clerk, will receive proposals until 4 p. m. Oct. 1 for the following 4 1/2% bonds which were recently voted—V. 108, p. 1633: \$20,000 bridge bonds, Denom. 10 for \$1,000 and 20 for \$500. Due \$2,000 on Oct. 1 in 1922, 1924, 1927, 1929, 1930, 1932, 1933, 1934, 1935 and 1936.

50,000 paving bonds, Series "A", part of an authorized issue of \$125,000. Denom. \$500. Due on Oct. 1 as follows: \$2,000 in 1922, \$3,000 in 1924, 1927 and 1929, \$5,000 in 1930 and 1932, \$8,000 in 1933, 1934 and 1936, \$4,000 in 1935, and \$1,000 in 1937. Date Oct. 1 1919. Prin. and semi-ann. int. (A. & O) payable in Adrian. Cert. check for the amount of the bid, required.

All bids must be unconditional and at par or above under the charter. The proceedings for the issue of the bonds have been approved as to legality by Miller, Canfield, Paddock & Perry, attorneys, of Detroit, Mich., and their approving opinion will be delivered with the bonds. The executed bonds will be furnished by the city and ready for delivery at the date of sale. The officials circular states that there is no litigation pending or threatened affecting this issue, and that no previous issue has been contested.

AFTON, Ottawa County, Okla.—BONDS DEFEATED.—The question of issuing \$25,000 school bonds failed to carry, it is stated, at a recent election.

ALAMOSA COUNTY SCHOOL DISTRICT NO. 3 (P. O. Alamosa), Colo.—BOND ELECTION.—On Sept. 3 an election will be held to vote upon issuing \$50,000 5 1/2% 15-30-yr. (opt.) school bonds.

ALEDO SCHOOL DISTRICT (P. O. Aledo), Mercer County, Ill.—BONDS VOTED.—An issue of \$150,000 high school bonds has been voted, it is reported.

ALLIANCE, Stark County, Ohio.—BOND ELECTION.—Reports state that an election will be held Sept. 8 to vote on the question of issuing \$525,000 municipal gas plant bonds.

ANDERSON COUNTY (P. O. Anderson), So. Caro.—BOND OFFERING.—Additional information is at hand relative to the offering on Sept. 9 of the \$290,000 5% coupon road bonds—V. 109, p. 796. Proposals for these bonds until 12 m. on that day by W. C. Austin, Secretary of the Highway Commission. Denom. \$1,000. Semi-ann. int. payable at the Hanover Nat. Bank of New York. Due yrly. on Jan. 1 as follows: \$6,000, 1922 to 1926; \$7,000, 1927 to 1931; \$9,000, 1932 to 1936; \$10,000, 1937 to 1941; \$12,000, 1942 to 1946; \$14,000, 1947 to 1951. Cert. check for 2% of amount of bid, payable to the above Secretary, required. Bonds to be delivered and paid for within 10 days after they are prepared. Opinion of Stacy, Birdke, Palmer & Dodge as to the legality of the bonds will be furnished to the purchaser.

ANNISTON, Calhoun County, Ala.—BOND OFFERING.—J. L' Wilke, Mayor, will receive proposals until 12 m. Oct. 1 for \$353,000 5% 20-year coupon tax-free refunding bonds. Denoms. to suit purchaser. Date Dec. 1 1919. Cert. check on a local bank for \$5,000 required. The official notice of this bond offering will be found among the advertisements elsewhere in this Department.

ANSONIA, Darke County, Ohio.—BONDS VOTED.—At an election held Aug. 18, it is stated, a proposition to issue \$15,000 water works and lighting plant bonds carried by a vote 154 to 62.

ASCENSION PARISH SCHOOL DISTRICT NO. 4 (P. O. Donaldville), La.—BOND OFFERING.—Proposals will be received until 11 a. m. Sept. 30 by H. P. Broussard, District Superintendent, for \$35,000 5% school bonds. Denom. \$500. Date July 1 1919. Prin. and semi-ann. int. (J. & J.) payable at any bank at option of holder of holder. Due yearly on July 1 as follows: \$1,000, 1920 to 1924 incl.; \$1,500, 1925 to 1928 incl.; \$2,000, 1929 to 1935 incl.; and \$2,500, 1936 to 1939 incl. Cert. check for 2 1/2% required. The bonds have been approved by Wood & Oakley of Chicago. Official circular states that there is no controversy or agitation or litigation pending or threatened against the title of any of its present officials to their respective offices or against the proposed sale of these bonds, and that no previous bonds have been contested. Assessed value, real estate and personal property, 1919 (approx.), \$2,256,000. Population (est.), 4,500. Predominant nativity, American.

ASHTABULA RURAL SCHOOL DISTRICT (P. O. Ashtabula), Ashtabula County, Ohio.—BOND SALE.—On Aug. 29 the National Bank of Ashtabula was awarded at 100.02 and interest the \$5,000 5 1/2% 1-5 year serial coupon deficiency bonds, dated Sept. 1 1919—V. 109, p. 699.

ATLANTIC CITY, Atlantic County, N. J.—BONDS OFFERED BY BANKERS.—An issue of \$25,000 4 1/2% bonds, maturing May 1924, is being offered to investors by Outwater & Wells, of Jersey City, at a price to yield 4.50% interest.

AUBURN, Placer County, Calif.—BOND ELECTION PROPOSED.—Newspapers state that an election is soon to be called to vote upon issuing \$120,000 of bonds to purchase Recreation Park and the city water system.

AUSTIN COUNTY (P. O. Belleville), Tex.—BOND ELECTION.—The issuance of \$1,500,000 road bonds will be, according to reports, submitted to the voters on Oct. 7.

AVON LAKE, Lorain County, Ohio.—BOND OFFERING.—Sealed bids will be received until 12 m. Sept. 29 by W. R. Hinz, Village Clerk, for \$7,500 5 1/2% street impmt. bonds. Auth. Sec. 3939 Gen. Code. Denom. \$500. Date July 1 1919. Int. Semi-ann. Due \$1,000 each six months from July 1 1920 to July 1 1923 incl., and \$500 Jan. 1 1924. Cert. Check for 2% of amount of bonds bid for, payable to the Village Treasurer, required. Bonds to be delivered and paid for within 10 days from date of award. Purchaser to pay accrued interest.

**AWENSDAW SCHOOL DISTRICT No. 7 (P. O. Awensdaw), Charleston County, So. Caro.—BOND SALE.**—On Aug. 15 the \$4,000 6% 20-year school bonds dated July 1, 1919—V. 109, p. 501—were awarded to C. H. Coffin of Chicago at 101.825.

This item was inadvertently reported under the caption "Arvensdaw School District" in V. 109, p. 796.

**BATON ROUGE, East Baton Rouge Parish, La.—BOND OFFERING.**—Sealed bids will be received until 12 m. Sept. 10 by L. J. Ricard, Commissioner of Finance, for \$100,000 5% park bonds. Denom. \$1,000. Date Sept. 1, 1919. Prin. and semi-ann. int. (M. & S.), payable at the office of the City Treasurer or at a place designated by the purchaser. Due yearly on Sept. 1 as follows: \$4,000, 1920 to 1922 incl.; \$5,000, 1923 to 1928 incl.; \$5,000, 1929 to 1932 incl.; and \$7,000, 1933 to 1937 incl. Cert check for 1% of the amount of bonds bid for, payable to the above Commissioner of Finance, required. Official circular states that there is no litigation or controversy, pending or threatened, concerning the validity of these bonds, or the titles of the officials to their respective offices. Total bonded debt, \$448,000. Assessed value, \$18,000,000. Population, 25,000.

**BATTLE CREEK, Calhoun County, Mich.—BOND ELECTION.**—An election is to be held shortly, when the issuance of \$205,000 15-year sewer bonds will be voted upon.

**BEECH GROVE SCHOOL DISTRICT (P. O. Beech Grove), Marion County, Ind.—BOND SALE.**—On Aug. 23, Paine, Webber & Co. of Chicago were awarded at 101.60 \$10,000 5% school building bonds. Denom. \$500. Date Aug. 2, 1919. Int. F. & A. Due \$5,000 on Aug. 2 in 1924 and 1929.

**BELLEFONTAINE, Logan County, Ohio.—BOND OFFERING.**—Paul O. Batch, City Auditor, will receive proposals until 12 m. Sept. 30 for \$13,000 5½% general deficiency bonds. Denom. \$500. Date Sept. 1, 1919. Int. M. & S. Due \$1,500 each six months from Mar. 1, 1920 to Sept. 1, 1923, incl., and \$1,000 Mar. 1, 1924. Cert. check for 10% of amount of bonds bid for, payable to the City Treasurer, required. Bonds to be delivered and paid for within 10 days from date of award. Purchaser to pay accrued interest.

**BENTON COUNTY SCHOOL DISTRICT NO. 16, Wash.—BOND SALE.**—The State of Washington bidding par for 5¼s was awarded the \$1,500 3-10-year (opt.) school bonds offered on Aug. 16—V. 109, p. 601. Denom. \$500.

**BENTON COUNTY SCHOOL DISTRICT NO. 27, Wash.—BOND SALE.**—On Aug. 30 the \$4,000 5% 10-year (opt.) school bonds—V. 109, p. 797—were awarded to the State of Washington at par. Denom. \$1,000.

**BEVERLY, Essex County, Mass.—TEMPORARY LOAN.**—On Sept. 4 the temporary loan of \$100,000, maturing Nov. 12, 1919—V. 109, p. 904—was awarded, to the Old Colony Trust Co. of Boston on a 4.49% discount basis, plus a premium of 55.

**BILLINGS, Yellowstone County, Mont.—BONDS AUTHORIZED.**—We are advised that the City Council has authorized the issuance of \$400,000 trunk-sewer bonds.

**BISHOP SCHOOL DISTRICT (P. O. Bishop), Inyo County, Calif.—BOND ELECTION.**—A high school bond issue of \$150,000 is to be, it is reported, submitted to the voters Oct. 15.

**BISON, Rush County, Kans.—BOND ELECTION.**—An election will be held Sept. 9 to vote on the question of issuing \$9,000 electric light system bonds, it is stated.

**BOONE COUNTY (P. O. Lebanon), Ind.—BOND SALE.**—On Aug. 25 the 2 issues of 4¼s 1-10-year serial road bonds dated July 8, 1919 (V. 109, p. 797) were awarded at par and interest as follows: \$21,000 Jefferson Twp. bonds to J. P. Wild & Co. of Indianapolis; 12,000 Center Twp. bonds to the Fletcher-American Co. of Indianapolis.

**BRISTOL COUNTY (P. O. Taunton), Mass.—NOTE OFFERING.**—The County Treasurer will receive proposals until 9 a. m. Sept. 9, it is reported, for \$75,000 5% tuberculosis hospital renewal notes, dated Sept. 10, 1919 and maturing March 10, 1920.

**BRYAN, Brazos County, Tex.—BONDS VOTED.**—On Aug. 26 it is reported that the \$75,000 bonds—V. 109, p. 501—to purchase and improve the Bryan power plant from H. T. Lawler & Sons, as the city already owns the distribution of water and light plants, carried.

**BRYAN TOWNSHIP, Coal County, Okla.—BONDS VOTED.**—Reports state that an issue of \$50,000 road bonds carried at an election Aug. 27.

**BURLESON COUNTY (P. O. Caldwell), Tex.—BOND ELECTION.**—The County Commissioners have ordered an election Oct. 18, on an issue of \$1,000,000 road bonds, it is reported.

**BUCYRUS TOWNSHIP (P. O. Bucyrus), Crawford County, Ohio.—BOND OFFERING.**—E. F. Kostenbader, Clerk Board of Education, will receive proposals until 12 m. Sept. 11 for \$8,161.15 5% coupon Schupp Road Impt. bonds. Auth. Sec. 3298—1st Gen. Code. Denom. 16 for \$500 and 1 for \$161.15. Date April 15, 1919. Int. A. & O. Due \$661.15 Oct. 15, 1920; \$1,000 each six months from April 15, 1921 to Oct. 15, 1923, incl., and \$1,500 April 15, 1924. Cert. check on some solvent bank in Crawford County, for \$100, payable to the above clerk, required. Bonds to be delivered and paid for within 10 days from date of award. Purchaser to pay accrued interest.

**BURLINGTON COUNTY (P. O. Mount Holly), N. J.—BOND SALE.**—The Security Trust Co. of Camden, was recently awarded, it is stated, an issue of 5% 10-year bonds at 100.40 for \$17,000 bonds.

**CALDWELL COUNTY (P. O. Lenoir), No. Caro.—BOND SALE.**—The American Trust Co., of Charlotte was awarded at 100.2084 the \$250,000 5% road bonds, offered on Aug. 23—V. 109, p. 797. Denom. \$1,000. Date July 1, 1919. Int. J. & J. Due yearly beginning July 1, 1922.

**CALIFORNIA (State of).—BOND OFFERING POSTPONED.**—The sale of \$2,000,000 4½% gold highway bonds which was to have taken place on Aug. 28—V. 109, p. 797—has been postponed until Sept. 11.

**CAMBRIDGE, Middlesex County, Mass.—TEMPORARY LOAN.**—The temporary loan of \$300,000, dated Sept. 5, and maturing Nov. 5, 1919, offered on Sept. 3—V. 109, p. 904—was awarded to the Old Colony Trust Co. of Boston on a 4.46% discount basis, plus a premium of 35. Other bidders, all of Boston, were:

S. N. Bond & Co.	4.47%	575.00
Salomon Bros. & Hutzler	4.54%	11.00
Blake Bros. & Co.	4.65%	

**CARROLL COUNTY (P. O. Carrollton), Ky.—BOND ELECTION PROPOSED.**—An election will be held in the latter part of Oct., it is stated, to vote on the question of issuing \$150,000 road bonds.

