

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 \$4,287,219,246, against \$4,297,175,143 last week and \$3,627,600,436 the corresponding week last year.

Clearings—Returns by Telegraph. Week ending Sept. 2.	1916.	1915.	Per Cent.
New York	\$2,085,480,861	\$1,885,818,366	+10.6
Boston	117,811,770	108,956,277	+8.1
Philadelphia	186,414,288	144,868,558	+28.7
Baltimore	29,326,264	27,781,166	+5.6
Chicago	315,867,877	260,838,895	+21.1
St. Louis	77,766,875	62,513,050	+24.4
New Orleans	22,530,229	14,131,425	+59.4
Seven cities, 5 days	\$2,835,198,173	\$2,504,907,737	+13.2
Other cities, 5 days	662,014,431	535,942,461	+23.5
Total all cities, 5 days	\$3,497,212,604	\$3,040,850,198	+15.0
All cities, 1 day	790,006,642	586,750,238	+34.8
Total all cities for week	\$4,287,219,246	\$3,627,600,436	+18.2

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, August 26, for four years:

Clearings at—	Week ending August 26.				
	1916.	1915.	Inc. or Dec.	1914.	1913.
	\$	\$	%	\$	\$
New York	2,613,527,756	1,820,373,902	+43.6	907,119,770	1,559,820,100
Philadelphia	211,733,521	147,975,438	+43.1	125,425,711	140,626,764
Pittsburgh	59,988,327	51,028,901	+17.6	46,818,438	50,999,367
Baltimore	33,696,439	27,336,329	+23.3	31,485,793	29,818,243
Buffalo	13,637,146	9,517,772	+43.3	9,500,508	10,454,755
Albany	3,764,925	5,531,593	-31.9	4,886,599	5,680,268
Washington	6,577,643	6,097,606	+7.9	5,915,369	6,128,407
Rochester	4,506,521	3,693,954	+22.0	2,974,769	3,358,666
Syracuse	2,914,831	3,109,268	-6.3	2,597,210	2,843,315
Saratoga	2,596,813	2,188,451	+18.6	2,340,785	2,203,502
Reading	1,800,000	1,470,675	+22.4	1,490,843	1,551,907
Wilmington	2,321,573	1,787,318	+29.9	1,646,450	1,557,056
Wilkes-Barre	1,700,184	1,662,093	+8.8	1,560,415	1,275,768
Wheeling, W. Va.	2,699,746	1,628,329	+65.8	1,632,804	2,103,920
Trenton	1,651,441	1,722,044	-4.1	1,338,192	1,643,144
York	921,694	730,196	+26.2	700,215	722,536
Erle	1,276,567	940,810	+35.7	879,819	966,090
Chester	1,050,366	740,963	+41.8	514,873	526,925
Greensburg	750,000	643,122	+16.6	607,200	490,972
Binghamton	686,700	582,000	+18.0	514,873	640,292
Altoona	528,955	454,476	+16.4	467,388	490,972
Lancaster	1,531,518	1,214,621	+26.1	1,430,203	1,213,096
Montclair	337,463	358,499	-5.9	262,116	314,263
Total Middle	2,970,200,129	2,090,688,360	+42.1	1,152,122,495	1,825,756,811
Boston	148,289,122	115,776,855	+28.1	96,427,244	111,521,733
Providence	7,500,900	6,155,100	+21.9	5,853,700	5,984,700
Hartford	7,123,272	6,305,205	+13.0	3,741,897	3,586,451
New Haven	4,050,248	3,136,382	+29.1	2,685,206	2,511,055
Portland	1,907,000	1,582,874	+20.5	1,659,346	2,004,636
Springfield	2,823,354	2,442,663	+15.6	1,989,460	1,924,368
Worcester	3,135,001	2,284,407	+37.3	1,958,869	2,219,773
Fall River	1,412,068	829,342	+70.3	832,092	741,445
New Bedford	1,065,209	870,146	+22.4	895,059	868,272
Lowell	814,978	651,524	+25.0	601,095	327,161
Holyoke	739,448	570,541	+29.6	677,273	611,541
Bangor	414,737	349,081	+47.3	361,486	369,731
Tot. New Eng.	179,375,347	140,954,120	+27.3	117,682,727	132,670,884

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

Clearings at—	Week ending August 26.				
	1916.	1915.	Inc. or Dec.	1914.	1913.
	\$	\$	%	\$	\$
Chicago	371,904,850	271,154,229	+37.2	254,794,078	278,911,547
Cincinnati	26,491,000	24,303,850	+9.0	24,965,850	22,564,150
Cleveland	44,789,568	27,129,752	+65.1	19,311,701	23,402,631
Detroit	41,537,012	26,989,519	+53.9	23,585,914	22,496,284
Milwaukee	16,516,312	12,649,709	+31.6	13,630,388	11,060,994
Indianapolis	8,936,620	7,690,820	+16.2	7,118,592	7,300,692
Columbus	8,136,800	5,712,900	+42.4	4,965,200	6,026,600
Toledo	8,778,645	6,954,530	+26.2	5,104,340	4,696,053
P Toledo	3,500,000	2,691,726	+30.1	3,301,755	3,369,389
Grand Rapids	3,624,441	2,982,230	+23.2	2,705,830	2,824,808
Dayton	2,923,916	1,724,114	+69.5	2,150,009	2,874,197
Evansville	1,929,012	1,568,806	+23.0	853,370	945,982
Springfield, Ill.	1,352,247	1,053,448	+28.4	851,274	823,283
Port Wayne	1,475,877	1,168,358	+26.2	1,163,063	1,015,602
Youngstown	2,374,744	1,407,228	+68.7	1,144,105	1,565,409
Akron	3,587,000	2,027,000	+77.0	1,573,000	1,707,000
Canton	2,395,648	1,444,709	+65.8	1,153,111	1,200,000
Lexington	500,000	593,536	-15.7	616,265	520,299
Rockford	1,090,000	809,540	+34.7	825,696	879,020
Quincy	729,544	575,999	+26.7	688,068	616,222
South Bend	656,555	581,987	+12.9	516,949	509,747
Bloomington	811,475	669,017	+21.2	673,823	639,607
Decatur	611,116	486,704	+25.7	451,996	483,377
Springfield, Ohio	731,123	528,833	+38.4	665,452	693,446
Mansfield	616,167	745,063	-17.3	543,890	478,393
Danville	442,211	505,150	-12.5	410,077	400,560
Jackson	575,000	450,000	+27.8	416,990	525,000
Lima	560,000	464,527	+20.6	360,619	511,618
Jacksonville, Ill.	306,334	226,186	+35.4	189,808	277,568
Lansing	769,555	444,020	+73.2	414,673	368,037
Ann Arbor	250,000	204,064	+22.5	135,229	156,062
Adrian	119,459	45,892	+160.3	40,000	60,000
Owensboro	336,829	245,167	+37.4	360,259	295,817
Tot. Mid. West	559,359,060	406,128,611	+37.7	375,479,813	400,165,394
Kansas City	58,832,131	45,591,576	+29.0	36,000,000	45,638,533
Los Angeles	22,326,306	17,916,472	+24.6	17,430,686	17,014,257
Seattle	15,499,954	10,562,603	+46.7	11,570,574	12,103,744
Portland	10,996,405	9,137,112	+20.3	8,871,142	9,277,981
Salt Lake City	8,369,861	5,630,639	+48.6	4,941,905	4,808,142
Spokane	4,158,096	2,877,679	+44.5	3,322,304	3,200,991
Tacoma	2,179,248	1,553,092	+40.3	2,017,453	2,558,402
Oakland	3,808,559	2,802,849	+35.9	2,585,772	2,779,504
Sacramento	2,776,003	1,612,428	+72.2	1,733,973	1,978,467
San Diego	1,588,023	1,543,048	+2.9	1,488,905	1,876,687
Stockton	1,432,900	860,330	+71.1	7,786,327	7,000,999
San Jose	658,290	544,788	+20.8	586,070	641,305
Fresno	1,225,009	672,872	+82.2	944,351	804,129
Pasadena	823,849	683,571	+20.5	520,440	658,974
North Yakima	397,795	313,459	+26.8	324,000	310,695
Reno	333,610	247,466	+34.8	270,000	280,000
Long Beach	464,749	463,714	+0.2	437,512	---
Total Pacific	135,920,788	103,014,148	+31.9	93,928,804	105,462,810
Kansas City	103,562,492	62,081,874	+66.8	54,223,255	52,924,786
Minneapolis	24,481,961	17,223,378	+42.1	22,413,483	20,913,501
Omaha	24,725,475	16,554,664	+49.4	15,539,185	15,423,806
St. Paul	12,903,868	9,878,259	+30.6	8,659,814	9,476,728
Denver	13,672,824	8,457,492	+61.7	7,361,002	7,798,596
St. Joseph	9,261,203	6,307,629	+46.7	5,201,118	6,803,433
Des Moines	4,915,499	4,245,820	+15.8	4,381,882	4,013,498
Sioux City	3,600,000	2,562,713	+40.5	2,976,686	2,907,912
Wichita	5,351,648	3,327,332	+60.8	3,365,014	3,514,327
Duluth	4,975,448	3,593,473	+38.5	4,200,209	3,801,037
Topeka	1,874,232	1,340,264	+39.8	1,604,863	1,535,129
Lincoln	2,722,224	1,663,641	+63.7	1,591,169	1,556,255
Davenport	1,553,648	1,215,627	+27.8	1,172,518	1,250,000
Cedar Rapids	1,658,778	1,419,446	+16.5	1,372,971	1,338,418
Colorado Springs	716,829	590,332	+21.4	533,470	505,000
Fargo	1,473,075	994,194	+48.2	801,762	901,935
Pueblo	426,903	313,717	+36.0	540,857	524,859
Fremont	540,557	357,187	+51.3	361,180	369,384
Waterloo	1,883,540	1,145,008	+64.5	1,097,882	1,328,577
Helena	1,625,857	876,213	+85.5	1,133,388	883,167
Aberdeen	794,831	551,735	+44.0	615,351	332,239
Hastings	399,466	203,909	+95.9	204,307	195,000
Billings	600,000	450,838	+33.1	309,187	358,271
Total oth. West	223,715,148	145,354,727	+53.9	139,800,503	138,101,858
St. Louis	92,118,				

THE FINANCIAL SITUATION.

The strike of the train hands on the railroads of the United States has apparently been averted, but entirely at the expense of the railroads; and the executives of the railroads have not gained a single one of the points for which they have been contending. In fact, the railroad side of the question may be said to have received no consideration at all.

The President prejudged and predetermined the case in favor of the employees at the very outset, and at his behest and out of a desire to avoid giving offense to the employees who have been engaged in the hold-up of the roads, Congress is now perfecting a measure which compels an abject and complete surrender on the part of the roads.

In the policy the executives of the roads have been pursuing they have gone on the assumption that they could count upon decent treatment at the hands of the President and decent treatment at the hands of Congress, but both have failed them.

The railroad managers have also had the utmost confidence in their ability to command the unqualified support of the public, but outside of a few commercial and mercantile bodies of high order, the public has had no thought in the matter except a desire to avoid the strike at all hazards, and been indifferent as to how this end might be reached, so long as the cost was not to be assessed upon itself.

Suggestions of rate increases to meet the extra expense to be entailed by the substitution of the eight-hour day for the ten-hour day have been distinctly frowned upon; from many sources and many quarters intimations have come to the legislative body that proposals for rate increases would meet with popular condemnation, and Congress—as much afraid to offend the shipper as the laborer—has followed the convenient course of running away from this phase of the matter. Now, as ever, the railroad has no friend, and is asked to look out for itself.

It is difficult to see what the roads can do except to acquiesce in the plans decreed by Congress and the Executive, though of course an appeal to the courts remains open to them.

The roads are given no option or choice but to fall in with the plans laid down. They can "holler" and declare that they are being strangled, but no one is likely to pay any heed to their cries—judging from past experience.

They are required not only to surrender the principle of arbitration, which one might have supposed would never be denied to them, but they are required to concede practically the whole of the demands of the employees without the definite assurance of an offsetting equivalent; for to grant the eight-hour day on the basis of the present ten-hour pay, is to arbitrarily decide the case in favor of one of the contestants on the main point at issue.

The Congressional bill to which the managers of the roads are required to bow in humble obedience declares that, beginning Dec. 1 1916 or Jan. 1 1917 (the date was still uncertain late last night) "eight hours shall in contracts for labor and service be deemed a day's work, and the measure or standard of a day's work for the purpose of reckoning the compensation of all employees * * * who are now or may hereafter be actually engaged in any capacity in the operation of trains," &c. The President is to "appoint a commission of three which shall observe the operation and effects of the institution of the

eight-hour standard work day, as above defined, and the facts and conditions affecting the relations between such common carriers and employees during a period of not less than six months nor more than nine months, in the discretion of the commission, and within thirty days thereafter such commission shall report its findings to the President and Congress."

Pending the report of the commission, and for a period of thirty days thereafter, the compensation of the railway employees subject to this Act for a standard eight-hour work day is not to be reduced below the present standard day's wage, and for all necessary time in excess of eight hours such employees are to be paid at a rate not less than a pro rata rate for such standard eight-hour work day. Any person violating any provision of the Act is to be guilty of a misdemeanor and upon conviction is to be fined not less than \$100 and not more than \$1,000, or imprisoned not to exceed one year, or both.

It will be seen that the commission provided under the Act is allowed nine months in which to complete its observation of the operation of the eight-hour day. During these nine months, and for thirty days thereafter, making ten months altogether, the roads are forbidden to reduce wages below the existing standard. During the whole of these ten months the roads are left without any redress whatever, no matter how costly or oppressive the arrangement may prove.

There is just one redeeming feature in the law. The eight-hour standard does not become effective until December 1, or January 1, (whichever date may be correct). This will give the roads time to determine upon a course of action, and will also bring us to a date beyond the Presidential election.

Of course, the United States Supreme Court will be asked to pass upon the constitutionality of this extraordinary law. We should have absolute confidence as to the outcome of such a legal test, inasmuch as it is difficult to see where the power resides which would authorize Congress to declare 10 hours pay shall be given for 8 hours work, but the Supreme Court is no longer the bulwark it once was, now that judges of the Brandeis type interpret the provisions of the Constitution. The outcome, therefore, will have to abide the event. In the meantime, the roads, there is no sense in concealing the fact, will be in a bad way.

The foreign trade statement of the United States for July, 1916, differs in no essential particular from the various monthly compilations issued for some time past. It is true that the exports for the latest month fell moderately below the stupendous totals of June and May, but even at that they were extremely heavy and very greatly in excess of the same period a year ago, and were consequently a record for July. The imports, too, although smaller than for any preceding month of 1916, were nevertheless above what might be termed normal and a high-water mark for July. In explanation of the continued phenomenally large exports, it is only necessary to state that war orders are the predominating factor, but expansion of our trade with neutrals, and particularly with South America and the West Indies, is to be noted as having an important bearing in the result. That imports keep at a very high level is not at all surprising, considering the prosperity the immense outward trade has brought. At the same time it has not escaped attention that the

greatest measure of increase in imports is in crude materials for use in manufacture—India rubber, copper, wool, nickel, hides and skins, various articles entering into chemicals and drugs, &c., essential in filling the war orders in hand.

The gain in the July merchandise exports over last year may be briefly stated as having occurred in large part in shipments of explosives and firearms, of which the outflow during the month was not only phenomenally greater than last year, but apparently a record for such a period; copper and other metal manufactures were also conspicuous items. The exports for the month footed up \$445,561,910—by a considerable amount a record for the period, comparing as it does with \$268,468,702 in 1915, and only \$154,138,947 in 1914. For the seven months of the current calendar year, moreover, the aggregate value of the merchandise efflux at \$2,926,280,815, contrasts with less than 2,000 million in 1915 (\$1,970,277,207), but nevertheless a record up to now, and \$1,200,982,162 in 1914. In other words, our outward trade, mainly on account of the war, has advanced 144%, but a decided retrograde movement is easy to prophesy when hostilities cease.

Imports of merchandise for the month exhibit a decline of 63 million dollars from June, but a gain of nearly 40 millions over July last year, the respective totals having been \$182,722,938 and \$245,795,438 and \$143,244,737. For the seven months since Jan. 1 the total exceeds by some 459 millions the aggregate of last year, the comparison being between \$1,467,819,574 and \$1,009,054,558. The net result of our July foreign commerce is a balance of exports of \$262,838,972, an amount in excess of any theretofore recorded and greater than the total outflow of commodities in any month prior to Jan. 1915, only excepting Nov. 1912 and Oct. 1913, when cotton shipments were especially heavy. It compares with a similar excess of \$125,223,965 last year, and a balance of imports of \$5,538,344 in 1914. For the seven months the export remainder is no less than \$1,458,461,241, against \$961,222,649 last year and the virtually nominal balance of 60 millions two years ago. It is worthy of note, furthermore, that this current balance almost equals the total imports for the period.

The movement of gold in July 1916 was largely in favor of the United States, as a result mainly of the amounts of the metal sent here on British account. Imports reached \$62,107,665, of which some 16 millions came direct to New York from England, 2 millions were received from West Indies, half a million at San Francisco from the Orient, and the remainder, in greater part, arrived from Ottawa via Ogdensburg, N. Y. Against this there were exports of \$9,395,035, leaving the net inflow \$52,712,630. For the seven months the net imports of gold have been no less than \$173,285,620, against \$152,413,112 in 1915, and net exports of \$83,508,822 in 1914.

