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PAWNBROKING IN EUROPE AND THE UNITED STATES.(a)

BY W. R. PATTERSON, PH. D.

INTRODUCTION.

The original pawn shop is difficult to locate. Early historians were interested in other lines, and only when the royal crown was placed in pawn or the King took steps to curb the cupidity of the hated money lender was the subject of pawns and pledges mentioned. Moreover, the history of pawnbroking is so interwoven with that of usury and banking that its complete separation from these subjects is, for a time at least, an impossibility. From earliest times and with all peoples the system of pledging effects as security for advances in money has existed in some form. In this early period all those who accepted pledges as security for loans were not pawnbrokers in the sense that we to-day use the term.

Of the antiquity of pawnbroking we are assured, but are without a clue as to what may have been its process of metamorphosis from the time of the Jewish law to that of the Roman. Its analogy to banking, the fact that the pawnbrokers later became bankers, would lead to the conclusion that private pawnbrokers existed long before the State took cognizance of the business. It seems probable that the constant taking of articles in pledge, which of necessity demanded their safekeeping to secure the repayment of the loan, suggested the like deposit of money and valuables. In this case the progenitor of the present banking system was originally a pawnshop, instead of a bank which later took up the pawn business.

a The historical portion of this study, now greatly abridged, was originally submitted to the University of Pennsylvania as a doctorate dissertation. The author wishes to take this opportunity to express his gratitude for the uniform courtesy shown him by the city officials and those in charge of the pawnbroking institutions and chattel-mortgage companies whom he had occasion to visit in the course of the preparation of this article.

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BELGIUM.

In 1534 a Flemish priest gave a small sum to establish a pawn bank at Ypres, and in 1572 a similar bank was founded at Bruges. In like manner, September 23, 1607, Martholomew Masurel, a citizen of Lille, announced his intention of willing his property to the city for the founding of a mont de-piété, (*a*) which should, as in the above instances, make advances without interest. But two years later, being desirous of seeing such an effort made during his life, he agreed to endow the undertaking upon condition that the city furnish a suitable building for the purpose. This was readily agreed to, and in 1610 the first loans were made. Meanwhile the decrees given by Albert and Isabella for the control of the business were proving ineffectual, and in 1615 they requested Winchelaus Cobergher to formulate a plan for the introduction of the mont-de-piété into the provinces under their rule. His report was submitted three years later, and after a council of theologians had approved the idea of charging interest he was appointed superintendent-general and authorized to establish monts-de-piété in the several cities of Belgium.

The plan was at once put in operation. With capital supplied by the generosity of its citizens and their sovereign, supplemented by funds gained from the sale of bonds bearing 6¼ per cent interest, the experimental institution was founded at Brussels. Early in 1620 operations were begun at Antwerp and later in the year at Mechlin. But before proceeding further Cobergher introduced a new feature which in the end led to serious difficulties. This was to make the several institutions interdependent, so that the more prosperous would contribute to the success of their less fortunate neighbors. The work proceeded rapidly, and by 1633 some fifteen cities were supplied with monts-de-piété. But this apparent success led Cobergher to overestimate his ability. Without seeking the advice of his superiors he

a Some doubt has arisen as to the early significance of the term "montes pietatis," or "mont-de-piété," as written at present. Gilbart suggests that the word "mont" or "mount" was, at an early period, applied to any pecuniary fund, and thinks that the promoters of the scheme added "pietatis" to give it an air of religion. M. Blaize points out that the word "mont" was employed in the fifteenth century to designate public offices where funds were placed at interest, the "monti" at that time doing a loan business. Others maintain that the word means hill, stating in support of the idea that the bank was situated on a slight elevation, called the "hill of piety," which name attached itself to the institution. The former is perhaps the true meaning of the word "mont," and while "pieta" is not exactly synonymous with the word "piety," it refers to the religious sentiment of its founders and carries with it the idea of aid to the necessitous classes. Yet it is difficult to express the entire title, "mont-de-piété," in our language. To translate it "mountain of piety" or "mountain of charity" conveys little or no idea of the character of the institution, while to render it "bank of charity," as some suggest, is open to the same objection. It seems best not to attempt a translation, but employ it as a new word in our vocabulary.

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incurred a heavy indebtedness and at the same time lowered the rate of interest charged on advances. Yet his efforts might have been successful had not the war with France led to heavy losses on the sale of unredeemed pledges and Isabella drawn upon its funds for the support of the war, but with these conditions present it was necessary to suspend operations in 1649.

The effect of the failure was apparent in the immediate rise of the rate of interest, leading to a general demand for the reorganization of the monts-de-piété, which when effected was destined to be crippled by the interdependent feature. As a result of the wars, cessions of land were made to France which included several of the principal cities; but their new possessor, when asked to share their burden of the debt, positively refused, thereby leaving the entire debt to be met by the remaining cities. They were unable to do this, or even to meet the interest, until the house of Austria took control, in 1752. Under its direction a compromise was effected with the creditors and the administration of the monts-de-piété placed under the immediate control of the Government. But, although the change was beneficial, Joseph II saw fit to again alter it. The plan adopted was, however, denied a practical test, as the revolution of 1789 led to another suspension; and, although again reorganized, the revolutionary legislation of 1793 made further efforts impracticable, and the doors were again closed in 1795. Coming now under the rule of Napoleon, who was an ardent advocate of the mont-de-piété, steps were taken for a reorganization in accordance with the laws of France, and prior to 1814 ten of the principal cities were again supplied. William carried on the work begun by Napoleon, and by 1830 had added twelve monts-de-piété to the list. But his principal service was the enactment of the law of 1826, whose provisions govern the business in Holland to-day. In Belgium, however, after its separation from Holland, the strict control of the central authorities was deemed obnoxious, and the law of 1836, which gave the cities full control, was allowed to supplant it. The result was disastrous. The cities abused their privilege, and at once sought to make the mont-de-piété a source of revenue. In short, the charitable nature of the institution was soon so far forgotten that the Government appointed a committee "to investigate and suggest a method of reorganization," and one year later the committee made a report to which the present law, enacted in 1848, owes its most efficient provisions.

At first, with the central and local power practically nil, a strong superintendent, ignoring his advisers, led to failure. As a remedy, the number of advisers was increased and the superintendent deprived of his initiative. But the action was sluggish, and the lack of immediate responsibility on the part of the members of the committee led to extremes that made reorganization again necessary. Direct control by the Government was substituted, but political events hindered its operation, and change followed change until the law of 1826. In this

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the local authorities were recognized, but their work was closely supervised by the provincial and central governments. On the whole, the plan was a success, but lacked flexibility; while its substitute, by removing all central control, was entirely too flexible.

THE PRESENT LAW.

Under the law of 1848 the managing board consists of five persons nominated by the communal council, one of whom is a member of the board of charities (*Bureau de Bienfaisance*), and one a member of the asylums board (*Administration des Hospices*). The law provides that the decision of the communal council with regard to the following points must be submitted to the permanent delegation of the provincial council and to the King: Amount and rate of interest upon loans to be contracted by the mont-de-piété, the rate of interest to be charged to borrowers, the conditions to be observed for gratuitous loans, the expenses of administration, the organization of the staff, the amount of their salaries and security, the number and organization of the auxiliary offices, the period within which unredeemed pledges may be sold and the conditions of sale. A copy of the budgets and accounts, after the approval of the communal council, is sent to the permanent delegation, who are to transmit it, with their observations, to the central government; and, lastly, the central authorities may cause the inspection of any institution whenever they shall deem it necessary.

The regulations as to funds were made more effective. Heretofore considerable confusion existed as to the law on this point. For example, in Brussels the mont-de-piété had been compelled to receive all the surplus funds of the charitable institutions, so that it was often paying interest on three and a half times more money than it was using in the business. To make the point clear, the law provided that, "in the absence of any endowments, gifts, or bequests, the public board of charities shall continue to provide, within the limit of their resources and upon the most favorable conditions, the necessary funds for the work of the mont-de-piété." In case of any dispute the communal council decides, subject to the approval of the permanent delegation of the provincial council, the respective amount of the contribution to be supplied by each institution. But, should these amounts prove inadequate, the communal council is authorized to make up the deficiency. If, however, its means do not allow of such a course, and if no subsidy is granted, either by the province or State, then the mont-de-piété is to be abolished.

Another wise provision, and one in which the Belgian law is in advance of that of other countries, is to the effect that profits arising after paying the expenses of management and interest upon sums borrowed, as also the unclaimed surplus, shall be first applied to the payment of borrowed funds, after which it shall be used to form an endowment necessary to provide for the operations of the institution. When this endowment is sufficiently large to meet all loans and cover

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expenses, "the yearly profits shall be devoted to making loans, interest free, to indigent persons, and to the formation of an endowment for that purpose." When this second endowment reaches the amount fixed by the constitution (*Reglement Organique*), the yearly profits are to be paid to the charitable institutions of the city.

Interest upon advances is reckoned day by day until the date of repayment, but no loan, whatever the value of the pledge or the length of the deposit, may be settled for less than 5 centimes (1 cent). To render the redemption as easy as possible, pawners are permitted to pay their advance by installments and to redeem in succession the several articles forming a single pledge.

It was noted that the law of 1826 requiring the gratuitous refunding of stolen or lost articles placed in pawn caused general dissatisfaction. The present law, however, effects a most successful compromise. It provides that such an article may be gratuitously redeemed any time within a period of six months from the date of pawning, if the same has been accepted after the director of the institution has been informed as to the loss of the article, either by the police or the owner, and a description of the same furnished him. If, however, the article has not been claimed within that period, or a description of it been supplied prior to its acceptance, the owner to obtain the same must pay the amount advanced thereon, together with interest due.

The question as to whether new goods and merchandise should be taken in pawn elicited a great amount of discussion. Those in favor of the idea pled a desire to assist the small merchant, who, pressed to meet a payment, could pawn a portion of his goods and so save the entire stock. Their opponents claimed this would only open an avenue whereby an expectant bankrupt could defraud his creditors. The committee, being unable to decide the point, submitted it to the decision of 44 eminent jurists, who by a vote of 31 to 13 decided in favor of the acceptance of new merchandise in pawn. The law therefore provides that loans upon new goods, deposited by the same owner, shall not exceed 1,000 francs ($193). But no loan shall be made save in the presence of the director or his deputy, and unless the pawner furnish proof of his identity.

CONSTITUTION OF THE MONT-DE-PIÉTÉ OF BRUSSELS.

The constitution (*Reglement Organique*) for the mont-de-piété of Brussels was ratified May 25, 1891. By its provisions the managing board is authorized to nominate, suspend, and dismiss any of the employees of the institution except the director or the registrar, who are nominated by the common council upon presentation by the managing board of a list of three candidates for each position. Each official, before assuming his duties, is required to furnish security (*cautionment*) in the form of real property, public funds of the State or guaranteed by the State, bonds of the province of Brabant, bonds of the city of Brussels, or cash. The interest to be paid on funds so

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deposited is fixed by the board, but in case of cash not over 4 per cent is allowable. For the director this security is fixed at 40,000 francs ($7,720), while the registrar is required to furnish 20,000 francs ($3,860), the board determining the amount for the remaining officers, save the receiver and paying clerk, whose deposit is 10,000 francs ($1,930) each.

With the exception of the following articles all personal property (*effets mobiliers*) is subject to pledge: Tools of workmen; weapons and articles of equipment of noncommissioned officers and privates of the army, the civic guard, the corps of firemen, and agents of the police; decorations and badges conferred by the Belgian Government; articles derived from relief granted by public institutions of charity; articles and ornaments which are or have been in use for the performance of a form of public worship; titles, deeds, bonds, and public or commercial securities. In addition to these, Antwerp refuses to receive eatables, liquids, drugs, or any merchandise subject to prompt deterioration or decay; all articles, pictures, engravings, drawings, or other objects of art which by their nature, weight, or dimensions are not suitable to be placed in its storerooms, and, in times of contagious diseases, any article not properly disinfected. In both cities articles whose estimated value falls short of 2 francs ($0.386) are also refused, while in Brussels the board of management may refuse to lend more than 1,500 francs ($289.50) on a single pledge, and only under exceptional circumstances will the sum of 3,000 francs ($579) be advanced.

On articles of gold and silver or jewels four-fifths of their intrinsic value may be advanced; on all other articles, two-thirds of the estimated value. The borrowers may, however, pledge goods for a less sum than this, save when the estimated value is 500 francs ($96.50) or over, when at least one-half of the value must be advanced. The appraisal is made by persons responsible to the institution for any loss arising from the sale of articles appraised by them, providing that the loss exceeds in any year 600 francs ($115.80) for each appraiser in the central office and 300 francs ($57.90) for each appraiser employed in the branch offices. All loans are made for 12 months and are subject to renewal at any time upon payment of interest due, but no renewal may be made without a reappraisal of the pledge. Articles not redeemed or renewed at the expiration of the loan period are sold a month later, and any surplus resulting from such sale is kept for two years at the disposal of the rightful owner. In all cases the expense of sale, 5 per cent of the purchase price, is borne by the purchaser.

While the institution is not responsible for loss resulting from circumstances beyond its control, such as fire, riots, and plundering, yet in case any article is lost or mislaid its value is paid to the owner; such value to be the amount advanced plus 25 per cent of the same in case of gold or silver articles and jewels and 50 per cent in the case of other goods, or else the amount of the intrinsic value or the estimate of the appraiser.

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Whenever articles suspected of being lost or stolen are offered in pledge the loan may be deferred for 24 hours and the articles detained by the mont-de-piété. In such cases the police are notified, and if after due investigation no evidence is produced against the legitimacy of the pledge the advance is made or pledge returned. If, however, articles accepted in pawn prove to be lost or stolen goods, the owner may only secure his property by paying the institution the amount advanced on the same, together with accrued interest.

RESULTS OBTAINED AND BUSINESS DONE BY THE MONTS-DE-PIÉTÉ OF BELGIUM.

The provision of the law which directs that the profits and unclaimed surplus of the business shall be applied to the repayment of borrowed funds, and after that go to form a permanent capital for the institution, has placed the monts-de-piété of Belgium on a firm financial footing. Already several of them have an accumulated capital almost sufficient to meet their needs, many paying a very small interest on borrowed funds, while in others a larger amount of capital must be obtained by borrowing. Yet in 1895 the 17 institutions of the country paid only 151,523 francs ($29,243.94) interest on borrowed funds; and since these funds were obtained at the very reasonable rates of from 3 to 5 per cent per annum the sum total borrowed must have been about 3,800,000 francs ($733,400), or, roughly, one-third of the total amount loaned on articles pledged and renewed. The showing for Brussels is not so favorable. In the same year the city paid out 98,066 francs ($18,926.74) in interest for borrowed funds, and that at a rate varying from 3 to 4 per cent per annum, which indicates that more than 50 per cent of the amount loaned on articles pledged and renewed must have been borrowed. Antwerp found it necessary to pay 5 per cent on its borrowed capital, yet its total expense for interest was only 6,347 francs ($1,224.97), showing that in making a loan of 2,124,954 francs ($410,116.12) it was necessary to borrow only about 126,940 francs ($24,499).

The following table shows the number of articles pledged and renewed, redeemed, and sold at the monts-de-piété of Belgium, together with the total and average loans on such articles for the years 1889 to 1895:

ARTICLES PLEDGED AND RENEWED, REDEEMED, AND SOLD AT THE MONTS-DE-PIÉTÉ OF BELGIUM, AND TOTAL AND AVERAGE LOANS ON SUCH ARTICLES, 1889 TO 1895.

Year.	Pledged and renewed.			Redeemed.			Sold.		
	Articles.	Amount loaned.	Average loan.	Articles.	Amount loaned.	Average loan.	Articles.	Amount loaned.	Average loan.
1889	993,308	$2,321,008	$2.34	942,079	$2,295,429	$2.44	46,815	$105,413	$2.25
1890	966,882	2,234,522	2.31	924,089	2,180,251	2.36	45,781	101,062	2.21
1891	1,010,897	2,257,731	2.23	933,672	2,162,059	2.32	45,352	96,758	2.13
1892	956,480	2,161,078	2.26	932,740	2,176,194	2.33	48,176	97,459	2.02
1893	880,014	2,046,268	2.33	858,675	2,074,118	2.42	44,636	98,829	2.21
1894	874,696	2,041,471	2.33	837,688	2,034,898	2.43	38,991	90,510	2.32
1895	891,756	2,135,378	2.39	845,617	2,061,824	2.44	37,795	100,256	2.65

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Available reports do not make a distinction between the articles pledged for the first time and those renewed, so that a study as to the frequency of renewals is precluded. The total number of pledges received has declined from 993,308 in 1889 to 891,756 in 1895. The smallest number of pledges received in 1895 by any institution was 4,979 at Courtrai, and the highest 326,644, or 37 per cent of the total for the country, at Brussels. The average loan was 12.11 francs ($2.34) in 1889 and 12.40 francs ($2.39) in 1895, the lowest point, 11.57 francs ($2.23), having been reached in 1891, when a marked increase in the number of pledges occurred. The average at Brussels, however, was somewhat higher, being 16.49 francs ($3.18) in 1895, while that at Alost was much smaller, being only 3.37 francs ($0.65).

The number of articles redeemed has also fallen since 1889, but the average loan, contrary to the usual experience, has not only approximated very closely to the average on articles pledged and renewed, but has even exhibited a slight tendency to exceed it. In 1895, if we take the number pledged and renewed as a basis, we find that 94.83 per cent of the articles received were redeemed, leaving but 5.17 per cent to be sold at auction. Such per cents are, of course, only approximate, as the pledges redeemed were not all received in 1895, but the error arising from such a process is slight. The following table shows the number of articles pledged and renewed, classified according to the amount loaned on each, together with the number of loans on new merchandise:

ARTICLES PLEDGED AND RENEWED AT THE MONTS-DE-PIÉTÉ OF BELGIUM, BY SIZE OF LOANS, 1889 TO 1895.

Size of loan.	Articles pledged and renewed.						
	1889.	1890.	1891.	1892.	1893.	1894.	1895.
Under 5 francs ($0.965)	488,763	472,840	503,066	483,558	440,277	436,148	436,714
5 to 10 francs ($0.965 to $1.93)	246,300	245,572	257,116	235,323	214,611	215,148	222,550
10 to 50 francs ($1.93 to $9.65)	203,968	196,975	198,193	186,195	175,597	174,228	180,828
50 to 100 francs ($9.65 to $19.30)	32,589	30,970	30,660	29,856	28,875	28,500	29,792
100 to 500 francs ($19.30 to $96.50)	14,303	13,799	13,266	13,287	12,806	12,706	13,180
500 francs ($96.50) or over	709	699	712	749	716	765	901
Total	986,632	960,855	1,003,013	948,968	872,882	867,495	883,965
New merchandise	6,676	6,027	7,884	7,512	7,132	7,201	7,791
Grand total	993,308	966,882	1,010,897	956,480	880,014	874,696	891,756

Of 891,756 articles pledged and renewed in 1895, 436,714 or 49 per cent of the total received obtained an advance of less than 5 francs ($0.965), 222,550 or 24.9 per cent of the total were for sums of from 5 to 10 francs ($0.965 to $1.93), 224,701 or 25.2 per cent were for sums above that amount, while the remaining 7,791 or 0.9 per cent comprised new merchandise not classified. In Brussels the number of articles on which an advance of less than 5 francs ($0.965) was made constituted 41.8 per cent of the total, those for advances of from 5 to 10 francs ($0.965 to $1.93) 26 per cent, leaving 31.7 per cent for loans of greater amounts and 0.5 per cent for new merchandise not classified.

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The amount loaned on articles sold, the expenses and interest on the same, the amount received from sales, and the surplus are shown in the following table for the years 1889 to 1895:

LOANS ON ARTICLES SOLD, RECEIPTS FROM SALES, AND SURPLUS OF MONTS-DE-PIÉTÉ OF BELGIUM, 1889 TO 1895.

	1889.	1890.	1891.	1892.	1893.	1894.	1895.
Amount loaned on articles sold	$105,413	$101,062	$96,758	$97,459	$98,829	$90,510	$100,256
Interest and expenses	10,681	10,275	11,581	11,232	11,064	8,559	9,276
Total	116,094	111,337	108,339	108,691	109,893	99,069	109,532
Amount received from sales	141,745	139,024	133,451	130,239	133,057	122,707	134,433
Provisional surplus	28,660	30,319	29,688	27,502	28,265	26,347	27,131
Amount of surplus reclaimed	20,689	22,942	22,887	20,578	20,401	19,979	19,544
Unclaimed surplus	6,487	6,543	6,609	6,913	6,661	5,749	6,419

In general about 5 per cent of all pawns received come to auction. With the exception of 1895, the average loan from 1889 to 1895 on these articles was below that on articles pledged and renewed or redeemed. This is peculiar to Belgium, as in other countries it will be found that the average loan is higher on articles sold than on those redeemed or pledged, showing the difficulty experienced in redeeming articles of considerable value. In 1895 the 37,795 articles sold represented a loan of 519,463 francs ($100,256.36), which, together with interest and charges, amounted to 567,525 francs ($109,532.33). The amount realized at the sale was 696,543 francs ($134,432.80). The provisional surplus was 140,577 francs ($27,131.36). The amount of surplus unclaimed under the two-year limit was 33,257 francs ($6,418.60), which was forfeited to the institution. In the same year Brussels sold 12,530 articles on which a loan of 160,902 francs ($31,054.09) had been made, which was increased by interest and expenses to 172,542 francs ($33,300.61). The amount realized from the sale was 239,220 francs ($46,169.46), the provisional surplus was 68,244 francs ($13,171.09), and the amount of surplus claimed by the owners inside of the two-year period was 52,941 francs ($10,217.61).

The rate of interest charged on loans varies from 4 to 16 per cent per annum. This minimum rate of 4 per cent in Ghent is increased by a fixed fee of 2 per cent at the time the pawn is received and 1 per cent at the time it is redeemed, but the amount of either of these fees may not exceed 1 franc ($0.193). In like manner the rate in Liege is 5 per cent, but there is also a fixed fee of 1 per cent on pledging and a commission of $\frac{1}{4}$ per cent per month. Bruges has a rate varying from 8 to 12 per cent per annum, but all loans of 5 francs ($0.965) or less are interest free. Courtrai charges from 12 to 15 per cent per annum in proportion to the amount advanced; Huy makes a like gradation varying from 7 to 15 per cent, and Namur from 10 to 16 per cent per annum. The lowest rate without charges is that of Brussels—6 per cent per annum; but the rate in Antwerp very closely approaches it. Prior to

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1897 Antwerp had charged 8 per cent per annum, but in March of that year it was decided to lower this to 4 per cent for clothing and bedding and 7½ per cent on all other pledges.

The net profit of the monts-de-piété of Belgium in 1889 was 109,870 francs ($21,204.91). In 1890 it rose to 112,834 francs ($21,776.96), and in 1895 it had fallen to 64,652 francs ($12,477.84). The net profit in Brussels in 1895 was 19,651 francs ($3,792.64), and in Antwerp 13,617 francs ($2,628.08).

HOLLAND.

In 1614 the principal pawnshop (*Groote Banck van Leening*) of Amsterdam was established, and Ferdinand of Bavaria, influenced by the feasibility of the scheme and Cobergher's success in neighboring provinces, invited him to introduce a similar system into the principality of Liege. But because of his work in Belgium, Cobergher was unable to accept the invitation, and Ferdinand assigned the task to Simon Mouillet, who adopted a plan superior to that of Cobergher's, in that the interdependent feature was a sort of mutual insurance which extended only to losses incurred by fire and pillage. From this point, however, the history of Holland is so closely allied with that of Belgium that a further discussion of the development of the business is unnecessary.

DECREE REGULATING THE PAWNBROKING BUSINESS IN HOLLAND.

The preamble of the decree of 1826, which still finds application, recites that under the present condition of society it is necessary to have some public institution authorized to loan upon pawns, thereby affording a source of relief in times of pressing need and protecting the borrower against usury. It further points out that such institutions should be organized as advantageously for the borrowers as the nature of the business will permit, and with this as its avowed purpose the law of 1826 was framed. By its provisions the formation of new pawn banks (*banken van leening*), or any change in the form of those already authorized, as well as the approval of the rules governing them, is made subject to the royal sanction. All such banks are declared to be charitable institutions, and as such are placed in the hands of the municipal authorities. Their administration is by the president of the local government, or a member of the same appointed by him, who, together with certain others named by the local administration, form a committee of administration which exercises control under the surveillance of the provincial government and the Government itself. In cities, however, where the care of the poor is given over to certain officials, the members of the above committee are appointed upon the nomination of that body. In general the local government is author-

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ized to see that the business is conducted with the greatest economy and only such officers employed as are absolutely required for the service. The director, if that official is considered necessary, is appointed by the local government upon the nomination of the committee of administration. All other officers are named by the committee upon the recommendation of the director. Each officer is required to take an oath to faithfully perform his duties and keep secret all business of the institution except in cases where they are called upon to act as witnesses.

The capital necessary for the founding of a bank, as well as that used in its business, is made up of funds belonging to the bank and those bequeathed to it; the bonds (*borgtochten*) of its officers and agents and those of such employees of the city and public institutions as the local administration may direct; the funds of the city or commune in which the institution is located, or of charitable institutions having a share in its profits; unused funds of other institutions which the administration is authorized to employ, and, if necessary, funds obtained by loan. The interest paid on money so obtained may not exceed 5 per cent per annum, but public institutions advancing funds have the option of accepting the regular rate of interest or sharing the profits of the business.

The rate of interest to be paid on advances is fixed by special rules adopted with others for the regulation of the institution at the time of its founding, which rate may be lowered as circumstances permit. A peculiarity of the law, however, is that the interest may vary with the amount loaned, but not with regard to the character of the pawns. Charges for the pawn ticket, for special services, or for any reason whatever are prohibited; but if the interest due is less than the smallest coin in the currency, the coin is paid in full, and in the reckoning of interest all fractions are counted in favor of the institution. According to the decree real estate is not subject to pawn, nor are bonds, stocks, public or commercial effects, objects and ornaments belonging to the church, military goods, weapons, artisans' tools or instruments necessary to carry on any trade, or any article whose value is not sufficient to secure a loan of 0.5 florin ($0.201). And it is further provided that in times of contagious diseases clothing and other articles which may carry contagion may be refused until they have been properly fumigated and purified.

Each bank is obliged to keep a register, supplied by the local governor, which must at least contain a record of the sum loaned, a description of the pawn, and the value of the same. For every pledge received a ticket is given which shows clearly the nature of the pawn and the amount advanced on the same. The matter of appraisal is left subject to the rules of each institution, but those making the valuation must take an oath to fix the sum neither above nor below the value of the

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pawn. If articles are offered in pawn which are known or suspected to have been stolen, the loan may be postponed for twenty-four hours, at the end of which time, unless judicial steps have been taken which may make a further postponement or detention necessary, the loan must be made or the pledge returned. In case, however, an article accepted in pledge is found to have been stolen or lost, the proprietor, upon furnishing the officials satisfactory proof of its ownership, or presenting an order from the court, may obtain it without paying either the advance or accrued interest. In like manner the banks are liable for any damage resulting to a pledge in their possession, unless it is proved that the damage was the result of causes which could in no wise have been prevented.

All advances are subject to renewal upon the payment of interest, but if not redeemed or renewed within fourteen months from the date of the loan the pledge may be sold at public auction in accordance with the rules of the institution, which also fix the auction charge. If, however, when first offered the pledge does not bring an amount sufficient to cover the loan, it may be reserved for a second sale, and in all cases any surplus derived from the sale is held for twenty months at the disposal of the rightful owner.

To avoid the expense of establishing branch banks for the convenience of patrons living in outlying districts of the city, the law authorizes the employment of commissioners (*inbrengers*). Such persons, as representatives of the bank, are subject to appointment and dismissal by its administration and are required to give a bond, the amount of which is fixed by the same body. They are subject to the rules prescribed for the main institution, and, aside from being under the surveillance of the officers appointed for that purpose, are held responsible for losses arising from the acceptance of stolen pawns. At the close of each day they are required to forward all pawns received and submit a complete record of the business done. They also act as intermediaries for the redemption of pledges, receiving for their services such fees as the rules of the administration allow.

Finally, the banks are authorized to receive gifts or bequests given with the proviso that they are to be loaned gratis, or to receive money on the same condition from charitable institutions. Such loans are to be made with the same formality as the advances, but only to persons whose means of subsistence have been temporarily suspended by sickness, fire, or unavoidable accidents.

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PRESENT STATUS OF THE PAWNBROKING BUSINESS IN HOLLAND.

In the following table the special features of the several pawn banks of Holland are shown:

SPECIAL FEATURES OF PAWN BANKS OF HOLLAND.

City.	Character of bank.	Proportion of value loaned.	Branch offices.	Commissioners.	Months prior to sale of pledge.	Interest on various classes of loans.	
						Amount of loan.	Per cent of interest charged.
Amsterdam	Communal.	(a)	11	.....	6 and 15	$0.16 to $1.21	8
						1.21 to 4.02	10
						4.02 to 4,020.00	13
Haarlem	Communal.	$\frac{4}{5}$ and $\frac{2}{3}$	.....	6	15	.40 to 120.60	12
						120.60 to 201.00	9
						201.00 or over.	$8\frac{2}{3}$
Enkhuysen	Communal.	$\frac{2}{3}$	.....	.....	16	.20 to 40.20	12
						40.20 or over.	10
Texel	Communal.	$\frac{2}{3}$	.....	.....	14	(b)	12
The Hague	Communal.	(c)	2	.....	15	.20 to 40.20	9
						40.20 to 80.40	8
						80.40 or over.	7
Delft	Communal.	$\frac{3}{4}$ and $\frac{2}{3}$	.....	.....	14	.20 to 40.20	13
						40.20 or over.	12
Gouda	Communal.	(c)	.....	1	14	.16 to 40.20	12
						40.20 to 120.60	10
						120.60 or over.	$7\frac{1}{2}$
Leyden	Communal.	$\frac{3}{4}$	2	.....	15	.40 to 80.40	12
						80.40 to 120.60	9
Maassluis	Leased	$\frac{2}{3}$	.....	.....	15	(b)	13
Rotterdam	Communal.	(d)	3	.....	15	.20 to 8.04	12
						8.04 to 80.40	10
						80.40 or over.	8
Flushing	Communal.	$\frac{2}{3}$	.....	.....	14	(b)	16
Bois-le-Duc	Communal.	$\frac{4}{5}$ and $\frac{2}{3}$	.....	.....	14 and 17	(b)	12
Bergen-op-Zoom	Communal.	$\frac{4}{5}$ and $\frac{2}{3}$	.....	.....	14	(e)	15 and 13
Breda	Communal.	$\frac{4}{5}$ and $\frac{2}{3}$	.....	.....	15, 16, and 17	(b)	12
Maestricht	Communal.	$\frac{3}{4}$ and $\frac{2}{3}$	1	.....	14	.20 to 10.05	14
						10.05 to 20.10	10
						20.10 to 80.40	8
						80.40 or over.	7
						(f)	5
Arnhem	Communal.	$\frac{2}{3}$	1	.....	14	.20 to 40.20	16
						40.20 to 201.00	12
Elburg	Leased	$\frac{2}{3}$	.....	.....	14	(b)	15
Nymwegen	Communal.	$\frac{2}{3}$	.....	.....	12	.20 to 40.20	14
						40.20 or over.	10
Zwolle	Communal.	$\frac{4}{5}$ and $\frac{2}{3}$	.....	.....	14	(e)	9, 10, and 12
Deventer	Communal.	$\frac{9}{10}$ and $\frac{7}{16}$	.....	.....	14	(b)	10
Kampen	Communal.	$\frac{1}{2}$	.....	.....	14	(e)	18, 12, and 10
Groningen	Communal.	$\frac{2}{3}$	.....	2	$13\frac{1}{2}$	.20 to 80.40	12
						80.40 or over.	10
Leeuwarden	Communal.	$\frac{4}{5}$ and $\frac{2}{3}$	1	.....	14	.20 to 20.10	12
						20.10 to 40.20	10
						40.20 to 60.30	8
						60.30 or over.	6
Bolsward	Communal.	$\frac{2}{3}$	.....	.....	14	.20 to 40.20	12
						40.20 or over.	10
Harlingen	Leased	(a)	.....	.....	14	.12 to 40.20	12
						40.20 or over.	10
Lemsterland	Communal.	$\frac{2}{3}$	.....	.....	14	.30 to 20.10	15
						20.10 to 40.20	12
						40.20 to 120.60	10
Smallingerland	Leased	$\frac{3}{4}$	.....	.....	14	.20 to 10.05	16
						10.05 to 20.10	14
						20.10 to 40.20	12
						40.20 or over.	10
Sneek	Leased	$\frac{2}{3}$ and $\frac{3}{4}$	.....	.....	.....	(b)	10

a As near the auction value as possible.
b Any amount.
c Entire auction value.
d Four-fifths of auction value.
e Not reported.
f For pensioners.

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The law of 1826 authorizing the communes or municipalities to found pawn banks gave rise to the communal (*gemeentelijke*) and the leased (*verpachte*) banks, and by failure to deny the right to individuals made possible a large class of private pawnbrokers. The communal pawn banks are those conducted directly by the municipality; the leased are found in cases where the municipality has given the business into the hands of private parties or corporations for a limited number of years upon payment of a fixed rent, while the private are the result of individual enterprise and subject to no legal restrictions.

The leased banks are rapidly decreasing in number, and in 1895 but five of the twenty-eight pawn banks of the country belonged to that class, and those were found in the unimportant cities. In the line of legal restrictions they are subject to the law of 1826 and such regulations as are sanctioned by the Government at the time of their founding. In this they do not differ from the communal banks, but the regulations for the leased banks make no mention of administration or the disposition of the profits, that being naturally left in the hands of the lessee. In the communal banks, on the contrary, a definite commission directs the business, and the profits are paid to the commune or go to form a reserve fund for the institution. In Amsterdam and Rotterdam, for example, the bank is gratuitously administered by a commission of five members appointed by the communal council, the immediate management being left to a secretary or director, who executes the orders of the commission. At Haarlem and The Hague, however, the commission has but four members.

The inability of many in the larger cities to reach the main bank led to the founding of branch banks (*bij- of hulpkantoren*) and to the deputizing of commissioners. Formerly the latter method found favor, but the many abuses arising from the plan gradually led to its disuse, until at present the commissioners have been supplanted by the branch banks in all but three cities. In Amsterdam an effort has been made to make the main bank a storehouse for the more valuable pledges and allow the branches to deal with the patrons. To this end the receipt of pawns by the main bank, save those sent in by the branches, is discouraged, and the following directions given as to the pawns to be forwarded to it by the branches: All pledges on which 2.5 florins ($1.005) or less have been advanced are to be held by the branch banks receiving them; all woolen articles on which 3 florins ($1.206) have been advanced, and gold and silver pledges on which loans of from 3 to 9 florins ($1.206 to $3.618) have been made, are to be held three months before forwarding, while gold and silver articles on which loans of from 10 to 100 florins ($4.02 to $40.20) have been advanced, if not redeemed within a month, as also all articles of a greater value unredeemed at the expiration of ten days, are given over to the main bank for safekeeping.

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The private pawnbroker enjoys the greatest freedom in his business. He pays no license fee, is subject to no regulations as to interest or charges, and is not recognized by the new penal code of 1886. Moreover, not being subject to the law of 1826, he is able to make loans on articles the communal banks can not accept, such as real property, ornaments, symbols, etc., used for ecclesiastical purposes, articles belonging to charitable institutions, military goods, stores, weapons, tools, machines or implements required by workmen, bonds, shares, and public securities. But, aside from doing a pawn business in the lines denied the regular banks, these private brokers conduct houses of purchase with right of repurchase (*Huizen van koop met recht van weder-in-koop*)—that is, instead of pledging an article it is sold to the broker, the owner having the option of repurchase at an advanced price within a determined period. Lastly, they purchase the pawn tickets given by the communal banks, and so obtain the right to the surplus arising from the sale of the corresponding pledges.

As a rule the appraisal of articles offered in pledge is placed in the hands of persons responsible to the bank for any loss arising from the sale of unredeemed pledges. The system, however, is not so ironclad as that of France, as the administration of the bank may, and quite frequently does, suspend the rule. The basis for the advance varies with the several cities. In Amsterdam no rule can be given. An effort is made to loan as near the auction value as possible, but in the case of loose diamonds 30 per cent of the estimated value is advanced. Practically the same plan is followed by Gouda and The Hague, while in other places from two-thirds to three-fifths of the estimated value of clothing is usually advanced, and from three-fourths to four-fifths of the value of gold and silver articles as fixed by weight.

All cities supply the pawn banks with registers which, instead of merely calling for the data required by the law of 1826, usually direct that the following points be recorded: Number of the pledge; date of pledging; name of the owner, his trade, age, and residence; description of the article pawned, its valuation, and the amount advanced on the same, and the interest to be paid. A ticket must be given in receipt for each article, which usually bears the name of the bank, the date, name of the owner, a description of the article, its valuation, the amount loaned, the interest to be paid, the time when the pledge will be forfeited unless redeemed or renewed, and such other items or instructions as the committee of administration may think proper to have given or placed upon the ticket.

In the preceding table the column for interest shows the minimum loan, and also the maximum, where that is fixed. With the exception of Amsterdam and Zwolle, in cities with a graduated rate the interest decreases as the amount of the loan increases, the per annum rate on the smallest loan usually being 12 per cent and sinking to 10 or lower

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for larger amounts. In all cases interest is charged only for the exact number of days the pawn remains in possession of the bank, instead of counting fractional weeks or months as whole ones, as is the custom in many countries.

The following table gives the fees allowed on pledges received by the branch banks or the commissioners for the four principal cities of Holland:

FEES ALLOWED ON PLEDGES RECEIVED BY THE BRANCH BANKS OR THE COMMISSIONERS FOR THE FOUR PRINCIPAL CITIES OF HOLLAND.

Amsterdam.		Haarlem.		The Hague.		Rotterdam.	
Amount of loan.	Fee.	Amount of loan.	Fee.	Amount of loan.	Fee.	Amount of loan.	Fee.
$0.16 to $0.24....	$0.004	$0.40 to $0.80.	$0.008	$0.40 to $0.80...	$0.008	$0.20 to $0.30...	$0.004
.24 to .36....	.008	.80 to 2.41.	.020	.80 to 2.01...	.016	.30 to .80...	.008
.36 to .50....	.010	2.41 to 4.02.	.028	2.01 to 4.02...	.024	.80 to 2.01...	.016
.50 to .60....	.012	4.02 to 6.03.	.040	4.02 to 8.04...	.032	2.01 to 4.02...	.024
.60 to .80....	.016	6.03 to 8.04.	.048	8.04 to 12.06...	.040	4.02 to 8.04...	.032
.80 to 1.01....	.020	8.04 to 12.06.	.060	12.06 to 20.10...	.048	8.04 to 12.06...	.040
1.01 to 1.41....	.024	12.06 to 16.08.	.080	20.10 to 30.15...	.060	12.06 to 20.10...	.048
1.41 to 1.81....	.028	16.08 to 20.10.	.100	30.15 to 40.20...	.072	20.10 to 30.15...	.060
1.81 to 2.01....	.032	20.10 to 24.12.	.120	Every $8.04 above $40.20.	.008	30.15 to 40.20...	.080
2.01 to 2.41....	.034	24.12 to 28.14.	.140			Every $4.02 above $40.20.	.008
2.41 to 2.81....	.036	28.14 to 32.16.	.160				
2.81 to 3.22....	.038	32.16 to 40.20.	.180				
3.22 to 4.02....	.040	40.20 to 80.40.	.240				
4.02 to 9.65....	.050	80.40 to 120.60.	.280				
9.65 to 40.20....	.060	120.60 to 201.00.	.400				
40.20 or over....	.101	201.00 to 402.00.	.600				

In addition to the regular interest the branch banks and the commissioners are allowed to levy a fee to cover the cost of administration, or to compensate the commissioner for his labor. While such charges are invariably small, being less than 1 cent on the smallest loans, they nevertheless materially increase the regular rate on small short-time loans. Notwithstanding this increase, however, the rates for Holland average as low or lower than those of other countries. On small loans the fees charged in Amsterdam are about the same as those charged in Rotterdam and The Hague, but are somewhat lower on large amounts. In Haarlem, where commissioners instead of branch banks are used, the charges for making advances, except on the smallest loans, are considerably higher than in other places.

In the two tables following are shown the number of articles pledged, redeemed, and sold at the pawn banks, together with the total and average loans on such articles. The first table gives figures for the whole of Holland for the years 1885 to 1895, the second for the four principal cities of Holland for the year 1895.

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ARTICLES PLEDGED, REDEEMED, AND SOLD AT PAWN BANKS OF HOLLAND, AND TOTAL AND AVERAGE LOANS ON SUCH ARTICLES, 1885 TO 1895.

Year.	Pledged.			Redeemed.			Sold.			Amount outstanding at end of year.
	Articles.	Amount loaned.	Average loan.	Articles.	Amount loaned.	Average loan.	Articles.	Amount loaned.	Average loan.	
1885..	2,420,685	$3,115,127	$1.29	2,308,175	$2,995,453	$1.30	64,640	$76,723	$1.19	$1,153,171
1886..	2,431,901	2,976,265	1.22	2,372,671	2,934,096	1.24	68,322	82,010	1.20	1,090,797
1887..	2,491,437	2,958,234	1.19	2,419,643	2,886,364	1.19	70,351	81,915	1.16	1,080,753
1888..	2,519,852	2,920,123	1.16	2,426,710	2,829,332	1.17	68,179	78,292	1.15	1,093,024
1889..	2,514,499	2,863,128	1.14	2,451,252	2,812,557	1.15	66,791	80,590	1.21	1,053,639
1890..	2,550,767	2,827,077	1.11	2,459,981	2,745,057	1.12	65,799	69,494	1.06	1,054,498
1891..	2,584,226	2,801,450	1.08	2,486,542	2,704,653	1.09	64,505	68,239	1.06	1,082,938
1892..	2,535,433	2,737,662	1.08	2,514,920	2,705,105	1.08	70,717	72,610	1.03	991,340
1893..	2,330,349	2,580,236	1.11	2,287,787	2,546,381	1.11	67,955	68,971	1.01	927,492
1894..	2,275,477	2,409,150	1.06	2,231,886	2,389,963	1.07	66,697	67,519	1.01	879,109
1895..	2,126,245	2,294,937	1.08	2,088,531	2,256,204	1.08	65,921	64,549	.98	853,616

ARTICLES PLEDGED, REDEEMED, AND SOLD AT PAWN BANKS OF FOUR PRINCIPAL CITIES OF HOLLAND, AND TOTAL AND AVERAGE LOANS ON SUCH ARTICLES, 1895.

City.	Pledged.			Redeemed.			Sold.			Amount outstanding at end of year.
	Articles.	Amount loaned.	Average loan.	Articles.	Amount loaned.	Average loan.	Articles.	Amount loaned.	Average loan.	
Amsterdam	762,246	$906,913	$1.19	745,542	$883,608	$1.19	24,572	$23,220	$0.94	$398,258
Rotterdam	447,413	452,255	1.01	443,683	451,582	1.02	14,727	16,018	1.09	129,382
The Hague	179,386	252,975	1.41	178,640	247,160	1.38	3,585	4,600	1.28	91,535
Haarlem	65,035	74,350	1.14	64,049	73,588	1.15	1,974	2,402	1.22	21,932

While the amount loaned in Holland has steadily declined from 7,749,071.24 florins ($3,115,126.64) in 1885 to 5,708,799.48 florins ($2,294,937.39) in 1895, the number of articles received gradually increased from 2,420,685 in 1885 to 2,584,226 in 1891, but since then has declined to 2,126,245 in 1895. The marked falling off in the amount loaned is reflected in the average loan, which fell from 3.20 to 2.69 florins ($1.29 to $1.08). In Amsterdam, which does double the amount of business of any other town in the country, the average amount advanced, 2.96 florins ($1.19), is above that for the whole country, and the average of 3.51 florins ($1.41) in The Hague stands in still greater contrast. The loan in Rotterdam, however, is below the average. The table for Holland shows that the number of articles redeemed and sold, the average loan, and the amount outstanding on pledges at the end of each year has in general conformed to the increase or decrease in the corresponding items for the articles pledged. In the table showing conditions in the four principal cities, however, a closer study of the articles redeemed and sold is made possible. In Amsterdam of the 976,154 pawns subject to redemption 745,542, or 76 per cent, were redeemed, and 24,572, or 2½ per cent, were sold. Eighty-one per cent of the 550,282 pawns on hand in Rotterdam were redeemed and 2.7 per cent sold. In The Hague 78 per cent were redeemed and but 1.6 per cent sold, while in Haarlem 80 per cent were redeemed and 2½ per cent sold.

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The two tables following give the loans on articles sold, amount realized on sales, and surplus of the pawn banks of Holland for the years 1885 to 1895, and of the four principal cities of Holland for the year 1895:

LOANS ON ARTICLES SOLD, RECEIPTS FROM SALES, AND SURPLUS OF PAWN BANKS OF HOLLAND, 1885 TO 1895.

Year.	Amount loaned on articles sold.	Receipts from sales.	Surplus.	Losses on sales.	Surplus claimed within 20-month limit.	Surplus unclaimed within 20-month limit.	Surplus available at end of year.
1885	$76,723.35	$104,049.01	$17,955.68	$2,563.51	$12,221.38	$5,662.05	$382.21
1886	82,010.01	109,069.76	17,453.46	3,246.98	11,956.85	5,715.55	13,257.29
1887	81,914.56	108,094.38	16,938.77	3,973.09	11,425.44	5,996.75	12,773.88
1888	78,292.03	104,930.57	17,892.25	3,746.29	12,014.00	5,369.44	13,282.69
1889	80,589.52	107,276.20	18,125.15	6,017.97	12,291.10	5,405.48	13,939.19
1890	69,494.14	95,940.02	18,105.54	2,402.78	12,637.93	5,551.51	13,701.67
1891	68,239.21	94,266.77	18,197.36	2,880.73	13,120.95	5,417.89	13,360.19
1892	72,609.76	95,744.60	16,050.88	4,129.93	10,979.20	5,669.52	12,730.83
1893	68,971.46	88,020.37	17,252.84	4,071.53	11,433.17	5,362.29	13,130.51
1894	67,519.38	85,257.03	15,748.64	4,108.00	10,769.30	5,012.36	12,931.11
1895	64,549.24	80,347.53	14,741.87	5,004.32	10,132.69	5,192.12	12,277.09

LOANS ON ARTICLES SOLD, RECEIPTS FROM SALES, AND SURPLUS OF PAWN BANKS OF FOUR PRINCIPAL CITIES OF HOLLAND, 1895

City.	Amount loaned on articles sold.	Receipts from sales.	Surplus.	Losses on sales.	Surplus claimed within 20-month limit.	Surplus unclaimed within 20-month limit.	Surplus available at end of year.
Amsterdam	$23,220.02	$31,083.29	$7,494.05	$358.99	$5,529.95	$2,256.17	$6,028.08
Rotterdam	16,017.89	10,937.05	2,260.98	2,924.57	1,269.58	910.99	2,150.32
The Hague	4,600.49	5,754.97	1,426.83	102.83	1,172.75	463.87	692.06
Haarlem	2,402.35	3,238.54	623.87	71.55	346.94	248.16	550.90

The articles sold by the pawn banks of Holland in 1885 produced a surplus of 44,665.88 florins ($17,955.68), or 23.4 per cent of the amount loaned. In the same year the total loss arising from the sales was 6,376.89 florins ($2,563.51), or 3.3 per cent of the amount loaned. The surplus for 1895 was 22.8 per cent of the total sum loaned on the pledges sold, while the loss was 7.8 per cent. In Amsterdam the surplus of 18,641.92 florins ($7,494.05) was 32.3 per cent of the amount advanced and the loss was 893.02 florins ($358.99), or 1½ per cent of the same sum. The surplus was lower in Rotterdam, the per cent being 14.1, while the loss was greater, being 18.3 per cent. The auction at The Hague in the same year netted a 31 per cent surplus and 2.2 per cent loss, while in Haarlem the same items were 26 and 3 per cent, respectively. As the surplus is held for twenty months subject to the demand of the owner, it is impossible to give a definite statement as to the proportion claimed in Holland; but as 25,205.70 florins ($10,132.69) of the available surplus was paid to the owners in 1895, and but 12,915.72 florins ($5,192.12) unclaimed surplus fell to the banks, it is safe to say that at least 60 or 70 per cent of the surplus is ultimately claimed.

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The following table shows the capital and profits of the pawn banks of Holland for the year 1895:

CAPITAL AND PROFITS OF THE PAWN BANKS OF HOLLAND, 1895.

City.	Capital belonging to bank.	Borrowed capital.	Available surplus.	Other credits.	Total.	Profits.
Amsterdam	$298,908.95	$193,563.00	$6,028.08	$6,588.24	$505,088.27	$3,528.01
Haarlem	22,876.99	5,234.85	550.90	479.54	29,142.28	479.54
Enkhuysen	6,432.00	.....	241.29	.....	6,673.29	241.29
Texel	.....	1,206.00	.....	.....	1,206.00	*a* 5.04
The Hague	92,689.91	.....	692.06	.....	93,381.97	1,489.84
Delft	2.575.34	6,030.00	117.81	.....	8,723.15	*a* 424.91
Gouda	.....	15,551.75	285.89	.....	15,837.64	*a* 57.00
Leyden	26,934.00	.....	354.50	.....	27,288.50	*a* 238.85
Maassluis	1,541.89	.....	.....	.....	1,541.89	227.29
Rotterdam	75,921.55	88,440.00	2,150.32	7,543.91	174,055.78	*a* 849.51
Flushing	2,039.49	7,336.50	53.62	.....	9,429.61	*a* 210.83
Bois-le-Duc	4,681.28	21,708.00	.....	.....	26,389.28	*a* 256.22
Bergen-op-Zoom	885.59	4,221.00	124.79	2,412.00	7,643.38	*a* 47.59
Breda	5,335.13	8,442.00	317.84	1,508.13	15,603.10	302.13
Maestricht	10,917.41	1,005.00	30.33	576.26	12,529.00	148.16
Arnhem	.....	26,532.00	235.57	.....	26,767.57	*a* 750.93
Elburg	.....	.....	1.29	68.74	70.03	45.92
Nymwegen	10,854.00	.....	101.27	.....	10,955.27	*a* 766.20
Zwolle	9,298.90	6,834.00	119.28	.....	16,252.18	*a* 12.45
Deventer	7,521.50	1,407.00	149.54	14.74	9,092.78	56.04
Kampen	5,628.00	5,226.00	25.60	.....	10,879.60	*a* 366.36
Groningen	6,030.00	13,266.00	527.78	485.40	20,309.18	99.52
Leeuwarden	5,568.58	21,306.00	143.19	2,010.00	29,027.77	*a* 198.03
Bolsward	14.59	2,211.00	.....	.....	2,225.59	*a* 17.77
Harlingen	(*b*)	(*b*)	(*b*)	(*b*)	(*b*)	427.05
Lemsterland	.....	1,286.40	.....	.....	1,286.40	*a* 78.92
Smallingerland	(*b*)	(*b*)	4.02	(*b*)	(*b*)	180.19
Sneek	(*b*)	(*b*)	22.11	(*b*)	(*b*)	291.14

a Loss. *b* Not reported.

Of the total capital reported by 25 pawn banks of Holland during the year 1895, 56 per cent were funds properly belonging to the banks, and 41 per cent was borrowed capital, the remaining 3 per cent being either unclaimed surplus or miscellaneous credits. Of the individual banks, those of Texel, Gouda, Arnhem, and Lemsterland borrow their entire capital, while at Enkhuysen, The Hague, Leyden, Maassluis, and Nymwegen the banks own their entire capital. Rotterdam owns 44 per cent of its capital and borrows 51 per cent, and Amsterdam, slightly above the average of the remainder of the country, has 59 per cent of the capital it uses and borrows 38 per cent.

From the standpoint of profits the pawn banks of Holland are not a financial success. The constant endeavor of the authorities to loan at the lowest possible rate of interest, coupled with the low value of the pledges offered, has not only tended to depress the margin of profit, but in many cases resulted in an actual loss. In 1895 fifteen of the pawn banks suffered a net loss of 10,648.28 florins ($4,280.61), and thirteen secured a total profit of 18,696.82 florins ($7,516.12). These figures are the more striking when it is understood that they include the unclaimed surplus. To illustrate, the profit of 8,776.15 florins ($3,528.01) reported by Amsterdam includes 5,612.37 florins ($2,256.17) of unclaimed surplus and but 3,163.78 florins ($1,271.84) as net profit, while Rotterdam, after receiving 2,266.14 florins ($910.99) from the

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unclaimed-surplus account, still suffered a loss of 2,113.22 florins ($849.51); that is, the expenses of the administration exceeded its receipts, from interest and charges, by 4,379.36 florins ($1,760.50).

GERMANY.

LEGISLATION ON THE PART OF THE CENTRAL GOVERNMENT.

The conflict waged with usury in Italy and Belgium was fought out in Germany with a similar result. At first the cities sought to control interest charges by legalizing a maximum rate; but failing, they narrowly limited the articles that could be accepted in pawn and made the sale of unredeemed pledges a purely legal matter. The result was still unsatisfactory, and measures of more or less severity followed each other in a vain endeavor to harmonize conflicting interests. Yet throughout the entire conflict, save the somewhat doubtful attempt at Freisingen in 1198, no effort prior to 1591 was made to found a mont-de-piété as a relief measure.

In that year the authorities at Augsburg forbade the Jews to loan money within the city, and appropriated funds to found a loan bank (*Leihhaus*), and in 1618 Nuremberg followed its neighbor's example. But the Thirty Years' War now denied the subject further attention, and before its close we find the pawn business combined with banking in such institutions as the "Kommerz Bank" of Cassel and the "Lombard Haus" at Frankfort on the Main. The union, however, was not permanent, and before the close of the eighteenth century several cities had established institutions for the sole purpose of advancing money on pledges. Indeed, so far had this differentiation gone that in 1787 the Prussian Government passed a general law for the control of the business, whether municipal or private.

The prime object of the law was the control of the private broker, but so minute were its stipulations that its enforcement meant to ruin the business. To avoid this the declaration of 1803 was given, with the express purpose of lessening the difficulty of the sale of unredeemed pledges. Yet the law failed to thwart the usurer, and it was decided to officially further the establishment of public pawn shops as a corrective measure. This was effected by the cabinet order of 1826, which provided that the authorities of the several States should be empowered to sanction the erection of such institutions, upon application of the cities, in places where the public needs demanded. The States were authorized to enact needed legislation for the administration and control of the same, provided such legislation did not conflict with the law of the land. This was in turn to be supplemented by the municipal authorities in such manner as the needs of the city required. They, in behalf of the city, were to guarantee the necessary funds and assume the entire responsibility of supervision. If, however, a city did not desire to conduct the business, it might lease it to private par-

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ties, but if the municipal institutions supplied the needs of the public, permits should not be granted to private brokers. Finally, the rate of interest was fixed at 8 per cent per annum; but if this proved insufficient to meet expenses, 12½ per cent could be charged.

One of the prime results of this act was the founding of the Royal Loan Office at Berlin (*Königliches Leihamt für Berlin*), which is still conducted according to its provisions; yet the office at Berlin is not a municipal, but a State, institution. At the time of the passage of the above act the city felt unable to supply the necessary funds; but the need of such an institution was imperative. Finally in 1834 the Royal Commercial Company (*Königliches Seehandlungs Institut*) appeared as a benefactor, offering its services and funds. To enable the city to avail itself of this aid a special act was passed giving the company charge of the business. The necessary capital is supplied by the company at 4 per cent per annum, and any surplus remaining after interest and all expenses are paid is turned over to such charitable purposes as the city officials may direct.

It seems probable, however, that the law of 1826 did not meet with the ready response that was expected, as in 1838 an act was passed authorizing the savings bank (*Sparkasse*), upon proper guaranties, to supply the capital needed to erect and administer the municipal pawn shops. The immediate effect of the law is in doubt, but the fact that the majority of the municipalities at present obtain all or a part of their capital for this purpose from the savings bank shows its ultimate usefulness.

As previously intimated, the object in furthering the founding of State and municipal pawn shops was to prevent abuses practiced by the private pawnbroker, chief among which was the practice of purchasing articles with the right of repurchase at an advanced price prior to a certain date. This "Rückkaufshändler," as he was called, was the exact prototype of the "dolly-man" of England, and as such has ever been subject to adverse legislation. Prior to 1869, however, his business had been held in check, but in that year, by placing additional restrictions on the private broker and failing to prohibit this form of the business, all restraint was removed. The result was immediately apparent. Flagrant abuses arose; these dealers outnumbered the regular pawnbrokers six to one, and interest on loans rose to 10 per cent per month.

This evil gave rise to the imperial law of June 23, 1879, which fixed the present status of the business. In the main the law is a reenactment of that of 1869, save that the definition of a pawnbroker is extended to include those who purchase with the right of repurchase and that it is expressly stated that no one may follow the business of a pawnbroker without a permit (*Erlaubniss*) from the central authorities of the city or district. And to further place the control in the hands of these authorities they are permitted to make the granting of this per-

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mit dependent not alone on the financial responsibility and moral character of the applicant, but on the need of the community for further facilities in this line. Lastly, the States were authorized to make such further regulations for the control of the business as seemed necessary for its proper conduct.

RECENT LEGISLATION BY THE STATES.

Following the enactment of the law of 1879, authorizing the States to make the needed regulations for the business, Prussia enacted the law of March 17, 1881, which was later extended to Bavaria. A year later Saxony followed its neighbors' example, but has since allowed the law to lapse. The remaining States have not deemed it necessary to enact new laws, preferring to allow the business to be ruled by those previously enacted.

The law of 1881 is the most recent legislation on the subject, not only as regards Germany, but also as regards France, Belgium, and Holland. At present it finds direct application to but two cities, Essen and Altona, public pawnshops having been founded in these cities since its passage. Seven other cities, however, have voluntarily modified their regulations to meet its requirements, and without doubt it will ultimately find application to all the cities of Prussia, as the minister of the interior is empowered to cause its application to any or all pawnbrokers whenever in his judgment it is advantageous to do so. Its provisions fix the maximum interest rate at 2 per cent per month, or fraction thereof, for all sums of 30 marks ($7.14) or less and 1 per cent per month on all sums above that amount. Interest may be demanded for two months, but in reckoning the time the days of making and paying the loan are to be counted as one. No charges in excess of the interest are allowed, and any sum so taken by the broker may be demanded by the pawner any time within five years from date of taking, the broker being obliged to return the same, together with interest at 5 per cent. Legal possession of the pawn is obtained only by registering the same in chronological order in a register furnished by the authorities for that purpose and giving a pawn ticket bearing the broker's signature. The contents of the ticket must be the same as the corresponding entry in the pawn register and give the following points: The number the pledge bears in the register, place and date of transaction, full name of pawner, amount of loan, amount of monthly interest to be paid, character of pawn, and time of payment of loan. A pledge may be redeemed at any time upon presentation of the ticket, but the broker may not demand payment before the expiration of six months from the date of the loan. In case the pledge is not redeemed prior to the expiration of the loan, the broker, without judicial sanction, may sell the pawn to satisfy the debt and interest. The sale of all pawns must be public, conducted by a person appointed for the duty, and may not occur prior to four weeks after the

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expiration of the loan, having first been advertised according to the rules governing the same and in the paper or papers designated by the local police authorities. Gold and silver articles, jewels, or objects having an exchange price shall not be sold below the bourse quotations for that date. No bid being made equal to this, the auctioneer may sell the same at private sale at the admissible price. If several pawns belonging to the same person are offered for sale, the owner may designate the order in which they shall be sold, the sale to cease as soon as an amount is realized which suffices to cover the sum advanced, together with costs and interest, any remaining articles to be returned to the owner. The cost of advertising the sale is to be distributed according to the number of the pawns offered, the cost of the sale to be apportioned according to the value of the pawns actually sold. Immediately after the auction the broker is required to deduct cost of sale, pawn debt, and interest and upon demand pay any remaining surplus gained from the sale of a particular pledge to the rightful owner; but if after a period of fourteen days any sums remain unclaimed, they are to be deposited with the treasurer of the poor fund, who holds the same subject to demand for one year, at the expiration of which time they become the property of the poor fund.

STATUS OF THE PRIVATE PAWNBROKER.

While the law of Germany distinctly recognizes the private pawnbroker the preference given the cities has tended to lessen his importance. Since the more recent enactments several cities have established pawnshops while others, already supplied, have started branch institutions, thereby doing away with the necessity of the private broker in outlying districts of the city. Moreover, although the private broker will often loan on the terms given by the municipal pawnshop, the people show a preference for the latter. Indeed, so far is this true that, having no fear of their competition, but seven cities of the Empire have availed themselves of the provision of the law which enables them to make the granting of permits subject to an existing need. Yet with free range in all the cities of Germany, with these seven exceptions, but 138 private pawnbrokers were reported in 1894, some 30 of whom were in the city of Berlin.

In the matter of control the private broker is subject to the strict surveillance of the city police. He is not, however, governed by the rules adopted by the city and sanctioned by the provincial authorities for the control of the municipal institution, but by the law of the State in which he resides. In this way he is able to charge a rate of interest higher than that usually prescribed for the public pawnshop and thereby make a fair competence in remote districts of the larger cities or in small places devoid of a municipal institution.

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APPLICATION OF LAWS TO ACTUAL BUSINESS.

The following table shows the length of loans and the minimum amount advanced, and the interest and charges collected by the municipal pawnshops of Germany:

LENGTH OF LOANS, AMOUNT LOANED, AND CHARGES COLLECTED BY MUNICIPAL PAWNSHOPS OF GERMANY.

