

The Commercial & Financial Chronicle

INCLUDING

Bank & Quotation Section
Railway Earnings Section

Railway & Industrial Section
Bankers' Convention Section

Electric Railway Section
State and City Section

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CLEARING-HOUSE RETURNS.

The following table, made up by telegraph, &c., indicates that the total bank clearings of all the clearing houses of the United States for the week ending to-day have been \$2,762,856,178, against \$2,242,523,563 last week and \$3,782,149,786 the corresponding week last year.

Clearings—Returns by Telegraph.	1914.	1913.	Per Cent.
Week ending Oct. 3.			
New York	\$1,274,938,929	\$1,878,026,905	-32.1
Boston	104,331,963	145,294,746	-28.2
Philadelphia	124,170,603	169,621,769	-26.2
Baltimore	31,964,663	36,230,278	-11.8
Chicago	232,414,148	299,645,699	-22.5
St. Louis	56,059,399	70,527,687	-20.5
New Orleans	13,279,728	12,568,725	+5.7
Seven cities, five days	\$1,827,159,433	\$2,611,915,809	-29.6
Other cities, five days	524,692,473	607,936,984	-13.7
Total all cities five days	\$2,351,851,906	\$3,219,902,793	-26.6
All cities one day	401,004,272	562,246,993	-28.7
Total all cities for week	\$2,762,856,178	\$3,782,149,786	-26.9

The full details for the week covered by the above will be given next Saturday. We cannot furnish them to-day, clearings being made up by the clearing houses at noon on Saturday, and hence in the above the last day of the week has to be in all cases estimated, as we go to press Friday night. We present below detailed figures for the week ending with Saturday noon, Sept. 26, for four years:

Clearings at—	Week ending September 26.				
	1914.	1913.	Inc. or Dec.	1912.	1911.
New York	\$1,028,750,772	\$1,710,242,545	-39.9	\$2,016,871,986	\$1,948,842,303
Philadelphia	124,965,414	153,865,642	-18.8	158,782,617	141,161,463
Pittsburgh	51,914,687	59,778,901	-13.2	60,298,461	48,608,528
Baltimore	33,462,009	34,577,205	-3.2	35,203,618	32,135,295
Buffalo	10,159,727	12,838,641	-20.9	11,957,158	10,002,509
Albany	6,108,842	7,368,144	-17.1	6,231,189	6,114,538
Washington	6,482,425	6,758,956	-4.1	6,271,929	6,305,418
Rochester	3,468,042	4,095,260	-15.3	4,101,793	3,660,082
Syracuse	2,640,335	3,523,877	-25.1	2,500,000	2,548,905
Reading	2,728,752	2,986,280	-8.6	3,025,124	2,118,145
Wilmington	1,721,385	1,790,737	-3.8	1,555,987	1,645,679
Wilkes-Barre	1,828,172	1,943,778	-5.9	1,610,131	1,675,753
Wheeling	1,410,065	1,546,842	-8.8	1,543,698	1,315,892
Trenton	1,435,517	1,824,334	-21.3	1,559,461	1,806,334
York	1,284,123	842,513	-2.2	998,623	1,363,461
Erie	1,015,099	1,096,694	-7.4	961,415	895,473
Greensburg	795,850	623,260	+27.7	562,524	542,635
Binghamton	549,200	720,000	-23.7	534,200	466,400
Chester	660,965	687,431	-3.9	644,884	542,873
Altoona	560,545	588,335	-4.7	523,207	461,127
Lancaster	1,618,467	1,548,599	+4.5	1,378,225	914,675
Montclair	344,021	431,013	-20.2	333,504	
Total Middle	1,285,231,590	2,011,783,945	-36.1	2,319,500,993	2,214,571,856
Boston	102,639,731	132,498,431	-22.5	161,914,138	138,341,323
Providence	6,942,000	7,098,700	-2.2	6,780,600	6,891,600
Hartford	4,343,691	4,475,580	-3.0	3,941,790	3,724,165
New Haven	2,949,484	2,537,565	+16.2	2,508,021	2,459,611
Portland	1,753,517	2,051,103	-14.5	2,508,159	2,327,440
Springfield	2,256,486	2,337,150	-3.5	2,420,914	1,938,096
Worcester	2,235,566	2,434,558	-8.2	2,462,355	2,151,829
Fall River	986,906	1,109,738	-11.1	1,027,986	958,772
New Bedford	793,696	903,846	-12.2	851,604	710,426
Lowell	651,059	445,750	+46.2	475,820	514,989
Holyoke	765,000	753,871	+1.5	703,238	564,952
Bangor	388,552	392,670	-8.7	448,400	492,728
Total New Eng.	126,675,688	157,038,862	-19.3	186,038,025	161,005,571

Note.—For Canadian clearings see "Commercial and Miscellaneous News."

Clearings at—

Week ending September 26.

	Week ending September 26.				
	1914.	1913.	Inc. or Dec.	1912.	1911.
Chicago	\$264,214,845	\$302,901,494	-12.8	\$290,974,621	\$259,000,101
Cincinnati	21,395,700	22,423,750	-4.6	24,137,950	22,358,700
Cleveland	20,016,117	23,085,100	-13.3	22,237,696	1,768,325
Detroit	23,392,421	23,776,014	-1.6	20,165,532	16,143,519
Milwaukee	14,100,000	14,395,664	-2.0	13,213,508	13,260,912
Indianapolis	8,001,053	7,873,666	+1.6	7,321,765	7,535,387
Columbus	6,040,400	6,593,000	+8.4	6,318,000	4,876,700
Toledo	5,071,051	5,048,602	+0.4	4,698,975	3,266,065
Peoria	2,475,739	3,826,100	-35.3	3,411,562	2,983,672
Grand Rapids	2,781,563	3,130,681	-11.1	2,755,951	2,403,284
Dayton	1,789,838	2,162,790	-17.2	1,912,850	1,757,739
Evansville	995,702	1,148,060	-13.3	977,298	1,092,092
Kalamazoo	890,441	674,079	-23.3	614,026	674,750
Springfield, Ill.	1,111,341	1,111,341		971,963	971,321
Youngstown	1,248,859	1,529,833	-18.9	1,471,240	923,064
Fort Wayne	1,126,260	1,167,040	-3.5	1,105,057	864,771
Akron	1,635,000	1,773,000	-7.2	1,550,000	1,256,000
Rockford	835,506	907,646	-7.9	954,778	889,312
Lexington	506,705	650,226	-22.2	805,735	760,074
Quincy	768,622	695,126	+10.2	618,899	585,963
Bloomington	552,018	622,568	-11.3	651,928	543,718
Canton	1,294,454	1,425,000	-9.2	1,354,547	2,000,000
Springfield, Ohio	722,397	657,625	+9.9	576,878	449,419
South Bend	598,431	551,694	+8.5	700,000	509,913
Dansville	368,531	421,569	-12.6	540,845	362,886
Manfield	530,116	424,671	+24.8	450,460	395,102
Danville	400,791	424,671	-17.3	416,631	379,243
Jackson	425,000	405,000	+4.9	410,000	366,129
Jacksonville, Ill.	291,088	254,314	+14.6	274,532	236,535
Lima	400,016	483,540	-17.3	349,079	316,778
Ann Arbor	158,139	179,641	-12.0	150,612	152,883
Adrian	45,725	57,147	-20.0	34,210	26,575
Lansing	481,886	414,972	+16.1	378,502	325,839
Owensboro	273,229	311,375	-12.2	394,340	325,250
Tot. Mid. West.	384,345,587	431,567,093	-10.9	412,899,970	367,644,071
San Francisco	46,322,946	49,400,282	-6.2	52,910,044	45,244,788
Los Angeles	19,847,378	19,828,461	+0.1	19,988,543	15,977,579
Seattle	12,450,931	13,862,057	-10.2	11,705,983	10,765,263
Portland	11,161,793	13,937,871	-19.9	12,038,784	11,490,424
Spokane	3,634,233	4,084,853	-11.0	4,214,126	4,076,443
Salt Lake City	5,287,098	5,554,005	-4.8	4,604,145	5,758,220
Tacoma	2,038,901	2,416,458	-15.6	2,922,233	2,989,294
Oakland	3,173,894	3,117,498	+1.5	3,577,477	3,110,513
Sacramento	1,956,631	2,092,352	-6.5	1,800,575	1,322,019
San Diego	1,775,812	2,372,705	-25.2	2,466,395	1,500,000
Fresno	1,175,957	1,050,898	+11.2	1,083,011	772,655
Stockton	967,238	831,448	+15.6	872,691	812,676
San Jose	851,010	831,448	+2.4	700,000	645,000
Pasadena	656,248	670,725	-2.1	746,959	769,873
North Yakima	400,500	449,477	-10.9	393,922	405,045
Reno	292,402	280,000	+4.4	275,000	260,000
Long Beach	472,117	Not included			
Total Pacific	111,943,102	120,693,072	-7.3	120,299,888	105,830,672
Kansas City	65,726,168	56,697,195	+15.9	51,263,190	48,683,356
Minneapolis	30,744,243	31,446,842	-2.2	26,115,315	25,630,232
Omaha	18,432,199	17,556,212	+5.0	15,901,019	14,623,677
St. Paul	11,705,964	11,908,806	-1.7	10,100,193	10,004,677
Denver	8,500,395	8,058,222	+5.5	8,358,427	8,262,235
St. Joseph	5,845,541	7,101,100	-17.7	6,447,530	5,859,475
Des Moines	4,557,317	4,761,534	-4.7	4,208,563	3,944,450
Sioux City	2,947,730	3,565,575	-17.4	2,859,340	2,466,135
Wichita	3,450,759	3,402,859	+1.4	3,337,243	3,352,767
Duluth	8,751,947	8,830,625	-0.9	7,732,034	5,737,988
Lincoln	1,874,608	1,720,968	+8.9	1,525,508	1,396,147
Topeka	1,498,665	1,550,241	-3.4	1,241,273	1,221,566
Davenport	1,441,797	1,689,712	-14.6	1,609,942	1,627,380
Cedar Rapids	1,563,588	1,766,967	-11.5	1,358,984	1,091,620
Fargo	1,378,594	516,522	+166.6	376,051	738,029
Colorado Springs	573,845	553,838	+3.6	633,325	700,000
Pueblo	545,121	563,126	-3.2	554,752	573,688
Fronton	329,553	311,101	+5.9	254,702	249,208
Hastings	221,827	173,802	+29.2	180,511	180,888
Aberdeen	693,353	390,578	+76.3	487,065	3,315,419
Helena	1,338,768	1,235,525	+8.3	973,087	1,017,709
Waterloo	1,188,364	1,358,929	-12.5	1,580,977	981,701
Billings	427,736	462,387	-7.5	425,460	264,036
Tot. Oth. West.	173,758,680	165,612,672	+4.9	147,524,491	139,024,573
St. Louis	62,894,497	73,157,640	-14.0	68,890,230</	

THE FINANCIAL SITUATION.

The Federal Trade Commission Bill has been signed by the President and is now a law. Thus the President has succeeded in accomplishing his purpose, and thus business in this country will be subjected to a new set of restrictions, trials and embarrassments at the very time when it should be free from vexatious restraint and wholly untrammelled except by obligations that are incumbent upon those conducting business activities in every enlightened country. Much is said of the opportunities open to American enterprise by reason of the fact that the energies of the leading European countries are being employed in a destructive war, but this will avail nothing if American business men are not to be left free to prosecute industrial undertakings, the same as citizens of other countries, but must act at the behest and under the direction of Government officials who, in the nature of things, will always be in greater or smaller measure amenable to popular clamor.

It is to be regretted that at the threshold of the new era that seems to be opening up to this country on account of the European war, the prospect should be thus blighted by political endeavor. The President, however, was determined that legislation of this kind should be enacted. It was for this that Congress has been kept in session so long, when the members, if left to their own volition, would have gone home long ago. The Clayton Omnibus Anti-Trust Bill, the Conference report on which is now occupying the attention of the two Houses of Congress, is part of the same scheme of legislation. Congress has been continuously in session for eighteen months because the President so willed it, and legislative tinkering has, during all that time, been a source of distress to the business community. It should not be forgotten that trade was depressed and things were going from bad to worse, even before the outbreak of hostilities in Europe. The advent of war came to deal industrial and financial affairs in the United States a final staggering blow. It appears now that there was no special urgency, anyway, for the enactment of the new laws, for the President has announced that he will not nominate the members of the new Trade Commission until December.

The salient feature of the Trade Commission Act is that by it "unfair methods of competition in commerce" are made unlawful, and that the Commission is "empowered and directed to prevent persons, partnerships or corporations (except banks, and common carriers subject to the Acts to Regulate Commerce) from using unfair methods of competition in commerce." Note that it is "unfair methods" and not "unfair competition" that is made unlawful. The measure provides that "whenever the Commission shall have reason to believe that any such person, partnership or corporation has been or is using any unfair method of competition in commerce," and it shall appear to the Commission that a proceeding by it in respect thereof "would be to the interest of the public," it shall proceed against the supposed offender.

It was pointed out in our issue of Sept. 12 by Robert R. Reed that this vests the Commission with discretion to enforce the law only when it appears to it to be to the interest of the public to do so, and

that it presents an unlimited executive control of private business. Furthermore, it is urged that while "unfair competition" is a term that has been recognized by the courts and in effect covers only unfair acts tending to the destruction of competition—acts, that is, which would be committed only in the effort to establish a monopoly—"unfair methods of competition" is susceptible of no such construction. In Mr. Reed's estimation, it is a club which can and will be used against the independents struggling to establish or maintain competition; a club, also, that is not likely to be used against a trust established in power and "good" enough or subservient enough to enjoy the friendship of the Commission.

The Act also, by its sixth section, confers upon the Commission authority to investigate from time to time "the organization, business, conduct, practices and management of any corporation engaged in commerce . . . and its relation to other corporations and to individuals, associations and partnerships" What a prospect this opens up for political interference and the play of politics. The Commission is to make public from time to time such portions of the information obtained by it "as it shall deem expedient in the public interest"; and to make annual and special reports and to provide for the publication of its reports and decisions in such form and manner as may be best adapted for public information and use.

Nor will the Trade Commission Law, or the Commission's action thereunder, free any undertaking from the provisions of the Anti-Trust Law, for it is distinctly provided in the final section (Sec. 11) that "nothing contained in this Act shall be construed to prevent or interfere with the enforcement of the provisions of the Anti-Trust Acts or the Acts to Regulate Commerce, nor shall anything contained in the Act be construed to alter, modify or repeal the said Anti-Trust Acts or the Acts to Regulate Commerce or any part or parts thereof."

Remember also that (as pointed out by us three weeks ago) the "Springfield Republican" is authority for the statement that "the real significance of the Trade Commission Bill is that it establishes a Federal machinery capable, later on, of a development that would make Government regulation and control of great industrial corporations as complete as is Government regulation and control of railroads to-day."

With that the prospect, let the reader ponder well what is ahead of the country in Government regulation and control that shall bring all our industrial undertakings to the pass in which the railroads find themselves to-day, where they are forced to plead for their very existence.

Two reports on cotton were issued by the Government yesterday, but under existing conditions they may be said to have attracted little more than passing notice, whereas, with the situation normal, one of them at least—that on condition of the crop—would have been awaited with much interest on the various cotton exchanges of the country. The first of the reports to be issued showed the amount of cotton ginned to Sept. 25 and clearly was in the nature of a surprise. It was anticipated, in view of the situation arising out of the stupendous war in Europe, which has not only meant a decided curtailment of

the demand for the staple but the serious impairment of financing and shipping facilities, that the preparing of cotton for market would proceed slowly—much being held in the seed. The contrary, however, seems to have been the case, the aggregate amount ginned to Sept. 25 having been in excess of any earlier year except 1911, with the States along the Atlantic exhibiting very considerable increases over a year ago. Private reports have indicated picking there as more advanced than a year ago, and they are confirmed by these ginning returns. Specifically, the statement issued by the Census Bureau shows that there had been prepared for marketing to Sept. 25 this year 3,381,863 bales, against 3,246,655 bales for the like period a year ago, 3,007,271 bales in 1912 and 3,676,594 bales in 1911—the record.

The report on the condition of the crop, issued at noon by the Agricultural Department, served to confirm the opinion that, although there had been some deterioration during the month, the status of the staple continued better than a year ago, indicating that, with normal weather later and frost no earlier than the average, a yield in excess of any season except 1911-12 might reasonably be expected, although, in view of the current situation, it may not all be picked. The general status of cotton on Sept. 25 is given by the Department of Agriculture as 73.5% of normal, against 78% on Aug. 25, or a deterioration of 4.5 points. But in 1913 the general average was only 64.1 and that of two years ago 69.6, with the ten-year mean 68.5. As regards the situation in the various States, the condition practically everywhere is better than last year. The Department figures out that the indications at this time are for an average yield per acre of 200.2 lbs., and this applied to our acreage total would give an aggregate production (on the basis of last season's weight of bales) of fully 16 million bales.

Relatively few persons participated in this State's first direct primary election, held on Monday afternoon and evening. In the entire city the total returned on Tuesday morning was only a little over 210,000, against a total of over 610,000 for Governor in 1912 and a total of over 609,000 for Mayor in 1913. In Manhattan and Brooklyn the Republican and Democratic vote on Monday was 54,184 and 93,695 for Governor, which was respectively about 43% and 37% of the party enrollments. Hence the expression "a few" is not too extravagant. We discuss certain phases of the subject in a subsequent article.

It will be urged, of course, that the circumstances are unprecedented, public attention being absorbed in watching the terrible stage in Europe and the newspapers barely mentioning the political experiment about to be tried here, whereas ordinarily the political matters of the season would have occupied many columns during September. Giving the utmost weight to this plea, and admitting that general apathy about our own domestic affairs has been so great that Congress has had even less attention than usual in the last two months and that this season's elections may go almost by default, it must still be said that the indifference of voters now is not all due to the war. There has been a like indifference before; the most important matter which can ever come up (that of changing the constitution) gets participation by only a small fraction of the number who are excited over the personal struggle for possession

of the offices, and the special election of last spring (relating solely to the subject of the constitution) was passed over lightly; in the country, the farmers were busy with the season's outdoor work and had the excuse of roads in poor condition, and in the city people did not care.

This primary election, we must particularly observe, was held—according to the scheme—expressly to give the sovereign people opportunity to break away from machines and bosses and select their own candidates for public office, independently and untrammelled. They neglected the opportunity, as it was evident in advance they would do. The usual party nominees were chosen because the independent voter will not trouble himself, and the regular party followers adhere to their voting habit and vote in the familiar rut. The really independent voter, who is not many, yet does exist, was excluded entirely; this primary is only for enrolled party voters, and he who declines to train with any (preferring his numerically slight position of aloofness) finds that he is outside; this is like an election in a social or other club, being for members only.

What do we gain, or get opportunity to gain, by a direct primary nomination instead of one by convention? A change of method merely, and a delusion that by some change of method which does not touch the substance of things there can be an improvement in public affairs. The professional politician has no objection to any change in mere method, and he cheerfully adapts his own to it; an ostensible reform which serves to fool the people for another season suits him so well that he might almost have devised this one instead of just falling in with it. And it must once more be said that elections are in every respect a burden, though a necessary one, and every increase in their number—as by primaries, referendums, recalls, and the other recent schemes for increasing participation by the people in governing their own affairs—increases the weariness and indifference with which elections are regarded and diverts from the polls the least selfish and most reflective element that ought to be induced, somehow, to participate more instead of less in public affairs.

Following the letter of the Colorado Fuel & Iron Company to President Wilson, forty-eight other coal-operating companies have united in a letter to him stating the fundamental defects of the proposed "truce." These companies, which are said to represent over 80% of the tonnage of coal now mined in Colorado, exclusive of that by the large corporation of which Mr. Welborn is the head, follow the same line as did his letter, but say they have reason to believe that the men named as conciliators are partisans of the striking miners and that one of them was an organizer and agitator in Colorado in 1904. They find that the nearly 10,000 men who are now at work in the mining districts are neither provided for nor considered in the proposed plan, and, further, that it is out of the question to agree to employ those who have participated in violence. Whether such persons are prosecuted and convicted or not. As to extending amnesty and employment, on the presumption that the lack of conviction should govern, the signers of the letter say that in six counties 332 strikers (including officers of the United Mine Workers of America) are under indictment for murder and 137 for felonies, but that none has been tried, therefore none has been found guilty.

The proposed grievance committee is objected to as being a favorite device of organized labor, and to turn over to a commission all questions of wages and working conditions, including the temporary closing of mines, would be to surrender entire control of the business to outsiders. Beyond this, the scheme is by its own terms a palliative and can lead only to what its very name implies, "a renewal of trouble at its termination"; further, the letter calls the plan "subject to fair criticism in that it implies the helplessness of Government to maintain law and order and secure to every citizen his constitutional rights."

Subject this truce proposition to analysis, and it is a stipulation by persons who have been engaged in violence that, upon sundry conditions set forth, they will refrain from further violation of law for a term of three years; on conditions, they will keep the peace for a limited term. Government makes no such arrangement with any individual man, and the suggestion of making such with any corporation would be received with indignation; how have we come to the pass that Government is ready to parley and bargain with a combination of individuals for good behavior? Yet some Washington correspondents report the President as insisting that the companies shall accept the proffered truce, declaring that "the public interests demanded the end of the strike and it was the patriotic duty of the mine operators to accept the proposal"; one dispatch from Denver goes further, saying that he is reported "to be considering another recourse should the present situation continue into the winter and the people of Colorado be threatened with a coal famine; it is said he is determined that the people shall have an adequate supply of coal, even if drastic measures have to be resorted to."

The President is not to be held responsible for all the expressions put in his mouth or imputed to him by representatives of the press, yet those representatives are careful observers of opinion at Washington and it cannot be disputed that he has given indications of sharing the too-general disposition to bargain with organized labor for its possibly overrated power at the polls. On the contrary, the clear and single duty is to maintain order and enforce the rights of separate men (not according to the demands of organized men) to sell labor in the open market, without violence or intimidation. Temporizing may continue to defer the day of settlement, but permanent peace will not come until we have an end of "truces" and the supremacy of law is established.

At the National Association of Cotton Manufacturers' ninety-seventh semi-annual convention, held at the Hotel Aspinwall, Lenox, Mass., on Tuesday and Wednesday of the current week, the war situation in Europe and the opportunities it offers for extending our foreign trade was an absorbing theme of discussion. It served to color or lend point to the opening address of the President, Mr. Albert Greene Duncan, and to a number of the papers read. Referring to the critical situation in which our industries find themselves as a result of the war, Mr. Duncan remarked that cotton manufacturers have had to face trying problems. "They have never," he added, "at least in the present generation, faced a situation so perplexing and of such world-wide import as now, when, in common with so many other lines, they find stagnation, disarrangement and threatened disaster on every side." Dividing the

progress of nations from savagery to civilization into three well-defined stages—natural development, industry and commerce—he stated that while in the first two this country stands pre-eminent and has been the wonder of all nations, we have not taken the position in commerce to which our resources, skill and energy entitle us.

Reviewing at considerable length the methods employed by the Europeans to build up their commerce, Mr. Duncan remarked in effect that we should not be satisfied to produce our raw materials, manufacture them into goods and sell merely at home or to foreigners at our ports, but should take this offered opportunity to avail ourselves of the avenues of distribution represented by the great trade routes of the world. A natural consequence would be the added reward the financing of raw materials and manufactured goods exchanged with other countries must bring us. As regards South America, Mr. Duncan indicated that any material extension of our trade would be dependent upon our willingness to follow the European method in assisting in the development of the railroads and industries of the various countries by furnishing financial aid. Speaking of matters nearer home, Mr. Duncan referred at some length to the necessity for removing the nationwide distrust of corporate aggregations of capital.

That the tide of immigration to the United States would be decidedly restricted by the war in Europe was a foregone conclusion as soon as hostilities began. Not alone would this be the case on account of the virtual embargo placed upon ocean travel from some of the countries involved, but the fact that the departure from the fatherland of those of an age to bear arms and liable to military duty would be interdicted, is to be taken into account. Consequently we are prepared to learn that the influx of aliens into the country in August of the current year was exceedingly meagre—barely one-quarter of that of 1913 and falling below the total for any month since Jan. 1912—and that at a time of year when immigration is naturally small. The movement for September, too, as indicated by the figures for New York as compiled by us, make a similar showing. But even before war was apparent a decided contraction in the course of aliens hither was noticed; in fact, each month of the first half of the current calendar year had shown a decrease from the like period a year ago, with the decline especially marked in June. This week we have the official immigration bulletin for July, and it exhibits a continuation of the contraction referred to. No complete returns for either August or September are yet available; but as in the first-named month, only about 20,000 steerage passengers were landed at the port of New York, and many of those were American citizens forced by the exigencies of the situation to put up with any sort of accommodations available in order to return without probable interminable delay, it can readily be conjectured how small was the actual immigration movement; and this applies with equal or greater force to September.

The immigrant arrivals for July were only 72,015 (made up of 60,377 immigrants and 11,638 non-immigrants), which contrasts with 154,602 last year and 90,518 in 1912. For the seven months of the calendar year 1914 the arrivals reached 644,352, or nearly 300,000 less than the high record of last year (940,761) and some 27,000 under 1912. The de-

partures of steerage passengers for the period from Jan. 1 to July 31 were in excess of any similar period since 1908 and not materially less than then, aggregating 373,826 against 346,784 last year and 289,908 in 1912. Deducting the outflow from the inward movement, we have for July a net gain in foreign-born population of 17,130 and for the seven months of 270,526, this latter comparing with an increase of 593,977 in 1913 and 723,530 in 1907.

The battle of the Aisne is still in progress and is now in its twenty-first day. The censorship has become so strict that very few official details are allowed to come through by wire; but unofficial reports suggest clearly that the Allied armies are pushing slowly but irresistibly forward and that the main German army is either retreating or arranging to retire to other defences. A significant indication of the situation was the arrival of German newspapers at Rotterdam yesterday showing a complete change in the confident tone of the German press and obviously preparing the way for the announcement of unfavorable news. All the German papers thus far received printed an official message which states that the fighting around Noyon had reached tremendous proportions, and added: "We may be forced to abandon some points of small importance, but the people must reserve judgment until the result of the operation is known." The Berlin "Tageblatt" openly suggests that the Germans are in a difficult position. "The extensive French attacks on our flanks," it says, "are not calculated to relieve our anxiety. The influence of the English troops is being felt more and more. They are working through by the force of their masses. . . . The French defense deserves commendation. It has taught a lesson to everybody who expected an easy task. But the victory must be ours. The more difficult it is the more worthy it will be." The significance of such a statement is that but a very short time ago any paper publishing it would have been immediately suspended by the German Government.

Yesterday's official statement at the French military headquarters was confined to the laconic utterance that "we continue to progress on the right and left." Later this statement was amplified to read as follows: "First—On our left wing the battle continues with extreme violence, especially in the region of Roye, where the Germans seem to have concentrated important forces. The action extends more and more toward the north. The battle front actually reaches as far as the region to the south of Arras. Second—On the Meuse the Germans tried to throw a bridge across near St. Mihiel. This bridge was destroyed last night. In the Woevre region our offensive continues and progress is being made step by step, especially in the region between Apremont and St. Mihiel. Third—Along the rest of the battle front only partial operations have been tried on either side."

Press dispatches state that the German army of Gen. von Kluck is now under attack from the allied forces on three sides. It is reported that 70,000 native Indian troops have been landed at Marseilles and have at once been sent to the firing line. The British war press bureau has officially announced that prohibition concerning reference to the Indian troops has been removed. In addition to the Indian troops a considerable force of British

troops has been recalled from service in India. The situation is described by military experts in London as one in which the great claws, as they have been described, of the Allies continue to open out to clutch at the outspread wings of the German army and particularly the right wing, which, forming the upright portion of the "L," now has its back to the east and is fighting with desperation to prevent the French left from encircling or smashing it along most of the front, which is estimated at 180 miles in length. There have been unprecedented artillery duels between the rivers Oise and Aisne and between the Oise and the Somme which have taken a heavy toll of the opposing armies. These have been followed by cavalry and infantry charges in which first the one and then the other side has gained. But the German wing has constantly been extended as the French have moved to work around it. On the Allies' right, in Southern Woevre, where progress is also reported, the French have been attempting to compel the Germans who succeeded in crossing the Meuse at St. Mihiel to return to the eastern side of the river. The fact that the French have occupied Seichetrey and Rupt de Mad suggests that that has already been accomplished, although such a result has not been officially announced. Along the extended front known as the German centre, extending from the Oise to the Meuse nothing has happened that the French staff considers worthy of mention. Germans have begun an attack upon the outer fortifications of Antwerp, but have thus far confined their attack to the forts protecting the river crossing between Malines and Antwerp.

As to the Russian invasion in the East, it is difficult to gather from the published reports what real progress has been made by the Czar's troops. According to a dispatch from Rome the Russian Ambassador in that city has issued a statement to the effect that the Russians have destroyed the Austrian army in Galicia and that they are now turning their attention to the taking of Przemysl and Cracow. An important battle is impending before Cracow. Upon its result will depend the future movement of the Russian army. Victory to the Russians will permit a junction with the Russian central army and an advance into Silesia. Further north the Russians have, according to Petrograd's accounts, checked the German advance and driven the Germans back thirty miles to the region of Suwalki and Mirampol. The Germans, however, continue to bombard the fort of Ossowetz. Their operations in this district have been greatly impeded by the marshy nature of the country, which prevents the movement of heavy guns and transports. Austria has made an immediate response to Italy's demand for an explanation of the sowing of mines in the Adriatic and has agreed to indemnify the families of the fishermen who lost their lives by the blowing up of their vessels and also to adopt measures to prevent a repetition of such occurrences. This seems to defer at least the possibility that Italy will immediately join the Allies' forces. It is also denied that relations between the Allies and Turkey are as critical as have been stated from German sources. Both the British Foreign Office and the Turkish Embassy at London have issued denials of friction and have explained that the reports do not represent the views of their governments. Turkey has closed the Dardanelles to all navigation, according to a dispatch from Constantinople. The duration of the closure is not

given nor is its purpose explained. Eighteen steamers of an aggregate tonnage of 29,581 tons have been sunk by German warships during September, according to a British Board of Trade report, while nine steamers were destroyed by mines in the North Sea during the same month, seventy-six lives being lost. It was officially announced last evening that the British Government had decided to lay mines in certain areas as a counter-stroke to the German procedure.

The British Government on Thursday notified the United States that it would not interfere with the shipment of foodstuffs from this country in neutral bottoms to Holland. In announcing this fact, the State Department made the following official statement:

"It is understood that the British Government intends to revise its proclamation with regard to contraband, and meanwhile, in neutral ships, goods, such as foodstuffs, consigned to Holland, in respect of which the Netherlands Government have placed an embargo on exportation, will not be treated as contraband."

A denial was also issued that the British Ambassador had advised the State Department that it was Great Britain's intention to seize conditional contraband destined for Germany or Austria, even when such shipments were being carried in American ships and consigned to neutral ports. Our Ambassador in London, Mr. Page, cabled the State Department on Thursday that he had a conference with Sir Edward Grey which was "quite satisfactory." This was interpreted in Washington to mean that Great Britain had given assurances of concessions that will prevent embarrassing results between the two nations.

A truce has taken place between generals Carranza and Villa over Mexican affairs. A definite agreement has been reached to cease all movement of troops and to call the greatest possible number of Constitutionalist chiefs to meet at Aguascalientes for a convention to be held on Oct. 10. The purpose of the convention is to exchange ideas about settling the Carranza-Villa dispute and re-establish order throughout the republic. Gen. Villa's Secretary under date of Sept. 30 telegraphed to a press association that an armistice had been declared throughout Mexico with Aguascalientes as a neutral zone. He stated also that elections would be held, according to the first agreement, from Oct. 5 to 10. At Washington it is believed that the difficulty between Carranza and Villa will be bridged over by the resignation of Carranza in favor of an ad interim President.

Following negotiations between the London Stock Exchange Committee and David Lloyd George, the Chancellor of the Exchequer, a tentative agreement has been reached for the protection of outstanding commitments when business in securities is officially resumed. The details are yet to be worked out. But there seems no question that Government aid will be furnished in the form of direct loans to take up the old commitments, and that provision will be made for the liquidation of these loans in small quarterly installments. This seems to indicate that efforts are actively under way to secure an early resumption of Stock Exchange business at the British

centre. It is suggested by London correspondents that should the battle of the Aisne, which has now been in progress for nearly three weeks, culminate in a decisive victory for the allied armies, there will be such an insistent demand for the opening of the Exchange that the Governors of that institution will not attempt further to oppose prompt action. The plan for protecting the Exchange's loan position will, there is reason to believe, be published about Oct. 15.

It will be recalled that a Royal proclamation was promulgated last week extending the English moratorium to Nov. 4 from Oct. 4, with the exception that the extension did not apply to debts due by retail traders for their business or for rent and neither did it apply to bills of exchange other than checks or bills on demand. The new arrangement became the source of such active protest that on Wednesday evening of this week a new Royal proclamation was issued modifying in material respects last week's action. The new proclamation provides an extension of fourteen days for all bills maturing after Oct. 4 and an extension of one month for bills maturing before Oct. 4. It is still provided, however, that the moratorium shall cease on Nov. 4. All interest on loans accumulated during the moratorium is payable Oct. 6; if not paid, the further postponements of loans will not be permitted. It is, however, believed that some form of provision will after Nov. 4 be continued for the relief of traders unable to meet their obligations as a result of non-payment of debts due from foreigners and due directly to the influence of the war. At any rate debtors unable to pay will still have the court's protection if they can prove that their difficulties are the result of the war. Following the modification of the proclamation the London Stock Exchange Committee re-postponed the next general and Consols settlements to Nov. 18. The committee also adopted a new rule authorizing it to suspend the rules relative to defaults. Under the new conditions the committee when informed of a default may direct liquidation, notice of which shall be posted on the Exchange but shall not be given to the press unless the committee decides to terminate the liquidating member's membership in the Exchange.

Many members of the London Stock Exchange, we are informed, seriously fear that if the Exchange is reopened, there will be active German liquidation by way of Holland, Denmark and New York. In any event, active liquidation by Germany in London is expected, as soon as possible. On Thursday the Manchester Stock Exchange adopted a resolution in which it was stated that "the time is now ripe for the resumption of investment business." The date for reopening the Exchange was not mentioned in the resolution, that matter being left to the discretion of the committee. Trading activities on Throgmorton Street have been comparatively light during the week, with the exception of armament shares, which, for obvious reasons, have displayed considerable strength. According to a Central News cable dispatch, the security situation in London may be summarized as follows: "The open account on contango has been reduced to £35,000,000, which is a third of the normal average; the banks' loans to Stock Exchange interests are estimated at £80,000,000; the banks' loans to the public on securities aggregate £250,000,000." The latest quotation on British Consols is 68 $\frac{3}{4}$. Brazilian bonds have been heavy on

continued coupon defaults. Call money in the British centre has ruled easy at about $1\frac{1}{2}\%$, notwithstanding the usual October payments. A total of £11,500,000 in dividends was disbursed on Thursday, Oct. 1, and the October calls amounted to £6,500,000. For the first half of the British financial year (ending Sept. 30) the British financial revenue amounted approximately to £76,000,000, a decrease of £2,700,000 as compared with last year, while the expenditures aggregated £132,000,000, showing an increase of nearly £47,500,000. The British Chambers of Commerce and other organizations of merchants have invited their members to supply full details of their German and Austrian indebtedness. This action is believed to be preparatory to a scheme whereby the Government will assist merchants in difficulties through the non-payment of these debts. A compilation of commercial debts of Germans to British manufacturers and merchants presents an estimated total of about £75,000,000. The Baltic, which is the English shipping exchange, has suspended six firms from membership for alleged active pro-German sympathies.

Advices cabled from Paris state that strong pressure is being shown for the reopening of the Paris Bourse. But general business throughout France except that of war munitions is still demoralized. The French Cabinet on Sunday last adopted two decrees. The first of these continued the French moratorium to extend during the month of October, but increased the amount of current bank accounts that may be withdrawn to one-fourth the total deposits. The second decree makes all contracts drawn since the outbreak of hostilities between Frenchmen and subjects of the belligerents null and void. A memorandum accompanying the decrees explains that the French Government considers it would be contrary to public welfare if contracts with belligerents made prior to the outbreak of the war were either suspended if partly executed or canceled by order of the Court. The foregoing information is contained in press dispatches. It does not agree entirely with the advices given out by the French Embassy at Washington, which made public on Thursday a dispatch received from M. Delcasse, Minister for Foreign Affairs. The dispatch read:

"The decree of the French Government dated yesterday (Sept. 28) confirming the moratorium increases the limit to which manufacturers and merchants may draw on their accounts to two-thirds of their accounts as balanced on Aug. 4, the date of the first moratorium.

"I call your attention to this disposition, which will facilitate economic and industrial conditions."

Latest cable dispatches quote French 3% rentes in Bordeaux and Lyons at $74\frac{1}{2}$, the $3\frac{1}{8}$ s of 1914 at 88, Russians of 1880 at 79, those of 1909 at 83.54 francs and of 1914 at 89.25. Rio Tintos are quoted at 1,382 francs in Lyons and 1,350 francs at Bordeaux. The Paris "Temps" is quoted by cable as saying that nearly every one agrees in demanding the reopening of the Paris Bourse, which forms a wheel indispensable for the financial needs of the public, who in its absence take risks by having recourse to unqualified men for negotiating securities. The newspaper further argues that it is a useless pretext to insist that the Bourse should remain closed because so many members of the Stock Exchange have joined the

colors and also because so many securities have been sent to Bordeaux. It declares that a sufficient number of both remain in Paris to enable business to be transacted. On Thursday the French Government published in the "Journal Officiel" a new decree concerning the prorogation of payment and the withdrawal of money deposited in banking establishments. According to terms of Article 5 of the moratorium the benefit of sundry delays given to the banking establishments by the decree cannot be claimed by any corporation which would pay dividends on its stock or on founders' shares. This ruling is made for the reason that the creditors of banking establishments and in part those who have a checking account must have preference over that of stockholders. M. Ribot, Minister of Finance, yesterday informed the Cabinet that the French financial position was satisfactory and that recourse to public loans would not be necessary.

A wireless message from Berlin announces that an additional 70,000,000 marks have been subscribed to the war loan. The final figures for the Imperial bonds are now given at 3,121,001,300 marks and for the Treasury bonds 1,339,727,600 marks, making a total of 4,460,728,900. The statement of the Imperial Bank of Germany as received by cable on Sept. 28 compared with the preceding statement showed an increase of 54,932,000 marks in gold, a decrease of 50,799,000 marks in note circulation, an increase of 214,718,000 marks in deposits, an expansion of 51,699,000 marks in discounts and Treasury transfers, an increase of 6,598,000 marks in the "Lombard loan" and an increase of 48,357,000 marks in total cash, including bullion, treasury notes and bank notes. The cash holdings now aggregate 1,727,371,000 marks, against 1,408,460,000 marks one year ago and 1,144,820,000 marks in 1912. It is necessary to say that we repeat these figures as received by cable without committing ourselves to their complete accuracy. Cable communication with Berlin at the present time is so completely roundabout and uncertain that it is desirable to make this explanation.

A dispatch from Petrograd (St. Petersburg) says that the Russian moratorium has been extended for a month. A Royal decree issued in Rome on Wednesday extended the Italian moratorium from Sept. 30 to Dec. 31. Italian banks are to be permitted to limit payments to 10% of the deposits during October, November and December, but postal savings banks and banks issuing currency must pay depositors in full on demand. A dispatch from Copenhagen says that the Danish Government is issuing a domestic State loan of 60,000,000 kroners.

There have been no changes this week in official European Bank rates. In London private bank discounts have ranged from $3\frac{1}{8}$ to $3\frac{1}{2}\%$ for ninety-day bills, which are all that have been offered. Dutch exchange in London has ruled weak, owing to persistent offering by Amsterdam of low-priced American securities in London. These offerings have been sparingly taken because of the fear that the stocks were being sold in behalf of German interests. The official Bank rates at the leading foreign centres are: London, 5%; Paris, 5%; Berlin, 6%; Vienna, 8%; Brussels, 7%, and Amsterdam, 5%.

The Bank of England has this week again established a new high-water mark for its bullion holdings. This week's increase is £1,243,545, bringing the total total up to £52,916,604, which compares with £37,597,823 one year ago and £38,937,720 in 1912. The reserve showed an expansion of £472,000 and the proportion of reserve to liabilities is now 22.81%, against 23.33% last week and 53.26% a year ago. There was an increase of £772,000 in note circulation, of £12,019,000 in ordinary deposits and of £6,087,000 in other securities (loans). Public deposits decreased £6,429,000 and Government securities decreased £950,000. The total reserve stands at £36,392,000 and compares with £26,412,378 at this date a year ago and £27,802,505 in 1912. Deposits (non-public) show the large aggregate of £113,246,000 and reflect to a large extent the discounts by the Bank of pre-mortgage bills and are a good index of the plethora of day-to-day funds at the British centre. A year ago the total was only £29,839,825 and two years ago £43,075,062. The item of Government securities stands at £24,732,000 and compares with £13,288,105 in 1913 at this date and £13,338,084 in 1912. Our special correspondent furnishes the following details by cable of the gold movement into and out of the Bank for the bank week: Imports, £2,846,000 (consisting of £1,362,000 bar gold and £1,484,000 American gold coin bought in the open market), £500,000 set aside and "ear-marked" currency note redemption account and shipments of £1,102,000 *net* to the interior of Great Britain. We add a tabular statement comparing for the last five years the different items in the Bank of England return.

	1914.	1913.	1912.	1911.	1910.
	Sept. 30.	Oct. 1.	Oct. 2.	Oct. 4.	Oct.
	£	£	£	£	£
Circulation.....	34,974,000	29,635,445	29,585,215	29,620,550	28,175,910
Public deposits.....	22,243,000	9,742,860	13,946,646	11,322,405	7,619,052
Other deposits.....	137,287,000	39,829,825	43,075,062	42,867,736	44,142,295
Gov't securities.....	24,732,000	13,288,105	13,338,084	15,596,084	14,980,568
Other securities.....	116,819,000	28,200,855	34,202,525	28,357,286	29,792,188
Reserve, notes & coin	36,391,000	26,412,378	27,802,505	27,893,681	24,687,142
Coin and bullion.....	52,916,604	37,597,823	38,937,720	39,064,231	34,413,052
Proportion reserve					
to liabilities.....	22 13-16%	53 1/4%	48 3/4%	51 1/2%	47 1/2%
Bank rate.....	5%	5%	4%	4%	4%

In local money circles the situation has not changed in any important particular. The demand for funds in no instance is active, and the banks are endeavoring to pursue a liberal policy in meeting all legitimate requirements. While there is still evidence of a persistent policy on the part of lenders to get outstanding loans on a more satisfactory basis, bank executives are endeavoring to show the greatest consideration and are not forcing matters beyond what they believe is the legitimate ability of lenders to strengthen their loans either by the deposit of additional security or by part payments. There is slight expectation in local banking circles that conditions will show much further approach to normal until the war outlook improves, and especially until the Federal Reserve district banks become practical factors in the situation. Fortunately, there is encouragement to believe that decided progress will be shown to have been made in this latter respect by about Dec. 1. It seems futile to expect practical results earlier than that date, as a great mass of preliminary work must first take place before the district banks are in shape to perform the functions for which they have been created. However, the appointment of Class C directors in many of the districts is the final step for preliminary organization. Hence the work of a more detailed character of

securing proper quarters and an efficient staff may now be undertaken. With the Federal banks in complete working order, the outstanding emergency currency can promptly be converted by the issue of the new Federal notes, and the banking situation may be expected to rapidly clear.

New York banks have not been charging their correspondents more than 6% for funds. Early in the week the Secretary of the Treasury, Mr. McAdoo, published charges that New York banks, among others, had been charging 7%. These charges were subsequently withdrawn, the Secretary finding, on investigation, that he had been misinformed by a Southern bank officer. New York bank executives regret very greatly the attitude that Secretary McAdoo has recently been displaying of criticism toward New York institutions. They feel that New York has done more than its full duty in the great crisis and that they have co-operated with the Administration to the fullest extent possible. Under these circumstances it is not considered good public policy for the Treasury Department to spread reports calculated to cast discredit upon the banking methods of the country's financial centre, especially when there is no real basis for such criticism. Lenders are asking 7@8% for loans running from sixty days to six months. On the other hand, bidders are only willing to pay 6@7%, according to the exigencies of their needs and actual business has thus become very largely a matter of individual negotiation. Commercial paper may be said to be upon a 7% basis for well-known names. Probably one of the most distinct indications of money conditions is the rates that railroads have been compelled to pay for short-term notes. Announcement is made, for instance, that the Erie Railroad has extended at a higher rate for five months its \$6,000,000 6% notes that were due on Oct. 1. This is in addition to the \$4,550,000 notes also due Oct. 1, extension of which was recently announced. Similarly, the New York Central is called upon to pay a higher rate. It has requested J. P. Morgan & Co. to manage a syndicate to purchase \$40,000,000 six months and one-year coupon notes divided equally between the two maturities for the purpose of meeting the company's financial requirements well into 1915. It is understood that the syndicate will buy these notes on approximately a 7% basis.

Last Saturday's statement of the New York Clearing-House showing the averages of the associated banks and trust companies indicated a decrease of \$3,576,000 in loans and of \$990,000 in deposits. The cash reserve increased \$6,882,000 and there was a decrease of \$7,674,700 in the cash deficit, bringing the latter down to \$30,709,400. A year ago there was a surplus of \$13,215,450 and two years ago a surplus of \$6,350,000. The banks alone reported an increase of \$6,885,000 in cash in vaults. The trust companies reported a decrease of \$3,000 in cash in vaults but an increase of \$2,733,000 in cash in banks. A message from the United States Minister, Schmedeman, at Christiania, states that a loan of 25,000,000 crowns will be arranged for in the United States by the Norwegian Government. Thus far, so far as we have been able to learn, negotiations have not taken definite form on this side.

Referring to money rates in detail, it may once more be repeated that quotations for call loans have each day of this week covered a range of 6@8%, the lower figure being the ruling basis. Time money

is quoted at 6@7% for sixty and ninety-day maturities, against 6@8% a week ago. Four months' and five months' loans remain at 6@8% and six months' at 6@7%, against 6@8% last week. Mercantile paper is moving fairly at 7% for the best names. Closing quotations may be repeated at 6½@7% for sixty and ninety day endorsed bills receivable and four to six months' single names of choice character; names less favorably known require 7½@8%.

The market for sterling exchange, after a sharp upward movement early in the week, then weakened and closed anticipating the favorable influence of the \$100,000,000 Gold Pool which began practical operations in the Exchange market yesterday. There was quite a display of real strength on Saturday and Monday. This was the result of specific influences, among them the necessary arrangements for October payments abroad, which, in view of the recent derangement of exchange facilities, had to be financed in large measure by cable transfers. The second influence was the covering of short contracts by operators who had counted upon the Gold Pool exerting an earlier influence than has in fact developed; and third, may be mentioned the uncertainty regarding the English moratorium which, according to last week's Royal proclamation, was to be extended only in respect to checks or bills on demand. Hence, as this ruling would require payment of bills that had been under the operation of the moratorium, interests on this side found themselves, in the absence of new credits, obliged to buy exchange in order to cover their obligations before Oct. 4. This action was quite unexpected, and it is understood applied to a large volume of finance bills that had been put out during the summer months with the object of covering them on maturity with cotton and grain exchange at low rates. The maturities of these finance bills had been extended from time to time under the moratorium, but the supply of grain and cotton bills had not materialized. Hence a settlement was finally necessary, and an insistent inquiry developed for demand bills and cable transfers. Rates for the latter advanced on Monday as high as 5.02¼, against 4 97½@4 98¼ on Friday of last week and to 5 01 for demand bills, against 4 96½@4 97¼ a week ago. On Tuesday quotations continued to be maintained, but on Wednesday the market began to weaken and closing quotations show severe declines from Monday's highest rates. Aside from the influence of the Gold Pool, a sudden amendment of the English moratorium was responsible for the weakness later in the week, since it granted an additional extension of a fortnight and in some instances a full month in maturities of bills of exchange. This is a subject which we have already explained in detail in our remarks covering the London financial situation.

As noted, the Gold Pool began practical operation on Thursday by shipping \$10,000,000 in gold to Ottawa. This amount consisted of \$8,600,000 in coin from the Sub-Treasury and \$1,400,000 in bars from the Assay Office. The committee which has charge of the operation of the fund announced after the shipment had been made that it was prepared to receive applications for checks on London. These applications must be made on forms which can be obtained at the office of the committee in the New York Clearing House or from any member of the committee as follows: Albert H. Wiggin, Chairman; William Woodward, J. S. Alexander, Francis L.

Hine, Benjamin Strong Jr., Frank A. Vanderlip and James N. Wallace. The committee announced that applications would for the present be considered by the committee daily, commencing on Friday, Oct. 2 (Saturdays excepted), at an hour to be fixed by the committee, which until further notice will be 3:30 p. m. Applications must be filed not later than noon of the day on which they are to be considered. Payments for amounts allotted must be made not later than 10:30 a. m. on the following day by certified checks drawn to the order of the "Gold Fund Committee" on New York banking institutions. A later announcement will be made when the committee is prepared to sell cable transfers. The total shipments of gold, all to Canada, this week, including the pool operations, has been \$10,386,936, including \$1,404,221 in bars and \$8,982,715 in coin.

Thus the first allotment of bills by the committee must be paid for at 10:30 o'clock this, Saturday, morning. Thursday's shipment to Ottawa represented gold advanced by a group of banks in this city, including the National City, which advanced \$2,000,000, and the following institutions, which advanced \$1,000,000 each: Chase National, National Bank of Commerce, First National, National Park, Hanover National, Bankers Trust Co., Guaranty Trust Co. and the Central Trust Co. While the committee has every assurance that the full \$100,000,000 will be subscribed by the banks in the large centres, the fund has not yet been definitely completed. Hence there has been no call for the 25% first installment that is proposed, and the action of the New York banks in providing the first \$10,000,000 gold in advance is to enable the committee to proceed without delay with the work of getting the foreign exchanges in an improved condition. It is expected that the full subscriptions to the Pool will have been completed on Monday or Tuesday of next week and that a 25% call will be at once issued. The committee have fixed upon the time of allotment of bills and the payment therefor with a view of preventing as far as possible all speculation in exchange. It will be observed that the rate of exchange will not be announced until late in the afternoon and the allotment must be accepted and paid for before the foreign exchange market opens the next day. The committee have decided to deal direct with buyers of exchange and not through brokers. The forms of application that have been drawn up call for detailed information of the uses to which the exchange is to be put; that is to say, whether the application is the result of indebtedness covering imports of commodities or is the result of corporate obligations, including principal, interest or dividends due abroad, or whether it is for the purpose of paying money borrowed, and must in fact give complete details of the entire transaction, including whether a partial allotment of the amount applied for will be accepted. If not located in this city, he must give the name of the New York bank that has been instructed to make payment for the exchange allotted and to whom notice of acceptance of application may be given. These facts will govern the committee in making allotments.

There has been considerable difference of opinion in New York banking circles as to the necessity of the establishment of the gold fund, quite a number of important interests having taken the ground when the New York City maturities in London had been arranged for that the best way of handling the

situation would be to allow it to work out without arbitrary conditions. Now that it has been decided that the Pool shall be tried, there is a disposition to withhold criticism to see how the plan will work out and to contribute to the success of the scheme in every possible way. The plan, of course, contemplates bringing the entire exchange situation under the control of the committee in charge and should lead to the standardization of exchange rates in the near future.

As compared with Friday of last week, sterling exchange on Saturday was firmer, demand bills moving up to 4 97 $\frac{1}{4}$ @4 97 $\frac{1}{2}$ and cable transfers to 4 98 $\frac{1}{4}$ @4 98 $\frac{1}{2}$; a marked scarcity of commercial offerings, coupled with a good inquiry, were the dominant factors on the rise. On Monday a sudden sharp upturn in exchange rates became evident and demand was rushed up to 5 01 and cables to 5 02 $\frac{1}{4}$, an advance of 8 cents in the pound from the previous low point; heavy demands in connection with the quarterly settlements abroad, firmer London discounts and the expected termination of the modified English moratorium were chiefly responsible; the range was 4 99 $\frac{3}{4}$ @5 01 for demand and 5 01@5 02 $\frac{1}{4}$ for cable transfers; seven-day grain bills rose to 4 96 $\frac{3}{4}$ @4 97. The upward movement was checked on Tuesday and sterling rates declined to 4 99@4 99 $\frac{3}{8}$ for demand bills and 5 00 $\frac{1}{4}$ @5 00 $\frac{3}{8}$ for cable transfers; this was due mainly to arrangements having been completed for the settlement of the major portion of the maturing Oct. 1 obligations; distinct dulness with a tendency to await further developments replaced the previous day's activity; bankers' sixty-day bills were nominally quoted at 4 96. On Wednesday a more liberal supply of bills with a lessened demand brought about further declines and demand sterling receded to 4 97 $\frac{3}{4}$ @4 98 $\frac{1}{2}$ and cable transfers to 4 98 $\frac{3}{4}$ @4 99 $\frac{1}{2}$; sixty days was quoted at 4 94 $\frac{3}{4}$. Demand bills went down to 4 96@4 96 $\frac{1}{2}$ on Thursday and cable transfers to 4 97@4 97 $\frac{1}{2}$, with sixty days at 4 93@4 93 $\frac{1}{2}$. The announcement by the Gold Pool Committee of the initial shipment of gold to Canada exercised a favorable influence on market sentiment, though active buying by up-town importers caused some firmness before the close. On Friday the market again ruled easier. Closing quotations were 4 92 $\frac{1}{2}$ for sixty days, 4 95 $\frac{3}{4}$ @4 96 $\frac{1}{2}$ for demand and 4 96 $\frac{7}{8}$ @4 97 $\frac{1}{2}$ for cable transfers. Commercial on banks nominal, documents for payment nominal. Seven-day grain bills 4 94 $\frac{1}{4}$ @4 94 $\frac{1}{2}$. Cotton for payment nominal; grain for payment nominal.

The New York Clearing-House banks, in their operations with interior banking institutions, have gained \$23,922,000 net in cash as a result of the currency movements for the week ending Oct. 4. Their receipts from the interior have aggregated \$28,640,000, while the shipments have reached \$4,718,000. Adding the Sub-Treasury operations and the gold exports, which together occasioned a loss of \$11,438,000, the combined result of the flow of money into and out of the New York banks for the week appears to have been a gain of \$12,484,000, as follows:

Week ending Oct. 4.	Into Banks.	Out of Banks.	Net Change in Bank Holdings.
Banks' interior movement.....	\$23,640,000	\$4,718,000	Gain \$23,922,000
Sub-Treasury oper. and gold exports.....	14,764,000	26,202,000	Loss 11,438,000
Total.....	\$43,404,000	\$30,920,000	Gain \$12,484,000

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

Banks of	Oct. 2 1914.			Oct. 3 1913.		
	Gold.	Silver.	Total.	Gold.	Silver.	Total.
	£	£	£	£	£	£
England...	52,916,604	-----	52,916,604	37,597,823	-----	37,597,823
France...	165,653,680	25,013,280	190,666,960	138,392,360	25,391,400	163,783,760
Germany...	84,368,000	2,000,000	86,368,000	57,146,300	13,277,950	70,424,250
Russia...c	172,713,000	5,711,000	178,424,000	163,552,000	7,112,000	170,664,000
Aus-Hun...a	51,578,000	12,140,000	63,718,000	50,739,000	10,829,000	61,568,000
Spain...d	21,888,000	27,164,000	49,052,000	18,656,000	29,727,000	48,383,000
Italy...e	46,637,000	3,000,000	49,637,000	45,851,000	3,175,000	49,026,000
Nether'ds.	13,111,000	207,000	13,318,000	12,278,000	688,200	12,966,200
Nat. Bel. b	10,653,333	5,326,667	15,980,000	8,358,000	4,179,000	12,537,000
Sweden. h	5,736,000	-----	5,736,000	5,701,000	-----	5,701,000
Switzer'l'd.	8,966,700	-----	8,966,700	6,785,000	-----	6,785,000
Norway...d	3,059,000	-----	3,059,000	2,500,000	-----	2,500,000
Tot. week.	637,280,317	80,562,847	717,843,164	547,556,483	94,379,550	641,936,033
Prev. week.	628,945,722	83,355,347	712,301,069	552,639,197	95,035,437	647,674,634

a Data for 1914 for July 30. b For Sept. 17 c Sept. 5. d Sept. 21. h Sept. 17

THE PRIMARY ELECTION.

Last Monday, under the new law, New York State held the first direct primary election in its history, the candidates named being those who are to stand in the State election of next November. The campaign for this primary election had naturally been overshadowed by a popular interest in the European war; but it was marked by a few developments of considerable interest. It centred on the contest over nominations for Governor, in which three parties were in the field. With the Republicans the contest was between District Attorney Whitman, State Senator Hinman and Mr. Hedges, the Republican candidate for the same office in 1912. The personality of this contest was interesting because of the strenuous efforts, made some months ago by Mr. Roosevelt, to blockade the Whitman candidacy, through refusing the Progressive Party's endorsement. The result of the voting is that Mr. Whitman won the nomination by an apparent plurality of 40,000.

In the Democratic contest Governor Glynn was pitted against Mr. Hennessy, who gained celebrity through his somewhat sensational speeches in the Sulzer episode of the Mayoralty campaign a year ago. Mr. Glynn was named by the voters by what seems to be fully 100,000 plurality. As for the Progressive Party, which, under Mr. Roosevelt's direction, had refused to unite on candidates with the Republicans, they found themselves, as a result, confronted with a sharp fight to avert the nomination of the eccentric Sulzer, who was very narrowly defeated by Mr. Roosevelt's candidate, Davenport. Incidentally, it may be mentioned that the vote of the Progressives at the primaries fell to absolutely negligible proportions. The party's total vote, so far as is shown by returns thus far published, was hardly one-tenth of the vote cast at the Democratic primaries, and little more than one-fifth the vote cast by the Republicans.

In the nominations for United States Senator, Mr. Gerard, now Ambassador at Berlin, was nominated by the Democrats by a majority of nearly 60,000 over Mr. Franklin Roosevelt and Mr. McDonough. In the Republican primaries Mr. Wadsworth, one of the legislative leaders at Albany, was successful over two other very respectable candidates. The Progressives named no candidate.

Taking the primary results as a whole, the most striking result is the fact that organization candidates were named by the voters in practically every case. This is notably true of the Governorship, but it applies to the other nominations as well. In this result there is no reason for surprise. An election is an election, whether primary or final, and in either case an organized campaign for electioneering is bound to produce results. It will possibly produce

the greater results in a primary election, for the reason that in such a contest there is less of public discussion or of mass meetings, so that the voter is largely left uncertain or bewildered as to his individual choice.

For ourselves, we cannot regard the successful activity of the political organizations as unfortunate. Supposing them to keep their hands off in a primary contest, one might readily imagine a multitude of candidates, with entirely random and ignorant voting on them by the citizens. Mr. Sulzer's close run for the Progressive nomination shows what might happen in any such case. The truth is, that the instinct of the American people, developed by long experience, is to conduct their politics through the medium of organized committees. Indeed, it may be said that the same instinct governs all management of business affairs by Americans. Our political history gives abundant evidence of this fact. It is precisely this instinct which created, as an institution in our politics, the nominating conventions of the several parties for Presidential candidates, although that expedient was entirely unprovided for in the Constitution.

This was not a vague "happy thought" of politicians, but a correct recognition of political necessities. Before the nominating convention was contrived, Presidential candidates were selected by a junto of Congressmen, in whose deliberations intrigue and favoritism were extremely apt to prevail. This was a real abuse, because it not only did not recognize, but frequently defied, the popular will; it was swept away by the nominating convention. But the same political necessity lay at the root of the system of conventions to nominate the Governor and other important officers of the State.

There have been grave abuses in these large nominating conventions, and the recourse to direct primaries is a result of them. But the same instinct which created such conventions, as an engine which should register the party's will while avoiding party chaos, is bound even now to cling to the machinery of party organizations as an influence, however indirect, on the selection of nominees. It is possible that this expedient may turn out to be our only safeguard against complete confusion in the selection of party candidates, or against the gaining of nominations by utterly unfit candidates with a compact local constituency, who might easily achieve success when the legitimate opposition of intelligent citizens was frittered away on a number of scattered candidates.

As to how much has actually been gained by the institution of direct primaries, we confess ourselves doubtful. We have shown already that the results of this primary election have been substantially the same as would, in the natural order of events, have followed nominations through the old convention machinery. The same forces which determined results in this week's voting would have prevailed at a convention. The results have this time been secured at great cost to the taxpayers, for the expense of primary elections is already known to run well into the millions. Moreover, against the advantage of avoiding possible objectionable results in the convention system of nomination, must still be placed the possible danger of chaotic and divided voting, and the real annoyance of perpetual political agitation in an electoral year. Nobody has forgotten what this meant in the Presidential year 1912.

In short, as regards either the expression of popular will or the quality of candidates selected, this week's New York primaries indicate that the outcome under that system will be substantially the same as under the convention system. With regard to Senatorial nominations, now that Senators are to be chosen by direct popular vote, it is probably very fortunate that party organizations are an active force. In choosing members of the United States Senate the possibility of selecting demagogues or obscure politicians threatened to be very serious. It will not be disputed that very considerable evils had arisen in the election of Senators by State legislatures. Notoriously unfit men have repeatedly been chosen, through use of ulterior personal influence. Yet we know that the outcome of Senatorial elections under the system hitherto pursued, and taking the nation as a whole, have not been bad, and it is also fairly open to argument that the real menace of the direct nominations and election of Senators might be the consequent filling of the Upper House of Congress with obscure and incompetent men, such as might represent mere accident or popular whim.

We have, however, placed this new system of nominations and elections on our statute books. The experiment must be tried out and we must make the best of it. To our mind, the result in New York indicates that it is at least being tried on a basis of practical common sense. The outcome indicates that our people are not yet ready to abandon their old-time expedients for orderly concerted action in political affairs. If such regulating and organizing action is no longer to be applied in one way, it will certainly be applied in another. That faculty of adapting available means to a practical end is the genius of American politics, and is a far more real safeguard against political abuses than are the notions of public men whose one idea of progress and civil liberty seems to be tinkering perpetually with constitutions, and pulling down as fast as they build up.

THE SOUTH'S COTTON PROBLEM.

In desperate situations men are prone to do desperate things. The truth of this observation is reflected in the wild and visionary schemes proposed by some of the Southern leaders in their ill-conceived efforts to relieve the situation with regard to the cotton crop now beginning to move. The cessation of demand from Europe, due to the war prevailing on the Continent, has paralyzed the cotton trade, closing the cotton exchanges and rendering cotton, for the time being, a more or less unmarketable staple. It is conceded, of course, that American and Japanese mills will require more than their usual supplies, but, naturally, they will, in these days of monetary stringency, buy only in a hand-to-mouth way, unless cotton values ultimately go to such low levels that it will be financially prudent to lay in large stocks against the time when economic conditions will reverse themselves. In any event, however, the South, where a cotton crop of well over 15,000,000 bales is promised by existing conditions, will have a surplus of from five to six million bales to take care of.

Prices since the European war started having fallen from 13 cents to 8 cents for middling cotton, the Southern producer is confronted with a situation that spells economic ruin unless wise plans, based upon sound principles, are adopted and made gen-

erally effective in the section affected. Inasmuch as cotton as an article of export in times of peace turns the balance of trade in our favor, the whole country, in a commercial sense, is concerned over the situation that has arisen in the South. It is one thing to feel concerned and sympathetic, however, and another to consent to any violation of well-established economic principles, which might haunt us in the future. Undoubtedly, this was the idea that President Wilson had in mind week before last when, in reply to an appeal made by C. S. Barrett, President of the National Farmers' Union, in favor of Government loans direct to cotton growers, the President said:

"I need not say that the gravity of the situation is very manifest, and I want you to know that I have been giving a great deal of attention to it, with the earnest desire to see some way by which the difficulties could be solved without committing the Government in principle to any action which would plague us in the future, because the danger, gentlemen, of the present situation is that, under pressure of what appears to be necessity, we might make some radical departure from sound economic practice which in future years we would very much regret. We have got to make sacrifices, not to make fundamental mistakes. Now, I am not thereby implying a judgment as to any specific proposition, but I feel bound myself to guard against impulses when impulses are so strong, just as I feel it so necessary for us in an international situation to guard every impulse and see that we do not make any mistakes which future generations will have just cause to blame us for. But I want you to know how sincerely I appreciate the gravity of the situation and how entirely willing I am to consider anything that is laid before me by way of a practicable suggestion."

Fitting words, these, reflecting more the well-digested thought and wisdom of a statesman than the superficial views too often expressed by men in high political positions.

The South, in our opinion, can and will work out its own economic salvation in the crisis that confronts it. That section has, even in the memory of those now living, seen harder times than now prevail. The resources of the South are too varied and its soil too fertile for the prosperity of that section to be long dependent upon any one staple or product. Economic necessity, working along right lines, will force a reduction in cotton acreage and a corresponding increase in grain acreage next year. Thus, the South will again taste the flavor of prosperity, based upon right principles. This condition will, we think, be brought about even without a visionary scheme of having the Southern States prohibit the planting of any cotton at all next season by special legislation on the subject. We imagine that the Southern farmer himself will be the first to rise in protest against any such plan being put into effect.

THE SHIP-PURCHASE BILL.

The backing and filling upon the ship-purchase bill is somewhat unusual. On the 24th, one Washington dispatch declared that it is going through "and the President is determined that the opposition must get out of the way of the measure or bear the consequences." On the 28th other dispatches said he "declared to-day that he would insist" and that "Democratic leaders indicated to-day that the President would probably announce to the public soon whether or no the so-called ship-purchase bill will be permitted to go over" to the next session

On Wednesday last Mr. Underwood was quoted as saying that "within two or three days the two parties in Congress may agree upon a series of recesses from October 10 to November 15," thus permitting Congressmen to go home and look after their political fences; but Thursday's report said the recess plan has been abandoned and Mr. Wilson acquiesces in adjournment, including putting this bill forward.

These dispatches indicate that the gradual usurpation of legislative powers by the Executive has become complete and accepted, yet the private opinion in Congress seems to be that the bill should be quietly dropped, being unpromising in results from the view-point of party expediency and also no longer apparently necessary. Sufficient ships are said to be offered, and private capital, which is always quick to perceive profitably opportunity, is ready to enter them in foreign trade as fast as clearly required. Even Chairman Alexander, who introduced the bill, has been quoted as saying that conditions have since become less urgent and that the subject can go over without danger, an opinion confirmed by the great increase in exports from this port in the week ending on the 26th, which carried the total for the four weeks past that of the like time in 1913. So we may be permitted to hope that we have now heard the last of this worst of the hasty and almost hysterical propositions of the past six weeks. In course of those some were crying aloud that exports must go out or the country would soon be in unendurable distress, while others were crying as loudly that exports (especially of food) must be impeded or even prohibited or the cost of living would rise to unheard-of heights.

Neither contention had any other cause than an unwarranted excitement. The ship-purchase proposition was objectionable as a piece of Government movement towards dangers in public policy, being also liable to involve the country in unpleasantness or worse with some belligerent. There were reasons for suspecting that persons were behind the bill who would like to dispose of some ships, and experience indicates that purchases by the Government would pretty surely be good bargaining for the sellers. It was also certain that the natural laws of business could be trusted to provide means of carriage as fast as the things to be carried appeared. The "South American Trade Special" train through portions of Pennsylvania and New York was received with great interest last week, and the lecturing experts it carried have been explaining that we cannot get the major instead of the minor share in South American trade just by adopting the shibboleth that "trade follows the flag," but that other conditions than having American ships must be complied with, such as close conformity of goods to the needs, the habits and the prejudices of the people.

Moreover, exports have begun to move more freely again. In the four weeks ending on the 10th the wheat movement from American and Canadian ports was some 40% larger than in the corresponding time of 1913, and from this port the movement of sugar and oats was much larger in the second than in the first ten days of the month. The more unnatural impediments are offered before the outflow of indispensable commodities, the larger the volume of movement when the resistance is overcome. The troubles of other nations may offer commercial opportunity for our own, if we can but shake off the

obsession that whenever anything is discovered which is not just as it should be the Government must instantly "do something" about it. Instead of rushing about like ants in an opened hillock, we should keep ourselves cool, remembering that, even in a real emergency, it is better to stand and consider what should be done than to snatch up the first suggestion.

ILLINOIS CENTRAL RECOVERY FROM STRIKE.

The Illinois Central Railroad Company keeps adding to the volume of its traffic from year to year and is slowly but surely recovering from the effects of the shopmen's strike of 1911-12. Gross earnings for the period covered by the present annual report, that is, the 12 months ending June 30 1914, were far and away the best on record, indicating steady development of the traffic of the system. Net earnings also made substantial improvement from the extremely low total reached during the strike year. The fact that they fall very considerably short of the maximum of preceding periods must be considered in the light of the circumstance that this impairment of the net earnings occurs in face of marked evidence of increasing operating efficiency. The shortage must hence be ascribed to the same causes that have produced an impairment of the net on other important railroad systems, namely the rise in operating costs produced by advances in wages and the rise in the cost of practically everything else entering into the operating accounts of the railroads. A coincident decline in the average rate realized per ton per mile indicates that more freight had to be moved to earn a given amount of gross revenue and that this also must have played its part in swelling the expense accounts.

There was a further increase in the late year of \$1,592,797 in gross earnings and of \$866,381 in net earnings. These are obviously gratifying results, particularly in the case of the net, though here the usual experience is encountered and it is found that \$437,696 of the gain has been absorbed by augmented taxes. Nevertheless, the showing as to net would have to be considered quite exceptional if the figures for the late year could be treated by themselves. As it is, they must be regarded in the light of the antecedent rise in expenses growing out of the shopmen's strike. Happily, the report is able to state that the unsatisfactory labor conditions which were so largely responsible for the previous advance in expenses have practically disappeared. The several shop organizations over the system, it is stated, are now working under normal conditions and turning out work efficiently and economically.

With reference to the late year's further expansion in traffic and in revenues, President C. H. Markham takes occasion to observe that there is cause for satisfaction in that the depressed business conditions and, in many localities, the poor crops which resulted so unfavorably for many of the other railroads of the country did not prevail in the territory traversed by the company's lines. It is pointed out that the increase in traffic and revenues, though moderate, was general over the system but more marked on the lines north of the Ohio River and east of the Mississippi than on either the southern or western lines. The increased earnings on the northern lines follow largely from a substantial increase in the tonnage of bituminous coal transported,

the increase here amounting to 1,657,331 tons. No less than 12,145,045 tons out of a total freight tonnage of 32,342,709 consists of bituminous coal, this representing 37.55% of the tonnage, as against 34.45% in the year preceding.

The best indication, however, of how traffic is being developed is afforded when the comparison is extended further back. Taking a five-year record it is found that the total tons of freight carried in 1914 at 39,186,975 (including freight for the company's own use) compares with only 30,476,494 tons in 1909, thus giving an increase for the five years of nearly 30%. If we take the tonnage movement one mile, which is the true measure of the transportation services rendered, the expansion is found to be almost equally as striking. For 1914 the tonnage movement one mile reached 9,115,135,117, as against 7,315,620,260 ton miles in 1909, the increase here being about 25%. In the same five years the number of passengers carried increased from 23,314,699 to 27,522,774 and the number one mile from 603,638,248 to 718,962,391.

Aggregate gross earnings in the interval have risen from \$54,609,445 to \$65,873,700 and this has occurred in face of a considerable decline in rates, the average realized per ton per mile in the late year having been no better than 5.63 mills, against 5.77 mills in 1913, 6.10 in 1912, 6.09 in 1911, 5.91 in 1910 and 5.98 mills in 1909. Turning to the net results, however, it is observed that the amount of the net for 1914 was actually somewhat less than for 1909, the comparison being \$15,098,372, against \$15,468,975—in other words, 11¼ million dollars gain in gross revenues yielded absolutely no addition to the net. The comparison is still more unfavorable as against the \$17,330,879 net made in 1911 just before the strike troubles, though on the other hand, there is important recovery from the extremely low total of \$10,605,805 net reached in 1912, when the strike existed as an active adverse influence.

As already pointed out, the absence of any gain in net, but actually a loss, for the five-year or the three-year period, in face of the expansion in traffic and in gross revenues, affords testimony to the trying conditions under which railroad operations have to be conducted, with rates shrinking and wages and other items entering into the operating accounts advancing. To the extent possible this tendency of rising expenses has been overcome by greater efficiency of operations, but only a small part of the additional cost could be thus extinguished. What has been accomplished in the direction of operating efficiency appears from the fact that the average train-load in the late year was nearly 488 tons as against only 419 tons in 1909. As a consequence of this greater train-load the freight trains earned \$2 35 per mile run in 1914 where they earned in 1909 only \$2 10 per mile run.

In connection with the diminished productiveness of gross revenues in the yield of net, there is also to be considered the fact that constant new additions of capital are required from year to year, in order to furnish the needed facilities for carrying the additional volume of traffic. As a consequence of such new capital outlays, the requirements for interest or dividends that have to be met out of the shrinking amount of net necessarily keep growing from year to year. There is a statement in the report bearing directly on this point. In other words, the report tells us that during the four years

from July 1 1910 to June 30 1914, the company expended no less than \$32,354,858 in additions and betterments to its road and equipment, including improvements on its subsidiary properties. Of this large expenditure, \$16,576,492 was on account of additions and betterments to roadway and structures and \$15,778,366 on account of additions and betterments to equipment.

We have stated that the late year's increase in net earnings over the year preceding had been \$866,381, but that \$437,696 of this had been consumed by an increase in taxes. This would have left comparatively little gain in net, but as it happened the income from investments and other sources registered a gain of \$1,321,248, due mainly to the company having realized in 1914 \$1,658,709 from its holdings of Louisville New Orleans & Texas 2nd mortgage incomes, as against \$627,157 derived from that source the previous year. As a consequence, the income account of the Illinois Central shows for the twelve months a balance above charges in amount of \$8,138,824, as against only \$6,575,112 in the preceding year and no more than \$3,466,447 in the strike year. Dividends are now only 5% per year and call for \$5,464,800 per annum. Thus, a surplus remained on the late year's operations over the dividend requirements in amount of over \$2,500,000. Stated in brief, 5% was paid in dividends and about 7½% earned.

THE MISSOURI PACIFIC REPORT.

The unfortunate conditions which prevail in the railway world obviously bear most severely on concerns that are least strongly buttressed in income and in other ways. If a company is not a dividend-paying property, and even in the best of years has only a moderate margin of income above fixed charges, it is manifestly in danger of being pressed to the wall under the inability to arrest the steady decline in rates and the rise in operating cost. If, in addition, as is the case with the Missouri Pacific, the company is handicapped with a large volume of short-term obligations, which can only be renewed as they mature at high interest rates and upon hard terms, its position must remain one of great anxiety until the public authorities, spurred on by enlightened public sentiment, can be made to see that it is to the interest of the whole community that the railroad industry shall be accorded fair and decent treatment, the same as every other industry—that the principle of "live and let live" applies here as elsewhere.

The distinctive feature of the annual report of the Missouri Pacific just submitted is that it shows that, with fixed charges of \$14,500,000, the amount of these charges was barely earned, the surplus on the operations of the twelve months being only \$74,692. To be sure, this is the result for a year of unfavorable trade and traffic conditions; and, having regard to the company's past history, the management must be considered as having done well in being able to show even a small balance on the right side of the account. In the Southwest, where lie the lines of the Missouri Pacific, last season's agricultural yield was very poor, as is well known, the crops in some of the States having proved almost an absolute failure. In addition, the communities in the territory contiguous to the lines of the system felt the effects of general trade depression, with its all-pervading influence. The fact is, however, that the

distressing results of these adverse fact intensified and made harder to bear by the generally hostile spirit displayed towards railroad property.

Gross earnings during the year fell off \$2,361,605, but through saving and economy and the further development of efficient methods, the management was able to offset this to the extent of \$1,576,624 by a reduction in expenses, leaving the loss in net only \$784,981. Increased taxes, however, added nearly \$200,000 more to the year's loss. The decrease in revenue from freight traffic was \$1,753,242, or 3.83%. The following caustic comment by President B. F. Bush will indicate what is the real trouble under which the property labors:

The decrease in revenue from freight traffic was \$1,753,242 18, or 3.83%. Herein is recorded the direct effect of the unfortunate, if not misguided, insistence upon reductions in tariffs, the legal right, although not necessarily the propriety, of exacting which was finally confirmed by the United States Supreme Court, and which reductions were made effective during July 1913; for the number of tons of revenue freight handled this year was but 29,533 (0.13%) less than the previous year, against which the revenues for transporting the tonnage show a shrinkage of 3.83%. A similar, although grosser, presentation is found in the revenue of passengers carried, which declined \$467,846 51, or 4.02%, although the number of passengers carried increased 13.36%. Combining the returns from both freight and passenger transportation, and striking an average, arrived at by utilizing all of the active factors involved, it is estimated that the enforced reductions in freight and passenger tariffs, have caused a loss in revenue, based upon the volume of this year's traffic, of not less than \$1,800,000, even though the facilities and appointments necessary for such transportation—and involving large capital expenditures—have been substantially increased.

President Bush has accomplished wonders during the short time that he has been in control, but it is evident from the foregoing that, notwithstanding all his power of achievement, he is unable to perform miracles. In the previous fiscal year, through a careful looking after details and the application of intelligent methods, he was able to bring about a very substantial improvement in results and to show a balance of income above fixed charges of over one and one-half million dollars. Gross earnings were then increased \$7,642,256, and by keeping expenses carefully within bounds, he succeeded in carrying forward \$4,165,369 of this as a gain in net. The feature of the statement then was that the company increased very materially its maintenance charges, while the addition to the transportation expenses was relatively small, notwithstanding the greatly enlarged volume of business done. In the year under review, with a loss of part of the previous year's gain in gross, the feature again is the transportation expenses, the bulk of the whole decrease in operating expenses being found under that head.

Here, then, we have evidence of true economy in operation, a conclusion which is further fortified by the operating statistics in the report. For instance, we find that the average train-load for 1914 was 451 tons, against 437 tons in 1913 and only 397 tons in 1912. Thus in two years 54 tons has been added to the average train-load. The average rate realized in 1914 was only 7.99 mills per ton per mile, against 8.07 mills in 1913 and 8.24 mills per ton per mile in 1912. Nevertheless the trains earned in the latest year \$3 10 per mile run, against \$2 74 two years ago. If,

therefore, good management could lift the company out of its trouble, its path now would be an easy one. It is the achievement along this line that President Bush has in mind when he indulges in the following remark:

A reduction was accomplished in transportation expenses equaling 5.49%; the ratio of the total of such expenses to total operating revenue was this year 35.61%—last year 36.25%. These figures exhibit a further refinement in these branches of the service, which directly and largely concern the shipper and passenger; the results reflect the ardent efforts of all officers and employees.

Undoubtedly the results do reflect "the ardent efforts of all officers and employees," but unfortunately the situation in the railroad world is such that the efforts of the officials cannot restore the proper equilibrium between receipts and expenditures. In this the experience of the Missouri Pacific is no different from that of other roads, but the company is less prepared to endure the strain—a strain to which no property should be subjected, and to which none would be subjected if enlightened public sentiment guided the hands of Government and legislative officials.

THE TENNESSEE LOAN—THE TREASURY DEPOSITS GOLD.

As already reported in these columns, negotiations were completed last week for a loan of \$1,400,000 by the National Park Bank of New York to the State of Tennessee. The bank paid par for one-year 6% notes. It seems, however, that as an inducement to the institution to advance funds on this basis, the United States Treasury Department agreed to make a deposit of gold with the bank. This appears from a formal statement made by Senator Luke Lea and quoted in the Memphis "Appeal" of Sept. 26 in a dispatch from its Washington correspondent, R. M. Gates. Senator Lea's remarks are as follows:

"The cordial co-operation of the Treasury Department, through Secretary McAdoo and Comptroller Williams, saved the credit of Tennessee to-day by enabling her to obtain in New York, at the rate to which the State was entitled, the funds necessary to meet the State's October maturities.

"On Monday evening I was called over long-distance telephone by George P. Woollen, Comptroller of the State of Tennessee, and a member of the Funding Board, who stated that he and Mr. Sneed, the Secretary of State, and ex-officio also a member of the Funding Board, were in New York, and had been there for several days, attempting to sell the short-term notes of the State with which to obtain the necessary funds for financing the October maturities, but had been unable to obtain an offer at any reasonable rate of interest. Mr. Woollen asked me to secure, if possible, the co-operation of the Treasury Department in obtaining the necessary loan.

"On Tuesday I had a conference with the Secretary of the Treasury, who is regarded by many as the greatest financial genius who has filled that position since the days of Alexander Hamilton, and was assured that, according to the custom of the Treasury Department, he would do everything he could legitimately to assist those who were entitled to financial credit and assistance.

"After the exchange of several telegrams, Mr. Sneed came to Washington on Wednesday, and made a written statement to me covering the situation, which I used in a conference that afternoon with Comptroller Williams.

"This statement of Mr. Sneed relative to the rate of interest was as follows:

"We find conditions in New York very unfavorable and the interest rate being demanded extremely high, all indications being that the State will be compelled to pay 8% for its money. In fact, I have had no definite proposition made to me to furnish this money at less than that rate."

"At the suggestion of the Treasury Department and at the request of Messrs. Sneed and Woollen, I returned to New York with Mr. Sneed Wednesday night, and on Thursday had a conference with the leading bankers of New York, including Mr. Delafield, President of the National Park Bank, the fiscal agent for the State of Tennessee, who had previously flatly refused to take the loan. Mr. Delafield stated that his institution was not in the market for a loan of this character on account of the accommodations it was forced to extend to its own customers. I then proposed for the Treasury Department to co-operate by making a deposit of gold with the National Park Bank, and Mr. Delafield agreed to make the loan at 6% for the purpose of assisting the State and relieving the situation, if such a deposit was made by the Treasury Department.

"I returned to Washington and the Secretary of the Treasury agreed to make the necessary deposit, called up Mr. Delafield, had a conference with him over the telephone, and the matter was settled.

"A later conference was arranged between the Secretary of the Treasury, Mr. Sneed and myself, the agreement with the National Park Bank was ratified by Mr. Sneed, acting for the Funding Board in the place of Governor Hooper, who is in Tennessee.

"It is believed by the Secretary of the Treasury and all others familiar with conditions of the money market that the State made a most advantageous trade. The City of New York recently floated its three-year notes on a basis of 6%, but it was required to pay in addition to that a sum for foreign exchange which was equal to 2%, which really made the loan on an 8% basis, while in the case of Tennessee's loan the notes were sold at 6% without any expense of commission.

"This settlement also compares most favorably to the settlement which was made by Governor Hooper, ex-officio Chairman of the State Funding Board, when in New York in June 1913 he sold the State's notes on a basis of 6.90%, which, with other expenses, made the rate of interest more than 7%. This settlement, made in 1913, was made during times of peace and when no crisis was impending like that which is now present.

"As is shown by the statement of Mr. Sneed, the best bid which the State of Tennessee had before Mr. McAdoo became interested in assisting to arrange for this loan was 8%. In point of fact, this bid, which was made by the Guaranty Trust Co., was to give 98 cents instead of par for the notes on a 6% basis, which meant a little over 8%, and, as it developed yesterday, was only for \$1,000,000 of the State's maturities and not for the entire amount.

"The result is that the State, thanks to the Wilson Administration, saved actually \$28,000 by making the loan at 6% instead of 8%, and incalculable thousands of dollars by preserving her credit in establishing the reputation of being able to borrow upon the most advantageous terms afforded anyone. If the loan had been placed at 8%, it would have been a standard which every banker would quote to every borrower in the State and it would have been unreasonable for any individual to expect to borrow, even at 8%, much less at a lower rate, if the State had been obliged to pay that rate.

COMPTROLLER JOHN SKELTON WILLIAMS ON THE REPUBLIC'S OPPORTUNITIES.

In an address entitled "On Mount Ararat," delivered Sept. 29 before the Indiana Bankers' Association at Indianapolis, Comptroller of the Currency John Skelton Williams discoursed at length on the present extraordinary situation in the world's affairs and reviewed the steps taken by the Government for dealing with it. He indulged in an apt figure of speech by saying: "This Republic is the Mount Ararat of a universe overwhelmed by a deluge of blood, of confusion and raging strife, of wild desolation."

As to the task imposed on us, he takes the view that "The work of adjustment and of getting the machinery of business on perfect foundations, and oiled and leveled, is not completed; but it is well started with safe and efficient methods."

We reproduce here all but the opening paragraphs of the address which were in a personal vein:

Nowhere in the history of the world is there a record of such a situation as that of which we here in this room to-day are a living and potent part. Never before has any country been in the position in which our country is. The possibilities before us, pressing upon us ready for our thought, work and faith to make them realities, are of immensity and grandeur almost beyond human conception.

Never before since civilization took shape and society began to order itself have the banking interests and directors of finance and commerce of any country had such power to do wonderful work of patriotic and broad, permanent construction, or to allow confusion and failure or force ruin, as is in your hands and the hands of your fellow bankers of America.

This Republic is the Mount Ararat of a universe overwhelmed by a deluge of blood, of confusion and raging strife, of wild desolation. This is the one sure, established place where hope is springing, instead of being destroyed. Everywhere else the hideous harvests of death are being gathered by day and by night; here we are garnering the harvests of peace and life and freedom.

We may pause a moment to recall that to the thinkers of bygone ages the one assurance of stability was centralized, concentrated, absolute power in the keeping of one strong man. To them, self-government by the people meant chaos. To-day the solitary, stable, unshaken and undisturbed part of the earth to which humanity may turn its eyes and its thought is that governed by a hundred million free individual rulers; and the centres of the horror and storm are where hereditary absolutism is accepted as the safest and the ideal government.

Surely the majestic dream the dreamers dreamt of a powerful people ruling and regulating themselves is vindicated. Surely the higher, wider, sweeter dream of such a people leading and lifting up all the nations, by methods gentle but irresistible, causing tyrannies to vanish, banishing war, righting wrongs and sending where the four cardinal points of the compass direct the conquering inspirations of liberty and love is nearer to realization than ever before. Considering our daily lives and our contact with the small and ignoble, the base and petty things of human nature, and of our local and State and general politics, the most hopeful of us sometimes are tempted to discouragement and to the thought that we have failed; that the old dreams of the fathers and builders and prophets never can come true. That thought is a treason of the moment, born of weakness and weariness and the political disappointments that come to all of us. It is treason to the time, to the facts, to the crowning events of this pregnant, stirring period, to ourselves, our fathers and our children. Such thoughts, I say, are treason to the Flag and the traditions, the lessons and the deathless and hallowed purposes it represents on every sea and beneath all the variant skies. They are treason to the deathless and God-created principle of the Republic, of free and representative self-government; treason to ancient aspirations and present duties and new and assured hopes.

It is the task of us practical, money handling plain men, trained to definite action and the handling of affairs, to build to strong actualities the visions of the best and boldest of mankind. We must work and toil with real things: The Government, the bankers, and the financial leaders, the thinkers, the men active in politics, and the masses of the people must unite thought and effort to the ends desired by all and necessary for all. The idealist with his high conceptions, sometimes apparently misty and vague, is helpless without the practical man, accustomed to working with the knowledge that two will come to four, and that no proposition will find lasting favor unless a prospect of substantial advantage, benefit or profit of some kind can be demonstrated. The practical man without ideals and something beyond his immediate daily concerns becomes a sordid and useless machine. All of us Americans are here together on this Mount Ararat of ours, established for us and by us, this great land of peace and abundance and hope, this country touching on each side another nation, with hundreds of miles of frontier lines and not a foot of fortification on either side.

We must work to give, as well as to take. We are, as regards the fearful wars of Europe, put, almost without act or will of our own, in the position of a benevolent Iago: "Now, whether he kill Cassio or Cassio him, or each do kill the other, every way makes my gain."

We have the right to use thriftily what fortune or the follies or crimes of others may send for our advantage, but we have the plain duty to use our peculiar conditions and the strength they give us to try to make the world and the human race happier and better. As we do that, the reflex action and results must make our own nation happier, better, richer and more prosperous. No other people has been permitted, as we are now, to offer rescue to mankind; to be the firm foundation for the rehabilitation of civilization and order; to deserve and win the gratitude, the confidence and the affection of every nation, of every tongue.

Our first step and duty has been, and is, to assure our own safety, to establish our own strength, to care for our own people. Through the years of a long peace we have been interwoven with all the countries by commercial and social connections and ties, by association, by mutual interest and dependence. For us the rapidly succeeding declarations of war and the immediate consequences were like a sudden and violent amputation. Holding steadily to the maxim bequeathed to us by the far-seeing Washington, we had avoided entangling political alliances; but in business we were in partnership with all the countries which without warning began to tear and destroy each other. When the history of this bewildering and fearful time comes to be written in the tranquillity of restored peace and reasoning resumed, one of the most wonderful facts will be the serenity and firmness and ready resource with which the business and the Government of the United States endured the shock of severance in a day of thousands of ligaments and nerves and points of contact binding us to the old countries. Yet we had thrown before us a multitude of unprecedented problems and unexampled and unforeseen conditions. Almost automatically as a man throws up his arms to fend his face when he sees a blow coming, the great exchanges were closed. That was a simple, we might say, instinctive and defensive measure, but it was heroic and effective.

As we stood, we were subject to drains on our resources and demands on our credit by the cables under the sea and the wireless in the air, through the heavens above and the waters which are under the earth; and along the surface of the sea we could send nothing of our heaped-up stores of actual substance to bring money or credits. Our money assets were assaulted by invisible forces of suction. The closing of the exchanges here and the moratorium declared in Great Britain were like anaesthetics to stop nerve action and prevent death from shock and strain. The results so far have been the striking contrast of no panic or ruin here with eight declarations of war among powerful nations within a week and paralysis of all international traffic, whereas in 1893 dangers in no way comparable to those we have recently faced brought a procession of failures and bank suspensions, the closing down of mercantile houses and industries and terrific losses extending from one ocean to the other.

Yet, while the methods used were prompt and heroic, they would have done harm rather than good, would have spread demoralization and given new impetus to fast spreading fright, but for one great, solemn, beautiful fact, underlying everything and representing the real philosophy and strength of the Republic. That fact is the confidence of the people in themselves and in their Government. The American people naturally are fearless in the presence of any danger they can see and face and understand. That fearlessness and dauntless courage, not to be alarmed by any emergency, proceeds from their confidence in themselves and in their own power and honesty. When they know they are in direct control of their own affairs through their Government, that their interest and welfare are the first thought of sagacious and chosen rulers, no disaster or threat can stampede them.

I am not here to talk politics or to ask approval for the Administration, but I think all of us business men, Republicans, Democrats and Progressives, know in our hearts that but for the clearing up we have had, the knowledge the Republic has been given of the limitations of the power of great corporations, financial institutions and leaders, and the conviction that this Government of ours of the people, by the people and for the people, is now ready and able to protect us from unnecessary or artificially created stringencies, we would have had dismay instead of assurance and frantic anxiety and demoralization instead of quiet optimism.

It is not out of place, I trust, to say just a few words of our new banking and currency law which will go into effect in a few days.

The Federal Reserve Act is not a measure which serves only banks and their customers, but it is destined, I firmly believe, to exert a powerful influence for good on the lives and fortunes of all classes of our population. It is the instrumentality through which the American people will be freed from the domination of a financial oligarchy. It restores to the channels of commerce and industry hundreds of millions of dollars of money which was drawn from the sections where it was most needed to lie idle in the vaults of the big banks in two or three cities, or else be loaned by those banks largely on demand loans in the stock market.

It provides for a system to meet completely and effectively the requirements of expanding or contracting business according to the seasons and the varying conditions, and it accomplishes along the most natural lines the mobilization of the bank reserves, and devises the methods by which they can be most safely and fairly utilized.

It practically removes from honestly and capably managed banks all fears of runs or the dread of suspension or failure by providing the means for quickly converting into currency the commercial paper in which its funds may have been invested.

By the system of clearings which the bill provides for, it is estimated that several hundred million dollars heretofore kept in transit and in unavailable balances will be released for the needs of business while the delay and expense of making collections of checks will both be eliminated.

It opens the way for the establishment of branches of our national banks in foreign countries so as to secure for this country a larger share of the world's commerce. It removes the barrier which prevented the national banks from lending on real estate and makes improved real estate acceptable as a basis for loans under conditions clearly and conservatively defined so as to bring into active commercial use one of the most substantial of all securities.

A curious and unforeseen ramification of the blessings of the new system was called to my attention the other day when one of the Government's most important health officers told me that he had hailed with the deepest satisfaction the passage of the Federal Reserve Act "because," said he, "I feel that in its operation it is going to contribute largely to the public health." As I was a little slow in seeing the connection, he explained that his study of the measure had convinced him of its supreme and far-reaching value and that he believed it would effect a gentle revolution and social reorganization which would bring about a stable prosperity in which the masses of the people would share more equitably and more liberally than they ever had before; that their scale of living would be raised and that they would be in a position to give attention to matters of health and hygiene more than they have been able to give under the exigencies and conditions in which they have lived in the past. That is incidental, but it goes to confirm the teaching that a good and wise law blesses and helps, as a bad or ill-considered or outlived law cramps and afflicts the people who must live under it, in every department and interest of their lives.

I shall now ask your indulgence while I review briefly a few recent leading financial events of these historic times.

Although this country had shipped abroad between May 1 and Aug. 31 1914, in payment of securities sold here for foreign account and in payment of debts due abroad, including balances due by importers, more than a hundred and sixteen million dollars of gold, the outbreak of the war found us with debts falling due in European countries between Aug. 1 and Jan. 1 1915 amounting, as far as can be estimated, to between three hundred and four hundred million dollars. The largest portion of this indebtedness due by any one borrower was represented by the loans placed abroad by the City of New York, amounting to some eighty-two million dollars. Had the world been left at peace, our exports of cotton, of food products and other merchandise between Aug. 1 and Jan. 1 1915 normally would have amounted to more than one thousand million dollars, or enough to pay off the floating debt to Europe, to settle for all imports during the same period, and show a handsome balance due us. But when the first of August came, instead of launching our fleets of merchantmen laden with the fruits of our most bountiful harvests of cotton, wheat and other merchandise, we faced the forbidding clouds of war, suddenly gathered. All Europe seemed to rush to convert our securities, offering, as they did, better hope than any other for realization into gold; while all markets were closed against what we had to sell. It was necessary for us to seal our exchanges against our bonds and shares, as Europe had closed hers to our cotton, wheat, minerals and manufactures. By this action one pressing and imminent danger was met and averted.

On Saturday, Aug. 1, following the dumping upon the market for foreign account of an avalanche of bonds and shares held by foreigners, the reserves of the New York banks fell more than forty million dollars below legal requirements. The Stock Exchange had been closed, but the drain upon the resources of the New York banks had set in from many directions and there was alarm and cause for it. Responding promptly to urgent appeals, the Secretary of the Treasury went over to New York Sunday afternoon, Aug. 2, and held a conference that night with a score or more of the presidents of the leading banks and trust companies of the Metropolis. He heard their statements, analyzed the situation quickly, saw what was necessary to enable the banks to meet the demands upon them, and to restore confidence, which had been so racked by the world-shaking events of the week. Confidence in the Government, the people and the ultimate resources of the country was absolute, but there was need to meet immediate and urgent emergency. Knowing that confidence, and the soundness of the basis for it, the Secretary announced that the Government would supply the banks forthwith with as much as one hundred million dollars of additional currency if it should be needed. Anticipating the situation as it was laid before him, at that conference, he had that Sunday morning, before leaving Washington, directed the shipment by express to the Sub-Treasury in New York, for the New York banks, of forty million dollars, and the Treasury forces and the express companies at that moment were taxing their resources in hurrying the execution of the order.