The cotton condition report for Aug. 25, issued by the Department of Agriculture on Thursday, indicating a lower average condition on the date mentioned than ever before officially announced, as well as a greater deterioration during August in the country as a whole than the various private reports recently issued had indicated, has had a stimulating effect on prices for the staple, which were already high. As gathered from the weekly official weather bulletins during the month, the especial causes operating ad-

versely upon the crop have been droughty conditions in the territory west of the Mississippi River, and the ravages of the boll weevil in Gulf Coast sections, and the extent of the deterioration resulting therefrom as officially interpreted is a drop in condition of 11.1 points from July 25, making the average now 61.2, against 72.3 on the earlier date. This compares with 69.2 on the same date last year, 78.0 in 1914 and a ten-year average of 72.3. Moreover, the nearest approach to the current average on Aug. 25, of which we have record, was 63.7 in 1909. This further decline in condition if borne out by later developments means, of course, a noticeable curtailment of yield and particularly if killing frosts should occur at earlier than average dates.

As regards the individual States, the Carolinas and Georgia are the only important producing localities showing comparatively moderate deterioration during the month. On the other hand, the decline in Oklahoma from July 25 is given as 28 points, Arkansas 14, Texas 12, Mississippi 16, Louisiana 13 and in Alabama, where the condition was already extremely low, 9 points. It is also to be stated that the current percentages as made public are in the case of every State lower than a year ago and make an even less favorable contrast with the ten-year average. Reflecting the very low average condition as above, the Crop Reporting Board of the Department of Agriculture considers its figures as forecasting a yield per acre of only 158.5 lbs., against 173.4 lbs. a month earlier, and a total production (after allowing 1% for abandonment of planted area) of 11,800,000 bales, not including linters. This is only some 600,000 bales more than the growth of 1915-16 as given out by the Census Bureau, and an amount considered to be much below the year's consumptive requirements unless rising prices should serve to materially curtail the use of cotton.

While the situation on the Western war front seems again to have reached the point of deadlock, events in the East are transpiring with spectacular rapidity. On Sunday Rumania declared itself at war with Austria. On Monday Berlin declared war on Rumania and the Rumanian army at once crossed into Transylvania and engaged Austrians in the mountain passes, on the Southeastern frontier. Italy, also on Monday, cut entirely adrift from the Triple Alliance by declaring war on Germany, having in May of the previous year taken similar action against Turkey and Austria. Yesterday, Friday, Bulgaria declared war on Rumania. Greece is soon to follow actively or passively on the side of the Entente. The British official press representative at Saloniki wired yesterday that King Constantine had abdicated in favor of the Crown Prince, with former Premier Venizelos, whose sympathies with the Allies are so well known, as official adviser, in fact the power behind the throne. The present Premier, Zaimis, may remain at the head of the Government. Later reports, however, cast doubt on the report of the abdication. Whether Greece will officially declare war on the Central Powers will depend most likely upon whether the Entente Allies desire its active assistance.

The Russians seem to be keeping up their drive, but the new situation created by the participation of Rumania is not unlikely to change in some measure the Russian campaign. The Czar's troops may now be more readily moved through the territory of their

new ally rather than through the Carpathian passes. Meanwhile London is on the tiptoe of expectation for news "of tremendous political import from the continent." The "Daily Telegraph" of that city ascribes to high Government officials in Whitehall the opinion that the diplomatic outlook has "completely changed in the last forty-eight hours." The rapid development of the situation in the Balkans, it says, has exceeded all expectations of the Allies, and is proceeding at such a rate in their favor that the most important consequences may arrive in a far shorter time than had been anticipated. It is reported from Italian sources that Hungary is ready to secede from the Austrian Empire and make a separate peace with the Allies. The London "Daily Mail" learns that the Allies have complete mastery of the Danube, and that Rustchuk, Vidin and other Bulgarian towns are exposed to destruction.

Rumanian troops invading Transylvania already have occupied the important industrial centre, Petroseny, and the Tarlunge Valley near Kronstadt. On the southern front Hungarian monitors bombarded Turnu, Magureli and Zimnizta, frontier towns on the Danube River. Bulgaria early in the week occupied Doxato, the scene of alleged atrocities of which the Greeks accused the Bulgars in the last war. Thousands of refugees are pouring into the port of Kavala (Greece). Latest reports, however, indicate that the Bulgars are falling back from Macedonia and that their offensive against the Serbians has been broken. The Paris "Matin" of yesterday's date says: "The diplomatic task of the Allies has ended with the entrance of Rumania into the war. United action on the whole front is absolute, and the hour has arrived for the high command to act. There is one battle front where the most rapid and decisive result must be obtained. That is the Saloniki front. General Sarrail (the Allied commander) has French, British, Serbians, Italians and Russians."

Russian troops are marching through Dobrudja, but whether to strike at Bulgaria north of Varna, or to aid the Rumanians invading Transylvania, is not known. According to unofficial reports a Russian fleet has arrived at Constanga, the principal Rumanian port on the Black Sea, and the Bulgarians are said to be fearing a combined land and sea attack on Varna and other frontier points on the Danube. Field Marshal von Hindenburg, who recently was placed in command of all the German forces on the Russian front, has now been appointed Chief of the German General Staff, succeeding General von Falkenhayn, who has been dismissed by the Emperor. Aside from bombardments by the Austrians of Italian positions along the Isonzo front the situation in the Austro-Italian theatre remains unchanged. Advices from Berlin state that German troops on the Somme front in France on Thursday, as the result of a counter-attack, regained the ground they previously had lost near Longueval and Delville Wood. London admits some losses of trenches.

At a public meeting of the Danish Landsting on Saturday last the Moderates and Conservatives carried an order of the day decreeing that the selling of the Danish West Indies to the United States be postponed until after the war. If that should be impossible then the question of sale shall be settled by a general election according to the new funda-

mental law. After five hours of discussion the order of the day was adopted, 42 Moderates and Conservatives voting in favor and 8 radicals and socialists voting against. The Government will now proceed to prepare for the election.

The first session of the Mexican-American Joint International Commission that is to take up the questions at issue between the two countries, will be held on Monday in New York. Secretary Lansing will be here for the initial session to greet the three Mexican delegates. After preliminary sessions in New York the Commission will hold its meetings at Portsmouth, New Hampshire. Advices from Mexico City report that the American punitive expedition is preparing for general withdrawal from Mexico. Mexican officials believe that in view of Gen. Funston's reported recommendation that the troops retire, the withdrawal undoubtedly will be promptly agreed to early in the conference.

The formal entrance of Rumania as an active belligerent on the side of the Allies has been primarily responsible for a firm tone on the London security markets this week. There has, however, been slight, if any, increase in activity reported, and the disposition in financial circles at the British centre as reflected by London correspondents seems to be to take a more conservative view of the prospect for an early peace following the concerted drive of the Entente armies. "The Nation" of London quotes a ministerial prediction that the war will last two years more. Lord Haldane, on the other hand, predicts that the end of the chapter has been reached. Thus it is obvious how wide the range of opinion really is. The British Chancellor's security mobilization plan is being gradually extended. A supplementary list of acceptable securities was published in London on Friday of last week. It includes additional neutral government and municipal bonds and also further Canadian and South American issues. There is every indication, to quote one correspondent, that the voluntary response to the Government's invitation to deposit these securities will be large, but as we noted last week the Chancellor of the Exchequer has stated that a penal tax will be applied if the deposits prove inadequate. It now is obvious that the mobilization plan is to be utilized as far as possible as a method of war finance apart from its effect as a stabilizer of the sterling exchanges in neutral countries. There has recently been a falling off in Exchequer bond sales, the amount sold last week being only £3,167,000, the lowest point so far touched. The British Treasury officials still are resisting a new long-term war loan for home distribution. To be a success, such an issue would require a higher rate of interest than $4\frac{1}{2}\%$, which was the figure of the preceding issue. A higher rate, it will be recalled, would apply to the older issues as well as the new one, in accordance with the Government's assurances at the time the $4\frac{1}{2}\%$ loan was offered. Mexican securities have advanced sharply, following the announcement of the return of the National Railways of Mexico to the control of their own company. Rumanian oil shares were buoyant and Russian bonds showed improvement. The net sale of Treasury bonds last week was £22,000,000, making the total outstanding £908,000,000. The Government's revenues for last week amounted to £5,140,000, while the expenditures were £31,460,000.

The so-called "thrift movement" is showing steady progress, no less than £27,000,000 having been raised within recent weeks entirely by the "war savings certificates," issued to the working classes. These classes have provided about £80,000,000 since the beginning of the war. French bonds on the London market have been under some pressure as a result of the imminence of the offering of a new French loan. Shipping shares continue in demand. The British Treasury has given formal sanction for the absorption of the New Zealand Shipping Co. by the Peninsula & Oriental Co. The capital of the latter will be increased by the issue of £907,000 additional stock, making the total £5,745,000. The property of the New Zealand Shipping Co. includes its own fleet of 154,942 tons and all shares in the Federal Steam Navigation Co., which owns 169,590 tons. Both these totals include ships in course of construction. The monthly comparison by the London "Bankers' Magazine" of the aggregate value of 387 securities dealt in on the London Exchange shows an increase during the month of August of £5,750,000, or 0.2%; in July a decrease of £19,319,000, or 0.7% was reported. Foreign government stocks are £5,093,000 higher, or 0.9%. South Africans show an increase of £1,997,000. British and India funds decreased £1,083,000, or 0.2%, and home rails decreased £492,999, or 0.2%.

No date has yet been set for the issue of the new French loan; announcement is expected in the next few days. "L'Economiste Francais" explains the methods the French Government has been pursuing up to date to raise funds for the war, as follows: "First, the proceeds of the 5% rentes, not otherwise employed; second, the National Defense bonds, which are constantly being issued, and the National Defense obligations, the emission of which has been resumed; third, the advances by the Bank of France to the Treasury; fourth, various operations conducted abroad, particularly at London and New York, but which, some time ago, were extended to other countries—Spain, for example, and Scandinavia; and fifth, by allowing arrears to accumulate in payments to be made."

Summing up the Government's income and outgo, the writer says that the total monthly expenditure exceeds the ordinary monthly income by about two and a half billions of francs. Treasury bonds and National Defense issues bring in approximately a billion a month. Recently the Bank of France has been advancing to the Government, on an average, 400 millions monthly, those advances totalling 8,100 millions on June 6.

The amount of the loans which the French Government has been authorized to make to its weaker allies since the war began now aggregates \$775,000,000. Yves Guyot, the French economist, cabling to the "Tribune," figures that at the end of the war France will probably owe abroad \$4,000,000,000. French imports, he showed, are still much greater than the exports, but "the repeated question as to how will we pay is easily answered when it is considered that France possesses twice the amount likely to be due on foreign bonds." All attempts to induce a greater use of the banks in France and to increase payments by check instead of with actual money have so far met little success. Hoarding, the correspondent continues, is just as great as it

was before the war; the people say they will not take the chance of a new moratorium for a possible gain of ½ or even 1%. "If one pauses to think," says the correspondent, "hoarding at the present time is not a great calamity. The people keep their gold in the stocking, but it must come out again someday, and then it will be very useful for the return to a normal state of affairs." Financial bills in the hands of the Bank of France subject to deferred payment under the moratorium reached \$754,000,000 on Nov. 12 1914. On July 27 of this year they had been reduced by voluntary payment to \$282,000,000.

On Monday the subscription list of the new German loan will be opened. Several subscriptions in advance, however, already have been reported by wireless. The Agricultural Central Loan Bank, for instance, is reported to have subscribed 60,000,000 marks and the Elberfeld Savings Bank 10,000,000 marks. Dr. Karl Helfferich, Secretary of the Interior, in an interview with an Associated Press correspondent, declared the outlook for the food supply and the general economic situation in Germany highly satisfactory at present. There are no indications, he says, that these considerations will assume at any time an aspect which will influence the military plans and operations of the Empire. When questioned as to the outlook of the new war loan, Dr. Helfferich said: "The prospects for the new loan are very favorable indeed. So far the loan has not been announced publicly, but subscriptions are being taken up liberally by large corporations at this very moment. On that point we have no anxieties of any sort."

Official bank rates at the leading European centres remain at 5% in Paris, Vienna and Copenhagen; 5½% in Italy, Sweden and Portugal; 6% in London and Petrograd and 4½% in Switzerland, Holland, Spain and Norway. In London the private bank rate continues to be quoted at 5½%@5¾% for sixty and ninety-day bills. Cables from Berlin still quote 4¾% as the private bank rate at that centre. No reports have been received by cable of open market rates at other European centres, as far as we have been able to discover. Money on call in London has declined to 4½% from 4¾% a week ago.

The Bank of England reported another loss for the week in its gold item, this time of £949,416. Note circulation increased £615,000; hence the total reserve registered a decrease of £1,565,000, and the proportion of reserve to liabilities declined to 24.91%, against 26.15% a week ago and 24% at this date last year. Public deposits this week showed an increase of £933,000; other deposits of £384,000. Government securities continue unchanged. Loans (other securities) were expanded £2,894,000. The Bank's gold holdings now stand at £56,197,498, against £68,433,258 a year ago and £47,772,712 in 1914. Reserves aggregate £38,496,000 compared with £54,558,458 last year and £30,924,952 the year previous. Loans total £91,941,000, against £145,105,473 and £121,820,692 one and two years ago, respectively. The Bank reports as of Aug. 26 the amount of currency notes outstanding as £119,264,381, against £119,718,400 last week. The amount of gold held for the redemption of such notes remains at £28,500,000.

BANK OF ENGLAND'S COMPARATIVE STATEMENT.

	1916.	1915.	1914.	1913.	1912.
	Aug. 30.	Sept. 1.	Sept. 2.	Sept. 3.	Sept. 4.
	£	£	£	£	£
Circulation	36,142,000	32,324,800	35,287,760	29,463,415	29,274,310
Public deposits.....	52,362,000	137,935,493	23,676,828	9,519,982	15,896,771
Other deposits.....	102,140,000	87,921,638	133,818,826	44,565,994	47,116,125
Govt. securities.....	42,188,000	44,418,357	23,023,971	12,453,405	13,367,655
Other securities.....	91,941,000	145,105,473	121,820,692	27,632,438	36,518,725
Reserve notes & coin	38,496,000	54,558,458	30,924,952	32,236,737	31,367,819
Coin and bullion.....	56,197,498	68,433,258	47,772,712	43,250,152	42,192,129
Proportion of reserve to liabilities.....	24.89%	24%	19%	59%	49%
Bank rate.....	6%	5%	5%	4½%	4%

The statement of the Imperial Bank of Germany as of Aug. 23 registered an increase of 195,000 marks in the gold item to 2,468,582,000 marks. One year ago the total was 2,406,330,000 marks, and in 1914 1,529,775,000 marks. As the statement for Aug. 15 has not, so far as we are aware, been cabled, it is not practicable to give totals of the other items in the statement, the cable showing the Aug. 23 condition merely giving the increases or decreases from the preceding week. These changes follow: Total coin and bullion decreased 158,000; treasury notes decreased 24,352,000; notes of other banks increased 3,104,000; bills discounted decreased 58,797,000; advances decreased 1,806,000; investments increased 34,000; other securities decreased 861,000; notes in circulation decreased 63,586,000; deposits increased 20,049,000; other liabilities decreased 39,359,000.

The Bank of France this week reported a further increase in its gold holdings of 4,674,275 francs. From the special cablegram from our own correspondent, however, we learn that, as has been the case in many preceding weeks, this gain follows entirely from an increase in the balance of gold standing to the credit of the institution abroad, the amount of gold held by the Bank itself having again decreased. For several weeks past the gold holdings abroad have been increasing. For the week ending Aug. 10 the increase was from 271,055,668 francs to 371,965,271 francs. The following week there was no change, but in the week ended Aug. 24 the amount was increased to 472,885,775 francs and in the past week to 573,773,875 francs.

On June 8 1916, when for the first time the Bank of France showed gold holdings abroad, the amount was only 69,182,975 francs, and hence the amount so held has increased during the past three months to the extent of 504,590,000 francs. On the other hand, the amount of gold held by the Bank itself has in the same period been reduced from 4,676,061,938 francs to 4,238,958,200 francs, a decrease of 437,103,738 francs. Combining the gold at home with the gold abroad, there has been a net gain in the grand total for the period from June 8 1916 to Aug. 31 1916 of 67,487,162 francs, or from 4,745,244,913 francs to 4,812,732,075 francs. In the following table we show the changes, week by week, in the gold reserve of the Bank for the period under review:

GOLD RESERVE OF THE BANK OF FRANCE.