**CASS COUNTY (P. O. Loganport), Ind.—BOND OFFERING.**—U. S. Hoffman, County Treasurer, will receive proposals until 10 a. m. Sept. 10, it is stated, for \$28,000 David C. Heckard road, 3780 Chas. H. Wolf road, \$11,600 Conn-Inley road, \$3,700 J. W. Bevington road and \$2,500 George L. Beachler road 4½% 1-10-year serial impt. bonds.

**CENTERVILLE, Turner County, So. Dak.—BOND SALE.**—The \$16,000 5% water extension bonds offered on Aug. 4—V. 109, p. 395—were awarded on that day to Drake-Bollard Co. of Minneapolis. Denom. \$500. Date Sept. 1, 1919. Due in 1935.

† **CHADRON, Dawes County, Neb.—BOND SALE.**—The \$102,000 water bonds are reported sold.—V. 109, p. 797.

**CHAMBERS COUNTY (P. O. Anahuac), Tex.—BOND OFFERING.**—Proposals will be received until Sept. 8 (to be opened 10 a. m. Sept. 9) Joe F. Wilson, County Judge, for the \$100,000 5½% coupon Road District No. 2 bonds mentioned in V. 109, p. 601.

**CHARDON, Geauga County, Ohio.—BOND SALE.**—It is reported that the \$20,000 6% 1-8-year serial funding and deficit bonds, dated Aug. 1, 1919, offered on Aug. 19—V. 109, p. 501—were awarded to the Chardon Savings Bank, of Chardon, at par and interest.

† **CHARCO SCHOOL DISTRICT (P. O. Charco), Goliad County, Tex.—BONDS VOTED.**—According to reports, \$2,500 school bonds have been voted.

† **CHATHAM COUNTY (P. O. Savannah), Ga.—BOND ELECTION.**—On Oct. 7 \$500,000 4¼% 30-year school bonds will be, according to reports, voted upon.

**CHELAN COUNTY (P. O. Wenatchee), Wash.—BOND ELECTION.**—On Sept. 20 the voters will decide whether they are in favor of issuing \$330,000 5-20-year (opt.) road bonds at not exceeding 6% interest. Assessed value for taxes 1918, \$16,563,562. Actual value (est.) 1918, \$34,000,000.

**CHESTER, Delaware County, Pa.—BOND SALE.**—It is reported that the \$400,000 4¼% coupon tax-free bonds offered on Sept. 4—V. 109, p. 797—were awarded to the Mellon National Bank of Pittsburgh at 101.76. Due on July 1 as follows: \$100,000 in 1924, 1929, 1939 and 1944.

**CHICAGO, Ill.—BOND ELECTION.**—Reports state that a \$28,000,000 bond issue will be submitted to the voters at the November election.

**CHICOPEE, Hampden County, Mass.—BOND OFFERING.**—Louis M. Dufault, City Treasurer, will receive proposals until 12 m. Sept. 9 for the following 4½% coupon tax-free bonds: \$100,000 water bonds. Due \$10,000 yrly. on Aug. 1 from 1920 to 1929 incl.; 19,700 sewer bonds. Due \$3,000 yrly. on Aug. 1 from 1920 to 1925 incl. and \$1,700 Aug. 1, 1926.

Date Aug. 1, 1919. Prin. and semi-ann. int. (F. & A.) payable at the Old Colony Trust Co. of Boston. These bonds will be engraved under the supervision of and certified as to their genuineness by the Old Colony Trust Co. of Boston, Mass. This trust company will further certify that the legality of these issues has been approved by Messrs. Ropes, Gray, Boyden & Perkins of Boston, a copy of whose opinion will accompany the bonds when delivered, without charge to the purchasers. All legal papers incident to these issues, together with an affidavit certifying to the proper execution of the bonds, will be filed with the Old Colony Trust Co., where they may be inspected.

**CLARK COUNTY (P. O. Jeffersonville), Ind.—BOND SALE.**—The \$13,400 4½% 1-10-year serial road bonds dated April 7, 1919—V. 109, p. 797—were awarded on Aug. 30 to the First National Bank of Jeffersonville at par, according to reports.

**CLARKE COUNTY (P. O. Vancouver), Wash.—DESCRIPTION OF BONDS.**—The \$92,000 5½% gold road bonds reported as sold in V. 109, p. 699, are in denom. of \$1,000 and are dated Aug. 1, 1919. Prin. and semi-ann. int. (F. & A.) payable at the Washington fiscal agency, N. Y. Due \$9,000 yearly on Aug. 1 from 1933 to 1938, incl., and \$11,000 Aug. 1, 1939.

**Financial Statement.**

Assessed valuation 1918, approximately	\$15,746,851
Real value, estimated	40,000,000
Total indebtedness, including this issue	\$582,000
Less bridge debt, which is more than self-sustaining	450,000

Net debt	132,000
Population, 35,000	

**CLEVELAND, Ohio.—BOND OFFERING.**—C. J. Neal, Director of Finance, will receive proposals until 12 m. Sept. 13 for the following 5% coupon (with privilege of registration) bonds:

\$1,025,000 deficiency bonds. Date Aug. 1, 1919. Due Aug. 1, 1927.

500,000 electric light bonds. Date Mar. 1, 1919. Due \$20,000 yearly on Mar. 1 from 1922 to 1946, incl.

500,000 street impt. (city's portion) bonds. Date Aug. 1, 1919. Due \$25,000 yearly on Aug. 1 from 1920 to 1939, incl.

Denom. \$1,000. Prin. and semi-ann. int. payable at the American Exchange National Bank, of New York. Cert. or cashier's check on some solvent bank other than the one making the bid, for 3% of amount of bonds bid for, payable to the City Treasurer, required. Bonds to be delivered and paid for at Cleveland. Bids, which must be for each separate issue, must be made on blanks furnished on application to the Director of Finance. Purchaser to pay accrued interest.

**CLOVIS HIGH SCHOOL DISTRICT, Fresno County, Calif.—BONDS VOTED.**—Voted at a recent election \$100,000 high school bonds were voted 149 "for" to 40 "against."

**COHOES, Albany County, N. Y.—BOND OFFERING.**—Additional information is at hand relative to the offering on Sept. 10 of the \$150,000 4½% registered school construction bonds—V. 109, p. 905. Proposals for these bonds will be received until 10 a. m. on that day by Grace A. Ravvy, Deputy Comptroller. Denom. \$500. Date Sept. 1, 1919. Prin. and semi-ann. int. (M. & S.) payable at the National Bank of Cohoes or payable by mail in New York exchange. Due \$7,500 yearly on Sept. 1 from 1920 to 1929, incl. Cert. check (or cash) for 2% of amount of bonds, payable to the City Treasurer, required.

**COLEMAN COUNTY (P. O. Coleman), Tex.—BONDS DEFEATED.**—BOND ELECTION.—The issuance of \$100,000 5½% 30-year Precinct No. 3 bonds was defeated at an election held Aug. 23.

We are advised that an election will be held during October to vote again on the above bonds.

**BOND ELECTION.**—An election will be held Sept. 27 in Precinct No. 1 to determine the issuance of \$500,000 road bonds, it is reported.

**COLUMBIA, Boone County, Mo.—BONDS VOTED.**—The voters favored the issuance of \$128,000 20-year sewer-system and sewage-disposal plant bonds by a vote of 335 to 155 at an election held Sept. 2. John Bicknell is City Clerk.

**Financial Statement.**

Assessed valuation of city, 1918	\$5,450,000
Total indebtedness, water and light bonds	98,000
Sinking fund, water and light	10,000
Population	11,000

**CONTRA COSTA COUNTY (P. O. Martinez), Calif.—BOND SALE.**—Recently R. H. Moulton & Co., of San Francisco and Los Angeles were awarded \$1,350,000 5% road bonds for \$1,360,050 equal to 100.744. Denom. \$1,000. Date Sept. 1, 1919. Prin. and semi-ann. int. (M. & S.) payable at the office of the County Treasurer. Due \$100,000 Sept. 1, 1920 and \$50,000 yearly on Sept. 1 from 1921 to 1945, incl. Other bidders were:

Wm. A. Staats Co.	\$1,357,300	E. H. Rollins & Sons	\$1,355,20
A bid of \$1,350,500 for 4½s was also received from the Anglo and London Paris National Bank.			

**Financial Statement.**

Assessed valuation	\$68,907,300
Bonded indebtedness, including this issue	1,510,000
Ratio of debt to assessed valuation	2.2%
Population (1910)	31,674
Estimated population (1919)	63,000

**COOKE COUNTY (P. O. Gainesville), Tex.—BOND ELECTION.**—At an election to be held Sept. 27 \$225,000 5% 30-year serial road bonds will be voted upon.

**CORVELL COUNTY ROAD DISTRICT (P. O. Gateaville), Tex.—BONDS DEFEATED.**—The question of issuing \$100,000 road bonds was defeated at the election held Aug. 3—V. 109, p. 502.

**CRAWFORD COUNTY (P. O. Bucyrus), Ohio.—BOND SALE.**—On Sept. 3 the \$6,763 58 1-4-year serial and \$19,729 63 1-3-year serial 5% road bonds dated Aug. 15, 1919—V. 109, p. 905—were awarded to the Farmers & Citizens Bank & Savings Co. of Bucyrus at par and interest.

**CRISFIELD, Somerset County, Md.—BOND SALE.**—A syndicate of Baltimore banking firms, headed by Townsend, Scott & Sons, has purchased, it is stated, \$20,000 5% 20-year refunding bonds. Date Sept. 1, 1919. This item was incorrectly reported under the head "Crisfield, Ind.," in last week's issue.

**CROCKETT COUNTY (P. O. Alamo), Tenn.—BOND SALE.**—On Aug. 30 the \$150,000 coupon road bonds—V. 109, p. 798—were awarded to Powell, Garard & Co. of Chicago at 103.505 and interest for bonds bearing for 5½% interest. The following bankers also submitted bids: John Neween & Co., Spitzer, Rorick & Co., Caldwell & Co., I. H. Tiggrett & Co., Well, Roth & Co., Seasongood & Mayer and J. C. Mayer & Co.

**CROWLEY, Arcadia Parish, La.—BOND OFFERING.**—Newspaper reports say that proposals will be received until 3 p. m. Sept. 9 by R. J. Bourdeaux, City Clerk, for \$60,000 5% school bonds. Int. semi-ann.

**DANVILLE, Boyle County, Ky.—BOND ELECTION.**—The Lexington "Herald" of Aug. 22 states that at the coming November election \$60,000 street impt., \$15,000 sewer and \$15,000 fire dept. bonds will be submitted to the voters.

† **DEER LODGE, Powell County, Mont.—BOND ELECTION.**—An election will be held Sept. 2 to vote on the question of issuing \$30,000 city-hall bonds.

† **DEKALB COUNTY (P. O. Decatur), Ga.—BONDS DEFEATED.**—The question of issuing \$750,000 road bonds failed to carry it is stated, at an election Aug. 20.

**DELEVAN, Cattaraugus County, N. Y.—BONDS VOTED.**—At a recent election the voters by 45 to 7 stamped their approval on the issuance of \$3,000 bonds.

**DE RIDDER, Beauregard Parish, La.—BONDS VOTED.**—At a recent election, it is stated, \$100,000 water-works and light and power plant bonds were voted.

**DES MOINES, Ia.—BONDS VOTED.**—The question of issuing \$3,525,000 water bonds was voted at an election Aug. 25.

**DOUGLAS COUNTY (P. O. Omaha), Neb.—BOND SALE.**—On Sept. 2 the \$1,000,000 5% 13-17-yr. serial road bonds—V. 109, p. 502, were awarded; it is stated, to an Omaha bank at 102.045.

**EAGLE, Rock City, Los Angeles County, Calif.—BOND OFFERING.**—Proposals will be received until Oct. 6 by the City Clerk for \$38,000 bonds.

**EAST CARROLL PARISH (P. O. Lake Providence), La.—BOND SALE.**—On Aug. 20 \$325,000 5% serial road bonds were awarded to the First National Bank of Lake Providence for \$325,500 (100.153) and interest. Denom. \$1,000. Date Aug. 1 1919. Interest F. & A.

**EASTLAND COUNTY (P. O. Eastland), Tex.—BOND ELECTION.**—Reports state that an election will be held Sept. 27 to vote on the question of issuing \$4,500,000 road bonds.

**EASTLAND INDEPENDENT SCHOOL DISTRICT (P. O. Eastland), Eastland County, Tex.—BONDS VOTED.**—On Aug. 25 the voters authorized a \$50,000 school bond issue, according to reports.

**EAST LIVERPOOL, Columbiana County, Ohio.—BOND OFFERING.**—John T. Burns, City Auditor, will receive proposals until 12 m. Sept. 10 for the \$13,000 5% 5-year fire-dept.-apparatus bonds mentioned in V. 109, p. 905. Denom. \$13,000. Date Sept. 15 1919. Int. ann. Due Sept. 15 1924. Cert. check for 5%, payable to the City Treasurer, required. Bonds to be delivered and paid for within 10 days from date of award. Purchaser to pay accrued interest.

**ELBERTON, Elbert County, Ga.—BOND ELECTION PROPOSED.**—An election will be held in the near future, it is stated, to vote on the question of issuing \$50,000 street-improvement bonds.

**ELELUM, Kittitas County, Wash.—BOND ELECTION AND SALE.**—Subject to being voted at an election to be held Sept. 12 an issue of \$50,000 6% 20-year bonds was sold to Keeler Bros. of Portland.