The announcement that the Treasury had arranged to give the New York banks a hundred millions of currency was flashed that night over the wires to every section of the country, along with the assurance that the New York City banks were prepared to honor all requests of their country bank correspondents for shipments of currency against their balances. Therefore there was no suspension of currency payments, or premium on currency, as in the comparatively limited stringencies of 1893 and 1907.

A few weeks later leading bankers from New York came to Washington to ask if the Government would lend its support in enabling New York City to raise through a syndicate of bankers the funds necessary to provide for the city's loans of eighty-two million dollars, just maturing abroad. They were assured by the Secretary of the Treasury that the Government would co-operate by providing the banks with a further amount of currency and would accept a fair proportion of New York City's new notes or bonds as the basis for such currency, in order to help the bankers carry out the plan for the funding of the city's floating indebtedness; and since that time the Treasury Department has actually furnished to the New York banks fifty million dollars of additional currency, making the total amount accorded to the banks of that city from the Treasury since Aug. 1 more than one hundred and forty million dollars.

In its efforts to provide for present and to guard against further and future demands, the country has been steering a cautious course between two perils. Money enough for ordinary and extraordinary requirements incident to conditions unprecedented, and not only to move the crops but to hold some crops the normal demand for which was suspended, was urgently needed. Yet such inflation of the currency as might threaten our gold reserve and impair our public credit and the value of our money would be suicide. Self-preservation demands first the preservation of our credit. With that wounded, we would be unable to maintain ourselves; miserably powerless to help others, left impotent and feeble and shamed, while opportunity turned its back on us. If we allowed the currency supply to become inadequate for our requirements, we might inflict the penalties of confiscation and ruin on the innocent many to the enrichment of the designing and remorseless few.

If we should allow inflation of the currency away from safe and solid bases of actual and irreproachable value, we would be like a man drinking himself to frenzy and torpor while his honor and the safety of his home depended on his steadiness and strength. Therefore, we have felt and tested and studied and have striven to work and build swiftly but carefully; to act promptly, but with thoughtful provision for the situation as it is, while keeping alert eyes on the possibilities of the days and months to come.

In this work all of us have united. It is deeply gratifying to me to be able to certify how much the country owes of its growing prospects and increasing stability to the genius, skill and generous, patient, broad patriotism of its bankers in all sections. Those of New York, Chicago and other large cities have been not only willing but zealous in co-operation and with valuable and timely service. Most of them have tendered their resources and their services to help the public interest. But the people of all grades and sections have, as a general rule, done what they could to forward a difficult and complicated labor.

The Administration has been given full cause to feel gratefully and exultingly that, when the common defense and the general welfare are involved, the free citizens of the United States have no lines of differences, in politics, in sections, in social grades or the distribution of the favors of Fortune. The people, regardless of party, have given cordial and cheerful sanction to every movement and act approved by their reason as being for the good of the Republic.

The work of adjustment and of getting the machinery of business on perfect foundations, and oiled and leveled, is not completed; but it is well started with safe and efficient methods. We and our business machinery will be required to work not only for ourselves, but for the world. The task is enormous, but it is in conjunction necessarily. In protecting our own stability, we protect the world's finance and commerce. In conserving the interests of the other nations, we conserve our own and improve the opportunities that practically are forced upon us. Along with illimitable responsibilities, the prospect of illimitable expansion confronts us. Just now and because of the sudden halting of our delivery service and closing of the markets, we are a debtor people. We are taking days

of grace because we have assets with which to pay and know that they will be needed desperately and soon.

Europe is believed still to hold several billions of our securities. Exactly what amount it is quite impossible to determine accurately.

If we opened the stock exchanges and allowed this indefinite mass to be unloaded on us with the frantic purpose to get our gold at any cost, no one can quite foretell what the consequences would be. There are only three methods by which international debts can be paid; by shipments of gold or silver, by shipments of merchandise, or by the sales abroad of securities. If American securities owned abroad should amount to, say, four billion dollars, and all holders should offer them for sale and demand gold for them, our entire gold supply of one and seven-eighths billion dollars, by far the largest gold holdings of any nation on earth, would be insufficient to pay for half of them; therefore, it is preposterous to talk of taking them all back at once and settling for them now in gold.

It is equally idle to talk of paying for them by the sale abroad of other securities; therefore, it is evident that if Europe wants to send back to us our securities, she must take payment in merchandise, in the equivalent of gold. When the European countries bought our securities, they did not pay for them in actual gold; they paid for them in merchandise, and should take merchandise in payment when they sell them back.

It is not believed that the American securities owned abroad as late as 1883 amounted to as much as five hundred million dollars, probably considerably less. The securities at this time owned in foreign countries have, therefore, nearly all been acquired since 1883.

Now from 1883 to 1914 we have brought in from foreign countries only eleven million dollars more gold than we have sent abroad; therefore, if Europe has accumulated since 1883, say three and a half billions of American securities, it is evident that they could not have been paid for in gold, but were paid for in trade balances and merchandise.

From 1883 to 1913 the figures show that the total value of merchandise and silver exported from this country exceeded in value the merchandise and silver imported by nearly ten billion dollars. In other words, the net balance of trade in our favor for the past thirty years has averaged more than three hundred million dollars per year. If we add to this the sale and shipment to Europe of, say, an average of a hundred millions of securities per annum, there would be a total apparent balance of trade in our favor, arising from the movement of gold, merchandise and securities, of say four hundred million dollars a year, which vast sum it is claimed has been offset and consumed principally by the sums we have had to pay for ocean freights and by the huge sums spent annually by tourists abroad and the amounts paid for interest and dividends to foreign investors. In other words, it has taken practically our entire trade balance and the proceeds of all securities sold abroad to recoup the annual expenditures made by the two or three hundred thousand American tourists in Europe, and to pay the carrying charges to foreign ships for the transportation of American commerce, and for foreign dividends.

My study of the problem has led me to the conclusion that we will not find it difficult to adjust ourselves to buy back in the course of a few years, if they should be offered to us, and pay for, all the American securities that Europe has, or which it may desire to sell. We have in abundance the raw material for the food and the clothing that Europe, Asia and Africa must buy. With these and other products needed and demanded by the world, we can cancel our obligations and redeem our securities at fair prices to their holders instead of sacrifice and panic prices.

In the eight years following our Civil War here, notwithstanding the havoc it made in the South, there was through the North and West, as we all know, bewildering growth, development and activity, until they went too fast and too far and the development and business activity culminated and collapsed temporarily in the disaster of 1873. Judging by all experiences of the past and all the visible facts and signs of the present, a time of growth and expansion, of creation and extension in all directions, is just ahead of us. The Panama Canal of itself promised us new opportunities which dazzled foresight and made prediction lose itself in an infinity of possibilities. Now, just as we have completed this new, short highway of commerce from one side of the globe to the other, we are confronted with a new and endless universe of problems, and in each problem opportunity to bless mankind and ourselves. Strong and powerful, but just and compassionate, we must be prepared to meet the rush of people fleeing to us from war and war taxes and war ruin; the rush of demand for bread and meat and clothing; for fuel and building materials; the rush of demand for money for restoration and new beginnings where war will leave chaos and emptiness.

Our task is not only to hold ourselves steady and secure, but presently to help feed and clothe and shelter and finance the nations; because we are the one sure, solid, established place of peace and of production, with power unimpaired. We must look not only to our foundations, but to indefinite enlargement and elasticity of our power and facilities for doing business.

You bankers, you of Indiana, and of all the other States of our Heaven-rescued and maintained land, must do a very large share of the preparation, the adjustment, the doing and the establishing.

We can prove ourselves honest and kindly debtors and merciful and considerate creditors. We will soon be looked up to as the storehouse of the world. Our cotton fields already furnish two-thirds of the cotton which clothes the human race, while from our harvest fields is already being shipped the grain to supply bread to the millions of Europe who have now become dependent upon us for their food supply. By the ways of peace and the uses of commerce, we can and will, not only strengthen our influence where it exists already and tighten our hold on those with whom we have traded and exchanged, but we will widen our sphere of operations through a great part of this great Western hemisphere and send our flag and our agencies where they are strangers now. Our conditions for doing all of this great work are better than ever before in our life as a country.

We are correcting the tendency toward huge consolidations, to inordinate individual accumulations, and to isolation, and the bludgeoning and suppression of individual enterprise and initiative. We are calling back and restoring the dash and daring and restless alacrity that spring from free and fair competition. We are distributing ambition among all of our citizenship by restraining the facilities for acquisition by small and select minorities. We are sweeping away many clouds of doubt and distrust, the more dangerous because by imagination and exaggeration they are magnified and given shapes of dread portent. We are breathing a cleaner and more stimulating atmosphere.

I believe, and those of you who do not agree with me now will, I think, share my faith within a year or two, that our new banking and currency laws give us noble and powerful machinery with which to change dangers to blessings and enabling us to deal with the most rapidly widening demands on our energy and resources.

We have a Government founded on broad, far-seeing, sagacious thought, on the highest philosophy and noblest purposes. It is established on the love and confidence of a free-born and intelligent people. Fast as we have gained in wealth and strength, we have gained more and faster in breadth, in spirit, in the true religion that recognizes human brotherhood and our

obligations to each other, in that purest of piety that teaches service as our highest function and magnanimity and justice as the first and best achievements of a great people.

So we stand among the turbid surges of a troubled and stricken world as a mountain of peace and rest and refuge, or, in the words of the Psalmist, "as the shadow of a great rock in a weary land."

We will be the gathering place for the renewal and distribution of hope and purpose, for the restoration and purification of a civilization drowned in blood and wrecked and dismantled by furious and reckless passion.

Tragic and pitiful as it is, we may find gratification and hope in the constant appeal made to us by one strong people or another on the means and methods used by brave men of different tongues and birthplaces in deadly strife with each other. God forbid from us the vanity that would assume for ourselves superiority over any of these, our brethren, at war. May God and our memories protect us against the sin and arrogance of self-complacency or the Pharisee's thanksgiving that we are not as other men. We need not look back far to know of our own sins and weaknesses and follies, blessed and kept and led as we have been. In profound gratitude to the Power that has delivered us from the consequences of them, and in deep humility, we may find our gratification in the hope that the dove of peace, once sent winging over the deluge, may find a resting place here, and carry from us an acceptable olive branch.

We do not invite such opportunity, but we would welcome it, and all of us—I am speaking only for and to representatives of the conservative and thinking people of our country—would unite in the ambition that we might be the means of helping, not only toward permanent peace in the world, but toward actual justice and the betterment of mankind. We can afford to speak for peace, because we have proved sternly that we do not fear war when it is necessary and just.

Our voice for peace is not soprano expostulation. It has the deep, harsh, masculine note of big guns, well served at efficient target practice. If the time comes for us to urge or invite or help toward peace, it will be not because our interests require it, or because we are nervous or fearful, but because as a community of free and peaceful people we desire very earnestly the deliverance and advancement of our brother man. We will talk peace as strong and prepared men talking, face to face, to strong men.

In any case we will stand a living monument to the truth that the statesmanship of peace and patience is the most successful, that the diplomacy of mercy and exact honor is the wisest because directed by the spirit of Eternal Wisdom.

Equipped for emergency as we never before had been, we have met this fearful stress undisturbed. We meet opportunity, such as never has come to a people, with purposes higher and wider and purer, we trust, than any people ever have felt; with the power gathered of peace, the resources derived of honest industry, and the will born of our own self-searching, to lead the world; to be its dominating influence; and to use that influence to bless and brighten, lift and comfort all humanity.

SECRETARY MC ADOO'S CHARGE OF HOARDING AND HIGH INTEREST CHARGES.

Charges by the Secretary of the Treasury McAdoo that New York banks were requiring correspondent banks to pay 7% for loans were this week admitted by the Secretary to be unjustified. These charges were contained in a telegram complaining of high interest rates sent on September 25 to the Clearing House Associations of New York, Boston, Chicago and St. Louis and published in our issue of Saturday last on page 869. As a result, the Clearing House Committee of the New York Clearing House Association, through its Chairman, Albert H. Wiggin, sent the following telegram to Mr. McAdoo on the 25th ult.

Your telegram received. Except on some Wall Street loans and on paper placed by brokers, the rate charged to customers and to correspondents by New York banks does not exceed 6%. Please give us the specific instances to which you refer and, while we have no authority to control the rates of interest charged, if there is any action that is unjustified or unreasonable, we will use our influence to correct it. It is the desire of New York to set an example that cannot be criticized.

This brought the following reply to Mr. Wiggin:

Washington, September 26 1914.

Replying to your telegram received last night, as a specific instance I am informed by a large bank in the South that the (names of two banks in New York City) have charged it 7% on loans aggregating in each case more than \$250,000. As is usual in such cases, the complainant naturally does not wish to have identity disclosed, but if these banks deny having made such loans at 7% interest I will take the matter up with the Southern bank to which I refer and get further details. I am pleased with the assurance in your telegram that the New York Clearing House will use its influence to correct any unjustified or unreasonable charges on the part of its member banks, and I appreciate the spirit which is manifested in your statement that "it is the desire of New York to set an example that cannot be criticized."

The further communications which passed between Mr. Wiggin and Secretary McAdoo, the final one from the latter indicating that the accusation against the New York banks was an unjust one, are printed below. Mr. Wiggin, in answer to the Secretary's message of the 26th, sent Mr. McAdoo the following:

Have made investigation of matter referred to in your telegram of the 26th. First named bank states it has not charged any bank more than 6% interest and asks that the complainant give you particulars or withdraw the charge. Second bank named states emphatically that they have no loan in their institution of any kind or nature at over 6% and request name of complainant. The Clearing House Committee in justice to its members urge that you give us the name of the Southern bank referred to and withdrawal of the charge.

The Secretary's answer acquitting the New York banks of the charges in question, said:

Telegram received. On Friday last, the 25th inst. (name of officer of a bank in the South) stated to me, Assistant Secretary Malburn and Comptroller of the Currency Williams that (names of two banks of New York City) had each charged (name of the Southern bank) 7% on loans aggregating large amounts. This afternoon Assistant Secretary Malburn received letter from Mr. (name of Southern bank officer) in which he stated "I find upon investigation that the rate charged to us by (name of one New York banks referred to) is 6%, the same as (name of the other

York bank referred to.)" I am at a loss to understand how Mr. (name of Southern bank officer) could have made an error, as his statements to us about the 7% rate were positive. I am asking Mr. (name of Southern bank officer) for a further explanation. I am glad to discover, however, from his corrected statement that the banks in question are not charging his bank 7% on loans, as I certainly have no desire to to injustice to any one.

A list of 247 national banks which he declared were guilty of hoarding money through the maintenance of reserves of 25% or more was made public by Secretary McAdoo on the 25th. In making known the names of these institutions the Secretary said:

Each one of the banks in this list is required by law to carry a reserve of only 15%. The reserves they are holding range from 25% to 74%. If the large amount of loanable funds that is kept from active employment, as indicated by these figures, was invested in commercial or agricultural paper, or loaned on proper security, the present situation would be greatly improved.

The banks named by him are for the most part country institutions and none is located in New York City, Boston, Philadelphia, Chicago or St. Louis. Of the banks complained of, the Southern States contain 56; the New England States, 33; the Eastern States, 44; the Middle Western States, 51; the Western States, 45, and the Pacific States, 18.

A number of banks included in Secretary McAdoo's list have protested against his charges of hoarding; the protests are too numerous for us to attempt to give all of them, but we annex a few. One of these is from E. C. Stokes, President of the Mechanics' National Bank of Trenton, who addresses Mr. McAdoo as follows:

Hon. William G. McAdoo, Secretary of the Treasury, Washington, D. C.

I enter an earnest protest against publication of the statement that the Mechanics' National Bank of this city is a hoarding institution. We were borrowers ourselves a short time ago and are borrowers at this date, owing to accommodations extended to those needing credit. On the date of the statement to the Government we had a temporary deposit left here for one week for transfer which made our reserve temporarily appear excessive, but on the day of that statement to you we were below our legal cash reserve. It is our policy always to loan to the full limit of our reserve in response to demands for credit. We are not forcing a single customer to pay a loan, and will not unless obliged to. We followed the same policy in 1907, when we borrowed \$600,000 to take care of the business needs of our community. You have done us an injustice. We court investigation, and will be glad to have your personal representative come and verify our statement. If you can send us some Government deposits it will enable us to make additional loans in this community.

E. C. STOKES,

President Mechanics' National Bank of Trenton, N. J.

E. I. Edwards, Cashier of the First National Bank of Jersey City, to whose reserve of 41% Secretary McAdoo takes exception, in answer to the latter's complaint, says:

Neither I nor the directors of this bank have any excuses or apologies to make to Mr. McAdoo for carrying a reserve of 41%, as he says. It is true we carry this reserve. We have to carry almost that much to conduct our business. None of our customers has ever been charged more than 6% interest on loans. We have always carried a reserve fund of about 41% in this bank and there is nothing the Secretary of the Treasury can do to stop us.

When the Reserve Bank Association goes into effect in the near future and we are compelled to transact our business in the Philadelphia district, we will be forced to carry a reserve fund even larger than we are doing at present.

I also want to state right here that this bank never carried a Wall Street loan under its present regime, which has been in force for several years, and the bank never carried any of the Hudson & Manhattan RR. bonds, and so long as I am connected with this bank, it never will.

I do not know what motive actuated the Secretary to issue his statement, unless it was that he desired to embarrass certain institutions. I notice with much satisfaction, however, that the list of 250 banks he has published are really the strongest in the country.

Ernest V. Connolly, President of the Commercial National Bank of Long Island City, which the Secretary criticised for holding reserves of 28%, makes the following statement in defense of his institution:

The name of this bank having been included in the list of 247 banks given out by Secretary of the Treasury McAdoo, we desire to state the following facts relative to our reserve:

Any intimation that this bank has been hoarding its cash is positively contrary to the facts. We have taken care of every legitimate demand that has been made upon us by our depositors and have not charged at any time more than 6%. In addition we have purchased during the past two months considerable commercial paper in the open market, and have taken our portion of the New York City notes and bonds recently issued and have subscribed our proportionate amount of the gold fund now being raised.

The law requires that we maintain 6% reserve cash in bank and 9% reserve with our reserve agent. Our cash reserve has averaged for the last thirty days slightly over 6% and at various times during the past two months we have deposited with our New York correspondent all surplus cash and that portion of our gold certificates that we felt we could spare, feeling that in so doing we were helping the general situation.

The directors and officers of this bank believe in conservative management, and we cannot run our bank conservatively by maintaining a 9% reserve with our reserve agent at all times. There are times when it is absolutely necessary that we build up our reserve to take care of demands that will be made upon us by our customers for loans or for the withdrawal of deposits.

At the last Comptroller's call our large reserve was being held to take care of demands, loans and withdrawals that we knew would be made upon us. Any excess reserves has not been in cash, but has been placed on deposit with our reserve agent in New York, and any amount so deposited, of course, may be loaned by it. We have at all times maintained only such reserve as we believed necessary for the full protection of our depositors in

the way of meeting their withdrawal of funds and the demand for loans made upon us by them. We are at this time prepared to extend to our depositors every legitimate request.

The attitude of the Secretary is denounced by the officers of several of the national banks of Connecticut, according to the Hartford "Courant"; one of those whom it quotes in the matter is Charles W. Gale, Cashier of the Thames National Bank of Norwich, which is charged with holding a reserve of 30%. According to the "Courant" Mr Gale admitted that the figure was correct at the time of the report, and declared it an abnormal amount. The reason for it, he said, lay in the fact that the bank had large amounts coming due during the latter part of this month and the first part of October, and that, when the time for calls on this money began to approach, the natural course of the bank was to lay by a stock of money to meet them with. These loans were arranged for in the majority of cases by local cotton manufacturers, who need the money in carrying on their business during the winter, and Mr. Gale pointed out that the course of the bank in preparing funds to help such local customers was not in support of the Secretary's accusations of holding out money and hurting national enterprises. Local conditions, he added, affect the amount of the reserve to a great extent from day to day.

On Sept. 30 Secretary McAdoo announced that \$3,000,000 of Government deposits had been recalled from banks maintaining excessive reserves. His announcement was as follows:

Secretary McAdoo to-day recalled from various banks throughout the country which are maintaining excessive reserves \$3,000,000 of Government deposits, to be re-deposited in the Treasury in two installments on the 10th and 20th of October, respectively. These funds will, in the Secretary's discretion, be re-deposited in banks throughout the country which will employ them in the movement of crops and for the benefit of the business situation.

At the same time he stated that the outstanding crop movement deposits amount to only \$13,029,746, distributed as follows:

Alabama, \$300,000; Arkansas, \$175,000; Florida, \$81,250; Georgia, \$368,750; Kentucky, \$1,375,000; Louisiana, \$700,000; Maryland, \$1,450,000; Mississippi, \$150,000; North Carolina, \$456,250; South Carolina, \$525,000; Tennessee, \$675,000; Texas, \$793,750; Virginia, \$798,750; Colorado, \$499,996; Illinois, \$1,200,000; Indiana, \$150,000; Iowa, \$250,000; Kansas \$25,000; Missouri, \$1,550,000; Nebraska, \$325,000; Oklahoma, \$93,500; Washington, \$87,500; New York, \$1,000,000.

New York State Superintendent of Banks Eugene Lamb Richards, in response to Secretary McAdoo's telegram asking the former's co-operation to prevent the State institutions from hoarding, declares that there is no hoarding or charging of excessive interest rates among the institutions under his supervision. In a statement issued on the 25th ult., Superintendent Richards said:

I have to-day sent a letter to Secretary McAdoo in reply to a telegram from him asking my co-operation to prevent the banks and trust companies under my supervision from hoarding money and charging excessive interest rates. Reports received by my department show that the banking institutions under the supervision of the New York State Banking Department are carrying cash reserves far below normal; that from my own observation they are not restricting credits and that not a single complaint against any of them for charging excessive interest or for unjust discrimination has been made to this department.

It has been my pleasure to aid Comptroller of the Currency Williams in his efforts for the general good by furnishing him with such information in regard to State banking institutions as he requested from time to time. Each week since Aug. 29 he has received from my department a summary of our weekly reports showing the average condition for the week ending each Friday, as well as the actual condition at the close of business on each Friday of all State banks and trust companies in Greater New York. The New York State Banking Department, at the request of Comptroller Williams, addressed to the institutions under my supervision a communication calling for information as to any alleged discrimination in the matter of handling loans. Copies of these replies were forwarded to Mr. Williams. These replies showed that the legitimate demands of customers were fairly and justly met.

As a matter of fact, loans in banking institutions under the supervision of this department have increased since July 31 1914, and the banks and trust companies of Greater New York have given their full measure of contribution to the important work of raising the \$100,000,000 to sustain the credit of the City of New York, and at the same time have agreed to contribute their proportionate share to the \$100,000,000 gold fund now being raised by co-operation between the Federal Reserve Board, the New York Clearing House and the Clearing Houses of other cities. The calling upon the New York institutions for the payment of this gold will further materially lower their already low reserves. As requested by Secretary McAdoo, I have sent him a summary of the weekly reports showing the average condition of all State banking institutions for the week ending Sept. 19, and for the purpose of comparison I have also sent him the corresponding reports for the week ending July 31.

I have informed Secretary McAdoo that I shall deem it both a privilege and a duty to furnish such further facts as he may require and to co-operate with him and with Comptroller Williams in every way possible.

In answer to Mr. McAdoo's telegram to him, T. P. Beal, President of the Boston Clearing House, sent the following telegram to the Secretary of the Treasury:

In reply to your telegram of Sept. 25, received too late for action last week, the Clearing-House Committee begs to state that to the best of their

knowledge 6% is the almost universal rate charged by banks in Boston to other banks for advances or re-discounts. We have impaired our reserves without hesitation in order to take care of all deserving customers, and we do not hear of any complaints on their part. Should you have such specific instances, please advise us.

The Pennsylvania Banking Commission declined to furnish the Treasury Department with a statement of the reserves of the State banks of Pennsylvania, basing its action on the laws of the State. In its telegram to Mr. McAdoo the Commission said:

We are in receipt of your telegram of 24th inst., and in reply thereto the Commissioner directs me to say that, owing to the restrictive laws of our State, the information which you desire cannot be given in this way. However, the department some time ago furnished the Comptroller of the Currency a list of all the banks and State institutions in Pennsylvania subject to call. If such a list is not now available for your use, we will be pleased to furnish you with a duplicate copy.

At a meeting of the Chicago Clearing-House Association on the 28th ult., a report was prepared for submission to Secretary McAdoo in defence of the maintenance by the Chicago banks of a minimum charge of 7% for loans. The report states that since Aug. 1 bank deposits in the six national banks, members of the Clearing-House, have decreased \$42,525,221, while their commercial deposits have increased \$1,366,585, making a net shrinkage in their deposits of \$41,158,636. During the same period their loans have increased \$5,903,913, these banks having thus been called upon for \$47,062,549. The banks met this draft upon their resources by reducing their lawful money \$2,106,587, by reducing their other cash resources \$11,510,177, by using Clearing-House certificates to the amount of \$12,935,000, and by using Aldrich-Vreeland notes, costing them 3%, aggregating \$20,304,172, the total of all being \$46,855,936.

The letter furthermore sets out:

"The liquidation of their demand liability on deposits, which they have accomplished by assuming other demand liabilities in the form of emergency notes and by the use of Clearing-House certificates, does not, under sound banking practice, relieve them of the necessity of maintaining adequate cash reserves against their entire demand liabilities, including these emergency notes and clearing-house certificates, as the former equally with their deposits are their demand obligations redeemable in lawful money and the latter by agreement are payable on thirty day's notice.

"It should be remembered that the unusual conditions created by the European war came just at the beginning of our crop-moving season, when there is always an increased demand for both bank credit and circulation. With the demand created for the handling of the large crop now being marketed the money market in Chicago would now be close, and the prevailing rate of discount would undoubtedly be 6% were there no European war. The average rate in September last year was 6%, and in September, 1912, it was 5½%.

"There are therefore two good reasons why the discount rate should now be 7%. These are, first, the necessity of limiting the extension of credit to the actual, legitimate, and urgent necessities of borrowing customers, because in consequence of their shrinking resources the banks have been in no position to extend credit freely; and, second, because the present extra cost of doing business more than offsets the profit derived from the increased rate of discount. This is evidenced by the fact that irrespective of losses the net profits of these six national banks for the current month of September are 15% less than they were for the same month last year.

"The demand on Chicago banks for loans has been greatly enhanced by their having to protect their customers who had placed lines of commercial paper on the open market through brokers, largely with country banks, and to the extent which they have thus protected their customers they have at the same time relieved the country banks of their purchased paper. It is expected that before long the money now being realized on the large crops in the west, northwest and southwest will flow to the centers through the country banks. When this occurs Chicago banks should be able to resume more normal conditions. This, however, may be somewhat retarded should the unsettled conditions caused by the war be prolonged."

In his campaign against hoarding, a circular letter which, according to Secretary McAdoo, was sent out by the President of a State bank in the South "to a chain of other State banks controlled by the writer of the circular," was made public by Mr. McAdoo on Sunday. In his strictures on it the Secretary said:

As the name of the bank was given to the Secretary in confidence, he regrets to be unable to disclose it to the public. The circular speaks so plainly for itself that comment is unnecessary. Nothing could be more reprehensible than the conduct of this bank nor more clearly show how credits are being restricted and money being hoarded by some banks. A similar policy pursued by all the banks in the United States would produce untold suffering and general disaster.

THE GOLD FUND PROPOSAL.

Arrangements for an initial remittance to Ottawa of \$10,000,000 of the \$100,000,000 Gold Pool devised for relieving the foreign exchange situation were perfected on Wednesday and the shipment was made on Thursday. Nine New York banks and trust companies contributed the amount represented in the shipment, the National City Bank advancing \$2,000,000, while \$1,000,000 each was supplied by the Chase National Bank, the National Bank of Commerce, the First National Bank, The National Park Bank, the Hanover National Bank, the Bankers Trust Co., the Guaranty Trust

Co. and the Central Trust Co. The following statement with regard to the shipment and the rules governing sales of exchange was issued by Albert H. Wiggin, Chairman of the Clearing-House Committee, on Wednesday:

"In response to many inquiries that have been made of members of the Committee, the Chairman to-day announced that it was the intention of the Committee to adopt such rules in making sales of exchange as would equitably meet demands from all parts of the United States. These rules necessarily may be modified from time to time. No brokers will be used by the Committee, and it will be its endeavor to sell exchange directly to those having payments to make abroad, without intermediaries. Such profits as may be realized after payment of necessary expenses are to be pro-rated among all the institutions which contribute to the fund.

"In anticipation of the collection of the first installment of the gold fund of \$100,000,000, the New York Committee has arranged with a number of New York banks and trust companies to advance an installment of gold which the Committee is shipping to Ottawa. The Committee expects, therefore, to be in position to sell exchange within a few days and to receive applications for checks or cable transfers on London.

"All applications must be on forms which will be provided by the Committee, which has arranged for quarters at the New York Clearing House, where such forms may be obtained. All applications must be made before twelve o'clock each day, and must be accompanied by a detailed explanation of the purposes for which the exchange is required. No applications will be received on Saturdays.

"The Committee will meet each day (Saturdays excepted) at 3:30 p. m. to consider applications, which, to the extent granted, will be at fair rates for the day, as may be determined by the Committee. The Committee reserves the right, in its sole discretion, to reject any or all applications, or to allot a reduced amount, or to change the method of fixing its rates.

"For the present the Committee will not consider applications for cable transfers in amounts of less than £1,000, but applications from all parts of the United States will be received. Payments for exchange must be made by certified checks drawn to the order of 'Gold Fund Committee' on New York banking institutions upon acceptance of allotment and prior to delivery, not later than 10:30 a. m. the following day."

The bulk of the \$100,000,000 fund will be contributed as follows: New York, \$45,000,000; Chicago, \$16,000,000; Philadelphia, \$8,000,000; Boston, \$7,000,000; St. Louis, \$5,000,000; Pittsburgh, \$3,000,000; Cleveland, \$1,750,000; Cincinnati, \$1,500,000; Baltimore, \$1,000,000.

A further statement was issued by the Committee on Thursday in which it announced its preparedness to receive applications for checks on London. Yesterday afternoon (Oct. 2) was fixed as the time for giving initial consideration to these applications. The statement given out on Thursday said:

The Gold Fund Committee announces that it is now prepared to receive applications for checks on London, which must be made on forms which may be obtained on application at the office of the Committee in the New York Clearing-House Building, or from any member of the Committee, as follows: Albert H. Wiggin, Chairman, William Woodward, J. S. Alexander, Francis L. Hine, Benjamin Strong Jr., Frank A. Vanderlip, James N. Wallace.

Applications will be considered by the Committee daily, commencing Friday, Oct. 2 (Saturdays excepted), at an hour to be fixed by the Committee, which, until further notice, will be 3:30 p. m., and applications must be filed with the Committee not later than noon of the day on which they are to be considered.

The Committee will notify promptly its decision as to applications, with the rate to apply as to those favorably acted upon. Payments for amounts allotted must be made not later than 10:30 a. m. on the following day by certified checks drawn to the order of "Gold Fund Committee" on New York banking institutions, and failure to make such payment prior to that hour will be considered a rejection of the allotment.

A later announcement will be made when the Committee is prepared to sell cable transfers.

ATTITUDE OF COLORADO MINE OWNERS TOWARDS STRIKE SETTLEMENT.

In a letter made public on Sept. 27 forty-eight mine owners operating in Colorado have signified their willingness to accept three of the six suggestions embodied in President Wilson's plan for the adjustment of the coal strike; a fourth they would accept with modifications, while the other two they express their inability to agree to. In designating those proposals with which they are in accord, the coal companies in their letter say:

Not as a matter of contract or "truce" with the United Mine Workers of America or the strikers, but with a desire to meet your views so far as possible, we will adopt and co-operate in putting into effect three of the six suggestions in the "tentative plan," and the fourth with necessary, and, as we believe, reasonable modifications.

1. "Enforcement of mining and labor laws of the State."

We have not willfully violated any of the laws of the State, and will render every possible assistance to the civil authorities in their enforcement.

3. "Intimidation of union or non-union men strictly prohibited."

We agree to this without reservation, but the "tentative plan" provides no way of enforcing the rule.

4. "Current scale of wages, rules and regulations for each mine to be printed and posted.

This practice is already in force in many of the mines in the State, and we will at once put the suggestion into effect at all of our mines.

With regard to the proposal that all striking miners who have not been found guilty of violation of law shall be given employment by the employer they formerly worked for, the operating companies state that—

"We are and have been willing to employ as many of the strikers as possible, without discrimination because of the fact that they laid down

their tools, and believe that we can give work to a very large majority of those remaining in the State. But it is quite impossible for us to agree to employ all striking miners who have not been found guilty of violence. Whether those who have participated in violence are prosecuted and found guilty or not, we cannot agree to give them employment in the mines operated by us. In six of the counties of the State 332 of the strikers, including officers of the United Mine Workers of America, are under indictment for murder and 137 for felonies. None of them has been tried, therefore none has been found guilty, and much time may elapse before they are tried."

The suggestion for a grievance committee contained in Sections 5 and 6 of the plan is rejected by the companies, which declare that the unlimited authority of this proposal "practically puts the entire control of the most important department of our business in its hands. Its power to control the conduct of our business far exceeds any of the demands of the United Mine Workers of America. A commission with such powers has never before, to our knowledge, existed or been suggested. The Inter-State Commerce Commission, with all of its extensive powers for the regulation of railroads and railroad business, has no such authority as this proposed commission."

The answer of the coal companies to President Wilson was conveyed by a committee consisting of D. W. Brown, President of the Rocky Mountain Fuel Co., and J. C. Osgood, Chairman of the Victor-American Fuel Co. The committee in its letter sets out that "the forty-eight operators who have signed the letter produced in August 1914 a total of 426,613 tons of coal, as compared with 442,774 tons produced by the same operators in August 1913. They represent 82½% of the tonnage of coal being mined in the State at the present time, exclusive of the tonnage mined by the Colorado Fuel & Iron Co., which has made an independent answer to your communication. The answer submitted by the Colorado Fuel & Iron Co. was referred to in these columns last week. The following is the answer in full made by the forty-eight concerns:

Denver, Col., Sept. 23 1914.

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

Sir: Your letter of Sept. 5 and the draft of "Tentative Basis for the Adjustment of the Colorado Strike" has been submitted to us by the parties to whom it was written, at a meeting to which the operators of all the coal mines of the State were invited.

We are in complete accord with the sentiments expressed in your letter, and appreciate the interest you have taken in the "Colorado situation."

We realize that, with the multitude of more important matters constantly engrossing your time and thought, you are, to a large degree, dependent for your information concerning the Colorado strike on the representatives of the Government of the United States who, you state, "have been actively engaged in the investigation of the whole situation and in trying to reach a dispassionate conclusion."

It is to be regretted that the character of the investigation and the previous records of these representatives selected by Secretary of Labor Wilson justify the belief that they are partisans of the men who have made necessary the presence of the Federal troops in the strike district. One of the representatives, William Fairley, was a member of the National Executive Committee of the United Mine Workers of America for Alabama, and, according to their Treasurer's report, was on their pay-roll during the year ended Nov. 30 1913 and was actively engaged as an organizer and agitator in the Colorado strike in 1904.

The utmost sought to be accomplished by the tentative plan is the establishment of a three-year "truce," presumably between the coal mine owners of this State and the organization known as the United Mine Workers of America, which instigated and has conducted and financed the strike.

For many reasons we deem it unwise to enter into engagements of any character with this particular labor union, especially an agreement dependent upon a cessation of armed hostilities upon its part.

The Governor of this State, some months since, entered into an agreement of truce with the leaders of this organization, and, in utter disregard of their obligations, the striking miners, under the direction of these identical leaders, continued with renewed vigor to destroy our properties and kill our workmen. It would be imprudent to again place any reliance upon the good faith of these men.

We feel, furthermore, that a mere "truce," even if it could be enforced against this voluntary, unincorporated association and its irresponsible leaders, is but a palliative measure and can lead to nothing other than what the term itself implies—a renewal of trouble at its termination.

No reference is made nor consideration given in the "tentative plan" to the large body of men, some 9,500 in number, who are now peaceably at work in the mining districts of the State, who have caused no disturbance of any kind, and whose only desire is that they be permitted to continue at work without interference from any outside source. As a matter of justice, their desires should be ascertained and given full consideration. It is this body which has continued industriously at work during the last year, thus saving the public from the loss and discomfort which would have resulted from a scarcity and excessive price of coal.

Again, the plan proposed involves, in effect, a contract or agreement between the operators and the strikers or their leaders that both will keep the peace and obey the law for the period of three years. It appears to us that the plan is subject to fair criticism in that it implies the helplessness of Government to maintain law and order and secure to every citizen his Constitutional rights without the consent and approval of those evilly disposed.

We believe that a large majority of the people of Colorado agree with us that the sole issue at the present time is the preservation of law and order in the strike districts and the maintenance of the Constitutional right of every man to work when, where, for whom, and upon such terms as he sees fit.

It would be fatal to the preservation of Government, either national or State, for either to discuss with offenders of any character the terms upon which the laws should be obeyed and acts of lawless violence be discontinued.

Whether the responsibility for what has taken place in Colorado is chargeable to the operators or to the striking miners and their leaders, the plan proposed involves a bargain between Government and law on the one side, and violators of the law on the other.

Not as a matter of contract or "truce" with the United Mine Workers of America or the strikers, but with a desire to meet your views so far as possible, we will adopt and co-operate in putting into effect three of the six suggestions in the "tentative plan," and the fourth with necessary, and, as we believe, reasonable modifications.

1. "Enforcement of mining and labor laws of the State."

We have not wilfully violated any of the laws of the State, and will render every possible assistance to the civil authorities in their enforcement.

3. "Intimidation of union or non-union men strictly prohibited."

We agree to this without reservation, but the "tentative plan" provides no way of enforcing the rule.

4. "Current scale of wages, rules and regulations for each mine to be printed and posted."

This practice is already in force in many of the mines in the State, and we will at once put the suggestion into effect at all of our mines.

2. "That all striking miners who have not been found guilty of violation of the law shall be given employment by the employer they formerly worked for, and where the place of the employee has been filled, he shall be given employment as a miner at the same or other mines of the company."

We are and have been willing to employ as many of the strikers as possible, without discrimination because of the fact that they laid down their tools, and believe that we can give work to a very large majority of those remaining in the State. But it is quite impossible for us to agree to employ all striking miners who have not been found guilty of violence. Whether those who have participated in violence are prosecuted and found guilty or not, we cannot agree to give them employment in the mines operated by us.

In six of the counties of the State 332 of the strikers, including officers of the United Mine Workers of America, are under indictment for murder and 137 for other felonies. None of them has been tried, therefore none has been found guilty, and much time may elapse before they are tried. The personal safety of our present employees and their families, to say nothing of the protection of our property, demand that we exercise the greatest possible care in employing men from the ranks of the strikers, who have been banded together to drive our employees from our mines and to destroy our property.

The coal mines of Colorado last month (August 1914) employed approximately 9,500 men, or nearly 80% of the number employed during the corresponding month of last year—the month immediately preceding the calling of the strike. The present force of men can probably produce sufficient coal to meet the requirements of the Colorado public during the coming winter, and it is certain that no shortage can occur if the orders under which the Federal troops are acting can be so modified as to permit the many idle men who apply for work to be given employment without the limitations or restrictions now enforced by the Federal troops.

Some of the larger companies have closed a number of their mines, and under existing business conditions they will undoubtedly remain closed for a considerable period of time.

Many of the strikers have left the State and found work elsewhere. A considerable number have returned to work at our mines from time to time, ever since the strike was called, so that of those who originally went out on strike, but comparatively few remain. Many of the men now in the strikers' camps have never worked in the mines of Colorado, but have been imported by the United Mine Workers to keep up the semblance of a strike.

5. "Each mine to have a grievance committee, &c."

This is a favorite method of the United Mine Workers' organization to foment trouble and provoke strife, although they have in many cases, notably in West Virginia, waived this demand.

In practice it has been found that such committees have a damaging effect on the interests of both the employee and employer. The tendency of such committees is to magnify trifling and unjust complaints into great grievances, and interfere with the discipline necessary for the safety of the employees and company property, and to destroy the authority of the officers responsible for the operation of the mines.

Our employees have never asked for such a committee and we are strongly opposed to this feature of the "tentative plan."

We have always listened to and have been ready to correct any substantial grievances of our employees. There are surprisingly few complaints, except in times of strike, and such complaints are principally afterthoughts of the strikers. But to remove every possible cause for criticism we have been for some time and are now working on a plan (which we had taken up with the Governor prior to the receipt of your letter) to protect our employees against any possible injustice on the part of mine bosses, and to investigate and correct real or dissipate imaginary grievances, if any such exist. This plan, we believe, will satisfy our employees without destroying the necessary authority or influence of our superintendents and without depriving us of the reasonable control of our business.

Five and six provide for a commission which "shall serve as adjusters or referees in all disputes (whether individual or collective) affecting wages, working and social conditions." "The decisions of the commission shall be final and binding on employers and employees." "Willful violation of any of these conditions will be subject to such penalties as may be imposed by the commission."

The unlimited authority of this proposed commission of three persons to be appointed by the President of the United States practically puts the entire control of the most important department of our business in its hands. Its power to control the conduct of our business far exceeds any of the demands of the United Mine Workers of America. A commission with such powers has never before, to our knowledge, existed or been suggested. The Inter-State Commerce Commission, with all of its extensive powers for the regulation of railroads and railroad business, has no such variety or scope of authority as this proposed commission, while the decisions of the Inter-State Commerce Commission are subject to review by the courts under established rules of law.

The power to regulate the wages of our employees individually and collectively, as often as demands are made, would prevent us from making any estimate of the cost of production on which to base our contracts for the sale of coal, and could be used to destroy existing competitive conditions.

The power to adjust all questions affecting working conditions will destroy the discipline necessary for the safety not only of the men but of the property.

The power to regulate social conditions would destroy the personal liberty of individuals, and is a more sweeping and comprehensive control than is claimed by either Church or State.

The decisions of this commission could not be enforced against our employees, who, if dissatisfied with the award, could leave our employ and seek work elsewhere, whereas, to the extent of our financial responsibility, the award could be enforced against us.

An unwise or unjust exercise of the powers of this commission might result in the financial ruin of any operator.

It is unfair to place our business in a position where it can, under any circumstances, be subjected to the unappealable mandates of any men or body of men, however well meaning and experienced. We regret our inability to agree to this suggestion of the "tentative plan."

6. Paragraph "D." "There shall be no picketing, parading, colonizing or mass campaigning of representatives of any labor organization of miners who are parties to this truce *which will interfere with the working operations of any mine.*

Picketing is prohibited by State law, and that law can be enforced by the civil authorities. The limitations placed on the observance of this rule, as above emphasized, could be made a pretext for its constant violation.

Paragraph "G." "The suspension of a mine over six consecutive days by the company may be authorized for a cause satisfactory to the commission, but not pending any dispute."

This rule totally disregards possible market conditions and other industrial contingencies, which, in the ordinary course of the business, frequently make it necessary to suspend operations for considerable periods of time—under some conditions for a month or even longer.

"On account of the mutual benefits derived from the 'truce,' employers and employees should each pay one-half of the expenses of the commission."

Our present employees, who have not been considered in the "tentative plan," should not be asked to contribute to the maintenance of such a commission. Neither do we see how we, as operators, can agree that our employees will contribute to this expense except by their individual consent.

It is not our purpose to take up your time with a history of the strike and the circumstances leading up to it, nor to discuss whether the operators or strikers were responsible for the past violence; but we wish to call your attention to the fact that since you sent the Federal troops into the strike districts there has been nothing in the attitude of the coal operators to make the presence of the troops necessary, and, except for the attitude of the strikers, the Federal troops could be withdrawn at any time without endangering the peace of the district or the safety of the strikers.

On the arrival of the Federal troops in the State, the coal operators promptly complied with your proclamation by delivering up all of their arms and dismissing their guards.

On the contrary, the strikers defied your authority, gave up only a few of their arms and still gathered together in camps with arms readily available for the purpose of attacking our mines as soon as the Federal troops are withdrawn.

Our employees being now unarmed and our property defenceless, if the Federal troops are withdrawn, great destruction of life and property will surely occur.

We respectfully suggest that the Federal troops can safely be withdrawn from Colorado when the officers and agents of the United Mine Workers of America cease to incite the strikers to lawlessness and cease to support them in idleness; or when the strikers surrender their arms and ammunition and the Governor of the State puts into effect by proclamation and enforces the law passed at the special session of the State Legislature held last May relating to the shipment, sale and possession of arms and ammunition in the strike districts.

We shall be glad to co-operate with you in any practical measures having for their object the termination of the unfortunate labor conditions which, to some extent, still exist in this State. It is our firm conviction that the result universally desired can be obtained by a strict and impartial enforcement of the laws affecting alike strikers and operators. To this end we take the liberty of suggesting that there be such concurrent action upon the part of the Federal and State authorities as will enable the Governor to immediately put into effect, within the limits of the disturbed district, by proclamation, the laws recently enacted by this State relating to the sale and possession of arms and ammunition, and to repeat our frequent requests that the orders to the officers in command of the Federal troops in this State restricting the mine operators in the employment of labor be so modified as to permit the employment of workmen as in normal times.

Respectfully,

Victor-American Fuel Co., J. C. Osgood, Chairman.
 Rocky Mountain Fuel Co., D. W. Brown, President.
 Brooks-Harrison Fuel Co., James E. Brooks, President.
 Palisade Coal & Supply Co., Henry Denman.
 Primrose Coal Co., H. B. King, President.
 National Fuel Co., H. Van Mater, President.
 Royal Fuel Co., H. Van Mater, President.
 Gordon Coal Co., Wm. Dick, President.
 New Maitland Coal Co., J. T. Thompson, President.
 Williamsburg Coal Co., Simon P. Smith, President.
 Royal Gorge Coal & Fire Clay Co., E. G. Bettis, President.
 Empire Coal Mining Co., R. D. Marthens, Treasurer.
 Big Four Coal & Coke Co., P. M. Peltier, President.
 Hayden Bros. Coal Corporation, Lewis A. Hayden, President.
 Garfield Mine Leasing Co., E. Horstman, President.
 Consolidated Coal & Coke Co., C. L. Baum, President.
 Alliance Coal Co., D. A. Cannon, President.
 Cedar Hill Coal & Coke Co., D. M. Harrington, President.
 Patterson & Sons Coal Co., El Paso Co., Alex. Patterson.
 Pike's Peak Fuel Co., John Tait Milliken.
 Santa Fe Coal Co., S. S. Murphey, President.
 Turner Coal Co., James B. Dick, President.
 Rugby Fuel Co., George D. Kimball, General Manager.
 Walsenburg Coal Mining Co., George Furth, President.
 Baldwin Fuel Co., H. E. McElwain, President.
 Breen Coal Co., J. P. Breen.
 Aztec Coal Mining Co., J. S. Autrey, President.
 Yampa Valley Coal Co., P. M. Peltier, President.
 Frederick Fuel Co., D. M. Simpson, President.
 Routt County Fuel Co., E. L. Prentiss, President.
 Chicosa Fuel Co., J. V. Sickman, President.
 Union Coal & Coke Co., Jas. V. Bowen, President.
 Huerfano Coal Co., S. S. Murphey, President.
 Sunnyside Coal Mining Co., W. F. Oakes, President.
 South Canon Coal Co., H. F. Nash, General Manager.
 Oakdale Coal Co., William B. Lewis, President.
 Mutual Coal Co., S. S. Murphey, President.
 Temple Fuel Co., F. R. Wood, President.
 Northern Colorado Coal Co., J. S. Siple, General Manager.
 Grand Junction Mining & Fuel Co., H. M. McNeil, Sec. & Treas.
 New Fox Coal Co., D. E. Evans, President.
 Moffat Coal Co., S. M. Perry, President.
 Leyden Coal Co., S. M. Perry, President.

The undersigned operators, who have made agreements with the United Mine Workers of America and are employing union labor, join in the views expressed in the foregoing letter in relation to the "tentative plan" therein referred to.

Rapson Coal Mining Co., W. W. Curtis, President.
 Carbonado Coal Mining Co., J. B. Hutchinson, President.
 Minnequa Coal Co., E. F. McGowan, President.
 P. K. Harmon.
 Black Canon Fuel Co., Talton F. Crane, Secretary.

MEASURES OF RELIEF FOR COTTON PLANTERS.

The conference of Governors of cotton-growing States which Gov. O'Neal of Alabama suggested several weeks ago, his suggestion fixing Sept. 24 and 25 as the time and Montgomery as the place of meeting (Atlanta was later substituted for Montgomery), was called off, partly because of the fact that some of the Executives approached in the matter found themselves unable to join in the movement. This week's gathering in Washington (on the 28th and 29th) of Governors and Congressmen of the cotton-producing States also operated against the proposed Atlanta meeting. The Washington conference was attended by Gov. O'Neal of Alabama, Gov. Park M. Trammel of Florida, Gov. John M. Slaton of Georgia, Luther E. Hall of Louisiana, Lee Cruce of Oklahoma, Henry C. Stuart of Virginia, and the following representatives of Governors: Major W. A. Graham of North Carolina, F. T. Peck of Tennessee, W. A. Stuckey of South Carolina, besides Representatives and Senators of the States represented. One of the main objects of the meeting was to devise plans for the curtailment of the production of cotton next year. At Monday's session an executive committee was appointed representing the Governors and Congressmen to draw up a plan of curtailment; on Tuesday, when the report embodying a taxing plan to curtail the cotton production was submitted for action, the Governors and Congressmen refused to bind themselves to it. Their decision, the "Journal of Commerce" reports, "is understood to have been arrived at after the cotton conference learned that there were numerous complaints being received at the Department of Justice against a conspiracy in the South to maintain an artificial price of cotton by curtailing the acreage next year. Rather than run counter to the Sherman anti-trust law, the Governors and their conferees agreed that it would be safer to work separately for the common cause of curtailment next year rather than in unison, under which circumstances they would be acting contrary to the law of the land." The "Journal of Commerce" further says:

The Governors also discarded the plan to have the States individually issue bonds for the purpose of purchasing the excess part of this year's production of cotton. It was agreed by all that this question of financing the cotton crop should be left to the Federal Government and not be undertaken by the States individually.

While the conferences have been held behind closed doors, it is understood that it was found impossible for the representatives of the various States to determine the proportion of the excess cotton that should be purchased by each State. They agreed that the cotton crop should be considered a national problem, and therefore the question of financial relief should be left to the Federal Government. Furthermore, the States exhibited a willingness to shift to the shoulders of the national Government the burden of seeing that the cotton crop next year is curtailed.

A resolution was adopted at the conference calling upon Congress and the people of the South to institute steps toward keeping the price of cotton above 10 cents a pound, and a committee was appointed to lay the action of the conference before President Wilson. This committee consists of Representatives Hardwick and Lever and Senator Robinson. Another resolution adopted endorsed the proposed amendment to the Aldrich-Vreeland Act, which would permit the issuance of emergency currency to State banks without making them liable to the 10% circulation tax. The conference also resulted in the appointment of a committee, composed of Representatives Hughes and Lever and Senator Smith of South Carolina, which is to submit to the Attorney-General information bearing on an alleged conspiracy looking to the depression in price of cotton seed. An investigation of complaints of a combination in the cotton-seed industry in violation of the Sherman law was begun by Attorney-General Gregory on Sept. 28.

A declaration that the Government has done all it can do toward the relief of the cotton growers was made by Secretary Houston of the Department of Agriculture on Sept. 27 in a discussion of the Southern cotton situation. We quote his remarks as follows from the New York "Times":

The Government has done all it can do. Under the Aldrich-Vreeland law and the Federal Reserve law the Treasury can issue and has issued an immense volume of emergency currency to meet the present necessity. It has placed this currency in the banks at the lowest rate of interest compatible with public safety. It has agreed to accept as security for the loan of such currency well-approved warehouse receipts on certain farm products, and it can go no further under the law. The farmer who can offer the security required by the Government can get all the currency he wants up to the full extent of his securities. If he have none of the securities required by the Government he cannot obtain loans from the banks through which the Government is operating.

Under the law the Government cannot play any favorites, even at a time like this; it cannot fix the price of any staple crop without holding a monopoly of that crop. It cannot decree that the price of cotton shall be 12 cents a pound, because the growers of the staple think that it is worth that much, any more than it can say that corn shall be worth \$1 a bushel or wheat \$1 50 a bushel because the farmers want that much for their products, or that lumber shall be \$50 a thousand feet or peanuts 50 cents the peck

because the sawmill people and the peanut growers would fix these prices as fair values for what they have to sell. Then there are the manufacturers—the men who make hats and shoes and plows—who must be considered. It is not unlikely that many of these do not get the prices they would like for the things they make. Yet there would be much and righteous protest should the Government undertake to fix the prices of all these important and necessary articles at the figures which the manufacturers would establish.

The cotton-growers cannot ask the Government to make one rule for them and another and wholly different rule for other people engaged in other agricultural and industrial pursuits. The Government fixes freight and passenger rates charged by the railroads. Railroads are public carriers and are supposed to enjoy certain privileges granted by law; but the Government cannot extend special privileges to one class of producers without extending like privileges to all other classes of producers, to the corn and wheat and tobacco and peanut growers as well as to the cotton growers. The law does not make and should not make discriminations in its favor or extend to one class of its citizens the protection which it withholds from others. There have been many serious crop failures in this country, and reports have been made from time to time when the prices were so low that it would not pay to market the corn crop in the Western States; but this is the first time when it has been insisted that the Government should buy an unprofitable, because unmarketable, crop, and it is the first time when the Government has gone so far as to provide special currency to alleviate a most distressing situation. It is justified in the course it has taken by the circumstances; but it cannot do more under the law.

It is not a question of sympathy—the cotton growers have the sympathy of the whole world in their distress—but a question of sound business and good government. All the efforts that are being made by public-spirited citizens and business men to ease the burden of the planters should be commended, however far they fall short of meeting the necessities of the hour. The acreage devoted to the next-cotton crop ought to be greatly reduced. This is very important, of course; but the acreage cannot be regulated or restricted by the Congress or the State legislatures. They have no authority to legislate upon this subject; but the farmers, acting upon their own initiative, or the farmers and merchants and bankers, acting together and for the protection of all, can control the acreage; the farmers by planting food crops and making cotton their surplus crop; the merchants and bankers by laying down the rule and sticking to it that they will not extend aid in the way of advances to any farmer who does not reduce the acreage devoted by him to cotton-growing, and the bankers by refusing loans to farmers and merchants who will not make such agreement.

A farmer would like to borrow \$2,500 to aid him in his farming operations. If the banker should refuse to lend only on condition that the farmer plant so many acres in food crops and a very small acreage in cotton, the proportion between the food and cotton acreage to be fixed by contract, the acreage problem, which is the vital problem, would be settled. In the absence of such agreement it is idle to talk about keeping down the next year's cotton crop, and if it should be anything like the enormous crop of the present year, what will the cotton warehouse receipts taken now as security for emergency currency be worth?

What will the crop next year be worth? Unless the next year's crop is reduced, there will be the same thing to do over again next year. There will be demands for relief from the Government and more emergency currency and more "buy-a-bale" makeshifts to protect the cotton grower, who has it well within his own power to protect himself. How? Why, by cutting his cotton crop to suit the demand and by planting for the largest of food crops that has ever been grown in this country.

The world will need all the wheat and corn and meat that the United States can produce. The people in the cotton States will take themselves an enormous quantity of such food products. Why should the State of Georgia, for example, have spent \$50,000,000 last year for Western corn? Why should not Georgia and every other cotton State raise its own corn and other food crops? In this way and only in this way will the farmers of the cotton-growing States achieve their true independence.

W. P. G. Harding, a member of the Federal Reserve Board and formerly President of the First National Bank of Birmingham, Ala., was a speaker at the banquet on Wednesday night of the National Association of Cotton Manufacturers held at Lenox, Mass., in connection with the semi-annual meeting of the Association. Taking for the subject of his discourse "The Conservation of Cotton as a National Asset," Mr. Harding referred to the existing fear that the Southern States have produced a cotton crop which, added to that grown in other countries, is about 5,000,000 bales greater than is required for the world's needs. Regardless of all the pessimistic talk, he continued, and in spite of increasing receipts, the price has advanced during the last three weeks $1\frac{1}{2}$ to 2 cents a pound. Never, he said, have the evils of over-production been so universally appreciated in the South as now, nor never before has there been such grim determination to hold cotton and to radically curtail acreage. No well-informed man, he added, will deny that further diversification in Southern farming is desirable, and that more attention should be paid to cattle-raising and to the production of foodstuffs. We give his remarks on the subject more fully below:

The cotton industry is perhaps as seriously affected by the European war as any other, and this statement applies with equal force to all connected with it—the producers of raw cotton, the manufacturers and the distributors of cotton goods. The opportunity for expansion of our textile trade which is anticipated as an aftermath of the war, while undoubtedly a potentiality does not as yet appear to exist to any appreciable degree. The Titanic struggle between the great powers of Europe has disarranged credits and has disturbed the exchange of commodities throughout the world, and, while cotton is classed as a staple crop and goods manufactured from it are necessities, they are not as supremely and immediately necessary as foodstuffs. Because of this fact the first effect of a great war is to advance the price of grain and to depress that of cotton. Yet the economic law of supply and demand, while apparently suspended at times, is never abrogated and always in the end reasserts itself. When a dam or other obstruction is thrown across a stream, the flow below it is reduced until the water impounded flows over the top, when the normal volume is restored, and if the obstruction be removed the flow becomes abnormally large. At the present juncture the war is operating as an obstruction to the normal cur-

rent of the cotton trade. Sooner or later, however, even should the war continue, the level of the obstruction will be reached and the flow of business, except in some of the countries actually engaged in war, will again become normal. Restoration of peace would act as a removal of obstructions and would release a large volume of business now being held back, so that we are justified, if we look ahead, in taking a more cheerful view of conditions which appear at this time to be depressing.

Cotton goods are the cheapest of all textiles and should replace during hard times finer and more expensive fabrics. Cotton can be used in considerable quantities as a substitute for jute and other materials in the manufacture of burlaps and sacks; mills in England are reported as running double time on khaki for army uniforms, and there is no reason to doubt that the trade will ultimately absorb the world's production. Cotton manufacturers must solve the problems which have grown out of the closing of the cotton exchanges of this country, whereby they have been deprived of a standardized price and of their power to hedge on contracts, and must overcome the further difficulty, occasioned by loss of confidence and curtailment of credits, of financing purchases. Compared with the prices that have obtained for the past three or four seasons, present quotations seem very low, but it is doubtful if large stocks of cotton could be secured at prevailing prices, as an active buying movement would undoubtedly enhance values. It is argued that the Southern States have produced a cotton crop which, added to that grown in other countries, is under present conditions about 5,000,000 bales greater than is required for the world's needs, and the fear that this is true is causing much apprehension in the South. There have been predictions of general bankruptcy and ruin, and yet, regardless of all the pessimistic talk and in spite of increasing receipts, the price has advanced during the last three weeks $1\frac{1}{2}$ to 2 cents per pound; and it is well worth while for cotton manufacturers to consider these facts, to analyze them carefully and to anticipate the probable effects. The cause is not hard to find. For many years the South has been gaining in wealth and its farmers have been growing more independent, better methods of agriculture have been introduced, marked progress has been made in the diversification of crops, large plantations have been subdivided into small farms, and in many cases the tenant farmer has become his own landlord. There is in every normal year a certain proportion of the crop which comes in early and which seeks the market at any level that it can find, which is commonly called "distressed cotton." This is the cotton that is now being sold at $7\frac{1}{2}$ cents to 8 cents, and it would be well for manufacturers to bear in mind that at these figures much cotton will be withheld from the market for months to come.

Cotton production is stimulated by high prices, and, conversely, it is curtailed when prices fall below the cost of production. This has been particularly true in these years when prices were low throughout the season and continued low during planting time in the early spring. Never have the evils of over-production been so universally appreciated in the South as now, nor ever before has there been such grim determination to hold cotton and to radically curtail acreage. Public sentiment in many Southern States has been so aroused that there is now a general clamor for legislation by the States to regulate the production of cotton, and some farmers have gone so far as to demand that the planting of any cotton whatever in 1915 be prohibited. Of course extreme action of this kind is not anticipated, but it is undoubtedly true that should prices considerably below the average cost of production, which is probably about 10 cents per pound, prevail for the next six months, cotton will be parted with only as necessity arises, and most serious curtailment in acreage for the next crop will be the inevitable sequence. Many of those who might be financially able to put their lands in cotton would be attracted by the high prices for grain and would plant food crops, while others less independent might be willing to continue in cotton, but would find themselves unable to secure the necessary advances. No well-informed man on Southern conditions will deny that further diversification in Southern farming is desirable, and that more attention should be paid to cattle raising and to the production of foodstuffs. But it would be most unfortunate if by any chance the production of cotton next year should be so small as to make the trade dependent upon the present crop for the greater portion of its two-years' supply. Cotton goods can compete with more expensive fabrics only up to a certain price level, and if a year hence the prevailing prices for raw cotton should be as abnormally high as they are now abnormally low, the manufacturers of cotton goods will have their present problems aggravated, and would be fatally handicapped in a movement for trade expansion at the very time when it is probable that conditions would be ripe for efforts in that direction.

Speaking of the Federal Reserve Act and the proposal to put it into operation the present month, Mr. Harding said:

I am violating no confidence when I state that rapid progress is now being made in the organization of the Federal Reserve banks, and it is my personal opinion that the system will become effective during the ensuing month. The Secretary of the Treasury has acted with wonderful celerity throughout the crisis, and, by his promptness in authorizing and issuing emergency currency under the provisions of the Aldrich-Vreeland Act as amended, has, in the face of moratoria in practically nearly all other civilized countries kept the United States not only upon a cash basis but upon a gold basis, and he asks only the intelligent and unselfish co-operation of the business community, which he confidently expects, to aid him in the speedy restoration of normal financial and commercial conditions throughout this country.

Following the receipt of advices from Secretary of the Treasury McAdoo to Edwin Warfield, President of the Fidelity & Deposit Co. of Baltimore, that a reasonable investment in cotton would be recognized as an available asset by the Treasury Department in the case of surety companies which qualify on bonds to the Federal Government, the New York Insurance Department is said to have taken the position that no insurance company of any class whatever can purchase and hold cotton and include it in its statement of assets. The matter is reported to have been taken up by a representative of the New York Insurance Department with the Fidelity & Deposit officials, and their attention called to the fact that the laws of New York State would not permit any such assets being allowed in statements of companies operating in New York.

A series of regulations designed to relieve the cotton storage situation in the South was promulgated by the Inter-State Commerce Commission on Sept. 26, with the approval of Secretary of the Treasury McAdoo. These regulations

will facilitate the obtaining of warehouse receipts by the planters for their cotton. These are negotiable. The regulations cover the cotton year ending Aug. 31 1915, and, according to the New York "Sun," are as follows:

1. Cotton shipped for warehousing and re-shipment must be consigned to the warehousing point, and freight thereto paid on basis of the full local rate, upon which the delivering agent will give paid freight receipt, which the holder of the coupon should retain for the purpose of securing re-shipment privilege.

2. Upon re-shipment from the warehousing point, the shipper will be required to surrender to the agent of the line bringing the cotton into the warehousing point the paid freight covering that identical cotton. The number of bales, marks and weights of cotton as forwarded from the warehousing point must conform to the paid freight bill, and in addition the shipper will be required to certify on the back of the paid freight bill that the cotton tendered is the identical cotton received thereunder. The shipper will also be required to surrender to the railway agent at the time of re-shipment the bill of lading covering the movement of the cotton into the warehousing point unless the bill of lading for such shipment shall have been previously surrendered to the railway.

3. Thereupon the agent will issue a through bill of lading to the further final destination at the through rate from the point of origin to such further final destination in effect at the time of the original shipment into the warehousing point, plus three cents per hundred pounds, provided such further final destination is a point to which there are established through rates in effect from the original point of shipment via the warehousing point (provided that at the option of any interested line the minimum through rate will be that from the warehousing point plus the stoppage charge of three cents per hundred pounds). Where the rate from the original point of shipment to such further final destination is less than the rate from the original point of shipment to the warehousing point, the lawful tariff rate to the warehousing point, plus the stoppage charge of three cents per hundred pounds, will be charged as a minimum.

4. Shipments will be way-billed out of the warehousing point at the balance of the rate, plus the stoppage charge of three cents per hundred pounds. The distribution of revenue between connecting lines shall be on the basis of through rates and divisions except that the three-cent stoppage charge shall accrue to the line bringing the cotton into the warehousing point, it being a condition of this privilege that the line issuing the bill of lading out of the warehousing point shall be the line bringing the cotton into the warehousing point.

5. All connecting line switching charges will be in addition to the through rates and in addition to the three-cent stoppage charge, and where cotton is re-delivered to a carrier from a storage warehouse for delivery at a point in the same industrial zone, the established transportation charges shall apply.

A plan proposing to guarantee warehouse receipts for cotton is suggested by the National Surety Co. In outlining its proposal the company says:

Realizing the great necessity for safeguarding the storage of cotton, the National Surety Co. has worked out a plan which it is expected will be well received by bankers and cotton producers throughout the South.

Owing to the European war and the almost entire cessation of exports of cotton to foreign countries, the 1914 cotton crop has a very restricted market at the present time, and, if the South is not to suffer the almost complete loss of the proceeds of its principal industry, some way must be found to carry the crop until the war is over and the market for cotton again becomes normal.

The value of the crop being in the neighborhood of \$700,000,000, it became apparent early in the discussions which have taken place that some assistance must be secured other than that which could be rendered by the banks of the South acting in conjunction with Northern correspondents, and an application was made to the Secretary of the Treasury which contemplated the issuance of emergency currency under the Aldrich-Vreeland Act against cotton stored in warehouses. The Secretary, some time ago, announced that he would issue this currency to banks through National Currency Associations formed and to be formed throughout the South, and would accept as security notes discounted by the banks supported by warehouse receipts showing the storage of cotton, holding the assets of the banks, members of the Currency Association, liable for the redemption of the currency and leaving it to the banks to arrange for the safeguarding of the warehouse receipts. Inasmuch as by this plan every bank becomes liable up to its participation for improperly secured loans made by other banks, members of the Association, a change in the method of warehousing cotton became imperative.

It is now proposed by the National Surety Co. that it guarantee the receipt issued by the warehouseman for the delivery of the cotton called for by the receipt upon its presentation and surrender by the legal holder. The National Surety Co. has had experience with warehousing plans covering a period of many years.

Under this plan the banks will restrict their cotton loans to notes that are secured by guaranteed receipts, the cost of the guaranty to be paid by the owner of the cotton for whose benefit it is being carried. The National Surety Co. will protect itself by requiring the warehouseman to segregate and store in a separate compartment all cotton represented by receipts which are guaranteed, the compartment to be so locked that access can only be had by the warehouseman when accompanied by a representative of the Surety Co.

It is believed the adoption of this plan will provide absolute protection to the Government for the redemption of the currency, for first comes the responsibility of the individual signing the note, then the cotton forming the collateral, with the National Surety Co.'s guaranty that the cotton is in existence and will be produced upon call.

The National Surety Co. now has one of its Vice-Presidents in the South presenting the plan to the banks, warehousemen and owners of cotton and is arranging to transact a very large business under this plan, which it has created, and it is intended by the National Surety Co. to write other companies to join it.

A State-wide convention of farmers, bankers and business men interested in the cotton situation was held in Oklahoma City on Sept. 16 at the call of Governor Lee Cruce. These interests were brought together by the Governor for the purpose of securing the advice and judgment of those especially interested in seeing that the cotton crop is not sacrificed, and that adequate prices are established and maintained to give the farmers recompense for labor expended in producing it, thus averting this threatened calamity, to discuss this ques-

tion and attempt to devise ways and means for meeting the emergency. The meeting resulted in the adoption of the following resolutions:

"Whereas, By reason of the war in Europe the consumption of cotton has been (temporarily) materially decreased; and

"Whereas, We, as representative people of Oklahoma, farmers, bankers, merchants, jobbers, railroad men and others, are here assembled for the purpose of considering, and, if possible, adopting plans best suited to the marketing of the present crop; and

"Whereas, All present agree that a large part of the 1914 cotton crop must be kept off the market for some time and that the 1915 cotton crop should be curtailed so as not to exceed 60% of the 1914 acreage;

"Therefore, be it resolved as follows:

"First. That we heartily indorse the "buy-a-bale of cotton" plan at ten cents a pound, basis middling, and urge all commercial clubs and business organizations to designate the channels through which the cotton shall be purchased and to put forth their best efforts to make the movement nation-wide, and we further recommend that each State at once perfect State organizations for this purpose.

"Second. We see in the organization of local bonded warehouse companies throughout the entire cotton-growing country one of the very best plans for holding and caring for the present crop, and we heartily indorse and encourage such organization.

"Third. We recognize the importance of decreasing the 1915 cotton crop and we believe that this can be furthered by prompt and positive action on the part of land-owners, merchants and bankers of the country; and we urge it on the landlord that he refuse to lease land to any tenant who will not reduce his cotton acreage at least 40%, and we urge upon every banker and merchant to adopt the same rule as to the extension of credit.

"Fourth. Co-operation between the grower, owner or purchaser of the present crop is essential to a solution of the present market conditions, and we therefore recommend that every owner of cotton hold as much of this year's crop as his financial condition will permit until after the Government acreage report in May 1915, or until satisfactory market conditions are established, and we heartily commend the action of the present National Administration in aiding the handling of the present crop through the regional banks and the use of emergency currency.

"Fifth. We feel that some national action is essential to the final solution of the question of acreage reduction and we urge upon our Senators and Representatives in Congress that they give prompt and careful consideration to the various plans suggested, with a view to passing such action as will best meet the conditions that confront us and which will tend to reduce the cotton acreage in 1915.

"Sixth. That if Congress enacts a law taxing the cotton crop raised in 1915 that such tax be used exclusively for the purpose of improving the country roads in the districts in which cotton is grown.

"Seventh. We request our Senators and Representatives in Congress in such measures as are offered for the relief of the cotton situation to endeavor to secure as a basis of credit a minimum valuation of cotton equal to the average price of cotton of the last five years, and also to regulate the rate of interest that may be charged for emergency currency.

"Eighth. We recommend that in order to secure a wider distribution of crop-moving funds provided by the Treasury Department of the United States, that national banks take for collateral bonded warehouse cotton receipts or surety company bonds on commercial or live-stock paper not in excess of 33 1-3% above their total deposits.

"Ninth. We urge the next Legislature of the State of Oklahoma to pass a law exempting from taxation in the year 1915 all the 1914 cotton crop held over on account of depressed market conditions.

"Tenth. We recommend that land-owners do not demand money rent for 1915 where tenants prefer to pay part of the crops as rent.

"Eleventh. It is the sentiment of this convention that we recognize the interests of the farmer, merchant and banker are identical and inseparable in the handling of the present cotton situation and urge hearty co-operation and unity of action with reference thereto.

"Twelfth. That a copy of Secs. 5, 6, 7 and 8 be forwarded by the Chairman of the convention to each of our Senators and Congressmen, and that they be urged to use their utmost efforts to have the spirit of these resolutions enacted into law.

"Thirteenth. That the Governor attend or send a representative to the meeting of Governors called for the purpose of discussing the cotton situation and use State funds available to defray his traveling and incidental expenses.

At a meeting in Raleigh on September 11 held to consider the cotton situation in North Carolina, Governor Craig proposed a plan calling for the organization of a trust company, the sole purpose of which would be to lend money on cotton to the amount of seven cents a pound. The convention was called by President H. Q. Alexander of the North Carolina Farmers' Union; those who took part in the conference included bankers, farmers, mill owners, business men and State officers together with the Governor. The features of the Governors' plan were:

1. Organize a trust company with an authorized capital of one million dollars, to begin business when stock has been subscribed and paid for to the amount of two hundred and fifty thousand dollars.

2. The sole purpose of this corporation shall be to loan money on cotton to the amount of seven cents a pound.

3. Each person proposing to borrow money shall subscribe and pay into the capital stock of the company one-tenth of the amount that he proposes to borrow.

4. When the cotton shall be sold, if it shall bring exceeding ten cents a pound, one-half of all above that amount shall belong to the company, and one-half to the original owner.

5. If at any time any holder of the stock desire that his stock shall be retired, he can exchange this stock for cotton at its market value, providing he allow in such exchange at least ten cents a pound for the cotton.

Arrangements can be made by which the company holding cotton in trust can apply it to the retirement of such stock.

6. The notes secured by the cotton and held by the company, to run six months and bear 6% interest.

On motion of A. J. McKinnon, Governor Graig was made Chairman of a committee to organize the proposed trust company to aid in the handling of the cotton crop. The resolutions adopted at the conference included the following:

Whereas, We have had many plans published and many resolutions adopted to save the cotton crop, but nothing has been done to work these plans.

No organized agencies with ample funds have been put to work to operate them. Therefore, be it

Resolved, by the State Council of the North Carolina Farmers' Union that we hereby appropriate \$1,000 and urgently request the North Carolina State Department of Agriculture to appropriate \$9,000 to establish a \$10,000 fund to be administered by a marketing committee to carry on a State-wide campaign to save North Carolina's cotton crop in this great emergency.

We urge first that a thorough canvass be made of all our cotton territory to secure petitions to Congress for needed legislation and to secure signatures from every farmer who will agree to hold any specific number of bales until it brings either 10 cents or 12 cents as he may direct.

Second. We urge that marketing institute parties, like farmers' institute parties, be sent to every cotton county with competent men to advise about the construction of warehouses, operation, insurance, rules, blanks, forms, &c.

Third. That under the same direction, co-operating with local committees, a thorough canvass of local banks shall be made to ascertain what funds are available for lending on cotton and on what terms.

Fourth. That in the same manner a thorough canvass shall be made of all merchants and lists published of all merchants who will agree to pay 10 cents a pound on store accounts.

Fifth. That in the same way a canvass shall be made of all business and professional men to enlist them in the "buy-a-bale-of-cotton" movement.

Sixth. That in the same way guano manufacturers shall be approached and the best possible terms made for extension of credit, acceptance of warehouse certificates, &c.

Seventh. That in the same manner a campaign shall be instituted in each county to increase to the maximum the State's acreage of all grain and legume crops, the surest way to reduce acreage and to avoid buying high priced foods and feeds next spring.

Resolved, Second, That we send urgent requests to all Southern governors and commissioners of agriculture to hold a conference and in the meantime to line up every Southern State with similar appropriations in behalf of similar campaigns in order that this whole movement may be made South-wide.

Resolved, That we add our approval and endorsement to the plan adopted by the Executive Council of the North Carolina State Farmers' Union, favoring first the adoption of the Henry Bill advocated by the National Union, and favoring a State policy and a Southern policy set forth in the following resolutions adopted by said State Council, favoring a provision that the merchants be asked to pay ten cents only to men in necessitous circumstances.

Resolved, That under no circumstances should a single bale of cotton be sold by the farmers for less than 10 cents and they are urged to hold on to their cotton until some plan shall be devised that will make cotton sell for at least 10 cents on the market.

Resolved, 1st. That the Attorney General of North Carolina and president of the State Union proceed to Washington at once and be urged to insist upon the immediate enactment of a law authorizing the National Government to lend to any State in the Union money enough to take care of all the cotton produced in such State at 10 cents a pound, the State to purchase the cotton or advance money on it as it may deem best, and the money advanced by the National Government to be secured by the bonds of State to which it is issued.

Second. That the Governor of this State be requested to notify the Governors of all the States in the cotton belt of what North Carolina proposes to do in behalf of the farmers of this State and to urge all said Governors to accompany him to Washington and to insist on the legislation above mentioned.

Third. That immediately upon being notified of the probable passage of such an Act of Congress the Governor shall at once call a special session of the General Assembly for the purpose of authorizing the bonds necessary to secure the money to be advanced by the Federal Government.

Fourth. These resolutions are not intended to take the place of what is known as the Henry Bill, but are to urge if it appears that the Henry Bill cannot be passed.

Fifth. That we urge the passage of a law fixing 1 cent per pound tax on all cotton raised in the cotton-growing States, provided said tax shall be returned to all persons who do not plant in excess of 25% of their cleared land in cotton.

That provision made for assisting the cotton farmers through the help of the United States Treasury is entirely inadequate in this State and we urge upon Congress to provide an emergency currency to issue upon cotton warehouse receipts, or that in addition to the 125% allowed national banks on their capital and surplus that national banks be allowed to issue, through their respective national currency associations, notes secured by warehouse receipts for cotton or tobacco at seventy-five per cent of their face value.

That we express our great disappointment that the Federal Reserve banks have not been put in operation, and that we strenuously insist that the Federal Reserve Board act at once under Section Thirteen of the Federal Reserve Act, in order to protect the cotton crop of the South. This can be done by giving member banks credit in the Federal Reserve bank against cotton properly protected and guarded by member banks on such basis as will bridge the crisis say a loan value of eight cents per pound.

An emergency warehouse bill passed by the Texas Legislature was signed by Governor Colquitt on the 14th inst. The bill provides for the State supervision of cotton warehouses and the indorsement of warehouse receipts, making the paper more readily negotiable. The measure is intended to facilitate the movement of the present cotton crop; after its passage by the House on the 2d inst. and by the Senate (in an amended form) on the 7th inst., it was sent to conference, the Senate accepting the bill as agreed to by the conferees on the 10th inst. and the House adopting it on the 11th. Section 1 of the new law declares that the Act "is an emergency measure made necessary by the conditions brought about by the wars on the Continent of Europe," and adds:

The purpose of this Act is to preserve the credit of the citizens generally of the State; prevent the sacrifice of a large part of the products of its industry now impending, due to the calamities and exigencies of war; to assist in maintaining the solvency of the banks chartered by the State of Texas, and to preserve intact the depositors' guaranty fund; to maintain the integrity of the actual values of the products of industry during the present period of financial disturbance, to the end that taxes may be

collected and taxable values maintained; to furnish a certain, safe, authoritative and liquid security, to enable the people of the State generally to obtain their ratable and proper distribution of currency issued or authorized to be issued by the National Government, or other relief issues of money or currency made by the National Government or authorized to be made by it; and generally to preserve the credit and industrial and financial integrity of the State.

Under Section 3 of the Act it is provided:

Sec. 3. As soon as this Act goes into effect the Commissioner of Insurance and Banking, acting as trustee for the State, may establish by renting or leasing in each town or city in this State, whether incorporated or unincorporated, and at such other places where the demand therefor is reasonably sufficient to justify the outlay, a State warehouse for the storage of cotton in the bale, and shall store the same and issue receipts therefor in the manner herein provided. No liability shall be incurred on behalf of, and no debt created against the State by reason of the lease or operation of any warehouse in excess of the amount herein appropriated. It being hereby declared to be the policy of the State in the enactment of this legislation that the lease and operation of said warehouses shall be upon such terms and conditions that the revenue derived from the operation thereof shall be sufficient to pay the cost of the lease and operation of such warehouses.

With regard to the issuance of negotiable instruments against cotton, the following regulations are contained in Section 9:

Sec. 9. A negotiable receipt issued against cotton stored in a warehouse under this Act shall be negotiable and transferable by endorsement in blank or by special endorsement and delivery in the same manner and to the same extent as bills of exchange and promissory notes now are, without other formality; and the transferee or holder of such warehouse receipts shall be considered and held as an actual and exclusive owner to all intents and purposes of the property therein described, subject only to the lien and privileges of the warehouse for storage, insurance and other warehouse charges; provided, however, that all such warehouse receipts that shall have the words "non-negotiable" plainly marked or stamped on the face thereof shall be exempted from the provisions of this section.

Commercial paper secured by State warehouse receipts issued under the Act may be used as an investment for capital, surplus and reserves of all life insurance companies, fire insurance companies or accident insurance companies and trust and surety companies chartered under the laws of Texas or operating in the State, the same as if such paper were municipal bonds or other securities in which such companies are now permitted by law to invest. It is further provided by Sec. 31 that the Commissioner may lease wheat and grain elevators and hay warehouses and store and issue receipts for wheat and grain and hay in the same manner as provided for cotton, and to the same extent, should it become necessary in furtherance of the general public purpose of the Act; and that in so doing all the provisions of the measure with reference to cotton shall apply, so far as practicable. Section 19 stipulates that—

Sec. 19. This Act being intended as an emergency measure, it is the intent that it shall remain in full force and effect only as long as the emergency which caused its passage shall continue, and the Commissioner is directed to cease receiving cotton under this Act not later than the 31st day of August, 1915; and he is expressly authorized to cease the receipt of cotton at any place or places whenever the demands of the public do not justify the further operation of a warehouse at such place or places as emergency agencies; or whenever general financial conditions and trade demands render it practicable for the service sought to be performed under this Act to be taken over and discharged by and under the direction of any bonded warehouse system which may be created and established before the expiration of this Act on Aug. 31, 1915.

A syndicate which would loan money at 6% on cotton warehouse receipts on the basis of seven cents a pound middling and would also purchase cotton is proposed in a plan drafted by a committee appointed by the Dallas, Texas, Chamber of Commerce. In a statement concerning its proposal the committee says:

We realize the immensity of the cotton marketing problem and to offer a business-like solution we propose to form a syndicate the prime purpose of which shall be to support the market for Texas cotton by making loans at 6 per cent on approved warehouse receipts for cotton on the basis of 7c. middling and by purchasing cotton, the cotton so loaned on or purchased to be only that cotton which is in distress, only that which is properly warehoused and insured, and only from such persons as use their influence to materially reduce the crop for 1915.

The management of this syndicate will serve without pay. We have encouraging communications indicating that this syndicate will receive large subscriptions either for loaning or purchasing cotton from concerns who are vitally interested in Texas. We are developing a plan of handling this syndicate, but before going to our northern and eastern concerns, we think that the citizens of Dallas should show their faith in the proposition by subscribing liberally. After we have received their support we can safely go to the northern and eastern manufacturers and ask their co-operation. We urge all Dallas citizens who can help to confer with us immediately.

The committee offering the above proposal consists of J. C. Duke, L. O. Daniel, S. W. King, W. O. Connor, A. P. Foute, Nathan Adams and C. W. Hobson.

The Texas State Convention of the Southern Cotton Association, at its annual meeting in Dallas on September 23, indorsed the plan adopted by the Southern Cotton Association for the warehousing and marketing of cotton, for the diversification of the crops and for the reduction of the cotton acreage. Approval of this was contained in the following report of the Resolutions Committee adopted at the meeting:

Resolved, That we congratulate the people of Texas and the people of her sister States of the South upon the marked improvement which has taken place in the cotton situation within the last three weeks, which improvement we believe to be due to several causes, among them:

The evidence given by a very considerable number of our farmers, landlords, merchants and bankers of a determination sharply to reduce the cotton acreage in 1915 and to plant an increased acreage of forage and other crops.

To the "buy-a-bale" movement.

To the action of many merchants and bankers to protect cotton by taking it upon account, and otherwise, and

To the assurance that the Federal reserve system will soon be placed in operation.

Resolved, further, That the result of this partial concert of action encourages the belief that a very satisfactory solution of the existing difficulty will soon be experienced through such organizations as will secure general concert of action upon the part of all of the people of the South.

Resolved, further, That we indorse the plan adopted by the Southern Cotton Association August 28 for the warehousing and marketing of cotton, for the diversification of crops and for the reduction of the cotton acreage.

Resolved, That we urge upon every citizen and business man to use his personal and business influence to have cotton substituted for everything made of jute or other foreign-grown fibre (which takes money out of this country never to return) and insist that all goods of every description that he buys that is in a cloth container be in cotton sacks instead of in jute or burlap, and that cotton twine and ropes be substituted for jute and sisal, and also urge that everyone wear clothing made of cotton wherever possible, and by this greater consumption of cotton add at least a spinning demand for not less than 3,000,000 bales of cotton more than are now needed for such operation, thereby increasing the market for our cotton on a permanent basis.

Resolved, That many retail merchants are taking cotton at 10 cents per pound from the farmer on account; therefore, be it

Resolved, That we earnestly request all wholesale merchants and jobbers doing business in Texas to accept the cotton from the retail merchants at the same price.

Resolved, That to those who are contemplating the establishment of State warehouses, we recommend that they apply for blanks and rules to the Hon. W. W. Collier, Commissioner of Insurance and Banking, Austin, Texas. We further recommend that those rules be published by the press of the State.

Resolved, That we heartily indorse the co-operation of the traveling men throughout Texas and the United States, and others, for their patriotic and wise business movement to buy a bale. We also wish to thank the newspapers throughout the United States for their efforts in behalf of this undertaking. Also all other persons and corporations that have seen fit to help in this great movement to the end that the South will be relieved of its distress.

Governor Colquitt's proposal for the creation of a central State bank was condemned, as was the suggestion for Federal action limiting cotton acreage.


In connection with the "buy-a-bale-of-cotton" movement the American Tobacco Co. announces that it will purchase, at ten cents a pound, as many pounds of good middling cotton from customers in Southern cotton States "as the aggregate number of pounds of Red J. and Penn's natural leaf plug tobaccos, Bull Durham and Tuxedo smoking tobaccos and Sovereign Cigarettes (counting each thousand of Sovereign cigarettes as equal to five pounds of tobacco), shipped direct to such customer from September 28 1914 to November 30 1914.

The report of the Special Committee of the Merchants' Association of New York to which the details of carrying out the "buy-a-bale-of-cotton" movement was referred, was adopted by the Association on Tuesday. It has been decided that the grade of cotton to be purchased at 10 cents a pound shall be middling grade or better, and that such cotton as is subscribed for shall be stored by the committee and held for a period not to exceed one year in trust by the Mutual Alliance Trust Co. The trust company is to hold the certificates of purchase, and, under the direction of the special committee, attend to the buying, insurance and storage charges.

Reports from Sylvania, Ga., under date of September 23 state that cotton warehouse certificates issued by the consolidated warehouses of Scriven County are circulating as freely in the town as greenbacks and pass as freely as real money. The certificates are issued to farmers for cotton stored in the warehouses to the value of 7 cents a pound basis middling and can be redeemed in six months. They are being accepted, it is stated, by merchants on account and in payment for goods, and by the banks in discharge of obligations due them by the farmers, and are even being accepted by the Sylvania & Girard RR. in payment for freight.

The Retail Merchants' Association of Savannah, Ga., recently put in process of development a plan by which several thousand bales of cotton may be taken off the market. It is the purpose of the organization to form the Retail Merchants' Association Cotton Club and to take cotton direct from the producer for merchandise bought or in payment of account on a basis of 8 cents a pound for good middling f. o. b. Savannah. The cotton is to be consigned to the Retail Merchants' Association of Savannah and the producer may

make his purchases from any member of the association. In this manner he may be able to get everything he may need in his home and hold the greater part of his production for higher prices.

The decision is announced by the Corn Products Co. to make use of cotton bags instead of jute for its products. It is figured by the company that this change will increase the consumption of cotton about 17,000 bales, or in round figures \$1,000,000. The company states that it "cheerfully contributes the additional cost of using cotton in place of jute on account of the help it will give the cotton growers, so greatly needed at the present time, at the same time permanently increasing the consumption of cotton. 

FEDERAL RESERVE MATTERS.

The Class C directors for the Federal Reserve banks of New York, Boston, Richmond, St. Louis and Minneapolis were announced by the Federal Reserve Board on Wednesday. The list of Class A and Class B directors for the twelve districts were printed in our issue of Sept. 5. In making known the Class C directors for the Reserve banks in the five above cities, the Board said:

In selecting the directors the Board has made the utmost effort to weigh and compare the merits of all those whose names were presented to it. It has also inquired into the qualifications of all other suitable men as to whom it could get information, to the end that in every case the best might be chosen. Members of the Board have made special journeys for the purpose of investigating conditions in various Federal Reserve cities and of ascertaining facts regarding those who were being considered by the Board. In other instances persons have been invited to Washington for consultation.

In each case the Board has endeavored to assure itself that the man selected is able to comply with the requirements of the Federal Reserve Act, is a man of ability and has the confidence of the banking and business community in which he is placed. So far as reasonably possible, geographical considerations have been taken into account in order that different portions of each district might be represented on the board of directors."

The following is the list of Class C directors announced:

New York—Pierre Jay, New York City, Reserve Agent and Chairman of the Board; Charles Starek, New York City, Deputy Agent and Vice-Chairman; George Foster Peabody, Lake George, N. Y.

Boston—Frederick H. Curtiss of Boston, Federal Reserve Agent and Chairman of the board; Walter S. Hackney, Providence, R. I., Deputy Agent and Vice-Chairman; Allen Hollis, Concord, N. H.

St. Louis—William McC. Martin, St. Louis, Reserve Agent and Chairman of the board; Walter W. Smith, St. Louis, Deputy Agent and Vice-Chairman; John Boehme, Evansville, Ind.

Minneapolis—John F. Rich, Red Wing, Minn., Federal Agent and Chairman of the board; T. M. Kerst, St. Paul, Deputy Agent and Vice-Chairman; John W. Black, Houghton, Mich.

Richmond—William Ingle, (Vice-President of the Merchants'-Mechanics' National Bank) Baltimore, Reserve Agent and Chairman of the board; James A. Moncre, Richmond, Deputy Agent and Vice-Chairman; M. F. H. Gouverneur, (of the banking firm of Hugh MacRae & Co. Wilmington, N. C.

Brief sketches of the New York appointees were furnished by the Board, as follows:

Pierre Jay was born 1870; is a banker. He was President of the Old Colony Trust Co. of Boston from 1903 to 1906; Bank Commissioner of Massachusetts from 1906 to 1909, Vice-President of the Bank of Manhattan, New York, from 1909 to 1914. He is a trustee or director of many financial institutions. He has had special experience in investment and foreign exchange operations. He drafted the bill for the incorporation of credit unions in Massachusetts.

Charles Starek was first appointed National Bank Examiner on March 1 1903. At the time of his appointment he was employed by the Department of Commerce and Labor as a special accountant. He resigned in 1911 to go to the First National Bank, New York City. He was re-appointed Bank Examiner on Aug. 3 1912, and assigned to New York.

George Foster Peabody, philanthropist, financier and now and again politician, was born at Columbus, Ga., in 1852. He was a member of the firm of Spencer Trask & Co. from 1881 to 1906, when he retired from active business. While in the banking business he was a director in a number of railroad and industrial companies. He was Treasurer of the Democratic National Committee from 1896 to 1905. He is prominent in educational and philanthropic work, to which he has largely devoted himself in recent years. He is a director of the General Educational Board and is actively interested in Booker T. Washington's work.

The House Committee on Banking and Currency on Sept. 18 voted to report favorably the Senate bill extending the amount of commercial paper available as a basis for emergency currency; the law at present authorizes the national banks to issue emergency currency notes on commercial paper up to 30% of their unimpaired capital and surplus; under the bill passed by the Senate on the 11th inst. the banks would be empowered to use commercial paper as a basis for the emergency notes to the extent of 75% of capital and surplus; the House Committee has raised the limit to 100%. The Committee has stricken from the bill the provision granting State banks and trust companies the emergency currency privileges accorded the national banks. The bill passed by the Senate on Sept. 18 embodying the Federal Reserve Board suggestion, that member banks be permitted to carry all their reserves in the reserve banks, was approved by the House Banking and Currency Committee on Sept. 19th, with a limitation of three years upon the

authority conferred upon the Board to grant this permission. Paul M. Warburg, of the Board, explained the necessity and estimated that the result would be to increase credit by about \$600,000,000 and ease the transition of the financial world into the new Federal system. The Committee also ordered favorably reported the bills to increase the amount of acceptance which Federal Reserve banks may discount up to a maximum of one-half of the unimpaired capital and surplus of these banks and to provide for a system of clearance of national bank notes between the Treasury and reserve and member banks.

THE WAR TAX BILL.

The passage of the war tax bill in the House on the 25th ult. was effected by a vote of 234 to 135. With the single exception of the vote of Representative Copley of Illinois, all the affirmative votes were cast by Democrats; eleven Democrats voted with the Republicans and Progressives, against the bill, the dissenting Democrats being Representatives Callaway of Texas, Church of California, Hobson of Alabama, O'Hair of Illinois, Ragsdale of South Carolina, Sisson, Stephens and Witherspoon of Mississippi, Stevens of New Hampshire, Thompson of Oklahoma and Wingo of Texas. The bill was sent to the Senate on the 26th ult. and referred to its Finance Committee; on the 29th the Democratic members of the Committee decided not to grant any hearings on the bill, but consented to consider written communications regarding the measure. Following a suggestion that the proposed tax of \$2 a thousand on bank capital and surplus be reduced to \$1, Senator John Sharp Williams, a member of the Finance Committee, introduced on Sept. 30 an amendment (approved by the sub-committee) to strike out the tax. On the 1st inst. the Democrats of the Sub-Committee on Finance decided to eliminate the proposed tax of 2 cents a gallon on gasoline and to substitute instead a tax of 25 cents per horse-power on automobiles and a selling tax on manufacturers of \$1 per horse-power. It is estimated this tax will yield \$16,000,000. Other amendments which have been proposed to make up for the deficiency that would be caused by abandoning the bank tax and the elimination of the tax of 2 cents a gallon on gasoline are: A tax of 2 cents on all bank checks, drafts, letters of credit, &c.; a tax of 5 cents a gallon on rectified whiskies, which, it is estimated, would yield about \$5,000,000 revenue; an increase of 25 cents a barrel in the proposed \$1 50 tax on beer, making the total levy \$1 75 a barrel, to yield a total estimated revenue of \$52,000,000. Another of the amendments proposed this week called for a tax of one-half of one per cent on the salaries of Federal officers and employees except the President and members of the Supreme Court. A readjustment of the proposed tax on policies of insurance companies, which has raised a protest, is said to be under consideration, and there is said to be a probability of the elimination altogether of the tax on accident insurance.

A NEW YORK CITY DEPARTMENT OF TRADE AND COMMERCE.

The proposed establishment in New York City of a Bureau or Department of Trade and Commerce, advocated by Joseph Hartigan, Commissioner of Weights and Measures and Secretary of Mayor Mitchel's Committee on Food Supply has received the indorsement of Secretary of Commerce William C. Redfield. In explaining the plan he had in mind, Commissioner Hartigan was quoted on Sept. 13th as saying:

The new branch of the City Government will co-operate with the Merchants' Association, the New York Board of Trade and Transportation, the foreign Chambers of Commerce and other civic bodies. It will act as a clearing house of information as to the laws in this and other States and in other countries as they affect trade and commerce. It will tell the manufacturer how to comply with the laws, and it will also inform the purchasing public as to their rights and what they can expect from their dealer in the matter of weight, marking of packages, and the other requirements put on the statute books for the consumers' "protection."

The proposed department is also designed as a medium for the exchange of ideas between the railroads and the shippers, to encourage farmers to bring their goods to the city and to help the producers find a market. It is not the intention to have the new department assume the management of the free food markets recently established, but to encourage their development. Secretary Redfield, in approving Commissioner Hartigan's suggestion, has written him as follows:

Department of Commerce.

Washington, September 18 1914.

My Dear Mr. Commissioner—I have noted with interest your kind favor of the 16th with its suggestion of establishing as a part of the official Government of New York City a bureau or department of trade and commerce. Mr. Tighe, your Deputy Commissioner, has submitted to me a memorandum of the scope of this bureau, and I am glad to write you concerning it.

Naturally such a bureau will depend for its value upon the knowledge and character of the men who have the work in charge and upon the funds furnished for its support. You will need at least one man with a thorough knowledge of export trade and another well-posted on marine and inland transportation. Your outlook must necessarily be a wide one, for to look inland from New York would be to cover but half the field. The city's outreach is toward all the lands abroad as well as toward your own country. Your proposed department, therefore, should measure up to the greatness of the city and to its still greater opportunity.