City.	Length of loan (mos.).	Minimum loan.	Annual interest charged.		Auction charge.	Other charges.
			Amount of loan.	Per cent.		
Altenburg	6	$0.714	$0.714 to $7.14 Over 7.14	18 12	Total cost divided equally among pawns sold.	
Altona	6–12	.238	$0.238 to $2.38 2.62 to 7.14 Over 7.14	24 18 12	Cost of advertisement according to number; cost of sale in proportion to value.	
Anspach	6	.476	$0.476 to $23.56 23.80 to 118.76 119.00 or over.	10 8 *a* 6	5 per cent of sale price	
Augsburg	12	.476	$0.476 .714 .952 1.19 $1.43 to 2.86 Over 2.86	(*b*) (*c*) (*d*) (*e*) (*f*) 10	3 per cent	Ticket, ¾ cent; 4 per cent of surplus claimed.
Bamberg	12	.476	Any amount.	12	5 per cent of sale price	Ticket and renewal, each, 1¼ cents.
Barmen	12	.357	$0.357 to $7.02 7.14 to 35.58 35.70 or over.	12½ 10 8	4 per cent of sale price	3 per cent of loan if not redeemed before sale.
Bautzen	6	.238	$0.238 to $7.14 Over 7.14	18 *g* 10	2 per cent	
Baireuth	10	.238	Any amount.	12	5 per cent	Ticket and renewal, each, on loans of $0.238 to $1.19, 1¼ cents; $1.19 to $119, 2½ cents.
Berlin	12	*h* .476	Any amount.	*i* 12	2 per cent of sale price	
Bonn	12	.476	Any amount.	*j* 12	2 per cent of sale price	
Brunswick	6	.714	Any amount.	6	4 per cent of loan	
Breslau	6	.476	Any amount.	12		
Bromberg	6	.476	Any amount.	12	Legal auction charges	
Carlsruhe	*k* 6	.476	$0.476 to $47.60 Over 47.60	7 *a* 6	2 per cent of sale price, but not less than 1¼ cents nor over $2.38.	
Cassel	*k* 12	.238	(*l*)	(*l*)	2½ cents for each $0.714	
Celle	6	.476	$0.476 to $3.57 3.57 to 7.14 Over 7.14	*m* 15 *m* 12 *m* 8	5 per cent	
Chemnitz	6	.476	Any amount.	12	5 per cent of loan	
Coblentz	12	.357	Any amount.	*n* 12	3 per cent	
Crefeld	12	.238	Any amount.	12	5 per cent of sale price	Appraisal and renewal, each, on loans of $0.238 to $1.19, 1¼ cents; $1.19 to $2.38, 2½ cents; $2.38 to $7.14, 3⅓ cents; $7.14 to $11.90, 5 cents; $11.90 to $23.80, 9½ cents; each additional $11.90, 4¾ cents.
Dantzic	6	$0.714	Any amount.	12	4 per cent of sale price	
Detmold	6	.238	Any amount.	5		

a Smallest charge, 1¼ cents.
b ¾ cent per month.
c 1¼ cents per month.
d 1½ cents per month.
e 2 cents per month.
f 2½ cents per month.
g Interest to be paid for at least two months. Smallest charge, 2½ cents. Interest on stocks, bonds, etc., 4 to 5 per cent.
h At two branch offices the minimum loan is $0.714.
i 6 per cent on stocks, bonds, etc.
j Smallest charge ¾ cent per month. On loans of $0.476, therefore, the interest is 18 per cent per year.
k Stocks, etc., three months.
l Annual interest on loans of $0.238, 3½ cents; $0.476, 6 cents; $0.714 to $35.46, $\frac{7}{100}$ cent ($\frac{3}{10}$ pfennig) per week for each $0.238; stocks, etc., 4 to 4½ per cent; smallest charge, 2½ cents.
m Interest to be paid for at least two months.
n Smallest charge, ¾ cent.

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LENGTH OF LOANS, AMOUNT LOANED, AND CHARGES COLLECTED BY MUNICIPAL PAWNSHOPS OF GERMANY—Continued.

City.	Length of loan (mos.).	Minimum loan.	Annual interest charged.		Auction charge.	Other charges.
			Amount of loan.	Per cent.		
Darmstadt	3	.476	Any amount.	7½	4 per cent of loan	Register fee, 2½ per cent of loan. 3 per cent of surplus claimed.
Dortmund	12	.238	Any amount.	12	5 per cent	½ per cent of surplus claimed, if over $7.14.
Dresden	*a* 6	.714	Any amount.	*b* 9	5 per cent of loan	5 per cent of surplus claimed, if over $0.119.
Dusseldorf	12	.238	$0.238 to $23.80 Over 23.80	12 10	5 per cent of sale price	Appraisal and renewal on loans of $0.238 to $1.07, 1¼ cents; $1.19 to $3.45, 2½ cents; $3.57 to $7.02, 3½ cents; $7.14 to $17.73, 6 cents; $17.85 to $35.58, 12 cents; $35.70 to $71.28, 23¾ cents; over $71.28, ½ per cent., 1¼ cents, each, for redemption and payment of surplus.
Duisburg	12	.238	$0.238 to $7.14 Over 7.14	*c* 24 *c* 12	Cost of advertisement according to number; cost of sale in proportion to proceeds.	
Elberfeld	12	.357	$0.357 to $7.02 7.14 to 35.58 35.70 or over.	12 10 8	2 per cent of sale price	Ticket, 1¼ cents; appraisal, ½ per cent; redemption, 1 cent.
Elbing	10–18	.714	Any amount.	12½	2½ cents for each $0.714 loaned.	5 per cent of surplus claimed. Renewal, 2½ cents for each $0.714.
Emden	12	.119	$0.119 to $3.57 3.57 to 71.40	12 (*d*)	Proportioned according to number.	
Erfurt	6	.476	$0.476 to $7.14 Over 7.14	*c* 18 *c* 12	5 per cent of sale price; cost of advertisement.	
Essen	6	.476	$0.476 to $7.14 Over 7.14	*e* 18 12	Cost of advertisement according to number; cost of sale in proportion to proceeds.	
Flensburg	6	.238	$0.238 to $7.14 Over 7.14	24 12	5 per cent of sale price	
Frankfort on the Main.	12	.714	Any amount.	*f* 12	First $23.80, 5 per cent; for each additional $0.238, 2 per cent.	
Freiburg	*g* 6	.476	Any amount.	*h* 10	3 per cent	
Fürth	*g* 6	.238	Any amount.	6⅔	2 per cent of sale price	Ticket, 2½ cents; 5 per cent of surplus claimed; redemption, 7 per cent of loan and interest.
Fulda	*g* 6–18	.238	$0.238 to $4.76 4.76 to 35.70 35.70 to 83.30 Over 83.30 (*i*)	13 10 8 5½ (*i*)	3 per cent	Surplus, ½ cent for each pledge.
Gera	3	.357	Any amount.	12	10 per cent of sale price.	Appraisal, ⅜ per cent. Ticket for loans of $2.38 or less, ¾ cent; $2.38 to $11.66, 1¼ cents; $11.66 to $23.56, 2½ cents; $23.56 to $47.36, 4¾ cents; each additional $23.80, 2½ cents.

a For gold, silver, and jewelry, 12 months.
b 6 per cent on stocks, bonds, etc.
c Interest to be paid for at least two months.
d Interest varies according to a fixed table from 12 to 6 per cent. Loans can not exceed $71.40.
e On sums less than $7.14, interest to be paid for at least two months.
f Interest to be paid for at least three months.
g Stocks, etc., three months.
h Smallest charge, 2½ cents.
i Stocks, bonds, etc., 4 to ½ per cent.

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LENGTH OF LOANS, AMOUNT LOANED, AND CHARGES COLLECTED BY MUNICIPAL PAWNSHOPS OF GERMANY—Continued.

City.	Length of loan (mos.).	Minimum loan.	Annual interest charged.		Auction charge.	Other charges.
			Amount of loan.	Per cent.		
München-Gladbach.	6	$0.238	Any amount.	12	3 per cent of loan	Appraisal and renewal, each, on $0.238 to $1.07, 1¼ cents; $1.19 to $3.45, 2½ cents; $3.57 to $7.02, 3½ cents; $7.14 to $17.73, 4¾ cents; $17.85 to $35.58, 12 cents; $35.70 to $71.28, 23¾ cents; $71.40 or over, ½ per cent. 1¼ cents each, for redemption and payment of surplus.
Görlitz	6	.238	Any amount.	12	2 per cent of loan	
Halberstadt	6	.238	Any amount.	12½	4 per cent of loan	
Halle	12	.476	$0.476 to $7.14 Over 7.14	a 24 a 12	Cost of advertisement ½ cent per pawn. Other costs on loans of less than $23.80, 5 per cent; $23.80 to $71.40, 3 per cent; $71.40 to $238, 2 per cent; $238 to $357, 1 per cent; over $357, ½ per cent.	
Hamburg	6	.238	Any amount.	12	6 per cent of sale price	
Hamm	12	.238	$0.238 to $2.38 2.38 or over	24 12		
Hanau	8-12	.238	$0.238 to $4.76 4.76 to 35.70 35.70 to 83.30 Over 83.30	13 10 8 5½	3 per cent of loan	
Hanover	6	.238	$0.238 to $3.57 3.57 to 7.14 7.14 to 11.90 11.90 to 19.04 Over 19.04	a 15 a 12 a 10 a 8 a 6	$0.238 to $7.14, 5 per cent; over $7.14, 2 per cent.	Redemption after expiration of loan, $0.238 to $7.14, 5 per cent; over $7.14, 2 per cent.
Heidelberg	6	.476	$0.476 to $35.70 Over 35.70	10 b 8	4 per cent of loan	2½ cents for renewal.
Hildesheim	12-19	.119	$0.119 to $3.57 Over 3.57	a 12½ a 9		
Hof	6	.476	Any amount.	c 12	5 per cent of loan	Ticket and renewal, each, 2½ cents.
Kiel	7	.238	$0.238 to $4.76 Over 4.76	a 24 a 12	Cost of advertisement according to number; 1 per cent of sale price.	
Königsberg	6	.238	$0.238 to $71.40 Over 71.40	12½ 8½	3⅓ per cent of loan	
Cologne	12	.476	$0.476 to $3.57 3.57 to 7.14 7.14 to 71.40 71.40 to 238.00 Over 238.00	24 18 12 9 6	3 per cent of loan	
Constance	6	.476	$0.476 to $47.60 47.84 or over. (d)	8 6 (d)	According to number	Ticket for loans of $0.476 to $3.57, 2½ cents; 3.57 to $7.14, 4¾ cents; $7.14 to $11.90, 7¼ cents; over $11.90, 9½ cents.
Landshut	12	.238	Any amount.	12	5 per cent of loan	Ticket, 1¼ cents; renewal, 2½ cents; appraisal on amounts of $4.76 to $11.90, 4¾ cents; $12.14 to $23.80, 9½ cents; each additional $11.90, 2½ cents.
Leipsic	6	.714	Any amount.	d 8	4 per cent of sale price	
Liegnitz	6	.714	Any amount.	e 12		

a Interest to be paid for at least two months.
b Smallest charge, 2½ cents.
c Smallest charge, 3½ cents.
d 6 per cent on stocks, bonds, etc.
e Interest to be paid for at least two months; smallest charge, 2½ cents; 6 per cent on loans on deposit books of savings banks of Liegnitz.

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LENGTH OF LOANS, AMOUNT LOANED, AND CHARGES COLLECTED BY MUNICIPAL PAWN SHOPS OF GERMANY—Continued.

City.	Length of loan (mos.).	Minimum loan.	Annual interest charged.		Auction charge.	Other charges.
			Amount of loan.	Per cent.		
Lubeck	6	$0.238	Any amount.	*a* 6	6 per cent of sale price	Appraisal fee $0.238 to $0.476, 1¼ cents; $0.714 to $1.43, 1¾ cents; $1.43 to $7.14, 3½ cents; $7.14 to $23.80, 6¾ cents; $23.80 to $119, 13¼ cents; $119 to $238, 20 cents.
Magdeburg	6	.238	$0.238 to $7.14 7.14 to 23.80 Over 23.80	18 (*b*) (*c*)	$0.238 to $23.80, 5 per cent; $23.80 to $71.40, 3 per cent; $71.40 to $238, 2 per cent; $238 to $1,190, 1 per cent; over $1,190, ½ per cent.	
Mentz	12	.714	Any amount.	12	3 per cent of sale price	Ticket and packing, 1¼ cents. Appraisal, 2½ cents; for loans over $1.19, 1 per cent additional.
Mannheim	6	.476	$0.476 to $3.57 3.57 to 41.65 Over 41.65	10 8 6	3 per cent of sale price of pledges which pay less than 10 per cent.	
Marburg	6	.357	$0.357 to $17.85 17.85 to 71.40 Over 71.40	16 8 *d* 6	5 per cent of loan	Ticket, ½ cent for each $0.714; on loans of over $71.40 on stocks, etc., no charge.
Memel	9	.714	Any amount.	*e* 12½	2½ cents for each $0.714 of proceeds.	
Metz	12	.476	Any amount.	10	6 per cent of sale price	
Mülhausen	6	.476	$0.476 to $7.14 7.14 or over.	*e* 18 *e* 12	5 per cent of sale price; cost of advertisement.	
Munich	*f* 12	.476	Any amount.	12	5 per cent of loan	Ticket and renewal, each, on $0.476 to $1.19, 1¼ cents; $1.43 or over, 2½ cents.
Münster	6	.238	Any amount.	24	Actual cost of auction	
Naumburg	6	.238	$0.238 to $7.14 Over 7.14	24 12	Legal auction charges	
Neisse	6	.714	Any amount.	12		
Nuremberg	13	.476	Any amount.	9	5 per cent of sale price	Ticket and renewal, each, 2½ cents; packing, 1¼ cents.
Offenbach	6	.476	(*g*)	(*g*)	¾ cent on $0.238 up to 79 cents on $23.80, according to fixed table.	According to fixed table, appraisal, ¼ cent on $0.238 to 20 cents on $23.80; register fee on deposits, renewals, and redemptions, 1 cent on $0.238 to 8 cents on $23.80.
Oppeln	6	.714	Any amount.	10	2½ cents for each $0.714	
Osnaburg	6	.357	$0.357 to $23.80 Over 23.80	12 8	3 cents for each $0.714	Register fee on loans and renewals of $0.357 to $0.714, 2½ cents; $0.714 to $3.57, 4¾ cents; $3.57 to $7.14, 7¼ cents; $7.14 to $14.28, 14¼ cents; $14.28 to $23.80, 21½ cents; $23.80 or over, 1 per cent. Each $0.714 of surplus claimed, 6 cents.

a Interest to be paid for at least three months.
b First $7.14, 18 per cent; for remainder, 12 per cent.
c First $7.14, 18 per cent; next $16.66, 12 per cent; remainder, 9 per cent.
d Loans over $71.40 on stocks, etc., 4½ per cent.
e Interest to be paid for at least two months.
f Stocks, etc., three months.
g Charges, 12 to 7½ per cent according to fixed table.

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LENGTH OF LOANS, AMOUNT LOANED, AND CHARGES COLLECTED BY MUNICIPAL PAWNSHOPS OF GERMANY—Concluded.

City.	Length of loan (mos.).	Minimum loan.	Annual interest charged.		Auction charge.	Other charges.
			Amount of loan.	Per cent.		
Paderborn	6	$0.714	Any amount.	12	According to number	
Posen	6	.238	Any amount.	*a* 12	Legal charges, but not over 2 cents for each $0.238.	
Ratibor	8	.714	Any amount.	*b* 12	5 per cent of loan	
Ratisbon	13	.476	Any amount.	8	5 per cent of loan	Ticket, 1½ cents; renewal, ½ cents.
Schweidnitz	12	.714	Any amount.	12½	2½ cents for each $0.714 loaned.	For payment of surplus, cost of public notice.
Schweinfurt	12	.476	Any amount.	10	5 per cent of loan	Ticket and renewal, each, 1 per cent of loan; appraisal, 4 per cent.
Schwerin	3	.238	Any amount.	6	Actual cost of auction	Ticket, 1¼ cents for each $0.238. Renewal, first time, 1¼ cents; second, 1 cent; third, ¾ cent for each $0.238.
Stralsund	6	.238	$0.238 to $7.14 Over 7.14	24 12	Cost of advertisement of sale according to number of pawns; of sale, to sale price.	
Strasburg	12	.476	Any amount.	12	5 per cent of loan	Appraisal and renewal, each, ½ per cent.
Stuttgart	3	.476	$0.476 to $7.14 7.38 or over.	24 (*c*)	8 per cent of sale price	Ticket, 2½ cents.
Treves	12	.357	$0.357 to $7.14 Over 7.14	*b* 24 *b* 12	5 per cent	
Weimar	6	.238	Any amount.	12	15 per cent of loan	Register fee and renewal, each, 1 per cent of loan.
Wiesbaden	12	.714	Any amount.	12	3 per cent of sale price	
Würzburg	12	.476	Any amount.	*a* 12	5 per cent of sale price	Appraisal fee, gold and silver articles, $0.476 to $0.714, 2½ cents; $0.952 to $11.66, 4¾ cents; $11.90 to $23.56, 9½ cents; each additional $23.80, 4¾ cents.

a Interest to be paid for at least three months.
b Interest to be paid for at least two months.
c For first $7.14, 24 per cent; for remainder, 12 per cent.

Contrary to the rule in Holland and Belgium, neither the state nor imperial law of Germany specifies what articles may be accepted in pawn, thereby leaving the subject to the discretion of the municipalities. In the main, personal property is taken, but the fact that some articles are too bulky to be conveniently stored or are liable to damage, has led the cities to make a few exceptions. In most cases, due to lack of capital, bonds, mortgages, and savings-bank accounts have been excluded, yet such cities as Berlin, Dresden, and Munich receive a large number of these securities each year. München-Gladbach, Halberstadt, and Stralsund are peculiar in that they refuse to accept pledges from private brokers or second-hand dealers, the idea being to hinder the exploitation of the public pawnshop for the benefit of those who would injure its work.

The inability of a single appraiser to successfully appraise all articles

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has usually led to the appointment of at least two individuals for the work; the one a practical jeweler who is present a portion of each day to appraise articles offered in his line, the other an officer who remains during office hours and receives and appraises all common articles. The value of gold and silver articles is determined by weight; in the case of other articles the appraiser uses his judgment as to what the pledge would bring at public auction. The amount to be advanced on the sums so determined varies in the several cities. Dresden advances 90 per cent of the face value of savings-bank accounts deposited with it, 80 per cent on stocks, bonds, etc., the basis of estimate being the bourse quotation for that day, 75 per cent on the gold and silver articles and jewels, and 50 per cent on the value of other pledges. In Munich 66 per cent is advanced on stocks, bonds, etc., 88 per cent on savings-bank accounts, the amount to be given on other articles being left in the hands of the appraiser. As a rule the regulations make the appraisers responsible for losses incurred by sale of pledges, but in point of fact the rule is not enforced unless it is clearly evident that they have neglected to exercise proper care in their work. All advances are, however, limited by the minimum loan, which varies from 0.50 mark ($0.119) to 3 marks ($0.714). A maximum advance is also fixed in cities with a limited capital. Among these are Hanover and Hof, where not over 1,000 marks ($238) will be advanced. In Baireuth 500 marks ($119) is the limit, while in Emden, Detmold, and Oppeln no loan of over 300 marks ($71.40) will be made.

In general the pawn registers correspond very closely to that described in the law of 1881. Crefeld and Weimar do not require that the name of the pledger be given. In Darmstadt the name of the owner is asked when articles of clothing are pledged; the same applies in the case of stocks and bonds in Carlsruhe, while in Munich and several other cities no effort is made to secure the owner's real name. In Königsberg and Frankfort on the Main, however, each applicant for an advance must establish his identity before his pledge will be accepted, while the officials of Cologne may require the same if they think proper. A ticket must be given with each pledge, which as in most continental countries is of a very comprehensive nature. Aside from giving the date, number of the pledge, name of the owner, description of the pledge, and amount loaned, the date of the expiration of the loan appears in a prominent place, while all regulations as to the redeeming of the pledge, its renewal, sale, etc., are plainly printed on some part of the ticket, the more important portion being placed in bold-faced type to attract attention.

Varied as the interest rates given in the above table at first appear, three general systems may be distinguished. In the first the same rate is charged as on all loans without regard to the character of the pawn or the amount of the loan; a second system bases its rate on the kind of security given; while the third fixes the rate with reference to the amount of the loan. The first plan is in use in 44 cities, of which

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27, including Hamburg, Breslau, and Munich, charge 12 per cent per annum; 4 of less importance 12½ per cent; with the remaining the rate varies from 5 per cent in Detmold to 24 per cent per annum in Münster. The second system is found in Berlin, Dresden, and Leipsic, those cities where stocks and bonds are accepted in pledge, which being of such undoubted security it is safe to loan at a lower rate. For advances secured by such collateral, Leipsic, Dresden, and Berlin require but 6 per cent interest, while 8, 9, and 12 per cent, respectively, are the rates on common pledges. Cassel makes advances on such security at from 4 to 4½ per cent per annum. According to the third plan, which is growing in favor, all pledges are held to be of like value as security, and an attempt is alone made to secure the institution on small loans, and yet not charge an exorbitant rate on larger ones. This plan is used in over 30 cities, among which are Cologne, Halle, Carlsruhe, and Dusseldorf. In cities of this class it will be noted that the same rate is charged on all loans not exceeding a certain sum. In the case of Constance the rate is 8 per cent on all sums of 200 marks ($47.60) or less and 6 per cent on sums of 201 marks ($47.84) or over. In Cologne the gradation begins at 15 marks ($3.57) and in Altona at 10 marks ($2.38).

By the law of 1881 for Prussia, which is now applicable to nine cities, no charge other than for the sale of unredeemed pledges and the payment of the surplus may be made. In sixteen others no charge is made if the pledge is redeemed prior to the expiration of the loan. An equal number charge from ¾ cent to 2½ cents for the ticket, some of which make a like charge if the loan is renewed. A fee for the appraisal is collected in eleven of the cities mentioned in the table. Dusseldorf, Crefeld, and Lubeck charge an appraisal fee varying with the amount; while Mentz, Elberfeld, Gera, Schweinfurt, and Strasburg charge a certain per cent or fee on the amount loaned. Of the charges made prior to the expiration of the loan one other, the register fee (*Einschreibegebühr*), remains to be mentioned. This charge, corresponding very closely to the fee for appraisal, is, however, intended to cover the expense of filing in the pawn register and making out the ticket. In Darmstadt it is 2½ per cent of the loan, in Weimar but 1 per cent, while Osnaburg has a graduated fee for sums of less than 100 marks ($23.80), above which 1 per cent is charged.

In a few instances a fee which has the nature of a fine is levied if the pledge is not redeemed prior to the expiration of the loan period but before actual sale. In such instances Barmen charges 3 per cent of the loan, Hanover 5 per cent on all sums up to 30 marks ($7.14) and 2 per cent on sums of over that amount, and Leipsic requires from ⅓ to ¼ per cent if redeemed within fifteen days after expiration of loan, ⅔ to ½ per cent if redeemed between sixteen and thirty days, and so on in like ratio until date of sale, which can not occur for three months after the expiration of the loan.

A charge demanded by all cities is a fee to cover the expense of the sale of unredeemed pledges. A plan gaining in popularity is to divide

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the cost of the advertisement of the sale equally among the pledges sold, and to apportion the actual cost of sale according to the proceeds. But, because perhaps of the extra amount of work entailed in reckoning two charges, the majority of the cities take a certain per cent of the loan or proceeds of the sale. In Carlsruhe and Fürth 2 per cent of the sale price is charged, while in Gera 10 per cent is taken. The latter rate, however, is above the average, which may be said to be 5 per cent of the sale price. In other places the idea obtains that a better distribution of such cost may be secured by a gradation of charges. Frankfort on the Main requires 5 per cent on all sums to 100 marks ($23.80) and 2 per cent for each additional mark ($0.238) above that amount. Halle, besides a one-half cent fee to cover printing expenses, charges 5 per cent on sums of less than 100 marks ($23.80), 3 per cent on sums from 100 to 300 marks ($23.80 to $71.40), after which the rate decreases to one-half per cent on sums of 1,500 marks ($357) or more.

Finally a few cities make a small charge for the payment of surplus claimed. In Dusseldorf this charge is 1¼ cents, but in other places, as Dresden, Elbing, and Fürth, 5 per cent of the amount is claimed.

In that the cost of the auction is always borne by the pawner and not the purchaser of the pledge, the surplus is the sum remaining after the loan, interest, and charges, inclusive of auction and charge for payment of surplus, have been met. Without exception any such sums are held subject to the claim of the owner, but in a few instances only for a short time. Erfurt and Hildesheim appropriate any surplus unclaimed at the expiration of fourteen days from the date of sale. Halberstadt, Detmold, Dantzic, and Königsberg hold sums of less than 30 marks ($7.14) for six weeks, and sums of over that amount a year. But these are the minimum periods. In seven cities all sums are held for six months; in forty-eight, for one year; four, for two years, and Coblentz, Dusseldorf, Elberfeld, Strasburg, Weimar, and Würzburg for three years.

The following table shows the number of articles pledged, redeemed, and sold in the municipal pawn shops of 15 of the principal German cities from 1891 to 1894:

ARTICLES PLEDGED, REDEEMED, AND SOLD IN MUNICIPAL PAWN SHOPS, BY SELECTED CITIES OF GERMANY, 1891 TO 1894.

City	1891.			1892.		
	Pledged.	Redeemed.	Sold.	Pledged.	Redeemed.	Sold.
Berlin	276,978	244,141	13,603	245,472	248,776	14,644
Hamburg	64,200	59,201	4,369	65,061	61,820	2,705
Leipsic	169,885	151,840	17,699	194,801	168,542	15,133
Munich	476,375	409,644	32,208	476,494	435,520	48,775
Breslau	24,702	22,214	960	22,653	23,485	1,096
Dresden	154,271	145,608	8,821	151,153	143,954	8,352
Cologne	93,356	86,121	7,289	77,006	78,441	6,413
Frankfort on the Main	101,801	90,378	7,510	98,387	95,986	6,952
Hanover	22,921	19,865	2,040	16,200	14,190	2,010
Königsberg	25,884	20,657	1,296	26,340	25,138	1,202
Dusseldorf	69,219	57,269	8,524	69,836	61,551	7,948
Chemnitz	67,338	61,335	5,133	63,112	60,825	4,635
Altona	162,292	14,681	941	13,599	13,732	975
Elberfeld	104,052	85,979	7,648	102,913	97,342	8,517
Strasburg	55,477	49,540	2,673	55,299	54,212	3,235

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ARTICLES PLEDGED, REDEEMED, AND SOLD IN MUNICIPAL PAWN SHOPS, BY SELECTED CITIES OF GERMANY, 1891 TO 1894—Concluded.

City.	1893.			1894.		
	Pledged.	Redeemed.	Sold.	Pledged.	Redeemed.	Sold.
Berlin	219,291	217,885	14,366	209,435	201,295	11,878
Hamburg	67,563	60,833	4,888	80,276	70,964	3,698
Leipsic	187,285	175,910	16,566	180,604	168,639	15,679
Munich	466,581	413,017	44,676	435,078	393,644	42,510
Breslau	19,972	19,763	1,180	19,385	18,545	925
Dresden	139,115	136,460	7,565	138,776	131,851	7,059
Cologne	89,992	79,856	4,819	106,291	90,463	6,286
Frankfort on the Main	100,769	93,604	5,850	111,322	99,033	5,697
Hanover	16,978	14,817	2,972	19,185	17,967	1,903
Königsberg	23,709	24,469	1,328	22,252	22,121	1,168
Dusseldorf	72,546	63,377	8,454	73,527	62,300	9,987
Chemnitz	60,516	56,761	3,587	72,237	64,812	4,398
Altona	16,988	14,968	718	16,363	15,289	1,052
Elberfeld	110,993	98,282	9,117	96,333	90,275	12,281
Strasburg	59,798	54,786	2,679	60,750	56,990	3,225

That the wide variation in the number of articles pawned in the several cities may be noted, the cities mentioned in the above table have been arranged in the order of their size. Although Berlin has four and a half times the population of Munich, the number of articles pledged in the city is not half as many. Again, the number of articles pledged in Munich is more than twice the number pledged in Leipsic, although the difference in population is very slight. In Berlin the number is decreased by the presence of private brokers, but not so in Leipsic, nor are the private brokers of Berlin sufficiently thrifty to entirely account for the difference, which is perhaps due to the better financial condition of the residents of the latter city. A like variation may be seen in several other cities, as Königsberg and Dusseldorf, the population of the former being but 7,000 greater than the latter, yet the business of the latter is more than three times that of the former. In like manner with Hanover and Frankfort on the Main, where the difference in population is 36,000, the number of pledges in the latter is nearly six times as many as in the former. No well-defined tendency may be noted as to the decrease or increase in the number of articles pawned in the several cities.

The average loans on articles pledged, redeemed, and sold in the municipal pawn shops of 15 of the principal cities of Germany are shown for the years 1891 to 1894 in the following table:

AVERAGE LOANS ON ARTICLES PLEDGED, REDEEMED, AND SOLD IN MUNICIPAL PAWN SHOPS, BY SELECTED CITIES OF GERMANY, 1891 TO 1894.

City.	1891.			1892.		
	Pledged.	Redeemed.	Sold.	Pledged.	Redeemed.	Sold.
Berlin	$4.79	$4.99	$3.97	$4.97	$2.88	$3.68
Hamburg	5.25	5.19	2.71	5.45	5.37	5.17
Leipsic	3.09	3.21	1.86	2.93	3.14	1.90
Munich	1.97	2.00	1.71	1.97	2.01	1.64
Breslau	5.00	5.30	5.30	4.97	4.94	4.94
Dresden	3.36	3.45	2.69	4.09	3.98	2.61
Cologne	1.81	1.97	1.49	1.87	1.81	1.51
Frankfort on the Main	1.86	1.89	1.72	1.81	1.81	1.61
Hanover	2.41	2.40	3.53	2.48	1.92	2.35
Königsberg	2.47	2.44	2.07	2.45	2.45	2.40
Dusseldorf	1.44	1.43	1.43	1.45	1.44	1.44
Chemnitz	1.79	1.82	1.84	1.83	1.83	1.73
Altona	1.66	1.68	1.39	1.72	1.72	1.58
Elberfeld	1.06	1.04	1.27	1.40	1.11	.89
Strasburg	2.08	2.03	2.78	1.96	1.99	2.55

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AVERAGE LOANS ON ARTICLES PLEDGED, REDEEMED, AND SOLD IN MUNICIPAL PAWN SHOPS, BY SELECTED CITIES OF GERMANY, 1891 TO 1894—Concluded.

City.	1893.			1894.		
	Pledged.	Redeemed.	Sold.	Pledged.	Redeemed.	Sold.
Berlin	$5.24	$5.21	$3.59	$5.10	$5.21	$3.91
Hamburg	4.76	5.28	3.89	4.14	4.48	3.40
Leipsic	2.98	3.05	1.73	3.20	3.28	1.70
Munich	2.01	2.02	1.61	2.06	2.09	1.68
Breslau	5.30	5.17	3.79	5.27	5.48	3.49
Dresden	4.51	4.41	2.92	5.06	5.02	3.14
Cologne	1.83	1.87	1.62	1.75	1.06	1.49
Frankfort on the Main	1.80	1.81	1.63	1.80	1.81	1.61
Hanover	2.89	3.63	1.19	2.87	3.10	1.70
Königsberg	2.43	2.43	2.24	2.41	2.42	2.06
Dusseldorf	1.44	1.43	1.44	1.44	1.45	1.45
Chemnitz	1.84	1.84	1.75	1.71	1.74	1.87
Altona	1.55	1.58	1.54	1.61	1.61	1.39
Elberfeld	1.16	1.14	1.09	1.09	1.12	1.26
Strasburg	1.93	1.95	2.41	1.96	1.87	2.08

In the main the minimum loan seems to have little effect in fixing the average advance. In Berlin, with 2 marks ($0.476) as the smallest advance, the average in 1891 was 20.13 marks ($4.79), while Hamburg, with a minimum of 1 mark ($0.238), made an average advance of 22.07 marks ($5.25), the highest average loan made by any city of Germany in that year. In those cities doing a large amount of business in proportion to the population, the loan is small, the average in Munich in 1894 being 8.67 marks ($2.06), as against 13.45 marks ($3.20) in Leipsic. In like manner the loan in Frankfort on the Main was 7.57 marks ($1.80), while that of Hanover was 12.07 marks ($2.87). The average for those pledged, as well as redeemed, is, however, a little below that given in the table, in that the renewed pledges appear in both items, and, being of greater value than the others, naturally tend to raise the average as given. For this reason any statement as to the class of articles sold is subject to error, yet their average is so much below that of those pledged or redeemed that the renewals are unable to account for the difference, and we are left to the conclusion that those pawning articles of small value experience greater difficulty in redeeming them than the owners of pledges of greater value. The tendency in the larger cities during the last five years has been for the average loan to increase. In Berlin the advance has been slight, but in Dresden particularly marked, the average loan on pledges rising from 14.12 marks ($3.36) in 1891 to 21.26 marks ($5.06) in 1894, while in Leipsic and Munich the increase has been slight; but in the smaller cities, with the exception of Dusseldorf and Elberfeld, a decrease has occurred. If, however, a longer period be considered, it will usually be found that the average loan has materially decreased. For example, in 1876 the average loan in Frankfort on the Main was 15.50 marks ($3.69), but in 1894 it was only 7.56 marks ($1.80), and many other cities show a similar decline. The explanation of this is that the quality of the clothing offered in pledge has continually deteriorated, while the fall in the price of silver has led not only to a lower valuation of many articles of jewelry, but caused a great increase in

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the amount of cheap jewelry and the number of articles of a low value held by the public. Finally, this general decline has caused several cities to lower the amount of their minimum advance, so as to avoid the refusal of a large number of articles offered in pledge, which has also had its influence on the average loan.

The per cent of articles redeemed, renewed, and sold in the pawn shops of 15 of the principal cities of Germany is shown for the years 1891 to 1894 in the following table:

PER CENT OF ARTICLES REDEEMED, RENEWED, AND SOLD IN MUNICIPAL PAWN SHOPS, BY SELECTED CITIES OF GERMANY, 1891 TO 1894.

City.	1891.			1892.			
	Redeemed.	Renewed.	Sold.	Redeemed.	Renewed.	Sold.	Corrected auction per cent.
Berlin	a 94.72	(b)	5.28	a 94.44	(b)	5.56	5.41
Hamburg	73.12	20.01	6.87	75.53	20.28	4.19	4.24
Leipsic	a 89.56	(b)	10.44	a 91.76	(b)	8.24	8.91
Munich	73.80	17.67	8.53	67.92	22.01	10.07	9.99
Breslau	a 95.86	(b)	4.14	a 95.54	(b)	4.46	4.59
Dresden	61.76	32.53	5.71	61.88	32.64	5.48	5.43
Cologne	79.59	12.61	7.80	78.95	13.49	7.56	6.88
Frankfort on the Main	84.85	7.48	7.67	85.59	7.66	6.75	6.95
Hanover	a 90.69	(b)	9.31	62.42	25.17	12.41	11.78
Königsberg	a 94.10	(b)	5.90	a 95.44	(b)	4.56	4.85
Dusseldorf	80.79	6.25	12.96	82.49	6.07	11.44	10.39
Chemnitz	a 92.28	(b)	7.72	a 92.92	(b)	7.08	6.93
Altona	83.19	10.79	6.02	79.67	13.70	6.63	5.98
Elberfeld	a 91.83	(b)	8.17	a 91.95	(b)	8.05	.....
Strasburg	71.30	23.58	5.12	71.67	22.71	5.62	.....

City.	1893.				1894.			
	Redeemed.	Renewed.	Sold.	Corrected auction per cent.	Redeemed.	Renewed.	Sold.	Corrected auction per cent.
Berlin	a 93.81	(b)	6.19	5.51	a 94.43	(b)	5.57	5.16
Hamburg	80.43	12.13	7.44	.....	80.47	14.58	4.95	.....
Leipsic	a 91.39	(b)	8.61	8.50	a 91.49	(b)	8.51	8.37
Munich	67.39	22.84	9.77	9.58	67.05	23.20	9.75	9.60
Breslau	a 94.37	(b)	5.63	5.21	a 95.24	(b)	4.76	4.63
Dresden	61.86	32.88	5.26	5.12	62.89	32.03	5.08	5.15
Cologne	82.36	11.95	5.69	6.72	82.22	11.30	6.48	7.30
Frankfort on the Main	86.42	7.70	5.88	5.78	86.72	7.84	5.44	5.81
Hanover	34.67	48.63	16.70	.....	56.96	33.46	9.58	.....
Königsberg	83.39	11.46	5.15	5.44	82.54	12.45	5.01	.....
Dusseldorf	79.58	8.65	11.77	12.11	77.63	8.55	13.82	.....
Chemnitz	a 94.06	(b)	5.94	5.84	a 93.65	(b)	6.35	7.23
Altona	83.62	11.81	4.57	5.28	80.27	13.29	6.44	6.19
Elberfeld	a 91.51	(b)	8.49	.....	a 88.03	(b)	11.97	.....
Strasburg	73.96	21.38	4.66	4.84	72.81	21.84	5.35	5.39

a Including renewed. b Included in redeemed.

Of the cities in which the articles redeemed are reported separately from the renewals, Frankfort on the Main ranks first in the per cent redeemed and lowest in the per cent of renewals. But its 86.72 per cent of redemptions in 1894 is closely followed by Königsberg, Cologne, and Hamburg, with 82.54, 82.22, and 80.47 per cent, respectively; Hanover being the lowest, with but 56.96 per cent of its pledges redeemed and 33.46 per cent of them renewed. The highest per cent of sales was in Dusseldorf, where 13.82 per cent of the pledges leaving the pawn shop were sold, while Breslau is lowest, with 4.76 per cent, followed very closely by Hamburg. These per cents are a little above the real

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sales, in that the base used is the total number of articles on hand during the year, which includes a large number of renewals from the previous year. To secure an accurate per cent the base should be the number of articles pledged and auction per cent be calculated when the articles pledged, in say one year, had been disposed of either by redemption or sale. By this method Breslau in 1894 had the lowest per cent of sales, 4.63, and Munich the highest, 9.60.

The following table shows the per cent of articles of various kinds pledged in Dresden and Berlin in 1894 and 1895:

PER CENT OF ARTICLES PLEDGED IN DRESDEN AND BERLIN, BY CLASS OF ARTICLES, 1894 AND 1895.

Dresden.			Berlin.		
Class of articles.	Per cent of articles pledged.		Class of articles.	Per cent of articles on hand.	
	1894.	1895.		Jan. 20, 1894.	Jan. 19, 1895.
Jewels, gold and silver articles	14.79	14.76	Gold and silver articles	46.61	47.52
Watches and clocks	16.81	16.92	Ornaments and jewels	3.25	3.53
Woolen and linen goods and clothing	52.31	52.05	Watches and clocks	17.99	17.44
Silk goods and clothing	.81	.74	Clothing and merchandise	32.08	31.44
Bedding	9.76	9.73	Stock, bonds, etc	.07	.07
Fur garments	1.48	1.54			
Other articles	4.04	4.26			
Total	100.00	100.00	Total	100.00	100.00

While in the above classification the facts for the two cities are not entirely analogous, a comparison is possible. In both cities the clocks and watches make up from 16 to 17 per cent of all pledges, but here the similarity ceases. In 1895 jewelry in Dresden formed but 14.76 per cent, while in Berlin the gold and silver articles alone make up 47.52 per cent of the total, and, added to the ornaments and jewels, constituted 51.05 per cent of the total. The place occupied by jewelry in Berlin is taken by clothing in Dresden, 54.33 per cent falling directly in that list, as against less than 31.44 per cent in Berlin.

The following table shows the average daily number of articles pledged and redeemed in Berlin and Dresden during the year 1895, and at different periods during the year:

AVERAGE DAILY NUMBER OF ARTICLES PLEDGED AND REDEEMED IN DRESDEN AND BERLIN, 1895.

Period.	Dresden.		Berlin.	
	Pledged.	Redeemed.	Pledged.	Redeemed.
Year ending December 31, 1895	442	447	686	660
Week ending:				
January 1, 1895	680	435	895	834
April 1, 1895	601	468	870	689
July 1, 1895	695	460	695	727
October 1, 1895	545	496	681	785
Easter, 1895	598	583	629	684
Whitsuntide, 1895	482	644	766	915
Christmas, 1895	502	589	657	794

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To ascertain what influences tend to increase the number of articles offered in pawn, the reports of Berlin and Dresden give data for the above table. In both cities the average daily number of articles pledged during the week when rents were due, as also during Easter, Whitsuntide, and Christmas, is in most cases above the daily average for the year. It is noticeable that the number pledged before holidays is less than when rents are due, in fact, the daily average of articles pledged in Berlin during Easter and Christmas weeks is below the average for the year and for the other periods shown, but the redemptions during the holidays rise much higher above the average than those pledged in the same period. A variation is noticeable during the week. The greatest amount of business is done on Monday and Saturday, with this difference, that the articles are pledged on Mondays and redeemed on Saturdays.

The amount and sources of capital of the public pawn shops of 14 of the principal cities of Germany in 1890 are shown in the following table:

AMOUNT AND SOURCES OF CAPITAL OF MUNICIPAL PAWN SHOPS, BY SELECTED CITIES OF GERMANY, 1890.

City.	Capital belonging to the institution.	Amount borrowed from—			Total capital.	Amount loaned on each $100 of capital.
		Authorities to which the institution belongs.	Savings bank.	Private persons or associations.		
Berlin	$866,537.01	$130,996.39			$997,533.40	$125.20
Hamburg	110,984.64	103,412.00			214,396.64	173.30
Leipsic	104,239.67		$144,942.00		249,181.67	212.80
Munich	523,057.02	31,936.80	135,660.00	$59,877.47	750,531.29	281.31
Breslau			59,926.00		59,926.00	
Dresden	134,314.82		102,340.00		236,654.82	204.99
Cologne	4,723.59		103,292.00		108,015.59	
Frankfort on the Main		96,507.33		26,787.85	123,295.18	116.82
Hanover		2,856.00			2,856.00	172.91
Dusseldorf	6,708.60		63,802.00		70,510.60	182.65
Chemnitz	38,884.44		16,422.00		55,306.44	243.17
Altona	5,317.12		6,320.33		11,637.45	201.65
Elberfeld	1,711.54		49,314.79		51,026.33	203.94
Strasburg	15,862.95			19,992.35	35,855.30	140.40

The application of the profits and unclaimed surplus to the formation of a reserve fund, together with funds donated to them by their founders, has given several of the public pawn shops a considerable capital of their own. Chemnitz owns 70 per cent of the money used in the business, and Dresden and Hamburg over 50 per cent of theirs. But these are the highest amounts, the other cities being obliged to obtain additional funds, either from the municipality, the savings bank, or private parties or companies. In Berlin the Royal Commercial Company supplies the funds, while Hamburg, Munich, Frankfort on the Main, and Hanover are supplied by their respective cities. The more popular plan, however, is for the savings banks to furnish the needed money. This method obtains in at least twenty-one cities of Germany, in three of which, Erfurt, Posen, and Görlitz, the entire capital is furnished in this way. In Dusseldorf the pawn shop has unlimited credit with the savings bank, but in Breslau its credit is limited to

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75,000 marks ($17,850). Munich uses all these sources, borrowing 570,000 marks ($135,660) from the savings bank and 251,586 marks ($59,877.47) from other sources. In Strasburg and Mentz the plan often followed in France and Belgium is used. The officials of the institution are required to deposit certain sums as security for loss that their negligence may entail, the funds so obtained being used in the business.

An interesting portion of the table is that which gives the amount loaned during the year on each $100 of capital. Because of the fact that the majority of the loans are paid prior to the expiration of the loan period, a greater sum may be loaned than the capital would indicate. It would seem that places with a short loan period would be able to turn their capital more frequently than those with a longer one. This, however, is not the case. The loan period in Munich is a year and that of Leipsic six months, yet the former advanced $281.31 and the latter only $212.80 on each $100 of capital. Again, the loan period of Elberfeld and Strasburg is the same, yet their advances were $203.94 and $140.40, respectively, showing that the loans of Elberfeld were repaid more promptly than those of Strasburg.

The following table shows the percentage of the total income, represented by each item of the account for the public pawn shops of 13 of the principal cities of Germany, 1891 and 1892:

PER CENT OF EACH ITEM OF INCOME OF TOTAL INCOME OF MUNICIPAL PAWN SHOPS, BY SELECTED CITIES OF GERMANY, 1891 AND 1892.

City.	1891.					1892.				
	Interest from advances.	Interest from capital deposited and rent.	Fees and charges.	Unclaimed surplus.	Miscellaneous receipts.	Interest from advances.	Interest from capital deposited and rent.	Fees and charges.	Unclaimed surplus.	Miscellaneous receipts.
Hamburg	88.22	.....	4.98	6.80	.....	91.40	.....	2.71	5.89	.....
Leipsic	72.26	.....	18.74	6.78	2.22	72.92	.....	17.96	6.80	2.32
Munich	68.42	11.43	17.20	2.83	.12	66.61	14.15	16.66	2.25	.33
Breslau	95.92	.52	.....	3.42	.14	95.13	.50	.....	4.22	.15
Dresden	74.84	.04	19.19	5.74	.19	75.35	.....	18.97	5.49	.19
Cologne	94.59	.....	1.61	3.04	.76	95.01	.....	1.97	2.72	.30
Frankfort on the Main	86.60	8.10	.....	4.30	1.00	79.29	13.82	.....	6.09	.80
Hanover	69.20	5.70	7.50	17.50	.10	71.41	3.11	6.65	18.72	.11
Königsberg	93.47	3.63	1.53	1.37	.....	92.04	2.00	1.74	4.15	.07
Dusseldorf	74.26	.97	14.36	9.74	.67	75.51	.93	13.62	9.53	.41
Chemnitz	79.10	.....	14.70	5.50	.70	83.54	.....	14.80	.43	1.23
Altona	88.91	.....	.....	6.77	4.32	88.42	.....	.....	6.97	4.61
Elberfeld	66.72	.....	20.56	12.72	.....	.....	.....	.....	.....	.....

The interest received on advances in Cologne forms a larger per cent of the total income than in other cities. In 1892, 95.01 per cent of all moneys received by it was from this source, 1.97 per cent from fees and charges, 2.72 per cent from unclaimed surplus, and 0.30 per cent from miscellaneous sources. Because of the small loans granted, the smallest proportional amount of interest on advances was received in Munich, 66.61 per cent, but the fees and charges, not being dependent on the length of loan, rise to 16.66 per cent, while the capital deposited with

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the banks, not being needed in the business, returned 14.15 per cent of the total income. The largest relative amount of surplus was received by Hanover, almost one-fifth of its total income being from this source. Dusseldorf ranks next highest, with 9.53 per cent, after which follow Altona and Leipsic, with 6.97 and 6.80 per cent, respectively.

The per cent of each item of expenditure is shown for the years 1891 and 1892 in the following table:

PER CENT OF EACH ITEM OF EXPENDITURE OF TOTAL EXPENDITURE OF MUNICIPAL PAWN SHOPS, BY SELECTED CITIES OF GERMANY, 1891 AND 1892.

City.	1891.					1892.				
	Interest on borrowed capital.	Loss on sale of pledges.	Wages and pensions.	Building and repairs.	Miscellaneous expenses.	Interest on borrowed capital.	Loss on sale of pledges.	Wages and pensions.	Building and repairs.	Miscellaneous expenses.
Hamburg	.....	2.73	77.16	.....	20.11	.....	3.80	75.18	.....	21.02
Leipsic	17.32	9.38	.....	.....	73.30	19.48	4.79	.....	.....	75.73
Munich	16.38	.....	55.81	3.01	24.80	22.12	.....	1.43	44.63	31.82
Breslau	33.72	.....	57.73	.....	8.55	32.92	.....	59.78	.20	7.10
Dresden	18.10	2.95	52.06	.15	26.74	19.81	1.82	50.32	.01	28.04
Cologne	35.14	.....	26.93	.....	37.93	30.27	.....	47.00	.03	22.70
Frankfort on the Main	25.61	1.07	53.38	1.33	18.61	28.62	1.56	1.84	18.99	48.99
Hanover	28.98	1.26	42.94	.....	26.82	22.10	1.43	44.63	.....	31.84
Königsberg	.....	4.82	81.72	2.53	10.93	.80	2.51	82.03	4.20	10.46
Dusseldorf	21.68	.....	62.07	5.63	10.62	19.83	.....	57.62	4.81	17.74
Chemnitz	12.90	.63	68.08	.....	18.39	10.38	2.09	70.37	.....	17.16
Altona	12.63	7.61	47.62	.....	32.14	11.21	2.63	67.43	.....	18.73
Elberfeld	.....	.....	69.16	.....	30.84	.....	.....	.....	.....	.....

The expenditure for interest on borrowed capital as given in the above table does not vary directly with the amount borrowed, since other expenditures, as well as the rate of interest paid, modifies the per cent this item forms of the total. In Breslau 32.92 per cent of the total expenditure in 1892 was for interest, while in Königsberg but 0.8 per cent of the total was for this purpose.

The income and expenditure per article pledged, and the per cent of the same of the amount loaned, are shown for 14 selected cities for the years 1890 to 1892 in the following table:

INCOME AND EXPENDITURE PER ARTICLE PLEDGED AT MUNICIPAL PAWN SHOPS AND PER CENT OF INCOME AND EXPENDITURE OF AMOUNT LOANED, BY SELECTED CITIES OF GERMANY, 1890 TO 1892.

City.	Income per article pledged.			Expenditure per article pledged.			Per cent of income of amount loaned.			Per cent of expenditure of amount loaned.		
	1890.	1891.	1892.	1890.	1891.	1892.	1890.	1891.	1892.	1890.	1891.	1892.
Hamburg	$0.66	$0.74	$0.75	$0.43	$0.45	$0.45	14.55	14.10	13.20	9.71	8.50	8.28
Leipsic	.31	.31	.30	.30	.30	.28	14.46	11.25	11.27	11.08	11.01	10.65
Munich	.40	.42	.44	.37	.34	.34	18.43	19.17	20.89	17.05	15.45	15.55
Breslau	.68	.65	.58	.63	.38	.35	12.66	12.44	13.71	11.49	11.17	11.59
Dresden	.40	.43	.45	.37	.40	.40	11.97	11.91	11.61	11.29	11.12	10.33
Cologne	.43	.47	.48	.26	.24	.29	19.87	21.53	22.13	12.29	12.61	13.48
Frankfort on the Main	.40	.37	.41	.35	.37	.41	18.86	17.15	10.38	16.47	17.18	19.09
Hanover	.40	.33	.45	.43	.46	.47	17.36	18.12	16.53	18.32	19.00	16.97
Königsberg	.35	.29	.31	.29	.26	.24	13.32	12.00	12.10	10.74	10.24	9.65
Dusseldorf	.26	.26	.26	.19	.19	.21	16.80	16.54	16.20	12.72	11.80	12.79
Chemnitz	.33	.28	.36	.28	.26	.27	16.92	18.30	19.01	13.93	13.60	13.86
Altona	.46	.47	.52	.36	.31	.37	25.30	24.93	27.43	19.98	16.56	16.69
Nuremberg	.29	.29	.27	.25	.27	.26	18.57	17.95	16.83	15.45	17.36	15.62
Halle	.35	.34	.35	.37	.33	.35	25.37	25.96	25.14	24.07	24.33	25.32

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The average loan in Hamburg being higher than in other cities, and charging, as it does, 12 per cent per annum, interest being payable for at least one month, gave it an average income of 3.15 marks ($0.75) per article in 1892, and this with the loan period of but six months. Breslau, with the same loan period, stood next, while Leipsic, where advances are also made for six months, received but 1.26 marks ($0.30) per pawn. In the latter, however, the low rate of interest accounts for the small income. In this connection it may be explained that the low rate of interest in Leipsic is made possible and the small expenditure per pawn results not alone from the clause of the law permitting the profits of the business to supplement the reserve fund, but also that its pawn shop occupies the same building as the city savings bank. In this way the same officers may administer both, while many of the helpers may assist in both institutions; but, aside from this, the savings bank bears three-fifths of the general expenses. Moreover, Leipsic pays the savings bank but 3½ per cent interest, while Dresden, Hanover, Dusseldorf, Altona, and Chemnitz pay 4 per cent and Cologne 5 per cent per annum on similar funds. The interest paid, however, will not always account for the expenditure. Hamburg, which receives its capital from the city and pays no interest, still had an expenditure of 1.89 marks ($0.45) per pawn in 1892, while Dusseldorf, where the expenditure was the least, 0.88 mark ($0.21), pays, as above stated, 4 per cent interest.

The following table gives the profits of the pawn business in 15 selected cities for the years 1891 and 1892:

PROFITS OF THE BUSINESS OF MUNICIPAL PAWN SHOPS, BY SELECTED CITIES OF GERMANY, 1891 AND 1892.

City.	Profits for—	
	1891.	1892.
Berlin	$19,107.35	$16,447.23
Hamburg	9,498.58	7,607.19
Leipsic	586.39	1,519.87
Munich	10,560.52	6,226.08
Breslau	4,246.17	4,621.69
Dresden	2,551.83	2,340.59
Cologne	8,450.28	7,510.80
Frankfort on the Main	2,987.14	2,048.33
Hanover	.....	a1,062.67
Königsberg	901.78	1,345.18
Dusseldorf	2,549.69	1,878.77
Chemnitz	2,376.43	2,172.22
Altona	808.25	725.42
Elberfeld	.....	.....
Strasburg	.....	.....

a Loss.

After all expenses have been met and the unclaimed surplus added to the income of the respective cities, the resulting profit is that given above. From a financial standpoint the business is not a success; the profits made would not pay a respectable dividend on the capital invested. It must, however, be remembered that it is the constant endeavor of the officials to lower the rate of interest and charges to an amount that will cause the income to exactly balance the expenditure.

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Difficult as this is to do, a fair degree of success has been obtained. In 1892 the profit in Altona was only 3,048 marks ($725.42), that of Königsberg 5,652 marks ($1,345.18), and Leipsic 6,386 marks ($1,519.87). Hanover suffered a loss of 4,465 marks ($1,062.67), while the following cities not mentioned in the table had a deficit at the end of the year: Mentz, Darmstadt Metz, Essen, Mannheim, Dortmund, Halle, Crefeld, and Nuremberg.

In the disposition of the profits a distinction is usually made between unclaimed surplus and profits arising from the business. In Berlin both surplus and profits are given to some charity specified by the city authorities, but in the following cities the unclaimed surplus becomes the property of the poor fund, the other profits either going to the city or to form a reserve fund: Breslau, Cologne, Hanover, Altona, Elberfeld, Dantzic, Barmen, Halle, Dortmund, Essen, Erfurt, Kiel, and Görlitz. In Elberfeld and Barmen, however, the officials of the institution receive 10 per cent of the profits of the business. According to the rules for Leipsic, Munich, Dortmund, Altona, and Görlitz, the profits go to form a reserve fund until that fund has reached a certain amount, after which the sums belong to the poor fund or are paid into the city treasury. Nuremberg, Duisburg, and Carlsruhe give the profits to the city, while in Chemnitz one-half of the profits remaining, after the appraiser has received 1½ per cent of the sum, is paid into the treasury, the remaining one-half forming a reserve. Lastly, in Dresden, Königsberg, Strasburg, Brunswick, Mentz, Cassel, Posen, and Metz the entire profits, inclusive of the surplus, belong to the institution itself.

FRANCE.

Although the early efforts of the kings of France to control the taking of property in pledge were singularly ineffective, the Government as such made no attempt to adopt the Italian plan until 1614. In that year, due, perhaps, to the visionary scheme proposed by Hughes Desletre three years previous, the States General adopted a plan which, but for the nonconcurrence of the Third Estate, would doubtless have been placed in operation. Ten years later the same idea was embodied in an edict of the King providing for the establishment of monts-de-piété in the cities of France. But as Richelieu refused to take the necessary steps to put the plan in operation, it seemed probable that the effort of the King was not sincere and that the step was taken for purely political reasons. The law of 1643, however, seems to have been the product of an honest desire to place the business in the hands of the municipal authorities; but, lacking confidence in the ministry, the cities gave no heed to the statute.

Its failure led to the law of 1673, which sought to control the private broker by requiring that all pawn contracts should be made in the presence of a notary public. But by this method the charges were so

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excessive that a legitimate trade was impossible, and the worst forms of an uncontrolled business prevailed. Yet this condition did not obtain in all parts of France. In a few instances the desire of the cities to further their commerce and contribute to the welfare of their citizens had induced them to follow the example of their neighbors in Belgium and Italy and establish pawn shops under municipal control. Moreover, Avignon and Carpentras had preceded rather than followed the efforts of Belgium, the former having begun operations in 1577 and the latter in 1612. Likewise Nancy may in part claim priority, having founded a mont-de piété in 1615, whose work, however, was unsatisfactory until reorganized according to the plan adopted in Brussels. In other cities monts-de-piété were founded as follows: Aix, 1635; Apt, 1674; Tarascon, 1676; Brignoles, 1677; Montpellier and Angers, 1684; Marseilles, 1695.

The ill-advised legislation of 1673 was allowed to stand until the eve of the Revolution, when Louis XVI realized that the demands of the people required attention, and hastened to establish a royal lottery, a lottery for the poor (*lotterie de piété*), and promulgated a plan for founding a mont-de-piété in Paris and the principal cities of the Kingdom. The decree, given at Versailles December 9, 1777, contained little that was new. In the main it was simply a restatement of the principles then in successful operation in Belgium and Italy, and which regulate the business in continental Europe to-day. Under such conditions its immediate success is not surprising. From the first the chief concern in Paris was to secure a capital sufficient to meet the demands upon its resources. According to the original plan the public charities (*hopital général*) of that city were to supply the funds, but the amount they could furnish was quite insufficient, and it was necessary to resort to loans. So obvious were its beneficial effects that even Necker commended its work, and the writers of the period speak of it as dealing a mortal blow to the "fierce and barbarous fury of the voracious usurers." Yet with all its success neither the institution in Paris nor those in other cities were able to withstand the drastic measures of the revolutionary period, which, by robbing them of their capital and refusing legal protection, worked their downfall.

The rise of interest rates noted in Belgium under similar conditions was now experienced in France, and within less than a year the demand was so general that a reorganization was determined upon. This time no monopoly of the business was given and no reference made as to the rate of interest to be charged on advances, the idea being to allow the institution to prove its worth by direct competition with the vast number of private brokers that had begun loaning during its inactivity. In this it was successful. The rate of interest in Paris, at first 30 per cent per annum, was soon lowered to 18, a step which so increased its popularity as to lead to the law of 1804 (*16 Pluviose, XII*), which restored it the monopoly enjoyed prior to the Revolution. But, given

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this advantage, it was deemed unwise to permit the cities complete control, and a law of the same year (*24 Messidor, XII*) provided a plan of reorganization which placed their administration subject to the central authorities. Under this law the work of reorganization went rapidly forward, not alone in France, but in Italy and those provinces taken from Belgium by Napoleon. After the restoration the work was continued in like manner, and before 1840 forty-four monts-de-piété had been reorganized, while but five retained their former organization.

PRESENT LAWS OF FRANCE.

Within the departments, by the law of 1804, the reorganization of the monts-de-piété, as well as the founding of new institutions, was left largely in the hands of the prefects. As the suggestions of the minister of the interior were not binding, each institution was at liberty to adopt such rules of administration and prescribe such conditions for advances, etc., as best suited their convenience, subject alone to the sanction of the central authorities. Thus a great diversity in organization resulted.

By the provisions of the law of 1851 monts-de-piété may be established only with the consent of the municipal council and by a decree of the President of the Republic. Within the department the administration is given into the hands of a council of administration, which receives no compensation for its services. Members of this council are to be appointed by the prefect, and comprise the mayor (as president), three members of the municipal council, three administrators of the public charities, and an equal number of the citizens of the commune. The immediate charge is given to a director, appointed by the prefect upon the recommendation of the council. The prefect, however, is at liberty to accept or reject the nomination of the council or remove the director after his appointment.

In Paris, according to the decree of 1852, made to meet the requirements of the law of the previous year, the administration is placed under the authority of the prefect of the Seine and the minister of the interior. The immediate administration is by a director, who is himself under the control of a committee of "surveillance," comprised of the prefect of the Seine (as president), the prefect of the police, three members of the municipal council, three members of the "assistance publique," and an equal number of the citizens of Paris. The members of this committee, with the exception of the two prefects, are appointed by the minister of the interior from a triple list presented by the prefect of the Seine. Its members, with the exception of the two prefects, as the corresponding committee in the department, with the further exception of the presiding officer, are renewed by thirds every two years.

It is stipulated that the capital of the several monts-de-piété shall consist of such funds as may have been given them at the time of their foundation; any gifts or legacies of which they have since been the recipient; of such a portion of the profit or unclaimed surplus (*boni*) as the by-laws of each institution shall stipulate, and any funds the State

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or commune may place at its disposal. If by this method sufficient capital is not attained, loans may be made or funds accepted in deposit, in accordance with the rules annually approved by the minister of the interior. It is further provided that, in case an institution obtains a capital of its own sufficient to cover general expenses, and lower the rate of interest to the legal rate of 5 per cent, any excess of the receipts will, by a decree of the prefect, and with the approval of the municipal council, be given to the hospitals or to other charitable institutions.

A significant portion of the law, as will be seen later, was that which attempted to curb the abuse arising from the sale of pawn tickets. It stipulates that the owner of a pledge, three months after the date of pledging, may cause the sale of his pawn, and receive any surplus remaining after loan, interest, and charges have been paid, but new merchandise under no consideration may be sold prior to the expiration of the loan period.

Since its enactment the above general law has been supplemented by two important measures. The first, passed in 1865, gives another illustration of the French desire for unity, and, at least from a statistical standpoint, is a most commendable measure. From the date of its founding each mont-de-piété had been allowed to follow the system of bookkeeping that best suited its purposes. This permitted such a diversity as to render it quite impossible to make a comparison of the results such as would enable the central authorities to intelligently exercise the powers given by the law of 1851. In order to make this desired comparison possible the authorities decided to introduce a uniform system of bookkeeping similar to that in use by the other charitable institutions of France. To this end a committee was appointed whose report, afterwards embodied in the law, described minutely a model system of bookkeeping to which each mont-de-piété was, as nearly as possible, to conform. The second measure, passed July 25, 1891, is clearly the result of the economic development of recent times. For several years prior to its enactment it had been noted that laboring classes were in the habit of investing their savings in securities of different kinds, but no definite idea of the extent or nature of the investment was obtained until the refunding of the loan of the city of Paris in 1888. At that time it was found that over 27 per cent of the city bonds were held by those who had purchased them fractionally, and that of these investments but 42.5 per cent were sufficiently large to obtain an advance upon the same from the Bank of France. It was further known that many were compelled, on account of sickness or enforced idleness, to sell these investments of their savings at a sacrifice to secure needed funds. To give this class of investors or others holding like securities an opportunity to obtain small advances at reasonable rates, without being obliged to part with their savings, it was enacted in 1891 that the mont-de-piété of Paris, as well as those of other cities, upon making special application for the privilege, should

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be permitted to make advances on certain securities, as bonds, mortgages, etc.

From the revolutionary period to the present the pawn business of France has been under the direct control of the State and municipal authorities. Moreover, the provisions common to the laws upon the subject, declaring that all institutions for the loaning of money upon pledges shall be conducted to the profit of the poor and requiring the sanction of the Government for the founding of a new institution, have effectually excluded private enterprise and given the municipality a monopoly of the business. Yet in no instance are the municipal authorities allowed to establish a pawnshop, or mont-de-piété, without the consent of the municipal council of the city and a decree of the President of the Republic giving certain more definite provisions as to its administration than are found in the general laws.

MONT-DE-PIÉTÉ OF PARIS.

Aside from the general provisions as to the appointment of the administrative bodies already described, the law of 1851 gives no further direction as to administration, but the law for Paris enacted the following year directs that the prefect shall call a meeting of the council at least once a month, and on such other occasions as he may think proper. As a matter of fact, however, this is given into the hands of the director, who calls the meetings in the name of the prefect. Although the convening of the council may seem to be somewhat frequent for members who are allowed no compensation for their services, yet it is none too often for the amount of business placed in its hands. Aside from such general matters as may come up in reference to the property and business of the institution, it must pass upon all budgets and accounts; decide as to new buildings and repairs, or the demolition of the old ones; act as to the acceptance of gifts or legacies for the institution, and also act in reference to legal matters. It must, moreover, fix the rate of interest on money borrowed or loaned, and make rules as to the manner in which the business shall be conducted by its employees.