Week ending—	In Bank.	Abroad.	Total.
	Francs.	Francs.	Francs.
June 8.....	4,676,061,938	69,182,975	4,745,244,913
15.....	4,580,401,022	170,107,636	4,750,508,658
22.....	4,586,811,159	170,107,636	4,756,918,795
29.....	4,492,201,097	271,055,668	4,763,256,765
July 6.....	4,498,645,443	271,055,668	4,769,701,111
13.....	4,504,487,355	271,055,668	4,775,543,023
20.....	4,509,222,283	271,055,668	4,780,277,951
27.....	4,515,457,548	271,055,668	4,786,513,216
Aug. 3.....	4,522,135,934	271,055,668	4,793,191,602
10.....	4,426,380,856	371,965,271	4,798,346,127
17.....	4,430,175,700	371,965,271	4,802,140,971
24.....	4,335,172,025	472,885,775	4,808,057,800
31.....	4,238,958,200	573,773,875	4,812,732,075

From the foregoing it will be seen that during the past week the gold holdings abroad increased 100,888,100 francs, while the amount of gold held by the Bank itself decreased 96,213,825 francs. The aggregate holdings at home and abroad during the week increased from 4,808,057,800 francs to 4,812,732,075 francs. Last year the gold held (all in vault), amounted to 4,326,353,720 francs and in 1914 to 4,141,350,000 francs. The silver item this week registered a loss of 717,000 francs. The total of silver now on hand is 338,609,000 francs, against 366,716,066 francs last year and 625,325,000 francs the year preceding.

In the note circulation of the Bank of France there was a further increase the past week of 48,581,000 francs. General deposits, in contrast with the large increase of the previous week, were reduced 26,654,000 francs. Bills discounted expanded 23,481,000 francs, although Treasury deposits decreased 78,352,000 francs, and the Bank's advances declined 5,742,000 francs. Note circulation is now 16,424,647,000 francs, comparing with 13,060,001,490 francs last year and 6,683,175,000 francs the year preceding. General deposits amount to 2,213,659,000 francs, against 2,499,078,881 francs in 1915 and 947,575,000 francs in 1914. Bills discounted total 438,319,000 francs, comparing with 283,759,962 francs in 1915 and advances aggregate 1,174,834,000 francs, against 587,284,840 francs a year ago. In 1914 bills discounted and advances combined amounted to 3,202,975,000 francs. Treasury deposits are 80,163,000 francs. Last year the amount was 30,787,529 francs and in 1914 382,575,000 francs. The figures for 1914 are those for the week ending July 30, the bank having discontinued the publication of weekly returns with the outbreak of the war.

The local money situation continues in the remarkably easy position that for so long a period has characterized it. Active demands for funds apparently are without influence in decreasing the supply. Payment was due yesterday for the \$250,000,000 British Government two-year 5% notes that were offered last week. This naturally will draw funds to New York and increase the demand for metropolitan exchange in the interior. How far the full transfer will immediately be made from the interior, however, is not quite clear. It is understood that in some instances funds will be permitted to remain in out of town banks, as was the case with the \$500,000,000 Anglo-French loan. In that instance the banks receiving the subscriptions were permitted to retain on deposit until needed the money paid in, provided that they were willing to pay 2% interest. Pro rata transfers were made to New York as called. It is not unlikely that the current payments will show themselves in some measure in the Clearing House statement to-day, and more especially next week. It is understood that the closing of the \$250,000,000 British loan has released a considerable amount of funds that were out on demand loans on American railroad collateral, this collateral having now, in some measure, been transferred to the formal two-year loan. Of course, this is merely a movement of funds from one pocket to another; but at the same time it is a transfer from the loan market to the investment market, in this way making the funds of banks and other lending institutions more liquid. It is understood that out of town banks were important factors in the list of subscribers to the English

loan. This is a feature quite significant of the easiness existing in money circles throughout the country as well as at New York. Other demands for funds this week have included the distribution of \$6,400,000 one-year notes of the Metropolitan Water Board of London and \$3,000,000 two-year 6% notes of the Antofagasta & Bolivia Ry. Co., Ltd., of Chile.

Last Saturday's bank statement of the New York Clearing House members, which will be found in fuller detail in a later page of this issue, fell somewhat short of expectations. Loans were increased \$11,190,000. Net demand deposits showed the large expansion of \$45,532,000, although net time deposits registered an almost equally substantial decrease, viz., \$29,919,000. Reserves in "own vaults" increased \$5,402,000, to \$456,330,000, of which \$385,249,000 is specie. Last year the amount in own vaults was \$488,554,000, including \$413,279,000 in specie. Reserves in Federal Reserve banks also decreased \$1,210,000, to \$167,871,000, which compares with \$141,358,000 a year ago. Reserves in other depositories recorded an increase of \$1,231,000, to \$54,287,000, against \$36,848,000 in 1915. Note circulation declined \$83,000. The aggregate reserve was increased \$5,423,000, bringing the total to \$678,488,000, compared with \$666,760,000 the previous year. Reserve requirements were expanded \$7,625,860, and the surplus reserve suffered a loss of \$2,202,860, which brought the total of excess reserves down to \$125,390,360, and compares with \$204,799,580 at the corresponding date a year ago.

A reduction in the rediscount rate of the Federal Reserve Bank of Chicago on commercial paper, maturing within thirty-one to sixty days, from 4½ to 4% was approved by the Federal Reserve Board this week.

REDISCOUNT RATES OF FEDERAL RESERVE BANKS.

CLASS OF REDISCOUNTS.	Boston.	New York.	Philadelphia.	Cleveland.	Richmond.	Atlanta.	Chicago.	St. Louis.	Memphis.	Kansas City.	Dallas.	San Francisco.
Commercial Paper—												
1 to 10 days maturity	3	3	3½	3½	---	---	3½	3	---	4½	---	3
11 to 30 " "	3½	4	4	4	4	4	4	4	4	4½	4	3½
31 to 60 " "	4	4	4	4½	4	4	4	4	4	4½	4	4
61 to 90 " "	4	4	4	4½	4	4	4½	4	4½	4½	4	4½
Agricultural and Live-Stock Paper—												
91 days to 6 months maturity	5	5	4½	5	4½	5	5	5	5	5	4½	5½
Trade Acceptances—												
1 to 30 days maturity	3½	3½	3½	3	3½	3½	---	3	3½	4	3½	3
31 to 60 " "	3½	3½	3½	3½	3½	3½	---	3	3½	4	3½	3
61 to 90 " "	3½	3½	3½	4	3½	3½	---	3½	3½	4	3½	3½
Commodity Paper—												
1 to 30 days maturity	3½	---	3½	---	3½	3½	---	3	3½	4	3	3½
31 to 60 " "	3½	---	3½	---	3½	3½	---	3	3½	4	3	4
61 to 90 " "	3½	---	3½	---	3½	3½	---	3	3½	4	3	4½
61 days to 6 months maturity	---	---	---	---	---	---	---	---	---	---	---	5

OPEN MARKET DISCOUNT AND PURCHASE RATES OF FEDERAL RESERVE BANKS.

Banks' Acceptances.—Authorized discount rate for all Federal Reserve banks; minimum, 2%; maximum, 4%.
Trade Acceptances.—Bills with maturities of 90 days or less, purchased in open market without member bank endorsement, by New Orleans branch of Atlanta Federal Reserve Bank; 3½ to 4%.
Commercial Paper.—Bills purchased in open market by Dallas Federal Reserve Bank; 3 to 5%.
Bills of Exchange.—Bills purchased in open market by Atlanta Federal Reserve Bank; 3½ to 5½%.
Bills With or Without Member Bank Endorsement.—Bills with maturities of 90 days or less purchased in open market by St. Louis Federal Reserve Bank; 2 to 4%.

Referring specifically to money rates, call loans this week ranged between 2¼ and 3%, against 2@2½% the previous week. On Monday, Tuesday and Wednesday the rate was not changed from 2½% high and 2¼% the low and renewal figure. Thursday the range continued at 2¼@2½% with renewals at 2½%. On Friday the maximum was 3%, and 2¼% was the low, and was also the basis for renewals. Time money remains

easy and rates were not changed from 2¾@3% for sixty days, 3@3¼% for ninety days, 3¼@3½% for four months and 3½@3¾% for five and six months. A year ago sixty-day money was quoted at 2½%, ninety days at 2¾%, four months at 3% and five and six months at 3¼%. In mercantile paper also the tone continued an easy one and sixty and ninety days' endorsed bills receivable and six months' names of choice character were still quoted at 3½@3¾%, while names not so well known require 4%. Banks' and bankers' acceptances are quoted as follows:

	Spot	Delivery	Delivery	Delivery
	Ninety	Sixty	Thirty	Within
	Days.	Days.	Days.	30 Days.
Eligible member banks	2 9-16@2 7-16	2½@2¾	2¾@2¾	2¾@2¾
Eligible non-member bills	2 11-16@2 9-16	2¾@2¾	2¾@2¾	3 @2¾
Ineligible bills	3@2¾	3 @2¾	3 @2¾	3½@3

The sterling exchange situation continues an entirely arbitrary one. Rates are pegged and have scarcely moved during the week. There has been an additional importation of \$2,500,000 gold from Canada. It may be of interest to note that the official manifest made public by the Custom House at Baltimore indicates that there was no gold in the cargo of the German undersea boat Deutschland when she sailed for Bremen on August 1 last. Nobody in the foreign exchange market, in view of the low price of reichsmarks, had any idea that any considerable amount of the precious metal was, in fact, on board, but the newspapers at the time were quite confident in their statements to the contrary. The vessel's cargo consisted only of crude rubber, bar nickel and crude tin. No official data are available as to the amount of the collateral that has yet arrived of the \$250,000,000 British loan. The transfer involves a great amount of labor. The bankers have received lists giving the names of the securities that are undergoing transportation, but owing to the risks of the ocean the collateral is being forwarded in comparatively small lots by various steamers. The work of examining and classifying and checking up the securities is being conducted by a number of large downtown banks and trust companies, among them the Farmers' Loan & Trust Co., the Bankers Trust Co., the First National Bank and the Liberty National Bank. Factors that will aid in maintaining sterling exchange rates are the floating of securities of two foreign concerns in the New York market. The Metropolitan Water Board of London, as we have noted elsewhere, has sold to bankers here (who have resold them) \$6,400,000 one-year notes, while the Antofagasta & Bolivia Railway Co., Ltd., of Chile, has placed \$3,000,000 in two-year 6% notes with New York bankers. Heretofore, this railway has done its financing in London, as, naturally, too, has the Metropolitan Water Board.

Sterling exchange may be said to be even more closely linked with exchange on Paris in operations at this centre. The Premiers and the Finance Ministers of Great Britain and France, as well as representatives of financial and kindred interests, met at Calais on Thursday of last week and reached an agreement on important financial matters, including payments abroad and the maintenance of the exchanges between the two countries. Further particulars are given on another page.

Compared with Friday of last week, sterling exchange on Saturday was not changed from 4 75¾ for demand, 4 76 7-16 for cable transfers and 4 71½ for

sixty days. Monday's market was a quiet though steady one, with quotations at the previous levels; demand continued unchanged from 4 75 $\frac{3}{4}$, cable transfers at 4 76 7-16 and sixty days at 4 71 $\frac{1}{2}$. Trading was moderately active in sterling on Tuesday and rates were still pegged at 4 75 $\frac{3}{4}$ for demand, 4 76 7-16 for cable transfers and 4 71 $\frac{1}{2}$ for sixty days. On Wednesday the same general firmness which prevailed during the opening days of the week was still in evidence; trading was quiet and demand was again quoted at 4 75 $\frac{3}{4}$, cable transfers at 4 76 7-16 and sixty days at 4 71 $\frac{1}{2}$. Extreme dullness marked Thursday's operations, although rates were well maintained and the tone firm; quotations remained at 4 75 $\frac{3}{4}$ for demand, 4 76 7-16 for cable transfers and 4 71 $\frac{1}{2}$ for sixty days. On Friday the market ruled dull but steady with demand still at 4 75 $\frac{3}{4}$, cable transfers at 4 76 7-16 and sixty days at 4 71 $\frac{1}{2}$. Closing quotations were 4 71 $\frac{1}{2}$ for sixty days, 4 75 $\frac{3}{4}$ for demand and 4 76 7-16 for cable transfers. Commercial sight finished at 4 75 9-16, sixty days at 4 70 $\frac{3}{4}$ and ninety days at 4 68 $\frac{5}{8}$; documents for payment closed at 4 71 and seven-day grain bills at 4 74 $\frac{3}{4}$. Cotton and grain for payment finished at 4 75 $\frac{5}{8}$.

In the Continental exchanges the features have been the substantial advance in Russian rubles and the decline to a new low level of German marks—both due primarily to the same cause, i. e., the entrance of Rumania as an actual participant in the European war. As to the strength in rubles, it was associated with the idea that the opening of the Dardanelles and the release of the accumulation of Russian grain and oil were substantially nearer. Russia, furthermore, will now be able to purchase supplies in Rumania. Rubles, sight bills, touched as high as 34 50, but closed at 33 60, against 30 85 a week ago. Reichsmarks declined to 69 $\frac{1}{2}$ for sight bills, a new low record, on persistent selling of bills in this market. Francs ruled firm and higher, while lire were also strong. Demand bills on Berlin finished at 69 $\frac{1}{2}$ and cables at 69 $\frac{3}{4}$, against 71 11-16 and 71 $\frac{3}{4}$ last Friday. Kronen followed the course of exchange on Berlin and declined, closing at 12.16, compared with 12.32 the week previous. The sterling check rate on Paris finished at 28.08 $\frac{1}{2}$, against 28.13 $\frac{1}{2}$ Friday last. In New York sight bills on the French centre, after touching 5 88 $\frac{3}{8}$ on Wednesday, closed at 5 89 $\frac{3}{8}$, and cables at 5 88 $\frac{1}{2}$, comparing with 5 90 $\frac{5}{8}$ and 5 90 $\frac{1}{8}$ the week preceding. Lire finished at 6 48 for bankers' sight and 6 47 $\frac{1}{4}$ for cables. A week ago the close was 6 48 $\frac{1}{4}$ and 6 47 $\frac{1}{2}$, respectively.

In the neutral exchanges less activity was reported, and no new feature worthy of note developed. Movements in Scandinavian exchange were somewhat irregular, though without essential change, while guilders were weaker. Bankers' sight on Amsterdam finished at 41 1-16 plus 1-16, against 41 5-16 less 1-16c; cables at 41 $\frac{1}{8}$ plus $\frac{1}{8}$, against 41 $\frac{3}{8}$ less 1-32; commercial sight at 40 15-16, against 41 $\frac{1}{8}$ @41 3-16, and commercial sixty days at 40 $\frac{7}{8}$, against 41 1-16@41 $\frac{1}{8}$ a week ago. Swiss exchange closed at 5 29 $\frac{1}{4}$ for bankers' sight and 5 28 $\frac{1}{2}$ for cables, against 5 29 $\frac{1}{8}$ and 5 28 $\frac{1}{2}$ last Friday. Greek exchange is now quoted at 5 15 $\frac{1}{2}$, compared with 5 17 $\frac{1}{2}$, the previous quotation. Copenhagen checks finished at 28.50, compared with 28.50. Checks on Norway closed at 28.35, against 28.65,

and checks on Sweden finished at 28.40, against 28.70 at the close on last Friday. Spanish pesetas closed on 20.16. A week ago the close was 20.11.

The New York Clearing House banks, in their operations with interior banking institutions, have lost \$3,491,000 net in cash as a result of the currency movements for the week ending Sept. 1. Their receipts from the interior have aggregated \$7,607,000, while the shipments have reached \$11,098,000. Adding the Sub-Treasury and Federal Reserve operations and the gold imports, which together occasioned a loss of \$8,587,000, the combined result of the flow of money into and out of the New York banks for the week appears to have been a loss of \$12,078,000, as follows:

Week ending Sept. 1.	Into Banks.	Out of Banks.	Net Change in Bank Holdings.
Banks' interior movement.....	\$7,607,000	\$11,098,000	Loss \$3,491,000
Sub-Treas. oper'ns and gold imports.	17,779,000	26,366,000	Loss 8,587,000
Total	\$25,386,000	\$37,464,000	Loss \$12,078,000

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

Banks of	Aug. 31 1916.			Sept. 2 1915.		
	Gold.	Silver.	Total.	Gold.	Silver.	Total.
England..	£ 56,197,498	£ -----	£ 56,197,498	£ 68,433,258	£ -----	£ 68,433,258
France..	169,558,328	13,544,360	183,102,688	173,054,160	14,668,640	187,722,800
Germany	123,429,100	1,367,000	124,796,100	120,510,200	2,243,500	122,753,700
Russia *	154,930,000	8,303,000	163,233,000	158,304,000	5,224,000	163,528,000
Aus-Hung.	51,578,000	12,140,000	63,718,000	51,578,000	12,140,000	63,718,000
Spain ..	45,156,000	30,323,000	75,481,000	28,768,000	29,794,000	58,562,000
Italy ..	38,441,000	3,705,000	42,146,000	45,811,000	4,670,000	50,481,000
Netherl's	48,818,000	685,900	49,503,900	31,536,000	193,500	31,729,500
Nat. Bel. B.	15,380,000	600,000	15,980,000	15,380,000	600,000	15,980,000
Switz-land	10,907,100	-----	10,907,100	9,627,300	-----	9,627,300
Sweden ..	9,213,000	-----	9,213,000	6,299,000	-----	6,299,000
Denmark..	8,969,000	217,000	9,186,000	5,946,000	300,000	6,246,000
Norway..	6,328,000	-----	6,328,000	3,434,000	-----	3,434,000
Tot. week	738,905,026	70,887,260	809,792,286	713,620,918	69,799,640	783,420,558
Prev. week	742,784,995	70,832,790	813,617,785	714,908,426	69,968,560	784,877,186

a Gold holdings of the Bank of France this year are exclusive of £22,950,955 held abroad.
 * The gold holdings of the Bank of Russia for both years in the above statement have been revised by eliminating the so-called gold balance held abroad.
 c July 30 1914 in both years. h Aug. 6 1914 in both years.