Treated in this spirit such a department ought to be of great value to the State Legislature and the Government, and especially to the Board of Estimate and Apportionment and to the Board of Aldermen, by informing them concerning that commerce which is the very life of the city. Your new department, also, would have an added relation to the national Government, since through the numerous Representatives in Congress from the City of New York its voice would be heard in the national councils.

I note with pleasure your spirit of co-operation with the existing quasi-public bodies who had done and are doing so much for the development of the commerce of the city. The functions of these organizations have been and are very useful. Your department, if organized in a broad way, would co-ordinate these different services and, keeping in touch with the Government of the nation and the State upon the one hand and the city and these other commercial bodies upon the other hand, could be, in a sense, a clearing-house through which much of value would flow and out of which much good would come.

I can quite assure you that this department, through the New York office of its bureau of foreign and domestic commerce, would co-operate with you in the fullest practical way and would take a keen, sympathetic interest in the progress of your work.

I look with great pleasure upon the official recognition of the importance of public care to that commerce out of which a great city has grown and upon which it depends for its further growth.

Yours very truly,

WILLIAM C. REDFIELD, Secretary.

THE FEDERAL TRADE COMMISSION BILL.

The Federal Trade Commission Bill, as agreed on in conference and approved by the Senate on the 8th inst. and the House on the 10th inst., was signed by President Wilson on Sept. 26. It is understood that the President will not name the members of the new Commission until December. We give below the text of the bill as enacted into law:

An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes.

"Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That a commission is hereby created and established, to be known as the Federal Trade Commission (hereinafter referred to as the Commission), which shall be composed of five commissioners, who shall be appointed by the President, by and with the advice and consent of the Senate. Not more than three of the commissioners shall be members of the same political party. The first commissioners appointed shall continue in office for terms of three, four, five, six and seven years, respectively, from the date of the taking effect of this Act, the term of each to be designated by the President, but their successors shall be appointed for terms of seven years, except that any person chosen to fill a vacancy shall be appointed only for the unexpired term of the commissioner whom he shall succeed. The Commission shall choose a Chairman from its own membership. No commissioner shall engage in any other business, vocation, or employment. Any commissioner may be removed by the President for inefficiency, neglect of duty, or malfeasance in office. A vacancy in the Commission shall not impair the right of the remaining commissioners to exercise all the powers of the Commission.

"The Commission shall have an official seal, which shall be judicially noticed.

"Sec. 2. That each commissioner shall receive a salary of \$10,000 a year, payable in the same manner as the salaries of the judges of the courts of the United States. The Commission shall appoint a Secretary, who shall receive a salary of \$5,000 a year, payable in like manner, and it shall have authority to employ and fix the compensation of such attorneys, special experts, examiners, clerks and other employees as it may from time to time find necessary for the proper performance of its duties and as may be from time to time appropriated for by Congress.

"With the exception of the Secretary, a clerk to each commissioner, the attorneys, and such special experts and examiners as the Commission may from time to time find necessary for the conduct of its work, all employees of the Commission shall be a part of the classified civil service, and shall enter the service under such rules and regulations as may be prescribed by the Commission and by the Civil Service Commission.

"All of the expenses of the Commission, including all necessary expenses for transportation incurred by the commissioners or by their employees under their orders, in making any investigation, or upon official business in any other places than in the City of Washington, shall be allowed and paid on the presentation of itemized vouchers therefor approved by the Commission.

"Until otherwise provided by law, the Commission may rent suitable offices for its use.

"The Auditor for the State and other departments shall receive and examine all accounts of expenditures of the Commission.

"Sec. 3. That upon the organization of the Commission and election of its Chairman, the Bureau of Corporations and the offices of Commissioner and Deputy Commissioner of Corporations shall cease to exist; and all pending investigations and proceedings of the Bureau of Corporations shall be continued by the Commission.

"All clerks and employees of the said Bureau shall be transferred to and become clerks and employees of the Commission at their present grades and salaries. All records, papers and property of the said Bureau shall become records, papers and property of the Commission, and all unexpended funds and appropriations for the use and maintenance of the said Bureau, including any allotment already made to it by the Secretary of Commerce from the contingent appropriation for the Department of Commerce for

the fiscal year 1915, or from the departmental printing fund for the fiscal year 1915, shall become funds and appropriations available to be expended by the Commission in the exercise of the powers, authority and duties conferred on it by this Act.

"The principal office of the Commission shall be in the City of Washington, but it may meet and exercise all its powers at any other place. The Commission may, by one or more of its members, or by such examiners as it may designate, prosecute any inquiry necessary to its duties in any part of the United States.

"Sec. 4. That the words defined in this section shall have the following meaning when found in this Act, to wit:

" 'Commerce' means commerce among the several States or with foreign nations, or in any Territory of the United States, or in the District of Columbia, or between any such Territory and another, or between any such Territory and any State or foreign nation, or between the District of Columbia and any State or Territory or foreign nation.

" 'Corporation' means any company or association incorporated or unincorporated, which is organized to carry on business for profit and has shares of capital or capital stock, and any company or association, incorporated or unincorporated, without shares of capital or capital stock, except partnerships, which is organized to carry on business for its own profit or that of its members.

" 'Documentary evidence' means all documents, papers and correspondence in existence at and after the passage of this Act.

" 'Acts to regulate commerce' means the Act entitled 'An Act to Regulate Commerce, approved February 14 1887, and all Acts amendatory thereof and supplementary thereto.

" 'Anti-trust Acts' means the Act entitled 'An Act to Protect Trade and Commerce against Unlawful Restraints and Monopolies,' approved July 2 1890; also the sections 73 to 77, inclusive, of an Act entitled 'An Act to Reduce Taxation, to Provide Revenue for the Government, and for Other Purposes,' approved August 27 1894; and also the Act entitled 'An Act to Amend Sections 73 and 76 of the Act of August 27 1894, entitled 'An Act to Reduce Taxation, to Provide Revenue for the Government, and for Other Purposes,' approved February 12 1913.

"Sec. 5. That unfair methods of competition in commerce are hereby declared unlawful.

"The Commission is hereby empowered and directed to prevent persons, partnerships or corporations, except banks, and common carriers subject to the Acts to regulate commerce, from using unfair methods of competition in commerce.

Whenever the Commission shall have reason to believe that any such person, partnership, or corporation has been or is using any unfair method of competition in commerce, and if it shall appear to the Commission that a proceeding by it in respect thereof would be to the interest of the public, it shall issue and serve upon such person, partnership, or corporation a complaint stating its charges in that respect, and containing a notice of a hearing upon a day and at a place therein fixed at least 30 days after the service of said complaint. The person, partnership, or corporation so complained of shall have the right to appear at the place and time so fixed and show cause why an order should not be entered by the Commission requiring such person, partnership, or corporation to cease and desist from the violation of the law so charged in said complaint. Any person, partnership, or corporation may make application, and upon good cause shown may be allowed by the Commission to intervene and appear in said proceeding by counsel or in person. The testimony in any such proceeding shall be reduced to writing and filed in the office of the Commission. If upon such hearing the Commission shall be of the opinion that the method of competition in question is prohibited by this Act, it shall make a report in writing in which it shall state its findings as to the facts, and shall issue and cause to be served on such person, partnership, or corporation an order requiring such person, partnership or corporation to cease and desist from using such method of competition. Until a transcript of the record in such hearing shall have been filed in a Circuit Court of Appeals of the United States, as hereinafter provided, the Commission may at any time, upon such notice and in such manner as it shall deem proper, modify or set aside, in whole or in part, any report or any order made or issued by it under this section.

If such person, partnership, or corporation fails or neglects to obey such order of the Commission while the same is in effect, the Commission may apply to the Circuit Court of Appeals of the United States, within any circuit where the method of competition in question was used or where such person, partnership, or corporation resides or carries on business, for the enforcement of its order, and shall certify and file with its application a transcript of the entire record in the proceeding, including all the testimony taken and the report and order of the Commission. Upon such filing of the application and transcript the Court shall cause notice thereof to be served upon such person, partnership, or corporation, and thereupon shall have jurisdiction of the proceeding and of the question determined therein, and shall have power to make and enter upon the pleadings, testimony, and proceedings set forth in such transcript a decree affirming, modifying, or setting aside the order of the Commission. The findings of the Commission as to the facts, if supported by testimony, shall be conclusive. If either party shall apply to the Court for leave to adduce additional evidence, and shall show to the satisfaction of the Court that such additional evidence is material and that there were reasonable grounds for the failure to adduce such evidence in the proceeding before the Commission, the Court may order such additional evidence to be taken before the Commission and to be adduced upon the hearing in such manner and upon such terms and conditions as to the Court may seem proper. The Commission may modify its findings as to the facts, or make new findings, by reason of the additional evidence so taken, and it shall file such modified or new findings, which, if supported by the testimony, shall be conclusive, and its recommendation, if any, for the modification or setting aside of its original order, with the return of such additional evidence. The judgment and decree of the Court shall be final, except that the same shall be subject to review by the Supreme Court upon certiorari as provided in Section 240 of the Judicial Code.

Any party required by such order of the Commission to cease and desist from using such method of competition may obtain a review of such order in said Circuit Court of Appeals by filing in the Court a written petition praying that the order of the Commission be set aside. A copy of such petition shall be forthwith served upon the Commission, and thereupon the Commission forthwith shall certify and file in the court a transcript of the record as hereinbefore provided. Upon the filing of the transcript the Court shall have the same jurisdiction to affirm, set aside, or modify the order of the Commission as in the case of an application by the Commission for the enforcement of its order, and the findings of the Commission as to the facts, if supported by testimony, shall in like manner be conclusive.

The jurisdiction of the Circuit Court of Appeals of the United States to enforce, set aside, or modify orders of the Commission shall be exclusive.

Such proceedings in the Circuit Court of Appeals shall be given precedence over other cases pending therein, and shall be in every way expedited. No order of the Commission or judgment of the Court to enforce the same shall in anywise relieve or absolve any person, partnership, or corporation from any liability under the Anti-Trust Acts.

"Complaints, orders and other processes of the Commission under this section may be served by any one duly authorized by the Commission, either (a) by delivering a copy thereof to the person to be served, or to a member of the partnership to be served, or to the president, secretary or other executive officer or a director of the corporation to be served; or (b) by leaving a copy thereof at the principal office or place of business of such person, partnership or corporation; or (c) by registering and mailing a copy thereof addressed to such person, partnership or corporation at his or its principal office or place of business. The verified return by the person so serving said complaint, order or other process setting forth the manner of said service shall be proof of the same, and the return post office receipt for said complaint, order or other process registered and mailed as aforesaid shall be proof of the service of the same.

"Sec. 6. That the Commission shall also have power—

"(a) To gather and compile information concerning and to investigate from time to time the organization, business, conduct, practices and management of any corporation, engaged in commerce, excepting banks and common carriers subject to the act to regulate commerce, and its relation to other corporations and to individuals, associations and partnerships.

"(b) To require, by general or special orders, corporations engaged in commerce, excepting banks and common carriers subject to the act to regulate commerce, or any class of them, or any of them, respectively, to file with the Commission in such form as the Commission may prescribe annual or special, or both annual and special, reports or answers in writing to specific questions, furnishing to the Commission such information as it may require as to the organization, business, conduct, practices, management and relation to other corporations, partnerships and individuals of the respective corporations filing such reports or answers in writing. Such reports and answers shall be made under oath, or otherwise, as the Commission may prescribe, and shall be filed with the Commission within such reasonable period as the Commission may prescribe, unless additional time be granted in any case by the Commission.

"(c) Whenever a final decree has been entered against any defendant corporation in any suit brought by the United States to prevent and restrain any violation of the anti-trust acts, to make investigation, upon its own initiative, of the manner in which the decree has been or is being carried out, and upon the application of the Attorney-General it shall be its duty to make such investigation. It shall transmit to the Attorney-General a report embodying its findings and recommendations as a result of any such investigation, and the report shall be made public in the discretion of the Commission.

"(d) Upon the direction of the President or either House of Congress to investigate and report the facts relating to any alleged violations of the anti-trust Acts by any corporation.

"(e) Upon the application of the Attorney-General to investigate and make recommendations for the readjustment of the business of any corporation alleged to be violating the anti-trust Acts in order that the corporation may thereafter maintain its organization, management and conduct of business in accordance with law.

"(f) To make public from time to time such portions of the information obtained by it hereunder, except trade secrets and names of customers, as it shall deem expedient in the public interest; and to make annual and special reports to the Congress and to submit therewith recommendations for additional legislation; and to provide for the publication of its reports and decisions in such form and manner as may be best adapted for public information and use.

"(g) From time to time to classify corporations and to make rules and regulations for the purpose of carrying out the provisions of this Act.

"(h) To investigate, from time to time, trade conditions in and with foreign countries where associations, combinations or practices of manufacturers, merchants, or traders, or other conditions, may affect the foreign trade of the United States, and to report to Congress thereon, with such recommendations as it deems advisable.

"Sec. 7. That in any suit in equity brought by or under the direction of the Attorney-General as provided in the anti-trust Acts, the Court may, upon the conclusion of the testimony therein, if it shall be then of opinion that the complainant is entitled to relief, refer said suit to the Commission, as a master in chancery, to ascertain and report an appropriate form of decree therein. The Commission shall proceed upon such notice to the parties and under such rules of procedure as the Court may prescribe, and upon the coming in of such report, such exceptions may be filed and such proceedings had in relation thereto as upon the report of a master in other equity causes, but the Court may adopt or reject such report, in whole or in part, and enter such decree as the nature of the case may in its judgment require.

"Sec. 8. That the several departments and bureaus of the Government, when directed by the President, shall furnish the Commission, upon its request, all records, papers and information in their possession relating to any corporation subject to any of the provisions of this Act, and shall detail from time to time such officials and employees to the Commission as he may direct.

"Sec. 9. That for the purposes of this Act the Commission, or its duly authorized agent or agents, shall at all reasonable times have access to, for the purpose of examination, and the right to copy, any documentary evidence of any corporation being investigated or proceeded against; and the Commission shall have power to require by subpoena the attendance and testimony of witnesses, and the production of all such documentary evidence relating to any matter under investigation. Any member of the Commission may sign subpoenas, and members and examiners of the Commission may administer oaths and affirmations, examine witnesses, and receive evidence.

"Such attendance of witnesses, and the production of such documentary evidence, may be required from any place in the United States, at any designated place of hearing. And in case of disobedience to a subpoena the Commission may invoke the aid of any court of the United States in requiring the attendance and testimony of witnesses and the production of documentary evidence.

"Any of the district courts of the United States within the jurisdiction of which such inquiry is carried on may, in case of contumacy or refusal to obey a subpoena issued to any corporation or other person, issue an order requiring such corporation or other person to appear before the Commission, or to produce documentary evidence if so ordered, or to give evidence touching the matter in question; and any failure to obey such order of the court may be punished by such court as a contempt thereof.

"Upon the application of the Attorney-General of the United States, at the request of the Commission, the district courts of the United States shall have jurisdiction to issue writs of mandamus commanding any person or corporation to comply with the provisions of this Act or any order of the Commission made in pursuance thereof.

"The Commission may order testimony to be taken by deposition in any proceeding or investigation pending under this Act at any stage of such proceeding or investigation. Such depositions may be taken before any person designated by the Commission and having power to administer oaths. Such testimony shall be reduced to writing by the person taking the depo-

sition, or under his direction, and shall then be subscribed by the deponent. Any person may be compelled to appear and depose and to produce documentary evidence in the same manner as witnesses may be compelled to appear and testify and produce documentary evidence before the Commission as hereinbefore provided.

"Witnesses summoned before the Commission shall be paid the same fees and mileage that are paid witnesses in the courts of the United States, and witnesses whose depositions are taken and the persons taking the same shall severally be entitled to the same fees as are paid for like services in the courts of the United States.

"No person shall be excused from attending and testifying or from producing documentary evidence before the Commission or in obedience to the subpoena of the Commission on the ground or for the reason that the testimony or evidence, documentary or otherwise, required of him may tend to incriminate him or subject him to a penalty or forfeiture. But no natural person shall be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he may testify, or produce evidence, documentary or otherwise, before the Commission in obedience to a subpoena issued by it: *Provided*, That no natural person so testifying shall be exempt from prosecution and punishment for perjury committed in so testifying.

"Sec. 10. That any person who shall neglect or refuse to attend and testify, or to answer any lawful inquiry, or to produce documentary evidence, if in his power to do so, in obedience to the subpoena or lawful requirement of the Commission, shall be guilty of an offense, and upon conviction thereof by a court of competent jurisdiction shall be punished by a fine of not less than \$1,000 nor more than \$5,000, or by imprisonment for not more than one year, or by both such fine and imprisonment.

"Any person who shall wilfully make, or cause to be made, any false entry or statement of fact in any report required to be made under this Act, or who shall wilfully make, or cause to be made, any false entry in any account, record, or memorandum kept by any corporation subject to this Act, or who shall wilfully neglect or fail to make, or cause to be made, full, true, and correct entries in such accounts, records, or memoranda of all facts and transactions appertaining to the business of such corporation, or who shall wilfully remove out of the jurisdiction of the United States, or wilfully mutilate, alter, or by any other means falsify any documentary evidence of such corporation, or who shall wilfully refuse to submit to the Commission or to any of its authorized agents, for the purpose of inspection and taking copies, any documentary evidence of such corporation in his possession or within his control, shall be deemed guilty of an offense against the United States, and shall be subject, upon conviction in any court of the United States of competent jurisdiction, to a fine of not less than \$1,000 nor more than \$5,000, or to imprisonment for a term of not more than three years, or to both such fine and imprisonment.

"If any corporation required by this Act to file any annual or special report shall fail so to do within the time fixed by the Commission for filing the same, and such failure shall continue for 30 days after notice of such default, the corporation shall forfeit to the United States the sum of \$100 for each and every day of the continuance of such failure, which forfeiture shall be payable into the Treasury of the United States, and shall be recoverable in a civil suit in the name of the United States brought in the district where the corporation has its principal office or in any district in which it shall do business. It shall be the duty of the various district attorneys, under the direction of the Attorney-General of the United States, to prosecute for the recovery of forfeitures. The costs and expenses of such prosecution shall be paid out of the appropriation for the expenses of the courts of the United States.

"Any officer or employee of the Commission who shall make public any information obtained by the Commission, without its authority, unless directed by a court, shall be deemed guilty of a misdemeanor, and, upon conviction, thereof, shall be punished by a fine not exceeding \$5,000, or by imprisonment not exceeding one year, or by fine and imprisonment, in the discretion of the court.

"Sec. 11. Nothing contained in this Act shall be construed to prevent or interfere with the enforcement of the provisions of the anti-trust Acts or the Acts to regulate commerce, nor shall anything contained in the Act be construed to alter, modify, or repeal the said anti-trust Acts or the Acts to regulate commerce or any part or parts thereof."

Approved, September 26 1914.

A protest against the provision in the Clayton Anti-Trust Bill as agreed on in conference, prohibiting any one from being a director of more than one bank or trust company in any city having a population of over 200,000, was sent to Vice-President Marshall by George M. Reynolds, President of the Continental & Commercial National Bank of Chicago on Sept. 25. The conference report on the bill is now awaiting the action of the two houses. Mr. Reynolds in protesting against the provision in question writes Mr. Marshall as follows:

Chicago, Ill., Sept. 25 1914.

Hon. Thomas R. Marshall, Senate, Washington, D. C.:

The Clayton bill as reported by the conference committee contains a provision that prohibits a person from being a director of more than one bank or trust company in any city having a population of over 200,000. Such legislation is harmful and unjust to the general banking interests of this country and tends to impair their strength, and will result in weakening the personnel and standing of the directors. There are twenty-eight cities in the United States with a population exceeding 200,000. The financial resources of the banks of these cities represent more than half of the financial strength of all the banks in this country. It is upon the banks of these cities that the burden largely rests to protect our commerce and industry. The banks of the smaller cities rely upon those in the larger cities for assistance and support. It is not right to attempt to discriminate against the banks of these twenty-eight cities, particularly at this time, when acute financial disorders prevail throughout the world. I submit that no sound reason can be advanced why the director of a State trust company or bank should be prohibited from being a director of a national bank. State banks act as trustees, executors, administrators, and in other recognized corporate trust positions. They discharge functions that cannot be exercised by national banks. The business of each of these two classes of institutions correlates and fits in with that of the other and does not conflict or compete. There are several hundred national banks which have affiliations with State trust companies or banks and have one or more common directors. The proposed legislation will introduce uncertainties, and, in my opinion, no bank legislation that is not absolutely necessary ought to be attempted at a time like this, when our commercial and financial interests are greatly distressed. Furthermore, I do not think it right to mix up an important banking question with the provisions of the Clayton Bill, that has to do with the regulation of trusts and monopolies. I submit these

views in the interest of the people and of the banking institutions of the country generally, and not because of any peculiar hardship that the proposed legislation will work against me or the institution of which I am President. I therefore urge that the prior action of the Senate in striking out the entire provision should be maintained.

GEORGE M. REYNOLDS,
President Continental & Commercial National Bank, Chicago.

The Philadelphia Clearing-House Association has also, through its President, Joseph Moore Jr., and the Chairman of its Clearing-House Committee, Levi L. Rue, filed a protest to the provision referred to. The provision, it is stated, if enacted, would affect sixteen of the thirty-two national banks of the city and at least nineteen of the sixty-six trust companies and State banks. In setting out its opposition, the Association says:

It is our opinion that if section 8, Clayton anti-trust bill, respecting interlocking directors, is adopted by Congress and becomes a law, it will deal a serious blow to the banks and trust companies of the larger cities of the country, and, while doubtless intended to conserve the people's interests, is really most detrimental to those interests. The country is about to inaugurate a new banking system. Vast changes in banking methods are to take place, and if there ever was a time in the history of the country when the managements of the banks and trust companies should be in strong and experienced hands, it is now.

The resources of the banks and trust companies belong to the people. With them they place their savings and the managements of their estates, the beneficiaries of which are largely women and children. Their directors should be men of broad vision, wide experience, sound judgment and in touch with the commerce and trade of the world. The bill as written will strip these institutions of many of the ablest men on their boards of directors.

We therefore most respectfully urge upon Congress that section 8 of the Clayton anti-trust bill as affecting banks and trust companies be stricken out.

The American Bankers' Association also expressed its objection to the section this week. President Wilson is said to have indicated on Monday, however, that the opposition to the provision would be of no avail at this time.

Senator Reed of Missouri vigorously attacked the bill during a two-days' address to the Senate this week. In opening his remarks against it on Monday Mr. Reed referred to the title of the bill, "An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," and declared that he would endeavor to show that if it passes in its present form, it ought to be entitled "An Act to apologize to unlawful restraints and monopolies." The measure, he declared, "has long been heralded as the Clayton anti-trust bill. It should be known as the 'Conferees' Capitulation bill.'" He added:

If the Sherman Act was in itself sufficient to destroy monopoly and prevent restraint of trade, then it needs no change. Amendment of the trust laws can only be justified upon the theory that in some important respect the law has failed to protect against the trust practices under which the people have suffered. There are four well-known devices, each of which has long been employed by the great combinations and trusts of the country to destroy competition. To eradicate these evils the House passed the Clayton bill, an Act defining, prohibiting and penalizing four of the most aggressive practices of monopolies.

Section 2 prohibited price discriminations done for the purpose of destroying or wrongfully injuring the business of a competitor.

Section 4 denounced tying contracts in general. This is the device by which a manufacturer controlling a patented or staple article compels all who purchase or lease it to agree to purchase other goods or supplies from the seller, thus aiding him in restricting the trade of rivals and enabling him to create a monopoly.

Section 8 prohibited a corporation from owning the capital stock of another corporation where the effect would be to substantially limit or lessen competition. It also prohibited holding companies where the effect of their stock holdings was to substantially lessen competition.

Section 12 broadly declared that whenever a corporation should violate any of the provisions of the Anti-Trust laws, the responsible directors and officers should be guilty of a misdemeanor.

Criminal penalties were embraced in every one of the four sections of the Clayton Bill. As that provision came to us, all of them had attached this language: "Whoever shall violate the provisions of this section shall be deemed guilty of a misdemeanor and upon conviction thereof shall be punished by a fine not exceeding \$5,000 or by imprisonment not exceeding one year, or by both, in the discretion of the Court."

This criminal penalty has in every instance been stricken from the anti-trust sections of the bill. The trusts of the country under this bill cannot be fined, cannot be imprisoned, cannot be sent to jail, cannot be punished in any way except by a command to please stop doing what you are now doing. Criminal penalties have been preserved in the bill, but they do not touch industrial monopoly. From every section denouncing the evil practices of these monsters of the commercial world have been drawn the last fang and claw which by any possibility might draw even a drop of blood from the veins of monopoly.

According to the "Journal of Commerce," one of the most significant things in connection with the Clayton Bill which was brought out in the debate on the report on Tuesday is a section in the anti-interlocking directorates provision. One proviso in this section, it is said, will legalize the practice of some large city banks organizing and operating trust companies under State laws. The proviso would legalize such a company as was sought to be organized by the National City Bank of New York a few years ago under the name of the National City Company, and to which Attorney-General Wickersham objected as being contrary to the national banking laws and the Sherman Act. The Clayton Bill as adopted by the House would legalize such action, it is claimed, whereas the Senate eliminated the section en-

tirely. The conferees have re-written the section carrying the proviso which has caused so much discussion. This reads as follows:

Provided further, That a director or other officer or employee of such bank, banking association or trust company may be a director or other officer or employee of not more than one other bank or trust company organized under the laws of the United States or any State where the entire capital stock of one is owned by stockholders of the other.

Senator Borah of Idaho, in attacking the bill on Wednesday, stated that, while he thought that in its final form it did not repeal the Sherman Act, its practical effect would be to make the Sherman law a dead letter and destroy the beneficial effects of the enforcement of that statute for the past decade.

THE FREIGHT RATE CASE.

A delegation representing the Investment Bankers' Association will appear in behalf of the railroads at the rehearing of the freight rate case on the 19th inst. The Inter-State Commerce Commission has signified its willingness to hear a committee of the Association, and the following has been chosen to represent the organization at the reopening of the case:

George B. Caldwell, Chairman; John E. Blunt Jr., Merchants' Loan & Trust Co., Chicago; Frederick Strauss, J. & W. Seligman & Co., New York; Moritz Rosenthal, Ladenburg, Thalmann & Co., New York; S. L. Fuller, Kissel, Kinnicutt & Co., New York; A. G. Hoyt, N. W. Halsey & Co., New York; Lawrence Chamberlain, Kountze Bros., New York; Warren S. Hayden, Hayden, Miller & Co., Cleveland; Stedman Butterick, Estabrook & Co., Boston; R. B. Young, E. H. Rollins & Sons, Boston; Howard Graham, Graham & Co., Philadelphia; R. Lancaster Williams, Middendorf, Williams & Co., Baltimore; J. R. Edwards, Cincinnati; W. R. Compton, William R. Compton Co., St. Louis; R. T. Field, Field, Richards & Co., Cincinnati; B. B. Veech, United States Trust Co., Louisville; Lynn H. Dinkins, Interstate Trust & Banking Co., New Orleans; W. G. Lackey, Mississippi Valley Trust Co., St. Louis; J. Herndon Smith, Smith, Moore & Co., St. Louis; J. A. Prescott, John A. Prescott & Co., Kansas City; Gardner P. Stickney, Wisconsin Trust Co., Milwaukee, and Eugene M. Stevens, Stevens, Chapman & Co., Minneapolis.

A resolution introduced in Congress by Representative Lewis of Maryland, and referred to the House Committee on Inter-State and Foreign Commerce, asks speedy consideration and decision by the Inter-State Commerce Commission of the rate question. The resolution follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That in the exercise of the legislative powers granted it in the matter of the regulation of freight rates, the conditions prevailing in the railway industry are such as to necessitate the most expeditious consideration and decision by the Inter-State Commerce Commission of the changes in freight rates proposed by the steam carriers of the country consistent with a fair hearing of the parties interested.

Sec. 2. That if it shall be found that increases in the railway rates are justified in order to produce adequate revenue for such carriers, then the Inter-State Commerce Commission, in revising such railway rate, is directed to apportion such increases among the several classes of freight and commodities carried rather than upon the rates for the conveyance of persons, in order that such transportation taxes shall not unduly impede the freedom of movement of persons between the respective States.

"The Effect of the European War on the Railroad Business" was discussed by Ivy L. Lee, executive Assistant of the Pennsylvania RR., at a mass-meeting of employees of the road, held at Altoona on the 29th ult. under the auspices of the Altoona Railroad Club. We take from the Philadelphia "Press" the following extract from his remarks:

"The war has brought us face to face with a crisis in the railroad business. It is true that other lines of business are also faced with a critical situation, but the railroad should receive sympathetic attention for two reasons: (1) That its function is one of the necessities of civilization, and (2) that its property, although privately owned, is devoted to the public service.

"At the close of the war, or even during the war, if shipping and exchange facilities can be re-established, there is likely to be a spurt in business in the United States to supply the needs of the world. But the disarrangement in the machinery of trade is vital and may have results of far-reaching magnitude. In concluding a careful analysis of the effects of the war upon the world's trade, in its issue of Aug. 22 1914, the London "Statist" said:

"The reduction to poverty of the losing nations, and the waste of wealth and consequent diminution of purchasing power all around, cannot but adversely affect for a long time the prosperity of the whole world.

"Whatever the effects of the war may be, it is certain that the United States will suffer least among the great nations of the world. Whether the war will lead with us to a period of great commercial activity or to a period of depression, this much can be safely predicted.

"There will be a very material and world-wide increase in interest rates, and the demand for capital will be upon an unprecedented scale.

"This would be inevitable if the world had no more to take account of than the cost of the war and of replacing the destroyed wealth now thrown into the caldron of war.

"Europe can pay her own debts only by liquidating a large portion of her holdings of American securities. It is estimated that from three to seven billion dollars of our capital liabilities are now held abroad; inevitably we shall have to buy back a huge quantity of these, once a free security market is re-established.

"We cannot possibly look to Europe for new capital for several years to come, and we shall be obliged to finance our own vast enterprise. If we are to enjoy an era of expansion, we shall have to finance that, too.

"It thus becomes incumbent upon us to make our securities so attractive that Europe will be disposed to withhold them from sale as long as possible. As our railroads are, as President Wilson says, 'at the very heart of most investments,' we must see to it that our railroad liabilities are made sound and that fortifications are erected against the possible siege.

"Bond and note obligations of American railroads maturing before the end of the next year aggregate over \$520,000,000. The Pennsylvania RR. must next year refund some \$96,000,000 of capital liabilities. In addition the amount of new capital required for the normal development of the American railroad system amounts to upwards of \$400,000,000 per annum. And yet what is the railroad situation? In general, it is one of reduced revenues and of inability to reduce expenses to correspond. Anybody will concede that the Pennsylvania is an ably-managed railroad; that it has not watered its stock; that its accounts have been accurately kept, and its money carefully spent. The evils in American railroads that are sometimes complained of are not laid at the door of the Pennsylvania. But what is the Pennsylvania situation?"

During the four years ended June 30 1914 the Pennsylvania system increased its investment in railroad property by over \$272,000,000. During that time its gross earnings derived from an increased service to the public increased over \$34,000,000, while its expenses increased nearly \$55,000,000. Thus, at the end of four years, after having dedicated \$272,000,000 irrevocably to the public service, the system's net revenues were worse off by \$21,000,000 than they were before the \$272,000,000 had been spent.

Obviously that is a situation which must be met. It is a situation which has been intensified by the war, for now, obviously, a higher rate of return upon investments must be earned else new capital cannot be obtained and the price of existing securities will inevitably fall.

There are many impediments in the way of reducing expenses. For example, there are arbitrary laws compelling the employment of unnecessary men. An examination of our accounts shows that the lines of the Pennsylvania system spent last year upwards of \$1,100,000 because of the extra-crew law alone.

The management of the Pennsylvania Railroad would shrink from reducing wages. The system paid in wages last year about \$190,000,000. This was at a rate of wages nearly 35% higher than that which prevailed in 1900 and over 10% higher than those in 1909.

The Pennsylvania always paid a dividend on its stock. Its policy has been to pay moderate dividends and make those dividends regular and reliable. No corporation in the world as a consequence enjoys a greater confidence on the part of the investing public. Over 90,000 persons are investors in Pennsylvania stock, nearly half of them women. The Pennsylvania dividend, conservative as it is, should continue to be a bulwark of American railroad finance. Its permanence and safety constitute an assurance to the public that the public service of the greatest railroad in the world will be maintained at a high standard.

It is believed that the public is coming to understand the importance of seeing to it that proper protection is given to the earnings of railroads "the one common interest of our whole industrial life," to use the words of the President of the United States.

A general investigation into the subject of embargoes is to be made by the Inter-State Commerce Commission as a result of complaints entered against the roads. The order of the Commission in the matter is as follows:

The subject of the rules, regulations and practices of common carriers by rail having been brought to the attention of the Commission by informal complaints, wherein it was alleged that certain coal roads established embargoes which resulted in unjust discrimination against shippers, and the Commission, as a consequence, desiring to inform itself generally as to the question of embargoes, the conditions under which they are established, and the manner in which notice is given, with a view to prescribing reasonable regulations for such embargoes,

It is ordered, That a proceeding of inquiry and investigation be, and the same is hereby instituted into, concerning the subject of the rules, regulations and practices of carriers in establishing embargoes.

It is further ordered, That all common carriers by rail, subject to the Act to regulate commerce, be, and they are hereby, made parties respondent to this proceeding; that this proceeding be set for hearings at such times and places as the Commission hereafter shall designate; that the parties respondent be required to appear and testify or to produce books, documents and papers as the Commission shall deem necessary.

To afford an opportunity to shippers and railroads to prepare for this general investigation, the Commission has announced that the first hearing will be held at Chicago on January 20 1915.

DEVELOPING FOREIGN TRADE.

The appointment of seven commercial attaches who will serve as the Government's business diplomats abroad and will investigate and report on manufacturing, industrial and trade conditions, was announced by Secretary Redfield on Sept. 27. The appointees are A. T. Harrington of Ohio, to Lima, Peru; A. H. Baldwin, former Chief of the Bureau of Foreign and Domestic Commerce, to London; Dr. Albert Hale, now with the Bureau of Pan-American Republics, to Buenos Aires; Edwin M. Thompson of North Carolina, to Berlin; J. H. Arnold, former Consul-General at Hankow, to Peking; Prof. Lincoln Hutchinson, of the University of California, to Rio Janeiro, and C. W. A. Veditz of Pennsylvania, to Paris. Seven more are to be named later. The attaches are named under a newly enacted law. Through the State Department they will be accredited to American missions abroad, but will be under the immediate direction of the Secretary of Commerce. They are exempt from civil service requirements, but compelled to stand tests established by Secretary Redfield. Congress authorized \$100,000 for their salaries and maintenance the first year. The attaches to Great Britain, Germany and France will each receive salaries of \$5,000 a year. The remainder is divided into groups, each receiving \$4,000 and \$4,500.

Supplementing his precautionary statement regarding Latin-American trade conditions, which we referred to last week, John Barrett, Director General of the Pan-American Union, this week issued some further words of caution to American commercial interests. Cable advices received by

him from the southern republics are said to have disclosed a new phase of the situation, which is the occasion of his latest statement, in which he says:

These advices emphasize that what is needed at this hour in Latin-America is not so much a supply of the manufactured products of the United States, though these are required in considerable quantities, but money, loans and advances, credits on purchases, and markets at reasonable rates for raw products which usually go to Europe. If Latin-America can sell at a fair figure her accumulating raw products and buy, in turn, through receiving financial help and co-operation in the form of advances and credits from United States exporters, importers and bankers, the situation will speedily be remedied and a new era of Pan-American commerce and comity will open.

The fact that twenty Latin-American countries last year bought imports and sold exports to the vast total of \$3,000,000,000, of which \$2,000,000,000 were transactions with Europe, proves beyond doubt that the opportunity is there; but it is subject to conditions. That the United States already has a good start, and is making encouraging progress, is shown by the fact that its exchange of trade with Latin-America has grown nearly 100% in the last seven years, or from \$450,000,000 to \$850,000,000.

The European war, while greatly lessening the sources of Latin-American imports and the market for exports, and opening a correspondingly greater opportunity to United States exports and imports, has so unavoidably crippled Latin-American financial resources and commercial machinery that it will take several months, or a year, for conditions to readjust themselves and make possible results which many business men in this country expect immediately.

Despite the efforts not only of the Latin-American embassies, legations and consulates, but of the Pan-American Union, as an international organization, and of the United States Departments of State and Commerce, to state the situation exactly as it exists, countless articles have been appearing in various newspapers and magazines emphasizing an alleged "golden opportunity" without pointing out its present environments of money tightness and dislocation of international commercial methods. Numerous business men and commercial agents, in consequence, are crowding the steamers bound south with the expectation that they will find the Latin-Americans awaiting them with outstretched hands filled with gold and ready to buy everything and anything they have to sell. These men will presently return north and unfairly condemn and criticize the markets and peoples of the countries they have visited. The Latin-American market, while vastly potential, is at this moment embarrassed for a serious financial stringency and dislocation of commercial conditions for which it is not in itself to blame. The opportunity of the hour is not so much for immediate large sales of United States manufactured products as for co-operation and mutual help, together with careful investigation of commercial conditions and preparation to meet future competition successfully.

Following a meeting of the Buffalo Chamber of Commerce on the 25th ult., it was announced that the Chamber will send a commercial agent to South America for the purpose of studying the trade situation. Edward Albes, business investigator of the Pan-American Union, and personal representative of John Barrett, was one of the speakers at the meeting, and he is quoted in the New York "Sun" as saying:

"Capturing the South American trade will not be as easy as picking cherries. England has her eyes upon the main chance. She is just as keen for the German trade in South America as we are. She is more determined to keep her own trade with South America than we are to get it. She has not sent her skilled artisans in steel and iron products to the front to be shot by the Germans, and she has not called her skilled workmen from the textile mills. Before an English soldier had crossed over to Belgium the English Board of Trade had cabled to its consular agents throughout the world to send home cable advices as to the best methods to be followed in a campaign to increase export trade. If, therefore, American manufacturers want to increase their export trade, particularly with South America, they must understand that while competition is lessened it has not been stifled by the war."

Plans for the development of trade with South America were considered at a conference of Chicago and New Orleans business men held at Chicago on Sept. 25. As a result of the meeting a call was prepared for a general conference of the business interests of the Mississippi Valley, to take place in St. Louis, Oct. 23 has been tentatively agreed on as its date. We learn from the Chicago "Tribune" that it was decided to place these four points before the St. Louis conference:

1. Transportation by way of the Mississippi Valley to South and Central America.
2. Promotion and development of trading and export companies to effect change of raw materials and manufactured commodities.
3. Direct exchange of credits so as to eliminate the London bill of exchange.
4. To establish industries to manufacture the raw materials of South America and to work for legislation which will protect these manufactures either by means of new patent laws, revenue acts or tariff measures.

At the Chicago gathering the members of the foreign trade committees of the Association of Commerce and the Illinois Manufacturers' Association met with Mayor Behrman of New Orleans; M. B. Trezevant, Manager of the New Orleans Chamber of Commerce, and J. E. Edmunds, of the First National Bank of Chicago. The following sub-committee of five was appointed to arrange the details of the St. Louis conference: M. B. Trezevant, William G. Dufour of New Orleans, F. R. McMullen, Thomas L. Stitt and R. L. Crampton of Chicago. In addressing the conference, Mr. Edmunds said:

"It is significant that in a report of the Department of Commerce at Washington issued recently New York was given as the only seaport for South and Central American shipping. The railroads have been throwing all the business possible to New York in recent years by making rates almost discriminatory.

"The Mississippi River offers a great outlet and cheap freight to New Orleans for all the manufacturers of the Mississippi River Valley and also the Missouri River Valley. In the Central part of the United States we have been overlooking the natural advantages. It is planned at this conference to develop this route, arrange for better dock facilities at St. Louis and New Orleans, and take care of the traffic that belongs down the valley.

"New Orleans already is improving its dock facilities, and we want to make it easy for the manufacturers of Illinois to ship through our port. It is three days closer to South and Central America than New York, and we have arranged so the freight rates will be cheaper.

"The representation at the St. Louis meeting will be worked out on the National Chamber of Commerce representation, and we expect a large delegation of business men in attendance there.

"It is proposed to have the questions in such shape at this conference that definite action can be taken. The meeting is held purposely before the conference at Washington so our representatives may present the views of this section of the United States at that meeting."

Steps for the furtherance of trade with South America were taken in Philadelphia on Tuesday with the formation of the Foreign Trade Committee of Philadelphia at a meeting of business men, manufacturers and bankers representative of the Philadelphia Commercial Museum. The danger of acting hastily in commercial expansion was pointed out by Alba B. Johnson, President of the Baldwin Locomotive Works, who, in addressing the gathering, said:

The other day I talked with the Minister from Argentina. I said that we hoped the United States would obtain the trade of Argentina and he said in reply: "Let me stop you. Argentine will not turn to the United States and will not open any new channels unless they are opened for her by you. We wait until the doors are opened to us." There is a movement on foot by a large company to send salesmen down into those countries for united action. We should act in unison.

Several cities have sent expeditions into Latin-America. They were received cordially, but the actual increase resulting from such visits is almost insignificant. That is not the way to get business. We must go about it in the same manner as if we were dealing with Seattle or Winnipeg. We must know the requirements before we go. We must stay long enough to know the people.

We must go slow in our plans to establish new and broader trade relations with the Latin-American countries. We have been told that Brazil, through the financial follies of her Government, practically is bankrupt. Since Chile has lost the European market for the output of her nitrate mines her condition is not prosperous. Just before the war began the Argentine Republic spent vast sums upon public improvement schemes, and so has little money.

A resolution was adopted to the effect that the scope of the committee, which consists of fifty-five members, should be made nation-wide through co-operation with similar organizations in other cities. The appointment of sub-committees to act upon nine suggestions bearing on the work of the general committee was authorized at Tuesday's meeting; three members are to be assigned to each of the following subjects submitted by the Commercial Museum for consideration:

1. Latin-American trade convention in Philadelphia; a plan to attract foreign buyers to this city.
- Points to consider: Inducements which may be offered to foreign visitors to attend. Costs and methods of meeting same. Plans of organization.
2. Adoption of some system for keeping informed regarding business men from abroad who visit the United States for the purpose of inducing them to come to Philadelphia. Points to consider: How to accomplish this purpose. Possibility of a New York office or headquarters to keep in touch with foreign visitors.
3. Trade expedition of Philadelphia business men to South America. Points to consider: Possibility of using this means to extend invitations to a convention in Philadelphia; investigation of results of similar attempts by other cities; effect on the manufacturing community at large.
4. Establishment of Philadelphia information bureaus in some of the largest commercial centres in Latin-America. Principal work of this bureau, to become acquainted with and secure the confidence of importing houses and the larger merchants, and to carry a full line of catalogues and other similar literature of Philadelphia manufacturers. Points to consider: Investigation of Chicago plan and results obtained; method of maintaining such bureau; value as a means of advertising Philadelphia-made goods.
5. A study of the raw products of South America with a view to finding a larger market for them among the manufacturers of Philadelphia. Points to consider: The value of such efforts in assisting the sale of our own products; plan for ascertaining what South America has to offer that may be used by Philadelphia manufacturers.
6. Direct shipment from Philadelphia. Ninety per cent of the manufactured goods which Philadelphia exports are sold or shipped through New York, paying tribute in New York to bankers, draymen, forwarders, &c.
7. Agreement upon some common method for meeting the demand for long credits in South America. A compromise between what foreign buyers are accustomed to receive and we are accustomed to give. Points to consider: Methods of European manufacturers and exporters.
8. Advisability of adopting a local trade mark and consideration of possible advantages and disadvantages.
9. Group combinations of allied but non-competing manufacturers to push foreign trade.

James Mapes Dodge was chosen Chairman of the organization; Nathan T. Folwell, Howard B. French, C. W. Asbury, George W. Norris and Dr. William P. Wilson, Vice-Chairman; Charles S. Calwell, President of the Corn Exchange National Bank, Treasurer; Wilfred H. Schoff, Recording Secretary, and Dudley Bartlett, Corresponding Secretary.

The opportunity now presented for trading with the British West Indies is pointed out by Consul Chester W. Martin at Barbadoes, who in calling attention thereto, says:

This is an opportune time for the American exporter to secure a share of the trade of the British West Indies in certain lines of manufactured articles that have come largely from Europe. While trade will not be entirely cut off from Great Britain, it will be badly hampered during the war, while steamship communication with the United States will not be curtailed.

There is an opening for the sale of cotton textiles, furnishing goods, hosiery, boots and shoes, canned fruits and meats, jams, condensed milk, groceries of all kinds and builders' hardware. An agency should be established in Barbadoes with a full line of samples, in charge of a well-informed man, whose personality would inspire confidence, merchants visited daily and all orders carefully filled. This has been the plan of the European exporter and has been very successful.

The other British islands and British Guiana should be canvassed by salesmen from Barbadoes and by inviting leading merchants to visit the agency and inspect the lines carried. Trade once established can be maintained.

In flour, cornmeal, grain, salted meats, lard and other foodstuffs, the United States has a fair share of the trade at present, but in manufactured articles Americans have only a small percentage. The American exporter has a decided advantage in lower freight rates and time in filling orders.

INCIDENTS OF THE SITUATION.

Some interesting figures concerning the collateral for the emergency currency issued by the New York City banks were made public this week. Up to the close of Monday, September 28, the currency applications approved amounted to \$140,798,200. The total market value of the collateral deposited for this \$140,798,200 additional circulation is \$185,500,000, classified as follows:

Commercial paper.....	\$90,000,000
Railroad bonds and notes.....	46,000,000
Industrial securities.....	12,000,000
Public utilities.....	10,250,000
Municipal securities.....	21,500,000
State securities.....	5,750,000
Total.....	\$185,500,000

The applications approved last night brought the emergency currency figures for New York City slightly over \$142,000,000. Several new rulings have been made by the Treasury Department governing the issuance of the new currency. New York City short-term notes will be accepted on the basis of 75% and not 85% as for other New York City obligations. The percentage on State and municipal securities has been reduced to 85%. The Aldrich-Vreeland Law provides that currency may be issued to an amount not exceeding 75% of the cash value of commercial paper deposited and to an amount not exceeding 90% of market value for State, city, town, county or municipal bonds. The Secretary of the Treasury has also directed all currency associations to obtain information from banks applying for emergency currency regarding the legal reserve held, the rate of interest charged on time and call loan renewals and also the rate of interest charged on new time and call loans.

A resolution adopted by the farmers of Murray County, Okla., requesting the calling of an extra session of the State Legislature to enact a law postponing the payment of all debts in Oklahoma during the continuance of the European war was submitted to Governor Cruce on September 18. The latter, in declining to convene the Legislature in extra session, is said to have stated that he did not think a State moratorium would offer the needed remedy. He expressed his belief that in the early part of the present crisis the best plan would have been for the Federal Government to pass such a law, since to be of any benefit it ought to be national in its scope.

Following the important steps taken last week, hopes of an early resumption of general trading in securities are now felt to be brighter than at any time since the Exchange closed.

The last of the measures—the appointment of a Committee to supervise dealings in unlisted stocks and the decision of the committee to allow trading at concessions from the closing prices of July 30—has added decidedly to the more hopeful feeling. A material evidence of this has been the increasing volume of trading being done through the Committee.

The Committee has announced methods of procedure for those trading in unlisted stocks. These rules are practically the same as those provided for dealings in unlisted bonds. The Committee, however, especially states it will not actually consummate any transactions or take any responsibility therewith. No restrictions are placed on trading in mining stocks listed on the New York "Curb" that sell at not over \$3 provided that no transactions or quotations are published. Following is the letter sent out:

New York, September 25 1914.

Dear Sir.—Referring to the circular letter of the Committee on Unlisted Stocks dated September 24 1914, relative to the sale of unlisted stocks not owned by the dealer, the Committee has arranged the following procedure for taking care of such transactions:

1. Bids or offerings should be made in writing, on separate slips, at specified prices and addressed to the Committee on Unlisted Stocks, New

York Stock Exchange Building, No. 18 Broad St., New York City, where representatives of the Committee will be present daily, except Saturday, between the hours of 10 A. M. and 12 o'clock noon, and 2 and 3 o'clock P. M. and on Saturday between 10 A. M. and 12 o'clock noon.

2. It is advisable that all such bids and offerings should be good until countermanded and for all or any part of the amount of stocks mentioned.

3. Where bids and offerings on the same stocks are received by the Committee, but at prices which do not permit of an immediate trade, the Committee will endeavor to bring buyer and seller together.

4. In the event that bids are filed at prices in excess of the prices at which the same stocks are offered, the Committee will adjust transactions, subject to the price being approved, on a fair basis.

5. Requests for offerings or bids without definite prices may also be filed.

6. Orders may be placed with brokers in good standing provided they are instructed to file them with the Committee. It is the desire of the Committee that the broker's position should not be prejudiced.

7. The Committee rules that it will not require orders in mining stocks listed on the New York Curb and selling at not over \$3 per share to be filed with them. It will permit trading to take place provided no transactions or quotations are made public.

8. It should be understood that the Committee will not actually consummate any transactions or take any responsibility in connection therewith and transactions made by this method should not be considered as having been finally consummated until confirmed between the principals. It is important that the principals should report in writing to the Committee the consummation of each transaction, to enable them to keep their records accurately.

The Committee on Unlisted Stocks will meet daily at 18 Broad St., 6th floor, from 11 to 12 o'clock except Saturday.

Yours very truly,

A. C. GWYNNE, of Jenks, Gwynne & Co.
 FREDERIC H. HATCH, of Frederic H. Hatch & Co.
 A. H. LOCKETT, of Wm. P. Bonbright & Co., Inc.
 E. R. MCCORMICK, Chairman, N. Y. Curb Market Assn.
 H. B. SMITHERS, of P. S. Smithers & Co., Chairman.

As a protest against the action of the Committee in charge of trading in unlisted stocks, representatives of over one hundred brokers in outside securities have held meetings this week, and a committee consisting of C. B. Coady as chairman; Chauncey Coles, Arthur Myles and J. K. Rice Jr., were appointed to make recommendations to the New York Stock Exchange Committee of Five suggesting certain changes.

A circular has been issued embodying these changes which any broker in the class of securities affected may sign. Among other things, it is suggested that the personnel of the committee in charge of trading in outside stocks be changed so that no dealer shall be a member. Also it is thought that where unlisted stocks have had an open and active market, transactions might be made without submission to the Committee when such trades are at or above the closing prices of July 30. The circular follows:

To the Committee of Five, New York Stock Exchange, 18 Broad St., City.

Gentlemen.—Owing to a general feeling of dissatisfaction amongst members and non-members of the New York Stock Exchange resulting from the formation of a Committee of Five to supervise dealings in unlisted securities, we, the undersigned, desire to suggest the following recommendations for your consideration:

First.—That the personnel of this committee be changed to the effect that same be composed of parties not identified as dealers.

Second.—That in stocks which have had an open or active market, transactions may be made without restrictions or necessity of report to the committee, when at or above the closing prices.

Third.—That where securities have not had an active or open market, the bid prices as published in the "Chronicle" of August 1st be accepted as the closing prices.

Fourth.—That in the case of securities where the committee may deem it possible to trade at prices below those prevailing on July 30th they establish minimum prices good for as long a time as the committee deems practical, and that a list of these prices be furnished to those making application for same.

We think that if the above recommendations are put into force, it will do away with the criticism which has been made as to the committee as at present constituted, and by so doing increase the efficiency of this Committee on Unlisted Securities, by securing thorough and hearty co-operation on the part of all brokers and dealers in these issues.

Yours very respectfully,

The Special Committee of Five of the New York Stock Exchange has made the following ruling:

24.

September 28.

On all loans of securities between members, as well as on contracts for securities still unsettled, the interest to and including Sept. 30 must be paid on Oct. 1.

One refreshing indication of the progress made toward normal conditions in the securities market is the issuance of monthly circulars of bond offerings by investment houses. One such received this week from N. W. Halsey & Co. has some pertinent remarks on the investment situation. The firm states:

The past six weeks have been a period of a good deal of perplexity to the investor. With most of the Stock Exchanges of the country closed, with practically no dealings in securities outside of the exchanges, bond buyers, many of whom have had funds available for investment, have been in something of a quandary as to what course to pursue. As a matter of fact, until very recently there has been practically nothing the investor could do but await developments. Now, however, a limited list of securities is being offered by many dealers and any one who has funds may put them to work by buying interest-bearing bonds if he desires. The extraordinary large subscription, embracing all sections of the country, to the recent offering of New York City short-time securities, indicates that a very large number of investors has reached the decision that there is no reason for a continuation of the do-nothing policy. On the contrary, such

investors believe this is the time to take advantage of the opportunity to purchase sound securities if offered on an attractive basis.

The following is from the same circular:

There are, then, many influences at work which make for an improvement in the security markets. Are all these influences to be more than offset by a flood of liquidation of American securities held by foreign investors?

If we, at this time, were to open our exchanges and at the same time were to establish a free market for gold, we have no doubt there would be an attempt on the part of Europe, so extremely exigent are the financial needs of the warring nations, to convert into gold, through our markets, a very great volume of securities. Prices would be accepted which would have little regard for intrinsic values.

We can hardly be expected to open our markets to Europe if, as a result, the prices of our securities are to be slaughtered without regard to value or if our gold supply is to be seriously depleted. Yet we cannot keep our markets closed indefinitely. The problem is one of the greatest difficulty, but we have no doubt a way will be found to meet the situation.

A plan for relieving the European situation has been suggested by John Muir of the Stock Exchange firm of John Muir & Co. Mr. Muir's proposal relates particularly to the payment for the securities which Europe wants to sell and suggests that settlement be made on a partial-payment basis. In explanation of his plan, Mr. Muir says:

America is in the position of a willing investor, with a good, steady income, but with limited capital immediately available.

Allowing Europe to sell on a partial-payment basis would broaden our absorption power and permit us to take the offerings without endangering our gold supply. If the American agents of the European sellers must remit cash immediately, good as is our credit we cannot pay, because we have not the necessary gold. We could, however, buy on a partial-payment basis, 25% on purchase and 25% in three, six and nine months.

The initial payment in gold is reduced by this method, and the succeeding payments should be reduced by grain exports. Possibly final payments may be largely or wholly met by the steadily increasing new credits thus established.

Under such a plan of deferred payment we would have little fear of the volume of offerings.

The Committee of Five of the Boston Stock Exchange has made the following rulings:

That orders to buy and sell stocks listed on the Boston Stock Exchange and closing at \$8 or under may be submitted at concessions from the closing prices. So much of the ruling of August 12 regarding the submission of orders as conflicts with this is rescinded. The Committee of Five recommends that on all loans of securities between members, and on contracts for securities still unsettled, the interest shall be adjusted and paid to October 1. Members dealing in outside securities are requested before making any transactions to get the authority of the Special Outside Committee.

The Special Committee of Five of the Philadelphia Stock Exchange rules that it will not require orders in mining stocks selling at not over \$3 a share to be filed with them. The Special Committee rules that until further notice members who desire to issue descriptive circulars offering securities may do so provided they first submit copy of proposed circular to the committee for approval.

The Committee on Unlisted Securities in Philadelphia makes the following ruling: "On and after Sept. 29 1914, and until further notice, dealers in unlisted securities may trade as between themselves, provided they do so at prices that have been approved. Circulars or lists of offerings may now be issued provided the prices quoted are those that have been approved."

The Committee on Securities of the Pittsburgh Stock Exchange has issued the following notice to members:

All members are hereby notified that unlisted securities which have been traded in on the Exchange and which are used as collateral security for loans are included in the resolutions adopted by the board of directors on Aug. 13 1914.

Another ruling allows transactions in mining shares selling at not over \$3 without submission to the Committee.

President A. E. Masten called a special meeting of the Stock Exchange Directors Sept. 28 at which the general situation was discussed. Later in the day the Committee on Securities met and authorized the following statement:

At the special meeting of the Board of Directors of the Pittsburgh Stock Exchange this morning, great satisfaction was expressed at the progress of local financial affairs. It was decided that the situation did not require any concessions in the price of stocks cleared through the Committee on Securities, but that members wishing to trade in bonds must file bids and offers with the committee, which may, at its discretion, authorize transactions in bonds at moderate concessions from the closing prices of July 30.

The Committee of Five of the Chicago Stock Exchange has ruled that members cannot trade over the telephone or otherwise carry out transactions which are not put through the committee.

Evidences that the situation in the oil industry is recovering from the demoralization produced by the European war is had in the announcements by the various transit companies indicating that transportation and marketing is approxi-

mately normal. The Buckeye Pipe Line, which has been taking two-thirds of the oil produced in its territory, is stated to have instructed gaugers in Southeastern Ohio to run all oil. The Cumberland Pipe Line Co., it is reported, began taking all Kentucky oil on Oct. 1. Previous to this the company was taking only two-thirds of the current production. Transportation and marketing will thus be back to normal in the Eastern fields. The Eureka Pipe Line Co., the largest oil-gathering system in West Virginia, on Monday of this week is reported to have made its highest run with a total of 69,454 barrels, more than 41,000 barrels in excess of the normal daily production of West Virginia fields. The surplus represented a part of the production that had backed up in the fields during the period of curtailed operations. Only a few weeks ago the South Penn Oil Co. almost completely stopped its purchases of crude oil in the Eastern fields. Operations of many of the pipe lines were almost at a standstill. Now, it is stated, the South Penn Oil Co. is taking all the oil offered and the pipe lines are again running all the producers' oil.

The above applies more particularly to the Eastern situation. In the West, in Oklahoma considerable trouble has arisen, due, it is stated, according to Eastern operators, to the interference of the Oklahoma State officials and the State Corporation Commission. It seems that some months ago the Prairie Oil & Gas Co. notified operators that the continuance of work and the bringing in of large wells must result in the loss of oil and lower prices. This warning was unheeded, except that the company was threatened with legal action by the producers and the Corporation Commission if it did not take care of production and maintain the market price.

Now, according to a tentative order issued Sept. 22, the Corporation Commission proposes to do the very thing suggested by the Prairie Oil & Gas Co., using, if necessary, the military authority of the State. A statement in the Dallas "News" says the order was drawn by Commissioner Henshaw and goes exhaustively into a discussion of the power of the State and the condition of the industry. It was framed with a view to getting the matter before the Supreme Court for judicial determination of the powers of the Commission in such cases. The order is to come up for hearing Sept. 28 before the Commission, at which time oil producers and pipe lines will present their arguments. It is the desire of Commissioner Henshaw that the permanent order then to be made be taken at once into the higher Court, there to be decided. The order is as follows:

It is hereby ordered that all producers shall not take more oil from their wells than can be sold upon the market at 65c. per barrel, or stored in regulation steel tankage, until the first day of October, 1914; that the rules and regulations for the curtailing of production will be considered by the Commission at the hearing on Sept. 28, at which time it will be determined how long the price shall remain at 65c. per barrel, with a view of raising the same to 75c. per barrel, the basis which the Commission has found to be just to prevent waste. The Commission will also consider rules and regulations with reference to storing oil with a view of limiting the storing to a minimum amount.

It is further ordered that no common purchaser or other purchasers of crude oil in the State of Oklahoma shall buy oil at a price less than 65c. per barrel until further ordered by the Commission.

For the hearing of Sept. 28 the Commission suggests that the business interests, including the oil producers as well as other affiliated interests, give full consideration to the plan outlined, that is, the curtailing of production to the reasonable market demands, and in what manner this can best be done. The Commission can give but little consideration to options based upon self-interests alone, but invites a consideration of the subject from a broad public and business standpoint, with that iron will of determination that characterized Andrew Jackson.

The above order of the Commission, forbidding the buying or selling of Oklahoma crude oil at less than 65 cents a barrel, was issued almost simultaneously with the announcement by the Prairie Oil & Gas Co. of a cut of 10 cents to 55 cents a barrel, and a refusal, it is reported, to take runs at the higher figure.

A dispatch from Oklahoma City under date of Sept. 30 states, however, that the State Corporation Commission, which has been considering the condition of the oil fields in the eastern section of Oklahoma, on that day ordered a uniform price of 55 cents per barrel for oil and prohibited the further drilling of wells without permission of the Commission, the Prairie Co. at the same time resuming the taking of oil.

Suspension and reduction of dividends in consequence of the financial disturbance attendant upon the world-wide business disturbance continue to multiply. In recent weeks the following have been forced to make changes in their disbursements: The Washington Water Power Co. reduced the dividend paid Oct. 1 to 1¼%, as against 2% paid previously.

West Penn Traction Co. has postponed the quarterly dividend of $1\frac{1}{2}\%$ due Oct. 15 on pref. stock. Amer. Public Utilities will not pay the usual October dividend of $1\frac{1}{2}\%$ on the preferred stock. Amer. Shipbuilding Co. has decided that, because of the falling off in earnings and present war conditions, it will not pay dividends on the preferred stock at present. Atlantic City Co. deferred its October dividend on preferred stock. The Singer Mfg. Co. has reduced its dividend from 4% to 2%. United Gas & Electric Corporation has voted to defer action on the dividend on first preferred stock.

Former Standard Oil subsidiaries announcing changes in their distributions this week are the Eureka Pipe Line Co., which reduced its dividend from \$8 to \$6. The Indiana Pipe Line Co. makes its dividend \$2 50, as against \$3 paid previously.

Copper-mining companies have been affected probably more than any other industry. The Anaconda Copper Mining Co. declares a dividend of 25 cents, as against 75 cents. The North Butte Mining Co. will take no formal action, but will omit to authorize the dividend. The Shattuck-Arizona Copper Co. passed its October dividend. U. S. Smelting, Refining & Mining Co. has deferred action on the common stock dividend usually paid Oct. 15. Canadian concerns add to the list, the following being forced to suspend distributions: Dominion Steel Corporation, Canadian Consolidated Felt Co. and Smart-Woods, Ltd.

The extension of the Italian moratorium was announced through a dispatch to Paris on the 27th ult. from Rome, which stated that a royal decree, issued at the latter point, prolongs the moratorium from Sept. 30 to Dec. 31. Banks are permitted to limit payments to 10% of the deposits during each of the next three months. Postal savings banks and banks issuing currency must pay deposits in full.

A Petrograd dispatch to the Exchange Telegraph Co. on the 29th ult. stated that the Russian moratorium had been extended for a month.

At a meeting of the French Cabinet on the 27th ult. two decrees were adopted. One, it was stated, continued the moratorium during the month of October, but increased the amount of current bank account that may be withdrawn to one-fourth of the total deposits. The other decree makes all contracts between Frenchmen and subjects of the belligerents drawn since the outbreak of hostilities null and void. It is explained that the French Government considers that it would be contrary to the public welfare if contracts with belligerents made prior to the outbreak of the war were either suspended if partially executed or canceled by order of the Court. A dispatch from M. Delcasse, Minister for Foreign Affairs, received at Washington later in the week, said:

The decree of the French Government dated yesterday (Sept. 28) confirming the moratorium, increases the limit to which manufacturers and merchants may draw on their accounts to two-thirds of their accounts as balanced on Aug. 4, the date of the first moratorium.

The "Wall Street Journal" of the 29th ult. published the following detailed information concerning the French moratorium under the revised extension:

By the revision of the commercial and financial moratorium, which has been prolonged to the end of October, the percentage of bank deposits allowed to be withdrawn was raised to a maximum of 25% above the initial 250 francs of new facilities granted for withdrawals to pay workmen pensions and purchasing material for agricultural purposes, payments by agricultural, co-operative and other mutual credit associations.

Checks unpaid on presentation must be certified by the drawee, and a corresponding amount set aside on account of the drawer. Holders of unpaid checks are entitled to 3% interest, and depositors cannot make withdrawals except with the assent of the holders of the certified checks or by a judicial decision. The benefit of the moratorium is not available to companies having paid dividends or interest to holders of their shares or founders' shares since the beginning of the war. All claims against Stock Exchange made prior to Aug. 4 have been temporarily suspended, but claimants are entitled to 5% interest.

The new decree prohibits any commercial relations, directly or indirectly, with Germany and Austria-Hungary, and cancels all contracts entered into with these countries since the beginning of the war. The fulfillment of all financial contracts and other obligations entered into with these countries prior to the war was canceled during hostilities. Special decrees will settle the question of patents and trade-marks, and those concerning German and Austrian subjects and life insurance and workmen's compensation policies of companies having their headquarters in these two countries. The commercial treaty of Frankfort, made with Germany in 1871, and the commercial treaty of Zurich, made with Austria-Hungary in 1859, have been canceled.

A proclamation signed by King George on Sept. 30 grants a further fourteen or thirty days' grace on certain bills of exchange.

The London Stock Exchange Committee, following Wednesday's moratorium proclamation, re-postponed on the 2d inst. the next general and Consols settlements t

Nov. 18. The Committee passed a new rule empowering it to suspend the rules relative to defaults. The Committee, when informed of a default, may direct liquidation, notice of which will be posted on the Exchange. Such notice will not be given to the press unless the Committee decides to terminate the liquidating member's membership in the Exchange.

An announcement was made on the 29th ult. of a modification by the English Government of the licenses under which the German banks in London were permitted to re-open. Further restrictions are put on their operations in closing up their existing accounts, and any balance after payment of all liabilities must be placed in the Bank of England to the Government's account.

It was also reported on the 29th ult. from London that wool brokers of England have formed a league to prevent the purchase of wools suitable for army requirements by neutrals on behalf of Germany. The "Journal of Commerce" says: "There have been heavy purchases of Yorkshires on behalf of firms residing in neutral territory who were known to be doing business with Germany. This has aroused suspicion, and brokers now have organized to find out the ultimate destination of the wool before any suspicious order even is considered."

Accounts from London also state that many German firms who owe money to Bradford exporters have sent intimations to their creditors that they are investing the amounts due them in the German war loan and that they will send scrip to Bradford in payment of their trade debts.

The merchants of the Bradford district are creditors of German and Austrian merchants to the extent of \$5,750,000. They are urging the Government to take some action to assist them in collecting this money.

A telegram from Vienna on the 26th ult. stated that the Minister of Finance is considering the question of the payment of the coupons of Austrian Rentes due Oct. 1 to holders in France and England. In view of the action, it is said, taken by those countries regarding the payment of debts due in Austria, it is expected that the Minister will decide to withhold the payments.

The Amsterdam Stock Exchange, according to the "Journal of Commerce," will be supervised, as long as the present situation continues, by the Government, which will decide upon its re-opening and the quotations. The paper quoted says:

An important law has been promulgated with reference to the Stock Exchange. The Amsterdam Bourse was closed on July 29 by order of the Committee. This being a private body, the Government has thought it fit to take the matter in its own hands, in order to be able to enact such regulations as it may deem needful, from a general point of view, as soon as the Stock Exchange will re-open. It has, therefore, been promulgated that the Government will supervise the Stock Exchange as long as the present situation lasts. It will decide about the re-opening of the Exchange and the quotations. It is intended to make official quotations only slightly below the end-July level, which will be the basis for margins to be paid by borrowers. If the actual quotations are lower, as may be expected, the Government will fix the time when further margins will have to be paid.

Many parties are of the opinion that it will be necessary to create some sort of a trust or of a banking company for the liquidation of commitments, which will otherwise remain a grave menace for the market. Lenders may also be obliged, under the terms of the new law, to take over the securities which they received for their loans, at prices to be fixed by the Government, if they want to have their loans liquidated and if there are no buyers for the securities at higher prices than those fixed by the Government. For the time being the law has only an academic interest, as it may be some time before the Stock Exchange will actually re-open.

A decree is reported to have been signed on Sept. 15 extending until Oct. 1 the general Egyptian moratorium on commercial affairs which was declared on Aug. 9 and expired on the 15th, without prejudice to the decree of Aug. 4, delaying the enforcement of payment of negotiable instruments until Nov. 1 next. Depositors, it is stated, will be allowed to increase their withdrawals from 5% to 15% up to a maximum of £E9,000; deposits under £E200 will receive a maximum of £E30; and charitable institutions will be allowed to withdraw a maximum of 30%. Fifteen per cent of the amount of commercial debts and negotiable instruments which matured before Aug. 4, the recovery whereof was delayed by the decree of Aug. 9, were payable on the 16th, "set-offs" between deposits and debts on bills held by the same bank will be permissible, while all drafts in favor of State municipal bodies for the settlement of taxes will be fully payable. This, combined with the opening of the spot market at the Minet Bassel, indicates, it is averred, a vast improvement in the economic situation.

From the "Monetary Times of Canada" we take the following statement emanating from the Hon. R. A. Pyne, Acting Prime Minister of Canada, with reference to the proposed steps to be taken by the Ontario Government in the interest of mortgagors and purchasers of property unable to make their payments:

The Ontario Government is of opinion that conditions in the Province do not call for any legislation in the way of a general moratorium. It has, however, been brought to the attention of the Government that mortgagees and vendors of property in some cases are taking advantage of their legal position to foreclose their mortgages and securities where, owing to circumstances brought about by the present war, the mortgagors and purchasers are unable to make their payments, and where it would be unjust and unfair under the circumstances that they should lose their properties, upon which in many cases they have paid large amounts.

It is therefore the intention of the Government at the next session of the Legislature to introduce an Act requiring mortgagees, holders of agreements of sale, options and other like securities to secure an order from a Judge before taking proceedings, either through the Court or otherwise, to foreclose or forfeit such mortgages or securities for default in payment of principal, and giving Judges power, upon a proper case being made out, to relieve from forfeiture and to extend the time for payment of principal moneys.

It is not intended by such proposed legislation to in any way interfere with rent, interest or other payments of this character, or in any case where a Judge does not feel that justice and right demand that some relief be given.

It is the intention of the Government to make such legislation retroactive and the Judges and the legal profession are particularly requested to make note of the proposed legislation and of this fact.

BANKING, FINANCIAL AND LEGISLATIVE NEWS.

The full program of the business sessions arranged for the annual convention at Richmond of the American Bankers' Association was issued this week. The convention will be held the week of October 12 and Wednesday and Thursday have been set apart for the business proceedings of the main body. As stated last week, the meetings of the Trust Company and Savings Bank sections will be held on Tuesday, October 14. The Clearing House and State Secretaries' sections will also meet on Tuesday. The program of the Savings Bank and Trust Company sections were outlined in these columns last week. The following is the order of proceedings for the general convention.

WEDNESDAY, OCTOBER 14 1914.

First Day's Session.

The Jefferson Hotel (Auditorium)

Convention Called to Order at 9:30 o'clock A. M. sharp by the President, Arthur Reynolds.

Invocation by Rt. Rev. Collins Denny, Bishop Methodist Episcopal Church, South Richmond.

Addresses of Welcome—Hon. Henry C. Stuart, Governor of Virginia; Hon. George Ainslie, Mayor City of Richmond, and Col. John B. Purcell, President Richmond Clearing House Association.

Response to Addresses of Welcome and Annual Address—Arthur Reynolds, Des Moines, Iowa, President.

Annual Report of the General Secretary, Fred. E. Farnsworth, New York City.

Annual Report of the Treasurer, J. W. Hoopes, Galveston, Texas.

Annual Report of the General Counsel, Thomas B. Paton, N. Y. City.

Annual Report of the Executive Council, President, Arthur Reynolds, Chairman.

Annual Report of the Protective Committee, Fred. E. Farnsworth, Secretary.

Reports of Sections and Committees.

Address—Hon. Martin W. Littleton, New York City.

Announcements.

Afternoon Session, Two O'clock.

Address—Hon. Carter Glass, Chairman Committee on Banking and Currency of the House of Representatives, "Federal Reserve System."

Address—(Speaker to be announced.)

Discussion on the above subject led by the members of the Currency Commission of the American Bankers' Association.

Announcements.

Adjournment.

THURSDAY, OCTOBER 15 1914.

Second Day's Session.

The Jefferson Hotel (Auditorium).

Convention Called to Order at 9:30 o'clock sharp by the President, Arthur Reynolds.

Invocation by Rt. Rev. D. J. O'Connell, Bishop of the Diocese of Virginia.

Agricultural Symposium—
Report of the Agricultural Commission: B. F. Harris, Champaign, Ill., Chairman.

Action on Report.

Short Addresses—Hon. Logan Waller Page, Director, Office of Public Roads, U. S. Department of Agriculture, Washington, D. C., "Fundamental Problems in Highway Improvement."

Edward K. Graham, President of the University of North Carolina, Chapel Hill, N. C., "The Banker and the Larger Citizenship."

Dr. C. G. Hopkins, Department of Soil, University of Illinois, Champaign, Ill., "Soil Fertility: Greatest Necessity and the Best Investment."

J. D. Eggleston, President of the Virginia Polytechnic Institute, Blacksburg, Va., "Educating the Producer."

Announcements.

Afternoon Session, Two O'clock.

Address—To be announced.

Reports of Committees.

Invitations for Next Convention.

Unfinished Business.

Communications from Executive Council.

Resolutions.

Report of Committee on Nominations.

Action on Same.

Installation of Officers.

Announcements.

Adjournment, *sine die*.

At the close of the convention a meeting of the new Executive Council for organization will be held at the Jefferson Hotel.

The program for the Clearing House section is as follows:

TUESDAY, OCTOBER 13 1914

The Jefferson Hotel (Salon).

Ten O'clock A. M.

Call to Order—President John K. Ottley.

Invocation—Rev. Frank T. McFaden, First Presbyterian Church.

Annual Address of the President, John K. Ottley.

Annual Report of Executive Committee, J. D. Ayres, Chairman.

Annual Report of the Secretary, O. Howard Wolfe.

Action on the above reports.

Address—"Credits from the Standpoint of A Certified Public Accountant"—Frederick H. Hurdman, New York City.

Address—"The Effect of the Federal Reserve Act Upon Clearing House Examinations."—Francis Coates Jr., Examiner Cleveland Clearing House Association, Cleveland, Ohio.

On Sept. 29 the Treasury Department ruled that bonds of the Territory of Hawaii are at this time an acceptable security as a basis of issuance of currency to national banks through national currency associations, under the terms and provisions of the Aldrich-Vreeland Act as amended.

In announcing that there is to be no postponement of the Panama-Pacific International Exposition, Secretary of State Bryan on the 24th ult. said:

There will be no postponement of the Panama-Pacific International Exposition. It will open according to the original plan on Feb. 20 1915. The Government has received official notice from thirty-seven foreign governments of their intention to participate in the Exposition, and no foreign nation has given notice of its intention to withdraw on account of the war. In addition to the official acceptances, the Exposition received assurances from committees in four nations that the people of those nations would participate. Among those committees were two formed in Great Britain and Germany. Neither of those nations had given notice of Governmental participation.

The governments of France and Italy have given notice that they will proceed with their plans for participation, notwithstanding the disturbed conditions in Europe.

The European nations which have given notice of participation are France, Italy, Austro-Hungary, Portugal, Sweden, the Netherlands, Denmark, Greece, Norway and Turkey; and Spain has recently advised this Government that it intends to participate.

Twenty-nine other nations in Latin-America, the Orient and Australasia, have given notice of participation, and many of them are at work on their buildings.

The Rivers and Harbors bill was signed by President Wilson yesterday, October 2. The bill as it becomes a law calls for an appropriation of \$20,000,000. As it had originally passed the House some months ago it called for an appropriation of \$43,000,000 and the Senate Committee added \$10,000,000 to this; a filibuster in the Senate led by Senator Burton of Ohio resulted in the adoption of a motion on September 21 to re-commit the bill, and to report a substitute carrying not more than \$20,000,000. The Senate passed the substitute measure on September 22 and the House accepted it on the 29th.

Two resolutions bearing on the Standard Oil Co. were passed by the Senate on Sept. 28. One of them, introduced by Senator Chilton, proposes a thorough investigation by the Inter-State Commerce Commission of the oil situation in New York, Pennsylvania, Ohio, West Virginia and Oklahoma. While it makes no specific mention of the Standard Oil Co., it is said to have been prompted by the fact that since the war began, the company has been purchasing only about 25% of the amount of oil it formerly purchased from independents of the Appalachian oil field. Mr. Chilton, in offering the resolution, complained that the independents, having no extensive pipe line system, rely for their market wholly on the Standard Oil Co., and that the reduction of the Standard's purchases from them to one-fourth of their normal supply would cut the profits of the independents to such an extent, he feared, that they might be forced to dispose of their properties. The text of the resolution is as follows:

Resolved, That the Inter-State Commerce Commission be requested to make thorough investigation of the conditions prevailing and that have prevailed in the States of New York, Pennsylvania, West Virginia, Oklahoma and Ohio, or elsewhere, affecting the production, transportation and marketing of crude petroleum, with especial reference to the manner in which the market for same has been created, maintained and controlled, and by whom, and the effect of such market and the maintenance and control thereof upon the inducement of capital to seek investment in the oil business, and especially in the development of new fields.

Said Commission shall also ascertain what connection or relation of any kind has existed or now exists between or among any two or more of the pipe-line companies which have been or are now transporting crude oil within said field, together with what, if any, common ownership, interest or control has at any time existed or now exists between such pipe lines or any of them, and the various agencies that have purchased crude oil in said States since 1890, and what disposition such agencies have made of the crude oil so purchased, and to whom it has been turned over for refining and manufacture, and under what conditions, with the object of ascertaining for the information of the Senate whether the charge is true, that substantially the same interests have operated the pipe lines, made the market, bought the crude oil, refined it, and fixed the price of the refined products, and whether in such respect the laws of the United States have been violated.

Said Commission shall also inquire into and ascertain if it is true that said pipe-line companies, or any of them, have recently stopped taking all or

any part of the crude oil produced by independent producers into tanks to which such pipe-line companies have connected their pipe lines, and whether it is true that said purchasing agencies, or any of them, have recently stopped purchasing all or any part of the crude oil so produced by independent producers in said States, together with any information the Commission may be able to obtain as to the reasons for such refusal to run and purchase oil, and that effect the same is having upon the oil industry, and especially properties already developed in the States named.

Said Commission shall report to the Senate its findings, together with the evidence taken, when its work hereunder is completed.

The other resolution, submitted by Senator Gore, calls for a general investigation by the Federal Trade Commission into the affairs of the Standard Oil Co. We print it below:

Resolved, That the Federal Trade Commission be requested, as soon as organized, to investigate the following matters and report its findings to the Senate:

First. The relation now existing among the several branches or companies into which the Standard Oil Co. was resolved after its dissolution in pursuance of the decision of the Supreme Court.

Second. The relation between the producing, purchasing, transporting and refining agencies of the Standard Oil Co. or its branches, and the methods and practices on the part of such agencies toward the independent producers, transporters and refiners of oil.

Third. The efforts of the Standard Oil Co. or the companies into which it was divided to control the price of crude oil and the price of its refined products, as well as the results of such efforts.

Fourth. The capital and declared dividends of the Standard Oil Co. for three years prior to dissolution, and as to the capital and declared dividends of the several companies into which it was resolved since the date of its dissolution, together with a comparison of such earnings with the earnings of independent oil-refining companies.

The Farm Mortgage Bankers' Association of America holds its first annual convention in Chicago next week (Oct. 7 and 8) at the Hotel La Salle, and indications point to a large attendance. The principal speaker will be John Lee Coulter, Secretary of the United States Commission for the Study of European Systems of Rural Credit, Agricultural Expert United States Census Bureau, and Professor of Rural Economics of George Peabody College. George Roberts, Director of the United States Mint, will speak at the banquet. A number of other speakers of note who have made a study of rural credits, &c., will also address the convention. F. W. Thompson is President of the Association. H. M. Hanson is Secretary.

The New York Chamber of Commerce on Thursday elected Jacob H. Schiff Vice-President, in place of Paul M. Warburg, resigned. The Chamber also decided to abandon its annual dinner and to contribute its cost to the Red Cross Society for use in the European War.

Ex-Judge E. H. Gary, Chairman of the United States Steel Corporation, it is announced has resigned from all companies not identified with the Corporation, his withdrawal from the directorate of the Southern Railway Co. being the last of a long list of resignations. It is said that Judge Gary began to resign from boards of different corporations as far back as two years ago so as to conform to the growing sentiment against "interlocking directorates".

On Monday morning the Franklin Trust Co. of Brooklyn, Arthur King Wood, President will open a New York office at 46 Wall Street, corner William Street, in the Bank of America Building. The company will have a fully equipped office in this prominent Wall Street location. The offices are located on the ground floor and provided with every facility for the transaction of business in the metropolis. The company also announces the election of two new officers, who will be stationed at the New York office: Edward C. Delafield, as Vice-President, and C. Carlton Kelley, as Assistant Secretary. Mr. Delafield is a cousin of Richard Delafield, President of the National Park Bank, and for some years past has been Managing Director of the Delafield Estate. Mr. Kelley is a nephew of Augustus W. Kelley, for many years Vice-President of the Union Trust Co., and received his early banking training in the Union Trust Co. For the past four years he has been Secretary and Treasurer of the Rockland County Trust Co. at Nyack, N. Y.

Spencer Wells Richardson, a founder of the banking and brokerage firm of Richardson, Hill & Co. of Boston, died suddenly at his home on the 19th ult. at the age of eighty years. Mr. Richardson was formerly a member of the banking firm of Dwight, Richardson & Co., established in 1866. In 1870, with William H. Hill Jr. and Edward D. Adams, he established the firm of Richardson, Hill & Co. He had been Treasurer of the Saco Water Power Machine Shop of Biddeford, Me., a director of the Bangor & Boston Steamship Co., a director of the Boston & Colorado Smelting Co. and a trustee of the Aberdeen Land Co.

Application will be made Dec. 7 for a State charter for the Twenty-second Street Bank of Philadelphia, Pa. It will have a capital stock of \$100,000. The incorporators include Samuel Mosca, Paul Keuffer, Charles Seeto, Charles F. Burger and Benjamin Kauffman.

The Mercantile State Bank of Minneapolis, Minn., was organized on Sept. 10 with a capital of \$300,000 and a surplus of \$90,000. The bank will begin business about Nov. 1. It will start under the presidency of W. B. Tscherner, President of the Exchange State Bank of La Crosse, Wis. The vice-presidents of the new organization will be Lauritz S. Swenson, formerly Vice-President of the Union State Bank of Minneapolis and former Ambassador to Denmark, Norway and Switzerland, and Judge M. C. Tift. The Cashier is to be William D. Olsen.

The stockholders of the Northern Trust Co. of Chicago voted on Wednesday to increase its capital from \$1,500,000 to \$2,000,000, the \$500,000 new stock to be offered to holders of present shares at par. Stockholders of record September 30 are entitled to subscribe for the new stock at the rate of one share of new stock for each three shares of old stock. Payment for the stock will be provided for in a cash dividend of 33 1-3%, payable to the stockholders on October 31 out of the institution's undivided profits. After the distribution of new stock the bank will have a capital of \$2,000,000, surplus and undivided profits of more than \$2,500,000, while its deposits on September 14 last were \$30,126,000. The company also will increase its directors from nine to eleven.

At a special meeting of the directors of the Live Stock Exchange National Bank of Chicago, on Sept. 19, Melvin A. Traylor was elected a Vice-President. Mr. Traylor had formerly been Vice-President of the National Stock Yards National Bank of National Stock Yards, Ill.

On October 1st Charles R. Holden will become actively associated with the Union Trust Co. of Chicago as a Vice-President and as Counsel. Mr. Holden comes from the legal firm of Kraus, Alschuler & Holden, for many years the bank's counsel. He will devote his attention to all the interests of the bank, and will be of peculiar benefit to the trust, real estate and bond departments.

On Monday next the Continental & Commercial National Bank of Chicago and the Continental & Commercial Trust & Savings Bank will open for business in their magnificent quarters in their new building, 208 La Salle Street; the new home of the bank, which has been previously described in these columns, is said to have cost \$12,000,000. Its main office floor is claimed to be the largest in the world. Gold and securities valued approximately at \$250,000,000 will be removed secretly between the bank's closing to-day and its opening on Monday morning.

Sherrill Smith, National Bank Examiner in the Pittsburgh district, has been appointed Chief Examiner of the Chicago district, succeeding Owen T. Reeves, who recently resigned to become President of the Drovers' National Bank of Chicago.

The directors of the National Bank of Commerce, St. Louis, voted the past week to reduce the quarterly dividend to 1 1/2%, the previous rate having been 2%, or 8% yearly. It is officially stated that the reduction is made in the desire to strengthen the institution by building up its surplus fund, and particularly in view of the condition of business in general. The recent official call showed the bank to have surplus and undivided profits of \$2,450,000.

The Hamilton Trust & Savings Bank of Chattanooga, Tenn., celebrated recently its silver anniversary, having commenced business in September 1889. The institution has enjoyed a marked degree of prosperity during the quarter of a century, its capital having been increased from \$50,000 to \$250,000, while its deposits have grown to \$1,400,000. Between 7 and 9 p. m. the bank held a reception, when nearly four thousand of its friends called to offer congratulations. President T. R. Preston is the only official of the bank to-day who has served continuously for the 25

years. C. M. Preston is Vice-President of the bank and F. L. Underwood, Cashier.

In accordance with plans heretofore outlined in these columns, the business of the Chatham Bank of Savannah, Ga., was merged into that of the Savannah Trust Co. on the 14th ult. The enlarged Savannah Trust Co. has vacated its own quarters and moved into the new Chatham Bank Building. The Chatham Bank has been placed in liquidation and its President, Leopold Adler, has succeeded W. W. Mackall as President of the trust company; Mr. Mackall has become Chairman of the executive committee; F. W. Clarke, Vice-President of the Chatham Bank, becomes Vice-President of the Savannah Trust; H. C. Anderson remains as Secretary; J. H. Calais continues as Treasurer and J. J. Cornell, Cashier of the Chatham Bank, becomes Assistant Secretary and Treasurer. W. V. Davis, who had been Vice-President of the trust company, withdrew from the management on Aug. 29.

Charles Edmonston, Cashier of the Commercial Bank of Savannah, Ga., died on the 14th ult. He had been in the employ of the bank for the past ten years.

The Standard Bank of Canada, home office Toronto, on the 29th ult. declared a dividend for the current quarter ending October 31st 1914 at 3 1/4%, being at the rate of 13% per annum upon the paid-up capital stock of the bank, and which will be payable on and after the 2nd of November to shareholders of record as of the 23rd of October 1914.

The stockholders of the Metropolitan Bank (head office Toronto) ratified on the 14th ult. the proposal to sell its assets to the Bank of Nova Scotia (head office Halifax) in accordance with the plans for its merger with the Bank of Nova Scotia as announced in these columns Aug. 1. Under the arrangements for its absorption the stockholders of the Metropolitan Bank will receive \$200 cash and one share of Bank of Nova Scotia stock for two shares of Metropolitan stock.

THE ENGLISH GOLD AND SILVER MARKETS.

We reprint the following from the weekly circular of Samuel Montagu & Co. of London, written under date of Sept. 17 1914:

GOLD.

Gold continues to flow steadily into the Bank of England reserves. The following receipts have been notified by the Bank:

Sept. 10..£1,062,000 in bar gold.	Sept. 14.. £65,000 in U. S. gold coin.
" 10.. 151,000 " U. S. gold coin.	" 15.. 66,000 " bar gold.
" 11.. 11,000 " bar gold.	" 15.. 125,000 " U. S. gold coin.
" 11.. 124,000 " U. S. gold coin.	" 16.. 34,000 " bar gold.
" 12.. 10,000 " bar gold.	" 16.. 74,000 " U. S. gold coin.

Withdrawals were made as under: Sept. 16, £500,000 set aside for H. M. Treasury note redemption account.

The net influx during the week is £1,222,000.

Owing to a shortage of currency, it is proposed to mint gold coin of local design in British South Africa.

SILVER.

The trend of prices has been downward. The lowest price during the week was 23 15-16d. on Tuesday—a drop of 11-16d. from that of Monday, notwithstanding that supplies were far from plentiful. Sellers were placed at a disadvantage owing to the continued absence of Eastern support.

The desire to supplement currency facilities is not confined to this hemisphere, for the United States of America is committed to the purchase of no less than 25,000,000 ozs. for subsidiary silver coin. The authorization stipulated that the price paid should not be above the average of the quotations between Jan. 15 and June 15 1914, namely about 27 1/4d. per ounce standard. Therefore, until that price is exceeded, supplies from America are likely to be cut off considerably at the source.

Certain of the Mexican refineries are at work, but the high rate of insurance now necessary to cover war risk does not encourage shipments.

On the other hand, it is announced that silver to the value of £40,000, which sank with the "Empress of Ireland," has been recovered.

One thing is very plain, the character of the market is such that any real competition can hardly fail to cause upward movements as pronounced as those which take place in a downward direction.

The extreme strain placed upon currency systems as a consequence of the war is not likely to be relaxed at once, whether the war come to an unexpectedly swift end, or be unduly prolonged, and an exceptionally large demand for silver coin is likely to arise for some time to come.

The following Indian currency statement was issued on Aug. 11:

Note circulation	7,069 lacs
Rupees	3,360 "
Gold in England	765 "
Gold in India	1,546 "
* Silver rupees in gold standard reserve	600 "

* These have since been replaced by gold transferred from the preceding item.

The stock in Bombay on the 15th inst. was 4,800 bars. No shipment has been made from San Francisco to Hong Kong during the week.

The quotation to-day for cash delivery is one penny below that fixed a week ago.

Quotations for bar silver per ounce standard:

Sept. 11.. 25 3-16 cash	No quotation	Bank rate	5%
" 12.. 25 " "	fixed	Bar gold, per ounce standard	77s 9d
" 14.. 24 1/2 " "	for	French gold coin per ounce	Nominal
" 15.. 23 15-16 " "	forward	German gold coin per ounce	Nominal
" 16.. 24 1/4 " "	delivery.	U. S. gold coin per ounce	Nominal
" 17.. 24 " "			
Ave. for week 24 1/2 cash			

Commercial and Miscellaneous News

National Banks.—The following information regarding national banks is from the office of the Comptroller of the Currency, Treasury Department:

APPLICATIONS TO CONVERT APPROVED.

- The Planters' Bank, Rocky Mount, N. C., into "The Planters' National Bank of Rocky Mount." Capital, \$100,000.
- The Bank of Lumberton, Lumberton, N. C., into "The National Bank of Lumberton." Capital, \$100,000.
- The Skagit State Bank, Burlington, Wash., into "The Burlington National Bank." Capital, \$25,000.
- The Bank of Wayne of Goldsboro, N. C., into "The Wayne National Bank of Goldsboro." Capital, \$325,000.
- The First State Bank of Honey Grove, Tex., into "The State National Bank of Honey Grove." Capital, \$125,000.
- The Peoples Bank of Greenville, S. C., into "The Peoples National Bank of Greenville." Capital, \$200,000.
- The Bank of Mount Olive, N. C., into "The First National Bank of Mount Olive." Capital, \$25,000.
- The First State Bank of Eddy, Tex., into "The First National Bank of Eddy." Capital, \$50,000.
- The First State Bank of Edgewood, Tex., into "The First National Bank of Edgewood." Capital, \$25,000.
- The First State Bank of Hamlin, Tex., into "The State National Bank of Hamlin." Capital, \$25,000.
- The Farmers State Bank of Cooper, Tex., into "The Farmers National Bank of Cooper." Capital, \$50,000.
- The Bank of Rocky Mount, N. C., into "The National Bank of Rocky Mount." Capital, \$100,000.
- The First State Bank of Avery, Tex., into "The First National Bank of Avery." Capital, \$40,000.
- The First State Bank of Bogota, Tex., into "The Bogota National Bank." Capital, \$50,000.
- The Bank of Seale, Ala., into "The First National Bank of Seale." Capital, \$60,000.
- The First State Bank of Quitman, Tex., into "The First National Bank of Quitman." Capital, \$50,000.

VOLUNTARY LIQUIDATION.

- 8,413—The First National Bank of Wolbach, Neb., Aug. 18 1914, at close of business on that date. Liquidating agent, F. E. Seavey, Wolbach, Neb. (Succeeded by the State Bank of Wolbach.)
- 8,965—The Cresson National Bank, Cresson, Tex., Aug. 27 1914. Liquidating agent, C. C. Fidler, Cresson, Tex.
- 9,822—The Olean National Bank, Olean, N. Y., Sept. 15 1914. Succeeded by the Olean Trust Co., which is to act as liquidating agent.
- 9,662—The Mercantile National Bank of Seattle, Wash., Aug. 29 1914. Consolidated with the German-American Bank of Seattle, which is to change its title to the "German-American Mercantile Bank." Liquidating agents, H. Middaugh and C. S. Harley, Seattle, Wash.
- 9,490—The First National Bank of Edina, Mo., Sept. 14 1914. Liquidating committee, R. L. Wilson, Monroe City, Mo.; J. M. Beal, Edina, Mo.
- 10,326—The Citizens' National Bank of Columbia, Miss., Sept. 21 1914. Liquidating agent, C. H. McCoy, Columbia, Miss. Succeeded by a State bank.

CHARTERS ISSUED TO NATIONAL BANKS SEPT. 2 TO SEPT. 21.

- 10,607—The Commercial National Bank of Sherman, Tex. Capital, \$200,000. W. R. Brents, Pres.; F. Z. Edwards, Cashier. (Conversion of the Commercial State Bank of Sherman, Tex.)
- 10,608—The Planters National Bank of Rocky Mount, N. C. Capital, \$100,000. J. C. Braswell, Pres.; J. W. Aycock, Cashier. (Conversion of the Planters' Bank of Rocky Mount, N. C.)
- 10,609—The City National Bank of Fort Smith, Ark. Capital, \$100,000. I. H. Nakdimen, Pres.; Cashier.
- 10,610—The National Bank of Lumberton, N. C. Capital, \$100,000. A. W. McLean, Pres.; C. V. Brown, Cashier. (Conversion of the Bank of Lumberton, N. C.)
- 10,611—The Wise County National Bank of Wise, Va. Capital, \$25,000. C. F. Bruce, Pres.; E. B. McElroy, Cashier. (Conversion of the Wise County Bank, Wise, Va.)
- 10,612—The First National Bank of Arcadia, Okla. Capital, \$25,000. A. H. Crabb, Pres.; J. A. Lynn, Cashier.
- 10,613—The City National Bank of Boonville, Ind. Capital, \$75,000. William F. Weyerbacher, Pres.; Charles E. Powell, Cashier. (Succeeds the Boonville National Bank, Boonville, Ind.)
- 10,614—The Wayne National Bank of Goldsboro, N. C. Capital, \$325,000. E. B. Borden, Pres.; W. E. Borden, Cashier. (Conversion of the Bank of Wayne, Goldsboro, N. C.)
- 10,615—The Stroud National Bank, Stroud, Okla. Capital, \$25,000. J. B. Charles, Pres.; A. A. Seaton, Cashier. (Succeeds the Stroud State Bank, Stroud, Okla.)
- 10,616—The American National Bank of Kewanna, Ind. Capital, \$25,000. Thomas J. N. Willoughby, President; John C. Gorsline, Cashier.
- 10,617—The State National Bank of Honey Grove, Tex. Capital, \$125,000. J. A. Underwood, President; H. L. Allen, Cashier. (Conversion of The First State Bank of Honey Grove, Tex.)
- 10,618—The National Bank of Charlottesville, Va. Capital, \$200,000. Hollis Rinehart, President; R. T. Miner Jr., Cashier.
- 10,619—The First National Bank of Canby, Ore. Capital, \$25,000. H. A. Dedman, President; H. B. Evans, Cashier. (Succeeds Commercial Department of Canby State Bank, Canby, Ore.)
- 10,620—The First National Bank of Oregon, Wis. Capital, \$25,000. H. H. Shotts, President; C. N. Shilton, Cashier.
- 10,621—The Citizens' National Bank of Bedford, Va. Capital, \$50,000. S. S. Lambeth Jr., President; R. E. White, Cashier. Post Office, Bedford City.

Canadian Bank Clearings.—The clearings for the week ending Sept. 26 at Canadian cities, in comparison with the same week of 1913, shows a decrease in the aggregate of 15.3%.