**ELLIS COUNTY ROAD DISTRICT NO. 1 (P. O. Wapahachie), Tex.—BOND ELECTION CALLED OFF.**—The Dallas News' in their issue of Aug. 5 stated that the election which was to take place on Aug. 23 to vote \$1,500,000 road bonds—V. 109, p. 503—has been called off by the Commissioners Court.

**EMMETT COUNTY (P. O. Petoskey), Mich.—BOND ELECTION.**—On Oct. 6, it is stated, a \$400,000 road bond issue will be submitted to the voters.

**ERIE, Erie County, Pa.—BOND OFFERING.**—Proposals addressed to the "Council of the City of Erie" will be received by T. Hanlon, City Clerk, until 11 a. m. Sept. 19 for the following 4½% tax-free coupon (with privilege of registration) bonds aggregating \$200,000: \$125,000 Mill Creek Impmt. bonds, "Series D." Date Oct. 1 1919. Int. A. & O. Due \$5,000 yearly on Oct. 1 from 1925 to 1949 incl.

75,000 Fire-Dept. bonds. Date Nov. 1 1919. Int. M. & N. Due \$3,000 yearly on Nov. 1 from 1925 to 1949 incl. Denom. \$1,000. Prin. and interest payable at the City Treasurer's office. Cert. check or certificate of deposit on a well-known responsible banking house for 1% of amount of bonds bid for, payable to the City Treasurer, required. Bonds to be delivered and paid for at the Treasurer's office. Purchaser to pay accrued interest. There is no litigation pending or threatened affecting the corporate existence of the City of Erie, the present boundaries thereof, the title of its present officers to their respective offices, the validity of these or any other bonds issued by the city.

**EUREKA, Humboldt County, Calif.—BOND ELECTION.**—Early in October an election will be held, we are advised, to vote on \$255,000 auditorium and swimming tank, \$20,000 playground and \$100,000 municipal wood yard 5% 40-year bonds.

**EVERETT, Snohomish County, Wash.—BOND SALE.**—The Citizens' Trust & Banking Co. of Everett was awarded on Aug. 1 \$65,000 7% local-improvement bonds at par. Denom. \$500.

**FAIRPORT VILLAGE SCHOOL DISTRICT (P. O. Fairport), Lake County, Ohio.—BOND OFFERING.**—Sealed proposals will be received by Wm. A. Cramer, Clerk Bd. of Ed., until 12 m. Sept. 24 for \$250,000 5¼% coupon school-bonds. Auth. Sec. 7625 and 7626, Gen. Code. Denom. \$1,000. Date Oct. 1 1919. Prin. and semi-ann. int. (A. & O.) payable at the Painesville Nat. Bank. Due yearly on Oct. 1 as follows: \$4,000, 1929 to 1933, incl.; \$6,000, 1934 to 1938, incl.; \$8,000, 1939 to 1943, incl.; \$10,000, 1944 to 1948, incl.; and \$11,000, 1949 to 1958, incl. Cert. check on the Painesville Nat. Bank for \$1,000, payable to the above Clerk, required. Bonds to be delivered and paid for within 10 days from date of award. Purchaser to pay accrued interest.

**FALL RIVER MILLS SCHOOL DISTRICT, Shasta County, Calif.—BONDS DEFEATED.**—At a recent election \$3,000 school bonds were defeated.

**FLAGLER COUNTY (P. O. Bunnell), Fla.—CERTIFICATE OFFERING.**—Proposals will be received until 2 p. m. Sept. 24 by J. C. Geiger, Clerk Board of County Commissioners, for \$100,000 6% certificates of indebtedness. Denom. \$500. Prin. and semi-ann. int. (J. & J.), payable at the Bunnell State Bank or at the National Bank of Commerce at option of holder. Due yearly on July 1 as follows: \$1,000 1923 and 1924, \$1,500 1925 and 1926, \$2,000 1927, \$2,500 1928 and 1929, \$3,000 1930 and 1931, \$3,500 1932 and 1933, \$4,000 1934 and 1935, \$4,500 1936 and 1937, \$5,000 1938, \$5,500 1939, \$6,000 1940 to 1942, incl., \$7,000 1943 and 1944, \$7,500 1945, and \$8,000 1946. Cert. check for 2% required. The purchaser will be furnished with the opinion of John G. Thomson of N. Y., approving the validity of all the proceedings leading up to and culminating in the issuance and sale of said bonds.

**FLINT, Genesee County, Mich.—BOND OFFERING.**—Frank D. King, City Clerk, will receive proposals until 3 p. m. Sept. 8 for the following tax-free bonds, aggregating \$200,000: \$105,000 water-works bonds. Due \$25,000 yearly on Sept. 15 from 1941 to 1943, incl., and \$30,000 Sept. 15 1944.

62,000 street-impmt. bonds. Due yearly on Sept. 15 as follows: \$2,000 1920; \$5,000 1921 to 1925, incl.; \$8,000 1926, and \$9,000 1927 to 1929, incl.

33,000 fire-station bonds. Due yearly on Sept. 15 as follows: \$3,000 1920 to 1927, incl.; \$4,000 1928, and \$5,000 1929.

Denom. \$1,000, except for odd amounts. Date Sept. 15 1919. Prin. and semi-ann. int. (M. & S.) payable at the City Treasurer's office, or at such place as the purchaser may elect. Certified check for \$5,000 for each issue bid upon required. Purchaser to furnish blank bonds, the city will furnish the approval of Wood & Oakley of Chicago as to the legality of the bonds. Bids will be received on an interest basis of 4½%, 4¾% and 5%. The official circular states that there has never been any controversy or litigation pending or threatened affecting the corporate existence or the boundaries of said city or the title of its present officials to their respective offices or the validity of these bonds and there never has been default in the payment of any of the city's obligations.

**FLORENCE, Marion County, Kan.—BONDS VOTED.**—The question of issuing \$50,000 water-works bonds carried, it is stated, at a recent election.

**FLORENCE SCHOOL DISTRICT (P. O. Florence), Lauderdale County, Miss.—BOND ELECTION.**—On Sept. 9 the voters will decide whether they are in favor of issuing \$100,000 5% 20-year school bonds.

**FLUSHING VILLAGE SCHOOL DISTRICT (P. O. Flushing), Belmont County, Ohio.—BOND OFFERING.**—Proposals will be received until 12 m. Sept. 19 by Zeta Elliott, Clerk Board of Education, for \$1,800 5% school bonds. Auth. Sec. 7629 and 7630. Gen. Code. Denom. \$200. Date Aug. 1 1919. Int. semi-ann. Due \$200 yearly on Aug. 1 from 1920 to 1925, incl. Cert. check on a local bank for 25% of amount of bid, payable to the Board of Education required. Purchaser to pay accrued interest.

**FORT MYERS, Lee County, Fla.—BONDS VOTED.**—By a vote of 114 to 5 the issuance of \$50,000 street-paving, \$45,000 water-main and \$5,000 sewer 5% 30-year bonds carried at the election held Aug. 18—V. 109, p. 503. Jno. W. Owens is City Clerk.

**FORT WORTH, Tarrant County, Tex.—BONDS REFUSED.**—The Fort Worth "Telegram" of Aug. 24 states that the seven issues of 5% 10-40-year (opt.) bonds aggregating \$1,890,000 awarded June 17 to Taylor, Ewart & Co. and Wm. R. Compton Co., jointly, at 101.54—V. 109, p. 92—have been refused. In explanation, the "Telegram" says: "Seven purposes have been outlined, but a blanket ordinance covering all seven was drawn to authorize the bond issue. The City Commissioners erred in this, bond experts for the buyers contended. They held that a separate ordinance should have been drawn for each item. They also doubted the validity of one of the items. In all legal points brought up, City Attorney T. J. Powell and his assistants held to the view that the objections are purely technical and do not affect the validity of the bonds. There is no pressing need for the money to be raised, Commissioner Lord said. For that reason it may be several weeks or months before the bonds are disposed of and it is possible that in order to clear up certain technical objections raised, a special election will be called."

**FOUNTAIN COUNTY (P. O. Covington), Ind.—BOND OFFERING.**—Albert H. McElwee, County Treasurer, will receive proposals until 10 a. m. Sept. 20 for \$20,000 4½% Herbert O. Drollinger, Van Buren Twp. bonds. Denom. \$1,000. Date July 15 1919. Int. M. & N. Due \$1,000 each six months from May 15 1920 to Nov. 15 1929 incl.

**FRANKLIN COUNTY (P. O. Brookville), Ind.—BONDS AWARDED IN PART.**—Of the 2 issues of 4½% 1-10-year serial road bonds offered on Sept. 1—V. 109, p. 798—the \$6,430 Highland Twp. bonds were awarded to the Franklin County National Bank at par.

**FRANKLIN COUNTY (P. O. Columbus), Ohio.—BOND SALE.**—On Sept. 2 the following 5% land purchase bonds, aggregating \$41,580—V. 109, p. 798—were awarded to the New First National Bank of Columbus for \$41,601 (100.05) and interest:

- \$14,950 bonds. Date July 15 1919. Due yearly on July 15 as follows: \$1,950 1920, \$1,000 1921 to 1925, incl., \$2,000 1926 to 1929, incl.
  - 11,650 bonds. Date July 15 1919. Due yearly on July 15 as follows: \$1,650 1920, \$1,000 1921 to 1928, incl., and \$2,000 1929.
  - 14,950 bonds. Date July 1 1919. Due yearly on July 1 as follows: \$1,950 1920, \$1,000 1921 to 1925, incl., and \$2,000 1926 to 1929, inclusive.
- Well, Roth & Co. of Cincinnati bid par, accrued interest and a premium of \$15.

**FRANKSTON, Anderson County, Tex.—BONDS VOTED.**—Reports state that an issue of \$10,000 water-works-system bonds was recently voted.

**FRANKLIN COUNTY (P. O. Winchester), Tenn.—BOND SALE.**—On Aug. 20 the \$40,000 5% road bonds—V. 109, p. 798—were awarded to Caldwell & Co. of Nashville at par less \$375. Denom. \$1,000. Date July 1 1919. Interest J. & J. Due July 1 1939.

**FREEMAN, Hutchinson County, So. Dak.—BONDS VOTED.**—The question of issuing \$70,000 school bonds was voted, it is stated, at a recent election.

**GASTON TOWNSHIP, Northampton County, No. Caro.—BOND OFFERING.**—Proposals will be received until 12 m. Oct. 6 by S. J. Calvert, Clerk Board of County Commrs., for \$68,000 6% 5-34-year serial road bonds. Date Oct. 1 1919. Prin. and semi-ann. int. payable at such bank in the City of New York as the purchaser may designate, or as the office of the County Treasurer. Cert. check vaulted for by a local bank in Northampton County for 5% of the amount of bid, payable to the Board of County Commissioners, required.

**GENEVA, Ashtabula County, Ohio.—BONDS VOTED.**—Newspaper reports state that on Aug. 12 the electors voted almost unanimously in favor of the issuance of the \$30,000 water-works bonds (V. 109, p. 503).

**GIBSON COUNTY (P. O. Princeton), Ind.—NO BIDS RECEIVED.**—It is stated that no bids were received for an issue of \$20,000 4½% road bonds.

**GOVERNUR UNION FREE SCHOOL DISTRICT NO. 1, (P. O. Gouverneur), St. Lawrence County, N. Y.—BOND SALE.**—On Aug. 29 the \$25,000 school bonds offered on Aug. 28 (V. 109, p. 799) were awarded to Wm. R. Compton Co. of New York at 100.30 for a 6.0%. Denom. \$1,000. Date July 1 1919. Int. J. & J. Due \$2,000 yearly from 1926 to 1937 incl. and \$1,000 1938.

**GRACE, Bannock County, Ida.—BOND SALE.**—Morris Bros. Inc. of Portland, recently purchased and are now offering to investors at a price to yield 5.40% \$15,000 6% electric light bonds. Denom. \$500. Date Apr. 22 1919. Int. J. & J. Due \$1,500 yearly, on Apr. 22 from 1930 to 1939, incl.

*Financial Statement.*

Assessed valuation (estimated) 1918.....	\$200,000
Actual valuation (estimated).....	700,000
Total bonded indebtedness.....	\$68,000
Less water debt.....	41,000
Net debt.....	\$27,000
Population (officially estimated), 1,500.	

**GREEN BAY, Brown County, Wis.—BOND SALE.**—The \$40,000 5% 1-20 year serial coupon school bonds, dated May 1 1919, offered on Aug. 25—V. 109, p. 602—were awarded on that day to the Wells-Dickey Co., at 102.7125 and interest.

Harris Trust & Sav. Bank.....	\$40,816.00	Wm. R. Compton Co.....	\$40,490.00
Edmunds Bros.....	40,744.00	Bolger, Mosser & Willa-	
Continental & Com. Trust		man.....	40,455.00
& Savings Bank.....	40,708.00	National City Co.....	40,436.00
Second Ward Sav. Bank.....	40,707.90	Ames, Emerich & Co.....	40,428.00
Dairy & Food Co.....	40,625.00	First Trust & Sav. Bank.....	40,424.00
Minn. Loan & Trust Co.....	40,555.00	McCarthy & Co.....	40,392.88
John Nuveen & Co.....	40,532.00	The Casady Bond Co.....	40,350.00
B. H. Rollins & Sons.....	40,515.20		

All the above bidders offered accrued interest.