RUMANIA'S ENTRY INTO THE WAR.

We called attention last week to the increasing belief of Europe—even in Germany—that Rumania might be about to enter the war on the side of the Allies. But belief in such matters is never certainty, and it is always impossible to guess beforehand how the actual verification of such reports would affect public sentiment and military plans. This is why Monday's news of the declaration of war by Rumania on Austria, however generally that action may have been anticipated, has created so profound an impression throughout the world. Out of the maze of somewhat confused comment on the news, two facts emerge: that a formidable menace to the Austro-German position has arisen, and that the character of the Balkan campaign and possibly of the whole European plan of military action, will be radically affected by it.

As to the motives of Rumania, it is difficult to say much, except that this Balkan kingdom must (as the German political observers themselves in a way predicted) have made up its mind, after long delay, which was the winning side in the present war. It must also have received assurances of what Rumania has individually to gain if its new allies shall to turn out victorious. This is the sordid side of the diplomacy of the period in the smaller States—an aspect of the matter already illustrated by the attitude of Bulgaria, and to an extent by the negotiations preceding Italy's entry into the war. The Rumanian Government frankly assigns "satisfaction of national aspirations" as the formal cause of her present action. Her attitude in the second Balkan campaign, in

1913, suggested the additional motive of realizing such aspirations with a minimum of risk to herself.

But the venture of Rumania in 1916 is a more serious matter, both for herself and for her enemy, than was her invasion three years ago, practically without bloodshed, of the territory of the already defeated Bulgaria. In the present case, she does indeed challenge Austria when that country's armies have been meeting with disastrous defeat. But, on the other hand, Germany has promptly recognized this phase of the matter by declaring war against Rumania on her own account, and one of the most celebrated German fighting commanders, General von Mackensen, is reported to have been placed at once in command of the Teutonic armies in the Balkans.

Naturally, the dispatches have given little information as to just what impression Monday's news has made on the German or Austrian people. But the seriousness with which official Germany regarded the new development was shown by the convoking of the Imperial Council and the immediate removal of the Chief of the German General Staff, von Falkenhayn, to make way for von Hindenburg. Among military critics, von Falkenhayn's dismissal from the post—which he has held since the Battle of the Marne led to the removal of von Moltke—has been largely and no doubt rightly ascribed to the disastrous failure of the campaign against Verdun, for which the Chief of the General Staff was primarily responsible. Von Hindenburg's appointment in his place may also be largely due to the alleged fact that this popular General of the Eastern armies opposed the Verdun adventure.

But even these considerations leave the inference plain enough that a change in the high command was forced by the new and formidable turn of events on the Balkan front. It does not follow necessarily that von Hindenburg is any more competent to deal with the new complications than was his unfortunate predecessor. His reputation has, in fact, arisen rather from his knowledge of a given area in the conflict than from his profound strategy. But he has at least been the most aggressive and successful fighter of the German generals, and, what may be of even more importance at this juncture, he is in Germany the popular idol of the war. Experience of many other wars—including the naming of Grant as Lieutenant-General in the middle of our own Civil War—has shown that selection of a commander in whom the people at home had implicit confidence may be of high importance in quelling popular panic, unrest, and criticism of the government, when affairs in the field have not gone well.

It is too early to outline even the probable nature of the Rumanian campaign. Since the declaration of war by Bucharest was undoubtedly agreed on with the Allies some weeks ago, it follows as a matter of course that the action of Rumania's armies will be made to conform to the general plan of the Allied campaign. The first reported demonstration of Rumania's troops was toward the Hungarian border, where the Austrian advanced troops were driven back, but with results which are naturally obscured as yet by conflicting versions and the activities of the censor. But the subsequent intimation that Rumania was sending an ultimatum to Bulgaria, demanding that Serbia be evacuated, was in line with the more natural immediate aggressive movement, as it was also in line with the more legitimate diplomatic attitude.

The Treaty of Bucharest in 1913, which Rumania and Bulgaria both signed, agreed on a distribution of territory in the Balkans which was violently disturbed through the invasion of Serbia by Bulgaria last year. It will probably be some little time before the actual nature of the Rumanian campaign, and the actual power and capacity of its army, can be judged from the course of events. The first real important engagement may occur in connection with invasion of Bulgaria or through collision of Rumanian troops with Mackensen's Germans and Austro-Hungarians on the north.

Diplomatic Europe has been even more interested in the effect of Rumania's new attitude on the other Balkan States, Greece and Bulgaria. The Greek situation has in some ways become even more obscure than before the Rumanian news; it is perhaps too complicated to be judged clearly by outside spectators. The one certainty was, from the moment of the Rumanian news, that a crisis of some sort—political, diplomatic or military—must be very near at hand, with results which may well be the sensation of the day. Opinion in usually well-informed quarters has pointed unhesitatingly to declaration by Greece on the side of the Allies. On any other theory than expectation of such a result, it has been difficult to explain the action of Bulgaria's army in seizing Greek towns. Yet it is equally difficult to imagine declaration of war against the Teutonic Allies by Greece, after all the events of the past twelve months, unless in connection with the downfall of the present Greek King, whose defiant veto on the measures of a constitutional ministry and whose relationships with the German Emperor, would apparently make his continuance on the throne impossible. Yesterday's insistent rumors that the King had already abdicated were denied with what appeared to be authority. Whether they were only premature reports of what was actually happening, we shall doubtless learn later on.

Since the information which now reaches us regarding the Balkan affairs is mostly from sources sympathetic with the Entente Powers, the prediction that Bulgaria may be induced to make a separate peace must be received with some reserve. The Bulgarian King has, in fact, been reported as in conference with the German and Austrian Emperors at Vienna. Nevertheless, the position of Bulgaria is most peculiar. Unless soon relieved by German reinforcements or by German victory over Rumania, Bulgaria is now caught in front and flank by the enemy, and is the more defenseless from the very fact that her army is engaged in facing the Allied forces at Saloniki, far from Bulgaria's own frontier.

In other words, to Bulgaria the occupation of Serbia is now a very serious handicap, rather than a military or political advantage. The situation regarding all relations in the Balkans is, as it stands to-day, exceptionally confused and difficult to read. Perhaps the outcome will depend on the next important military results. The entire episode finds no parallel in history short of the alignment and re-alignment of the various small kingdoms, duchies and principalities between the Rhine and the Danube, during Napoleon's great campaigns in Central Europe. It was the experience of that day that the smaller States declared for the military conqueror in the hour of his success, and as a rule deserted him when the fortune of war began to turn against him.

THE INEVITABLE CLINCH—THE RAILROAD STRIKE CONTROVERSY.

Before speaking of the turn which Mr. Wilson's persistent championship of the brotherhoods has taken, the final and ineffectual offer of the railway executives should be stated: to begin on Sept. 1 to keep the time of all men represented, "on an 8-hour basis," and by a separate monthly account with each man "maintain a record of the difference between the money actually earned by him on the present basis and the amount that would have been earned on an 8-hour basis, overtime on each basis to be computed pro rata." This money covering the difference was to be held as a fund subject to later decision; the Inter-State Commerce Commission was to be the supervising accountant and report the amounts, after such term not less than three months as their judgment might approve "or the President may fix." Further, the entire subject of relations between roads and employees was to be investigated and determined by a Commission.

While denying that the roads can pay the demanded increase or that the men are entitled to any, the executives thus offered to submit the matter to investigation and arbitration, meanwhile depositing the money in dispute, after the custom of depositing money in court subject to determination of ownership. Instead of claiming any voice in the composition of this board of arbitration, they would leave it wholly to the man who has been the brotherhood partisan through the sessions—"a Commission to be appointed by the President, of such standing as to compel attention and respect to its findings." They could not possibly go farther, without being false to trusteeship and public duty.

On the other hand, the brotherhood men persistently refused arbitration, for no conceivable reason except their unwillingness to trust their case to it; they hung to their original demand to stand and deliver, or take the consequences. The difference in position could not be more distinctly drawn. Yield up the money first, and discuss or investigate afterwards all you like, said the men; turn the case over to a board to be appointed by your advocate, said the executives, and meanwhile we will hold the disputed amount in trust to abide their decision.

Having failed in his endeavor, and lacking spirit and fidelity to take a stand against those who have threatened the country, the President rushed to Congress, imploring that body to do something to relieve him of the responsibility he had tried to evade. Instead of enforcing the laws there are, he called for more. The first and principal section of the Sherman Act, now 26 years old, broadly forbids every combination, in trust form "or otherwise," or conspiracy "in restraint of trade or commerce among the several States," and makes a misdemeanor of "every person" contracting or engaging "in any such combination or conspiracy." Clearly, these brotherhoods are engaging in a combination as prohibited. But the exemption section of the Clayton law will be pleaded. That shameful section could be repealed in a single day, if there were the courage in Washington to do so, but let us see what there is to it: the existence and operation of labor and some other organizations having no stock and not carried on for profit and instituted for mutual help are not to be forbidden by anything in the anti-trust laws. Nobody wants to forbid them; so far, we are all

agreed. "Such organizations or the members thereof shall not be held illegal or restraining combinations;" again, nobody wants to so hold them while they behave themselves. The anti-trust laws shall not "forbid or restrain individual members of such organizations from lawfully carrying out the legitimate objects thereof."

Now the Constitution nowhere says, in terms, that Congress shall not declare some class of persons entirely exempt from any application of certain laws which are binding on all others; nor does it say that Congress shall not grant exemption from the law against murder to all residents of the District of Columbia who have a strawberry mark on the left arm. The framers omitted to forbid many things which never occurred to them as conceivable, but we suppose nobody would argue that Congress may do anything not in distinct terms forbidden to it. We also suppose the Supreme Court, even as modernized, would have great difficulty in deciding that Congress can create a privileged class or that what these railway employees threatened to do would be "lawfully carrying out the legitimate objects" of their organization.

An old-time Congress, in ordinary circumstances, could not properly handle, within a few days, such propositions as are asked and have been advanced; much less is such a body as we now have, after a nine-months' sitting, with election only two months away, and with the members anxious to go home and see to their own political fences, in a state of competence to attempt placating a band of employees who said they will throttle the country on next Monday unless they could have their own way. The bill of Chairman Adamson, introduced in the House on Thursday, provides for the adoption of an eight-hour "day's work" and as the measure for determining a day's pay; next, for a commission of three to watch and report on "the operation and effects of the institution of the standard work day as above defined;" next, that until thirty days after the commission has reported (nine months being allowed for their study), "the present standard day's wage" shall be the minimum "compensation of railway employees subject to this Act," with "not less than a pro rata rate for all necessary time" beyond eight hours; finally, the penalty of misdemeanor for "any person violating any provision of this Act."

The bill grants all the brotherhoods demanded, except the "penal" overtime. The difference between it and the offer of the executives is wide and comprehensible: the latter would refer the matter to arbitration, meanwhile holding the disputed wage money subject to the decision; the bill would pay the money as demanded (after a little delay in taking effect and with the slight concession just noted), taking up afterwards the study of whether it ought to be paid. It is a compromise in which the nut is cracked (for the present, of course) and the meat is given to the men, while the shell is awarded to the roads. If we make the very academic supposition that the commission reports unfavorably on "the operation and effects," no provision is made for the recall of the meat of the nut; that will have been already swallowed and digested.

This article is necessarily written before a vote has been reached, in either branch, but all indications are that it will be rushed through both, and that therefore the impending strike will temporarily cease

to hang above our heads. Such a measure as this' undertaking now, for the first time, to fix the outgoes of the roads, after having their receipts subject to determination by a political commission, is a step in spoliation of private property. It will certainly be resisted, and will have to pass the ordeal of test. What the Supreme Court as now constituted will say about it will appear in due time; but if this can be done, under a general power to "regulate" inter-State commerce, then any conceivable thing can be done under the same general power, and there is no ultimate bulwark for property or property rights.

A Congress which not merely permits such a demand to be made upon it but cringes before it acts from fear alone. Such conduct means that men who have been elected to represent the people are afraid of losing, for themselves individually and for their party, the vote of labor organized in these brotherhoods and otherwise; such a surrender is a piece of abject cowardice. On the other side of the globe several nations are spilling their best blood and enduring the inexpressible woes of the greatest war ever known, that they may secure a just and lasting peace, safeguard future generations, and preserve honor; if we Americans are degenerate enough to yield everything for the pottage mess of escaping some present inconvenience and putting off the inevitable clinch to some other time, we ought to hang our heads in shame—but in such case we must be insensible to shame. Every man, whatever his party name, who furthers or consents to such a step, ought to have a mark set on him as unfit for any public trust. Observe that this goes beyond the question whether these brotherhood men are entitled or not to more wage at present, for upon this there might conceivably be honest differences of opinion; the far larger question is whether distinct class legislation can be extorted from Congress by demand and threat. If this can be done, what valuable thing remains? We talk of preparedness, and are about to spend huge sums on it; but the gun is worthless without the spirit of defense and the determination that freedom is worth some cost. Whether such a retreat as this is a representative act or a betrayal of trust is a question to be answered by the people.

But suppose the threatened strike came? The railway executives decided that a stand must be made; we are not sure the American people take the same view, but if they congratulate themselves upon again escaping trouble they must note that it will return with increasing menace and force. If these railway employees are pacified by surrender to them, they will come back shortly with a new demand and the same threat; also, others will learn by their example and will try to use their process. A peace thus obtained is only a truce. By cowardice we encourage and strengthen the foe, and enfeeble ourselves.

THE EIGHT-HOUR DAY BEFORE THE PEOPLE.

If it be admitted that the eight-hour day for all labor is the goal "to which the whole economic movement of the time seems to point," the justice, wisdom and feasibility of hurrying it in by statute remains as a problem. We are not taking that up today, but in view of the recent assumption that society is demanding it and is ripe for such a change we may appropriately turn back a little and note the result of the first popular expression upon it.

At the election of Nov. 3 1914 a law to establish the eight-hour day was submitted to the people of

that very advanced State, California. It consisted of a single section, so remarkable in its terms that we quote it instead of paraphrasing it:

"Any employer who shall require or permit, or who shall suffer or permit, any overseer, superintendent, foreman or other agent of such employer to require or permit, any person in his employ to work more than eight hours in one day or more than 48 hours in one week, except in cases of extraordinary emergency caused by fire, flood, or danger to life or property, shall be guilty of a misdemeanor and upon conviction shall be fined not less than \$50 nor more than \$500, or imprisoned in the county jail not less than ten nor more than ninety days, or both so fined and imprisoned."

Except in emergencies, the employer, it was proposed, must not merely refrain from requiring an employee to work beyond the allotted time, but must not allow an agent of his to either require or allow such overwork; he must not require it, and he must not allow it. If he did "require or permit," or if, with or without his order or knowledge, his agent required or permitted, the employer was to be guilty of a misdemeanor; the purport was (if the bungling language can be interpreted) that nobody should work beyond eight hours and if anybody did, the employer should catch it.

If work beyond eight hours is desirable to have stopped, and must be stopped at once, there is no more direct way of stopping it than to penalize it. A law to punish, as a misdemeanor, an employer who requires or permits his employee to commit burglary or assault would seem unusual, for the common theory is that the person who does a wrong is to be punished, rather than somebody else who does not prevent him from doing the wrong. If the welfare and will of society lie against more than eight hours' work in one day, the natural course would be to put the penalty on the person who commits that sin, rather than on another who has not prevented him. This was evidently an unusual proposition, and perhaps the voters of California considered it both futile and foolish when they came to look at its terms; for notwithstanding it went on the referendum ballot in response to petitions bearing some 35,000 signatures of registered voters and was actively discussed in the campaign, the women being active in talking for it and therefore being assumed to have cast the greater part of the affirmative vote, the proposition was rejected by 568,881 to 282,696, the negative vote being a little more than two-thirds. Fruit growers, farmers and other agriculturists were active in opposition. Of the fifty-eight counties in the State, this proposition did not carry even one. It did best in San Francisco, obtaining 49,629 votes, against 70,909 against it; in Los Angeles it had 74,583 against 133,704.

Now, without arguing the question on its merits, apart from the peculiar terms written in this instance, it seems that when society becomes determined to put an end to anybody's working more than eight hours in one day society will be compelled to forbid and penalize it, as other undesired actions are penalized. It has never been open to doubt that many people would be glad to work eight hours and be paid for ten or twelve, and therefore there is a demand (a private demand, not a public one) for some sort of legislation which will accomplish that desire. It would also be convenient, when one is receiving money, to have three-quarters made interchangeable

with a dollar and then take the dollar; likewise, when one is purchasing, to have that interchangeability enacted and then pay the three-quarters for the value of the dollar. Presumably most persons would rather "rest" than labor, and time may bring some further development towards that; but meanwhile there is obstruction which calls for patience without fully getting it.