Clearings at—	Week ending Sept. 26.				
	1914.	1913.	Inc. or Dec.	1912.	1911.
Canada—	\$	\$	%	\$	\$
Montreal	50,083,676	56,740,368	-11.7	59,515,883	42,136,000
Toronto	32,522,175	41,319,055	-21.3	38,683,303	30,128,186
Winnipeg	33,071,813	33,764,438	-1.1	25,024,259	21,246,283
Vancouver	7,465,286	11,734,049	-36.4	12,241,019	11,706,064
Ottawa	3,795,279	4,516,274	-16.0	3,569,071	3,663,179
Quebec	3,782,342	3,536,588	+6.9	2,938,511	2,217,128
Halifax	1,943,213	2,132,879	-8.9	1,600,776	1,527,277
Hamilton	2,516,197	3,020,984	-16.7	3,202,299	2,130,938
St. John	1,623,367	1,590,882	+2.1	1,822,242	1,143,578
Calgary	3,519,091	4,784,382	-26.7	8,445,201	3,588,454
London	1,508,769	1,648,492	-8.5	1,565,678	1,118,952
Victoria	1,966,638	3,207,390	-38.7	3,620,066	2,049,834
Edmonton	2,365,854	3,942,000	-40.0	4,271,230	2,173,876
Regina	2,319,210	2,523,340	-8.1	2,208,843	1,651,827
Brandon	518,383	608,017	-14.8	605,590	480,605
Lethbridge	375,139	698,704	-38.3	679,705	498,767
Saskatoon	1,041,148	1,562,390	-33.3	2,279,051	1,363,466
Moose Jaw	909,013	1,200,557	-24.2	1,657,151	818,693
Brantford	429,538	572,979	-24.9	612,071	373,005
Fort William	846,337	1,019,845	-17.0	734,682	---
New Westminster	347,715	516,478	-32.7	---	---
Medicine Hat	386,960	547,121	-29.8	---	---
Peterborough	440,821	Not incl. in total.	---	---	---
Total Canada	153,337,143	181,097,212	-15.3	175,276,661	130,016,112

BANK NOTES—CHANGES IN TOTALS OF, AND IN DEPOSITED BONDS, &c.—We give below tables which show all the monthly changes in bank notes and in bonds and legal tenders on deposit.

Table showing monthly changes in Bonds and Legal Tenders on Deposit for 1913-14. Columns include Date, Bonds, Legal Tenders, and Circulation Afloat Under (Bonds, Legal Tenders, Total).

*Of which \$126,241,760 miscellaneous securities, Act of May 30 1908.

The following shows the amount of each class of bonds held against national bank circulation and to secure public moneys in national bank depositories on Aug. 31.

Table showing U. S. Bonds Held Aug. 31 to Secure—Circulation. Columns include Bank Circulation, Public Deposits In Banks, and Total Held. Lists various bond types like U. S. consols of 1930, U. S. loan of 1905-18, etc.

b Exclusive of securities accepted but not scheduled.

The following shows the amount of national bank notes afloat and the amount of legal-tender deposits Aug. 1 and Sept. 1 and their increase or decrease during the month of August:

Table showing National Bank Notes—Total Afloat—Amount afloat August 1 1914, Amount afloat September 1 1914, and Net amount issued during August. Also includes amounts for legal-tender notes.

DIVIDENDS.

The following shows all the dividends announced for the future by large or important corporations. Dividends announced this week are printed in italics.

Table of Dividends. Columns: Name of Company, Per Cent., When Payable, Books Closed, Days Inclusive. Lists dividends for various companies including Railroads (Steam), Street and Electric Railways, and other corporations.

Table of Dividends (continued). Columns: Name of Company, Per Cent., When Payable, Books Closed, Days Inclusive. Lists dividends for Banks, Fire Insurance, Miscellaneous, and other corporations.

a Transfer books not closed for this dividend. b Less British income tax. c Corporation, e Payable in stock. f Payable in common stock. g Payable in scrip. h On account of accumulated dividends. i Owing to an error in the published advertisement, the dividend on the common stock of the Otis Elevator Co. reported in this column last week was made 1%, whereas it should have been 1 1/4%.

Statement of New York City Clearing-House Banks and Trust Companies.—The New York Clearing House has discontinued for the present issuing its detailed statement showing the weekly averages of condition of the separate banks and trust companies, both the member and the "non-member" institutions. The reserve items "Cash reserve in vault" and "Trust companies' reserve with C. H. members carrying 25% cash reserve" are separately stated as to banks and trust companies in the summarized statement furnished by the Clearing House; but with these exceptions the figures are for banks and trust companies together and are not apportioned between the two classes of institutions. The publication of the statement in the usual form, it is stated, will not be resumed until all outstanding Clearing-House loan certificates are retired. The last complete statement issued, that for August 1 1914, will be found in the "Chronicle" of August 8 on page 398.

We show below the figures as given out by the Clearing House and also print the totals reported by the State Banking Department for the State banks and trust companies in Greater New York *not in the Clearing House*. In addition we combine, as has been our custom, each corresponding item in the two statements, thus affording an aggregate for the whole of the banks and trust companies in Greater New York.

NEW YORK CITY BANKS AND TRUST COMPANIES.

Week ended Sept. 26.	Clear.-House Members Actual Figs.	Clear.-House Members Average.	State Banks & Trust Cos. not in C.-H., Av.	Total of all Banks & Tr. Cos., Aver.
Capital as of June 30....	\$175,300,000	\$175,300,000	\$28,950,000	\$204,250,000
Surplus as of June 30....	296,930,800	296,930,800	70,887,900	367,818,700
Loans and investments... Change from last week	2,226,706,000 -3,576,000	585,639,100 -3,248,400	2,812,345,100 -6,824,400	
Deposits Change from last week	1,983,246,000 -990,000	2,559,999,700 -3,927,200	2,559,999,700 -4,917,200	
Specie Change from last week	325,774,000 +5,225,000	641,146,000 -250,100	366,920,000 +4,974,900	
Legal-tenders Change from last week	ACTUAL FIGURES NOT GIVEN	89,905,000 +1,637,000	103,382,500 +1,662,500	
Banks: Cash in vault... Ratio to deposits....	349,492,000 Not given	12,995,500 13.79%	362,487,500	
Trust Cos.: cash in vault....	66,187,000	41,628,000	107,815,000	
Aggr'te money holdings... Change from last week	415,679,000 +6,882,000	54,623,500 -244,600	470,302,500 +6,637,400	
Money on deposit with other bks. & trust cos... Change from last week	52,327,000 +2,733,000	77,466,100 +1,625,800	129,793,100 +4,358,800	
Total reserve Change from last week	468,006,000 +9,615,000	132,089,600 +1,381,200	600,095,600 +10,996,200	
Surplus CASH reserve— Banks (above 25%)... Trust cos. (above 15%)	Not given Not given	Not given Not given	Not given Not given	
Total Change from last week	def30,709,400 +7,674,700			
% of cash reserves of trust cos— Cash in vault... Cash on dep. with bks.	Not given Not given	9.75% 15.56%		
Total	Not given	25.31%		

+ Increase over last week. — Decrease from last week.
a These are the deposits after eliminating the item "Due from reserve depositaries and from other banks and trust companies in New York City and exchanges"; with this item included, deposits amounted to \$650,534,300, a decrease of \$3,608,800 over last week. In the case of the Clearing-House members, the deposits are "legal net deposits" both for the average and the actual figures. b Gold. c Currency and bank notes.

CIRCULATION.—Circulation of national banks September 26 reported at \$137,261,000; Sept. 19, \$129,716,000; Sept. 12, \$124,516,000; Sept. 5, \$114,382,000; Aug. 29, \$103,157,000; Aug. 22, \$88,539,000; Aug. 15, \$74,017,000; Aug. 8, \$51,093,000; Aug. 1, \$41,578,000.

The averages of the New York City Clearing-House banks and trust companies, combined with those for the State banks and trust companies in Greater New York City outside of the Clearing House, compare as follows for a series of weeks past:

COMBINED RESULTS OF BANKS AND TRUST COMPANIES IN GREATER NEW YORK.

We omit two ciphers in all these figures.

Week Ended—	Loans and Investments	Deposits	Specie	Legals	Tot Money Holdings	Entre Res on Deposit
July 25....	2,631,527.5	2,530,917.6	427,809.1	91,313.7	519,122.8	667,378.3
Aug. 1....	2,627,002.4	2,503,437.3	406,912.1	90,805.7	497,717.8	642,550.9
Aug. 8....	2,654,887.9	2,472,122.6	355,460.5	85,556.5	441,017.0	563,381.5
Aug. 15....	2,694,560.3	2,477,574.6	352,248.9	85,578.9	437,827.8	558,181.6
Aug. 22....	2,701,099.3	2,474,555.6	354,200.1	87,069.5	441,269.6	568,329.9
Aug. 29....	2,697,812.8	2,461,563.5	359,257.6	88,792.6	448,050.2	577,765.6
Sept. 5....	2,706,988.9	2,461,728.7	357,901.2	87,221.7	445,122.9	568,786.1
Sept. 12....	2,735,541.5	2,485,101.8	362,385.3	89,770.9	452,156.2	574,424.9
Sept. 19....	2,819,169.5	2,564,916.9	381,945.1	101,720.0	463,665.1	589,099.4
Sept. 26....	2,812,345.1	2,559,999.7	366,920.0	103,382.5	470,302.5	600,095.6

We add herewith the weekly returns furnished by the State Banking Department of the State banks and trust companies under its charge. These returns cover *all* the institutions of this class in the whole State, but the figures are compiled so as to distinguish between the results for New York City (Greater New York) and those for the rest of the State, as per the following:

For definitions and rules under which the various items are made up, see "Chronicle," V. 98, p. 1661

STATE BANKS AND TRUST COMPANIES.

Week ended Sept. 26	State Banks in Greater N. Y.	Trust Cos. in Greater N. Y.	State Banks outside of Greater N. Y.	Trust Cos. outside of Greater N. Y.
	\$	\$	\$	\$
Capital as of June 30....	23,850,000	67,300,000	10,758,000	11,300,000
Surplus as of June 30....	38,502,800	155,158,200	13,894,100	11,702,800
Loans and Investments... Change from last week	337,385,200 -1,574,600	1,138,481,600 -5,734,200	134,305,900 +515,800	190,541,500 +439,900
Gold Change from last week	49,656,700 -978,900	83,171,500 -1,355,700		
Currency and bank notes Change from last week	34,138,100 +1,058,400	24,570,000 +916,500		
Deposits... Change from last week	405,043,400 -5,668,000	1,208,318,400 -814,700	138,030,900 -814,700	196,631,000 -240,900
Reserve on deposits... Change from last week	99,078,200 -1,643,100	230,432,600 +4,789,200	23,995,500 -246,100	25,020,800 -337,800
P. C. reserve to deposits... Percentage last week	27.4% 27.7%	23.9% 23.7%	19.2% 19.3%	15.1% 15.2%

Boston and Philadelphia Banks.—Below is a summary of the weekly totals of the Clearing-House banks of Boston and Philadelphia:

We omit two ciphers (00) in all these figures.

Banks	Capital and Surplus	Loans	Specie	Legals	Deposits a	Circulation	Clearings
Boston	\$	\$	\$	\$	\$	\$	\$
Aug. 8.	No state	ment issu	ed				137,775.3
Aug. 15	No state	ment issu	ed				109,652.7
Aug. 22	No state	ment issu	ed				109,922.0
Aug. 29	No state	ment issu	ed				96,427.2
Sept. 5.	No state	ment issu	ed				106,788.1
Sept. 12	No state	ment issu	ed				91,840.1
Sept. 19	No state	ment issu	ed				118,484.6
Sept. 26.	No state	ment issu	ed				102,639.7
Phila							
Aug. 8.	103,684.3	400,172.0	87,213.0		*423,473.0	11,613.0	140,810.9
Aug. 15	103,684.3	401,553.0	85,902.0		*424,113.0	12,525.0	119,368.7
Aug. 22	103,684.3	399,898.0	85,451.0		*421,292.0	13,179.0	131,601.2
Aug. 29	103,684.3	399,830.0	84,017.0		*418,421.0	13,441.0	125,425.7
Sept. 5.	103,684.3	400,601.0	85,651.0		*422,326.0	13,723.0	146,756.1
Sept. 12.	103,684.3	401,833.0	86,457.0		*422,596.0	14,084.0	109,702.9
Sept. 19	103,684.3	402,276.0	89,669.0		*428,773.0	15,018.0	135,785.7
Sept. 26.	103,684.3	401,256.0	90,426.0		*425,477.0	15,368.0	124,965.4

a Includes Government deposits and the item "due to other banks."
* "Deposits" now include the item "Exchanges for Clearing House," which were reported on September 26 as \$10,058,000.

Imports and Exports for the Week.—The following are the imports at New York for the week ending Sept. 26; also totals since the beginning of the first week in January:

FOREIGN IMPORTS AT NEW YORK

For Week.	1914	1913	1912	1911
Dry Goods.....	\$3,539,392	\$2,814,492	\$3,250,653	\$2,680,154
General Merchandise.....	16,223,018	17,972,166	15,414,697	13,125,813
Total.....	\$19,762,410	\$20,786,658	\$18,665,350	\$15,755,967
Since Jan. 1.....	\$131,649,568	\$114,283,229	\$111,716,000	\$105,429,753
Dry Goods.....	612,319,627	620,003,937	637,626,502	544,932,685
General Merchandise.....				
Total 39 weeks.....	\$743,969,195	\$734,287,160	\$749,342,502	\$650,362,438

The following is a statement of the exports (exclusive of specie) from the port of New York to foreign ports for the week ending Sept. 26 and from Jan. 1 to date:

EXPORTS FROM NEW YORK.

	1914.	1913.	1912.	1911.
For the week.....	\$20,032,132	\$16,810,536	\$17,740,768	\$17,472,978
Previously reported.....	620,021,583	647,260,285	600,577,466	561,646,657
Total 39 weeks.....	\$640,053,715	\$664,070,821	\$618,318,234	\$579,119,635

The following table shows the exports and imports of specie at the port of New York for the week ending Sept. 26 and since Jan. 1 1914, and for the corresponding periods in 1913 and 1912:

EXPORTS AND IMPORTS OF SPECIE AT NEW YORK.

Gold.	Exports.		Imports	
	Week.	Since Jan. 1	Week.	Since Jan. 1
	\$	\$	\$	\$
Great Britain.....		\$37,071,460		\$17,306
France.....		85,540,015		124,195
Germany.....		1,018,913		3,602
West Indies.....		935,049	\$31,600	1,593,733
Mexico.....		1,105,124		996,678
South America.....	\$78,000	989,487	122,381	2,751,668
All other countries.....		338,900	14,589	1,443,704
Total 1914.....	\$78,000	\$127,998,948	\$168,600	\$8,930,946
Total 1913.....		350,687,688,546	640,501	18,200,143
Total 1912.....	50,750	32,713,685	573,548	17,625,175
	Silver.			
Great Britain.....	\$655,403	\$26,882,865		\$9,305
France.....		3,204,408		13,226
Germany.....				18,267
West Indies.....		202,895	\$454	41,540
Mexico.....		91,346	25,000	3,461,797
South America.....	26,163	1,193,663	1,833	2,258,210
All other countries.....	130,000	849,537	31,581	1,193,569
Total 1914.....	\$811,569	\$32,431,014	\$68,868	\$8,995,914
Total 1913.....	1,245,669	37,536,213	152,709	7,684,497
Total 1912.....	1,356,123	42,623,808	90,564	6,988,233

Of the above imports for the week in 1914, \$45,957 were American gold coin and \$454 American silver coin.

For General Distribution

Circular No. 616 describing Conservative Bonds
Circular No. 617 describing Convertible Bonds
Circular No. 618 describing Listed Stocks

Spencer Trask & Co.

43 EXCHANGE PLACE NEW YORK

Albany Boston Chicago
Members New York and Chicago Stock Exchanges.

Bankers' Gazette.

Wall Street, Friday Night, Oct. 2 1914.

The Money Market and Financial Situation.—The foreign exchange situation has again been a matter of absorbing interest in the financial district this week. Exchange rates advanced on Monday on a demand which may have been for month-end settlements, but declined subsequently when it was announced that an initiative shipment of gold to Ottawa had been made by the Gold Fund Committee. With the further announcement that the plan for supplying the demand for exchange under certain conditions or restrictions would become operative to-day, a further decline in exchange occurred.

In the meantime, the restrictions placed by the Stock Exchange officials upon stock transactions have been somewhat relaxed, and such trading is reported to be increasing week by week. Some houses are said to be doing nearly or quite 25% of the normal amount of such business as is transacted. On this subject the New York "Evening Post" of Thursday says:

"Trading in unlisted stocks through the special committee of five was reported to-day to have been the largest of the week. Since the beginning of the week there has been a substantial volume of orders received from out of town. If these orders increase along with the orders from local sources, there is assured a broadening market for the time that business is conducted under the present method. No definite information as to prices or amounts can yet be obtained, but those who should have full knowledge of the situation state that in no case has there been any substantial decline from July 30 figures.

"Dealings at concessions from the July 30 prices are being carried forward in Philadelphia with permission of the committee which is handling the situation there. Although the quotations made are withheld from publication, the understanding is that the concessions equal no more than 1 to 2%—which is hardly enough to worry either banks with collateral loans, or investors."

The Government report of exports for the third week of September are interesting, especially in the light of present international exchange conditions. This report shows that the shipments amounted to somewhat over \$20,000,000, as against \$8,400,000 for the third week in August and a weekly average of from \$14,000,000 to \$15,000,000 before the war began.

Traffic returns of the Pennsylvania and N. Y. Central railroads illustrate the reduced volume of general business and also to what extent economies in operation are being enforced. In case of the former, gross receipts declined \$2,500,000 and expenses \$3,000,000, while the latter's gross declined \$2,000,000 and net increased \$1,000,000.

Reviews of the iron and steel industry continue to show a decreasing output and the prospect is not a hopeful one.

In the money market, however, there is a more cheerful outlook, as a result of the drop in foreign exchange, more activity in investment securities, a better demand for short-term notes from local and out-of-town banks, large receipts of funds from the interior and the Bank of England's gold

accessions. The latter have brought the Bank's holdings up to £52,900,000, as against £27,600,000 on Aug. 6 and a previous high record of £49,200,000 sterling.

The open market rates for call loans on the Stock Exchange during the week on stock and bond collaterals have ranged from 6% to 8%. Friday's rates on call were 6@8%. Commercial paper closed at 6½@7% for sixty to ninety-day endorsements and prime four to six months' single names and 7½@8 and higher for good single names.

The Bank of England weekly statement on Thursday showed an increase of £1,243,545 in gold coin and bullion holdings and the percentage of reserve to liabilities was 22.81, against 23.33 the week before. The rate of discount remains unchanged at 5%, as fixed Aug. 13. The Bank of France issued no statement.

In the following table the totals for all the Clearing-House members, both banks and trust companies, are compared with corresponding dates in 1913 and 1912.

NEW YORK CLEARING-HOUSE BANKS AND TRUST COMPANIES.

	1914. Averages for week ending Sept. 26.	Differences from previous week.	1913. Averages for week ending Sept. 27.	1912. Averages for week ending Sept. 28.
	\$	\$	\$	\$
Capital (June 30)-----	175,300,000	-----	179,900,000	174,275,000
Surplus (June 30)-----	296,930,800	-----	305,760,200	297,729,900
Loans and Investments	2,226,706,000	Dec. 3,576,000	1,942,871,000	1,964,450,000
Circulation -----	137,261,000	Inc. 7,545,000	45,175,000	46,434,000
Deposits -----	1,983,246,000	Dec. 990,000	1,783,343,000	1,807,558,000
Specie -----	325,774,000	Inc. 5,225,000	338,660,000	327,526,000
Legal-tenders -----	89,905,000	Inc. 1,657,000	77,564,000	83,458,000
Cash reserve held-----	415,679,000	Inc. 6,882,000	416,224,000	410,984,000
Cash reserve required..	446,388,400	Dec. 792,700	403,008,550	404,634,000
Surplus -----	def30,709,400	Inc. 7,674,700	13,215,450	6,350,000

Foreign Exchange.—The market for sterling exchange ruled firm and higher early in the week, but subsequently broke sharply on the beginning of the operations of the committee having charge of the \$100,000,000 Gold Pool.

To-day's (Friday's) actual rates for sterling exchange were 4 92½ for sixty days, 4 95¼ @ 4 96½ for cheques and 4 96¼ @ 4 97½ for cables. Commercial on banks, nominal, and documents for payment nominal. Cotton for payment nominal and grain for payment nominal.

There were no rates for sterling posted by international bankers this week. To-day's (Friday's) actual rates for Paris bankers' francs were nominal for long and nominal for short. Germany bankers' marks were nominal. Amsterdam bankers' guilders were nominal.

Exchange at Paris on London, not quoted.
Exchange at Berlin on London, not quoted.

The range for foreign exchange for the week follows:

Sterling, Actual—Sixty Days.	Cheques.	Cables.
High for the week... 4 96	5 01	5 02½
Low for the week... 4 92½	4 95¼	4 96¾
Paris Bankers' Francs—		
High for the week... 5 05	5 05	5 02
Low for the week... 5 09½	5 09½	5 08½
Germany Bankers' Marks—		
High for the week... 95	93	95¾
Low for the week... 93	93	93¾
Amsterdam Bankers' Guilders—		
High for the week... 41¾	40½	---
Low for the week... 40½	40½	---

Domestic Exchange.—Chicago, no market. Boston, par. St. Louis, 75c. per \$1,000 premium bid and 85c. asked. San Francisco, 50c. per \$1,000 premium. Montreal, ½ @ 11-16% discount. Minneapolis, 30c. per \$1,000 premium. Cincinnati, 25c. per \$1,000 premium.

Owing to the fact that the New York Stock Exchange has remained closed since the afternoon of July 30, that business is also suspended at the Stock Exchanges at Boston, Philadelphia, Baltimore, Pittsburgh, Chicago, and nearly everywhere else in the United States, and that security dealings have by common consent been discontinued, it having been decided to omit even the customary auction sales of securities at New York, Boston and Philadelphia so long as the Stock Exchanges are closed, we are compelled to omit the 10 pages of stock and bond prices ordinarily appearing in this department.

Investment and Railroad Intelligence.

RAILROAD GROSS EARNINGS.

The following table shows the gross earnings of every STEAM railroad from which regular weekly or monthly returns can be obtained. The first two columns of figures give the gross earnings for the latest week or month, and the last two columns the earnings for the period from July 1 to and including the latest week or month. We add a supplementary statement to show the fiscal year totals of those roads whose fiscal year does not begin with July, but covers some other period. The returns of the electric railways are brought together separately on a subsequent page.

Main table with columns: ROADS, Latest Gross Earnings (Week or Month, Current Year, Previous Year), July 1 to Latest Date (Current Year, Previous Year). Includes sub-sections for 'Various Fiscal Years' and 'AGGREGATES OF GROSS EARNINGS—Weekly and Monthly'.

AGGREGATES OF GROSS EARNINGS—Weekly and Monthly. Table with columns: *Weekly Summaries (Current Year, Previous Year, Increase or Decrease, %), *Monthly Summaries (Cur. Yr., Prev. Yr., Current Year, Previous Year, Increase or Decrease, %).

a Mexican currency. b Does not include earnings of Colorado Springs & Cripple Creek District Ry. from Nov. 1 1911. c Includes the New York & Ottawa, the St. Lawrence & Adirondack and the Ottawa & New York Ry., the latter of which, being a Canadian road, does not make returns to the Inter-State Commerce Commission. d Includes Evansville & Terre Haute and Evansville & Indiana RR. e Includes the Cleveland Lorain & Wheeling Ry. in both years. f Includes the Northern Ohio RR. g Includes earnings of Mason City & Fort Dodge and Wisconsin Minnesota & Pacific. h Includes Louisville & Atlantic and the Frankfort & Cincinnati. i Includes the Mexican International. j Includes the Texas Central and the Wichita Falls Lines. k Includes not only operating revenues, but also all other receipts. l Includes St. Louis Iron Mountain & Southern. m Includes the Northern Central beginning July 1 1914. * We no longer include the Mexican roads in any of our totals.

Latest Gross Earnings by Weeks.—In the table which follows we sum up separately the earnings for the third week of September. The table covers 37 roads and shows 5.76% decrease in the aggregate under the same week last year.

Table with 5 columns: Road, 1914, 1913, Increase, Decrease. Lists 37 roads and their earnings for the third week of September 1914 compared to 1913.

Net Earnings Monthly to Latest Dates.—The table following shows the gross and net earnings of STEAM railroads and industrial companies reported this week:

Table with 5 columns: Roads, Gross Earnings Current Year, Previous Year, Net Earnings Current Year, Previous Year. Lists 37 roads and their monthly gross and net earnings from July 1 to August 31, 1914, compared to 1913.

Table with 5 columns: Roads, Gross Earnings Current Year, Previous Year, Net Earnings Current Year, Previous Year. Lists 37 roads and their monthly gross and net earnings from July 1 to August 31, 1914, compared to 1913.

INDUSTRIAL COMPANIES.

Table with 5 columns: Companies, Gross Earnings Current Year, Previous Year, Net Earnings Current Year, Previous Year. Lists 20 industrial companies and their monthly gross and net earnings from July 1 to August 31, 1914, compared to 1913.

a Net earnings here given are after deducting taxes.
b Net earnings here given are before deducting taxes.
c After allowing for uncollectible revenue and taxes, operating income for Aug. 1914 was \$168,939, against \$89,238; and from July 1 to Aug. 31 was \$426,865 in 1914, against \$209,767 last year.
f After allowing for uncollectible railway revenue and taxes, operating income for Aug. 1914 was \$691,748, against \$761,210 from July 1 to Aug. 31, was \$1,321,396 in 1914, against \$1,376,958 last year.
h Includes St. Louis Iron Mountain & Southern. After allowing for other income, total income was \$1,468,000 in Aug. 1914, against \$1,397,156 in 1913, and from July 1 to Aug. 31 was \$2,965,558 in 1914, against \$2,756,293 last year.
k For August 1914 additional income showed a debit of \$12,751, against a debit of \$5,390 in 1913, and for the period from July 1 to Aug. 31 was a deficit of \$17,734 in 1914, against a credit of \$13,285 last year.
n These figures represent 30% of gross earnings.

Interest Charges and Surplus.

Table with columns: Roads, Int., Rentals, &c., Current Year, Previous Year, Bal. of Net Earnings, Current Year, Previous Year. Rows include Buffalo Roch & Pitts, Central of New Jersey, Chicago & North West, etc.

INDUSTRIAL COMPANIES.

Table with columns: Companies, Int., Rentals, &c., Current Year, Previous Year, Bal. of Net Earnings, Current Year, Previous Year. Rows include Abington & Rockland Elec, Adirondack El Pow, Blackstone Val G & El, etc.

z After allowing for other income received.

EXPRESS COMPANIES.

Table with columns: Company, Month of June, 1914, 1913, July 1 to June 30, 1913-14, 1912-13. Rows include Adams Express Co, American Express Co, Globe Express Co, Great Northern Express Co, Southern Express Co.

ELECTRIC RAILWAY AND TRACTION COMPANIES.

Table with columns: Name of Road, Latest Gross Earnings, Week or Month, Current Year, Previous Year, Jan. 1 to latest date, Current Year, Previous Year. Rows include American Rys Co, Atlantic Shore Ry, Cal Elric & Chic Ry, etc.

Table with columns: Name of Road, Latest Gross Earnings, Week or Month, Current Year, Previous Year, Jan. 1 to latest date, Current Year, Previous Year. Rows include Cape Breton Elec Co, Chattanooga Ry & Lt, Cleve Paines & East, etc.

a Includes earnings on the additional stock acquired May 1 1913. b Represents income from all sources. c These figures are for consolidated company.

Electric Railway Net Earnings.—The following table gives the returns of ELECTRIC railway gross and net earnings reported this week:

Table with columns: Roads, Gross Earnings, Current Year, Previous Year, Net Earnings, Current Year, Previous Year. Rows include Baton Rouge Elec a, Cape Breton Elec a, Cleve South & Col b, etc.

Roads.	Gross Earnings		Net Earnings	
	Current Year.	Previous Year.	Current Year.	Previous Year.
Nor Ohio Trac & Lt a Aug	343,543	339,306	141,697	151,135
Jan 1 to Aug 31	2,416,902	2,155,676	949,252	853,860
Savannah Elec Co a Aug	71,339	70,985	24,822	24,674
Jan 1 to Aug 31	568,361	545,105	192,316	177,801
Tampa Elec Co a Aug	82,811	71,624	40,289	31,959
Jan 1 to Aug 31	650,814	538,730	300,956	244,771
Twin City Rap Tran b Aug	798,560	776,841	385,963	383,732
Jan 1 to Aug 31	6,141,175	5,780,871	2,931,096	2,832,004
Youngst & Ohio Riv a Aug	25,461	25,564	9,501	9,378
Jan 1 to Aug 31	170,921	164,473	63,581	53,919

a Net earnings here given are after deducting taxes.
 b Net earnings here given are before deducting taxes.
 * Gross revenue from all sources.

Interest Charges and Surplus.

Roads.	Int., Rentals, &c.		Bal. of Net Earns.	
	Current Year.	Previous Year.	Current Year.	Previous Year.
Baton Rouge Elec Aug	2,070	1,225	2,665	2,315
Jan 1 to Aug 31	16,772	16,319	22,419	22,040
Cape Breton Elect Aug	6,407	6,081	8,850	10,073
Jan 1 to Aug 31	51,375	48,385	42,002	53,707
Cleve Southw & Colum Aug	32,837	32,613	25,457	25,529
Jan 1 to Aug 31	258,766	252,134	75,909	77,112
Dallas Elect Co Aug	33,475	25,010	37,827	52,079
Jan 1 to Aug 31	237,468	197,711	335,328	365,290
Duluth-Superior Trac Aug	25,416	25,376	31,612	30,989
Jan 1 to Aug 31	203,083	199,952	183,551	143,322
Eastern Texas Elect Aug	8,802	4,869	18,428	11,019
Jan 1 to Aug 31	67,059	—	105,568	—
EI Paso Elect Aug	4,178	2,582	31,029	25,949
Jan 1 to Aug 31	34,598	22,115	258,649	236,866
Galv-Houston Elec Aug	36,298	34,644	83,298	70,481
Jan 1 to Aug 31	296,035	277,643	461,141	397,220
Houghton Co Tract Aug	5,598	5,625	4,792	5,768
Jan 1 to Aug 31	44,605	45,112	25,301	37,999
Hudson & Manhattan Aug	a34,882	a30,946	205,025	211,592
Jan 1 to Aug 31	a263,778	a277,005	1,874,315	1,770,884
Jacksonville Tract Aug	12,475	12,975	4,633	7,743
Jan 1 to Aug 31	101,365	91,579	79,347	67,489
Kentucky Securities Co Aug	17,253	16,548	19,484	17,341
July 1 to Aug 31	34,238	33,096	39,088	29,476
Keokuk Elect Aug	1,852	3,140	5,202	8,052
Sept 1 to Aug 31	28,802	27,943	61,727	74,428
Key West Elec Aug	2,575	2,589	1,259	1,914
Jan 1 to Aug 31	20,307	20,623	11,181	11,985
Nor Texas Elec Aug	28,060	24,166	53,483	56,582
Jan 1 to Aug 31	208,060	188,911	399,610	416,005
Paducah Trac & Lt Aug	7,505	7,583	1,549	2,405
Jan 1 to Aug 31	60,971	59,456	7,515	1,405
Pensacola Elect Aug	7,188	7,055	709	2,428
Jan 1 to Aug 31	57,505	52,371	10,313	12,698
Nor Ohio Trac & Lt Aug	51,136	47,353	90,561	103,782
Jan 1 to Aug 31	403,820	365,666	545,432	488,194
Savannah Elec Co Aug	22,932	22,800	1,890	1,874
Jan 1 to Aug 31	182,944	171,117	9,372	6,684
Tampa Elec Co Aug	4,458	4,353	35,831	27,606
Jan 1 to Aug 31	36,926	36,942	264,030	207,829
Twin City Rapid Tran Aug	232,155	239,558	153,808	144,174
Jan 1 to Aug 31	1,823,040	1,880,630	1,108,053	951,374
Youngstown & Ohio Riv Aug	4,167	4,167	5,334	5,211
Jan 1 to Aug 31	33,410	33,333	30,172	20,587

a Does not include interest on bonds, after deducting which the amount available for interest on adjustment income bonds was \$28,308 in Aug. 1914, against \$34,884.
 z After allowing for other income received.

ANNUAL REPORTS.

Annual Reports.—An index to annual reports of steam railroads, street railroads and miscellaneous companies which have been published during the preceding month will be given on the last Saturday of each month. This index will not include reports in the issue of the "Chronicle" in which it is published. The latest index will be found in the issue of Sept. 26. The next will appear in that of Oct. 31.

Illinois Central Railroad.

(Report for Fiscal Year ending June 30 1914.)

The full text of the remarks of President Markham is given on subsequent pages; also the detailed operating revenues and expenses and income account for three years, comparative balance sheet for two years and numerous tables, including comparative traffic and operating results, &c. Below we give comparative operating revenues and expenses for four years and the income account for three years.

OPERATING REVENUE AND EXPENSES FOR FOUR YEARS.

	1913-14.	1912-13.	1911-12.	1910-11.
Average miles operated.	4,769	4,763	4,763	4,750
Revenues—				
Freight	\$ 43,871,272	\$ 42,580,299	\$ 37,881,766	\$ 41,593,985
Passenger	13,715,979	13,455,884	13,337,562	13,168,863
Mail, express & misc.	7,805,325	7,702,449	7,055,838	6,996,342
Revenue other than from transportation	481,123	533,271	442,106	419,547
Total oper. revenues.	65,873,700	64,280,903	58,727,272	62,088,787
Expenses—				
Maint. of way & struct.	9,205,946	8,519,025	7,691,214	7,750,525
Maint. of equipment	14,510,979	13,952,654	13,857,549	12,495,333
Traffic expenses	1,290,778	1,320,583	1,400,942	1,364,141
Transportation expenses	24,150,040	24,743,324	23,653,249	21,778,531
General expenses	1,618,484	1,513,325	1,518,512	1,369,327
Total oper. expenses.	50,775,327	50,048,911	48,121,466	44,757,857
Net operating revenues.	15,098,373	14,231,992	10,605,806	17,330,880

INCOME ACCOUNT FOR THREE YEARS.

	1913-14.	1912-13.	1911-12.
Net operating revenue	15,098,373	14,231,991	10,605,806
Outside operations, net deficit	17,651	77,592	107,357
Total net revenue.	15,080,722	14,154,399	10,498,449
Taxes accrued	3,341,247	2,903,551	2,685,730
Operating income.	11,739,475	11,250,848	7,812,719

	1913-14.	1912-13.	1911-12.
Other Income—			
Hire of equipment	\$ 10,530	5,847	—
Joint facility rents, &c.	1,519,699	1,392,769	1,350,269
Interest, dividends, &c.	5,690,371	4,606,583	3,611,490
Gross corporate income.	19,060,075	17,250,200	12,183,478
Deductions—			
Lease of other roads	3,995,150	3,669,241	3,139,789
Hire of equipment	—	531,413	154,894
Joint facility rents, &c.	664,010	657,714	602,584
Interest on bonds	6,094,528	5,653,217	4,813,092
Other interest	159,069	159,861	2,715
Miscellaneous	8,473	8,641	3,956
*Dividends	(5)5,464,800	(6)6,557,760	(7)7,650,720
Additions and betterments	41,643	—	61,482
Total deductions.	16,427,693	17,232,847	16,429,232
Balance for year.	sur2,632,382	sur17,353 def1,245,754	

*Deducted by the company from profit and loss, but here shown for the sake of simplicity.—V. 99, p. 196, 48.

Kansas City Southern Railway.

(Report for Fiscal Year ending June 30 1914.)

The full text of the remarks of President J. A. Edson will be found on subsequent pages. Below we give various statistics of interest:

ROLLING STOCK JUNE 30.

	Locomotives.	Pass.Cars.	Freight Cars.	Miscellan.
1914	195	90	5,567	889
1913	196	91	5,847	1,112
1912	188	94	5,479	1,148
1911	168	79	5,636	1,102
1910	202	86	6,536	872

STATEMENT FOR YEARS ENDING JUNE 30.

	1913-14.	1912-13.	1911-12.	1910-11.
Miles operated	827	827	827	827
Operations—				
Gross earnings per mile	\$12.673	\$12.365	\$10.633	\$11.493
Net earnings per mile	\$4.757	\$4.641	\$3.340	\$4.085
*Tons carried	4,066,018	3,915,083	3,326,572	3,605,461
Av. per ton p. m. (mills)	10,627,566,263	10,175,226,676	840,995,242	925,279,313
Freight tons per mile	\$10.069	\$9.691	7.88 cts.	7.87 cts.
Pgt. rac. per rev. tr. mile	\$3.98422	\$4.09857	\$3.29778	\$3.01505
Rev. train-load, tons	508.38	520.11	413.31	330.49
Rev. passengers carried	2,005,881	1,775,973	1,701,032	1,839,357
Rev. pass. carried 1 mile	73,356,612	67,533,444	63,662,816	66,510,967
Aver. per pass. per mile	2.311 cts.	2.542 cts.	2.547 cts.	2.525 cts.

*Revenue freight only.

INCOME ACCOUNT.

	1913-14.	1912-13.	1911-12.	1910-11.
Gross Receipts—				
Freight	\$8,241,359	\$7,955,386	\$6,858,269	\$7,278,970
Passenger	1,675,168	1,694,580	1,509,346	1,657,562
Mail, express, &c.	1,076,927	1,056,343	1,015,244	1,058,542
Total receipts.	\$10,993,454	\$10,706,309	\$9,272,859	\$9,995,174
Operating Expenses—				
Maint. of way & struc.	\$1,135,525	\$1,024,840	\$1,041,393	\$939,962
Maint. of equipment	1,339,155	1,344,625	1,289,937	1,394,547
Transportation expenses	3,660,700	3,661,311	3,318,808	3,376,634
Traffic expenses	324,677	315,868	316,575	316,940
General expenses	450,264	400,512	396,326	375,918
Total oper. expenses.	\$6,910,321	\$6,747,157	\$6,332,839	\$6,404,001
Net earnings	\$4,083,133	\$3,959,152	\$2,940,020	\$3,591,173
P. C. of exp. to earnings	(62.46)	(62.47)	(68.59)	(64.07)
Int., discount, rents, &c.	174,363	167,982	149,172	130,460
Net income.	\$4,257,496	\$4,127,134	\$3,089,192	\$3,721,633
Deduct—				
Taxes	\$567,857	\$465,339	\$410,369	\$361,875
Interest on bonds	1,700,659	1,677,784	1,505,791	1,334,186
Rents, &c.	38,527	32,300	30,500	29,676
Interest on equip. notes	65,084	31,144	39,060	48,240
Hire of equipment	159,920	274,362	217,522	286,597
Adjust. of current accts.	—	—	—	2,400
x Div. on pref. stk., 4%	\$40,000	\$40,000	\$40,000	\$40,000
Total.	\$3,372,047	3,320,929	\$3,043,242	\$2,896,974
Balance, surplus.	\$885,449	\$806,205	\$45,950	\$824,659

x Charged against profit and loss account but here deducted from income account.

OPERATIONS OF SUBSID. PROPERTIES OPERATED SEPARATELY.

	1913-14.	Gross.	Net (over tax.)	Int. &c.	Balance.
Arkansas West. Ry.	1913-14.	\$54,495	def.\$9,319	\$38,180	def.\$47,499
do do	1912-13.	54,622	sur.3,987	38,676	def.34,688
K. C. Sh. & G. Ter.	1913-14.	30,355	sur.7,124	6,000	sur.1,124
do do	1912-13.	28,249	sur.3,463	6,000	def.2,537
Pt. Arthur Can & D.	1913-14.	42,624	def.9,915	50,000	def.59,915
do do	1912-13.	65,647	sur.16,700	50,000	def.33,300
Poteau Valley RR.	1913-14.	10,716	def.2,948	1,558	def.4,506
do do	1912-13.	11,292	sur.2,756	1,473	sur.1,283

BALANCE SHEET JUNE 30.

1914.		1913.	1914.		1913.
\$		\$	\$		\$
Assets—			Liabilities—		
Property acct.	99,720,323	100,115,841	Preferred stock	21,000,00	

Missouri Pacific Railway.

(Report for Fiscal Year ending June 30 1914.)

The report of President B. F. Bush will be found at length on subsequent pages. The report contains a comparative consolidated balance sheet of the entire system. Below we give the usual comparative tables:

Statement of Mileage of Rail in Track June 30 (Total System). 100-lb. 90-lb. 85-lb. 80-lb. 75-75.5-lb. 70-lb. 60-65lb. 52-56lb

Table with columns for years (1914, 1913) and rows for various types of rail (100-lb, 90-lb, etc.) showing mileage in feet.

Mileage of Ballasted and Unballasted Tracks June 30 (Total System). Gravel. Rock. Cinders. Chatts. StoneDust. Tot.Bal Unball.

Table with columns for years (1914, 1913) and rows for types of tracks (Gravel, Rock, Cinders, etc.) showing mileage.

OPERATIONS AND FISCAL RESULTS OF MISSOURI PACIFIC AND ST. LOUIS IRON MOUNTAIN & SOUTHERN (INCLUDING PREDECESSOR COMPANIES OF PRESENT MISSOURI PACIFIC PRIOR TO AUGUST 9 1909).

Main financial table for Missouri Pacific and Southern Railway with columns for years (1913-14, 1912-13, 1911-12, 1910-11) and rows for Miles operated, Passengers, Freight, Earnings, Expenses, etc.

MISSOURI PACIFIC RY. PROPER—INCOME ACCOUNT.

Income account table for Missouri Pacific Railway with columns for years (1913-14, 1912-13, 1911-12, 1910-11) and rows for Miles operated, Earnings, Expenses, etc.

ST. LOUIS IRON MTN. & SOUTHERN RY.—INCOME ACCOUNT.

Income account table for St. Louis Iron Mountain & Southern Railway with columns for years (1913-14, 1912-13, 1911-12, 1910-11) and rows for Miles operated, Earnings, Expenses, etc.

* Comparison of items marked (*) somewhat changed in later years, but final results remain unchanged.

MISSOURI PACIFIC RY. BALANCE SHEET JUNE 30.

Balance sheet table for Missouri Pacific Railway with columns for years (1914, 1913) and rows for Assets (Road and equip., Securs. pledged, etc.) and Liabilities (Capital stock, Fund. debt, etc.).

x Includes securities of proprietary, affiliated and controlled companies, \$63,447,186, and securities issued or assumed, \$50,915,000.

y After debiting debt discount extinguished through surplus, \$61,830, and loss on retired road and equipment, \$135,978; reduction in investment in preferred stock of the Wabash RR. to market values, \$1,733,715, and making miscellaneous debits (net), \$110,570.

ST. LOUIS IRON MTN. & SOUTHERN BALANCE SHEET JUNE 30.

Balance sheet table for St. Louis Iron Mountain & Southern Railway with columns for years (1914, 1913) and rows for Assets (Road and equip., Securs. pledged, etc.) and Liabilities (Capital stock, Fund. debt, etc.).

a Includes securities of proprietary, affiliated, &c., companies, \$2,828,665, and securities issued or assumed, \$385,000.

b After debiting discount extinguished through surplus, \$443,052; loss on retired road and equipment, \$89,125; reduction in investment in common and preferred stock of the Wabash RR. to market values, \$734,812, and making miscellaneous credits aggregating \$51,549.

Note.—The company has also a contingent liability as endorser of \$2,583,400 discounted notes of the Texas & Pacific Ry., which were accepted in payment of interest.—V. 99, p. 894, 748, 674.

Wheeling & Lake Erie Railroad.

(Report for Fiscal Year ending June 30 1914.)

Receiver W. M. Duncan, Sept. 1, wrote in substance: The decrease [of \$194,602] in gross income is due entirely to the reduction [of \$455,412] in earnings from coal freight on account of the suspension of all mines on the railroad since April 1, owing to strike difficulties.

The reduction would have been much greater were it not for the increases [of \$47,398 and \$185,084, respectively] in general freight and ore freight.

There were issued during the year \$820,000 receivers' certificates (V. 97, p. 1288) for repairing, strengthening and reconstructing car equipment, construction of cabooses, purchasing and laying of 90-lb. rail and relaying released rail, completing reconstruction of flood bridges, strengthening and reconstructing other bridges, reconstructing terminal facilities at Zanesville, rebuilding bridges and relaying rail on Cleveland Belt and making connection with the "Big Four" and completing the general office building at Brewster.

Recommendations regarding future requirements are thought unnecessary, owing to the decree of foreclosure pursuant to which the property is advertised to be sold on Sept. 25 1914. [Sale postponed for want of bidder, V. 99, p. 896.] Generally speaking, however, expenditures necessary for the safety of the property will no doubt be taken care of out of earnings, and unless there is a material change in business conditions there will be no expense necessary for rehabilitation, though possibly some special equipment may be needed for certain classes of business.

Data from Gen. Mgr. H. W. McMaster, Cleveland, Sept. 1 1914.

Under normal business conditions for the first five months substantial increases were made over the previous year, but beginning with December there was a marked falling off in tonnage moved, due to general business depression. During the last three months all coal mines located on our lines and practically all coal operations on tributary connections were closed pending settlement of wage disputes, causing a decrease of \$455,000 in coal freight earnings as compared with the previous year, but as the earnings of April 1913 were greatly reduced by reason of the flood, a conservative estimate of our loss in gross earnings on account of the suspension in the mining districts would be \$650,000.

The heavy expenditures for maintenance during the previous year and the permanent repairing of flood damages made it possible to maintain the property in good condition for operation at a considerably reduced cost; rail and renewals were somewhat below normal.

The increase of \$60,663, or 2.33%, in transportation expenses was caused by increase in pay of train and yard men, effective Oct. 1 1913, and in wages of agents and operators, effective Dec. 1 1913, under awards of arbitration boards. There was an increase of \$38,000 for injuries to persons, largely in settlement of accidents in 1911 and 1912.

In Nov. 1913 an agreement was reached with the C. C. & St. L. Ry. for trackage rights for freight trains between Cleveland and Wellington, and the service was inaugurated on Feb. 15 1914, shortening the distance between Cleveland and Wellington and points west by 88 miles.

Equipment.—During the year 1,000 50-ton and 500 55-ton steel hopper cars, 20 heavy consolidation freight engines and 10 passenger cars were added to existing equipment by purchase. One switching locomotive, 2,141 freight and work cars and 3 passenger cars were retired during the year, being almost entirely antiquated and worn out, taken out of serviceable equipment in previous periods and held for disposition. During the year \$262,427 was expended from proceeds of receiver's certificates to reconstruct 455 40-ton gondolas, to renew and strengthen 108 box cars, 412 40-ton gondolas and 51 50-ton steel hoppers, and also 717 cars of various other classes, thus restoring a total of 1,743 cars to revenue service. We now have on hand approximately 138 box cars, 999 40-ton gondola cars and 37 50-ton steel hopper cars in heavy bad order, which should undergo similar repairs as soon as funds are available.

Under present conditions our greatest loss in traffic is our inability to furnish proper equipment. We are constantly in need of water-tight box cars for loading of tin plate, manufactured products, merchandise and from powder, which we find difficult to obtain from our own equipment or from connecting lines. We have also lost considerable business through our inability to furnish low side drop-end gondolas for brick shipments and for steel loading.

All improvement work, including the purchase of new equipment and the rehabilitation of existing equipment, will be postponed pending possible early reorganization.

OPERATIONS AND FISCAL RESULTS.

Table with 5 columns (1913-14, 1912-13, 1911-12, 1910-11) and 16 rows of financial data including revenue, expenses, and net earnings.

INCOME ACCOUNT.

Table with 5 columns (1913-14, 1912-13, 1911-12, 1910-11) and 30 rows of income and deduction data.

x Deductions of \$633,030 yearly on account of mortgage bond interest include 12 mos. int. on the following issues: Lake Erie Division 5s, \$2,000,000, \$100,000; Wheeling Division 5s, \$94,000, \$44,700; extension and improvement 5s, \$409,000, \$20,450; consolidated 4s, \$11,697,000, \$467,880.

COMPANY'S BALANCE SHEET JUNE 30.

Table with 5 columns (1914, 1913, Liabilities, 1914, 1913) and 20 rows of asset and liability data.

RECEIVER'S BALANCE SHEET JUNE 30.

Table with 5 columns (1914, 1913, Liabilities, 1914, 1913) and 15 rows of receiver's asset and liability data.

a Road and equipment (before crediting \$785,737 for reserve for accrued depreciation of equipment, viz., \$9,841,053) consists of (1) road, \$3,785,956, of which \$1,972,225 was derived from receiver's certs. and \$1,813,731 from income; (2) equipment, \$6,055,098, of which \$2,798,504 was provided by receiver's certificates, \$439,217 from income, and obligations are outstanding for the remainder, \$2,817,377.—V. 99, p. 896, 469.

Maine Central Railroad.

(53rd Annual Report—Year Ended June 30 1914.)

Pres. Morris McDonald, Portland, Me., Sept. 16 wrote:

Results.—The operating revenues show an increase of \$354,563, or 3.13% operating expenses, an increase of \$240,422, or 2.92%; payments for taxes of all classes, an increase of \$62,874, or 11.46%. Operating income amounted to \$2,536,886, an increase of \$41,494, or 1.66%. During the year there have been laid 6,800 tons of new steel rails of standard weight and pattern and 9,874 tons of relay rails.

The year's income has been charged with additions and betterments to leased lines to the amount of \$203,335, leaving net corporate income applicable to dividends amounting to \$1,348,061, or 5.42%, on the company's capital stock. Dividends were paid on outstanding capital stock at the rate of 6% and amounted to \$1,491,797 for the year, leaving a deficit of \$143,736, which has been charged to the contingent fund.

No. of Employees and Aves. Daily Compensation for 10 Years end. June 30 '14. 1905. 1906. 1907. 1908. 1909. 1910. 1911. 1912. 1913. 1914.

Reserve for Accrued Depreciation of Equipment.—Balance June 30 1913, \$3,911,001; depreciation charged to oper. exp., year 1913-14, \$252,388; charged outside operations, year 1913-14, \$17,295; total, \$4,180,684; less depreciation of equipment retired \$231,870; bal. June 30 1914, \$3,948,814.

New Equipment.—Charges aggregating \$1,072,712 (net, \$760,740) have been made during the past year for equipment as follows: (a) Purchased and built: 10 locomotives, 8 passenger-train cars, 177 gondola cars, 350 steel underframe cars, 100 flat cars, 12 caboose cars, &c.; total, \$1,007,960. (b) Transferred from other classes: 32 cars, \$8,023. (c) Miscellaneous additions and betterments to equipment, \$56,729. Offset retired, transferred or sold: 9 locomotives, 13 passenger-train cars, 334 freight-train cars and 56 work equipment cars; total, \$311,972. The balance, \$760,740, has been debited to additions and betterments.

Additions and Betterments to Property.—There has been expended during the year for additions and betterments the sum of \$1,055,554, made up chiefly as follows: Additional main tracks, \$80,613; steam locomotives, \$14,653; passenger-train cars, \$47,742; freight-train cars, \$623,091.

There has been expended during the year for additions and betterments to leased roads, \$203,335, including for European & North American Ry., \$151,860. As this \$203,335 will not be recovered from the lessor companies, it has been charged against current income as rent of leased roads.

Funded Debt.—On May 1 1914 this company sold \$6,000,000 5-year 5% coupon notes, due May 1 1919, in order to provide funds for the payment at maturity of the 5-year coupon notes amounting to \$2,000,000, due April 1 1914, and to pay note of \$3,000,000 dated April 1 1914, issued at the date of purchase of the shares of the Maine Railways Companies, and to provide for other corporate purposes (V. 98, p. 1071, 1244).

The interest on funded debt for the year was \$362,549, an increase of \$28,579, due to the accrual of two months' interest on the issue of \$6,000,000 in coupon notes dated May 1 1914, less decrease caused by payment of \$2,000,000 in coupon notes due April 1 1914.

Interest and discount for the year shows a credit balance of \$52,652, as compared with a debit balance for 1912-13 of \$181,733. This result is due to the general balance of interest account being in our favor, by reason of there being surplus funds on hand in the treasury, whereas during the previous year there was included as a debit to interest account the interest on \$12,000,000 in one-year notes which were paid off March 15 1913 from the proceeds of previous issues of capital stock.

Maine Railways Companies.—Your company entered into an agreement and declaration of trust on April 1 1914 with Charles O. Bancroft, Morris McDonald and Harry M. Verrill, all of Portland, Me., and their successors as trustees under the name of Maine Railways Companies. The Maine Central RR. Co. subscribed and paid for at par the entire capital of the Maine Railways Companies, namely 30,000 shares, amounting to \$3,000,000. The Maine Railways Companies issued its 5% gold notes, dated April 1 1914, due April 1 1919, to the amount of \$12,202,000, and with these notes at par and the \$3,000,000 derived from the sale of its shares, purchased from the Boston & Maine RR., 159,601 shares of the capital stock of the Maine Central RR. Co. at \$95 25 per share, this stock being all of this company's capital stock formerly owned by the Boston & Maine RR. (V. 98, p. 1071, 1244).

The Maine Central RR. stock so acquired by the Maine Railways Companies was deposited with the Fidelity Trust Co. of Portland, Me., as trustee, as security for the \$12,202,000 5% gold notes of the Maine Railways Companies. Later, with the consent of the owners of all of the notes, \$5,000,000 par value of these Maine Railways Companies' notes were endorsed exchangeable for the same value of Maine Central Railroad Co. capital stock after Oct. 1 1914, and on or before Oct. 1 1915, but prior to any date fixed for redemption of notes (V. 98, p. 912, 1245; V. 99, p. 674.)

Any profits from the operation of the trust, after paying interest charges and the necessary expenses of the Maine Railways Companies, will accrue to the Maine Central RR. Co. It is expected that the trust will expire April 1 1919, or earlier, if all the notes and liabilities of the Maine Railways Companies are paid prior to that date.

By the foregoing arrangement your directors have secured the control of the majority stock in this company to residents of the State of Maine, acting solely in the interests of the Maine Central RR. Co., and this is considered a distinct advantage to this company at this time. Under the operation of the trust it is also expected that the Maine Central RR. Co.'s capital stock which has been purchased from the Boston & Maine RR. will be distributed finally among a large number of stockholders.

Mileage Ticket Sales.—On April 1 1914 the sale of 1,000-mile mileage tickets good on the entire line at a rate of 2c. per mile was discontinued, leaving on sale the 500-mile mileage ticket at a rate of 2 1/2c. per mile. Anticipating the increase in rate, the traveling public purchased during March 1914, 1,000-mile mileage tickets to the value of \$295,720. The sale was credited to passenger revenue in that month, and the balance, \$195,000, was credited to passenger revenue, as follows: April 1914, \$68,000; May 1914, \$58,000; June 1914, \$45,000; after June 30 1914, \$24,000. Commencing July 1 1914, "passenger revenue" will be credited with only those mileage coupons collected on trains instead of on the basis of sales.

Improvements at Rumford, Me.—A new brick passenger station providing suitable division offices has been erected at Rumford on the direct line to the Rangely region. The main and yard tracks at Rumford have also been re-located and extended, two highway grade crossings eliminated. The cost of this work, \$264,978, has been charged to "improvements at Rumford, Me.", until this company is reimbursed by the bonds to be issued by the Portland & Rumford Falls Ry. under terms of the lease.

Augusta Bridge.—A new double-track steel bridge with change of alignment for reduction of curvature at each end is being erected in a new location across the Kennebec River and Water St. at Augusta, Me., to replace the single-track structure at that point, and should be ready for use late in 1914. The replacement cost of the old bridge, estimated at \$98,200, will be distributed against operating expenses during 4 years beginning July 1 1914.

Other New Work.—Includes improvements at Vanceboro, Me., and between Mattawamkeag and Vanceboro, new steel bridges of increased capacity. Two highway grade crossings abolished, trestle filled, &c.

Steel Passenger-Train Cars.—Twenty-one all-steel passenger-train cars have been purchased, of which 8, costing \$92,529, were received during the year; the final 13 cars received since June 30 1914 will be included in the accounts for next fiscal year. These are the first all-steel passenger-train cars purchased under the plan for all-steel passenger equipment in the future.

TRAFFIC STATISTICS (INCLUDING MERGED LINES IN 1913-14.)

Table with 5 columns (1913-14, 1912-13, 1911-12, 1910-11) and 10 rows of traffic statistics including average miles operated, tons carried, revenue, and passengers.

INCOME ACCOUNT (INCLUDING MERGED LINES IN BOTH YRS.).

Table with 5 columns (1913-14, 1912-13, 1911-12, 1910-11) and 25 rows of income account data including earnings, expenses, and net revenue.

BALANCE SHEET JUNE 30.

Table with columns for 1914 and 1913, and sub-columns for Assets and Liabilities. Assets include Road & equip, Equip. leased rds, Stocks owned, Bonds owned, Hotel Rockwood property, Bar Harbor prop'y, Cash, Notes receivable, Traffic, &c., bal., Agts. & conductors, Misc. accounts, Mat'l & supplies, Prepaid insurance, Disc't on securities, Sinking funds. Liabilities include Stock (R.&I.Sec.), Bonds (R.&I.Sec.), Equip. leasehold, Traffic, &c., bal., Vouchers & wages, Miscell. acc'ts, Int. and dividends, uncalled for, Rentals, int. and divs., July 1, Acrr. int., rents, &c, Sundry lease acc'ts, Sundry funds, Approp. surplus, Profit and loss.

INCOME ACCOUNT FOR YEAR ENDING JUNE 30.

Table with columns for 1913-14, 1912-13, and 1911-12. Rows include Net operating revenue, Taxes, Operating income, Other income, Total income, Bond interest, Interest on equipment trust, Miscellaneous interest and rents, Preferred dividends, Total deductions, Balance, surplus.

BALANCE SHEETS JUNE 30.

Table with columns for Car. Clin. & O. Ry., Car. Cl. & O. Ry. of S.C., and 1914, 1913. Rows include Assets (Property owned, Securities owned, Materials and supplies, Cash, Traffic, &c., balances, Agents and conductors, Matured int. S.C.Co.bds, Miscellaneous, Deferred credit items, Profit and loss) and Liabilities (Common stock, Preferred stock, Bonded debt, Bills payable, Traffic, &c., balances, Vouchers and wages, Miscellaneous, Matured interest unpaid, Accrued taxes, Contractors' retained percentages, Accrued interest, Deferred credit items, Profit and loss).

a Includes in 1914 road, \$23,465,884; equipment, \$12,637,350; Maine Central RR. (New Brunswick), \$89,034; less reserve for accrued depreciation, \$3,948,814. b Sundry funds include in 1914 \$18,683 for improvements, \$92,922 for injuries and \$1,205,528 for contingencies, &c.

EARNINGS OF CONTROLLED COMPANIES YEAR ENDING JUNE 30.

Table with columns for Fiscal Year, Gross Earn'gs, Net(after Earn'gs. Taxes), Other Income, Interest, Dividends, Balance, Sur.or Def. Rows include Sandy River & Rangeley Lakes RR., Bridgeton & Saco River RR., Portland Terminal Co., Rangeley Lakes & Megantic RR.

Carolina Clinchfield & Ohio Railway.

(Fourth Annual Report—Year ended June 30 1914.)

Pres. Mark W. Potter, N. Y., Aug. 1, wrote in substance (compare map on page 26 of "Railway & Industrial Section"):

Results.—For the first six months of the year the increase in revenues from operation was \$170,687, or 13.02%. Owing to the widespread business depression this ratio of increase was not maintained for the last six months. On the contrary, there was a falling off of about \$125,000, as compared with the last six months of the previous year.

For the year operating revenue increased \$44,574, or 1.69% and operating expenses increased \$136,657, or 12.22%; net operating revenue, therefore, decreased \$92,084, or 6.07%. Moreover, while miscellaneous income increased \$93,611, or 33.41%, taxes increased \$24,344, or 22.76%, and interest, rentals and other fixed charges increased \$19,383, or 2.05%, with the result that income carried to profit and loss was \$700,114, being a decrease of \$42,200, or 5.68%.

The revenue from transportation of merchandise freight amounted to \$817,143, being an increase of \$22,559, the number of tons of such freight carried one mile showing an increase of 2.19%. From transportation of coal there was derived \$1,583,207, an increase of \$371; the number of tons of coal carried one mile increased 4.25%. The percentage of coal revenues to gross revenues was 59.09%, a decrease of 0.99%.

The expenditure for maintenance of way and structures amounted to \$190,866, or \$745 per mile operated, against \$709 for the year 1912-13. The total expenses for maintenance of equipment amounted to \$330,396, an increase over the previous year of \$69,685, or 26.73%. There was an increase in the amount of equipment in service and an increase in the arbitrary charge for depreciation of equipment. The total cost of conducting transportation was \$506,225, an increase over the previous year of \$39,251, or 8.41%, due to increase of tonnage and cost of fuel.

Equipment Trusts.—On July 1 1913 there were purchased 475 steel under-frame box cars and 25 steel underframe stock cars at a cost of \$431,646, of which amount \$81,646 was paid in cash and an issue made of \$350,000 5% equipment trust certificates, Series D, payable in 14 semi-annual installments of \$25,000 each, commencing Jan. 1 1914 and ending July 1 1920. Payments aggregating \$485,000 were made on account of principal of equipment trust notes, Series A, B, C and D.

Bonds.—On Aug. 18 1913 \$500,000 1st M. 5s were sold, bringing the amount outstanding up to \$13,500,000 (V. 97, p. 1897). The proceeds were used in paying principal of equipment notes, series A, B and C, falling due June 1, July 15 and Aug. 1 1913, respectively, initial payment of equipment notes, Series D, and for additions and betterments.

There were issued during the year \$2,800,000 Elkhorn Extension 1st M. 5% gold notes, the proceeds being applied to the construction of the extension from Dante, Va., to Elkhorn City, Ky. The total amount of these notes outstanding June 30 1914 was \$5,000,000 (V. 98, p. 688).

Dividends.—Semi-annual dividends of 3% each on \$10,000,000 pref. stock outstanding, payable Sept. 1 1913 and Mar. 1 1914, respectively, were declared and paid.

Construction.—Work on the extension of the line of railway from Dante, Va., to a connection with the line of the Chesapeake & Ohio Ry. Co. at Elkhorn City, Ky., has progressed satisfactorily, and it is expected that the extension will be in operation in October next (V. 98, p. 1692).

There is now under construction at Charleston, S. C., a pier and modern coal-handling facilities for the loading of coal to vessels. These facilities will be an important assurance of increased earnings to our company, as they will afford an opportunity for the export of coal to Southwest Virginia and Eastern Kentucky to reach tidewater and the markets beyond, via the Clinchfield Ry. (Compare V. 98, p. 999).

CLASSIFICATION OF TONNAGE FOR YEARS ENDING JUNE 30.

Table with columns for Products, 1913-14, 1912-13, 1911-12. Rows include Agricultural, Animals, Mines, Forests, Manufac., Mds.

TRAFFIC STATISTICS.

Table with columns for 1913-14, 1912-13, 1911-12. Rows include Average miles operated, Passengers carried, Passengers carried one mile, Average receipts per pass. per mile, Bituminous coal carried (tons), Coal carried 1 mile (tons), Average receipts per ton per mile, Total revenue tons carried, Total revenue freight tons 1 mile, Average receipts per ton per mile, Gross revenue per mile.

INCOME ACCOUNT FOR YEAR ENDING JUNE 30.

Table with columns for 1913-14, 1912-13, 1911-12, 1910-11. Rows include Coal freight, Merchandise freight, Passenger, Mail and express, Miscellaneous, Total oper. revenue, Maint. of way & struc., Maint. of equipment, Traffic expenses, Transportation expenses, General expenses, Total oper. expenses, Net operating revenue.

a After crediting \$21,630 miscellaneous adjustments of accounts and deducting \$52,750 discount on securities and \$2,974 miscellaneous.—V. 98, p. 688.

Chicago & Eastern Illinois Railroad.

(25th Annual Report—Year ended June 30 1914.)

Receivers William J. Jackson, Chicago, and Edwin W. Winter, New York, Sept. 16, wrote in substance:

Results.—Total operating revenue decreased \$670,687, or 4.1%; operating expenses increased \$84,343, or 7%; net operating revenue decreased \$755,030, or 22.7%, and taxes increased \$18,656, or 3%. The total income was \$3,035,966 and interest, rentals and miscellaneous charges (including interest amounting to \$510,570 due July 1 1914, but not paid) aggregated \$4,561,858, leaving the net deficit after providing for all charges \$1,525,892. The decrease of \$670,687 in total operating revenue was caused by the general depression in business during the last seven months of the fiscal year, accentuated in this territory by the closing on April 1 for about two months of practically all producing coal mines pending the signing of wage agreement between the operators and miners.

The marked decrease in traffic, transportation and general expenses was more than counterbalanced by increase in cost of maintenance of way and equipment (especially freight cars) incurred in order to bring the property to a higher standard of efficiency. While there has been no material reduction in the number of bad-order cars, the general condition of that class of equipment is substantially improved.

Taxes.—In the ten years past taxes have grown from \$354,929 (including Evansville & Terre Haute RR.) on 1,138.85 miles owned for the year 1914-05 to \$630,500 on 1,140.12 miles owned for the year 1913-14, equal to 75% on practically the same mileage.

Chicago Terminal.—Effective Aug. 1 1913, the use of the Rock Island-Lake Shore passenger terminals at Chicago was for economical reasons discontinued and passenger service restored to the Chicago & Western Indiana terminals, of which the Chicago & Eastern Illinois is part owner.

Receivers' Certificates.—The receivers having exhausted the proceeds of \$4,000,000 of receivers' certificates, dated July 1 1913, issued under order of court entered Dec. 13 1913, \$2,000,000 of additional 6% receivers' certificates dated Jan. 1 1914, payable July 1 1914, and has used the proceeds to pay the principal of equipment obligations, the interest accrued on bonds and various obligations other than its Refunding & Imp. M. bonds. Under order of June 15 1914, the receivers issued \$6,000,000 6% receivers' certificates dated July 1 1914, payable July 1 1915, for the purpose of paying the \$6,000,000 of outstanding certificates (V. 99, p. 47).

Purposes for which the Proceeds of the \$6,000,000 Certificates were Used. Interest due on bonds from July 1 1913 to June 30 1914, other than on Chicago & Eastern Ill. Ref. and Imp. M. bonds \$2,336,440 Equipment trust obligations (principal) due from July 1 1913 to July 1 1914, inclusive 1,633,000 Equipment trust obligations (interest) due from July 1 1913 to July 1 1914, inclusive 317,308 Interest due July 1 1914 on bonds other than C. & E. Ill. Ref. & Imp., Chic. & Ind. Coal Ry. and Evansv. & Ind. RR. Co. bds. 118,329 Prior to receivership voucher and supply accounts 1,504,392 Balance to apply on obligations to mature after July 1 1914 90,531 Discount of \$73,125 on these cts. was charged against income.

Interest Payments and Defaults.—By order of June 15 1914 the Court directed the receivers to pay the interest due July 1 1914 on all bonds issued under mortgages which are liens upon any part of the property of, or are charges against, the railroad company, except (a) the Ref. & Imp. M. bonds of the railroad; (b) the 1st M. bonds of the Chicago & Indiana Coal Ry. Co. (V. 98, p. 1919, 1992; V. 99, p. 195, 269); (c) the 1st M. bonds of the Evansville & Indianapolis RR. Co., and (d) the Consol. M. bonds of the Evansville & Indianapolis RR. Co. (V. 98, p. 1919, V. 99, p. 119, 341), also to pay the principal and interest of such equipment obligations of the railroad company as should become due July 1 1914. The receivers have fully complied with this order. The interest on the excepted bonds, amounting to \$510,570, was not paid.

Equipment Trusts.—The principal was reduced \$1,565,000. Additions, &c.—In the last annual report (V. 99, p. 1496) mention was made that authority had been granted to the receivers to make sundry expenditures out of revenue for additions and betterments. As a result of these expenditures, additions and betterments were made which, including the new equipment referred to in the preceding paragraph, amounted to \$1,051,922; deducting a credit of \$4,933 leaves the net expenditure from May 28 1913 to June 30 1914, incl., \$1,046,989.

Additions and Betterments, Total \$1,268,700 (Credits for Salvage, &c., \$221,711; Net, \$1,046,989, as above) New equipment \$81,833 Construction of tracks, &c. \$260,911 New office bldg., Chicago 157,249 Do to promote revenue 167,773 Rail renewals 117,926 Automatic signals 39,718 Federal Safety Appliance Law 38,972 Ballast applied 47,299 Car-repair shop facilities 223,349 Miscellaneous 119,665

There were laid 2,920 tons of 100-lb. and 7,764 tons of 90-lb. new rail. Rolling Stock.—For a number of years the facilities for repairing the passenger equipment and the unusually large freight equipment of this road have been far short of the requirements. During the year repair shops have been provided at Yard Center (Chicago terminals) and the work of constructing the car shop plant at Oaklawn, Danville, adjoining those of the excellent locomotive shops at that point, has been so far advanced as to make it possible within a short time to handle economically a good part of the freight-car repair work at this central point.

New Industries.—During the fiscal year the industrial department employed 33 new industries, which it is estimated will cost \$1,097,550, and employ 1,093 men, with a yearly tonnage (in and out-bound) of 17,452 cars. Arrangements have been practically completed for the location of two additional industries which will cost \$375,000 and employ 250 men, with a yearly tonnage (in and out-bound) of 200 cars. See tables in V. 99, p. 888.

Central of Georgia Railway Co.

(19th Annual Report—Year ended June 30 1914.)

Chairman C. H. Markham, Chicago, says in substance:

Results.—There was an increase of \$365,973 in freight revenue, a decrease of \$12,725 in passenger revenue and an increase of \$2,623 in other operating revenue, making a total increase in revenue from operations of \$355,870. Operating expenses, however, increased \$420,304, so that net operating revenue decreased \$64,434.

The expenditures for maintenance of way and structures increased \$44,410.68, or 2.20%. The total number of cross-ties renewed was 823,200; 16,645 miles of track were re-laid with new steel of the same weight. Maintenance of equipment expenses increased \$216,876, or 8.42%; charges for depreciation of equipment amounted to \$482,706, compared with \$463,840 for the previous year, an increase of \$18,866. Average age of locomotives is 15.8 years. Taxes increased \$33,059, or 5.52%.

Funded Debt.—During the year \$4,199,000 Gen. & Ref. M. bonds were authenticated by the trustee and delivered to the company, making a total to date of \$6,637,000, all in the treasury of the company. On account of the unsatisfactory market conditions, none of these bonds has been sold. To meet the temporary needs of the company pending the sale of these securities, bills payable were increased by \$1,099,895. Equipment trust obligations amounting to \$408,000 and Greenville & Newman main line and Upper Cahaba branch bonds amounting to \$60,000 matured and were paid. Income bonds of the par value of \$60,150 were purchased and required, leaving income bonds outstanding at June 30 1914, \$299,300.

Upson County R.R. (Barnesville to Thomaston), whose entire capital stock was owned, has conveyed its franchises, railway and appurtenances to your company, and its capital stock has been canceled.

Securities Owned.—New England & Savannah S.S. Co., originally organized to operate between Savannah and Boston, but which ceased active operations in 1897 and has not for several years owned any steamships, went into voluntary liquidation. Its stock has been canceled, and in place thereof your company has acquired and has pledged under its Consolidated mortgage a certificate of indebtedness for \$500,000 of the Ocean S.S. Co. of Savannah acquired by the New England & Savannah S.S. Co. in settlement of accounts between the two steamship companies.

Dividends.—During the year there were paid dividends Nos. 3 and 4 on the \$15,000,000 of pref. stock at the stipulated rate of 6% per annum, aggregating \$900,000, charged to income, and dividend No. 2 on the \$5,000,000 common stock at the rate of 5% per annum, aggregating \$250,000, charged to profit and loss.

Additions and Betterments.—The expenditures for additions and betterments during the year for road aggregated net \$630,817, notably: Widening cuts and fills, \$51,134; increased weight of rail, \$73,873; track fastenings and appurtenances, \$114,108; ballast, \$48,863; terminal yards, \$151,048, and elimination of grade crossings, \$53,030.

Additions and betterments to equipment aggregated (net) \$874,627, viz.: Steam locomotives, \$93,698; passenger train cars, \$177,587; freight train cars, \$728,108; work equipment, \$33,480; total, \$1,032,872. Less equipment retired during year, \$158,245; net, \$874,627. During the year \$403,000 equipment trust obligations matured and were paid.

Physical Changes.—There were 15,245 miles of track re-laid with 90-lb. new steel rail, 3,086 miles with 85-lb. new steel rail, 61,784 miles with 80-lb. new steel rail, making a total of 80,115 miles of track re-laid with new steel rail. 46,522 miles of track were re-laid with second-hand steel rail, replacing rail of lighter pattern. There were 12,02 miles of track ballasted with slag and 37 miles with gravel, total 49,02 miles. \$151,980 was expended on new gravity yard at Macon, Ga. An underpass 750 ft. long, carrying Bay St., Macon, Ga., under tracks was completed; our proportion of the cost was \$49,280.

Equipment.—Four new locomotives were added during the year and five were sold and one destroyed, a decrease of two locomotives, with an increase of 18,16 tons in tractive efficiency; 14 new steel passenger train cars were added during the year and four wooden passenger train cars destroyed, an increase of ten cars; 501 new freight train cars were added and 509 were sold, destroyed or transferred to work service, a decrease of eight cars. The average capacity of cars owned June 30 1914 was 36.2 tons; total capacity of cars 365,930 tons.

OPERATIONS AND FISCAL RESULTS.

	1913-14.	1912-13.	1911-12.	1910-11.
Average miles operated.....	1,924	1,924	1,915	1,915
<i>Oper. (rev. traffic only)—</i>				
Passengers carried.....	5,333,215	5,196,886	5,258,945	4,894,447
Pass. carried one mile.....	181,675,928	176,588,453	178,233,141	166,223,927
Rate per pass. per mile.....	2.100 cts.	2.168 cts.	2.120 cts.	2.096 cts.
Rev. freight (tons) car'd.....	5,631,579	5,712,117	5,375,309	5,165,488
Rev. fr't (tons) carr. 1 m.....	847,005,494	839,528,685	793,902,844	758,229,638
Rate per ton per mile.....	1.083 cts.	1.049 cts.	1.120 cts.	1.096 cts.
Aver. rev. (tr.-load) tons.....	280	278	256	264
Earns. per fr't-tr. load.....	\$3.032	\$2.912	\$2.870	\$2.800
Earns. per pass.-tr. mile.....	\$0.9753	\$0.9833	\$0.9941	\$0.9714
Earns. per mile of road.....	\$7.386	\$7.201	\$7.276	\$6.739

INCOME ACCOUNT FOR YEAR ENDING JUNE 30.

	1913-14.	1912-13.	1911-12.	1910-11.
Operating Revenues—				
Freight revenue.....	9,169,090	8,803,117	8,887,839	8,308,919
Passenger revenue.....	3,815,474	3,828,199	3,777,488	3,484,889
Mail, express & miscell.....	686,071	682,539	629,093	595,475
Other trans'n revenue.....	200,602	206,963	223,919	209,373
Other than transport'n.....	339,506	334,054	413,814	309,632
Total operating rev.....	14,210,743	13,854,872	13,932,153	12,907,788
Operating Expenses—				
Maint. of way & struc.....	2,065,362	2,020,951	1,843,881	1,745,093
Maintenance of equip.....	2,794,131	2,577,254	2,351,625	2,182,967
Traffic expenses.....	429,583	421,029	415,828	307,613
Transportation expenses.....	4,963,488	4,837,723	4,845,230	4,199,247
General expenses.....	492,705	468,007	466,699	495,243
Total.....	10,745,269	10,324,064	9,923,262	9,020,093
P. c. op. exp. to op. rev.....	(75.62)	(74.52)	(71.23)	(69.88)
Net oper. revenues.....	3,465,474	3,529,008	4,008,891	3,887,695
Net rev. outside oper.....	75,337	73,483	68,590	77,856
Total net revenue.....	3,540,811	3,603,391	4,077,481	3,965,551
Taxes.....	631,597	598,538	625,504	560,125
Operating income.....	2,909,214	3,004,853	3,451,977	3,405,426
Other Income—				
Rentals.....	176,346	137,954	150,671	—
Hire of equipment.....	138,892	190,475	—	—
Int. on securities, &c.....	599,928	462,341	552,037	*768,874
Miscellaneous.....	17,326	25,229	40,088	—
Total income.....	3,750,806	3,730,853	4,194,773	4,174,300
Deductions—				
Lease of other roads.....	369,034	368,407	368,475	—
Hire equip. (deb. bal.).....	—	—	53,722	—
Joint facilities.....	116,131	71,419	65,546	—
Miscellaneous rents.....	123,461	110,330	103,862	*3,598,867
Interest on bonds.....	x1,840,403	1,894,498	*1,900,106	—
Int. on unfunded debt.....	201,080	58,686	*26,287	—
Miscellaneous.....	9,655	4,049	10,492	—
Div. on pref. stock (6%).....	900,000	900,000	—	—
Div. on com. stock (5%).....	250,000	250,000	—	—
Total.....	3,809,764	3,657,389	2,528,580	3,508,867
Balance, surplus or def.....	def.58,958	sur.73,464	sr.1,666,193	sur.575,433

* Comparison of items so marked is inaccurate, the figures having been somewhat changed in later years, the general results, however, remain unchanged.

BALANCE SHEET JUNE 30.

	1914.	1913.	1914.	1913.
Assets—				
Road & equip'm't	558,581,051	57,419,125		
affil. & contr. cos.	216,145	256,150		
Other investments	66,734,034	6,762,387		
Bonds pledged.....	600,000	2,438,000		
Cash.....	1,081,915	1,420,452		
Secur. held in treas.	6,037,950	—		
Traffic balances.....	92,367	139,985		
Agts. & conductors.....	121,516	154,095		
Material & suppl's.....	1,354,286	1,642,438		
Other work. assets.....	536,558	569,372		
Accrued int., &c.....	55,693	58,897		
Advances.....	807,301	778,979		
Oth. def. deb. items.....	185,472	206,378		
Total.....	76,424,288	71,846,258		
Liabilities—				
Common stock.....	5,000,000	5,000,000		
Preferred stock.....	15,000,000	15,000,000		
Bonds.....	—	43,249,300		39,170,450
Equip. tr. oblig's.....	657,000	—		1,065,000
Loans & bills pay.....	3,320,109	2,220,214		2,220,214
Traffic balances.....	231,904	314,003		—
Vouchers & wages.....	1,108,098	1,174,373		—
Int., divs. & rents unpaid.....	1,019,622	1,003,886		—
Other work. liabl.....	84,942	128,226		—
Accr'd int., divs., rents & taxes.....	699,175	667,713		—
Def. credit items.....	254,369	238,455		—
Approp. surplus.....	3,856,511	3,856,511		—
Profit and loss.....	e1,943,258	2,007,427		—
Total.....	76,424,288	71,846,258		

a Includes investment in road June 30 1907, \$45,679,120, and in equipment, \$8,344,248; improvements since June 30 1907 to road, \$5,074,236; to equipment, \$2,549,849; less reserve for accrued depreciation, \$3,066,403; b Other investments in 1914 include advances to proprietary, affil., &c., cos., \$17,936; physical property, \$347,958; securities pledged under collateral trust mtg. (Cent. R.R. & Bkg. Co. of Ga.), \$4,838,352; other securities pledged, \$663,351; securities unpledged, \$865,937. c After adding \$16,016 (net) sundry adjustments and deducting miscellaneous adjustments (net), \$21,227.—V. 99, p. 888.

H. B. Claflin Company and Allied Companies.
(Balance Sheets, &c.)

In connection with the reorganization plan outlined on other pages of this issue, the following balance sheets, &c., have been given out, based on the status of the several companies as going concerns, as determined by M. W. Thompson, C. P. A., accountant for the Noteholders' Committee, from balance sheets prepared by Marwick, Mitchell, Peat & Co., chartered accountants:

Sales of Retail Cos. for Years ending Jan. 31 (Except Joslin & Whitehouse, approximately this period).

	1913-14.	1912-13.	1911-12.
H. Batterman Co., Brooklyn, N. Y.....	\$2,205,899	\$2,068,084	\$1,915,949
J. Bacon & Sons, Louisville, Ky.....	1,237,600	1,152,529	—
The Bedford Co., Brooklyn, N. Y.....	640,287	486,436	366,288
Castner-Knott Dry Goods Co., Nashville, Tenn.....	1,063,059	860,002	735,762
M. J. Connell Co., Butte, Mont.....	730,200	623,200	—
The Fair Co., Cincinnati, Ohio.....	1,262,388	1,141,219	989,944
Hennessy Co., Butte, Mont.....	4,554,400	4,499,800	—
Jones Store Co., Kan. City, Mo.....	4,110,559	2,922,277	2,839,681
Joslin Dry Goods Co., Denver, Col.....	1,394,574	1,220,947	1,157,963
Kline Bros., Altoona, Pa.....	410,308	395,229	395,229
Lion Dry Goods Co., Toledo, O.....	1,175,483	1,053,980	941,594
Lord & Gage, Inc., Reading, Pa.....	923,080	817,524	516,057
George W. MacAlpin Co., Cincinnati, O.....	1,317,163	1,170,061	1,016,756
MacDougall & Southwick Co., Seattle, Wash.....	1,413,586	1,134,863	1,149,179
Montgomery Fair, Montgom., Ala.....	848,358	795,829	751,522
People's Store Co., Tacoma.....	835,035	687,265	571,554
Road Dry Goods Co., Terre Haute, Ind.....	763,839	629,703	552,032
Spring Dry Goods Co., Gr. Rap., Mich.....	531,807	534,585	515,960
Watt, Rettew & Clay, Inc., Norfolk, Va.....	544,480	554,169	540,671
Thos. C. Watkins, Ltd., Hamilton, Ont.....	1,180,324	1,063,773	892,805
J. B. White & Co., Augusta, Ga.....	704,151	718,741	754,434
Whitehouse Co., Spokane, Wash.....	402,545	385,190	431,348
Total (supplied by Ed.).....	\$28,249,125	\$24,914,906	—

The output of the Defender Mfg. Co., consisting of sheets and pillow cases, was all taken by the H. B. Claflin Co.

STATUS OF H. B. CLAFLIN CO. AND 23 ALLIED COS. JUNE 24 TO JUNE 30 1914 (BACON & SONS JULY 13).

(Not including for H. B. Claflin Co. capital stocks or bonds of the 23 companies delivered to the H. B. Claflin Co. or its receivers by John Claflin.)

Assets—	Book Values.	z 23 Allied Companies.		z Total.
		z 23 Allied Companies.	z Total.	
(See fuller particulars, V. 99, p. 268)				
Cash, subject in part to offsets.....	\$567,897	\$436,616	\$1,004,513	
Merchandise bills receivable.....	362,939	83,380	446,319	
General accounts receivable.....	5,181,486	3,166,192	8,347,678	
Due from French and German offices.....	608	—	608	
Inventory of merchandise.....	6,724,442	8,234,800	14,959,242	
Due from two cos. in excess of notes discounted.....	675,879	—	675,879	
Due from McCreery & Co., Pittsb. (subordinated to \$1,100,000 of other debts of McCreery & Co.).....	758,859	—	758,859	
Due from Associated Merchants Co., O'Neill-Adams Co. and cos. affiliated with United Dry Goods Cos., Associated Merchants Co., &c., on open account (of this there is due from O'Neill-Adams Co. \$3,945,648, on which it is expected that \$1,500,000 will be realized).....	4,809,198	—	4,809,198	
Bonds, mtgs. and miscell. stocks.....	352,847	50,025	402,872	
Stocks in United Dry Goods Cos., Scruggs-Vandervoort-Barney D. G. Co., Higbee Co. and O'Neill-Adams Co.....	x6,874,417	—	6,874,417	
Stocks of 3 cos. not in hands if receivers (McCreery & Co., Pittsb.; MacCallum & Cloutier Mercantile Co. and Wilkes-Barre Dry Goods Co.).....	1,240,000	—	1,240,000	
Real estate and buildings.....	y5,419,790	668,506	6,088,296	
Improvements and fixtures.....	1,175,999	1,553,462	1,728,957	
Unexpired interest and other working assets, incl. \$300,000 unexpired discount on notes.....	327,259	243,294	570,553	
Total book values.....	\$33,471,116	\$14,436,275	\$47,907,391	
Liabilities (see also V. 99, p. 268)—				
Taxes and salaries.....	\$39,214	—	\$39,214	
Collateral notes.....	341,989	—	341,989	
Merchandise accounts &c.....	5,854,412	1,244,897	7,099,309	
Due United Dry Goods Cos., Hahne & Co., Stewart Dry Goods Co., and Powers Mercantile Co. (partly secured by pledge of the 34th St. (McCreery real estate listed in assets).....	2,613,668	—	2,613,668	
Due to 5 of 23 cos. on open account.....	386,557	—	386,557	
Miscellaneous indebtedness.....	295,878	291,577	587,455	
Merchandise certificates.....	—	368	368	
Notes payable to others.....	—	104,421	104,421	
Notes discounted by H. B. Claflin Co.....	—	31,157,709	31,157,709	
Notes as coll. to H. B. C. Co. loans.....	—	504,120	504,120	
Reserve for trading stamps.....	—	10,763	10,763	
Total.....	\$9,531,718	\$33,313,855	\$42,845,57	

The H. B. Claflin Co. is liable on the notes aggregating \$31,157,710 which were issued to the H. B. Claflin Co. by the 23 cos. See list below.

x This includes United Dry Goods Cos. common stock (par \$6,268,000), upon which no dividends are now being paid; Scruggs-Vandervoort-Barney Dry Goods Co., 2d pref. stock (par \$187,000), upon which 7% dividends are being paid, and common stock (par \$2,103,650), upon

also claimed to be subject to an option to purchase. z These columns inserted by "Chronicle" in manner shown by preliminary statement. There are also outstanding against certain of the 23 companies the following securities which it is agreed shall be canceled in case the plan goes through: Castner-Knott Dry Goods Co., \$250,000 income bonds with accrued interest, \$31,646; Jones Store Co., \$300,000 income bonds; Kline Bros., \$300,000 debenture bonds with accrued interest, \$90,155; MacDougall & Southwith Co., \$800,000 income bonds with accrued interest, \$5,573; Thomas C. Watkins, Ltd., \$500,000 income bonds with acc. int., \$159,400; Whitehouse Co. debenture bonds, \$500,000, with acc. int., \$112,677.

BALANCE SHEETS OF CLAFFIN STORES THAT EXECUTED NOTES. Status as of June 24 to June 30 1914, except J. Bacon & Sons, July 13 1914.

Table with columns for Assets and Liabilities, and sub-columns for various companies like J. Bacon & Sons, H. Bateman, Bedford Co., etc.

Willys-Overland Company, Toledo, Ohio.

(Report for Fiscal Year ending June 30 1914.)

The annual statement contains no text, but Pres. John N. Willys was quoted on or about Sept. 15 as follows:

Upon returning to this country after an absence of two months, I find that never in the history of the Willys-Overland Co. has our business been better. For Sept. and Oct. our contract schedules call for approximately 75% more cars than the schedules of a year ago. Our factory men are working full force, full time and full pay, yet we have on hand fully 1,000 more unfilled orders than we had at this time last year. We have orders for more than \$5,000,000 worth of cars for immediate shipment, in spite of the fact that our shipments are averaging over 50 more cars per day than during the corresponding period of 1913.

From June 30 to Sept. 1 the start of our fiscal year, we have received more than double the number of orders received during the same space of time last year, and our business was more than \$2,000,000 greater than that of 1913, our best previous year. [The company announced this week the receipt of an order for 300 motor trucks from the Belgian Government.]

CONSOLIDATED INCOME ACCOUNT (INCL. SUBSIDIARY COS.). 1913-14. 1912-13.

Table comparing financial data for 1913-14 and 1912-13, including Net earnings and income of all companies, Total earnings and income from all sources, Balance, surplus net income for year end, etc.

BAL. SHEET JUNE 30 (TOTALS \$38,737,840 IN 1914; \$32,602,836 IN '13)

Table with columns for Assets and Liabilities, detailing various items like Good-will, patents, trade-marks, Real estate, buildings, plant and equipment, etc.

GENERAL INVESTMENT NEWS.

RAILROADS, INCLUDING ELECTRIC ROADS.

Arkansas & Memphis Railway, Bridge & Terminal Co.—To Build New Memphis Bridge—Guaranteed Bonds.—See Missouri Pacific Ry. on a subsequent page and St. Louis Southwestern Ry. report, V. 97, p. 1140.

The bridge, it is stated, is expected to be completed by the fall of 1915. The bridge structure proper will be about 8,400 feet long. The main span will be 700 feet, one of the longest cantilever spans in the world. There will be two tracks for steam roads, space for interurban lines and a free road for wagons and pedestrians.—V. 94, p. 277.

Atlanta Birmingham & Atlantic Ry.—In Possession.—Official notice of the reorganization of the A. B. & A. Railroad, the predecessor company, has been filed in the office of the Secretary of State of Georgia.

The notice states that the company has been withdrawn from the hands of the receiver and that Lee C. Bradley has been appointed Alabama agent. Compare V. 99, p. 673, 536.

Aurora Elgin & Chicago RR.—Circular.—Referring to the omission of the usual quarterly dividend on the common stock, a letter states:

While the dividends were earned, the directors decided, in view of existing conditions, to suspend the payment of dividends on the common for the time being. Public utilities properties are required continually to extend their service and facilities to meet the growing demands of their communities. Capital for these requirements is provided ordinarily from surplus earnings and by sale of new securities. Under existing conditions, when all securities markets are closed, this company must be prepared to meet capital requirements out of income. Your directors believe as a result of their decision the position of the company will be strengthened and the investment of its stockholders will be fortified. Compare V. 99, p. 894.

Buffalo Rochester & Pittsburgh Ry.—Bonds Called.—Ninety-five (\$95,000) 4 1/2% equipment bonds, Series "D" for payment at 105 and int. on Nov. 1 at Guaranty Trust Co., N. Y.—V. 99, p. 403, 341.

Buffalo & Susquehanna Ry.—To Be Discontinued.—Justice Bissell in the Supreme Court at Buffalo on Sept. 30 on application of the United States Trust Co., trustee of the mortgage securing the \$6,000,000 1st 4½% granted an order permitting Receiver Harry I. Miller to discontinue operation of the road on Nov. 1. The receiver was also ordered to sell the road and equipment. The newspaper reports that the road was ordered to be torn up is discredited by a party in interest in this city.

It was shown that the road was being run at a loss of from \$6,500 to \$10,000 a month; that on April 1 1914 the Buffalo & Susquehanna Railroad severed its relations with the Railway company, transferring its excess traffic over the Pennsylvania and allied lines. Through the loss of this business the affairs of the Railway became still more involved and it was found that it would be impossible any longer to operate the road. The bondholders' committee consented to the order.—V. 97, p. 1662.

Canadian Northern Ry.—Acquisition.—The company has, it is reported, taken over the Stettler-Nordegg Ry. in Alberta, extending from the main line at Stettler, Alberta, to Nordegg, a colliery town, 123 miles, and will operate it. The colliery at Nordegg is said to be owned by Kaiser Wilhelm of Germany.—V. 99, p. 747, 608.

Chicago Indianapolis & Louisville Ry.—Earnings.—

Year	Gross Earnings	Not (after Taxes)	Other Income	Fixed Charges	Balance Surplus
1913-14	\$6,944,005	\$1,426,287	\$200,320	\$1,480,808	\$145,799
1912-13	6,985,944	1,587,968	311,268	1,360,875	538,361

During each of the fiscal years there were paid from accumulated surplus dividends of 4% on the preferred stock (\$199,752); in 1913-14 1½% (\$170,568) was paid on the common, against 3¼% (\$341,136) in 1912-13.—V. 99, p. 673, 47.

Chicago & Oak Park Elevated RR.—Receiver's Certifs.—Judge Kohlsaat in the U. S. District Court has ordered receiver Samuel Insull to present within ten days a petition for permission to issue receiver's certificates to raise money for elevating the company's tracks near the Western terminus, the cost to be between \$1,500,000 and \$2,000,000. The certificates will be a first lien on the property.

The Court took full jurisdiction of the affairs of the road, and enjoined further litigation by the State Public Utilities Commission, holding that his Court appointed the receiver, and that the business is being conducted under his supervision. The Commission is trying to force the receiver to elevate the tracks.—V. 97, p. 175.

Chicago Rock Island & Pacific RR.—Mr. Amster's Appeal to Bondholders.—With reference to the recent advertisement by N. L. Amster as to the formation of a new committee of holders of 4% collateral trust bonds (see last week's "Chronicle"), the following statement is at hand:

In view of the pending developments in the ownership of the company, N. L. Amster of Boston proposes that holders of these bonds break away from the policy which has grown up in past years of placing their securities, under such circumstances, in the hands of some self-constituted committee. His proposal is that these bond owners meet together and select their own committee to represent them in the conducting of any further negotiations necessary to complete the work under way. The existing committee is not making any plans to finance the needs of the railway company; that problem will have to be taken up by the new stockholders who are at present owners of these collateral trust bonds. Mr. Amster, therefore, proposes that all bondholders communicate with him that he may call a meeting at which the bondholders may elect a committee to represent them.

Some of the purposes of Mr. Amster's proposal is to secure a committee empowered by the bondholders to co-operate in securing promptly deposits of bonds to procure the sale of the stock and its acquisition by the collateral trust bondholders; to adjust charges against the bondholders representing their share of the expenses incurred by the trustee; to procure the election of a board of directors of the railway company actually representing the interests of the bondholders; to take up the question of payment of funds of the operating company to the holding company.

The most important proposal is the question of providing a plan for taking care of the financial needs of the railway company, of whose great intrinsic value Mr. Amster is satisfied. See also V. 99, p. 894, 815.

Judge Mayer in the U. S. District Court yesterday, on the protest of Samuel Untermyer, as counsel for minority bondholders, reserved decision on the application of the Wallace committee for a decree ordering the sale of the C. R. I. & P. Railway stock deposited as collateral for the bonds. The Amster interests desire to get into the foreclosure decree a clause providing that any bondholder may receive his pro rata share of the stock in exchange for his bonds after the foreclosure, and not be compelled to take his share of the cash proceeds of the sale.—V. 99, p. 895, 815.

Cincinnati Hamilton & Dayton Ry.—Application Postponed.—The receivers have postponed application for permission to issue \$3,000,000 certificates. They say:

In view of the financial situation, largely the result of the war in Europe, the receivers have decided not to ask the Court for an order permitting them to purchase new equipment, as was contemplated. While favorable contracts might be made at this time for equipment, the receivers were of the opinion that the higher rate of interest for money borrowed would more than offset the advantage of any saving in the amount paid for the equipment. The hearing of the application has, therefore, been postponed to some later date, when it is hoped conditions may have improved. Compare V. 99, p. 815, 747.

Cleveland (O.) Ry.—Option to Subscribe.—The directors on Sept. 28 authorized the sale, subject to the Ohio P. U. Commission, at not less than par, of additional capital stock in an amount equal to 10% of the stock outstanding Oct. 1, the proceeds to be used for extensions, betterments and improvements proposed or approved by the City Council.

Stockholders of record Oct. 1 are offered the right up to Oct. 15 to subscribe for the new stock pro rata, payable one-quarter or more each on or before Nov. 1 1914 and Jan. 1 1915, and the remainder in one or more installments on sixty days' notice. The company reserves the right to limit the amount of the first two payments.

The Commission recently authorized the sale of not less than \$1,068,500 stock at par, but this is not being offered to stockholders.—V. 99, p. 815, 747.