**HAW CREEK SPECIAL ROAD AND BRIDGE DISTRICT, Bunnell County, Fla.—BOND OFFERING.**—Proposals will be received until 2 p. m. Sept. 24 by J. C. Geiger, Clerk Board of County Commissioners (P. O. Bunnell) for \$250,000 6% bonds. Denom. \$1,000. Prin. and semi-ann. int. (J. & J.), payable at the Bunnell State Bank or at the National Bank of Commerce, N. Y., at option of holder. Due yearly on July 1 as follows: \$1,000 1923, \$2,000 1924, \$3,000 1925, \$4,000 1926, \$5,000 1927 and 1928, \$7,000 1929 and 1930, \$8,000 1931, \$9,000 1932 and 1933, \$10,000 1934 and 1935, \$11,000 1936, \$12,000 1937, \$13,000 1938 and 1939, \$14,000 1940, \$15,000 1941, \$16,000 1942, \$17,000 1943, \$18,000 1944, \$20,000 1945 and \$31,000 1946. Cert. check for 2% required. The purchaser will be furnished without charge the opinion of John G. Thomson of N. Y., approving the validity of all the proceedings leading up to and culminating in the issuance and sale of said bonds.

**HICKSVILLE, DeWane County, Ohio.—BOND OFFERING.**—Sealed bids will be received until 12 m. Sept. 20 by Paul B. Kerr, Village Clerk, for the \$21,000 5% street-improvement bonds, authorized by a vote of the people at the election held Aug. 12 (V. 109, p. 799). Date Oct. 1 1919. Principal and semi-annual interest payable at the First National Bank of Hicksville. Due \$2,100 yearly on Oct. 1 from 1920 to 1929, inclusive. Certified check for \$500 required. Purchaser to pay accrued interest.

**HIGHLAND PARK SCHOOL DISTRICT (P. O. Highland Park), Wayne County, Mich.—BOND SALE.**—Watling, Larchen & Co., and Nicol, Ford & Co., both of Detroit, were awarded, at their bid of 102.004 and interest for 4½% the \$175,000 15-year school bonds, dated June 1 1919, offered on Aug. 28—V. 109, p. 799.

**HILL COUNTY SCHOOL DISTRICT No. 16 (P. O. Havre), Mont.—BOND OFFERING.**—Bids will be received until 3 p. m. Sept. 17 by E. C. Garruth, Clerk, Board of School Trustees for \$125,000 coupon, 10-20 year (opt.), school site and building bonds not to exceed 5% int. Denom. \$1,000. Int. semi-ann. Cert. check for \$500, payable to the above clerk, required.

**HOBOKEN, Hudson County, N. J.—BONDS AUTHORIZED.**—On Aug. 26 the City Commissioners passed an ordinance authorizing the issuance of \$389,976 gold street impmt. bonds, bearing interest at a rate not to exceed 6% and maturing in not more than 5 years from their date. Prin and interest, payable at the City Treasurer's office.

**HOWARD COUNTY (P. O. Kokomo), Ind.—BOND OFFERING.**—T. C. Sanders, County Treasurer, will receive proposals until 10 a. m.

Sept. 10 for \$11,600 4 3/4% Michael Henry et al Ervin Twp. bonds. Denom. \$580. Date Aug. 23 1919. Int. M. & N. Due \$580 each six months from May 15 1920 to Nov. 15 1929, inclusive.

HURON COUNTY (P. O. Norwalk), Ohio.—BOND SALE.—On Sept. 2 the \$22,000 5% 2-9 year serial road bonds dated Aug. 1, 1919—V. 109, p. 799—were awarded to the Huron County Banking Co., of Norwalk, at par and interest.

BOND SALE.—Recently an issue of \$26,900 5% road bonds was awarded to the Citizens National Banking Co., of Norwalk, at par and interest.

IDAHO (State of).—BOND SALE.—The following 5% bldg. bonds were purchased at par by the State of Idaho during the six months ending June 30 1919:

Table with columns: Place, Amount, Date of Bonds, Maturity. Lists various counties in Idaho and their bond issues.

INTERNATIONAL FALLS, Koochiching County, Minn.—BOND OFFERING.—P. E. Patterson, City Clerk, will receive bids until 8 p. m. Sept. 8 for \$100,000 6% coupon impt. bonds. Date Aug. 1 1919. Int. semi-ann. Due \$20,000 yearly from 1935 to 1939, incl. An unconditional check free from all indorsements for \$10,000 payable to the City Treasurer, required.

JACKSON, Jackson County, Ohio.—BOND SALE.—On Aug. 30 the \$17,000 5% 14-19 year serial funding bonds, dated Aug. 15 1919—V. 109, p. 603—were awarded to the Cassidy Bond Co., of Des Moines, for \$17,050 (100-294) and interest. Other bidders were: A. E. Aub & Co., Cin., \$17,049.30; A. T. Bell & Co., Toledo, \$17,011.90; W. L. Slayton & Co., Tol., 17,042.50; Ohio Nat. Bank, Columbus 17,001.00.

JANESVILLE, Rush County, Wisc.—BOND SALE.—On Aug. 28 the \$40,000 5% high school bonds—V. 109, p. 799—were awarded to the Second Ward Savings Bank of Milwaukee, at 102.0525. Denom. \$500. Date Sept. 1 1919. Other bidders were:

Table listing bidders for Janesville bonds: First Trust & Savings Bank, Harris Trust & Savings Bank, E. H. Rollins & Sons, National City Co., John Nuveen & Co., etc.

JASPER COUNTY (P. O. Rensselaer), Ind.—BOND SALE.—It is reported that \$1,000 4 1/2% highway bonds were recently awarded to the Jasper County Mortgage Co., of Rensselaer. It is also stated that no bids were received for \$11,000, \$3,400, \$6,600 and \$14,000 bonds, offered at the same time.

JEWETT, Harrison County, Ohio.—BOND OFFERING.—Sealed proposals will be received by T. M. Osborne, Village Clerk, until 12 m. Sept. 22 for \$30,000 5 1/2% water-works system bonds. Auth. Sec. 3939 and 3942, Gen. Code. Denom. \$750. Date Sept. 15 1919. Int. semi-ann. Due \$750 each six months from Sept. 1 1920 to March 1 1940, incl. Cert. check for 5% of amount of bonds bid for, payable to the Village Treasurer required. Bonds to be delivered and paid for within 10 days from date of award. Purchaser to pay accrued interest.

KING COUNTY (P. O. Seattle), Wash.—BOND SALE.—On Aug. 25 John E. Price & Co. were awarded \$140,000 5 1/4% 5-year road bonds, it is stated.

KITSAP COUNTY SCHOOL DISTRICT No. 13.—BOND SALE.—The State of Washington bidding par was awarded \$10,000 5% 1-10 year (opt.) school building bonds. Denom. \$500.

KITTANNING BOROUGH SCHOOL DISTRICT (P. O. Kittanning), Armstrong County, Pa.—BOND SALE.—On Aug. 26 the Mellon National Bank of Pittsburgh was awarded at 101.245 the \$105,000 4 1/2% 30-year school bonds offered on that date—V. 109, p. 701. Denom. \$500 Date Sept. 10 1919. Int. M. & S.

LA FOURCHE PARISH (P. O. Thibodaux), La.—BOND SALE.—The \$145,000 5% road bonds offered on Aug. 27—V. 109, p. 504—were awarded on that day to W. L. Slayton & Co., of Toledo for \$146,000 (100-689) and interest. Other bidders were:

Table listing bidders for La Fourche Parish: Bank of Thibodaux, Graves, Blanchet & Thornburgh, Silverman, Huyck & Co., etc.

Although the above bids appear higher than that of the purchaser they are so officially reported to us by the Clerk of the Police Jury.

LAUDERDALE COUNTY SUPERVISORS DISTRICT NO. 1 (P. O. Meridian), Miss.—BONDS VOTED.—By a large majority \$120,000 road bonds were voted.

LEXINGTON, Sanilac County, Mich.—BONDS VOTED.—By a vote of 98 to 5, a bond issue of \$8,000 to build an electric lighting plant carried at a recent election, it is reported.

LOS ANGELES MUNICIPAL IMPROVEMENT DISTRICT NO. 7 (P. O. Los Angeles), Los Angeles County, Calif.—BOND SALE.—On Aug. 20 the \$100,000 5% 1-20-year serial bonds dated June 1 1919—V. 109, p. 603—were awarded to the Security Trust & Savings Bank of Los Angeles for \$160,165 (100-103) and interest.

LOUISIANA ROAD DISTRICT (P. O. Oberlin), Allen Parish, La.—BID.—A bid of \$425,207 and interest was received from Caldwell & Co. of Nashville for the \$425,000 5% 25-year road bonds offered on Aug. 26—V. 109, p. 505.

LOWELL, Middlesex County, Mass.—BOND SALE.—On Sept. 4 the following 4 1/2% coupon tax-free bonds aggregating \$119,000 were awarded, it is stated, to Blodgett & Co. of Boston at 100.778:

Table listing bond details for Lowell: \$50,000 water main bonds, 45,000 school house bonds, 20,000 pavement bonds, 4,000 sidewalk bonds.

McINTOSH COUNTY (P. O. Ashley), No. Dak.—BOND SALE.—On Aug. 26 the \$75,000 4% 20-year court-house and jail bonds—V. 109, p. 603—were awarded to the State of North Dakota, at par. Denom. \$1,000. Int. annual.

MADISON RURAL SCHOOL DISTRICT (P. O. Madison), Lake County, Ohio.—BOND OFFERING.—Carl R. Kimball, Clerk Board of Education, will receive proposals until 12 m. Sept. 25 for \$84,395 5 1/4% coupon school bonds. Auth. Sec. 7625, 7628, Gen. Code. Denom. 1 for \$395 and 128 for \$500. Date Oct. 1 1919. Prin. and semi-ann. int. (A. & O.), payable at the Exchange Bank of Madison. Due yearly on Oct. 1 as follows: \$895 1921, \$1,000 1922 to 1925, incl., \$2,000 1926 to 1935, incl., \$3,500 1936, \$4,000 1937 to 1945, incl. Cert. check on the Exchange Bank of Madison for \$300, payable to the above clerk required. Bonds to be delivered and paid for within 10 days from date of award. Purchaser to pay accrued interest.

MADISON VILLAGE SCHOOL DISTRICT (P. O. Madison), Lake County, Ohio.—BOND OFFERING.—Proposals will be received until 12 m. Sept. 25 by W. W. Adlard, Clerk Board of Education, for \$25,605 5 1/4% coupon school bonds. Auth. Sec. 7625-7628, Gen. Code. Denom. 1 for \$605 and 50 for \$500. Date Oct. 1 1919. Prin. and semi-ann. int.

(A. & O.), payable at the Exchange Bank of Madison. Due yearly on Oct. 1 as follows: \$605 1921, \$500 1922 to 1925, incl., \$1,000 1926 to 1939, incl. and \$1,500 1940 to 1945, incl. Cert. check on the Exchange Bank of Madison for \$200, payable to the above clerk required. Bonds to be delivered and paid for within 10 days from date of award. Purchaser to pay accrued interest.

MAGANESE, Crow Wing County, Minn.—BOND SALE.—The \$30,000 6% coupon water-works bonds offered without success on Jan. 24—V. 108, p. 1636—have been sold, it is stated, to the Duluth Security Co. at par and int.

MANSON, Calhoun County, Iowa.—BOND SALE.—On Aug. 1 \$20,000 5 1/4% 10-year funding bonds were awarded to Schanke & Co., of Mason City. Denom. \$500. Date Aug. 1 1919. Int. P. & A.

MARION COUNTY (P. O. Marion), Ohio.—BOND SALE.—On Aug. 25 \$10,000 5 1/2% court house impt. bonds were awarded to Durfee, Niles & Co., of Toledo, at 100.56 and interest. Denom. \$500. Int. M. & S. Due part each six months.

MASSILLON, Stark County, Ohio.—BOND SALE.—On Aug. 25 the \$12,000 2-7 year serial police and fire alarm and \$4,000 5-6 year serial sanitary sewer (city's share) 6% coupon tax free bonds, dated June 1 1919—V. 109, p. 505—were awarded to Tucker, Robinson & Co., of Toledo, for \$16,481 (103.006) and interest. Other bidders were: Durfee, Niles & Co., Tol., \$16,331.60; New P. Nat. Bank, Cofu., \$16,331.60; Seasonrod & Mayer, Cin., \$16,421.00; A. T. Bell & Co., Toledo, \$16,278.00; F. C. Hoehler & Co., Tol., \$16,413.00; Weil, Roth & Co., Clevel., \$16,248.00; A. E. Aub & Co., Cin., \$16,411.50; Provident Savings Bank & W. L. Slayton & Co., Tol., \$16,396.00; Trust Co., Cincinnati, \$16,164.80.

MEDINA COUNTY (P. O. Medina), Ohio.—BOND SALE.—The \$22,888 4 5/8% 1-10-year serial road bonds, dated Sept. 2 1919, offered on Aug. 30 (V. 109, p. 907), were taken by the State Industrial Commission of Ohio at par and interest.

MEMPHIS, Tenn.—BOND OFFERING.—Proposals will be received until 2.30 p. m. Sept. 9 by C. C. Pashby, City Clerk, for the following coupon bonds.

\$200,000 improvement bonds. Date July 1 1919. Int. J. & J. Due yearly on July 1 as follows: \$15,000 1925 to 1934, incl.; and \$10,000 1935 to 1939, incl. Cert. check on some Memphis bank for \$2,000 payable to the "City of Memphis," required.

150,000 tuberculosis hospital bonds. Date April 1 1919. Int. A. & O. Due \$6,000 yearly on April 1 from 1925 to 1949, incl. Cert. check on some Memphis bank for \$1,500 payable to the "City of Memphis," required.