Yet, putting by all else for the moment, is it not quite open to doubt whether the people are so fixed for an eight-hour day that they are ready to allow one set of workers to rush and seize it ahead of all the others?

THE CANADIAN PACIFIC ANNUAL REPORT.

It is a wonderful record of improvement and prosperity that the Canadian Pacific Ry. Co. makes in its annual report just submitted for the fiscal year ending June 30 1916. In reviewing the report for the previous year we pointed out that the company in that period of twelve months had experienced a setback even more striking and more noteworthy than that encountered in the twelve months preceding. The falling off in the fiscal year 1914 was the result of pronounced trade depression in the Dominion, while the further contraction which occurred in 1915 was due to the peculiar conditions that grew out of the great conflict in Europe. In addition, also, the company at that time had to contend with deficient agricultural harvests in Canada. For the two years combined the company suffered a tremendous shrinkage in revenues, and yet this shrinkage was only proportioned to the previous growth, which had been of really phenomenal dimensions, and we indicated that as soon as the causes responsible for the great shrinkage were removed a recovery must quickly ensue. That is precisely what happened in the year now under review—the fiscal year 1916. It was a period of recovery and recuperation in which the company at a single bound retrieved nearly the whole of the loss sustained by the system in the two years of depression.

The report shows that gross earnings rose from \$98,865,210 in 1915 to \$129,481,885 in 1916 and net earnings from \$33,574,627 to \$49,225,920. In the latter case the total is far in excess of the best previous figure, but in the case of the gross revenue the company did not get quite back to the previous maximum. In other words, the total of the gross which had dropped first from \$139,395,700 to \$129,814,823, then to \$98,865,210, has now for 1916 got back to \$129,481,885. On the other hand, the net which between 1913 and 1915 dropped from \$46,245,874 to \$33,574,627, is now up to \$49,225,920. And as bearing upon this expansion in net income the fact should not be overlooked that there was in 1916 a further very noteworthy development of operating efficiency, the train-load having in this single period of twelve months been raised from 463 to 551 tons, or 19%.

The 1916 volume of traffic was of unsurpassed dimensions, but it did not yield the previous maximum of revenue because it had to be moved at exceedingly low rates, being so largely made up of one class of tonnage which will not bear high rates. In brief, the company realized in 1916 an average per ton per mile of only 6.4 mills, against 7.6 in the fiscal year 1915 and 7.5 in 1914. President Shaughnessy points out that the decline in the aver-

age was largely due to the abnormal increase in the tonnage of grain handled at the very low rates that apply to that commodity. The fact remains, however, that the company's excellent income showing was obtained on the basis of this extremely low average of rate.

The expansion in the volume of traffic can be judged from the fact that while the number of tons of freight moved one mile dropped from 11,470,001,871 in 1913 to 7,940,151,342 ton miles in 1915, the aggregate for 1916 is now found to have been no less than 14,057,685,773 ton miles. The grain traffic, just as indicated by Mr. Shaughnessy, was of really phenomenal dimensions. In 1916 it reached 276,788,209 bushels, against only 126,909,828 bushels in 1915 and comparing with 184,954,241 bushels in 1914 and 171,952,738 bushels in 1913.

The company pays altogether 10% on the ordinary shares, of which 7% is paid from operations and the remaining 3% from land sales and special income. In 1915 the income from operation was only just about sufficient to meet the 7% allotted to that source of income. For 1916, on the other hand, the surplus above the requirements for the 7% dividends was no less than \$15,444,158, which shows what a wonderfully good year it was and how previous losses were retrieved. In addition, the 3% dividends paid out of land sales and miscellaneous income was more than earned by a good deal. The excess for the twelve months was over \$2,000,000, being in exact figures \$2,140,955. These figures are all on the most conservative basis of stating the results.

President Shaughnessy takes occasion to say that the profits resulting from the manufacture in the company's shops of munitions of war undertaken at the request of the Government have not been taken into the operating revenue, but have been applied as a set-off against contributions to patriotic and relief funds and other expenditures by the company directly due to the war and not properly chargeable to working expenses. Turning to the balance sheet, we gain some idea of the extent of the profits derived in this way, for we find an item reading "reserve fund for contingencies and for contingent war taxes," and find it is down for no less than \$14,103,178. The result of this accumulation of war profit, together with the surplus of revenues above the 7% dividends from operations and the surplus of miscellaneous income above the 3% dividend requirements, is reflected in the large amount of cash on hand reported among the current assets of the company. This total of cash is found to be no less than \$41,581,680 and compares with \$17,055,269 on June 30 1915, so that the amount during the twelve months was increased nearly \$25,000,000. A railroad company holding over \$41,000,000 of cash must obviously be said to be in easy circumstances financially.

We always make it a practice in reviewing the annual report of this company to advert to the large amounts of money that have been put into the property from time to time in one shape or another and against which no capital obligations have been issued or are outstanding. The general balance sheet was re-cast in 1914 "so as to show in more specific form the active and inactive assets of the company," and in the process of the change an item was added designated "surplus in other assets," representing chiefly the estimated value of unsold land. The amount of this item for June 30 1916 is \$121,215,174. Nevertheless it is still true that inspection of the

balance sheet does not suffice to indicate the enormous amounts of surplus earnings and donations from various sources which have gone into the property to provide for its extension and development.

It is only three years ago (1913) since \$15,000,000 was appropriated out of surplus income for account of additions and improvements, and the premium of \$11,750,647 realized from the sale of new stock was applied in the same way, while two years ago (1914) the whole of the appropriation for additions and improvements remaining on June 30 1913 was written off.

It should also be remembered that eleven years ago (1905) there was a previous reconstruction of the balance sheet, the effect of which was to eliminate certain items representing large money investments. The item of "cash subsidy from Dominion and Provincial Governments and Municipalities" and so much of the proceeds of land sales as had been applied on construction and equipment account, were then transferred from the credit side of the balance sheet, where they had previously appeared, to the other side of the account, and applied in reduction of the item "Cost of Railway and Equipment." The proceeds of land sales expended in construction aggregated at that time \$36,193,521 and the subsidies and bonuses received amounted to \$30,752,195 more, making \$66,945,716 altogether. Adding to this the \$57,180,426 of accumulated income or premium from new stock issues appropriated the last eleven years on account of additions and improvements, also the \$100,604,597 of accumulated surplus still standing on the books June 30 1916, likewise the \$68,255,803 of income from the Land Department, and finally the \$121,215,174 of surplus in other assets, we get a grand total of over 414 million dollars (\$414,201,716), representing money that has actually gone into the property or will ultimately become available for the improvement of its physical and financial standing.

JAPAN'S EXPANDING FOREIGN TRADE.

The foreign trade of other countries besides the United States has recently shown notable expansion, and in no case has this been more conspicuous than with Japan. War orders on Russian account have, of course, been a decided stimulus, but expansion of trade in various directions has served to appreciably swell the merchandise outflow; this has been especially true as regards Asia, Australia, India and the Straits Settlements. Of specific articles, a very great increase in the exports of raw silk occurred in the first six months of the current calendar year—51,600,000 yen in fact—and this is due almost in its entirety to greater shipments to the United States, while a gain of 11,000,000 yen in the value of cotton hosiery is ascribed to an augmentation in the demand from India, Great Britain and the South Sea Islands. Altogether, the exports from Japan for the six months ended June 30 1916 reached a value of 469,508,000 yen, or an increase of 168,594,000 yen over the like period of 1915.

Imports for the six months also show a large increase, a total of 381,276,000 yen comparing with 288,743,000 yen, and of the gain of 92,533,000 yen, no less than 29,000,000 yen is to be found in cotton alone. Finally the net balance of exports for the six months of 1916 at 88,232,000 yen contrasts with only 12,171,000 yen in 1915. In connection with the foregoing and as indicating the enterprise shown by

the Japanese in efforts to extend their foreign trade, we note that in a recent article in the "Novoe Vremya" (Petrograd) it was stated: "Japanese merchants, adapting their merchandise to the demands of the Russian traders, are studying the Russian household in every detail. A few days ago, for instance, some boots appeared on sale, of Russian shape, for the use of the populace, accompanied by a bottle of shoe polish. Now the Japanese are selling harmoniums of hand-made Nagasaki manufacture. There seems nothing more remaining for the Japanese to manufacture for the Russian market."

Canada, too, has recently experienced a marked expansion in its outward foreign trade, but in this instance it has been most largely with the mother country, Great Britain. For the year ended June 30 1916 the outflow of commodities covered a value of \$969,514,841, or practically double the total of the previous year, and the imports for the like period, \$595,921,564 and \$425,713,654, respectively.

COMPARATIVE FIGURES OF CONDITION OF CANADIAN BANKS.

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

	ASSETS.		
	July 31 1916.	June 30 1916.	June 30 1914.
Gold and subsidiary coin—			
In Canada.....	\$ 45,480,313	\$ 46,117,635	\$ 28,948,841
Elsewhere.....	20,214,490	19,902,447	17,160,111
Total.....	65,694,803	66,020,082	46,108,952
Dominion notes.....	140,574,481	142,655,273	92,114,482
Deposit with Minister of Finance for security of note circulation.....	6,850,316	6,821,011	6,667,568
Deposit in central gold reserves.....	19,010,000	17,710,000	3,050,000
Due from banks.....	178,839,342	186,027,496	123,608,936
Loans and discounts.....	850,861,861	855,684,302	925,681,966
Bonds, securities, &c.....	238,900,428	216,416,158	102,344,120
Call and short loans in Canada.....	87,355,648	86,770,474	67,401,484
Call and short loans elsewhere than in Canada.....	177,121,733	182,757,015	137,120,167
Other assets.....	76,057,811	75,179,838	71,209,738
Total.....	1,841,266,423	1,836,347,649	1,575,307,413
	LIABILITIES.		
Capital authorized.....	\$ 188,866,666	\$ 188,866,666	\$ 192,866,666
Capital subscribed.....	113,267,766	113,259,266	115,434,666
Capital paid up.....	112,852,038	112,846,435	114,811,775
Reserve fund.....	113,022,933	113,022,933	113,368,898
Circulation.....	123,530,451	123,373,395	99,138,029
Government deposits.....	35,264,128	48,736,773	44,453,738
Demand deposits.....	603,125,803	605,040,290	458,067,832
Time deposits.....	789,363,919	767,598,130	663,650,230
Due to banks.....	28,219,803	31,037,423	32,426,404
Bills payable.....	4,063,877	5,430,683	20,096,365
Other liabilities.....	14,132,107	13,908,290	12,656,085
Balances due to Imperial Govt.....	1,419,500	1,029,250	-----
Total, not including capital or reserve fund.....	1,599,119,588	1,566,154,234	1,330,488,683

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

PAYMENT ON BRITISH LOAN.

Payment in full was made to J. P. Morgan & Co. yesterday (Sept. 1) for the \$250,000,000 two-year 5% loan to the United Kingdom of Great Britain and Ireland. The public subscription books were closed, as indicated last week, on Saturday last, Aug. 26. J. P. Morgan & Co., as managers of the syndicate which underwrote the loan, sent out the allotment notices to the subscribers on Monday night. The bankers announced that the majority of the allotments were for the full subscriptions. Those making payments are receiving temporary receipts authorized and issued by the British Government and signed by representatives of that Government in this country. It is stated that within the next month or so definitive certificates will be ready for exchange for the temporary certificates now being issued.

FINANCIAL CONFERENCE OF GREAT BRITAIN AND FRANCE.

According to cables from London, an agreement on important financial matters, including payments abroad and the maintenance of exchange between Great Britain and France, was reached at a conference at Calais on Aug. 24, between the Premiers of Great Britain and France, the Finance Ministers of the two nations, and representatives of their financial and kindred interests, an official statement issued in the matter says:

A conference was held yesterday at Calais, between the French and British Governments. A complete agreement was reached on all subjects on which the conference dealt. An agreement was concluded regarding payments abroad and the maintenance of exchange between the two countries.

The French Government was represented by M. Briand, President of the Council of Ministers; M. Ribot, Minister of Finance, accompanied by M. Pallain, Governor of the Bank of France, and M. Marjorie and O. Homberg (Octave Homberg was a member of the Anglo-French Financial Commission in the United States in 1915).

The British Government was represented by Premier Asquith, Reginald McKenna (Chancellor of the Exchequer), Edwin Samuel Montagu (Minister of Munitions), and Thomas McKinnon Wood (Financial Secretary to the Treasury), accompanied by the Chief Justice, the Governor of the Bank of England, and Sir Maurice Hankey.

WHY GOVERNMENT WILL NEVER OWN THE RAILROADS—AN OBJECT LESSON IN RATE-MAKING.

The following two articles from the pen of Trace S. Ford, formerly Auditor of the San Antonio Uvalde & Gulf Railway Co., but now Auditor of the Pittsburgh Lisbon & Western RR., at Lisbon, Ohio, are very timely now, though they were written over a year ago:

WHY WILL THE GOVERNMENT NEVER OWN THE RAILROADS?—AN OBJECT LESSON IN GOVERNMENT OWNERSHIP.

There are two principal reasons why the Government will never own the railroads—taxes and politics; though there are fully forty other reasons.

The railroads of the United States pay approximately \$150,000,000 per annum in taxes. Will the different States, counties, towns and school districts forfeit that revenue through Government ownership? If not, how, then, will it be made up to them by the Government?

Will the Government fork over every year, out of its surplus, that amount of money? And if so, how will it be apportioned among the various tax bodies, and what will be the basis on which taxes are to be levied?

First of all, these taxes which the railroads pay will increase year by year. Will the Government's unappropriated surplus pay \$150,000,000 in taxes?

Bear in mind that before there remains a cent for tax revenues, the interest on the debt which the Government owes for purchase of the railroads must be deducted.

The Government can never buy the railroads for an amount less than their existing interest-bearing debt; and besides that, something additional for stock or franchise values; so that the interest charges will be in excess of that now borne by the railroads, and must be provided for out of the surplus before leaving anything for tax revenues.

Another thing that must be provided for ahead of the tax revenues is a sinking fund for discharge of the interest-bearing debt. That will still further reduce the tax revenues; because, now, this sinking fund provision is not imperative, but with Government ownership it will be.

Take, then, the figures for a normal fiscal year, and they will appear about as follows:

Net operating revenues.....	\$1,000,000,000
Deduct interest on funded debt.....	500,000,000
Deduct sinking fund.....	500,000,000
Balance for tax revenues.....	0

The sinking fund is calculated by assuming the average time of maturity of present outstanding debts to be twenty-five years, and taking 1-25th of that for one year. The Government must either provide this redemption fund or else charge all permanent improvements every year to income. It will not do to pile up and capitalize expenditures for improvements annually, with no provision for the liquidation of them nor of the already existing debt.

While it will be seen there would be nothing left for tax revenues under the sinking fund provisions, say, for illustration, that no sinking fund were provided, and that the Government could appropriate the \$150,000,000 tax revenues, how would it be apportioned?

Would a county in Eastern Colorado or in Western Nebraska or West Texas receive a proportion based on the per cent which the railroad mileage in those counties bears to the total railroad mileage in the United States? Or, would it be divided on the basis which railroad revenues in a given State or county bear to the total railroad revenues, and would that mean the gross revenues or the net revenues after expenses are deducted? Or would they be based on the value which the railroad properties in the States, counties, etc., bear to the total railroad values of the United States? Or will the Government arbitrarily place its own values on the railroad properties in every State, county, town, etc., and will the taxes then be levied on this valuation?

Suppose the railroad revenues in a given State net nothing for taxes, does that mean no taxes in that State, nor counties and towns? Suppose there should be no tax revenues earned in a State as a whole, while the revenues in certain counties of that State were sufficient to produce tax revenues on the railroad property in those counties, must the producing counties be deprived of tax revenues because the losses in the non-revenue counties eat up the profits?

Suppose some years the railroads earn tax revenues, and some years none; will the obligation be cumulative year by year until paid, or will each year's results stand by itself, and when no revenues, no taxes? Will the Government tax itself at all, anyhow; and if not, then will this deficiency of \$150,000,000 be made up by increased taxes on everybody else?

A second good reason why the Government will never own the railroads is, politics.

The political party which happens to be in power when the Government acquires the railroads, and is responsible for that action, will either stay in office forever or will never see daylight again, according as they will settle the tax question, the labor question, the vestibule train question, the dining-car and sleeping-car question; make a time-table to suit everybody; fix the high and low places in the track; build all the new depots and side-tracks everybody wants; systematically reduce the freight and passenger rates year by year; furnish free ice-cold pop at all the depots, and carry the mails for nothing.

N. B.—There will be no labor unions to raise the pay of, they having in the meantime joined the Do-Do and the Zook-Zook. The Government will pay whatever rates of wages appear consistent, and that it can afford to pay—nothing more; and this will apply to all employees, not to any particular class or classes—and that is what the railroads ought to be doing to-day.

If you can imagine all the various tax bodies and the would-be Henry Clays and John C. Calhouns voluntarily and cheerfully surrendering their Constitutional rights to ride into everlasting political glory on the backs of the railroads, you can imagine such a thing as Government ownership.

This question may or may not be a certainty in the near future, but when Government valuation of railroads is finished it will most surely be a

possibility, and much depends on the parties then in control of the railroads and on what has been done previously to educate and inform everybody as to what Government ownership would mean.