Commonwealth Power, Railway & Light Co.—Earnings.—The regular dividends have been announced, namely 1½% on the pref. and 1% on the com. stock, payable Nov. 2 1914 to holders of record Oct. 16 1914. An authoritative statement reports:

The company in August showed an increase in gross earnings of 5.88% over August 1913 and of 12.26% in net earnings. The totals for the 12 months ended Aug. 31 were the largest gross and net earnings in the history of the company. Considering conditions, due to the general slowing up of business throughout the United States, this increase is remarkable, indicating the strength of public utility companies whose operations cover a number of communities. The earnings for the quarter ended Sept. 30 have not been compiled as yet, but it is stated will show also a good increase.—V. 99, p. 533.

Erie RR.—Car Trusts.—The P. S. Commission yesterday authorized the company to issue \$900,000 4½% car trust certificates, to be known as series B, due

semi-annually in 20 series of \$45,000 each. Drexel & Co. early in the summer arranged to purchase the entire issue at 97 and interest.

The equipment covered is to cost \$1,103,312, of which \$203,312 is paid in cash. This equipment is to consist of 6 locomotives, one of which is the large triple articulated machine which has been tried out in freight service on some of the company's heavy grades in Southern New York, said to be the largest locomotive in the world (V. 99, p. 406); 7 all-steel suburban coaches, one all-steel combination baggage and passenger coach, 4 steel underframe club cars, 200 46-ton drop and gondola cars, and 600 50-ton side-dump hopper cars. Edward T. Stetsbury will lease the equipment and assign the lease to the Commercial Trust Co. of Philadelphia.

New Notes.—The holders of a substantial part of the \$4,550,000 notes maturing Oct. 1 have, it is announced, accepted the offer of J. P. Morgan & Co. to give new 5% one-year notes in exchange and the remainder of the \$4,550,000 new notes have been placed. Compare V. 99, p. 815, 748.

Fitchburg RR.—Authorized.—The stockholders on Sept. 30 authorized the proposed issue of \$2,550,000 bonds to reimburse the Boston & Maine for improvements on the road and to refund \$1,359,000 bonds due March 1 1915.—V. 99, p. 816.

Interurban Railway & Terminal Co., Cincinnati.—Receiver'ship.—The Common Pleas Court at Cincinnati, on application of the Westinghouse Electric & Mfg. Co., a creditor for \$2,500, this week appointed Charles S. Thrasher of Cleveland and Charles M. Leslie of Cincinnati, receivers.

The Westinghouse Co. charged that the company had defaulted in the payment of interest on its bonds and is insolvent. The company joined in the application.—V. 95, p. 1331.

Kansas City & Memphis Ry.—Decision.—Judge Sanborn in the U. S. District Court at St. Paul, Minn., on Sept. 24 granted the application of the company to enjoin the receivers of the St. Louis & San Francisco from abrogating the contract by which it uses the St. L. & S. F. tracks to enter Fayetteville. The trackage contract is ordered to be extended from Oct. 1 to June 1 1915.

The Court stated that the extension is for the purpose of giving the K. C. & M. an opportunity to build a road into Fayetteville. The road, which is 31 miles in length, now must use the trackage in question or be shut out of the town.—V. 99, p. 816, 608.

Keokuk & Des Moines Ry.—Remanded to State Court.—Judge Mayer in the U. S. District Court has remanded to the New York Supreme Court the suit brought by Henry I. Clark and other owners of preferred shares of the Chic. R. I. & Pac. Ry. for an accounting under the lease, which was transferred from the State court in August last.—V. 99, p. 609, 49.

Little Miami Ry.—Authorized.—The Ohio Utilities Commission has authorized \$306,500 additional special guarantee stock to re-pay the Pittsburgh Cincinnati Chicago & St. Louis Ry. for advances under the terms of the lease from 1908 to 1913.—V. 99, p. 467.

Maine Central RR.—See "Annual Reports."
Acquisition.—The stockholders will vote on Oct. 21 on purchasing the property and franchises of the Rangeley Lakes & Megantic RR. (V. 95, p. 1202).—V. 99, p. 816, 811, 609.

Maine Railways Companies.—Official Statement.—See Maine Central RR. under "Reports" above.—V. 99, p. 674.

Maryland & Pennsylvania RR.—No Income Interest.—The company will not make the usual semi-annual payment on the \$900,000 income bonds, as the income for the six months was not sufficient to pay the interest.

In 1901 3% was paid, but the full 4% rate (2% each in April and Oct.) has been paid since to April 1914.

An advertisement signed by President John Wilson Brown says in substance: "In view of the large expenditures for improvements and betterments upon the road and equipment, and other such expenditures still remaining to be made, and the fact that net earnings during the six months ended June 30 1914, after deducting fixed charges but without deducting any part of cost of such betterments, would not be sufficient to pay the whole amount of such interest, the directors have determined that there is no income for said period applicable to pay such interest; and the interest on the income bonds maturing Oct. 1 1914 will not be paid."

"The company had shown for a number of years a very satisfactory increase in traffic. The expense of handling the traffic, however, grew very heavy, and the operating officials stated that this was due to lack of funds for capital improvements and for rehabilitating the property. Funds were made available to the company and extensive improvements have been made to the property, but the company did not show any improvement in earnings during the last six months' period. The operating officials claim that the improvements have not been in operation long enough to feel their effect during the period referred to, and this, they say, is borne out to a considerable extent by the fact that a substantial reduction was shown in the operating cost during the last month."—V. 98, p. 999.

Massachusetts Electric Companies.—Earnings.—

Year	Div. on Stocks	Misc. Income	Total Income	Int. &c.	Pf. Dis. (%)	Bal. Surp.
1913-14	\$1,077,292	\$79,008	\$1,156,300	\$178,214	\$968,256	\$9,830
1912-13	1,133,293	71,433	1,204,726	204,012	968,256	32,458

—V. 98, p. 1920.

Muscataine North & South Ry.—Receiver'ship.—Judge McPherson, in the U. S. District Court on Sept. 16 appointed Charles N. Voss, President of the German Savings Bank of Davenport, Ia., and E. H. Ryan, also of Davenport, receivers. The \$425,000 3-year 6% syndicate notes secured by all of the \$800,000 bonds and \$425,000 stock of the railroad company matured on Oct. 1.—V. 93, p. 1534.

National Railways of Mexico.—October Interest.—No arrangements have yet been made for the payment of the interest payments due Oct. 1.

It had been hoped to make an issue of notes, as at prior interest periods during the year, but, owing to the disturbed conditions in Mexico, it has been impossible for the New York representatives of the company to obtain the desired information from the present administration as to whether it would pledge Government securities as collateral for the notes as in previous months. The annual meeting is scheduled to be held on Oct. 7. If it is held and the developments are favorable, it is hoped to make satisfactory arrangements in regard to interest.—V. 99, p. 816, 675.

New England Investment & Security Co.—Earnings.—The following statement for the year ending June 30 1914 has been filed with the Mass. P. S. Commission:

Divs. and int. received.....	\$712,215	Surplus for year.....	\$72,499
Deductions.....	24,173	Accum. def. June 30 1913..	525,717
Net.....	\$688,042	Total deficit.....	\$453,218
Int. on coupon notes.....	\$445,543	Disc't on sales of inv. bds..	23,920
Dividends.....	170,000	Deficit June 30 1914.....	\$477,138
Surplus for year.....	\$72,499		

New York Central & Hudson River RR.—Note Issue.—It was announced on Tuesday that the company is contemplating an issue of not exceeding \$40,000,000 of 6 months and one-year coupon notes, divided equally between the two maturities, to meet the company's financial requirements well into 1915. The first maturity to be met is an issue of \$12,000,000 one-year 5% notes on Nov. 5. The new notes will bear interest at 5%. The company has requested the firm to manage a syndicate which will purchase the notes on what is believed to be approximately a 7% basis.

The date of the public offering of the notes has not yet been determined, but it is understood that the company's depository banks are taking a large interest in the underwriting syndicate. If conditions had been normal the company would have handled its financial needs through the sale of new refunding bonds.—V. 99, p. 748, 538.

New York New Haven & Hartford RR.—Directors.—William Rockefeller and George F. Baker, also Charles F. Brooker of Ansonia, Conn., and James S. Elton of Waterbury, Conn., on Tuesday resigned as directors. J. Horace Harding, of C. D. Barney & Co., has been elected a director.

The four resignations leave 20 members on the board, compared with 27 a year ago. The directors voted to recommend to the stockholders at the annual meeting on Oct. 28 that the board be reduced to 17 members, in accordance with the general policy now being followed by corporations and banking institutions.—V. 99, p. 817, 675.

New York Ontario & Western Ry.—New Directors.—The following directors have been elected:

Frederick L. Lovelace of Niagara Falls, Francis T. Maxwell of Rockville, Conn., and Lorenzo M. Gillett of New York, to succeed the late Edward Milner and J. P. Morgan and C. F. Brooker, who resigned. Mr. Lovelace represents the minority stockholders.—V. 99, p. 839, 609.

New York Railways.—Notice to Holders of Adjustment Incomes.—Charles F. Cushman, Secretary of a proxy committee, Room 1800, 14 Wall St., N. Y., in circular of Sept. 24 says in substance:

At the annual meeting in December the Adjustment Income bonds will be entitled to elect 5 of the 11 directors. The following will present our proxies: Darwin P. Kingsley, Pres. N. Y. Life Ins. Co.; William A. Day, Pres. Equitable Life Assur. Soc.; Haley Fiske, V.-Pres. Metropolitan Life Ins. Co., all of N. Y.; Allan Forbes, Pres. State Street Trust Co., Boston.

Coupon bonds registered as to ownership, as well as full registered bonds, can vote without further registration. Coupon bonds which have not been registered as to ownership will be registered for voting if presented at the reorganization department of the Guaranty Trust Co., 140 Broadway, N. Y., which company, without inscribing anything on the bonds, will make a record of the name of the owner and the numbers of the bonds. Bonds once registered are good for voting at all subsequent elections.

The suit of the N. Y. Life Insurance Co. on behalf of all said bondholders to re-open and re-cast the accounts under which interest payments were made for the years 1912 and 1913, on the ground that money properly due the bondholders has been withheld, is being actively prosecuted. The bondholders can make sure that from now on these income bonds will receive every dollar of interest to which they are entitled by standing together and electing directors who will protect their interests.

Income Interest.—A payment of 1.288% (\$12.88 per \$1,000) will be made on Oct. 1 for the 6 months ending June 30 1914. The statement originally prepared by the company showed the amount available as interest to be 1.24%.

Swartwout & Appenzeller in a circular say:

The board of experts on Sept. 30 reported \$12.88 per bond, as against \$12.40 reported by the company. We are, of course, sorry that the board of experts did not follow any more than the company, the explicit directions of the mortgage regarding net income, reserves, &c., but it must not be forgotten by bondholders that on this committee the bondholders had no representative, for the committee was appointed one by the company, one by the trustee, the two selecting a third. In this particular case the trustee, the Farmers' Loan & Trust Co. is the same as the company, for its President (as a director of New York Railways Co.) has regularly signed each report prepared by the company and has not been influenced by the protest of the New York Life Insurance Co. and some \$6,000,000 other bonds regarding the policy followed by the company of setting up reserves in years when less than 5% is paid on the income bonds. The mortgage, in providing for a board of arbitration, provided for one appointment by the trustee, it being anticipated that, in any dispute, the trustee would favor the bonds as against the stock-holding interests as represented by the company. Compare V. 99, p. 675, 343.

Northern Electric Ry., California.—Receivership—Default.—The General Railway Signal Co. on Thursday applied to Judge Dooling in the U. S. District Court at San Francisco for the appointment of three receivers. The company joined in the application. The company has defaulted on the interest on the \$3,750,000 1st M. 50-year 5% bonds due Oct. 1. Int. on \$6,652,000 1st & consol. M. 5s was defaulted on June 1.

The current liabilities amount, it is stated, to about \$1,100,000. The company recently applied to the California Commission for authority to issue \$37,079 notes.—V. 98, p. 1845.

Ottawa (Can.) Traction Co., Ltd.—Dividend.—A dividend of 1% was paid on Oct. 1 to holders of record Sept. 30. The usual quarterly dividend of 3% was paid Oct. 1 on the Ottawa Electric Ry. stock.—V. 98, p. 763.

Ozark & Cherokee Central RR.—Extension of Bonds—Interest Payment.—The protective committee, consisting of E. S. Page, Chairman, Howard Bayne, Robert C. Drayton, A. B. Leach and Robert L. Montgomery, now representing over 93% of the \$2,880,000 outstanding 1st M. 5% bonds, announces that an agreement has been made with the receivers of the St. Louis & San Francisco RR. Co. for an extension of the bonds represented, for a period not exceeding one year from Oct. 1 1914, the arrangement providing that interest at the rate of five per cent (5%) shall be paid for the six months ending Oct. 1 1914, or within a few days thereafter, and that interest at the rate of six per cent (6%) will be paid for the six months ending April 1 1915 or a few days thereafter.

Holders of the certificates of deposit issued by the Girard Trust Co. of Philadelphia and the Columbia Trust Co. of New York should forward the same to the respective depositories in order that the extension may be stamped on them, and checks for the interest will be mailed to the regis-

tered holders. The committee expects to receive funds to pay the interest within a few days, when announcement will be made.

During the 12 months past the receivers have spent \$120,000 in additions and betterments, as required by their agreement with the protective committee. Liberal amounts have been spent in maintenance. The committee required an average expenditure of \$7,800 per month, whereas the receivers have spent upwards of \$11,000 on this item. The railroad, therefore, it is stated, is in much better condition than when the protective committee was formed about a year ago. Compare V. 97, p. 237, 444, 803, 887, 951.

Pacific Gas & Electric Co., San Fran.—Bonds Called.—One hundred (\$100,000) gen. M. 4½% sinking fund 30-year gold bonds of the San Francisco Gas & Electric Co., dated Nov. 1 1903, for payment at 105 and int. on Nov. 1 at Union Trust Co., San Fran.—V. 99, p. 817, 609.

Pere Marquette RR.—Amended Order.—Judge Tuttle in the U. S. District Court on Sept. 28 filed an order amending the original order so as to provide for the issuance of only \$600,000 of the \$2,000,000 of receivers' certificates ser. A.

The order was based on an agreement among counsel for first M. bondholders, who had appealed from the original order, authorizing the issuance of series A, that there be no appeal against \$600,000 of the amount, so that the State taxes may be paid. This will eliminate a monthly penalty of nearly \$5,000 imposed by the State on account of delinquency.—V. 99, p. 895, 817.

St. Louis & San Francisco RR.—Extension of Bonds.—See Ozark & Cherokee Central Ry. above and compare V. 99, p. 895.

Deposits.—About 85% of the 4% refunding M. gold bonds had on Oct. 1 been deposited with the protective committee (Frederick Strauss, Chairman). No formal extension of time has been granted, but the committee will, for the time being, consent to receive further deposits.—V. 99, p. 895, 609.

Salt Lake Light & Traction Co.—Merger.—See Utah Securities Corporation below.—V. 99, p. 675, 609.

Second Avenue RR., New York.—Default.—The company has defaulted on the payment of the principal of the \$3,140,000 6% certificates due Oct. 1. The semi-annual interest due on that date has been paid.

A bankers' circular to their customers says in substance:

When the certificates were issued it was expected that a plan of reorganization for the property could be consummated before their maturity, and a tentative plan was prepared last July which provided for the payment of the certificates in full. Owing to the outbreak of the European war, and the resulting disturbed financial conditions, it was decided it would be useless to attempt to consummate the plan, which has therefore been held in abeyance. We are informed that for the same reason the receiver has found it impossible to finance a new issue of certificates.

Some weeks ago the receiver presented the facts in the case to the Court which authorized the issuance of the certificates which you hold, and requested permission to pay the interest due Oct. 1, and asked the Court for instructions as to the action to be taken in respect to the principal of the certificates then due. While the decision of the Court has not yet been handed down, it is not likely that any provision can be made by the Court or by the receiver for payment.

The certificates constitute a first lien on the assets of the corporation, which, according to a recent valuation, show a substantial equity, and as the receiver reports earnings more than sufficient to meet the interest, we feel that the payment of the principal is only deferred.

Pending final payment of the certificates, or until further notice, holders should retain their old certificates, which we understand will continue to bear interest at the rate of 6% per annum.—V. 99, p. 749.

Southern Pacific RR.—Application.—The company on Sept. 23 applied to the California RR. Comm. for leave to issue \$2,789,153 74 first refunding bonds. The bonds are to be sold at 91.0388. The proceeds are to be used to replace capital expenditures for the 14 months ending Dec. 31 1912.—V. 92, p. 264.

Southern Ry.—Mr. Gary Retires as Director.—See item under "Banking, Legislative and Financial News."—V. 99, p. 818, 749.

Tidewater Southern (Electric) Ry.—Further Data.—As stated last week, L. N. Rosenbaum, 80 Wall St., is offering at 85 and int. the unsold portion of \$750,000 30-year 5% 1st M. sinking fund gold bonds of 1912. A circular shows:

Earnings for First Seven Months of Operation as an Electric Road.

	Nov. '13	Dec. '13	Jan. '14	Feb. '14	Mar. '14	Apr. '14
Passengers, No.....	3,451	5,759	7,003	9,794	12,448	15,872
Passenger revenue.....	\$1,184	\$2,594	\$3,358	\$4,548	\$5,552	\$6,612
Freight revenue.....	1,730	1,650	1,526	1,214	1,439	2,464

Total revenue for April 1914, \$9,078; net for interest and surplus, \$3,875. During April, May, June and July 1914 carried over 90% of all passenger traffic between Stockton and Modesto. Will not compete with the steam roads except for terminals, and will touch an entirely unserved territory already well developed. Has arrangements with Western Pacific, Central California Traction Co., California Navigation & Impt. Co., Southern Pacific and Atch. Top. & S. Fe. for interchange of passengers and freight. In Oct. 1912 J. G. White & Co. estimated the earnings for the first full year of operation from Stockton to Turlock (50 miles) as an electric road as follows: Gross earnings, passengers, \$149,000; freight, \$31,000; total, \$180,000 (company's estimate); net earnings, after taxes, \$83,000. Capitalization May 1 1914: Capital stock (par \$1 a share), \$5,000,000; outstanding, \$894,132, owned by some 3,000 stockholders, largely locally. Bonds authorized, \$4,000,000; outstanding May 1 1914, \$271,000.

Bonds dated Apr. 15 1912 and due Apr. 15 1942, but red. on any interest date at 103 and int. Denom. \$500 and \$1,000. Int. A. & O. 15. Sinking fund to retire the bonds: Oct. 15 1916 to Oct. 15 1921, 2% of outstanding bonds; 1922 to 1941, 3% yearly. Bonds limited to \$16,000 per mile between Stockton and Modesto and \$20,000 per mile for extension purposes. \$750,000 authorized by RR. Commission of State of California, the proceeds to be used for the completion and equipment of the road between Stockton and Turlock, a distance of 50 miles.

Assets May 1 1914: Construction, \$591,159; equipment, \$53,542; land, \$35,860; cash and bills receivable, \$206,507; rights of way (95 miles), city franchises, \$350,000; total, \$1,237,068, including 34 miles operating electric railroad, stations, station grounds, side tracks, terminals, equipment, 5 miles additional track, 15 miles additional grading.

The system as projected will embrace about 227 miles of standard-gauge high-speed interurban electric road for passengers, freight, &c., from Stockton southerly through French Camp, Atlanta, Escalon, Modesto, Ceres, Turlock, Merced and Madera to the City of Fresno, with branches to Manteca, Ripon, Oakdale, Patterson, Newman and Crows Landing. The estimated cost of this line is \$5,000,000, but in no event may bonds be issued in excess of the actual cost of the road, nor for more than \$20,000 per mile, for each single mile of main line or side track, regardless of the cost. The first division of road from Stockton to Atlanta, Escalon and Modesto, 33.1 miles, is now completed and being operated as an electric road. The road south of Modesto will be extended when and as the directors approve. There have been completed south of Modesto 5 miles of track, from Turlock westerly to Hatch, and 15 miles of grading from Hatch to within 2 miles of Modesto. Private right of way 50 to 100 feet in width, excepting in cities. Satisfactory franchises on Pilgrim St., Stockton, to connect with the tracks of the Central California Traction Co., Southern Pacific, Western Pacific and Atch. Top. & S. Fe. New 60-lb. steel "T" rail, standard 6x8x8 redwood ties, with tie plates. Bridge across Stanislaus River is built to stand a 100-ton engine under all conditions. Has 10-year contract with the Sierra-San Francisco Power Co. for electric motive power.

Officers and directors: Byron A. Beare (Pres.), Karl C. Brueck (Sec.), F. A. West, W. G. Wallace, J. L. Craig, Geo. F. Schuler and Wm. C. Beck, all of Stockton; J. A. Colby (Vice-Pres.), Escalon; T. J. Wisecarver, Modesto; Claus Johnson, Turlock; M. D. Wood, Merced; A. T. J. Reynolds, Courtland; J. N. Stuhr, Newman.—V. 99, p. 818.

Toledo Peoria & Western Ry.—Earnings.—

Year	Gross Earnings	Net (after Taxes)	Hire of Equip., &c.	Interest, &c.	Sur. or Def.
1913-14	\$1,293,609	def \$16,468	\$58,883	\$230,257	def \$187,842
1912-13	1,392,961	193,826	72,200	228,354	sur \$37,672

—V. 98, p. 232.

Union Railway, New York.—Decision.—
The Court of Appeals has affirmed the judgment of the lower Court fixing the special franchise assessment for 1910 at \$4,018,756 and \$216,097 in Manhattan and the Bronx, respectively. This is a reduction of nearly \$200,000 over the assessment fixed by the State Tax Board.—V. 99, p. 50.

Utah Light & Traction Co.—Merger.—
See Utah Securities Corporation below.

Utah Securities Corporation.—Acquisition.—New Securities.—The company, as was planned, has purchased a 98% interest in the stock of the Utah Light & Ry. and the property of the latter is now owned by the Utah Light & Traction Co., all of whose stock, other than that which accrues to the minority holders of the Utah Light & Ry., is owned by the Utah Securities Corporation.

This minority stock has been offered in exchange either cash or stock in the new company. The Utah Light & Traction Co. was formed Sept. 18 1914 by a consolidation of the Utah Light & Ry. and the Salt Lake Light & Traction Co., which was recently organized by the same interest with paid capital of about \$1,000,000 (V. 99, p. 675, 609). The capital stock of the new company will approximate \$1,000,000 in \$25 shares.

The Utah Light & Traction Co. has made a mortgage to the Bankers Trust Co., as trustee, to secure an unlimited issue of First & Refunding 5% 30-year gold bonds, dated Oct. 1 1914 (Int. A. & O. at office of company's agent), subject to call on any interest date at 105 and int.; coupon bonds \$1,000, \$500 and \$100; registered bonds, \$1,000. Sinking and improvement fund, 1917 to 1919, 1% of bonds outstanding; 1920 to 1934, 2%; 1935 to 1943, 2½% all dates inclusive. Of the bonds \$11,661,000 have been issued, of which \$3,816,000 are reserved to provide for the underlying liens below shown. The rest were sold to cancel large floating debt of the Utah Light & Ry. and to provide the necessary cash to pay the Utah Light & Ry. and the Salt Lake Light & Traction stockholders who elected to take cash in payment or exchange for their holdings, because of the merger. The bonds were not sold to bankers and none of them, it is expected, will get into the hands of the public.

Underlying Bonds for \$3,816,000 to Retire which New Bonds are Reserved.
\$745,000 Utah Lt. & P. 1st M. gold 5s due Jan. 1 1930, subject to call at par.
1,113,000 Utah Lt. & P. Consol. M. g. 4s due Jan. 2 1930, sub. to call at par.
1,472,000 Consol. Ry. & P. 1st M. gold 5s due July 1 1921 (not sub. to call).
486,000 Utah Lt. & Ry. 1st Consol. 5s, due Jan. 1934, call at par.

The \$993,000 Utah Lt. & Ry. 1st Cons. 5s and \$2,000 Utah Lt. & P. Consol. 4s formerly owned by Oregon Short Line RR. (U. P.) have been turned over as part consideration for the property acquired, and have been deposited as additional security for the new 1st & Ref. Mtge.

Just what will be done by the new interests with the property is a matter that will be worked out deliberately along conservative lines. It is still undetermined whether the Utah Light & Traction Co. will be merged into the Utah Securities Corporation or again whether the gas and electric-light business of the new property be turned over to the Utah Power & Light Co. and the new company left to operate simply the traction property.—V. 99, p. 347, 54.

Wrightsville & Tennille RR.—Earnings.—

Year	Operating Revenues	Net (after Taxes)	Fixed Income	Charges	Dividends	Balance
1913-14	\$352,116	\$98,121	\$2,015	\$25,078	\$36,000	sur \$39,058
1912-13	306,583	42,290	1,465	23,583	36,000	def. 15,828

Of the dividends paid in 1912-13, 3% (\$18,000) was paid from profit and loss, but are shown above for the sake of comparison.—V. 97, p. 1026.

INDUSTRIAL, GAS AND MISCELLANEOUS.

Agricultural Credit Co.—Preferred Dividend Omitted.—
The directors on Sept. 21 voted to omit the 1¼% quarterly dividend on the \$2,000,000 7% cum. participating pref., paid usually on Oct. 1. The resolution states: "On account of the extraordinary financial conditions resulting from the European war, it is deemed advisable to omit the usual quarterly dividend of 1¼% on the pref. stock, although current earnings continue in excess of the dividend requirements."—V. 96, p. 864.

American Malt Corp., N. Y.—Pref. Div. Reduced.—
The directors on Sept. 30 declared a dividend of 1% on the \$8,843,990 6% cumulative pref. stock, payable Nov. 4 1914 to shareholders of record Oct. 16. This contrasts with 2% each in May 1914 and Nov. 1913, 2¼% each in May 1913 and Nov. 1912, 2% each in May 1912 and Nov. 1911, 1% each in May 1911 and Nov. 1910, and with 2½% each six months (5% per annum) from Nov. 1908 to May 1910, inclusive.

The American Malt Co., the operating company, has declared a dividend of 62c. a share on its \$14,440,000 pref. stock, payable on Nov. 2. This compares with \$1 24 a share each in May 1914 and Nov. 1913, \$1 55 each in May 1913 and Nov. 1912, \$1 24 each in May 1912 and Nov. 1911, with 62c. each in May 1911 and Nov. 1910 and with \$1 56 half-yearly (3.12% a year) from Nov. 2 1908 to May 1910. The American Malt Corp. as owner of an amount in excess of 142,645 shares (98% of "company" pref., will receive from the dividend now declared about \$88,440, which is just sufficient to cover its own 2% distribution.

Preliminary Statement for Year ending Aug. 31 1914 (compare V. 91, p. 1250).

American Malt Co.	1913-14	1912-13	1911-12	1910-11
Surplus for year after all charges	\$330,775	\$403,368	\$310,319	\$743,040
Pref. divs. paid in November	\$89,528	\$179,056	\$223,820	\$178,056
Pref. divs. following May (not declared)		179,056	223,820	179,056
Balance after divs. (6 mos.' div. only in 1913-14)	\$241,247	\$45,256	\$362,679	\$404,928
Div. to Am. Malt Corp., about	\$88,440	\$176,880	\$436,496	\$347,860
Div. to Amer. Malt Corp. pref., about	\$88,440	\$176,880	\$436,496	\$347,860

* 62 cts. a 1.24% b 3.30% c 2.48%.

Bond Extension.—See Am. Malt Co. below.—V. 98, p. 1921.

American Malt Co., N. Y.—New Circular as to Extending Bonds.—A circular dated Sept. 25 has been sent to the bondholders, urging them to aid the company at this juncture by the early presentation of their bonds to the Guaranty Trust Co. of N. Y., 140 Broadway, N. Y., to be extended to June 1 1917 on payment of a commission of \$40 per bond, in accordance with circular of Sept. 9 1914 (V. 99, p. 818). The circular shows:

Expenditures, Aggregating \$2,675,861, for Improvements, Construction, &c., Since the \$4,000,000 Bonds (Now only \$2,402,000) Were Issued.
New plant at Buffalo, N. Y.—on Buffalo Creek, where the largest Lake steamers can discharge cargoes into the elevator attached to the malt house—the largest malt house with the largest storage capacity of any in the world.—\$1,252,417
Additions and improvements to other plants.—1,152,334
Property at 72d, 71st Streets and Ave. A, N. Y. City.—271,110
Of the above expenditures, there was paid from earnings \$2,119,529; from proceeds of property sold, \$556,332. The balance of proceeds of property sold was used for retirement of bonds. All of the newly-acquired property is covered by the mortgage.

Statement Showing Conservative Dividend Policy—6 Yrs. ending Aug. 31 1913.
Surplus net earnings Sept. 1 1907 to Aug. 31 1913 in excess of all charges—\$3,729,265
Dividends paid in the period from Sept. 1 1907 to Sept. 1 1914—2,288,740

Balance surplus net earnings for the 6 yrs. in excess of divs.—\$1,440,525
To this add the surplus net earnings for the year 1913-14. (See Amer. Malt Corp. above.)—V. 99, p. 818.

American Public Utilities Co.—Com. Div. Omitted.—

The directors have decided to omit the usual quarterly distribution on the common stock, which is made on Oct. 1. Payments of ½ of 1% were made from July 1912 to Oct. 1913, and from Jan., April and July 1914 ¼ of 1%. An official statement says:

"At the breaking out of the European war the company had undertaken certain large construction work, particularly at Indianapolis, some of which could not be postponed at the usual time for the declaration of quarterly dividends, owing to the disturbed financial conditions. The board was not certain that the construction operations could be carried forward without using funds available for dividends. Action on the matter of the payment of dividends was, therefore, deferred until Monday, Sept. 28, when the board was pleased to determine that it not only could carry on and complete the necessary construction work, but could also prudently pay the dividends on the preferred stock."—V. 99, p. 892, 819.

Assets Realization Co.—Financial Report.—G. M. P. Murphy, Chairman of the executive committee under the new regime, has made to the creditors' committee an elaborate 40-page report regarding the company and its assets, a digest of which will be published in the "Chronicle" later.

The company's direct obligations, as far as Mr. Murphy has been able to determine them, aggregated in Dec. 1913 \$7,073,711, of which \$1,179,627 has since been discharged by payment in cash, sales and realizations on collateral, sale of lots, &c. The known contingent liabilities (guaranties, endorsements, &c.) have in the same interval been reduced from \$2,321,127 to \$169,684, in addition to which there are some indefinite contingent liabilities and a \$150,000 contingent claim of doubtful validity. Against an annual income of not exceeding \$100,000, there are interest charges of about \$300,000, fixed executive expenses of \$132,159 and legal and incidental expenses of probably \$68,000, a total of, say, \$500,000. Many of the assets are in a partially undeveloped condition, requiring the making of further advances and Mr. Murphy therefore warns the stockholders against undue optimism as to the final result and intimates the possibility that the assets may not prove sufficient to meet the claims of the unsecured creditors in full with interest. Compare V. 98, p. 996; V. 99, p. 540.

Associated Merchants Co., New York.—Plan.—See (H. B.) Claflin Co. below.—V. 99, p. 51.

Atlantic Gas & Electric Co., N. Y.—Assignment.—
This holding company, having filed a voluntary petition in bankruptcy, Judge Mayer in the U. S. District Court, N. Y. City, on Sept. 29 appointed Calvert Brewer (V.-Pres. of the United States Mortgage & Trust Co.) as receiver for the property as a preliminary to a readjustment of finances.

The liabilities are stated as \$2,478,212, of which \$2,420,852 are secured (including with other items bonds of series A and B), \$28,523 are unsecured, \$28,286 are due to sub-companies and \$556 are for wages. The assets consist of \$1,112 cash, \$20,000 construction materials at Easton, Pa., and securities of the face value of \$5,238,710. Spooner & Cotton, 14 Wall St., attorneys for the company, are quoted as saying that the company's embarrassment is due to difficulty in financing improvements and that the underlying companies are sound and will not be affected. See Eastern Pennsylvania Power Co. below.

A statement regarding the Atlantic Gas & Electric Co. was given in V. 97, p. 1585, but subsequently the Pennsylvania Utilities Co. was organized as a merger of certain of the underlying companies and made a mortgage to secure not exceeding \$25,000,000 1st consol. M. 30-year 5s dated Nov. 1 1913, of which \$3,620,000 were reserved to retire outstanding underlying bonds of Eastern Pennsylvania Power Co., Nazareth El. Lt. Co. and State Belt El. Lt., Ht. & P. Co.; the remainder as hereafter additions, &c., it was said, would be taken and held by the Atlantic Gas & Electric Co.—V. 98, p. 1696.

Buffalo (N. Y.) Gas Co.—Notice to Bondholders.—See advertisement on another page, also V. 99, p. 896.

Central & South American Telegraph Co.—Partly Estimated Earnings.—For 3 and 9 months ending Sept. 30:

3 Mos.	Tot. Inc.	Net Income	Dividends	Bal., Surp.	Total Sur.
1914	\$547,500	\$388,918	(1¼%) \$143,565	\$245,353	\$3,731,282
1913	365,200	209,856	(1¼%) 143,565	66,291	3,256,250
9 Mos.					
1914	\$1,325,200	\$854,368	(4¼%) \$430,695	\$423,673	\$3,731,282
1913	1,209,500	761,780	(4¼%) 430,695	331,085	3,256,250

—V. 99, p. 201.

Chandler Motor Car Co., Cleveland.—Special Dividend.
A special dividend of 10% has been declared on the \$225,000 common stock along with the usual quarterly payment of 1¼% on the \$200,000 7% cumulative preferred stock. A dividend of 5% on the common was also paid within 90 days. The plant, which has been in operation less than two years, is said to be running at its full capacity, with prospects of a large fall business.

Chicago Lumber & Coal Co.—Bonds Called.—
First mortgage 6% bonds, Nos. 3479-3500, inclusive, of the Gulf Lumber Co. for payment at 103 and int. on Nov. 1 at Guaranty Trust Co., N. Y. The Chicago Lumber & Coal Co. guarantees both principal and interest of the bonds.—V. 98, p. 1843.

(The) H. B. Claflin Co., N. Y.—Plan of Reorganization Sept. 25 1914.—The noteholders' committee having formulated a plan of reorganization for the company and the 23 allied properties named below, now in receivers' hands, presents the financial statements which are cited under "Annual Reports" on a preceding page and gives notice that depositors who do not withdraw on or before Oct. 30 will be bound by the plan and that further deposits are limited to Oct. 26. This plan has been approved by the general creditors' committee and the creditors' audit and adjustment committee representing general creditors of the company.

Noteholders' committee: James S. Alexander (Chairman), Lewis L. Clark, Howland Davis, William T. Elliott, Charles W. Folds, Ernest A. Hamill, Seward Prosser, Philip Stockton and Festus J. Wade, with B. W. Jones, Secretary, 16 Wall St., and the Bankers Trust Co., N. Y. City, as depositary, and Northern Trust Co., Chicago, Girard Trust Co., Phila., Mercantile Trust Co., St. Louis, and Old Colony Trust Co., Boston, as agents of depositary.

Digest of Plan of Reorganization.

\$42,200,000 Present Indebtedness of H. B. Claflin Co. and the 23 Corporations (Exclusive of indebtedness between the 23 companies and the H. B. Claflin Co. and of all of said companies to John Claflin.)

Class A—H. B. Claflin Co.'s debts for merchandise, direct loans, expense accounts, foreign drafts, &c., total (claims against the assets of the company only) about	\$9,000,000
Class B—H. B. Claflin Co. endorsements of notes of the 23 (retail, &c.) companies discounted by it, being claims against the assets of the H. B. Claflin Co. in common with the Class A claims, and also against the assets of the individual companies in common with the merchandise and other general creditors of the individual companies (Class C below), about	31,500,000
Class C—Indebtedness of one or more of the 23 companies (other than upon notes discounted by the H. B. Claflin Co. and liability upon income and debenture bonds), being claims for labor, taxes, &c., entitled to priority and for merchandise sold or money advanced direct to one of the companies, but having no claims against the assets of the H. B. Claflin Co., about	1,700,000

Two New Companies to be Organized.
(1) The "Mercantile Stores Corporation," to be organized under N. Y. State laws, (its share capital, all of one class, to have no par value and the number of shares to be determined by the committee, 3) to acquire at judicial sale or through composition proceedings, or otherwise;

- (a) Such assets of the H. B. Claflin Co. as are deemed desirable All
- (b) Such assets of John Claflin or of the United Mercantile Co. delivered to the receivers as may be advantageous, viz: Allied 23 companies now in receivers' hands, capital stock—All
- McCreeery & Co. of Pittsburgh, Wilkes-Barre Dry Goods Co. and McCallum & Cloutier Mercantile Co. (these 3 cos. not in receivers' hands), entire capital stocks—All
- Scruggs, Vandervoort-Barney Dry Goods Co. (Issued stock \$2,500,000 common, \$1,250,000 2d pref.—\$2,103,650 100 1st pref. and \$750,000 2d pref.—187,000) Higbee Co. (1st pref. \$200,000; 2d pref. \$421,600), entire common stock—400,000
- James H. Dunham & Co. (issued stock is \$1,050,000 common, \$1,000,000 1st pref. and \$500,000 2d pref.), common stock—400,000
- United Dry Goods Cos. (issued stock \$14,427,500 common, \$10,844,000 pref.), common stock—6,268,000

(c) Other assets and equities owned by John Claflin but transferred to representatives of the noteholders' committee for the benefit of the Mercantile Corporation, subject to the terms and provisions of the agreement of transfer.

(2) H. B. Claflin Corporation to be organized to take over the profitable portion of the wholesale business of the present H. B. Claflin Co. (of N. J.). There will be transferred to this new corporation approximately \$6,000,000 of assets of the present H. B. Claflin Co. in exchange for its [\$6,000,000] capital stock, all of which will be owned by the Mercantile Corporation.

Terms Offered the Co.'s General Creditors and Holders of Notes Endorsed by It.

(1) Cash payment to all creditors H. B. Claflin Co., both classes A and B, on account of the principal amount of their respective claims to be obtained from a partial liquidation of the assets of the H. B. Claflin Co., which cash, it is believed, will be available for distribution within four months from Oct. 1 1914.—15%

(2) Mercantile Corporation's 3-year collateral trust notes (called "collateral notes") in registered form, dated Dec. 1 1914, to "bear interest at not exceeding 5% per annum, interest payable, however, prior to maturity, only 1% of income, such notes to be issued in 24 separate series, series No. 1 for about \$7,650,000 to be delivered to the general creditors (Class A, aggregating about \$9,000,000) of the H. B. Claflin Co., and each of the other 23 series to be delivered to the holders of notes (Class B) executed by one of the 23 companies and endorsed by the H. B. Claflin Co. (series 2, about \$830,000 for 85% of H. Batterman Co. notes; series 3, \$1,980,000 for 85% of J. Bacon & Sons notes, and so on. (See table below) —85%

Security for New Notes—Collateral to be Deposited under Trust Agreement.

(1) Series 1 notes received by Class A creditors will be secured by one-sixth [\$1,000,000] of the capital stock of the proposed H. B. Claflin Corporation, the wholesale trading company.

(2) Each of the remaining 23 series of notes received by Class B creditors will be secured by the entire capital stock of the particular company which executed the notes to be exchanged for the new notes. Thus: Series 2 will be secured by the entire capital stock of the H. Batterman Co. and series 3 by all of the capital stock of J. Bacon & Sons.

Source of Funds for Payment of Interest upon Series 1 Notes.

- (a) From dividends upon one-sixth the stock of H. B. Claflin Corp.
- (b) From distribution of earnings upon the unpledged investments and property of the Mercantile Corporation, such as five-sixths of the capital stock of the H. B. Claflin Corporation, the capital stocks of the United Dry Goods Companies, Scruggs, Vandervoort-Barney Dry Goods Co., Higbee Co., McCreeery & Co. of Pittsburgh, various equities in real estate and other assets.
- (c) From dividends upon the capital stocks of the 23 companies deposited under the trust agreement to secure the other series of collateral notes, after payment in full of the series of notes for which said stock is pledged.

Source of Funds for Payment of Interest upon Notes of Series 2 to 24.

- (a) From dividends upon the stock pledged to secure that series.
- (b) From distribution of earnings upon the unpledged investments and property of the Mercantile Corp., as specified in sub-division (b) above.
- (c) From dividends upon the capital stocks of the companies deposited under the trust agreement to secure the other series of collateral notes, after payment in full of the notes for which said stock is specifically pledged.

Proposed Equitable Settlements with General (Class C) Creditors of the Several Cos.

It is proposed that settlements be made with the general creditors of the several companies (Class C) the capital stock of which will be deposited as security for the collateral trust notes, Series 2 to 24, inclusive. Such settlement may be made at the sole discretion of the committee by way of composition, sale, purchase or otherwise for cash or by the delivery of notes and indebtedness on open account between the cos. may also be settled at the discretion of the committee. If such settlements are effected said companies will be practically free of debt.

Salient Provisions Respecting Notes Series 1 to 24—Default.—Extension.

(a) The trustees, unless more than one trustee dissents, shall have the right at any time after appraisement to dispose of all or any part of the capital stock or assets of any company the capital stock of which is pledged to secure any of the series of notes, provided the proceeds be distributed pro rata to the holders of that series; but such payment shall not prevent the trustees for the benefit of the noteholders making proof of the notes at final maturity for the full amount thereof with unpaid interest, if any.

(b) All dividends declared by any company any of whose stock is deposited to secure a series of notes shall be used by the trustees as far as may be necessary in paying full 5% annual interest to date upon the collateral notes of that series, and any surplus thereof remaining shall be applied forthwith pro rata upon the principal of the notes of that series. The companies may pay dividends only after a satisfactory appraisal or audit.

"Prior to final maturity of the collateral notes, Mercantile Corporation shall pay interest upon the said notes only out of its net income, but the same rate of interest shall be paid upon the principal amount of each party of notes outstanding, irrespective of interest payments that may have been made thereon by the trustees out of dividends received by them. If the interest so paid by the Mercantile Corporation upon any series of notes shall together with the interest paid by the trustees from the collateral specifically deposited to secure said series of notes, exceed 5% per annum such excess shall be forthwith applied pro rata on account of the principal of said series of notes outstanding."

(c) In case for one year 5% interest on any particular series of notes remains unpaid, the trustees, upon the written request of holders of 75% in number and amount of the outstanding notes of such series, must sell the stock deposited to secure that series or sell the assets of the company the stock of which is so pledged; and distribute the net proceeds pro rata among the notes of such series.

(d) Upon consent in writing of a majority in number and amount of the collateral notes of all of the series then outstanding, the trustees may extend the time of maturity of all notes not to exceed two years.

Inter-Co. Debts and Debts to John Claflin, Except as Stated, to be Canceled.

All indebtedness between H. B. Claflin Co. and the 23 companies, and between said companies, shall be canceled, except that the indebtedness to the H. B. Claflin Co. from any company in excess of the notes of that company discounted by the trustees shall hold for the benefit of the Mercantile Corporation and its noteholders. This provision applies only to the excess indebtedness of the George W. McAlpin Co. and Jones Store Co., amounting to \$429,000 and \$246,000 respectively, which will be exchanged for equal amounts of the notes of the series secured respectively by the McAlpin Co. and Jones Store Co. capital stock.

Not exceeding in the aggregate \$405,000 excess indebtedness due from the H. B. Claflin Co. to the companies upon open account, may receive the benefits provided for other general creditors of Class A.

Capital Stock of the Mercantile Stores Corporation—Dissolution.

All of the stock of the Mercantile Corporation will be held by the trustees, under a separate trust instrument, for the primary purpose of protecting to all of the holders of collateral notes, and the trustees will have power to vote the same upon all matters, including a dissolution or merger of the corporation or the sale of its assets in whole or in part.

When said indebtedness of the Mercantile Corporation has been paid in full, the capital stock of the Mercantile Corporation shall be delivered to the H. B. Claflin Co. (N. J. corporation) pursuant to an agreement made between the committee and John Claflin whereby John Claflin has transferred assets and claims now owned by him for the benefit of the Mercantile Corporation, subject to the terms of said agreement.

Management—Trustees.

The administrative management of the Mercantile Corporation and of the proposed H. B. Claflin Corporation shall be entirely independent, and the 23 companies shall be under no obligations to purchase from the proposed wholesale co. Local managers, if efficient, will be retained.

The trustees will select the first board of directors of the Mercantile Stores Corporation, which will consist of seven members (at least three shall be merchants), four to be nominated by a majority and the remainder by unanimous vote of the trustees. The directors of the H. B. Claflin Corporation, a majority of whom shall be merchants, shall be nominated by the directors of the Mercantile Corporation. No sale of any of the capital stock of the H. B. Claflin Corporation held by the Mercantile Corporation shall be made except upon the affirmative vote of five of the seven directors of the Mercantile Corporation.

The trustees under the agreement securing the notes shall be five in number, selected by the committee (two of whom shall represent Class A creditors), and they shall act also as trustees under the agreement under which the capital stock of the Mercantile Corporation is held.

Each of the 24 companies will commence business practically without indebtedness and under strong and independent management.

Extracts from Report of Noteholders' Committee, Sept. 25 1914.

The entire capital stock of the 23 companies that executed notes endorsed by the H. B. Claflin Co. was owned by John Claflin individually. Such notes aggregate about \$31,500,000. All the makers are corporations operating retail stores in various cities, except the Defender Mfg. Co. of N. Y. (manufacturer of sheets and pillow cases). These stores generally are well located, but some of them have not been conducted profitably. The assets of unprofitable stores can, however, be disposed of to better advantage through orderly sales rather than by receivers. The H. B. Claflin Co has liabilities of about \$9,000,000 in addition to its liability upon the notes.

The reorganization contemplated by the plan is to be distinctly a creditors' reorganization and the creditors or their representatives are to select the entire board of directors of the Mercantile Corporation, of the H. B. Claflin Corporation and of the 23 companies—the entire capital stock of which will be owned by the Mercantile Corporation. The embarrassment of the H. B. Claflin Co. and of the 23 companies that executed notes came at a time when general conditions made it impossible to interest new capital, and present unprecedented conditions growing out of the European wars emphasize this situation.

The members of the committee are unanimously of the opinion that it is unquestionably for the best interests of all the creditors that the plan be promptly adopted, in that, in every practicable respect, it preserves for and confirms to the creditors all of their rights now existing. The general creditors' committee and the creditors' audit and adjustment committee, representing general creditors of the H. B. Claflin Co., have co-operated with this committee and have approved the plan now submitted.

An extension of the proposed notes of the Mercantile Corporation for two years is provided for, but only with the affirmative consent in writing of a majority in number and amount of the notes remaining outstanding at the expiration of three years.

Unless the creditors co-operate in some comprehensive plan of adjustment, a liquidation of the assets of the H. B. Claflin Co. and of the makers of the notes must be had, with serious loss to creditors.

In the financial statement of several of the companies, reference is made to outstanding issues of debenture or income bonds. Under an arrangement made by the committee, these bonds will be canceled if the proposed plan of reorganization becomes effective, and need not then be considered in computing the liabilities.

The following have consented to act as trustees in the agreements called for by the plan: James S. Alexander, President National Bank of Commerce, N. Y.; Ernest A. Hamill, President Corn Exchange Nat. Bank, Chicago; John W. T. Nichols, of Minot, Hooper & Co., N. Y.; Philip Stockton, President Old Colony Trust Co., Boston, and Henry W. Howe, of Lawrence & Co., Boston and New York.

Mr. John Claflin has transferred to representatives of this committee, as trustees, to be delivered to the Mercantile Stores Corporation when the plan of reorganization is declared effective, assets and claims which the committee is assured and believes to be all his assets of substantial value. He has assigned the title of the receivers of the H. B. Claflin Co. to certain other assets formerly owned by him and now in the possession of the receivers. The committee believes that this immediate transfer of Mr. Claflin's assets is preferable to his endorsement of the notes to be issued by the Mercantile Corporation. [The personal assets so transferred include, it is understood, not alone Mr. Claflin's holdings in various dry goods corporations and his bank stock, but his home at Morristown, N. J., and his summer home in the Adirondacks as well.]

After settlement of current indebtedness, the retail stores will commence business practically free from debt and in condition to finance their further requirements. New indebtedness may be created only for current business needs under proper supervision.

The committee is confident that considerable reductions in expenses of operation can be made and that these companies, competently and efficiently managed, should have an earning power that will ultimately effect a solution more favorable than is indicated by a superficial examination.

Depositors under the agreement of June 25 1914 will be deemed to have assented to the plan unless they affirmatively dissent therefrom within 30 days from Sept. 28 1914. [On Oct. 2 about \$23,000,000 of the outstanding notes had been deposited with the committee.]

Deposits of claims will not be received after Oct. 26 1914.

Liabilities of the Companies; Also Proposed Amounts of Several Series of Notes of New "Mercantile Stores Corporation," Series 1 to 24, Respectively, [85%], Issuable (with 15% Cash) for Endorsed Notes.

		"A" Due Endorsed Merc. Corp.		Notes.		"B" Notes z	
		Class "A."	Sub Cos. Notes.	Notes z		Notes z	
Notes, open acc'ts., &c.—abt. \$9,000,000		\$405,000	\$405,000	See below		abt. \$8,000,000	
(1) H. B. Claflin Co.—		Class "C."	x Due Claflin Co.	Notes Given Claflin Co.	Notes z		
H. Batterman Co., Bklyn—	\$140,671	-----	-----	\$978,305	\$831,559		
J. Bacon & Sons, Louisville—	48,440	-----	-----	2,329,510	1,980,085		
Bedford Co., Brooklyn—	143,435	-----	-----	1,307,419	1,111,306		
Caster-Knott Dry Goods Co., Nashville—	106,245	-----	-----	666,790	566,772		
M. J. Connel Co., Butte—	20,025	-----	-----	1,175,449	851,131		
Defender Mfg. Co., N. Y.—	11,246	-----	-----	1,459,950	1,240,958		
Fair Co., Cincinnati—	67,150	-----	-----	1,829,438	1,555,023		
Hennessy Co., Butte—	184,767	-----	-----	1,883,800	1,601,230		
Jones Store Co., Kan. City—	230,355	\$246,218	-----	561,186	x723,226		
Joslin Dry Goods Co., Denv.—	79,801	-----	-----	692,341	588,489		
Kline Bros., Altoona—	9,456	-----	-----	1,542,930	1,311,490		
Lion Dry Goods Co., Toledo—	126,963	-----	-----	2,062,746	1,753,334		
Lord & Gage, Reading, Pa.—	65,488	-----	-----	1,408,012	1,196,810		
Geo. W. McAlpin Co., Cinc.—	68,863	429,661	-----	490,910	x846,935		
McDougall & Southwick Co., Seattle, Wash.—	96,862	-----	-----	1,935,293	1,644,999		
Montgomery Fair, Mont'g'y—	37,802	-----	-----	1,299,910	1,104,923		
People's Store Co., Tacoma—	63,677	-----	-----	1,975,436	1,679,120		
Root Dry Goods Co., T. H'te Rapids, Mich.—	93,960	-----	-----	1,381,470	1,174,249		
Spring Dry Goods Co., Grand Rapids, Mich.—	54,354	-----	-----	1,267,453	1,077,334		
Watt, Rettew & Clay, Norf'k—	11,181	-----	-----	1,327,148	1,128,076		
Thos. C. Watkins, Ltd., Hamilton, Ont.—	40,807	-----	-----	1,315,857	1,118,479		
J. B. White & Co., Augusta—	19,399	-----	-----	1,753,350	1,490,348		
Whitehouse Co., Spokane—	31,080	-----	-----	1,017,126	864,557		
Total	\$1,752,027	\$675,879y	\$31,661,829	\$27,588,433	\$27,588,433		
Grand total of new notes, Series 1 to 24 (in order of names above)						abt. \$35,600,000	

x In addition to the series of endorsed notes in place of which will be given 15% cash and 85% in notes of the Mercantile Corporation, there is due the H. B. Claflin Co. \$246,218 by the Jones Store Co. and \$429,661 by the George W. McAlpin Co., in exchange for which are to be issued equal amounts of the new collateral notes of the Jones and McAlpin series, respectively, but both of said blocks of new notes are to be held by the trustees for the benefit of the Mercantile Corporation and its noteholders.

y Of these existing \$31,661,829 notes \$31,157,709 have been discounted and \$504,120 have been deposited as collateral to loans by H. B. Claflin Co. This list includes no notes unsold in hands of H. B. Claflin Co. or of note brokers. z Supplied by Ed.

See also financial statements under "Annual Reports," above.—V. 99, p. 897.

Cleveland Stone Co.—Dividend.

Regarding the reduction of the dividend to a 4% basis, Secretary E. A. Merritt, in a letter to stockholders, says that the step was taken because the directors thought it wise to conserve the resources of the company at this time. Compare V. 99, p. 819.

Colorado Fuel & Iron Co.—Settlement Outlook.— See article on "Attitude of Colorado Mine Owners Toward Strike Settlement," on a previous page.—V. 99, p. 897, 819.

Corn Products Refining Co.—Bonds Called.— One hundred and fourteen (\$114,000) 25-year 5% sinking fund gold bonds dated Oct. 1 1906 for payment at par and int. on Nov. 1 at Title Guarantee & Trust Co., New York.—V. 99, p. 345.

Dominion Iron & Steel Co.—Preferred Dividend Deferred.—The directors have decided to defer the usual semi-annual payment on the \$5,000,000 7% cumulative pref. stock due Oct. 1. The Dominion Steel Corp. also deferred the payment on its pref. stock due on the same date (V. 99, p. 897).—V. 94, p. 1625.

Draper Co., Hopedale, Mass.—Extra Dividend.— In addition to the regular 3% quarterly dividend on the \$5,000,000 com. stock and 2% on the \$2,000,000 pref., an extra cash dividend of \$25 (25%) has been declared on the common stock. George A. Draper, Treasurer, says that the dividend is not from current profits but from the accumulations of cash not at present required in the business and which, it is presumed, will be especially acceptable to stockholders under present strained conditions.—V. 96, p. 1843.

(James H.) Dunham & Co.—Stock Pledge.— See (H. B.) Claffin Co. above.

Eastern Pennsylvania Power Co.—Purchase of Coupons.— The October coupons from the \$1,880,000 outstanding First & Ref. M. Ss will, it is announced, be purchased by Lee, Higginson & Co. See Atlantic Gas & Electric Co. above. Compare V. 94, p. 210, 354.

Digest of Statement by the Bankers Dated Oct. 1 1914.

We are informed that the company's action in deferring this payment is due to the present financial stringency and the consequent inability to sell securities to reimburse its treasury for expenditures heretofore made for additions and extensions to its properties. It is hoped that the company will be able to adjust its affairs so as to cure this default before Jan. 1 1915.

We believe that both the physical value and earnings of the properties, on which these \$1,880,000 bonds are a first lien, afford ample security. Since these bonds were sold a large amount of additional property has been acquired by the sale of junior securities.

Acting independently of the company, we are prepared to purchase the Oct. 1 1914 coupons prior to Jan. 1 1915, if accompanied by the bonds or by evidence of ownership, at our offices, 44 State St., Boston; 43 Exchange Place, N. Y., or The Rookery, Chicago.—V. 94, p. 354, 210.

Eureka Pipe Line Co.—Dividend Reduced.—

A quarterly dividend of 6% has been declared on the \$5,000,000 stock, payable Nov. 2 to holders of record Oct. 15. This compares with 8% in Aug. and May last and 10% quarterly from May 1912 to Feb. 1914, incl.—V. 98, p. 1075.

General Gas & Electric Co. (Maine)—Pref. Div.—

A quarterly dividend of 1% was paid Oct. 1 on the \$1,350,000 6-7% cum. pref. stock. Quarterly dividends of 1½% were paid from Oct. 1 1912, the initial distribution, to July 1 1914. The stock is entitled to 7% from Jan. 1 1915. Compare V. 96, p. 364.—V. 96, p. 1159.

Hart-Parr Co., Charles City, Ia.—Dividend Deferred.—

The directors have deferred action on the quarterly dividend of 1¼%, usually paid on Oct. 1, on the \$1,500,000 7% cumulative pref. stock. A circular says that the step is due to the war. Business in the first half of the year was good, but prospects for the last half are not encouraging. It is expected that a good buying movement will develop by next spring.

A letter dated Sept. 29 says: "Our earnings for the first half year warranted the payment of dividends. While spring business was light, orders for the middle of the year were above normal, with the outlook most encouraging. Since July, however, the war, with resulting uncertainty, has made business very dull. We have depended on fall collections and our Southern and European trade for meeting the winter's requirements. We look for very slow collections in Canada and our Western States; the South is in no shape to buy, and Europe will give us neither collections nor orders. It then becomes imperative, in the interest of our policy of safe and conservative management, that we conserve our cash resources. We have reliable indications that if conditions become settled our sales will be heavy in the early spring.—V. 98, p. 1688.

Higbee Co., Cleveland, O.—Stock as Collateral.—

See (H. B.) Claffin Co. above.—V. 96, p. 1632.

Indiana Pipe Line Co.—Dividend Reduced.—

A quarterly dividend of \$2.50 a share (5%) has been declared on the \$5,000,000 stock, payable Nov. 14 to holders of record Oct. 17, comparing with \$3 (6%) in Aug. last and \$4 (8%) quarterly from Nov. 1912 to May 1914, incl., and \$3 (6%) in May and Aug. 1912. An official statement says: "Owing to the still unsettled conditions of business affairs, the directors deemed it wise to make a reduction in amount of this dividend from the amount of that paid in August."—V. 99, p. 52.

International Mercantile Marine Co.—New Committee Member—Depositaries.—Frederick H. Shipman has been added to the bondholders' protective committee, to represent the New York Life Insurance Co.

Boissevain & Co., Amsterdam; Glyn, Mills, Currie & Co., 67 Lombard St., London; and the Land & Title Trust Co., Philadelphia, have been named as additional depositaries to the N. Y. Trust Co. for the 4% collateral trust bonds.—V. 99, p. 897, 202.

International Steam Pump Co.—Stockholders' Committee.—See adv. on another page and compare V. 99, p. 820, 898.

Kansas Natural Gas Co.—State Receivers in Possession.— Judge Pollock in the U. S. District Court on Sept. 22 signed the formal order putting into effect the mandate of the Circuit Court of Appeals turning over to the State receivers appointed in 1912 the assets of the company. The Federal receivers on Sept. 23 handed over to the State receivers a check for \$1,099,899.—V. 99, p. 541, 472.

McCreey & Co. of Pittsburgh.—Stock Pledge.— See (H. B.) Claffin Co. above.

Mexican Eagle Oil Co., Ltd.—Financial Plan.— See Oil Fields of Mexico below.—V. 99, p. 202.

Mexican Telegraph Co.—Partly Estimated Earnings.— For 3 and 9 months ending Sept. 30:

	Total Income.	Net Income.	Mexican Government.	Dividends Paid.	Balance, Surplus.
3 Months—					
1914	\$280,000	\$252,200	\$18,000	(2½%) \$89,735	\$144,465
1913	266,000	250,898	17,500	(2½%) 89,735	143,663
9 Months—					
1914	\$845,000	\$757,990	\$53,886	(7½%) \$269,205	\$434,899
1913	789,000	752,405	41,500	(7½%) 269,205	441,700

—V. 99, p. 52.

Midwest Refining Co., Denver, Colo.—Earnings.— For the six months ending Sept. 1 earnings were \$2,026,266 and expenses \$1,363,358, leaving, net, \$662,908. Development in the Grass Creek field has, it is reported, resulted in an output from that district of 1,000 bbls. a day, with a prospect that it will reach 2,500 bbls. The company has also acquired leases in the Buffalo Basin in Park County, Wyoming.

Mount Vernon-Woodberry Cotton Duck Co., Baltimore.—Plan—Exchange of \$250,000 Bonds of Tallahassee Falls Mfg. Co. for \$300,000 Draycott Mills Mortgage Note.— Nelson, Cook & Co., Baltimore, in circular say in brief:

In our opinion, the plan of reorganization (see V. 99, p. 898) is a most excellent one in the interest of the holders of the 1st M. bonds, and one which should be unanimously accepted. The advantages are:

(1) The plan arranges for a reorganization without litigation. In exchange for \$650,000 pref. stock and \$2,000,000 common stock of the new company, claimed priorities and other items, amounting to \$18,830,718 (including \$5,758,000 of the existing income bonds and \$9,487,300 cap. stock), will in final settlement be eliminated. The settlement also provides for the acquisition of the Tallahassee Falls 1st M. bonds, \$250,000 with accrued interest, in exchange for the \$300,000 note of the Draycott Mills. [Note this correction of statement in last week's digest of plan.] The entire property will thus be returned to the control of the holders of the 1st M. bonds free from all encumbrance.

(2) The reorganization will reduce the capitalization from \$27,335,418 to \$10,850,000, a reduction of \$16,180,718.

(3) The new company will have no debts, save such obligations as may be issued to provide for the cash requirements of the plan and working capital, and it is expected that these obligations will be exceeded by the cash, merchandise and current assets acquired with such capital. Arrangements for providing working capital have not yet been determined upon; but whatever arrangements may be made will not be to the detriment of the present 1st M. bondholders, because the working capital for the purpose of operating the property will be an asset against any liability which may be incurred. The company has on hand goods in process of manufacture, which it will retain, valued at \$375,000.

(4) The control of the company is vested in the present bondholders. Out of a total of \$8,000,000 7% cum. pref. stock the bondholders will receive \$5,600,000 (\$700 per bond) and of the total issue of common stock (\$5,600,000) the bondholders will receive \$2,600,000 (\$325 per bond) and there will remain in treasury \$1,750,000 pref. and \$1,000,000 common.

There are no fixed charges placed upon the property, except an existing ground rent of \$3,200 per annum. The present company has a fixed-interest-bearing indebtedness of \$11,360,423, with annual charge \$601,625.

Not only is it greatly to the advantage of the present bondholders to accept this plan, but we believe there is nothing else which they can do that could save them from almost total loss.

[There is nothing in the plan which forbids the new company from creating any mortgage indebtedness or issuing debentures or mortgage bonds, or any other kind of securities.—Ed.] See V. 99, p. 898, 202.

Niagara Lockport & Ontario Power Co.—Authorized.—

The P. S. Commission has authorized the company to issue \$800,000 2-yr secured 6% gold notes, to be sold at not less than 95, the proceeds, with \$140,000 from other sources, to be used to take up 1-yr. notes due Oct. 1.—V. 99, p. 52.

North Butte Mining Co.—No Dividend.—The directors have not authorized the usual quarterly dividend on the \$6,450,000 stock (par \$15). From July 1912 to July 1914 50 cents per share (3 1-3%) was paid.

1905.	1906.	1907.	1908.	1909.	1910.	1911.	1912.	1913.	1914.
8 1-3	48 1-3	40	20	26 2-3	7 1-3	8	11 1-3	13 1-3	10 1-3

—V. 99, p. 465.

Northern Liberties Gas Co., Phila.—New President.— Joseph Moore Jr. has been elected President, to succeed John S. Naylor, deceased.—V. 85, p. 1007.

Oil Fields of Mexico Co.—Financial Plan.—The company has suffered so seriously from the Mexican disturbances that the resumption of development work, it is stated, cannot be undertaken without additional capital. The Mexican Eagle Oil Co., Ltd., has therefore authorized Pres. Percy N. Furber to make the following proposition:

(1) Mexican Eagle Oil Co., Ltd., will guarantee both principal and int. of the \$1,000,000 10-year 6% convertible gold debentures dated July 1 1912, provided the holders of these debentures by Oct. 31 1914 effectually agree to forego their right of conversion into common stock, any taxes lawfully imposed by the Mexican Government in respect of these debentures to be payable by the debenture holders.

(2) Mexican Eagle Oil Co., Ltd., will deposit with trustees 100,000 of its ordinary shares, fully paid (with Coupon 3 attached), to be held in trust for three years, counting from July 1 1914, at the end of which time shares of the Oil Fields of Mexico Co., if deposited on or before Jan. 1 1915, may be exchanged for them in the proportion of one Mexican Eagle ordinary share, fully paid, for four fully-paid shares of pref. stock of Oil Fields of Mexico Co. and one Mexican Eagle ordinary share, fully paid, for 14 fully-paid shares of common stock of Oil Fields of Mexico Co.

(3) During said three years the dividends payable on Mexican Eagle shares from profits earned during the period beginning July 1 1914 will be distributed by the trustees, in the proportions set out above, among the Oil Fields of Mexico shareholders as and when they deposit their shares.

(4) Oil Fields of Mexico Co. to agree during the currency of the agreement not to increase its capital stock or its bond issue nor to increase its indebtedness beyond ordinary current expenses without consent of Mexican Eagle Oil Co., Ltd.

(5) Mexican Eagle Oil Co., Ltd., to have the right to fill all vacancies on the board of the Oil Fields of Mexico Co. at the annual meetings.

(6) Percy N. Furber to remain President until July 1 1917.

(7) This entire plan to be operative only in case the holders of a majority of each class of shares (amounts out \$4,500,000 common and \$1,000,000 pref.) shall assent on or before Oct. 31 by filing the official form at company's office, 576 5th Ave., N. Y., or with British & Foreign General Securities & Investment Trust, Ltd., London.

To facilitate this scheme, Mexican Eagle Oil Co., Ltd., agrees that where a shareholder holds either odd shares or less than four shares of pref. stock or 14 shares of common, to purchase these shares for cash at 10s. for each pref. share and 2s. 10d. for each common share. See V. 95, p. 684.

Otis Elevator Co., N. Y.—Dividend Unchanged.—

The quarterly dividend which has been declared on the \$6,375,300 common stock, payable Oct. 15 to holders of record Sept. 30, is at the rate of 1½% (see advertisement in last week's "Chronicle," page xiii), being the same amount as in April and July 1914, and compares with 1% quarterly from April 1911 to Jan. 1914, inclusive. An advertisement in a daily paper showing the dividend as 1% (a misprint) and used by the editor for convenience, as customary, led to the error in our news columns last week.—V. 99, p. 898.

Pennsylvania Canal Co.—Re-argument Denied.—

The Pennsylvania Supreme Court has denied the application for a re-argument of the decision rendered on July 9 holding that the Pennsylvania RR. is entitled to recover on the unpaid coupons paid by it as a preferred creditor ahead of the bondholders. Compare V. 99, p. 202.

Pennsylvania Water & Power Co., N. Y.—Bonds—Earnings.—Pres. J. E. Aldred in circular dated Sept. 30 says:

For the eight months ending Aug. 31 1914 the gross earnings show an increase over the same period last year of \$161,169 (31%); increase in net, \$147,321 (34%). We owe to banks only \$100,000, and have considerably more than this amount on hand in cash, while the sale of our entire output to public utility companies assures the receipt of future revenue in cash. The second transmission line to Baltimore is in operation, and the eighth generating unit will be in operation in about one month, making the total installed capacity 111,000 h. p. These extensions will increase our revenue.

To reimburse the treasury for moneys expended out of income on these extensions, the company offers (without pro rata limit) \$500,000 of its 1st M. 5% gold bonds due Jan. 1 1940, in amounts of \$1,000 and multiples, to shareholders of record on Sept. 22 1914, until 3 p. m. Oct. 30, at its N. Y. office, 24 Exchange Place, at the low price of 88 and interest. Subscriptions payable 50% Oct. 30 1914, 50% Dec. 29 1914, in each case with interest from July 1 1914.

Total bonds authorized, viz.: Outstanding, \$8,887,000; held in treasury, \$748,000; reserved for betterments and additions to plant, \$2,865,000. Equity indicated by last quotation on stock, about \$6,000,000.

Earnings for Calendar Years (1914 Based on Actual Figures for 8 Months). Est. 1914. 1913.

Gross earnings—\$1,009,502 \$826,815 Int. on 1st M. bds.—\$441,970 \$407,105 Net earnings—869,827 709,767 Balance, surplus—427,857 302,662

Through contracts with the leading public utility cos., supplies the major portion of electricity used in Baltimore, Md., and Lancaster, Pa. See V. 98, p. 456, 520, 527, 1160, 1464.—V. 99, p. 123.

For Other Investment News, see page 987.

Reports and Documents.

PUBLISHED AS ADVERTISEMENTS.

ILLINOIS CENTRAL RAILROAD COMPANY

SIXTY-FOURTH ANNUAL REPORT—FOR THE YEAR ENDED JUNE 30 1914.

To the Stockholders of the Illinois Central Railroad Company—

There is submitted herewith the report of the Board of Directors covering the operations and affairs of your Company or the year ended June 30th 1914.

The number of miles of road operated on June 30th 1913 was.....	4,762.70
There was added on July 29th 1913 an extension of the Bloomington Southern Railroad of 6.30 miles and on April 3rd 1914 an additional extension of .37 miles, a total of.....	6.67
	4,769.37
There was a decrease in mileage due to a change in the junction of the line between Pinckneyville, Ill., and Murphysboro, Ill., .09 miles, and a decrease due to remeasurement of the line between Mounds, Ill., and Olive Branch, Ill., .01 miles.....	.10
	4,769.27
The number of miles of road operated on June 30th 1914 was.....	4,768.51
The average number of miles of road operated during the year was.....	4,768.51

INCOME.

The following is a statement of the Company's income for the year compared with the previous year :

	1914.	1913.	Increase (+), Decrease (-).
Average miles operated during year.....	4,768.51	4,762.70	+5.81
Railway operating revenues—			
Freight.....	\$43,871,271.70	\$42,589,298.68	+\$1,281,973.02
Bridge tolls and miscellaneous freight.....	3,464,624.56	3,371,419.24	+93,205.32
Passenger.....	13,715,979.06	13,455,884.45	+260,094.61
Bridge tolls and miscellaneous passenger.....	247,762.37	248,202.36	-439.99
Mail.....	1,042,042.96	987,249.52	+54,793.44
Express.....	1,770,646.75	1,788,530.02	-17,883.27
Other passenger train.....	475,668.53	528,874.50	-53,205.97
Other transportation.....	804,580.88	778,173.47	+26,407.41
Revenue from operations other than transportation.....	481,123.21	533,270.78	-52,147.57
Total railway operating revenues.....	\$65,873,700.02	\$64,280,903.02	+\$1,592,797.00
Railway operating expenses—			
Maintenance of way and structures.....	\$9,205,946.38	\$8,519,024.94	+\$686,921.44
Maintenance of equipment.....	14,510,079.49	13,952,654.02	+557,425.47
Traffic expenses.....	1,290,777.98	1,320,583.43	-29,805.45
Transportation expenses.....	24,150,039.98	24,743,324.38	-593,284.40
General expenses.....	1,618,483.63	1,513,324.80	+105,158.83
Total railway operating expenses.....	\$50,775,327.46	\$50,048,911.57	+\$726,415.89
Net revenue—rail operations.....	\$15,098,372.56	\$14,231,991.45	+\$866,381.11
Outside operations—			
Revenues.....	\$499,802.61	\$505,511.58	-\$5,708.97
Expenses.....	517,453.45	583,103.98	-65,650.53
Net deficit—outside operations.....	\$17,650.84	\$77,592.40	-\$59,941.56
Net railway operating revenue.....	\$15,080,721.72	\$14,154,399.05	+\$926,322.67
Railway tax accruals.....	3,341,247.07	2,903,550.98	+437,696.09
Railway operating income.....	\$11,739,474.65	\$11,250,848.07	+\$488,626.58
Other income.....	7,320,600.33	5,999,351.71	+1,321,248.62
Gross income.....	\$19,060,074.98	\$17,250,199.78	+\$1,809,875.20
Deductions from gross income.....	10,921,250.55	10,675,086.91	+246,163.64
Net income.....	\$8,138,824.43	\$6,575,112.87	+\$1,563,711.56
Disposition of net income—			
Appropriated for additions and betterments.....	\$41,642.66		+\$41,642.66
Balance transferred to credit of profit and loss.....	8,097,181.77	\$6,575,112.87	+1,522,068.90

REVENUES.

The operating revenues for the current year were \$65,873,700.02, as compared with \$64,280,903.02 in the preceding year, an increase of \$1,592,797, or 2.48 per cent.

The revenue from the transportation of freight amounted to \$43,871,271.70, an increase of \$1,281,973.02, or 3.01 per cent. The increase was general over the system but was more marked on the lines north of the Ohio River and east of the Mississippi River than on either the southern or western lines. The increased earnings on the northern lines can be attributed largely to the substantial increase in the tonnage of bituminous coal transported, the total increase for the year amounting to 1,657,331 tons. In the current year the tonnage of this commodity transported represented 37.55 per cent of the total carried by the Company, while in the preceding year it was 34.45 per cent.

The revenue from the transportation of passengers was \$13,715,979.06, being an increase of \$260,094.61, or 1.93 per cent as compared with the previous year. All portions of the system contributed to this increase.

Table No. 12 shows the general statistics of the freight and passenger traffic.

EXPENSES.

The operating expenses for the year amounted to \$50,775,327.46, compared with \$50,048,911.57 for the preceding year, being an increase of \$726,415.89, or 1.45 per cent.

MAINTENANCE OF WAY AND STRUCTURES.

The expenditures for maintenance of way and structures were \$9,205,946.38, an increase of \$686,921.44, or 8.06 per cent. This increase was principally due to the mileage of track relaid with new rail of heavier type and to the substantial expenditures for strengthening and renewing bridges. In making these expenditures the Company continued its policy of bringing the roadbed up to the standard required to properly handle the heavier equipment which has been purchased to economically take care of its steadily increasing traffic. There were also substantial charges to this account in connection with the erection of the new passenger station at Memphis and additions and betterments work at other points.

Some of the important renewals made, the cost of which was charged to operating expenses, were as follows: 2,223,117 cross ties were renewed, being 10.20 per cent of all ties in track, including sidings, and the equivalent of 741.06 miles of continuous track.

13.70 miles of track were relaid with new steel rail and 3.70 miles with second-hand rail, replacing rail of the same weight.

4,088 lineal feet of timber and pile bridges were rebuilt or replaced by embankments.

1,648 lineal feet of iron pipe culverts and 2,707 lineal feet of concrete pipe culverts were put in.

320 miles of ballasted track were repaired or renewed to restore the track to its original standard.

Data with reference to work the cost of which was charged wholly or in part to "Additions and Betterments" will be found on a subsequent page under the head of "Physical Changes."

MAINTENANCE OF EQUIPMENT.

Maintenance of equipment expenses increased \$557,425.47, or 4 per cent, being \$14,510,079.49, as compared with \$13,952,654.02 the preceding year. The entire increase can be attributed to the cost of freight train car repairs, to charging to expenses the depreciated value less salvage of old light locomotives and cars which were put out of service, and to increased charges to depreciation on account of the substantial additions to equipment made during the preceding year.

There was a substantial decrease in the cost of repairs to locomotives, which can be attributed to the new locomotives received during the current and preceding year, replacing a large number of old and light locomotives.

Depreciation charges for equipment were \$1,699,615 96 this year, being an increase over the preceding year of \$138,885 40.

The unsatisfactory labor conditions referred to in the report of last year have practically disappeared. The several shop organizations over the system are now working under normal conditions and turning out work efficiently and economically.

306 locomotives received general repairs compared with 358 in the previous year, and 398 were given thorough repairs as compared with 323 last year.

43,571 freight cars received medium repairs this year as against 57,963 last year, and 25,404 had heavy repairs as compared with 31,060 last year.

459 passenger train cars received general repairs this year and 453 last year. 165 were given thorough repairs as compared with 151 last year.

The average mileage per serviceable locomotive for the year was 30,286.

The average age of locomotives was 12.63 years this year and 12.77 years last year; of revenue freight cars 9.49 and 10.19 years for the respective years and passenger train cars 15.6 years this year as against 17.8 years last year.

TRAFFIC EXPENSES.

Traffic expenses for the year amounted to \$1,290,777 98, being a decrease of \$29,805 45, or 2.26 per cent.

TRANSPORTATION EXPENSES.

Transportation expenses were \$24,150,039 98, being a decrease of \$593,284 40, or 2.40 per cent. This saving was due in part to the more favorable operating conditions of the past year as compared with the previous year, resulting in a decrease of overtime paid employees, of fuel consumed and in the amount paid for loss and damage to freight, there having been fewer delays and damages in the handling and transportation of that traffic.

GENERAL EXPENSES.

General expenses increased \$105,158 83, or 6.95 per cent.

TAXES.

There was an increase of \$437,696 09, or 15.07 per cent, compared with the previous year.

There was an increase of \$55,559 54, due to the increased gross revenues on our Charter Lines, and there was also a marked increase in the amount paid to the Federal Government as income tax.

Practically every State through which the Company operates has increased the amount of taxes assessed against the Company.

FINANCIAL.

The general balance sheet, Table No. 4, shows the financial condition of the Company at the close of the fiscal year, compared with the previous year.

CAPITAL STOCK AND FUNDED DEBT.

The capital stock remained unchanged during the year.

\$2,000,000 00 of Illinois Central Refunding Mortgage Gold Bonds of 1955 were issued and sold in August 1913 and \$2,000,000 00 more of the same class of bonds were issued and disposed of in May 1914.

\$3,500,000 00 of Illinois Central Equipment Trust Certificates Series "B" were issued and sold in the month of August 1913.

Anticipating the maturity of \$15,000,000 00 of Illinois Central Railroad Company Four and One-Half Per Cent Secured Gold Notes due July 1st 1914, the Company purchased \$4,220,000 00 in the month of June 1914, leaving a balance of \$10,780,000 00 matured and payable July 1st 1914.

There were delivered to the Trustee and canceled under the terms of the mortgage \$2,000,000 00 Illinois Central Railroad Company First Lien Equipment Bonds.

Under the terms of the respective Trust Agreements, \$800,000 00 of Illinois Central Equipment Trust Certificates Series "A" and \$175,000 00 of Illinois Central Equipment Trust Certificates Series "B" have been retired and canceled.

SECURITIES OWNED.

Under the terms of the Illinois Central Railroad Company and Chicago St. Louis & New Orleans Railroad Company Joint First Refunding Mortgage, the Company received \$33,348,100 00 of bonds.

There were taken over from a subsidiary company the following securities:

\$1,000,000 00 par value of Dunleith & Dubuque Bridge Company capital stock.

\$100,800 00 par value of Cuban-American Sugar Company Seven Per Cent Preferred stock and \$151,000 00 par value of Cuban-American Sugar Company Six Per Cent Bonds.

The Company purchased \$6,600 00 par value of Dubuque & Sioux City Railroad Company capital stock.

During the year the Company sold securities as follows:

\$10,000,000 00 Illinois Central Railroad Company and Chicago St. Louis & New Orleans Railroad Company Joint First Refunding Mortgage Bonds in December 1913, \$7,400,000 00 in May 1914 and \$2,600,000 00 in June 1914.

\$80,000 00 of Chicago St. Louis & New Orleans Railroad Company Five Per Cent Gold Bonds of 1951 in August 1913.

\$87,000 00 of Illinois Central Railroad Company Litchfield Division First Mortgage Gold Bonds of 1951 in February 1914.

\$5,000 00 par value of miscellaneous stocks in March 1914.

The Peoria & Pekin Union Railway Company redeemed \$12,500 00 par value of its Five Per Cent Debenture Bonds maturing August 1st 1913.

There were transferred to Insurance Funds \$43,000 00 Yazoo & Mississippi Valley Railroad Company Gold Improvement Bonds.

INSURANCE AND OTHER FUNDS.

The changes in the Insurance Fund during the year and the condition of the fund at the close of the year are shown in the following table:

	Year ending June 30 1914.	Year ending June 30 1913.
Amount at credit of fund July 1st.....	\$2,089,844 54	\$2,086,259 39
Added through monthly charges to operating expenses.....	60,000 00	60,000 00
Collected from lessees account of insurance.....	2,106 68	3,417 18
Interest received on investments of the fund.....	94,630 00	84,300 00
Fire losses collected.....	6,941 30	13,670 74
	\$2,253,522 52	\$2,247,647 31
Losses by fire.....	\$80,479 61	\$110,234 11
Premiums paid for re-insurance.....	43,207 39	47,568 66
	\$123,687 00	\$157,802 77
Amount at credit of fund June 30th.....	\$2,129,835 52	\$2,089,844 54

The balances in the several other funds of the Company as of June 30th 1914 and the increases during the year were as follows:

The Farmers' Loan & Trust Company, Trustee—Cairo Bridge Contingent Fund, \$504,180 00.

The Farmers' Loan & Trust Company, Trustee—Cairo Bridge Sinking Fund, \$312,167 27, an increase of \$30,614 64.

United States Trust Company of New York, Trustee—Sinking Fund for Western Lines Bonds, \$1,317,593 52, an increase of \$94,959 25.

United States Trust Company of New York, Trustee—Sinking Fund for Omaha Division Bonds, \$175,844 85, an increase of \$16,048 41.

ADDITIONS AND BETTERMENTS.

There was expended during the year for Additions and Betterments (including improvements on subsidiary properties) \$11,814,018 02. The following is a classified statement of these expenditures:

	<i>Additions and Betterments Paid for from Proceeds of General Refunding Mortgage Bonds.</i>	<i>Additions and Betterments Appropriated Out of Income.</i>	<i>Additions and Betterments Represented by Advances to Subsidiary Lines.</i>
Right of way and station grounds.....	\$108,224 06		\$167,752 70
Real estate.....	4,888 55		95 86
Widening cuts and fills.....			8,666 24
Protection of banks and drainage.....	22,914 85		15,848 44
Grade reductions and changes of line.....	366,388 02		14,637 33
Tunnel improvements.....			2,310 00
Bridges, trestles and culverts.....	230,314 21	\$23,949 23	309,597 27
Increased weight of rail.....	141,195 54	6,367 52	192,054 77
Improved frogs and switches.....	383 93	1 98	
Track fastenings and appurtenances.....	185,478 38	9,746 49	261,309 04
Ballast.....			70,747 19
Additional main tracks.....	58,406 84		441,405 23
Sidings and spur tracks.....	88,029 09	1,179 99	152,109 82
Terminal yards.....	85,667 80		215,116 73
Fencing right of way.....			1,669 09
Improvements of crossings under or over grade.....	97,783 94		5,695 73
Elimination of grade crossings.....	184,237 14		141,731 09
Interlocking apparatus.....	Cr.14,567 49		18,349 09
Block and other signal apparatus.....	98,038 46	397 45	3,895 33
Telegraph and telephone lines.....	4,540 56		2,425 40
Station buildings and fixtures.....	106,211 55		619,794 47
Roadway machinery and tools.....	2,211 84		989 20
Shops, enginehouses and turntables.....	59,285 06		376,999 67
Shop machinery and tools.....	52,650 62		56,803 05
Water and fuel stations.....	20,007 77		41,391 21
Grain elevators and storage warehouses.....	1,397 85		743 11
Dock and wharf property.....	12,803 27		957 94
Other additions and betterments.....	3,121 52		8,269 79
	<i>Covered by Equipment Trust Series "A."</i>	<i>Covered by Equipment Trust "Series B."</i>	
Equipment—			
Steam locomotives.....	\$220 01		Cr.248,592 86
Passenger train cars.....		\$393,129 27	371,123 23
Freight train cars.....	2,567,856 19	3,954,295 54	Cr.348,379 34
Work equipment.....			57,944 57
Floating equipment.....			Cr.26,200 00
	\$2,568,076 20	\$4,347,424 81	\$1,725,509 56
			\$41,642 66
			\$3,131,364 76

The following shows the amount advanced during the year to each of the subsidiary lines, these amounts being included in total advances shown in Table No. 6 of this report:

Chicago St. Louis & New Orleans Railroad.....	\$2,766,681 62
Canton Aberdeen & Nashville Railroad.....	72,887 14
South Chicago Railroad.....	754 15
Blue Island Railroad.....	3,666 12
Dubuque & Sioux City Railroad.....	227,177 14
Kensington & Eastern Railroad.....	Cr.1,869 86
Batesville Southwestern Railroad.....	12,520 53
Bloomington Southern Railroad.....	49,547 95
	\$3,131,364 79

PHYSICAL CHANGES.

The physical condition of the Company's road and equipment was materially improved during the year. The most important improvements, the cost of which was wholly or partially charged to additions and betterments, are as follows:

ROADWAY AND STRUCTURES.

370.56 miles of track were re-laid with new 90-lb. steel rail, 1.67 miles with new 75-lb. steel rail, and 154.40 miles were re-laid with second-hand steel rail. The total mileage of track re-laid with new and second-hand steel rail was 526.63 miles, all replacing rail of lighter pattern.

One hundred and sixteen new industrial tracks were added and, after allowing for the tracks taken up, made a net addition in the mileage of 9.26 miles.

One hundred and thirteen new Company sidings were added, making a net addition to the mileage of 19.96 miles after allowing for the tracks taken up.

90.19 miles of partially ballasted track were re-ballasted and brought up to the present standard.

The construction of a new second main track between Fulton, Ky., and Memphis, Tenn., was in progress at the close of the year. This work embraces 33 miles of new second main track and with its completion there will be a continuous double track between Chicago and Memphis, with the exception of the Cairo Bridge.

The capacity of Nonconnah Yard at Memphis, Tenn., was increased during the year by lengthening tracks to accommodate the longer freight trains now using this terminal.

The grade crossing elimination work at Grand Crossing, Chicago, was continued.

The work of eliminating highway grade crossings and separating grades with the Cleveland Cincinnati Chicago & St. Louis Railway at Mattoon, Ill., was started and a considerable amount of work performed during the year.

Other grade crossing elimination work of unusual importance started during the year was the elevation of tracks between 79th Street and 116th Street, Chicago, and the elevation of tracks at Cicero, Ill.

The raising of tracks above high-water mark between Mounds, Ill., and Cairo Junction, Ill., was completed during the year.

The work of reducing grades and straightening the alignment between Princeton, Ky., and Paducah, Ky., so as to admit of the handling of heavier tonnage trains was started.

Work on the new passenger station at Memphis, Tenn., to which reference was made in last year's report, was nearly completed, although the station was not in operation at the close of the year. The elevation of tracks at Memphis was also continued and is nearing completion.

New freight houses were erected at Mattoon, Ill., and Flossmoor, Ill.

A new passenger station was constructed at Starkville, Miss.

New combination freight and passenger stations were erected at Anchor, Ill., Galton, Ill., Benton, Ill., Remsen, Iowa, and Independence, La.

A new water station was built at Roseland, La. Three new wells were sunk at Nonconnah Yard, Memphis, and one 300,000 gallon storage reservoir, one 100,000-gallon tank, one electrically-driven centrifugal fire pump and two 750-gallon surface pumps, installed.

The new mechanical coaling plant at Nonconnah Yard, Memphis, referred to in last year's report, was completed and new mechanical buildings were erected at that point. A new mechanical coaling plant was erected at Morgantown, Ind.

Power plants were improved at Paducah, Ky., and Memphis, Tenn.

A new eighty-five-foot turntable was installed at Fulton, Ky.

68.5 miles of electric automatic block signals were installed at various points on the system and put in operation during the year. With the trackage previously equipped, 1,100.4 miles of protected track were in operation at the close of the year.

Electric block signals are in course of installation at the following locations: Champaign, Ill., 4.7 miles; Rantoul, Ill., 3.4 miles; Sigel to Effingham, Ill., 11.6 miles; DeWitt to Birkbeck, Ill., 6.6 miles; Branch Junction to Centralia, Ill., 7.6 miles; Du Quoin Branch, Ill., .4 miles; Marine to Glen Carbon, Ill., 13.2 miles; Coleman to Plato Center, Ill., 11.0 miles; Clinton Yard, Ill., .7 miles; La Salle to Oglesby, Ill., 6.0 miles; Mona Siding to Benson, Iowa, 9.3 miles; Tip Top to Dugan, Ky., 10.9 miles; Cecilia to East View, Ky., 10.8 miles; Leitchfield to Horse Branch, Ky., 26.2 miles; Beaver Dam to Rockport, Ky., 11.5 miles; Mercer to Graham, Ky., 12.1 miles; and Bogue Chitto, Miss., .4 miles, a total of 146.4 miles.

5,645 lineal feet of permanent bridges and trestles were constructed, replacing timber and pile bridges, trestles and embankments.

1,837 lineal feet of permanent bridges and trestles were rebuilt or replaced by embankments.
 24,623 lineal feet of timber and pile bridges and trestles were rebuilt or replaced by embankments.

EQUIPMENT.

Fifty Mikado type freight locomotives and twenty-two switching locomotives were added during the year and eight-four locomotives were disposed of, resulting in a decrease of twelve locomotives with an increase of 1,041.61 tons in tractive power.

One hundred and seventy-nine passenger train cars were added during the year and twenty-two were sold or transferred to other service, resulting in a net increase of one hundred and fifty-seven passenger train cars.

Seven thousand one hundred and ninety-five freight train cars were added during the year and four thousand and sixty-five cars were sold, destroyed or transferred to work service, a net increase of three thousand one hundred and thirty cars. The average capacity of cars owned at the close of the year was 41.52 tons, compared with 40.24 tons last year, and the total capacity of cars was 2,467,995 tons, compared with 2,266,490 tons last year.

During the four years from July 1st 1910 to June 30th 1914, the Company has expended \$32,354,858 91 in additions and betterments to its road and equipment, including improvements on its subsidiary properties. Of this large expenditure, \$16,576,492 05 was on account of additions and betterments to its roadway and structures and \$15,778,366 86 on account of additions and betterments to its equipment. The following is a condensed summary of these improvements.

ROADWAY AND STRUCTURES.

754.08 miles of new 90-lb. steel rail, 106.22 miles of new 75-lb. steel rail and 221.41 miles of second-hand rail, in all 1,081.71 miles re-laid to replace rail of lighter pattern, the increased value costing.....	\$732,595 51
New and improved track fastenings.....	812,171 97
383 industrial tracks aggregating 40.90 miles and 486 Company sidings embracing 128.33 miles, after allowing for tracks taken up.....	1,128,782 53
Bloomington Southern RR. extension of 6.67 miles.....	222,276 54
Batesville Southwestern RR., Batesville, Miss., to Yocona River, 16.09 miles.....	100,073 05
Second main track, Chicago to Parkway, Ill., Ponchatoula, La., to Orleans Junction, La., and Fulton, Ky., to Memphis, Tenn.....	1,030,558 30
Third and fourth main tracks from Blue Island Junction to Matteson, Ill.....	839,507 57
Yard facilities at East St. Louis, Ill., Mounds, Ill., Nonconnah, Tenn., and Chalmette, La.....	157,217 25
Track elevation work at Grand Crossing and Burnside to Kensington, Chicago, Ill., at Cicero, Ill., and from Mounds to Cairo Junction, Ill., and grade separation work at Mattoon, Ill.....	1,113,040 29
Passenger station and track elevation at Memphis, Tenn.....	816,752 04
14,983 lineal feet of permanent construction replacing wooden bridges and trestles, 6,177 lineal feet of permanent bridges and trestles rebuilt or replaced, 89,597 lineal feet of wooden structures rebuilt or replaced; 1,003 lineal feet of stone culverts put in.....	1,875,982 96
Automatic block signals, 514.43 miles.....	707,227 84
Ballasting, 267 miles standardized.....	232,738 85
Telegraph and telephone lines.....	73,072 17
Interlocking plants built, enlarged or improved.....	132,105 64
New mechanical facilities, including tracks, shop machinery, tools, &c., at various places.....	1,765,804 91
New classification yard and mechanical terminal at Centralia, Ill.....	1,185,280 68
33 new station buildings at various points.....	311,030 24
New water and fuel stations at various points.....	283,385 25
9 new turntables, 7 new track scales and 31 track scales renewed.....	49,410 22
Miscellaneous structures.....	124,944 41
Real estate purchased at various points.....	840,596 95
Various betterments, such as improving and enlarging station buildings and platforms, shop buildings, engine-houses and office buildings, fencing station and shop grounds, ditching and drainage systems, heating systems, electric lighting systems, viaducts, subways, sewer systems, ice houses, &c.....	1,941,936 88
Total—Roadway and Structures.....	\$16,576,492 05

EQUIPMENT.

New Equipment:		
310 Steam locomotives.....		\$6,749,175 51
394 Passenger train cars.....		3,394,020 89
10,517 Freight train cars.....		10,479,631 19
Work and floating equipment.....		268,906 52
Improvements to existing equipment and miscellaneous.....		231,644 86
Total new equipment.....		\$21,123,378 97
Less Book Value of Equipment Retired:		
Steam locomotives.....	\$1,360,085 44	
Passenger train cars.....	32,412 73	
Freight train cars.....	3,734,792 09	
Work and floating equipment.....	217,721 85	5,345,012 11
Total—Equipment.....		\$15,778,366 86

GENERAL REMARKS.

Your Company has cause for satisfaction in that the depressed business conditions and, in many localities, the poor crops which have resulted unfavorably for many of the other railroads of the country, have not prevailed throughout the territory traversed by your Company's lines.

Nearing the close of the last fiscal year, it could be seen that your Company had practically recovered from the ill effects of the strike which occurred in the fall of 1911 as far as maintenance and operation were concerned and that, barring something unforeseen, the present year would show a substantial improvement over the past year. The operating conditions have been even more favorable than last year; and the confidence in the present year has been fully borne out by the operating results attained.

Since 1890 important additions and betterments to the lines of the Chicago St. Louis & New Orleans Railroad Company have been made, and additional lines of railroad south of the Ohio River constructed. None of these expenditures had been financed, and as considerable additional work on these lines was contemplated, it was thought well that the Chicago St. Louis & New Orleans Railroad Company should purchase the various railroads and terminal properties south of the Ohio River which had been operated as a part of your Company's lines of railroad.

In furtherance of this plan, the stockholders authorized a mortgage of \$120,000,000 00, dated December 1st 1913, known as the Illinois Central Railroad Company and Chicago St. Louis & New Orleans Railroad Company Joint First Refunding Mortgage, which covered all the railroads operated by your Company south of the Ohio River, and provided for the payment to your Company of an amount of bonds at par equal to the cost of the additions and betterments previously made to the Chicago St. Louis & New Orleans Railroad and for the purchase of the different railroads and terminal properties south of the Ohio River; for the refunding at maturity of all the outstanding bonds on the lines covered by the mortgage and for the reservation of \$36,519,900 00 of bonds which could be expended under proper restrictions for additions and betterments to the mortgaged lines. Your Company joined in the execution of the bonds secured by this mortgage and as lessee of the mortgaged property participated in the execution of the mortgage so as to make it a first lien on the property.

Under the terms of this mortgage, your Company received the securities referred to under the caption "Securities Owned."

As the early part of the current fiscal year was not favorable for the issuance of long-term securities and your Company desired to purchase an additional number of freight and passenger train cars, it was decided to purchase the equipment under an equipment lease. Equipment trust certificates aggregating \$3,500,000 00 dated August 1st 1913 were issued under lease and agreement known as "Illinois Central Equipment Trust Series B" and were sold to provide in part for funds with which to pay for 3,300 freight train cars and 30 passenger train cars. All of this equipment, and in addition such equipment covered by Equipment Trust Series "A" as had not been received at the end of the previous fiscal year, has been received and placed in service.

Provision has been made for the payment at maturity on July 1st 1914 of the \$15,000,000 00 of Four and a Half Per Cent Secured Gold Notes.

The Company had 10,840 stockholders of record as of June 30th 1914, compared with 10,545 on the same date last year.

The number of pensioners carried on the rolls at the close of the year was 451. The amount paid for pensions during the year was \$119,425 91, an increase of \$14,710 18 as compared with the previous year.

The Board takes this opportunity of expressing its appreciation to the officers and employees for their loyal and efficient services during the past year.

By order of the Board of Directors,

C. H. MARKHAM, *President.*

TABLE 2—INCOME STATEMENT FOR THE YEARS ENDING JUNE 30 1914 AND 1913.