Bids are requested for bonds bearing 4 1/2% and 5% interest. Prin. and int. payable in Memphis or in New York City, at option of holder. The bonds will be prepared at the expense of the City of Memphis and delivery will be made in Memphis, in New York City, or at the equivalent of New York City, at option of purchaser, who must state in his bid where the delivery will be made. Purchaser to pay accrued interest. The bonds will be registered as to principal only at option of holder. The legality of these bonds has been approved by John C. Thomson, of N. Y., a copy of whose approving opinion will be furnished purchaser.

Table: Total gross bonded debt, Water department sinking fund, Net debt, 1918 Assessed Valuation.

Table: Real estate, Personalty, Merchants' capital, Railroads, Tel. and Tel. Companies, Total.

Net bonded indebtedness equal 8.13% of the total assessed values for 1918. The inventory of City property Dec. 1916, showed a value of \$29,644,933.38.

Population, 1910 census, 131,105. Area approximately 22 square miles. Large industrial areas are adjacent to the City on the north and on the south, Dec. 1 1919, by acts of 1919.

MERCER COUNTY (P. O. Princeton), Mo.—BOND VOTED.—We are informed that a \$55,000 road bond issue carried at a recent election by three votes.

MILTONVALE SCHOOL DISTRICT (P. O. Miltonvale), Cloud County, Kans.—BOND SALE.—This district on July 16 sold \$40,000 5% 7 1/2-year (average) school-building bonds. Denom. \$500. Date July 1 1919. Int. J. & J.

MINOT, Ward County, No. Dak.—BOND ELECTION.—Reports state that an election will be held Sept. 29 to vote on the question of issuing \$280,000 5% sewage plant bonds.

MONROE TOWNSHIP SCHOOL DISTRICT (P. O. West Union), Adams County, Ohio.—BOND SALE.—The \$1,230 6% 1-3 year serial school bonds, dated July 14 1919, which were offered on July 14—V. 109, p. 95—have been awarded to the Bank of Manchester for \$1,235 (100-406) and interest.

MORGAN TOWNSHIP (P. O. Princeton), Mercer County, Mo.—BONDS VOTED.—An issue of \$55,000 road bonds has been voted, it is stated.

MORROW COUNTY (P. O. Mt. Gilead), Ohio.—BOND SALE.—The \$45,500 5% 1-9 year serial bonds, dated Sept. 1 1919, offered on Aug. 29—V. 109, p. 701—were awarded to the Peoples Savings Bank Co. of Mt. Gilead, at par and interest. There were no other bidders.

MT. VERNON, Westchester County, N. Y.—BOND OFFERING.—It is reported that James Beeg, City Comptroller, will receive proposals until 3 p. m. Sept. 9 for \$50,000 4 1/2% 14-18-year serial grade crossing and \$40,000 4 1/2% 1-10-year serial re-paving registered bonds. Int. semi-ann. Cert. check for 2% required.

NEW YORK CITY.—BOND SALE.—During the month of August the City Sinking Fund purchased at par \$250,000 4% assessment bonds, due on or after Jan. 2 1920.

TEMPORARY LOANS.—The following short-term securities, consisting of revenue bonds and bills, tax notes and corporate stock notes, aggregating \$20,305.00 were also issued during August.

Table: Revenue Bills 1919, Aggregating \$9,000,000. Special Revenue Bonds 1919, Aggregating \$1,000,000. Tax Notes, Aggregating \$400,000. Corporate Stock Notes, Aggregating \$9,905,000.

\*Purchased at par by the Sinking Fund.

LOAN OFFERING.—It is reported that City Controller Craig will receive proposals until 12 m. Sept. 9 for the purchase on an interest basis of \$8,000,000 revenue bills, dated Sept. 12 and maturing Nov. 25 1919...

NASHVILLE, Tenn.—BOND ELECTION.—It is reported that on Sept. 25 the people will vote on a proposition providing for the issuance of \$600,000 memorial park and hall and \$180,000 paving bonds.

NATRONA COUNTY SCHOOL DISTRICT No. 2, Wyo.—BOND SALE.—We are informed that an issue of \$125,000 5% serial school bonds has been sold to G. E. Price & Co., Portland, at a premium of \$617.50.

Financial Statement. Assessed valuation \$18,937,201 Total debt with this issue 217,25 Population 3,170.

NIAGARA FALLS, Niagara County, N. Y.—BOND OFFERING.—Edwin J. Fort, City Manager, will receive proposals until 10 a. m. Sept. 18 for \$47,255 4 1/2% registered water bonds.

BOND SALE.—The \$157,500 4 1/2% 16-25 year serial registered school site and building bonds, dated Aug. 1 1919, offered on Aug. 29—V. 109, p. 801—were awarded to Thayer, Drew & Co., of New York...

NICOLAUS SCHOOL DISTRICT, Sutter County, Calif.—BOND OFFERING.—Proposals will be received until to-day (Sept. 6) by the Clerk Board of County Supervisors (P. O. Yuba City) for \$8,000 school bonds...

NORTH FORK HIGHWAY DISTRICT, Clearwater County, Ida.—BOND SALE.—Clark, Kendall & Co., Inc., of Portland, recently purchased and are now offering to investors at a price to yield 5.20% \$140,000 5 1/2% highway bonds.

OCHOCO IRRIGATION DISTRICT (P. O. Prineville), Crook County, Ore.—BOND OFFERING.—Sealed bids will be received until 12 m. Sept. 26 by B. A. Soridal, Secretary, for \$150,000 impt. bonds...

OKANOGAN COUNTY SCHOOL DISTRICT No. 39, Wash.—BOND SALE.—The State of Washington on their bid of par was awarded the \$4,500 5 1/2% 1-10 year (opt.) school bonds offered on Aug. 21—V. 109, p. 701, Denom. \$500.

OKANOGAN COUNTY SCHOOL DISTRICT No. 73, Wash.—BOND SALE.—On Aug. 22 the State of Washington was awarded at par the \$2,500 5 1/2% 1-20 year school building bonds—V. 109, p. 701, Denom. \$500.

OTTERTALL COUNTY (P. O. Ferris Falls), Minn.—BONDS DEFEATED.—The proposition providing for the issuance of \$35,000 jail bonds was defeated by a vote of 2,768 "for" to 4,049 "against" at the election held Aug. 25 (V. 109, p. 802).

PAINESVILLE SCHOOL DISTRICT (P. O. Painesville), Lake County, Ohio.—BOND OFFERING.—Sealed bids will be received by F. L. Korr, Clerk Board of Education, until 12 m. Sept. 22 for \$20,000 5% coupon funding bonds.

PARMA, Canyon County, Ida.—BOND SALE.—On May 12 John R. Price & Co. of Seattle offering 100.43 were awarded \$12,000 5 1/2% 10-20 year (opt.) bonds. Denom. \$500. Date Aug. 1 1919. Int. F. & A.

PASSAIC, Passaic County, N. J.—BONDS OFFERED BY BANKERS.—Outwater & Weels, of Jersey City, are offering to investors at a price to yield 4.40% \$8,500 4 1/2% bonds, maturing from June 1920 to June 1923.

PAULDING, Paulding County, Ohio.—BOND SALE.—On Sept. 1 the \$6,350 20-year refunding bonds dated Aug. 1 1919—V. 109, p. 802—were awarded to Durfee, Niles & Co., of Toledo for \$6,450 (101.574) and bonds without expense to village, without any conditions.

PARMA, Canyon County, Ida.—BOND SALE.—On May 12 John R. Price & Co. of Seattle offering 100.43 were awarded \$12,000 5 1/2% 10-20 year (opt.) bonds. Denom. \$500. Date Aug. 1 1919. Int. F. & A.

PASSAIC, Passaic County, N. J.—BONDS OFFERED BY BANKERS.—Outwater & Weels, of Jersey City, are offering to investors at a price to yield 4.40% \$8,500 4 1/2% bonds, maturing from June 1920 to June 1923.

PAULDING, Paulding County, Ohio.—BOND SALE.—On Sept. 1 the \$6,350 20-year refunding bonds dated Aug. 1 1919—V. 109, p. 802—were awarded to Durfee, Niles & Co., of Toledo for \$6,450 (101.574) and bonds without expense to village, without any conditions.

PHARMA, Canyon County, Ida.—BOND SALE.—On May 12 John R. Price & Co. of Seattle offering 100.43 were awarded \$12,000 5 1/2% 10-20 year (opt.) bonds. Denom. \$500. Date Aug. 1 1919. Int. F. & A.

PASSAIC, Passaic County, N. J.—BONDS OFFERED BY BANKERS.—Outwater & Weels, of Jersey City, are offering to investors at a price to yield 4.40% \$8,500 4 1/2% bonds, maturing from June 1920 to June 1923.

PAULDING, Paulding County, Ohio.—BOND SALE.—On Sept. 1 the \$6,350 20-year refunding bonds dated Aug. 1 1919—V. 109, p. 802—were awarded to Durfee, Niles & Co., of Toledo for \$6,450 (101.574) and bonds without expense to village, without any conditions.

PHARMA, Canyon County, Ida.—BOND SALE.—On May 12 John R. Price & Co. of Seattle offering 100.43 were awarded \$12,000 5 1/2% 10-20 year (opt.) bonds. Denom. \$500. Date Aug. 1 1919. Int. F. & A.

PASSAIC, Passaic County, N. J.—BONDS OFFERED BY BANKERS.—Outwater & Weels, of Jersey City, are offering to investors at a price to yield 4.40% \$8,500 4 1/2% bonds, maturing from June 1920 to June 1923.

PAULDING, Paulding County, Ohio.—BOND SALE.—On Sept. 1 the \$6,350 20-year refunding bonds dated Aug. 1 1919—V. 109, p. 802—were awarded to Durfee, Niles & Co., of Toledo for \$6,450 (101.574) and bonds without expense to village, without any conditions.

PHARMA, Canyon County, Ida.—BOND SALE.—On May 12 John R. Price & Co. of Seattle offering 100.43 were awarded \$12,000 5 1/2% 10-20 year (opt.) bonds. Denom. \$500. Date Aug. 1 1919. Int. F. & A.

PASSAIC, Passaic County, N. J.—BONDS OFFERED BY BANKERS.—Outwater & Weels, of Jersey City, are offering to investors at a price to yield 4.40% \$8,500 4 1/2% bonds, maturing from June 1920 to June 1923.

PAULDING, Paulding County, Ohio.—BOND SALE.—On Sept. 1 the \$6,350 20-year refunding bonds dated Aug. 1 1919—V. 109, p. 802—were awarded to Durfee, Niles & Co., of Toledo for \$6,450 (101.574) and bonds without expense to village, without any conditions.

PHARMA, Canyon County, Ida.—BOND SALE.—On May 12 John R. Price & Co. of Seattle offering 100.43 were awarded \$12,000 5 1/2% 10-20 year (opt.) bonds. Denom. \$500. Date Aug. 1 1919. Int. F. & A.

PASSAIC, Passaic County, N. J.—BONDS OFFERED BY BANKERS.—Outwater & Weels, of Jersey City, are offering to investors at a price to yield 4.40% \$8,500 4 1/2% bonds, maturing from June 1920 to June 1923.

PAULDING, Paulding County, Ohio.—BOND SALE.—On Sept. 1 the \$6,350 20-year refunding bonds dated Aug. 1 1919—V. 109, p. 802—were awarded to Durfee, Niles & Co., of Toledo for \$6,450 (101.574) and bonds without expense to village, without any conditions.

PHARMA, Canyon County, Ida.—BOND SALE.—On May 12 John R. Price & Co. of Seattle offering 100.43 were awarded \$12,000 5 1/2% 10-20 year (opt.) bonds. Denom. \$500. Date Aug. 1 1919. Int. F. & A.

PASSAIC, Passaic County, N. J.—BONDS OFFERED BY BANKERS.—Outwater & Weels, of Jersey City, are offering to investors at a price to yield 4.40% \$8,500 4 1/2% bonds, maturing from June 1920 to June 1923.

PAULDING, Paulding County, Ohio.—BOND SALE.—On Sept. 1 the \$6,350 20-year refunding bonds dated Aug. 1 1919—V. 109, p. 802—were awarded to Durfee, Niles & Co., of Toledo for \$6,450 (101.574) and bonds without expense to village, without any conditions.

1933; \$4,000, 1930 & 1931; \$5,000, 1935 & 1936; \$7,000, 1937 & 1938; and \$9,000, 1939 & 1940. Cert. check on a solvent bank for 5% of amount of bonds bid for, payable to the above clerk, required. Purchaser to pay accrued interest.

POTTER COUNTY (P. O. Amarillo), Tex.—BOND DESCRIPTION.—The \$750,000 5% 30-year road bonds recently authorized by a vote of more than 13 to 1 (V. 109, p. 702) are in denom. of \$1,000 and are dated Oct. 15 1919. Interest semi-annually payable at the City National Bank, N. Y.

Estimated population—City Director and Census estimate 25,000 Assessed valuation as equalized for State and county taxes \$14,500,000 Estimated actual valuation \$30,000,000

Bonds—Court-house and jail, road and bridge \$70,000 Sinking fund to cover same 26,806 Warrants—Court-house and jail 10,000

Total warrants \$79,375 Sinking fund 5,475 Floating debt (warrants to bank) \$10,000

RALEIGH, Wake County, N. C.—BOND OFFERING.—According to newspaper reports, bids will be received until 12:30 p. m. Sept. 15 by James L. Johnson, Commissioner of Finance, for \$50,000 2-26-year interest refunding, \$30,000 2-31-year serial street and sewer and \$15,000 6 1-3-year (average) funding 5% coupon bonds.

RIDGEVILLE, Randolph County, Ind.—BOND SALE.—On Aug. 30 the \$10,000 4 1/2% 2-10-year (opt.) school-building bonds, dated Aug. 30 1919 (V. 109, p. 702), were awarded to the First National Bank, of Ridgeville, at par. Interest semi-annual.