The work of the mont-de-piété of Paris is carried on at a central office, three supplementary offices, and twenty-two auxiliary offices, distributed over the various parts of the city. The central and supplementary offices have storehouses attached to them for the goods pawned, and are open every weekday from 9 a. m. to 3 p. m. On Sundays no articles may be taken in pawn, but they are open until 12 for redemptions. The auxiliary offices are usually open from 9 a. m. to 8 p. m., and pledges received during the day are at once conveyed to the central office for safe-keeping until redeemed.

The officer to whom the administration of the institution is given is the director appointed by the minister of the interior from the triple list of candidates furnished him by the prefect of the Seine. His work

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is purely administrative, the chief duty assigned him being to see that the rules and regulations laid down by the minister of the interior, the prefect of the department, or the council of surveillance are properly carried out. He has the appointment of all the minor officers and helpers (*hommes de service*) of the institution, all other officials being appointed by the prefect of the Seine from a triple list of candidates supplied him by the director. He must take cognizance of all errors or lack of discipline, on the part of the personnel, and is authorized to carry out such disciplinary measures as the rules of the administration permit. At the close of each year he is required to make out a trial budget and submit it, together with a general report of the entire work of the year, to the council. If approved by them, both report and budget are submitted to the prefect of the Seine, and by him to the minister of the interior for his approval. Aside from the director there is a general secretary who acts in case of the director's absence; a treasurer, who has charge of all the receipts and expenditures of the institution; an inspector of the branch offices (*bureaux auxiliares*), and such other officials as are necessary to superintend and control the several departments which naturally arise from the needs of the business. In all instances the chiefs of these departments must furnish bonds and are held strictly responsible for losses arising from their own negligence, and in many instances from that of their employees. Daily reports are required from each, by means of which any error in the work may be readily detected.

For the officers and helpers appointed by the director an educational qualification is required. To this end the candidates must pass an examination in the French language, orthography, and arithmetic; but before being permitted to take the examination each must present his certificate of birth, as no one of less than 20 years of age or more than 35 may become a candidate for an assistant secretaryship, while candidates for general helpers must be at least 18 and not over 35 years of age. Further, prior to the examination each applicant must secure a certificate from the regular physician of the institution, certifying to his physical ability to perform the work required of him. Finally, each must present statements signed by the proper judicial authorities, to the effect that he has never been convicted of misdemeanors and that he has satisfied the requirements of the military authorities. After this all candidates successful in the examination are received on a three months' probationary period, at the end of which time those are discharged who, from inability to do the work, lack of discipline, or other causes, have not proved themselves capable.

Aside from these regular employees there is a special advisory committee (*comité consultatif*), composed of lawyers, whom the authorities may consult on all legal matters, and who, together with the regular notary, execute all legal documents for the institution and represent it in all cases of equity.

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A regular physician is also employed who, aside from examining all applicants for clerkship or the helpers and assistants, as above mentioned, acts as general medical attendant for all the employees of the institution. By this means the employees are furnished with free medical service, yet the object in so doing was not entirely humanitarian. It was found that some of the salaried employees often reported themselves unfit for duty on the most trivial causes. To avoid the loss thus entailed a physician was employed who reports daily the names of those unable to be at their post, all others absent unless officially excused being liable to discipline.

The remaining set of officials, which we will discuss more thoroughly later, are the so-called appraisers (*commissaires priseurs*), whose duty it is to determine the value of all articles submitted to the institution for an advance of money.

The several laws enacted by the Government give a very imperfect idea of the articles accepted in pledge by the monts-de-piété of France or Paris. The earlier laws alone mentioned personal property (*effets mobilières*), exclusive of stocks, bonds, etc., but made no further limitation. Some insisted that this did not include new merchandise, and a considerable discussion arose, which continued until 1857, when the law of that year declared it subject to pawn. After this no further additions were made to the list until 1891, when the mont-de-piété of Paris was authorized to receive stocks, bonds, etc., and provisions made whereby other cities could obtain a like concession. Under these provisions almost anything, with the exception of real estate, may be received, yet each institution, because of the character of the articles or a lack of room for storage, refuses to accept certain pledges in pawn. In Paris the following are refused: Military accouterments, uniforms, decorations of the Legion of Honor, articles bearing stamp of a public institution, firearms, damp or untidy clothing, photographs or engravings of an obscene nature, fur garments or those lined with fur, and goods cut out but not yet manufactured into articles of apparel.

If an article not prohibited by the above list is presented, the applicant is given a check, a duplicate of which is attached to the article itself. This method has been adopted to avoid publicity during the transaction. After this the attendant who has received the pawn carries it to the appraiser, who estimates its value, thereby fixing the sum to be advanced. For gold and silver articles the value is determined by weight, the amount advanced being four-fifths of what the crude metal would bring in the market. With other articles, such as clothing, furniture, etc., the appraiser must rely on his own judgment as to the amount they would bring at auction, and two-thirds of that amount may be advanced. In the case of bonds, stocks, mortgages, etc., no loan of over 500 francs ($96.50) may be made at one time to a single borrower. All advances are based upon the official quotation of the bourse for that day in the following proportions: Eighty per cent on

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French securities, treasury obligations, and bonds of the mont-de-piété; 75 per cent on such bonds bearing a yearly interest as shall be designated by the director with the approval of the prefect and the council of administration; 80 per cent of the value on certain other certificates of stock (*actions de jouissance*). But if, during the continuance of the loan, the stocks or bonds on which the advances have been made fall 15 per cent below the bourse quotation at the date of making the advance, the owners of the same are required to make an additional deposit to cover the deficit thereby created.

The amount to be advanced having been determined, the applicant's number is called and the attendant announces the sum the appraiser is willing to loan on the pledge. If satisfactory to the owner of the pledge, a check is made out. If not, the pawn is at once returned. But before an advance is actually made, if the sum be for 16 francs ($3.09) or over, papers of identity must be produced. Women and children, to secure this amount, must not only present papers of identity, but also produce a certificate showing their full right to pawn the article, while soldiers must be accompanied by a noncommissioned officer of their company. Regular customers, however, may have their names registered and be relieved of the trouble of proving their identity oftener than once a year. When, however, it is necessary to establish one's identity, it may be done by producing any one of the following list of articles: Registry certificate; bill payable to order; lease; registered letter; certificate of membership in a society or club; railway pass; card permitting entry to a museum; student's card issued by a university or college; credentials issued by the mayor of a city, the police authorities, or a consul; certificate of a public employee; college diploma; papers issued by the military authorities; letters of credit; naturalization papers; laborer's permit or a permit to hunt, or bear arms; passport; deed; pension certificate; receipt for payment of water or gas bill, or fire or life insurance.

Having established his identity by one of the above papers, the pledger signs a certificate of deposit and receives in return a ticket, together with the amount advanced. The ticket gives the number of supplementary office or letter designating an auxiliary office, the number of the pawn, date, amount loaned, description of the articles pledged, the estimated value, its weight (if an article of gold or silver), and the signatures of two officials. Besides this, the ticket has printed upon it the law as to the length of loans, as also full particulars as to charges, redemption, renewal, and payment of surplus, in case of sale by auction. If, however, the authorities have reason to believe that the object presented has been stolen, or is lost property, or if the applicant is unable to establish his identity, they may suspend the loan until the police have been consulted or the proper proof furnished. Meanwhile the pawn is held under the title of "suspended loans," but if after eight days the proper proof has not been furnished, it is classed

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with miscellaneous deposits and held for the final call of the legitimate owner.

To redeem an article it is only necessary to present the pawn ticket and pay the amount of loan, together with accrued interest and charges. These payments, however, may be made by installments of any amount the debtor may be able to advance, or in a lump sum. Care is taken by the officials to ascertain if the ticket is one reported lost, in which case the bearer must first establish his right to the property before he is permitted to redeem it. If, however, the pledge has been in deposit for a year and the owner does not desire to, or is unable to redeem his property, he may have the loan renewed by paying the charges and interest. Renewals virtually consist of two operations, the redemption of the pawn and its repledging immediately thereafter, the only difference being that in some cases a reappraisal of articles is not necessary. The rules as to just what articles shall be reappraised are very indefinite, the matter being left largely to the discretion of the appraisers, who are responsible for any loss resulting from the sale of unredeemed pledges. Yet certain classes of goods are always subject to reappraisal; among these are shawls (*châles*) and woolen goods, on which a loan of over 50 francs ($9.65) has been granted, and all pawns on which over 100 francs ($19.30) have been advanced, as also all kinds of bedding.

The rate of interest charged has been greatly reduced in the last decade. From 1831 to 1886 an interest of 9 per cent per annum was charged, with a fixed appraisal fee of ½ per cent on the amount loaned. In 1886 the rate was lowered to 8 per cent per annum, and the ½ per cent appraisal fee retained, but the following year the interest was further reduced to 6 per cent per annum, with a fixed charge of 1 per cent on the sum loaned, which rate obtains at present. On stocks, bonds, and mortgages (*valeurs mobilières*), however, the rate is 6 per cent per annum, with a fixed charge of ¼ per cent on the sum loaned. But on loans of 5 francs ($0.97) or less no charge whatsoever is made if the pawn be redeemed within two months. In all cases interest must be paid for fourteen days, that period having been made the basis for reckoning interest in Paris, instead of the month, as is the case in many places.

In case of sale, the purchaser of the article must pay 5 per cent of the purchase price to cover the expense of sale. Formerly this fee was 3 per cent, but at the time the mont-de-piété reduced its rate of interest the treasury in which the surplus funds of the institution were placed also lowered the rate paid on deposits. In this way the receipts were reduced to such an extent that it was deemed wise to add 2 per cent to the auction fee, in order to cover in part the loss.

Pawns not redeemed or renewed at the expiration of a year from the date of pledging or last renewal are subject to sale at public auction to meet the demand of the loan, plus interest and charges. At least ten

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days prior to sale posters giving date and place of sale, as also a general description of the articles offered, must be posted in public places. In case a pledge on which 16 francs ($3.09) have been advanced is to be offered for sale, a notice informing the owner of the fact is sent to his address prior to the public announcement of the auction. In all cases the sales are conducted by the appraiser, who may recall each article twice if it does not bring the desired amount. Otherwise an article offered is sold to the highest bidder, no restriction being placed on the bids save that when the sum of 20 francs ($3.86) has been offered no bid of less than 50 centimes (10 cents) will be accepted. In all cases the purchaser must pay the expense of sale. If, however, from any cause he refuses to take the article after bidding it in, it is at once offered for sale again, the former purchaser being responsible for any loss incurred by the second sale.

Any sum remaining from the sale of an unredeemed pledge after loan, interest, and charges are paid is held subject to the demand of the rightful owner. Sums arising from the sale of common pledges are held for three years, but where stocks or bonds have been sold the owner, upon presentation of his ticket any time within ten years, may secure the surplus due him. If, however, such funds are not claimed within the specified time they become the property of the institution and are ultimately paid by it to the poor fund (*hospices civils*) of Paris.

WORK OF THE MONTS-DE-PIÉTÉ OF FRANCE AND PARIS CONTRASTED.

In the four tables following, which are placed together for purposes of comparison, are shown the number of articles pledged and renewed and the total and average loans on such articles. The first two tables give figures for the whole of France for the years 1881 to 1892; the figures in the other tables are for Paris for the years 1880 to 1895.

NUMBER AND PER CENT OF ARTICLES PLEDGED AND RENEWED AT THE MONTS-DE-PIÉTÉ OF FRANCE, 1881 TO 1892.

Year.	Pledged.		Renewed.		Total articles.
	Articles.	Per cent of total.	Articles.	Per cent of total.	
1881	2,994,606	73.18	1,097,757	26.82	4,092,363
1882	3,110,145	74.58	1,059,963	25.42	4,170,108
1883	3,274,933	74.79	1,103,617	25.21	4,378,550
1884	3,261,190	73.30	1,187,784	26.70	4,448,974
1885	3,108,883	70.85	1,278,871	29.15	4,387,754
1886	3,102,038	70.94	1,270,926	29.06	4,372,964
1887	3,134,963	70.94	1,283,922	29.06	4,418,885
1888	3,187,828	70.21	1,352,340	29.79	4,540,168
1889	3,185,422	69.64	1,388,887	30.36	4,574,309
1890	3,422,989	70.51	1,431,485	29.49	4,854,474
1891	3,301,827	69.75	1,431,752	30.25	4,733,579
1892	3,323,526	69.79	1,438,955	30.21	4,762,481

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TOTAL AND AVERAGE LOANS ON ARTICLES PLEDGED AND RENEWED AT THE MONTS-DE-PIÉTÉ OF FRANCE, 1881 TO 1892.

Year.	Pledged.			Renewed.			Total.	
	Amount of loans.	Per cent of total.	Average loan.	Amount of loans.	Per cent of total.	Average loan.	Amount of loans.	Average loan.
1881	$10,895,735.87	68.25	$3.64	$5,069,858.91	31.75	$4.62	$15,965,594.78	$3.90
1882	12,048,093.13	70.32	3.88	5,085,927.12	29.68	4.80	17,134,020.25	4.11
1883	12,112,823.79	69.20	3.70	5,391,389.38	30.80	4.89	17,504,213.17	4.00
1884	12,041,325.58	67.24	3.69	5,866,495.36	32.76	4.94	17,907,820.94	4.03
1885	11,603,438.31	64.74	3.73	6,319,437.60	35.26	4.94	17,922,875.91	4.08
1886	11,903,625.29	66.23	3.84	6,069,486.97	33.77	4.78	17,973,112.26	4.11
1887	11,732,089.98	64.72	3.74	6,396,344.05	35.28	4.98	18,128,434.03	4.10
1888	11,605,643.14	63.13	3.64	6,778,183.74	36.87	5.01	18,383,826.88	4.05
1889	11,557,532.48	62.23	3.63	7,015,159.95	37.77	5.05	18,572,692.43	4.06
1890	12,385,699.15	62.95	3.62	7,290,385.47	37.05	5.09	19,676,084.62	4.05
1891	12,283,116.37	63.07	3.72	7,190,849.58	36.93	5.02	19,473,965.95	4.11
1892	13,789,307.28	65.40	4.15	7,294,458.35	34.60	5.07	21,083,765.63	4.43

NUMBER AND PER CENT OF ARTICLES PLEDGED AND RENEWED AT THE MONT-DE-PIÉTÉ OF PARIS, 1880 TO 1895.

Year.	Pledged.		Renewed.		Total articles.
	Articles.	Per cent of total.	Articles.	Per cent of total.	
1880	1,682,522	69.63	733,806	30.37	2,416,328
1881	1,598,018	69.43	703,708	30.57	2,301,726
1882	1,669,582	71.53	664,617	28.47	2,334,199
1883	1,777,395	72.21	684,165	27.79	2,461,560
1884	1,692,902	69.58	740,256	30.42	2,433,158
1885	1,487,908	65.05	799,551	34.95	2,287,459
1886	1,409,370	64.32	781,940	35.68	2,191,310
1887	1,434,681	64.73	781,604	35.27	2,216,285
1888	1,469,961	64.15	821,382	35.85	2,291,343
1889	1,444,955	63.64	825,537	36.36	2,270,492
1890	1,491,540	64.73	812,832	35.27	2,304,372
1891	1,463,345	63.80	830,445	36.20	2,293,790
1892	1,447,725	63.60	828,424	36.40	2,276,149
1893	1,330,478	61.69	826,216	38.31	2,156,694
1894	1,251,801	61.16	795,079	38.84	2,046,880
1895	1,142,801	59.26	785,541	40.74	1,928,342

TOTAL AND AVERAGE LOANS ON ARTICLES PLEDGED AND RENEWED AT THE MONT-DE-PIÉTÉ OF PARIS, 1880 TO 1895.

Year.	Pledged.			Renewed.			Total.	
	Amount of loans.	Per cent of total.	Average loan.	Amount of loans.	Per cent of total.	Average loan.	Amount of loans.	Average loan.
1880	$6,800,428.92	66.96	$4.04	$3,355,085.75	33.04	$4.57	$10,155,514.67	$4.20
1881	6,899,988.16	67.56	4.32	3,313,163.07	32.44	4.71	10,213,151.23	4.44
1882	7,814,674.22	70.53	4.68	3,264,941.82	29.47	4.91	11,079,616.04	4.75
1883	7,767,646.49	69.41	4.37	3,422,741.32	30.59	5.00	11,190,387.81	4.55
1884	7,304,233.22	66.23	4.31	3,724,937.83	33.77	5.03	11,029,171.05	4.53
1885	6,521,848.47	61.14	4.38	4,145,404.93	38.86	5.18	10,667,253.40	4.66
1886	6,485,483.22	61.32	4.60	4,091,225.39	38.68	5.23	10,576,708.61	4.83
1887	6,501,729.19	60.80	4.53	4,192,238.69	39.20	5.36	10,693,967.88	4.83
1888	6,477,816.68	59.12	4.41	4,478,899.08	40.88	5.45	10,956,715.76	4.78
1889	6,566,051.07	59.31	4.54	4,504,766.68	40.69	5.46	11,070,817.75	4.88
1890	6,789,382.95	60.63	4.55	4,408,360.09	39.37	5.42	11,197,743.04	4.86
1891	7,055,508.14	60.87	4.82	4,535,851.65	39.13	5.46	11,591,359.79	5.05
1892	7,258,659.94	61.89	5.01	4,469,162.04	38.11	5.39	11,727,821.98	5.15
1893	6,764,291.21	60.50	5.08	4,416,764.66	39.50	5.35	11,181,055.87	5.18
1894	5,904,035.21	56.82	4.72	4,486,530.11	43.18	5.64	10,390,565.32	5.08
1895	5,666,072.58	56.26	4.96	4,405,894.90	43.74	5.61	10,071,967.48	5.22

In the tables for Paris the year 1880 has been chosen as a starting point, as it illustrates the business under normal conditions, the crisis

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of 1881 not having as yet made itself felt. It should, however, be noted that prior to this the average value of articles pledged had shown a very slight tendency to increase from year to year, but nothing like the advance occurring between 1880 and 1881, as also between 1881 and 1882. This marked increase is clearly the effect of the financial crisis, which caused the wealthier class of people to pawn their goods. That this is true is shown by a critical examination of the pledges pawned in 1881. During the first ten days of February the average value of the articles pledged was 22.19 francs ($4.28), but by the 1st of November the average had risen to 23.23 francs ($4.48), and the number of pledges on which the sum of 1,000 francs ($193) had been loaned almost doubled. In 1883 a change occurred; the number of pawns is seen to have increased while the sum loaned decreased, so that the average value drops back to what in the future must be considered as normal. A point worthy of notice is the decreased number of pledges in 1884 and 1885, which is explained in the reports of the director as due to the fact that the period of depression in Paris had driven a large number of laborers into the country, he having arrived at this conclusion by noting that over one-half of the applications for renewal and redemption came from the country districts. In this connection it is interesting to refer to the average loan made on articles pledged in France. Throughout the entire country the increase in 1882 was 1.22 francs ($0.24), with a decrease of 0.91 francs ($0.18) the following year, but in Paris there was an increase of 1.43 francs ($0.28) in 1881 and 1.88 francs ($0.36) in 1882, and a decrease of 1.61 francs ($0.31) in 1883. Moreover, the slight increase in the country districts is more marked when it is remembered that Paris does over one-half the pawn business of the country, and this increase naturally raises the average value of the other portions of France. The entire showing serves to illustrate the financial nature of the crisis, which affected Paris far more than the outlying districts.

Returning to the number of articles pledged in France, and the average loan on the same, a word may be added as to the probable causes of the fluctuation in the number of pledges received from year to year and the slight increase in the average loan made. Where the variation in the number of pawns received is large, as between 1882 and 1883, changed economic conditions, in this case the return of better times, may be assigned; where, however, the change is slight, as between 1885 and 1886, it is customary to attribute it to the low valuation placed upon articles by the appraisers, which causes the owners of the pledges to refuse to accept a loan, or the appraisers to refuse to advance the minimum sum of 3 francs ($0.58) on the articles offered. The point is well illustrated by the experience of Paris in 1892. In that year 104,338 articles were offered in pawn on which the appraisers refused to advance 3 francs ($0.58), while 40,541 would-be pawners refused to accept the loan offered them on their pledges. This has had a tendency to call for better pledges and thereby increase the

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average loan. Yet the increase would have been greater had the price of silver remained the same. From 1878 to 1885 advances on silver articles were made at the rate of 140 francs per kilogram ($12.26 per pound), but in October of that year it was reduced to 130 francs per kilogram ($11.38 per pound), and in August, 1886, to 110 francs per kilogram ($9.63 per pound).

From the totals given in the table for France we find that the several monts-de-piété of the country advanced, including renewals, 82,723,289 francs ($15,965,594.78) to their patrons in 1881, and that by 1892 the advances amounted to 109,242,309 francs ($21,083,765.64), a sum sufficient, had it been equally distributed among the inhabitants of the country, to have loaned each individual 2.85 francs ($0.55). Yet this figure is insignificant when compared with that of Paris, whose loan of 60,765,917 francs ($11,727,821.98) in 1892 was sufficient to have advanced 24.82 francs ($4.79) to each man, woman, and child of the city.

In Paris the per cent of the articles renewed of the total number received increased from 30.57 per cent in 1881 to 36.40 in 1892, and for the entire country there was an increase from 26.82 to 30.21 per cent. The per cent which the renewals form of the total loan in Paris has increased from 32.44 in 1881 to 38.11 in 1892, while that of France has increased from 31.75 to 34.60 per cent. In that about one-half of the total business of the country is done in Paris this indicates that the increase of renewals has been but slight in the remaining cities.

The following table shows for Paris, for the other cities of France, and for the whole of France the number of articles pawned per 100 inhabitants for the years 1875 to 1892:

ARTICLES PAWNED IN PARIS AND IN FRANCE PER 100 INHABITANTS, 1875 TO 1892.

	1875.	1876.	1877.	1878.	1879.	1880.	1881.	1882.	1883.
Paris	85.6	89.5	90.0	81.7	87.2	76.1	71.3	74.5	79.2
Other cities	48.6	50.8	52.2	49.8	55.0	48.3	47.5	48.0	50.9
Total	63.9	67.1	68.1	63.6	65.9	60.3	57.5	59.7	62.8

	1884.	1885.	1886.	1887.	1888.	1889.	1890.	1891.	1892.
Paris	74.5	65.7	61.5	61.9	64.6	61.6	64.2	63.6	63.5
Other cities	53.2	54.8	52.5	52.9	53.0	53.8	60.1	57.1	56.9
Total	62.5	59.5	56.4	56.8	57.6	57.5	61.9	60.0	59.7

A better basis of comparison than the amount loaned per inhabitant is furnished by the number of articles pawned by a given number of persons in Paris and in the other cities of the country, since in this way those living in the outlying districts are not included. By this method we find that in 1875 85.6 articles were pawned by every 100 inhabitants of Paris and 48.6 by a like number of persons in other cities. From that period on the number varies, but in the later years 100 of the inhabitants of Paris pawn from four to seven more articles than a like number in other cities.

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In the four tables following are shown separately for France and for Paris the number and per cent of articles redeemed, renewed, and sold at the monts-de-piété, and the total and average loans on such articles. The figures for France are for the years 1881 to 1892; for Paris the figures cover the years 1880 to 1895.

NUMBER AND PER CENT OF ARTICLES REDEEMED, RENEWED, AND SOLD AT THE MONTS-DE-PIÉTÉ OF FRANCE, 1881 TO 1892.

Year.	Redeemed.		Renewed.		Sold.		Total.
	Articles.	Per cent of total.	Articles.	Per cent of total.	Articles.	Per cent of total.	
1881	2,776,130	66.15	1,097,757	26.16	322,994	7.69	4,196,881
1882	2,711,056	66.18	1,059,963	25.87	325,508	7.95	4,096,527
1883	2,709,432	65.27	1,103,617	26.58	338,293	8.15	4,151,342
1884	2,634,081	62.80	1,187,784	28.32	372,329	8.88	4,194,194
1885	2,558,250	59.40	1,278,871	29.69	469,803	10.91	4,306,924
1886	2,772,016	61.74	1,270,926	28.31	446,555	9.95	4,489,497
1887	2,772,167	62.79	1,283,922	29.08	359,074	8.13	4,415,163
1888	2,803,970	62.45	1,352,340	30.12	333,773	7.43	4,490,083
1889	2,841,404	62.41	1,388,887	30.51	322,116	7.08	4,552,407
1890	2,937,809	62.33	1,431,485	30.37	343,822	7.30	4,713,116
1891	2,891,053	61.61	1,431,752	30.51	369,679	7.88	4,692,484
1892	2,924,768	61.18	1,438,955	30.10	416,563	8.72	4,780,286

TOTAL AND AVERAGE LOANS ON ARTICLES REDEEMED, RENEWED, AND SOLD AT THE MONTS-DE-PIÉTÉ OF FRANCE, 1881 TO 1892.

Year.	Redeemed.			Renewed.			Sold.			Total.	
	Amount of loans.	Per cent of total.	Average loan.	Amount of loans.	Per cent of total.	Average loan.	Amount of loans.	Per cent of total.	Average loan.	Amount of loans.	Average loan.
	$		$	$		$	$		$	$	$
1881	9,991,587.61	60.51	3.60	5,069,858.91	30.70	4.62	1,451,611.09	8.79	4.49	16,513,057.61	3.93
1882	10,041,357.29	60.53	3.70	5,085,927.12	30.66	4.80	1,461,313.98	8.81	4.49	16,588,598.39	4.05
1883	10,278,420.16	59.70	3.79	5,391,389.38	31.32	4.89	1,546,327.39	8.98	4.57	17,216,136.93	4.15
1884	9,726,734.87	56.66	3.69	5,866,495.36	34.17	4.94	1,573,678.58	9.17	4.23	17,166,908.81	4.09
1885	9,531,194.80	53.56	3.73	6,319,437.60	35.51	4.94	1,945,129.27	10.93	4.14	17,795,761.67	4.13
1886	10,766,715.18	57.45	3.88	6,069,486.97	32.39	4.78	1,904,799.41	10.16	4.27	18,741,001.56	4.17
1887	10,531,386.22	56.83	3.80	6,396,344.05	34.52	4.98	1,603,185.38	8.65	4.46	18,530,915.65	4.20
1888	10,443,048.39	55.86	3.72	6,778,183.74	36.25	5.01	1,475,618.94	7.89	4.42	18,696,851.07	4.16
1889	10,635,098.83	55.92	3.74	7,015,159.95	36.89	5.05	1,367,615.76	7.19	4.25	19,017,874.54	4.18
1890	10,853,838.85	55.51	3.69	7,290,385.47	37.28	5.09	1,409,323.06	7.21	4.10	19,553,547.38	4.15
1891	10,619,892.36	55.28	3.67	7,190,849.58	37.43	5.02	1,401,062.46	7.29	3.79	19,211,804.40	4.09
1892	11,590,169.36	56.57	3.96	7,294,458.35	35.61	5.07	1,601,970.64	7.82	3.85	20,486,598.35	4.29

NUMBER AND PER CENT OF ARTICLES REDEEMED, RENEWED, AND SOLD AT THE MONT-DE-PIÉTÉ OF PARIS, 1880 TO 1895.

Year.	Redeemed.		Renewed.		Sold.		Total.
	Articles.	Per cent of total.	Articles.	Per cent of total.	Articles.	Per cent of total.	
1880	1,496,637	61.83	733,806	30.31	190,249	7.86	2,420,692
1881	1,458,438	61.46	703,708	29.66	210,728	8.88	2,372,874
1882	1,401,944	61.46	664,617	29.14	214,340	9.40	2,280,901
1883	1,368,932	60.21	684,165	30.09	220,645	9.70	2,273,742
1884	1,344,170	57.91	740,256	31.89	236,875	10.20	2,321,301
1885	1,311,701	53.61	799,551	32.67	335,696	13.72	2,446,948
1886	1,290,253	54.44	781,940	33.00	297,617	12.56	2,369,810
1887	1,259,307	56.33	781,604	34.96	194,640	8.71	2,235,551
1888	1,220,369	54.99	821,382	37.01	177,415	8.00	2,219,166
1889	1,263,418	56.00	825,537	36.59	167,278	7.41	2,256,233
1890	1,224,657	55.23	812,832	36.66	179,809	8.11	2,217,298
1891	1,225,281	54.05	830,445	36.64	211,057	9.31	2,266,783
1892	1,234,706	53.51	828,424	35.91	244,137	10.58	2,307,267
1893	1,225,604	54.03	826,216	36.42	216,529	9.55	2,268,349
1894	1,151,593	54.14	795,079	37.38	180,298	8.48	2,126,970
1895	1,081,974	53.41	785,541	38.77	158,392	7.82	2,025,907

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TOTAL AND AVERAGE LOANS ON ARTICLES REDEEMED, RENEWED, AND SOLD AT THE MONT-DE-PIÉTÉ OF PARIS, 1880 TO 1895.

Year.	Redeemed.			Renewed.			Sold.			Total.	
	Amount of loans.	Per cent of total.	Average loan.	Amount of loans.	Per cent of total.	Average loan.	Amount of loans.	Per cent of total.	Average loan.	Amount of loans.	Average loan.
	$		$	$		$	$		$	$	$
1880..	6,284,213.94	61.46	4.20	3,355,085.75	32.81	4.57	585,752.68	5.73	3.08	10,225,052.37	4.22
1881..	6,253,788.26	61.26	4.29	3,313,163.07	32.45	4.71	642,093.82	6.29	3.05	10,209,045.15	4.30
1882..	6,373,287.11	61.67	4.55	3,264,941.82	31.59	4.91	696,321.61	6.74	3.25	10,334,550.54	4.53
1883..	6,447,386.95	60.59	4.71	3,422,741.32	32.17	5.00	770,552.69	7.24	3.49	10,640,680.96	4.68
1884..	6,129,157.36	57.59	4.56	3,724,937.83	35.00	5.03	789,068.15	7.41	3.33	10,643,163.34	4.58
1885..	5,893,838.83	53.05	4.49	4,145,404.93	37.32	5.18	1,070,149.68	9.63	3.19	11,109,393.44	4.54
1886..	6,308,041.53	55.54	4.89	4,091,225.39	36.02	5.23	958,987.86	8.44	3.22	11,358,254.78	4.79
1887..	6,141,479.83	55.86	4.88	4,192,238.69	38.13	5.36	660,680.11	6.01	3.39	10,994,398.63	4.92
1888..	5,653,533.17	52.69	4.63	4,478,899.08	41.75	5.45	596,370.19	5.56	3.36	10,728,802.44	4.83
1889..	6,071,070.34	54.72	4.81	4,504,766.68	40.60	5.46	518,976.04	4.68	3.10	11,094,813.06	4.92
1890..	5,867,302.29	54.34	4.79	4,408,360.09	40.82	5.42	522,434.98	4.84	2.91	10,798,097.36	4.87
1891..	5,986,097.46	53.89	4.89	4,535,851.65	40.83	5.46	586,261.24	5.28	2.78	11,108,210.35	4.90
1892..	6,374,228.76	55.14	5.16	4,469,162.04	38.66	5.39	716,517.33	6.20	2.93	11,559,908.13	5.01
1893..	6,415,959.02	55.66	5.23	4,416,764.66	38.31	5.35	695,141.61	6.03	3.21	11,527,865.29	5.08
1894..	5,843,057.82	53.31	5.07	4,486,530.11	40.93	5.64	631,262.28	5.76	3.50	10,960,850.21	5.15
1895..	5,297,724.55	51.85	4.90	4,405,894.90	43.12	5.61	513,339.08	5.03	3.24	10,216,958.53	5.04

All pledges enter the pawn shop either by original pledge or renewals, and may be said to be disposed of in one of three ways—redemption, renewal, or sale. In France the per cent of articles redeemed of the total redeemed, renewed, and sold diminished from 66.15 in 1881 to 61.18 in 1892, while the per cent of the total sum redeemed diminished from 60.51 to 56.57. In Paris the per cent of redemptions is not so large, but the decline in the same period is greater. From 61.46 in 1881 the per cent of articles leaving the pawn shop by redemption fell to 53.51 in 1892, and the decline in the per cent of the sum total represented by these articles was from 61.26 to 55.14. This signifies in general a decreasing ability to redeem pledges, which is more marked in Paris than in the other cities of the country. This decrease in the proportion of articles redeemed naturally caused either the renewals or sales or both to increase, but a comparison of per cents shows that it is the renewals that are increasing and not the sales.

The proportion of articles sold in Paris is somewhat greater than in France, the per cent for Paris in 1892 being 10.58, in contrast to 8.72 for France in the same year. But, because of the higher average loan made on articles sold throughout France, the per cent of the total sum loaned on articles sold is higher for France than Paris, the per cent in 1892 being 7.82 for France and 6.20 for Paris. In Paris, beginning with 1880, the per cent of articles sold gradually increased from 7.86 to 13.72 in 1885. From this a marked decrease is noted, continuing until 1890, when a slight increase occurs. In 1895 the per cent was 7.82. It must not be considered, however, that 7.82 per cent of the articles pawned in Paris are sold. As the figures do not refer to the pawns received, but only to those released, which include many that have been renewed, the per cents given are somewhat higher than would otherwise be the case. It is probable, however, that about 5 per cent of all pledges received come to sale.

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The first of the two tables following shows the number of articles out of each 1,000 pledged and renewed at the mont-de-piété of Paris and the per cent of the amount loaned for each of thirteen classes of loans. The second table shows figures of like character for articles pledged at the monts-de-piété of France, of Paris, and of Bordeaux, the number of classes of loans being reduced to five. Both tables are for the year 1891.

NUMBER OF ARTICLES PER 1,000 PLEDGED AND RENEWED AT THE MONT-DE-PIÉTÉ OF PARIS AND PER CENT OF AMOUNT LOANED, BY SIZE OF LOANS, 1891.

Size of loan.	Pledged.		Renewed	
	Per 1,000 articles.	Per cent of amount loaned.	Per 1,000 articles.	Per cent of amount loaned.
3 francs ($0.58)	145.92	1.73	63.92	0.69
4 francs ($0.77)	115.95	1.83	78.78	1.13
5 francs ($0.97)	114.51	2.26	89.86	1.62
6 to 10 francs ($1.16 to $1.93)	273.87	8.45	323.30	10.54
11 to 13 francs ($2.12 to $2.51)	44.29	1.87	62.98	3.08
14 francs ($2.70)	8.63	.48	10.31	.52
15 francs ($2.90)	36.99	2.19	53.31	2.88
16 to 25 francs ($3.09 to $4.83)	73.76	5 94	95.45	8.60
26 to 50 francs ($5.02 to $9.65)	91.15	13.02	125.15	19.57
51 to 100 francs ($9.84 to $19.30)	60.60	15.31	67.24	20.13
101 to 500 francs ($19.49 to $96.50)	30.60	21.45	27.50	20.97
501 to 1,000 francs ($96.69 to $193)	2.14	6.29	1.48	3.85
1,001 francs ($193.19) or over	1.59	19.18	.72	6.42

NUMBER OF ARTICLES PER 1,000 PLEDGED AT THE MONTS-DE-PIÉTÉ OF FRANCE, OF PARIS, AND OF BORDEAUX AND PER CENT OF AMOUNT LOANED, BY SIZE OF LOANS, 1891.

Size of loan.	France.		Paris.		Bordeaux.	
	Per 1,000 articles.	Per cent of amount loaned.	Per 1,000 articles.	Per cent of amount loaned.	Per 1,000 articles.	Per cent of amount loaned.
10 francs ($1.93) or under	707.76	19.03	650.25	14.27	721.59	21.41
11 to 50 francs ($2.12 to $9.65)	222.04	26.44	254.82	23.50	214.74	30.12
51 to 100 francs ($9.84 to $19.30)	45.45	15.76	60.60	15.31	41.34	17.74
101 to 500 francs ($19.49 to $96.50)	22.59	21.32	30.60	21.45	20.94	23.35
501 francs ($96.69) or over	2.16	17.45	3.73	25.47	1.39	7.38

The making of advances on pledges of small value constitutes the greater bulk of the work done in all pawn shops. Of every 1,000 articles pledged in Paris in 1891, 145.92 were for the smallest possible advance, 3 francs ($0.58), and but 1.59 for the sum of 1,001 francs ($193.19) or over. Yet loans of the latter class represented 19.18 per cent of the sum loaned, and the former but 1.73 per cent; or if loans of 10 francs ($1.93) or less be considered, as shown in the second table, we find that 650.25 of every 1,000 articles pledged were in that class, representing, however, but 14.27 per cent of the amount loaned, while but 3.73 articles in each 1,000 were for loans of 501 francs ($96.69) or over, yet represented 25.47 per cent of the sum loaned. In Bordeaux the number of loans of 10 francs ($1.93) or less was still larger, being 721.59 to every 1,000 articles; while the loans of 501 francs ($96.69) or over were

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1.39 to every 1,000. France was naturally between these two extremes, 707.76 of every 1,000 articles being for sums of 10 francs ($1.93) or less, while 2.16 were for sums of 501 francs ($96.69) or over, representing 19.03 per cent, and 17.45 per cent of the amount loaned, respectively.

A general observation, and one substantiated by previous tables is that renewals have a higher average value than pledges, which is accounted for by the greater difficulty experienced in redeeming articles of a high value. The variation may be well illustrated by noting the relation of the amount loaned on articles renewed to that loaned on articles pledged as given in the first of the two tables immediately preceding. Whereas 650.25 of every 1,000 articles pledged in Paris in 1891 were for sums of 10 francs ($1.93) or less, but 555.86 of every 1,000 articles renewed were for like amounts. This shows a much smaller proportion of renewals for small amounts than of original pledges and, on the other hand, a larger proportion of renewals for large amounts, and bears out the conclusion stated.

The following table shows the average loans made on articles of clothing and jewelry pledged and renewed at Bordeaux for the years 1886 to 1895:

AVERAGE AMOUNT LOANED ON ARTICLES OF CLOTHING AND JEWELRY PLEDGED AND RENEWED AT THE MONT-DE-PIÉTÉ OF BORDEAUX, 1886 TO 1895.

Year.	Pledged.			Renewed.		
	Clothing.	Jewelry.	Total.	Clothing.	Jewelry.	Total.
1886	$1.09	$6.38	$3.47	$1.90	$8.60	$4.91
1887	1.13	6.11	3.40	1.82	8.94	5.31
1888	1.24	5.99	3.34	1.91	8.73	5.22
1889	1.28	5.85	3.33	1.80	8.65	5.19
1890	1.20	5.82	3.29	1.82	8.43	5.06
1891	1.32	5.80	3.31	1.81	8.15	4.99
1892	1.30	5.88	3.12	1.86	7.86	4.79
1893	1.16	5.89	3.14	1.87	7.60	4.50
1894	1.22	5.98	3.25	1.85	7.49	4.48
1895	1.28	5.47	3.17	1.86	7.61	4.64

The report for 1895 of the director of the mont-de-piété at Bordeaux permits a further consideration of the average loan. Heretofore the item as given has included all classes of articles, but the above report distinguishes between clothing and jewelry for both pledges and renewals. In the decade given, 1886 to 1895, the average loan on the pledges has been reduced from 17.99 to 16.40 francs ($3.47 to $3.17), this being due to the decline in the advances made on jewelry instead of clothing, which, on the contrary, has increased from 5.67 to 6.61 francs ($1.09 to $1.28). The showing for the renewals has been similar, save that the average loan on clothing has very slightly declined instead of increased.

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The following table shows a classification with reference to the employment of the pledge owners and the amount of loan of articles pledged in Paris in 1886:

ARTICLES PLEDGED AT THE MONT-DE-PIÉTÉ OF PARIS BY PERSONS IN VARIOUS EMPLOYMENT GROUPS, BY SIZE OF LOANS, 1886.

Size of loan.	Pledged by merchants and manufacturers.				Pledged by salaried employees.	
	New merchandise.	Other articles.	Total articles.	Per 1,000 articles.	Articles.	Per 1,000 articles.
3 francs ($0.58)	391	3,789	4,180	32.52	24,470	108.45
4 francs ($0.77)	502	3,519	4,021	31.29	21,599	95.72
5 francs ($0.97)	684	4,382	5,066	39.42	25,869	114.65
6 to 10 francs ($1.16 to $1.93)	2,740	14,912	17,652	137.35	57,772	256.03
11 to 13 francs ($2.12 to $2.51)	672	4,028	4,700	36.57	10,964	48.59
14 francs ($2.70)	87	927	1,014	7.89	1,990	8.82
15 francs ($2.90)	860	4,570	5,430	42.25	9,830	43.56
16 to 25 francs ($3.09 to $4.83)	2,097	15,801	17,898	139.26	21,016	93.14
26 to 50 francs ($5.02 to $9.65)	3,511	22,315	25,826	200.95	28,400	125.86
51 to 100 francs ($9.84 to $19.30)	2,905	21,290	24,195	188.26	18,217	80.73
101 to 500 francs ($19.49 to $96.50)	3,395	13,803	17,198	133.81	5,430	24.06
501 to 1,000 francs ($96.69 to $193)	439	356	795	6.19	63	.28
1,001 francs ($193.19) or over	343	202	545	4.24	24	.11
Total	18,626	109,894	128,520	1,000.00	225,644	1,000.00

Size of loan.	Pledged by working people.		Pledged by persons in miscellaneous occupations.		Pledged by persons in all occupations.	
	Articles.	Per 1,000 articles.	Articles.	Per 1,000 articles.	Articles.	Per 1,000 articles.
3 francs ($0.58)	154,067	188.98	27,749	102.31	210,466	146.09
4 francs ($0.77)	119,326	146.37	22,299	82.22	167,245	116.09
5 francs ($0.97)	109,664	134.52	24,567	90.58	165,166	114.65
6 to 10 francs ($1.16 to $1.93)	255,521	313.43	64,062	236.20	395,007	274.19
11 to 13 francs ($2.12 to $2.51)	35,583	43.64	12,624	46.55	63,871	44.34
14 francs ($2.70)	6,816	8.36	2,639	9.73	12,459	8.65
15 francs ($2.90)	26,404	32.39	11,698	43.13	53,362	37.04
16 to 25 francs ($3.09 to $4.83)	41,413	50.80	26,049	96.04	106,376	73.84
26 to 50 francs ($5.02 to $9.65)	43,501	53.36	33,734	124.38	131,461	91.25
51 to 100 francs ($9.84 to $19.30)	19,769	24.25	25,227	93.01	87,408	60.68
101 to 500 francs ($19.49 to $96.50)	3,173	3.89	18,330	67.58	44,131	30.63
501 to 1,000 francs ($96.69 to $193)	10	.01	1,196	4.41	2,064	1.43
1,001 francs ($193.19) or over	1	.....	1,047	3.86	1,617	1.12
Total	815,248	1,000.00	271,221	1,000.00	1,440,633	1,000.00

The great number of small merchants and manufacturers in Paris render the contrast between the classes given above less marked than might be expected, yet their better economic condition is evident. Of every 1,000 articles pledged by them, but 32.52 as against 108.45 for salaried employees and 188.98 for workmen, were for loans of 3 francs ($0.58). Again, the maximum number of loans made by the merchants were for the sums of 26 to 50 francs ($5.02 to $9.65), while for the employees and workmen it was from 6 to 10 francs ($1.16 to $1.93).

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The two tables following show the number of articles pledged and renewed in France and in Paris and the amount loaned on such articles for each month of the year 1892:

ARTICLES PLEDGED AND RENEWED AT THE MONTS-DE-PIÉTÉ OF FRANCE AND LOANS ON SUCH ARTICLES, BY MONTHS, 1892.

Month.	Pledged.		Renewed.		Total.	
	Articles.	Amount loaned.	Articles.	Amount loaned.	Articles.	Amount loaned.
January	300,605	$1,199,699.58	125,667	$651,821.02	426,272	$1,851,520.60
February	267,200	1,058,726.01	118,699	592,969.73	385,899	1,651,695.74
March	275,441	1,124,629.14	121,669	606,677.36	397,110	1,731,306.50
April	278,742	1,214,857.61	110,815	552,855.06	389,557	1,767,712.67
May	279,782	1,143,576.72	116,187	574,645.92	395,969	1,718,222.64
June	284,022	1,126,529.23	117,600	583,986.54	401,622	1,710,515.77
July	303,620	1,341,586.42	117,380	615,301.18	421,000	1,956,887.60
August	305,644	1,240,726.36	122,663	619,878.56	428,307	1,860,604.92
September	264,746	1,083,447.58	118,922	587,394.34	383,668	1,670,841.92
October	266,718	1,219,950.30	127,378	657,787.23	394,096	1,877,737.53
November	251,010	1,034,660.84	124,027	643,251.05	375,037	1,677,911.89
December	245,996	1,000,917.49	117,948	607,890.36	363,944	1,608,807.85
Total	3,323,526	13,789,307.28	1,438,955	7,294,458.35	4,762,481	21,083,765.63

ARTICLES PLEDGED AND RENEWED AT THE MONT-DE-PIÉTÉ OF PARIS AND LOANS ON SUCH ARTICLES, BY MONTHS, 1892.

Month.	Pledged.		Renewed.		Total.	
	Articles.	Amount loaned.	Articles.	Amount loaned.	Articles.	Amount loaned.
January	144,547	$685,278.35	69,548	$394,689.05	214,095	$1,079,967.40
February	121,900	570,572.85	66,813	353,314.68	188,713	923,887.53
March	119,151	594,325.55	66,336	355,715.99	185,487	950,041.54
April	126,216	661,760.72	59,992	321,718.26	186,208	983,478.98
May	123,223	621,396.12	63,610	341,103.95	186,833	962,500.07
June	123,785	603,668.87	63,792	342,284.15	187,577	945,953.02
July	143,003	787,825.80	63,563	348,997.27	206,566	1,136,823.07
August	140,854	396,258.11	65,867	347,906.24	206,721	1,044,164.35
September	117,009	581,613.99	63,432	317,741.69	180,441	899,355.68
October	121,451	685,452.82	69,645	360,135.49	191,096	1,045,588.31
November	108,330	551,903.76	68,166	361,358.92	176,496	913,262.68
December	102,202	511,059.37	63,714	331,739.98	165,916	842,799.35
Total	a1,491,671	a7,551,116.31	a784,478	a4,176,705.67	2,276,149	11,727,821.98

a These figures do not agree with the figures for 1892 in the table on page 222, because 43,946 pledges for loans aggregating 1,515,318 francs ($292,456.37), which were renewed at auxiliary offices, are regarded as original pledges in this table, while in the preceding table they are considered as renewals.

The officials of the continental pawn shops are unanimous in the opinion that renewals are decreased by the hard times, in that the owners have not the means to pay the accrued interest, and that the number of pledges increase as the times improve, since the small traders begin to secure loans on unneeded portions of their stock to increase their more popular lines or new enterprises are undertaken. This is seen by the increased number of articles pledged in Paris and France in 1883 and the decreased number of renewals in 1881. To these yearly or periodical fluctuations, due to the economic condition of the country, variations equally marked, but due to local causes, may be discovered. The months of January, April, July, and October show a marked increase in the number of articles pledged in Paris, and the

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same, but in a less marked degree, is true of France, a phenomenon doubtless due to the quarterly payment of rents and other dues. Such a regular fluctuation is not shown by the renewals, since those who are obliged to pawn only on special occasions are usually provident enough to redeem their pledges before the expiration of the loan, or, if renewed, do so prior to the expiration of the loan period.

The table following shows the average number of pawns pledged, renewed, and redeemed in Bordeaux on each day of the week throughout the year 1895:

AVERAGE PAWNS PLEDGED, RENEWED, AND REDEEMED IN BORDEAUX ON EACH DAY OF THE WEEK FOR THE YEAR 1895.

Day.	Pledged.	Renewed.	Redeemed.
Monday	696	323	474
Tuesday	670	410	507
Wednesday	639	691	386
Thursday	678	393	418
Friday	625	318	558
Saturday	516	283	954

The relative amount of business done by the mont-de-piété of Bordeaux on the several days of the week may be taken as illustrative of the experience of other cities. According to the report of the director, the greatest number of articles were received in pawn on Monday, after which the number gradually declined during the week, with the exception of Thursday, and reached its lowest point on Saturday. In Bordeaux, as also in Rouen, the largest number of renewals occur on Wednesday, while the number of articles redeemed on Saturday is almost double that of the other days of the week. The increased number of pledges for Monday and redemptions occurring Saturday may be attributed to the large class of persons known as "repeaters," those who pawn their goods on Monday and redeem them again Saturday.

A movement as pronounced as the increase of pledges on Monday and redemptions on Saturday is the effect of fête days. In 1895 the average number of pledges received daily in Bordeaux was 637, but on the day following Assumption the number rose to 1,013, and the second day after Christmas to 1,328. In Rouen the same result is seen. The daily number of pledges in the same year was 200, but on January 2 303 articles were received; on April 18, the Thursday of Easter week, the number was 348; on July 16, the day following the great national celebration (the 14th being on Sunday, the celebration occurred on the 15th) there were 305; on July 17, 325, and on August 16, the day following Assumption, 318.

The effect on the number of redemptions is as clearly marked. The average daily number of articles redeemed in Bordeaux during the year was 552, but the Saturday before Palm Sunday the number rose to 1,138; on April 13, the Saturday before Easter week, to 1,407; and

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on June 1, the Saturday before Whitsunday, to 1,573. The daily average in Rouen for the same year was 165, but the number of redemptions April 6, the Saturday prior to Palm Sunday, was 391; April 13, 636; July 13, the day before the national holiday, 501; and December 31, 576. From this it is evident that many make a special effort to redeem their jewelry and better clothing for use during the celebration and after it is over again repledge it.

SALES AND SURPLUS AS SHOWN BY THE MONT-DE-PIÉTÉ OF PARIS.

The following table shows the amount of surplus and the losses from sale of pledges by the Mont-de-Piété of Paris from 1885 to 1896:

SURPLUS REALIZED AND LOSS SUSTAINED ON PLEDGES SOLD BY THE MONT-DE-PIÉTÉ OF PARIS, 1885 TO 1896.

	Pledges sold.		Surplus.		Loss.	
	Articles.	Amount loaned.	Amount.	Per cent of amount loaned.	Amount.	Per cent of amount loaned.
1885	335,696	$1,070,149.68	$215,789.49	20.16	$36,556.54	3.42
1886	297,617	958,987.86	240,007.61	25.03	22,127.87	2.31
1887	194,640	660,680.11	232,579.97	35.20	8,194.71	1.24
1888	177,415	596,370.19	217,984.80	36.55	5,807.24	.97
1889	167,278	518,976.04	196,731.93	37.91	5,168.92	1.00
1890	179,809	522,434.98	199,411.02	38.17	5,683.01	1.09
1891	211,057	586,261.24	178,456.94	30.44	6,924.42	1.18
1892	244,137	716,517.33	183,611.44	25.63	11,727.36	1.64
1893	216,529	695,141.61	194,442.00	27.97	13,446.48	1.93
1894	180,298	631,262.28	163,946.14	25.97	21,192.21	3.36
1895	158,392	513,339.08	168,432.52	32.81	7,342.24	1.43
1896	128,069	407,325.11	145,964.16	35.83	4,411.01	1.08

The sale of the 335,696 articles brought to auction in Paris in 1885 realized 20.16 per cent more than was advanced on them. Five years later this surplus was 38.17 per cent, after which it falls to 25.63 in 1892, to rise again to 35.83 in 1896. In the same period a loss of 3.42 per cent was sustained in 1885, which fell to 0.97 per cent in 1888, was only 1 per cent in 1889, and five years later rose to 3.36, to lower again to 1.08 in 1896. In 1885, 735 of every 1,000 articles sold produced a surplus, 234 sold at a loss, and 31 exactly met the amount advanced, while in 1896, 866 produced a surplus, 61 resulted in a loss, and 73 netted the amount loaned. It is to be remembered, however, that the surplus is held subject to the demand of the owner instead of going to the institution as profit, and that the loss is made up by the appraisers who determine the amount to be advanced on the pledge.

This large per cent of the surplus may arise either through the failure of the appraisers to properly estimate the value of the articles offered in pawn, or to the refusal of the owners to accept the full amount of the sum that might be advanced on their pledge. The former is doubtless the real reason, for only in rare instances do individuals present a pawn of a value more than sufficient to secure the loan desired. If this be

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true, their error is well illustrated by the sales of 1896. In that year 14,758 pawns sold for twice the amount of the advance on them; 2,873 for three times the advance; 687 for four times; 232, five times; 118, six times; 42, seven times; 12, eight times; 6, nine times, and 4, ten times, and besides others intervening one article sold for twenty-seven times the amount advanced by the appraisers.

The dates of original pledging of articles sold by the mont-de-piété of Paris during the years 1894 to 1896 are shown in the following table:

DATE OF ORIGINAL PLEDGING OF ARTICLES SOLD BY THE MONT-DE-PIÉTÉ OF PARIS, 1894 TO 1896.

Date of original pledging.	Articles sold in—			Date of original pledging.	Articles sold in—		
	1894.	1895.	1896.		1894.	1895.	1896.
1843	1			1873	60	60	34
1844	1	1		1874	86	80	42
1845	1			1875	115	70	71
1848	1			1876	126	100	89
1850	26			1877	179	163	123
1851	2	2		1878	178	178	111
1852	2	1		1879	261	184	158
1853	1			1880	291	272	182
1855		1	1	1881	462	341	234
1857	2	2		1882	679	472	332
1858			1	1883	1,061	768	512
1859	2		3	1884	1,337	884	612
1860	2	2		1885	1,573	933	699
1861	10	4	3	1886	2,011	1,355	873
1862	1	5	1	1887	2,875	1,756	1,310
1863	7	5	1	1888	4,876	3,101	2,052
1864	9	6	3	1889	7,118	4,505	2,292
1865	9	4	4	1890	13,390	6,654	5,574
1866	10	8	7	1891	23,304	11,111	5,673
1867	14	16	11	1892	10,295	20,357	9,600
1868	16	12	10	1893	109,756	5,884	16,201
1869	20	18	12	1894		98,990	4,453
1870	35	20	10	1895			76,720
1871	46	23	18				
1872	47	44	37	Total	180,298	158,392	128,069

A remarkable feature of the business is the number of years that some will pay interest on advances before allowing their pledges to be sold. In 1894 and the year following, pledges came to auction upon which their owners had paid interest for half a century, while it is not unusual to sell pawns that have been renewed from 30 to 35 times. As a rule articles that are so persistently renewed are above the average value, but in 1894 an article was sold upon which a loan of 3 francs ($0.58) had been made fifty years previous.

At the time the mont-de-piété of Paris was founded, it was feared that the officials would incur a great loss upon the institution by the improper appraisal of articles offered in pledge. To avoid this, the matter was placed in the hands of the appraisers (*commissaires priseurs*), who, in return for certain fees, agreed to bear any loss arising from the sale of unredeemed pledges, and in 1848 they were further intrusted with the sale of such pledges. The number of appraisers to be employed is determined by the director, subject to the approval of the prefect of the Seine and the council of surveillance, but the designating of those

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who are to act is in the hands of the prefect, who chooses from a triple list presented to him by the chamber of that body. As a matter of fact, however, but fourteen of the regular members of the chamber are actively employed in the work, the remainder of it being done by deputies appointed by the appraisers, with the sanction of the authorities. The fee for appraisal, limited by statute to not over one-half per cent, is fixed at the beginning of each year by the prefect of the Seine, at the suggestion of the director, who acts with the consent of the council. In point of fact, however, the maximum rate is always allowed on common pledges, and one-fourth per cent on stocks and like securities. Their remaining income is a 3 per cent fee on auction sales, which is paid by the purchaser of the article.

The point of weakness in the plan is that, the appraisers being responsible for the losses, they consent to such small advances as not only to materially lessen the revenue of the institution, but to cause very serious hardships to many in need of funds. While it is impossible to estimate the loss arising from the low valuation of pawns actually received, some idea of the possible increase in the amount loaned is ascertained by a reference to the loans refused. In 1895, 86,682 articles were deemed of insufficient value to secure a loan of 3 francs ($0.58), while 33,303 other articles on which the appraisers offered to advance a sum total of 2,657,195 francs ($512,838.64) were withdrawn by the owners on the ground of too low a valuation.

STOLEN PAWNS.

To hinder the pledging of stolen or lost property, the law authorizes the officials of the mont-de-piété to suspend the payment of a loan when there is any doubt as to the right of the pledger to dispose of the article offered. To this end every applicant for an advance must establish his identity by the means previously mentioned. Further, complete lists of all lost or stolen articles are kept and a constant effort made to avoid accepting such in pawn. If, however, after due precaution, a stolen or lost article is accepted, the owner, in order to obtain it, must reimburse the institution for any amount advanced, together with charges and accrued interest.

To meet the criticism that the mont-de-piété acts as a receptacle for stolen goods, the authorities in 1881 and again in 1890 annexed to their usual report a statement of the work of the institution in this line. It appears that in 1881 advances were suspended on 44,820 articles. On investigation, however, but 330 of these were found to be of suspicious origin. In 1890, 42,032 suspensions were made, of which 240 were found suspicious; that is, of every 1,000 articles held up, but 7.36 and 5.71, respectively, proved to be of suspicious origin. But the above figures give no definite idea of the effectiveness of the measures employed. This may be better seen from a study of the means used to discover the lost or stolen articles that escape the suspicion of the officials and are accepted.

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To facilitate the return of such pledges to their rightful owners, several methods are employed. At the end of each day the bureaus or branch offices make reports to the central authorities, giving the description of all articles received under certain determined conditions. These reports are then carefully scrutinized to discover if the description of the article corresponds to that of any reported by the police department. For the identification of cloth which is stolen in bolts and then divided, a portion being pledged in one or more of the several branch offices, it is required that a sample of all such cloth received be forwarded to the central office at the end of every two weeks. Further, any initials, names, marks, etc., borne by the pledge, as also any and all marks of manufacturers and firms, are recorded in a separate column of the register in order to facilitate the search for the reported articles. The greatest care, however, is taken with watches. Each day a report of the number of the works and case, as well as the name of the maker of every watch received, is sent to the central department, where an employee arranges the numbers in series that are readily comparable with a like series constructed from the reports received from the police. These efforts of the mont-de-piété itself are supplemented by the police department, which, aside from reporting articles as lost or stolen, seizes all tickets found in possession of persons arrested, which tickets are held by the institution until it is satisfactorily proved that the articles they call for are or are not the rightful property of the one from whom they were taken.

In 1881 there were 1,598,018 pledges received by the monts-de-piété, of which number 1,042 were recognized as lost or stolen and 330 were held as being of suspicious origin. This makes a total of 1,372, or 8.59 out of every 10,000 articles pledged.

As regards the means adopted for identifying the various classes of articles accepted by the officials and later recognized as having been lost or stolen, it was found that out of a total of 360,000 watches pledged but 254, or 7.06 per 10,000, had been so recognized. Of 810 pledges deposited by persons arrested, 403 were found to be lost or stolen, while 407 proved to be their rightful property. Of 107,450 articles noted under certain conditions in the daily reports, 348, or 3.24 per 1,000, were recognized as lost or stolen. Of 7,350 samples of goods furnished, 23, or 3.13 per 1,000, and of 151,000 marked articles, 14, or 0.93 per 10,000, were identified as lost or stolen property.

PLEDGE BROKERS OF PARIS (MARCHANDS DE RECONNAISSANCES).

One of the principal evils arising from the low valuation placed on pledges is the traffic in pawn tickets. Due to the margin between the amount advanced by the appraisers and that which the pledges will bring at auction, a numerous class of traders have arisen, who, on security of the pledge, will make an additional loan. The transaction takes the form of a repledging of the pawn ticket for an advance of 20

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per cent of the loan made by the mont-de-piété. The pledger gives his ticket into the hands of the broker and receives in return a ticket. On such additional loans 10 per cent per month is usually charged, the advance as a rule to be paid within a month, but longer periods are sometimes given. If, however, not redeemed or renewed at the expiration of the period, the ticket becomes the property of the broker, who may redeem the pledge or allow it to be sold at auction and then collect the surplus. The latter is the usual plan. Yet it is quite customary for the broker to redeem a sufficient number to enable him to do a small business in second-hand articles.

The following table gives a statement of the number of tickets presented by the pledge brokers of Paris and their profits on such tickets from 1887 to 1896:

TICKETS PRESENTED BY PLEDGE BROKERS OF PARIS AND BROKERS' PROFITS ON SUCH TICKETS, 1887 TO 1896.

	1887.	1888.	1889.	1890.	1891.
Number of pawn tickets presented by pledge brokers	56,655	46,332	59,001	77,919	100,143
Amount loaned by the mont-de-piété on the same	$189,463.08	$144,952.46	$170,205.73	$209,254.27	$251,617.57
Amount paid by the brokers for the tickets (20 per cent of amount loaned)	37,892.62	28,990.49	34,041.15	41,850.85	50,323.51
Surplus paid the brokers	57,590.76	52,235.15	67,384.01	79,893.47	80,359.51
Brokers' profits	19,698.14	23,244.66	33,342.86	38,042.62	30,036.00
Average brokers' profit per article	.348	.502	.565	.488	.300

	1892.	1893.	1894.	1895.	1896.
Number of pawn tickets presented by pledge brokers	117,643	115,896	86,083	80,248	66,276
Amount loaned by the mont-de-piété on the same	$328,480.98	$341,135.61	$275,854.32	$241,902.34	$185,522.60
Amount paid by the brokers for the tickets (20 per cent of amount loaned)	65,696.20	68,227.12	55,170.48	48,380.47	37,104.52
Surplus paid the brokers	87,297.35	96,330.63	75,711.33	73,941.64	66,021.53
Brokers' profits	21,601.15	28,103.51	20,540.85	25,561.17	28,917.01
Average brokers' profit per article	.184	.242	.239	.319	.436

Some idea of the extent of this traffic in tickets and the profits arising from it may be seen from the above tabulation. Of course no conclusion as to the number of tickets purchased or pledged is possible, the above being the number of unredeemed tickets presented by the brokers for the surplus due. From this we find that the smallest number presented in the past decade was 46,332 in 1888, the largest 117,643 in 1892, upon which the brokers secured 270,648.45 francs ($52,235.15) and 452,317.85 francs ($87,297.35) surplus, respectively. Or, if the amount advanced on the tickets be deducted, the average profit on each ticket was 2.60 francs ($0.502) and 0.953 francs ($0.184) for the two years mentioned.

To stop this traffic several plans have been suggested. The appraisers themselves propose that the pawn tickets no longer be made

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payable to the bearer, but acknowledge that this would increase the practice of clandestine pawning. A plan favored by many of the officers of the institution is for the mont-de-piété to accept its own tickets in pledge, advancing thereon the usual 20 per cent at a reasonable rate of interest, but no steps looking to its adoption have as yet been taken. A most plausible plan is that of Belgium, where it is made a penal offense to purchase or deal in pawn tickets. Yet it is understood that even there a very limited trade in pawn tickets is carried on, but not by far so extensive as that of Paris.

To have exactly covered the expenses of appraisal, handling, storing, and all other outlays on loans in Paris, each pawn should have paid at least 1.12 francs ($0.216) as interest and charges, but as it was impossible for loans of less than 24 francs ($4.63) to produce this amount, they were classed in 1895 as "onerous." In regard to the amount and duration of the loans necessary to meet the actual expense, the smallest sum capable of doing this was 24 francs ($4.63) with interest for a year, and the largest 97 francs ($18.72) with interest for two weeks. The report for 1895 does not give the number of pawns in each class, but an estimate made in 1891 places 1,763,695 of the total pledges and renewals in the first or unprofitable class, 411,768 in the second, where the income equals the expenditure, and only 118,327 in the third, or loans on which a profit was made.