	1914.	Per Cent of Total Operating Revenues.	1913.	Per Cent of Total Operating Revenues.	Increase.	Decrease.
Average Miles Operated	4,768 51		4,762 70		5.81	
Revenue from Transportation—						
Freight	\$43,871,271 70	66.60	\$42,589,298 68	66.25	\$1,281,973 02	
Bridge tolls and miscellaneous freight	3,467,324 56	5.26	3,371,419 24	5.24	93,205 32	
Passenger	13,715,979 06	20.82	13,455,884 45	20.83	260,094 61	
Bridge tolls and miscellaneous passenger	247,762 37	0.38	248,202 36	0.39		
Excess baggage	169,993 90	0.26	174,877 11	0.27		\$439 99
Parlor and chair car	23,895 90	0.03	25,181 40	0.04		4,883 21
Mail	1,042,042 96	1.58	987,249 52	1.54	54,793 44	1,285 50
Express	1,770,646 75	2.69	1,788,530 02	2.78		
Milk (on passenger trains)	216,648 73	0.33	209,424 47	0.33	7,224 26	17,883 27
Other passenger trains	65,130 00	0.10	119,391 52	0.19		54,261 52
Switching	739,190 67	1.12	708,305 42	1.10	30,885 25	
Special service train	35,928 21	0.05	45,960 55	0.07		12,032 34
Other miscellaneous transportation	31,462 00	0.05	23,907 50	0.04	7,554 50	
Total revenue from transportation	\$65,392,576 81	99.27	\$63,747,632 24	99.17	\$1,644,944 57	
Revenue from Operations Other Than Transportation—						
Station and train privileges	\$85,142 90	0.13	\$72,558 19	0.11	\$12,584 71	
Parcel room receipts	27,504 00	0.04	25,636 45	0.04	1,867 55	
Storage—freight	61,599 07	0.10	57,989 60	0.09	3,609 47	
Storage—baggage	13,011 68	0.02	13,866 90	0.02		\$855 22
Car service	217,166 66	0.33	209,657 02	0.33	7,509 64	
Rents of buildings and other property	67,806 95	0.10	60,875 08	0.09	6,931 87	
Miscellaneous	35,238 83	0.05	102,295 83	0.16		67,057 00
Joint facilities revenue—Dr.	Dr.34,310 17	Dr.0.05	Dr.27,725 97	Dr.0.04		6,584 20
Joint facilities revenue—Cr.	7,963 29	0.01	18,117 68	0.03		10,154 39
Total revenue from operations other than transportation	\$481,123 21	0.73	\$533,270 78	0.83		\$52,147 57
Total railway operating revenues	\$65,873,700 02	100.00	\$64,280,903 02	100.00	\$1,592,797 00	
Railway Operating Expenses—						
Maintenance of way and structures	\$9,205,946 38	13.97	\$8,519,024 94	13.25	\$686,921 44	
Maintenance of equipment	14,510,079 49	22.03	13,952,654 02	21.71	557,425 47	
Traffic expenses	1,290,777 98	1.96	1,320,583 43	2.06		\$29,805 45
Transportation expenses	24,150,039 98	36.66	24,743,324 38	38.49		593,284 40
General expenses	1,618,483 63	2.46	1,513,324 80	2.35	105,158 83	
Total railway operating expenses	\$50,775,327 46	77.08	\$50,048,911 57	77.86	\$726,415 89	
Net revenue—rail operations	\$15,098,372 56	22.92	\$14,231,991 45	22.14	\$866,381 11	
Outside operations—revenues	\$499,802 61		\$505,511 58			\$5,708 97
Outside operations—expenses	517,453 45		583,103 98			65,650 53
Net deficit—outside operations	\$17,650 84		\$77,592 40			\$59,941 56
Net railway operating revenue	\$15,080,721 72		\$14,154,399 05		\$926,322 67	
Railway tax accruals	\$3,341,247 07		\$2,903,550 98		\$437,696 09	
Railway operating income	\$11,739,474 65		\$11,250,848 07		\$488,626 58	
Other Income—						
Hire of equipment—credit balance	110,530 11				110,530 11	
Joint facility rent income	1,341,074 48		1,206,736 10		134,338 38	
Miscellaneous rent income	178,624 45		186,032 56			\$7,408 11
Net profit from miscellaneous physical property	23,515 73		20,544 80		2,970 93	
Dividend income	1,625,168 74		1,536,902 74		88,266 00	
Income from funded securities	3,386,276 65		2,372,653 80		1,013,622 85	
Income from unfunded securities and accounts	633,007 79		653,215 69			20,207 90
Income from sinking and othr reserve funds	11,250 00		10,000 00		1,250 00	
Miscellaneous income	11,152 38		13,266 02			2,113 64
Total other income	\$7,320,600 33		\$5,999,351 71		\$1,321,248 62	
Gross income	\$19,060,074 98		\$17,250,199 78		\$1,809,875 20	
Deductions from Gross Income—						
Deductions for lease of other roads	\$3,995,150 55		\$3,669,240 90		\$325,909 65	
Hire of equipment—debit balance			531,413 14			\$531,413 14
Joint facility rent deductions	655,208 79		648,170 92		7,037 87	
Miscellaneous rent deductions	8,801 11		9,542 83			741 72
Miscellaneous tax accruals	2,816 55		3,640 66			824 11
Separately operated properties—loss	494 78				494 78	
Interest deductions for funded debt	6,094,528 06		5,653,217 22		441,310 84	
Interest deductions for unfunded debt	159,088 74		159,861 24			772 50
Miscellaneous deductions	5,161 97				5,161 97	
Total deductions	\$10,921,250 55		\$10,675,086 91		\$246,163 64	
Net income	\$8,138,824 43		\$6,575,112 87		\$1,563,711 56	
Disposed of as Follows—						
Appropriated for additions and betterments	\$41,642 66				\$41,642 66	
Balance transferred to credit of profit and loss	8,097,181 77		\$6,575,112 87		1,522,068 90	

TABLE 3—PROFIT AND LOSS.

Discount on securities sold	\$683,490 00	Balance June 30 1913		\$1,996,461 86
Abandoned facilities	18,858 49	Sale of miscellaneous properties, &c		1,675 00
Miscellaneous accounts, &c	57,099 45	Excess received from the sale of property over the cost as carried on the books of the Company, less discount and expenses in connection with the issuance and sale of bonds		182,513 64
Dividends declared on I. C. stock:		Balance for year transferred from income account		8,097,181 77
Dividend payable March 2 1914	\$2,732,400 00			
Dividend payable Sept. 1 1914	2,732,400 00			
Balance June 30 1914	5,464,800 00			
	4,053,574 33			
	\$10,277,832 27			\$10,277,832 27

TABLE 4—CONDENSED GENERAL BALANCE SHEET JUNE 30 1914, AND COMPARISON WITH PREVIOUS YEAR.

ASSETS.	1914.	1913.	Increase.	Decrease.
Property Investment—				
Road and Equipment:				
Investment to June 30 1907	\$95,198,329 47	\$95,198,029 47	\$300 00	
Investment since June 30 1907	41,831,093 43	42,121,371 35		\$290,277 92
Less—Reserve for accrued depreciation	\$137,029,422 90	\$137,319,400 82		\$289,977 92
Total road and equipment	7,266,263 21	5,704,170 81	\$1,562,092 40	
Securities:	\$129,763,159 69	\$131,615,230 01		\$1,852,070 32
Securities of proprietary, affiliated and controlled companies—pledged	\$27,664,070 67	\$27,664,070 67		
Securities of proprietary, affiliated and controlled companies—unpledged	21,189,418 39	18,471,116 39	\$2,718,302 00	
Other Investments:				
Advances to proprietary, affiliated and controlled companies for construction, equipment and betterments	42,195,612 81	62,672,077 37		20,476,464 56
Miscellaneous investments	53,214,544 82	53,215,719 68		1,174 86
Total property investment	\$274,026,806 38	\$293,638,214 12		\$19,611,407 74

ASSETS—CONCLUDED.		1914.	1913.	Increase.	Decrease.
Working Assets—					
Cash		\$10,858,745 45	\$2,234,240 38	\$8,624,505 07	
Securities issued or assumed—held in treasury		21,665,883 33	23,750,733 33		\$2,084,850 00
Marketable securities		15,718,308 10	2,260,718 10	13,457,590 00	
Loans and bills receivable		3,694,916 62	330,930 21	3,363,986 41	
Net balance due from agents and conductors		2,388,428 40	2,855,327 80		466,899 40
Miscellaneous accounts receivable		4,808,849 25	4,905,772 39		96,923 14
Material and supplies		4,810,900 53	6,982,517 18		2,171,616 65
Total working assets		\$63,946,031 68	\$43,320,239 39	\$20,625,792 29	
Accrued Income Not Due—					
Unmatured interest, dividends and rents receivable		\$2,209,086 40	\$1,104,459 29	\$1,104,627 11	
Deferred Debit Items:					
Advances		\$6,001,341 42	\$9,248,108 49		\$3,246,767 07
Rents and insurance paid in advance		8,754 15	6,678 17	\$2,075 98	
Special deposits		59,425 19	2,518,471 51		2,459,046 32
Cash and securities in insurance and other reserve funds		2,129,835 52	2,089,844 54	39,990 98	
Cash and securities in provident funds		250,000 00	250,000 00		
Other deferred debit items		827,771 45	819,575 27	8,196 18	
Total deferred debit items		\$9,277,127 73	\$14,932,677 98		\$5,655,550 25
Grand total		\$349,459,052 19	\$352,995,590 78		\$3,536,538 59
LIABILITIES.					
Stock:					
Common capital stock		\$109,296,000 00	\$109,296,000 00		
Debenture 4% leased line stock		9,989,700 00	9,989,700 00		
Total stock		\$119,285,700 00	\$119,285,700 00		
Mortgage, Bonded and Secured Debt:					
Bonded debt		\$197,161,000 00	\$207,636,000 00		\$10,475,000 00
Real estate mortgage		100,000 00	100,000 00		
Total mortgage, bonded and secured debt		\$197,261,000 00	\$207,736,000 00		\$10,475,000 00
Total capital liabilities		\$316,546,700 00	\$327,021,700 00		\$10,475,000 00
Working Liabilities:					
Loans and bills payable		\$725,000 00	\$6,500,000 00		\$5,775,000 00
Traffic and car-service balances due to other companies		420,859 34	285,487 21	\$135,372 13	
Audited vouchers and wages unpaid		6,718,640 57	7,274,817 34		556,156 77
Miscellaneous accounts payable		411,867 29	391,166 93	20,700 36	
Matured interest, dividends and rents unpaid		1,778,852 92	1,843,845 05		64,992 13
Matured mortgage, bonded and secured debt unpaid		10,788,691 97	9,096 97	10,779,595 00	
Other working liabilities		148,600 38	153,949 25		5,348 87
Total working liabilities		\$20,992,532 47	\$16,458,362 75	\$4,534,179 72	
Accrued Liabilities Not Due:					
Unmatured interest, dividends and rents payable		\$3,924,630 62	\$3,797,038 67	\$127,591 95	
Taxes accrued		478,456 78	382,972 68	95,484 10	
Total accrued liabilities not due		\$4,403,087 40	\$4,180,011 35	\$223,076 05	
Deferred Credit Items:					
Operating reserves		\$376,098 72	\$339,607 69	\$36,491 03	
Liability on account of provident funds		250,000 00	251,205 59		\$1,205 59
Other deferred credit items		171,570 34	164,386 25	7,184 09	
Total deferred credit items		\$797,669 06	\$755,199 53	\$42,469 53	
Grand total liabilities		\$342,739,988 93	\$348,415,273 63		\$5,675,284 70
Appropriated Surplus:					
Additions to property since June 30 1907		535,653 41	494,010 75	\$41,642 66	
Reserve for insurance fund		2,129,835 52	2,089,844 54	39,990 98	
Profit and Loss:					
Balance		\$4,053,574 33	\$1,996,461 86	\$2,057,112 47	
Grand total		\$349,459,052 19	\$352,995,590 78		\$3,536,538 59

TABLE 5—INVESTMENT SECURITIES OWNED—PAR VALUE.

KIND.	Pledged.	Unpledged.	Total.	Dividends and Interest Received.
Stocks:				
Illinois Central RR. Co.		\$9,883 33	\$9,883 33	
Central of Georgia Ry. Co.—Preferred		15,000,000 00	15,000,000 00	\$900,000 00
Central of Georgia Ry. Co.—Common		4,998,500 00	4,998,500 00	249,925 00
Chicago St. Louis & New Orleans RR. Co.		10,200 00	10,200 00	408 00
Dubuque & Sioux City RR. Co.		11,753,500 00	11,753,500 00	323,221 25
Dunleith & Dubuque Bridge Co.		1,000,000 00	1,000,000 00	143,375 08
Chicago Memphis & Gulf RR. Co.—Preferred		150,000 00	150,000 00	
Chicago Memphis & Gulf RR. Co.—Common		520,000 00	520,000 00	
Belt Railway Company of Chicago		240,000 00	240,000 00	4,680 00
Miscellaneous		2,476,128 00	2,476,128 00	3,559 41
Total Stocks		\$36,158,211 33	\$36,158,211 33	\$1,625,168 74
Bonds:				
Illinois Central Gold 4s of 1953		\$71,000 00	\$71,000 00	e
Illinois Central Interim Certificates, 4s, First Lien Equipment		20,485,000 00	20,485,000 00	e
I. C. RR. Co. and C. St. L. & N. O. RR. Co. Joint First Refunding Mtge. Bonds		13,348,100 00	13,348,100 00	e
Louisville Division and Terminal 3½s of 1953		1,100,000 00	1,100,000 00	e
Cedar Rapids & Chicago RR. Co. First Mortgage Gold 5s of 1935	a	\$830,000 00	830,000 00	\$41,500 00
Cherokee & Dakota RR. Co., First Mortgage Gold 5s of 1935	a	3,100,000 00	3,100,000 00	155,000 00
Chicago St. Louis & New Orleans RR. Co. Gold 5s of 1951	b	5,266,000 00	5,266,000 00	263,844 44
Chicago St. Louis & New Orleans RR. Co. Gold Bridge 5s of 1950	c	3,000,000 00	3,000,000 00	150,000 00
Louisville New Orleans & Texas Ry. Co. First Mortgage 4s of 1934	d	16,832,000 00	16,832,000 00	673,280 00
Louisville New Orleans & Texas Ry. Co., Second Mortgage Income 5s of 1934	d	9,104,000 00	9,104,000 00	1,658,709 52
Louisville New Orleans & Texas Ry. Co., Land Grant Non-Cum. Inc. 6s of 1934	d	6,553,276 90	6,553,276 90	
Peoria & Pekin Union Ry. Co., Debenture 5s		219,000 00	219,000 00	11,092 08
Southern Illinois & Missouri Bridge Co., 4s of 1951		600,000 00	600,000 00	24,000 00
Tennessee Central RR. Co., Prior Lien 4s of 1934		1,338,000 00	1,338,000 00	53,520 00
Yazoo & Mississippi Valley RR. Co., First Mortgage Gold 5s of 1952	a	2,800,000 00	2,800,000 00	140,000 00
Yazoo & Mississippi Valley RR. Co., Gold Improvement Bonds and Scrip		4,296,694 03	4,296,694 03	194,611 23
Miscellaneous		151,000 00	151,000 00	3,775 00
Total Bonds		\$47,485,276 90	\$41,608,794 03	\$89,094,070 93
Other Securities			\$126,442 78	\$17,034 38
Grand Total		\$47,485,276 90	\$77,893,448 14	\$125,378,725 04

The book value of the securities listed above is \$110,820,902 53, and on the balance sheet is included in the items:

Securities of proprietary, affiliated and controlled companies—pledged	\$27,664,070 67
Securities of proprietary, affiliated and controlled companies—unpledged	21,189,418 39
Miscellaneous investments	53,214,544 82
Securities issued or assumed—held in treasury	21,665,883 33
Marketable securities	15,718,308 10
Loans and bills receivable	3,694,916 62
Other deferred debit items	827,771 45

a—Pledged to secure in part Illinois Central 4% Bonds of 1952.

b—Pledged to secure Illinois Central 3½% Sterling Bonds of 1950.

c—Pledged to secure Illinois Central Cairo Bridge Bonds of 1950.

d—Pledged to secure Illinois Central 4% Bonds of 1953.

e—Excludes interest on Company's bonds and issues of Subsidiary Companies guaranteed.

TABLE 6—CAPITAL ADVANCES TO OTHER COMPANIES.

Kind—	Total.	Interest Received.
Capital Advances to Other Companies:		
Batesville Southwestern Railroad Company	\$99,582 84	
Bloomington Southern Railroad Company	303,077 50	
Blue Island Railroad Company	61,887 32	
Canton Aberdeen & Nashville Railroad Company	42,287 52	
Chicago St. Louis & New Orleans Railroad Company	2,204,554 49	
Dubuque & Sioux City Railroad Company	1,849,480 32	\$64,892 12
Kensington & Eastern Railroad Company	1,207,179 18	36,047 85
Kensington & Eastern Railroad Company of Indiana	280 79	
Memphis Railroad Terminal Company	113,147 22	
Omaha Bridge & Terminal Railway Company	1,750,000 00	87,500 00
South Chicago Railroad Company	251,135 72	
Chicago St. Louis & New Orleans Railroad Company:		
Advances to that Company account mortgage lien as represented by Louisville Division and Terminal Bonds	23,888,000 00	
Dubuque & Sioux City Railroad Company:		
Advances to that Company account mortgage liens as represented by:		
Western Lines Bonds	5,425,000 00	
Omaha Division Bonds	5,000,000 00	
	\$42,195,612 81	\$188,439 97
Central Fruit Despatch	718,492 85	
Madison Coal Corporation	1,977,450 20	79,085 23
Mississippi Valley Corporation	549,025 99	87,078 81
Mississippi Valley Company	40,790 90	
Southern Property Company	4,781 78	
Yazoo & Mississippi Valley Railroad Company	3,422,264 40	103,744 21
Total Capital Advances to Other Companies	\$48,908,418 93	\$458,348 22

TABLE 11—GENERAL OPERATING RESULTS FOR THE YEARS ENDING JUNE 30 1914 AND 1913.

	1914.	1913.	Increase.	Decrease.	P. C.
Train and Locomotive Mileage—					
Revenue freight train miles	18,395,176	17,853,585	541,591		3.03
Revenue passenger train miles	13,180,317	13,641,200		460,883	3.38
Revenue mixed train miles	287,415	290,030		2,615	0.90
Revenue special train miles	7,732	16,848		9,116	54.11
Total revenue service train miles	31,870,640	31,801,663	68,977		0.22
Helping and light freight locomotive miles	686,518	609,590	76,928		12.62
Helping and light passenger locomotive miles	393,356	379,801	13,555		3.57
Helping and light mixed locomotive miles	3,335	3,109	226		7.27
Helping and light special locomotive miles	95	632		537	84.97
Total revenue service locomotive miles, excluding switching	32,953,944	32,794,795	159,149		0.49
Switching locomotive miles	7,430,437	7,822,032		391,595	5.01
Total revenue service locomotive miles	40,384,381	40,616,827		232,446	0.57
Non-revenue service locomotive miles	881,704	930,277		48,573	5.22
Per cent of helping and light mileage to revenue train mileage	3.40	3.12	0.28		8.97
Car Mileage—					
Freight car miles—loaded	387,428,046	383,387,960	4,040,086		1.05
Freight car miles—empty	186,568,256	156,128,618	30,439,638		19.50
Freight car miles—caboose	18,554,119	18,253,315	300,804		1.65
Total freight car miles	592,550,421	557,769,893	34,780,528		6.24
Average number of loaded freight cars per train mile	20.74	21.13		0.39	1.85
Average number of empty freight cars per train mile	9.99	8.61	1.38		16.03
Average number of all freight cars per train mile	31.72	30.74	0.98		3.19
Per cent of loaded car mileage to total car mileage	65.38	68.74		3.36	4.89
Per cent of empty car mileage to total car mileage	31.49	27.99	3.50		12.50
Per cent of caboose car mileage to total car mileage	3.13	3.27		0.14	4.28
Passenger car miles	75,471,287	75,792,962		321,675	0.42
Average number of passenger cars per train mile	5.60	5.44	0.16		2.94
Special revenue service car miles	96,151	260,598		164,447	63.10
Non-revenue service car miles	6,027,964	6,140,311		112,347	1.83

TABLE 12—GENERAL TRAFFIC RESULTS.

Years ending June 30th.	1914.	1913.	1912.	1911.	1910.
Average miles of road operated	4,768.51	4,762.70	4,762.70	4,749.64	4,736.91
Freight Traffic—Tons of revenue freight carried	32,342,709	30,447,165	26,339,149	27,966,035	27,945,377
Tons of company freight carried	6,844,266	6,444,889	6,113,998	6,445,783	5,576,661
Tons of all freight carried	39,186,975	36,892,054	32,453,147	34,411,818	33,522,038
Tons of revenue freight carried one mile	7,789,173,596	7,385,261,210	6,210,461,853	6,817,235,728	6,691,943,818
Tons of company freight carried one mile	1,325,961,521	1,381,335,080	1,239,346,673	1,372,533,328	1,227,244,521
Tons of all freight carried one mile	9,115,135,117	8,766,596,290	7,449,808,526	8,189,769,056	7,919,188,339
Average distance freight carried one mile per mile of road	1,633.461	1,550.646	1,303.979	1,435.316	1,412,723
Revenue from freight	240.83	242.56	235.79	243.77	239.47
Average revenue per ton carried	\$43,871,271 70	\$42,589,298 68	\$37,881,765 94	\$41,503,985 23	\$39,528,830 49
Average revenue per ton per mile—in cents	\$1.35-645	\$1.39-879	\$1.43-823	\$1.48-409	\$1.41-450
Freight revenue per mile of road operated	563	577	610	609	591
Freight revenue per revenue freight train mile	\$2.34-824	\$2.34-734	\$2.17-201	\$2.18-068	\$2.13-326
Tons of revenue freight carried per revenue freight train mile	416.92	407.04	356.09	358.19	361.15
Tons of all freight carried per revenue freight train mile	487.89	483.18	427.15	430.30	427.38
Tons of all freight carried per revenue service locomotive mile, excluding switching miles	470.52	467.39	414.46	416.22	414.56
Average number of tons of all freight in each loaded car	23.53	22.87	21.52	21.91	21.71
Passenger Traffic—Revenue passengers carried	27,522,774	27,537,947	27,005,956	27,437,911	25,855,738
Revenue passengers carried one mile	718,962,391	711,368,242	709,596,363	712,353,402	661,981,773
Revenue passengers carried one mile per mile of road	150,773	149,362	148,990	149,981	139,750
Average distance carried—in miles	26.12	25.83	26.28	25.96	25.60
Revenue from passengers	\$13,715,979 06	\$13,455,884 45	\$13,337,562 40	\$13,168,862 89	\$12,107,528 70
Average revenue per passenger—in cents	49.835	48.863	49.387	47.995	46.827
Average revenue per passenger per mile—in cents	1.908	1.892	1.880	1.849	1.829
Average revenue from passengers per passenger train mile	\$1.01-843	\$0.96-588	\$0.95-807	\$0.97-791	\$0.90-883
Passenger service train revenue	\$17,004,337 30	\$16,760,538 49	\$16,570,743 10	\$16,091,528 56	\$15,026,027 30
Passenger service train revenue per mile of road	\$3,565 96	\$3,519 13	\$3,479 28	\$3,387 95	\$3,172 12
Passenger service train revenue per train mile	\$1.26-260	\$1.20-309	\$1.19-032	\$1.19-495	\$1.12-790
Average revenue passengers per car mile	14	14	14	14	14
Average revenue passengers per train mile	53	51	51	53	50
Revenue and Expenses—Freight and passenger revenue	\$57,587,250 76	\$56,045,183 13	\$51,219,328 34	\$54,672,848 12	\$51,636,359 19
Total operating revenues	\$12,076 57	\$11,767 52	\$10,754 26	\$11,510 95	\$10,900 85
Total operating revenues per mile of road	\$65,873,700 02	\$64,280,903 02	\$58,727,272 17	\$62,088,736 52	\$58,908,034 40
Total operating revenues per train mile	\$13,814 32	\$13,496 74	\$12,330 67	\$13,072 30	\$12,435 96
Operating expenses	\$2,066,691	\$2,021,130	\$1,888,874	\$1,933,192	\$1,872,205
Operating expenses per mile of road	\$50,775,327 46	\$50,048,911 57	\$48,121,466 54	\$44,757,856 70	\$44,077,534 43
Operating expenses per train mile	\$10,648 05	\$10,508 52	\$10,103 82	\$9,423 42	\$9,305 12
Net operating revenue	\$1,519,317	\$1,573,788	\$1,547,651	\$1,392,266	\$1,407,075
Net operating revenue per mile of road	\$15,098,372 56	\$14,231,991 45	\$10,605,805 63	\$17,330,879 82	\$14,830,499 97
Net operating revenue per train mile	\$3,166 27	\$2,988 22	\$2,226 85	\$3,648 88	\$3,130 84
Net operating revenue per car mile	\$0.47-374	\$0.44-752	\$0.34-109	\$0.53-926	\$0.47-130

TABLE 13—CLASSIFICATION OF REVENUE FREIGHT YEARS ENDING JUNE 30 1914 AND 1913.

	1914		1913		1914		1913	
	Tons.	Per Cent.	Tons.	Per Cent.	Tons.	Per Cent.	Tons.	Per Cent.
Products of Agriculture—								
Grain	3,290,731	10.17	3,493,272	11.47	4,804,433	14.85	4,811,532	15.80
Flour	318,721	0.99	298,735	0.98				
Other mill products	278,575	0.86	286,961	0.94				
Hay	199,645	0.62	239,252	0.79				
Tobacco	76,350	0.24	73,775	0.24				
Cotton	303,837	0.94	215,500	0.71				
Fruit and vegetables	1,075,452	3.32	979,039	3.22				
Total	5,443,361	17.14	5,586,534	18.35				
Products of Animals—								
Live stock	430,942	1.33	456,198	1.50				
Packing-house products	194,151	0.60	192,830	0.64				
Poultry, game and fish	35,486	0.11	36,541	0.12				
Wool	12,906	0.04	9,080	0.03				
Hides and leather	15,085	0.05	16,333	0.05				
Total	688,570	2.13	710,982	2.34				
Products of Mines—								
Anthracite coal	68,450	0.21	90,659	0.30				
Bituminous coal	12,145,945	37.55	10,488,614	34.45				
Coke	126,028	0.39	127,680	0.42				
Ores	189,893	0.59	192,515	0.63				
Stone, sand and other like articles	1,313,105	4.06	1,285,957	4.22				
Total	13,843,421	42.80	12,185,425	40.02				
Products of Forests—								
Lumber	4,804,433	14.85	4,811,532	15.80				
Manufactures—								
Petroleum and other oils	328,991	1.02	299,234	0.98				
Sugar	296,878	0.92	252,754	0.83				
Naval stores	32,288	0.10	38,547	0.13				
Iron, pig and bloom	184,469	0.57	184,335	0.62				
Iron and steel rails	106,020	0.33	118,823	0.39				
Other castings and machinery	214,847	0.66	238,288	0.78				
Bar and sheet metal	79,671	0.25	93,752	0.31				
Cement, brick and lime	1,040,846	3.22	1,091,169	3.58				
Agricultural implements	85,221	0.26	95,223	0.31				
Wagons, carriages, tools, etc.	45,203	0.14	45,407	0.15				
Wines, liquors and beers	165,918	0.51	171,435	0.56				
Household goods and furniture	57,465	0.18	62,476	0.20				
Total	2,639,817	8.16	2,691,443	8.84				
Merchandise	1,994,727	6.17	1,858,623	6.10				
Miscellaneous—								
Other commodities not mentioned above	2,828,380	8.75	2,602,626	8.55				
Total tonnage	32,342,709	100.00	30,447,165	100.00				

THE KANSAS CITY SOUTHERN RAILWAY COMPANY

FOURTEENTH ANNUAL REPORT—FOR THE FISCAL YEAR ENDING JUNE 30 1914.

Kansas City, Mo., Sept. 15 1914.

To the Stockholders of The Kansas City Southern Railway Co.:

The fourteenth annual report of the affairs of your Company, being for the year ended June 30 1914, is herewith presented.

MILES OF RAILROAD.

The track mileage of your Company on June 30 1914 was as follows:

Main Line—		
Kansas City, Mo., to Belt Junction, Mo.	11:99 miles	
Grandview, Mo., to Port Arthur, Tex.	765.14 "	777.13 miles
Branches—		
Spiro, Okla., to Fort Smith, Ark.	16.44 miles	
Jenson, Ark., to Bonanza Mine	2.80 "	
West Lake, La., to Lockport, La.	4.03 "	
De Quincey, La., to Lake Charles, La.	22.59 "	45.86 "
Yard, Terminal and Side Tracks—		
North of Belt Junction, Mo., and in and around Kansas City	82.38 miles	
All other Yard, Terminal and Side Tracks	340.07 "	422.45 "
Second Track—		
Between Second and Wyandotte Streets, Kansas City, Mo., and Air Line Junction, Mo.	5.57 miles	
Between De Queen, Ark., and Neal Springs, Ark.	8.45 "	14.02 "
Total owned or controlled		1,259.46 miles
Operated Under Trackage Rights—		
Tracks of the St. Louis & San Francisco Railroad Co., between Belt Junction, Mo., and Grandview, Mo., used under contract:		
Length of track so used—Main Line	11.01 miles	
Sidings	2.33 "	13.34 "
Operated Under Lease—		
Yard track to plant of the Armour Packing Co.	3.83 miles	
Yard Track to plant of the Fowler Packing Co.	1.09 "	4.92 "
Total Miles in System		1,277.72 miles

During the past fiscal year the total track mileage of the System was increased from 1,272.67 to 1,277.72, making a net addition of 5.05 miles, which consists of the following items:

Additions—	
Net additions to operated Yard, Terminal and Side Tracks	5.46 miles
Increase in Yard Tracks to plants of the Armour Packing Co. and the Fowler Packing Co. at Kansas City, operated under lease	1.18 "
Deductions—	
Unused sidings on Bonanza Coal Mine Spur abandoned	1.23 miles
Decrease in various sidings due to remeasurement of track	.36 "
	1.59 "
Net Increase in System Mileage	5.05 miles

Of the total System mileage, the following was not operated by your Company during the year ended June 30 1914:

Bonanza Coal Mine Spur—	
Operated by the Central Coal & Coke Co. under contract:	
Main Branch	2.80 miles
Sidings	2.17 "
	4.97 miles
Lockport Branch—	
Operated by the Edgewood Land & Logging Co. under lease:	
Main Branch	4.03 miles
Sidings	1.07 "
	5.10 "
Total not operated by The Kansas City Southern Railway Co.	10.07 miles

Therefore the total mileage operated by your Company was:

Main Line	788.14 miles	
Branches	39.03 "	
Second Track		827.17 miles
Yard, Terminal and Side Tracks		14.02 "
		426.46 "
Total Mileage Operated		1,267.65 miles

SAME BY STATES.

State.	Owned by The K. C. S. Ry. Co. and Subsidiary Cos.				Operated Under Lease—Yard Track.	Operated Under Trackage Rights.	Total.
	Main Line.	Second Main Track.	Branches.	Yard Track and Sidings.			
Missouri	174.65	5.57	-----	113.09	.83	13.34	307.48
Kansas	18.38	-----	-----	59.80	4.09	-----	82.27
Arkansas	152.92	8.45	4.20	55.17	-----	-----	220.74
Oklahoma	127.64	-----	15.04	48.23	-----	-----	190.91
Louisiana	222.46	-----	26.62	90.11	-----	-----	339.19
Texas	81.08	-----	-----	56.05	-----	-----	137.13
Total	777.13	14.02	45.86	422.45	4.92	13.34	1,277.72

During the past fiscal year the total operated track mileage increased from 1,261.37 to 1,267.65, making a net addition of 6.28 miles, which consists of the following items:

Additions—	
Yard and Terminal Tracks at Fort Smith, Ark., acquired July 21 1913 by ownership of all the capital stock of the Fort Smith & Van Buren Railway Co.	2.52 miles
Net additions to other operated Yard, Terminal and Side Tracks	2.94 "
Increase in Yard Tracks to plants of the Armour Packing Co. and the Fowler Packing Co. at Kansas City, operated under lease	1.18 "
Deductions—	
Decrease in various sidings due to remeasurement of track	.36 "
Net Increase in Operated Mileage	6.28 miles

EQUIPMENT.

The Rolling Equipment owned or otherwise controlled on June 30 1914 consisted of:

Locomotives—		Acquired Under Equip't Truists.		Acquired Under Equip't Truists.	
Passenger	30	Coaches	23	-----	-----
Freight	112	Chair Cars	25	-----	-----
Switching	33	Coach and Baggage	4	-----	-----
		Coach and Mail	1	-----	-----
Total	175	Baggage	18	-----	-----
Freight Equipment—		Mail		Work Equipment—	
In Commercial Service:		Express and Mail		Outfit Coaches	
Box Cars	2,530	Excursion		9	
Furniture	158	Office and Pay Cars		10	
Stock	318	Total		90	
Tank	193	Work Equipment—		Derrick	
Coal	635	Outfit Coaches		10	
Flat	433	Steam Shovels		4	
Vinegar Tank	1	Slope Levelers		6	
Total	4,267	Ditchers		3	
In Work Service:		Pile Drivers		2	
Box Cars	253	Lidgerwoods		7	
Coal	191	Total		41	
Flat	66	Passenger Equipment Owned Truists.		Acquired Under Equip't Truists.	
Ballast	148	Coaches		23	
Convert. Coal & Ballast	98	Chair Cars		25	
Total	756	Coach and Baggage		4	
Cabooses	*92	Coach and Mail		1	
Grand Total	5,115	Baggage		18	
		Baggage, Coach and Mail		1	
		Express and Mail		10	
		Excursion		3	
		Office and Pay Cars		5	
		Total		90	
		Work Equipment—		Outfit Coaches	
		Outfit Coaches		9	
		Derrick		10	
		Steam Shovels		4	
		Slope Levelers		6	
		Ditchers		3	
		Pile Drivers		2	
		Lidgerwoods		7	
		Total		41	

*Includes 9 Box Car Cabooses.

In addition to this railroad property, its rights of way, real estate, buildings, equipment, appurtenances, etc., the Company on June 30 1914 controlled, by virtue of its ownership of securities, all the property of the following corporations, viz.:

THE ARKANSAS WESTERN RAILWAY COMPANY.

A standard-gauge line from Heavener, Oklahoma, to Waldron, Arkansas, 32.33 miles, together with rights of way, buildings, appurtenances, etc.; controlled by your Company through ownership of all the capital stock and bonds.

THE POTEAU VALLEY RAILROAD COMPANY.

A standard-gauge line from Shady Point, Oklahoma, to Calhoun, Oklahoma, 6.59 miles, together with rights of way, buildings, appurtenances, etc.; controlled by your Company through ownership of all the capital stock.

THE KANSAS CITY SHREVEPORT & GULF TERMINAL CO.

Union depot property at Shreveport, Louisiana, including its real estate, buildings and 1.16 miles of yard and terminal track; controlled by your Company through ownership of all the capital stock.

PORT ARTHUR CANAL & DOCK COMPANY.

Lands, slips, docks, wharves, warehouses, one grain elevator (capacity 500,000 bushels), etc., all at Port Arthur, Texas; controlled by your Company through ownership of all the capital stock and bonds.

THE K. C. S. ELEVATOR COMPANY.

One first-class elevator, of capacity 650,000 bushels, situated at Kansas City, Missouri; controlled by your Company through ownership of all the capital stock.

THE MENA LAND & IMPROVEMENT COMPANY.

A Company formed for taking title to real estate at Mena, Arkansas, abandoned and vacated in consequence of the establishment of new division terminals at Heavener, Oklahoma, and DeQueen, Arkansas, controlled by your Company through ownership of all the capital stock.

GLENN-POOL TANK LINE COMPANY.

A Company operating 166 tank cars, under equipment trust; controlled jointly by your Company as the owner of three-quarters of the capital stock, and the Midland Valley Railroad Company as owner of the remaining one-quarter of the stock.

That portion of the System lying within the State of Texas, the mileage of which is included in the operated mileage of your Company, is operated separately by its owner, the Texarkana & Fort Smith Railway Company, which company has its own general offices and books of account at Texarkana, Texas, in accordance with the Texas law.

For the sake of completeness, however, the reports of that Company are included in those of The Kansas City Southern Railway Company in so far as is necessary to show the results of the operation of the whole line from Kansas City to the Gulf.

RESULTS OF OPERATION.

The following statement shows the results of operation of the Kansas City Southern Railway for the year ended June 30 1914, compared with corresponding results for the preceding year:

Operated Mileage—	1913-1914.	1912-1913.	Increase (+) or Decrease (—).
Miles of Main Line.....	788.14	788.14	-----
Miles of Branches.....	39.03	39.03	-----
Miles of Sidings and Spurs.....	426.46	420.18	+6.28
Miles of Second Main Track.....	14.02	14.02	-----
Revenues from Operation—			
Freight Revenue.....	\$8,241,359 04	\$7,955,386 32	+\$285,972 72
Switching Revenue.....	577,634 27	532,898 03	+44,736 24
Passenger Revenue.....	1,675,168 43	1,694,580 41	-19,411 98
Excess Baggage Revenue.....	17,370 66	18,805 93	-1,535 27
Special Service Train Revenue.....	4,838 71	5,881 80	-1,043 09
Other Passenger-Train Rev.....	1,762 53	1,339 11	+423 42
Mail Revenue.....	128,595 52	123,247 16	+5,348 36
Express Revenue.....	243,624 58	251,118 29	-7,493 71
Miscellaneous Transportation Revenue.....	17,392 89	4,235,51	+13,157 38
Revenue from Operations Other than Transportation.....	85,707 02	118,716 72	-33,009 70
Gross Revenues.....	\$10,993,453 65	\$10,706,309 28	+\$287,144 37
Operating Expenses—			
Maintenance of Way and Structures.....	\$1,135,525 14	\$1,024,840 37	+\$110,684 77
Maintenance of Equipment.....	1,339,154 76	1,344,624 70	-5,469 94
Traffic Expenses.....	324,676 43	315,868 27	+8,808 16
Transportation Expenses.....	3,660,700 31	3,661,311 30	-610 99
General Expenses.....	450,264 26	400,512 46	+49,751 80
Total.....	\$6,910,320 90	\$6,747,157 10	+\$163,163 80
Net Revenue.....	\$4,083,132 75	\$3,959,152 18	+\$123,980 57
Taxes.....	567,857 33	465,339 16	+102,518 17
Operating Income.....	3,515,275 42	3,493,813 02	+21,462 40
Ratio of Operating Expenses to Gross Revenues.....	62.86%	63.02%	-0.16%
Ratio of Operating Expenses and Taxes to Gross Revenues.....	68.02%	67.37%	+0.65%

The following detailed comparison of Gross Revenues for the year ended June 30 1914 with those of the previous year is respectfully submitted:

Increases in Freight Revenue—			
Products of Agriculture—Due to the acquisition of competitive perishable traffic through New Orleans by reason of improvement of the property and the resulting expeditious service.....	\$167,155 11		
Manufactures—Due to the enlarged movement of oil.....	\$248,305 19		
Due to the movement of pipe and machinery for development of the Caddo, La., oil fields.....	100,793 76		
Due to the general development of territory tributary to the line.....	94,978 38		
Merchandise and Miscellaneous—Due to the development of territory.....	52,238 17		
		\$663,470 61	
Less Decreases, viz.:			
Products of Agriculture—Due to the shortage of crops.....	\$225,929 46		
Products of Animals—Due to the foregoing cause.....	36,393 75		
Products of Mines—Due to temporary commercial depression.....	70,264 54		
Products of Forests—Due to a restricted demand.....	44,910 14		
		377,497 89	
			\$285,972 72
Increases in Switching Revenue—			
Due to an enlarged movement at—			
Kansas City.....	\$32,517 01		
Fort Smith.....	403 50		
Texarkana.....	558 50		
Shreveport.....	6,126 00		
Mansfield.....	450 00		
Lake Charles.....	618 00		
Port Arthur.....	3,233 50		
Other Places.....	829 73		
		44,736 24	
Due principally to adjustments of the account.....		423 42	
Increase in Mail Revenue—			
Due to additional compensation allowed by the U. S. Railway Post Office Department by reason of the Parcels Post.....		5,348 36	
Increase in Miscellaneous Transportation Revenue—			
Due principally to collections from the owners of tank cars for the excess of empty over loaded car mileage.....		13,157 38	
Total Increase.....			\$349,638 12
Decreases in Passenger Revenue—			
Due to the enforced reduction of rates on the Northern Division.....	\$60,648 41		
Less Increase on the Southern Division.....	41,236 43		
		\$19,411 98	
Decrease in Excess Baggage Revenue—			
Due to the reduction of passenger fares on the Northern Division, excess baggage rates being based upon a percentage thereof.....		1,535 27	

Brought forward.....	\$20,947 25	\$349,638 12
Decrease in Special Service Train Revenue—		
Due to a diminished movement of circus trains.....	1,043 09	
Decrease in Express Revenue—		
Due principally to the handling by Parcels Post of traffic which had previously moved by express.....	7,493 71	
Decrease in Revenue from Operations Other than Transportation—		
Due to a change in classification by the Inter-State Commerce Commission transferring revenue from Track Rentals directly to the Income Account.....	\$24,749 61	
Due to the more prompt loading and unloading of cars, resulting in a reduction of charges for Car Service.....	5,980 27	
Due to miscellaneous cars.....	2,279 82	
		33,009 70
		62,493 75
Net Increase in Gross Revenues.....		\$287,144 37

The decline in Passenger Revenue resulting from the reduction of intra-State rates by State Railroad Commissions is as follows:

In Missouri, from 2½ to 2 cents per passenger-mile, effective July 4 1913.

In Arkansas, from 3 to 2 cents per passenger-mile, effective July 4 1913.

In Oklahoma, from 3 to 2 cents per passenger-mile, effective July 3 1913.

Passenger Revenue of the Southern Division was 4.83 per cent in excess of that for the previous year. Hence it is fair to assume that, had there been no reduction of fares, this class of revenue for the Northern Division would have been affected by the same rate of increase. Revenue of the Northern Division from that source during the preceding year was \$840,928 95, and an increase of 4.83 per cent would amount to \$881,118 87. The aggregate loss in this item and the actual decline for the year may therefore be stated thus:

Natural increase in Passenger Traffic if undisturbed by rate-regulation:			
Northern Division—Estimated.....	\$40,616 87		
Southern Division—Actual.....	41,236 43		
		\$81,853 30	
Actual decline in comparison with the previous year.....			19,411 98

Actual decrease resulting from the reduction of rates in Missouri, Arkansas and Oklahoma..... \$60,648 41

Estimated increase with former rates in effect..... 40,616 87

Estimated loss consequent upon the reduction of rates..... \$101,265 28

The large loss entailed by these reductions tends strongly to prove that the original rates were not unreasonable; for, had the contrary been true, new and additional traffic should have been stimulated to movement thereby, in quantity sufficient at least to compensate for the sacrifice in rate.

No revenue charge was made against any Company freight.

The increase of \$165,163 80 in Operating Expenses was due to the following causes:

Increase in Maintenance of Way and Structures:			
Changes made under orders of the Inter-State Commerce Commission on account of property abandoned in the course of improvements.....	\$35,332 14		
Changing rail between De Quincey, La., and Beaumont, Tex., from 60 to 85 lbs. per yard—Proportion applicable to Expenses.....	50,134 73		
Increase in renewal of ties due to the replacement of untreated with treated ties.....	24,522 98		
Miscellaneous (net).....	694 92		
		\$110,684 77	
Increase in Traffic Expenses:			
Increased cost of solicitation, advertisement and development of traffic relations and conditions.....	8,808 16		
Increases in General Expenses:			
Cost of preparing data for use in State rate cases.....	\$25,281 21		
Expenditures in connection with Federal valuation.....	19,847 40		
Removal of General Offices from Ninth Street and Broadway to Eleventh and Wyandotte Streets, Kansas City, Mo., in May 1914.....	2,378 58		
Miscellaneous (net).....	2,244 61		
		49,751 80	
Total Increase.....			\$169,244 73
Decrease in Maintenance of Equipment:			
Miscellaneous (net).....	\$5,469 94		
Decrease in Transportation Expenses:			
Miscellaneous (net).....	610 99		
		6,080 93	
Net Increase in Operating Expenses.....			\$163,163 80

Increased cost of solicitation, advertisement and development of traffic relations and conditions..... 8,808 16

Cost of preparing data for use in State rate cases..... \$25,281 21

Expenditures in connection with Federal valuation..... 19,847 40

Removal of General Offices from Ninth Street and Broadway to Eleventh and Wyandotte Streets, Kansas City, Mo., in May 1914..... 2,378 58

Miscellaneous (net)..... 2,244 61

Total Increase..... \$169,244 73

Decrease in Maintenance of Equipment: Miscellaneous (net)..... \$5,469 94

Decrease in Transportation Expenses: Miscellaneous (net)..... 610 99

Net Increase in Operating Expenses..... \$163,163 80

It will be observed that this increase in Operating Expenses includes the following items over which the management naturally had no control:

Arbitrary charges to Maintenance of Way and Structures ordered by the Inter-State Commerce Commission.....	\$35,332 14
Expenses of rate litigation.....	25,281 21
Expenses of Federal valuation.....	19,847 40
	\$80,460 75

After deduction of this last amount from the total increase in Operating Expenses there remains a normal increase of \$82,703 05 for an increase in Gross Revenues of \$287,144 37. Had no reduction of passenger rates been made by State authorities, Gross Revenues would have been further increased by the estimated amount of \$101,265 28, as above indicated. Therefore, under natural conditions, there would have been an increase of \$388,409 65 in Gross Revenues and an increase in Net Revenue of \$305,706 60—over 78 per cent of the increment in gross return.

The tonnage movement was as follows:

For the year ended June 30 1914:	
Gross Tons One Mile—North	1,336,017,723
Gross Tons One Mile—South	1,192,503,014
	2,528,520,737
For the year ended June 30 1913:	
Gross Tons One Mile—North	1,232,110,697
Gross Tons One Mile—South	1,082,202,786
	2,314,313,483
Increase in Gross Tons One Mile	214,207,254
For the year ended June 30 1914:	
Net Tons One Mile—North	653,365,059
Net Tons One Mile—South	485,380,811
	1,138,745,870
For the year ended June 30 1913:	
Net Tons One Mile—North	633,299,124
Net Tons One Mile—South	450,986,864
	1,084,285,988
Increase in Net Tons One Mile	54,459,882

The fact that this increased tonnage was hauled with a slight decrease in Transportation Expenses indicates both improved service attributable to the program of additions and betterments heretofore inaugurated and yet in progress, and the capacity of the property, under existing conditions, to accommodate a further enlargement of traffic without a proportionate increase in the cost of movement.

REFUNDING AND IMPROVEMENT MORTGAGE BONDS.

To provide funds for ballasting and other additions to and betterments of the property, there were sold during the year \$250,000 00 par value of the \$21,000,000 00 Refunding and Improvement Mortgage Bonds authorized by the Stockholders on June 29 1909. An agreement of sale with respect to an additional \$250,000 00 face value, for delivery during the succeeding fiscal year, was entered into at the same time and upon identical terms.

The situation June 30 with respect to such bonds was as follows:

Total authorized issue	\$21,000,000 00
Issued and sold—	
July 1 1909	\$10,000,000 00
February 15 1911	5,000,000 00
November 1 1912	500,000 00
December 2 1912	500,000 00
April 2 1913	500,000 00
May 5 1914	250,000 00
	16,750,000 00
Unissued June 30 1914	\$4,250,000 00

The status at June 30 as regards the Refunding and Improvement Mortgage Bonds issued and outstanding on that date was:

Total issued and outstanding	\$16,750,000 00
Expended as shown by the Annual Report for the year ended June 30 1912	\$15,000,000 00
Expended as shown by the Annual Report for the year ended June 30 1913	974,150 77
Expended during the year ended June 30 1914:	
Discount	\$12,500 00
Net expenditures for Additions and Betterments	40,849 23
	53,349 23
	16,027,500 00
Balance unexpended June 30 1914	\$722,500 00

EQUIPMENT TRUSTS.

The total Equipment Trust Obligations outstanding June 30 1913 was:

Series "D," dated December 15 1912	\$1,426,000 00
Paid during the year	124,000 00
Outstanding June 30 1914	\$1,302,000 00

ADDITIONS AND BETTERMENTS.

During the year the net expenditures for Additions and Betterments to Road and Equipment were:

From proceeds of Refunding and Improvement Mortgage Bonds	\$40,849 23
From current funds	388,764 70
	\$429,613 93

These expenditures include the cost of a number of new spurs to serve industries not heretofore reached by your tracks, and to accommodate new industries in process of establishment.

The following is a list of such spurs, some of which have been completed and others are in course of construction:

NEW TRACKS TO SERVE NEW INDUSTRIES.

Completed—	
Wyatt Lumber Co.	Ayres, La.
Pierce Coal Co.	Mill 115.
Gulf Refining Co.	Mansfield, La.
W. G. Strange Lumber Co.	Hawthorne, La.
B. Corrigan (Rock Crusher)	Leeds, Mo.
Brown Stave Co.	Cedar Grove, La.
Continental Supply Co.	Mansfield, La.
City of Spiro	Spiro, Okla.
Caddo Window Glass Co.	Shreveport, La.
Lake Charles Grain Co.	Lake Charles, La.
Barber Asphalt Paving Co.	Kansas City, Mo.
The Texas Co.	So. Mansfield, La.
The Commonwealth Storage Co.	Kansas City, Kan.
Louisiana Handle Co.	Cedar Grove, La.
Kansas City Sand Co.	Kansas City, Kan.
Robinson Bros. (Grain)	Shreveport, La.
American Farm Lands Co.	Oretta, La.
Purified Gasoline Oil Co.	Texarkana, Tex.
Uncompleted—	
Missouri Valley Bridge Co.	Kansas City, Kan.
Caddo Parish	Mooringsport, La.
Western Silo Co.	Cedar Grove, La.
National Supply Co.	Mansfield, La.
United States Government	Port Arthur, Tex.

NEW TRACKS TO SERVE EXISTING INDUSTRIES.

Completed—	
Gulf Refining Co.	Port Arthur, Tex.
Magnolia Petroleum Co.	Beaumont, Tex.
Hodge Fence & Lumber Co.	Lake Charles, La.
The Texas Co.	Port Arthur, Tex.
J. L. Eliff and Geo. Tatum (Lumber)	Mansfield, La.
Gulf Refining Co.	Anderson, Mo.
Corrigan-McGee Rock Crusher Co.	Leeds, Mo.
The Texas Co.	So. Mansfield, La.
Uncompleted—	
Ballman-Cummings Furniture Co.	Fort Smith, Ark.
McCormick Coal Co.	Fuller, Kan.

During the year 47.34 miles of your track from DeQuincey, Louisiana, to Beaumont, Texas, were laid with new 85-pound rail, making the total mileage of main line laid with heavy steel rail to June 30, as follows:

Between Kansas City, Mo., and Leesville, La.	669.4 miles
Less trackage through yards laid with 56, 60 and 70-lb. rail	5.2 " 664.2 miles
Between DeQuincey, La., and Port Arthur, Tex.	67.1 "
Total	731.3 miles

The bridges and culverts of your road were improved during the year by reducing the total length of trestles from 63,173 feet to 63,082 feet; increasing the total length of steel bridges from 21,662 feet to 21,810 feet; increasing the number of stone and concrete culverts from 636 to 638; increasing the number of cast-iron pipe culverts from 557 to 563 and the number of concrete pipe culverts from 68 to 77.

Among the Statements and Statistics following is a table showing the progressive improvements made in bridges and culverts from June 30 1900 to June 30 1914.

The management of the Kansas City Terminal Railway Company, in which your Company owns a one-twelfth interest, advises that, on account of labor troubles, the date of opening the new Union Passenger Station and track connections is uncertain.

LITIGATION.

The courts having sustained the Inter-State Commerce Commission in its regulations regarding the disposition of the value of property retired as a necessary incident to betterments, the accounts of your Company have been adjusted accordingly.

To June 30 1914 the total amount of property abandoned in the course of improvements was \$1,079,983 90, which has been segregated from the capital accounts. Of this amount, \$20,682 46 has been disposed of in compliance with instructions of the Commission by charge to Profit and Loss and \$36,052 02 by charges to Operating Expenses, leaving for future disposition a balance of \$1,023,249 42, as shown by the Balance Sheet. Under existing requirements, this remainder is chargeable to Operating Expenses at the rate of approximately \$90,000 00 per annum.

The Guardian Trust Company litigation mentioned in previous reports is now awaiting argument before the Supreme Court of the United States, and will probably be heard during the spring of 1915.

FEDERAL VALUATION.

Under the Federal Valuation Act approved March 1 1913, the Inter-State Commerce Commission began the valuation of the property of your Company on January 26 1914 and is still engaged in that work.

In order that all items shall be included at full cost and value, it was decided to make independent surveys and inventories in advance of the Government parties.

As of June 30 1914, your Company's forces had completed the survey and inventory of all grading, ballast, tracks, buildings, bridges, fences and other structures on 220 miles of main line, 21.9 miles of branch line and 151.84 miles of sidings and spurs, making a total of 393.74 miles, and had completed the measurements and inventory of 27.87 miles of abandoned line.

The Government, at that date, had made an inventory of grading, ballast, tracks and fences on 138 miles of main line and 67.9 miles of sidings, making an aggregate of 205.9 miles.

The expenses incurred by reason of this valuation to June 30 1914 were as follows:

Office expenses	\$3,374 54
Field parties	15,537 86
Pilot for the Government	935 00
	\$19,847 40

The appended Balance Sheets and statistical statements give full detailed information concerning expenditures for improvements and the results of operation.

The form of balance sheet prescribed by the Inter-State Commerce Commission has been filed with that Commission at Washington. Your Board has deemed it advisable, however, to retain herein the form of balance sheet heretofore adopted, since the Stockholders are familiar with it, and since it is believed to set out more clearly the financial condition of your Company.

By order of the Board of Directors.

J. A. EDSON, President.

[For comparative statistical tables see under Annual Reports on a preceding page.]

THE MISSOURI PACIFIC RAILWAY COMPANY

FIFTH ANNUAL REPORT—FOR THE FISCAL YEAR ENDING JUNE 30 1914.

St. Louis, Mo., September 10 1914.

To the Stockholders of

The Missouri Pacific Railway Company and the St. Louis Iron Mountain & Southern Railway Company:

The Boards of Directors herewith submit their report of affairs for the fiscal year ended June 30 1914.

The summary of results from operation is as follows:

	1914.	1913.	Increase.		Decrease.	
			Amount.	Per Ct.	Amount.	Per Ct.
Average Mileage Operated.....	7,284 53	7,257 00	27.53	0.38		
RAILWAY OPERATING INCOME:						
Rail Operations—Revenue:						
Freight.....	\$43,995,027 21	\$45,748,269 39			\$1,753,242 18	3.83
Passenger.....	11,159,634 09	11,627,480 60			467,846 51	4.02
Passenger—Other.....	183,343 24	199,628 55			16,285 31	8.16
Mail.....	1,507,422 53	1,450,607 97	\$56,814 56	3.92		
Express.....	1,513,059 78	1,711,305 35			198,245 57	11.58
Miscellaneous.....	925,025 62	934,168 02			9,142 40	0.98
Total Revenue from Transportation.....	\$59,283,512 47	\$61,671,459 88			\$2,387,947 41	3.87
Non-transportation Revenue.....	510,387 70	484,046 26	\$26,341 44	5.44		
Total Operating Revenues.....	\$59,793,900 17	\$62,155,506 14			\$2,361,605 97	3.80
Rail Operations—Expenses:						
Maintenance of Way and Structures.....	\$8,536,046 14	\$9,263,360 32			\$727,314 18	7.85
Maintenance of Equipment.....	10,252,256 29	9,860,187 54	\$392,068 75	3.98		
Traffic Expenses.....	1,330,086 51	1,425,167 92			95,081 41	6.67
Transportation Expenses.....	21,292,356 67	22,528,447 44			1,236,090 77	5.49
General Expenses.....	1,711,627 08	1,621,833 83	89,793 25	5.54		
Total Operating Expenses.....	\$43,122,372 69	\$44,698,997 05			\$1,576,624 36	3.53
Net Revenues—Rail Operations.....	\$16,671,527 48	\$17,456,509 09			\$784,981 61	4.50
Net Deficit from Auxillary Operations.....	73,363 79	93,004 62			19,640 83	21.12
Net Railway Operating Revenue.....	\$16,598,163 69	\$17,363,504 47			\$765,340 78	4.41
Railway Tax Accruals.....	\$2,513,432 41	\$2,314,348 73	\$199,083 68	8.60		
Railway Operating Income.....	\$14,084,731 28	\$15,049,155 74			\$964,424 46	6.41
OTHER INCOME:						
Rent.....	\$574,894 20	\$519,527 98	\$55,366 22	10.66		
Dividends from Stock.....	61,265 75	78,751 50			\$17,485 75	22.20
Interest.....	1,808,051 65	1,833,771 35			25,719 70	1.40
Miscellaneous Income.....	3,567 64	31,548 07			27,980 43	88.69
Total Other Income.....	\$2,447,779 24	\$2,463,598 90			\$15,819 66	0.64
Gross Income.....	\$16,532,510 52	\$17,512,754 64			\$980,244 12	5.60
DEDUCTIONS FROM GROSS INCOME:						
Rent.....	\$1,047,273 64	\$998,580 08	\$48,693 56	4.88		
Equipment Rents—Debit Balance.....	787,009 69	477,240 27	309,769 42	64.91		
Interest.....	14,575,746 31	14,408,124 59	167,621 72	1.16		
Miscellaneous Deductions.....	47,788 42	66,075 82			\$18,287 40	27.68
Total Deductions.....	\$16,457,818 06	\$15,950,020 76	\$507,797 30	3.18		
Net Income or Loss.....	\$74,692 46	\$1,562,733 88			\$1,488,041 42	95.22
Operating Revenue per mile of road.....	\$8,208.34	\$8,564.90			\$356 56	4.16
Operating Revenue per revenue train mile.....	2,236.97	2,238.67	\$0.4830.	2.16	239.71	3.89
Operating Expenses per mile of road.....	5,919.72	6,159.43	.03939	2.45	116.85	4.86
Operating Expenses per revenue train mile.....	1.64932	1.60993	.00891	1.42		
Net Operating Revenue per mile of road.....	2,288.62	2,405.47	0.21%			
Net Operating Revenue per revenue train mile.....	.63765	.62874				
Ratio of Operating Expense to Operating Revenue.....	72.12%	71.91%				

CAPITAL STOCK.

There has been no change in the Capital Stock.

FUNDED DEBT.

The following changes were effected during the year in the funded debt in hands of the public:

The Missouri Pacific Railway—	
Funded Debt increased.....	\$34,000 00
Equipment Trust Obligations decreased.....	952,000 00
Total Decrease.....	\$918,000 00
St. Louis Iron Mountain & Southern Railway Co.—	
Funded Debt increased.....	\$4,144,000 00
Equipment Trust Obligations decreased.....	437,000 00
Total Increase.....	\$3,707,000 00

Statements on pages 21 and 27 [pamphlet] give the details of these changes.

Under an Extension Agreement dated May 11 1914 the Three-Year Five per Cent Secured Gold Notes issued by The Missouri Pacific Railway Company under its Trust Indenture dated June 1 1911 (the total amount of such notes now outstanding being \$24,942,000) were extended to June 1 1915, with interest at the rate of six per cent. Additional collateral was deposited with the Trustee, The Union Trust Company of New York, to the extent of \$3,000,000 face value of the St. Louis Iron Mountain & Southern Railway Company First and Refunding Mortgage Six Per Cent Forty-Year Gold Bonds, Series "A."

The collateral now pledged as security for these notes is as follows:

\$25,000,000 face value St. Louis Iron Mountain & Southern Railway Company 6% Forty-Year Gold Bonds, Series "A" (non-convertible), due July 1 1952, secured by the first and refunding mortgage and indenture supplemental thereto;
1,070,000 par value (10,700 shares) St. Louis Iron Mountain & Southern Railway Company Stock;
1,972,000 face value The Missouri Pacific Railway Company First and Refunding Mortgage Fifty-Year 5% Gold Bonds, Series "B" (non-convertible), due Sept. 1 1959;
9,800,000 par value (98,000 shares) The Denver & Rio Grande Railroad Company Preferred Stock;
15,000,000 par value (150,000 shares) The Denver & Rio Grande Railroad Company Common Stock;
828,380 face value The Texas & Pacific Railway Company 5% Gold Notes, due June 1 1915;
490,000 face value Concordia Coal Company First Mortgage 5% Bonds, due Oct. 1 1945;
150,000 par value (1,500 shares) Baring Cross Bridge Company 7% Stock;
125,000 par value (1,250 shares) Pueblo Stock Yards Company stock;
1,000,000 par value (10,000 shares) Western Coal & Mining Company Stock.

NEW LINES.

No new lines or extensions were constructed during the year. A reduction of 0.32 miles is recorded in the main line mileage of the St. Louis Iron Mountain & Southern Railway Company, due to re-measurements and abandoned track, details of which are shown on page 55 [of pamphlet report].

EQUIPMENT.

The following new equipment was acquired and taken into the accounts, at a cost of \$989,091 23:

7 Mountain Type Locomotives.	1 Business Car.
5 Pacific Type Locomotives.	1 Caboose.
30 Mikado Type Locomotives.	2 Steam Pile-Drivers.

Orders were placed for the purchase of the following additional equipment, but delivery had not been made at close of year:

3 Steel Letter Cars.	1 Steel Passenger-Baggage Car.
4 Steel Paper Cars.	1 Steam Wrecking-Crane.
18 Steel Baggage Cars.	3 Locomotive Cranes.
11 Steel Baggage-Mail Cars.	1 Locomotive Pile-Driver.
9 Steel Divided Coaches.	1 Bridge-Erecting Derrick.
27 Steel Chair Cars.	25 Caboose Cars.

Comparisons of inventory and capacity of equipment appear in statements on pages 50 and 51 [of pamphlet report].

ADDITIONS AND BETTERMENTS.

For the acquisition of right-of-way for extensions to tracks and station grounds, \$25,887 74 were expended.

The expenditures for widening cuts and fills were nominal. The charges against this account were almost wholly attributable to bridge filling.

For protection of navigable channels and to prevent further encroachments of the Arkansas River, a large expenditure was recorded and accounts for almost all of the charge against "Protection of Banks and Drainage."

Except to conform to newly established grade line of levee along the Mississippi River at Helena and near Fulton, Ark., involving a betterment charge of about \$10,000, no grade reductions or changes of line were undertaken.

Because largely in replacement of inadequate structures for waterways, the betterment charges for bridge work were relatively small (approximately \$30,000), but the results of total expenditures, including maintenance charges, are reflected in the work performed and listed as follows:

New steel spans placed.....	311 lineal feet
Culverts constructed (Concrete).....	1,262 "
(Cast Iron Pipe).....	1,909 "
Wooden bridges eliminated.....	16,843 "

The filling of wooden trestles involved the handling of 409,543 cubic yards of material.

New rail in replacement of lighter sections was laid in main tracks to the extent of 83.59 miles, more than 92 per cent being standard 90-pound section; 131.13 miles were laid with re-rolled section, and 2.13 miles of released rail were re-laid. This work involved a betterment charge of \$56,000.

Ballast, involving the handling of 221,859 cubic yards of material, was applied as follows:

Gravel.....	85.52 miles
Rock.....	.99 "
Chinders.....	2.05 "
Chatts.....	10.80 "

Total.....99.36 miles

The composition of tracks as to Rail and Ballast, Main Line and Branches, is statementized on page 49 [of pamphlet report].

Additional second track, aggregating 1.29 miles, was added to that installed in previous year at Omaha.

Additional yard facilities were provided at Kansas City, Missouri; Omaha, Nebraska; Horace, Kansas, and Alexandria, Louisiana, which, with newly constructed sidings and spurs at various points, increased the track mileage 11.59 miles.

Right-of-way fencing to the extent of 47.18 miles, was constructed.

By the construction of subways or overhead crossings, in order to comply with State laws and city ordinances, grade crossings were eliminated at six important points, and work is progressing upon viaducts at Nicholas Street, Omaha, and Tower Grove Avenue, St. Louis, which are expensive, and will require several months to complete.

Interlocking plants were installed at three crossings with foreign lines.

Automatic block signals were extended eight-tenths of a mile, and crossing signals, including alarm bells, automatic flag-men and other mechanical contrivances were installed at a large number of points, involving a betterment expenditure of more than \$28,000.

Telephone train dispatching circuits were increased 145.72 miles and existing telegraph circuits were extended 10.29 miles.

New stations were constructed of brick, 9; frame, 11; other stations were re-modeled, improved or extended at 16 points.

New car-repair shed was constructed at Paragould, Arkansas, and existing car-repair sheds were extended or enlarged at four terminal points.

Extensions have been made to the water and fuel stations at eleven points, involving an expenditure to betterments of about \$28,000.

An ice station for eastbound shipments was established at Osawatomie, and one at Hoisington, Kansas, necessitating the construction of a 500-ton capacity ice-house at the former and a 4,000-ton capacity ice-house at the latter.

The net expenditures for Additions and Betterments (including Equipment) for the year, of which the foregoing are the most important items, aggregated \$1,931,518 56, and are enumerated under "Road and Equipment" on pages 32 and 33 [of pamphlet report].

OPERATIONS.

The total operating revenues were \$59,793,900 17, a decrease of \$2,361,605 97, or 3.8 per cent under last year; applied to the average operated mileage of the System, the revenues amounted to \$8,208 34 per mile.

The decrease in revenue from freight traffic was \$1,753,242 18, or 3.83 per cent. Herein is recorded the direct effect of the unfortunate, if not misguided, insistence upon reductions in tariffs, the legal right, although not necessarily the propriety, of exacting which, was finally confirmed by the United States Supreme Court, and which reductions were made effective during July 1913; for the number of tons of revenue freight handled this year was but 29,533 (0.13 per cent) less than the previous year, against which the revenues for transporting the tonnage show a shrinkage of 3.83 per cent. A similar, although grosser presentation, is found in the revenue of passengers carried, which declined \$467,846 51, or 4.02 per cent, although the number of passengers carried increased 13.36 per cent. Combining the returns from both freight and passenger transportation, and striking an average, arrived at by utilizing all of the active factors involved, it is estimated that the enforced reductions in freight and passenger tariffs have caused a loss in revenue based upon the volume of this year's traffic of not less than \$1,800,000, even though the facilities and appointments necessary for such transportation—and involving large capital expenditures—have been substantially increased.

As partial compensation for the enforced handling of Parcel Post, the Post-Office Department has allotted the System about \$55,000 advance, which accounts for the increase in mail revenue.

The important effect of the introduction of the Parcel Post has naturally been to force Express Companies to reduce their rates, which in turn has an adverse effect upon the revenues from that business to the railroads. The volume of the combined Parcel Post, Mail and Express traffic was

greater than last year, yet the combined revenues therefrom were less by \$141,431.

The detail of Operating Expenses with comparisons are recorded on Pages 46 and 47 [of pamphlet report.] The total expenses were \$43,122,372 69, a decrease of \$1,576,624 36, or 3.53 per cent, compared with last year. The operation of the property was not confronted with any extraordinarily adverse conditions. The expenditures for Maintenance of Way and Structures and Maintenance of Equipment, together, equaled 31.43 per cent of total operating revenue. The condition of road-bed, locomotives and cars, generally, has been substantially improved. The particular increases in charges for road-work were against ties and against bridges, which make for greater stability and permanence.

Applying the Maintenance of Equipment charges to the equipment list as it existed at the beginning of the year, the expenditure equaled, per locomotive, \$3,240 57; per passenger-train car, \$882 96; per freight-train car, \$112 40.

Traffic Expenses declined 6.67 per cent.

A reduction was accomplished in Transportation Expenses equaling 5.49 per cent; the ratio of the total of such expenses to total Operating Revenue was this year 35.61 per cent—last year 36.25 per cent. These figures exhibit a further refinement in these branches of the service, which directly and largely concern the shipper and passenger; the results reflect the ardent efforts of all Officers and Employees.

General Expenses increased 5.54 per cent, which includes \$57,265 for "Valuation Expenses"—a Federal requirement.

There have been some increases in compensation to employees, affecting Maintenance of Equipment, but more particularly in the Transportation Department, which were not in effect throughout all of the previous year, necessitated by Federal or State action, like the so-called "Full Crew Law," which have burdened Transportation Expenses without resulting in any compensating advantages.

New industries to the number of 547 were established on or adjacent to the right-of-way; additional sidings or extensions thereof were constructed to meet industrial necessities, to the number of 124.

The transactions of the Land Department may be found recorded on Page 59 of pamphlet report.

During the year a total of 129 shares of the capital stock of the St. Louis Iron Mountain & Southern Railway Company were acquired by The Missouri Pacific Railway Company, and are held in its treasury.

Negotiations looking to the construction of a new bridge across the Mississippi River at Memphis have finally led to the formation of the Arkansas & Memphis Railway Bridge & Terminal Company, having an authorized capital stock of \$100,000, of which \$10,200 is paid in, and a 5 per cent Bond First Mortgage issuable not in excess of \$5,000,000. The stock is equally divided between the St. Louis Southwestern Railway Company, the Chicago Rock Island & Pacific Railway Company and the St. Louis Iron Mountain & Southern Railway Company, each of the companies subscribing to an operating agreement extending a period of 50 years, and guaranteeing the principal and interest of the bonds.

Not only will the new bridge afford adequate facilities for each Company, but will insure their accommodation at a reduced cost. It is estimated that the economy to the Missouri Pacific System will be in excess of \$100,00 per annum. The foundations and some of the piers are partially completed, and it is hoped to place the bridge in commission in the course of another year.

The desirability of the System, having a direct outlet and access to the gulf port of New Orleans, had led to a 99-year contract with the Texas & Pacific Railway Company for the use of its tracks between Alexandria and New Orleans, Louisiana. Permanent terminal facilities at the latter point are assured by the St. Louis Iron Mountain & Southern Railway Company acquiring one-half of the stock of the Trans-Mississippi Terminal Company, which will, by deed or lease, have immediate control of all the terminals in and about New Orleans which are especially necessary to the transaction of the business of the St. Louis Iron Mountain & Southern Railway Company and the Texas & Pacific Railway Company, which companies jointly guarantee the principal and interest upon, not to exceed \$7,500,000, of the First Mortgage 5 per cent Bonds of the Trans-Mississippi Terminal Company. This transaction will shortly be submitted to the stockholders of the Texas & Pacific Railway Company and the St. Louis Iron Mountain & Southern Railway Company for ratification.

The Companies' investment in the capital stock of the Wabash Railroad Company was adjusted to market value of June 30th 1914, resulting in a charge of \$2,468,527 45 to Profit and Loss during the year covered by this report.

There is presented on Pages 18 and 19 [pamphlet report] a consolidated balance sheet of the Missouri Pacific and the St. Louis Iron Mountain & Southern Railway Companies. This exhibit is prepared in the same form as the individual balance sheets shown herein, excluding all accounts between the two Companies; the Securities Issued or Assumed, held in the Treasury of either Company, having been deducted from the total securities issued, resulting in a statement of the securities outstanding in the hands of the public.

By order of the Board of Directors.

B. F. BUSH, President.

THE MISSOURI PACIFIC SYSTEM
 CONSOLIDATED GENERAL BALANCE SHEET OF THE MISSOURI PACIFIC RAILWAY CO. AND ST. LOUIS,
 IRON MOUNTAIN & SOUTHERN RAILWAY CO. JUNE 30 1914, COMPARED WITH PREVIOUS YEAR.

ASSETS.			Increase (+) or Decrease (-).	LIABILITIES.		
1914.	1913.	1914.		1913.		
Property Investment:						
Road and Equipment.....	316,491,947 68	314,560,429 12	+1,931,518 56	Stock:		
Reserved for Accrued De- preciation—Credit.....	70,324 23	70,324 23	-----	Capital Stock.....	127,503,883 59	127,503,883 59
Total Road and Equip.....	316,421,623 45	314,490,104 89	+1,931,518 56	Stock Liability for Con- version of Outstanding Se- curities of Constituent Companies.....	143,775 00	143,775 00
Securities:				Total Stock.....	127,647,658 59	127,647,658 59
Securities of Proprietary, Affiliated and Controlled Companies—Pledged.....	3,228,665 28	3,228,665 28	-----	Less in Treasury:		
Securities of Proprietary, Affiliated and Controlled Companies—Unpledged.....	332,928 84	329,528 84	+3,400 00	Pledged.....	39,445,000 00	38,683,400 00
Total Securities.....	3,561,594 12	3,558,194 12	+3,400 00	Unpledged.....	5,316,103 59	6,064,803 59
Other Investments—				Total.....	44,761,103 59	44,748,203 59
Advances to Proprietary, Affiliated and Controlled Companies for Con- struction, Equipment and Betterments.....	2,125,396 94	2,061,896 56	+63,500 38	Outstanding in Hands of Public.....	82,886,555 00	82,899,455 00
Miscellaneous investm'ts, at cost.....	43,918,299 75	46,868,135 24	-2,949,835 49	Mortgage, Bonded and Se- cured Debt:		
Total Other Investm'ts.....	46,043,696 69	48,930,031 80	-2,886,335 11	Funded Debt.....	357,843,006 82	355,947,506 82
Total Property Invest.....	366,026,914 26	366,978,330 81	-951,416 55	Less Held in Treasury, Etc.:		
Working Assets:				Pledged.....	76,198,000 00	72,467,000 00
Cash.....	1,163,699 37	1,143,764 74	+19,934 63	Unpledged.....	1,830,386 82	3,165,886 82
Marketable Securities.....	655,500 00	353,500 00	+302,000 00	Total.....	78,028,386 82	75,632,886 82
Loans and Bills Receivable.....	63,791 85	72,603 80	-8,811 95	Outstanding in Hands of Public.....	279,814,620 00	280,314,620 00
Traffic and Car Service Bal- ances due from other Companies.....	225,540 09	209,854 38	+15,685 71	Total Capital Liabilities.....	362,701,175 00	363,214,075 00
Net Balance due from Agents and Conductors.....	1,926,428 05	2,152,793 70	-226,365 65	Working Liabilities:		
Miscellaneous Accounts Re- ceivable.....	2,650,288 60	2,442,275 50	+208,013 10	Loans and Bills Payable.....	825,000 00	425,000 00
Material and Supplies.....	4,583,730 12	5,634,805 33	-1,051,175 21	Traffic and Car Service Bal- ances due to other Com- panies.....	754,955 10	762,193 10
Other Working Assets.....	59,948 93	69,177 24	-9,228 31	Audited Vouchers and Wages Unpaid.....	5,188,445 73	4,777,465 71
*Total Working Assets.....	11,328,927 01	12,078,874 69	-749,947 68	Miscellaneous Accounts Pay- able.....	249,049 58	192,912 77
Accrued Income Not Due:				Matured Interest, Dividends and Rents Unpaid.....	952,907 43	902,532 43
Unmatured Interest, Divi- dends & Rents Receivable.....	18,035 34	10,488 67	+7,546 67	Other Working Liabilities.....	204,243 33	204,261 39
Deferred Debit Items:				Total Working Liabili- ties.....	8,174,601 17	7,264,365 40
Advances.....	146,707 69	203,311 35	-56,603 66	Accrued Liabilities Not Due:		
Rents and Insurance Paid in Advance.....	16,075 12	13,427 71	+2,647 41	Unmatured Interest, Divi- dends and Rents Payable.....	2,960,923 42	2,938,546 31
Special Deposits.....	881,148 06	1,679,441 57	-798,293 51	Deferred Credit Items:		
Cash and Securities in Sink- ing and Redemption Funds.....	89,201 83	77,503 18	+11,698 65	Operating Reserves.....	64,817 00	63,061 32
Other Deferred Debit Items.....	534,141 78	542,812 68	-8,670 90	Other Deferred Credit Items.....	77,842 20	175,900 45
Total Deferred Debit Items.....	1,667,274 48	2,516,496 49	-849,222 01	Total Deferred Credit Items.....	142,659 20	238,961 77
	379,041,151 09	381,584,190 66	-2,543,039 57	Consolidated Surplus Bal- ance:		
				Net Discount on Securities Issued or Assumed in Treasury.....	1,242,522 70	924,962 07
				Profit and Loss.....	3,819,269 60	7,003,280 11
				Total Consolidated Sur- plus Balances.....	5,061,792 30	7,928,242 18
					379,041,151 09	381,584,190 66

* Notice.—Securities issued or assumed in the Treasury—unpledged, shown contra.

MISSOURI PACIFIC RAILWAY COMPANY—INCOME ACCOUNT YEARS ENDED JUNE 30 1914 & 1913.

	1914	1913.	Increase.		Decrease.	
			Amount.	Per Cent.	Amount.	Per Ct.
Average Mileage Operated.....	3,919.58	3,919.50	.08	-----	-----	-----
Railway Operating Income:						
Rail Operations—Revenues:						
Freight.....	\$19,490,424 70	\$20,528,497 50	-----	-----	\$1,038,072 80	5.06
Passenger.....	4,848,431 25	5,155,913 86	-----	-----	307,482 61	5.06
Passenger—Other.....	69,971 23	83,777 08	-----	-----	13,805 85	16.48
Mail.....	790,788 09	758,134 80	\$32,653 29	4.31	-----	-----
Express.....	612,317 33	676,249 55	-----	-----	63,932 22	9.45
Miscellaneous.....	603,977 40	607,737 19	-----	-----	3,759 79	0.62
Total Revenue from Transportation.....	\$26,415,910 00	\$27,810,309 98	-----	-----	\$1,394,399 98	5.01
Non-transportation Revenue.....	206,130 52	208,598 52	-----	-----	2,468 00	1.18
Total Operating Revenues.....	\$26,622,040 52	\$28,018,908 50	-----	-----	\$1,396,867 98	4.99
Rail Operations—Expenses:						
Maintenance of Way and Structures.....	\$4,100,381 18	\$3,814,427 09	\$285,954 09	7.50	-----	-----
Maintenance of Equipment.....	4,974,141 52	4,853,669 40	120,472 12	2.48	-----	-----
Traffic Expenses.....	680,954 03	743,648 17	-----	-----	\$62,694 14	8.43
Transportation Expenses.....	11,179,548 77	11,809,089 88	-----	-----	629,491 11	5.33
General Expenses.....	841,006 93	810,550 97	30,455 96	3.76	-----	-----
Total Operating Expenses.....	\$21,776,082 43	\$22,031,385 51	-----	-----	\$255,303 08	1.16
Net Revenues—Rail Operations.....	\$4,845,958 09	\$5,987,522 99	-----	-----	\$1,141,564 90	19.07
Auxiliary Operations:						
Revenue.....	\$73,973 32	\$72,938 76	\$1,034 56	1.42	-----	-----
Expenses.....	116,620 88	112,348 88	4,272 00	3.80	-----	-----
Net Deficit from Auxiliary Operations.....	\$42,647 56	\$39,410 12	\$3,237 44	8.21	-----	-----
Net Railway Operating Revenue.....	\$4,803,310 53	\$5,948,112 87	-----	-----	\$1,144,802 34	19.25
Railway Tax Accruals.....	1,170,179 51	1,125,710 63	\$44,468 88	3.95	-----	-----
Railway Operating Income.....	\$3,633,131 02	\$4,822,402 24	-----	-----	\$1,189,271 22	24.66
Other Income:						
Income from Lease of Road.....	\$27,035 04	\$2,160 00	\$24,875 04	1,151.62	-----	-----
Joint Facility Rent Income.....	109,456 43	95,337 70	14,118 73	14.81	-----	-----
Miscellaneous Rent Income.....	42,504 90	54,564 01	-----	-----	-----	-----
Net Profit from Miscellaneous Physical Property.....	43,593 79	56,268 14	-----	-----	\$12,059 11	22.10
Separately Operated Properties—Profit.....	2,784 03	13,073 02	-----	-----	12,674 35	22.52
Dividend Income.....	1,809,281 00	1,808,765 00	516 00	0.03	-----	-----
Income from Funded Securities.....	1,565,671 59	1,562,758 78	2,912 81	0.19	-----	-----
Income from Unfunded Securities, and Accounts.....	100,694 93	128,141 85	-----	-----	27,446 92	21.42
Miscellaneous Income.....	203 95	52 57	151 38	287.96	-----	-----
Total Other Income.....	\$3,701,225 66	\$3,721,121 07	-----	-----	\$19,895 41	0.53
Gross Income.....	\$7,334,356 68	\$8,543,523 31	-----	-----	\$1,209,166 63	14.15
Deductions from Gross Income:						
Deductions for Lease of Other Roads.....	\$33,203 64	\$33,096 52	\$107 12	0.32	-----	-----
Hire of Equipment.....	290,090 19	154,395 10	135,695 09	87.89	-----	-----
Joint Facility Rent Deductions.....	182,369 61	184,489 98	-----	-----	\$2,120 37	1.15
Miscellaneous Rent Deductions.....	24,110 55	20,531 79	3,578 76	17.43	-----	-----
Miscellaneous Tax Accruals.....	11,120 14	14,120 51	-----	-----	3,000 37	21.25
Separately Operated Properties—Loss.....	8,678 23	16,100 75	-----	-----	7,422 52	46.10
Interest Deductions for Funded Debt.....	7,739,741 80	7,741,793 77	-----	-----	2,051 97	0.03
Interest Deductions for Unfunded Debt.....	22,599 87	6,531 07	16,068 80	246.04	-----	-----
Miscellaneous Deductions.....	1,890 14	2,766 50	-----	-----	876 36	31.68
Total Deductions.....	\$8,313,804 17	\$8,173,825 99	\$139,978 18	1.71	-----	-----
Net Income.....	def.\$979,447 49	\$369,697 32	-----	-----	\$1,349,144 81	364.93

MISSOURI PACIFIC RAILWAY COMPANY. PROFIT AND LOSS JUNE 30 1914.

Table with financial data for Missouri Pacific Railway Company, including Credit Balance, Debit Balance, and Profit and Loss for June 30, 1914.

Pierce Oil Corporation.—Syndicate Dissolved.—The syndicate formed last June to underwrite the \$10,000,000 of 6% convertible gold debenture bonds finally expired by limitation on Thursday.

Prairie Oil & Gas Co.—Runs Resumed.—The company has resumed oil runs in Oklahoma, following the action of the Corporation Commission in fixing the minimum price for oil at 55 cents a barrel, compared with the previous price of 65 cents.

Pure Oil Co., Philadelphia.—Earnings.—Net earnings for Aug., it is reported, aggregated \$112,000, or at the rate of \$1,344,000 a year, or over 25% a year on the outstanding common.

Quaker Oats Co., Chicago.—Foreign Mills Running.—The company's mills in Germany, it is stated, are running and doing a large business.—V. 98, p. 1004.

Scruggs-Vandervoort-Barney Dry Goods Co.—Stock. See (H. B.) Claflin Co. above.

Sears, Roebuck & Co.—Total Sales.—1914—September—1913. Increase. 1914—9 Mos.—1913. Increase. \$8,757,287 \$7,526,477 16.35% \$69,136,820 \$64,648,938 6.94%.

Shattuck-Arizona Copper Co.—Dividend Omitted.—The directors have decided to omit the usual quarterly dividend on the \$3,500,000 stock (par \$10), owing to depression in the metal market.

Singer (Sewing Machine) Mfg. Co.—Div. Reduced.—A quarterly dividend of 2% was paid on Sept. 30 on the \$60,000,000 stock, comparing with 4% quarterly from Dec. 1912 to June 1914, both inclusive.

Smart-Woods Co., Ltd., Montreal.—Pref. Div. Omitted.—The directors have voted to defer the quarterly dividend on the \$1,500,000 7% cumulative pref. stock usually paid on Oct. 1.

Syndicate Film Corporation, Chicago.—Dividends.—The company has declared initial dividends of 7% each on both classes of stock (\$100,000 pref. and \$200,000 com.), payable Oct. 1 to holders of record Sept. 26.

United Dry Goods Co., New York.—Plan.—See (H. B.) Claflin Co. above.—V. 99, p. 347.

United Grocers Corporation, Toledo.—Pref. Stock, &c.—Pres. C. C. Truax, writing from the Pittsburgh office (1508 Union Bank Bldg.) on Sept. 30 1914 says:

Our company has increased its capital stock from \$10,000,000 to \$16,500,000, the increase being pref. stock. The company also has changed its name from the United Grocers Co. to the United Grocers Corporation.

United States Rubber Co.—Status.—In commenting on the action of the board in declaring the regular quarterly dividends on the pref. and common stocks, Pres. Colt says:

The dividends having been amply earned, and the finances of the company being in an easy condition, with \$8,000,000 cash on hand, I think the action of the board is not only conservative but one that is entitled to commendation in these times of war and financial stress.

Westinghouse Air Brake Co.—Earnings.—

Table with financial data for Westinghouse Air Brake Co., including Profits, Sundry Special Dividends, and Year's Total for 1913-14 and 1912-13.

Wheeling (W. Va.) Steel & Iron Co.—Postponed.—The proposed issue of \$1,200,000 new stock has, it is stated, been postponed indefinitely because of the uncertainty in the money market due to the European war.

—Deloitte, Plender, Griffiths & Co., chartered accountants and auditors, 49 Wall St., this city, announce that they have opened a branch office in Havana, Cuba, at Edificio de la Lonja 505 and 506, under the management of Mr. M. W. Maclachlan.

—N. W. Halsey & Co., 49 Wall St., are distributing a general circular listing a variety of high-grade investment bonds at attractive prices. A page of this circular is devoted to a discussion of the present investment situation.

The Commercial Times.

COMMERCIAL EPITOME.

Friday Night, Oct. 2 1914.

Everywhere conservatism is still observable. Most industries are quiet. The building trades are sluggish. So are transactions in iron and steel, though there is admittedly some foreign demand. The numerous failures are far from agreeable reading. The great exchanges remain closed.

LARD has been quiet, with prime Western latterly 10.10c.; refined to the Continent 10.75c.; South America 11.35c. and Brazil 12.35c. Lard futures have declined somewhat, though of late showing rather more strength.

DAILY CLOSING PRICES OF LARD FUTURES IN CHICAGO. Table with columns for Sept. delivery, Oct. delivery, Jan. delivery, and prices for various days of the week.

PORK lower; mess \$22@22 75; clear \$22@25; family \$26@28. Beef steady; mess \$23@24; packet \$24@25; family \$29@30; extra India mess \$40@45.

COFFEE has been dull and more or less depressed. No. 7 Rio 6 1/2@6 3/4c.; No. 4 Santos 10 1/4@10 1/2c.; fair to good Cucuta 10 1/2@11c. December has sold down to 5.85@5.95c.

SUGAR has remained at 5.02c. for 96-degrees test, centrifugal and 4.77c. for 89-degrees test molasses, with cost and freight 4c.; fine granulated 6.75c. The tone of the raw sugar market has been somewhat depressed, though closing rather more steady.

OILS.—Linseed in moderate demand; city, raw American seed, 53c.; boiled 57c.; Calcutta 68c. Cocoanut steady; Cochin 15 1/2@16c.; Ceylon 12 1/2@13c. Olive \$1@ \$1 10. Castor 8 1/4@8 1/2c. Palm steady at 8 1/2@9c. for Lagos. Cod, domestic, 35@36c. Cottonseed oil; winter 5.75@6.50c.; summer white 5.60@6.90c. Corn lower at 5.60@5.65c. Spirits of turpentine 47 1/2@48c. Common to good strained rosin \$3 80@3 90.

PETROLEUM steady; refined in barrels 8.25@9.25c.; bulk 4.75@5.75c.; cases 10.75@11.75c. Naptha 73 to 76-degrees in 100-gallon drums, 23 1/2c.; drums, \$8 50 extra.

Table listing prices for various types of sand, such as Pennsylvania dark, Second sand, Tiona, Cabell, Mercer black, and New Castle.

TOBACCO has continued quiet. Buyers are keeping close to shore. The tobacco trade feels the general effects of the European war. There is some business in Sumatra wrappers when manufacturers are obliged to purchase.

COPPER has been dull and rather depressed; Lake 11 3/8@ 12c.; electrolytic 11 3/4c. In Germany the price is said to

be 19c. and in London something like £54. Export business with Great Britain and Italy has increased, though no large sales have been made. Tin dropped to 30.90c. @31c. on the spot here; supplies are increasing. The Jewish holidays have caused some falling off in business, in tin and it may be added, in copper, but tin closes firmer. Lead here is down to 3.70c. and dull; spelter has fallen to 5.10c. at New York. Pig iron has been dull; it is said to be duller than at any time for the last twenty years; No. 2 Eastern \$13 75, No. 2 Southern Birmingham \$10 @ \$10 25; but it is believed that these quotations are largely nominal. There has been some export demand for steel. About 15,000 tons of sheet bars have been sold to England, a total likely to be increased to 100,000 tons during October. But British buyers complain that American quotations for sheet bars are too high. Also British steel works are said to be running to nearly their full capacity and British rolling mills to about 50% of it. It is, therefore, inferred that no very large quantities of semi-finished steel are likely to be bought in this country. Russia is inquiring for 10,000 tons of plates and several thousand tons have been sold, it is stated, to Australia. Foreign countries want wire products, apparently more than anything else. It is said that contracts for 200,000 tons of finished or partly finished steel for Europe are pending.

COTTON.

Friday Night, Oct. 2 1914.

THE MOVEMENT OF THE CROP, as indicated by our telegrams from the South to-night, is given below. For the week ending this evening the total receipts have reached 158,124 bales, against 97,716 bales last week and 67,936 bales the previous week, making the total receipts since Aug. 1 1914 440,592 bales, against 1,734,431 bales for the same period of 1913, showing a decrease since Aug. 1 1914 of 1,293,839 bales.

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.	Total.
Galveston	10,513	12,222	19,399	15,041	11,416	11,276	79,867
Texas City	---	105	---	---	---	---	105
Port Arthur	---	---	---	---	---	---	---
Aran. Pass. &c.	---	---	---	---	---	1,987	1,987
New Orleans	1,064	2,222	2,561	3,243	1,113	3,696	13,899
Gulfport	---	---	---	---	---	---	---
Mobile	180	305	1,414	678	272	716	3,565
Pensacola	---	---	---	---	---	---	---
Jacksonville	---	---	---	---	---	---	1,600
Savannah	4,785	5,060	5,934	7,374	4,160	6,686	33,999
Brunswick	---	---	---	---	---	---	1,200
Charleston	1,600	1,708	2,082	1,740	1,817	2,140	11,087
Georgetown	---	---	---	---	---	---	---
Wilmington	655	733	1,040	774	1,092	1,332	5,626
Norfolk	871	887	162	439	520	1,812	4,691
N'port News, &c.	---	---	---	---	---	315	315
New York	---	---	---	---	---	---	---
Boston	---	---	---	---	---	47	47
Baltimore	---	---	---	136	---	---	136
Philadelphia	---	---	---	---	---	---	---
Totals this week	19,668	23,242	32,592	29,425	20,390	32,807	158,124

The following shows the week's total receipts, the total since Aug. 1 1914 and the stocks to-night, compared with last year:

Receipts to Oct. 2.	1914.		1913.		Stock.	
	This Week.	Since Aug 1 1914.	This Week.	Since Aug 1 1913.	1914.	1913.
Galveston	79,867	230,569	149,165	836,512	113,414	112,205
Texas City	105	3,252	15,753	50,659	2,716	6,096
Port Arthur	---	400	---	---	---	---
Aranas Pass. &c.	1,987	4,346	5,642	46,274	4,519	8,777
New Orleans	13,899	34,506	26,749	78,930	54,935	49,807
Gulfport	---	---	---	---	---	---
Mobile	3,565	12,703	15,684	53,004	11,089	33,330
Pensacola	---	---	7,410	8,709	---	233
Jacksonville, &c.	1,600	4,714	857	2,294	---	495
Savannah	33,999	89,011	106,294	373,120	46,121	111,586
Brunswick	1,200	2,748	14,100	68,742	1,634	13,234
Charleston	11,087	21,594	32,919	104,897	18,148	54,009
Georgetown	---	---	---	---	---	---
Wilmington	5,626	11,971	27,811	68,074	14,485	26,759
Norfolk	4,691	12,994	10,559	30,506	16,613	10,953
N'port News, &c.	315	8,533	287	2,619	---	19,777
New York	---	50	---	74	72,231	19,773
Boston	47	1,517	656	1,366	2,890	3,279
Baltimore	136	1,594	2,413	8,021	3,743	1,978
Philadelphia	---	90	---	---	5,728	3,298
Totals	158,124	440,592	416,299	1,734,431	368,499	455,583

In order that comparison may be made with other years, we give below the totals at leading ports for six seasons:

Receipts at—	1914.	1913.	1912.	1911.	1910.	1909.
Galveston	79,867	149,165	206,138	146,463	128,003	159,711
Texas City &c	2,092	21,395	69,440	36,798	7,431	784
New Orleans	13,899	26,749	30,134	25,900	21,608	43,833
Mobile	3,565	15,684	7,919	16,316	11,411	14,066
Savannah	33,999	106,294	65,979	118,955	97,064	99,082
Brunswick	1,200	14,110	16,000	18,180	3,568	11,569
Charleston &c	11,087	32,919	19,570	24,173	20,410	18,278
Wilmington	5,626	27,811	23,687	23,762	39,587	34,340
Norfolk	4,691	10,559	16,035	25,732	18,638	30,577
N'port N. &c.	315	287	877	---	---	348
All others	1,783	11,336	4,587	7,748	882	6,027
Total this wk.	158,124	416,299	460,366	444,027	349,502	418,615
Since Aug. 1.	440,592	1,734,431	1,631,882	1,908,996	1,448,941	1,615,760

The exports for the week ending this evening reach a total of 65,883 bales, of which 31,635 were to Great Britain, to France and 34,248 to the rest of the Continent. Below are the exports for the week and since Aug. 1 1913. J

Exports from—	Week ending Oct. 2 1914.				From Aug. 1 1914 to Oct. 2 1914.			
	Great Britain.	France.	Conti- nent.	Total.	Great Britain.	France.	Conti- nent.	Total.
Galveston	27,838	---	9,175	37,013	42,278	---	30,814	73,092
Texas City	---	---	853	853	---	---	1,580	1,580
Port Arthur	---	---	---	---	---	---	400	400
New Orleans	667	---	5,466	6,133	5,146	---	8,242	13,388
Savannah	1,150	---	7,178	8,328	2,407	---	8,604	11,011
Brunswick	---	---	---	---	---	---	---	800
Charleston	1,000	---	---	1,000	1,000	---	---	1,000
Norfolk	---	---	---	---	---	---	---	500
New York	900	---	3,579	4,479	7,611	5	9,530	17,146
Boston	80	---	---	80	80	---	---	115
Baltimore	---	---	---	---	---	---	---	100
Philadel'ia	---	---	---	---	830	---	---	765
San Fran.	---	---	5,410	5,410	---	---	---	10,453
Pt. T'wns'd	---	---	2,587	2,587	---	---	---	5,687
Total	31,635	---	34,248	65,883	60,652	5	76,290	136,947
Total 1913.	143,268	82,462	171,757	397,487	449,260	162,127	570,788	1,182,175

Note.—New York exports since Aug. 1 include 1,166 bales Peruvian and 25 bales West Indian to Liverpool.

In addition to above exports, our telegrams to-night also give us the following amounts of cotton on shipboard, not cleared, at the ports named. We add similar figures for New York.