RIGA (TOWN) UNION FREE SCHOOL DISTRICT NO. 4, Monroe County, N. Y.—BOND OFFERING.—Proposals, addressed to the Board of Education, will be received at the office of J. G. Malloch in Churchville until 8 p. m. Sept. 10 for \$3,000 5% school bonds. Denom. \$1,000.

ROBESON COUNTY (P. O. Lumberton), N. C.—BOND SALE.—On Aug. 27 the thirteen issues of 5 1/2% coupon road bonds, aggregating \$585,000—V. 109, p. 605—were awarded as follows: \$200,000 bonds to C. W. Malone & Co., of Asheville, at 100.2125 and int.

ROCHESTER, N. Y.—NOTE SALE.—On Sept. 4 the \$250,000 school-construction notes, payable eight months from Sept. 9 1919 (V. 109, p. 908) were awarded to S. N. Bond & Co., of New York, at 4.50% interest basis, plus a premium of \$35 50.

ROCHESTER, N. Y.—NOTE OFFERING.—H. D. Quimby, City Comptroller, will receive proposals until 2:30 p. m. Sept. 10 for \$100,000 War Emergency notes, payable 8 months from Sept. 15 1919 at the Central Union Trust Co. of New York, where notes will also be delivered to purchaser.

ROCK ISLAND, Rock Island County, Ill.—BONDS VOTED.—The "Chicago Journal" reports that the proposition to issue \$75,000 5% 1-10 year serial storm-drain bonds received a favorable vote at the election held Aug. 19—V. 109, p. 507.

ROSEDALE SCHOOL DISTRICT, Fresno County, Calif.—BOND SALE.—The \$10,000 5% school bonds offered without success on Aug. 5—V. 109, p. 702—have been awarded to Fresno County.

ROSEVILLE, Muskingum County, Ohio.—BOND OFFERING.—Proposals will be received until 12 m. Sept. 24 by Earl Myers, Village Clerk, for \$2,622 47 5/8% coupon funding bonds. Denom. 1 for \$122 47 and 5 for \$500. Date Sept. 1 1919. Interest semi-annual.

ROXBURY TOWNSHIP (P. O. Landing), Morris County, N. J.—BOND SALE.—On Aug. 30 the issues of 5 1/2% 1-20 year serial school bonds—V. 109, p. 802—were awarded to Geo. B. Gibbons & Co., of New York, for \$28,411.65 (101.468) and interest, for \$28,000.

ST. LUCIE COUNTY (P. O. Fort Pierce), Fla.—BOND ELECTION PROPOSED.—A bond election may be held in the near future to vote \$700,000 road bonds, it is reported.

SANBORN, O'Brien County, Iowa.—BOND SALE.—An issue of \$7,500 5 1/2% sewer bonds was awarded on Sept. 1 to Schanke & Co., of Mason City, Denom. \$500. Date Sept. 1 1919. Int. F. & A.

SAN PATRICIO COUNTY ROAD DISTRICT NO. 5, Tex.—BOND SALE.—We are advised that Harold G. Wise & Co. of Houston were the successful bidders for the \$235,000 road bonds recently offered.

SANTA ROSA COUNTY (P. O. Wilton), Fla.—BIDS REJECTED.—All bids received for the \$160,000 6% 30-year road and bridge bonds offered on Sept. 1 (V. 109, p. 605), were rejected.

SAVANNAH, Ashland County, Ohio.—BOND SALE.—The \$4,720 6% 1-10-year serial Main Street improvement bonds, dated Nov. 1 1919, offered on Aug. 28 (V. 109, p. 803), were awarded to Durfee, Niles & Co., of Toledo, for \$4,771 (101.08), accrued interest and cost of bonds.

SCHENECTADY, N. Y.—BOND SALE.—On Sept. 5 the following registered bonds aggregating \$92,000 were awarded to Blake Bros. & Co. of New York for \$92,277, equal to 100.301, at 4 1/2% interest: \$30,000 public impt. bonds. Date July 1 1919. Int. J. & J. Due \$3,000 yrly. on July 1 from 1920 to 1926 incl.

22,000 school bonds. Date July 1 1919. Int. J. & J. Due \$2,000 yrly. on July 1 from 1920 to 1930 incl. 40,000 Park Bonds. Date Aug. 1 1919. Int. F. & A. Due \$4,000 yrly. on Aug. 1 from 1920 to 1929 incl.

CERTIFICATE OFFERING.—Leon G. Dibbie, City Comptroller, will receive proposals until 11 a. m. Sept. 12 for \$100,000 certificates of indob-encry issued in anticipation of taxes, payable Jan. 13 1919 at the City Treasurer's office in New York exchange. Bidders must state rate of interest desired. Cert. check on a solvent bank or trust company for 1% of amount bid for, payable to the City Comptroller, required. Purchaser to pay accrued interest.

SCHENECTADY COUNTY (P. O. Schenectady), N. Y.—BOND SALE.—On Sept. 1 the \$100,000 4 1/2% 10-year (average) gateway bonds (V. 109, p. 800) were awarded to Geo. B. Gibbons & Co. of New York at 100.870. Denom. \$1,000. Date Sept. 1 1919. Other bidders, all of New York, were:

Sherwood & Merrifield 100.573 Wm. R. Compton Co. 100.270 National City Co. 100.399 Blake Bros. & Co. 100.222 Guaranty Trust Co. 100.317 B. J. Van Ingen & Co. 100.160

SCIO TO COUNTY (P. O. Portsmouth), Ohio.—BOND SALE.—On Aug. 26, it is reported, the State Industrial Commission of Ohio purchased \$193,000 road-improvement bonds.

SENECA COUNTY (P. O. Tiffin), Ohio.—BOND SALE.—On Aug. 30 the \$10,000 5% 1-5 year serial coupon road bonds, dated Sept. 10 1919 —V. 109, p. 803—were awarded to the Tiffin Savings Bank, of Tiffin, at 100.28 and interest. Other bidders, both of Tiffin, were: Commercial Nat. Bank—\$28,014 Tiffin National Bank—\$28,000

SEQUOYAH COUNTY (P. O. Sallisaw), Okla.—BOND SALE.—We are advised that the \$26,163 refunding bonds—V. 109, p. 702—have been disposed of.

SHELBY COUNTY (P. O. Sidney), Ohio.—BOND OFFERING.—W. A. Harman, County Auditor, will receive proposals until 10 a. m. to-day (Sept. 6) for \$11,300 5% coupon road-improvement bonds. Auth. Sec. 6929, Gen. Code. Denoms. 14 for \$500, 10 for \$300, 2 for \$250 and 2 for \$400. Date Sept. 1 1919. Principal and semi-annual interest payable at the County Treasurer's office. Due each six months as follows: \$4,350 March 1 and Sept. 1 1920, \$600 March 1 1921 to March 1 1922, inclusive, and \$800 Sept. 1 1922. Certified check on a solvent bank of Shelby County for 3% of amount of bonds bid for, payable to the County Auditor, required. Bonds to be delivered and paid for within five days from date of award. Purchaser to pay accrued interest.

SIDNEY, Richland County, Mont.—BONDS VOTED.—By a vote of 31 to 1 the question of issuing \$30,000 6% 10-20 year (opt.) sewer ext. bonds carried at the election Aug. 25—V. 109, p. 606.

SMITH COUNTY (P. O. Carthage), Tenn.—BONDS VOTED.—Reports state that by a majority of 760 votes \$400,000 road bonds were authorized on Aug. 23.

SODA SPRINGS, Caribou County, Ida.—BOND SALE.—Morris Bros. Inc., of Portland recently purchased and are now offering to investors at a price to yield 5.40% \$80,000 6% water bonds. Denom. \$1,000. Date July 15 1919. Int. J. & J. Due \$8,000 yearly on July 15 from 1930 to 1939, incl.

Financial Statement.

Assessed valuation, 1918.....\$504,457 Real valuation, estimated.....1,000,000 Bonded debt, including this issue.....\$91,500 Less water debt.....80,000

Total net debt.....\$11,500 Population (officially estimated), 1,500.

SOUTH SAN FRANCISCO, Calif.—BOND SALE.—Wm. R. Staats & Co. have been awarded an issue of \$129,000 5% improvement bonds at a premium of \$593 40.

SOUTHEAST-ARKANSAS LEVEE DISTRICT (P. O. McGehee), Desha County, Ark.—BOND SALE.—On Aug. 27 the Bankers Trust Co. of Little Rock, was awarded at 100.25 the \$800,000 5 1/2% 5-25 year levee bonds—V. 109, p. 803. Denom. to suit purchaser. Date Oct. 1 1919. Interest M. & S.

SOUTHWICK, Hampden County, Mass.—BOND OFFERING.—Proposals will be received until 8 p.m. Sept. 8 by the Town Select. for \$15,000 4 1/2% coupon tax-free light plant bonds. Denom. \$1,000. Date Sept. 1 1919. Prin. and semi-ann. interest (M. & S.) payable at the First National Bank of Boston. Due \$1,000 yearly on Sept. 1 from 1920 to 1934, incl.

These bonds are engraved under the supervision of and certified as to genuineness by The First National Bank of Boston, their legality will be approved by Ropes, Gray, Boyden & Perlins, whose opinion will be furnished the purchaser. All legal papers incident to this issue will be filed with said bank where they may be inspected at any time.

Bonds will be delivered to the purchaser on or about Sept. 10, at the First National Bank of Boston.

SPARTANBURG COUNTY (P. O. Spartanburg), So. Caro.—BOND OFFERING.—D. M. Miles, County Supervisor, will receive bids until 12 m. Sept. 17, it is stated, for \$499,500 4 1/2% 14 1/2-year (aver.) highway bonds. Int. semi-ann. Cert. check for 2% required.

SPRINGFIELD, Ill.—BOND ELECTION POSTPONED.—An election which was to have been held on Sept. 10 to vote on the question of issuing \$400,000 electric service extension bonds, has been postponed until Nov. 4.

STANFIELD, Umatilla County, Ore.—BONDS VOTED.—A proposition to issue \$30,000 water bonds carried by an overwhelming majority at an election held Aug. 25, it is reported.

STEPHENS COUNTY (P. O. Duncan), Okla.—BOND ELECTION.—An election will be held Sept. 30, it is stated, to vote on the question of issuing \$150,000 court house and jail bonds.

TAOS COUNTY SCHOOL DISTRICT (P. O. Taos), New Mex.—BONDS VOTED.—At a recent election by almost unanimous vote \$30,000 school bonds were authorized. Jose Montaner, County School Supt.

TETON COUNTY SCHOOL DISTRICT NO. 61 (P. O. Pandray), Mont.—BOND SALE.—On Aug. 22 an issue of \$9,200 6% 15-20-yr. (opt) school bldg. bonds was awarded to Wells Dickey Co., of Minneapolis at 105. Denoms. 9 for \$1,000 and 1 for \$200. Date July 1 1919. Int. J. & J.

TILLAMOOK COUNTY SCHOOL DISTRICT NO. 31 (P. O. Bay City), Ore.—BOND SALE.—An issue of \$25,000 school bonds has been sold.

TILLMAN COUNTY (P. O. Frederick), Okla.—BOND ELECTION, PROPOSED.—An election will be held in the near future, it is stated, to vote on the question of issuing \$100,000 court house bonds.

TOLEDO, Ohio.—BONDS AUTHORIZED.—It is reported that the City Council passed an ordinance authorizing the issuance of \$30,000 fire-house-repair bonds.

BONDS PROPOSED.—On Aug. 25, according to reports, Director of Finance Martin introduced in the Council a proposition to issue \$250,000 land-purchase bonds.

UPPER TOWNSHIP (P. O. Ironton), Lawrence County, Ohio.—BOND OFFERING.—Proposals will be received until 10 a. m. to-day (Sept. 6) by A. M. Herity, Township Clerk, for \$25,000 5% assessment road bonds. Auth. Sec. 3293-15 B. General Code. Denom. \$1,000 Date Sept. 1 1919. Prin. and semi-ann. int. payable at the Second National Bank of Ironton. Due Sept. 1 1920. Cert. check for 2% of amount of bonds bid for, payable to the Township Treasurer, required. Bonds to be delivered on or before Oct. 1. Purchaser to pay accrued interest.

VENTURA COUNTY (P. O. Ventura), Calif.—BOND OFFERING.—Sealed bids will be received until 11 a. m. Sept. 28 by L. E. Halliwell, County Clerk, for \$580,000 5% road bonds, it is reported. Int. semi-ann.

VERNON, Tolland County, Conn.—BOND SALE.—Lee, Higginson & Co. and Conning & Co., bidding jointly, were awarded \$125,000 4 1/2% refunding bonds, it is stated. Denom. \$1,000. Date Sept. 15 1919. Int. M. & S. Due Sept. 15 1944.

WALLA WALLA, Walla Walla County, Wash.—BOND OFFERING.—Fred G. Willis, City Clerk, will receive bids until 9:30 a. m. Sept. 30 for \$75,000 funding bonds not to exceed 6% int. Denom. \$1,000. Prin. and semi-ann. int. at the office of the City Treasurer. Due \$5,000 yearly on Oct. 15 from 1925 to 1939 incl. Cert. check for 1% of the amount of bonds bid for required. Bids must be unconditional.