Any great thing, calamity or otherwise, is as possible in this country as any other country, and just as idiotic things as the great European massacre, might occur here. Let a man with a gun ride horseback down the street preceded by a snare drum, and, for example, proclaim publicly that somebody had looked cross-eyed at the American flag and "come-on boys," he would in no time muster a crowd from 30 to 30,000, depending only on the size of the town; and they would twist the heads off the other crowd and use them for footballs if they could, and sit on the corpses while they smoked cigarettes—this, regardless of family ties, conscience or anything else.

Just so can a crowd of political spellbinders, for party purpose, instill identically the same madness into the public mind about Government ownership unless their common sense, resulting from previous education on the subject, has a chance to assert itself.

With exactly equal common sense might be argued the Government ownership of grocery stores, on the principle of economy to the consumers of groceries. But how about the prices which the Government would pay for the groceries and for the millions and millions and millions and millions of things railroads buy? Answer: The Government would regulate and set the prices it would pay for its groceries, and its railroad supplies, and its labor, and those would be the standard prices for such things the country over, and the seller of that commodity or that labor could take the price or leave it alone.

The question of freight charges would be eliminated, for if the Government could buy a thing cheaper in Michigan than in California it would be bought in Michigan and hauled to California free of freight charges, and the California merchant or producer could whistle for the business; and the Government would inevitably be forced to manufacture its own cars and locomotives, and its steel rails; and when it does that it will take over the iron mines and mills and so on, and so on, and so on; and whatever the Government doesn't take a notion to manufacture for its railroads, it will get through firms so gigantic, created for the purpose, that the "little fellow" will be hopelessly obliterated; and we will then be getting down to the European basis of wages and prices of things in general.

It might not be a bad idea if everyone would put these things in his pipe and smoke on them at odd times.

THAT SIXTY-SEVEN CENTS—AN OBJECT LESSON ON THE RATE SITUATION.

The average distance traveled by every revenue passenger who boards a train is 34 miles, and the railroad receives 67 cents from each one, or less than 2 cents a mile (the value of a postage stamp). Every passenger who pays his fare thinks his money is all profit to the railroad, a gratuity; every deadhead passenger imagines the railroad owes him something for the privilege of carrying him.

What becomes of this magnanimous sum of 67 cents? First of all, the railroad maintains a City Passenger Office, so the passenger can inquire why the trains don't run differently, and kick about the service; then the road has to advertise, so the passenger will know where he wants to go, and give the time-table to save the trouble of telephoning the ticket office; then hire a soliciting bureau to go around and give the passenger two-bits' worth of cigars and coax him to go "our way" (he finally goes with our hated competitor).

Next come the Grand Central Terminal facilities, in all their glory; free lavatories, free messengers, and matron service, callers, tenders, free ice water to the public at large, free everything—all out of this 67 cents. Next comes the passenger's free baggage, anywhere from 10 pounds to 300 pounds, according as he "works" the baggageman. The trains must be electric lighted, of course, and have free ice water, lavatories, electric fans, etc., etc. All this is explained beforehand in the advertisements, and by the City Office, and by the Soliciting Agent, who furnishes the cigars, not to say other things. And then comes the pay of the train crew and expenses of coal and axle grease for the engine and cars.

These expenses over with, the magnificent 67 cents helps pay the salaries of the general officers and all the clerks, down to the boy who sorts the passengers' tickets and sees they have not been used fraudulently; for, no matter how honest and square a man is in everything else under the sun, it is a part of his religion to beat a railroad, if he can, and he does it with the same unconcern that he drinks his coffee for breakfast.

Then come the salaries of the station agents, shopmen, trackmen, the cost of rails and ties, and all the other material and supplies railroads use; lawsuits, claims, legal and illegal, expenses caused by State and Federal commissions, traffic and other necessary railroad associations. Then come the taxes and interest on borrowed money, and then what is left of the 67 cents the stockholder is welcome to take and buy automobiles and private yachts with. Is he? No; he can't, because the road has spent it or wants to spend it in additions and betterments to take care of business they are going to get some time, and because "the public demands better service and facilities"—and that is railroading in 1915.

It is interesting, even if not funny, the things a passenger will want for 67 cents, and when the porter lifts him off the train and another attendant carries his hand baggage out for him, he will pay a hackman \$1 for a five-minute ride and spend \$1.50 for a room with \$8 worth of furniture in it, and a dollar or two for a meal that is mostly profit instead of loss, and \$2 to see a 25-cent show, and pay his barber and waiter and porter and bellboy and manicure from two to ten times what he paid the railroad to get there. He will do all this with the air of one who is made of money, and that it annoys him to have money around, and if they don't take his money he will feel insulted enough to choke.

If a man walked thirty-four miles in three days it would cost him, on an average, in time and expenses, \$18, besides the depreciation in his clothes and disposition. If he drives it in one day with a team, it would cost him in time, expenses and horse feed, \$7, besides the interest and depreciation on his outfit and the expense of getting back again. By automobile it will cost him 7 cents a mile, or \$2.38 (driving it himself), and as much more to get back again.

Every ton of freight pays the railroad 7 mills per mile hauled. You can't just realize how great this is, for there is no money made that small. A ton of freight is equal in weight to six passengers with their free baggage, but it doesn't have to have ice water, electric fans, electric lights, lavatories, matrons, messengers, ten-thousand-dollar coaches that only carry four tons of people plus a five-thousand-dollar baggage car and a baggageman for the free baggage, instead of five-hundred-dollar box cars that carry sixty tons of freight; and it can get along without a million-dollar depot; and it travels an average of four times as far as a passenger; and so it can be hauled cheaper; but these 7 mills per mile go the same round of duties as recited about the passenger's 2 cents per mile, and if anybody would rather haul or carry a ton of freight a mile than pay a railroad 7-10ths of a cent, there is no law against his doing it and he can figure out his own expense either before or after taking.

Moral: If everybody who was spoiling for a war to lick somebody else, actually had to go to the front himself and wear a white duck suit and ride a white horse, instead of staying at home to bark and scratch, there never would be another war—never. If everybody who wants starvation rates for railroads had to help fork over to them every year a reasonable dividend and make up all the deficits, it would settle the rate question for keeps.

CRISES IN SITUATION ARISING OUT OF TRAINMEN'S DEMANDS.

The controversy between the trainmen and the railroad executives reached an acute stage this week following the failure of President Wilson to harmonize the views of the divided interests. The overtures between the trainmen and their employers were brought to a standstill on Tuesday with the refusal of the railway presidents to accede to the proposal of President Wilson to accept "without arbitration the substitution of an eight-hour day for the present ten-hour day in all of the existing practices and disputes," and the rejection by the brotherhoods of the railway executives' counter proposal for an adjustment of the differences through the submission of the disputed points to a commission, the roads agreeing on their part, beginning Sept. 1, "to keep the time of all men represented in this movement upon an eight-hour basis and by separate account, monthly, with each man, maintain a record of the difference between the money actually earned by him on the present basis and the amount that would have been earned upon an eight-hour basis—overtime on each basis to be computed pro rata. The amounts so shown will be subject to the decision of the commission provided for in paragraph (c) of this memorandum and payable in money as may be directed by said commission in its findings and decision."

The deadlock in the negotiations was promptly followed by a personal appeal to Congress by President Wilson on Tuesday to enact legislation to avert the strike which threatened to take place on Monday next, the 4th inst. The President's address to Congress is given in full in another column of to-day's issue of our paper. He urged the enactment of legislation as follows:

First—Immediate provision for the enlargement and administrative reorganization of the Inter-State Commerce Commission along the lines embodied in the bill recently passed by the House of Representatives and now awaiting action by the Senate, in order that the Commission may be enabled to deal with the many great and various duties now devolving upon it with a promptness and thoroughness which are with its present constitution and means of action practically impossible.

Second—The establishment of an eight-hour day as the legal basis alike of work and of wages in the employment of all railway employees who are actually engaged in the work of operating trains in Inter-State transportation.

Third—The authorization of the appointment by the President of a small body of men to observe the actual results in experience of the adoption of the eight-hour day in railway transportation alike for the men and for the railroads; its effects in the matter of operating costs, in the application of the existing practices and agreement to the new conditions and in all other practical aspects, with the provision that the investigators shall report their conclusions to the Congress at the earliest possible date, but without recommendation as to legislative action; and in order that the public may learn from an unprejudiced source just what actual developments have ensued.

Fourth—Explicit approval by the Congress of the consideration by the Inter-State Commerce Commission of an increase of freight rates to meet such additional expenditures by the railroads as may have been rendered necessary by the adoption of the eight-hour day and which have not been offset by administrative readjustments and economies, should the facts disclosed justify the increase.

Fifth—An amendment of the existing Federal statute which provides for the mediation, conciliation and arbitration of such controversies as the present by adding to it a provision that in case the methods of accommodation now provided for should fail, a full public investigation of the merits of every such dispute shall be instituted and completed before a strike or lockout may lawfully be attempted.

Sixth—The lodgment in the hands of the Executive of the power, in case of military necessity, to take control of such portions and such rolling stock of the railways of the country as may be required for military use and operate them for military purposes, with authority to draft into the military service of the United States such train crews and administrative officials as the circumstances require for their safe and efficient use.

Tuesday's explanation of the stand of the railroad executives, and the basis of settlement proposed by them will be found in full elsewhere in this issue of our paper. On Monday it developed that secret strike orders had been issued to the local Chairmen of the four Brotherhoods; this order fixes Sept. 4 as the date when the nationwide strike is to go into effect; both the order and instructions issued with regard thereto will be found under a separate heading.

As noted last week, the railroads, through Hale Holden, President of the Chicago Burlington & Quincy RR., who acted as spokesman for the thirty-three railroad officials, signified on Aug. 19 the tentative refusal of the railroads to the proposition of President Wilson calling for the adoption of an eight-hour day, the acceptance by the trainmen of regular pro rata overtime in lieu of time and a half for overtime, the abandonment by the railroads of their demands for the submission of the controversy to arbitration or media-

tion, and their acquiescence in the President's suggestion for the appointment of a Federal Commission to investigate the collateral problems.

On the 21st, it will be remembered, the railroad executives whose numbers had since been augmented by other railroad officials from the West, decided to appoint a committee of eight to draft a counter proposal to that of the President. The special committee's plan provided for granting an eight-hour "basic" day to the trainmen, but with assurance that every effort would be made by the Administration to secure a freight-rate increase to recompense the roads and further assurance that Congress would be asked to enact legislation to insure settlement of future labor disputes through an investigating commission. On Aug. 25, when the committee representing the four Brotherhoods had notified President Wilson that the trainmen had become restive and it would not be possible to hold the committee together longer than Saturday, the 26th, the railway executives took action toward submitting their proposal to the President. Shortly before the railway executives went into session on the 25th, one of them was quoted as saying:

We have taken into consideration, in arriving at a common understanding, that we are the trustees of \$17,000,000,000 of property and of the transportation system of the country. We have determined that we must maintain the integrity of our trusteeship.

We have considered, further, that labor is short, and that in some respects, including the question of labor, the railroads have been attacked with a slight case of creeping paralysis.

We have not forgotten our obligations to our employees and to the public. They receive first consideration. The public is entitled to the best transportation service at the lowest cost possible.

The members of the brotherhoods are among the best paid employees in the country. To increase their compensation to the extent of \$50,000,000 would mean that we should have to increase the freight rates to the same extent. We believe the people are unwilling for that to be done merely because a highly paid class of employees make unreasonable demands.

We have considered also the fact that the war will soon be over, and that we shall not be able to meet European competition if these unjust demands are granted, and the President establishes a precedent that will throw us upon the mercy of unreasoning and selfish labor organizations which serve their only particular ends.

The railway executives finished framing their answer to President Wilson last Saturday night, the 26th, and sent word forthwith to the White House that they were ready to confer with him. The President indicated, however, that he would prefer to see them Monday at ten o'clock. In the afternoon of that day, when it became known that the railway executives were unanimous in their refusal to accept his plan of settlement, President Wilson personally went to the Capitol and laid before majority leader Kern, of the Senate, and Senator Newlands, Chairman of the Inter-State Commerce Committee, the statement of the railway heads that Congress must guarantee some source of added revenue if they are to meet the demands of their employees. How this should be accomplished, President Wilson did not suggest. Immediately afterward Senators began discussing proposals to have Congress record itself in favor of a rate increase. No arrangements were made on that day for the President to address Congress on the subject, but it was considered likely that he might do so during the week if the situation continued critical.

Following his visit to the Capitol on Saturday, President Wilson on Sunday the 27th had a conference with Senator Newlands and Franklin K. Lane, Secretary of the Interior. It was understood that they perfected the draft of a resolution to be passed by both houses of Congress, authorizing higher freight rates. The formal reply of the railroad executives rejecting the President's proposition and embodying a counter proposal, was presented to the President on Monday. After Monday's conferences at the White House with the committee of eight railroad presidents and the four Brotherhood heads on the new proposal suggested by the executives, and after a prolonged discussion of the situation at the Capitol with the members of the Democratic Steering Committee of the Senate, President Wilson decided to go before Congress and recommend legislation aimed to prevent the threatened tieup of the railroads. When the railroad Brotherhood heads went to the White House Monday night, the President not only laid before them the plan of the executives, but strongly urged the withdrawal of the tentative strike order sent out on Sunday, subject to release, calling for a walk-out of the brotherhood members on Labor Day. This request was flatly refused, the leaders saying only the committee of 640, which left Washington Sunday, had power to recall the order.

On Monday afternoon the railroad presidents, after their conference with President Wilson, issued a statement saying:

At a conference at the White House to-day at 2:30 p. m., between the President and the Committee of Eight of the railroad presidents, a suggestion was laid before the President in the nature of a proposition for progress

toward a solution of the questions at issue, and this was left with him for his consideration.

The committee expects to see the President in the near future, but before leaving the committee pointed out to him that if the reports that the date for declaring the strike had been fixed for Sept. 4 were true, it would force an early conclusion of the negotiations and compel the presidents to return to their properties to prepare for the issue.

In his conference with the members of the Senate Democratic Legislative Steering Committee on Monday, President Wilson not only asked advice regarding the desirability of his laying the whole railroad situation before Congress in a personal address, but discussed with them problems of legislation to prevent a nationwide strike, or in the event of a strike, to keep the roads in operation for national necessities. He disclosed to the committee the essential points in the protracted negotiations he had conducted with railroad presidents and managers and the representatives of the brotherhoods. The Senators present were: Kern of Indiana, Martin, Virginia; Chamberlain, Oregon; Owen, Oklahoma; O'Gorman, New York; Thomas, Colorado; Reed, Missouri; James, Kentucky, and Williams, Mississippi. The conference continued for two hours and a half. As the President left the committee room he passed a group of newspaper correspondents, to whom he said:

I will have to tell you some time, and I might just as well tell you now, that I came here to-day to consult with the Steering Committee of the Senate and to get their advice on my appearing before Congress on the railroad situation. I have just asked their advice and my decision will be announced later.

Senator Kern, Chairman of the committee, said the committee was in full accord with the President regarding the advisability of addressing Congress and that a joint session would be arranged to hear him.

On Tuesday the brotherhood heads gave out a statement in which they clearly indicated that they would oppose any legislation along the lines of the Canadian plan for the adjustment of industrial disputes. This statement appears in another column.

The 640 Chairmen of the railway brotherhoods, who were called to Washington by President Wilson, held a meeting in the Bijou Theatre last Sunday and resolved to go home. A sub-committee consisting of about 30 men was appointed, with full power to effect a settlement if such a thing were still possible. The committee was specifically instructed, however, that if had no power to accept terms of settlement that provide for arbitration of the question of an eight-hour day with 10 hours' pay. A. B. Garretson, W. G. Lee, W. S. Stone and W. L. Carter, the chiefs of the four big Brotherhoods, are members of this committee.

Many of the railway executives left Washington on Tuesday night to prepare for the threatened tie-up. Before their departure they held a final meeting at the conclusion of which they gave out the following statement:

The situation created through the issuance of the strike order by the brotherhoods makes it necessary that the railroad executives return to their homes to protect their properties in the emergency impending; as a consequence they are planning for an early departure.

In leaving Washington they are unanimous in their expression of satisfaction with the results of their conference so far as the position of the railroads is concerned. Briefly summarized, the important points developed by their deliberations here are:

First. A renewed insistence upon the principle of arbitration as the only proper method of settling labor disputes. The railroads have given the employees every possible consideration in this respect, by offering to arbitrate their differences either through the Inter-State Commerce Commission, under the Newlands Act, or by a commission to be selected by the President of the United States.

Second. An increased realization of the responsibility of the railroads toward their other employees, the shippers, the industrial, commercial and general public, which they have been made to feel by thousands of telegrams insisting upon the maintenance of their position.

The railroad executives came to Washington upon the invitation of President Wilson, and in good faith have worked continuously and earnestly in a sincere effort to solve the problem in justice to all the parties at interest. These efforts were still in progress when the issuance of the strike order showed them to be unavailing. Responsibility for the threatened strike does not rest with the executives.

The counter proposition made at the request of the President last week and presented to him formally to-day represents the unanimous sentiment of the railroads and is the utmost concession to the demands of the men which in the interest of peace they feel able to make.