FINANCIAL MANAGEMENT OF THE MONT-DE-PIÉTÉ OF PARIS.

It is worthy of note that France has been particularly loath to adopt utopian schemes in the financial management of its mont-de-piété. Although revolution has at times completely changed the administration and destroyed the financial foundation so carefully constructed, the better judgment of its officers has constantly thrust aside propositions for lotteries and other fanciful schemes intended to repair the damage done, and met the difficulties in a purely business way. Whatever may be said against the present disposition of its profits, or whatever criticism may be offered as to the general administration, it is to their credit that they have ever maintained the dignity of responsible financial institutions.

Early methods used to secure capital were suggested by expediency, and failed to give stable support; but later, when it was recognized that the mont-de-piété had the unique distinction of being a self-supporting charity—that the State and municipality practically gave their guaranties for its proper administration—it assumed the dignity of a responsible agent, and instead of soliciting funds was solicited to accept them. Thus, its financial condition assured, the question for decision was the best policy to be assumed toward the available funds so as to advantageously secure a stable capital. In seeking an answer

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to this the administration of the mont-de-piété of Paris has adopted several plans. When founded in 1777, as previously stated, it was decided that the administration of the public charities (*hopital général*) should furnish the capital; but instead of making the institution independent, the prevalent idea of associated charities led them to constitute it a sort of adjunct to the public charities. It was required to pay interest to the public charities on the funds advanced; but that alone did not discharge its debt. It must also surrender its profits and unclaimed surplus arising from the sale of unclaimed pledges to the same institution, instead of being allowed to form a reserve for its own use. This unfortunate provision once incorporated in the law has clung with peculiar tenacity to Paris. While in other cities the monts-de-piété have as a rule gained their independence, and to-day in many instances possess a capital almost sufficient for their needs, Paris, much to the discomfort of the directors, still pays several thousand francs yearly to the poor fund (*hospices civils*), and remains without a dollar of capital which it can call its own. Space does not permit entering upon the discussion which this policy has aroused between the public charities and the mont-de-piété as to the rights of the former to receive the profits of the latter. It must, however, be understood that the present policy hinders the lowering of the rate of interest, and is practically the exploitation of one class of indigents for the benefit of another.

As the business increased the administrators of the public charities were unable to supply sufficient capital, and loans were resorted to. Again insufficient, a sort of joint-stock company was formed, the holders of stock having representation in the council of administration; but fearing lest this method should eventually destroy its charitable character it was abandoned in favor of loans secured by mortgage on the property of the "assistance publique." Such loans were practically deposits which private parties made, receiving therefor a sort of bond payable to bearer, the rate of interest depending on the money market. This method was pursued until 1844, when certificates of deposit payable to order were introduced. The following year a decree of the council provided that these certificates be issued in five classes, viz: 250 francs ($48.25), 500 francs ($96.50), 1,000 francs ($193), 5,000 francs ($965), and 10,000 francs ($1,930). But as many of the depositors, even at this date, were persons of small means, who used the mont-de-piété as a sort of savings bank, it was found that the minimum certificate was beyond their reach. It was difficult for them to raise 250 francs ($48.25), or if, fortunately, they had 350 francs ($67.55) or more a portion of it must lie idle or be invested in other ways. To obviate this difficulty the law was modified so that deposits of 100 francs ($19.30) could be made. All sums were received for a year, subject to renewal, if satisfactory to both parties; but as the amount of capital varied during the year, and

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as many of its patrons desired to make short-time deposits, it was thought to be of mutual advantage to accept deposits for three and six months, and in 1892 for similar reasons nine-month deposits were introduced.

The plan of accepting deposits for less than a year, while increasing the amount of clerical work, secures the elasticity of capital needed in a business of this sort. A reference to the report of the mont-de-piété of Paris for 1896 shows that the smallest amount of capital outstanding, about January 15, was 45,326,484 francs ($8,748,011.41), after which the amount gradually increases until the first of July, then very rapidly during July and August, but slightly during September and the first half of October, when the maximum amount, 48,643,325 francs ($9,388,161.73), was outstanding. This continual change of capital, requiring over 3,000,000 francs ($579,000) more in summer than winter, if borrowed upon yearly deposits would involve a large outlay for interest without any commensurate return. It is true the mont-de-piété is permitted to deposit its surplus capital in the treasury and receive interest thereon, but the treasury pays from 1 to 1½ per cent less than the mont-de-piété, so that surplus capital simply means a loss to the latter. Yet it was not alone to avoid the loss thus sustained that fractional deposits were introduced, but that many persons wishing to hold their money subject to better investment were willing and even anxious to accept a low rate of interest for a few months rather than to allow their money to remain absolutely idle. The result is that by the adoption of this method the mont-de-piété is enabled to secure funds at a much lower rate than possible upon a longer deposit and yet advantageously to all concerned.

The financial policy of the institution is a most conservative one. While attempting to supply the needy with money at the lowest charge, no effort is made to borrow funds for this purpose at a rate below the ordinary. As repeatedly stated in the reports of the director, its principal concern is to secure a stable capital. To this end it zealously avoids paying a rate of interest which would attract speculative capital, and yet seeks to maintain a rate that will attract nonspeculative capital and induce its owners to allow their funds to remain from year to year in the service of the institution. It is its avowed intention to win the confidence of the laboring classes and the small capitalists and induce them to intrust their savings to its keeping; in short, to serve first and as far as possible the interest of the middle and lower classes without withholding from anyone the opportunity to secure its benefits or avail themselves of its services. With this as the accepted policy it remains to see in how far it has been successfully carried out, and to what extent it has met with success.

As the deposits remaining with the mont-de-piété for the entire year represent by far the more stable portion of its capital, a consistent fol-

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lowing of the policy outlined would require that such deposits approximate the amount of capital outstanding upon pawns during the year, while those deposits accepted for fractional years would be adjusted to meet the fluctuation of the business. To ascertain to what extent this is true, the following table, showing the amount and interest-bearing period of deposits accepted from 1886 to 1895, as also the smallest amount outstanding on pledges in each year of this period, has been constructed:

CAPITAL BORROWED BY THE MONT-DE-PIÉTÉ OF PARIS, 1886 TO 1895.

Year.	Smallest amount outstanding on pledges during the year.	Amount borrowed for—			
		12 months.	9 months.	6 months.	3 months.
1886	$8,525,621.57	$8,895,979.88	.....	$875,347.64	$653,656.26
1887	8,504,726.42	8,853,396.36	.....	1,122,225.52	556,065.81
1888	8,635,558.03	8,573,415.12	.....	821,369.40	471,257.75
1889	8,853,112.84	8,585,085.83	.....	882,666.46	772,590.58
1890	8,853,112.84	8,751,992.23	.....	793,870.76	573,061.39
1891	9,252,443.74	9,048,183.54	.....	1,209,399.76	898,241.30
1892	9,735,593.18	9,395,199.47	$905,664.08	1,170,988.90	1,238,737.69
1893	9,556,516.01	9,385,653.69	1,563,052.96	565,196.64	501,097.48
1894	8,890,549.39	9,100,961.32	1,779,135.76	497,258.71	420,184.16
1895	8,819,157.97	8,595,909.27	1,827,185.04	618,109.52	225,215.56

By comparing the first two columns it will be seen that with the exception of the first two years, as also 1894, the sums deposited for a year have been a trifle less than the smallest amount outstanding. A general comparison further evidences a greater desire to increase the nine months' deposits to the detriment of those of other interest-bearing periods. This apparent deviation from the policy outlined must be considered with the fact in mind that during the past decade capital has been very abundant. The director in his report for 1886 remarks that the administration has refused over 11,810,000 francs ($2,279,330) offered for deposit in that year, 4,800,000 francs ($926,400) of which was refused during the month of May; and he estimates that had they so desired it would have been possible to secure from 30,000,000 to 40,000,000 francs ($5,790,000 to $7,720,000) more than they did, yet the year 1886 did not show an exceptional amount of free capital. Later reports are unanimous in the statement that "capital has been abundant," or that "capital has been easily obtained at the following rates." With funds thus waiting investment, it is readily seen that deposits for three and six months could have been obtained at from 1½ to 2 per cent per annum, instead of paying 2½ and 3 per cent upon nine months' deposits, as was done. Under such circumstances the slight reduction in the yearly deposits may be allowed without considering it a deviation from its fixed policy.

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The following table is given to show the stability of the deposits or capital of the mont-de-piété of Paris:

STABILITY OF THE DEPOSITS OR CAPITAL OF THE MONT-DE-PIÉTÉ OF PARIS, 1892 TO 1896.

Year.	Per cent of new funds of total capital.	Capital borrowed for—							
		12 months.		9 months.		6 months.		3 months.	
		Per cent of total capital.	Per cent of new funds.	Per cent of total capital.	Per cent of new funds.	Per cent of total capital.	Per cent of new funds.	Per cent of total capital.	Per cent of new funds.
1892	20.0	73.9	10.1	7.1	49.8	9.2	38.4	9.8	54.0
1893	12.5	78.1	5.9	13.0	37.4	4.7	32.9	4.2	36.0
1894	9.0	77.1	2.1	15.1	31.2	4.2	28.1	3.6	49.8
1895	5.0	76.3	0.6	16.2	24.5	5.5	8.2	2.0	17.0
1896	10.3	69.3	0.8	25.3	44.9	4.0	37.1	1.4	28.0

The above table indicates the success of the authorities in their attempts to induce depositors to renew their deposits from year to year and secure the institution the desired stability of capital. Of the 55,000,000 francs ($10,615,000) borrowed by the mont-de-piété in 1896, the new funds constituted but 10.3 per cent of the total capital; that is, almost 90 per cent of the entire sum borrowed was not withdrawn from the institution. This showing for 1896 may be taken as representative of the normal fluctuation. The 20 per cent of new funds for 1892 and the 12.5 per cent for 1893, being considerably above the normal, were due to the introduction of loans on stocks, bonds, etc., requiring large additions to the capital; while the very low per cent of 1895 was due to a reduction of the amount of capital made necessary by a decrease in the sum total of business done. In like manner the capital borrowed for twelve months shows a 10.1 per cent influx of new funds in 1892. But the marked decline from that date, or perhaps from 1893, falling to 0.8 per cent in 1896 is not normal, but caused by the decrease in the amount of business done and the presence of a great abundance of capital, which has had the tendency to cause the administration to accept the cheaper loans for fractional periods.

The deposits for less than a year quite naturally have a less stable character than the yearly deposits. While the authorities only refuse to renew deposits when absolutely necessary, the needs of the business rather than the desire of the patrons must govern their action, and this of late, when the capital required is decreasing, has made refusals at times necessary. Moreover the rate of interest paid on this class of funds causes a constant withdrawal of deposits as more advantageous investments are found. Yet the increase of the nine months' capital from 16.2 to 25.3 per cent of the total capital from 1895 to 1896 is not due to the needs of the business, but the desire of the authorities to avail themselves of the abundance of capital at their disposition and secure funds at 2½ per cent instead of 3 per cent per annum. In the future, however, we may expect to see this return to the normal, as the

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rate of interest on yearly deposits was reduced in May, 1897, from 3 per cent to $2\frac{3}{4}$ per cent per annum.

A statement of the interest rates on deposits at the mont-de-piété of Paris is shown in the following table:

RATE OF INTEREST ON DEPOSITS AT THE MONT-DE-PIÉTÉ OF PARIS, 1872 TO 1897.

Year.	Periods.	Per cent on deposits for—			
		12 months.	9 months.	6 months.	3 months.
1872	January 1 to August 2	4.0	.....	3.5	3.0
	August 3 to September 16	5.0	.....	4.5	4.0
	September 17 to December 31	4.5	.....	4.0	3.5
1873	January 1 to July 4	4.5	.....	4.0	3.5
	July 5 to September 3	5.0	.....	4.5	4.0
	September 4 to December 31	5.5	.....	5.0	4.5
1874	January 1 to March 19	5.5	.....	5.0	4.5
	March 20 to June 24	5.0	.....	4.5	4.0
	June 25 to July 19	4.5	.....	4.0	3.5
	July 20 to December 10	4.0	.....	3.5	3.0
	December 11 to December 31	4.5	.....	3.5	3.0
1875	January 1 to March 11	4.5	.....	3.5	3.0
	March 12 to June 18	4.0	.....	3.5	3.0
	June 19 to December 31	3.5	.....	3.0	2.5
1876	January 1 to January 17	3.5	.....	3.0	2.5
	January 18 to May 9	4.0	.....	3.0	2.0
	May 10 to December 31	3.0	.....	3.0	2.0
1877	January 1 to January 9	3.0	.....	3.0	2.5
	January 10 to May 6	3.0	.....	2.5	2.0
	May 7 to July 29	4.0	.....	3.0	2.5
	July 30 to December 31	3.5	.....	2.5	2.0
1878	January 1 to June 30	3.5	.....	2.5	2.0
	July 1 to December 31	3.0	.....	2.5	2.0
1879 to 1881	January 1 to December 31	3.0	.....	2.5	2.0
1882	January 1 to August 7	3.0	.....	2.5	2.0
	August 8 to December 31	3.5	.....	3.0	2.5
1883	January 1 to December 31	3.5	.....	3.0	2.5
1884	January 1 to May 19	3.5	.....	3.0	2.5
	May 20 to November 10	3.0	.....	2.5	2.0
	November 11 to December 31	3.5	.....	3.0	2.5
1885	January 1 to March 8	3.5	.....	3.0	2.5
	March 9 to June 17	3.0	.....	2.75	2.5
	June 18 to December 31	3.0	.....	2.5	2.0
1886 to 1891	January 1 to December 31	3.0	.....	2.5	2.0
1892	January 1 to July 1	3.0	.....	2.5	2.0
	July 2 to December 31	3.0	2.5	2.0	1.5
1893 to 1896	January 1 to December 31	3.0	2.5	2.0	1.5
1897	January 1 to April 30	3.0	2.5	2.0	1.5
	May 1 to December 31	2.75	2.5	2.0	1.5

The emphasis laid upon the willingness of the authorities to pay a fair rate of interest upon the deposits must not be construed to indicate that the interests of those to whom they in turn furnish capital have been neglected. Nor yet may it be assumed that the rate of interest upon these deposits is fixed without due regard to the market rate. Quite on the contrary the constant changing of the rate of interest paid on deposits, as shown by the table, evidences that strict heed has been paid to the market rate. Following the poor harvests of 1873 and the accompanying financial embarrassment the rate upon yearly deposits rises from $4\frac{1}{2}$ to 5 and afterwards to $5\frac{1}{2}$ per cent. A gradual decline is shown in 1874, with a slight rise in December. Other slight fluctuations follow prior to 1878, when the abundance of capital and general revival of business made a reduction of $\frac{1}{2}$ per cent possible, but the depression of 1881 restored the former rates. With the return of better times the rate again decreased in 1884, and remained practically

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stationary until May, 1897, when for reasons already stated a slight reduction in the yearly rate was made. In short, the interest as shown in the table has mirrored minutely every positive fluctuation in the money market of the country.

By a decree of February 27, 1811, and in virtue of a royal ordinance of January 22, 1831, the mont-de-piété is permitted to place funds not needed for immediate use in the treasury and receive interest thereon. This disposition of the surplus capital is permitted in order to lessen the loss the institution would otherwise sustain by paying interest upon unemployed capital. But a loss is not entirely averted, since, as previously remarked, the treasury pays about 1 per cent less upon deposits than the mont-de-piété. Yet the importance of such an arrangement is evident when it is remembered that the reserve, kept as a sort of security for depositors, is seldom allowed to fall below 3,500,000 francs ($675,500), and that this sum, supplemented by the funds not needed for immediate use, often makes a total deposit in the treasury of some 6,000,000 francs ($1,158,000). The result is that, due to this loss, the actual rate paid by the mont-de-piété is somewhat higher than the above table would indicate. To exactly ascertain this rate, the amount paid the mont-de-piété by the treasury has been deducted from the total sum paid by the mont-de-piété to its depositors. The results obtained appear in the following table:

ACTUAL YEARLY RATE OF INTEREST PAID ON DEPOSITS BY THE MONT-DE-PIÉTÉ OF PARIS, 1877 TO 1896.

Year.	Per cent.	Year.	Per cent.
1877	2.800	1887	2.394
1878	2.720	1888	2.575
1879	2.501	1889	2.728
1880	2.480	1890	2.779
1881	2.511	1891	2.800
1882	2.729	1892	2.741
1883	3.010	1893	2.722
1884	2.811	1894	2.701
1885	2.555	1895	2.712
1886	2.396	1896	2.698

It will be noted that the rate in 1886 and 1887 was extremely low; that beginning with 1888 it gradually rose until 1891, after which it again declined. For some years prior to 1885 the treasury had paid the mont-de-piété 3 per cent interest on its deposits, a rate which obtained until 1887, when it was lowered to 2 per cent. The rise of the actual rate as seen in 1888, as also for the year immediately following, is due to the lower rate of interest paid by the treasury, while the reduction in 1892 and following years finds its cause in the introduction of the nine months' deposits, a practical lowering of the rate of interest.

The somewhat unsatisfactory relation existing between the mont-de-piété and the treasury has led to a discussion of the advisability of supplanting it by a union with the savings banks similar to that existing in many cities of Germany. The advocates of the plan argue that

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this method would furnish a safe and profitable employment for the funds of the savings bank and supply the mont-de-piété with an ever-ready capital. They hold that the savings bank would thus be secure from loss on its investments, due to which cause it could supply the mont-de-piété with funds at a lower rate than is obtainable at present. The opponents of the plan reply that the scheme is not practical; that in times of depression, when the demands upon the savings bank must necessarily be heavy, the receipts of the institution will diminish so that it will be unable to return the funds borrowed, and financial embarrassment will result to both. In the case of Paris, where the mont-de-piété has no capital of its own, the argument is entitled to consideration; where, however, as in Germany, a wiser policy as to capital has been pursued, and the institutions have funds of their own, the danger is lessened. To make one entirely dependent upon the other is a mistake; but to allow one to supplement the other within reasonable bounds is a decided advantage, as the experience of Germany amply proves. Outside of Paris a few of the French cities have adopted the plan, but as a rule France has refused to adopt this feature so often found in German cities.

THE MONT-DE-PIÉTÉ AS A SAVINGS BANK.

It appears that the mont-de-piété has never directly sought to usurp the business properly belonging to the savings bank. The nearest approach to this is the acceptance of the "placements temporaires" by the institution of Paris. These temporary deposits, as they may be called, are deposits made without a fixed date of withdrawal by the employees of the institution. Each employee is permitted to deposit funds, large or small, so long as the total amount of his deposits do not exceed 3,000 francs ($579), and to receive interest on the same at 4 per cent per annum. As this rate of interest is very favorable to the employees, many of them avail themselves of the opportunity. During the year 1896, 161,051 francs ($31,082.84) were deposited, making a sum total of 298,700 francs ($57,649.10) on deposit, of which amount 150,200 francs ($28,988.60) was reimbursed, leaving a balance of 148,500 francs ($28,660.50) on deposit at the end of the year. As the institution suffers a loss of from 1½ to 2 per cent upon all sums so deposited, it may be questioned why the plan was introduced. The reason is chiefly an administrative one. While it is true that in 1833, when such deposits were first accepted, the facilities for saving were not so plentiful as at present, and therefore at that time it may have been for the convenience of the employees, its chief idea was that by cultivating habits of order and economy among its employees their services would be enhanced in value; but while not a savings bank in the true sense of the term, it is interesting to notice to what extent it has become the bank of the small capitalist, a result obtained not wholly without intent.

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The following table gives a comparison of the deposits of 1846 with those of 1895:

NUMBER AND AMOUNT OF DEPOSITS AT THE MONT-DE-PIÉTÉ OF PARIS, BY SIZE OF DEPOSITS, 1846 AND 1895.

Size of deposit.	Year.	Deposits.			
		Number.	Per cent of total.	Amount.	Per cent of total.
100 to 1,000 francs ($19.30 to $193)	1846	925	18.8	$100,188.42	2.6
	1895	2,347	26.9	292,479.92	2.6
1,001 to 5,000 francs ($193.19 to $965)	1846	2,844	57.9	1,183,262.13	31.0
	1895	3,927	45.1	2,058,316.05	18.3
5,001 to 10,000 francs ($965.19 to $1,930)	1846	697	14.2	844,529.40	22.1
	1895	1,356	15.6	1,973,673.97	17.5
10,001 francs ($1,930.19) or over	1846	445	9.1	1,692,719.43	44.3
	1895	1,079	12.4	6,941,949.45	61.6
Total	1846	*a* 4,901	100.0	3,820,799.38	100.0
	1895	8,709	100.0	11,266,419.39	100.0

a This is the total shown in the report of M. Blaize, Des Monts-de-Piété, T. II, p. 36, from which the figures were taken, and is not the correct total of the items given. The per cents for 1846 in the next column are computed on the basis of the correct total, 4,911.

From 1846 to 1895 the number of the deposits of 1,000 francs ($193) or less have increased from 18.8 to 26.9 per cent of the total number; deposits of from 1,001 to 5,000 francs ($193.19 to $965) have decreased from 57.9 per cent to 45.1 per cent, and those of 10,001 francs ($1,930.19) or over have increased from 9.1 to 12.4 per cent of the total number. But if the per cent of the total amount deposited is considered, a different result is obtained. The acceptance of deposits of 100 francs ($19.30) instead of 250 francs ($48.25) has not served to increase the per cent of the total deposited in small amounts. A pronounced decrease is noted, however, in the per cent deposited in sums of 1,001 to 5,000 francs ($193.19 to $965) and from 5,001 to 10,000 francs ($965.19 to $1,930), but the deposits of 10,001 francs ($1,930.19) or over have risen from 44.3 per cent to 61.6 per cent of the total deposit.

In the following table the number of deposits and the total and average amount deposited at the mont-de-piété of Paris are given for the year 1895 by size of deposits:

NUMBER OF DEPOSITS AND TOTAL AND AVERAGE AMOUNT DEPOSITED AT THE MONT-DE-PIÉTÉ OF PARIS, BY SIZE OF DEPOSITS, 1895.

Size of deposit.	Number of deposits.	Per cent of total.	Amount deposited.	Per cent of total.	Average deposit.
100 to 500 francs ($19.30 to $96.50)	947	10.8	$62,429.71	0.6	$65.93
501 to 1,000 francs ($96.69 to $193)	1,400	16.1	230,050.21	2.0	164.29
1,001 to 5,000 francs ($193.19 to $965)	3,927	45.1	2,058,316.05	18.3	524.14
5,001 to 10,000 francs ($965.19 to $1,930)	1,356	15.6	1,973,673.97	17.5	1,455.51
10,001 to 20,000 francs ($1,930.19 to $3,860)	624	7.2	1,771,707.19	15.7	2,839.27
20,001 francs ($3,860.19) or over	455	5.2	5,170,242.26	45.9	11,363.17
Total	8,709	100.0	11,266,419.39	100.0	1,293.65

In 1895, 10.8 per cent of the total number of deposits were for sums of from 100 to 500 francs ($19.30 to $96.50), which amounted to 0.6 per cent of the total amount deposited, the average deposit being 341.61 francs

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($65.93). The most popular deposits were those of from 1,001 to 5,000 francs ($193.19 to $965), the average deposit in this class being 2,715.75 francs ($524.14), yet constituting but 18.3 per cent of the total amount, while those of 20,001 francs ($3,860.19) and over formed 45.9 per cent of the total sums. Among this latter class of deposits were 73 for sums varying from 50,000 to 100,000 francs ($9,650 to $19,300); 28 varying from 100,000 to 200,000 francs ($19,300 to $38,600); 17 from 200,000 to 300,000 francs ($38,600 to $57,900); 5 from 300,000 to 400,000 francs ($57,900 to $77,200); 3 from 400,000 to 500,000 francs ($77,200 to $96,500); 9 from 500,000 to 1,000,000 francs ($96,500 to $193,000); 1 for 1,500,000 francs ($289,500); 1 for 2,000,000 francs ($386,000), and 1 for 3,000,000 francs ($579,000).

The number and value of certificates of deposit discounted in Paris from 1886 to 1896 are shown in the following table:

NUMBER AND VALUE OF CERTIFICATES OF DEPOSIT DISCOUNTED IN PARIS, 1886 TO 1896.

Year.	Number.	Value.	Average value.
1886	114	$95,872.75	$840.99
1887	77	69,065.05	896.95
1888	86	166,391.09	1,934.78
1889	51	72,954.00	1,430.47
1890	84	149,816.25	1,783.53
1891	74	99,445.18	1,343.85
1892	68	106,765.67	1,570.08
1893	63	221,315.03	3,512.94
1894	66	90,818.08	1,376.03
1895	60	96,704.58	1,611.74
1896	70	52,598.29	751.40

Prior to 1886 it was the rule of the institution not to refund deposits until the expiration of the period for which they had been deposited. It was found, however, that this worked hardship to a number of their depositors. In case of an absolute need of funds prior to the expiration of the period of deposit, their patrons often were obliged to discount their certificates upon most unfavorable terms. A case reported is that of a merchant paying 360 francs ($69.48) as commission and discount to a dealer to discount a certificate whose face value was 2,060 francs ($397.58), due November 7 and discounted April 12. This, together with other similar but less flagrant instances, led the authorities to decide to discount their own certificates, with the results shown in the above table. As the depositor is permitted to discount his certificate in whole or in part, the total, as given in the table, furnishes an inadequate basis for judgment, since it represents the face value of all certificates presented for discount. It does, however, give a certain clue to the class of deposits usually discounted, since by comparing the average value of the certificates with the above we find that the smaller depositors are the ones seeking for discount. It is peculiar that the number of certificates discounted, as also the amount, does not show a pronounced decrease after the passage of the law of 1892,

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which permits the pledging of these certificates. The fact that they may be pawned, and therefore perhaps be saved to the owner, does not seem to have lessened the number or amount presented for discount.

SOURCES OF CAPITAL.

In the following statement is shown the capital of the mont-de-piété of Paris on March 31, 1896:

Certificates of deposit	$10,800,529.31
Security deposited by officials	128,619.01
Unclaimed surplus	113,866.89
Advanced by the administrators of the public charities	19,121.52
Pension fund	503,927.79
Reserve	5,510.20
Payments on account	602.48
Guarantee deposits made by contractors	6,122.92
Unpaid interest, appropriations, etc	163,438.87
Miscellaneous deposits	124,604.69
Total	11,866,343.68

Aside from the funds accepted in deposit, a second source of capital for the mont-de-piété is the security which certain responsible officers are required to deposit as a guarantee for the proper performance of their duties. In the early history of the institution this method of raising capital played a very important rôle, but by 1850 the reaction was total. The President of the Republic decided that henceforth these securities should be placed in the public treasury and directed that the mont-de-piété should at once return the securities they then held. Cash securities were again required in 1864, and by the law of 1865 the officers and agents of the mont-de-piété are required to deposit their securities in the treasury of their respective institutions. By the same law the prefects are given authority to decree that those holding responsible positions in other institutions shall deposit their security in the treasury of the mont-de-piété. In like manner the administrators may, "if they deem necessary," upon authorization by a decree of the prefect, "impose on all other employees or minor representatives (*agents secondaires*) of the institution an obligation to deposit security as a guarantee for the proper execution of their duties."

Formerly it was left to the discretion of the prefect to fix the amount of security that each employee should deposit, but by the law of June 8, 1864, he was relieved of the duty of arbitrarily fixing the amount, and the present plan adopted. By it the amount of security required from the cashiers and keepers of the magazines is determined for the former "by the average of the amounts loaned upon pawn for the past three years," and for the latter "by the average of the loans represented by the pawns in the magazine on December 31 of the last three years." On the sums thus obtained they must respectively make deposits in

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accord with the following schedule, but in no instance may the amount be inferior to 1,000 francs ($193):

10 per cent on the first 100,000 francs ($19,300);

3 per cent on the following 400,000 francs ($77,200);

1 per cent on the following 1,000,000 francs ($193,000), and

20 per cent on all sums in excess of the first 1,500,000 francs ($289,500).

When a new mont-de-piété is established the prefect, with the advice of the council of administration, determines the amount of the security. It is, however, expressly provided that this temporary deposit is valid only for the first three years, and that within the first six months of the fourth year the definite adjustment upon the basis fixed by the law shall be made. But it is to avoid frequent changes in the amount of the security due to the increase or decrease of the business that the law provides that "a revision of the guaranty deposited by the cashiers and keepers of the magazines may be made when the sums deposited by them have, for three consecutive years, been superior or inferior by at least one-fifth to the amount required as determined by the law of June, 1864." The same section provides that requests for revision may be formulated by the treasurer (*receveur des finances*) of the arrondissement, by the administration of the mont-de-piété, or by any officer required to deposit such security. All such requests must go to the prefect who authorizes the revision, and in accordance with the law fixes the sum to which the guaranty must be raised or reduced. Since 1850 the capital so obtained gradually increased to 401,311.83 francs ($77,453.18) in 1886, and at the close of 1896 amounted to 592,837.53 francs ($114,417.64). In other cities, however, the per cent of capital so obtained is much greater. Rouen secures 23 per cent and Lyons 41 per cent of their capital in this manner. In the latter city it is quite evident that it is intended to secure as large a sum in this manner as possible. Article 57 of its constitution reads: "The sureties in specie, for the overseers of the institution, for the receivers of the communal revenues who are not at the same time collectors of direct taxes, for farmers or administrators of taxes, for the receivers of the asylums and other charitable establishments, for contractors for supplies for the department or commune, or in general all sureties which are not ordered by the laws to be deposited in the State coffers will be employed to form a part of the capital necessary for the exploitation of the establishment."

The item of unclaimed surplus appears in the table since from the time of sale until claimed by the owners, or, unclaimed, it becomes the property of the "assistance publique;" any such sums remain with the mont-de-piété as a part of its capital. The other items given in the table require but little comment. The amount advanced by the public charities has gradually reduced from year to year, until but 99,075.25 francs ($19,121.52) was received from that source. The sum under the head of pensions is a trifle misleading, as it has been made to include not only the amount due pensioners, but also the value of the bonds whose

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revenue provides that sum. The reserve is the sum which, in connection with the other portions of the capital not engaged in making advances, is deemed necessary to secure the depositors from probable loss. The remaining items, save that of miscellaneous deposits, may be passed without comment. Under this head we have principally deposits made in guaranty for the payment of the certificates of deposit lost or mislaid. Its purpose is obvious. A certificate lost or stolen can not be paid in full until all hope of its presentation is past. Meanwhile the depositor should not be deprived of the profit accruing to his capital. As a result, a certain portion of the deposit is paid, and the remainder, together with other security, is held to secure the institution in case of fraud. On March 31, 1895, the sum so held amounted to 285,162.90 francs ($55,036.44). Further, the administration requires that persons desiring advances of 15 francs ($2.90) or over must establish their identity before the loan will be given. If unable to do this, the advance is refused and the article offered in pawn held until the owner can secure means of identification. As in some cases the owner or supposed owner fails to return, the pawn remains in the hands of the mont-de-piété subject to its disposition. While the value of articles so left was only 3,922 francs ($756.95), that sum, with the amounts so left in previous years, and after deducting reimbursements, gives a balance of 91,965 francs ($17,749.25). These amounts, together with other deposits, give for miscellaneous deposits the sum of 645,620.17 francs ($124,604.69), which, added to the other items given in the table, swell the total capital of the company on March 31, 1896, to 61,483,646 francs ($11,866,343.68).

The following table gives the receipts and expenditures of the mont-de-piété of Paris for the year 1896:

RECEIPTS AND EXPENDITURES OF THE MONT-DE-PIÉTÉ OF PARIS, 1896.

Receipts.		Expenditures.	
Items.	Amount.	Items.	Amount.
Capital on hand at beginning of year	$10,681.28	Interest paid	$306,503.85
Interest received from redemptions, renewals, and sales	726,519.89	Fees for appraisal and auction	54,034.28
Auction fees	11,793.56	Salaries and wages for immediate service	274,986.40
Amount acquired by prescription	11,906.99	Salaries of architect and physician	772.00
Interest on funds in treasury	18,155.22	Rent for director's dwelling	772.00
Rents received	4,143.61	Wages for extra work, police, etc	18,658.27
Amount refunded on insurance	4,937.35	Pensions	15,440.00
Discount on certificates of deposit	613.72	Office expenses	22,783.54
Miscellaneous	1,032.23	Water and telephone rent	1,562.72
		Fire insurance	4,774.06
		Transportation of pawns	5,449.16
		Contribution to employees' benefit societies	482.50
		Building and repairs	18,899.10
		Miscellaneous	20,629.52
		Funds on hand	10,681.27
		Total	756,428.67
		Balance	33,355.18
Total	789,783.85	Total	789,783.85

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The interest received from redemptions, renewals, and sales in 1896 amounted to 3,764,351.75 francs ($726,519.89), which together with the interest paid the institution by the treasury on funds deposited with it and other smaller receipts made a sum total of 4,092,144.31 francs ($789,783.85). But in that it was necessary to pay out nearly 39 per cent of this amount as interest on borrowed funds, the actual profit was only 172,824.79 francs ($33,355.18), or 0.31 per cent of the amount loaned.

The profits, unclaimed surplus, and per cent of profit on the amount loaned by the mont-de-piété of Paris for the years 1870 to 1896 are shown in the following table:

PROFITS, UNCLAIMED SURPLUS, AND PER CENT OF PROFIT ON AMOUNT LOANED BY THE MONT-DE-PIÉTÉ OF PARIS, 1870 TO 1896.

Year.	Amount loaned.	Profits from business.	Unclaimed surplus.(a)	Total profit.	Loss.	Per cent of profit.
1870	$7,904,185.50	.....	$33,477.62	$33,477.62	$49,922.69	.....
1871	5,770,984.10	$3,599.96	33,789.65	37,389.61	.....	0.65
1872	7,717,182.78	132,328.43	29,854.78	162,183.21	.....	2.10
1873	8,814,845.00	.....	37,836.47	37,836.47	39,361.91	.....
1874	9,382,210.57	.....	51,681.91	51,681.91	2,089.85	.55
1875	9,484,970.53	126,121.54	54,801.06	180,922.60	.....	1.91
1876	9,864,840.85	114,926.65	34,017.25	148,943.90	.....	1.51
1877	9,938,983.73	149,406.39	31,469.82	180,876.21	.....	1.82
1878	9,770,177.24	154,608.54	28,742.82	183,351.36	.....	1.88
1879	10,106,796.84	99,958.26	28,813.51	128,771.77	.....	1.27
1880	10,155,514.67	148,331.20	28,794.19	177,125.39	.....	1.74
1881	10,213,151.23	135,372.18	29,974.31	165,346.49	.....	1.62
1882	11,079,616.04	171,763.81	40,070.06	211,833.87	.....	1.91
1883	11,190,387.81	99,495.77	35,150.27	134,646.04	.....	1.20
1884	11,029,171.05	112,978.17	35,221.12	148,199.29	.....	1.34
1886	10,576,708.61	185,161.68	31,328.85	216,490.53	.....	2.05
1890	11,197,743.04	1,099.80	32,389.40	33,489.20	.....	.30
1895	10,071,967.48	10,681.27	18,814.63	29,495.90	.....	.29
1896	10,807,048.70	33,355.18	19,121.52	52,476.70	.....	.49

a The unclaimed surplus for any given year, as shown in this column, is derived from pledges received five years previous.

Without seeking to account for the yearly fluctuation in the profits of the business by giving an itemized account, as in 1896, we may in general attribute the marked decline in 1883 and 1884 to the crisis of 1882, and the very marked decline in 1890 to the lowering of the rate of interest in 1887 from 8 per cent per annum with ½ per cent as a fixed fee to 6 per cent per annum with a fixed fee of 1 per cent, and the exemption of interest on advances of 5 francs ($0.965) or less which remain unpaid for less than two months from all charges save the fixed fee of 1 per cent. In like manner we may assume that the rise of profits in 1895 and 1896 was the result of the law of 1892, allowing bonds, stocks, etc., to be taken in pawn.

The second source of profit is the unclaimed surplus. As previously stated, any surplus arising from the sale of unredeemed pledges is held for three years subject to the demand of the owner, but if not claimed within that time becomes the property of the mont-de-piété. As a rule, however, it is four or five years from the date of the sale before the surplus is actually taken by the authorities. For example, the surplus

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arising from the sale of unredeemed pledges in 1865 was not taken until 1870, and it will be seen from the table that five years is the usual period.

Lastly, counting the regular profit and the surplus for the several years, we find the per cent of gain on the total amount loaned has, due to the reduction in the rate of interest, been reduced to less than ½ per cent.

ENGLAND.

England's experience in pawnbroking forms the connecting link between the Continental countries and the United States. Like the Continental countries she suffered from usury and sought to free herself by legal means, but like the United States her authorities have not seen fit to adopt the municipal systems which prevail on the Continent. As early as 1199 Richard I fixed 10 per cent per annum as the legal rate of interest, yet the Jewish brokers continued to charge from 45 to 65 per cent, a rate which, with other excesses, led to their expulsion in 1290. The Lombards succeeded to the business, but, while being of real service to the commercial interests of the country, were also expelled in 1530. From this date the English themselves took up pawnbroking, and so rapidly did the number of brokers increase that James I promulgated a law for the "abolishing of the idle and needless trades and upstart brokers," assigning as a reason for the act that they encouraged theft, and that the excessive profits made led many to forsake their manual occupations to become brokers. As a remedy, pawnbrokers were forbidden "by any means whatsoever" to "work or make any change or alteration of the property" received by them, and any attempt to conceal stolen property worked the forfeiture of twice the value of the article in question. But the measure was inadequate, and it remained for Charles II, William III, and, later, George I, to try various plans before even a partial success could be obtained.

The constant failure of the early laws to regulate the pawning of merchandise led to a general movement favoring the formation of "loan banks," based upon the plan of the Continental pawnshops. Yet no definite action was taken until the reign of Anne, when the principal advocates of the plan formed a "Charitable Corporation," which, although securing a charter in 1708, did not begin business until 1719. From the first, dividends of 10 per cent were regularly declared, but soon it was sarcastically remarked that "the poor tradesmen must be very industrious to have any transactions with the Charitable Corporation for the relief of the industrious poor, not to be undone." Not only did it become simply a dividend-yielding institution, but so questionable was its conduct that Parliament was asked to interfere, and before the inquiry ended two members of the House were expelled and many persons in high places compromised. So ignominious was the failure that no representative of this class of institutions has since been able to gain a foothold on the soil of England proper. Indeed, for almost a

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hundred years no further attempt was made to supplant the private pawnshop. But with the spirit of speculation rife in 1824 and 1825, the "Equitable Loan Bank of London," which proposed to loan small sums at 5 per cent per annum, sought, but failed, to secure a charter. Again, in 1838, Parliament refused to recognize the "British Pledge Company," and in 1856 similar attempts met the same fate.

The failure of the Charitable Corporation, however, was not without a beneficial influence. It silenced the advocates of philanthropic pawnbroking, and led to the belief that instead of attempting to graft a foreign system upon the English soil it was wiser to perfect the one already in vogue. To this end the laws were repeatedly changed or temporarily enacted until 1800, when the clauses which had proven satisfactory in preceding legislation were embodied in a general law, under which the business was conducted for seventy-two years. During this time, however, the law was subject to slight changes. In 1815 the price of the license was raised from £10 to £15 ($48.67 to $73) for London and its suburbs, and from £5 to £7 10s. ($24.33 to $36.50) for the country districts. Yet in addition to this, those who wished to take gold and silver plate or jewelry in pledge were required to secure a "plate" license at an additional cost of £5 15s. ($27.98), thereby raising the license fee to £20 15s. ($100.98) for London and £13 5s. ($64.48) for the country districts, a rate which obtained until 1872, when the present uniform fee of £7 10s. ($36.50) was fixed. The additional cost for the license, together with the small profit allowed on pledges of low value (wee pawns), led to a marked increase in the number of "dolly shops" or "leaving shops," places where objects were sold with the option of repurchase at an advanced price within a certain fixed time. In this way any rate of interest could be charged without violation of the law, and the plan, especially in London, where the license was highest, was exploited to its fullest extent. To remedy this defect the statutory definition of the pawnbroker was extended in 1856 to include this class of trade, and three years later the brokers were permitted to make loans of over £10 ($48.67), thus giving an opportunity to do a lucrative business in a field heretofore denied them.

THE LAW OF 1872.

The act of 1800 was successful in meeting the demands of that period, but as conditions changed, with the later developments in all lines of enterprise, its provisions gradually became less and less satisfactory. The pawnbrokers found the profit-limiting clauses in direct opposition to the principle of free trade, so often sanctioned by the Government. They complained that the sections which prescribed uniform hours in all parts of the country were productive of much inconvenience. Other portions of the act had fallen into disuse, while some operated only to the detriment of those desirous of obeying the law. Moreover, adopted for the purpose of protecting the pawner from extortion, it was proved

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that its provisions, like those of the usury acts, defeated their own object. Bulky goods were still unpledgeable, because the statutory profit was insufficient to cover the cost of storing, while a judicial decision upon the precise mode of calculating the rate of interest on small sums had necessitated resort to elaborate and complex tables designed for its calculation. The clause which, perhaps, gave greatest offense required the pawnbroker to restore without compensation any object stolen or otherwise unlawfully obtained and placed in pawn. The brokers argued that at times the plausibility of rascals deceived even those most desirous of doing a legal business, and thus, due to no fault of their own, compelled them to lose their original loan and accrued interest. The law provided no means whereby the owner of stolen articles should share the loss of the pawnbroker, although the former might have been most negligent and the latter have taken due precaution. It was also asserted that unprincipled men allowed their property to be pawned by a second party, and upon its return divided the spoils with the one who had originally pawned the article. Further, the pawner objected to the regulations for the redemption of goods in case the pawn ticket was lost. On such occasions the loser procured a declaration blank from the pawnbroker and, after filling it out, was required to present himself before a justice of the peace, who, if the evidence given convinced him that the alleged owner was the rightful owner, attached his signature to the blank, thereby giving the owner authority to redeem his property. But unfortunately it was often the case that the justice attached his signature to the blank and pocketed the shilling fee (24 cents) without questioning the applicant. The process was so simple that rogues, seizing the opportunity, began to present declarations and to redeem property of which they had sufficient knowledge to describe, thus making the tickets held by the rightful owners absolutely worthless.

For these and other reasons the law became so unpopular that in 1871 a select committee was appointed by the House of Commons "to inquire into the law affecting the pawnbroking trade, with a view to its consolidation and amendment." The committee, after hearing a great amount of evidence, reported to the effect that the laws were in such an unsatisfactory state that they ought to be wholly repealed and a general law be enacted regulating the pawnbroking business.

The report of the committee was incorporated in the act of 1872, according to whose provisions the business is now conducted. That the "dolly-man" may be effectually excluded, a pawnbroker is defined to be any person keeping a shop for the purchase of goods or chattels, or taking the same as security for money advanced thereon, or anyone who purchases, receives, or takes in goods or chattels and pays or advances or lends thereon any sum of money not exceeding £10 ($48.67) with any sort of an understanding, expressed or inferred, that they will afterwards be redeemed or purchased on any terms.

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Within the metropolitan area any pawnbroker holding a license at the time of the passage of the act is simply required to have his license renewed annually by the magistrate sitting in any police court having jurisdiction within the district. Without the metropolitan area the renewal of licenses is in the hands of the justices convened for that purpose. If, however, a license had not been previously secured, the would-be broker must notify the overseers of the poor and the superintendent of police of his intention to make application for a license. This notification must be made at least twenty-one days prior to his application, while twenty-eight days prior to it he must cause a like notice to be fixed and maintained between 10 a. m. and 5 p. m. on the principal door, or one of the doors, of the church or chapel of the parish, or in some other conspicuous place, for two successive Sabbaths. If after this notice no sufficient evidence is produced against the good character of the applicant, and the shop in which he intends to carry on his business or any adjacent house or place is not frequented by thieves or persons of bad character, a license may be issued.

By the provisions of the act the pawnbroker is forbidden to accept any article in pawn without giving the owner a ticket bearing the date and description of the article pawned, amount advanced, the owner's name and address, as also the name and address of the pawnbroker. Further, the ticket must have printed upon it the stipulations of the law as to the profits allowed the broker and the conditions as to the sale of the pledges. On advances of less than 10s. ($2.43) a charge of ½d. (1 cent) may be made for the ticket; on sums of over that amount, 1d. (2 cents). An interest charge of ½d. (1 cent) per calendar month for each 2s. (49 cents) or fraction thereof loaned is allowed on all sums of less than 10s. ($2.43); on sums of over 10s. ($2.43), 1d. (2 cents) per month for every 2s. 6d. (61 cents), provided the sum does not exceed 40s. ($9.73), in which case a special pawn contract may be made upon such terms as the contracting parties consent to. In all cases interest is to be reckoned for at least one month, but after the expiration of the first month any period of fourteen days or less shall be reckoned only as a half month, and any period of over fourteen days, as an entire month. All loans are made for one year, at the end of which time seven days grace are allowed in which the pledges may be redeemed, but if not redeemed within that period, all those upon which an advance of 10s. ($2.43) or less has been made become the absolute property of the pawnbroker, while those over that amount are to be sold at auction. Any surplus arising from the sale of an unredeemed pledge, after loan charges and cost of sale have been met, is held for three years subject to the demand of the rightful owner. If, however, pledges belonging to the same person are sold within twelve months of each other, one failing to pay the loan and charges and the other giving a surplus, the pawnbroker is permitted to appropriate such a portion of this sum as is necessary to make good the deficit. On the other hand, that the pledgers may secure any sum due them, any holder of a ticket upon

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which an advance of over 10s. ($2.43) has been made is permitted to examine the entry of the sale as it appears in the pawnbroker's books and the filled-in calendar of the auction, which is authenticated by the signature of the auctioneer.

If a ticket is lost, mislaid, or otherwise misplaced, the owner may secure a so-called declaration from the pawnbroker, which, after being duly signed in the presence of a justice by the applicant and the person identifying him and returned to the broker within three days, serves all the purposes of the original ticket. While the plan is almost identical with that of the former law, the broker is protected in that under the present law deceit on the part of those interested is made an offense against the act. In case of loss of pawn by fire, the pawnbroker is bound to pay the value of the pledge, after deducting the amount of the loan and the profit, such value to be the amount of the loan and profit plus 25 per cent of the loan; and if, through fault, neglect, or willful misbehavior of the broker, the pledge is shown to have been rendered of less value than it was at the time of pawning, the court is given power to accord such damages as seem fit. Further, the pawnbroker is prohibited from receiving pawns from persons intoxicated, or of less than 12 years of age; from employing servants or apprentices under 16 years of age; from purchasing, under any pretense whatever, a pawn except at regular auction, or permitting any pledge to be redeemed with a view to purchasing it, or making arrangements for the purchase or sale of a pawn any time prior to its redemption. It is also illegal to receive pawns on the Sabbath, Good Friday, or any day appointed for public fasting, humiliation, or thanksgiving. For knowingly receiving in pawn unfinished goods, or any materials intrusted to any person to wash, scour, mend, iron, manufacture, work up, or finish, the pawnbroker is liable for the restoration of the pledge, and to forfeit a sum not exceeding twice the amount of the loan. Moreover, articles unlawfully pawned or pawned without the authorization of the owner may be obtained by him upon payment of the sum advanced, a portion, or none of it, as the court may think proper. At the same time the pawnbroker is not without protection. Persons unable to give a satisfactory account of the means whereby they came into possession of a pawn, or giving wrong information as to the same, are liable to a fine of not over £5 ($24.33), such a portion of which as the court may think fit to go to the person who secures the conviction of the offender. If an informant brings a case against a pawnbroker upon insufficient evidence, he is subject to a fine by the court, who may stipulate that a certain portion of it be paid to the pawnbroker for the expense and trouble caused him by the case. On the other hand, the pawnbroker is liable to a fine of £10 ($48.67) for a violation of the act, and where the complainant is the aggrieved party half of this fine may be paid him, or, if not the aggrieved party, the court may compensate him as it thinks fit.

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THE UNITED STATES.

STATE LAWS GOVERNING PAWNBROKING.

"Of the history of pledges or pawns in the United States," as Tyler in his work on Usury remarks, "there is but little of interest recorded or to be found in books upon the subject. The practice of pledging personal property for the security of claims dates back to the earliest settlements in the country, and the regular business of pawnbroking has been carried on as long, sometimes without the express sanction of statute except as is regulated by the authorities of cities, or generally controlled by rules enforced according to the common law." Yet it is not surprising that legislators did not take action at an earlier date or that several States are without any very comprehensive regulations on the subject. Not until the great increase of urban population has there been any direct need of such legislation. Even to-day the great bulk of our citizens are in rural districts or towns with a population insufficient to call for such an enterprise. The business of the pawnbroker requires not only an urban population, but a dense urban population, such as is found in great centers of industry. This fact has made the business one of local rather than one of general interest, a municipal rather than a State problem, and accounts for the lack of legislation upon the subject. When one remembers that outside of the North Atlantic section there are but few States with even two cities of sufficient size to support the business, it is remarkable that so many have taken comprehensive action on the subject as are shown in the accompanying tabulation of the State laws governing pawnbroking. At the same time it must be admitted that even where laws have been passed their own inconsistencies often render them useless. For instance, the laws of New Mexico and New York fix a rate of interest, but do not limit the extra charges that may be levied. Again, several States have adopted the very commendable feature that any surplus arising from the sale of unredeemed pledges shall be returned to the owner, but render the clause practically ineffective by making no provision as to the amount of charges or as to how long the pawn may be held prior to sale.

Before considering the actual provisions of the several State laws, it may be best to first decide just who is entitled to be called a pawnbroker. Only a few of the States give a concise definition, but of these perhaps the best is that given in the laws of the District of Columbia and the State of New York, by which "any person, corporation, member or members of a corporation or firm who loan money on deposits or pledge of personal property or other valuable thing other than securities or printed evidence of indebtedness, or who deals in the purchasing of personal property or other valuable thing on condition of selling the same back again at a stipulated price," is declared and defined to be a pawnbroker. In line with this definition is the

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provision in the law of Colorado to the effect that "all purchase of personal property by pawnbrokers, in the course of their business, with an agreement, express or implied, to resell the same, shall prima facie be considered loans within the meaning of this act" [regulating pawnbroking]. The commendable feature of this definition is that it not only declares those who loan money upon a pledge of personal property to be pawnbrokers, but also those who buy property on condition of selling it back again at a stipulated price, thereby securing freedom from the ills that England and Germany experienced at the hands of the "dolly-man" and "Rückkaufshändler." In Illinois and other States, however, where the pawnbroker is "a person loaning money on the pledge of personal property," this safeguard is lacking, and but for the active interference of the municipal authorities the cities of these States would have an additional drain upon their resources. Fortunately, however, this failure to define or this inadequate definition of the term has not led to ill results, since the municipal authorities have usually covered the defect by their ordinances.

The following table shows the principal provisions of the laws of the various States governing pawnbroking:

STATE LAWS GOVERNING PAWNBROKING.

State.	Annual license fee.	Bond.	Monthly rate of interest (per cent).	Charges.	Length of loan.	Method of sale.	Disposition of surplus.
Alabama	$50					Auction	Returned to owner.
Arizona	120		4	Forbidden			Returned to owner.
Arkansas	(a)						
California	12		2	Forbidden			Returned to owner.
Colorado	(a)	(a)	3	Forbidden		Auction	Returned to owner.
Connecticut	a 10 to 50		b 25	Forbidden	6 months		
Delaware (c)	25	$1,000	8	(d)	6 months	Auction	Returned to owner.
District of Columbia.	100	3,000	3	(a)	1 year	Auction	Returned to owner.
Florida	100						
Georgia	50						
Idaho	200					Auction	Returned to owner.
Illinois	(a)		3	Forbidden			
Indiana	a 10 to 100						
Iowa	(a)						
Kansas	(a)						
Kentucky	300	1,000					
Louisiana	(e)						
Maine	(a)		(f)	Forbidden		Auction	Returned to owner.
Maryland	g 100	(h)					
Massachusetts	i 50	i 300	(a)		4 months	Auction	Returned to owner.

a To be fixed by municipality.
b Annual rate.
c Applies to Newcastle County only.
d 3 per cent per month for not more than 6 months on property requiring care.
e $375 if capital in use is less than $50,000; $500, if $50,000 or more.
f 25 per cent per annum on loans not exceeding $25; 6 per cent per annum on loans of or exceeding $25.
g $500 in Baltimore, which is paid to the State.
h $10,000 in Baltimore.
i Applies only to cities and towns of 10,000 population or over; in other places license fee is $2 and no bond is required.

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STATE LAWS GOVERNING PAWNBROKING—Concluded.

State.	Annual license fee.	Bond.	Monthly rate of interest (per cent).	Charges.	Length of loan.	Method of sale.	Disposition of surplus.
Michigan	(a)						
Minnesota	(a)						
Mississippi	$100						
Missouri	(a)		2	Forbidden			
Montana	220		3	Forbidden			
Nebraska	(a)		(a)				
Nevada	400						
New Hampshire	(a)		(a)				
New Jersey	(b)	c$2,000	d2	Forbidden	1 year	Auction	Returned to owner.
New Mexico	250		10		6 months	Auction	Returned to owner.
New York	e500	e10,000	(f)		1 year (e)	Auction (e)	Returned to owner. (e)
North Carolina	50						
North Dakota	(a)						
Ohio	(g)	500					
Oklahoma	(a)						
Oregon	(a)						
Pennsylvania (h)	i100 to 300	1,000	j6	5 per cent (k)	8 months (l)	Auction	Returned to owner.
Rhode Island	(m)	2,000					
South Carolina	(a)						
South Dakota	(a)						
Tennessee	n10 to 150						
Texas	150	1,000				Auction	Returned to owner. (o)
Utah	(a)						
Vermont							
Virginia	250	p2,500	(q)	(r)		Auction	Returned to owner.
Washington	(a)						
West Virginia	100						
Wisconsin (s)	(a)	500					
Wyoming	100						

a To be fixed by municipality.
b In cities not to exceed $150, to be fixed by municipality; outside of cities, $50.
c Applies to cities only; outside of cities, $1,000.
d Applies to cities only; outside of cities not more than 25 per cent per annum on sums not exceeding $25 and not more than 6 per cent per annum on sums of more than $25.
e Applies only to cities of 200,000 population or over.
f On sums not exceeding $100, 3 per cent per month for first 6 months and 2 per cent per month thereafter; on sums over $100, 2 per cent per month for first 6 months and 1 per cent per month thereafter. Applies only to cities of 200,000 population or over.
g Not to exceed $150, to be fixed by municipality.
h Applies to Philadelphia only.
i According to amount of annual business.
j Annual rate.
k Per month.
l 4 months only for clothing and dry goods.
m Not less than $50, to be fixed by municipality.
n According to population.
o If demanded within 30 days from date of sale; if not, then to county.
p Applies to Henrico County only.
q Not over 10 per cent on amounts of $25 or less, not over 5 per cent on amounts over $25 and less than $100, and not over 3 per cent on amounts of $100 or more; applies to Henrico County only.
r 2 per cent per month for first 3 months only for storage of certain enumerated articles; applies to Henrico County only.
s Applies to Milwaukee only.

The following are citations of the laws where the provisions of the above table and its accompanying text are to be found:

Alabama—Code of 1896, Vol. I, Civil, secs. 950, 3245, 3246, and 4122, subsec. 32.

Arizona—Revised Statutes, 1887, sec. 2239, and Penal Code, 1887, secs. 557 to 561, inc.

Arkansas—Digest, 1894, secs. 5132 and 6460.

California—Codes and Statutes, 1886, Vol. I, Political Code, sec. 3380, subsec. 4, and Vol. IV, Penal Code, secs. 338 to 343, inc.

Colorado—Chap. 66, acts of 1897.

Connecticut—Chap. 179, acts of 1895.

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Delaware—Chap. 374, acts of 1897.

District of Columbia—Chap. 413, acts of 1888-89 (2d sess. 50th Cong.), amended by chap. 531, acts of 1890-91 (2d sess. 51st Cong.).

Florida—Chap. 4322, acts of 1895, sec. 9, subsec. 9.

Georgia—Act no. 132, page 21, acts of 1896, sec. 2, subsec. 24.

Idaho—Revised Statutes, 1887, secs. 1645, 3423, and 3426.

Illinois—Annotated Statutes, 1896, chap. 74, par. 15, and chap. 120, par. 31.

Indiana—Annotated Statutes, 1894, sec. 4313.

Iowa—Annotated Statutes, 1884, sec. 463.

Kansas—General Statutes, 1889, pars. 555, subpar. "third," 804, and 973.

Kentucky—Statutes, 1894, secs. 3787 to 3794, inc., 4057, and 4224.

Louisiana—Revised Laws, 1897, page 837, sec. 5.

Maine—Revised Statutes, 1883, chap. 35, secs. 1 to 5, inc.

Maryland—Code of Public General Laws, 1888, art. 56, sec. 19, and Code of Public Local Laws, 1888, art. 4, secs. 655 and 656.

Massachusetts—Public Statutes, 1882, chap. 102, secs. 32 to 37, inc., and 124, and chap. 497, acts of 1895.

Michigan—Annotated Statutes, 1882, sec. 2555, subsec. "twelfth."

Minnesota—Statutes, 1894, sec. 1299.

Mississippi—Chap. 5, acts of 1898, secs. 60, etc.

Missouri—Revised Statutes, 1889, chap. 124.

Montana—Codes and Statutes (Sanders' Edition), 1895, Political Code, secs. 3310, 3316, and 4062, and Penal Code, secs. 621 and 622.

Nebraska—Compiled Statutes, 1895, secs. 997, 1181, 1393, and 1571, and chap. 10, acts of 1897, sec. 159.

Nevada—Chap. 99, acts of 1891, sec. 115.

New Hampshire—Public Statutes, 1891, chap. 50, sec. 10.

New Jersey—General Statutes, 1895, page 2444, secs. 1 to 23, inc.

New Mexico—Compiled Laws, 1897, secs. 2680 to 2684, inc., and 4145.

New York—Chap. 339, acts of 1883, chap. 363, acts of 1884, and chap. 240, acts of 1890; also chap. 326, acts of 1895.

North Carolina—Chap. 168, acts of 1897, sec. 33.

North Dakota—Revised Codes, 1895, sec. 2148, subsec. 30.

Ohio—Revised Statutes, 1896, secs. 4386 to 4396, inc.

Oklahoma—Statutes, 1893, sec. 577.

Oregon—Acts of 1893, page 129, sec. 25.

Pennsylvania—Digest, 12th Edition, page 1650, secs. 1 to 13, inc.

Rhode Island—General Laws, 1896, chap. 105.

South Carolina—Revised Statutes, 1893, Vol. I, Civil Statute Laws, sec. 1572.

South Dakota—Chap. 37, acts of 1890, art. V, sec. 1, subsec. 30.

Tennessee—Chap. 2, acts of 1897, sec. 4.

Texas—Revised Statutes, 1895, arts. 3636 to 3652, inc., and chap. 18, acts of 1897.

Utah—Compiled Laws, 1888, Vol. I, part 2, sec. 346.

Virginia—Chap. 450, acts of 1883-84, and chap. 741, acts of 1895-96.

Washington—Statutes and Codes, 1891, Vol. I, General Statutes, sec. 520, subsec. 33, 558, 636, subsec. 10, and 673, subsec. 10.

West Virginia—Code, 1891, chap. 32, secs. 50 and 76.

Wisconsin—Chap. 337, acts of 1887.

Wyoming—Revised Statutes, 1887, sec. 1446.

LICENSES.—From the foregoing table it will be seen that in but one State—Vermont—has the legislature failed to pass some law on the subject of pawnbroking, although the only provision thereon made by many of the States is to give the power of regulating pawnbroking to the municipalities. Two general plans seem to have been followed in

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reference to licenses. In the first, the annual license fee is to be fixed by the municipalities, and the money collected therefrom goes into their treasuries, and in the second the fee is fixed by State legislation, although the money collected therefrom goes variously into the treasuries of the State, county, and municipality. In the first class, where the municipality fixes the amount of the fee, we find the following States: Arkansas, Colorado, Connecticut, Illinois, Indiana, Iowa, Kansas, Maine, Michigan, Minnesota, Missouri, Nebraska, New Hampshire, New Jersey (in cities), North Dakota, Ohio, Oklahoma, Oregon, Rhode Island, South Carolina, South Dakota, Utah, Washington, and Wisconsin (Milwaukee). Of these States, in Connecticut, Indiana, New Jersey, Ohio, and Rhode Island the limits of the amount of the fee are definitely fixed by the State law, but within these limits it is to be fixed by the municipalities. New Jersey is in this class only in so far as its cities are concerned, and for pawnbrokers located outside of cities the fee is definitely fixed by the State law. In Wisconsin the law applies only to the city of Milwaukee.

In the second class, where the fee is definitely fixed by the State law, the following States are found: Alabama, Arizona, California, Delaware (Newcastle County), District of Columbia, Florida, Georgia, Idaho, Kentucky, Louisiana, Maryland, Massachusetts, Mississippi, Montana, Nevada, New Jersey (outside of cities), New Mexico, New York, North Carolina, Pennsylvania (Philadelphia), Tennessee, Texas, Virginia, West Virginia, and Wyoming. In Delaware the law applies only to Newcastle County and not to the rest of the State. In Louisiana the license fees are fixed in amounts as follows: $375 per annum if capital in use is less than $50,000, and $500 per annum if it is $50,000 or more. In New Jersey the fee is fixed by the State law only for localities outside of cities. In New York the law applies only to cities of 200,000 population and over. The State legislation of Pennsylvania which regulates pawnbroking applies to the city of Philadelphia only, and in said city the license fees are fixed as follows: $100 per annum on an annual business of less than $10,000, $200 per annum on an annual business of $10,000 or more but less than $20,000, and $300 per annum on an annual business of $20,000 and upward. In Tennessee the fees are fixed as follows: $150 per annum in cities, towns, or taxing districts of 30,000 population or over; $125 per annum in cities, etc., of from 8,000 to 30,000 population; $75 per annum in cities, etc., of from 5,000 to 8,000 population; $50 per annum in cities, etc., under 5,000 population, and $10 per annum in taxing districts outside of cities. In many, if not all, of the States, the second-class cities, either under their charters or by authorization of general State law regulating the government of cities, etc., have the power to license pawnbrokers and to fix a fee therefor, which may be either additional to the fee fixed by the State law or may be in lieu thereof.

BOND.—The law of but few States requires a bond to be given by a pawnbroker at the time he obtains his license, and of these States but

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one—Colorado—leaves the amount of the bond to be fixed by the municipality. In the others the amount of such bond is definitely fixed by the State law.

INTEREST, CHARGES, ETC.—In those cases where the law has considered interest and charges we may distinguish three classes—those in which the law provides for interest and charges are prohibited; those providing for interest with no reference to charges, and those providing for both interest and charges. In the first class the rate of interest ranges from 6 per cent per annum on loans of $25 or over in Maine, and 2 per cent per month in California, Missouri, and New Jersey, to 4 per cent per month in Arizona; for the second class, embracing New Mexico and New York, the rate of interest in the latter (for cities of 200,000 population or over) is 3 per cent per month for first six months and 2 per cent thereafter on sums not exceeding $100, and 2 per cent per month for first six months and 1 per cent thereafter on sums over $100, and in New Mexico 10 per cent per month; while for the remaining class the rate ranges from 8 per cent per month interest, with 3 per cent monthly charges for the first six months, in Delaware (Newcastle County) to 10 per cent per month interest and 2 per cent per month charges in Virginia (Henrico County).