WARSAW, Duplin County, No. Caro.—BOND OFFERING.—Further details are at hand relative to the offering on Sept. 9 of the \$75,000 6% gold water and sewer bonds—V. 109, p. 909. Proposals for these bonds will be received until 12 m. on that day by A. B. Barnes, Town Clerk & Treasurer. Denom. \$1,000. Date July 1 1919. Prin. and semi-ann. int. (J. & J.) payable at the U. S. Mfgs. & Trust Co., N. Y. Due yearly July 1 as follows: \$2,000, 1921 to 1935 incl., and \$3,000, 1936 to 1950 incl. Cert. check on an incorporated bank or trust company for 2% of the amount of bonds bid for, payable to the above Clerk-Treasurer, required. The bonds are to be prepared under the supervision of the U. S. Mfgs. & Trust Co. of N. Y., which will certify as to the genuineness of the signatures of the city officials and the seal impressed thereon and the approved by Caldwell & Masdich of N. Y. and J. L. Morehead of Warsaw, whose approving opinions will be furnished to the purchaser without charge. The bonds will be delivered to the purchaser at the office of the said trust company in New York Sept. 16 1919 or as soon thereafter as they can be

prepared and must then be paid for. Purchaser to pay accrued interest. All bids must be on blank forms which will be furnished by the above clerk and Treasurer and trust company.

Financial Statement.

Estimated value of taxable property.....\$1,000,000 00 Assessed value of taxable property, 1918.....479,367 00 Value of municipal property.....30,629 54 Bonded debt outstanding (including this issue).....111,000 00 Water bonds included in above.....50,000 00 Electric light bonds included in above.....26,000 00 Total deductions.....75,000 00 Net indebtedness.....35,000 00

There is no civil division whose territorial limits are approximately co-terminus with those of the Town of Warsaw.

The Town of Warsaw has never defaulted in the payment of any part of either principal or interest of any debt. The present city tax rate is \$0.33 1-3 per \$100. Population as estimated by the Bureau of Census 1918, is 1,209.

WASHAKIE COUNTY SCHOOL DISTRICT NO. 5, Wyo.—BOND SALE.—We are informed that an issue of \$10,000 15-25-yr. (opt.) school bonds has been sold to the Lumbermen's Trust Co. of Portland. Dated Aug. 1 1919. Assessed valuation, \$677,746 77. Total debt this issue.

WASHAKIE COUNTY HIGH SCHOOL DISTRICT, Wyo.—BOND SALE.—We are informed that an issue of \$50,000 15-25-yr. (opt.) high school bonds has been sold to the Lumbermen's Trust Co. of Portland, Dated Aug. 1 1919. Assessed valuation, \$5,255,832 15. Population, 3,200

WASHINGTON PARISH (P. O. Franklinton), La.—BOND ELECTION PROPOSED.—An election has been ordered, it is stated, for the purpose of voting \$300,000 school-building bonds.

WASHOUGAL, Clarke County, Wash.—BOND SALE.—Recently Morris Bros., Inc., of Portland purchased \$61,000 6% tax-free street paving bonds. Date Sept. 1 1919. Due Sept. 1 1929.

WEST ALLIS, Milwaukee County, Wis.—BOND SALE.—A. B. Leach & Co., offering 101,562, accrued interest and blank bonds were awarded the \$35,000 5% 1-20-year street impt. bonds offered on Aug. 23—V. 109, p. 804.

WESTERLY, Washington County, R. I.—LOAN OFFERING.—The Treasurer will receive proposals until 12 m. Sept. 8, it is stated, for a temporary loan of \$40,000 maturing \$10,000 Feb. 19 and \$30,000 Mar. 8 1920.

WILLOUGHBY, Lake County, Ohio.—BOND SALE.—The \$19,500 5 1/2% 8-12-year serial coupon street impt. (village's share) bonds dated April 1 1919—V. 109, p. 607—were awarded on Sept. 1 to Spitzer, Rorieck & Co. of Toledo at 106. Other bidders were:

Seasonood & Mayer, Cin. \$20,002 50 W. L. Slayton & Co., ToL. \$19,921 21 J. C. Mayer & Co., Cin. 19,997 25 Prov. S. B. & Tr. Co., Cin. 19,794 25 Hanchett Bond Co., Chic. 19,987 50 Well, Roth & Co., Cin. 19,714 50

WILMINGTON, Del.—BOND OFFERING.—It is reported that Chas. M. Banks, City Treasurer, will receive bids until 12 m. Sept. 18 for \$300,000 sewer and street-improvement, \$90,000 water and \$400,000 harbor improvement 4 1/2% 25 1/2-year (average) bonds. Interests semi-annual. Certified check for 2% required.

WINTER GARDEN, Orange County, Fla.—BOND OFFERING.—Until 12 m. Sept. 26 proposals will be received, it is reported, by A. E. Jones, Town Clerk, for \$42,000 water-works, \$15,000 sewer, \$5,000 electric-light and \$5,000 town-hall 6% 30-year coupon bonds. Int. semi-ann. Cert. check for 1% required.

WOOD COUNTY (P. O. Bowling Green), Ohio.—BOND SALE.—On Sept. 2 \$45,000 5% Sand Ridge Road impt. bonds were awarded to the Wood County Savings Bank Co. of Bowling Green for \$45,055 (100.122) and interest. Denom. \$500. Date Sept. 10 1919. Int. M. & S. Due part each six months from March 1920 to Sept. 1924.

WYANDOT COUNTY (P. O. Upper Sandusky), Ohio.—BOND SALE.—On Aug. 25 the two issues of 5% 1-10-year serial coupon road bonds, dated July 1 1919, aggregating \$38,888 08 (V. 109, p. 804), were awarded to the Commercial National Bank of Upper Sandusky for \$38,928 08 (100.09) and interest. The Citizens Savings Bank of Upper Sandusky bid par and accrued interest.

XENIA, Greene County, Ohio.—BOND SALE.—On Aug. 25, it is stated, the \$10,000 5 1/2% 1-10-year serial coupon combination auto fire truck bonds, dated Sept. 1 1919—V. 109, p. 509—were awarded to the Davies-Bertram Co. of Cincinnati at 101.51

BOND SALE.—On Sept. 2, it is stated, the 2 issues of 5 1/2% 2-11-year serial street impt. bonds aggregating \$200,000—V. 109, p. 805—were awarded to E. H. Rollins & Sons of Chicago at 101.07. Date Sept. 1 1919

YOLO COUNTY (P. O. Woodland), Calif.—BONDS VOTED.—At a recent election an issue of \$1,600,000 highway bonds was voted by a majority of 6 to 1.

YONKERS, Westchester County, N. Y.—BOND SALE.—On Sept. 4 the following 5% registered bonds, aggregating \$1,097,500 (V. 109, p. 909), were awarded to Geo. B. Gibbons & Co. of New York at 103.67 and int.: \$430,000 school bonds. Date Sept. 1 1919. Due \$21,500 yearly on Sept. 1 from 1920 to 1939, inclusive.

430,500 local improvement bonds. Date Sept. 1 1919. Due \$28,700 yearly on Sept. 1 from 1920 to 1934, inclusive.

225,000 tax deficiency bonds. Date April 1 1919. Due \$22,500 yearly on April 1 from 1920 to 1929, inclusive.

12,000 election equipment bonds. Date April 1 1919. Due \$1,000 yearly on April 1 from 1920 to 1931, inclusive. Other bidders, all of New York, were:

S. N. Bond & Co. 103,2538 Sherwood & Merrifield, Hornblower & Weeks, R. W. Prosser & Co., Eldredge & Co., and A. B. Leach & Co. 103.08  
National City Co. 103.1899  
Harris, Forbes & Co. 102.359  
Redmond & Co. 103.08  
York, York County, Pa.—BOND SALE.—The \$150,000 4 1/2% coupon (with privilege of registration) general impt. bonds offered on Sept. 2—V. 109, p. 805—were awarded on that date to Brown Bros. & Co. of Philadelphia at 103.132 and interest. Due on Sept. 1 as follows: \$15,000, 1929; \$30,000, 1934, 1939 and 1944, and \$45,000, 1948. Other bidders were:

Guaranty Trust Co., N. Y. \$153,700 50  
Calloway, Fish & Co., Pitts. 153,385 00  
York Nat. B'k & York Trust Co., York. 152,351 00  
Harris, Forbes & Co., 151,201 50  
Brown, Stolton & Co., Phila. 150,196 67  
A. B. Leach & Co., Phila. 153,858 001

CANADA, its Provinces and Municipalities.

ALBERTA SCHOOL DISTRICTS, Alta.—DEBENTURES AWARDED IN PART.—Of the nine issues of 6 1/2% school debentures, aggregating \$25,800, offered on Aug. 28 (V. 109, p. 704), four blocks, amounting to \$11,700, were awarded as follows: Block 1—\$3,000 Ideal S. D. No. 3607 and \$2,000 Pearson S. D. No. 3698 debentures to the Canada Landed & National Investment Co. at 100.51. Block 4—\$3,500 White Mud S. D. No. 293 debentures to Canada Landed & National Investment Co. at 100.78. Block 7—\$1,800 Central Valley S. D. No. 721 debentures to W. Ross Alger & Co. at 100.16.

Block 8—\$1,400 Kensington S. D. No. 644 debentures to the Canada Landed & National Investment Co. at 100.50.

There were no bids for Blocks No. 2, 6 and 9. Block No. 3 was withdrawn from the offering. The bid of 95 of the Western Trust Co. for Block No. 5 was rejected as too low. Other bidders for Blocks Nos. 1, 4, 7 and 8 were:

Name of Party Tendering— Block No. 1. No. 3. Block No. 4. Block No. 7. Block No. 8.  
W. Ross Alger & Co. 100.10 100.12 100.15 100.15 100.15  
Canada Landed & National Investment Co., Ltd. 100.51 100.80 100.78 100.50 100.50  
Western Trust Co. 96.08 100.00 100.00

**CAPREOL, Ont.—DEBENTURE ELECTION.**—A by-law to issue \$2,000 market building and \$8,000 fire hall erection debentures will be voted upon on Sept. 20.

**KILBOLOE STATION, Ont.—DEBENTURE OFFERING.**—It is reported that M. B. Grace, Clerk, will receive tenders for the \$3,000 6% 15 year fire hall debentures, which were offered without success on Aug. 15—V. 108, p. 2562.

**MOOSE JAW, Sask.—DEBENTURES AUTHORIZED.**—It is reported that the issuance of \$13,000 comfort station, \$16,000 bridge and \$40,000 park water-system debentures has been authorized.

**AFTER LONG DELAY, CITY COUNCIL ACCEPTS NEW OFFER.**—The City Council on Aug. 23, rather than re-offer the \$210,000 5 1/2% 20-year debentures, mentioned in V. 108, p. 2162, on the present market, agreed to accept the new offer of Wood, Gundy & Co. to take the issue at 93.22, although it meant a loss to the city. The "Financial Post" states that the whole situation is set forth in a communication from Wood, Gundy & Co. to the Council under date of Aug. 21, confirming a conference between that body and the company's representative on Aug. 19.

The city agrees to reduce the price to be paid by us for the \$210,000 of electric light bonds to 93.22 and accrued interest, making the new terms of sale as follows: \$210,000 City of Moose Jaw 5 1/2% debentures, dated June 1 1919, due June 1 1939, price 93.22 and accrued interest.

In return we agree to your request to advance an amount of \$40,000 for purchases made by the city under authority of this debenture issue pending delivery to us of the completed debentures.

It is also agreed by us that the new price agreed upon shall be guaranteed finally by us on the distinct understanding that the city will do all in its power to hurry delivery of the bonds in view of the statements appearing in the press to-day that there will be no further dealing in Government or municipal bonds after Sept. 8 next.

We very much regret that it has been necessary for us to reopen this matter with the city, but we feel that we made the very best adjustments possible, having in mind all the facts. As you know, our purchase was made on May 19, and the bonds were dated June 1, so that we were anticipating delivery in July. Shortly after making the purchase we resold the bonds largely to American investors, and as delivery was not completed in July these people began to insist on immediate completion of their respective transactions. While some clients canceled their purchases outright, we were able to induce the larger holders to allow the business to stand, but as the market continued to drop, and the price these people had agreed to pay for these undelivered bonds became more and more reasonable under changing conditions, they became increasingly restive.

Finally, on communicating with the American Bank Note Co., we were assured that the bonds would reach Moose Jaw on Friday, Aug. 15, and by much effort we got our clients to agree to accept delivery but not later than Saturday, Aug. 23.

At this point we received a message from you stating that Mayor Hamilton had resigned, and suggesting that the signature of Mr. Hodge, the Deputy Mayor, be stamped on the coupons, and the bonds completed by Mr. Hodge. In an endeavor to meet the city in this suggestion we took the matter up with our solicitors and also with the purchasers of the bonds, and as a result have advised you that the bonds as printed now would not be acceptable to our purchasers.

Under the circumstances it became necessary for the city either to relieve us of our obligation or to make us a sufficient concession in price to enable us to reinstate our sales with our clients. We feel that the price of 93.22 and interest agreed upon as one that is fair from the standpoint of the city to realize anything like as good a price as this on the market during the next few months at least.

**REGINA, Sask.—DEBENTURES PROPOSED.**—On Aug. 19 the City Council passed at its second reading a by-law to issue \$30,000 5 1/2% coupon 9-year installment refunding debentures. Interest payable annually.

**REGINA, Sask.—DEBENTURE ELECTION.**—On Sept. 11 the rate-payers, it is stated, will vote on the question of issuing \$14,000 track crossing, \$40,000 light and power extension, \$2,800 sewer connection, and \$4,200 water connection debentures.