Oct. 2 at—	On Shipboard, Not Cleared for—					Leaving Stock.
	Great Britain.	France.	Ger- many.	Other Foreign.	Coast- wise.	
New Orleans	1,985	---	4,105	1,511	55	7,656
Galveston	13,039	2,350	---	27,546	1,898	44,833
Savannah	---	---	---	---	700	700
Charleston	---	---	---	---	---	---
Mobile	---	---	338	---	---	338
Norfolk	600	---	---	---	10,200	10,800
New York	700	---	---	500	---	1,200
Other ports	1,200	---	---	800	---	2,000
Total 1914.	17,524	2,350	4,443	30,357	12,853	67,527
Total 1913.	59,184	27,921	52,479	21,028	12,011	172,623
Total 1912.	87,037	17,140	62,467	42,314	17,065	226,023

Speculation in cotton for future delivery has remained in abeyance, as the Cotton Exchange here is not yet reopened. The Liverpool Exchange remains closed. The New Orleans Exchange is open only for the quotation of spot cotton. It is a fact, however, that unofficial trading in December cotton here has continued throughout the week. Supposedly most of it is in the liquidation of old contracts though it is also said that the South has deemed it advisable to sell to some extent here as a hedge. During the week, according to some reports, December sold here at as low as 7.50c., certainly as low as 7.60c., but latterly there has been a rise to 7.96c. coincident with reports of victories for the Allies, which, it is assumed, bring the date of peace in Europe so much the nearer. An interesting event too was the fact that Liverpool has reduced the price of Jan.-Feb. to 5d. This has given rise to more or less excitement here, as it was assumed for a time that it meant a calling of margins on December contracts at New York down to 8½c., whereas the straddle agreement with Liverpool on Sept. 3 was that margins should not be called below 9 cents. One of the Liverpool committee here has stated that this agreement is still in force. There is a misunderstanding at New York on this subject, however. It grew out of a mistake, it is claimed, in the announcement made by the Chairman of the Voluntary Committee here in announcing on Sept. 23 that there would be no reduction in the price below 9 cents. He has since stated that he meant to say that there would be no calls for margin on December contracts here below 9 cents. A meeting was held at the New York Cotton Exchange last Wednesday to protest against the reduction in the price of Jan.-Feb. in Liverpool to 5d. as something in contravention of the agreement of Sept. 3, and considerable feeling has been aroused. If the level is to be 9c. it keeps the difference between the two markets at 150 points, something that the Liverpool straddlers seem determined to stick for, in spite of reports from the other side that the House of Commons is investigation a complaint brought by British spinners against the cotton trade of Liverpool that prices there are being artificially maintained at a level 50% above the cost in America. It is assumed, rightly or wrongly, that fear of a Government investigation on the other side was the cause of the reduction in Jan.-Feb. at Liverpool to 5d. Recently, however, spot markets at the South have been declining. That of itself may very naturally have had more or less effect. Also the steady decline in December here in the unofficial trading may easily have had more or less to do with the drop in the Liverpool quotation. In any case, this reduction has been made and has caused, as already intimated, no small perturbation here, where it is feared that further reductions may yet be made to a considerably lower level unless some hard and fast agreement is made to the contrary. Whether margins are called for no lower price than 9 cents for December or not, the party who happens to be holding the long end of the straddle here will nevertheless, it is argued, be obliged, when it comes time to liquidate his contracts, to settle at the price to which December has finally fallen. Latterly, however, December here has sold up to 7.95c. and some reports say 7.96c. It is accepted as an indisputable fact that the conclusion of peace would mean higher prices for cotton. Meantime exports from Galveston have been relatively large and some cotton has also been shipped to Europe from New York, Savannah, &c. Pacific ports have been exporting on a fair scale to the

Far East. Foreign exchange has latterly been getting into better shape. Certainly Galveston has shipped on a scale that has suggested something of this sort. Here at New York the \$100,000,000 Gold Pool has awakened hopes of an early readjustment of foreign exchange to something like a normal basis. Cotton as well as grain bills have been, it is stated, in better supply and \$10,000,000 has been shipped to Ottawa something which of itself will facilitate sales of exchange. Furthermore, a Committee of Seven has been appointed by the New York Cotton Exchange to formulate a plan for the establishment of a clearing house in connection with the Exchange. A clearing house, it is assumed, would greatly facilitate business here. It would obviate the tying up of funds. It would put everybody on an even keel, according to their resources; it would keep down the volume of outstanding contracts. It might easily cause increased trading here. The Committee on Rules, moreover, is understood to be at work formulating regulations for trading under the Lever Act. The Department of Agriculture shows a disposition to do everything in its power to facilitate this work and it is hoped that it will soon be completed. When the Exchange is reopened the trading, it is understood, will be on the basis of the new contract. As to the proposed syndicate to finance open long contracts here as a prelude to the opening of the Exchange, nothing very definite has yet been accomplished. It is stated, however, that while no complete plans for resumption of business have yet been adopted, tentative proposals submitted to prominent bankers here have been approved subject to certain modifications. It is stated that bankers will be asked to subscribed to a fund for the protection of cotton here on the resumption of trading. With the Exchange reopened, it is argued, a large general business including export trading, would naturally follow. In other words, it is contended that domestic spinners would buy more freely and that foreign spinners would be apt to follow suit. To-day December sold at 7.80 to 7.90, ending at 7.80c. The Government report stated the condition at 73.5% against 78% on Aug. 25, 64.1% a year ago and 68.5% as the ten-year average. The indicated average yield of lint per acre is put at 200.2%. Some of the trade think this indicates a crop of around 15,400,000 to 15,500,000 bales, but that with favorable weather the crop may really exceed the previous high record. The ginning report also appeared, making the total up to Sept. 24 3,381,863 bales, against 3,246,655 in the same time last season, 3,007,271 in 1912 and 3,676,594 in 1911.

The rates on and off middling, as established Sept. 9 1914 by the Revision Committee, at which grades other than middling may be delivered on contract, are as follows:

Fair	-----c. 0.70 on	Middling	-----c. Basis	Good mid. tinged	-----c. Even
Strict mid fair	-----0.63 on	Strict low middling	-----0.50 off	Strict mid. tinged	-----0.20 off
Middlin fair	-----0.56 on	Low middling	-----1.25 off	Middling tinged	-----0.40 off
Strict good mid	-----0.42 on	Strict good ord.	-----2.00 off	Strict low mid. ting.	-----1.25 off
Good middling	-----0.28 on	Good ordinary	-----3.00 off	Low mid. tinged	-----3.00 off
Strict middling	-----0.14 on	Strict g'd mid. ting.	-----0.14 on	Middling stained	-----1.25 off

The official quotation for middling upland cotton in the New York market each day for the past week has been:
 Sept. 26 to Oct. 2— Sat. Mon. Tues. Wed. Thurs. Fri.
 Middling uplands

NEW YORK QUOTATION FOR 32 YEARS.

The quotation for middling upland at New York on Jan. 11 for each of the past 32 years have been as follows:
 1914 c. *11.00 1906 c. 10.55 1898 c. 5.38 1890 c. 10.38
 1913 14.20 1905 10.65 1897 6.50 1889 10.75
 1912 11.25 1904 10.50 1896 8.38 1888 10.44
 1911 10.20 1903 10.09 1895 9.00 1887 9.50
 1910 13.75 1902 8.88 1894 6.25 1886 9.50
 1909 13.60 1901 8.19 1893 8.06 1885 10.06
 1908 9.25 1900 10.88 1892 7.69 1884 10.12
 1907 11.60 1899 7.19 1891 8.69 1883 10.62
 * Aug. 17.

MARKET AND SALES AT NEW YORK.

The total sales of cotton on the spot each day during the week at New York are indicated in the following statement. For the convenience of the reader we also add columns which show at a glance how the market for spot and futures closed on same days.

	Spot Market Closed.	Futures Market Closed.	SA&ES.		
			Spot.	Contr't	Total.
Saturday	Nominal	---	---	---	---
Monday	---	---	---	---	---
Tuesday	---	---	---	---	---
Wednesday	---	---	---	---	---
Thursday	---	---	---	2700	2700
Friday	---	---	80	---	80
Total	---	---	80	2700	2780

FUTURES.—The highest, lowest and closing prices at New York for the past week have been as follows:

THE VISIBLE SUPPLY OF COTTON to-night, as made up by cable and telegraph, is as follows. Foreign stocks, as well as the afloat, are this week's returns, and consequently all foreign figures are brought down to Thursday evening. But to make the total the complete figures for to-night (Friday), we add the item of exports from the United States, including in it the exports of Friday only.

	1914.	1913.	1912.	1911.
October 2—				
Stock at Liverpool	815,000	411,000	487,000	244,000
Stock at London	19,000	5,000	11,000	7,000
Stock at Manchester	60,000	31,000	56,000	18,000
Total Great Britain	894,000	447,000	554,000	269,000
Stock at Hamburg	*29,000	17,000	35,000	12,000
Stock at Bremen	*180,000	96,000	149,000	44,000
Stock at Havre	226,000	61,000	76,000	51,000
Stock at Marseilles	3,000	2,000	3,000	2,000
Stock at Barcelona	29,000	10,000	11,000	15,000
Stock at Genoa	22,000	6,000	10,000	13,000
Stock at Trieste	*20,000	12,000	6,000	4,000
Total Continental stocks	509,000	204,000	263,000	141,000
Total European stocks	1,403,000	651,000	817,000	410,000
India cotton afloat for Europe	86,000	87,000	53,000	28,000
Amer. cotton afloat for Europe	98,146	762,573	690,314	795,713
Egypt, Brazil, &c. afloat for Europe	10,000	42,000	35,000	19,000
Stock in Alexandria, Egypt	*95,000	125,000	80,000	43,000
Stock in Bombay, India	569,000	413,000	351,000	286,000
Stock in U. S. ports	368,499	455,583	689,049	525,266
Stock in U. S. interior towns	344,863	290,756	271,703	359,703
U. S. exports to-day	---	19,355	6,181	7,760
Total visible supply	2,974,508	2,846,267	2,993,247	2,540,552
Of the above, totals of American and other descriptions are as follows:				
American—				
Liverpool stock	511,000	246,000	339,000	121,000
Manchester stock	41,000	19,000	41,000	12,000
American afloat for Europe	*385,000	163,000	236,000	101,000
U. S. port stocks	98,146	762,573	690,314	795,713
U. S. interior stocks	368,499	455,583	689,049	525,266
U. S. exports to-day	344,863	290,756	271,703	359,703
	---	19,355	6,181	7,760
Total American	1,748,508	1,956,267	2,273,247	1,988,442
East India, Brazil, &c.—				
Liverpool stock	304,000	165,000	148,000	123,000
London stock	19,000	5,000	11,000	7,000
Manchester stock	19,000	12,000	15,000	6,000
Continent stock	*124,000	41,000	27,000	40,000
India afloat for Europe	86,000	87,000	53,000	28,000
Egypt, Brazil, &c. afloat	10,000	42,000	35,000	19,000
Stock in Alexandria, Egypt	*95,000	125,000	80,000	43,000
Stock in Bombay, India	569,000	413,000	351,000	286,000
Total East India, &c.	1,226,000	890,000	720,000	552,000
Total American	1,748,508	1,956,267	2,273,247	1,988,442
Total visible supply	2,974,508	2,846,267	2,993,247	2,540,442
Middling Upland, Liverpool	5.30d.	7.87d.	6.32d.	5.59d.
Middling Upland, New York	a11.00c.	14.10c.	11.25c.	9.95c.
Egypt, Good Brown, Liverpool	8.20d.	10.90d.	10% d.	10 7-16d.
Peruvian, Rough Good, Liverpool	8.75d.	9.00d.	10.00d.	10.25d.
Branch, Fine, Liverpool	4.90d.	7d.	6 3-16d.	5 11-16d.
Tinnevely, Good, Liverpool	5.05d.	7 1-16d.	6 3-16d.	5 3-16d.

* Estimated. a August 17.

Continental imports for past week have been 28,000 bales. The above figures for 1914 show an increase over last week of 123,616 bales, a gain of 128,247 bales over 1913, a decrease of 18,739 bales from 1912 and a gain of 434,066 bales over 1911.

AT THE INTERIOR TOWNS the movement—that is the receipts for the week since Aug. 1, the shipments for the week and the stocks to-night, and the same items for the corresponding period of the previous year—is set out in detail below.

Towns.	Movement to Oct. 2 1914.				Movement to Oct. 3 1913.			
	Receipts.		Ship-ments.	Stocks Oct. 2.	Receipts.		Ship-ments.	Stocks Oct. 3.
	Week.	Season.			Week.	Season.		
Ala., Eufaula	1,384	6,087	77	4,104	994	6,987	1,524	1,887
Montgomery	11,250	41,457	2,320	35,380	11,919	46,958	7,063	15,805
Selma	6,925	25,760	2,009	20,067	8,193	35,667	6,843	6,356
Ark., Helena	2,072	4,248	218	4,683	1,530	2,878	290	2,623
Little Rock	3,736	5,547	1,099	7,989	5,980	10,972	1,232	10,770
Ga., Albany	1,917	9,793	---	10,118	2,000	12,645	1,933	2,000
Athens	3,512	6,007	850	5,522	4,955	9,547	2,678	4,409
Atlanta	1,656	3,162	1,216	1,611	13,093	21,320	8,522	7,958
Augusta	18,402	59,956	8,029	42,167	20,151	70,968	15,783	23,159
Columbus	3,580	13,117	575	9,852	3,670	11,420	2,750	6,726
Macon	3,137	8,040	203	7,215	3,792	8,232	3,607	838
Rome	2,083	3,956	1,656	1,627	3,081	8,480	2,271	4,038
La., Shreveport	6,407	16,813	925	15,605	6,260	22,710	2,888	10,768
Miss., Columbus	665	1,662	75	1,643	1,766	4,742	1,267	2,735
Greenville	4,090	8,791	---	9,294	2,987	6,489	576	5,052
Greenwood	3,558	8,392	---	10,674	4,500	7,905	600	7,500
Meridian	768	2,425	105	3,383	970	3,488	617	3,142
Natchez	1,285	3,095	---	3,785	800	2,209	700	940
Vicksburg	823	2,160	282	2,300	1,016	2,102	579	1,826
Yazoo City	1,762	4,267	---	5,086	1,334	3,253	293	4,508
Mo., St. Louis	1,538	8,734	1,703	12,527	3,173	15,166	3,495	3,058
N. C., Raleigh	125	190	100	50	1,166	2,925	1,050	321
O. Cincinnati	604	7,599	887	4,819	998	9,997	2,945	17,008
Okla., Hugo	800	1,540	400	1,100	1,307	4,906	229	1,828
S. C., Greenville	480	1,072	44	1,125	612	1,981	728	384
Tenn., Memphis	19,568	38,929	6,595	38,036	6,666	41,181	9,449	30,804
Nashville	---	6	---	6	440	893	84	798
Tex., Brenham	1,444	5,394	556	3,958	1,542	14,818	1,537	1,228
Clarksville	1,000	3,600	200	2,700	831	5,059	1,304	1,615
Dallas	3,522	9,803	2,722	3,030	2,732	14,326	1,207	5,721
Honey Grove	900	4,200	200	3,000	500	3,728	1,635	1,404
Houston	78,308	265,134	67,491	58,558	132,066	781,399	113,744	98,136
Paris	4,690	14,390	741	10,000	1,508	16,764	1,119	5,411
Total, 33 towns	191,991	595,126	102,278	344,863	267,535	1,212,115	200,548	290,756

OVERLAND MOVEMENT FOR THE WEEK AVD SINCE AUG. 1.

Shipped—	1914		1913	
	Week.	Since Aug. 1.	Week.	Since Aug. 1.
Via St. Louis	1,703	21,332	3,495	24,153
Via Cairo	1,031	3,921	8,491	14,209
Via Rock Island	---	---	50	160
Via Louisville	---	428	3,551	1,493
Via Cincinnati	---	335	1,534	4,666
Via Virginia points	---	879	4,949	3,217
Via other routes, &c.	---	10,762	18,022	8,104
Total gross overland	15,138	53,309	25,518	83,333
Deduct shipments—				
Overland to N. Y., Boston, &c.	183	3,251	3,069	9,461
Between interior towns	276	8,523	641	5,779
Inland, &c., from South	6,247	26,624	3,996	19,636
Total to be deducted	6,706	38,398	7,706	34,876
Leaving total net overland *	8,432	14,911	17,812	48,457

* Including movement by rail to Canada.

The foregoing shows the week's net overland movement has been 8,432 bales, against 17,812 bales for the week last year, and that for the season to date the aggregate net overland exhibits a decrease from a year ago of 33,546 bales.

In Sight and Spinners' Takings. Week.	1914		1913	
	Since Aug. 1.	Week.	Since Aug. 1.	Week.
Receipts at ports to Oct. 2	158,124	440,592	416,299	1,734,431
Net overland to Oct. 2	8,432	14,911	17,812	48,457
Southern consumption to Oct. 2	60,000	510,000	60,000	546,000
Total marketed	226,556	965,503	494,111	2,328,888
Interior stocks in excess	89,713	224,724	66,987	147,298
Came into sight during week	316,269		561,098	
Total in sight Oct. 2		1,190,227		2,476,186
North. spinners' takings to Oct. 2	65,368	198,162	64,663	306,276

QUOTATIONS FOR MIDDLING COTTON AT OTHER MARKETS.—Below are the closing quotations of middling cotton at Southern and other principal cotton markets for each day of the week.

Week ending Oct. 2.	Closing Quotations for Middling Cotton on—					
	Saturday.	Monday.	Tuesday.	Wed. day.	Thursd'y.	Friday.
Galveston	8 3/4	8 1/4	8	8	8	8
New Orleans	8 3/4	8 1/4	8 1/2	8 1-16	8 1-16	8 1-16
Mobile	8 1/4	8 1/8	7 7/8	7 1/2	7 1/2	7 1/2
Savannah	7 7/8	7 3/4	7 1/2	7 1/2	7 1/2	7 1/2
Charleston	8 1/4	7 3/4	7 1/2	7 1/2	7 1/2	7 1/2
Wilmington	8 1/4	8 1/4	7 3/4	7 3/4	7 3/4	7 3/4
Norfolk	8 1/4	8 1/8	8	7 3/8	7 3/8	7 3/8
Augusta	8 3/8	7 7/8	7 7/8	7 3/8	7 3/8	7 3/8
Memphis	8 3/8	8 3/8	8 1/2	8 1/2	8 1/2	8 1/2
St. Louis	8 3/2	8 3/2	8 3/2	8 1/2	8 1/2	8 1/2
Houston	8 3/8	7 7/8	8 1/2	7 3/4	7 3/4	7 3/4
Little Rock	8 3/8	8 3/8	8	7 3/8	7 3/8	7 3/8

NEW ORLEANS CONTRACT MARKET.—There have been no dealings at New Orleans this past week.

WEATHER REPORTS BY TELEGRAPH.—Advices to us by telegraph from the South this evening indicate that while rain has been quite general in Atlantic and Gulf sections during the week, the rainfall has not as a rule been excessive. Picking has made excellent progress but marketing continues very much restricted.

Galveston, Tex.—Clear and cool weather has prevailed throughout the week. Army worms are reported to have seriously damaged late planted cotton, but with this exception, conditions are excellent. Exportation of cotton to foreign countries has increased considerable. There has been no rain during the week. The thermometer has averaged 74, the highest being 82 and the lowest 66.

Abilene, Tex.—Minimum thermometer 46.

Brenham, Tex.—The thermometer has ranged from 58 to 80, averaging 69.

Cuero, Tex.—Average thermometer 68, highest 84, lowest 52.

Dallas, Tex.—The thermometer has averaged 68, the highest being 80 and the lowest 56.

Henrietta, Tex.—Thermometer has averaged 65, ranging from 48 to 82.

Huntsville, Tex.—The thermometer has ranged from 48 to 80, averaging 64.

Kerrville, Tex.—Average thermometer 62, highest 82, lowest 42.

Lampassas, Tex.—The thermometer has averaged 63, the highest being 80 and the lowest 46.

Longview, Tex.—The thermometer has averaged 66, ranging from 52 to 80.

Luling, Tex.—The thermometer has ranged from 54 to 84, averaging 69.

Nacogdoches, Tex.—Average thermometer 66, highest 82, lowest 50.

Palestine, Tex.—The thermometer has averaged 67, the highest being 80 and the lowest 54.

Paris, Tex.—The thermometer has averaged 68, ranging from 52 to 84.

San Antonio, Tex.—The thermometer has ranged from 58 to 84, averaging 71.

Taylor, Tex.—Minimum thermometer 54.

Weatherford, Tex.—The thermometer has averaged 64, the highest being 80 and the lowest 48.

Ardmore, Okla.—There has been no rain the past week. The thermometer has averaged 67, ranging from 50 to 84.

Holdenville, Okla.—There has been no rain during the week. The thermometer has ranged from 50 to 80, averaging 65.

Marlow, Okla.—There has been no rain the past week. Average thermometer 68, highest 87, lowest 49.

Eldorado, Ark.—There has been rain on one day of the week, the precipitation reaching sixty-five hundredths of an inch. The thermometer has averaged 65, the highest being 82 and the lowest 49.

Fort Smith, Ark.—We have had no rain the past week. The thermometer has averaged 66, ranging from 52 to 80.

Little Rock, Ark.—It has rained on one day of the week, with rainfall to the extent of five hundredths of an inch. The thermometer has ranged from 54 to 78, averaging 66.

Alexandria, La.—There has been rain on one day during the week, the rainfall reaching forty hundredths of an inch. Average thermometer 67, highest 83, lowest 51.

New Orleans, La.—There has been rain on three days the past week. The rainfall reached seven hundredths of an inch. The thermometer has averaged 71, the highest being 80 and the lowest 62.

Shreveport, La.—There has been rain on three days of the past week, the rainfall reaching thirty-seven hundredths of an inch. The thermometer has averaged 67, ranging from 54 to 80.

Columbus, Miss.—We have had rain on four days during the week, the rainfall being two inches and twenty-four hundredths. The thermometer has ranged from 51 to 84, averaging 68.

Greenwood, Miss.—It has rained on two days of the week, the rainfall being one inch and forty-five hundredths. Average thermometer 65, highest 82, lowest 48.

Vicksburg, Miss.—There has been rain on three days during the week, the precipitation reaching sixty-six hundredths of an inch. The thermometer has averaged 66, the highest being 79 and the lowest 56.

Livingston, Ala.—Rain has fallen on one day of the week, the rainfall reaching two inches. The thermometer has averaged 65, ranging from 52 to 78.

Mobile, Ala.—Weather generally favorable, but some points report damage by rain. Picking is going on rapidly. It has rained on four days of the week, the precipitation reaching three inches and thirty-seven hundredths. The thermometer has ranged from 57 to 81, averaging 70.

Montgomery, Ala.—There has been rain on three days during the week, the precipitation being two inches and thirty-one hundredths. Average thermometer 66, highest 78 and lowest 54.

Selma, Ala.—There has been rain on four days during the week, the precipitation being one inch and thirty-eight hundredths. The thermometer has averaged 64.5, the highest being 74, and the lowest 53.

Madison, Fla.—There has been rain on five days during the week, the rainfall reaching one inch and seventy-eight hundredths. The thermometer has averaged 70, ranging from 57 to 83.

Tallahassee, Fla.—It has rained on four days of the week, the precipitation reaching two inches and forty-three hundredths. The thermometer has ranged from 59 to 80, averaging 70.

Albany, Ga.—Rain has fallen on five days of the week. The rainfall reached seventy-two hundredths of an inch. Average thermometer 69, highest 81, lowest 57.

Augusta, Ga.—There has been rain on two days during the week, the precipitation being four hundredths of an inch. The thermometer has averaged 66, the highest being 80 and the lowest 52.

Charleston, S. C.—We have had rain on two days during the week, to the extent of seventy-seven hundredths of an inch. The thermometer has averaged 67, ranging from 55 to 80.

Greenville, S. C.—We have had rain on two days during the week, the rainfall being three hundredths of an inch. The thermometer has ranged from 44 to 82, averaging 63.

Spartanburg, S. C.—Rain on one day of the week, to the extent of two hundredths of an inch. Average thermometer 64, highest 81, lowest 46.

Charlotte, N. C.—We have had rain on one day the past week, the rainfall reaching eight hundredths of an inch. The thermometer has averaged 62, the highest being 76 and the lowest 49.

Goldsboro, N. C.—There has been rain on one day the past week, the rainfall reaching fifty-six hundredths of an inch. The thermometer has averaged 61, ranging from 42 to 80.

Weldon, N. C.—Rain has fallen on one day of the week, the rainfall being sixty-nine hundredths of an inch. The thermometer has ranged from 39 to 80, averaging 60.

Dyersburg, Tenn.—We have had rain on one day during the week, the rainfall being ten hundredths of an inch. Average thermometer 65, highest 80, lowest 50.

Milan, Tenn.—The week's rainfall has been one hundredth of an inch on one day. The thermometer has averaged 64, the highest being 80 and the lowest 48.

Memphis, Tenn.—We have had rain on one day during the week, to the extent of four hundredths of an inch. The thermometer has averaged 66, ranging from 53 to 79.

Savannah, Ga.—We have had rain on three days during the week, the rainfall being ninety-one hundredths of an inch. The thermometer has ranged from 55 to 76, averaging 68.

THE AGRICULTURAL DEPARTMENT'S SEPTEMBER REPORT.—The following statement, showing the condition of cotton on Sept. 25, was issued by the Department of Agriculture on Oct. 2:

The Crop Reporting Board of the Bureau of Statistics of the United States Department of Agriculture estimates, from the reports of the correspondents and agents of the Bureau, that the condition of the cotton crop on Sept. 25 was 73.5% of a normal, as compared with 78 on Aug. 25 1914, 64.1 on Sept. 25 1913 and 68.5 the average of the past ten years Sept. 25. Comparisons by States follow:

States—	1914.	1913.	10-year average.	Aug. 25 1914.	10-year average change.
Virginia	80	75	76	86	-5
North Carolina	79	70	73	82	-4
South Carolina	72	71	72	77	-4
Georgia	81	72	72	81	-7
Florida	78	67	69	77	-5
Alabama	68	63	66	75	-7
Mississippi	67	60	62	66	-6
Louisiana	70	63	67	79	-3
Texas	69	63	68	75	-8
Arkansas	70	68	74	76	-8
Tennessee	72	64	75	72	-8
Missouri	80	42	66	80	-7
Oklahoma	96	100	--	98	--
California					
United States	73.5	64.1	68.5	78.0	-4.9

WORLD'S SUPPLY AND TAKINGS OF COTTON.

Cotton Takings. Week and Season.	1914.		1913.	
	Week.	Season.	Week.	Season.
Visible supply Sept. 25-----	2,850,892	3,176,816	2,540,051	2,581,551
Visible supply Aug. 1-----	316,269	1,190,227	561,098	2,476,186
American in sight to Oct. 2-----	b20,000	88,000	25,000	97,000
Bombay receipts to Oct. 1-----	57,000	168,000	4,000	65,000
Other India shipments to Oct. 1-----	b30,000	63,000	43,000	98,600
Alexandria receipts to Sept. 30-----	3,000	28,000	9,000	59,000
Other supply to Sept. 30 *-----				
Total supply-----	3,217,161	4,714,043	3,182,149	5,377,337
Deduct-----				
Visible supply Oct. 2-----	2,974,508	2,974,508	2,846,267	2,846,267
Total takings to Oct. 2 a-----	242,653	1,739,535	335,882	2,531,070
Of which American-----	173,653	1,121,535	264,882	1,853,470
Of which other-----	69,000	618,000	71,000	677,600

* Embraces receipts in Europe from Brazil, Smyrna, West Indies, &c.
 b Estimated.
 a This total embraces the total estimated consumption by Southern mills, 510,000 bales in 1914 and 546,000 bales in 1913—takings not being available—and the aggregate amounts taken by Northern and foreign spinners, 1,229,535 bales in 1914 and 1,985,070 bales in 1913, of which 611,535 bales and 1,307,470 bales American.

MANCHESTER MARKET.—Our report received by cable to-night from Manchester states that the market is irregular and easier for both yarns and shirtings.

SHIPPING NEWS.—As shown on a previous page, the exports of cotton from the United States the past week have reached 65,883 bales. The shipments in detail, as made up from mail and telegraphic returns, are as follows:

	Total bates.
NEW YORK—To Liverpool—Sept. 30—Adriatic, 900-----	900
To Rotterdam—Sept. 29—Nieuw Amsterdam, 500-----	500
To Barcelona—Sept. 30—Hero, 700-----	700
To Genoa—Sept. 26—Cretic, 2,029-----	2,029
To Naples—Sept. 26—Cretic, 300-----	300
To Mexico—Sept. 25-----	50
GALVESTON—To Liverpool—Sept. 26—Hackness, 8,729-----	8,729
29—Chancellor, 8,091-----	8,091
30—Ikala, 9,507; Florres-	9,507
ton, 1,511-----	27,838
To Gothenburg—Sept. 25—Mexicano, 425-----	425
To Christiania—Sept. 25—Mexicano, 1,200-----	1,200
To Genoa—Sept. 28—Principessa Laetitia, 7,550-----	7,550
TEXAS CITY—To Mexico—Sept. 26—City of Tampico, 853-----	853
NEW ORLEANS—To Liverpool—Sept. 28—Napierian, 667-----	667
To Genoa—Sept. 28—Monginevro, 1,766-----	1,766
To Barcelona—Sept. 29—Valbanera, 1,000-----	1,000
To Mexico—Sept. 26—Haakon, 400-----	400
To Rotterdam—Sept. 29—Gorredijk, 1,400-----	1,400
SAVANNAH—To Liverpool—Sept. 29—Romsdalen, 850-----	850
30—Concord, 300-----	1,150
To Gothenburg—Sept. 30—Concord, 450-----	450
To Christiania—Sept. 30—Concord, 50-----	50
To Oporto—Sept. 29—Romsdalen, 400-----	400
100-----	500
To Malaga—Sept. 30—Concord, 900-----	900
To Barcelona—Oct. 1—Dora Baltea, 3,007-----	3,007
To Genoa—Oct. 1—Dora Baltea, 2,271-----	2,271
CHARLESTON—To Liverpool—Sept. 30—Romsdalen, 1,000-----	1,000
BOSTON—To Liverpool—Sept. 24—Franconia, 80-----	80
SAN FRANCISCO—To Japan—Sept. 25—Manchuria, 5,410-----	5,410
PORT TOWNSEND—To Japan—Sept. 29—Panama Maru, 2,587-----	2,587
Total-----	65,838

The particulars of the foregoing shipments for the week, arranged in our usual form, are as follows:

	Great Britain.	French Ports.	Ger-many.	Orth.Europe.	Mex-ico.	&c.	Japan.	Total.
New York-----	900	---	---	500	3,029	50	---	4,479
Galveston-----	27,838	---	---	1,625	7,550	---	---	37,013
Texas City-----	---	---	---	---	---	853	---	853
New Orleans-----	667	---	---	1,400	2,766	1,300	---	6,133
Savannah-----	1,150	---	---	500	6,678	---	---	8,328
Charleston-----	1,000	---	---	---	---	---	---	1,000
Boston-----	80	---	---	---	---	---	---	80
San Francisco-----	---	---	---	---	---	---	5,410	5,410
Port Townsend-----	---	---	---	---	---	---	2,587	2,587
Total-----	31,635	---	---	4,025	20,023	2,203	7,997	65,883

Exports since Aug. 1 include 16,140 bales to Japan from Pacific ports.

Cotton freights at New York, as reported by Lambert & Barrows, are as follows, quotations being in cents per 100 lbs.: Liverpool, 35; Manchester, 35; Havre, 45; Rotterdam, 75; Bergen, 68-75; Nykoping, 75; Barcelona, 75; Genoa, 75; Naples, 75; Japan, 75; China, 75.

LIVERPOOL.—By cable from Liverpool we have the following statement of the week's sales, stocks, &c., at that port:

	Sept. 11.	Sept. 18.	Sept. 25.	Oct. 2.
Sales of the week-----	13,000	21,000	---	---
Of which speculators took-----	---	200	---	---
Of which exporters took-----	1,000	1,100	---	---
Sales, American-----	11,000	18,000	---	---
Actual export-----	4,000	3,000	2,000	2,000
Forwarded-----	26,000	30,000	30,000	34,000
Total stock-----	867,000	855,000	829,000	815,000
Of which American-----	577,000	560,000	535,000	511,000
Total imports of the week-----	16,000	20,000	6,000	22,000
Of which American-----	21,000	9,000	3,000	4,000
Amount afloat-----	21,000	27,000	---	---
Of which American-----	5,000	7,000	---	---

Dealings in spot cotton during the past week have been as follows:

Spot.	Saturday.	Monday.	Tuesday.	Wednesday.	Thursday.	Friday.
12:15 P. M.-----	Limited demand.	Fair demand.	Moderate demand.	Fair demand.	Good demand.	Moderate demand.
Mid. Upl'ds-----	5.55	5.55	5.55	5.30	5.30	5.30
Sales-----	---	5,000	5,000	4,100	5,800	4,300
American-----	---	4,100	3,200	2,200	4,100	3,600
Imports-----	550	1,250	4,017	6,758	1,000	9,405
American-----	---	---	492	511	1,100	1,200

BREADSTUFFS.

Friday Night, Oct. 2 1914.

Flour early in the week was rather quiet, but later on a better demand sprang up, and it is said that an active business was done. Some attempt is being made to push the

sale of rye flour by food investigators as being cheaper and more nutritious than wheat flour. The prices of the two kinds, however, are very close together nowadays, and it may be doubted whether sales of wheat flour will suffer much through recommendations by food experts of rye flour. The exports of flour have been on a very liberal scale. This fact has excited comment. Grain bills of exchange have been reported more plentiful and rates easier, coincident with the arrangements to send gold to Ottawa as a first installment of the proposed gold pool to facilitate transactions in foreign exchange. Even apart from this, some of the trade are inclined to believe that the general trend of prices must be upward for some time to come. The war, it is assumed, will cut down supplies in Europe and interfere with agriculture to a very serious extent, so that even after peace is established prices are expected by many to rule high for a certain period. Last Tuesday there was a report that 100,000 barrels of flour had been sold to Greece at Kansas City. St. Louis, Minneapolis and Kansas City have all reported a good foreign demand. St. Louis advices state: "The largest sale of flour ever consummated in St. Louis is reported on Sept. 30 of 110,000 barrels to one of the foreign nations." The total production last week was 450,360 barrels, against 462,925 in the previous week and 475,085 last year.

Wheat has declined with less speculation, large receipts and no remarkable export demand considering the times. Northwestern banks are not encouraging farmers to hold their wheat. That is one reason why the receipts have been so large. Also the victories latterly reported for the Allies have encouraged the hope that peace may not be very far off. Peace would be, theoretically at least, a bearish factor. A prolongation of the war would conversely be taken as pointing to higher prices. Although export business has been comparatively moderate, the clearances from the seaboard have been noticeably large. Last Tuesday, for instance, they reached the striking total of 1,383,000 bushels, all domestic wheat. Recent exports of wheat have been so large as to excite remark. But a good deal of emphasis has been laid on the receipts at primary points at the West. Taken in connection with the recent increase in the world's available supply and some falling off at times in the European demand these receipts have exerted no slight effect on the market. And small wonder. The total world's available supply increased last week no less than 19,046,000 bushels, as against an increase in the same time last year of only 5,674,000 bushels. The increase in the total American supply amounted to 17,546,000 bushels, which was practically 10,000,000 bushels larger than the increase in the same week last year. The increase in American wheat east of the Rocky Mountains was 8,445,000 bushels, as contrasted with an actual decrease in the same week last year of 114,000 bushels. Things of this sort have been commented upon in Liverpool and have helped to depress prices there, especially as the weather and crop advices from Argentina of late have been favorable. The total world's wheat supply is now put at 158,663,000 bushels, against 152,290,000 bushels at the same time last year and 123,500,000 in 1912. The European visible supply increased 1,400,000 bushels, as against a decrease in the same week last year of 1,900,000 bushels, a difference of 3,300,000 bushels. The European visible total now amounts to 70,408,000 bushels, against 71,400,000 a year ago. From France it is reported that some progress is being made in field work, the weather now being favorable. Similar news comes from Russia. In India the weather is fine and crop prospects are good. On the other hand, some factors in the situation have had a more or less steadying tendency. Early in the week there was a report that the Dardanelles had been closed and that 100,000 barrels of flour had been sold to Greece at Kansas City. Also the Russian official crop estimate put the total at about 200,000,000 bushels less than the crop of last year. In other words, the wheat yield of Russia is stated at 778,800,000 bushels, against 977,248,000 bushels last year. This of itself caused a firmer tone for a time. This decrease in Russia more than offsets an increase in the crop of Argentina, where the total is put at 176,000,000 bushels, or some 42,000,000 bushels more than was harvested last year. Also, though France sends more cheerful reports about the weather and field work, the advices confirm the damage to wheat in the French war region. Moreover, in Russia prices for all kinds of grain are firm, with holders offering sparingly. And in India, if the crop prospects are good, it is none the less true that offerings of wheat just now continue very small. Australia promises only a moderate crop; more rain is needed there. The crop of Spain will be even smaller than was expected. It will be less than that of last year. Still, as already intimated, prices have sagged under increasing supplies at home and abroad, and the effect of reported victories by the Allies. Meantime, Germany is reporting the crops as much under expectations, but Liverpool advices add: "It is believed here that this is done to encourage economy in the use of wheat for bread-making as the crop was largely gathered before the war." France reports less favorable weather now, with Paris prices of wheat and flour rising sharply on full confirmation of damage to the crop in the North. To-day prices again declined. Within 48 hours, however, export sales estimated at as high as 1,500,000 bushels have been made partly for shipment via the Gulf ports. Austria-Hungary's crop is reported as 44,000,000 bushels below normal needs.

DAILY CLOSING PRICES OF WHEAT FUTURES IN NEW YORK.

Table with columns: No. 2 red, September delivery in elevator, December delivery in elevator, May delivery in elevator. Rows: Sat., Mon., Tues., Wed., Thurs., Fri.

DAILY CLOSING PRICES OF WHEAT FUTURES IN CHICAGO.

Table with columns: September delivery in elevator, December delivery in elevator, May delivery in elevator. Rows: Sat., Mon., Tues., Wed., Thurs., Fri.

Indian corn has declined in company with wheat. In fact, like wheat, within the last ten days corn has declined materially. No great export business has been done for one thing. Also, the tendency is to increase the crop estimates. One issued in Chicago yesterday was 2,668,000 bushels, or 40,000,000 bushels more than was indicated by the Government.

DAILY CLOSING PRICES OF NO. 2 MIXED CORN IN NEW YORK.

Table with columns: No. 2 mixed. Rows: Sat., Mon., Tues., Wed., Thurs., Fri.

DAILY CLOSING PRICES OF CORN FUTURES IN CHICAGO.

Table with columns: September delivery in elevator, December delivery in elevator, May delivery in elevator. Rows: Sat., Mon., Tues., Wed., Thurs., Fri.

Oats, like other grains, have declined, although there have been persistent rumors at times of large sales to Greece. Last Monday Chicago reported export sales at the seaboard of 1,250,000 bushels, though only 200,000 bushels were reported here. On Tuesday there were rumors of sales at Kansas City to Greece of 1,000,000 bushels, while it was said at the same time that 750,000 bushels had been sold here for export to Europe.

DAILY CLOSING PRICES OF OATS IN NEW YORK.

Table with columns: Standards, No. 2 white. Rows: Sat., Mon., Tues., Wed., Thurs., Fri.

DAILY CLOSING PRICES OF OATS FUTURES IN CHICAGO.

Table with columns: September delivery in elevator, December delivery in elevator, May delivery in elevator. Rows: Sat., Mon., Tues., Wed., Thurs., Fri.

The following are closing quotations:

Table of flour quotations including Winter, low grades, Winter patents, Winter straights, Winter clears, Spring patents, Spring straights, Spring clears, Kansas clears, City patents, Rye flour, Graham flour.

GRAIN.

Table of grain prices including Wheat, per bushel, N. Spring, No. 1, N. Spring, No. 2, Red winter, No. 2, Hard winter, No. 2, Oats, per bushel, Standard, No. 2, white, No. 3, white, Corn, per bushel, No. 2 mixed, No. 2 yellow, No. 3 yellow, Argentina in bags, Rye, per bushel, New York, Western, Barley—Malting.

WEATHER BULLETIN FOR THE WEEK ENDING SEPT. 28.—The general summary of the weather bulletin issued by the Department of Agriculture for the week ending Sept. 28 is as follows:

A change to decidedly cool weather over the cotton region as compared with several preceding weeks, and a further deficiency in the rainfall over the upper Ohio drainage region and thence eastward to the Atlantic Coast, were the notable features of the weather of the week. Over the principal corn-growing States the crop has matured without injury from frost; cutting is progressing rapidly and much of it is now in shock, with prospects of a fair yield.

The statements of the movement of breadstuffs to market indicated below are prepared by us from figures collected by the New York Produce Exchange. The receipts at Western lake and river ports for the week ending last Saturday and since August 1 for each of the last three years have been:

Table of receipts of flour and grain at seaboard ports for the week ended Sept. 26 1914, comparing 1914, 1913, and 1912. Columns include Flour, Wheat, Corn, Oats, Barley, Rye.

Total receipts of flour and grain at the seaboard ports for the week ended Sept. 26 1914 follow:

Table of exports from several seaboard ports for the week ending Sept. 26, comparing 1914, 1913, and 1912. Columns include Wheat, Corn, Flour, Oats, Rye, Barley, Peas.

*Receipts do not include grain passing through New Orleans for foreign ports on through bills of lading.

The exports from the several seaboard ports for the week ending Sept. 26 are shown in the annexed statement:

Table of destination of exports for the week and since July 1 1914, comparing 1914, 1913, and 1912. Columns include Flour, Wheat, Corn.

The destination of these exports for the week and since July 1 1914 is as below:

Table of world's shipments of wheat and corn for the week ending Sept. 26 1914 and since July 1 1914 and 1913. Columns include Flour, Wheat, Corn.

The world's shipments of wheat and corn for the week ending Sept. 26 1914 and since July 1 1914 and 1913 are shown in the following:

Exports.	Wheat.			Corn.		
	1914.		1913.	1914.		1913.
	Week Sept. 26.	Since July 1.	Since July 1.	Week Sept. 26.	Since July 1.	Since July 1.
North Amer.	8,473,000	105,080,000	75,650,000	325,000	810,000	623,000
Russia	a	11,922,000	35,396,000	a	1,531,000	4,746,000
Danube	*	2,347,000	5,548,000	894,000	9,385,000	4,456,000
Argentina	136,000	3,274,000	8,180,000	3,128,000	35,614,000	78,477,000
Australia	184,000	6,392,000	9,104,000	-----	-----	-----
India	704,000	9,576,000	20,664,000	-----	-----	-----
Oth. countr's	186,000	1,830,000	1,834,000	-----	-----	-----
Total	9,683,000	140,421,000	156,376,000	4,347,000	47,340,000	88,302,000

a Available only in part since Aug. 1. * Not available since Aug. 1.

The quantity of wheat and corn afloat for Europe on dates mentioned was as follows:

	Wheat.			Corn.		
	United Kingdom.		Total.	United Kingdom.		Total.
	Bushels.	Bushels.	Bushels.	Bushels.	Bushels.	Bushels.
Sept. 26 1914.	-----	-----	30,904,000	-----	-----	12,997,000
Sept. 19 1914.	-----	-----	29,536,000	-----	-----	11,866,000
Sept. 27 1913.	12,632,000	20,360,000	32,992,000	13,532,000	15,674,000	29,206,000
Sept. 28 1912.	18,920,000	19,896,000	38,816,000	8,942,000	21,768,000	30,710,000

The visible supply of grain, comprising the stocks in granary at principal points of accumulation at lake and seaboard ports Sept. 26 1914 was as follows:

In Thousands—	UNITED STATES GRAIN STOCKS.					
	Amer. Bonded		Amer. Bonded		Amer. Bonded	
	Wheat.	Wheat.	Corn.	Oats.	Rye.	Barley.
New York	1,010	31	386	1,278	11	155
Boston	291	12	28	4	---	62
Philadelphia	769	18	159	476	---	---
Baltimore	1,862	---	229	815	---	103
New Orleans	2,719	---	112	346	---	---
Galveston	2,395	---	212	---	---	---
Buffalo	2,126	473	681	2,329	---	175
Toledo	1,418	---	60	798	---	3
Detroit	450	---	42	99	---	15
Chicago	4,625	---	2,047	9,736	---	90
" afloat	---	---	50	---	---	---
Milwaukee	334	---	136	681	---	57
Duluth	5,169	254	---	753	14	84
Minneapolis	6,272	---	16	2,541	---	317
St. Louis	3,433	---	71	521	---	2
Kansas City	6,583	---	124	595	---	11
Peoria	757	---	95	1,336	---	---
Indianapolis	917	---	122	2,084	---	11
Omaha	4,117	---	1,003	128	---	125
On Lakes	132	---	---	216	---	---
On Canal and River	---	---	---	---	---	---
Total Sept. 26 1914.	45,382	788	5,855	25,088	25	1,210
Total Sept. 19 1914.	36,821	197	6,620	24,778	23	1,029
Total Sept. 27 1913.	49,026	407	7,362	31,398	467	1,391
Total Sept. 28 1912.	31,658	258	3,101	9,260	59	1,062

In Thousands—	CANADIAN GRAIN STOCKS.					
	Canadian Bonded		Canadian Bonded		Canadian Bonded	
	Wheat.	Wheat.	Corn.	Oats.	Rye.	Barley.
Montreal	3,417	---	87	317	---	82
Ft. William & Pt. Arth.	14,348	---	---	1,803	---	---
Other Canadian	2,347	---	---	172	---	---
Total Sept. 26 1914.	20,112	---	87	2,392	---	82
Total Sept. 19 1914.	14,372	---	99	1,368	---	53
Total Sept. 27 1913.	9,116	---	7	5,293	---	66
Total Sept. 28 1912.	4,230	---	2	898	---	52

In Thousands—	SUMMARY.					
	Bonded		Bonded		Bonded	
	Wheat.	Wheat.	Corn.	Oats.	Rye.	Barley.
American	45,382	788	5,855	25,088	25	1,210
Canadian	20,112	---	87	2,392	---	82
Total Sept. 26 1914.	65,494	788	5,942	27,480	25	1,210
Total Sept. 19 1914.	51,193	197	6,719	26,146	23	1,029
Total Sept. 27 1913.	58,132	407	7,369	36,691	467	1,457
Total Sept. 28 1912.	35,888	258	3,103	10,158	59	1,114

THE DRY GOODS TRADE.

New York, Friday Night, Oct. 2 1914.

Sentiment throughout the dry goods trade is generally cheerful, with the volume of business satisfactory. The feature of the market at present is the heavy export inquiry arising from the European war. Representatives of the various countries with armies in the field are making inquiries through the market for supplies of underwear, hosiery, blankets and other army materials, in large quantities. This is doing much to offset the dulness in domestic trade resulting from the suspension of the cotton business in the South. The inquiries for underwear and hosiery for export are for large quantities and immediate shipment, and as manufacturers are already pretty heavily under order for domestic delivery many are in no position to accept more than a portion of any one of the contracts. It has been reported that large orders for both underwear and hosiery have already been accepted and that some shipments have been made through Canada. Inquiries in various quarters, however, have failed to bring out a confirmation of these sales. Manufacturers of hosiery have not reported any business for army purposes, but manufacturers of woolen underwear have accepted several large contracts for woolen underwear, which call for the shipment of fair-sized quantities each week for a series of months. Blanket manufacturers state that they have received inquiries for large amounts of army blankets but at prices and delivery dates which they cannot see their way clear to accept. Blanket manufacturers have had a good season and their bookings of domestic business are heavy; therefore they do not care to neglect this business for the sake of temporary foreign business. With local jobbers business is satisfactory. They are receiving good mail orders from out-of-town retailers and also doing quite a good business over the counter. The Jewish holiday slackened business somewhat, but sales for the week have been satisfactory.

The downward tendency in prices on cotton staples seems to have been checked, at least temporarily, probably due to the fact that buyers are finding the market not over-stocked, and that sellers are not anxious to reduce prices to secure new business. Export trade other than the inquiries for army supplies mentioned above is quiet. Only inquiries are received from the Far East, and while a new field is opening up in South America, no actual improvement in business has yet been noted.

DOMESTIC COTTON GOODS.—The exports of cotton goods from this port for the week ending Sept. 26 were 5,023 packages, valued at \$464,155.

	1914—		1913—	
	Week.	Since Jan. 1.	Week.	Since Jan. 1.
New York to Sept. 26—	599	3,322	53	1,540
Great Britain	12	1,907	34	903
Other Europe	12	49,645	---	56,675
China	6	15,647	---	10,586
India	---	9,412	100	28,989
Arabia	---	6,088	273	20,992
Africa	1,192	35,282	486	27,645
West Indies	51	468	10	1,830
Mexico	392	16,831	196	11,970
Central America	506	41,614	622	38,231
South America	2,241	50,942	474	48,380
Other countries	---	---	---	---
Total	5,023	230,558	2,248	247,741

The value of these New York exports since Jan. 1 has been \$16,786,129 in 1914, against \$19,136,280 in 1913.

Trading in staple cotton goods is fairly active, but confined almost entirely to immediate and nearby requirements. While prices have displayed a steadier tone during the past week the undertone is decidedly easy. Buyers continue to work for lower values and cannot be induced to purchase goods for future delivery at current levels. There is active buying of coarse cottons for bagging purposes and there will continue to be as long as the war lasts. Cotton bags are more suitable than jute bags for most purposes, and now that jute is so expensive and supplies so uncertain, all former users of this line of goods are turning to cotton. The use of cotton bagging instead of jute, it is thought, will greatly relieve the congestion in raw material and is being recommended in all directions. Colored cottons continue firm, but quiet, as buyers are awaiting a readjustment of price lists before coming into the market. Gray goods, 38-inch standard, are quoted 4 1/8c. to 4 1/4c.

WOOLEN GOODS.—Cooler weather has stimulated demand for fall and winter dress goods and suitings. Suit as well as cloak manufacturers are rushing orders for supplies for immediate delivery and prompt shipment of all goods under order is being requested. Garment manufacturers were late in getting started on their fall lines, owing to the uncertainty as to the length of coats and other details of style, and are now trying to catch up. Initial buying of spring goods is very satisfactory and covers all lines so far placed on the market. Serges and broadcloths are more in demand than any other fabric and mills making the former are reported to be working at full capacity. No change in the price situation has been noted during the week, and quotations are firm.

FOREIGN DRY GOODS.—Among importers there is no change in the situation. Such goods as are offered are quickly absorbed by buyers, and many importers are experiencing great difficulty in obtaining supplies from abroad with which to fill standing orders. Further advances have been made in linen prices following bullish advices from primary markets abroad. The reduction of stocks is proceeding at a record pace and many tickets of well-known Scotch and Irish linens are now unobtainable at any price. Many large retailers are rounding out their stocks of household linens in preparation for the Thanksgiving sales and are calling on jobbers and importers for additional supplies. Nothing new of interest has developed in the market for burlaps. Business continues very light and not of sufficient proportions to test prices. Lightweights are nominally quoted at 7.00c. to 7.25c. and heavyweights at 8.25c. to 8.50c.

IMPORTATIONS & WAREHOUSE WITHDRAWALS OF DRY GOODS.

Imports Entered for Consumption for the Week and since Jan. 1.			
Manufactures of—	Week Ending	Since Jan. 1 1914.	
	Sept. 26 1914.	Value.	Value.
Wool	1,364	287,235	70,600
Cotton	2,140	707,035	123,030
Silk	1,915	802,473	55,273
Flax	1,637	505,974	54,490
Miscellaneous	2,127	410,326	10,129,772
Total 1914	9,183	2,713,043	407,862
Total 1913	5,524	1,639,866	336,999
Warehouse Withdrawals Thrown Upon the Market.			
Wool	487	127,483	32,680
Cotton	562	178,195	29,895
Silk	229	92,983	11,113
Flax	433	109,615	21,133
Miscellaneous	704	94,246	74,987
Total withdrawals	2,415	602,522	170,108
Entered for consumption	9,183	2,713,043	407,862
Total marketed 1914	11,598	3,315,565	577,970
Total marketed 1913	9,626	2,373,816	483,756
Imports Entered for Warehouse During Same Period.			
Wool	511	186,145	25,354
Cotton	524	188,972	26,679
Silk	292	116,068	10,601
Flax	705	247,509	20,553
Miscellaneous	213	87,655	50,046
Total	2,245	826,349	133,233
Entered for consumption	9,183	2,713,043	407,862
Total imports 1914	11,428	3,539,392	541,095
Total imports 1913	10,227	2,814,492	525,690

STATE AND CITY DEPARTMENT.

News Items.

Hawaii (Territory of).—*Bonds Acceptable Security as Basis of Issuance of Currency to National Banks under Aldrich-Vreeland Act.*—See item on a preceding page in our "Banking-Financial and Legislative News."

Bond Sale.—Bids were opened at 10 o'clock yesterday morning (October 2) for the \$750,000 4% coupon public-improvement bonds, a description of which was given in V. 99, p. 686. Offers at par were submitted by Bishop & Co., the First American & Sav. Trust Co., the Fashion Clothing Co. and Thos. Lillie, all of Honolulu, while 98 was bid by both the Fletcher-American Nat. Bank and Meyer-Kiser Bank, of Indianapolis. The amount asked for by each bidder is not stated. Up to the hour of going to press no award had been made.

Kansas.—*Proposed Constitutional Amendments.*—Amendments to the constitution, one relative to finance and taxation and the other for the recall of public officers, will be voted upon at the general election on Nov. 3.

Madison Township (P. O. Manhattan), Riley County, Kan.—*Bond Issue Enjoined.*—A temporary injunction has been granted restraining the issuance of the \$15,000 high-school-building bonds voted Aug. 1 (V. 99, p. 558).

Manitoba.—*Moratorium Bill on Land Payments.*—The full text of this measure will be found on a preceding page under the head of "Incidents of the Situation."

Minneapolis, Minn.—*Municipal Ownership of Public Utilities Discussed.*—City Council on Sept. 25 provided for the submission to the voters at the coming election of the question of erecting a municipal ice plant at a cost of \$500,000. At the same meeting an ordinance submitting the question of acquiring the Minneapolis Gas Light Co. was voted down. A motion that the City Attorney be directed to frame an ordinance for the purpose of voting on the question of taking over the properties of the Minneapolis General Electric Co. and Minneapolis Street Railway Co. was referred to the Committee on Efficiency and Economy.

Minnesota.—*Proposed Constitutional Amendments.*—On Nov. 3 the following proposed constitutional amendments will be voted upon:

- No. 1 (Art. 4, Sec. 1), to enable the electors to submit by petition to the Legislature constitutional amendments and likewise to propose legislation, and in the event the Legislature fails to submit any such constitutional amendment or fails to enact any such proposed law, then such amendment or proposed law may be submitted directly to the voters; also, to permit the electors to cause any law or laws enacted by the Legislature to be submitted to the electors and if a majority of the votes cast thereon be opposed to such law, the same shall be repealed.
- No. 2 (Art. 6, Sec. 2), to increase the number of Associate Justices of the Supreme Court from four to six; to require the concurrence of five Justices of the Supreme Court, instead of a majority, as at present, before any law shall be declared unconstitutional by such Court, and make the office of Clerk of the Supreme Court appointive.
- No. 3 (Art. 8, Sec. 2), to authorize the State to construct roads, ditches, fire brakes through and around unsold State school and swamp lands, and a \$250,000 revolving fund, realized and kept up from the sale of such lands, is to be set apart for such purpose.
- No. 4, to repeal Sec. 11 of Art. 9, which requires the publication yearly of a statement of the moneys drawn from the treasury, to whom paid, &c.
- No. 5 (Art. 8, Sec. 6): The present constitution authorizes the investment of the permanent school and university funds of this State in the bonds of any county, school district, city, town or village of this State. The amendment proposed, if adopted, will permit in addition to the foregoing investments, said school and university funds to be invested also in first mortgage loans secured upon improved and cultivated farm lands of this State. The present constitution provides that no investment shall be made for a longer period than twenty years, while the proposed amendment extends the period to thirty years.
- No. 6 (Art. 6, Sec. 7), changing the term of office of Judge of Probate from two to four years.
- No. 7 (Art. 4, Sec. 2), limiting the State Senate to 63 members and to prevent any one county from having more than 7 Senators.
- No. 8, to add Sec. 17a to Art. 9, so as to permit the Legislature to enact laws providing for the payment by the State of a limited bounty for a limited term to persons who shall plant, cultivate and protect useful forest trees upon their own land.
- No. 9, to add Sec. 7 to Art. 8, so as to authorize the Legislature to set apart for State school forests or other State forests, State public lands which are better adapted for timber than for agriculture, and to manage the same upon forestry principles.
- No. 10, to repeal Sec. 10 to Art. 7 so as to provide for the recall, the purpose being to enable a certain number of voters to petition and cause to be submitted to a vote the question of removing from office any elective or appointive public official.
- No. 11, adding Sec. 18 to Art. 9, so as to permit the Legislature to enact laws changing the basis for taxing dogs, which is now upon actual value. It is proposed to create a fund out of which owners of domestic animals may be reimbursed for loss sustained by reason of injuries caused by dogs.

New Mexico.—*Constitutional Amendments.*—Three proposed amendments to the State constitution will be submitted at the general election Nov. 3. One of these amends Article VIII, entitled "Taxation and Revenue." Certain sections concerning the Board of Equalization and its powers are omitted in the revision of the article. The other two amendments change the terms of State and county officers from four to two years.

New York City.—*Tentative Values of Real Estate and Personal Property for 1915.*—The Department of Taxes and Assessments on Oct. 1 opened the assessment books for the year 1915. The tentative assessed value of ordinary real estate and real estate of corporations for 1915 is announced to be \$7,800,180,532, an increase of \$64,267,817 over the tentative figures for 1914 and \$154,740,931 more than the final rolls for 1914. We give below the estimated figures for 1915, comparison being made with both the estimated and the final figures for 1914:

	Tentative Figures		Final Rolls, 1914.	
	1915.	1914.		
Manhattan	Ordinary real estate.....	\$4,828,184,875	\$4,833,369,710	\$4,774,277,780
	Real estate of corpor'ns.....	104,179,385	96,364,536	92,778,886
Bronx	Ordinary real estate.....	611,037,571	593,267,014	589,396,955
	Real estate of corpor'ns.....	45,273,200	44,226,500	43,087,300
Brooklyn	Ordinary real estate.....	1,605,226,102	1,584,388,237	1,571,486,932
	Real estate of corpor'ns.....	23,042,255	22,331,660	21,427,360
Queens	Ordinary real estate.....	467,996,959	452,865,527	446,686,477
	Real estate of corpor'ns.....	32,229,340	28,453,975	26,554,240
Richmond	Ordinary real estate.....	80,121,435	77,716,606	76,936,481
	Real estate of corpor'ns.....	2,889,410	2,928,950	2,807,190
Total ordinary real estate.....		\$7,592,566,942	\$7,541,607,004	\$7,458,784,625
Total real estate of corporations.....		207,613,590	194,305,621	186,654,976
Grand total real estate.....		\$7,800,180,532	\$7,735,912,715	\$7,645,439,601

The above does not include special franchises. The assessments for these are made by the State Board of Tax Commissioners and returned to the Tax Department of the city in March each year. They were reported as follows for 1914: Manhattan, \$282,194,094; The Bronx, \$26,147,758; Brooklyn, \$78,261,638; Queens, \$15,446,039; Richmond, \$2,370,782; total, \$404,420,311.

The total of the tentative personal tax list for 1915 is \$859,640,140, or \$82,304,545 more than the tentative figures for 1914. In order to show the enormous reductions usually made in these figures by the "swearing off" process, a comparison may be made of the 1914 totals, the estimated figures of \$777,335,595 being reduced more than 400 millions, the final figures amounting to only \$340,295,560. In 1913 over 500 millions were deducted from the estimated figures.

The following table shows the amounts for the various classes of personal property on the 1915 list, compared with the tentative and final lists for 1914; the final figures for 1914 being designated by means of an asterisk (*):

Boroughs—	Ordinary Personal		Personal Estates.		Corporation Resident.		Pers'l—Non-Res.		Pers'l—Ordinary.		Saze Lav.					
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$				
Manhattan	1915.....	272,126,350	156,941,200	166,482,000	40,930,000	30,977,500	3,597,500	3,632,500	1914.....	260,455,920	130,752,300	153,140,500	34,763,000	38,589,200	4,073,700	
	1914*	109,589,870	29,606,400	100,111,100	26,413,300	18,570,000	3,477,600	3,512,600	Bronx—	1915.....	10,151,300	5,993,400	3,427,000	345,000	-----	
	1914.....	7,783,400	4,444,800	2,896,400	125,000	-----	-----	-----		1914.....	7,783,400	4,444,800	2,896,400	125,000	-----	
	1914*	2,488,300	997,300	2,158,000	117,600	-----	-----	-----		1915.....	82,515,675	44,529,790	11,598,000	803,000	35,000	
Brooklyn	1915.....	63,949,460	38,737,140	13,794,000	855,000	-----	45,000	-----		1914.....	23,199,475	6,794,900	8,577,600	689,000	35,000	
	1914*	19,514,500	3,073,450	2,513,500	191,000	-----	-----	-----		1915.....	19,514,500	3,073,450	2,513,500	191,000	-----	
Queens	1915.....	14,069,800	3,170,250	2,257,000	150,000	-----	-----	-----		1914.....	14,069,800	3,170,250	2,257,000	150,000	-----	
	1914*	3,372,100	763,750	1,629,300	150,000	-----	-----	-----		1915.....	1,762,700	1,500,275	472,000	160,000	-----	
Richmond	1915.....	1,368,450	1,390,275	465,000	60,000	-----	-----	-----		1914.....	1,368,450	1,390,275	465,000	60,000	-----	
	1914*	718,300	412,575	364,000	60,000	-----	-----	-----		1915.....	718,300	412,575	364,000	60,000	-----	
Total 1915.....		386,070,525	212,038,115	184,492,500	42,429,000	30,977,500	3,632,500	-----		Total 1914.....	347,627,030	178,494,765	172,552,900	35,953,000	38,589,200	4,118,700
Total 1914*.....		139,368,045	38,575,015	112,840,000	27,429,900	18,570,000	3,512,600	-----		Total 14*.....	139,368,045	38,575,015	112,840,000	27,429,900	18,570,000	3,512,600

	GRAND TOTAL BY BOROUGHES.				
	Manhattan.	Bronx.	Brooklyn.	Queens.	Richmond.
1915.....	\$671,054,550	\$19,916,700	\$139,481,465	\$25,292,450	\$3,894,975
1914.....	\$621,774,620	\$15,249,600	\$117,380,600	\$19,547,050	\$3,283,725
1914*.....	\$287,768,270	\$5,761,200	\$39,296,065	\$5,915,150	\$1,554,875

Mr. Lawson Purdy, President of the Department of Taxes and Assessments, makes the following statement explaining the increase in the real estate values:

The figures now presented do not include special franchises, which are assessed by the State Board of Tax Commissioners and certified to this department in January. The increase in the assessed value of ordinary real estate is one hundred and thirty-three millions, but in arriving at these figures decreases were made aggregating one hundred and eight millions. New buildings account for one hundred and thirty millions of the total increase. There is an increase of twenty-one millions in the assessed valuation of private rights-of-way of public service corporations, with the addition of private rights-of-way and buildings in streets and public places. This class of property is generally known as real estate of corporations, but of course it does not include all property owned by corporations or any large fraction of it.

In all boroughs there have been very important decreases; in Manhattan eighty-six millions, in Brooklyn eleven millions and in Queens four millions. In Manhattan certain sections have suffered greatly by the change in trade centres and especially in those sections the decreases have been very large; for example, in the third district of Manhattan, which includes Broadway from Bleecker Street to 14th Street, the decrease was nearly sixteen millions, with a net decrease of nearly fifteen million dollars. In the fourth district, which includes Broadway from Worth Street to Bleecker Street, there is a net decrease of seven and one-half millions and a gross decrease of over ten millions. In the sixth district there were bright spots as well as dark spots; the sixth district includes Broadway from 14th Street to 32d Street, also Fourth Avenue from 14th Street to 40th Street; in that district there was a decrease of eleven and one-half millions, new buildings amounting to over twelve millions, and a net increase of a little over thirteen millions. The most striking increase in Manhattan was in the territory north of 40th Street between Sixth Avenue to Third Avenue to 96th Street. The decrease here was very slight, and the net increase is a little over twenty-four millions. In the Bronx there are a few districts in which there is a net decrease; the amount added for new buildings indicates a healthy condition, that being nearly sixteen million dollars. In Brooklyn the increase was not large, but there were no districts showing a net decrease.

Every effort has been made to take fully into account the business conditions and to do the work with eyes wide open to all conditions showing a decrease in value; at the same time, for the benefit of those whose property is falling in value, it was all the more important to increase assessments where new buildings were erected and where there was any actual rise in and value.

North Carolina.—*Proposed Constitutional Amendments.*—The following proposed amendments to the State Constitution will be voted upon on Nov. 3:

- No. 1. Amendment substituting the phrase "War between the States" for the words "insurrection or rebellion against the United States," in Art. 1, Sec. 6, and the word "rebellion" in Art. VII, Sec. 13.
- No. 2. Amendment to Art. II, Sec. 28, increasing compensation of members of the General Assembly and decreasing mileage.
- No. 3. Amendment to Art. II (new section), restricting local, private and special legislation.
- No. 4. Amendment to Art. III, Sec. 1, fixing the day of inauguration of the Governor.
- No. 5. Amendment to Art. IV, Sec. 11, to permit delays in trials by providing emergency judges.
- No. 6. Amendment to Art. IV, Secs. 20, 26 and 33, removing obsolete sections from constitution.
- No. 7. Striking out Art. V and Sec. 9 of Art. VII and substituting therefor an article to revise and reform the system of revenue and taxation.
- No. 8. Amendment to Art. VIII, Sec. 1, to prevent special charters to corporations by the General Assembly.

No. 9. Amendment to Art. VIII, Sec. 4, to prevent special charters to towns, cities and incorporated villages.
 No. 10. Amendment to Art. IX, Sec. 3, to require six months public school term.

North Plainfield, N. J.—Voters Favor Consolidation with Plainfield.—The election held in North Plainfield on Sept. 24 to vote on the question of consolidating with the city of Plainfield resulted in a vote of 369 "for" to 330 "against" (V. 98, p. 2006).

Rhode Island.—Proposed Constitutional Amendment.—A proposed amendment to the constitution authorizing the acquisition or taking in fee of more land and property than is needed for actual construction in establishing, laying out widening, extending or re-locating of public highways, streets, places, parks or parkways. The amendment in full is as follows:

Section 1. The General Assembly may authorize the acquiring or taking in fee by the State, or by any cities or towns, of more land and property than is needed for actual construction in the establishing, laying out, widening, extending or re-locating of public highways, streets, places, parks or parkways: *Provided, however,* that the additional land and property so authorized to be acquired or taken shall be no more in extent than would be sufficient to form suitable building sites abutting on such public highway, street, place, park or parkway. After so much of the land and property has been appropriated for such public highway, street, place, park or parkway as is needed therefor, the remainder may be held and improved for any public purpose or purposes, or may be sold or leased for value with or without suitable restrictions, and in case of any such sale or lease, the person or persons from whom such remainder was taken shall have the first right to purchase or lease the same upon such terms as the State or city or town is willing to sell or lease the same.

South Carolina.—Proposed Constitutional Amendments.—The voters of this State on Nov. 3 will pass upon the following ten proposed amendments to the State constitution:

Amendment to Section 8, Article II., by inserting the words "South Carolina School for the Deaf and Blind, located at Cedar Springs," on line three of said section.

Amendment to Section 7, Article VIII., providing that the limitations imposed by that section and by Section 5 of Article X shall not apply to the bonded indebtedness incurred by the School District of Yorkville in the County of York, when the proceeds of said bonds are applied exclusively to erecting, or making additions to, school buildings in said district, and where the question of incurring such indebtedness is submitted to the qualified electors of said district.

Amendment to Article X., by adding Section 16, empowering the cities of Florence and Orangeburg and the town of Landrum to assess abutting property for permanent improvements.

Amendment to Section 20, Article III., providing that in all elections by the General Assembly, where there is only one candidate nominated for the place to be filled at such election, the election shall be *via voce* without any roll-call.

Amendment to Section 7, Article VIII., providing that the limitations imposed by this section and by Section 5, Article X, shall not apply to the bonded indebtedness incurred by the City of Florence, in the County of Florence, when the proceeds of said bonds are applied exclusively for the building, erecting, establishing and maintaining of streets, water-works, lighting plants and sewerage-system, or for the payment of debts already incurred, exclusively for any of said purposes; and when the question of incurring such indebtedness is submitted to the qualified electors of said municipality.

Amendment to Section 7, Article VIII., providing that the limitations imposed by this section and by Section 5, Article X, shall not apply to the bonded indebtedness incurred by the cities of Chester and Sumter, but the said cities of Chester and Sumter may increase each its bonded indebtedness to an amount not exceeding 15% of the assessed value of the taxable property therein where said bonds are issued for the sole purpose of paying the expenses or liabilities incurred or to be incurred in the improvement of streets and sidewalks where the abutting property-owners are being assessed for two-thirds or one-half of the cost thereof.

Amendment to Article X. by adding Section 15a empowering the towns of Latta and Dillon to assess abutting property for permanent improvements.

Amendment to Section 1, Article XII., by striking out the words "blind, deaf and dumb" on line two of said section.

Amendment to Article X. by adding Section 17 empowering the town of Fort Mill to assess abutting property for permanent improvements.

Amendment to Article X. by adding Section 16 empowering the cities of Anderson and Greenwood and towns of Bennettsville, Timmons ville and Honea Path to levy an assessment upon abutting property for the purpose of paying for permanent improvements on streets and sidewalks immediately abutting such property.

Stolen Securities.—Some time between Saturday night (Sept. 26) and Monday morning (Sept. 28) burglars entered the offices of Sidney Spitzer & Co., 234-240 Spitzer Building, Toledo, Ohio, and stole from the vault and cash drawer \$2,500 worth of municipal bonds, coupons amounting to \$422 50 and \$45 in cash. The bonds taken consist of \$1,000 Warren County, No. Caro., 5% road bond for Warrenton Township, No. 19, due Feb. 1 1954; \$500 Perry Township School District, Ohio, No. 4, 5% bond due Sept. 1 1924, and \$1,000 7% bonds No. 5 of Edson School District, Alberta, due Nov. 1 1916. The coupons stolen comprised \$55 worth of Port Clinton School District, Ohio; \$135 Continental School District, Ohio; \$120 Akron, Ohio, and \$112 50 Navarre, Ohio.

Tennessee.—Temporary Loan.—In our editorial columns this week we print a statement by Senator Luke Lea of Tennessee giving the details of the \$1,400,000 loan recently negotiated by that State with the National Park Bank of New York.

Toledo, Ohio.—Solicitor Rules that Question of Purchasing Toledo Railway & Light Co. Carried.—City Solicitor Thurston has rendered an opinion to the effect that the question of purchasing the Toledo Railways & Light Co. and issuing \$8,000,000 city bonds therefor carried at the special election held Aug. 4 (V. 99, p. 488). The proposition received a majority of the votes cast but the question was raised, it will be remembered, whether the ordinance required a bare majority or two-thirds of the votes cast, in order to carry.

Virginia-West Virginia.—Special Master Granted Indefinite Extension of Time to Complete Report.—The U. S. Supreme Court on Oct. 1 granted Special Master C. E. Littlefield an indefinite extension of time in which to complete his report on whether West Virginia's counter claims against Virginia should be allowed in the final settlement of the litigation between the two States. V. 98, p. 2006.

Wisconsin.—Proposed Constitutional Amendments.—Proposed amendments to the State constitution to be submitted

to the people at the general election in November are as follows:

Amendments conferring upon the Legislature express power to enact legislation providing for State insurance. Two amendments are proposed for this same purpose, one adding Section 13 and another Section 11 to Article 8.

Amendment to Sec. 1 of Art. XII: If adopted, this amendment will change the method of amending the constitution so that amendments may be adopted by an affirmative vote of three-fifths of the members elected to both houses of one Legislature and approval by the people, instead of by a majority vote of both houses of two succeeding Legislatures and approval by the people, as now required.

Amendment creating Sec. 3a of Art. XI, to empower cities and villages to amend their own charters and determine their own powers and authority, instead of, as now, restricting them to only such powers as are granted to them by the Legislature.

Amendment to Sec. 1, Art. IV, giving the people power to propose laws and to enact or reject the same at the polls, and to approve or reject at the polls any Act of the Legislature and to create Sec. 3 of Art. XII, providing for the submission of amendments to the constitution upon the petition of the people.

Amendment to Sec. 21 of Art. IV, increasing the compensation of members of the Legislature from \$500 for each regular session to \$600 per annum and to reduce their traveling allowance from 10 cents a mile to 2 cents a mile.

Amendment to Art. XI, adding Sec. 3b, enlarging the power of municipal corporations to acquire private property for public use.

Amendment to Sections 6 and 7 of Art. VII will, if adopted, permit the Legislature to change the number of judicial circuits and to provide for one or more circuit judges in each circuit, whereas the constitution now requires one judge in each circuit except in Milwaukee County.

Bond Calls and Redemptions.

Abington Township, Montgomery County, Pa.—Bond Call.—Payment will be made on Nov. 1 at the Jenkintown Nat. Bank, Jenkintown, of the road bonds numbered 10 and 11 of the loan of 1907, class "A," for \$1,000 each.

Lawrence County (P. O. Deadwood), So. Dak.—Bond Call.—Payment will be made on Nov. 1 at the office of the County Treas. or at the Mechanics' & Metals Nat. Bank, N. Y., of the following 5% bonds for \$1,000 each of the issue, of July 1 1899, numbered 23, 29, 45, 46, 55, 59, 60, 63, 71, 81 and 86.

Spokane, Wash.—Bond Call.—The following special-improvement bonds are called for payment at the City Treasurer's office on Oct. 15:

Name.	Dist.	Bds. called up to and inclusive.	Name.	Dist.	Bds. called up to and inclusive.
Grade—	No.		Water Main—	No.	
Browne St.-----	39	16	Sanson Ave-----	W40	3
Buckeye Ave.-----	47	12	17th Ave.-----	W45	5
Euclid Ave.-----	86	4			
Garfield Ave.-----	659	30	Sewer—		
Jackson Ave.-----	457	17	First Ward-----	16	10
Kiernan Ave.-----	1027	2	Fifth Ward-----	6	7
Latawah St.-----	480	7	Havermale Ave-----	862	7
Lacy St.-----	645	35	Indiana Ave.-----	693	5
Madison St.-----	863	10	McClellan St.-----	694	6
Nora Ave.-----	4	16	Sheridan St.-----	875	17
19th Ave.-----	652	15			
Oak St.-----	860	8	Paving—		
Poet St.-----	461	18	First Ave.-----	271	28
16th Ave.-----	407	13	Lincoln St.-----	793	23
18th Ave.-----	866	6	Monroe St.-----	658	103
Walk—			Newark and Perry St.-----	521	63
Post St.-----	434	8			
Kiernan Ave.-----	1028	3			

Bond Proposals and Negotiations this week have been as follows:

ADAMS SCHOOL DISTRICT, San Diego County, Cal.—BOND OFFERING.—According to reports, the Clerk of Board of County Supervisors (P. O. San Diego), is offering for sale an issue of \$6,000 improvement bonds.

ALDERPOINT SCHOOL DISTRICT, Humboldt County, Calif.—BOND SALE.—The \$2,000 6% 6½-year (aver.) gold school bonds offered without success on Oct. 14 1913 (V. 98, p. 627) have been sold to J. M. McKnight of Alderpoint at 100.01 and int. Denom. \$200.

ALPHA SCHOOL DISTRICT (P. O. Alpha), Fayette County, Iowa.—BOND SALE.—On Sept. 15 an issue of \$15,000 5% building bonds was awarded to the First State Bank of Hawkeye at par. Denom. \$500. Date Dec. 1 1914. Int. semi-ann. Due Dec. 1 1924, part subject to call.

ANDERSON SCHOOL DISTRICT, Mendocino County, Calif.—BOND OFFERING.—It is reported that bids will be received until 2 p. m. Oct. 6, by the Board of County Supervisors (P. O. Ukiah) for \$2,000 6% school bonds in the denomination of \$500.

ANTWERP, Paulding County, Ohio.—BONDS NOT SOLD.—We are advised concerning the \$43,000 5% 1-10-year (ser.) coup. bonds offered but not sold on June 23 (V. 98, p. 2007) that the improvement of Main St., for which the issue was made, has been held up by an injunction and what the outcome will be is in doubt.

ARCADIA, Los Angeles County, Calif.—BONDS VOTED.—According to reports the election held Sept. 22 resulted in favor of the questions of issuing \$150,000 street-improvement and \$131,250 water-system-construction bonds. The vote was 169 to 45 and 171 to 48, respectively.

ARCHBOLD, Fulton County, Ohio.—BONDS NOT SOLD.—There were no bidders for the \$15,000 5% 7½-year (aver.) water-works-system-impt. bonds offered on Sept. 28 (V. 99, p. 621).

ARGENTA SEWER IMPROVEMENT DISTRICT NO. 1 (P. O. Argenta), Ark.—BONDS OFFERED BY BANKERS.—Whitaker & Co. of St. Louis are offering to investors \$350,000 6% sewer-improvement bonds. Denom. \$500 and \$1,000. Date Oct. 1 1914. Int. M. & S. at St. Louis-Union Trust Co., St. Louis. Due on March 1 as follows:
 \$10,500—1916 \$13,500—1920 \$17,500—1924 \$22,000—1928 \$28,000—1932
 11,500—1917 14,500—1921 18,000—1925 23,000—1929 29,500—1933
 12,500—1918 15,500—1922 19,500—1926 25,000—1930 33,000—1934
 13,000—1919 16,500—1923 21,000—1927 26,000—1931

ASHTABULA, Ashtabula County, Ohio.—BONDS NOT SOLD.—No bids were received for the four issues of 5% coupon bonds, aggregating \$69,600, offered on Oct. 1 (V. 99, p. 842), it is stated.

AZUSA, Los Angeles County, Calif.—BOND ELECTION PROPOSED.—Reports state that an election will be held in the near future to vote on the questions of issuing \$35,000 water and \$20,000 light-systems-construction bonds.

BANGOR, Penobscot County, Me.—BOND OFFERING.—Proposals will be received until 10 a. m. Oct. 10 by H. O. Pierce, City Treasurer, for \$100,000 4% coupon tax-free refunding bonds. Denom. \$1,000. Date Nov. 2 1914. Int. M. & N. at office of City Treasurer or at the Merchants' National Bank of Boston. Due \$5,000 yearly on Nov. 2 from 1915 to 1934, inclusive. These bonds will be certified as to genuineness by the First National Bank of Boston, and their legality approved by Storey, Thorndike, Palmer & Dodge of Boston, whose opinion will be furnished purchaser. Bonds to be delivered to purchaser on Nov. 2 at the First Nat. Bank, Boston. C. e. t. check for \$500, payable to City Treas., required.

The official notice of this bond offering will be found among the advertisements elsewhere in this Department.

BANGOR, Northampton County, Pa.—BOND SALE.—The Bangor Trust Co., Bangor, was awarded during June at 100.50 the \$10,000 fire-engine-purchase bonds authorized by the Town Council on Dec. 20 1913 (V. 98, p. 1863).

BEDFORD, Calhoun County, Mich.—NO BONDS VOTED.—We are advised that the reports stating that this city on July 21 voted in favor of the question of issuing \$18,000 water-works bonds (V. 99, p. 359) are erroneous.

BELLEVILLE, Essex County, N. J.—BONDS AUTHORIZED.—Reports state that the Town Council on Sept. 29 adopted an ordinance authorizing the issuance of \$7,000 fire-engine-purchase bonds.

LOANS AUTHORIZED.—Resolutions authorizing the borrowing of \$11,500 3-months sewer-construction and \$350 street-impt. notes were passed, it is stated, by the Town Council on Sept. 29.

BELLEVILLE SCHOOL DISTRICT (P. O. Belleville), Essex County, N. J.—BOND OFFERING.—Further details are at hand relative to the offering on Oct. 6 of the \$120,500 4 1/2% coup. school bonds (V. 99, p. 842). Proposals for these bonds will be received until 8:15 p. m. on that day by James J. Turner, District Clerk. Denom. (1) \$500, (120) \$1,000. Date Nov. 1 1914. Int. M. & N. Due \$1,500 Nov. 1 1927 and \$7,000 yearly on Nov. 1 from 1928 to 1944 incl. Certified check on an incorporated bank or trust company for 2% of bonds bid for, payable to "Board of Education," required. Purchaser to pay accrued interest. Bids must be made on forms furnished by said board. These bonds will be certified as to genuineness by the U. S. Mtge. & Trust Co. and their validity approved by Hawkins, Delafield & Longfellow of N. Y., whose opinion will be furnished purchaser.

BENTON HARBOR, Berrien County, Mich.—BOND OFFERING.—This city is offering over the counter \$27,000 sewer and \$23,000 paving 5% serial tax-free coup. bonds. Denom. \$200 to \$500. Int. A. & O. at office of City Treasurer. B. Spaulding is City Clerk.

BIBB COUNTY (P. O. Macon), Ga.—BOND ELECTION.—The questions of issuing \$500,000 court-house, \$150,000 schools, \$150,000 roads, \$150,000 bridges and \$100,000 county hospital bonds will be submitted to a vote on Nov. 3, it is stated.

BIG HORN COUNTY SCHOOL DISTRICT NO. 26, Wyo.—BOND OFFERING.—Proposals will be received until 1 p. m. Oct. 10 by Geo. S. Maller, District Clerk, for \$1,200 6% 10-year coupon building and equipment bonds. Denom. \$700 and \$500. Date Oct. 1 1914. Interest annually on Oct. 1 at office of County or State Treasurer.

BLACKFOOT COUNTY (P. O. Hartford City), Ind.—BOND OFFERINGS.—Bids will be received until 12 m. Oct. 6 by Geo. H. Newbauer County Treasurer, for \$18,600 4 1/2% Trant Road improvement bonds in Licking Township. Int. semi-ann. Cert. check for 3% of bid required.

Bids will be received until 12 m. Oct. 5 by G. H. Newbauer, County Treasurer, for \$3,600 4 1/2% highway bonds, it is stated. Due part each six months for ten years.

BLAINE COUNTY (P. O. Hailey), Idaho.—BOND SALE.—The \$18,000 10-19-year (ser.) coupon refunding bonds offered on Aug. 26 (V. 99, p. 555) were awarded on that day, it is stated, to James N. Wright & Co., of Denver for \$18,020 (100.111) for 6s—a basis of about 5.99%.

BONNEVILLE COUNTY SCHOOL DISTRICT NO. 46 (P. O. Idaho Falls), Ida.—BOND OFFERING.—Reports state that bids will be received until Oct. 14 by the Dist. Trustees for \$5,000 6% school bonds. A similar issue of bonds was awarded to Sweet, Causey, Foster & Co. of Denver on July 30 (V. 99, p. 488).

BOONE COUNTY (P. O. Lebanon), Ind.—BOND OFFERING.—Proposals will be received until 10 a. m. Oct. 5, by J. T. Frank Laughner, Co. Treas., for \$66,300 4 1/2% highway bonds.

BRISTOL COUNTY (P. O. Taunton), Mass.—BOND SALE.—On Sept. 29 the \$10,000 4% 10-year court-house-construction bonds (V. 99, p. 913) were awarded to Blake Bros. & Co. of Boston at 96.84 and interest. The First National Bank bid 96.81.

BRUNSWICK, Frederick County, Md.—BOND ELECTION PROPOSED.—This city proposes to call an election to vote on the question of issuing \$30,000 water-supply-extension bonds, it is stated.

BUENA VISTA SCHOOL DISTRICT, Tulare County, Cal.—BOND SALE.—Reports state that the \$12,000 school bonds offered without success on Aug. 21 (V. 99, p. 687) have been sold to the Capital National Bank of Visalia at par and interest.

BUHL, St. Louis County, Minn.—BONDS WITHDRAWN.—Reports state that the issue of \$55,000 8-year (aver.) water, light and heat bonds offered on Sept. 23 at not exceeding 6% (V. 99, p. 766) has been withdrawn from the market.

BURNHAM, Mifflin County, Pa.—BOND SALE.—This borough has disposed of an issue of \$11,000 paving bonds to local investors.

BUTLER, Richland County, Ohio.—BONDS VOTED.—Reports state that the question of issuing the \$4,000 light-plant-impt. bonds (V. 99, p. 687) carried by a vote of 131 to 38 at the election held Sept. 22.

CALDWELL, Burleson County, Tex.—BOND ELECTION.—An election will be held Oct. 15, reports state, to vote on a proposition to issue \$12,000 5% 10-40-yr. (opt.) street-grading and paving bonds.

CAMP POINT, Adams County, Ills.—BOND SALE.—This village has sold an issue of \$3,500 sidewalk bonds.

CARBON COUNTY SCHOOL DISTRICT NO. 33, Mont.—BOND OFFERING.—Bids will be received until 8 p. m. Oct. 13 by F. B. Kirky, Dist. Clerk (P. O. Edgar), for \$7,500 5-10-year (opt.) coupon school bonds at not exceeding 6% int., payable J. & D.

CASS COUNTY (P. O. Logansport), Ind.—BOND OFFERING.—Proposals will be received until 10 a. m. Oct. 5 by M. M. Minnick, County Treasurer, for \$1,254 5% Martin Ulerich et al ditch bonds. Denom. (1) \$254, (4) \$250. Interest semi-annual. Due \$250 yearly on June 1 from 1915 to 1918, inclusive, and \$254 June 1 1919.

CEDAR CREEK TOWNSHIP (P. O. Lowell), Lake County, Ind.—BOND OFFERING.—Proposals will be received until 2 p. m. Oct. 17, by James Black, Township Trustee, for \$11,500 5% school bonds. Denom. \$500. Date July 15 1914. Due \$500 each 6 months, Jan. 15 1918 to Jan. 15 1929, incl.

CENTERBURG, Knox County, Ohio.—BOND SALE.—The two issues of 5% bonds, aggregating \$35,600, offered on Aug. 27 (V. 99, p. 360), have been awarded to Geo. A. Harrop of South Bend at par and int.

CENTER SCHOOL TOWNSHIP (P. O. Greenfield), Hancock County, Ind.—BID REJECTED.—Reports state that the only bid received Sept. 25 for the \$47,000 4 1/2% 7 1/2-year (average) building bonds in District No. 13 (V. 99, p. 766) was submitted by Wm. A. Hughes of Greenfield, who bid par and interest. This offer was rejected.

CHEVIOT (P. O. Cincinnati), Hamilton County, Ohio.—BOND SALE.—On Sept. 24 the \$5,500 5% 5 1/2-year (aver.) Center St. Impt. (assess.) bonds (V. 99, p. 691), were awarded to the First Nat. Bank of Cheviot at par and int. There were no other bidders.

CHICAGO JUNCTION, Huron County, Ohio.—BOND SALE.—Tillotson & Wolcott Co. of Cleveland were recently awarded at par and int. the four issues of 5 1/2% street-improvement bonds, aggregating \$27,561 35, offered without success on Aug. 17 (V. 99, p. 556).

CHILLICOTHE, Ross County, Ohio.—BONDS AWARDED IN PART.—The City Auditor advises us under date of Sept. 25 that of the two issues of 4 1/2% 20-year bonds aggregating \$32,008 offered without success on Sept. 1 (V. 99, p. 687), \$7,000 have been sold to private bidders at par and interest.

CHIPLEY SCHOOL DISTRICT NO. 1, Washington County, Fla.—BOND OFFERING.—Proposals will be received until 2 p. m. Oct. 5 by W. T. Horne, County Superintendent of Public Instruction (P. O. Vernon), for \$30,000 6% 20-year reg. tax-free construction-and-equipment bonds. Denom. \$1,000. Int. ann. on July 1 at Vernon. A cash deposit of 2% required.

CLAY COUNTY (P. O. Brazil), Ind.—BOND SALE.—On Sept. 26 the \$12,000 4 1/2% 5 1/2-year (average) James E. Crouse et al highway-impt. bonds (V. 99, p. 843) were awarded, reports state, to Brazil Trust Co. of Brazil at par and interest.

CLEVELAND, Ohio.—BONDS AWARDED IN PART.—Of the four issues of 4 1/2% coup. or reg. bonds, aggregating \$280,000, offered without success on Sept. 8 (V. 99, p. 767), the \$110,000 21-year Central Viaduct improvement bonds dated Aug. 1 1914 have been sold to the Sinking Fund Commission at par.

BONDS AUTHORIZED.—Ordinances were passed by the City Council on Sept. 21, providing for the issuance of the following 4 1/2% coup. bonds: \$1,000,000 water-works bonds. Due \$20,000 yearly on Oct. 1 from 1915 to 1954 inclusive.

1915 to 1954 incl. 950,000 Clark Ave. bridge bonds voted Aug. 11 (V. 99, p. 489). Due \$19,000 yearly on Oct. 1 from 1915 to 1954 incl. Denom. \$1,000. Date Oct. 1 1914. Int. A. & O. at Amer. Exch. Nat. Bank, New York City.

The City Council on Sept. 21 adopted a resolution providing for the issuance of \$18,000 4 1/2% 10-year coup. electric-light refunding bonds. Denom. \$1,000. Date Jan. 1 1915. Int. J. & J. at American Exchange National Bank, New York.

CLEVELAND SCHOOL DISTRICT, Ohio.—BOND SALE.—Resolutions were passed Sept. 14 by the Board of Education to sell \$100,000 building-improvement and \$400,000 building 4 1/2% bonds, being part of the \$1,500,000 voted Aug. 11 (V. 99, p. 556). The bonds have since been accepted by the Board of Commissioners of the Sinking Fund of the City School District.

CLEVELAND SCHOOL DISTRICT (P. O. Cleveland), White County, Ga.—BONDS VOTED.—By a vote of 67 to 12 the question of issuing \$10,000 5% 25-year building and equipment bonds carried at an election held Sept. 22.

CLYDE, Sandusky County, Ohio.—BOND SALE.—The \$3,000 5% 5 1/2-year (aver.) State St. impt. (assess.) bonds offered without success on Sept. 14 (V. 99, p. 843) have been sold to the Clyde Savings Bank at par and interest.

COLUMBUS, Ohio.—BOND SALE.—The following bids were received for the thirteen issues of 4% tax-free bonds, aggregating \$300,000, offered on Sept. 30 (V. 99, p. 914):

- Item 1—\$30,000 street-opening and widening.
- Item 2—20,000 cluster-lights, city's portion.
- Item 3—20,000 street-cleaning equipment.
- Item 4—20,000 public-recreation equipment.
- Item 5—30,000 street-repair.
- Item 6—50,000 street-repair (No. 2).
- Item 7—35,000 Milo main trunk sewer, Section "B."
- Item 8—10,000 Columbus Street improvement.
- Item 9—11,000 Gates Street improvement.
- Item 10—13,000 Ohio Avenue improvement.
- Item 11—18,000 Wood Avenue improvement.
- Item 12—20,000 Burgess Avenue improvement.
- Item 13—23,000 Terrace Avenue improvement.

Cleveland Trust Co., Cleveland—Item 3, \$19,466 00. Weil, Roth & Co., Cincinnati—Item 1, \$28,830; (2) \$19,000; (3) \$19,050; (4) \$19,275; (5) \$28,600; (6) \$47,260; (7) \$33,450; (8) \$9,610; (9) \$10,505; (10) \$12,350; (11) \$17,100; (12) \$19,215; (13) \$21,855.

Spitzer, Roric & Co., Toledo—Item 1, \$28,293; (3) \$19,266. The Ohio National Bank, Columbus—Item 1, \$29,159; (2) \$19,466; (3) \$19,324; (4) \$19,324; (5) \$28,986; (6) \$48,310; (7) \$33,817; (8) \$9,710; (9) \$10,681; (10) \$12,623; *(11) \$17,478; *(12) \$19,420; *(13) \$22,333.

Fields, Richards & Co., Cincinnati—Item 1, \$29,025; (2) \$19,375; (3) \$19,280; (4) \$19,252; (5) \$28,890; (6) \$48,095; (7) \$33,673 50; (8) \$9,660; (9) \$10,621 60; (10) \$12,547 60; (11) \$17,362 80; (12) \$19,280; (13) \$22,176 60.

Hoehler, Cummings & Prudden, Toledo—Item 4, \$19,525; (5) \$29,275. Provident Savings Bank & Trust Co., Cincinnati—Item 6, \$47,685. C. E. Denison & Co., Cleveland (conditional)—Item 1, \$29,004; (3) \$19,336; (4) \$19,336; (5) \$29,004; (6) \$48,340.

Stacy & Braun, Toledo—Item 1, \$28,758; (2) \$19,172; (3) \$18,908; (4) \$18,908; (5) \$28,302; (12) \$19,068.

Seasongood & Mayer, Cincinnati—All items, (total) \$288,508 50. Atlas National Bank, Cincinnati—Item 6, \$47,630.

Sidney Spitzer & Co., Toledo—Item 1, \$28,601 60; (2) \$19,101 60. Mayer, Depps & Walter, The Davies-Bertram Co. and Breed, Elliott & Harrison, Cincinnati—Items (1) \$28,950; (2) \$19,300; (3) \$19,250; (4) \$19,100; (5) \$28,650; (6) \$47,750; (7) \$33,425; (8) \$9,650; (9) \$10,615; (10) \$12,545; (11) \$17,370; (12) \$19,300; (13) \$22,195; (all or none).

Tillotson & Wolcott Co., Cleveland—Item *(1) \$29,439; *(2) \$19,626; *(3) \$19,626; *(4) \$19,626; *(5) \$29,439; *(6) \$49,065; *(7) \$33,869 50; *(8) \$9,813; *(9) \$10,794 30; *(10) \$12,756 90; (11) \$17,418 60; (12) \$19,354; (13) \$22,257 10.

* It is stated that these were the successful bids. The above are not net issues, but securities which were held by the sinking fund as an investment.

CORVALLIS, Benton County, Ore.—BOND SALE.—The \$7,000 5% 40-year water-works-purchase bonds offered on March 27 have been purchased by the Benton County Nat. Bank of Corvallis at par. Denom. \$500. Date April 1 1914. Int. A. & O.

CROCKETT COUNTY (P. O. Ozona), Tex.—BONDS AWARDED IN PART.—Of the \$40,000 5% 5-40-year (opt.) road bonds voted during March (V. 98, p. 941), \$13,000 was awarded at par during April to the County Permanent School Fund. Denom. \$1,000. Date April 10 1914. Interest A. & O.

CURTIS CREEK SCHOOL DISTRICT, Tuolumne County, Calif.—BOND SALE.—The Sonora Nat. Bank of Sonora has been awarded, it is stated, an issue of \$7,500 school bonds at par and interest.

DADE CITY, Pasco County, Fla.—BOND SALE.—Reports state that J. B. McCarty, Co. of Atlanta, has agreed to purchase the \$20,000 water-works and \$8,500 sewer 6% 30-year bonds offered on July 21 (V. 99, p. 213) at 95 and interest.

DANCY DRAINAGE DISTRICT (P. O. Wausau), Marathon County, Wis.—BOND OFFERING.—H. M. Jones, Clerk Bd. of Co. Commrs., will receive bids, it is stated, until October 10 for \$36,500 drainage bonds.

DARKE COUNTY (P. O. Greenville), Ohio.—BOND OFFERING.—Proposals will be received until 11 a. m. Oct. 26 by J. L. Morgan, Co. Aud., for the following 5% bonds: \$10,000 road bonds. Due \$2,000 yearly on Oct. 26 from 1915 to 1919 incl. \$4,000 ditch bonds. Due \$1,200 Oct. 26 1915, \$12,500 Oct. 26 1916 and \$9,500 Oct. 26 1917.