SALE OF PLEDGES AND DISPOSITION OF SURPLUS.—The provisions for the sale of unredeemed pledges and the disposition of the resulting surplus vary widely in the several States. In the majority of instances no provision as to the sale of the pledges has been made, leaving the matter in the hands of the municipal authorities or to the pleasure of the pawnbroker. In thirteen of the States it has been provided that the sale shall be by public auction, and in connection with other States a few additional directions as to sale have been given. The laws of Arizona, California, and Colorado provide that no pledge may be sold for six months after the date fixed for its redemption. In Kentucky, Maine, Rhode Island, and Utah this period is three months, in Missouri two months, and in Virginia (outside of Henrico County) sixty days. In the District of Columbia and New Jersey no pledge may be sold until the expiration of one year from the date of pledging; in Pennsylvania (Philadelphia) this period is eight months, except for clothing and dry goods; in Connecticut, Delaware (Newcastle County), and New Mexico it is six months; in Massachusetts and Virginia (Henrico County) it is four months, as it is also in Pennsylvania (Philadelphia) on clothing and dry goods, and in Alabama it is sixty days.

Where advertisement prior to sale is required a like variation is found. The provisions of the laws of Alabama, Arizona, California, New Jersey (outside of cities), Texas, and Virginia (Henrico County) require that the auction be advertised at least five days prior to sale. In Delaware (Newcastle County), District of Columbia, and New York the time is fixed at six days prior to sale; in Colorado and Pennsylvania (Philadelphia) at ten days, and in Maine and New Jersey (in cities) at fourteen days. In New Mexico, where the pledge can not

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be sold until the expiration of six months from date of the pledging, the date of such advertisement is fixed at one month prior to expiration of said six months. The laws of Utah and Colorado are further commendable in that they limit the charges for expenses of sale to 10 and 5 per cent of the sale price, respectively.

In connection with the above provisions may be mentioned those of a less general character, which at least two States hold in common. One of the most commendable of these is the provision of the law of Colorado making it illegal to sell any pledge until the pawnbroker "shall have given the pledger ten days' notice by mail, such mail to be addressed to the post-office designated by the pledger as his or her proper address." A similar effort to secure for the rightful owner the possession of that which belongs to him is found in the law of Texas, whereby it is provided that within five days after sale a report shall be made to the clerk and sworn to by the pawnbroker, giving time and place of sale, the notice given thereof, the full description of the property sold, by whom deposited, by whom purchased, and the amount for which each article was sold. Together with this must be reported the amount due the broker, principal and interest, expense upon each article sold, and the amount of surplus, if any, remaining after the above has been deducted.

REGISTER.—In cities located in States where the laws have been at all comprehensive the pawnbroker is required to keep a register in which all pawns received shall be entered. As this book is primarily intended to aid the police in tracing stolen or lost goods, special care has been exercised to make the entry as comprehensive as possible. Without exception, the name of the pawner is given, a description of the pledge, and the amount advanced. In addition to this, Arizona, California, Colorado, Connecticut, Delaware (Newcastle County), District of Columbia, Maine, Massachusetts, New Jersey, New York, Pennsylvania (Philadelphia), Rhode Island, Utah, and Virginia (Henrico County) require the residence of the pawner and the rate of interest charged. Rhode Island also asks his occupation, while Utah requires a general description of the pledger. But in the District of Columbia and the States of Delaware (Newcastle County) and Virginia (Henrico County) the registers are still more comprehensive. Not only do they require the usual items, but also a minute description of the pledger, which includes, among other things, color of eyes and hair, height, and general appearance, the idea being to gain such a description of the pawner that the police may be able to identify those who may have pledged stolen property.

REPORTS.—In a few instances the law provides that the pawnbrokers shall make reports at various times to the municipal authorities. In Connecticut only weekly statements are required, but in Kentucky cities of 10,000 population or more, as also all cities of Rhode Island and Ohio, and in the city of Milwaukee, Wis., a daily report must be made to the police authorities. That such reports may be of

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use in recovering lost or stolen property, it is usually required that the pawn be held for at least twenty-four hours after the time of pledging. In this respect Delaware (Newcastle County) is peculiar, for while no report is required, the pawnbroker must hold the pledge for at least five days before he may allow it to be redeemed.

To the end that stolen or lost property may be traced, Delaware (Newcastle County), District of Columbia, and Rhode Island have stipulated that the pawnbroker may not disfigure pawns during the time they are subject to redemption. Delaware (Newcastle County) requires the broker to seize suspected articles and notify the police. Rhode Island, with the same purpose in view, stipulates that no article may be accepted from an employee, servant, or apprentice until the pawnbroker is satisfied that the holder is the rightful owner; and in Virginia (Henrico County) it is illegal to conceal a pawn for at least forty-eight hours after its receipt.

TAXATION.—But few of the States have seen fit to make special regulations as to the method of determining the taxable value of the pawnbroker's property. In a majority of the States the tax assumes the form of a license fee, an "occupation tax," a "privilege tax," a "special tax," etc., upon the payment of which a license is issued. The laws of Arkansas and Illinois merely require that he be assessed on the fair cash value, and of Indiana the true cash value of the pledges in his possession. In Kentucky the assessment is on the cash value of the pawns held by him September 15 of each year; in Nebraska, those held April 1; in North Carolina, those held June 1, while in South Carolina the law provides that a pawnbroker shall "annually, in the month of January, or before the 20th of February, return under oath to the auditor of the county in which his place of business is located the average monthly value of all property bound or pledged to him during the year ending January 1 of the year in which the return shall be made. If engaged in the business for less than a year prior to the said 1st of January, then for such shorter period," and such average is to be ascertained by the rule prescribed for ascertaining the value of the property of merchants.

INSURANCE.—But three States—Delaware (Newcastle County), Pennsylvania (Philadelphia), and Colorado seek to save the pledger from loss in case his pawn is destroyed by fire. In Delaware (Newcastle County) each pawnbroker must carry insurance to the amount of at least $1,000 on the pawns in his possession, which sum he may be required to increase to $5,000 on the demand of the clerk of the peace. In accordance with its many commendable features, the law of Colorado requires that every pawnbroker shall provide a place for the safe-keeping of the pledges received by him or her, and shall have a sufficient insurance on the property held by him or her as pledges for the benefit of the pledger of the property to pay one-half the real value thereof in case of fire, which policy shall be deposited with the mayor of the city or town; but neither the pawnbroker nor bondsman shall be relieved

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from responsibility by reason of such fire, nor from any other cause. In Pennsylvania (Philadelphia) each pawnbroker must carry insurance to the amount of $5,000.

MISCELLANEOUS PROVISIONS.—In the line of general regulations Massachusetts stipulates that a person of unsound mind shall not be allowed to place articles in pawn, while Colorado, Kentucky, New Jersey (in cities), Michigan, and Ohio prohibit the pawnbroker from receiving a pledge from a minor without the consent of the parent or guardian. In this respect Ohio goes further than the other States, in that it not only prohibits the brokers from receiving pawns from minors, but also from a person appearing to be intoxicated, a notorious thief, or a person known to have been convicted of larceny or burglary. Lastly, the District of Columbia, Delaware (Newcastle County), and New York do not permit the broker to purchase articles offered to him in pawn save at auction, while with the same point in view, Ohio prohibits the pawnbroker from carrying on any other business in the same building or employing helpers of less than 16 years of age.

In addition to the law of New York, noted above, and applying only to cities of 200,000 population or over, an act passed by the legislature of the State in 1895 provides as follows: That corporations for lending money on personal property, without actual delivery of the property pledged or mortgaged, may be formed; that such corporations may act as pawnbrokers; that such corporations must give a bond for not less than $5,000, and that they may charge interest at a rate of not more than 3 per cent per month for two months or less and not more than 2 per cent per month thereafter.

CITY ORDINANCES REGULATING PAWNBROKING.

GENERAL CONTROL.—Experience and the testimony of the authorities in those cities governed largely by State laws indicate that the work of the municipal authorities in the control of the pawn shops would be greatly facilitated if the several States would enact laws regulating the general features of the business. The fact that the violation of a State law will subject the offender to a more severe punishment than a similar offense against a city ordinance has a wholesome effect upon those who might be tempted to offend. Yet an examination of the State laws shows that greater care has been given to the licensing of the business, a matter easily within the control of the city, than to the regulation of interest, charges, reports, stolen goods, lost tickets, and payment of surplus, matters that give the municipal authorities continual concern.

As the laws now stand we find, without exception, that the pawn shops are under the control of the police authorities of the cities. In general, two plans have been adopted, that of daily inspection by special officers or detectives, and that of daily reports to the police authorities, coupled with daily visitation. The principal cities using the former method are New York, Baltimore, and St. Louis; while Pitts-

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burg, Omaha, Boston, Cleveland, Buffalo, Providence, Louisville, Chicago, Milwaukee, Indianapolis, and Minneapolis have adopted the latter. In St. Louis four detectives are detailed to look after the business. It is their duty to visit the pawnbrokers several times daily, supply them with lists of stolen or lost property, inspect their books and pledges, to assure themselves that the broker has kept within the limits of the law, and to recover any stolen or lost property that may have been accepted in pawn. Where the daily reports are used the broker either brings his report to the police headquarters or hands it to the detective whose duty it is to inspect the pawn shops within his district. But this report does not in any way alter the duties of the detective; he has access to the broker's books and wareroom the same as in other cities, the only difference being that it is his further duty to assure himself that the broker has reported all articles received. The reason assigned by the police of New York and St. Louis for not requiring daily reports is that it would be impossible to secure a full list of all articles pledged, but the testimony of like officials in cities where the reports are used, save in Pittsburg, does not substantiate the argument. Moreover, in this investigation special pains have been taken to test the completeness of the returns, and in no instance, whether the pawn ticket had been accepted or not, did the report of the following day fail to note the pledge.

While the general character of these reports is the same, the data they furnish are by no means coextensive. As a rule the blanks are supplied by the police department, and besides having the law printed upon them spaces are left in which the broker is to give the number of the pawn ticket, the time the pawn was received, the amount advanced, and a general description of the pledge and pledger. In some instances, as in Washington and Milwaukee, the description of the pledger is very minute, not only is name and address taken, but height, color of hair and eyes, style of beard, age, complexion, etc. In reporting watches the number of their works, case, and name of maker are required, and with jewelry any particular markings are to be described. It must be admitted, however, that in many instances the description of the pledger as furnished by the broker in his reports would not greatly facilitate identification. In Washington, for instance, where a very painstaking description is asked, the broker merely inquires the name and residence of the pledger, and uses his own judgment as to the other points of the report. As a result the police place little dependence on the description given. But while the ordinance or State law, as the case may be, is not rigidly enforced in reference to the personal description of the pledger, no such violation is tolerated in the description of the pledges. The numbers of watches and the distinctive markings of jewelry must be carefully returned, or an explanation of the deficiency is soon required. By this means the police authorities are enabled to keep on file a correct description of all

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articles pawned in the city, and herein lies the chief advantage claimed for the daily reports over that of visitation. With these on file, if an article be reported as lost or stolen, the officials have only to turn to the reports in order to learn if a pawn corresponding to the description given has been pledged. Under the other plan it would require that a visit be paid to each pawn shop in the district and that all pawns pledged within a month or so previous be carefully examined.

As regards the manner and extent of police control, it appears that the police of Boston are given greater power than in any other city. Not only do they enforce the ordinances, but they are further authorized to make rules governing the business. The force of detectives, which have the inspection of the pawn shops in charge, number about thirty men, so that from five to six visit each broker daily. One result of this strict supervision is the large number of criminals the police are able to apprehend. Indeed, it is reported that at least two-thirds of the robbers arrested in Boston are secured through the instrumentality of the pawn shops. In St. Louis also the police are very active, and in the majority of the cities under consideration they seem to have the business well in hand; but in no instance do we find them making regulations comparable to those put forward by the police of Boston.

Following is a tabulation of the ordinances regulating pawnbroking in various cities of the United States:

ORDINANCES REGULATING PAWNBROKING IN VARIOUS CITIES OF THE UNITED STATES.

City.	Annual license fee.	Bond.	Length of loan (mos.).	Interest.	Charges.	Time after expiration of loan before sale.	Method of sale.	Disposition of surplus.
Baltimore...	$200	$10,000	6	6 per cent per annum.	2 per cent per month.	10 days...	Auction	Returned to owner.
Boston	50	300	4	$1 or less, first week 5 cents, each week after 2 cents; $1 to $3, first week 4 per cent, each week after 2½ per cent; $3 to $10, first week 3 per cent, each week after 2 per cent; $10 to $25, first week 2½ per cent, each week after 2 per cent; $25 to $50, first week 2 per cent, each week after 1 per cent; $50 to $100, first week 1½ per cent, each week after 1 per cent.	Forbidden	.....	Auction	Returned to owner.
Buffalo	500	10,000	12	$1 to $10, 10 per cent per month; $10 to $25, 6 per cent per month; $25 to $50, 5 per cent per month; $50 to $75, 2½ per cent per month; over $75, 1½ per cent per month. (*a*)	Forbidden except for insurance.	3 months.	Auction	Returned to owner.
Chicago.....	300	500	12	3 per cent per month.	Forbidden	.....	.....	

a It would seem that the State law given on page 258 should apply to Buffalo, but the city clerk states that a city ordinance fixes the interest as here tabulated.

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ORDINANCES REGULATING PAWNBROKING IN VARIOUS CITIES OF THE UNITED STATES—Concluded.

City.	Annual license fee.	Bond.	Length of loan (mos.).	Interest.	Charges.	Time after expiration of loan before sale.	Method of sale.	Disposition of surplus.
Cleveland	$50	$500						
Kansas City	200			2 per cent per month.	Forbidden	60 days		
Louisville	350	1,000				90 days		
Milwaukee	150	500		No regulation (5 to 10 per cent per month is charged).				
Minneapolis	100		6					
Newark	150	2,000	12	2 per cent per month.	Forbidden		Auction	Returned to owner.
New Orleans	(a)							
New York	500	10,000	12	3 per cent per month for first six months on sums of $100 or less and 2 per cent thereafter; on sums over $100, 2 per cent for first six months and 1 per cent thereafter.			Auction	Returned to owner.
Omaha	100	2,000			Charge for ticket forbidden.			
Philadelphia	(b)	1,000	(c)	6 per cent per annum.	5 per cent per month.		Auction	Returned to owner.
Pittsburg	200			½ per cent per month for at least 1 month.		3 months		
Providence	100	2,000	4					
Rochester	100			$1 to $25, 10 per cent per month; $25 to $50, 7 per cent per month; $50 to $75, 6 per cent per month; $75 to $100, 5 per cent per month; $100 or over, 3 per cent per month.	For insurance if owner requires.	6 months from date of pawning.		
San Francisco.	120			2 per cent per month.	Forbidden			Returned to owner.
St. Louis	400	1,000		2 per cent per month.	Charge for ticket forbidden.			
Washington	100	3,000	12	3 per cent per month.	(d)		Auction	Returned to owner.

a $375 if capital in use is less than $50,000; $500, if $50,000 or more.
b $100 for a business of less than $10,000; $200 for a business of $10,000 or more but less than $20,000; $300 for a business of $20,000 and upward.
c Clothing and dry goods 4 months; jewelry 8 months.
d To be fixed by municipality.

LICENSES.—In the foregoing tabulation of the several city ordinances, it appears that the license fee varies from $50 in Boston and Cleveland to $500 per annum in Buffalo and New York. This, however, due to exceptional circumstances, is not strictly correct in the case of Cleveland, where a peculiar condition exists. Prior to 1896 the State law fixed the license fee for the pawnbrokers of the State at $50, but in that year an act relative to licenses in Cleveland was passed. But, while the latter act was originally formulated by the mayor of the city, the legislature introduced such radical amendments that he refused to appoint the necessary officers to put it in operation, while the clerk of the city claimed he had no right to collect the licenses fixed by the former law. The result is that a broker in the city may pay a license fee or not. Moreover, he may conduct his business largely according to his own wishes. It should be said, however,

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that abuses as to stolen or lost pawns have been held in check, so that aside from the exorbitant charges the system of Cleveland compares very favorably with that of any city in the list.

In the case of Baltimore it must be remembered that the license fee of $200 is merely a city license, and that before doing business the broker must also secure a State license, costing $500, making a total of $700. This, however, is not the entire sum usually paid. By an ordinance of the city a person is not permitted to sell second-hand articles without a so-called trade license, and as this is the pawnbroker's main source of profit it is necessary for him to secure a license for a stock of at least $1,000, which costs an additional $13.10. This, together with a $1 fee required to secure the first license, makes a total of $714.10.

Contrary to the usual custom, New Orleans and Philadelphia attempt to charge a license fee in proportion to the amount of capital invested or business done. The result in Philadelphia at least is unsatisfactory, as it has had the effect to fix the license fee at $100, it appearing impossible to find a broker who does a business of over $10,000 per year.

During 1897 there were issued 5 pawnbrokers licenses in Baltimore, 86 in Boston, 9 in Buffalo, 68 in Chicago, 26 in Cleveland, 4 in Louisville, 5 in Milwaukee, 18 in Minneapolis, 7 in Newark, 7 in New Orleans, 134 in New York, 22 in Omaha, 92 in Philadelphia, 11 in Pittsburg, 8 in Providence, 6 in Rochester, 243 in San Francisco, 10 in St. Louis, and 5 in Washington.

PLEDGES.—The question as to the articles that may be accepted in pawn is left almost entirely in the hands of the brokers. Buffalo prohibits them from receiving "partly manufactured articles for wear or consumption, or material plainly intended for such manufacture." Remaining restrictions apply to the status and character of the persons from whom pledges may be received. The ordinances of Buffalo, as also those of Pittsburg, Chicago, and Milwaukee, forbid the broker to take pawns from intoxicated persons or drunkards, or persons associating with thieves. Chicago goes yet further and denies the pawnbroker the right to take pledges from persons known to have been convicted of burglary, while, with few exceptions, the taking of pledges from minors is prohibited.

PAWN TICKETS.—As a rule the pawnbroker is required to give a ticket in receipt for any pledge received, the only exceptions to the rule discovered in the course of this investigation being in Cleveland, where the conflict of laws already alluded to accounts for a departure, and in Philadelphia, where it is quite customary for regular patrons to leave articles without taking receipts. In Providence, one often sees a large stack of tickets on the desk of the broker, which his patrons have left with him for safe-keeping. The data given on a pawn ticket varies from city to city, and even in the same city. Without exception it bears a given number, the date either of pledging or for payment of the loan, amount loaned, description of article pawned,

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and the name and address of the broker. As a rule the ticket also bears the advertisement of the broker and some statement as to the redeeming of articles by mail. In Buffalo, New York, Washington, Boston, Chicago, and St. Louis one finds a general statement of the law as to the redemption and sale of pledges printed on some part of the ticket. Besides this several of the brokers in each of these cities add the rate of interest charged. But the plan adopted is by no means general, the ordinance as a rule merely requiring the substance of the entry in the register, minus the personal description.

In New Orleans the business is conducted under the general laws of the State. This necessitates the use of a so-called deed of pawn, which serves as the regular pawn ticket used by other brokers. In some offices this deed is signed by the borrower and kept in the office of the lenders, in others a duplicate is given to the borrower. The deed in common use reads as follows:

NEW ORLEANS, ———, 189-.

I hereby acknowledge that I am indebted to ——— in the sum of —— dollars, which I agree to pay on or before the —— day of ———, 189-.

Now, in order to secure the punctual payment of the above sum, I hereby pledge, pawn, and deliver to the said ——— the following described property, viz: ——— ——— and in case the said sum is not fully and punctually paid at the time above expressed, then I agree that the said property be forfeited to the said ——— and become —— property without further transfer or conveyance, or the said ——— may sell the said property at public or private sale at —— option, and without recourse to legal proceedings.

NOTE.—Not responsible in case of fire or robbery unless by special agreement.

(Signed) ——— ———.

LENGTH OF LOANS.—Where ordinances or laws do not fix the duration of the loan, the tendency is to limit it to thirty days, which period, however, may be indefinitely extended by successive renewals and the payment of the accrued interest. In Cleveland most of the loans are made for thirty days, but some pawnbrokers claim the law applying to property left with hotel keepers finds application to them, and that legally they should hold the pawn for one year; yet at the same time the unredeemed pledges are usually sold at the expiration of two or three months. A similar conflict between the law and practice is seen in Chicago. According to the tickets issued by some of the brokers, loans are made for one month, but the terms of the law require that pawns be held for one year. The law of course governs the matter, and anyone familiar with its provisions may secure his pledge until the expiration of the year by application to the proper authorities. The ordinance of Philadelphia, recognizing that clothing is difficult to store and that the constant change in style may cause the broker loss, follows the German idea and permits its sale at the expiration of four months, while Boston allows perishable articles to be sold within a month.

INTEREST AND CHARGES.—Where the city ordinance or State law fixes a maximum rate of interest and forbids extra charges, no difficulty

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is experienced in determining the legal rate. Where, however, the ordinances do not fix a rate of interest, nor yet forbid charges, we have a problem similar to that of determining the price of an article when it varies in different sections of a city or State. In the pawn business, as in other lines, competition, personal preference, acquaintance, etc., materially affect the rates of interest and charges, and render any statement on the subject liable to criticism, hence in the table we have limited the rate to that prescribed by the ordinances. It will be noted that a fixed rate for all sums is found in Philadelphia, St. Louis, Kansas City, Newark, Chicago, San Francisco, Pittsburg, Washington, and Baltimore, while Boston, Buffalo, Rochester, and New York attempt a gradation of rates. New York and Boston seek to grade their rates on the duration and amount of the loan, while Buffalo and Rochester make a gradation based solely on the amount loaned. Charges unfortunately are seldom regulated by ordinance. Yet in Boston, Chicago, Kansas City, Newark, and San Francisco they are prohibited. In Chicago, however, charges are collected in opposition to the law. Washington, Philadelphia, and Baltimore allow a percentage per month for storage, while Rochester and Buffalo prohibit charges save for insurance.

Following is a tabulation of the per annum rates per cent of interest charged by brokers in various cities of the United States:

PER ANNUM RATES PER CENT OF INTEREST CHARGED BY BROKERS IN VARIOUS CITIES OF THE UNITED STATES.

City.	$1 for--		$30 for—		$105 for—	
	1 month.	4 months.	1 month.	4 months.	1 month.	4 months.
Baltimore	30	30	30	30	30	30
Boston	132	123	60	51	54	49½
Buffalo	120	120	60	60	18	18
Chicago	120	120	60	60	36	36
Cleveland	300	120	120	120	60	60
Kansas City	24	24	24	24	24	24
Milwaukee	120	120	60	60	60	60
New Orleans	300	48	48	48	24	24
New York	36	36	36	36	24	24
Philadelphia	60	30	30	30	30	30
Pittsburg	240	240	240	240	120	120
Providence	180	120	120	120	120	120
Rochester	120	120	84	84	36	36
St. Louis	60	60	48	48	36	36
Washington	36	36	36	36	24	24

In the foregoing an effort has been made to give the actual per annum rates per cent charged by brokers in the several cities. The rates are not the minimum, but nearer the maximum, having been determined by what a stranger is asked to pay in the way of interest and charges to secure the advance of the amounts given in the table for the time the loans are usually made—one and four months. For instance, in Philadelphia the majority of the brokers charge at least 5 cents interest on all loans, which naturally makes the rate on small, short-time loans high. The same is true in Cleveland, where one often pays 25 cents for the use of $1 over night, although the usual rate is 10 per cent per month. Likewise, in New Orleans, the smallest charge made

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on loans is 25 cents, which raises the figure in the table to the enormous rate of 300 per cent per annum, while the regular charge varies from 2 to 5 per cent per month. In the same manner, in Providence, the minimum charge is usually 15 cents, while the rate is 10 per cent per month. The high rate for Pittsburg is due to the failure to prohibit charges. The legal interest rate is but ½ per cent per month, or 6 per cent per annum, but the charges levied raise it to 20 per cent per month, or 240 per cent per annum. In New York the variation is so great that it is difficult to fix upon the typical rate. Three per cent per month, with a 12-cent charge for hanging up, etc., in the case of clothing is the common rate, yet the majority of the brokers are refusing to receive clothing in pawn. One finds advertisements offering money at the same rate as the Provident Loan Society—1 per cent per month—and others advertise to loan at 2 per cent per month on sums of from $1 to $25, 1½ per cent per month on sums of from $26 to $100, and 1 per cent per month on sums of over $100, while others not having lowered their rates offer money at 1½ per cent per month on sums of over that amount. In Philadelphia a similar variation is found. While the brokers in the central part of the city charge at least 5 per cent per month on the smallest loan, several brokers in other parts charge only 3 per cent per month. On loans of $25 or more 5 per cent per month is invariably asked, but judicious bargaining may secure a rate of 3 per cent, and on sums of $100 or more 2½ per cent, depending largely on the security offered.

The rate paid is greatly increased by the extremely small loans that are made and the short duration of the loan. In every city is found a class of "repeaters"—those who pawn their clothing or jewelry on Monday or Tuesday and redeem it again Saturday evening. In this way they pay interest for at least one month, while they have had the use of the money but a fourth of the time, a process which naturally quadruples the rate of interest given in the first column of the table. Moreover, interest is, with but few exceptions, reckoned on $1 for one month; still many of the loans are only for 10 to 25 cents for a week's time. But although this gives a rate almost too large to be mentioned, it must be remembered that it costs the broker but little more time or labor to make a loan of from $50 to $100 for six months than one of 25 cents for a week.

Stolen or Lost Goods.—One of the most difficult matters to adjust is the means of recovery of stolen or lost articles. The authorities recognize that the broker may have taken every precaution and yet have been deceived. They further understand that since he holds a license granted by the city or State he is entitled to a degree of protection against those who constantly seek to exploit him. For this and similar reasons they have been very loath to seize and return property without positive proof of its ownership. Boston goes so far as to require the arrest and conviction of the thief before the police will return the pawn to its owner. Of course, this does not deny the owner

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the right to resort to a writ of replevin. In Providence merely satisfactory proof of ownership is required, while in Washington suspected goods are seized, carried into court, and, if ownership is proved, returned. With the remaining cities the usual laws as to stolen property find application, but in all cases the police, after using every legitimate means to trace all articles reported and having found them, unless it is a clear case of receiving stolen property, seek to bring about a compromise whereby both owner and pawnbroker share the loss.

LOST TICKETS.—A continual source of annoyance to the broker is the reported loss of his ticket by the patron. The opportunity thus offered for dishonesty on the part of both patron and broker is so great that in some instances the authorities have taken the matter in hand. In Boston the police require that the loser make an affidavit in their presence, which affidavit may serve as a ticket. A similar plan is employed in St. Louis, save that the affidavit is made by a notary, for which a fee of 50 cents is usually charged. Some of the brokers, however, by a special arrangement with lawyers, secure affidavits for their patrons at 25 cents each, yet, if the owner is willing to wait 90 days, he may redeem his property without an affidavit. The police of Baltimore require, for redemption in such cases, that a bond be filed to cover the value of the property. The plan is quite similar to that used by the Provident Loan Society of New York, where, for pledges of $50 or over, an indemnity agreement is drawn up whereby the party agrees to "indemnify and save harmless the society from all claims which may be made against it, or loss or damage or expense which may be incurred by its delivering up the pledge, as well as against all expense of resisting such claims, whether successfully resisted or not."

SALE OF UNREDEEMED PLEDGES.—By ordinance in Buffalo, Philadelphia, Washington, New York, Newark, Baltimore, and Boston, the sale of pledges is required to be by public auction, yet this is not always fully adhered to. In Philadelphia some of the brokers admit that they only put such pledges up at auction as they think inadvisable to sell at private sale. A few of the brokers in Cleveland keep standing advertisements of sale in the papers, and then every morning a mock auction is held and the pledges purchased en masse by proprietor or clerk. To avoid the necessity of selling at auction, the brokers of Buffalo require the pledger to sign a waiver giving the broker full right to the property if not redeemed, while in Boston the difficulty of deciding just what pledges have a value of $25 renders the auction clause inoperative.

The reasons assigned by the brokers for refusing to sell at public auction is that such a sale invariably means a loss of from 5 to 10 per cent on the sum advanced. They point out that the desire to meet competition leads them to advance so near the real value of the pledge that it is only by private sale that they are able to recoup themselves. The statement seems borne out after witnessing several such sales.

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On the other hand the experience of the philanthropic institutions is otherwise; but in this connection it must be remembered, as will be pointed out later, that theirs is an entirely different class of custom. As a rule it may be safely admitted that sale by auction increases the loss of the broker. The only point then at issue is whether those pawns that do actually give a surplus at time of sale, as some of them must, may rightfully be called upon to make good the broker's indiscretion in advancing too large a sum on other pledges.

REPAYMENT OF THE SURPLUS.—Here again practice and law are at variance. In those cities requiring the repayment of the surplus a book of sales is kept, but diligent inquiry fails to discover that many of the patrons ever receive the sums that appear due them. That this is largely due to ignorance of the law is seen by the reports of such institutions as the Provident Loan Society of New York and the Collateral Loan Company of Boston, which show that only a small number of their patrons apply for this surplus. But it is further due to the fact that the high rates of interest charged in many places increase the amount due on the loan so rapidly that it is only necessary to hold a pledge a few months in order to have it equal the sum it will bring at auction. In doing this the broker acts clearly within the law, for no ordinance or statute has been found requiring that a pawn be sold within a certain time. Where laws as to the time of sale have been made, the fear seems ever to have been that the broker would sell too soon, but there is a failure to appreciate that it would be possible to work an injury to the pledger by holding the pawn after the expiration of the loan.

AMOUNT OF BUSINESS.

That some idea may be gained of the amount of business done by pawnbrokers, the accompanying tabulations are presented.

In the table immediately following the number of articles, amount loaned, and average loan on articles pledged in several cities of the United States during one month are shown:

NUMBER OF ARTICLES, AMOUNT LOANED, AND AVERAGE LOAN ON ARTICLES PLEDGED IN SEVERAL CITIES OF THE UNITED STATES DURING ONE MONTH.

Articles.	Pittsburg.			Providence.			Buffalo.		
	Number.	Amount loaned.	Average loan.	Number.	Amount loaned.	Average loan.	Number.	Amount loaned.	Average loan.
Gold watches	1,193	$6,986.60	$5.86	592	$3,328.82	$5.62	953	$6,275.70	$6.59
Silver watches	641	1,238.55	1.93	508	849.97	1.67	419	748.25	1.79
Rings	688	3,952.75	5.75	526	2,194.57	4.17	717	6,118.00	8.53
Jewelry	399	4,157.85	10.42	169	899.77	5.32	266	3,574.00	13.44
Clothing	273	384.85	1.41	972	1,136.40	1.17	464	1,067.40	2.30
Musical instruments	49	156.55	3.19	48	133.72	2.77	59	186.50	3.16
Firearms	43	114.70	2.67	54	100.05	1.85	29	123.45	4.26
Miscellaneous	42	121.50	2.89	810	2,931.67	3.62	267	522.35	1.96
Total	3,328	17,113.35	5.14	3,679	11,574.97	3.15	3,174	18,615.65	5.87

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NUMBER OF ARTICLES, AMOUNT LOANED, AND AVERAGE LOAN ON ARTICLES PLEDGED IN SEVERAL CITIES OF THE UNITED STATES DURING ONE MONTH—Concluded.

Articles.	Washington.			Boston.			Chicago.		
	Number.	Total value.	Average value.	Number.	Amount loaned.	Average loan.	Number.	Amount loaned.	Average loan.
Gold watches	809	$10,761.25	$13.30	1,430	$12,325.34	$8.62	5,160	$40,242.35	$7.80
Silver watches	542	1,179.75	2.18	2,546	2,698.18	1.06	2,980	5,270.55	1.77
Rings	1,294	12,523.50	9.69	2,592	10,525.44	4.06	4,822	34,141.10	7.08
Jewelry	562	6,070.10	10.80	597	3,324.64	5.57	2,276	25,841.34	11.35
Clothing	555	1,051.25	1.90	6,938	7,263.00	1.05	6,543	11,344.45	1.73
Musical instruments	38	176.25	4.64	247	401.22	1.62	356	768.46	2.16
Firearms	53	221.50	4.18	141	234.22	1.66	596	1,225.50	2.06
Miscellaneous	228	322.10	1.41	1,622	1,848.00	1.14	1,724	5,415.55	3.14
Total	4,081	32,305.70	7.92	16,113	38,620.04	2.40	24,457	124,249.30	5.08

The above figures give the results of a tabulation of the daily reports made to the police departments during a single month by the pawnbrokers of the several cities considered. Deeming a summer month nearer typical of the business than one in the fall or winter, it was primarily intended to confine the tabulation to the month of July, but as the work progressed it was found inconvenient in some instances to adhere to the original plan, hence for Washington and Boston the month of June was taken, while for Pittsburg it was necessary to give the results for May. In the case of Washington it must be noted that the total value and the average value are given instead of the total loan and the average loan. This is necessitated by the character of the reports, which in that city give the value of the pledge rather than the amount advanced upon it. An estimate even of the total amount loaned is not obtainable; for, although it is claimed that from two-thirds to three-fourths of the value is advanced, many pledgers do not desire as large a loan as their pawn would enable them to obtain. The figures may, however, give a very conservative estimate of the auction value of the articles received in pawn. For the remainder of the table the results are comparable, particular pains having been taken to properly classify every pawn reported by the brokers. Clothing has been made to embrace all sorts of ladies' and gentlemen's wearing apparel, including bonnets and shoes. The miscellaneous list embraces all those articles received that can not properly be classified under any of the other heads. In Pittsburg the miscellaneous list is made up largely of tools; in Boston, of household goods, bedding, etc.; while in the remaining cities it comprises a heterogeneous mass of articles, ranging from a gold tooth or a communion set to $10,000 worth of railroad stock.

Wide as is the range of articles accepted in pawn, a marked preference is shown for those of gold and silver, rings and jewelry as a rule comprising about 80 per cent of all pawns received. Clothing forms a very important item of the trade in Boston, as also in Providence, and while still prominent in Chicago, the tendency of the brokers to confine their trade to jewelry and kindred articles is increasing. This is of

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course due to the extra amount of work and storage room required for the care of clothing and the possibility of loss in its sale arising from changes in fashion, etc. For these reasons the amount advanced on such pawns is extremely low. Yet it is not due to the large proportion of clothing received in Boston that the average loan for that city is lower than in the other cities, for if we eliminate the item the average is only $3.42, while that of Providence with a similar omission is $3.86. It is probable that the true reason is to be found in the large number of brokers in Boston, which leads them to accept pawns refused by many brokers in Providence and Chicago. Boston has one pawnbroker to every 5,216 inhabitants, Providence one to every 16,518, and Chicago one to every 16,174.

Investigations in other cities have shown that the average loan in Cincinnati was $3.58 (*a*) and in Minneapolis $6.16. (*b*)

In the table following the number of articles received per month by the pawnbrokers of Cleveland from July, 1897, to June, 1898, is shown:

NUMBER OF ARTICLES RECEIVED PER MONTH BY THE PAWNBROKERS OF CLEVELAND FROM JULY, 1897, TO JUNE, 1898.

Articles.	1897.						1898.						Total.
	July.	August.	September.	October.	November.	December.	January.	February.	March.	April.	May.	June.	
Gold watches	775	776	629	645	606	684	793	597	605	621	708	677	8,116
Silver watches	279	266	233	285	235	200	230	219	224	243	261	251	2,926
Rings	506	222	489	471	449	432	425	377	466	386	453	451	5,127
Jewelry	205	80	149	227	131	129	152	199	156	119	125	159	1,831
Clothing	229	59	166	200	322	232	210	208	289	338	355	251	2,859
Musical instruments	35	18	24	29	26	18	37	28	35	15	34	37	336
Firearms	41	13	32	36	22	32	37	43	27	28	26	37	374
Miscellaneous	322	63	169	147	150	143	153	193	239	127	213	152	2,071
Total	2,392	1,497	1,891	2,040	1,941	1,870	2,037	1,864	2,041	1,877	2,175	2,015	23,640

It will be remembered that on the continent of Europe the greatest amount of business is done during the summer months. To a slight extent the same is true in Cleveland, if we consider May, June, and July as summer months. The maximum is seen to have been reached in July and the minimum the month following. Some cause—perhaps the various payments that fall due at the end of a quarter—has tended to increase the number of pledges received in the months of January, July, and October. April, however, is an exception to the rule, the greater number having been pledged in the month previous. It is interesting to note the increase in the number of articles of clothing pawned in the months of April and May and the gradual decrease from then until September. At the commencement of cold weather it seems quite probable that the increase is due to the pawning of winter clothing, and the marked increase in November can only be explained on the grounds

a Given in a private letter from Mr. H. A. Millis, University of Chicago, who has made a special study of the pawnshops of Cincinnati.

b Fourth Biennial Report of the Minnesota Bureau of Labor, p. 35.

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that the purchase of winter clothing has led to difficulties which have required the pledging of the same.

To supplement by American experience the study begun in Germany as to the effect of holidays and the comparative amount of business done on the several days of the week the tables following have been introduced.

In the table immediately following the average number of articles pledged and redeemed at the Provident Loan Society of New York on each day of the week, and the general average, for the months of June, July, and August, 1897, are shown:

AVERAGE NUMBER OF ARTICLES PLEDGED AND REDEEMED AT THE PROVIDENT LOAN SOCIETY OF NEW YORK ON EACH DAY OF THE WEEK, AND THE GENERAL AVERAGE, FOR THE MONTHS OF JUNE, JULY, AND AUGUST, 1897.

Day of week.	June.				July.			
	Pledged.		Redeemed.		Pledged.		Redeemed.	
	Average number.	Average daily loan.	Average number.	Average daily loan.	Average number.	Average daily loan.	Average number.	Average daily loan.
Monday	176	$3,703.83	103	$2,453.25	170	$3,394.25	97	$1,680.50
Tuesday	153	3,234.45	91	1,843.10	144	3,070.50	80	1,716.69
Wednesday	115	2,733.25	77	1,873.00	136	2,949.19	79	1,723.75
Thursday	109	2,193.25	80	1,680.25	123	2,577.15	75	1,601.60
Friday	95	1,828.38	79	1,692.13	111	2,218.80	73	1,594.90
Saturday	161	2,797.68	153	3,009.25	172	2,866.20	177	3,380.25

Day of week.	August.				General average.			
	Pledged.		Redeemed.		Pledged.		Redeemed.	
	Average number.	Average daily loan.	Average number.	Average daily loan.	Average number.	Average daily loan.	Average number.	Average daily loan.
Monday	150	$3,277.40	91	$2,086.70	164	$3,448.76	97	$2,107.33
Tuesday	123	2,680.40	99	2,303.00	146	2,758.70	90	1,839.58
Wednesday	109	2,480.31	86	1,678.88	120	2,721.87	81	1,767.35
Thursday	110	2,592.38	76	1,776.00	114	2,632.42	77	1,808.71
Friday	88	1,694.63	80	1,744.75	98	1,937.39	77	1,670.93
Saturday	152	2,828.19	206	3,790.00	161	2,833.42	177	3,392.17

In the above table the summer months of June, July, and August have been chosen as illustrative of a normal business, since they present as little fluctuation, due to holidays, etc., as any three consecutive months of the year. The results shown by the general average tend to confirm the conclusions previously drawn. The average number of articles pawned on Mondays during these three months was 164, with an average daily loan of $3,448.76. During the week the amount loaned decreased until Friday, when it reached its lowest point, a marked increase being noted on Saturday. The highest number of pawns were redeemed on Saturday, prior to which the figures show a gradation similar to that shown by the receipts.

The table following shows the number of articles pledged and redeemed per day and the amounts loaned on the same at the Provident Loan Society of New York during the months of July, August, September, and December, 1897.

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NUMBER OF ARTICLES PLEDGED AND REDEEMED PER DAY AND THE AMOUNTS LOANED ON THE SAME AT THE PROVIDENT LOAN SOCIETY OF NEW YORK DURING THE MONTHS OF JULY, AUGUST, SEPTEMBER, AND DECEMBER, 1897.

Day of week.	July.				August.			
	Pledged.		Redeemed.		Pledged.		Redeemed.	
	Number.	Amount loaned.	Number.	Amount loaned.	Number.	Amount loaned.	Number.	Amount loaned.
Monday	.....	.....	.....	.....	161	$2,938.00	89	$2,213.50
Tuesday	.....	.....	.....	.....	150	3,236.75	100	2,455.25
Wednesday	.....	.....	.....	.....	122	2,634.25	88	1,806.00
Thursday	134	$3,045.25	79	$1,931.50	118	2,851.50	78	1,731.50
Friday	125	2,300.75	80	1,453.00	94	1,941.00	99	2,541.50
Saturday	169	2,028.75	166	3,137.50	150	2,544.00	184	3,192.75
Monday	(a)	(a)	(a)	(a)	148	3,907.00	89	2,253.50
Tuesday	211	4,042.00	109	1,924.50	115	2,318.00	90	2,053.00
Wednesday	163	3,236.50	90	2,016.50	110	2,352.00	77	1,333.00
Thursday	117	2,631.00	77	1,673.00	112	1,986.75	80	1,561.00
Friday	119	2,531.00	79	1,634.00	97	1,913.50	79	1,665.51
Saturday	152	2,563.00	141	2,648.00	163	3,113.25	208	4,220.00
Monday	169	3,349.25	92	1,602.00	150	2,877.00	85	1,574.00
Tuesday	114	2,892.00	68	1,745.25	120	2,653.50	88	1,925.75
Wednesday	141	3,036.25	79	1,580.50	108	2,352.00	96	1,846.50
Thursday	129	2,949.75	74	1,462.50	99	2,053.50	64	1,381.00
Friday	124	2,554.25	85	1,800.50	86	1,640.00	73	1,398.50
Saturday	183	3,442.50	167	2,971.00	158	2,962.75	225	3,775.00
Monday	190	3,828.50	98	1,639.00	141	3,147.50	82	1,818.00
Tuesday	127	2,902.00	69	1,409.50	96	2,137.25	87	2,416.00
Wednesday	130	3,452.00	75	1,831.00	97	2,583.00	83	1,730.00
Thursday	107	2,100.75	57	1,073.50	110	3,477.75	80	2,430.50
Friday	90	1,756.00	62	1,826.00	73	1,284.00	67	1,373.50
Saturday	192	3,582.25	197	4,093.25	137	2,692.75	205	3,972.25
Monday	151	3,005.00	102	1,800.50	150	3,517.50	110	2,574.50
Tuesday	123	2,446.00	72	1,787.50	136	3,056.50	128	2,665.00
Wednesday	111	2,072.00	73	1,467.00	.....	.....	.....	.....
Thursday	129	2,159.00	90	1,867.50	.....	.....	.....	.....
Friday	98	1,952.00	58	1,261.00	.....	.....	.....	.....
Saturday	162	2,714.50	212	4,051.50	.....	.....	.....	.....

Day of week.	September.				December.			
	Pledged.		Redeemed.		Pledged.		Redeemed.	
	Number.	Amount loaned.	Number.	Amount loaned.	Number.	Amount loaned.	Number.	Amount loaned.
Monday	.....	.....	.....	.....	.....	.....	.....	.....
Tuesday	.....	.....	.....	.....	.....	.....	.....	.....
Wednesday	121	$2,714.00	96	$2,143.50	120	$2,526.50	99	$2,211.50
Thursday	95	1,495.25	106	2,055.00	122	3,089.00	103	1,814.00
Friday	95	2,050.00	83	1,763.75	91	1,979.00	81	1,846.50
Saturday	167	2,943.25	284	5,195.00	146	2,740.50	184	3,863.00
Monday	143	2,416.00	129	2,505.00	157	3,561.50	116	2,458.50
Tuesday	118	3,024.00	133	3,549.75	134	2,706.50	109	2,273.50
Wednesday	69	1,336.00	92	2,091.00	133	2,798.75	103	2,125.00
Thursday	88	2,242.00	103	2,353.00	103	2,190.50	88	1,889 50
Friday	122	2,008.25	293	4,783.50	124	2,157.50	96	2,191.50
Saturday	.....	.....	.....	.....	157	2,731.50	188	3,982.00
Monday	129	3,350.25	110	2,792.00	166	3,398.25	133	2,702.00
Tuesday	113	3,091.00	122	2,489.00	91	2,420.00	76	1.886.50
Wednesday	117	3,109.75	119	2,893.50	152	3,490.00	94	1,749.50
Thursday	94	2,092.00	113	2,391.25	115	2,199.50	97	2,153.75
Friday	87	2,400.00	100	2,221.00	124	2,520.50	98	2,328.00
Saturday	126	2,375.00	163	2,081.00	188	2,823.50	205	4,124.75
Monday	127	2,974.50	119	2,799.50	187	4,130.50	118	2,637.00
Tuesday	113	2,113.00	120	2,269.50	138	2,811.50	95	1,977.00
Wednesday	80	1,881.00	105	2,305.00	135	2,359.50	98	1,906.00
Thursday	67	1,485.00	127	2,299.00	149	3,049.75	84	1,873.75
Friday	91	1,707.00	185	4,444.50	164	2,605.50	185	4,769.00
Saturday	71	1,326.50	603	12,890.00	(b)	(b)	(b)	(b)
Monday	c129	c2,088.75	c235	c5,311.50	185	4,223.25	128	2,614.00
Tuesday	90	2,596.25	131	2,671.25	123	2,129.25	95	1,924.00
Wednesday	112	2,836.75	88	1,556.00	127	2,157.75	110	2,322.75
Thursday	109	3,302.25	100	2,661.50	123	3,182.75	96	2,747.00
Friday	.....	.....	.....	.....	127	2,424.75	144	3,734.75
Saturday	.....	.....	.....	.....	.....	.....	.....	.....

a July 5, celebration of Independence Day.
b December 25, Christmas Day.
c September 27, Hebrew New Year.

The table gives data intended to show the effect of holidays on the receipts and redemptions of the society. The month of August, having no holidays, has been inserted for purposes of comparison, and will be seen to correspond in general with the results given in the preceding

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table. The remaining months—July, September, and December—have been chosen to show, respectively, the effect of Independence Day, the Hebrew New Year, and Christmas Day. In 1897 the Fourth of July fell on Sunday and was celebrated on Monday, making it difficult to tell what part of the increased number of pledges was due to usual circumstances and what part to the coming celebration. One must, however, conclude that the holiday in this instance had little or no effect on the pawns of the Saturday previous, as the number of articles was only 169, whereas on the third and fourth Saturdays of the month the number rose to 183 and 192, respectively; but, as in France, it is the day following the celebration that witnesses the increase of business, the number of pawns having risen to 211. Neither does the day seem to have had any very large influence on the redemptions. The result may in part be due to the fact that over 70 per cent of the borrowers are of Hebrew descent, a point which materially affects the conditions surrounding the Hebrew New Year, on the 27th of September. On the Saturday preceding this great Hebrew fête day a very small number of articles were pawned, but the number of articles redeemed rose to 603 on Saturday and to 235 on Monday (the 27th), yet the number of articles pledged on that day and on the days following did not materially increase. On the Friday preceding Christmas the number of articles redeemed did not vary materially from the number redeemed on the preceding Saturdays, and again the number of articles pawned the following Monday did not show an increase.

In the table following the number of articles received per day and the amount loaned on the same by the pawnbrokers of Chicago during July, 1898, are shown:

NUMBER OF ARTICLES RECEIVED PER DAY AND THE AMOUNT LOANED ON THE SAME BY THE PAWNBROKERS OF CHICAGO DURING JULY, 1898.

Day of month.	Gold watches.		Silver watches.		Rings.		Jewelry.		Clothing.	
	Number.	Amount loaned.	Number.	Amount loaned.	Number.	Amount loaned.	Number.	Amount loaned.	Number.	Amount loaned.
1	132	$1,007.05	107	$223.80	154	$1,403.85	96	$1,524.10	176	$313.30
2	125	1,329.25	91	202.55	120	907.20	70	558.45	60	455.20
4	233	1,729.75	149	406.75	195	1,187.25	94	738.30	301	695.75
5	263	2,286.75	234	254.70	191	1,384.30	101	1,293.40	305	475.25
6	219	1,907.50	123	258.90	185	1,550.45	82	1,194.75	332	524.70
7	173	1,312.00	122	254.25	178	1,319.00	80	920.95	228	858.65
8	149	1,329.00	118	220.70	164	1,997.50	81	862.00	257	549.60
9	227	1,988.25	153	251.25	224	1,065.15	105	877.50	292	420.45
11	238	2,003.75	121	231.60	139	1,325.70	99	1,096.75	325	673.25
12	161	1,279.50	108	283.60	172	1,543.90	92	825.55	293	417.75
13	182	1,381.50	101	158.75	210	1,126.10	85	709.00	192	501.55
14	135	1,071.50	92	144.00	101	781.55	55	1,013.55	278	336.30
15	144	1,029.50	98	160.50	175	991.75	83	1,014.35	214	368.60
16	252	1,717.50	135	335.15	249	1,530.25	113	798.25	321	277.25
18	236	2,043.00	121	205.50	190	1,929.00	109	1,191.00	305	504.50
19	184	1,233.50	92	140.00	160	1,142.50	73	879.20	205	215.60
20	211	1,653.25	91	150.25	201	1,603.55	60	546.14	180	363.85
21	71	1,267.00	97	152.50	189	1,182.20	62	386.85	193	336.10
22	113	917.00	76	123.00	143	859.35	60	494.75	154	230.25
23	296	2,017.00	179	207.30	294	1,578.55	156	2,132.00	294	447.15
25	275	1,869.25	109	175.65	203	1,219.20	104	1,226.00	265	410.80
26	206	1,403.00	99	158.50	193	1,184.75	99	1,034.20	288	452.35
27	187	1,360.50	85	134.35	195	1,349.40	78	2,134.00	196	298.75
28	199	1,395.25	87	133.50	168	1,174.05	61	331.15	240	359.70
29	202	1,370.55	71	101.00	169	1,116.35	79	1,112.05	308	314.60
30	347	2,340.25	121	202.50	260	1,688.25	99	947.10	341	543.20
Total	5,160	40,242.35	2,980	5,270.55	4,822	34,141.10	2,276	25,841.34	6,543	11,344.45

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NUMBER OF ARTICLES RECEIVED PER DAY AND THE AMOUNT LOANED ON THE SAME BY THE PAWNBROKERS OF CHICAGO DURING JULY, 1898—Concluded.

Day of month.	Musical instruments.		Firearms.		Miscellaneous.		Total.	
	Number.	Amount loaned.	Number.	Amount loaned.	Number.	Amount loaned.	Number.	Amount loaned.
1	13	$26.06	16	$19.60	57	$112.95	751	$4,630.71
2	17	27.25	15	27.25	77	169.70	575	3,676.85
4	7	13.00	24	44.55	98	280.50	1,101	5,095.85
5	16	37.00	37	65.95	53	171.85	1,200	5,969.20
6	19	36.65	38	65.90	64	114.30	1,062	5,653.15
7	9	17.50	24	44.90	60	140.85	874	4,868.10
8	19	42.25	27	56.00	74	195.50	889	5,252.55
9	19	33.25	30	97.75	105	235.90	1,155	4,969.50
11	20	34.00	28	84.00	77	167.00	1,047	5,616.05
12	7	19.50	18	44.60	46	133.00	897	4,547.40
13	12	30.50	22	35.25	60	157.85	864	4,100.50
14	12	17.50	22	39.20	41	584.65	736	3,988.25
15	18	31.75	15	23.50	41	133.50	788	3,753.45
16	19	29.85	32	61.60	78	193.35	1,199	4,943.20
18	13	37.50	18	61.00	62	170.25	1,054	6,141.75
19	9	14.10	31	45.40	57	138.50	811	3,808.80
20	13	47.75	13	20.25	57	143.00	826	4,528.04
21	16	39.50	23	45.50	58	123.50	709	3,533.15
22	13	38.35	20	18.25	52	95.00	631	2,775.95
23	15	29.50	31	59.65	101	1,263.45	1,366	7,734.60
25	13	26.00	17	32.65	60	162.70	1,046	5,122.25
26	8	20.00	24	68.25	64	143.10	981	4,464.15
27	9	14.00	10	18.00	48	93.75	808	5,402.75
28	11	25.50	22	55.35	36	99.00	824	3,573.50
29	12	30.75	10	15.50	42	92.90	893	4,153.70
30	17	49.45	29	75.65	156	99.50	1,370	5,945.90
Total	356	768.46	596	1,225.50	1,724	5,415.55	24,457	124,249.30

The following table shows the number of articles received per day by the pawnbrokers of Cleveland during July, 1897:

NUMBER OF ARTICLES RECEIVED PER DAY BY THE PAWNBROKERS OF CLEVELAND DURING JULY, 1897.

Day of month.	Gold watches.	Silver watches.	Rings.	Jewelry.	Clothing.	Musical instruments.	Firearms.	Miscellaneous.	Total.
1	37	4	9	6	3	.....	2	10	71
2	17	6	13	6	6	.....	4	8	60
3	24	10	13	3	9	3	2	17	81
5	68	13	13	4	11	.....	2	7	118
6	21	14	20	10	8	3	2	6	84
7	26	12	35	11	13	2	.....	13	112
8	20	12	22	4	5	2	4	3	72
9	32	9	19	11	9	2	3	5	90
10	30	7	24	12	8	3	2	12	98
12	33	13	28	11	9	1	1	8	104
13	39	8	20	7	9	3	3	9	98
14	29	11	16	3	11	.....	2	17	89
15	26	8	16	9	5	2	.....	15	81
16	22	5	18	4	9	.....	1	5	64
17	31	11	15	10	13	.....	.....	6	86
19	37	5	18	8	8	1	.....	8	85
20	27	11	17	11	10	1	2	16	95
21	21	7	29	9	4	.....	.....	23	93
22	21	9	17	5	5	2	.....	18	77
23	18	11	25	20	3	.....	3	14	94
24	44	14	15	3	8	2	4	8	98
26	25	11	16	9	20	2	2	6	91
27	12	11	20	5	9	1	1	20	79
28	9	14	5	4	4	2	.....	16	54
29	32	15	30	12	4	.....	1	21	115
30	24	16	13	3	14	3	.....	19	92
31	50	12	20	5	12	.....	.....	12	111
Total	775	279	506	205	229	35	41	322	2,392

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The effect of holidays where one nationality does not predominate may be considered in Chicago and Cleveland, the former for the Fourth of July, 1898, and the latter for the same day, 1897. The number of articles pledged on the Fourth of July in Chicago was 1,101, in contrast to 575 the day previous and 1,200 the day following. The latter figure is really the significant one, since it shows a greater advance over the usual number of articles pawned on Tuesdays than the former does over the number reported on Mondays, this being due to the fact that the pawnshops in Chicago do not close for Sunday, so that the reports for Monday always include the business of two days. If, then, we compare the 4th with the 11th, 18th, and 25th, we find that the number of articles pledged on that day was only 52 above the average, while on the 5th the number was some 300 above the average for the 12th, 19th, and 26th. While this increase following a fête day corresponds with the European experience, it is not borne out by the result obtained for Cleveland, where the increase in the number of articles pledged was on the day of the celebration rather than the day after.

THE COLLATERAL LOAN COMPANY OF BOSTON.

One of the first attempts to apply the principle of the mont-de-piété to American conditions was made in Boston in 1859. It appears that somewhat prior to that date the exorbitant charges of the pawnbrokers had resulted in the appointment of a committee to examine the existing conditions and suggest a remedy. The report of the committee, while not exhaustive, evidences careful study, and is of peculiar interest as giving a clew to the status of the pawnbroking business 40 years ago. They reported "upward of 50 pawnbrokers'" establishments in Boston, "most of them favorably located and exhibiting indications of thrift." But upon comparing their work with that of continental pawnshops the committee gave it as their opinion that the facilities furnished the needy by these offices were "neither worthy of the age nor community" in which they lived, and that they should be supplanted by institutions similar to those in Europe. Following this report steps were taken which resulted in the incorporation of what was known as the "Pawners' Bank," a name afterwards changed to the "Collateral Loan Company."

The original charter provided that the bank should "loan on pledge of safe securities of every kind" and "also on mortgage of goods and chattels." Its capital, to be raised by subscription, was divided into shares of $100 each, and was not to exceed $300,000. The company was, however, permitted to borrow on its own notes not to exceed the amount of capital paid in, and for a period not to exceed one year. Charges upon loans, to cover all expenses, including interest, were to be uniform and not to exceed 1½ per cent per month. So long as its funds lasted loans were to be made on "all goods and chattels embraced within its rules and regulations, in the order in which they were offered,

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with the exception that the bank" could "always discriminate in favor of small loans to the indigent." In making loans four-fifths of the value was to be advanced on gold, silver, and plate and two-thirds of the value on all other goods and chattels.

The government of the bank was left in the hands of seven directors, five of whom were chosen annually by the stockholders, one appointed by the governor of the Commonwealth, and one by the mayor of the city of Boston. Property pledged and not redeemed within the specified time, which could not exceed a year, was to be sold at public auction, and any surplus after loan charges and expenses of all kinds were paid was to be held one year subject to the demand of the owner. Although repeatedly amended the original provisions of the charter have for the greater part prevailed, the amendments usually being additions rather than modifications. Of these amendments the first, made in 1865, was a most interesting one, in that it was similar to the recent action (1892) taken by the Mont-de-Piété of Paris. The amendment of that year gave the bank power to "loan on pledge of the deposit books of the savings banks and on pledge of bonds and securities of the United States and the Commonwealth of Massachusetts," on which four-fifths of the value was to be advanced; and, that the bank might find profitable employment for its funds, the same amendment authorized their investment in bonds of the Commonwealth of Massachusetts or the United States. But this added field of business did not produce sufficient revenue, and further legislation was asked for. This time the remedy was not sought in an increase of business but in rendering the present business more profitable. Not only was the legislature asked to legalize a much higher rate of interest, but to repeal the clause requiring uniformity of charges. This they did in 1869, save that the amendment provided that interest and charges should not exceed 2 per cent per month. Of this latter restriction the company made bitter complaint, and at its annual meeting in 1872 the directors recommended that a vote be passed authorizing them "to take the necessary measures to wind up the affairs of the company, if in their judgment it should be expedient to do so;" the reasons assigned for the step being the "illiberal and oppressive action of the legislature," the increase of rents, and the consequent lowering of dividends. The threat of dissolution was not without result, and the following March the clause restricting the rate of interest was repealed and the company exempted from the payment of taxes for that year. The final modifications of the charter, made in 1875, introduced a most commendable feature, and one which the director of the Mont-de-Piété of Paris seeks almost yearly to establish, viz, a means whereby the surplus arising from the sale of the pawns and the profits of the business may become the capital of the institution. By the charter of 1859 any surplus arising from the sale of unredeemed pledges, unclaimed by the owner within a year, went to the fund known as the "profit and loss fund," from

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which fund the bank could recoup itself for any losses upon the loans, due either to failure of title or otherwise. When, however, the surplus was greater than the losses, the amount remaining was to be doled out in fuel to the needy during the months of January, February, and March. Moreover, the whole sum earned during each year was to be disposed of at the end of the year. If the earnings were sufficient, the stockholders were to receive an 8 per cent dividend on their investment, but any sum above that amount was to go to the profit and loss fund, and be distributed among the poor. Under such regulations it was impossible to increase the capital of the institution by funds naturally its own. All earnings or surplus went either to the stockholders or to the poor, but the amount going to the poor seldom benefited those from whom it was taken, thereby practically taxing one class of indigents to support another. The remedy applied was the repeal of the obnoxious clauses, leaving the bank free to make such a disposition of the funds as it saw fit. Further, with the pledging of savings-bank accounts, bonds, etc., introduced in 1865, the clauses relating to the sale of unredeemed pledges and the disposition of the surplus naturally applied to this form of pledges. But being of such undoubted security, it was deemed unwise to subject them to possible loss by auction, hence the following proviso was added in 1875: "In case, however, the savings-bank deposit book pledged to the company shall not be redeemed within the time limited, it shall not be necessary for the company to sell the same at public auction, but the said company may convert the same or so much thereof as may be necessary to pay the debt in such mode and at such time as in the judgment of the directors will best secure the interest of the parties, holding the net surplus, as above, for the owner."

MANAGEMENT AND RESULTS OF THE BUSINESS.—The general plan for the administration of the business is similar to that of the regular pawnbrokers. When the company began business the interest rate was fixed at 1 per cent per month, but this was found to be insufficient to pay expenses, and the rate was raised to 3 per cent per month on sums of $50 or less, but later reduced to the present rate of 1¼ per cent per month. Interest on all advances must be paid for at least one month, after the expiration of which time two weeks, or one-half month, is the basis for reckoning, yet no loan is settled for less than 5 cents, and on advances of $2 and over the lowest charge is 10 cents. All advances are made for six months, and if the pawn is not redeemed or renewed it is sold two months after the expiration of the loan period. Charges for sale are usually 10 per cent of the sale price, and any surplus remaining is held subject to the demand of the owner. In the table following are shown for the company for the period 1860 to 1897 the number of loans, amount loaned, average loan, and average interest per loan.

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NUMBER OF LOANS, AMOUNT LOANED, AVERAGE LOAN, AND AVERAGE INTEREST PER LOAN, COLLATERAL LOAN COMPANY OF BOSTON, 1860 TO 1897.

Year.	Loans.	Amount loaned.	Average loan.	Average interest per loan.
1860	5,288	$121,130.26	$22.91	.....
1861	7,593	226,508.22	29.83	$1.27
1862	6,563	162,881.31	24.82	1.89
1863	6,224	148,345.29	23.83	1.77
1864	6,813	155,229.90	22.78	1.56
1865	9,921	209,317.03	21.10	1.23
1866	9,665	223,899.80	23.17	1.42
1867	9,553	280,674.10	29.38	1.80
1868	8,694	284,598.95	32.74	2.06
1869	6,475	240,156.54	37.09	2.26
1870	7,216	260,625.55	36.12	2.83
1871	6,787	209,605.55	30.88	2.85
1872	6,529	251,211.21	38.48	2.99
1873	6,379	251,701.30	39.46	3.38
1874	7,120	292,361.53	41.06	3.71
1875	6,691	276,537.28	41.33	.....
1876	9,413	537,834.87	57.14	.....
1877	9,473	445,909.01	47.07	.....
1878	10,338	257,155.46	24.87	2.69
1879	12,710	319,651.58	25.15	2.26
1880	14,486	374,865.68	25.88	2.15
1881	16,228	396,427.18	24.43	2.25
1882	17,282	414,576.52	23.99	2.09
1883	18,232	439,875.35	24.13	2.07
1884	21,186	439,380.42	20.74	2.07
1885	24,537	474,509.16	19.34	1.97
1886	25,540	479,687.73	18.78	2.00
1887	25,974	575,032.35	22.14	2.30
1888	28,532	664,908.12	23.30	1.99
1889	29,694	591,583.30	19.92	1.94
1890	29,158	671,595.30	23.03	1.81
1891	31,604	705,745.34	22.33	1.57
1892	33,487	725,741.15	21.67	1.40
1893	37,571	748,212.42	19.91	1.26
1894	39,783	677,657.16	17.03	1.25
1895	36,797	618,037.35	16.80	1.27
1896	43,692	714,701.57	16.36	1.24
1897	52,065	818,816.98	15.73	1.22

In comparison with the rapid increase of the business in the case of the more recently founded associations, the progress of the Collateral Loan has been slow. From 5,288 pawns received during the first year of the business, the number rose to 9,921 in 1865, but after that gradually diminished to 6,379 in 1873. By this time the critical period of its history seems to have been passed, and from that date its advance has been comparatively rapid, the number of articles received in 1897 being 52,065. In connection with this constant fluctuation and ultimate increase it is interesting to note the average loan. From $22.91 in 1860 the average suddenly rose to $29.83 in 1861, and as quickly declined to $24.82 in 1862. Indeed, throughout the period prior to 1880 this constant fluctuation is predominant, the range of variation being from $21.10 in 1865 to $57.14 in 1876. After 1880 the general tendency is to decline, the lowest point, $15.73, having been reached in 1897. Naturally the average interest received on each loan varies somewhat as the average loan. In general, the average increased until 1874, when it reached its maximum, due to the fact that the average length of loan was 4 months and 15 days instead of 3 months and 12 days, as in 1861. After this the tendency is to decline, the lowest point having been reached in 1897.