**SASKATCHEWAN SCHOOL DISTRICTS, Sask.—DEBENTURES AUTHORIZED.**—The following, according to the "Monetary Times", is list of the authorizations granted by the Local Government Board from July 28 to Aug. 2 1919:

\* Kelliber, \$13,500 20-years not ex. 8% annuity. Amulet, \$3,000 10-years not ex. 8% installment. Rocky Mound, \$3,500 10-years not ex. 8% annuity. \* Northgate, \$1,100 10-years not ex. 8% annuity. Asquith, \$800 20-years not ex. 8% annuity.

**DEBENTURE SALE.**—The following is a list of debentures reported sold from July 25 to Aug. 2:

Kelliber, \$13,500; Eilerslie, \$10,000; Scotstown, \$3,565; Wawota, \$12,000; Edgeley, \$4,000; Gagenville, \$2,800; Great-West Life Assurance Co., Winnipeg, Man., Webb, \$10,000; Shellbrook, \$1,060; Coal Dale, \$700; Harris-Read and Co., Regina, Sask. Lochabar, \$2,250; Bapaume, \$3,000; Waterman-Waterbury Mfg. Co., Regina, Sask.

\* Being sold by Local Government Board.

**SOUTH CYPRESS, Ont.—DEBENTURE ELECTION.**—At an election to be held Sept. 12, it is stated, a by-law to issue \$4,000 skating rink debentures will be voted upon.

**VANKLEEK HILL, Ont.—DEBENTURES NOT SOLD.**—No sale was made of an issue of \$20,000 6% 15-year installment debentures offered on Aug. 4. Date July 31 1919. Interest payable July 31.

**VERDUN, Que.—DEBENTURE OFFERING.**—Lenders will be received until 5 p. m. Sept. 12 by Hames Wishart, Secretary-Treasurer, for \$225,000 5 1/2% coupon gold general impmt. and deficiency debenture. Denom. \$500. Date May 1 1919. Prin. and semi-ann. int. (M. & N.), payable in Montreal or New York. Due May 1 1939. Cert. check for 1%, payable to reg. "City of Verdun," required.

**WEST NISSOURI, Ont.—DEBENTURES AUTHORIZED.**—The Council on Aug. 6 passed a by-law to issue \$22,000 permanent impmt. debenture, according to reports.

**WINDSOR, Ont.—DEBENTURE ELECTION.**—On Sept. 20 1919, four by-laws calling for the expenditure of \$75,000 for various local improvements, which were defeated recently by ratepayers, will be submitted for the second time it is stated.

NEW LOANS.

\$353,000.00

CITY OF ANNISTON, ALA.

5% COUPON BONDS

Sealed proposals addressed, "Proposals for Bonds" will be received by the undersigned Mayor of Anniston, Ala., until 12 O'CLOCK NOON OCTOBER 1 1919, for Refund 5% Coupon Bonds to the amount of \$353,000.00 twenty (20) year Bonds. The Bonds to be refunded mature December 1 1919. New Bonds will be dated December 1 1919, and issued in denominations to suit the purchaser, clear of state and all other taxes. J. L.

The Mayor and City Council of Anniston reserves the right to reject any or all bids

A financial statement or any other information relating thereto can be obtained upon application.

A certified check on a local bank here for \$5,000.00 must accompany each bid.

J. L. WIKLE, Mayor.

Adrian H. Muller & Son

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NEW LOANS

\$350,000

Municipality of Mayaguez, Porto Rico.

5% IMPROVEMENT BONDS

Sealed proposals will be received by the Mayor of the Municipality of Mayaguez, at his office in said City, until 2 P. M. on OCTOBER 24TH, 1919, the reception of bids being closed at that time and date, the same to be opened one hour later at the Office of the Mayor, and considered by the Board of Award of the Municipality, consisting of the Mayor, the President of the Municipal Council and the Municipal Secretary, for the purchase of \$350,000 Improvement Bonds of said City, bearing interest at the rate of five per cent per annum, payable semi-annually, on the first days of January and July. Said bonds shall be dated January 1st, 1920, and shall be payable 28 years thereafter as follows:

On the fifth year, that is to say, on January 1st, 1925, the City of Mayaguez will redeem by lot from this bond issue, bonds to an amount not less than thirty-two thousand dollars (\$32,000), or thirty-two bonds of one thousand dollars each, and a sum not smaller than eight thousand dollars (\$8,000) each following year, thus redeeming an amount of bonds not smaller than eight of one thousand dollars each.

Such of said bonds as mature after January 1, 1925, are subject to redemption at the option of the municipality at 105 per cent of their respective par value, on said date or on any interest payment date thereafter. In case of such redemption, notice thereof stating the numbers of the bonds to be redeemed and the date of redemption, shall be published at least once a week during the period of sixty (60) days prior to the date fixed for redemption in one or more newspapers in the City of New York or in the City of Mayaguez, P. R., to be designated for such purpose by the original purchaser of the bonds, and upon giving a previous notice of sixty days in writing of such election to the bank or trust company so designated.

Said bonds will be issued in coupon form of the denomination of \$1,000 each. Both principal and interest will be payable in gold coin of the United States of America at some bank or trust company either in Washington, D. C., or New York City, or Porto Rico, chosen by the buyer, to be designated by the City Council of Mayaguez, P. R., and to be approved by the Mayor and by the Executive Council of Porto Rico.

The bonds will be delivered to such bank or trust company, either in Washington, D. C., or in the City of New York, or in Porto Rico, as the purchaser may designate in his bid. The purchaser must pay in addition to the amount bid by him accrued interest to the date of delivery of the bonds.

The principal and interest of said bonds as the same shall fall due shall be paid with the proceeds of a special tax of twenty-five (25) hundredths of one per cent of the assessed valuation of the real and personal property of the municipality of Mayaguez, P. R., levied by the Municipal Council of said municipality by an ordinance adopted in accordance with the provisions of Joint Resolution of the Legislative Assembly of Porto Rico, approved December 12, 1918; and the principal and interest of this loan shall be a first lien upon all the revenues of the City of Mayaguez, P. R., and the Treasurer of Porto Rico has been authorized and directed to remit to the bank or trust company either in Washington, D. C., or New York City or Porto Rico, as may hereafter be designated, in the manner aforesaid, the semi-annual interest as the same falls due, as well as the corresponding amounts for the amortization of the bonds favored in the annual drawing by lot.

In accordance with the provisions of Section 18 of the Act of the Legislative Assembly of Porto Rico, approved February 19, 1913, entitled "An Act to provide for the contracting of indebtedness, the borrowing of money and the issuing of bonds by municipal corporations and school boards of Porto Rico, and for other purposes," as amended by Joint Resolution No. 23, approved April 13, 1916, entitled "A Joint Resolution to authorize and regulate the issuance of bonds by the cities of Porto Rico, and for other purposes," the good faith of the People of Porto Rico is irrevocably pledged for the payment of interest and principal of this loan as they fall due at the dates provided.

Proposals for the purchase of these bonds must be accompanied by a certified check for five thousand dollars (\$5,000.00) upon some National Bank in the United States or upon any one of the banks doing business in Porto Rico, payable to the Mayor of the City of Mayaguez, or by cash in the same amount, as a guarantee of good faith. If the terms and conditions of the proposal of the successful bidder are not complied with, he shall forfeit his deposit of Five Thousand Dollars (\$5,000.00), otherwise the deposit shall be returned upon the completion of the contract. The checks of unsuccessful bidders shall be immediately returned after the awarding of the bonds. Upon the hour and date designated hereafter by the Municipal Council, the time for receiving proposals shall expire, and the Board of Award shall proceed to consider the proposals legally presented and make the necessary award. In that instance or later on, to the best bidder who may adjust himself to the terms and conditions specified. Any bidder may be present at the opening of the proposals either in person or by agent or attorney.

The action of the Board of Award must be confirmed by the Municipal Council, at a meeting called and held for the purpose on the same day of the meeting of the Board of Award.

Proposals must be submitted in sealed envelopes as follows: "Proposals for the purchase of bonds of the City of Mayaguez, P. R.," and addressed to the Mayor, the Board of Award reserving the right to reject any or all bids.

Proposals may be submitted for the whole issue or for a part thereof, but preference will be given to proposals for the whole issue, if the same is beneficial to the municipality of Mayaguez.

In case of two or more proposals are equally beneficial, verbal bidding will be carried on for one-half hour after the bids are opened. Only those persons who have offered the said best bids may take part in such verbal bidding; if they are not present in order to do so, then the award will be made to the one of the said highest bidders whose bid shows the lowest number in order of presentation.

These bonds are issued in accordance with authority of the Act of Congress of March 2, 1917, entitled "An Act to provide a civil government for Porto Rico, and for other purposes," and of the Statutes of Porto Rico now in force and of an ordinance of the Municipal Council of Mayaguez, P. R., adopted in compliance with law. Dated at Mayaguez, Porto Rico, August 16th, 1919.

A. GALANCS,

(SEAL) Mayor of the Municipality  
of Mayaguez.

Financial

# Atlantic Mutual Insurance Company

The Trustees, in conformity with the Charter of the Company, submit the following statement of its affairs on the 31st of December, 1918.

Premiums on Marine and Inland Transportation Insurance from the 1st January, 1918, to the 31st December, 1918.....	\$8,684,891.55
Premiums on Policies not terminated 1st January, 1918.....	1,072,550.96
Total Premiums.....	\$7,757,442.51
Premiums marked off as terminated from 1st January, 1918, to 31st December, 1918.....	\$6,756,508.18
Interest on the Investments of the Company received during the year \$418,106.66	
Interest on Deposits in Banks, Trust Companies, etc.....	120,010.84
Rent received less Taxes and Expenses.....	97,634.61
Losses paid during the year.....	\$4,105,973.64
Less: Salvages.....	\$239,186.51
Re-insurances.....	1,947,733.08
	\$1,919,054.05
Re-insurance Premiums and Returns of Premiums.....	\$1,756,937.01
Expenses, including compensation of officers and clerks, taxes, stationery, advertisements, etc.....	\$ 996,019.98

A dividend of interest of Six per cent. on the outstanding certificates of profits will be paid to the holders thereof, or their legal representatives, on and after Tuesday the fourth of February next. The outstanding certificates of the issue of 1917 will be redeemed and paid to the holders thereof, or their legal representatives, on and after Tuesday the fourth of February next, from which date all interest thereon will cease. The certificates to be produced at the time of payment and canceled. A dividend of Forty-five per cent. is declared on the earned premiums of the Company for the year ending 31st December, 1918, which are entitled to participate in dividend, for which, upon application, certificates will be issued on and after Tuesday the sixth of May next.

By order of the Board. G. STANTON FLOYD-JONES, Secretary.

TRUSTEES.

- |                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                       |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| EDMUND L. BAYLIES,<br>JOHN N. BEACH,<br>NICHOLAS BIDDLE,<br>JAMES BROWN,<br>JOHN CLAFLIN,<br>GEORGE C. CLARK,<br>J. WILLIAM CLARK,<br>FREDERIC A. DALLET,<br>CLEVELAND H. DODGE,<br>CORNELIUS ELDERT,<br>G. STANTON FLOYD-JONES, | PHILIP A. S. FRANKLIN,<br>HERBERT L. GRIGGS,<br>SAMUEL T. HUBBARD,<br>WILLIAM H. LEFFERTS,<br>CHARLES D. LEVERICH,<br>HENRY FORBES McCREERY,<br>NICHOLAS F. PALMER,<br>WALTER WOOD PARSONS,<br>CHARLES A. PEABODY,<br>WILLIAM B. PETERS,<br>JAMES H. POST,<br>CHARLES M. PRATT, | DALLAS B. PRATT,<br>JOHN J. RIKER,<br>JUSTUS RUPERTI,<br>WILLIAM JAY SCHIEFFELIN,<br>SAMUEL SLOAN,<br>WILLIAM SLOANE,<br>LOUIS STERN,<br>WILLIAM A. STREET,<br>GEORGE E. TURNURE,<br>GEORGE C. VAN TUYL, Jr.,<br>RICHARD H. WILLIAMS. |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

CORNELIUS ELDERT, President.  
WALTER WOOD PARSONS, Vice-President.  
CHARLES E. FAY, 2d Vice-President.  
WILLIAM D. WINTER, 3rd Vice-President.

ASSETS.	LIABILITIES.
United States and State of New York Bonds.....	Estimated Losses and Losses Unsettled in process of Adjustment.....
Stock of the City of New York and Stocks of Trust Companies & Banks.....	Premiums on Unterminated Risks.....
Stocks and Bonds of Railroads.....	Certificates of Profits and Interest Unpaid.....
Other Securities.....	Returns Premiums Unpaid.....
Special Deposits in Banks and Trust Companies.....	Taxes Unpaid.....
Real Estate cor. Wall Street, William Street and Exchange Place.....	Re-insurance Premiums on Terminated Risks.....
Real Estate on Staten Island (held under provisions of Chapter 481, Laws of 1887).....	Claims not Settled, including Compensation, etc.....
Premium Notes.....	Certificates of Profits Ordered Redeemed, Withheld for Unpaid Premiums.....
Bills Receivable.....	Income Tax Withheld at the Source.....
Cash in hands of European Bankers to pay losses under policies payable in foreign countries.....	Certificates of Profits Outstanding.....
Cash in Bank and in Office.....	Balance.....
Statutory Deposit with the State of Queensland, Australia.....	
Balance brought down.....	
Accrued interest on the 31st day of December, 1918, amounted to.....	
Rents due and accrued on the 31st day of December, 1918, amounted to.....	
Re-insurance due or accrued, in companies authorized in New York, on the 31st day of December, 1918, amounted to.....	
Note: The Insurance Department has estimated the value of the Real Estate on Staten Island in excess of the Book Value given above, at.....	
The Insurance Department's valuation of Stocks, Bonds and other Securities exceeds the Company's valuation by.....	
On the basis of these increased valuations the balance would be.....	

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