Denom. \$500. Date Oct. 26 1914. Int. A. & O. at office of Co. Treas. An unconditional certified check for \$500, payable to Board of County Commissioners, required. Bids must be unconditional.

DAWSON COUNTY SCHOOL DISTRICT NO. 94 (P. O. Terry), Mont.—BOND SALE.—The \$1,000 2-10-year (opt.) site-purchase, construction and equipment bonds offered on Aug. 26 (V. 99, p. 556) have been awarded to the State Board of Land Commissioners at par for 6s.

DAYTON, Hamilton County, Ohio.—BOND ELECTION.—The questions of issuing \$250,000 park and playground-site-purchase and \$1,000,000 grade-crossing-elimination (city's share) bonds will be submitted to the voters on Nov. 3.

BOND SALE.—The Sinking Fund Trustees of Dayton have purchased at par the \$4,500 4 1/2% 20-year storm-sewer-replacement bonds authorized on July 15 (V. 99, p. 360).

BONDS TO BE OFFERED SHORTLY.—According to reports, this city will offer for sale about Dec. 1 \$100,000 5 1/2% water-works-extension bonds in the denominations of \$20, \$50 and \$100.

DECATUR COUNTY (P. O. Greensburg), Ind.—BONDS N T SOLD.—No bids were received on Sept. 28 for the \$2,660 4 1/2% 5 1/2-year (aver.) Jesse B. Armstrong et al. road bonds offered on that day (V. 99, p. 914).

DEFIANCE COUNTY (P. O. Defiance), Ohio.—BONDS TO BE OFFERED SHORTLY.—We are advised that the \$11,000 5% ditch-and-ditch bonds offered but not sold on Aug. 24 (V. 99, p. 622) will shortly be re-offered for sale.

DELAWARE, Delaware County, Ohio.—BOND SALE.—The two issues of 5% coupon bonds, aggregating \$10,050, offered without success on Aug. 3 (V. 99, p. 423) have been purchased by the Metropolitan Constr. Co. of Canton at par and int.

DELAWARE COUNTY (P. O. Muncie), Ind.—BOND SALE.—On Sept. 25 the \$2,000 4 1/2% 5 1/2-year (aver.) highway-improvement bonds (V. 99, p. 843) were awarded to Thos. Wirt for \$2,002 55 (100.127) and int.—a basis of about 4.474%.

DENVILLE TOWNSHIP (P. O. Denville), Morris County, N. J.—BONDS NOT YET ISSUED.—We are advised by the Dist. Clerk under date of Sept. 28 that the \$7,000 5% tax-free school-building bonds mentioned in V. 99, p. 622 have not yet been issued.

DOVER (P. O. Canal Dover), Tuscarawas County, Ohio.—BONDS AWARDED IN PART.—Of the six issues of 5% bonds, aggregating \$115,800, we are informed that \$9,000 has been disposed of. These bonds were awarded on July 6 to the Provident Sav. Bank & Trust Co. of Cincinnati, but were subsequently turned down by this company. See V. 99, p. 489.

EAST ELY, White Pine County, Nev.—BONDS REFUSED.—C. H. Coffin of Chicago has refused to accept the \$16,000 6% 20-year storm-sewer and improvement bonds awarded him in August (V. 99, p. 688), because of some defect in the bond form.

EAST FORK IRRIGATION DISTRICT (P. O. Hood River), Hood River County, Ore.—BOND OFFERING.—Additional information is at hand relative to the offering on Oct. 6 of the \$25,000 6% coupon tax-free improvement bonds (V. 99, p. 843). Proposals for these bonds will be received until 1:30 p. m. on that day by Bd. of Directors, C. R. Bone, Pres. Denom. \$100 to \$1,000. Date July 1 1913. Int. J. & J. at office of Treas., or in N. Y. Due from 1924 to 1933. Cert. check for 2%, payable to above Pres., required. Bonded debt (not incl. this issue), \$150,000, no floating debt. Assess. val. 1913 \$2,293,381.

EATON CONSOLIDATED SCHOOL DISTRICT, Forrest County, Miss.—BONDS NOT SOLD.—No bids were received, it is stated, for the \$5,000 5% 20-year school bonds offered Sept. 7. (V. 99, p. 557.)

ELK TOWNSHIP SCHOOL DISTRICT (P. O. Alta), Buena Vista County, Iowa.—BOND OFFERING.—L. C. Anderson, Secy. Bd. of Ed., is offering at private sale an issue of \$10,000 5% reg. tax-free building bonds. Due part yearly for 10 years and are subject to call. Cert. check bonds, payable to above Secretary, required. No bonded or floating debt. Assess. val. \$800,000.

ELMA, Howard County, Iowa.—BOND SALE.—Geo. M. Bechtel & Co. of Davenport were awarded at par during August an issue of \$13,000 5% 5-20-year (opt.) water-works bonds. Denom. \$500. Int. F. & A.

ERIE COUNTY (P. O. Sandusky), Ohio.—BONDS PROPOSED.—According to reports this county is contemplating the issuance of \$25,000 road-improvement bonds.

ESSEXVILLE, Bay County, Mich.—BOND SALE ENJOINED.—A newspaper dispatch from Bay City says that on Sept. 26 Judge C. L. Collins issued a temporary injunction restraining the issuance of the \$20,000 5% 15-year bonds offered Sept. 14 (V. 99, p. 688). The report says that while it was voted to bond for the amount named for "park purposes," the real idea was to purchase a site to be leased free to the North American Construction Co., which agreed to erect its plant in the village if a site was furnished. It was also part of the plan to change the name of the village to Aladdin City, after the trade-mark name of the product of the company.

EUGENE, Lane County, Ore.—BOND SALE.—The Lumberman's Trust Co. of Portland has been awarded at par an issue of \$28,900 6% 1-10-year (opt.) bonds. Denom. \$500. Date Oct. 1 1914. Int. A. & O.

EVENING STAR SCHOOL DISTRICT (P. O. Terrell), Kaufman County, Tex.—BONDS VOTED.—According to reports this district at a recent election voted in favor of the issuance of building bonds.

FANNIN COUNTY (P. O. Bonham), Tex.—BOND SALE.—The \$250,000 Precinct No. 1 road bonds voted May 16 (V. 98, p. 1631) have been purchased by the First Nat., Fannin Co. Nat. and the First State banks of Bonham.

FELLSMERE SCHOOL DISTRICT (P. O. Fellsmere), St. Lucie County, Fla.—BOND ELECTION PROPOSED.—This district contemplates holding an election this winter or next spring to vote on the question of issuing \$30,000 school bonds.

FERGUS COUNTY SCHOOL DISTRICT NO. 80 (P. O. Stanford), Mont.—BONDS NOT SOLD.—No bids were received for the \$1,500 6% building bonds offered on Sept. 15.

FINDLAY, Hancock County, Ohio.—BONDS NOT YET ISSUED.—The \$25,135 5% Hagerman Run improvement bonds authorized Aug. 10 (V. 99, p. 767) have not yet been issued. Denom. (1) \$635, (40) \$500. Date Oct. 15 1914. Int. A. & O. Due \$2,635 Oct. 1 1915 and \$2,500 yearly on Oct. 15 from 1916 to 1924 incl.

FINDLAY SCHOOL DISTRICT (P. O. Findlay), Hancock County, Ohio.—BONDS TO BE OFFERED NEXT YEAR.—The Clerk of the Board of Education advises us that the \$300,000 building bonds recently voted (V. 99, p. 490) will be offered for sale early next year (1915).

FLOYDADA, Floyd County, Tex.—BONDS NOT SOLD.—Reports state that no bids were received for the \$20,000 5% 15-40-yr. (opt.) coupon water-works-construction bonds offered Sept. 24. (V. 99, p. 688.)

FOSTORIA, Seneca County, Ohio.—BOND SALE.—The two issues of 5% street-improvement bonds, aggregating \$23,450, offered without success on Aug. 4 (V. 99, p. 423), have been taken by local banks.

BONDS AUTHORIZED.—Reports state that the City Council has authorized the issuance of \$75,000 water-works-ext. and impt. bonds.

FOUNTAIN COUNTY (P. O. Covington), Ind.—BOND OFFERING.—Further details are at hand relative to the offering on Oct. 5 of the \$95,260 4 1/2% highway-improvement bonds (V. 99, p. 915). Proposals for these bonds will be received until 10:30 a. m. on that day (and from day to day thereafter until sold) by Lee Philpott, Co. Treas. These bonds consist of 8 separate issues as follows: \$5,960, \$6,300, \$11,300, \$8,000, \$9,200, \$10,100, \$23,200 and \$21,200. Denom. 20 bonds of like amount of each issue. Date Sept. 15 1914. Int. M. & N. Due 2 bonds of each issue each year.

FRANKLIN COUNTY (P. O. Columbus), Ohio.—BOND OFFERING.—Proposals will be received until Oct. 17 by John Scott, Clerk of Board of Co. Commrs., for the following 5% road-impt. bonds: \$20,000 State St. Worthington Road improvement bonds. Date Sept. 1 1914. Due \$2,000 yearly on Sept. 1 from 1915 to 1924 incl.

7,500 East Fifth St. road-improvement bonds. Date Sept. 1 1914. Due \$1,500 every other year on Sept. 1 from 1916 to 1924 incl.

30,000 Georgesville Road improvement bonds. Date Sept. 1 1914. Due \$6,000 yearly on Sept. 1 from 1915 to 1919 incl.

\$30,500 highway No. 1 bonds. Date Aug. 1 1914. Due \$3,000 yearly on Aug. 1 from 1915 to 1923 incl. and \$3,500 Aug. 1 1924.

17,500 highway No. 50 bonds. Date Aug. 1 1914. Due \$2,000 yearly on Aug. 1 from 1915 to 1922 incl. and \$1,500 Aug. 1 1923.

Denom. \$500. Int. semi-ann. at County Treasury. Certified check (or cash) on a solvent bank or trust company for 1% of bonds bid upon, payable to Board of County Commissioners, required with first 3 issues and for same amount only payable to F. M. Sayre, Co. Aud., required with last two issues. Bonds will be ready for delivery on day of sale. A complete transcript of all proceedings had in each of said road improvements will be furnished successful bidder at time of award and a reasonable length of time will be allowed purchaser for examination of same. Bids for the first three issues will be received until 10 a. m. on Oct. 17 and for the last two issues until 12 m. on same date. The first three issues were offered without success on Sept. 22 (V. 99, p. 915) and the last two issues were offered without success on Sept. 10 (V. 99, p. 767.)

FREDONIA, Wilson County, Kans.—BOND SALE.—We are advised by the City Clerk that this city has disposed of an issue of \$4,500 water-works bonds.

FRESNO COUNTY (P. O. Fresno), Cal.—BOND ELECTION.—The question of issuing \$200,000 hall of records construction bonds will, reports state, be submitted to a vote on Nov. 3.

GALLATIN SCHOOL DISTRICT, Los Angeles County, Calif.—BOND OFFERING.—Bids will be received until 2 p. m. Oct. 13, it is stated, by the Clerk of Board of County Supervisors (P. O. Los Angeles), for \$10,000 5 1/2% school bonds. Denom. \$1,000.

GARY, Lake County, Ind.—BOND OFFERING.—Proposals will be received until 3 p. m. Oct. 13 by Geo. H. Manlove, City Comptroller, for \$60,000 5% 20-year coupon municipal water-works-construction bonds. Denom. \$1,000. Date Oct. 13 1914. Interest annual. An issue of \$76,000 water bonds was voted on Aug. 26 (V. 99, p. 688) and it was first reported that the whole issue would be offered (V. 99, p. 915), but this is erroneous.

GARZA COUNTY (P. O. Post), Tex.—BONDS AWARDED IN PART.—The County Permanent School Fund purchased \$32,000 of an issue of \$50,000 5% 10-40-year road bonds at par and int. Denom. \$1,000. Date April 10 1914. Interest annual on April 10.

GILMAN SCHOOL DISTRICT (P. O. Gilman), Lewis and Clark County, Mont.—BONDS VOTED.—Reports state that this district at a recent election voted in favor of the issuance of \$5,000 bldg. bonds.

GLASTONBURY, Hartford County, Conn.—BOND ELECTION.—An election will be held Oct. 5 to authorize the Town Treasurer to borrow money on the credit of the town at not exceeding \$30,000.

GRAND RAPIDS SCHOOL DISTRICT (P. O. Grand Rapids), Kent County, Mich.—BONDS TO BE OFFERED NEXT YEAR.—Under date of Sept. 28 we are advised that this district will offer for sale early next year an issue of \$390,000 school bonds.

GREELEY INDEPENDENT SCHOOL DISTRICT (P. O. Hazleton), Buchanan County, Iowa.—BOND OFFERING.—N. M. Miguet, Pres. Bd. of Ed., is offering at private sale \$17,000 5% 10-year coupon building bonds. Denom. \$500 and \$1,000. Date Oct. 1 1914. Int. J. & D. at Iowa State Bank. No bonded or floating debt. Assessed val. 1913 \$727,280.

GREENE COUNTY (P. O. Bloomfield), Ind.—BOND SALE.—On Sept. 29 \$5,100 4 1/2% 5 1/2-year (aver.) Richland Twp. gravel-road bonds were awarded, it is stated, to the Bloomfield State Bank at par.

BONDS NOT SOLD.—Reports state that no bids were received for the \$5,000 4 1/2% Taylor Twp. gravel-road bonds offered on Sept. 30. (V. 99, p. 915.)

GREENLEE COUNTY (P. O. Clifton), Ariz.—BOND OFFERING.—Bids will be received until 10 a. m. Oct. 5 by A. L. Terry, Bd. of Supers., it is stated, for \$30,000 6% 15-year school bonds. Cert. check for 10% required.

GREENSBORO, Guilford County, No. Caro.—BONDS TO BE OFFERED NEXT YEAR.—Reports state that the City Commissioners have decided not to offer the \$100,000 street-paving bonds voted July 21 until next year.

GUERNSEY COUNTY (P. O. Cambridge), Ohio.—BONDS NOT TO BE RE-OFFERED THIS YEAR.—The county Auditor advises us that the \$17,000 5% 7-year (aver.) Cambridge-Caldwell road-improvement (assess.) bonds offered without success on Aug. 14 (V. 99, p. 557) will probably not be re-offered for sale until next spring.

BOND ISSUE RESCINDED.—The Auditor further advises us that the \$5,750 5% 4 1/2-year (aver.) Cambridge-Coshocton road-improvement bonds offered without success on Aug. 26 (V. 99, p. 622) have been called off.

HADDON HEIGHTS, Camden County, N. J.—BOND ELECTION PROPOSED.—The question of issuing \$5,000 automobile fire-engine-purchase bonds will, reports state, be submitted to a vote in November.

HAMBURG, Fremont County, Iowa.—BOND SALE.—Geo. M. Bechtel & Co. of Davenport have been awarded an issue of \$15,000 5% funding bonds at par. Denom. \$1,000. Date July 1 1914. Int. J. & J. Due in 1935, subject to call \$1,000 yearly, beginning 1920.

HAMILTON, Butler County, Ohio.—BONDS NOT TO BE RE-OFFERED AT PRESENT.—We are advised that the \$25,000 5% 5 1/2-year (aver.) street-impt. (city's portion) bonds offered without success on Sept. 1 (V. 99, p. 688) will not be reoffered at present.

HAMTRAMCK, Wayne County, Mich.—BOND SALE.—On Sept. 17 the two issues of 5% 30-year water and fire-hall bonds, aggregating \$93,000, voted Aug. 4 (V. 99, p. 424) were awarded to Matthew Finn of Detroit for \$94,200—equal to 101.29. Denom. \$1,000. Date Aug. 1 1914. Int. F. & A.

HANOVER TOWNSHIP SCHOOL DISTRICT (P. O. Toboso), Licking County, Ohio.—BONDS NOT SOLD.—There were no bidders for the \$25,000 5% school bonds offered on Sept. 30 (V. 99, p. 688), reports state.

HARDIN COUNTY (P. O. Kountze), Tex.—BONDS VOTED.—The proposition to issue the \$125,000 Saratoga and Batson Road Dist. bonds (V. 99, p. 622) carried, reports state, at the election held Sept. 12 by a vote of 277 to 99.

HARRIS COUNTY COMMON SCHOOL DISTRICT NO. 25, Tex.—BOND SALE.—Powell, Garard & Co. of Chicago have purchased the \$20,000 building bonds voted May 26 (V. 98, p. 1789).

HARRISON COUNTY (P. O. Gulfport), Miss.—BONDS TO BE OFFERED SHORTLY.—According to reports, an issue of \$3,000 road bonds will be offered for sale in the near future.

HARTLAND SCHOOL TOWNSHIP (P. O. Emmons, Minn.), Worth County, Iowa.—BOND SALE.—On Sept. 19 the \$3,000 5% 10-year building bonds (V. 98, p. 1866) were awarded to Schanke & Co. of Mason City, according to reports.

HENRY COUNTY (P. O. Napoleon), Ohio.—BONDS NOT TO BE RE-OFFERED AT PRESENT.—We are advised that the seven issues of 5% coupon road-impt. bonds, aggregating \$76,000, offered without success on Aug. 17 (V. 99, p. 557) and the two issues of 5% coupon Holgate-Kiefersville inter-county highway No. 320 bonds, aggregating \$9,050, offered without success on Aug. 24 (V. 99, p. 622) will not be reoffered until the financial situation improves.

HILL COUNTY SCHOOL DISTRICT NO. 24 (P. O. Hingham), Mont.—BOND SALE.—The \$9,000 6% 16-20-year (opt.) site-purchase, building and equipment bonds offered on Aug. 25 (V. 99, p. 490) were awarded on Sept. 2 to C. H. Coffin of Chicago for \$9,009, equal to 100.10.

HODGENVILLE, Larue County, Ky.—BIDS REJECTED.—All bids received on Sept. 26 for the \$14,000 5% 14 1/2-yr. (aver.) coup. water-works bonds offered on that day (V. 99, p. 915) were rejected.

HOUSTON, Harris County, Tex.—BOND ELECTION.—The questions of issuing \$3,000,000 wharves; \$200,000 school; \$1,000,000 sewerage; \$1,000,000 drainage; and \$250,000 park 5% serial bonds will be submitted to the voters on Oct. 28.

INDIANA.—TEMPORARY LOAN.—On Sept. 29 a temporary loan of \$250,000, due Dec. 30 was negotiated, reports state, at 5 1/2% interest with the following Indianapolis banks; the Merchants' Nat. Bank, \$100,000; the Indiana Nat. Bank, \$50,000 and the Indiana Trust Co., \$100,000. The above loan makes the total temporary indebtedness of the State now \$685,000. Of this amount \$400,000 was lent the State by the Fletcher-American National Bank early in August and \$35,000 was lent the State by three banks, as follows: Central National, Greencastle, \$20,000; Citizens National, Greencastle, \$5,000, and Citizens National, Tipton, \$10,000.

INDIANAPOLIS, Ind.—TEMPORARY LOAN.—On Sept. 26 the loan of \$100,000 dated Sept. 28 1914 and maturing Dec. 1 1914 (V. 99, p. 915) was negotiated with the Indiana Tr. Co. of Indianapolis on its bid of 6% int., plus \$5.

IOLA, Allen County, Kans.—NO BOND ELECTION.—We are advised by the City Clerk that the reports stating that an election is to be held Nov. 3 to vote on the question of issuing \$20,000 monument bonds, are erroneous.

JACKSON, Madison County, Tenn.—BOND OFFERING.—Proposals will be received until 12 m. Oct. 6 by F. E. Howard, City Recorder, for the following 6% coup. bonds:

\$6,306 general-improvement bonds, series No. 1. Due Oct. 1 1919.

\$6,295 general-improvement bonds, series No. 2. Due Oct. 1 1924.

12,585 street-improvement bonds, series Nos. 4, 5, 9, 10, 11, 12 and 13. Due in annual installments from 1 to 5 years incl.

12,610 street-improvement bonds, series Nos. 2 and 3. Due in annual installments from 1 to 5 years incl.

Date Oct. 1 1914. Int. A. & O. Certified check for 10% of bid required.

JACKSONVILLE, Athens County, Ohio.—BOND OFFERING.—Proposals will be received until 12 m. Nov. 2 by C. N. Darst, Vil. Clerk, for the following 6% coupon street-improvement (assess.) bonds: \$1,750 Fourth St. improvement bonds. Denom. \$175. Due \$175 yearly on Sept. 1 from 1915 to 1924 incl.

1,500 Fifth St.-improvement bonds. Denom. \$150. Due \$150 yearly on Sept. 1 from 1915 to 1924 incl.

Date Sept. 1 1914. Int. ann. Cert. check for 10% of bonds, payable to "Vil. of Jacksonville", required. Bids must be unconditional.

JASPER COUNTY (P. O. Rensselaer), Ind.—BONDS AWARDED IN PART.—On Sept. 28 the \$12,800 4 1/2% 5 1/2-yr. (aver.) highway-impt. bonds (V. 99, p. 844) were awarded to the Fletcher-American Nat. Bank of Indianapolis at par and int., less \$175 discount. Denom. \$630. Date Oct. 1 1914. Int. M. & N.

No sale was made of the \$11,600 4 1/2% 5 1/2-yr. (aver.) highway-impt. bonds also offered on Sept. 28 (V. 99, p. 844).

JEFFERSON COUNTY (P. O. Madison), Ind.—BOND SALE.—On Sept. 28 \$1,335 4 1/2% Sullivan road, Smyrna Twp. bonds were awarded, reports state, to John B. Lawler of Madison for \$1,340 25 (100.393) and int.

JENNINGS SCHOOL TOWNSHIP (P. O. Leavenworth), Crawford County, Ind.—BOND SALE.—On Sept. 9 the \$2,000 4 1/2% school-bldg.

bonds (V. 99, p. 623) were awarded to M. R. Shrewsbury for \$2,007 41—equal to 100.37. T. B. Somer bid par.

JOHNSTOWN, Licking County, Ohio.—**BONDS NOT YET SOLD.**—Up to Sept. 26 no sale had yet been made of the \$5,000 5% 5½-year (aver.) refunding bonds offered without success on Aug. 10 (V. 99, p. 490). These bonds will be re-offered when the market improves.

KEEWATIN, Itasca County, Minn.—**BOND OFFERING.**—Bids will be received until 8 p. m. Oct. 5 by C. W. Extrum, Vil. Clerk, for the following 5% bonds:
\$80,000 funding and refunding bonds. Due \$8,000 a year beginning Aug. 29 1915.
50,000 street-improvement bonds. Due \$5,000 a year beginning Sept. 15 1915.

20,000 village bonds. Due \$2,000 a year beginning Sept. 15 1915.
Int. semi-ann. Cert. check for 10% of bid, payable to Vil. Treas., required. Purchaser to pay accrued interest. These bonds were offered without success on Sept. 15 (V. 99, p. 915).

KENTON, Hardin County, Ohio.—**BOND OFFERING.**—Proposals will be received until 12 m. Oct. 22 by the Sinking Fund Trustees, W. F. Alt., Secy., for the following 5% bonds:
\$7,800 Wayne St. paving (assess.) bonds. Denom. \$780. Due \$780 yearly on April 1 from 1915 to 1924 incl.

2,800 Wayne St. (city's portion) bonds. Denom. \$280. Due \$280 yearly on April 1 from 1918 to 1927 incl.

3,300 local sewer No. 13 improvement bonds. Denom. \$660. Due \$660 yearly on April 1 from 1915 to 1919 incl.
1,200 local sewer No. 13 improvement (city's portion) bonds. Denom. \$240. Due \$240 yearly on April 1 from 1918 to 1922 incl.
Date Aug. 1 1914. Int. F. & A. A deposit of 5% of bid required.

KERR CREEK DRAINAGE DISTRICT, Rowan County, No. Caro.—**BOND OFFERING.**—Bids will be considered until 10 a. m. Nov. 2 at the office of the Clerk of the Superior Court (P. O. Salisbury) for \$12,000 6% drainage impt. bonds. Denom. to suit purchaser. Int. semi-ann. Due part yrly. on Dec. 1 from 1917 to 1926 incl.

KNOXVILLE, Knox County, Tenn.—**BOND SALE.**—On Sept. 21 \$25,000 6% 15-yr. (ser.) Gay St. paving (city's portion) bonds were awarded, it is stated, to E. E. McMillan of Knoxville at par.

LAKE COUNTY (P. O. Crown Point), Ind.—**BOND OFFERING.**—Proposals will be received until 10 a. m. to-day (Oct. 3) (and from day to day thereafter until sold) by A. J. Swanson, Co. Treas., for the following 4½% highway-improvement bonds:
\$14,000 Chas. C. Seydel road-improvement bonds in Hobart Twp. Denom. \$700.

15,925 A. H. Gibbs road-impt. bonds in Winfield Twp. Denom. \$796 25.
12,000 C. A. Borman road-impt. bonds in Calumet Twp. Denom. \$600.
7,000 Harry Call road-impt. bonds in Calumet Twp. Denom. \$350.
34,000 Henry Schreiber road-impt. bonds in North Twp. Denom. \$850.
12,500 Chas. H. Frederich road-impt. bonds in North Twp. Denom. \$625.
12,500 Fred Man road-impt. bonds in Ross Twp. Denom. \$625.
Int. M. & N. Due one bond of each issue each six months from May 15 1915 to Nov. 15 1924 incl.

LANSDOWNE SCHOOL DISTRICT (P. O. Lansdowne), Delaware County, Pa.—**BOND SALE.**—The \$30,000 of an issue of \$60,000 4½% coupon tax-free school bonds offered on Sept. 1 have been sold to a Philadelphia firm, it is stated. Denom. \$1,000. Date May 28 1914. Int. M. & N. Due on 1st as follows: \$2,000 in 1924, 1925, 1929, 1930, 1931, 1932, 1933 and \$4,000 in 1935, 1936, 1937 and 1938.

LA SALLE, La Salle County, Ills.—**BOND OFFERING.**—Proposals will be received by John B. Lawniczak, City Clerk, until 8 p. m. Oct. 6 for \$40,000 5% sewer bonds. Denom. \$600. Date Nov. 1 1914. Int. M. & N. Due \$4,000 yearly on Nov. 1 from 1919 to 1928 incl. These bonds were offered without success on Sept. 15 (V. 99, p. 915).

LAWRENCE COUNTY (P. O. Bedford), Ind.—**BONDS NOT SOLD.**—No bids were received on Sept. 28 for the \$4,800 4½% road-improvement bonds offered on that day (V. 99, p. 915).

LE ROY, McLean County, Ills.—**BOND SALE.**—The \$8,000 improvement bonds voted Aug. 25 (V. 99, p. 689) have been sold.

LESTERSHIRE, Broome County, N. Y.—**CERTIFICATE SALE.**—On Sept. 28 the \$3,696 18 paving (assess.) certificates of indebtedness (V. 99, p. 915) were awarded to the First Nat. Bank, Lestershire, at par for 5s.

LETCHER COUNTY (P. O. Whitesburg), Ky.—**BOND ELECTION PROPOSED.**—Reports state that the question of issuing road-construction bonds will be submitted to a vote in November.

LEWIS SCHOOL TOWNSHIP (P. O. Brazil), Clay County, Ind.—**BOND OFFERING.**—Proposals will be received by Elihu Puckett, Twp. Trustee, until 9 a. m. Oct. 18 for \$1,300 4½% school bonds. Denom. \$100. Date Aug. 1 1914. Due not over 4 years. Bids must be made on forms furnished by above Trustee.

LIMA, Allen County, Ohio.—**BONDS TO BE SOLD LOCALLY.**—Reports state that this city will sell to local investors \$9,000 water bonds in denominations of \$100 each.

LONDON VILLAGE SCHOOL DISTRICT (P. O. London), Madison County, Ohio.—**BOND OFFERING.**—Proposals will be received until 12 m. Oct. 15 by M. M. Creath, Clerk Bd. of Ed., for \$7,500 6% refunding bonds. Auth. Sec. 5556, Gen. Code. Denom. (10) \$250, (10) \$500. Date "day of sale". Int. M. & S. at office of Treas. of Bd. of Ed. Due \$500 on Mar. 1 and \$250 Sept. 1 from Mar. 1 1916 to Sept. 1 1925 incl. Cert. check for 5% of bonds bid for, required. Purchaser to pay accrued interest.

LORAIN, Lorain County, Ohio.—**BONDS NOT SOLD.**—No bids were received on Sept. 28 for the two issues of 5% coupon bonds, aggregating \$22,321 14 offered on that day (V. 99, p. 768).
No bids were received, it is stated, for the \$20,000 5% 7½-year (aver.) coup. cemetery-impt. bonds offered on Sept. 30 (V. 99, p. 768).

LORAIN COUNTY (P. O. Elyria), Ohio.—**BOND SALE.**—The Industrial Commission of Ohio has purchased the two issues of 5% road-impt. bonds, aggregating \$37,000, offered without success on Aug. 26 (V. 99, p. 623).

MARTHUR, Vinton County, Ohio.—**BOND OFFERING.**—Proposals will be received until 12 m. Oct. 26 by E. H. Perkins, Vil. Clerk, for \$9,000 5½% coup. street-impt. bonds. Denom. \$1,000. Date Oct. 28 1914. Int. ann. at Vinton County Nat. Bank. Due \$1,000 yearly on Sept. 15 from 1937 to 1945 incl. Cert. check for \$100, payable to Vil. Clerk, required. Bonds to be delivered and paid for within 10 days from time of award. Purchaser to pay accrued int. These bonds were offered without success as 5s on Aug. 31 (V. 99, p. 689).

MADEIRA SCHOOL DISTRICT (P. O. Madeira), Hamilton County, Ohio.—**BOND SALE.**—The \$1,000 5½% 35-year school bonds offered on Sept. 19 (V. 99, p. 689) have been awarded to Mayer, Deppe & Walter of Cincinnati at par and interest, it is stated.

MADISON COUNTY (P. O. London), Ohio.—**BOND SALE.**—The \$30,000 5% coupon bridge bonds offered without success on Aug. 10 (V. 99, p. 558) have been sold.

MAMAKATING (Town) Union Free School District No. 1, Sullivan County, N. Y.—**BOND OFFERING.**—Proposals will be received until 1 p. m. Oct. 10 by J. H. Seybolt, Member Bd. of Ed. (P. O. Bloomingburg), for \$8,000 4½% school bonds. Denom. \$1,000. Date Oct. 10 1914. Int. A. & O. at Orange County Tr. Co., Middletown. Due \$1,000 yearly on Oct. 10 from 1915 to 1924 incl. Cert. check, cash or bank draft for 10% of bonds required.

MANCANITA SCHOOL DISTRICT, Butte County, Calif.—**BOND OFFERING.**—It is stated that bids will be received until 10 a. m. Oct. 6 by C. F. Belding, County Clerk (P. O. Oroville) for the \$12,000 5% building and equipment bonds voted during August (V. 99, p. 623). Denom. \$1,000.

MANLIUS, Onondaga County, N. Y.—**BOND SALE.**—On Sept. 23 \$10,000 5% 10-10-year (ser.) refunding bonds were awarded as follows: \$5,000 to Mary O. Scoville, \$3,000 to Minnie Rowland, \$2,000 to the Manlius Cemetery Association; \$1,000 to Christ Church and \$1,000 to the Board of Village Trustees, all at par. Denom. \$1,000. Date Oct. 1 1914. Int. ann.

MARION, Marion County, Ohio.—**BONDS NOT SOLD.**—Reports state that no bids were received on Sept. 29 for the two issues of 5% bonds, aggregating \$63,000, offered on that day (V. 99, p. 768).

MARION COUNTY (P. O. Indianapolis), Ind.—**BONDS PROPOSED.**—According to reports this county is contemplating the issuance of \$300,000 Washington Township road bonds.

MARSHFIELD, Coos County, Ore.—**BONDS VOTED.**—At a recent election the proposition to issue \$13,000 gymnasium-construction bonds received a favorable vote, reports state.

MARTIN COUNTY (P. O. Fairmont), Minn.—**BONDS AWARDED IN PART.**—Of the 8 issues of ditch bonds aggregating \$150,000 (V. 99, p. 491) offered on Aug. 28, \$38,000 were awarded. It is stated, to the Minnesota Loan & Trust Co., the Wells & Dickey Co., Minneapolis Tr. Co., and C. O. Kalman & Co., all of Minneapolis, at their joint bid of par for 6s, with option on balance of \$112,000 at same rate to Jan. 1 1915.

MAUMEE, Lucas County, Ohio.—**BOND OFFERING.**—Proposals will be received until 12 m. Oct. 26 by Thos. N. Dowling, Vil. Clerk, for \$12,000 6% Key St. sewer district (assess.) bonds. Denom. \$500. Date Sept. 1 1914. Int. M. & S. Due \$1,000 yearly on Sept. 1 from 1916 to 1921 incl. and \$1,500 yearly on Sept. 1 from 1922 to 1925 incl. Certified check for \$2,000 of bonds bid for, payable to Village Treasurer, required. Bonds to be delivered and paid for within 10 days from time of award. Purchaser to pay accrued interest. A similar issue of \$11,000 4½% bonds was offered without success on Sept. 1 (V. 99, p. 689).

MIAMI COUNTY (P. O. Troy), Ohio.—**BONDS TO BE SOLD LOCALLY.**—The County Aud. advises us that the \$14,000 5% 3-year (aver.) Shook road-impt. (assess.) bonds offered without success on Sept. 4 (V. 99, p. 768) will probably be sold to local investors.

MIDDLEFIELD, Geauga County, Ohio.—**BOND SALE.**—We are advised that the \$4,000 5% 18½-year (aver.) street-impt. (village's portion) bonds offered without success on Aug. 24 (V. 99, p. 689) have been sold.

MINNESOTA.—**BOND SALES.**—During the month of September the following twenty-four issues of 4% bonds, aggregating \$484,400, were purchased by the State at par:

Amount.	Place Issuing Bonds—	Purpose	Date.
\$4,000	Albany, Stearns County	Municipal	Sept. 5 1914
20,000	Aurora, St. Louis County	do	Sept. 5 1914
15,000	Aurora, St. Louis County	do	Sept. 5 1914
8,000	Barrett, Grant County	do	Sept. 23 1914
25,000	Big Stone County Judicial Ditch No. 4	Ditch	Sept. 23 1914
20,000	Brown County School District No. 1	School	Sept. 23 1914
18,000	Chippewa County Ind. School Dist. No. 1	do	Sept. 5 1914
42,000	Faribault County Co. Ditch No. 17	Ditch	Sept. 23 1914
8,000	Faribault County Co. Ditch No. 18	do	Sept. 23 1914
6,500	Faribault County Co. Ditch No. 19	do	Sept. 23 1914
14,000	Heron Lake, Jackson County	Municipal	Sept. 5 1914
35,000	Marshall, Lyon County	do	Sept. 23 1914
5,800	Hills, Rock County	do	Sept. 23 1914
1,500	Millewood, Aitken County	do	Sept. 5 1914
7,500	Nicolett County Consol. S. D. No. 43	School	Sept. 23 1914
5,000	Paynesville, Stearns County	Municipal	Sept. 5 1914
4,400	Penock, Kandiyohi County	do	Sept. 5 1914
3,000	Pine County School District No. 100	School	Sept. 5 1914
17,800	Polk County Co. Ditch No. 19	Ditch	Sept. 23 1914
100,000	St. Louis County Co. Ditch No. 1	Ditch	Sept. 23 1914
93,000	St. Louis County School Dist. No. 12	School	Sept. 5 1914
10,200	Traverse County Judicial Ditch No. 4	Ditch	Sept. 23 1914
5,700	Walnut Grove Redwood County	Municipal	Sept. 5 1914
15,000	Watwan County School Dist. No. 20	School	Sept. 5 1914

MODESTO SCHOOL DISTRICT (P. O. Modesto), Stanislaus County, Cal.—**BOND ELECTION.**—An election will be held Oct. 31, reports state, to vote on the question of issuing \$20,000 grammar-school-site-purchase bonds.

MONTEREY COUNTY (P. O. Salinas), Calif.—**BOND ELECTION.**—According to reports the proposition to issue about \$500,000 road and bridge-improvement bonds will be submitted to a vote on Nov. 3.

MONTGOMERY COUNTY (P. O. Rockville), Md.—**BOND SALE POSTPONED.**—The sale of the two issues of 5% coup. road-construction bonds, aggregating \$26,000, which was to have taken place on Sept. 29 (V. 99, p. 768), has been postponed.

MT. BLANCHARD, Hancock County, Ohio.—**BOND ELECTION PROPOSED.**—According to reports an election will be held in the near future to vote on the question of issuing \$100,000 water-works-construction bonds.

MOUNT OLIVER, Allegheny County, Pa.—**BOND ELECTION.**—An election will be held Nov. 3 to vote on the question of issuing \$43,000 playground-purchase and equipment bonds.

MUSKEGON HEIGHTS, Muskegon County, Mich.—**BOND ELECTION RESCINDED.**—Reports state that the election to vote on the question of issuing the \$25,000 water-system-improvement bonds which was to have been held Oct. 5 (V. 99, p. 844) has been rescinded.

NASSAU COUNTY (P. O. Mineola), N. Y.—**BOND ELECTION.**—The question of issuing \$100,000 tuberculosis-hospital bonds will be submitted to a vote on Nov. 3, it is stated.

NEWBURGH, Orange County, N. Y.—**BONDS NOT SOLD.**—No bids were received for the \$28,000 4½% 15-year William St. paving bonds offered on Sept. 19. Denom. \$100. Date Nov. 1 1914. Int. M. & N. at the City Treas. office, or in N. Y. exchange at the option of purchaser. The sale of these bonds has been withdrawn for the present.

NEW LEXINGTON, Perry County, Ohio.—**BOND SALE.**—The \$1,200 5½% 2-11-yr. (ser.) coupon Orchard St.-improvement (city's portion) bonds described in V. 99, p. 217 have been taken by the Sinking Fund Trustees at par and accrued interest.

NEW LEXINGTON VILLAGE SCHOOL DISTRICT (P. O. New Lexington), Perry County, Ohio.—**BOND SALE.**—Reports state that the \$4,000 5% 7½-year (aver.) public-school-property-impt. bonds (V. 99, p. 845) were awarded to the Perry County Bank of New Lexington at par.

NEW MADISON VILLAGE SCHOOL DISTRICT (P. O. New Madison), Darke County, Ohio.—**BOND SALE.**—On Sept. 26 the \$1,500 5% 2-6-yr. (ser.) coupon building and improvement bonds (V. 99, p. 916) were awarded to the Farmers' Banking Co. of New Madison at 100.80.

NEW PHILADELPHIA SCHOOL DISTRICT (P. O. New Philadelphia), Tuscarawas County, Ohio.—**BOND SALE.**—On Oct. 1 the \$20,000 6% 17½-year (aver.) school bonds (V. 99, p. 845) were awarded to Davies, Bertram & Co. of Cincinnati at 103.005, it is stated, a basis of about 5.632%.

NEW RICHMOND, Clermont County, Ohio.—**BONDS NOT YET SOLD.**—Up to Sept. 26 no sale had been made of the \$2,000 5% coupon street-improvement bonds offered without success on Sept. 7. (V. 99, p. 768.)

NEW YORK CITY.—**BOND SALE.**—In addition to the \$100,000,000 6% gold loan placed by this city in September (V. 99, p. 792 and 871), the following bonds were purchased during that month by the Sinking Fund at par:

Purpose—	Int.	Maturity.	Amount.
Various municipal purposes	3	1923	\$200,000 00
do do do	3	1939	1,198,267 66
General fund bonds	3	1930	3,000,000 00
Total			\$4,398,267 66
The following short-term securities, aggregating \$2,127,800, and consisting of special revenue bonds and corporate stock notes, were also issued during September:			
Revenue Bonds, 1914—	Int.	Maturity.	Amount.
Special	5%	Jan. 15 1915	\$200,000 00
do	5	Mar. 1 1915	44,300 00
do	5	April 2 1915	2,500 00
Total revenue bonds (special)			\$246,800 00
Corporate Stock Notes—			
Various municipal purposes	5%	Feb. 26 1915	\$250,000 00
do do	5	Dec. 1 1914	31,000 00
do do	3	(On or before Dec. 31 1914)	200,000 00
Water	5%	Feb. 26 1915	300,000 00
do	3	(On or before Dec. 31 1914)	300,000 00
Rapid transit	4	(On or before Dec. 31 1914)	800,000 00
Total corporate stock notes			\$1,881,000 00

NEW VIENNA, Clinton County, Ohio.—BONDS NOT SOLD.—It is stated that there were no bidders for the \$5,000 5% 10-yr. water-works-impt. bonds offered Sept. 1 (V. 99, p. 363).

NORA SPRINGS SCHOOL DISTRICT (P. O. Nora Springs), Floyd County, Iowa.—BOND SALE.—We have just been advised that on April 10 \$35,000 5% building bonds were awarded to the Geo. M. Bechtel & Co. of Davenport for \$36,032 60, equal to 102.95. Denom. \$1,000. Date April 15 1914. Int. A. & O. Due April 15 1924, optional \$1,000 yearly for last 5 years.

NORTH WALES, Montgomery County, Pa.—BOND SALE.—The \$40,000 sewer bonds voted Jan. 20 (V. 99, p. 426) have been sold to local investors.

NORTON TOWNSHIP (P. O. Barberton), Summit County, Ohio.—BONDS NOT SOLD.—No sale has yet been made of the \$7,724 24 5% coupon Norton Center road-improvement bonds offered without success on Aug. 7 (V. 99, p. 286). These bonds are still for sale. Roger O. Miller is Twp. Clerk.

OKTIBBEHA COUNTY (P. O. Starkville), Miss.—BONDS VOTED.—The question of issuing the \$130,000 road bonds in Beat 1 (V. 99, p. 845) carried, it is stated, at the election held Sept. 25 by a vote of 273 to 157.

ONTANAGON, Ontonagon County, Mich.—BONDS VOTED.—The question of issuing the \$3,000 water-works bonds (V. 99, p. 916) carried, at the election held Sept. 28 by a vote of 72 to 18. Due \$500 yearly.

ONTARIO, Malheur County, Ore.—BOND SALE.—An issue of \$13,664 6% sewer improvement bonds has been awarded to Morrison-Knudson Co. at par. Denom. \$500. Date Aug. 3 1913. Int. J. & J. Due Aug. 3 1924, optional after one year.

ORANGE, Orange County, Tex.—BONDS PROPOSED.—According to reports, this city is contemplating the issuance of \$100,000 school, \$150,000 wharves and docks, \$25,000 municipal-building and \$25,000 street-improvement bonds.

ORIENTAL SCHOOL DISTRICT (P. O. Oriental), Pamlico County, No. Caro.—BOND SALE.—According to reports this district has sold \$10,000 school-building bonds to an Ohio concern.

OSTRANDER SCHOOL DISTRICT (P. O. Ostrander), Delaware County, Ohio.—BONDS NOT YET ISSUED.—We are informed that the \$15,000 school-bldg.-impt. bonds voted Feb. 17 (V. 98, p. 1868) have not yet been issued.

OTERO COUNTY (P. O. Alamogordo), N. Mex.—BOND ELECTION PROPOSED.—According to reports, an election will probably be called to vote on the proposition to issue \$100,000 road-construction bonds.

PAINESVILLE, Lake County, Ohio.—BOND SALE.—The two issues of 5% coup. bonds, aggregating \$8,500, offered without success on Aug. 3 (V. 99, p. 426) have been awarded to a local investor at par and int.

PARK COUNTY SCHOOL DISTRICT NO. 4, Mont.—BOND OFFERING.—Bids will be received until 8 p. m. Nov. 2, it is stated, by E. M. Sybert, Clerk of Board of School Trustees (P. O. Livingston), for \$10,000 5% 10-20-year (opt.) school bonds. Certified check for \$300 required.

PARNASSUS, Westmoreland County, Pa.—BOND SALE.—The \$35,000 4.4% 5-25-yr. (opt.) bonds offered without success on July 7 (V. 99, p. 217) have been purchased by the Parnassus Nat. Bank. This item was inadvertently reported in last week's "Chronicle" under the head of Parnassus, Md.

PASADENA SCHOOL DISTRICT (P. O. Pasadena), Los Angeles County, Calif.—BOND ELECTION.—It is stated that the election to vote on the question of issuing the \$24,000 school bonds (V. 99, p. 917) will be held Oct. 20.

PENNINGTON COUNTY (P. O. Thief River Falls), Minn.—BOND ELECTION.—According to local newspaper, an election will be held Nov. 3 to submit to a vote the question of issuing \$50,000 hospital bonds.

PETOSKEY, Emmet County, Mich.—BOND SALE.—On Sept. 1 the \$12,100 5% 1-4-year (serial) paving bonds (V. 99, p. 363) were awarded to local people at par. Denom. \$100. Date Aug. 1 1914. Interest annually on Aug. 1.

PIPESTONE, Pipestone County, Minn.—BONDS NOT SOLD.—Reports state that no bids were received for the \$5,000 5% 20-year sewer bonds offered on Aug. 28.

PLAIN CITY, Madison County, Ohio.—BOND OFFERING.—Proposals will be received until 12 m. Oct. 22 by Lloyd McCampbell, V. P. Clerk, for \$6,500 5½% 3-year coupon municipal-light and water-plant-impt. bonds. Auth. Sec. 3939 Gen. Code. Denom. \$500. Date Nov. 1 1914. Int. M. & N. at Farmers' Nat. Bank, Plain City. Cert. check for \$150, payable to V. Treas., required. Bonds to be delivered and paid for within 10 days from time of award. Purchaser to pay accrued int.

PLANT CITY, Hillsborough County, Fla.—BONDS VOTED.—According to reports, the question of issuing \$20,000 water and \$20,000 street-impt. 6% bonds carried, at the election held Sept. 15.

PLEASANT TOWNSHIP (P. O. Old Fort), Seneca County, Ohio.—BOND SALE.—On Sept. 26 the \$10,000 5% highway-improvement bonds series No. 3 (V. 99, p. 917) were awarded to the Commercial Nat. Bank of Tiffin at par and interest, it is stated.

PLUMSTED TOWNSHIP SCHOOL DISTRICT (P. O. New Egypt), Ocean County, N. J.—BONDS NOT TO BE OFFERED THIS YEAR.—The District Clerk advises us under date of Oct. 1 that the \$3,000 school bonds recently voted will not be offered for sale before June 1 1915.

POLK COUNTY SCHOOL DISTRICT NO. 13 (P. O. Monmouth County, Ore.—BONDS VOTED.—The issuance of \$1,000 gymnasium-building bonds received a favorable vote, it is stated, at a recent election.

POPLAR SCHOOL DISTRICT, Lassen County, Calif.—BOND SALE.—The \$1,750 6% school bonds offered on Sept. 15 (V. 99, p. 690) were awarded on Sept. 22 to the Bank of Lassen County, Susanville, for \$1,796 40—equal to 102.651.

PORTLAND, Ore.—BOND SALE.—The following bids were received for the \$300,000 6% improvement bonds offered on Sept. 22 (V. 99, p. 845):

Table with columns: Bidder, Amount Bid For, Price Bid, Bidder, Amount Bid For, Price Bid. Lists various bidders and their respective bid amounts and prices for \$300,000 6% improvement bonds.

* Successful bids. W. F. White was only awarded \$37,500 for a premium of \$8 83. The Security Sav. Bank & Trust Co. of Portland submitted a conditional bid of 100.26 for \$25,000.

BOND OFFERING.—Proposals will be received until 2 p. m. Oct. 6 by A. L. Barbur, City Auditor, for \$100,000 4½% 25-year gold coup. bonds, Series "E." Denom. \$1,000. Date Oct. 1 1914. Int. A. & O. at the City Treasurer's office or at fiscal agency of City of Portland in N. Y. City. Certified or cashier's check on a responsible bank of Portland for 5% of bonds bid for, payable to the Mayor, required. Bonds to be delivered in Portland at bank to suit purchaser. An issue of \$150,000 dock bonds, Series "E." was offered without success on Sept. 14 (V. 99, p. 845).

PORTSMOUTH, Scioto County, Ohio.—BOND SALE POSTPONED.—The City Auditor advises us that the sale of the \$12,000 4½% 11-year coupon city-hospital bonds offered but not sold on Sept. 1 (V. 99, p. 690) has been indefinitely postponed.

BOND OFFERING.—Proposals will be received until 12 m. Oct. 27 by Geo. L. Gableman, City Aud., for \$78,000 5% coup. street-impt. (assess.) bonds. Denom. \$500. Date Sept. 1 1914. Int. M. & S. at office of

City Treas. Due \$6,000 Sept. 1 1915 and \$8,000 yearly on Sept. 1 from 1916 to 1924 incl. Cert. check for 2% of bonds bid for, payable to City Aud., required. Bids must be unconditional.

PULASKI COUNTY (P. O. Winamac), Ind.—BOND OFFERING.—Proposals will be received until 3 p. m. Oct. 17 by J. J. Lowry, Co. Treas., for \$4,600 4½% W. H. Thompson et al highway-impt. bonds in Tippecanoe Twp. Denom. \$230. Date Sept. 8 1914. Int. M. & N. Due \$230 each six months from May 15 1915 to Nov. 15 1924 incl.

PUTNAM COUNTY (P. O. Greencastle), Ind.—BOND SALE.—Reports state that the Central Nat. Bank of Greencastle has purchased the three issues of 4½% highway-improvement bonds, aggregating \$32,750 offered without success on Sept. 7 (V. 99, p. 769).

RANDOLPH COUNTY (P. O. Huntsville), Mo.—BOND ELECTION.—Reports state that an election will be held Nov. 3 to submit to a vote the questions of issuing \$100,000 court-house and \$30,000 infirmary-bldg. bonds.

RED BLUFF, Tehama County, Calif.—BOND ELECTION PROPOSED.—Reports state that a petition is being circulated calling for an election to vote on the question of issuing \$85,000 municipal-water-system bds.

RED BUD, Randolph County, Ill.—BONDS TO BE SOLD LOCALLY.—The Mayor under date of Sept. 28 advises us that the water-works bonds recently voted will be sold to local investors.

REGAN, Burleigh County, No. Dak.—BONDS VOTED.—Local newspaper reports state that the proposition to issue \$3,000 bldg. bonds carried at a recent election.

REYNOLDSBURG, Franklin County, Ohio.—BOND ELECTION.—Reports state that the question of issuing \$5,000 school playground enlargement bonds will be submitted to a vote at the Nov. election.

RIO BONITO SCHOOL DISTRICT (P. O. Biggs), Butte County, Calif.—BOND SALE.—The \$6,000 building bonds voted Aug. 15 and offered for sale on Sept. 21 (V. 99, p. 624) have been sold at par and int. to Major A. F. Jones, it is stated.

RIPPERDAM SCHOOL DISTRICT, Madera County, Cal.—BOND SALE.—On Sept. 21 the \$3,500 6% 1-7-year (serial) school bonds (V. 99, p. 559) were awarded to the First National Bank of Madera at par. Denom. \$500. Date Sept. 21 1914. Interest annually in September.

ROANOKE COUNTY (P. O. Salem), Va.—BOND ELECTION PROPOSED.—This county is contemplating the question of calling an election to vote on the proposition to issue \$300,000 highway-impt. bonds.

ROCKHAM SCHOOL DISTRICT (P. O. Rockham), Faulk County, So. Dak.—BOND ELECTION PROPOSED.—The Town Council has been petitioned to call an election to vote on the question of issuing \$10,000 school-building bonds.

ROCK ISLAND COUNTY (P. O. Rock Island), Ill.—BOND ELECTION.—Reports state that the propositions to issue \$75,000 county-jail-building, \$30,000 Colona ferry bridge and \$45,000 Rock River bridge bonds will be submitted to a vote on Nov. 3.

ROCKMART, Polk County, Ga.—BOND SALE.—The \$5,000 5% 1-10-year (ser.) electric-plant-improvement bonds voted Aug. 8 (V. 99, p. 492) have been sold at private sale at par. Interest annual in Jan. at office of City Treasurer.

ROCKSPRINGS SCHOOL DISTRICT (P. O. Rocksprings), Edwards County, Tex.—BONDS NOT SOLD.—The County Judge advises us under date of Sept. 24 that no sale has yet been made of the \$15,000 5% 10-40-year (opt.) school bonds offered in March (V. 98, p. 854).

ROCKVILLE, Montgomery County, Md.—BOND OFFERING.—Proposals will be received until 12 m. Oct. 7 by Lee Offutt, Mayor, for \$50,000 5% bonds. Denom. \$500. Date Nov. 1 1914. Int. M. & N. at office of Mayor and Council. Due \$1,000 yearly from 2 to 11 years, incl., and \$1,500 yearly thereafter. Certified check for \$250, payable to Mayor and Council, required.

ROCKY COMFORT SCHOOL DISTRICT, Riverside County, Calif.—BOND OFFERING.—Bids will be received, it is stated, until 11 a. m. Oct. 7 by the Clerk Bd. of Co. Supervisors (P. O. Riverside) for \$4,000 6% school bonds. Denom. \$500. Cert. check for 10% required.

ROCKY RIVER, Cuyahoga County, Ohio.—BOND ELECTION.—An election will be held Nov. 3 to vote on the question of issuing \$50,000 sewer, sewage-disposal-works and municipal-improvement bonds.

BONDS NOT YET SOLD.—No sale has yet been made of the \$27,392 20 5% 5 2-3-yr. (aver.) Frazier Drive-impt. (assess.) bonds offered without success on Aug. 11 (V. 99, p. 492). These bonds, we are advised, will probably be re-offered when the market improves.

ROSEBURG, Douglass County, Ore.—BOND ELECTION.—An election will be held Oct. 5, reports state, to vote on the question of issuing \$500,000 railroad-aid bonds.

ROYAL OAK, Oakland County, Mich.—BOND ELECTION PROPOSED.—According to reports, an election will be held in the near future to vote on the question of issuing \$20,000 water-works-system-impt. bonds.

RUSHVILLE SCHOOL CITY (P. O. Rushville), Rush County, Ind.—BOND OFFERING.—According to reports bids will be received until Oct. 15 by the School Board for \$25,000 school bonds.

RUSSELL, Highland County, Ohio.—BOND ELECTION.—Local newspaper reports state that the question of issuing \$5,000 water-works-constr. bonds will be submitted to a vote on Nov. 3.

SACRAMENTO COUNTY (P. O. Sacramento), Cal.—BOND ELECTION.—The election to vote on the question of issuing the \$2,425,000 5% gold road bonds (V. 99, p. 363) will be held Oct. 16. Denom. \$1,000. Int. semi-annually at office of County Treasurer or at fiscal agency of said county in New York. Due \$25,000 in 1 year, \$50,000 yearly from 2 to 7 years, inclusive, and \$70,000 yearly from 8 to 37 years, inclusive.

ST. CLAIR HEIGHTS, Wayne County, Mich.—BOND SALE.—On Sept. 4 \$5,000 water-main-ext., \$5,000 trunk-sewer and \$16,000 Mack Ave. paving 5% 30-year bonds dated July 1 1914 were awarded to Matthew Finn of Detroit for \$26,500, equal to 101.923.

ST. JOHNS, Multnomah County, Ore.—BOND OFFERING.—Proposals will be received until 6 p. m. Oct. 6 by A. E. Dunsmore, City Recorder, for \$4,801 68, dated June 3 1914, \$3,169 52 dated July 15 1914, \$5,917 07 dated July 29 1914, and \$12,128 67 dated Aug. 5 1914, 6% coup. improvement bonds. Denom. \$500 or less. Interest semi-annual. Due in 10 years, subject to call any interest-paying date after 1 year. Certified check for 2% of bid, payable to "City of St. Johns," required. Bonds to be delivered within 15 days after acceptance of bid.

ST. JOSEPH COUNTY (P. O. South Bend), Ind.—BONDS NOT SOLD.—According to reports no bids were received on Sept. 25 for the \$100,000 4% 15½-yr. (aver.) gold coupon bridge bonds offered on that day (V. 99, p. 559).

According to newspaper dispatches, no bids were received for the \$180,000 4½% Lincoln highway-improvement bonds offered on Oct. 1 (V. 99, p. 917).

ST. MARY'S, Auglaize County, Ohio.—BONDS NOT YET SOLD.—Up to Sept. 28 no sale had yet been made of the two issues of 5% bonds aggregating \$3,200, offered without success on Sept. 5 (V. 99, p. 769). These bonds will probably be re-offered next spring.

ST. MARY'S SCHOOL DISTRICT (P. O. St. Mary's), Auglaize County, Ohio.—BOND ELECTION PROPOSED.—According to reports, an election will be held in Nov. to vote on the question of issuing \$50,000 bldg. and impt. bonds.

ST. PARIS SCHOOL DISTRICT (P. O. St. Paris), Champaign County, Ohio.—NO BONDS TO BE ISSUED.—The Clerk Board of Ed., advises us that this district is not contemplating the issuance of \$3,000 school bonds as stated in V. 99, p. 363.

SALEM, Columbiana County, Ohio.—BOND ELECTION PROPOSED.—According to reports, the questions of issuing \$20,000 police-dept.-equip. and \$10,000 motorization of fire dept. bonds will be submitted to the voters in November.

SAN ANTONIO, Bexar County, Tex.—BONDS NOT YET SOLD.—Up to Sept. 24 no sale had been made of the \$723,000 1-40-year (ser.) refunding bonds offered but not sold on June 1 (V. 98, p. 1634).

SANTA FE, Santa Fe County, N. Mex.—BONDS REFUSED.—Local papers state that Sweet, Causey, Foster & Co. of Denver have refused to accept the \$7,000 5½% 20-yr. sewer bonds awarded to them on July 1 (V. 99, p. 218).

SCBANTON, Lackawanna County, Pa.—BONDS PROPOSED.—According to reports this city is contemplating the issuance of park bonds.

SEATTLE, Wash.—BOND ELECTION PROPOSED.—This city, according to reports, proposes to submit to the voters on Nov. 3 the question of issuing bonds for the construction of a bridge at Latona, spanning the Lake Washington Canal.

BONDS NOT SOLD.—PART TO BE SOLD LOCALLY.—Local papers state that no bids were received for the following bonds offered on Sept. 12 (V. 99, p. 625):

- \$829,500 5% bridge bonds. Denom. (\$29) \$1,000, (1) \$500. Due \$83,000 yearly on Oct. 1 from 1924 to 1932 incl. and \$82,500 Oct. 1 1933.
- 404,000 5% light-ext. bonds. Denom. \$1,000. Due \$21,000 yearly on July 1 from 1915 to 1932 incl. and \$26,000 July 1 1933.
- 400,000 4½% light-ext. bonds. Denom. \$1,000. Due Oct. 1 1934.
- 125,000 4½% hospital bonds. Denom. \$1,000. Due \$12,000 yearly on Oct. 1 from 1923 to 1927 incl. and \$13,000 yearly on Oct. 1 from 1928 to 1932 incl.

A resolution was introduced on Sept. 28 providing for the sale in small units to Seattle citizens of the \$404,000 light-ext. bonds. The bonds will be sold in \$100 and \$500 denominations.

SEWARD, Nobles County, Minn.—BOND OFFERING.—Proposals will be received by Chas. West, Town Clerk (P. O. Fulda), for \$3,000 5% bridge bonds. Denom. \$500. Int. ann. on Jan. 1. Due \$500 yearly on Jan. 1 from 1917 to 1922 incl. Cert. check for 5% of bid required.

SHEBOYGAN FALLS, Sheboygan County, Wis.—BONDS PROPOSED.—Reports state that the Common Council on Sept. 1 passed an ordinance providing for the issuance of \$40,000 water-works and sewer-construction bonds. This item was inadvertently reported in V. 99, p. 769, under the head of Sheboygan, Wis.

SHELBY COUNTY (P. O. Shelbyville), Ind.—BONDS NOT SOLD.—No bids were received for the \$6,100 4½% 5½-year (aver.) highway-impt. bonds offered on Sept. 26 (V. 99, p. 845).

SISKIYOU COUNTY (P. O. Yreka), Calif.—BOND ELECTION.—The question of issuing \$720,000 5% bridge and road-impt. bonds will be submitted to a vote on Nov. 3, it is stated.

SISSETON, Roberts County, So. Dak.—BOND ELECTION.—An election will be held Oct. 6 to submit to a vote the proposition to issue \$40,000 5% 20-year sewer-construction bonds. Denom. \$1,000 or multiples thereof. Interest semi-annual.

SMITH TOWNSHIP (P. O. Sebring), Mahoning County, Ohio.—BOND SALE.—On Sept. 26 the \$3,000 5% 22½-year (average) school bonds (V. 99, p. 690) were awarded, reports state, to E. M. Whitelaw of Columbus at par.

SPARKS, Washoe County, Nev.—BONDS DEFEATED.—The City Clerk advises us that the proposition to issue the \$25,000 street and sewer bonds (V. 99, p. 70) "was defeated by action of the City Council."

SPRINGDALE, ALLEGHENY COUNTY, Pa.—BOND SALE.—We are advised that the two issues of water-works and funding bonds, aggregating \$20,000, voted June 15 (V. 98, p. 2014) have been sold to a local party.

SPRINGFIELD, Hampden County, Mass.—NO ACTION YET TAKEN.—The City Treasurer advises us under date of Sept. 27 that no action has yet been taken looking towards the issuance of the \$400,000 Fulton St. improvement bonds authorized by the City Council on July 13 (V. 99, p. 218).

SPRINGFIELD, Clark County, Ohio.—BOND OFFERING.—Proposals will be received until 1 p. m. Oct. 7 by Walter J. Barrett, Secretary of Sinking Fund Trustees, for \$6,700 and \$500, dated March 1 1911 and maturing March 1 1932; \$6,820 50, dated March 1 1911, due March 1 1933; \$1,332 90, dated Sept. 1 1910, due Sept. 1 1925, and \$7,252 20, dated March 1 1912 and maturing March 1 1933. These are city's portion bonds bearing 4½% interest and are tax-free.

STUBENVILLE, Jefferson County, Ohio.—BOND OFFERING.—Proposals will be received until 12 m. Oct. 23 by Chas. R. Wells, City Aud., for the following bonds:

- \$65,000 6% filtration-plant-completion bonds. Denom. \$1,000. Date Oct. 1 1914. Due Sept. 1 1916.
- 18,000 5% street-impt. (city's portion) bonds authorized July 27 (V. 99, p. 427). Denom. \$500. Date Sept. 1 1914. Due \$3,000 yearly on Sept. 1 from 1916 to 1921 incl.
- Int. semi-ann. Cert. check for 3% of bonds bid for, payable to City Treas., required. Bonds to be delivered and paid for within 10 days from time of award. Purchaser to pay accrued interest.

STILLWATER COUNTY SCHOOL DISTRICT NO. 19, Mont.—BOND OFFERING.—We are advised that an issue of \$1,500 6% school bonds will be offered for sale on Dec. 1. Miss Nannie Nelson is Clerk of Trustees (P. O. Columbus).

STILLWATER COUNTY SCHOOL DISTRICT NO. 31, Mont.—BOND OFFERING.—Proposals will be received on or before Dec. 15 for an issue of \$1,500 school bonds. Walter E. Hanks is Clerk of School Trustees.

STONE HARBOR, Cape May County, N. J.—BONDS AUTHORIZED.—Reports state that this town recently authorized the issuance of \$12,500 school-building bonds.

STRONG, Chase County, Kan.—BOND SALE.—On Sept. 21 the \$6,000 5% 20-year water-works-extension bonds (V. 99, p. 288) were awarded to D. E. Dumme & Co. of Wichita at par. Denom. \$1,000. Date Aug. 1 1914. Int. F. & A.

STUART, Patrick County, Va.—BONDS NOT YET ISSUED.—We are advised that the \$6,000 water and \$4,000 sewer 6% bonds voted March 24 (V. 98, p. 1107) have not yet been issued.

SUPERIOR, Douglas County, Wis.—BONDS AWARDED IN PART.—Local papers state that up to Sept. 22 the city has disposed of \$15,000 of the \$23,500 5% 10-year gold coupon main-sewer-construction bonds being offered over the counter (V. 99, p. 917).

SYLVANIA, Lucas County, Ohio.—BONDS NOT YET ISSUED.—The two issues of 5½% street-improvement (city's portion) bonds, aggregating \$7,000, authorized on June 19 (V. 99, p. 560) have not yet been issued.

TACOMA, Wash.—BOND SALE.—On Sept. 19 the \$35,000 6% 4-year (aver.) street-railway bonds, date Oct. 1 1914 (V. 99, p. 690) were awarded to the Tacoma Clearing House Assn. at par and int. There were no other bidders. Due \$5,000 yearly Oct. 1 from 1915 to 1921 incl.

TEXAS.—BONDS REGISTERED.—The following 5% bonds were registered during the week ending Sept. 26 by the State Comptroller:

Amount.	Place and Purpose.	Option.	Due.
\$6,500	Pottsville Independent School Dist.	20 years	40 years
500	Shelby County Common School Dist. No. 3	5	20
1,200	Leon County Common School Dist. No. 37	5	20
3,000	Karnes County Common School Dist. No. 4	20	None
2,500	Hugh Springs Independent School Dist.	10	20
3,800	Henderson County Common School Dist. No. 47	5	20
10,000	Avery Independent School District	30	40
1,500	Dickens County Common School Dist. No. 11	10	20
2,500	Sacul Independent School District	5	40
14,000	Lampasas County Bridge	10	20
500	Wheeler County Common School Dist. No. 20	5	20
2,000	Dcnley County Common School Dist. No. 18	1	20

THURSTON COUNTY SCHOOL DISTRICT NO. 67, Wash.—BOND SALE.—On Sept. 19 an issue of \$4,000 5½% site-purchase and construction bonds was awarded to the State of Washington at par. Denom. \$500. Interest annual.

TOLEDO, Lucas County, Ohio.—TEMPORARY LOAN.—Reports state that a loan of \$5,000 for ninety days has been negotiated with the First National Bank of Toledo.

TOMAH, Monroe County, Wis.—BOND SALE.—According to reports, the \$15,000 5% 4½-yr. (aver.) refund. bonds offered Sept. 23 (V. 99, p. 690) were sold at par to local bidders.

TRACY SCHOOL DISTRICT (P. O. Tracy), Marion County, Iowa.—BOND SALE.—An issue of \$12,000 5% building bonds was awarded to Geo. M. Bechtel & Co. of Davenport on June 1 for \$12,160—equal to 101.333. Denom. \$500. Int. J. & D. Due serially to 1929.

TRIADELPHIA SCHOOL DISTRICT (P. O. Triadelphia), Ohio County, W. Va.—BOND ELECTION.—An election will be held Nov. 3 to vote on the question of issuing \$125,000 5% coupon school-building-improvement bonds. Denom. \$500. Date April 1 1915. Int. ann. on April 1 at office of Co. Sheriff, Wheeling. Due yearly on April 1 as follows:

\$20,000, 1925; \$3,000 from 1926 to 1930 incl.; \$3,500 from 1931 to 1935 incl.; \$4,500 from 1936 to 1940 incl.; \$5,500 from 1941 to 1948 incl. and \$6,000 in 1949.

TROY SCHOOL DISTRICT (P. O. Troy), Miami County, Ohio.—BOND SALE.—The Troy Nat. Bank of Troy was awarded on Sept. 1 the \$12,500 5% school bonds voted Aug. 11 (V. 99, p. 364).

TULLY TOWNSHIP SCHOOL DISTRICT (P. O. Martel), Marion County, Ohio.—BONDS AUTHORIZED.—This district has authorized the issuance of \$30,000 5½% coup. taxable school bonds. Denom. \$500. Date Jan. 1915. Int. M. & S. at Caledonia Banking Co., Caledonia. Due part each six months. No bonded or floating debt. Assessed valuation 1914, \$2,096,000. G. J. Heleman is Clerk of Board of Education.

TURLOCK IRRIGATION DISTRICT (P. O. Turlock), Stanislaus County, Calif.—BOND ELECTION.—Reports state that an election will be held Oct. 9 to vote on the question of issuing irrigation bonds.

TWINSBURG TOWNSHIP (P. O. Twinsburg Center), Summit County, Ohio.—BOND SALE.—The \$2,000 5% 2-3-year (aver.) coup. highway-improvement bonds offered on Aug. 5 (V. 99, p. 219) have been sold.

UNION COUNTY (P. O. Marysville), Ohio.—BOND SALE.—On Sept. 25 the \$11,300 5% 2-3-yr. (aver.) Highland and Croy road-impt. bonds (V. 99, p. 846) were awarded to the Commercial Sav. Bank, of Marysville at par and int.

BONDS NOT TO BE RE-OFFERED AT PRESENT.—We are advised that the \$6,700 5% Vansant & Beaver road-impt. bonds offered without success on Sept. 15 (V. 99, p. 846) will not be re-offered at present.

UNION (Town) (P. O. Weehawken), Hudson County, N. J.—BOND SALE.—On Sept. 28 the \$15,000 5% 4-year (aver.) coup. or reg. fire-hall construction and site-purchase bonds (V. 99, p. 918) were awarded to the Weehawken Trust Co. of Weehawken at par and interest. There were no other bidders.

UNION COUNTY (P. O. Elizabeth), N. J.—BOND OFFERING.—Proposals will be received until 10 a. m. Oct. 15 by Nathan R. Leavitt, County Collector, for \$35,000 4½% 20-year bridge-rebuilding bonds. Denom. \$1,000. Date Oct. 1 1914. Int. A. & O. at the National State Bank of Elizabeth, at Elizabeth. Certified check on an incorporated bank or trust company for 2% of bonds bid for, payable to the Board of Chosen Freeholders, required. Purchaser to pay accrued interest. These bonds will be certified as to genuineness by the Columbia Trust Co. and their validity approved by Hawkins, Delafield & Longfellow of N. Y. City, whose opinion will be delivered to the purchaser. These will be coup. bonds of \$1,000 denom., with privilege of registration as to principal only of conversion into fully registered bonds.

The official notice of this bond offering will be found among the advertisements elsewhere in this Department.

UNION TOWNSHIP (P. O. Ripley), Brown County, Ohio.—BOND SALE.—On Sept. 26 the \$2,000 5% 5-year coupon road-improvement bonds (V. 99, p. 769) were awarded to the Ripley Nat. Bank, Ripley at par and int. There were no other bidders.

VIGO COUNTY (P. O. Terre Haute), Ind.—BOND SALE.—On Sept. 15 an issue of \$12,000 20-year road bonds was awarded to the Fletcher-American Nat. Bank of Indianapolis at par and int., less \$160. Denom. \$600. Date Oct. 1 1914. Interest M. & N.

BOND OFFERING.—Proposals will be received until 10 a. m. Oct. 5 by Thos. J. Dailey, County Treasurer, for the following 4½% highway-impt. bonds in Sugar Creek Township:

- \$7,600 A. F. Pothast road-improvement bonds. Denom. \$380.
- 3,250 Simon Maher road-improvement bonds. Denom. \$162 50.
- Date Oct. 1 1914. Int. M. & N. Due one bond of each issue yearly on May 15 from 1916 to 1935, inclusive.

VILLE PLATTE, Evangeline Parish, La.—BOND SALE.—We just learn that the \$15,000 5% reg. water-works-construction bonds (V. 98, p. 255) were awarded on Dec. 23 1913 to C. S. Jackson Co., Ltd., of New Iberia, at par.

WASHINGTON COUNTY (P. O. Salem), Ind.—BOND SALE.—On Sept. 24 the \$4,840 4½% 5½-year (aver.) gravel-road bonds (V. 99, p. 770) were awarded to the Farmers' State Bank of Salem for \$4,866 78 (100.553)—a basis of about 4.386%. There were no other bidders. Denom. \$242. Date Sept. 7 1914. Int. M. & N.

WASHINGTON COURT HOUSE, Fayette County, Ohio.—BONDS NOT YET SOLD.—No sale has yet been made of the \$1,875 4½% 3-year (aver.) Oakland Ave. improvement (assess.) bonds offered without success on Aug. 22 (V. 99, p. 625). These bonds will probably be sold at private sale.

WASHINGTON TOWNSHIP SCHOOL DISTRICT (P. O. Richwood), Union County, Ohio.—NO ACTION YET TAKEN.—The Clerk of Board of Education advises us under date of Sept. 29 that no action has yet been taken toward the offering of the \$30,000 5% school bonds voted in August (V. 99, p. 494).

WESSINGTON SPRINGS, Jerauld County, So. Dak.—BONDS TO BE OFFERED SHORTLY.—The Mayor advises us that the \$20,000 electric-light bonds voted Aug. 11 (V. 99, p. 560) will be offered for sale in the near future.

WEST CREEK TOWNSHIP (P. O. Lowell), Lake County, Ind.—BOND OFFERING.—It is reported that proposals will be received until 2 p. m. Oct. 17 by Henry Hathaway, Township Trustee, for \$11,500 5% 13-year school bonds.

WEST HOBOKEN, Hudson County, N. J.—BOND OFFERING.—Proposals will be received until 9 p. m. Oct. 14 by Aug. L. Wachlin, Town Clerk, for \$205,000 5% coupon or reg. school bonds. Denom. \$1,000. Date Aug. 1 1914. Int. F. & A. Due \$6,000 yearly on Aug. 1 from 1924 to 1935 incl. and \$7,000 yearly on Aug. 1 from 1936 to 1954 incl. Cert. check on an incorporated bank or trust company for 2% of bonds bid for, payable to Town Treas., required. These bonds will be certified as to genuineness by the Columbia Trust Co. and their validity approved by Hawkins, Delafield & Longfellow of N. Y., whose opinion will be furnished to the purchaser. These bonds were offered without success as 4½s on Sept. 9 (V. 99, p. 770).

WEST UNION, Adams County, Ohio.—BOND SALE.—On Sept. 21 the \$2,000 6% 10½-year (aver.) refunding bonds (V. 99, p. 847) were awarded to the Miami Deposit Bank of Yellow Springs at 100.55 and int.—a basis of about 5.944%. The First Nat. Bank of West Union and the Somerset Bank, Somerset, each bid par.

WEST VIEW SCHOOL DISTRICT (P. O. Pittsburgh), Allegheny County, Pa.—BOND ELECTION.—An election will be held Nov. 3 to vote on the question of issuing \$25,000 school bonds.

WEYMOUTH, Norfolk County, Mass.—TEMPORARY LOAN.—Reports state that a loan of \$30,000 dated Sept. 28 1914 and maturing May 24 1915 has been negotiated with Perry, Coffin & Burr of Boston at 5.375% discount, plus 50 cents.

WHITELY COUNTY (P. O. Columbia City), Ind.—BOND OFFERING.—Proposals will be received by Oliver E. Long, Co. Treas., until Oct. 15 between the hours of 1 p. m. and 6 p. m. (and from day to day thereafter until sold) for \$12,625 4½% Stone roads Nos. 1 and 2 improvement bonds in Smith Twp. Denom. \$631 25. Int. M. & N. Due \$631 25 each six months from May 15 1915 to Nov. 15 1924 incl.

Proposals will be received by Oliver E. Long, County Treasurer, for the following 4½% road bonds:

- \$16,397 Stephen D. Shaw road bonds. Denom. \$819 85.
- 16,498 John C. Lawrence road bonds. Denom. \$824 90.
- Date Aug. 27 1914. Int. M. & N. Due one bond of each issue each six months from May 15 1915 to Nov. 15 1924, inclusive. These bonds, with an issue of \$16,397 road bonds, were offered without success on Aug. 27 (V. 99, p. 691).

BOND SALE.—The \$16,397 4½% road bonds offered without success on Aug. 27 (V. 99, p. 691) has been sold.

WHITTIER HIGH SCHOOL DISTRICT, Los Angeles County, Cal.—BOND SALE.—On Sept. 21 the \$15,000 5½% school bonds (V. 99, p. 770) were awarded to the Los Angeles County Supervisors it is stated, at par and int.

WILLOUGHBY TOWNSHIP SCHOOL DISTRICT (P. O. Willoughby), Lake County, Ohio.—BONDS NOT SOLD.—Reports state that no bids were received on Oct. 1 for the \$40,000 5% 21½-year (average) site-

purchase and construction bonds in Sub-District No. 8 offered on that day (V. 99, p. 770).

WILMINGTON, Clinton County, Ohio.—*BONDS NOT YET SOLD.*—No sale has yet been made of the three issues of 5% 5½-year (aver.) street-improvement bonds, aggregating \$47,161.60, offered without success on Aug. 24 (V. 99, p. 625).

WOLCOTT (TOWN) UNION FREE SCHOOL DISTRICT NO. 11, Wayne County, N. Y.—*BOND SALE.*—On Sept. 21 \$8,000 6% 1-8-year (serial) building bonds were awarded, it is stated, to the First National Bank of Wolcott at par. Purchaser to pay expenses.

WOOLSTOCK, Wright County, Iowa.—*BOND SALE.*—The \$6,000 5½% electric-transmission-line bonds voted June 15 (V. 98, p. 2015) have been awarded to Geo. M. Bechtel & Co. of Davenport at par. Denom. \$500. Date July 1 1914. Int. J. & J. Due \$500 yearly from 1917 to 1928 incl.

WOOSTER, Wayne County, Ohio.—*BOND SALE.*—On Sept. 24 the three issues of sewer bonds, aggregating \$9,587.42 (V. 99, p. 691) were awarded to the Citizens' National Bank of Wooster at par and accrued int.

WRIGHTS SCHOOL DISTRICT, Santa Clara County, Calif.—*BOND SALE.*—On Sept. 8 the \$1,800 5½% 1-9-year (ser.) coupon school bonds (V. 99, p. 560) were awarded, it is stated, to the First Nat. Bank of Los Gatos for \$1,810 (100.555)—a basis of about 5.394%.

WRIGHT TOWNSHIP (P. O. Midland), Green County, Ind.—*WARRANT SALE.*—The \$3,000 (due Sept. 1 1915) and \$3,500 (due Sept. 1 1916) 6% tax-free warrants offered Sept. 1 (V. 99, p. 560) were awarded, reports state, to W. V. Moffett at 100.15.

YAVAPAI COUNTY (P. O. Prescott), Ariz.—*BONDS NOT SOLD.*—No offers were received for the \$250,000 5% gold coupon court-house-construction and equipment bonds advertised to be sold Sept. 23. (V. 99, p. 691.)

YEAGER SCHOOL DISTRICT (P. O. Yeager), Hughes County, Okla.—*BOND SALE.*—This district has disposed of an issue of \$9,000 school bonds.

YORK TOWNSHIP, Belmont County, Ohio.—*BONDS NOT SOLD.*—No sale was made on Sept. 26 of the \$2,000 5% road bonds offered on that day (V. 99, p. 691). They will be re-advertised.

YORK TOWNSHIP RURAL SCHOOL DISTRICT, Union County, Ohio.—*BONDS NOT SOLD.*—Reports state that no bids were received on Sept. 5 for the \$3,950 5½% 3¼-year (average) coupon building bonds offered on that day (V. 99, p. 626).

YPSILANTI, Washtenaw County, Mich.—*BOND OFFERING.*—Beginning Sept. 22, subscriptions were invited at par by the City Clerk, Sumner Damon, for the \$130,000 6% first mortgage gold coupon bonds issued by the city for the purpose of purchasing the plant and property of the Ypsilanti Gas Co. Authority election held July 27 (V. 99, p. 560). Denom. \$1,000, \$500 and \$100. Date Sept. 1 1914. Int. M. & S. at the Union Trust Co. of Detroit or at the City Treasurer's office. Due on Sept. 1 as follows: \$1,000 in 1916, \$2,000 in 1917 and 1918, \$3,000 in 1919 \$4,000 in 1920, 1921 and 1922, and \$5,000 yearly 1923 to 1944, inclusive. Cash deposit of 5% of subscription required. The bonds are secured by a first mortgage running to the Union Trust Co., as trustee, upon all the property and revenues of the gas plant.

YUBA COUNTY (P. O. Marysville), Calif.—*BOND ELECTION.*—The proposition to issue \$550,000 road-improvement bonds will be submitted to a vote, it is stated, at the November election.

YUBA COUNTY RECLAMATION DISTRICT NO. 10 (P. O. Marysville), Calif.—*BONDS VOTED.*—According to reports, this district at a recent election voted in favor of the issuance of \$100,000 impt. bonds.

ZANESVILLE, Ohio.—*BONDS NOT YET OFFERED.*—We are advised that the \$5,300 5% 6-year coup. street-improvement (city's portion) bonds authorized on July 6 (V. 99, p. 220) and the \$9,000 5% 10-year coup. water-works improvement bonds authorized Aug. 17 (V. 99, p. 691) have not yet been offered for sale.

ZAVALLA COUNTY (P. O. Batesville), Tex.—*BOND SALE.*—On Sept. 1 the \$30,000 5% 10-40-year (opt.) road bonds (V. 98, p. 1714) were awarded to John Zackman of Batesville at par and int. Denom. \$1,000. Date July 10 1914. Int. A. & O.

Canada, its Provinces and Municipalities.

BARTON TOWNSHIP, Ont.—*DEBENTURE OFFERING.*—Reports state that A. E. Bryant, Twp. Clerk, is offering for sale an issue of \$61,000 5% debentures.

BERLIN, Ont.—*DEBENTURES VOTED.*—Reports state that this place recently authorized the issuance of \$40,000 water-works debentures.

BOLTON, Ont.—*DEBENTURE SALE.*—The \$9,500 5% 30-yr. hydro-electric debentures offered on Sept. 15 (V. 99, p. 691) have been awarded, it is stated, to the Bolton Light, Heat & Power Co. for \$9,515—equal to 100.157.

CHATHAM, Ont.—*DEBENTURE ELECTION.*—The questions of issuing \$90,000 hydro-electric sub-station and \$12,000 Concrete Products Co site debentures will, reports state, be submitted to a vote on Oct. 12.

EDMONTON, Alta.—*DEBENTURE SALE.*—An issue of \$78,840 5% exhibition-building debentures has been sold to the Sinking Fund on a 5½% basis. Date July 1 1914. Int. J. & J. Due July 1 1934. Newspaper reports stated that the amount of debentures sold to the Sinking Fund was \$100,000.

EDMONTON SCHOOL DISTRICT NO. 7 (P. O. Edmonton), Alta.—*DEBENTURE SALE.*—H. C. Nickerson of N. Y. recently purchased \$550,000 5% 40-year gold debentures. Denom. \$500. Date June 30 1914 Int. J. & D. in Toronto, New York and London. Total debt (including this issue), \$3,850,000; assets of School District (est.), \$3,807,354.60. Assessed value (real estate only), \$171,376,740.

GRANARD, Alta.—*DEBENTURES VOTED.*—It is stated that the question of issuing \$50,000 cemetery-site purchase, town and fire-hall-sites debentures carried at a recent election.

MITCHELL, Ont.—*DEBENTURE OFFERING.*—Bids will be received until Oct. 5 by Wm. Ryan, Town Clerk, for \$30,000 5% debentures. Due in 30 annual installments of principal and interest.

MONTREAL ROMAN CATHOLIC SCHOOL DISTRICT (P. O. Montreal), Que.—*DEBENTURES AUTHORIZED.*—It is stated that the School Comms. recently passed a by-law authorizing the issuance of \$1,000,000 school debentures.

NANAIMO, B. C.—*DEBENTURES TO BE OFFERED OVER THE COUNTER.*—Newspaper dispatches state that this town will shortly offer for sale "over the counter" \$7,000 street-impt. debentures in the denom. of \$100.

PORT MOODY, B. C.—*DEBENTURES REFUSED.*—Reports state that Terry, Briggs & Slayton of Toledo have refused to accept the \$80,000 6% 30-year water-supply debentures awarded to them in August (V. 99, p. 495).

STEELETON, Ont.—*DEBENTURES AUTHORIZED.*—It is stated that the Municipal Council on Sept. 8 passed a by-law providing for the issuance of \$10,000 house of refuge debentures.

SUBBURY, Ont.—*DEBENTURE SALE.*—According to reports, the \$15,000 5% 15-ann. installment coup. street lighting debentures mentioned in V. 99, p. 561, have been sold to Wood, Gundy & Co. of Toronto at 90.

TORONTO, Ont.—*DEBENTURES AUTHORIZED.*—According to reports, the City Council, recently passed 5 by-laws providing for the issuance of municipal debentures aggregating \$1,284,343.

VANCOUVER, B. C.—*DEBENTURE SALE.*—The City Sinking Fund has, reports state, purchased \$400,000 local impt. debentures.

WALKERSVILLE, Ont.—*DEBENTURE ELECTION.*—An election will be held Oct. 10, reports state, to vote on the question of issuing \$26,000 street-lighting-system debentures.

WEST VANCOUVER, B. C.—*DEBENTURE ELECTION PROPOSED.*—An election will be held in the near future, reports state, to vote on the proposition to issue \$150,000 5½% 30-yr. water-works-system-installation debentures.

WINDSOR, Ont.—*DEBENTURES NOT SOLD.*—No tenders were received for the five issues of debentures, aggregating \$214,588.96, offered on Sept. 25. (V. 99, p. 919.)

NEW LOANS

The City Treasurer will receive proposals for the purchase of

CITY OF BANGOR, MAINE
\$100,000

4% Coupon "Refunding Bonds"

Interest payable semi-annually May 2nd and November 2nd.

Issued in denomination of \$1,000 each, dated November 2, 1914, payable \$5,000 on the second day of November in each of the years 1915 to 1934, inclusive. Principal and interest payable at The Merchants' National Bank of Boston, in Boston, Mass.

Said Bonds are Exempt from Taxation in Maine.

Bonds engraved under the supervision of and certified as to genuineness by THE FIRST NATIONAL BANK OF BOSTON, and their legality approved by Messrs. STOREY, THORN-DIKE, PALMER & DODGE, whose opinion will be furnished the purchaser. All legal papers incident to this issue will be filed with said bank, where they may be inspected at any time.

Bonds will be delivered to the purchaser on the second day of November, 1914, at THE FIRST NATIONAL BANK OF BOSTON.

Proposals will be received until 10 a. m., Saturday, October 10th, 1914, and are to be sealed and addressed to H. O. Pierce, City Treasurer, Bangor, Maine, and marked "Proposal for Bonds."

Each bid must be accompanied by a certified check for \$500, payable to the order of the City Treasurer.

The right is reserved to reject any and all bids.
H. O. PIERCE, City Treasurer.
Bangor, Maine, September 29th, 1914.

BLODGET & CO.
BONDS

60 STATE STREET, BOSTON
30 PINE STREET, NEW YORK

STATE, CITY & RAILROAD BONDS

NEW LOANS.

\$35,000

UNION COUNTY, N. J.,
BRIDGE REBUILDING BONDS

Sealed proposals will be received at the office of the County Collector of Union County, Elizabeth, N. J., until **OCTOBER 15TH, 1914**, at 10 o'clock a. m., for the purchase of \$35,000 Bridge Rebuilding Bonds of Union County, N. J.

Said bonds will be coupon bonds of the denomination of \$1,000 each, with the privilege of registration as to principal only of conversion into fully registered bonds. The bonds will be dated October 1, 1914, will be payable October 1, 1934, and will bear interest at the rate of 4½% per cent per annum, payable semi-annually on the first days of April and October in each year. Both principal and interest will be payable in lawful money of the United States at the National State Bank of Elizabeth, at Elizabeth, N. J.

All bids must provide for the payment of accrued interest from the date of said bonds to the date of delivery, and must be accompanied by a certified check upon an incorporated bank or trust company to the order of "The Board of Chosen Freeholders of Union County" for 2% of the amount of bonds bid for. Proposals should be addressed to Nathan R. Leavitt, County Collector, Elizabeth, N. J., and should be marked upon the outside thereof "Proposal for Bridge Rebuilding Bonds."

The validity of the Bonds will be approved by Messrs. Hawkins, Delafield & Longfellow, attorneys, of New York City, whose opinion will be furnished to the successful bidder and the bonds will be prepared and certified as to genuineness by the Columbia Trust Company of New York City.

The right is reserved to reject any or all bids and no bid for less than par and accrued interest will be accepted.

JOHN N. CADY,
Director of the Board of Chosen Freeholders.
NATHAN R. LEAVITT,
County Collector.

Bolger, Mosser & Willaman
MUNICIPAL BONDS

Legal for Savings Banks,
Postal Savings and Trust Funds.

SEND FOR LIST.

29 South La Salle St., CHICAGO

BONDS WANTED,

BONDS WANTED

CITY OF WESTMOUNT,
CANADA
SINKING FUND COMMISSION

The Sinking Fund Commissioners of the City of Westmount desire to purchase approximately \$40,000 00 of Municipal Debentures, those issued by the City of Westmount preferred.

Sealed offers, marked "Sinking Fund Commissioners of Westmount," will be received at the offices of the Montreal Trust Company until noon on Monday, the 26th October, 1914.

A full description of bonds offered for sale is essential. Delivery of the bonds to the Commissioners must be made on 1st of November, 1914.

ARTHUR F. BELL,
Secretary-Treasurer.

MUNICIPAL AND RAILROAD BONDS

LIST ON APPLICATION

SEASONGOOD & MAYER
Ingalls Building
CINCINNATI

Adrian H. Muller & Son
AUCTIONEERS

Office, No. 55 WILLIAM STREET
Corner Pine Street

Regular Weekly Sales
OF
STOCKS and BONDS
EVERY WEDNESDAY

At the Exchange Sales Rooms
14-16 Vesey Street

Financial

BANKERS TRUST COMPANY

CAPITAL, \$10,000,000 SURPLUS, \$10,000,000

THIS Company is authorized and equipped to act in all fiduciary capacities for individuals and corporations and seeks appointment as:

- Trustee under Corporate Mortgages
- Registrar of Stocks and Bonds
- Transfer Agent
- Coupon Agent
- Executor or Trustee under Will
- Trustee under Deed of Trust
- Escrow Depository
- Custodian of Securities

The Officers will appreciate an opportunity to explain fully the Company's facilities.

16 WALL STREET NEW YORK CITY

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Public Utilities in growing communities bought and financed.

Their securities offered to investors.

Middle West Utilities Co.

112 West Adam St. CHICAGO, ILLINOIS

STONE & WEBSTER

SECURITIES OF PUBLIC SERVICE CORPORATIONS

STONE & WEBSTER ENGINEERING CORPORATION CONSTRUCTING ENGINEERS

STONE & WEBSTER MANAGEMENT ASSOCIATION GENERAL MANAGERS OF PUBLIC SERVICE CORPORATIONS

BOSTON
147 MILK STREET
NEW YORK CHICAGO
5 NASSAU ST. FIRST NAT. BANK BLDG.

H. M. Byllesby & Co.
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NEW YORK CHICAGO TACOMA
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Purchase, Finance, Construct and Operate Electric Light, Gas, Street Railway and Water Power Properties.

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This is a time to scrutinize your investments carefully and seek the best advice in connection therewith.

We have NOTHING TO SELL, but are interested only in what will best meet the special requirements of each individual customer.

Closing prices of all securities furnished on request.

Send for our pamphlet SHIFTING OF INVESTMENTS.

SCHMIDT & GALLATIN

Members of the New York Stock Exchange
111 Broadway, New York

ATLANTIC MUTUAL INSURANCE COMPANY.

The Trustees, in conformity with the Charter of the Company, submit the following statement of its affairs on the 31st of December, 1913.

Premiums on such risks from the 1st January, 1913, to the 31st December, 1913	\$3,800,334 83
Premiums on Policies not marked off 1st January, 1913	767,050 94
Total Premiums	\$4,567,385 77
Premiums marked off from January 1st, 1913, to December 31st, 1913	\$3,712,602 51
Interest on the investments of the Company received during the year	\$308,419 46
Interest on Deposits in Banks and Trust Companies, etc	39,877 94
Rent received less Taxes and Expenses	130,212 32
Losses paid during the year	\$1,790,888 32
Less Salvages	\$233,482 06
Re-insurances	320,813 71
Discount	47 58
	\$1,236,544 97
Returns of Premiums	\$105,033 85
Expenses, including officers' salaries and clerks' compensation, stationery, advertisements, etc	650,942 08

A dividend of interest of Six per cent on the outstanding certificates of profits will be paid to the holders thereof, or their legal representatives, on and after Tuesday the third of February next.

The outstanding certificates of the issue of 1908 will be redeemed and paid to the holders thereof, or their legal representatives, on and after Tuesday the third of February next, from which date all interest thereon will cease. The certificates to be produced at the time of payment and canceled.

A dividend of Forty per cent is declared on the earned premiums of the Company for the year ending 31st December, 1913, which are entitled to participate in dividend, for which, upon application, certificates will be issued on and after Tuesday the fifth of May next.

By order of the Board, G. STANTON FLOYD-JONES, Secretary.

TRUSTEES
JOHN N. BEACH,
ERNEST C. BLISS,
WALDRON P. BROWN,
JOHN CLAPLIN,
GEORGE C. CLARK,
CLEVELAND H. DODGE,
CORNELIUS ELBERT,
RICHARD H. EWART,
PHILIP A. S. FRANKLIN,
HERBERT L. GRIGGS,
ANSON W. HARD,

SAMUEL T. HUBBARD,
THOMAS H. HUBBARD,
LEWIS CASS LEDYARD,
WILLIAM H. LEFFERTS,
CHARLES D. LEVERICH,
GEORGE H. MACY,
NICHOLAS F. PALMER,
HENRY PARISH,
ADOLF PAVENSTEDT,
JAMES H. POST,

CHARLES M. PRATT,
DALLAS B. PRATT,
ANTON A. RAVEN,
JOHN J. RIKER,
DOUGLAS ROBINSON,
WILLIAM J. SCHIEFFELIN,
WILLIAM SLOANE,
LOUIS STERN,
WILLIAM A. STREET,
GEORGE E. TURNURE,
RICHARD H. WILLIAMS,

A. A. RAVEN, President,
CORNELIUS ELBERT, Vice-President,
WALTER WOOD PARSONS, 2d Vice-President,
CHARLES E. FAY, 3d Vice-President.

ASSETS.		LIABILITIES.	
United States and State of New York Bonds	\$670,000 00	Estimated Losses and Losses Unsettled in process of Adjustment	\$1,806,024 00
New York City and New York Trust Companies and Bank Stocks	1,783,700 00	Premiums on Unterminated Risks	654,783 26
Stocks and Bonds of Railroads	2,737,412 00	Certificates of Profits and Interest Unpaid	264,136 25
Other Securities	282,520 00	Return Premiums Unpaid	108,786 90
Special Deposits in Banks and Trust Companies	1,000,000 00	Reserve for Taxes	28,905 83
Real Estate cor. Wall and William Streets and Exchange Place, containing offices and Exchange Place, containing offices and Exchange Place, containing offices	4,299,426 04	Re-insurance Premiums	221,485 06
Real Estate on Staten Island (held under provisions of Chapter 481, Laws of 1887)	75,000 00	Claims not Settled, including Compensation, etc	70,799 43
Premium Notes	475,727 45	Certificates of Profits Ordered Redeemed, Withheld for Unpaid Premiums	22,556 09
Bills Receivable	605,891 79	Certificates of Profits Outstanding	7,240,320 00
Cash in hands of European Bankers to pay losses under policies payable in foreign countries	177,881 39		
Cash in Bank	636,465 49		
Temporary Investments (payable January and February, 1914)	505,000 00		
Loans	10,000 00		
	\$13,259,024 16		\$10,417,796 87
Thus leaving a balance of			\$2,841,227 29
Accrued Interest on the 31st day of December, 1913, amounted to			\$51,656 26
Rents due and accrued on the 31st day of December, 1913, amounted to			28,378 26
Re-insurance due or accrued, in companies authorized in New York, on the 31st day of December, 1913, amounted to			166,830 00
Unexpired re-insurance premiums on the 31st day of December, 1913, amounted to			55,903 22
Note: The Insurance Department has estimated the value of the Real Estate corner Wall and William Streets and Exchange Place in excess of the Book Value given above, at			450,573 96
And the property at Staten Island in excess of the Book Value, at			63,700 00
The Market Value of Stocks, Bonds and other Securities on the 31st day of December, 1913, exceeded the Company's valuation by			1,268,075 10
On the basis of these increased valuations the balance would be			\$4,926,333 09