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The following table shows for the company for the period 1860 to 1897 the capital stock, profits, reserve auction account, etc.:

CAPITAL STOCK, PROFITS, RESERVE AUCTION ACCOUNT, ETC., COLLATERAL LOAN COMPANY OF BOSTON, 1860 TO 1897.

Year.	Capital stock.	Notes payable.	Profit and loss account.	Reserve fund.	Reserve auction account.
1860	$74,800				
1861	100,700	$12,850.00	$2,372.72		$264.60
1862	100,700	5,917.87	2,293.20		933.93
1863	100,700	4,333.66	3,417.71		656.58
1864	100,700	3,731.50	2,341.20		740.86
1865	100,700	8,222.00	2,427.20		308.76
1866	113,500		2,187.28		640.00
1867	113,500	15,300.00	2,195.27		828.50
1868	113,500	24,856.50	1,770.23		439.31
1869	113,500	22,000.00			1,204.35
1870	113,500	15,000.00	4,447.63		674.42
1871	113,500	2,000.00	4,007.19		341.49
1872	113,500	10,500.00	4,784.50		350.25
1873	120,400		9,877.13		352.32
1874	120,400	42,500.00	583.14		685.82
1875	128,600	38,519.77	331.93		486.85
1876	129,000	32,242.81	3,320.15		1,250.56
1877	150,000	53,314.26	2,560.63		1,439.03
1878	150,000	32,045.86	7,587.60		429.02
1879	150,000	25,274.60	10,337.51		557.03
1880	150,000	24,510.00	8,618.47		416.74
1881	150,000	22,838.72	11,594.57		315.57
1882	150,000	33,829.46	10,028.76		283.52
1883	150,000	50,586.42	8,618.47		173.10
1884	150,000	60,472.85	14,011.52		330.18
1885	150,000	32,375.47	19,653.63		125.47
1886	150,000	21,018.17	29,874.77		401.67
1887	150,000	40,318.17	42,829.40		359.66
1888	150,000	57,423.17	57,472.54		1,116.45
1889	150,000	50,809.82	60,669.21		477.97
1890	150,000	23,200.00	9,595.64	$50,000	4,718.32
1891	150,000	17,145.00	4,590.20	60,000	13,319.12
1892	150,000		3,621.99	70,000	7,376.18
1893	150,000		383.70	75,000	4,761.87
1894	150,000		3,873.46	80,000	3,460.26
1895	150,000	5,000.00	5,846.39	85,000	5,498.14
1896	196,900	30,000.00	8,492.57	90,000	5,056.90
1897	200,000	35,000.00	17,954.04	100,000	2,928.28

The original capital of the company was $74,800, which was increased the following year to $100,700, and five years later to $113,500. After this three additions were made prior to 1877, when in that year it was raised to $150,000, which sum met the needs of the business until 1896, when the capital stock was raised to $196,900, and in 1897 to $200,000. In addition to this the company was liable, in 1897, for $35,000 in the form of notes payable.

Prior to 1874 the net profits (estimated) included an estimate of the accrued interest on loans then outstanding but not collected. In 1874 and 1875, however, this estimate was omitted, which naturally reduced the amounts for those years as they appear in the table. In 1876 this item appeared in the reports of the company as "Undivided profits," and as such included any portion of the profits for the preceding year which had not been paid out in the form of dividends. For this reason the $3,320.15 is not to be considered as the net profit for 1876, but as the profits for that year supplemented by an indefinite sum from the profits of the previous year. In 1890 this account was again changed, and $50,000 was placed under the head of "Reserve fund" and the

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balance under "Profit and loss." This also precludes an exact statement as to the profits of the company, but since 1890, aside from paying an annual dividend of 8 per cent on its stock, the reserve has been gradually increased to $100,000, besides which $17,954.04 remains in the profit and loss account. This latter account, however, at times includes such a portion of the unclaimed surplus as the directors may from time to time see fit to transfer from the reserve auction account.

The reserve auction account is the surplus arising from the sale of unredeemed pledges, which surplus is held subject to the demand of the rightful claimants. Contrary to European practice the company does not limit the length of time that such sums will be held, but holds itself ready to advance the amount whenever the tickets are presented. As a matter of fact, however, although sales usually net from 15 to 17 per cent above the amount advanced, but a comparatively small number of patrons call for the surplus due them, one of the company's officials giving it as his opinion that less than 10 per cent of the amount due is ever claimed.

The success of the company led it to establish a branch office in another part of the city, but it was found that the patrons preferred to deal with the main institution unless the branch office would give them better terms. This being impossible, they went to the main institution, and as a result, after the loss of some $3,000, it was thought advisable to give up the effort.

THE WORKINGMEN'S LOAN ASSOCIATION OF BOSTON.

As the philanthropic citizens of Boston were the first to demonstrate that a pawn shop charging a moderate rate of interest could be made profitable, so we are indebted to them again for the model used by the chattel mortgage and loan associations formed for a like purpose. In Boston, as in many other large cities, there were numerous agencies for loaning money at exorbitant rates of interest upon chattel mortgage of furniture and other personal property, the rate of interest charged varying from 3 to 10 per cent per month; a rate so exorbitant that the unfortunate borrower could hardly hope to cancel his debt and must ultimately lose his property. Among those to fully appreciate the extent of the evil was Robert Treat Paine, who sought to ascertain if money could not be loaned on this form of security at a more reasonable rate. To this end, beginning August 1, 1887, he caused experimental work to be conducted along this line, which gave such favorable promise that March 8, 1888, the Workingmen's Loan Association was incorporated, and April 19 of the same year began business.

According to the act of incorporation the society is formed "for the purpose of loaning money upon pledge or mortgage of goods, chattels, and securities of every description, or upon mortgage of real estate, subject to all the duties, restrictions, and liabilities set forth in the general laws relating to such corporations." From this wording it is seen

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that it was at first intended to do a pledge or pawn business, but while this was the original intention little endeavor has been made to carry it out. At first a few articles were taken in pledge, but proving a source of loss the idea has been entirely abandoned, and the work of the association confined exclusively to the chattel mortgage business.

By the terms of the act the government of the corporation is vested in a board of directors, chosen as the by-laws prescribe, provided that one shall be appointed by the governor of the Commonwealth and one by the mayor of the city of Boston. In accordance with this the by-laws direct that the board shall not exceed sixteen in number, including the president of the company, vice-president, its treasurer, and clerk. All officers to be chosen by ballot at the annual meeting of the stockholders and to hold their offices until their successors have been qualified. At the regular quarterly meeting of the board five members present constitute a quorum, provided that not less than one-half of the capital stock is represented; but a majority of the stockholders present and voting may adjourn from time to time until the business shall have been finished. Absent members may vote by proxy, and in all meetings each stockholder is entitled to one vote for each share owned by him.

That the operations of the institution may be under the usual control, the act of incorporation provides that the commissioners of the savings banks shall have access to the vaults, books, and papers of the company; that it shall be their duty to inspect, examine, and inquire into the affairs of the association, and to take action in regard to them in the same manner and to the same extent as if the corporation were a savings bank. By this it is hoped to keep the goods of the company under the same strict legal control as all banking institutions of the Commonwealth are under.

A person desiring to secure a loan, upon presenting himself at the place of business of the company, is carefully questioned, and if the circumstances seem favorable for making the loan desired he fills out an application blank bearing the following questions:

Name in full?
Amount of loan?
What security?
Where is it situated?
Where is your present residence?
How long have you resided there?
What is your business? Where?
Have you receipted bills for the property?
Does all the property belong to you?
Is there any encumbrance on it?
Name two references?
What amount of principal will you pay monthly?
Do you agree to pay interest promptly?
Is your property insured and for how much?

If the replies to the questions are satisfactory, an appraiser is sent to the applicant's home, who makes a schedule of the articles he wishes to

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give in security, placing against each article the price that in his judgment it would bring if sold at auction. Upon this schedule the loan is based, three-fourths of the total estimate value, as a rule, being advanced. In all cases the borrower is required to show receipted bills for his furniture, or to account satisfactorily for the absence of the same. This is done not alone to prove ownership, but in case the articles have been purchased on the installment plan to show that they have been fully paid for. After this the records are examined to ascertain whether the property is in any way encumbered. In most cases inquiry as to the character of the borrower is made, not alone of persons referred to in the application blank but of other persons also. If after this rigid examination the loan is found to be an admissible one, the borrower signs a mortgage and note for the amount borrowed and receives the money less the expenses charged. Where the borrower is a married person the signatures of both husband and wife are required. The mortgage, in pursuance to the law, is recorded in the city where the borrower resides and also in the city or town hall of the place where he principally does business, and usually contains a clause covering all furniture and household effects of every kind in his house.

The rate of interest charged is 1 per cent per month, an additional charge being made on making the loan in order to cover all money expended in the investigation and recording of the mortgage, and to give the company in ordinary cases $1.65 for the time spent in appraisal and drawing papers. The amount of the monthly installments on all sums of $50 or over is 4 per cent of the loan plus accrued interest at 1 per cent per month. On sums of $25, which is the smallest amount loaned, an installment of $2 per month plus the interest is paid. In case of default of this installment for more than ten days, a notice is sent calling the attention of the delinquent to the fact. For this a charge of 10 cents is made. If, however, the first notice proves futile, a more imperative one is sent, for which a charge of 25 cents is made. These notices serve a double purpose; besides warning the debtor of his delinquency they inform the company if he has changed his abode, as in that case the notices are returned by the postal authorities. Moreover, the heed that the borrower gives to these notices enables the company to estimate the danger of losing its loan, and permits it to shape its measures accordingly; but only in unusual cases are foreclosures made within three or four months from date of delinquency.

The risk of the company from the danger of loss by fire is met by requiring an insurance in its favor. If, however, the amount does not exceed $100, the borrower instead of taking out an insurance policy is permitted to make a small yearly payment to the company. This charge is 50 cents on loans of $50 or less, and $1 on sums of from $50 to $100. In a few cases this system has been extended to loans of from $100 to $200. The receipts from this source are credited to the risk fund, which appears in the table of receipts and general expenditures, from which it will be noted that the receipts from this source have

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risen from $53 in 1888–89 to $1,606.07 in 1897–98, an increase which shows the feasibility of this form of insurance. At the same time the company has been careful not to assume the position of an insurer, so that in case of loss by fire they are losers only to the amount of the loan.

The number of loans made, capital stock, dividends, surplus, etc., of the Workingmen's Loan Association for the period 1888–89 to 1897–98, are shown in the following table:

LOANS, CAPITAL STOCK, DIVIDENDS, SURPLUS, ETC., OF THE WORKINGMEN'S LOAN ASSOCIATION, 1888–89 TO 1897–98.

Year.	Loans.	Amount loaned.	Average loan.	Amount repaid.	Amount outstanding.	Surplus.	Dividends (per cent).	Capital stock.	Borrowed funds.
1888–89...	781	$99,398.38	$127.27	$22,143.83	$77,254.55	.....	2	$78,200	.....
1889–90...	909	94,177.52	103.61	67,097.29	104,334.78	.....	4	78,500	$25,000
1890–91...	875	81,043.15	92.62	80,944.24	103,375.84	.....	6	78,500	25,000
1891–92...	840	73,506.26	87.51	76,059.92	99,866.98	.....	6	78,500	25,000
1892–93...	1,092	101,547.84	92.99	80,591.81	119,709.06	.....	6	89,500	28,000
1893–94...	1,231	109,702.21	89.12	110,446.34	118,286.89	$879.70	6	90,400	26,000
1894–95...	1,305	119,732.98	91.75	113,834.08	123,195.53	2,333.28	6	90,400	27,000
1895–96...	1,380	122,726.43	88.93	113,405.69	131,599.70	3,333.53	6	91,900	28,000
1896–97...	1,468	134,474.53	91.60	119,394.53	146,437.67	3,775.64	6	93,900	35,000
1897–98...	1,675	151,660.90	90.54	127,867.53	169,869.00	5,054.48	6	125,000	25,000

The act of incorporation provided that the capital stock of $25,000 must be subscribed and entirely paid in before the association began business. The provision, however, was unnecessary, for prior to the time the association was ready to begin work $66,600 had been subscribed, and before the close of the year the amount was raised to $78,200. This capital was called in gradually to supply the borrowers who had eagerly sought the advantages offered. By March, 1889, less than one year from the time the company began business, the whole capital was loaned. During the second year the capital was increased to $78,500 and $25,000 borrowed for use in the business. With this amount the work was conducted for the two following years, when the capital stock was increased to $89,500, and the borrowed funds to $28,000, which sums practically met all necessities during the three succeeding years. In 1897 the capital stock was increased to $100,000 and in 1898 to $150,000. Of this last increase of $50,000 but $25,000 was offered to the stockholders, all of which was taken at par and paid in, thus raising the paid-in stock to $125,000 and fixing the actual working capital at $150,000.

From a financial standpoint the record of the association is one of the best. After the payment of usual taxes and all expenses, the profit of the first year permitted the declaring of a 2 per cent dividend, and left a slight surplus not mentioned in the company's reports. The following year, although losses proved heavy, it was able to pay a 4 per cent dividend, and from that time on 6 per cent dividends have been regularly paid and a constantly increasing surplus secured. Since the association has been able to loan all the money it had on

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hand and many times, due to lack of funds, has been compelled to restrain the number of applicants, the amount loaned has varied almost directly with the increase of the capital, but not so with the number of loans, which has increased far more rapidly than the amount loaned, necessitating a marked decrease in the average value of the loan. In this the experience of the association is quite the reverse of that of like organizations. Instead of the average loan increasing with the increase of the capital, it has decreased from $127.27 in 1888–89 to $90.54 in 1897–98, the lowest point having been reached in 1891–92, when the average was $87.51. This shows an admirable tendency in that it indicates that the officers of the association have held to their original purpose of loaning small amounts to those in need rather than accepting safer and more profitable loans.

In the following table is shown the expenses, receipts, and risk fund of the Workingmen's Loan Association for the years 1888–89 to 1897–98:

EXPENSES, RECEIPTS, AND RISK FUND OF THE WORKINGMEN'S LOAN ASSOCIATION, 1888–89 TO 1897–98.

Year.	Expenses. (a)	Receipts.		Risk fund.
		Interest.	Charges.	
1888–89	$2,484.62	$4,367.66	$337.58	$53.00
1889–90	4,334.34	10,456.49	734.92	108.57
1890–91	4,331.12	12,133.92	732.67	302.75
1891–92	4,368.23	12,029.06	802.77	347.46
1892–93	5,822.03	12,555.81	1,659.64	609.81
1893–94	6,611.47	14,104.42	3,001.01	841.85
1894–95	7,246.74	14,020.30	3,224.78	997.72
1895–96	7,234.44	14,563.63	3,477.54	1,162.73
1896–97	8,264.84	16,096.99	3,683.18	1,352.56
1897–98	9,241.74	18,398.89	4,301.91	1,606.07

a Not including interest on borrowed capital or taxes.

From the above figures it will be seen that the charges have increased quite out of proportion to the loans made, as given in the preceding table. This is explained by the fact that from 1888 to 1893 the regular charge for making a loan, registering the mortgage, etc., was only $1.50, but as this sum was quite insufficient to cover the expenses necessarily incurred, the charge was increased in January, 1893, to $2.50, and in some cases to $3. At present this is the usual amount, but where it requires more than the usual expenditure of time and trouble to investigate the loan, this sum is increased so as to cover the actual expense.

ST. BARTHOLOMEW'S LOAN ASSOCIATION OF NEW YORK.

The experience of the Workingmen's Loan Association of Boston led the members of St. Bartholomew's Protestant Episcopal Church of New York, in 1894, to attempt a similar enterprise under the name of St. Bartholomew's Loan Association. The organization, although under the direction of prominent members of St. Bartholomew's Church, is entirely undenominational, and, though similar in some respects to a charity, is, on the contrary, a purely business association, differing in

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no wise from other loaning companies, save that it advances money at a more reasonable rate.

Organized for the same purpose as the association in Boston, and loaning money on the same kind of security, it naturally models its business methods after those of the former association. Almost without exception its blanks are like those used by the Workingmen's Loan, or are modeled after the same. Loans of from $25 to $200 are made on security of furniture in use. All advances made are payable in monthly installments of such amounts and at such times as are agreed upon at the time of making. Charges for making loans are uniformly a $1 application fee, which is not returned if the loan is not made, and $2 additional where the loan is accepted. Aside from this no other charge is made save for interest, which is fixed at the rate of 1½ per cent per month, although the law permits the association to charge 3 per cent per month.

The following table shows the receipts and disbursements of St. Bartholomew's Loan Association for the years 1896 and 1897:

RECEIPTS AND DISBURSEMENTS OF ST. BARTHOLOMEW'S LOAN ASSOCIATION, 1896 AND 1897.

Receipts.			Disbursements.		
Items.	1896.	1897.	Items.	1896.	1897.
Balance at close of fiscal year	$7,714.86	$11,001.15	Loan fund	$39,175.00	$41,000.00
Installments repaid	43,693.74	39,289.97	Petty-cash vouchers	1,164.80	1,653.04
Interest on loans	2,160.55	3,143.87	Salaries	3,942.01	3,578.84
Fees on mortgages	1,999.64	1,712.00	Stationery and printing	98.50	204.50
Interest on deposits	186.89	162.77	Messenger service	19.94	3.30
			Miscellaneous	354.28	200.00
			Total disbursements	44,754.53	46,639.68
			Balance	11,001.15	8,670.08
Total	55,755.68	55,309.76		55,755.68	55,309.76

Although the association has been doing business over four years, the reports of the work for 1896 and 1897 are alone available. These show that in 1896 693 loans for a sum total of $38,968 were made, and that in the year following the number of loans decreased to 598, while the amount loaned increased to $42,577. The average loan for 1897 was $71 against $56 for the preceding year. The decrease in the number of loans made is seen in the decrease in the amount received from fees on mortgages, and the increase in the amount loaned has increased the interest received from $2,160.55 in 1896 to $3,143.87 in 1897.

THE PROVIDENT LOAN SOCIETY OF NEW YORK.

A special act of the legislature incorporated the Provident Loan Society for the purpose of "aiding such persons as said society shall deem in need of pecuniary assistance by loans of money at interest upon a pledge or mortgage of personal property." No mention is made as to the amount of capital or as to the disposal of the surplus

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earnings of the company, leaving the subject entirely in the hands of the directors themselves. By it the company is made subject to the general corporation laws, and the management of its business is placed in the hands of its chosen directors, subject to the constitution and laws of the State. It is further provided that the rate of interest paid on borrowed money for corporate purposes shall not exceed the lawful rate, and that no member or trustee of the society is to receive any compensation for his services or any profit other than the lawful interest on money loaned the company, nor shall any member or trustee be personally liable for any debt incurred by the society. The remaining section gives the act immediate effect, and authorizes the company to act as a pawnbroker, subject to the laws of the State concerning pawnbroking, except that it is not required to obtain a license or file a bond.

The act of incorporation secured, the constitution was at once formulated and adopted. By its terms the membership of the society was limited to three classes of persons: Its corporators; such persons as the incorporators chose to associate with themselves at the time of their organization, and any person who thereafter became a holder of a certificate of contribution to the society of not less than $500, or who was elected a member by the vote or assent in writing of three-fourths of its board of trustees, or of all the members of its executive committee. With these the following persons were to be associated as ex officio members: The mayor of the city of New York, the comptroller of the city of New York, the president of the police department, the president of the department of charities, and the presidents of the following-named societies, viz, the Charity Organization Society of the City of New York, the Association for Improving the Condition of the Poor, the Society of St. Vincent de Paul, and the United Hebrew Charities.

The management of the business and affairs of the society is given to a board of trustees chosen by the members of the society out of their own number. The term of service is fixed at three years, one-third of the board retiring yearly, thus necessitating the annual election of five members. These new members are elected at the annual meeting of the society; but in recognition of the aid the Charity Organization Society rendered in its founding the election of one of the five is subject to the nomination of that society. The principal officers—the president, secretary, and treasurer—are usually chosen from the board of trustees, the president not being eligible for more than three successive terms. The board of trustees appoints such other officers as may be needed and elects an executive committee of six members, who, in connection with the president, secretary, and treasurer as ex-officio members of that committee, exercise all the powers of the board of trustees between the times of its meetings. The annual meeting of the society is held on the first Monday in February and the meetings of the board of trustees on the first Monday in February, April, and May.

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Funds for the corporate purposes of the society may be obtained from the following sources: First, gifts and bequests; second, contributions made on condition that the contributor shall receive a certificate for the amount given entitling the holder to such amount, not exceeding in any year the lawful interest on the sum contributed, as the trustees may determine to pay pro rata to certificate holders out of the earnings; third, loans at a rate of interest not exceeding in any year the lawful rate.

Finally, although the act of incorporation makes no stipulation as to the rate of interest to be charged, the constitution provides that it "shall not charge or receive any interest on loans made by it of a greater amount than one-half of the interest which pawnbrokers are now authorized to charge by law." Thus is the maximum interest fixed at 1½ per cent per month, the legal rate being 3 per cent per month. It does not seem probable, however, that the maximum will be charged, since, as will be seen later, the 1 per cent charged to date has met all the needs of the society.

Appreciating that the process of incorporation and the framing of the constitution was vastly inferior in importance to the practical organization of the business, the Provident Loan Society decided to spare no pains to ascertain the best method of practical organization. To this end Mr. James Speyer, the present treasurer of the society, visited the monts-de-piété of Paris, Frankfort on the Main, and other places in order to thoroughly acquaint himself with European methods of administration. After an extended study Mr. Speyer returned and took largely upon himself the organization of the business. While modeling his system of bookkeeping and other regulations upon those he had witnessed in operation in Europe, he effectually eliminated what Americans are wont to term the "red tape" of European administration, and has given the society a most comprehensive set of pawn books. Appreciating that the success or failure of the scheme depended largely upon the ability to steer clear of the pitfalls which a certain class of customers introduce, the society decided to employ a successful pawnbroker as superintendent and supply him with competent assistants. While such a policy meant a large increase in the running expenses, results have vindicated its wisdom. The superintendent being thoroughly acquainted with the value of articles usually offered in pawn and the tricks of those who would exploit the pawnbroker secures the society against unexpected losses, while the courteous and efficient service of the entire personnel does much to remove the opprobrium too often attending the business. At the same time all transactions with the public have been on a strictly business basis. No loan has been made except upon security believed to be adequate, while, with a few exceptions, its other business methods have been analogous to those adopted by the regular pawnbrokers. These exceptions naturally furnish a statement of the reforms the society has introduced, and are

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summed up as follows in its first annual report: "The charge for interest has been at the invariable rate of 1 per cent per month, or fraction of a month if over three days, instead of the legal pawnbrokers' rate of 2 or 3 per cent per month, according to the amount or duration of loan. The payment of the loans by installments has been invited and accepted. Notice of the sale of unredeemed pledges was mailed to every borrower whose address was known to the society and opportunity given to redeem at any time before actual sale, which would not take place from three to six months after the due date of the loan. No charge whatever was made for tickets, or for storing goods, for wrapping or hanging them up, or for incidental expenses, which in practice have been made by some pawnbrokers."

The capital of the Provident Loan Society on December 31, for the years 1895, 1896, and 1897, is shown in the following statement:

CAPITAL OF THE PROVIDENT LOAN SOCIETY, 1895 TO 1897.

Items.	1895.	1896.	1897.
Certificates of contribution	$100,000	$136,000	$200,000
Debenture bonds	100,000	136,000	200,000
Time loans	10,000	60,000	20,000
Call loans			10,000
Total	210,000	332,000	430,000

Although the society began business May 21, 1894, with a capital of not less than $100,000, yet this sum was found to be inadequate. By September 5 the whole amount had been loaned and the treasurer had been authorized to borrow $40,000 on the notes of the society, bearing 5 per cent interest, and maturing at the close of the year. The following December, for the purpose of funding these notes and providing additional resources, the society authorized the issue of 5 per cent debenture bonds to the aggregate amount of $100,000; but so rapid was the increase of the business that by the close of 1895, although all its bonds had been sold, it was necessary to secure a temporary loan of $10,000, making the total capital $210,000. The following year, in order to meet the growing demands upon the society, an endeavor was made to increase the contributed funds by $100,000; but, due to unfavorable financial conditions, the project was dropped. During the year, however, $36,000 was contributed, additional debenture bonds of like amount sold, and $60,000 borrowed from trust companies, thereby increasing the capital to the sum of $332,000. In 1897, the stringency of the times having partially passed, a second effort was made to increase the capital stock. In this no difficulty was experienced and $64,000 was added, raising the contributed capital to the sum of $200,000. This allowed a like increase of the debenture bonds, making it only necessary for the society to borrow $30,000 on time and call loans, the aggregate capital December 31, 1897, being $430,000.

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The number and amount of loans and average loan on articles pledged and redeemed at the Provident Loan Society for the years 1894 to 1897 are shown in the table following:

NUMBER AND AMOUNT OF LOANS AND AVERAGE LOAN ON ARTICLES PLEDGED AND REDEEMED, PROVIDENT LOAN SOCIETY, 1894 TO 1897.

Year.	Articles pledged.			Articles redeemed.		
	Number.	Amount loaned.	Average loan.	Number.	Amount loaned.	Average loan.
1894	14,234	$229,155.50	$16.10	5,575	$84,174.50	$15.10
1895	20,804	377,845.00	18.16	18,214	322,596.50	17.71
1896	28,218	560,403.50	19.86	22,616	427,522.00	18.90
1897	36,772	764,926.50	20.80	33,283	689,975.50	20.73
Total	100,028	1,932,330.50	19.32	79,688	1,524,268.50	19.13

Little comment is required to explain the above figures. The most striking feature is the marked increase of the business, made possible by liberal subscriptions to the stock. It is seen that the amount loaned in 1897 was more than double the amount in 1895; yet it would be incorrect to assume this as necessarily indicative of success. Not the amount loaned, but the amount redeemed is the true standard. If, however, we turn to the redemptions we find they have increased in like ratio, which indicates that the capital is being constantly turned, and so productive.

A point of interest to one familiar with the pawn business is the average value of the pledges. In this instance, however, the interest is not so much in using this average as a basis of estimate as a basis of comparison. One is surprised to find the average loan to be some four or five times the amount loaned in France or Germany and three times the sum usually loaned in America. But once acquainted with the actual work of the society one readily perceives the cause of the difference. In the first place, because of the lack of storing facilities, the society receives little if any clothing in pawn. For the same reason furniture and very bulky commodities are refused, leaving articles alone eligible which have a high value relative to the space they occupy, as watches, rings, and all kinds of jewelry or plate. Of like importance is the fact that occupying, as the society does, quarters quite similar to those of a bank, and being under the patronage of well-known men, it receives in pledge the property of a well-to-do class of citizens, who, because of prejudice or otherwise, would not place their valuables in the hands of the regular pawnbrokers. To this class of patrons was due 860 loans of $100 or over made in 1897. Loans of this character are in such marked contrast to those of 10 or 25 cents so often advanced by pawnbrokers on articles of apparel that the high average value seems a logical consequence. A point more difficult to explain is the constant increase in the average value of the pledges. From $16.10 in 1894 the figure has risen to $20.80 in 1897. One of two things must have happened, either the appraisers grant a larger loan on the same article than formerly, or a better class of

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pledges is being received. The latter is probably the case. With the development of the society it has gained the respect of a class who, formerly considering it a regular pawn shop, would have no dealings with it, but who since have trusted their valuables to its keeping.

Pledges unredeemed at the expiration of the loan period, usually three months, are subject to sale at public auction, but as a rule, in order that the owner may have the greatest possible opportunity to redeem his property, the article pledged is not sold for from three to six months after the expiration of the loan. When, however, the sale is actually determined upon, besides its advertisement in the city papers, the owner of each unredeemed pledge is notified by letter that unless redeemed prior to a certain date his pawn will be sold at public auction. As previously mentioned, this letter of notification is one of the reforms introduced by the Provident Loan Society, which experience seems to have justified. The loss saved the society by the large number of pledges redeemed, just prior to or during the sale, more than compensates it for the expense incurred. The result is that the percentage of the goods sold at auction in 1897 of the total amount loaned was only 1.64, while the corresponding per cents for 1895 and 1896 were 2.47 and 2.04, respectively. This favorable showing, however, is not alone due to the extended time of payment and the letters of notification, but also to the ability of a large class of its clients to readily meet their obligations, and the opportunity given its poorer patrons to repay an advance by installments of not less than $1. In the table following the auction sales of jewelry and clothing made by the Provident Loan Society for the years 1895 to 1897 are shown:

FINANCIAL RESULTS OF AUCTION SALES OF PLEDGES, PROVIDENT LOAN SOCIETY, 1895 TO 1897.

PLEDGES OF JEWELRY SOLD AT AUCTION.

Year.	Number.	Amount loaned.	Interest.	Commission and expenses of sale.	Total amount due society.	Gross amount realized by sale.	Pledges giving surplus.		Pledges giving loss.	
							Number.	Surplus.	Number.	Loss.
1895.....	305	$2,850.00	$497.03	$655.57	$4,002.60	$4,372.45	182	$698.26	123	$328.41
1896.....	658	7,017.50	1,297.32	1,436.38	9,751.20	9,583.30	269	1,007.85	389	1,175.75
1897.....	512	7,747.00	1,379.60	1,575.10	10,701.70	10,497.16	234	818.75	267	1,023.29
Total..	1,475	17,614.50	3,173.95	3,667.05	24,455.50	24,452.91	685	2,524.86	779	2,527.45

PLEDGES OF CLOTHING SOLD AT AUCTION.

1896.....	183	356.50	85.36	58.21	500.07	391.49	37	29.79	146	138.37
Grand total.	1,658	17,971,00	3,259.31	3,725.26	24,955.57	24,844.40	722	2,554.65	925	2,665.82

If the increased business and payments of interest are indicative of the forethought and business sagacity of the organizers of the society, the result of the auction sales indicates the efficiency of the personnel. All appraisement of pledges must be made on the supposition that the articles will ultimately come to sale. The task is an especially difficult

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one. Where clothing is received the probability of a change of fashion a year hence must be considered, while in case jewelry alone is accepted financial depression or other unfavorable conditions may hinder sales. Aside from these considerations the appraisers must be careful not to advance the sum the pawn will bring at auction, but an amount which together with interest and 15 per cent on the auction price as commission and expenses of sale will equal the sum realized. For instance, the perfect appraiser would not have advanced $17,971 on the 1,658 articles sold, but some $111 less, in order that the sum advanced, interest, and charges together would have equaled the gross amount realized at auction, $24,844.40.

While the showing in the table bespeaks the ability of the appraisers, other sources have contributed to the result. At least one or more days prior to sale, all articles intended for auction are placed on exhibition that any one contemplating purchase may have an opportunity to examine them at their leisure. A catalogue, giving the description and number of each article, as well as the weight of the gold, silver, and plate, is placed at the disposal of the visitor that he may the better find and make note of any lot he may wish to bid upon. At the time of the sale all articles are sold to the highest bidder, who is required to make a deposit of 25 per cent of the purchase price, but to prevent inaccuracy in delivery and general inconvenience, no purchase can be removed during the time of the sale. If, however, after making the deposit the purchaser fails to call for the article within two days he forfeits his deposit and the article is again sold, either at public or private sale, any deficiency attending such resale to be made good by the defaulter. A reference to the table will show how far these efforts have been successful. Comparing the total amount due the society on the articles of jewelry sold with the gross amount realized at sale, it is seen that a loss of only $2.59 has been incurred, a result that would be extremely difficult to duplicate. But with the articles of clothing the appraiser has been less successful, and the loss incurred by their sale increases the total difference to $111.17. But this sum of $111.17 does not represent the actual loss of the society, as the entire sum realized is not at its disposal. As previously mentioned, any surplus arising from the sale of a pawn is held subject to the demand of the owner, while a loss is not borne by the owner but by the society. To what extent the society is liable to suffer and its patrons be benefited by the rule is shown by the remaining columns of the table. It is seen that 722 pawns have produced an aggregate surplus of $2,554.65, which is held subject to the demands of the owners, while 925 pawns have incurred an aggregate loss of $2,665.82. From this it would appear that the society has been a loser to the full amount of the loss account, but such is not the case. The surplus mentioned, while conscientiously held subject to the demands of the rightful claimants, is not always demanded. Many persons leave the city before the sale of their pledges, while others are negligent, or

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believing that no surplus will be realized never call for their money, consequently the society has the use of their funds. Indeed, of the $2,554.65 surplus but $504.98 had been claimed prior to December 31, 1897, leaving $2,049.67 as a part of the funds of the institution. While it is true that a considerable portion of this amount will be claimed, it is also true that a large part of it will remain unclaimed. To say that $500 more will be called for is a high estimate. However, to ascertain the total loss the society has sustained, we must consider $505.30 for the settlement on stolen goods and $76.46 for other losses.

From a financial standpoint the results obtained have so far exceeded the expectations of its founders. At the time of its organization, Mr. Speyer expressed the belief that the society would possibly make expenses, but that contributors need not expect any return on the funds contributed. The result, however, has been quite the contrary, for at the close of 1895, besides paying all expenses and interest on borrowed funds, the society was able to pay a 6 per cent dividend on the contributed capital, and have on hand a surplus of $4,309.94, which was used to start a reserve fund. The following year all expenses were again met, a 6 per cent dividend declared, and the reserve fund increased to $10,696.03; and in the year just closed (1897), the usual dividend has been paid and the reserve fund increased to $25,680.

Aside from the financial results, the members of the society have been gratified to note the effect their competition has had on the rates of other brokers. Several of the brokers in the city have found it necessary to reduce their rates of interest, or by loaning a more liberal amount than heretofore, have sought to hold their custom. Further, its success has induced the people of Buffalo to follow its example, and has also led citizens of Brooklyn, Chicago, and Detroit to seriously consider the feasibility of such an institution. Finally, their uniform success has determined the society to open a branch office in the East Side tenement district of the city, and already excellent accommodations have been secured on the ground floor of the University Settlement building, now in process of erection. This step was decided upon early in the spring of 1896, but because of the inability of the University Settlement to secure funds to complete its building, and the society to secure a capital more than sufficient for the work of the main office, the plan was held in abeyance. Now, however, sufficient capital has been subscribed, and a branch office, which will advance money on all sorts of pledges, will be opened in the heart of the tenement district of the city.

THE PROVIDENT LOAN COMPANY OF BUFFALO.

The evils of the chattel-mortgage business in Buffalo reached their height under the so-called "negotiated loans." Persons not wishing to assume direct responsibility for the rates of interest they charged gave out that they were simply empowered by an unknown principal to negotiate loans. Under this cloak they charged from 10 to 15 per

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cent per month, with an extra charge of $5 to cover expenses incurred in making the loan. The disastrous effects that naturally followed such terms, coupled with the obnoxious methods pursued by the "negotiators" and the agitation aroused throughout the State by the passage of the law of 1895, led to the formation of the Provident Loan Company.

As others of its class, it positively disclaims the character of a charitable society, and contends that it is a purely business corporation, seeking to do a legitimate business in the class of small loans, with as much economy of management and as small charges to the borrowers, consistent with safety, as will insure moderate dividends on its capital, never to exceed 6 per cent per annum.

The business of the society is managed by a board of directors consisting of eleven members, each of whom must be a stockholder of the company, owning at least five shares of stock, and a resident of the State of New York. Directors are elected for three years, four retiring the first and second years and three the third. If any director ceases to be a resident of the State, or a bona fide owner of five shares of stock, his office is considered vacant and may alone be filled by a vote of a majority of the remaining members. Regular meetings of the board occur every two months; but special meetings may be called by the president or by any three directors upon one hour's personal notice or one day's notice by mail.

The officers of the company are president, vice-president, secretary, treasurer, and manager, the duties of each being such as usually fall to like officers, those of the manager being by far the most extensive. To him is given the work of passing upon applications for loans, examining property, and preparing mortgages and other securities. He must keep complete books showing in detail each transaction of the company of which he has charge, and make monthly reports to the treasurer. In his custody are all mortgages, securities, and papers of the property which has been pledged or mortgaged to the company. He may draw checks on the company's funds for loans, but no check may exceed $200.

The company began business September 9, 1895, with a subscribed capital of $20,000. During the remainder of the year calls were made for additional sums as the business required, and before its close other subscriptions were obtained and paid in which raised the capital stock to $24,750. Since this time the amount has been increased until at present the company has a capital of $50,000, but up to date only $32,000 of this has been issued.

The method of doing business follows closely that of the Workingmen's Loan Association of Boston. An applicant for a loan is required to fill out an application blank (similar to the one previously described) and make a deposit of $1 to cover the expense of investigation and appraisement. This sum is not returned if the loan is refused, and if made, an additional sum of $2 is required to pay for registering the mort-

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gage and incidental expenses connected therewith. Loans are restricted to chattel mortgages on furniture in use, and applicants wishing to secure loans on horses, carriages, books, pictures, merchandise, store, shop, and office furniture, and machinery are refused. As a rule, not over two-thirds of the auction value of the security is advanced, nor is it expected that this sum shall exceed $200 or be less than $25. All loans are paid in monthly installments of at least 5 per cent of the original loan plus interest for a month in advance upon amount remaining unpaid. For the present the interest rate is fixed at 3 per cent for the first month and 2 per cent for each following month; but it is the intention of the company, as soon as the business will permit it, to reduce the rate of interest to 1 per cent per month on all loans.

Following is a statement of the loan account of the Provident Loan Company from September, 1895, to June, 1898:

STATEMENT OF THE LOAN ACCOUNT OF THE PROVIDENT LOAN COMPANY, SEPTEMBER, 1895, TO JUNE, 1898.

Month.	Amount loaned.	Principal received.	Loans outstanding.	Earnings.	Expenses.
1895.					
September	$4,123.00	$15.00	$4,108.00	$330.69	$194.25
October	4,438.10	472.50	8,073.60	450.69	772.43
November	3,745.00	580.68	11,237.92	450.87	61.24
December	3,923.00	805.68	14,355.24	539.04	573.68
Total (4 months)	16,229.10	1,873.86	.....	1,771.29	1,601.60
1896.					
January	3,580.00	962.68	16,972.56	588.53	337.57
February	2,890.00	1,023.77	18,838.79	545.37	344.33
March	3,045.00	1,453.31	20,430.48	599.75	403.93
April	2,815.00	1,499.33	21,746.15	571.50	334.34
May	3,230.00	1,960.27	23,015.88	625.13	339.37
June	2,740.00	2,106.07	23,649.81	649.45	376.05
July	2,840.00	1,990.11	24,499.70	691.31	402.49
August	2,960.00	2,026.68	25,346.77	662.24	335.07
September	3,330.00	2,316.08	26,341.29	706.66	373.93
October	3,830.00	2,624.21	27,498.08	782.86	399.72
November	3,000.00	2,598.95	27,899.13	679.33	341.27
December	2,835.00	2,633.88	28,100.25	726.83	399.55
Total	37,095.00	23,195.34	.....	7,828.96	4,387.62
1897.					
January	3,880.00	2,717.41	29,262.84	801.31	409.14
February	3,105.00	2,962.05	29,405.79	728.49	443.33
March	3,075.00	3,241.51	29,239.28	803.92	457.38
April	3,218.00	3,177.67	29,279.61	775.96	411.95
May	3,635.00	3,105.36	29,809.25	734.45	425.23
June	3,050.00	2,886.50	29,972.75	784.89	425.45
July	2,795.00	2,960.26	29,807.49	749.58	410.60
August	3,033.00	2,845.40	29,995.09	753.47	556.99
September	2,774.00	3,149.11	29,395.99	751.66	439.31
October	3,250.00	3,085.88	29,560.11	762.91	476.48
November	2,925.00	3,010.73	29,474.38	767.60	402.02
December	4,560.00	3,541.97	30,492.41	833.16	405.25
Total	39,300.00	36,683.85	.....	9,247.40	5,263.13
1898.					
January	3,635.00	3,076.64	31,050.77	818.70	486.13
February	2,840.00	2,933.09	30,957.68	728.83	456.58
March	4,610.00	4,043.54	31,524.14	906.30	504.38
April	3,335.00	3,090.84	31,768.30	757.81	1,099.27
May	5,441.50	3,303.84	33,905.96	770.90	729.61
June	3,953.00	3,115.26	34,743.70	802.20	475.40
Total (6 months)	23,814.50	19,563.21	.....	4,784.74	3,751.37
Grand total	116,438.60	81,316.26	.....	23,632.39	15,003.72

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Aside from the fact that the company has loaned $116,438 in the two years and ten months for which data are given and can show a net profit of $8,628.67, its chief pride is in the fact that with the aid of the law of 1895 it has been able to drive the "negotiated loan" out existence. Within recent months, however, a new competitor has of arisen. Three or four companies have been formed which loan money at the same rate as the Provident, save that payment by installment is not taken, thus requiring the borrower to pay interest on the full amount of his loan until canceled. It remains to be seen whether these newly formed companies will be able to compete with the Provident. A natural supposition is that they, too, must in time loan as it does or withdraw from the field.

From the first the company has intended to loan upon pledge of personal property, but not until May 1, 1898, did it actually receive pledges. It refuses to take articles in pledge other than jewelry. The rate of interest or charges is 2 per cent per month, or a fraction thereof, instead of 10 per cent, as is usually charged by the regular brokers. Loans are made for three months instead of one, and may be paid by installments in sums of not less than $1 plus the interest. At this date no statement as to the possible outcome of the undertaking may be made.

LAW OF NEW YORK AS TO THE FORMATION OF CHATTEL-MORTGAGE COMPANIES.

The agitation which resulted in the establishment of the Provident Loan Society of New York, supplemented by the constant friction which the immoderate rates of interest charged by chattel-mortgage companies aroused, led to a sort of crusade against the pawnbrokers and mortgage companies. The newspapers exposed their methods and quoted their rates of interest, while the Provident Loan of New York and the Workingmen's Loan of Boston, with their constantly increasing dividends, demonstrated the feasibility of charging a moderate rate of interest on mortgaged or pledged goods. To men interested in philanthropic matters the results shown by these organizations were sufficient to induce them to apply to the general assembly for the passage of a special law legalizing the formation of companies or associations such as the above. To this end they secured in 1895 the passage of a bill entitled "An act to provide for the incorporation of associations for loaning money on personal property and to forbid certain loans of money, property, or credit," which act, amended in the same year, finds present application.

As to the incorporation of such associations the act provides that "in any county of this State having a population of more than 300,000 inhabitants, according to the latest enumeration taken by the State, any three or more persons may organize and become a corporation for the purpose of aiding such persons as shall be deemed in need of pecuniary assistance, by loans of money at interest, not exceed-

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ing $200 to any one person, upon a pledge or mortgage of personal property, by making, signing, acknowledging, and filing a certificate in the form prescribed by the business corporation law, and by filing a bond in an amount equal to one-tenth of its capital stock, but not less than the sum of $5,000, with the superintendent of the banking department, with sufficient sureties, to be approved by him, for the faithful observance of all general provisions of law regulating business corporations within the State of New York and the provisions of this act; and thereupon the persons who shall have signed the said certificate, and their associates and successors, shall be a corporation of the name stated in said certificate."

If the above bond is not refiled in January of each year, the association must cease to do business within thirty days thereafter, and proceedings for a dissolution instituted. Also at the time of the filing of the bond a report for the previous calendar year must be made to the superintendent of the banking department, giving such information as he shall desire. Further, that the usual adherence may be had to all the provisions of the act, it is provided that "if any such corporation shall knowingly violate any of the provisions or restrictions of this act, the said bond shall be forfeited and shall be collected by suit by the superintendent of the banking department, in the name of the people of the State, which suit shall be conducted by the attorney-general; and a reward of $250 shall be paid by the State to the person first giving information and furnishing legal proof of such violation."

Corporations so formed are given all the general powers of a business corporation. They may act as pawnbrokers within the county for which they are chartered, subject to and entitled to all the provisions and benefits of the laws of the State and of all the ordinances of the city in which they are located, except that they shall not be required to obtain a license or file a bond other than the one previously mentioned. Any such corporation may lend to such persons within the county as shall be deemed in need of pecuniary assistance, and may take as security for the payment of any such loan either a pledge or a mortgage of any personal property without the actual delivery to it of the property pledged or mortgaged, together with other lawful securities. On all loans made upon articles pledged or mortgaged, but not actually delivered, it may charge interest or discount at a rate not exceeding 3 per cent per month for a period of two months or less, and not exceeding 2 per cent per month for any period after the expiration of two months, and also a sum not exceeding $3 for the first examination of the property to be pledged or mortgaged and for drawing and filing the necessary papers; but no loan whatever shall be greater than $200, nor shall anyone owe the corporation more than $200 for principal at any one time.

No such corporation is allowed to pay in any year a dividend of more than 10 per cent on its capital stock, and after a surplus equal to 50 per cent of its capital has been accumulated the superintendent of the

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banking department, upon ascertaining that the corporation has during the previous year made a net profit amounting to more than 10 per cent on its capital, is authorized to issue an order reducing the rates of interest, discount, and charges which the corporation may legally charge and receive upon loans to such sums as will in his judgment produce a net return of 10 per cent on its capital stock. Such an order shall take effect at such time, not less than four months after it is made, as the order shall name, and shall be of force for one year from that date, unless sooner revoked.

Aside from the constructive portion, the act contains an important prohibitory clause which gives a corporation or organization loaning on the foregoing plan a sort of monoply. From the statement previously made as to charges it will be seen that aside from the $3 fee an interest charge of 2 per cent per month is legalized. Section five of the act, however, provides that "in any such county no person or corporation, other than corporations organized pursuant to this act, shall, directly or indirectly, charge or receive any interest, discount, or consideration greater than at the rate of 6 per cent per annum upon the loan, use, or forbearance of money, goods, or things in action less than $200 in amount or value, or upon the loan, use, or sale of personal credit in anywise, where there is taken for such loan, use, or sale of personal credit any security upon any household furniture, apparatus or appliances, sewing machine, plate or silverware in actual use, tools or implements of trade, wearing apparel, or jewelry." This provision is further made to apply to "any person who, as security for any such loan, use, or forbearance of money, or for any such loan, use, or sale of personal credit as aforesaid, makes a pretended purchase of property from any person and permits the owner or pledgor to retain the possession thereof, or who, by any device or pretense of charging for his services or otherwise, seeks to obtain a larger compensation in any case hereinbefore provided for."

It will be seen that this prohibitory clause does not hinder the formation of associations which may compete with one another, but it does, however, make it a misdemeanor for associations not organized in pursuance of the above law to charge more than the rate above mentioned, the idea being to hinder the use of this semiphilanthropic cloak to conceal exactions, which the present law attempts to render impossible.

The foregoing provisions of section five do not apply to licensed pawnbrokers, making loans upon the actual and permanent deposit of personal property as security; nor do they affect in any way the validity or legality of any loan of money or credit exceeding $200 in amount.

THE WORCESTER COLLATERAL LOAN ASSOCIATION.

The Worcester Collateral Loan Association of Worcester, Mass., was created by act of the Massachusetts legislature and approved by the executive April 17, 1896. The act of incorporation was accepted and

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organization effected June 22, and business commenced November 21 of the same year. Its object is threefold: To alleviate the distress of the self-supporting poor who are oppressed by usurious rates of interest; to enable people of smaller means to borrow the necessary money on reasonable terms, and to accomplish this end by means of a self-supporting and reasonably profitable business enterprise.

The general plan of conducting the business is similar to that pursued by like organizations already described, save for the variations in charges. On loans amounting to $25 the association requires the payment of $2 in advance; from $25 to $100, $3; from $100 to $200, $4; above $200, $5. All loans made are payable in monthly installments of at least 5 per cent of the principal, together with accrued interest at 1½ per cent per month on the part of the loan remaining unpaid.

In the actual work the association has realized the gratifying results which have been the lot of similar organizations. From November 21, 1896, to April 1, 1898, a period of less than eighteen months, it has loaned $48,508.68 on 739 loans, $1,767.33 of which has been repaid. Starting with a capital of $10,000 it was found necessary the following May to double that amount. A year later $10,000 more was required, and in October following $15,000 was added, making a total capital of $45,000. At the end of the first four months the association was able to pay all expenses and declare a dividend of 4 per cent on its capital. Since that time two dividends of $600 each have been declared, and May 1, 1898, a surplus of $2,047.48 remained on hand, of which $470 was carried over from 1897. This makes an earned surplus of $1,577.48 for the past year.

As has been the experience of several similar institutions, the association has drawn much of its business from those who advertise to "negotiate loans," and has been the means of modifying the high rates of interest charged in many other cases. The field for loaning money to people of small but independent means has been a matter of surprise to the officers of the association, in that it is larger than was expected. They find that a large number of their loans have been made to persons "who do not have the kind of securities required by the banks, but who would not ordinarily borrow from money brokers." It is in this field, as well as the one formerly occupied by the "negotiated loan" men, that the association hopes to prove a benefit to the city of Worcester.

THE CHATTEL LOAN ASSOCIATION OF BALTIMORE.

One of the most recently established chattel loan companies, which expects ultimately to do a regular pawn business, is the Chattel Loan Association of Baltimore, founded to combat the same evil that led to the formation of all kindred organizations. The association began operations May 12, 1898, with a capital of $30,000, fully subscribed, $15,000 of which has already been called in. Up to August 1, 1898, or during the first 67 days the association was doing business, it had

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received applications for $7,884.80, and upon these it had granted 93 loans, aggregating $6,245.80, of which $5,698.45 was outstanding at that date.

Its method of doing business varies but little from that followed by similar institutions already described, the chief difference being in its application blanks and charges. In the Chattel Loan Association the application blank assumes more the form of a contract than in the other associations. In addition to the questions mentioned in the application blank of the Workingmen's Loan Association the applicant is asked from whom he acquired his property; if acquired by the installment plan, whether all the property belongs to him, and if not, what portion of it does. Besides this he is to fill out and sign the following blank:

I hereby make application for a loan of $—— for a period of ——— months, in accordance with the rules and by-laws of this association, and agree to pay in advance at the office of the association the sum of $—— for expenses and preliminary examination of security offered; and should said loan be made I further agree to pay in advance to the said association the further sum of $—— for expenses of search of records and recording, etc., of the mortgage to be given; and I further agree to pay to the said association, for the use of the said principal sum of $——, if loaned, interest at the rate of 6 per cent per annum for said period of —— months and until paid, said interest to be paid ———. I hereby agree to repay said principal sum of $——, if loan is made, in equal ——— payments of $—— on —— day of each ——— until said principal sum of $—— is repaid in full ———; and I offer as security therefor the following property: ———.

In the way of charges $1 is usually required at the time of the application, and if the loan is granted $4 additional, making a total charge of $5, the price usually charged by the original chattel mortgage companies. But this charge of $5, instead of $2.50 or $3 as is the case in other institutions, is offset by the fact that the association charges but 6 per cent per annum, the lowest rate charged by any chattel mortgage company of which we have cognizance. As a rule no loans for more than $200 or less than $25 will be made. At present, however, due to the abundance of capital which the company has on hand, and the ease with which it can secure additional funds, an advance of over $200 is made.

In making a loan care is taken not to advance more than three-fourths of the appraised value of the security, and that the appraiser may be truly impartial he is never informed of the amount desired by the applicant. Yet little difficulty is met in this line, for so far the experience of the company has been that the amount applied for is ever clearly within the limit. All loans are paid on the installment plan, the amount of the installment being ascertained by dividing the loan by the number of months for which it is made instead of fixing that 4 or 5 per cent be paid, as is the case in other companies.

It is interesting to note the source of the loans which the company has made up to date. Of the 93 contracted some 40 were taken out of the hands of the chattel mortgage men, who were charging from

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66⅔ to 120 per cent per annum. Another line of business which the association has almost entirely usurped is that of making deposits for the street-car conductors of the city. Each conductor in Baltimore is required to deposit with the company $50 in cash as security. As many of these men did not have such an amount of money on hand they were obliged to call on the above companies, who charged them 50 cents per week interest on the money needed for such deposit. Condemning this exorbitant charge on a loan which was absolutely safe, the Chattel Loan Association fixed the rate at $8 per annum in advance, or about 16 cents per week. As a result several companies that made a specialty of such loans have been forced out of business.

THE WORKINGMEN'S LOAN ASSOCIATION OF PROVIDENCE, R. I.

Prior to 1898 no agency existed in Providence which would advance money on chattel mortgage of furniture at a lower rate than 3 per cent per month, while in many instances 12 per cent per month was asked and received. In 1895 these exorbitant rates attracted the attention of several philanthropic men, who took steps to establish an association similar to the St. Bartholomew's Loan Association of New York or the Workingmen's Loan Association of Boston. But unfortunately the charter they secured required them to obtain a capital of $50,000, which they were unable to raise. For this reason the matter was dropped until the latter part of 1897, when Mr. Spencer, impressed by the fact that excessive rates of interest were being paid on $83,000 worth of mortgages against furniture alone, again took up the matter. By a personal canvass he raised $25,000, and later was successful in securing a new charter permitting the formation of an association on this basis, and on January 28, 1898, the Workingmen's Loan Association of Providence began business.

Its method of doing business follows closely that of the Workingmen's Loan of Boston, its blanks in several instances being copies of those in use by that association, such changes as are made arising from the difference between the laws of Rhode Island and those of Massachusetts. Loans are made for an indefinite period on mortgage of furniture. If, however, the furniture is not of sufficient value to secure the loan desired, a team is at times taken in addition thereto, but loans are never made upon the latter security alone. The interest charged is 2 per cent per month, and each month the borrower pays an installment of at least 3 per cent of the principal and the accrued interest on the part of the principal remaining unpaid. Primarily the association intended to charge but 1 per cent per month, but due to the smallness of its capital it was found necessary to make the rate 2 per cent. It is, however, expected that this rate will shortly be reduced to 1 or 1½ per cent per month. The charge for making a loan varies from $2 to $3. Foreclosures in all instances are a matter of judgment. If the installment is due and the debtor does not meet the payment,

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the usual notices are sent him, which failing, a personal visit is paid. Up to date, however, the company has not been called upon to make a foreclosure.

The work of the association so far has been very satisfactory. At first it was usual to have as high as twenty applications awaiting the action of the society, but at present, as the demand has been in part met, the number has lowered to some three or four per day. At the end of the first five months of business, 205 loans were outstanding, on which the sum of $15,000 had been loaned, $2,000 of which had already been repaid. The greater part of the business has consisted in the taking up of loans made by other chattel-mortgage firms, upon which from 5 to 10 per cent per month, and in one case 16 per cent. was charged.

HEBREW FREE LOAN ASSOCIATION OF NEW YORK.

An association holding an unique position is the Hebrew Gemilath Chassodim Association, or to give it a more readily comprehended title, the Hebrew Free Loan Association. Its aim, as stated in an annual address of the president, "is to loan to any responsible person when in need a certain sum of money as the by-laws of the association provide, upon a note with the indorsement of a responsible party, without charging any interest or expense, and the debtor may pay off his debt in weekly payments." Within the view of its president, Rev. Zinsler, the association is not a charitable one. "We do not give away," he exclaims, "but we loan away, and request our money in return." In a similar vein the preamble of the constitution states "that in considering the ways and means by which to reduce pauperism and beggary, to encourage the idea of self-support among the poor, and to prevent them sinking into pauperism and becoming a charge upon the community, it has been found advisable to organize an association whose object shall be to loan to those in need certain sums of money, and thus assist respectable people, whose character and self-respect abhor the thought of receiving alms to overcome the difficulties of their struggle for existence."

The management and administration of the society are vested in a board of directors, thirty-six in number, elected annually upon the nomination of a committee of eight members appointed by the president, acting in conjunction with such members of the board as are candidates for reelection. The only disqualification for office is that no one whose father, son, son-in-law, brother, or brother-in-law is holding the office of president, vice-president, treasurer, financial secretary, or corresponding secretary can be elected to any one of these offices for the same term his relative serves. The work of the board is to a great extent advisory, the direction of the association being left largely in the hands of the president, who, by the constitution, is required to execute every law; to sign all warrants on the treasurer; to take charge of the official seal, drafts, and bank books, and all valuable papers

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of the society; to call all special meetings; to appoint all its salaried officers, and to sign all formal documents. In the appointment of the salaried officers, however, such as the financial and corresponding secretaries, as also the fixing of their salaries, the action of the board is required.

The income and expenditures of the Hebrew Free Loan Association for the years 1892 to 1898 are shown in the following table:

INCOME AND EXPENDITURES OF THE HEBREW FREE LOAN ASSOCIATION, 1892 TO 1898.

Income.	1892.	1893.	1894.	1895.	1896.	1897.	1898.	Total.
Membership dues	$920.40	$1,029.30	$957.21	$871.75	$969.55	$2,244.32	*a* $2,084.77	$9,077.30
Donations	288.53	493.28	177.15	90.39	1,857.80	11,482.27	*a* 174.55	14,563.97
Synagogues	59.51	69.56	75.17	60.33	50.07	.....	.....	314.64
Worship service	.....	183.30	.....	.....	.....	.....	.....	183.30
Theaters	.....	.....	220.99	202.86	.....	.....	.....	423.85
Picnics	214.65	124.12	7.00	.....	.....	.....	.....	345.77
Balls	.....	.....	.....	.....	83.21	.....	.....	83.21
Returned rent	.....	.....	.....	49.60	12.00	.....	.....	61.60
Interest from bank	.....	.....	.....	.....	.....	.....	*a* 103.90	103.90
Miscellaneous	.....	.....	.....	.....	.....	.....	*a* 75.00	75.00
Total	1,483.09	1,899.56	1,437.52	1,274.93	2,972.63	13,726.59	*a* 2,438.22	25,232.54

Expenditures.	1892.	1893.	1894.	1895.	1896.	1897.	1898.	Total.
Stationery	$21.23	$11.49	$11.48	$7.21	$8.37	$18.76	*a* $13.18	$91.72
Postage	26.98	39.00	49.35	29.70	34.70	90.76	*a* 67.50	337.99
Printing	52.90	19.10	35.05	11.45	32.50	112.75	*a* 184.55	448.30
Rent	53.50	62.00	114.00	152.00	164.00	196.00	*a* 121.50	863.00
Collector	158.19	216.48	179.20	174.79	199.26	314.98	*a* 252.36	1,495.26
Financial secretary	240.00	321.00	424.00	416.00	444.30	587.70	*a* 312.00	2,745.00
Recording secretary	30.00	35.00	40.00	40.00	40.00	52.50	*a* 32.50	270.00
Paraphernalia	4.80	12.50	54.40	5.50	36.41	.....	.....	113.61
Miscellaneous	3.20	2.80	1.91	4.00	9.05	87.67	*a* 47.31	155.94
Legal expense	.....	.....	25.00	20.00	5.00	11.50	.....	61.50
Office expenditures	.....	.....	.....	7.16	51.53	85.49	.....	144.18
Charity	38.07	.....	.....	.....	.....	.....	.....	38.07
Assistant secretary	.....	.....	.....	.....	.....	59.67	*a* 160.50	220.17
Total	628.87	719.37	934.39	867.81	1,025.12	1,617.78	*a* 1,191.40	6,984.74

a First six months of year.

The larger part of the income used in the work of the association is derived from donations and membership fees. To secure as large a sum as possible from the latter source a somewhat elaborate system has been devised. According to the plan, the members proper are divided into three classes, namely, those paying $10, $5, and $3, respectively, per annum. Aside from these regular members, there are so-called patrons, those who pay $25 per annum; life members, those who have contributed $100 to the funds of the society; founders, those who have donated the society the sum of $2,000; and, lastly, members after whom funds are to be named, or those who bequeath the society the sum of $5,000 or more. The additional methods used to swell its funds will be seen by reference to the income account in the table. Church collections have produced $497.94, picnics have netted the association $345.77, a ball given in 1896 added $83.21 to the funds, while other small sums have been received in the annual course of the business.

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To secure a loan the applicant is required to fill out an application blank, giving his name, address, occupation, and place of birth, the amount of money desired, and name as references two men whom he thinks will indorse his note. Upon returning the blank he is given a card bearing a number by which his application is to be designated and by which he shall be known. The object of calling an applicant by number, instead of by his proper name, is to avoid the embarrassment it is judged one might feel in being called by name when the office is filled with strangers.

As soon as the application is filed the secretary corresponds with the men suggested as indorsers to ascertain if they are willing to sign the applicant's note. If their answers are satisfactory, and the indorsers meet the requirements of the society, the number of the applicant's application is placed on a blackboard under the head of accepted loans, and upon his return and presentation of his number the note is made out, and when indorsed by a financially responsible business man if the amount is $25 or less, and by two such if a sum above that amount, the money is advanced. The amount that may be loaned to a single person is dependent upon the capital stock of the association, the constitution providing that sums of from $5 to $10 only may be advanced until the stock exceeds $5,000, when the board of directors shall have power to put aside 5 per cent of the capital for larger loans, but no more than $25 shall be loaned to one person until the funds of the society exceed the sum of $10,000.

A loan once made is in all cases to be repaid in weekly installments of 10 per cent of the amount, but no interest or expense is charged to either borrower or indorser on any loan granted by the society, except such legal expense as is incurred in its collection on the failure of the maker or indorser to pay the same. If three weekly installments remain unpaid, a notice is sent to the debtor as well as to the indorser. If this does not elicit a satisfactory answer, a grace of two weeks is granted, after the expiration of which legal proceedings are instituted to collect the note, the only exception to this rule being that a member of the society in good standing having indorsed a note whose payment is neglected by the debtor is given a time limit within which to pay the amount due.

The utmost care is taken in accepting indorsers, who must in all cases be sanctioned by the "investigator," and no one having indorsed a note is permitted to make a second indorsement until the first has been fully paid. In point of fact, less inquiry is made as to the character and ability of the borrower than that of the indorser. It is taken for granted that if the would-be borrower can furnish an acceptable indorser his loan should be allowed, the object being to save the society the expense of making a second investigation. It would seem that this would cause a large number of indorsers to pay the loans, but such a result has not been experienced. Up to date not over one-half of 1 per cent of the indorsers have been required to pay, and of these several are

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being repaid by the debtors in installments smaller than the rules of the association will permit it to accept. The fact that the society has given the borrower better terms than he could get elsewhere seems to appeal to his better instincts. At the same time his desire to meet his payments promptly is further heightened by the fact that the rules of the association will not permit the granting of a second loan to the same debtor until the number of weeks by which he was delinquent in the payment of the first have elapsed after his last payment. Whatever may in general be said against this method, from the association's standpoint it is entirely satisfactory, its officers pointing with pride to the fact that in the loaning of $99,885, the society has lost less than $600, of which sum about $150 has been lost on account of death, $75 on account of failures, and the remainder through the dishonesty of the applicants or their removal from the city.