Any other course would involve the surrender of a vital principle and impose undue burdens upon industry and commerce, impair railroad credit and prevent railroad progress to meet the rapidly increasing commercial demands of the country.

The strike, if it comes, will be forced upon the country by the best-paid class of laborers in the world, at a time when the country has the greatest need for transportation efficiency. The problem presented is not alone that of the railroad or business world, but one involving democracy itself, and sharply presents the question whether any group of citizens should be allowed to possess the power to imperil the life of the country by conspiring to block the arteries of commerce.

A majority of the members of the advisory committee remained in Washington, namely: Frank Trumbull, Chairman of the Chesapeake & Ohio; Howard Elliott, President of the New Haven; Samuel Rea, President of the Pennsylvania; A. H. Smith, President of the New York Central;

F. D. Underwood, President of the Erie; Daniel Willard, President of the Baltimore & Ohio; Hale Holden, President of the Burlington; A. J. Early, President of the St. Paul; C. H. Markham, President of the Illinois Central; W. J. Harahan, President of the Seaboard Air Line; B. F. Bush, head of the Southern Pacific; Henry Walters, President of the Atlantic Coast Line; R. E. Lovett, head of the Union Pacific, and Alfred B. Thom, counsel to the Committee. They will keep the railroads of the United States informed as to the developments in the situation.

On Wednesday tentative drafts of bills designed to carry out President Wilson's recommendations, were submitted to the Senate Committee on Inter-State Commerce. The bills were drafted by Senator Newlands, Secretary Lane and Attorney-General Gregory. A resolution calling for a nine-hour hearing on the tentative bills was adopted by the Committee, three hours to be allotted to the railroads, three to the brotherhoods and three to the shippers and public generally. The hearings began on Thursday morning. The tentative drafts of the measures submitted to the Senate Committee and communicated to all parties to the controversy on Wednesday, included the following provisions to be attached to the pending bill which would enlarge the Inter-State Commerce Commission:

Establishment of eight hours as the standard for a day's work for railroad employees operating trains in inter-State commerce, and the appointment by the President of a Wage Commission of three members to observe the administration and financial effects of institution of the eight-hour day, the President to submit its recommendations to the Inter-State Commerce Commission, which would accept the findings, unless clearly erroneous, and adjust rates to insure a fair return on invested capital; wages of employees not to be reduced, for a period to be determined, below the present standard day's wage, pending the report, and pro rata proportion to be paid for service in excess of eight hours; the Commission also to study and report on the problem of compensation for railroad employees.

Other proposals included amendment of existing arbitration law directing the Board of Mediation and Conciliation, if unable to induce parties to submit controversies to arbitration, to refer differences to a board for investigation, pending decision of which it would be unlawful for employers to cause a lockout or employees to cause a strike; each party to a controversy to name one member of the board of investigation which would consist of three members. Empowering the President, whenever railways engaged in inter-State commerce or in transportation of the mails shall cease to operate or be seriously interrupted because of a strike, to direct operation of railroads sufficient for military purposes; to draft into Federal service all persons necessary and to use the military forces of the nation.

Immediately after the tentative legislation had been made public general debate was begun in the Senate on the controversy, Senator Cummins opening the discussion, asserting that compulsory arbitration was impracticable and unconstitutional; that any attempt to fix maximum wages by law, although within the power of Congress, was doomed to failure, and that legislation to prevent strikes by force of law would mean a practical prohibition of labor unions. He suggested that a modified or partial restriction of the right to strike in a combined way might make for industrial peace.

There was also introduced in the Senate a resolution by Senator Blair Lee of Maryland, calling upon officials of the railroad brotherhoods to postpone execution of the strike order for one week to give Congress sufficient time for intelligent consideration of legislation suggested in President Wilson's message. The resolution was referred to the Inter-State Commerce Committee without discussion. From the House on Wednesday word came that Representative Adamson, Chairman of the Commerce Committee, and Majority Leader Kitchin had concluded that the eight-hour day law could be passed through that body.

A voluntary committee of Congress, formed with a view to aiding the movement to rush the legislation through Congress, and composed of Representatives Keating of Colorado, Van Dyke of Minnesota, Tavener of Illinois, Buchanan of Illinois, Lewis of Maryland, Cooper of Ohio and Casey of Pennsylvania, held two conferences with the brotherhood leaders on Wednesday. After these conferences one member of the committee said there would be no strike if the brotherhood leaders could be assured of a definite legislative program.

Thursday's developments brought a more hopeful outlook so far as the staying of the strike was concerned. On that day a bill which is in the nature of a compromise measure for the legislation proposed by President Wilson, and which would operate to avert the strike, was introduced by

Representative W. C. Adamson of Georgia, this bill providing for an eight-hour day effective Dec. 1 next (later amended to make the date Jan. 1), with the present ten-hour rate of pay and pro rata rate for overtime, and the appointment by the President of a commission of three to observe the operation and effects of the eight-hour day and to report their findings in not less than six nor more than nine months. The bill appropriates \$25,000 for the expenses of the commission. The House Inter-State Commerce Committee reported the bill yesterday under a special rule limiting debate, and it was adopted later in the day by the House by a vote of 239 to 56. A similar bill, agreed on by the Senate leaders, fixing Jan. 1 as the date for the adoption of the eight-hour day and authorizing the Inter-State Commerce Commission to fix schedules of wages on railroads, was favorably reported yesterday by the Senate Inter-State Commerce Committee. The Senate last night voted to drop the substitute and went into conference upon the Adamson bill. They discussed it up to 11 o'clock and then adjourned. Before adjourning they agreed to debate upon the bill until 4 o'clock to-day (Saturday). They also agreed to take a vote upon the bill not later than 6 o'clock to-day.

The following is the text of the resolution as introduced by Representative Adamson:

Be it enacted by the Senate and House of Representatives, that:

Section 1. Beginning Dec. 1 1916, eight hours shall in contracts for labor and service be deemed a day's work and the measure or standard of a day's work for the purpose of reckoning the compensation of all employees who are now or may hereafter be employed by any common carrier or railroad which is subject to the provisions of the Act of Feb. 1 1887, entitled, "An Act to regulate commerce," as amended, and who are now or may hereafter be actually engaged in any capacity in the operation of trains used for the transportation of persons or property on railroads from any State or Territory of the United States or the District of Columbia to any other State or Territory of the United States or the District of Columbia or from one place in a Territory to another place in the same Territory or from any place in the United States to an adjacent foreign country or from any place in the United States through a foreign country to any other place in the United States.

Section 2. That the President shall appoint a Commission of three, which shall observe the operation and effects of the institution of the eight hours standard workday as above defined and the facts and conditions affecting the relations between such common carriers and employees during a period of not less than six months nor more than nine months, in the discretion of the Commission, and within 30 days thereafter such Commission shall report its findings to the President and to the Congress; that each member of the Commission created under the provisions of this Act shall receive such compensation as may be fixed by the President. The sum of \$25,000 or so much thereof as may be necessary be and hereby is appropriated out of any money in the Treasury not otherwise appropriated for the necessary and proper expenses incurred in connection with the work of such Commission, including salaries, per diem, traveling expenses of members and employees and rent, furniture, office fixtures and supplies, books, salaries and other necessary expenses, the same to be approved by the Chairman of the said Commission and audited by the proper accounting officers of the Treasury.

Section 3. That pending the report of the Commission herein provided and for a period of 30 days thereafter the compensation of railway employees subject to this Act for a standard eight-hour workday shall not be reduced below the present standard day's wage and for all necessary time in excess of eight hours such employees shall be paid at a rate not less than a pro rata rate for such standard eight-hour workday.

Section 4. That any person violating any provision of this Act shall be guilty of a misdemeanor and upon conviction shall be fined not less than \$100 and not more than \$1,000 or imprisoned not to exceed one year or both.

The House Inter-State Commerce Committee amended the bill to make the eight-hour day effective Jan. 1 next, instead of Dec. 1, and so as to exempt railroads under 100 miles in length, electric street railways and interurban lines; and other changes may be made before the measure reaches the President.

At the hearing accorded by the Senate Committee on Inter-State Commerce on Thursday the railroad executives and the shippers insisted that the strike order at least should be postponed, and the four brotherhood chiefs declared with equal vehemence it could not be. A. B. Garretson, spokesman for the trainmen and President of the Order of Railway Conductors, brought the hearing to a climax shortly before the taking of testimony closed. When he had only three minutes left in which to speak, his brother presidents urged him to answer the question of power to postpone a strike. To this Mr. Garretson said:

We have been asked if we have the power to defer this strike. It has been called for next Monday. I have the power to defer that date in my organization, but in the other organizations the situation is different. The heads of the other brotherhoods cannot call back the strike order.

But here is where I stand. For years my men have trusted me. When I stood before the President the other night and he asked me if this could be done, I found my Gethsemane. To the men who have made me the recipient of all these things, I owe my first obligation. I can put it off, but, if I did without gaining a satisfactory settlement, there would linger in the minds of those who have trusted me thoughts of treachery. If I put it off, across a fair record of 30 years would be written the word "Traitor."

At the outset of the hearing Senator Newlands, Chairman of the committee, announcing its purpose, said none of the proposed legislation included compulsory arbitration and

spoke of the short time remaining for Congress to act. He said:

It simply provides in case of the failure of voluntary mediation and arbitration, for a Government inquiry and the stay of the action of all the parties to the controversy until investigation and report should be made, leaving them free thereafter to act as they might be advised. This present dispute, if carried to its extremes, will involve the United States in a civil war. The question is whether we cannot find some means of bringing about a settlement of this dispute between employers and employees without resort to force.

Mr. Garretson at the hearing said in part:

I want to impress on the committee that since the beginning of these negotiations no definite proposal ever has been made to us by the other side. They have said but one thing; they have offered to leave the whole matter to the Inter-State Commerce Commission.

We believe in the principle of arbitration, but not in arbitration where we stand only to lose. The experience of our men with arbitration has not made them in love with its practical results. There have been many unfair men on our arbitration boards. Can you imagine two men having a case passed on in court and then, after the litigants had left the courtroom, one of them arrogating to himself the right to interpret the verdict?

Under ordinary processes of our policies we would be out of accord with all of the five propositions made by the President. But, in the hope of effecting a settlement we are willing to waive many deep-rooted principles, and we are willing to aid in the passage of a legislative remedy that will make it possible to recall the order to strike September 4, the eight-hour law, accompanied by a provision to assure the 10 hours' pay pending inquiry, and I suggest a provision that the Government should bring suit in case a road refuses to grant the pay as is provided in the hours of service law would satisfy us in this emergency.

As for compulsory arbitration no influence that ever can be brought to bear can induce our organization to accept it. I want to go on record here as protesting against anything that savors of making men stay at work during any investigation.

Asked for the attitude of the brotherhoods on Senator Lee's pending resolution to have the strike postponed a week, Mr. Garretson said he would like to discuss that later. He declared that, in accepting the President's proposal, the men had yielded 50% of their demands.

Samuel Gompers, President of the American Federation of Labor, who followed Mr. Garretson, said that the Federation supported the brotherhoods and protested against compulsory arbitration. He attacked Government operation of roads for military purposes, contending it was conscription and indefensible in times of peace.

Chairman Lovett of the Executive Committee of the Union Pacific, the first to present the side of the railroads, said if the public were not involved in the present controversy, and if there were not thousands of railway employees not allied with the trainmen, the parties involved should be allowed to settle the matter themselves. The railroads, he said, no longer were owned by the bankers, but had stock widely distributed. "The bankers of the country," he said, "have not attempted to dictate the positions of the roads in this controversy. I myself have only received one message from a banker, begging that we accept the President's proposal." The railroad officials, he said, regarded the problem as one to be settled by arbitration, because, he added:

Just as certain as the sun sets, the public will pay the bill. Railroads have no income except what they earn. That depends on the rates they can get. My understanding of this matter is that what the men want is an increase of wages. If Congress proposed to enact a law to make them work only eight hours they would be up in arms. If this burden of \$60,000,000 a year is put on the public because of this legislation now proposed, the responsibility will be on Congress, not on the railroads.

We have done our utmost to settle this dispute except to surrender what we think a vital principle. If this demand is successful, if they can, under duress, force out this \$60,000,000, Congress will be called upon to pass a law providing for overtime and another burden of \$40,000,000 in turn will be passed on to the public.

The issue here is whether the 100,000,000 people in this country are to be put at the feet of 350,000 workmen. If the judgment of the country is that there is nothing for us to do but submit, we will abide by it. The responsibility is no longer mine. The railroads will struggle on and meet the additional expense imposed on us in the best way we can, knowing that ultimately it will be passed on to the public.

A. P. Thom, counsel for the railway executives' advisory committee, closed for the railroads with a summary of the arguments against the eight-hour day. He said the railroad executives were acting in a fiduciary capacity, that they must see that there is a fair return on the money invested in railroads, and that any wage increases are not distributed to only a comparatively small part of their employees. Mr. Thom in part spoke as follows:

"We do not claim the right to decide this question any more than we think that any interested party ought to be allowed to decide it. We were told that the eight-hour day is not arbitrable. The answer to that is that these gentlemen would not have an eight-hour day and wouldn't accept it if it was tendered to them." He said that never in any legislative Act nor in any party platform had the position been taken that a man should work eight hours and be paid for ten.

"If society cannot find a peaceable way of settling these disputes and they must be relegated to force, then society has broken down and there is no spirit of fairness in this nation which will enable it to exist. We promised to keep an account on the basis of an eight-hour day while a commission sought to ascertain the facts and to pay from the beginning whenever an award should be made. I call upon your consciences to witness whether in this attitude there is any purpose to deny human rights or to deal arbitrarily with any rights of the railroad employees.

"What is the alternative to these peaceful methods? Our friends replied that the only alternative is force. When asked for other suggestions they stand mute. This crisis, important enough for the President of the United

States to submit the issue to Congress, should be carefully and deliberately considered. But here you are denied the right for time and deliberation on merits of the proposals. You are told that you must surrender before next Monday or the nation will be plunged into a calamity of starvation and ruin in order that the views of a few may prevail."

Elliott H. Goodwin, General Secretary of the Chamber of Commerce of the United States, was the first speaker for the shippers. He said a vote taken among more than 700 commercial organizations showed them almost unanimously in favor of submitting the present controversy to the Inter-State Commerce Commission. Henry C. Barlow, Traffic Manager for the Chicago Association of Commerce, urged postponement of the strike that Congress might have time to investigate fully.

Luther M. Walter, attorney for the National Industrial Traffic League, who said he represented 200,000 shippers and trade organizations, objected to any proposal that looked to an increase in freight rates without a hearing on the merits of the proposal and how it may affect the country. He said there was no reason why employees of industrial concerns should not make the same demand and threaten to paralyze the industries of the country. R. S. French, of the National Association of Commission Merchants, said his organization had not voted on the present situation, but he was positive it would favor fuller investigation before legislation affecting it is passed. "Our deliberations are taking place under the guns," declared James A. Emery, of the National Association of Manufacturers. "We think matters of this kind should be thought out and not fought out." W. G. Wilson, of Toledo, concluded for the shippers, and Frank Lyon, of Washington, argued that if rates are to be raised, it is up to Congress to raise them and not pass the question on to the Inter-State Commerce Commission.

E. P. Ripley, President of the Atchison Topeka & Santa Fe RR., who was a member of the committee which conferred with President Wilson on behalf of the railroads, issued a statement at Chicago on Wednesday following his return from Washington, summarizing the situation:

For a time after President Wilson presented his plan to the railway executives there were some differences of opinion among us as to what course the railways should adopt. When, however, we got down to a thorough consideration of the gigantic problem involved, these differences of opinion began to disappear, and after we had studied and discussed the subject in all its phases we reached unanimously the conclusion that there was only one course which the railways could take in justice to their employees, to their stockholders and to the public, and that was to refuse to yield their demand for arbitration, even though it appeared certain that unless the National Government forcibly intervened the result would be a nation-wide strike.

If a strike comes it will be due to the display, on the part of the railway brotherhoods, of an unreasonableness, an arrogance and a disregard of the rights and interests of the railways, of the 80% of railway employees not involved in this controversy and of the American public that is absolutely without precedent. It is necessary to bear this fact in mind in order clearly to understand the final decision of the heads of the railways to refuse to sacrifice the principle of arbitration even at the probable cost of a strike.

The brotherhoods began the present movement for increases in wages a year ago with the declaration that under no circumstances would they submit their demands to arbitration, but that they would strike unless the demands were granted. It should be emphasized since the public does not understand this particular point, that even the plan for a settlement proposed by President Wilson did not include arbitration of any of the points in controversy. President Wilson proposed to the railway executives that they should grant outright the demand of the employees for the so-called basis eight-hour day at the present rate of pay. This did not provide for a real eight-hour day at all, but merely that employees in train service might work less than eight hours for a day's pay, as many do now, but that none of them should be required to work more than eight hours without being paid overtime. This meant that, without any hearing whatever, the railways were to concede the most important matter in the controversy.

The President also proposed that the settlement of the brotherhood's demand for time and a half for overtime, and of the proposals which the railways had made to the brotherhoods should be left to future investigation and determination. This did not provide for arbitration of anything whatever. It meant that the brotherhoods did not in any way modify their demand for time and a half for overtime, but that they might in a short while return and threaten to strike if that demand was not granted. President Wilson finally asked them if they would agree, in case they were granted the eight-hour basis day, to arbitrate the question of time and a half for overtime and the proposals which had been made to them by the railways and they positively refused to submit these matters to arbitration.

