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Capital Issues Committee.

Washington, March 30, 1918.

Public and private organizations throughout the country are fast allying themselves with the Capital Issues Committee in its work of confining to essential purposes present capital expenditures. During the course of the week just passed the Committee had a conference with the Mayor, the Comptroller and the Solicitor of the City of Philadelphia. These officers expressed themselves as in hearty sympathy with the aims of the Committee and stated that, at a mutually convenient date, they would return to Washington and go over with the Committee, item by item, the entire City budget of many millions, with a view to bringing the City's capital expenditures into line with the Committee's policy. Philadelphia contributes a further aid to the Committee's endeavors by the following resolution of its Stock Exchange.

"WHEREAS, the Federal Reserve Board has, upon the request of the Hon. W. G. McAdoo, Secretary of the Treasury, appointed a Committee of its members to act as a Capital Issues Committee authorized to pass upon such proposals as may be submitted to them in respect to capital expenditures or issues of new securities,-

"RESOLVED, That the Committee on Stock List will require as a condition to the listing of such new capital issues the presentation of the approval of such Committee of the Federal Reserve Board."

One of the very largest public service corporations of the nation, whose activities reach every village, city and town in the country, and whose expenditures are of huge proportions, has informed the Committee of its intention to submit its budget for careful scrutiny.

The Associated Advertising Clubs of the World are cooperating also by discouraging advertisements that would be apt to interfere with the general purposes of the Committee.

An arrangement has been perfected whereby Dr. J. A. C. Chandler, superintendent of schools of Richmond, Va., will spend half of each week in Washington for the purpose of advising the Committee with respect to applications involving the issue of securities for the purpose of erecting school buildings. Dr. Chandler, whose work in this connection will be under the supervision of Commissioner of Education Claxton, will have the advice of Dr. George D. Strayer, of the faculty

of Columbia University, New York, who is serving on the War Savings Committee at Washington, and also that of Lt. Col. L. P. Ayers, a member of the General Education Board, who is now serving as Statistician of the General Staff of the Army. This central body will have at its disposal the facilities of the Bureau of Education throughout the country.

This specialized organization is created because of the very large number of school issues and the necessity of dealing with them also from the educational angle. The Committee is most anxious to avoid, as far as it can be done consistently with a policy of reduction of capital expenditures, the impairment of the facilities for mental training of the growing generation.

A report given out by the Committee shows that from January 12th up to March 28th, inclusive, (although its organization was not perfected until early in February) it has given final disposition to some 157 issues, divided as follows:

	MUNICIPAL	PUBLIC UTILITY	INDUSTRIAL	TOTAL	PERCENT
Approved.....	34	8	5	47	32.00
" "Refunding".	31	33	22	86	54.70
Disapproved....	9	1	5	15	8.30
Curtailed.....	8	0	1	9	5.00
Total-----	82	42	33	157	100.00

The issues aggregated \$300,386,752.17, divided:

	MUNICIPAL	PUBLIC UTILITY	INDUSTRIAL
Total applic'ns--	\$38,039,452.	\$144,296,400	\$118,050,900
Disapproved-----	6,379,000	3,000,000	11,350,000
Approved-----	31,660,452	141,296,400	106,700,900
Less "refunding"--	15,831,912	118,640,000	98,850,900
New Issues-----	15,828,540	22,656,400	7,850,000
New issues last year excluding refunding-----	47,444,365	86,099,075	212,670,900

Analysis of new issues:

Amount of issue--	22,057,540	25,656,400	19,200,000
Amount approved--	15,828,540	22,656,400	7,850,000
Curtailment effected-----	6,229,000	3,000,000	11,350,000

So that, out of a total submitted (exclusive of refunding operations) of \$66,913,940, approval was expressed by the Committee as to \$46,334,940 (69.3%), and disapproval was expressed with respect to \$20,579,000, (30.7%). In addition three applications for a total of \$2,800,000 were submitted informally to the Committee and postponed for the period of the war. The Committee is collecting data from the various districts with respect to applications upon which postponement has been secured locally.