In the table following is shown the number of loans, amount loaned, and average loan made by the Hebrew Free Loan Association, 1892 to 1898:

NUMBER OF LOANS, AMOUNT LOANED, AND AVERAGE LOAN, HEBREW FREE LOAN ASSOCIATION, 1892 TO 1898.

Year.	Number of loans.	Amount loaned.	Average loan.
1892	227	$1,205	$5.31
1893	603	4,779	7.93
1894	857	6,745	7.87
1895	774	7,016	9.06
1896	828	8,047	9.72
1897	2,662	38,113	14.32
1898 (first six months)	1,910	33,980	17.79
Total	7,861	99,885	12.71

The above table shows the actual work of the association since the time of its formation. From the income account it was seen that the amount realized from membership fees had risen from $920.40 in 1892 to $2,244.32 in 1897. The donations in the same period show a greater increase, while the fact that the association is no longer dependent on theaters, picnics, and church collections for support indicates that it is fast assuming the status of an independent business corporation. During the same period the expenditures incurred by the increased business of the society had risen from $628.87 to $1,617.78.

Prior to 1897 the society was unable to fully meet the demands of borrowers, the increase in the number of loans and the amount loaned being very gradual up to that date. Since then its increased possibilities are shown in the sudden rise in the amount loaned, being from $8,047 in 1896 to $38,113 the following year. Basing an estimate on the work of the first six months of 1898, the society will be able to place during the year at least $65,000 in the hands of its patrons.

In like manner the average loan has risen from $5.31 in 1892 to $17.79 in the first six months of 1898, a result due to a provision of the constitution rather than to the greater need on the part of the borrowers.

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For the 5,951 loans made prior to January 1, 1898, it was found that 5,475 applications had been refused. Of this latter number, 3,500 failed owing to the inadequacy of the amount which the society would advance, 1,500 on account of unsatisfactory indorsers, and the remainder to the would-be borrowers' inability to procure indorsers.

The nationality of those receiving loans from the association is shown in the following statement:

	Number.
Americans	525
Austrians	1,591
Englishmen	80
Frenchmen	174
Germans	741
Hollanders	9
Hungarians	1,178
Italians	2
Roumanians	1,023
Russians	2,519
Swedes	4
Turks	15

In the minds of many, the Hebrew Free Loan Association is supposed to limit its operations to Hebrews only, a conclusion dispelled by reference to the above statement. It is seen that almost all nationalities are represented, the American, the Hungarian, the Frenchman, and the Turk. The statement is based on the place of birth, hence no conclusion as to ancestry may be drawn. It may, however, be confidently asserted that the work of the society, while largely among those of Hebrew descent, is in no way limited to that class.

According to the provisions of the constitution the society is permitted to make loans upon pledges, and in accordance with this proviso the board of directors procured a new charter permitting them to conduct a regular pawn or mortgage business; but up to date, however, nothing has been done in this line, due to the objections of the president, which in one of his reports he sums up as follows, giving the last objection particular emphasis:

First. Our aim is purely a charitable one, and in the sense of the Jewish ethics we are not allowed to take interest.

Second. Our aim is to help the deserving poor only, and this can not be observed by lending on pledges, for then we might assist a gambler or a thief.

Third. If we lend money for only a small interest, in the course of time our purpose may dissolve and the society become a regular pawn office.

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RECENT REPORTS OF STATE BUREAUS OF LABOR STATISTICS.

MICHIGAN.

Fifteenth Annual Report of the Bureau of Labor and Industrial Statistics. 1898. Joseph L. Cox, Commissioner. 341 pp.

This report deals with a variety of subjects. Of those relating to labor conditions, the following are the most important: Condition of employment, 46 pages; wages of mechanics and laborers, 9 pages; women and children, 8 pages; trade unions, 11 pages; railroad employees, 27 pages; street-railway employees, 4 pages; electric lighting, gas, and water plants, 16 pages; mines and miners, 39 pages. Other chapters of the report relate to the origin of the bureau; the number and salaries of traveling men; the police and fire departments; the lake traffic of Michigan; the German Workingmen's Benevolent Association; city improvements; village statistics; penal institutions; statistics of agriculture; the beet-sugar industry; the State Grange; game, birds, and fish; fur-bearing animals; statistics of the Grand Army of the Republic; the public schools; the State court of arbitration; labor laws; and papers on capital and labor, cooperation, and the single tax.

CONDITION OF EMPLOYMENT.—A canvass of the State disclosed a gradual improvement in general business, many increasing avenues of employment, increased wages in some localities, and higher prices of farm products during the year 1897.

WAGES OF MECHANICS AND LABORERS.—Schedules of inquiry relating to wages and other social conditions were sent to working people throughout the State. Returns were received in 11,065 cases. The following table shows, for selected occupations, the average daily wages for 1897, the average number of months employed during that year, and the average number of years the working people were engaged in their present trades:

DAILY WAGES OF WORKING PEOPLE AND TIME EMPLOYED DURING 1897, BY SELECTED OCCUPATIONS.

Occupations.	Number.	Average daily wages.	Average months employed during year.	Average years at present trade.	Occupations.	Number.	Average daily wages.	Average months employed during year.	Average years at present trade.
Bakers	91	$2.04	11	16	Engineers (stationary)	160	$1.97	11	14
Barbers	121	1.57	11	12	Firemen (not locomotive)	89	1.53	10	9
Bicycle makers	61	1.65	9	6	Glass workers (not including glass blowers)	56	1.42	9	7
Blacksmiths	162	1.88	10	19	Harness makers	10	1.50	11	19
Boiler makers	69	2.13	9	11	Laborers	1,794	1.25	8	14
Bookbinders	76	1.65	11	12	Linotype operators	70	3.70	11	4
Brewers	7	1.97	12	11	Machinists	424	2.02	10	13
Cabinetmakers	740	1.40	9	10	Masons	66	2.71	6	15
Carpenters	443	1.72	9	16					
Carriage workers	87	1.71	8	14					
Cigar makers	515	1.66	9	16					
Coopers	56	1.86	8	22					

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DAILY WAGES OF WORKING PEOPLE AND TIME EMPLOYED DURING 1897, BY SELECTED OCCUPATIONS—Concluded.

Occupations.	Number.	Average daily wages.	Average months employed during year.	Average years at present trade.	Occupations.	Number.	Average daily wages.	Average months employed during year.	Average years at present trade.
Metal workers	74	$1.93	9	8	Shoemakers	207	$1.81	7	13
Millers	19	1.69	11	11	Stonecutters	29	2.80	8	16
Millwrights	20	2.25	10	19	Stove makers	152	2.12	8	12
Molders	1,035	2.10	8	12	Tailors	42	1.85	9	19
Painters	175	1.62	9	12	Teamsters	214	1.63	11	10
Pattern makers	85	2.22	10	14	Tinners	56	1.79	10	14
Plumbers	53	1.98	10	8	Wood turners and carvers	173	1.90	8	11
Printers and compositors (hand)	289	2.28	10	16	Wool-boot makers	51	1.37	9	5

The returns for all of the 11,065 cases showed an average daily wage of $1.62 and an average employment of 9 months during the year 1897. The average time that the working people were engaged in their present trades was 11½ years. Of 11,060 persons reporting, 7,275 were married, 3,635 were single, and 150 were widowed. There were 2.6 children per family and 3.2 dependents per workingman. Of 7,646 persons reporting, 3,346 owned their homes and 4,300 were paying rent.

WOMEN AND CHILDREN.—In this investigation returns for 1,683 females over 16 years of age were received. Of this number 986, or 59 per cent, had others depending upon their labor for support. Ten hours usually constituted a day's work, although 378 worked over 10 hours per day. The average wages received by the 1,683 females were $4.41 per week. The average wages received by 352 children were $2.04 per week.

TRADE UNIONS.—A brief statement is given of each trade union in the State from which returns were obtained. The statement shows the name of the organization, locality, membership, wage scales, and other information. Following is a list of the trade unions returned and the membership of each:

NUMBER AND MEMBERSHIP OF TRADE UNIONS, 1897.

Organizations.	Local unions or branches.	Members.	Organizations.	Local unions or branches.	Members.
Amalgamated Wood Workers	1	50	Iron Molders' Union	8	1,422
Bakers' Union	1	40	Journeymen Barbers' Union	1	20
Barbers' Union	4	95	Journeymen Tailors' Union	4	88
Boiler Makers and Iron Shipbuilders	3	115	Longshoremen's Union	21	c 1,373
Brewers' Union	1	47	Lumber and Miscellaneous Freight Handlers' Union	1	35
Broom Makers' Union	1	(a)	Machinists' Union	7	513
Bricklayers' Union	1	75	Metal Polishers, Buffers, Platers, and Brass Workers' Union	4	280
Brotherhood of Boiler Makers and Iron Shipbuilders	1	10	Metal Polishers, Buffers, and Platers' Union	2	523
Brotherhood of Painters and Decorators	1	22	Miners' Protective Association	1	32
Brothers of Holding On and Heating Union	1	20	Northern Mineral Mine Workers' Progressive Union	1	2,000
Carpenters' Union	2	543	Tailors' Union	2	17
Cigar Makers' Union	21	b 1,129	Theatrical Protective Union	1	28
Clerks' Union	4	c 375	Tobacco Workers' Union	1	294
Coopers' Union	1	50	Typographical Union	10	719
Dray, Express, and Hack Union	1	10	United Brotherhood of Carpenters and Joiners	1	17
Electrical Workers' Union	1	58	Wood Carvers' Union	2	c 17
Federal Labor Union	2	204			
International Association of Machinists	2	225			

a Not reported. b Two local branches not reporting. c One local branch not reporting.

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RAILROAD EMPLOYEES.—This chapter contains the results of a canvass of 833 persons employed by 19 railroad companies in the State. The information relates to wage rates, hours of labor, yearly earnings, and other social conditions. Of the 833 canvassed, 640 were married, 183 were single, and 10 were widowed. The average family consisted of 2.1 adults and 2.3 children. Of 815 reporting, 282 owned their homes, 199 of the latter being free from indebtedness. About 55 per cent of those having families rented their homes, paying an average rental of $8.07 per month. Of 822 reporting, 491 carried life insurance; accident insurance was carried by 257 out of 818 reporting, and sick benefit insurance by 124 out of 810 reporting.

STREET RAILWAY EMPLOYEES.—This chapter shows, in tabular form, the wages and hours of labor of 2,650 employees of 17 street railways in different parts of the State. The average of the returns for the 17 street railways shows the following wage rates and hours of labor: Conductors, 18.9 cents per hour, 9.7 hours per day; motormen, 18.7 cents per hour, 10.8 hours per day; shopmen, 19.7 cents per hour, 10.2 hours per day; trackmen, 14.1 cents per hour, 10 hours per day.

ELECTRIC LIGHTING, GAS, AND WATER PLANTS.—This investigation was undertaken in consequence of a recommendation made by the National Association of Officials of Bureaus of Labor Statistics in the United States. Tables are presented showing for each electric lighting, gas, and water plant in the State, from which the information could be obtained, the character of the ownership, whether municipal, corporate, or private; the cost and capacity of the plant, the assessed valuation, selling price and quantity of product, salaries and wages paid, and other data, for 1897. Information was received from 141 electric-lighting plants, 126 water plants (3 plants not making complete returns), and 25 gas plants.

Of the 141 electric-lighting plants, 100 were owned by companies and individuals, 40 by municipalities, and the ownership of 1 was not reported. They represented, in the aggregate, an invested capital of $6,256,075. The salaries and wages paid during the year amounted to $299,388. The plants had a total capacity of 17,992 arc and 276,590 incandescent lights. The average cost per month for arc lights was $6 in cities and $6.55 in villages, and for incandescent lights 64 cents in cities and 61.5 cents in villages.

Of the 129 water plants, 107 were owned by municipalities and 22 by companies and individuals. A total of $16,091,167 was invested in the 126 plants reporting. The plants had a total capacity of 427,109,000 gallons per day. The average cost of the water was, for residences, $4.72 per year in cities and $3.98 in villages; for lawn sprinkling, $3.64 in cities and $2.91 in villages.

Twenty-five gas plants were returned, of which but one was owned by a municipality. They represented a total investment of $7,564,346. The aggregate salaries and wages paid during the year amounted to

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$234,700. The average capacity of the plants was about 200,000 cubic feet per 24 hours. The average price paid for gas per 1,000 cubic feet was $1.44 for lighting and $1.15 for fuel.

MINES AND MINERS.—This chapter consists of a report on the number of mines and mine workers, occupations, wages, output, and other data regarding the iron, copper, and gold and silver mines in the State. Thirty-three iron mines produced, in 1897, 5,933,005 tons of ore, and gave employment to 8,931 persons, paying an average wage of $1.65 per day. Seventeen copper mines employed 8,850 persons and produced 141,666,156 pounds of copper during the year. The average wage rate was $1.85 per day. One gold and silver mine employed 53 persons at an average wage of $1.67 per day.

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SECOND ANNUAL REPORT ON THE BUILDING AND LOAN ASSOCIATIONS OF CONNECTICUT.

Report of the Commissioner of Building and Loan Associations. December 31, 1898. Edwin L. Scofield, Commissioner. 165 pp.

The returns of the building and loan associations doing business in Connecticut September 30, 1898, show an increase in business during the year. The total assets of the domestic associations on September 30, 1898, were $3,627,828.12, an increase of $383,892.93 over the preceding year. The total assets of the foreign associations were $4,313,015.36, an increase of $472,020.72.

The following tables show the assets and liabilities and miscellaneous statistics of the 15 domestic and 5 foreign associations in the State:

ASSETS AND LIABILITIES OF 15 DOMESTIC ASSOCIATIONS SEPTEMBER 30, 1898.

Items.	Assets.	Items.	Liabilities.
Loans on real estate	$3,056,398.01	Due shareholders, installments paid	$2,062,928.28
Loans on shares	104,713.80	Due shareholders, single payment shares	618.072.89
Real estate	193,778.16	Due shareholders, earnings credited	204,337.05
Cash	120,727.34	Due shareholders, earnings not credited and surplus	92,420.39
Furniture and fixtures	7,468.91	Balance to be paid out on loans made	20,555.50
Installments due and unpaid	11,480.95	Borrowed money	4,584.00
Interest, premium, fees, and fines due and unpaid	11,840.49	Premium account	10,088.84
Stocks, bonds, and other securities	99,777.00	Insurance profits, balance in expense fund and balance in insurance fund	21,419.04
Taxes and insurance advanced	6,022.46	Guarantee fund and surplus	103,132.86
Interest paid in advance on mortgages conditionally assumed for members	4,643.71	Mortgages and interest conditionally assumed for members	483,053.80
Other assets	10,977.29	Other liabilities	7,235.47
Total	3,627,828.12	Total	3,627,828.12

ASSETS AND LIABILITIES OF 5 FOREIGN ASSOCIATIONS SEPTEMBER 30, 1898.

Loans on real estate	$3,009,616.50	Due shareholders, installments paid	$2,272,515.77
Loans on shares	139,223.15	Due shareholders, single payment shares	927,191.64
Real estate	684,068.17	Due shareholders, earnings credited	187,376.22
Cash	60,420.63	Due shareholders, earnings not credited and surplus	201,425.26
Furniture and fixtures	6,415.44	Balance to be paid out on loans made	37,705.25
Installments due and unpaid	177,264.55	Borrowed money	31,500.00
Interest, premium, fees, and fines due and unpaid	53,312.92	Mortgages assumed for members	1,017.05
Stocks, bonds, and other securities	74,794.48	Unearned premium	374,687.78
Taxes and insurance advanced	16,593.75	Installments due and unpaid	148,357.75
Bills receivable	51,947.19	Due on real estate purchased	130,562.71
Other assets	39,358.58	Other liabilities	675.93
Total	4,313,015.36	Total	4,313,015.36

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MISCELLANEOUS STATISTICS FOR THE YEAR ENDING SEPTEMBER 30, 1898.

Items.	15 domestic associations.	5 foreign associations.
Shares issued during year	29,726¾	36,449
Shares withdrawn, lapsed, and canceled	21,385	60,146½
Shares in force at end of year	82,456	159,793½
Shares borrowed upon	20,645	38,068
Borrowing members	2,271	2,926
Nonborrowing members	11,372	13,218
Shares held by nonborrowing members	60,804	121,925½

The report contains also a brief statement of the condition of mortgage investment companies and a reproduction of the laws of the State relating to building and loan associations.

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EIGHTH ANNUAL REPORT ON THE BUILDING AND LOAN ASSOCIATIONS OF NEW YORK.

Annual Report of the Superintendent of Banks Relative to Building and Loan and Cooperative Savings and Loan Associations, for the year 1897. Transmitted to the Legislature March 1, 1898. F. D. Kilburn, Superintendent of Banks. 663 pp.

This report consists of the following: List of cooperative savings and loan associations that were reported to the banking department, or were organized or authorized under the banking law, from 1875 to 1898, including building lot associations; detailed statement of the condition of the cooperative savings and loan associations of New York, January 1, 1898, compiled from reports made to the banking department and arranged alphabetically by counties; comparative table of assets, liabilities, receipts, disbursements, etc., of cooperative savings and loan associations for the year 1897; detailed statement of the condition of lot associations; and a reproduction of the laws governing the organization and supervision of building and loan and cooperative savings and loan associations.

The following tables show the total assets and liabilities, receipts and disbursements, and miscellaneous statistics of 361 national and local associations in the State:

ASSETS AND LIABILITIES OF 361 ASSOCIATIONS FOR THE YEAR 1897.

Items.	National.	Local.	Total.
ASSETS.			
Loans on bond and mortgage	$16, 365, 628	$31, 654, 012	$48, 019, 640
Loans on shares	594, 388	947, 616	1, 542, 004
Temporary loans	118, 367	58, 009	176, 376
Stocks and bonds	12, 000	1, 200	13, 200
Real estate	5, 147, 172	2, 477, 735	7, 624, 907
Cash on hand and in bank	734, 720	1, 656, 854	2, 391, 574
Furniture and fixtures	52, 247	43, 113	95, 360
Installments due and unpaid	270, 550	91, 997	362, 547
Interest, premium, fees, and fines due and unpaid	281, 957	150, 411	432, 368
Other assets	622, 029	304, 547	926, 576
Add for cents	19	148	167
Total	24, 199, 077	37, 385, 642	61, 584, 719
LIABILITIES.			
Due shareholders, dues and profits	16, 897, 590	33, 796, 381	50, 693, 971
Due shareholders, matured shares	20, 341	496, 803	517, 144
Balance to be paid out on mortgage loans	742, 097	361, 138	1, 103, 235
Borrowed money	179, 771	357, 087	536, 858
Earnings undivided	1, 660, 660	1, 955, 154	3, 615, 814
Other liabilities	4, 698, 599	418, 931	5, 117, 530
Add for cents	19	148	167
Total	24, 199, 077	37, 385, 642	61, 584, 719

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RECEIPTS AND DISBURSEMENTS OF 361 ASSOCIATIONS FOR THE YEAR 1897.

Items.	National.	Local.	Total.
RECEIPTS.			
Cash on hand January 1, 1897	$677,987	$1,155,708	$1,833,695
Subscriptions on shares	5,353,031	8,022,967	13,375,998
Money borrowed	242,943	1,085,056	1,327,999
Mortgages redeemed	3,515,419	5,156,352	8,671,771
Other loans redeemed	389,838	891,570	1,281,408
Real estate sold	938,212	177,868	1,116,080
Fees received	140,036	31,159	171,195
Premium received	691,422	406,882	1,098,304
Interest received	843,567	1,653,719	2,497,286
Fines received	46,929	42,902	89,831
Rent received	107,088	103,332	210,420
Other receipts	2,018,009	306,711	2,324,720
Add for cents	23	158	181
Total	14,964,504	19,034,384	33,998,888
DISBURSEMENTS.			
Loaned on mortgage	5,043,498	5,820,264	10,863,762
Loaned on other securities	629,136	804,909	1,434,045
Paid on withdrawals, dues, and profits	3,853,221	7,739,464	11,592,685
Paid matured shares	135,056	767,669	902,725
Paid borrowed money	279,190	1,150,355	1,429.545
Paid interest	242,649	56,046	298,695
Paid for real estate	1,868,913	303,936	2,172,849
Paid salaries, clerk hire, and commissions	595,147	196,024	791,171
Paid advertising, printing, and postage	66,774	23,557	90,331
Paid rent	55,040	34,522	89,562
Paid repairs to real estate	143,990	54,861	198,851
Paid taxes, insurance, etc	91,221	77,588	168,809
Other disbursements	1,225,926	348,177	1,574,103
Cash on hand December 31, 1897	734,720	1,656,854	2,391,574
Add for cents	23	158	181
Total	14,964,504	19,034.384	33,998,888

MISCELLANEOUS STATISTICS OF 361 ASSOCIATIONS FOR THE YEAR 1897.

Items.	National.	Local.	Total.
Associations	44	317	361
Shares in force January 1, 1897	825,203	741,708	1,566,911
Shares issued during the year	375,939	189,029	564,968
Shares withdrawn during the year	318,349	197,867	516,216
Shares in force December 31, 1897	882,793	732,870	1,615,663
Borrowing members	13,453	20,356	33,809
Shares held by borrowing members	193,852	205,259	399,111
Nonborrowing members	68,569	82,546	151,115
Shares held by nonborrowing members	688,941	527,611	1,216,552
Female shareholders	*a* 10,460	*a* 30,153	*a* 40,613
Shares held by females	*a* 107,176	*a* 207,786	*a* 314,962
Foreclosures in 1897	431	293	724
Amount of mortgages on property in the State	$9,608,263	$29,075,315	$38,683,578
Expenses for the year	$789,553	$303,572	$1,093,125

a Not including 22 associations not reporting.

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FIRST ANNUAL REPORT ON THE BUILDING AND LOAN ASSOCIATIONS OF WISCONSIN.

First Annual Report of the Bank Examiner on the Condition of the Building and Loan Associations of Wisconsin. August 25, 1898. E. I. Kidd, Bank Examiner. xii, 109 pp.

There were 53 building and loan associations (all domestic) reported as doing business in the State. Each association reported the condition and results of operations at the close of its own fiscal year, and as these dates occurred in every month of the year a summary of operations for any one date could not be presented.

The following statements show the total assets, liabilities, and other data as reported by the building and loan associations for dates ranging from the year ending March 1, 1897, to the year ending March 31, 1898:

ASSETS AND LIABILITIES OF 53 ASSOCIATIONS.

Assets.		Liabilities.	
Loans on mortgage security	$3,044,374.22	Capital paid in on installment stock	$2,636,478.88
Loans on pass-book security without mortgage	100,729.61	Capital paid in on full-paid stock	238,398.89
Loans on other security	18,413.22	Fund for contingent losses	17,079.28
Real estate	187,369.07	Deposits	75,325.84
Furniture and fixtures	3,537.88	Borrowed money	69,139.57
Stationery and supplies	1,088.84	Mortgages on real estate	8,150.00
Bills receivable	1,429.14	Dividends on installment and full-paid stock	167,659.67
Due for stock assessments	17,442.83	Advance payments	19,244.77
Due for insurance and taxes paid for borrowers	12,420.36	Other liabilities	19,742.62
Interest due	16,324.35	Surplus and undivided profits	317,220.53
Premiums and fees due	4,603.52		
Real estate sold on contract	4,334.51		
Fines due	2,131.73		
Other assets	50,068.21		
Cash on hand and in bank	106,172.56		
Total	3,568,440.05	Total	3,568,440.05

STATISTICS OF SHARES OF 53 ASSOCIATIONS.

Items.	Installment stock.	Full-paid and prepaid stock.
Number of shares issued during term	22,771¼	1,060¼
Number of shares canceled and withdrawn	19,128¼	1,059⅓
Present total number of shares in force	102,022¾	3,116
Present number of shares on which loans have been made	30,925¼	.....

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RECENT FOREIGN STATISTICAL PUBLICATIONS.

FRANCE.

Salaires et Durée du Travail dans l'Industrie Française. Tome IV, Résultats Généraux. Office du Travail. Ministère du Commerce, de l'Industrie, des Postes et des Télégraphes. 1897. 572 pp.

The present volume completes the publication of the results of an inquiry relating to wages and hours of labor carried on by the French labor bureau from 1891 to 1893. The three preceding volumes contain the detailed figures for each establishment and occupation considered, while the present volume shows the general results. This volume also contains the results of supplementary investigations relating to wages in certain occupations in 1896, prices of commodities, cost of board and lodging, workingmen's budgets, and average wages at three periods from 1840 to 1893. The principal inquiry covers 2,957 private establishments, besides the transportation enterprises and the State and communal service, employing altogether 674,000 persons. Only the larger and medium-sized establishments are considered in this inquiry. Those making returns employed about one-third of the whole number of employees occupied in such industries.

In analyzing the material presented in this work that relating to private industries was first considered. The general results of the investigation, so far as they relate to private industries, were summarized and analyzed under the following heads: Establishments considered, duration of labor, stability of employment, wages, wages and hours of labor as affected by the importance of the establishment, variation of wages according to locality, cost of living, variation in wages during fifty years.

ESTABLISHMENTS CONSIDERED.—The private industries embraced 2,957 establishments, employing 471,690 persons. Of the personnel, 3 per cent were foremen, 71 per cent were male adults, 18 per cent were female adults, and 8 per cent were children and apprentices of both sexes. The proportion of skilled workers was smallest in industries engaged in preparing material, such as the food and chemical industries, and greatest in those industries where products were shaped and finished. To some extent the proportion of skilled labor also increased with the hardness of the material worked upon.

The average number of days in which the establishments were in actual operation corresponded very nearly with the number of available working days during the year. Almost all establishments were closed on Sundays and holidays, the exceptions being mainly those where continuous fires had to be maintained. The individual employees

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did not, however, work uninterruptedly. About 5 per cent of their time was lost by absence on account of sickness and other causes. Each employee worked an average of 290 days per year.

The following tables give a summary of the general results of the inquiry as far as they relate to private establishments, the department of the Seine (Paris and suburbs) and the other departments of France being considered separately:

AVERAGE WORKING DAYS, HOURS OF LABOR, AND DAILY WAGES OF EMPLOYEES IN PRIVATE ESTABLISHMENTS, BY INDUSTRIES.

DEPARTMENT OF THE SEINE.

Industries.	Establishments.	Employees.		Per cent of women and children of total employees.	Average days in operation per year.	Average working days of each employee.	Average hours of labor.	Average daily wages per employee.
		Total. (a)	Average per establishment. (b)					
Food products	36	6,500	160	28	319	300	11	$0.96
Chemical products	28	2,550	90	20	328	321	10¾	.91
Paper and caoutchouc goods	21	3,240	150	33	319	295	10½	.86
Printing and publishing	27	4,900	180	38	304	298	10	.98
Hides and leather	33	4,000	110	40	310	292	10½	.92
Textiles	21	2,880	135	54	302	292	10½	.73
Clothing, etc	28	4,760	155	55	302	280	10½	.83
Heavy woodwork	22	1,450	60	4	318	298	10	1.24
Cabinetmaking and joining	39	3,050	75	16	305	295	10	1.20
Iron rolling, forging, etc	34	4,700	100	5	303	290	10½	1.16
Foundry and machine shop	49	8,150	165	5	305	277	10¾	1.23
Metallic goods	44	4,260	95	24	301	286	10½	1.07
Precious metals	20	1,560	75	38	300	289	10	1.05
Stone cutting and polishing	3	130	45	15	296	293	10	1.66
Pipe laying, stone-construction work, water and power plants	21	2,850	125	1	324	253	9¾	1.22
Glass, tile, brick, pottery, lime, etc	18	3,160	170	31	305	297	10¼	.82
Transportation and handling	7	1,150	165	22	331	.....	9¼	1.03
Total	451	59,290	125	26	310	290	10½	1.02

OTHER DEPARTMENTS OF FRANCE.

Coal mines	61	80,650	1,320	c 15	c 301	c 289	c 9¼	c .77
Other mines	50	11,800	235	(d)	(d)	(d)	(d)	(d)
Quarries	55	5,750	105	7	296	286	10¼	.64
Food products	292	18,400	60	22	268	273	10¾	.66
Chemical products	163	14,100	85	11	340	327	10½	.69
Paper and caoutchouc goods	87	14,400	160	43	327	317	11	.56
Printing and publishing	73	5,610	75	38	296	307	10¼	.63
Hides and leather	175	15,750	75	26	303	291	10¾	.64
Textiles	486	100,350	185	56	297	290	11½	.53
Clothing, etc	94	9,850	80	58	299	284	10½	.52
Heavy woodwork	171	7,900	40	10	308	278	10¾	.69
Cabinetmaking, joining, etc	90	6,600	65	36	297	289	11	.56
Metal smelting, steel, brass, etc	49	25,450	520	7	320	295	10½	.77
Iron rolling, forging, etc	115	18,000	145	20	296	277	11	.73
Foundry and machine shop	161	32,300	200	10	305	301	10½	.79
Metallic goods	56	7,200	125	30	307	298	10½	.69
Precious metals	7	600	80	42	291	282	10¾	.58
Precious-stone cutting	4	180	45	20	250	.....	11½	.74
Stone cutting	16	980	55	24	300	306	10½	.56
Electric lighting and power plants	9	170	20	1	359	318	10	.85
Pipe laying and stone-construction work	70	3,930	55	5	303	255	10½	.71
Glass, tile, brick, pottery, lime, etc	222	32,430	145	27	303	286	10¼	.65
Total	2,506	412,400	160	26	303	290	10½	.68

a Includes both permanent and temporary employees.
b In determining these averages temporary employees were not considered. As the totals were given in even tens, the averages were calculated to the nearest fives.
c Includes other mines.
d Included in coal mines.

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HOURS OF LABOR.—With regard to hours of labor, two units were considered, namely, the normal working day, that is, the duration of the usual working day after deducting intermission for rest or meals, and the actual working day, or the time during which working people were actually present at their labor.

The normal working day was from 10 to 11 hours in the department of the Seine. In the other departments, employees in one-fourth of the establishments considered habitually worked 12 hours; in 3 per cent they worked more than 12 hours per day, and in 6 per cent they worked 9 hours per day or less, the latter establishments including chiefly those engaged in the mining, metal, and glass industries. The working day was always interrupted by a rest of at least an hour, and in the case of two-fifths of the establishments a rest of over one hour was reported.

The actual time of work per day varied to some extent with the time of the year. The average actual working day was estimated at 10½ hours, two-thirds of all the working days being between 10 and 11 hours in length. The actual working day was shortest in the coal mines and longest in the textile industry. In over half of the establishments there was no overtime work. In one-fifth of the others higher pay was given for overtime.

STABILITY OF EMPLOYMENT.—The results of the inquiry regarding stability of employment in the 2,957 private establishments considered are presented in three ways. First is shown the average monthly variation per year in the number of employees in each industry or group of industries. In the department of the Seine this ranged from 3 per cent of the average yearly employees in the group of glass, tile, brick, pottery, lime, etc., industries to 36 per cent in the pipe-laying, stone-construction work, and water and power plants group. In the other departments of France it ranged from 1 per cent in the textile industries to 75 per cent in the precious-stone cutting industry. The average monthly variation for all private industries in France was 4 per cent of the average yearly employees.

The second showing gives the average yearly variation per establishment in the number of employees in each industry or group of industries. This ranged in the department of the Seine from 13 per cent in the textiles, the precious metals, and the glass, tile, brick, pottery, lime, etc., group to 97 per cent in the pipe-laying, stone-construction work, and water and power plants group. In the other departments of France the variation ranged from 7 per cent in the paper and caoutchouc industries to 90 per cent in the precious-stone cutting industry. The average variation for all private establishments in France was 19 per cent.

The third presentation shows a comparison between the total number of individual employees per establishment during one year and the average yearly employees in each establishment. The total individual employees per establishment exceeded the average number from 35 to

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40 per cent. It was estimated from the returns received by the bureau that there were on an average 115 workmen for every 100 positions, of which 75 workmen were regularly and the rest irregularly employed, the regular employees working an average of 295 days per year and the irregular employees 170 days per year.

WAGES.—The average wages of all employees of private establishments considered in the inquiry were 3.75 francs ($0.72) per working day, or 0.355 franc ($0.07) per hour, or a total of 1,080 francs ($208.44) per year. The average wages of male adults were 4.20 francs ($0.81) and of female adults 2.20 francs ($0.42) per day. A considerable difference existed between the wages in the department of the Seine and in the other departments of France. In the department of the Seine the average daily wages of men were 6.15 francs ($1.19) and of women 3 francs ($0.58), while in the other departments the average wages of men were 3.90 francs ($0.75) and of women 2.10 francs ($0.41) per day.

The wages paid depended largely upon the nature of the industry. The highest wage rates were observed in industries where products were shaped and finished, as such work usually required a high degree of skill on the part of the worker. On the other hand, the lowest average wages were usually found in industries where the products were simply prepared or extracted. The only exception to the latter case was in underground work in the mining industry, where, on account of the dangerous and repugnant character of the work, higher wages were paid than the average for all industries considered.

In the same industry and locality, and where the same process of manufacture was employed, the wages in different establishments were found to be very nearly alike.

In the case of individuals in any given industry, the wages paid depended largely upon the amount of intelligence and the constancy of effort required, rather than upon the result of a long term of apprenticeship. While a long apprenticeship had a tendency to reduce the number of journeymen and thus to insure employment to those who had served their term, it did not affect wages to the extent that might be imagined.

In large factories the great productive power of the machinery had a favorable effect upon the wages of the operatives.

The wages of women were, as a rule, about one-half those paid to men, their work being necessarily of a somewhat different nature. But even where the work was the same, women in nearly all cases received less pay than men.

As to the character of wage payments, it was found that, of the total employees in private establishments, 9 per cent were paid by the month, 57 per cent by the day, and the rest by the piece. The proportion of pieceworkers was greater among women than among men, because the former were usually employed at regular oft-repeated operations that readily admit of payment by the piece.

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It would appear that piecework, by increasing the productivity, would result in higher wages. This was not found to be always true. Other conditions being similar, there was generally no difference between the earnings of time and piece workers.

There were other elements, besides actual wages, which figured in the earnings of working people in France, namely, fines, subsidies in kind, prizes, gratuities, insurance, etc.

The fine system existed in 6 per cent of the establishments considered in the department of the Seine, affecting 13 per cent of all regular working people employed. In the other departments the fine system was employed in 22 per cent of the establishments, and affected 47 per cent of the regular employees considered.

Subsidies in kind were usually given where establishments produced objects of domestic consumption, such as coal, wood, liquor, etc. Seventeen per cent of the establishments outside of the department of the Seine furnished supplies of this kind without charge to their employees. The proportion of such establishments is very small in the department of the Seine, being scarcely 1 per cent. In many large establishments in France objects of domestic consumption produced were furnished to employees at cost price.

Gratuities, especially such as were paid through the profit-sharing system, were rare, particularly in the departments outside the Seine. Of the 2,957 private establishments returned throughout France, excepting of course cooperative associations, only 16 were found where employees actually shared in the profits and where the balance sheets were published or the books were open for inspection. There were 110 other establishments in which gratuities of various kinds were regularly distributed among employees.

An accident insurance system generally existed wherever the work of the employees involved any risk. Over one-half of the employees considered in this investigation were affiliated with or had the privilege of joining special aid societies at the establishments where they were employed. Many other employees, especially those in cities, belonged to mutual aid societies.

Old-age pension funds were organized by from 2 to 3 per cent of the establishments considered, and it was estimated that not more than 10 per cent of the employees in large and medium-sized establishments could avail themselves of such funds instituted by employees.

WAGES AND HOURS OF LABOR AS AFFECTED BY THE IMPORTANCE OF THE ESTABLISHMENT.—An effort was made in this work to ascertain the influence which the concentration of enterprises exerted upon wages and hours of labor by eliminating the influence of locality and industry and grouping those which were comparable with one another. In Paris such a comparison is not easily made, as production on a large scale is not extensively carried on. In the departments of France outside the Seine it was found that concentration of indus-

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tries had a tendency to lessen the fluctuations in the number of persons employed, thus insuring greater stability of employment. It shortened the hours of labor and made them less liable to variation, and it had a tendency to increase the average wage rates. These favorable tendencies were not only manifested in establishments which were necessarily carried on on a large scale, such as mines, railroads, etc., but also in other industries where concentration of enterprises had taken place. By grouping the establishments according to the number of persons employed, it was found that the average wages were 3.15 francs ($0.61) for males and 1.60 francs ($0.31) for females in establishments employing from 1 to 24 persons; 3.55 francs ($0.69) for males and 1.80 francs ($0.35) for females in establishments employing from 25 to 99 persons; 3.85 francs ($0.74) for males and 1.80 francs ($0.35) for females in establishments employing from 100 to 499 persons; 3.80 francs ($0.73) for males and 1.80 francs ($0.35) for females in establishments employing from 500 to 999 persons, and 4.45 francs ($0.86) for males and 2.15 francs ($0.41) for females in establishments employing 1,000 and more employees, thus showing an almost steady increase in wages with the size of the establishment, when all industries considered are taken collectively.

Cost of Living.—In determining the cost of living of the working people the French labor bureau took the following subjects into consideration: (1) Prices paid in 1893 by public institutions, hospitals, schools, etc., for certain articles of consumption; (2) average prices of certain commodities in 1896 as furnished by a number of cooperative societies in France; (3) prices paid for board and lodging by workingmen in cities and towns as reported by local public authorities; and (4) expense budgets of fourteen families of employees in a spinning mill in the department of the Oise, France.

Wages During Fifty Years.—No exact statistics exist regarding the hours of labor and duration of employment in past years. The only statistics available by which the improvement in labor conditions may be measured are wage data obtained from the reports of the industrial inquiries of 1840–1845 and 1860–1865, the annual inquiries made by local officials in 1853, 1857, and from 1871 to 1885, and the statistics of the mining service.

The two tables following show average daily wages in the department of the Seine and in the other departments of France, by sex and industries, according to the inquiries of 1840–1845, 1860–1865, and 1891–1893.

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AVERAGE DAILY WAGES OF WORKING PEOPLE IN THE DEPARTMENT OF THE SEINE BY SEX AND INDUSTRIES, INQUIRIES OF 1840-1845, 1860-1865, AND 1891-1893.

Industries.	Inquiry of 1840-1845 (suburbs of Paris).		Inquiry of 1860-1865.				Inquiry of 1891-1893 (department of the Seine).	
			Paris.		Suburbs of Paris.			
	Males.	Females.	Males.	Females.	Males.	Females.	Males.	Females.
Flour milling	$0.58	.....	.....	.....	$0.58	.....	$1.13	.....
Fecula manufacturing	.56	.....	.....	.....	.72	.....	.93	.....
Sugar refining	.58	$0.39	$0.68	$0.39	.48	$0.24	1.06	$0.63
Brewing	.58	.....	.77	.....	.80	.....	1.01	.....
Pastry and confectionery	.68	.24	.77	.29	.....	.....	.95	.52
Chemical products and fertilizers	.58	.....	.58	.....	.68	.....	.91	.....
Oil works	.53	.....	.....	.....	.60	.....	1.08	.....
Glue	.48	.....	.58	.....	.52	.....	.81	.....
Stearine, soap, and perfumery	.58	.28	.60	.39	.62	.34	.97	.46
Matches	.43	.25	.77	.39	.48	.24	1.01	.68
Paper and pasteboard	.64	.24	.77	.39	.66	.24	1.16	.60
Printing	.80	.....	.97	.....	.87	.....	1.37	.....
Tanning	.87	.39	.85	.....	.77	.29	1.05	.61
Cotton thread	.68	.26	.77	.39	.87	.39	1.03	.55
Sawmills	.77	.....	.77	.....	.....	.....	1.16	.....
Surgical instruments	.58	.....	.97	.....	.....	.....	1.50	.....
Music boxes and instruments	.68	.....	.97	.....	.....	.....	1.12	.....
Brick and tile works	.77	.24	.97	.34	.68	.26	.99	.43
China and pottery	.68	.14	.58	a 1.25	.....	.....	1.06	.69
Glass	.68	.24	.97	.48	.75	.31	1.12	.42
All industries	.68	.30	.87	.41	.77	.33	1.19	.58

a This amount seems out of proportion to other wages paid at this period. It is the equivalent, however, of the figure published in the report, 6.50 francs, which is probably a typographical error.

AVERAGE DAILY WAGES OF WORKING PEOPLE IN THE DEPARTMENTS OF FRANCE OTHER THAN THE SEINE, BY SEX AND INDUSTRIES, INQUIRIES OF 1840-1845, 1860-1865, AND 1891-1893.

Industries.	Average daily wages.						Per cent of women and children of total working people.	
	Inquiry of 1840-1845.		Inquiry of 1860-1865.		Inquiry of 1891-1893.			
	Males.	Females.	Males.	Females.	Males.	Females.	Inquiry of 1860-1865.	Inquiry of 1891-1893.
Mines and quarries	$0.38	$0.16	$0.44	$0.21	$0.79	$0.31	10	14
Food products	.37	.20	.41	.18	.70	.39	18	22
Chemical products	.41	.21	.42	.22	.71	.36	23	11
Printing and publishing	.40	.19	.48	.21	.77	.41	42	42
Hides and leather	.39	.19	.42	.21	.71	.41	9	26
Textiles	.37	.19	.40	.18	.67	.41	55	56
Clothing	.....	.....	.43	.21	.69	.37	65	58
Wooden goods	.36	.15	.46	.22	.72	.37	12	10
Furniture	.....	.....	.48	.23	.70	.30	38	36
Metal goods	.46	.19	.53	.23	.81	.34	10	12
Building (stonework)	.39	.16	.40	.21	.69	.22	19	5
Glass, china, etc	.37	.17	.41	.20	.77	.38	25	27
All industries	.40	.20	.53	.25	.77	.42	35	27

In the table following are shown the average daily wages in 1853, 1874, and 1892, as furnished by local officials of cities and towns in the departments of France other than the department of the Seine.

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AVERAGE DAILY WAGES OF WORKING PEOPLE REPORTED BY LOCAL OFFICIALS IN THE DEPARTMENTS OF FRANCE OTHER THAN THE SEINE, BY OCCUPATIONS, 1853, 1874, AND 1892.

Occupations.	1853.	1874.	1892.
Saddlers and harness makers	$0.41	$0.57	$0.72
Shoemakers	.32	.50	.64
Cartwrights	.40	.59	.73
Carpenters	.42	.67	.83
Horseshoers	.37	.56	.71
Plumbers and tinsmiths	.39	.63	.82
Excavators	.30	.49	.61
Masons	.40	.61	.77
House painters	.42	.62	.82
All occupations	.38	.58	.74

During the period mentioned wages of males have almost doubled, while those of females have more than doubled. The proportionate increase has not been the same, however, in all industries, nor in all the departments of France.

A comparison of wages and prices of commodities shows that while wages increased about 100 per cent in fifty years the prices of the necessaries of life—that is, rent, food, heat, light, and clothing—when taken collectively, have increased about 25 per cent. The statistics of consumption, however, show that as wages increased the needs have also augmented, and what formerly was regarded as luxury has become necessity, and thus the consumption has increased very largely with the increase of wages.

STATE AND COMMUNAL ESTABLISHMENTS AND THE TRANSPORTATION INDUSTRY.—In State and communal establishments the hours of labor and stability of employment were more favorable to employees than in private establishments, while the wages were nearly equal.

The same was true in the case of employees of railway companies. The stability of employment was much greater, while the average hours of labor were 10 per day as compared with 10½ in private establishments.

As regards wages of employees, it was found that while the average wages in private establishments were 6.15 francs ($1.19) in the department of the Seine and 3.90 francs ($0.75) in the other departments for 10½ hours of labor, the wages in State and communal establishments were 6.30 francs ($1.22) in the department of the Seine and 3.90 francs ($0.75) in the other departments for shorter working hours.

In the railway service the average daily wages were 4.50 francs ($0.87) for about 10 hours' work, while in private establishments in France the average wages were 4.20 francs ($0.81) for 10½ hours' work.

It may be added that with regard to sick benefits, old-age pensions, and other similar advantages the employees in the public and railway services were more favorably situated than those in private establishments.

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DECISIONS OF COURTS AFFECTING LABOR.

[This subject, begun in Bulletin No. 2, has been continued in successive issues. All material parts of the decisions are reproduced in the words of the courts, indicated when short by quotation marks and when long by being printed solid. In order to save space, immaterial matter, needed simply by way of explanation, is given in the words of the editorial reviser.]

DECISIONS UNDER STATUTORY LAW.

CONDITIONAL SALES—CHATTEL MORTGAGES—EFFECT OF STATUTE—*Speyer et al. v. Baker, 51 Northeastern Reporter, page 442.*—The original action was replevin brought by Speyer & Co. against Margaret Baker before a justice of the peace in Hamilton County, Ohio, to recover possession of a lot of household goods. In the court of common pleas, on appeal, where issue was joined on the plaintiffs' right of possession, the verdict and judgment were in their favor. That judgment was reversed by the circuit court, and the plaintiffs, Speyer & Co., brought the case upon a writ of error before the supreme court of the State, which rendered its decision October 11, 1898, and affirmed the judgment of the circuit court. The record showed that Speyer & Co., whose business was that of selling household furniture on the installment plan, sold in that way to the defendant goods of that kind to the amount of $885.55 on the 31st day of May, 1893, and on the 3d of July, 1893, other goods of a like kind to the amount of $18.75. Upon the first of these purchases the defendant paid in cash $100 and agreed to pay the balance in weekly installments of $7.50 each, and upon the other purchase she paid $5 in cash, the payment of the balance to be made in weekly installments of $1.50 each. At the time of each sale a chattel mortgage was taken by the plaintiffs on the goods sold, which was duly filed in the proper office. These mortgages were alike in all respects, except in the amounts and the description of the property. Provisions in the mortgages practically nullified the provision of the State law regulating conditional sales of personal property to the effect that when upon a failure of the purchaser to pay installments as agreed the vender attempts to take possession of the property he must first tender or refund to the purchaser the installments already paid, less a reasonable compensation for the use of the property. The principal point of contention in this case was whether the provisions of the mortgages or the provision of the State law should obtain in the settlement of the transaction, and the decision upheld the law. The record also shows that the defendant paid her weekly installments on both purchases until her payments, including the amounts paid at the times of the purchases, amounted in the aggregate to the sum of $253.50. The last payment

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was made on the 1st day of November, 1893, when, becoming unable to pay further, she consulted counsel, who sought an adjustment with the plaintiffs on the basis that she was entitled to a return of part of the amount she had paid before she could be compelled to surrender the property. The plaintiffs declined to entertain the proposition, and, without having paid or offered to pay the defendant any part of the sum they had received from her, brought the suit before the justice.

From the opinion of the supreme court, delivered by Judge Williams, the following is quoted:

The contention in this case relates to the application to the transactions involved of the act of May 4, 1885 (82 Ohio Laws, 238), now sections 7913–72, 7913–73, of the Revised Statutes. The statute, in terms, applies to all sales of chattels "to be paid for in whole or in part in installments, on condition that the same shall belong to the person purchasing the same whenever the amount paid shall be a certain sum, or the value of the property, the title to remain in the vendor until such sum, or the value of such property or any part thereof shall have been paid." And it is made unlawful for any vendor of chattel property so sold, "or his agent or servant, to take possession of such property without tendering or refunding to the purchaser the sum or sums of money so paid after deducting therefrom a reasonable compensation for the use of such property, which shall in no case exceed 50 per cent of the amount so paid, anything in the contract to the contrary notwithstanding, and whether such condition be expressed in such contract or not, unless such property has been broken or actually damaged, and then a reasonable compensation for such breakage or damage shall be allowed." There was evidence at the trial, though it was not without conflict, from which the jury might have found that the sales made by the plaintiffs to the defendant of the property in question were conditional sales, of the character defined by the statute; and the instructions which were requested, but refused by the court, were to the effect that, if the jury should find the sales to be of that nature, the defendant's rights under the statute were unaffected by the mortgages given to secure installments of the purchase price of the property. The refusal to so charge, and the charge given, appear to be placed upon the ground that the mortgages rendered the statute inapplicable; and that is the position taken by counsel for the plaintiffs in error, who express some apprehension that any other holding would discourage sales on credit, and unsettle chattel mortgage securities. We see no good grounds for giving the mortgages the effect claimed for them, nor any sufficient cause for the apprehension expressed. Bona fide, absolute sales of chattel property are not within the operation of the statute; neither are mortgages made in good faith to secure the purchase price of property sold at such a sale, nor mortgages made in good faith on property owned by the mortgagor to secure a valid debt arising otherwise than upon a conditional sale of the property. But the rights of parties to all conditional sales of personal property, as defined by the statute, are controlled by its provisions, and we find nothing in the statute which indicates an intention that those rights should be changed or affected in any way by the vendor taking a mortgage on the property. On the contrary, the statute appears to have carefully guarded against that result. It preserves in explicit terms to the purchaser at such a sale the benefits of provisions, even against the express stipulation in the contract to the contrary, and though the contract be put in such form

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that the conditional character of the sale is not shown. The policy of the statute in this respect seems manifest. Purchasers on this plan are usually persons of small means, and unable to pay except in installments; and such sales are, partly on that account, made at prices in excess of those charged in other cases. Payment of part of the installments may amount to more than the actual worth of the property; and, on account of the unconscionable advantage which the vendor could otherwise have, by taking the property and retaining the money paid, the legislature deemed it proper to adopt the equitable rule of adjustment prescribed by the statute. That rule, when properly observed, will, we believe, be found fair and just to both parties. At all events, it enters into, and becomes a part of, every contract of conditional sale made after its adoption,—as much so as if expressly embodied therein. And it is obvious that the statute would fail of its purpose, if any instrument which the vendor might choose to exact at the time of sale could preclude an inquiry into the real nature of the transaction, or deprive the purchaser of the benefit of its provisions.

By our statute, in cases of conditional sales a purchaser who has made one or more payments upon the property is entitled to its possession, notwithstanding his failure to make further payment, until the seller refunds or tenders back the amount so paid, less a reasonable compensation for its use and for any damage to it. The compensation allowed the seller for the use of the property is in no case to exceed 50 per cent of the amount received by him from the purchaser. The sum which the purchaser is so entitled to have refunded constitutes the value of his right of possession, and should be awarded him as damages when the property is taken in replevin at the suit of the vendor before the amount has been refunded.

CONSTITUTIONALITY AND CONSTRUCTION OF STATUTE—COMPENSATION OF COAL MINERS—*Whitebreast Fuel Co. v. People, 51 Northeastern Reporter, page 853.*—In the circuit court of Fulton County, Ill., the above named company was convicted of a violation of section 1 of an act entitled "An act to provide for the payment of coal miners for all coal mined by them, and providing additional duties for mine inspectors." [Laws 1897, page 270. Act approved July 1, 1897.] Said company appealed the case to the supreme court of the State, which rendered its decision October 24, 1898, and reversed the judgment of the lower court.

Judge Cartwright, in delivering the opinion of the supreme court, used the following language:

The section which the defendant is charged with violating is as follows: "That every person engaged in mining coal for any corporation, company, firm, or individual shall be paid in lawful money of the United States for all coal mined and loaded into the mine car by such person for such corporation, company, firm, or individual, including lump, egg, nut, pea, and slack, or other such grades as said coal may be divided into, at such price as may be agreed upon by the respective parties."

The following are the material facts as stipulated: For seven years prior to July 1, 1897, the defendant had operated a coal mine at Dun-

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fermline, in Fulton County. During that period there was sometimes a demand for what was called "run of the mine" coal, which embraced the entire product as mined, without screening, and a small per cent of the coal produced was sold in that way to meet that demand. For mining that coal each miner received pay at a certain price per ton for the entire coal mined by him and weighed as it came from the mine. About 95 per cent of the coal mined was screened for the market, and for such coal the miners were paid a certain price per ton for the screened lump coal, which was a higher price than that paid on the "run of the mine" product, the proportion being about as 60 to 45, but, where the coal was screened and the higher price paid for the screened lump coal, no account was taken of the nut and slack coal screened out, and nothing was paid upon those grades. The miner named in the complaint had been in the employ of defendant at the mine for about six years, and had received his money and made his settlements for mining upon the basis stated, receiving his agreed payment in that way, the same as the other miners.

It is now insisted that the section in question is an invasion of the constitutional right of the employer and employee to contract with each other as to the compensation of the employee and the manner in which it shall be ascertained, and that it is therefore in conflict with the constitution. We are not prepared to say that such is the effect of the act. The provision is that the owner or operator of a mine shall pay to the miner "at such price as may be agreed upon by the respective parties." It leaves the employer and miner free to contract with each other upon any terms that may be mutually agreeable, without restraint. The agreement may be for a certain rate, according to the time employed or the quantity of coal mined, or upon any other basis. If the compensation is fixed by the amount of coal mined, the act leaves them free to determine the quantity of such coal upon any basis they may see fit. It does not require that it shall be weighed or measured, or compel the parties to adopt any particular mode of ascertaining such quantity. The act does not require that the same price shall be paid for each of the different grades into which the coal may be divided, but only undertakes to require that the employer shall perform his contract by paying at such price as may be agreed upon by the respective parties. We can not ascribe to the legislature an intention to reenact, in a somewhat different form, a provision designed to interfere with the freedom of contracting between citizens, and which has been uniformly held to be an encroachment upon the liberty and rights of the laborer and his employer.

It appears to have been the design of the legislature to eliminate from this act the objectionable features of former enactments by making contracts enforceable according to their terms, instead of attempting to make contracts for the parties. It is made essential to a violation of this act that a price shall be agreed upon by the respective parties including the various grades of coal specified in the act. In this case a less price was satisfactory to the parties when paid on the basis of "run of the mine" or unscreened coal than when the payment was made on the basis of the screened product. The statement of facts shows that the defendant complied with the terms of its contract, and paid the miner named in the complaint according to the understanding of the parties, as was done in the case of Ramsey *v.* People, 142 Ill., 380. In that case the employer, by contract with the miner, paid for the coal mined at a certain price for the screened coal, substantially in the manner in which the appellant was accustomed to pay by an understanding

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with its miners, and the act requiring payment on the weight of coal before it was screened, regardless of the contract, was held to be in violation of the constitution. In Jones *v.* People, 110 Ill., 590, an act to provide for weighing coal at the mines was under consideration, and it was said that the act left it free for the owner or operator of the coal mine to make contracts with the miners to mine coal for whatever might be agreed upon between them, and where the contract was for the paying of wages in some other way than that specified in the act its provisions did not apply. We have reached the same conclusion as to this act, and must hold that its provisions do not apply where there is a contract for the payment of compensation by different means or upon a different basis than that specified in the act. To hold otherwise would render the enactment unconstitutional. It has been uniformly decided that a laborer can not be deprived of the right to make his own contracts and exercise his own judgment as to how much he will receive for his labor and what he will receive as payment.

The agreed statement of facts shows that the defendant paid to the miner named in the complaint for the coal mined by him according to the understanding of the parties, which had been carried out for six years between them; that the higher price per ton paid for screened lump coal was intended by the parties as payment for the coal mined; and that no price had been agreed upon by the parties for the nut and slack coal, of which no account was taken by them. The conviction was wrong, under the facts. The judgment is reversed, and the cause remanded.

CONSTITUTIONALITY OF STATUTE—MECHANICS' LIENS—*Slocum et al. v. Bear Valley Irrigation Co. et al., 55 Pacific Reporter, page 403.*—In the superior court of San Bernardino County, Cal., M. L. Slocum and three others recovered judgments declaring and enforcing in their favor mechanics' liens upon the property of the corporation above named. From these judgments the irrigation company appealed the case to the supreme court of the State, which rendered its decision December 5, 1898, and reversed the judgment of the lower court. The liens were based upon the act of the legislature entitled "An act to provide for the payment of the wages of mechanics and laborers employed by corporations," approved March 31, 1891 (chap. 146, acts of 1891, p. 195), which reads as follows:

SECTION 1. Every corporation doing business in this State shall pay the mechanics and laborers employed by it the wages earned by and due them weekly or monthly, on such day in each week or month as shall be selected by said corporation.

SEC. 2. A violation of the provisions of section 1 of this act shall entitle each of the said mechanics and laborers to a lien on all the property of said corporation for the amount of their wages, which lien shall take preference over all other liens, except duly recorded mortgages or deeds of trust; and in any action to recover the amount of such wages or to enforce said lien, the plaintiff shall be entitled to a reasonable attorney's fee, to be fixed by the court, and which shall form part of the judgment in said action, and shall also be entitled to an attachment against said property.

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The opinion of the supreme court contains the following language:

It is contended by appellants that the act in question is unconstitutional for various reasons, and, among the others, for the reason that it is special legislation, inhibited by the constitution, because it attempts to provide for the creation of liens in favor of a special class of laborers, and thus attempts a mere arbitrary classification not founded upon natural differences, or differences defined by the constitution, within the meaning of the principle declared in Darcy *v.* San Jose, 104 Cal., 642; 38 Pac., 500, and other decisions of this court to the same point. This contention is correct if the said act provides a lien only for those laborers and mechanics who are employed by the week or month, and does not provide liens for those who are not thus employed. But this court has already declared such to be the construction of the act in two cases.

Since the date of the decisions in those cases the legislature has been in session, and has not seen fit to change the statute; and whether the statute as thus construed is a proper and wise law, or whether it should be in any manner changed, are now questions for legislative discretion. Following the construction given to the act by the decisions above noticed, we hold it to be unconstitutional.

CONSTITUTIONALITY OF STATUTE — TRADE - MARKS OF TRADE UNIONS—*Schmalz v. Wooley et al., 41 Atlantic Reporter, page 939.*—This case was heard in the court of chancery of New Jersey upon a bill filed by Frederick W. Schmalz, president of the Union Hat Makers' Association of Newark, N. J., for an injunction against Edwin Wooley and Frederick S. Crane to prevent them from using the trade label of the United Hatters of North America or any counterfeit or imitation of the same upon hats made by them. Said injunction was refused upon several grounds, one of which was that the act approved March 27, 1889, regulating trade-marks, etc., of associations or unions of workingmen and the acts approved March 23, 1892, and March 14, 1895, supplemental thereto were unconstitutional and void. [See Bulletin of the Department of Labor, No. 17, p. 637.] The case was appealed to the court of errors and appeals of the State, which rendered its decision November 14, 1898, and reversed the decision of the court of chancery.

The opinion of the court of errors and appeals, delivered by Judge Dixon, reads in part as follows:

The act of 1889 [Gen. Stats., 1895, p. 3678, secs. 1 to 7, inclusive] is entitled "An act to provide for the adoption of labels, trade-marks, and forms of advertising by associations or unions of workingmen, and to regulate the same." It provides (sec. 1) that it shall be lawful for associations and unions of workingmen to adopt, for their protection, labels, trade-marks, and forms of advertisement, announcing that goods manufactured by members of such associations or unions are so manufactured; (sec. 4) that every such association or union adopting a label, trade-mark, or form of advertisement as aforesaid shall file the same in the office of the secretary of state, by leaving two copies, counterparts or facsimiles thereof, with said secretary; and (sec. 5) that every such

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association or union adopting, etc., may proceed by suit in the courts of this State to enjoin the manufacture, use, display, or sale of any counterfeit of their label, trade-mark, or form of advertisement; and that all courts having jurisdiction thereof shall grant such an injunction. The demurrants do not deny that the bill presents a case in conformity with this act, except in this respect: That under the act the bill should be filed by the association, or all its members, and not by one member alone. In our opinion, the act empowers the association to proceed by suit, making it for this purpose a quasi corporation, and therefore does not of itself entitle a single member to maintain the action. But this objection is obviated by section 4 of the act of 1892 [Gen. Stats., 1895, p. 3679, secs. 8 to 14, inclusive], if valid, which provides for the bringing of such proceedings in the name of any member duly authorized by the association or union for that purpose. We are therefore brought to the main question raised as to these statutes.

The demurrants contend that the act of 1889 violates that provision of the constitution (article 4, sec. 7, par. 11) which forbids the passage of private, local, or special laws granting to any association, corporation, or individual any exclusive privilege, immunity, or franchise whatever. Their position is that, as the privileges of this act are confined to associations or unions of workingmen for the protection of goods manufactured by their members, and are not offered to other workingmen who may not choose to form associations or unions, or to persons generally, the privileges are therefore exclusive, and the act is special. We do not agree to this conclusion. All the legislation of the State respecting societies, associations, and corporations is based upon the idea that privileges which are denied to single individuals may be conferred upon groups of persons; and nothing in the constitution was intended to subvert this doctrine. If the legislature offers to any class of persons privileges peculiarly appropriate to their class, on condition that several of them shall unite for the purpose of accepting and exercising them, the constitution will not therefore be infringed. The privileges of this act are offered to all workingmen engaged in the manufacture of goods, who thus unite, and they relate to goods of every description manufactured by them. Certainly workingmen engaged in the manufacture of goods constitute a distinct class of persons, and there is a manifest appropriateness in enabling any of them who comply with the act to provide and protect a mark distinguishing the products of their labor and skill. Nor is it at all necessary that a similar privilege should be given to those who are not workingmen, but are only employers of workingmen. Such persons stand in a different class with respect to the exercise of those faculties which the legislature intended to foster. We think this act is constitutional.

The act of 1892, with its amendment of 1895 [Gen. Stats., 1895, p. 3679, secs. 8 to 18, inclusive], seems not to be exposed to the objection just considered; for their provisions extend to any persons and any associations or union of workingmen adopting a label or trade-mark to distinguish any merchandise or product of labor made, packed, or put on sale by such persons, association, or union. But these acts are assailed on the ground that their titles do not comply with that provision of the constitution (article 4, sec. 7, par. 4) which declares that "to avoid improper influences which may result from intermixing in one and the same act such things as have no proper relation to each other, every law shall embrace but one object, and that shall be expressed in the title." The title of the act of 1892 is, "A further supplement to an act entitled 'An act to protect trade-marks and labels.'"

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That of the act of 1895 is "An act to amend an act entitled 'A further supplement,'" etc. (quoting the title of the act of 1892). The objection urged is that there existed no act entitled "An act to protect trade-marks and labels," and therefore entitling these acts as supplements or amendments of such an act was misleading. But, conceding this, the inquiry is not concluded. The question still remains, Was the title misleading as to the object of the act? Did not the title, in spite of its false assumption of the existence of a prior statute, fairly express the object of the proposed legislation? On reading the act it will be perceived that its object is to protect trade-marks and labels, and that for this purpose it is a complete and independent enactment. To express that object in the title, no particular form of words is required, nor is it necessary that the object would be expressed with precision. It is enough if the title be so phrased as to inform the legislators and the public of the subject matter of the act. Tested by this standard, these titles seem to be sufficient. They clearly indicate that the subject of legislation is trade marks and labels, and that the purpose is to protect them. True, they state that this is to be done in the form of supplements, but that does not affect the object of the statutes. In our legislation a formal supplement to an act is not necessarily a statute which supplies defects in its predecessor. It may be one that abrogates the preceding enactments, and substitutes radically different provisions. Hence the mere calling of an act a supplement to another designated act expresses nothing of its object. Thus, if the title were, "A supplement to assembly bill No. 10, which became a law on July 4, 1876," the constitutional requirement would not be satisfied because the title would not at all express the object, while the title, "An act to define more accurately the crime of murder of the first degree," would fully express the object, although the act, in form and substance, were only a supplement to section 68 of the crimes act. Entitling an act a supplement to a former act complies with the constitution only when so much of the original title is recited as expresses the object of the proposed law; and, if that object be expressed, the constitution does not defeat the statute merely because it is erroneously styled a supplement. We therefore conclude that these acts are valid, so far as they are necessary to sustain the complainant's bill.

We also think that upon general principles the substance of the bill is sufficient. It alleges: That a company of journeymen hatters, calling themselves "The Union Hat Makers' Association of Newark, New Jersey," have, in common with similar associations formed elsewhere, adopted a certain label or trade-mark; that for ten years last past they have used said label or mark to designate and distinguish the hats made by members of the association, by affixing it upon each of those hats, and that for about three years last past the defendants have used a fraudulent imitation of that mark upon the hats made and sold by them, thereby deceiving the public, violating the rights of the members of the association, and depriving them of large profits which they would otherwise have gained. These allegations seem to present a case of inequitable infringement of the association's right of property in its trade-mark or label.

In McAndrew *v.* Bassett, 4 De Gex, J. & S., 380, Lord Westbury said: "The essential ingredients for constituting an infringement of that right probably would be found to be no other than these: First, that the mark has been applied by the plaintiffs properly (that is to say, that they have not copied any other person's mark, and that the mark does not involve any false representations); secondly, that the article so

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marked is actually a vendible article in the market; and, thirdly, that the defendants, knowing that to be so, have imitated the mark for the purpose of passing in the market other articles of a similar description." These views received the approbation of Lord Cairns, sitting in the court of appeals, in Maxwell *v.* Hogg, 2 Ch. App., 307–314, and accord with the great weight of authority on this much litigated subject. The present bill clearly sets out the adoption and proper application of the mark by the association, and its fraudulent imitation for the interdicted purpose by the defendants. It is not so explicit as to the second ingredient mentioned by the lord chancellor, but the court does not need to be told that hats made by a company of journeymen hatters during ten years were actually vendible articles in the market. So much will be inferred.

But the objection urged by the defendants against the bill is that it does not allege, and the court can not infer, that the journeymen owned the hats made by them; and it is insisted that the ownership of the article to which the trade-mark is affixed is necessary to the acquisition of a right in the mark. The public object sought in the protection of trade-marks is to bring upon the market a better class of commodities, and the means for attaining that object is by securing to those who are instrumental in supplying the market whatever reputation they gain by their efforts towards that end. The workman by whose handicraft the commodity is made is one of these instruments, just as is his employer who furnishes the raw material and owns and sells the finished product; and if the former is permitted by the owner to place upon the commodity a mark to indicate whose workmanship it is, and thereby commend his workmanship to other employers, this license from the owner should be deemed a right against everybody else. His aptitude in his trade is his property, and if by a mark he can have it identified as his in the market, he may enhance its saleable value, and thus secure the same sort of advantage as his employer, by similar means. No reason exists why this advantage should not be protected by the courts in the same manner and to the same extent as is the like advantage of the employer. The mere fact that one rather than the other of these persons has placed the product upon the market has no rational bearing upon the matter; for both alike have had the market in view in the efforts they have made, and through those efforts the market is supplied. A different objection to a suit of this nature was sustained in Weener *v.* Brayton, 152 Mass., 101; 25 N. E., 46, namely, that the label did not indicate by what persons the articles labeled were made, but only indicated that they were made by one of many persons who were not connected with each other in any business. The first clause of this objection would unduly restrict the law of trade-marks as everywhere recognized; for it is established that, whatever be the quality indicated by a trade-mark, the mark need not point out the particular person from whom that quality is derived. The law has placed no limit upon the number of persons who may unite for business purposes and jointly acquire property in a trade-mark; and yet it is evident that, if there be many, some of them may have no personal share in producing the article identified by the mark. The second clause in the objection assumes what does not appear to be true in the case before us. We understand from the bill that the members of the association represented by the complainant are connected together as journeymen hatters; that their skill in this trade, and their mutual assistance in profiting by its practice, form the motive and chief aim of their association. This connec-

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tion is as clearly one for business purposes as is that of members in a partnership, or of stockholders in a corporation. Although it is a comparatively novel species of relationship, it has become an established one, and therefore calls for the application of those general principles of law and equity which are applied to other species of business associations. According to these principles, we think a workman, or a number of workmen engaged in the same branch of industry and banded together for their mutual profit, in the pursuit of their common vocation, may acquire a right of property in a trade-mark designed to distinguish their workmanship from that of other persons, and that a trade-mark so owned is entitled to the same protection as other trade-marks. The decree below should be reversed, and the demurrer overruled.

EFFECT OF STATUTE PROHIBITING THE ISSUING OF CHECKS IN PAYMENT OF WAGES UPON THE RIGHTS OF THE PURCHASER OF THE SAME FROM EMPLOYEES—*Naglebaugh v. Harder & Hafer Coal Mining Co., 51 Northeastern Reporter, page 427.*—Action brought in the circuit court of Sullivan County, Ind., by John Naglebaugh against the above-named company. Judgment was rendered for the defendant company, and the plaintiff appealed the case to the appellate court of the State, which rendered its decision October 11, 1898, and affirmed the action of the lower court.

The facts in the case and the reasons for the decision are fully set out in the opinion of the appellate court as delivered by Judge Wiley, and the following is quoted therefrom:

The only question presented by the record is the action of the court in sustaining a demurrer to the complaint. The appellant was plaintiff, and, refusing to amend, judgment was rendered against him for costs. The complaint is in two paragraphs. In the first it is charged that appellee is a corporation; that it owned and operated a coal mine; that it employed a large number of men in mining coal; that for three years appellee issued to and circulated among its employees brass checks, which represented money due such employees for labor; that said checks were payable at the store of Patton & Baldridge, at Grammercy Park, Ind., where said mine was located; that said checks represented an amount due from the appellees to the holders; that appellant was in business near said mine, and, in business transactions with said employees, purchased their claims for a valuable consideration, and received from them, as evidence of their claims, said brass checks; that said checks so purchased represented in the aggregate $500; that appellant is not now able to give the names of the persons from whom he purchased said checks; that he presented them to said Patton & Baldridge for payment, which was refused; that he also presented them to appellee for payment, which was likewise refused; and that the amount represented by them is due, etc. The second paragraph is identical with the first, except that it does not aver that the checks were presented to Patton & Baldridge for payment.

In the language of the complaint, "a copy of fac simile of the inscription of said checks" are made exhibits. There are three of them, and one is as follows: [Here the opinion shows a representation of a circu-

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lar check.] On one side of the check above set out are impressed the words and figures "Good for 1.00 in trade," and on the reverse side the words "Patton & Baldridge, Grammercy Park, Ind." The other two are just like the above, except one calls for 50 and the other for 25 cents.

It is difficult to understand upon what theory the complaint proceeds. It is plain, however, that appellant seeks a recovery upon one of two theories: (1) Upon the brass checks, which he describes in his complaint, and which he makes his exhibits thereto; or (2) upon an account for work and labor performed by the employees of the appellee, and an assignment thereof to him by such employees. If he relies upon the latter theory, his complaint is radically defective for two reasons: (1) There is no sufficient statement, in the complaint or bill of particulars accompanying it as an exhibit, of the work and labor performed by such employees; and (2) such employees are not made defendants to answer as to their interests, and no sufficient showing is made why they are not. We must assume, therefore, that this is not the theory upon which the complaint proceeds, but that the plaintiff has grounded his action upon the checks. Upon the latter theory, it seems clear to us, no cause of action is stated. These checks show on their face that they were only good "in trade" at a fixed and definite place, and that was at Patton & Baldridge's. It is also charged in the complaint that they were made payable there. These checks were not commercial in their character, and the appellant took them charged with a full knowledge of their infirmities. The complaint assumes that these checks were valid, and it appears to us that the action is predicated upon them, and must upon this theory either stand or fall. It must be held, under the facts pleaded, that these checks were issued to the employees of appellee in payment, or, at least, in part payment, for labor performed by them. They were redeemable by appellee at the store of Patton & Baldridge. As to whether these checks were purchased by appellant at a discount, as a speculation, we have nothing to do, although counsel have discussed this question.

The issuing of the checks, under the statute, was an unlawful act, and this appellant admits. Section 7060, Rev. St. 1894 (section 5206*x*, Horner's Rev. St., 1897), provides "that any person, copartnership, corporation," etc., "who shall publish, issue, or circulate any check, card, or other paper which is not commercial paper payable at a fixed time in any bank in this State, at its full face value in lawful money of the United States, * * * to any employee of such person, copartnership, corporation," etc., "in payment for any work or labor done by such employee, * * * shall be guilty of a misdemeanor, and upon conviction shall be fined," etc. The complaint avers that said checks represented money due the employees of appellee for work and labor done, and did in fact represent amounts due from appellee to the holders thereof. If this is true, then the checks must be regarded as evidences of indebtedness, or, in other words, a promise to pay money. They would constitute the contracts between the parties. "When the object of the contract is to obstruct justice and duty by defeating the letter and spirit of the law, the courts will not enforce the agreement. It would be a travesty upon government. Could its judiciary lend aid to attempts to defeat the very ends of government? It has been repeatedly and most emphatically decided that contracts contrived for the purpose of violating statutes are inoperative and void. When such a contract is in defiance of an absolute provision of the statute, the illegality is

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more apparent. * * * If an act is forbidden, a contract to do it is void, whether any penalty be attached or not, for no one can use the law to effect its violation." (9 Am. & Eng. Enc. Law, p. 909.) It is the rule everywhere that courts will not enforce a contract made to violate a statute of the State.

We must assume that the appellant, when he purchased said checks, knew that they were issued in violation of a penal statute of the State, and that in his hands they would create no legal liability against appellee. Suppose these checks were still in the hands of the employees, to whom they were issued, and appellee refused to pay them. They could not recover from appellee the amounts represented by the checks, and make the checks the basis of the action. Their sole remedy would be to disregard the checks, and sue on the quantum meruit, as for work and labor performed. The appellant is in no better position to maintain an action on the checks than the original holders; and, as it is manifest that they could not do so, it follows that the appellant's complaint does not state any cause of action. If appellant intended to disregard the checks, and sue upon an account for labor of appellees' employees, as upon an equitable assignment, and as an equitable assignee, and ask to be subrogated to the original rights of such assignors, a different question would be presented; but that is not the theory of the complaint, and hence that question is not before us for decision. The demurrer to the complaint was properly sustained. Judgment affirmed.

EIGHT-HOUR LAW—EFFECT OF SAME ON CITY ORDINANCE PROVIDING FOR ENFORCED LABOR ON ROADS—*In re Ashby, 55 Pacific Reporter, page 336.*—Under an ordinance of the city of Fort Scott, Kans., requiring all male residents between the ages of 21 and 45 to perform two days' labor of ten hours each on the streets of the city or to pay the sum of $3, C. R. Ashby was restrained of his liberty by the marshal of said city pending a continuance of a prosecution brought against him in the police court. He petitioned the supreme court of the State, under a writ of habeas corpus, to be discharged from said custody on the ground, among others, that said city ordinance was in violation of chapter 114 of the laws of Kansas of 1891, providing that eight hours should constitute a day's work for all laborers, etc., employed by the State or by any county, city, township, or municipality of the same. The supreme court rendered its decision December 10, 1898, and sustained the above contention, and ordered the discharge of the petitioner from custody.

The following is contained in the opinion of the supreme court, which was delivered by Judge Allen:

Chapter 114 of the laws of 1891 provides: "That eight hours shall constitute a day's work for all laborers, workmen, mechanics, or other persons now employed, or who may hereafter be employed, by or on behalf of the State of Kansas, or by or on behalf of any county, city, township, or other municipality of said State, except in cases of extraordinary emergency which may arise in time of war or in cases where it may be necessary to work more than eight hours per calendar day for

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the protection of property or human life." It is contended on behalf of the respondent that this act has no application to the ordinance under consideration, because subdivision 34 [of section 11 of chapter 18 of the General Statutes of 1889, under the authority of which the ordinance in question was passed by the mayor and council of the city] authorizes the council to require the performance of two days' labor of ten hours each, and that this provision has not been repealed or amended either in express terms or by necessary implication. It is also said that a person working a poll tax under the ordinance is not employed by the city, within the meaning of the eight-hour law, but that the service required is in the nature of a tax imposed for the purpose of keeping the streets and alleys of the city in repair. It is often a matter of great difficulty to determine how far prior enactments may be changed or restricted in their operations by subsequent ones which are not in terms amendatory. It sometimes happens that the legislature has under consideration a special subject, which in some particulars is related to many matters concerning which prior enactments are in force. It has never been held that, in order to make the subsequent act valid and operative, all such prior enactments must be revised and amended so as to conform to the new act. It is only when the legislature, in passing the subsequent act, has under consideration the subject matter contained in the former enactment, and is working along the same legislative line, that the subsequent act can fairly be termed amendatory of the prior.

When the eight-hour law was passed, the legislature had under consideration the general subject of the length of a day's labor for those engaged on public works at manual labor, without special reference to the purpose or occasion of their employment. The leading idea clearly was to limit the hours of toil of laborers, workmen, mechanics, and other persons in like employments to eight hours, without reduction of compensation for the day's service. The validity of this act is not now attacked, but its effect only is discussed. It is impossible to draw a distinction between the case of one man who works out his own poll tax and of another employed by the city to work two days for $3 collected from a third, who chose to pay in money rather than to work out his tax. That the latter laborer would fall strictly within the provisions of the law is clear. He would be a laborer employed on the public streets, and paid directly by the city. The eight-hour law being valid, he could not be required to perform more than eight hours of service for a day's work. Will it be contended that the man who, either from necessity or choice, works out his own tax must labor ten hours for a day, and may be forced to do four hours' more service to discharge his tax than the man employed by the city to render two days' service for $3?

A laborer on the public streets of a city falls as clearly within the letter, the spirit, and purpose of the statute as any person we can think of, and it was for the benefit of such that the eight-hour law was enacted. The ordinance under which the petitioner is prosecuted was passed in 1897. It exacts two days' labor of ten hours each. This is two hours of service more per day than the law authorized. The petitioner refused to comply with this requirement. He was not bound to enter into any controversy with the city officials as to the length of a day's employment by working eight hours, and then refusing to work longer. The city must first conform its requirements within the limits of the law. Not till then may it enforce them. The ordinance as passed is invalid, and will not uphold the prosecution against the petitioner. He is therefore discharged. All the justices concurring.

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EMPLOYERS' LIABILITY—DUTIES OF THE EMPLOYER—CONTRIBUTORY NEGLIGENCE OF EMPLOYEE—EFFECT OF STATUTE—*Knoxville Iron Co. v. Pace, 48 Southwestern Reporter, page 232.*—Suit was brought by John M. Pace against the above-named company to recover damages for personal injuries incurred by him while employed by said company as a miner in its coal mine at Briceville, Tenn. The case was tried in the circuit court of Anderson County, Tenn., and a judgment was rendered for the plaintiff, Pace. The evidence showed that Pace and a helper had prepared three blasts on the day of the accident; that large quantities of dust had accumulated near the place where they were at work; that they applied fire to the fuse in each of the three holes and then retreated down the entry about 400 feet, when the blasts exploded; and that immediately a strong current of wind rushed down the entry, throwing Pace and his helper to the ground, enveloping them with flames, and burning them severely. The plaintiff claimed that this was the result of a mine-dust explosion, which was the theory accepted by the jury in rendering a verdict in his favor, but the company claimed that the accident was caused by gas and smoke generated by the explosion of the black powder in the three holes driven by Pace and his helper, and resulted from their negligence in the use of the powder and in the method of driving the holes. After the judgment for the plaintiff in the circuit court the defendant company carried the case, upon writ of error, to the supreme court of the State, which rendered its decision November 11, 1898, and affirmed the judgment of the lower court.

The opinion of the supreme court was delivered by Judge McAllister, who, after reviewing the evidence and stating that the testimony warranted the finding of the jury in the lower court to the effect that the accident was caused by a mine-dust explosion, continued, in part, as follows:

The tenth assignment [of error] is that the court erred in defining the degree of care required of a master in furnishing a safe room or entry where the plaintiff should work; and it is insisted that the effect of the charge is to make the mine owner an insurer of the safety of the premises where the servant is to work, and an insurer also of the skill and prudence of fellow-servants. Taking the charge as a unit, we do not think it warrants the construction contended for, and is in accord with the general rule that "it is the duty of the master to keep his premises used in the prosecution of his business in a reasonably safe condition, and, if he fails to do so, he is liable to the servant for all injuries resulting to him from such defects." (Wood, Mast. & S., p. 695, sec. 334.)

The court, in charging upon the duty devolved on defendant company to employ a competent mine boss, was fully warranted by chapter 170, Acts of 1881, entitled "An act to provide for the ventilation of coal mines and collieries, and for the protection of human life therein." The eighth clause provides that to better secure the ventilation to either coal mines or collieries, to provide for the health and safety of the men employed therein otherwise and in every respect, the owner or agent,

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as the case may be, in charge of every coal mine and colliery, shall employ a competent inside overseer, to be called a "mining boss," who shall keep a carefull watch over the ventilating apparatus, airways, tramways, pumps, timbering, signaling arrangements, tubes, etc., and all things connected with and appertaining to the safety of the men at work in the mine. "He or his assistant shall examine carefully the workings of all mines generating explosive gases, every morning before the miners enter the coal mine or colliery, and shall ascertain that the mine is free from all danger." The charge in this case is not so strong as the positive mandate of the statute. The court was certainly in error in charging the jury that the duty of inspection imposed by this act only applied to noxious and explosive gases, and does not make it incumbent on them to remove dust from the mine by reason of inspection. The positive language of the statute is that the mine boss shall keep a careful watch over all things appertaining to the safety of the mine, and shall every morning examine the mine to see that it is "free from all danger." It is shown that this mine did generate explosive gases.

The eleventh assignment is that the court erred in defining the degree of care plaintiff was required to exercise for his own protection. The criticism is that the court instructed the jury that, notwithstanding plaintiff may be perfectly familiar with all the conditions,—such as that the mine is a dry one, that there is dust in it, that there is gas in it, etc.,—and yet, because he does not understand or discover these things to be dangerous, he may, nevertheless, recover from defendant, etc. The court had charged that "if the plaintiff had opportunities afforded him so that he could have seen and known there was danger thereof, etc., and if the plaintiff failed to see the danger and avoid it, he could not recover," etc. Court also charged: "It is duty of plaintiff to use such care and prudence for his own protection, after place to work is furnished him, as a man of ordinary prudence situated as he was would have used under the circumstances." Again the court charged that "if plaintiff knew or had opportunities to know of the existence of the dust in the entry, and saw the danger therefrom, and continued in the employment, he could not recover for the injury, nor could he recover if he was skilled, or had reason to apprehend danger from an explosion."

In answer to this assignment of error, it is insisted by learned counsel for defendant in error [Pace] "that plaintiff would not be barred if he had merely known of the conditions, but neither knew nor ought to have known of the danger therefrom, especially when this danger is established as a scientific conclusion from given facts, and implies a knowledge which might properly be required of the person placed in charge of the safety of a coal mine, and yet not be required of an ordinary miner. In such an employment as this, especially where the statute fixes upon the mine owner the duty of employing a competent mine boss to look after the safety of the men, while the company is held to the exercise of a reasonable care and knowledge on the part of the mine boss, such knowledge is not necessarily required of the employee who will not be guilty of contributory negligence, unless he has knowledge of the conditions, and ought reasonably to have knowledge of the danger also." The authorities fully sustain the proposition. Says Wood, in his work on Master and Servant: "A servant may maintain an action against his employer for injuries sustained by himself, resulting from the negligence of the employer, in a matter in which, from the nature of the employment, he had a right to rely upon the care and

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superior knowledge of the employer. It is true that the employee is bound to exercise all reasonable care and prudence, and, if an injury result through his want of care, * * * he has no right of action. But in determining what would be negligence on the part of the workman, reference must be had to his limited means of knowledge, to his ignorance of the structures, machinery, and processes upon which he is employed," etc. "In an action by a servant to recover damages for an injury occasioned in the course of his employment, by defective and unsuitable machinery, it must appear that the machinery was, in fact, defective, that the injury was occasioned by such defect, and that the defendant had notice of it, or would have known of the defect if he had exercised ordinary care." (Wood, Mast. & S., p. 742, sec. 366; id., pp. 749, 750, sec. 376.)

"It may be observed in this connection that it is one thing to be aware of defects in the instrumentalities or plan furnished by the master for the performance of his services, and another thing to know or appreciate the risks resulting or which may follow from such defects. The mere fact that the servant knows the defects may not charge him with contributory negligence, or the assumption of the risks growing out of them. The question is: Did he know, or ought he to have known, in the exercise of ordinary common sense and prudence, that the risks, and not merely the defects, existed?" (14 Am. & Eng. Enc. Law, p. 844, note.) The other assignments have been examined but we find in them no reversible error. The judgment is therefore affirmed.

EMPLOYERS' LIABILITY—RAILROAD COMPANIES—NEGLIGENCE—CONSTRUCTION OF STATUTE—*Florida Central and Peninsular Railroad Co. v. Mooney, 24 Southern Reporter, page 148.*—A suit, brought by one John W. Mooney against the above-named railroad company to recover damages for personal injuries incurred by him while in the employ of said company, was heard in the circuit court of Levy County, Fla., and a judgment was rendered in favor of the plaintiff, Mooney. The defendant company carried the case upon writ of error to the supreme court of the State, which rendered its decision June 13, 1898, and reversed the decision of the lower court. The facts as to the incurrence of the injury are not essential to an understanding of the points of the decision. The decision hinged upon the construction of chapter 4071, Laws of Florida of 1891, the first three sections of which read as follows:

SECTION 1. A railroad company shall be liable for any damage done to persons, stock, or other property, by the running of the locomotives, or cars, or other machinery of such company, or for damage done by any person in the employment and service of such company, unless the company shall make it appear that their agents have exercised all ordinary and reasonable care and diligence, the presumption in all cases being against the company.

SEC. 2. No person shall recover damages from a railroad company for injury to himself or his property, where the same is done by his consent, or is caused by his own negligence. If the complainant and the agents of the company are both at fault, the former may recover,

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but the damages shall be diminished or increased by the jury in proportion to the amount of default attributable to him.

SEC. 3. If any person is injured by a railroad company by the running of the locomotives, or cars, or other machinery of such company, he being at the time of such injury an employee of the company, and the damage was caused by negligence of another employee, and without fault or negligence on the part of the person injured, his employment by the company shall be no bar to a recovery. No contract which restricts such liability shall be legal or binding.

Said chapter was held by the supreme court of Florida in the case of Duval *v.* Hunt, 15 Southern Reporter, page 879, to have been adopted from a statute of the State of Georgia.

The opinion of the supreme court in this case was delivered by Judge Carter, and from the syllabus of the same, which was prepared by the court, the following is quoted:

2. To entitle an employee to recover damages from his employer for personal injuries caused by the negligence of another employee, under the provisions of chapter 4071, acts of 1891, the plaintiff must himself have been free from fault, as the provisions of section 2 of that act relating to the apportionment of damages have no application to such cases [cases where both the employer and employee were negligent].

3. In an action by an employee under the provisions of chapter 4071, acts of 1891, to recover damages from his employer for injuries alleged to have been inflicted by the negligence of another employee in performing some act in the defendant's service, in the performance of which plaintiff as a coemployee was participating, the plaintiff must show either that he was free from fault himself, or that there was negligence on the part of his coemployee. Upon proof that plaintiff was free from fault, the statutory presumption arises that the servants of the defendant were at fault; and it thereupon devolves upon the defendant to "make it appear" to the contrary.

4. If the act resulting in injury to plaintiff, an employee, was one being performed by other employees in the defendant's business, but in the performance of which plaintiff was not participating, then the presumption of negligence on the part of the agents of the defendant, and that plaintiff was free from fault, arises under the statute (chapter 4071, acts of 1891) to the same extent as if plaintiff was not an employee; and it devolves upon the defendant to relieve itself either by showing that plaintiff was at fault, or that its servants were not negligent.

5. Where a statute is adopted from a sister State, any known and settled construction placed thereon by the courts of that State prior to its adoption, not inharmonious with the policy and spirit of the general legislation of the adopting State on the subject, will prevail in construing the statute in the latter State.

6. A servant in the performance of his duties is bound to exercise ordinary care for his own safety, or that degree of care which prudent persons usually exercise under similar circumstances; and, if he is injured by failure to exercise such care, his master is not liable.

7. If, in the performance of his duties, the servant has no instructions to pursue a particular method, and two or more methods are open to him, he can not be said to have been negligent if he in good faith adopts that method which is more hazardous than another, if the one adopted be one which reasonable and prudent persons would adopt under like circumstances.

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8. Shifting cars by means of the "kicking back" process is not necessarily at all times an act of negligence per se, even though there may be a safer method of shifting them.

9. In actions for negligence, where there is no evidence tending to show negligence of so gross and flagrant a character as to evince a reckless disregard of human life, or of the safety of those exposed to its dangerous effects, or that entire want of care which would raise the presumption of a conscious indifference to consequences, or to show wantonness and recklessness, or reckless indifference to the rights of others equivalent to an international violation of them, exemplary damages can not be awarded.

FINES OF WEAVERS—PAYMENT OF WAGES—CONSTRUCTION OF STATUTE—*Gallagher v. Hathaway Manufacturing Co., 51 Northeastern Reporter, page 1086.*—Action was brought for wages by Jane Gallagher against the above-named company. The suit was heard in the superior court of Bristol County, Mass., and a judgment was rendered for the defendant company. The plaintiff appealed the case to the supreme judicial court of the State, which rendered its decision November 23, 1898, and sustained the judgment of the lower court. The evidence showed that when the plaintiff went to work for the defendant, and prior thereto, there was posted in a conspicuous place in the room in which she was employed a notice specifying the wages to be paid for weaving described styles of cloth of first quality, and the wages for weaving the same styles of second quality, the quality to be determined by defendant's superintendent, which notice stated, with the detail required by law, the different kinds of cloth to be woven, and the different rates of compensation to be paid therefor; that it was the manufacturer's custom to pay wages as for first quality work, and, if any of it was found to be of second quality, to deduct the difference from the succeeding week's wages, of which custom the plaintiff was aware; that the plaintiff wove a cut of cloth of the second quality and which was determined to be so by the superintendent; that the difference in pay was deducted from her next week's wages, and that she brought this suit to recover the amount so deducted. The case was decided by the interpretation of the court of sections 51 and 55 of chapter 508, acts of 1894, which, in so far as they affect this case, read as follows:

SECTION 51. Every manufacturing, mining or quarrying, mercantile, railroad, street railway, telegraph and telephone corporation, every incorporated express company and water company shall pay weekly each employee engaged in its business the wages earned by such employee to within six days of the date of said payment; * * * but if at any time of payment any employee shall be absent from his regular place of labor he shall be paid thereafter on demand. * * *

SEC. 55. The system of grading their work now or at any time hereafter used by manufacturers shall in no way affect or lessen the wages of a weaver, except for imperfections in his own work; and in no case

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shall the wages of those engaged in weaving be affected by fines or otherwise, unless the imperfections complained of are first exhibited and pointed out to the person or persons whose wages are to be affected; and no fine or fines shall be imposed upon any person for imperfect weaving, unless the provisions of this section are first complied with and the amount of the fines are agreed upon by both parties.

The opinion of the supreme court was delivered by Justice Holmes, and from it the following is taken:

In this case, since it was before the court upon an agreed statement of facts (169 Mass., 578; 48 N. E., 844), there has been a trial, and the judge has found that the plaintiff contracted to work for the defendant upon the terms of a written notice by which the plaintiff was to be paid a certain sum for weaving a described "cut" of cloth of the first quality, and half the amount for a cut of the second quality; the quality to be determined by the defendant's superintendent. The plaintiff wove a cut which was of the second quality, and which was determined to be so by the superintendent. The difference in the pay was deducted from her next week's wages, and she brings this suit to recover the amount. The judge who tried the case found for the defendant, subject to the facts stated by him, and the plaintiff excepted and appealed.

Both parties intended to produce only work of the first quality, and it is found that the difference of amount in the stipulated payments was a fine. It is found that this difference was commonly known as a "fine," and that the plaintiff understood the agreement, although she did not know what defects would constitute second quality work; and therefore we feel bound to assume, against a part of the argument for the plaintiff, that her contract was an agreement upon the amount of the fine, within St. 1894, c. 508, sec. 55, subject only to the question whether the amount was fixed definitely enough to satisfy the act.

It is suggested, but is not much pressed, that the agreement covers cases where the cloth is of second quality because of the poor quality of the yarn, or other cause not an imperfection in the weavers own work, to which last fines are limited by the section cited. But we think that the agreement must be construed with the law, and taken to refer only to a difference of quality for which the plaintiff was responsible.

The more serious objection is that the standard of first and second quality might not be constant, and that it is determined by the market, and that the result is the same to the weaver whether the fine is left in terms to vary, or is kept nominally the same, but is imposed by a measure which varies from time to time. It is a well-known device of dealers, who do not want to say they change the price of a liquid, to change the size of the receptacle, while keeping the old name of "quart," "pint," or "glass." But it is not argued that the superintendent may determine the quality arbitrarily. Both sides agree that his determination must be reasonable. The plaintiff puts this part of her case upon the oscillations of the market—the changes in grading which may be necessary in order to get customers. Taking the argument as thus limited, we can not say that the agreement is not reasonably certain. The very section relied on seems to contemplate a fine as determined by "the system of grading their work * * * used by manufacturers." No mode of determination can give a changeless result. All things change,—the dollars as well as others. If we accept the principle of the plaintiff's argument, it is still a question of degree whether the certainty is sufficient. We should suppose, and,

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so far as anything goes which is disclosed, we must assume, on the finding for the defendant, that the difference between the first and second quality of a given kind of cloth in a given market would be a tolerably permanent as well as certain criterion. Whether the plaintiff knew in what the difference consisted is immaterial, so long as the superintendent, in judging, was bound to refer to external standards, and could not decide by his own whim. It is not argued that the fine must be agreed on separately in each particular case. The language of the statute implies, in accordance with good sense, that the agreement should precede the imposition of the fine. If so, it naturally would be a general agreement in advance.

At the end of the week when the work in question was done, the plaintiff received full pay as for first-class work, and the sum in question was deducted from the next week's wages. This was due to the impossibility of the superintendent's personally examining all the work during the week, and was in accordance with the previous practice between the plaintiff and the defendant. The court found that the plaintiff, by implication, agreed that the first payment was provisional, and that such overpayment as this might be withheld the next week. It is urged that, if the plaintiff could make such an agreement, at least it should have been expressed. The agreement found by the court is express, none the less that it was expressed by conduct, and not by words. It was not implied in the sense that it was a legal fiction, such as often has been set up in order to bring a cause of action within the sphere of assumpsit or debt. Apart from statute, it does not matter what mode of expression is used, and there is no statute about it.

It is argued also that such an agreement, however made, is contrary to St. 1894, c. 508, sec. 51, requiring manufacturing corporations, and some others, "to pay weekly each employee engaged in its business the wages earned by such employee to within six days of the date of such payment." We do not perceive how. The plaintiff has been paid all that is due to her. She was overpaid one week, and was bound to repay the amount. We see nothing to prevent her agreeing that such an overpayment should go into a mutual account for the next week, and reduce the sum due. It surely would not encounter either the words or spirit of the law if an employer should lend his workman money to be set against his next week's wages. If the fine was lawful, as we have decided that it was, the payment of it might be arranged for in the same way.

INTIMIDATION OF EMPLOYEES TO PREVENT THEM FROM CONTINUING THEIR LAWFUL WORK AND EMPLOYMENT—*Fischer v. State, 76 Northwestern Reporter, page 594.*—One Otto Fischer was convicted in the municipal court of Waukesha County, Wis., of attempting, by intimidation, threats, etc., to hinder or prevent workmen from continuing in their lawful employment. He carried the case to the supreme court of the State upon a writ of error, and said court rendered its decision October 11, 1898, and affirmed the judgment of the lower court.

The facts are sufficiently shown in the opinion of the court, delivered by Chief Justice Cassoday, from which the following is quoted:

The plaintiff in error has been convicted of having, on February 23, 1898, committed the offense described by the statute, which declares

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that "any person who by threats, intimidation, force, or coercion of any kind shall hinder or prevent any other person from engaging in or continuing in any lawful work or employment either for himself or as a wage worker, or who shall attempt to so hinder or prevent, shall be punished," etc. Rev. St. 1898, sec. 4466c [Annotated Statutes, 1889, sec. 4466c].

Counsel contend that the complaint fails to state facts sufficient to constitute a cause of action. Of course, the complaint must state the facts essential to charge the accused with the offense prescribed. This should be done "in plain, concise language without prolixity or unnecessary repetition." (Rev. St. secs. 4650, 4657-4659; Hintz *v.* State, 58 Wis., 493; 17 N. W., 639.) At common law it seemed to be sufficient to frame the indictment in the words of the statute in all cases where the statute so far individuated the offense that the offender had proper notice, from the mere adoption of the statutory terms, as to what the offense he was to be held for really was; but not otherwise. Our statute makes a charge in the language of the statute of an offense created or punishable by statute sufficient after verdict. (Rev. St. sec. 4669.) That statute, however, is not applicable here, since the objection was taken before any evidence was admitted. Nevertheless we are constrained to hold that the complaint is sufficient. It alleges, in effect, that at the time mentioned the plaintiff in error, at the city of Waukesha, in the municipal district, being then and there the business agent of the Building Trades Council of Milwaukee, a labor organization commonly called a "union," and acting as the agent of such trades council, for the purpose of preventing E. J. Affolter, John Kleigel, and Ed. Welsh, and divers other persons, then and there being nonunion men, and not connected with the Building Trades Council, or any other labor organization, from continuing in the lawful employment in which they were then and there engaged, so that their places be taken, and the work performed, by the so-called "union men," did then and there, by threats, intimidation, force, and coercion, willfully attempt to hinder and prevent said Affolter, Kleigel, and Welsh, and divers other persons, from engaging in and continuing in their lawful work and employment, to wit, working as carpenters for the firm of George Mindemand & Co. in and upon the erection and construction of a certain building described, in Waukesha; that the attempt to so hinder and prevent Affolter, Kleigel, and Welsh from so engaging in and continuing in their lawful work and employment by threats, intimidation, force, and coercion consisted in this, to wit: "That said Otto Fischer did then and there, in the presence of the said E. J. Affolter, John Kleigel, and Ed. Welsh, to, of, and concerning them, say: 'You (meaning the aforesaid E. J. Affolter, John Kleigel, and Ed. Welsh) can not build this building (meaning the building described as aforesaid). I will fight it if it takes all summer; and if your city will not protect us we will get the militia,'—contrary to the statute in such case made and provided, and against the peace and dignity of the State of Wisconsin,"—and prays that the said Otto Fischer may be arrested, and dealt with according to law. This language seems to be sufficient to authorize a finding that the accused did, "by threats, intimidation, force, or coercion," attempt to hinder or prevent the persons named and others from engaging or continuing in the lawful work or employment mentioned. The case is stronger than State *v.* Compton, 77 Wis., 460; 4 N. W., 535, cited by counsel. In that case the threat was sent by letter. Here the accused was present, and professed to speak as the authorized agent of a large organization. The judgment of the municipal court for the eastern district of Waukesha County is affirmed.

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LIABILITY OF RAILROAD COMPANY FOR MALPRACTICE OF PHYSICIAN EMPLOYED IN ITS HOSPITAL DEPARTMENT—ACCIDENT CONTRACTS—*Wabash Railroad Co. v. Kelley, 52 Northeastern Reporter, page 152.*—In an action brought by F. M. Kelley against the above-named railroad company to recover damages for injuries received while in its employ, and also for malpractice of a physician employed in its "hospital department," and heard in the circuit court of Dekalb County, Ind., a judgment was rendered for him for the malpractice and for the defendant company as to the original injuries caused by an accident on its line. The railroad company appealed the case to the supreme court of the State, which rendered its decision December 15, 1898, and affirmed the judgment of the lower court. The evidence showed that the plaintiff, Kelley, was a fireman employed on one of the company's freight engines; that while engaged in his duties cleaning his engine he slipped and fell from a defective step on the engine and the wheels ran over and crushed one of his feet; that the company had a system whereby it deducted certain amounts from the wages of its employees and agreed therefor to furnish them with medical attendance and treatment in case of injuries from accident; that as part of this plan it had established a hospital department and employed surgeons; that the plaintiff was taken to a hospital and treated by said surgeons; that several amputations were performed on his leg; that the second of these was wrongly performed by a Dr. Higgins, one of the company's surgeons, and that the said doctor was afterwards discharged by the company on the ground of his indulgence in drugs.

The opinion of the supreme court was delivered by Judge Howard, and the following is quoted therefrom:

The sufficiency of the complaint is questioned under various assignments of error. The defect indicated is that it appears from the complaint that the company exacted from appellee [Kelley], without his written consent given, a part of his wages, to be used for the maintenance of a hospital, contrary to the provisions of sections 2300, 2301, Rev. St., 1894.

Said sections are as follows:

"SECTION 2300. It shall be unlawful for any railroad company or corporation operating railroads in Indiana to exact from its employees, without first obtaining written consent thereto in each and every instance, any portion of their wages for the maintenance of any hospital, reading-room, library, gymnasium or restaurant.

"SEC. 2301. Any paymaster, auditor or employee of any company so exacting from its employees such sums of money shall, upon conviction thereof in any circuit court having competent jurisdiction, be fined not less than one hundred dollars nor more than five hundred dollars, as the court may decree."

Appellant has retained appellee's money, and has placed the same in its treasury as a part of its funds for the care of its sick and disabled employees; but contends that, as appellee did not give his written consent to such retention, he has, therefore, by reason of appellant's said wrongdoing, no right to the benefit which appellant promised him in return for the money so exacted. We do not think the complaint shows

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any agreement on the part of appellee to violate the statute in question. It is alleged, simply, that the appellant had undertaken, as a part of the contract of employment, to provide surgical and medical attendance and care to the appellee, as the same should be rendered necessary by casualty and accident, and to treat him for injuries received while in its service; that, consequently, on the happening of appellee's injury, appellant was in duty bound to furnish him such medical and surgical services; and that appellant, recognizing its said duty, did send appellee first to the Emergency Hospital at Detroit, and then to the hospital at Peru, to receive the care and attention originally promised. Such undertaking to provide surgical and medical care is not, by the statute [sections 2300 and 2301, above], made void as a part of the contract of service. The provision of the statute is that it shall be unlawful for a railroad company "to exact from its employees, without first obtaining written consent thereto in each and every instance, any portion of their wages for the maintenance of any hospital, reading-room, library, gymnasium or restaurant." If the appellant did, indeed, exact any such contributions without the written consent of appellee,—which does not appear from the complaint,—that was not a wrong for which appellee can be held liable. It was the act of appellant; and it is a familiar principle that one can not take advantage of his own wrong. As to the deductions from appellee's wages, it appears from the complaint that appellee had no voice in the matter, but that appellant had "for seven years, the period of appellee's service, deducted and taken from his monthly wages the sum of 50 cts. per month, with which to reimburse and recompense itself for expenses and charges incurred or rendered necessary in treating or providing surgical and medical treatment for plaintiff." It would be strange, indeed, if appellant, while retaining this money, could now claim that appellee had no right to the promised benefit from the money so retained, for the reason only that appellant had no right to so retain it. Even if such unlawful retaining by appellant could, in any way, be considered as a contract on the part of appellee, still, as said in 9 Am. & Eng. Enc. Law, 910, "an innocent party, defrauded by a guilty one, may have redress as to him." The law is aimed at the wrongdoer. So it was said in Stockwell *v.* State, 101 Ind., 1: "The general rule is that contracts in violation of law are void, but this rule will not be extended and applied to a case like this, so as to enable the wrongdoer to take advantage of his own wrong against an innocent party." It is not shown here, either in the complaint or by the evidence, that the appellee was guilty of any violation of the statute in suffering a part of his wages to be retained by the appellant.

The first reason given to show that the court erred in overruling the motion for a new trial is substantially the same as that urged against the sufficiency of the complaint; that is, that, under the statute above cited, appellant had no right, without appellee's written consent, to make deductions from his wages, in order to reimburse itself for care given or to be given to him in case of sickness or accident. We think we have shown this reasoning to be unsound. Appellant may not thus visit its own wrong upon the head of appellee. Appellee's evidence showed that he worked for the company seven years; that he was hired by one Sternberg, who employed and discharged men, and directed them in their work; that when the first pay car came along, Sternberg explained the matter of deducting monthly amounts from his wages, saying: "The company's surgeons and physicians would treat me, and all my nursing would be done, and that they had trained nurses, and that they could take care of the men better at the hospital than any man

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could be taken care of at home. I told him I never had been sick any, and I would rather not pay the hospital fee, and run my own chances, and take care of myself. He said, if I worked for the company I would have to pay it. If I didn't want to pay it, I would have to quit working for the company. * * * I didn't make any kick about it after that, and it was always taken out of my wages." To the same effect was the company's book of rules, which was introduced in evidence. The first rule set out in the book of rules is as follows: "(1) In order to provide a fund for the support of a hospital and the care of the sick and injured employees, a deduction will be made on the pay rolls from the pay of each employee, as follows: Where the pay of an employee amounts to $50 or more per month, a deduction of 50 cts. will be made; where the pay of an employee amounts to less than $50 per month a deduction of 35 cts. will be made. The above deductions will be made in all cases where the employee is in continuous service, or has worked as many as fifteen days in such month." We do not think anything further is needed to show that appellant had assumed an obligation to care for its injured employee, and that it can not now thrust that obligation aside under the plea that it had no right, under the statute, to take from the employee, without his written consent, a part of his wages, monthly, during his seven years' service. If the company should feel that by reason of the violated statute it could not conscientiously carry out its promise to care for the appellee, then it ought, at least, in compliance with the dictates of the same good conscience, return, with interest, the money which it had so persistently retained from his wages.

Here the court considers certain evidence heard on the trial and concludes that it was sufficient to warrant the jury in deciding, as they did, that Dr. Higgins was guilty of malpractice and that the company, through Dr. Morehouse, its chief surgeon, was negligent in failing to remove Dr. Higgins after learning of his habits and consequent inefficiency, and then continues as follows:

Counsel finally contend that, even if malpractice on the part of Dr. Higgins and failure on the part of Dr. Morehouse to remove him after learning of his inefficiency are shown by the evidence, yet appellant is not liable, for the reason that it is shown that the hospital system is managed by a board of trustees, consisting of "the vice president, the general manager, and the assistant secretary of the Wabash Railroad Company," all general officers of the road, and members of the executive department; and also because the funds for the support of such hospital system are made up of deductions from the wages of the employees of the company, which funds, it is said, are confided to the management of said trustees. We think that, even from what has already appeared from the record, a much closer relation is shown between the company and its hospital system than counsel would have us understand. From the moment the employee begins work until his treatment in the hospital on account of sickness or accident, the hospital department, as we think, is shown to be as closely connected with the administration and management of the road as any other department of the company's business. Everything is superintended and directed by the company, the hospital officers acting and reporting precisely as officers of other divisions of the company's affairs.

The evidence, all considered, shows clearly that the property of the medical department, quite the same as the property of any other department of the road, is wholly under the control and management of the

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company; and that, although the funds for its support are drawn from the wages of the employees, they are but nominally in the hands of the trustees named, and are so held by them merely for the convenience and advantage of the company. So far as the trustees act in relation to such property, they act as officials of the company. The company undertook to care for its disabled employees out of moneys derived from their own monthly wages, and the plan devised for the hospital department has been contrived as the means of carrying out that undertaking. Whatever defects may be found in the plan adopted, or in the manner in which it has been conducted, it appears, on the whole, to be a wise and praiseworthy undertaking. It would, however, be a great wrong to hold that the obligation to comply with the duty so assumed by the company could be lightly thrust aside by laying it upon the shoulders of the officials who, under the direction of the company, are placed in charge of the several hospitals and relief system established by the company itself. Here, as in Railway Co. *v.* Sullivan, 141 Ind., 83; 40 N. E., 138, the appellant company, having undertaken to provide its injured and sick employees with medical and surgical assistance, was bound to exercise reasonable diligence in the selection and retention of its physicians and other attendants. This reasonable diligence included, of course, the duty to supervise the work of its hospitals, and to discharge any appointees who, although reasonably competent at the time of their appointment, had, on account of the use of intoxicants and narcotics, or for other causes, since become incompetent. This was particularly the case where the incompetency of the surgeon in chief had become notorious in the community, so that the appellant's supervising officials must have, or at least ought to have, known it. Having found no available error in the record, the judgment is affirmed.

MINING STATUTE—NEGLIGENCE OF EMPLOYER—*Sommer v. Carbon Hill Coal Co., 89 Federal Reporter, page 54.*—Suit was brought by one Sommer against the above-named coal company in the United States circuit court for the western division of the district of Washington to recover damages for personal injuries sustained by the plaintiff while in the employ of the coal company. The plaintiff's complaint stated, in brief, that he was injured by an explosion of gas in the mine caused by the lighting of a match by him for the purpose of lighting a fuse to set off a charge of giant powder in pursuance of his duty as a coal miner; that he had previously noticed the accumulation of gas and had notified one John Lowery, employed by the coal company as a fire boss, whose duty it was to see that the mine was properly ventilated and kept free from all accumulations of gas, etc.; that after a time the plaintiff, supposing that Lowery had performed his duty, returned to the working place and proceeded to light the fuse, but that Lowery had not performed his duty, and as a consequence of his negligence in that regard the plaintiff was injured as above stated; also that Lowery was a vice-principal of the coal company and not a fellow-servant of the plaintiff, and that the company, therefore, was liable for his negligence. The defendant company demurred to this complaint and said demurrer was sustained by the circuit court. The plaintiff then carried the case,

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upon a writ of error, before the United States circuit court of appeals for the ninth circuit, which rendered its decision May 20, 1898, and reversed the decision of the circuit court.

From the opinion of the court of appeals, delivered by Circuit Judge Morrow, the following is quoted:

Counsel for plaintiff in error contends that the complaint as amended states a cause of action, in that it shows as claimed, that the plaintiff in error was injured by and through the negligence of the defendant company, through its vice-principal, John Lowery, in not having provided and maintained the proper circulation of air to the working place of the plaintiff in error, so that the same would be free from gas, as required by law. Counsel for the defendant in error contends that the averments of the complaint as amended show two things: First, that Lowery was a fellow-servant, and not a vice-principal, of the plaintiff in error; * * *

The act of the legislature of the State of Washington, approved March 5, 1891, entitled "An act relating to the proper ventilation and safety of coal mines, and prescribing the manner of appointment of inspectors" [chap. 81, Laws of 1891], provides in detail for the safety of persons employed in the coal mines of the State, and requires, among other things, that the owner, agent, or operator of every coal mine, whether operated by shaft, slope, or drifts, shall provide and maintain in every coal mine a good and sufficient amount of ventilation for such persons as may be employed therein. The act prescribes the minimum amount of air that shall be in circulation, and for its increase at the discretion of the inspector, according to the character and extent of the workings or the amount of powder used in blasting, and provides that the volume of air so prescribed shall be forced and circulated to the face of every working place throughout the mine, "so that said mine shall be free from standing powder, smoke, and gases of every kind." The purpose of this statute is directed specifically to secure the proper ventilation of coal mines for the protection and safety of workmen who might otherwise be injured by the explosion of accumulated gases. It is a matter of common knowledge that coal mining is an exceedingly dangerous employment, by reason of the presence of explosive gases given off by the coal, and that the most important branch of colliery work is the management of the ventilation for the purpose of supplying fresh air to the workmen, and for the removal of the dangerous gases from the working places in the mine. In many States, where such mining is carried on extensively, elaborate systems have been provided by law for the protection of the miners, requiring official inspection of the mines and their proper ventilation and means for the escape of the miners in case of accident. In this respect, such a law is, in effect, the measure of that reasonable care which the owner or operator of a coal mine is required to take to avoid responsibility for injuries to workmen arising from accidents of this character. The general duty imposed by law upon the master is to provide a suitable and reasonably safe place for the doing of the work to be performed by the servant. What is a reasonably safe place is generally governed by the circumstances of each particular case; but here the law, having regard to the hazardous nature of the employment, has undertaken to provide adequate protection by imposing upon the master a specific duty, which he must perform to escape the charge of negligence. It is a duty the object of which is to secure a reasonably safe place for the workmen in the mine, and is a positive duty,

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which can not be delegated to a servant so as to exempt the master from liability from injuries caused to another servant by its omission.

It is alleged in the complaint that the defendant, in accordance with the law to which reference has been made, had in its employ one John Lowery on the 22d day of June, 1896, for the purpose of providing the said mine with air, and overseeing and conducting, guiding, and managing the ventilation of the said mine for the proper escape, and in freeing the said mine from all gases and smoke of every kind, for the safety of the employees of the said defendant; that the said John Lowery was a vice-principal of the defendant, and known as a fire boss, and not a fellow-servant. Disregarding this last averment as a conclusion drawn from the facts stated, it is clear that, under the law and the allegations of the complaint, Lowery was intrusted with a duty in the performance of which he represented the owners and operators of the mine, and that if he was negligent in the performance of that duty, and the plaintiff was injured thereby, the latter did not assume the risk of such employment.

SUNDAY LABOR—BARBERS—*State v. Petit, 77 Northwestern Reporter, page 225.*—Paul J. Petit was tried and convicted in the municipal court of Minneapolis, Minn., for a violation of the provisions of section 6513 of the General Statutes of 1894 prohibiting the keeping open of barber shops on Sunday. He appealed the case to the supreme court of the State, which rendered its decision December 2, 1898, and affirmed the judgment of the lower court. The section of the statute above referred to reads as follows:

SECTION 6513. All labor on Sunday is prohibited, excepting the works of necessity or charity. In works of necessity or charity is included whatever is needful during the day for good order, health or comfort of the community: *Provided, however*, That keeping open a barber shop on Sunday for the purpose of cutting hair and shaving beards shall not be deemed a work of necessity or charity.

The opinion of the supreme court was delivered by Judge Mitchell, and the following is quoted therefrom:

The only question is as to the constitutionality of this act, which is assailed by the defendant on two grounds: (1) That the whole act is invalid, it not being within the police power of the State to prohibit any kind of labor or business on Sunday which does not interfere with the peace and good order of the community; (2) and mainly that, in view of the proviso, the act is invalid, as being "class legislation".

1. We shall not spend much time on the first point. It has been decided in this State, in accordance with an almost unbroken line of authorities elsewhere, that the legislature may, in the exercise of the police power of the State, establish by law, as a civil and political institution, the first day of the week as a day of rest, and may prohibit upon it the performance of any manner of labor, business, or work, except only works of necessity or charity. So-called Sunday legislation has, with many persons, and occasionally even with courts, been the subject of adverse criticism, as an unwarranted interference with that freedom of religious belief and practice which is guaranteed to every man by the constitution. These criticisms proceed upon an entirely erroneous theory as to the object of such legislation. In

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some States it has been held that Christianity is part of the common law of this country, and Sunday legislation is upheld, in whole or in part, upon that ground. Even if permissible, it is not necessary to resort to any such reason to sustain such legislation. The ground upon which such legislation is generally upheld is that it is a sanitary measure, and as such a legitimate exercise of the police power. It proceeds upon the theory, entertained by most of those who have investigated the subject, that the physical, intellectual, and moral welfare of mankind requires a periodical day of rest from labor, and, as some particular day must be fixed, the one most naturally selected is that which is regarded as sacred by the greatest number of citizens, and which by custom is generally devoted to religious worship, or rest and recreation, as this causes the least interference with business or existing customs. It is sometimes said that mankind will seek cessation of labor at proper times by the natural influences of the law of self-preservation; also that, if a man desires to engage on Sunday in any kind of work or business which does not interfere with the rights of others, he has an absolute right to do so, and to choose his own time of rest, as he sees fit. The answer to this is that all men are not in fact independent and at liberty to work when they choose. Labor is in a great degree dependent upon capital, and, unless the exercise of power which capital affords is restrained, those who are obliged to labor will not possess the freedom for rest which they would otherwise exercise. The object of the law is not so much to protect those who can rest at pleasure, but to afford rest to those who need it, and who, from the conditions of society, could not otherwise obtain it. Moreover, if the law was not obligatory upon all, and those who desired to do so were permitted to engage in their usual avocation on Sunday, others engaged in the same kind of labor or business might, against their wishes, be compelled, by the laws of competition in business, to do likewise.

2. The enacting clause of the statute under which defendant was convicted was passed in 1885, being section 225 of the Penal Code. The proviso was added in 1887. (Laws of 1887, c. 54.) If keeping a barber shop open on Sunday for the purposes of shaving and hair cutting was not a work of necessity or charity, within the meaning of the original statute, the amendment has not changed the law, and the statute, as it now stands, is not open to the objection of being class legislation. Under the original statute, what were works of necessity or charity was largely left to be decided as a question of fact, which would often be a question for the jury. The effect of the amendment was to make this a question of law, instead of fact, as to keeping a barber shop open. In the exercise of the police power in establishing a day of rest, a very large discretion must be allowed to the legislature in determining what kinds of labor or business should be prohibited, and what are and what are not works of necessity or charity; and unless their classification is manifestly purely arbitrary, and not founded upon any substantial distinction or apparent natural reason which suggests the necessity or propriety of different legislation, the courts have no right to interfere with the exercise of legislative discretion. Courts will take judicial notice of the fact that, in view of the custom to keep barber shops open in the evening as well as in the day, the employees in them work more, and during later hours than those engaged in most other occupations, and that this is especially true on Saturday afternoons and evenings; also that, owing to the habit of so many men to postpone getting shaved until Sunday if such shops were to be per-

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mitted to be kept open on Sunday, the employees would ordinarily be deprived of rest during half of that day. In view of all these facts, we can not say that the legislature has exceeded the limits of its legislative police power in declaring that, as a matter of law, keeping barber shops open on Sunday is not a work of necessity or charity, while as to all other kinds of labor they have left that question to be determined as one of fact. It will be noted that what the law forbids is, not a man's shaving himself, or even getting someone else to shave him, but the keeping open of a barber shop for that purpose on Sunday. The object of the law was not to interfere with those who wish to be shaved on Sunday, or primarily to protect the proprietors of barber shops, but mainly to protect the employees in them, by insuring them a day of rest. We are of opinion that the whole act, including the proviso, is valid. Judgment affirmed.

DECISIONS UNDER COMMON LAW.

EMPLOYERS' LIABILITY—ASSUMPTION OF RISK BY EMPLOYEE—*Regan v. Palo, 41 Atlantic Reporter, page 364.*—Dominico Palo brought suit in the circuit court of Essex County, N. J., against Thomas J. Regan to recover damages for personal injuries incurred while in Regan's employ. He was engaged in excavating for a sewer when one side of the excavation caved in and injured him. He had been working in the excavation for a day or more before the accident happened and was acquainted with the character of the soil through which the excavation was made. A judgment was rendered in his favor, and the defendant, Regan, brought the case, on writ of error, before the supreme court of the State, which rendered its decision October 18, 1898, and reversed the judgment of the lower court on the ground that under the circumstances of the case the plaintiff had assumed the risks of his employment and that the defendant, his employer, was not responsible therefor.

The opinion of the court was delivered by Judge Lippincott, and from the syllabus of the same, which was prepared by the court, the following is quoted:

1. In the relation of master and servant, whatever may be the negligence of the master to exercise reasonable care to provide a safe place for his servant to perform his work in, or to provide safe appliances for him to do work with, still when the risks of danger arising are incidental to the employment, and obvious to the servant, or discoverable by the exercise of ordinary care on the part of the servant, the neglect of the master can not be made the basis of an action for damages for injuries caused by such risks. In law they are assumed by the servant when he enters and continues in the employment.

2. When the danger is latent and concealed, and the facts are such that the master did not have any knowledge of it, and the facts are not such that the master, in the exercise of reasonable care, should have known of it, or should have been put upon an inquiry to ascertain the danger, the servant can not recover for injuries arising from such danger. When the servant and master have a like knowledge and appreciation

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of the danger existing in the employment, there can be no recovery of damages by the servant for injuries arising therefrom.

3. Where a workman digging a deep trench for a sewer, through soil the character of which he can observe, with full knowledge of the nature of his employment, and the manner in which it is being conducted, he can not recover for injuries arising from dangers which were obvious to him, or which he could observe or discover in the exercise of ordinary care. He must show some facts from which the jury can infer or conclude that there was latent or concealed danger, of which the master had knowledge, or should have had knowledge, and from which latent or concealed danger the master failed to exercise reasonable precautions to protect him in his employment.

EMPLOYERS' LIABILITY—ASSUMPTION OF RISK BY EMPLOYEE—*Trotter v. Chattanooga Furniture Co., 47 Southwestern Reporter, page 425.*—Suit was brought by John Trotter against the above-named company in the circuit court of Hamilton County, Tenn., to recover damages for personal injuries sustained by him while in the employ of the said company, and due, as alleged, to its negligence. The evidence showed that about ten days before the accident happened a rope attached to the saw frame, operated by Trotter, broke; that he immediately reported the fact to one Lockwood, the repairer of the company's machinery; that Lockwood tied the rope together and then went to one Parham, the general manager, and told him he wanted a new rope; that Parham said he would bring one the next morning, and Lockwood told the plaintiff that the mended rope would last all right till the next morning and to go on with the work; that the new rope was not brought the next morning, and the plaintiff continued to operate the saw with the old rope as it was for some ten days without further complaint, when it again broke and the saw flew out and struck the plaintiff's arm and injured his elbow. Upon this state of facts the trial judge refused to submit the case to the jury and rendered judgment for the defendant company. The plaintiff then appealed the case to the supreme court of the State, which rendered its decision October 1, 1898, and affirmed the judgment of the lower court. In the course of the opinion of the court, Judge Wilkes, who delivered it, used the following language:

The general rule is that the servant assumes the risks when he enters or continues in employment when he knows the tools or machinery are dangerous, unfit, and unsuitable, but nevertheless works with them, and is injured. In order to recover in such cases, he must show knowledge or negligent ignorance on the part of the master, and a want of knowledge or excusable ignorance on the part of the servant. And, when each is equally competent to judge of the risks and hazards, there is no ground of recovery.

This case must, however, turn largely upon the effect of the promise to repair. The averment is that the promise was to repair immediately, and that a new rope would be furnished the next morning. The averment is not that the plaintiff was led to continue in the employment by

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the promise, but is only that he believed the repair would be made, and relied on the master's promise. "It must appear that the servant was led to continue the employment by the master's promise that the defect complained of would be removed." (Bailey, Mast. Liab., p. 208; Brewer *v.* Railway Co., 97 Tenn., 615, 619; 37 S. W., 549.) The assurance of the master that the defect shall be remedied is an agreement by him that he will assume the risk for a reasonable time. This promise will be implied to continue only a reasonable time, and the injury must have occurred within the time within which the defects were promised to be removed. If the employee continues longer than this, he does so without reliance on the promise, and is as hazardous and hopeless of remedy as though the promise had not been made. It is a waiver of the defects agreed to be remedied.

In this case the appliance was of the simplest nature. The danger was obvious, and better known to plaintiff than perhaps anyone else. He continued to use the broken rope without complaint. He made no demand to have the defect remedied after the failure to furnish the new rope next morning. He continued to operate the saw for ten days. In the meantime the repairer, Lockwood, had left the employ of the company; and plaintiff made no complaint to his successor, but must be held to have taken the risk, and not to be relying on the defendant's promises.

We do not think it would have been proper in this case to have submitted to the jury the question as to what was reasonable time. The promise fixed the time. Let the judgment be affirmed with costs.

EMPLOYERS' LIABILITY—INSPECTION OF CARS—ASSUMPTION OF RISK BY EMPLOYEES—*Union Stock Yards Co. v. Goodwin, 77 Northwestern Reporter, page 357.*—In a suit brought by Edward Goodwin, as plaintiff, against the above-named company to recover damages for injuries received by him while in its employ, a judgment in his favor was rendered by the district court of Douglas County, Nebr. The evidence showed that Goodwin was a brakeman in the employ of the Stock Yards Company; that on April 10, 1895, he, with others, was ordered to bring from the Burlington road or its terminus six cars of cattle, and to set the cars out at the stock yards chute for the purpose of unloading; that while in the discharge of his duties in switching out these cars Goodwin climbed upon one of them and attempted to set the brake; that the nut which should have held the wheel firmly to the brake rod came off, the wheel following it, and Goodwin was thrown to the ground and severely and permanently injured; that the car was not the property of the Stock Yards Company, and that said company had not caused it to be inspected before it took it into its possession and ordered its employees to use it; that the nut did not part from the brake rod because of its being worn out or because of any defect in any part of the brake rod or in the nut itself, but because the nut was too large for the brake rod and could be pushed down over the threads on its end by the fingers; that Goodwin did not know of this condition,

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and that he could not have seen it by a mere look or casual glance at the brake.

The defendant company carried the case on writ of error to the supreme court of the State, which rendered its decision December 8, 1898, and affirmed the judgment of the lower court. The opinion of the court was delivered by Justice Ragan, and from the syllabus of the same, which was prepared by the court and which sufficiently shows the important points decided, the following is quoted:

1. A person or corporation using the cars or appliances of another person or corporation, as to its employees, uses such cars or appliances charged with the same duty as to inspection as if they were his or its own.

2. An employee who, under the instructions of his master, uses the car or appliance in his master's possession belonging to some other person or corporation, thereby assumes only the same risk that he would if the car or appliance belonged to his employer.

7. A brakeman who goes upon a car to set a brake thereof, knowing that the car has not been inspected, does not for that reason assume the risk of the brake being defective; he not knowing that the brake is out of order, the defect not being obvious, and it not being his duty to inspect cars or brakes, or to handle cars known or supposed to be defective.

8. An employee assumes the risk arising from defective appliances used or to be used by him, or from the manner in which a business in which he is to take part is conducted, when such risks are known to him, or are apparent and obvious to persons of his experience and understanding.

9. No defect being obvious, an employee has the right to assume that a tool or appliance furnished him by his employer is reasonably safe and fit for the purpose for which he is required to use it.

10. To inspect a car brake may require more than a simple glance at it. Such a test must be applied as would probably reveal a defect if one existed; and the neglect of a car inspector to make such a test is evidence of negligence.

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RECENT GOVERNMENT CONTRACTS.

[The Secretaries of the Treasury, War, and Navy Departments have consented to furnish statements of all contracts for constructions and repairs entered into by them. These, as received, will appear from time to time in the Bulletin.]

The following contracts have been made by the office of the Supervising Architect of the Treasury:

KANSAS CITY, MO.—March 9, 1899. Contract with Borger Bros. & Co., Columbus, Ohio, for boiler plant, low pressure and exhaust steam heating and mechanical ventilating apparatus, pumps and tanks for water supply, etc., for post-office and court-house, $44,905.37. Work to be completed within one hundred and forty working days.

ELLIS ISLAND, N. Y.—March 14, 1899. Contract with R. H. Hood Co., New York, N. Y., for construction of four towers above cornice line of main building for immigrant station, $50,000. Work to be completed by September 2, 1899.

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