In the circumstances the railway executives saw that even if they granted the basic 8-hour day as President Wilson suggested, with all the sacrifice of principle and increase in railway expense this would involve, they would not thereby effect a settlement even of the present controversy. They also saw that while failing to make sure that there would be no strike in this instance, they would, if they yielded, directly encourage the train-service brotherhoods and other classes of employees to make enormous demands upon them in the future and to refuse to arbitrate and threaten to strike or actually to strike if they were not granted. They could reach only one conclusion and that was that in the interest of a rational and peaceful method of settling, not only labor controversies on railways, but in all branches of American industry, the railway managements must, at any immediate cost, refuse any plan of settlement which did not provide for arbitration of the entire controversy.

The objection made by the employees to arbitration is that the results of past arbitration have not been fair to them. Apparently the only ground on which they base this charge is that the results have not been sufficiently favorable to satisfy them. But every arbitration which has ever occurred has resulted in improvements in their working conditions and increases in their wages, and if they have not received all that they have asked for, the

public, I should think, would be disposed to conclude that this was not because the arbitrators were unfair, but because the demands of the employees were unreasonable. However, in this particular case the railways offered arbitration, not only by boards such as those which have heretofore been organized under the Newlands Act, but by the Inter-State Commerce Commission or by a special commission to be appointed by the President of the United States. The fact that these proposals were made by the railways and refused by the employees will give the public a pretty clear idea as to which side had the greater confidence in the justice of its cause.

The leaders of the brotherhoods are playing a desperate game and seem willing to go to any length in order to win it. They have called a strike for next Monday, and the managements of the railways will proceed upon the assumption that it will come at that time and will prepare to act accordingly.

The way in which the strike order was issued illustrates the arrogant, reckless and ruthless way in which the leaders of the brotherhoods have proceeded throughout. Both they and the Presidents and managers of the railways went to Washington at the request of the President of the United States to try to effect some settlement. President Wilson had made a proposition to railway executives which we had had under earnest consideration and to which we were preparing a reply. In the midst of the negotiations and without the slightest warning to President Wilson, the brotherhood leaders issued the order for a strike and fixed the date for it less than a week away. The final information President Wilson received of this step was given him by the railway Presidents.

Orders issued on Wednesday for the return of approximately 15,000 guardsmen from the Mexican border were believed to have been prompted by the desire of the Administration at Washington to adopt every possible measure to cope with the situation in the event of a strike. A statement issued by the War Department announcing its action said:

The War Department to-night directed General Funston to return to the State mobilization camps the three regiments from New York, two from New Jersey, one from Maryland, two from Illinois, two from Missouri, one from California, one from Oregon, one from Washington and one from Louisiana, making in all about 15,000 of the National Guard.

In view of the fact that substantially this number of troops who have not done patrol duty on the border are now on their way there, it is felt that this number can be spared.

In a few days, if transportation facilities remain undisturbed, the Department intends to order home some more regiments, and possibly to replace them with troops now in their mobilization camps in the several States.

PRESIDENT'S RECOMMENDATIONS TO CONGRESS ANENT THE TRAINMEN'S DEMANDS.

As noted in another part of to-day's issue of the "Chronicle," the situation growing out of the demands of the trainmen of the country reached a point this week where it became necessary for President Wilson to lay the facts before Congress, and urge the speedy enactment of legislation which would prevent not only the threatened nation-wide strike on Monday next, but future like developments. This was after a deadlock had developed in the proceedings to effect an adjustment of the differences between the disputing interests, the trainmen having rejected the counter proposal of the railroad heads, and the latter having made known to President Wilson their final rejection of his proposal that they accept without arbitration, "the substitution of an eight-hour day for the present ten-hour day in all of the existing practices and agreements."

President Wilson appeared before Congress on Tuesday and addressed both Houses in a joint session on the need for immediate action. In outlining the legislation which he deemed imperative, the President proposed:

The immediate enlargement and administrative reorganization of the Inter-State Commerce Commission.

The establishment of the eight-hour day as the legal basis alike of work and wages for railway employees.

The appointment of a commission to observe the results of the application of the eight-hour day to railroad operation, alike for the men and the roads.

Approval by Congress of the consideration by the Inter-State Commerce Commission of freight rate increases to meet such additional expenditures by the roads as may be rendered necessary by the adoption of the eight-hour day.

Amendment of the Federal statutes providing for mediation, conciliation and arbitration of controversies to provide for a full public investigation before a strike or lockout may be lawfully attempted.

Lodging in the hands of the President power in case of military necessity to take control of and operate such portions of the railways as may be required for military use and to draft into the military service of the United States such train crews and administrative officials as may be required.

The following is the President's appeal to Congress in full:
Gentlemen of the Congress:

I have come to you to seek your assistance in dealing with a very grave situation which has arisen out of the demand of the employees of the railroads engaged in freight train service that they be granted an eight-hour working day, safeguarded by payment for an hour and a half of service for every hour of work beyond the eight.

The matter has been agitated for more than a year. The public has been made familiar with the demands of the men and the arguments urged in favor of them, and even more familiar with the objections of the railroads and their counter demand that certain privileges now enjoyed by their men and certain bases of payment worked out through many years of contest be reconsidered, especially in their relation to the adoption of an eight-hour day. The matter came some three weeks ago to a final issue and resulted in a complete deadlock between the parties. The means provided by law for the mediation of the controversy failed and the means of arbitration for which the law provides were rejected. The representatives of the railway executives proposed that the demands of the men be submitted in their entirety to arbitration, along with certain questions of readjustment as to pay and conditions of employment which seemed to them to be either closely associated with the demands or to call for re-consideration on their

own merits; the men absolutely declined arbitration, especially if any of their established privileges were by that means to be drawn again in question. The law in the matter put no compulsion upon them. The four hundred thousand men from whom the demands proceeded had voted to strike if their demands were refused; the strike was imminent; it has since been set for the 4th of September next. It affects the men who man the freight trains on practically every railway in the country. The freight service throughout the United States must stand still until their places are filled, if, indeed, it should prove possible to fill them at all. Cities will be cut off from their food supplies, the whole commerce of the nation will be paralyzed, men of every sort and occupation will be thrown out of employment, countless thousands will in all likelihood be brought, it may be to the very point of starvation, and a tragical national calamity brought on, to be added to the other distresses of the time, because no basis of accommodation or settlement has been found.

Just so soon as it became evident that mediation under the existing law had failed and that arbitration had been rendered impossible by the attitude of the men I considered it my duty to confer with the representatives of both the railways and the brotherhoods and myself to offer mediation, not as an arbitrator, but merely as spokesman of the nation, in the interest of justice, indeed, and as a friend of both parties, but not as judge, only as the representative of 100,000,000 of men, women and children who would pay the price, the incalculable price, of loss and suffering should these few men insist upon approaching and concluding the matters in controversy between them merely as employers and employees, rather than as patriotic citizens of the United States looking before and after and accepting the larger responsibility which the public would put upon them.

It seemed to me, in considering the subject-matter of the controversy, that the whole spirit of the time and the preponderant evidence of recent economic experience spoke for the eight-hour day. It has been adjudged by the thought and experience of recent years a thing upon which society is justified in insisting as in the interest of health, efficiency, contentment and a general increase of economic vigor. The whole presumption of modern experience would, it seemed to me, be in its favor, whether there was arbitration or not, and the debatable points to settle were those which arose out of the acceptance of the eight-hour day, rather than those which affected its establishment. I therefore proposed that the eight-hour day be adopted by the railway managements and put into practice for the present as a substitute for the existing ten-hour basis of pay and service; that I should appoint, with the permission of the Congress, a small commission to observe the results of the change, carefully studying the figures of the altered operating costs not only, but also the conditions of labor under which the men worked and the operation of their existing agreements with the railroads, with instructions to report the facts as they found them to the Congress at the earliest possible day, but without recommendation; and that after the facts had been thus disclosed an adjustment should in some orderly manner be sought of all the matters now left unadjusted between the railroad managers and the men.

These proposals were exactly in line, it is interesting to note, with the position taken by the Supreme Court of the United States when appealed to to protect certain litigants from the financial losses which they confidently expected if they should submit to the regulation of their charges and of their methods of service by public legislation. The Court has held that it would not undertake to form a judgment upon forecasts, but could base its action only upon actual experience; that it must be supplied with facts, not with calculations and opinions, however scientifically attempted. To undertake to arbitrate the question of the adoption of an eight-hour day in the light of results merely estimated and predicted would be to undertake an enterprise of conjecture. No wise man could undertake it or, if he did undertake it, could feel assured of his conclusions.

I unhesitatingly offered the friendly services of the Administration to the railway managers to see to it that justice was done the railroads in the outcome. I felt warranted in assuring them that no obstacle of law would be suffered to stand in the way of their increasing their revenues to meet the expenses resulting from the change so far as the development of their business and if their administrative efficiency did not prove adequate to meet them, the public, and the representatives of the public, I felt justified in assuring them, were disposed to nothing but justice in such cases and were willing to serve those who served them.

The representatives of the brotherhoods accepted the plan, but the representatives of the railroads declined to accept it in the face of what I cannot but regard as the practical certainty that they will be ultimately obliged to accept the eight-hour day by the concerted action of organized labor, backed by the favorable judgment of society. The representatives of the railway management have felt justified in declining a peaceful settlement which would engage all the forces of justice, public and private, on their side to take care of the event. They fear the hostile influence of shippers who would be opposed to an increase of freight rates, for which, however, of course, the public itself would pay.

They apparently feel no confidence that the Inter-State Commerce Commission could withstand the objections that would be made. They do not care to rely upon the friendly assurances of the Congress or the President. They have thought it best that they should be forced to yield, if they must yield, not by counsel, but by the suffering of the country. While my conferences with them were in progress, and when to all outward appearance those conferences had come to a standstill, the representatives of the brotherhoods suddenly acted and set the strike for Sept. 4.

The railway managers based their decision to reject my counsel in this matter upon their conviction that they must at any cost to themselves or to the country stand firm for the principle of arbitration, which the men had rejected. I based my counsel upon the indisputable fact that there was no means of obtaining arbitration. The law supplied none; earnest efforts at mediation had failed to influence the men in the least. To stand firm for the principle of arbitration and yet not get arbitration seemed to me futile, and something more than futile, because it involved incalculable distress to the country and consequences in some respects worse than those of war, and that in the midst of peace.

I yield to no man in firm adherence, alike of conviction and of purpose, to the principle of arbitration in industrial disputes; but matters have come to a sudden crisis in this particular dispute and the country has been caught unprovided with any practicable means of enforcing that conviction in practice (by whose fault we will not now stop to inquire). A situation had to be met, whose elements and fixed conditions were indisputable. The practical and patriotic course to pursue, as it seemed to me, was to secure immediate peace by conceding the one thing in the demands of the men which society itself and any arbitrators who represented public sentiment were most likely to approve and immediately lay the foundations for securing arbitration with regard to everything else involved. The event has confirmed that judgment.

I was seeking to compose the present in order to safeguard the future, for I wished an atmosphere of peace and friendly co-operation in which to take counsel with the representatives of the nation with regard to the best means for providing, so far as it might prove possible to provide against the recurrence of such unhappy situations in the future—the best and most practicable means of securing calm and fair arbitration of all industrial

disputes in the days to come. This is assuredly the best way of vindicating a principle, namely, having failed to make certain of its observance in the present, to make certain of its observance in the future.

But I could only propose. I could not govern the will of others, who took an entirely different view of the circumstances of the case, who even refused to admit the circumstances to be what they have turned out to be.

Having failed to bring the parties to this critical controversy to an accommodation, therefore, I turn to you, deeming it clearly our duty as public servants to leave nothing undone that we can do to safeguard the life and interests of the nation. In the spirit of such a purpose, I earnestly recommend the following legislation:

First, immediate provision for the enlargement and administrative reorganization of the Inter-State Commerce Commission along the lines embodied in the bill recently passed by the House of Representatives and now awaiting action by the Senate; in order that the Commission may be enabled to deal with the many great and various duties now devolving upon it with a promptness and thoroughness which are with its present constitution and means of action practically impossible.

Second, the establishment of an eight-hour day as the legal basis alike of work and of wages in the employment of all railway employees who are actually engaged in the work of operating trains in inter-State transportation.

Third, the authorization of the appointment by the President of a small body of men to observe the actual results in experience of the adoption of the eight-hour day in railway transportation alike for the men and for the railroads, its effects in the matter of operating costs, in the application of the existing practices and agreements to the new conditions and in all other practical aspects, with the provision that the investigators shall report their conclusions to the Congress at the earliest possible date, but without recommendation as to legislative action, in order that the public may learn from an unprejudiced source just what actual developments have ensued.

Fourth, explicit approval by the Congress of the consideration by the Inter-State Commerce Commission of an increase of freight rates to meet such additional expenditures by the railroads as may have been rendered necessary by the adoption of the eight-hour day, and which have not been offset by administrative readjustments and economies, should the facts disclosed justify the increase.

Fifth, an amendment of the existing Federal statute which provides for the mediation, conciliation and arbitration of such controversies as the present, by adding to it a provision that in case the methods of accommodation now provided for should fail, a full public investigation of the merits of every such dispute shall be instituted and completed before a strike or lockout may lawfully be attempted.

And sixth, the lodgment in the hands of the Executive of the power, in case of military necessity, to take control of such portions and such rolling stock of the railways of the country as may be required for military use and to operate them for military purposes, with authority to draft into the military service of the United States such train crews and administrative officials as the circumstances require for their safe and efficient use.

This last suggestion I make because we cannot in any circumstances suffer the nation to be hampered in the essential matter of national defense. At the present moment circumstances render this duty particularly obvious. Almost the entire military force of the nation is stationed upon the Mexican border to guard our territory against hostile raids. It must be supplied, and steadily supplied, with whatever it needs for its maintenance and efficiency.

If it should be necessary for purposes of national defense to transfer any portion of it upon short notice to some other part of the country, for reasons now unforeseen, ample means of transportation must be available, and available without delay.

The power conferred in this matter should be carefully and explicitly limited to cases of military necessity, but in all such cases it should be clear and ample.

There is one other thing we should do if we are true champions of arbitration. We should make all arbitral awards judgments by record of a court of law in order that their interpretation and enforcement may lie, not with one of the parties to the arbitration, but with an impartial and authoritative tribunal.

These things I urge upon you, not in haste or merely as a means of meeting a present emergency, but as permanent and necessary additions to the law of the land, suggested, indeed, by circumstances we had hoped never to see, but imperative as well as just, if such emergencies are to be prevented in the future.

I feel that a statement is needed to commend them to your favorable consideration. They demonstrate themselves. The time and the occasion only give emphasis to their importance. We need them now and we shall continue to need them.

POSITION OF THE RAILROADS REGARDING ADJUSTMENT OF TRAINMEN'S CONTROVERSY.

The facts leading up to the failure of President Wilson to bring about a settlement of the differences between the trainmen and the railroad executives are detailed in another column. The position of the railroads in the controversy, as we indicate therein, are set out in a statement issued to the public by the Committee of Railroad Presidents on Tuesday, Aug. 29; in this statement the railroads explain the reasons for their non-acceptance of President Wilson's proposals, and present their plans for a counter proposal. Below is the statement of the railroads embodying their proposals:

We are unable, after the most earnest consideration, to agree with the proposal of the President of the United States, which is that we accept, without arbitration, "the substitution of an eight-hour day for the present ten-hour day in all of the existing practices and agreements." This is the main point in controversy, and we cannot surrender it without an opportunity to be heard in some form of fair arbitration.

We do not assent to the statement that the eight-hour day "now undoubtedly has the sanction of the judgment of society in its favor." We believe that society has not yet recorded its judgment upon this subject.

We are not, in this controversy, however, dealing with conditions relating to the eight-hour day in the industrial world. The difference between the eight-hour day in business and manufacturing interests and in the railroad train service day has been fully explained. The railroad day is a basis for computing pay and overtime, the length of daily service being controlled by variable conditions.

The demands involved in this controversy have not been presented, in our judgment, for the purpose of fixing a definite daily period of labor nor a

reduction in the existing hours of labor or change in methods of operation, but for the real purpose of accomplishing an increase in wages of approximately \$100,000,000 per annum, or 35% for the men in railroad freight train and yard service represented by the labor organizations in this matter.

After careful examination of the facts and patient and continuous consultation with the conference committee of managers and among ourselves, we have reached a clear understanding of the magnitude of the questions and of the serious consequences to the railroads and to the public involved in a decision of them.

As trustees for the public served by our lines and for the great mass of the less powerful employees (not less than 80% of the whole number) interested in the railroad wage fund—as trustees also for the millions of people that have invested their savings and capital in the bonds and stocks of these properties and who, through the savings banks, trust companies and insurance companies are vitally interested to the extent of millions of dollars in the integrity and solvency of the railroads of the country, we cannot in conscience surrender without a hearing the principle involved nor undertake to transfer the enormous cost that will result to the transportation of the commerce of the country.

The eight-hour day, without punitive overtime, involves an annual increase approximating in the aggregate \$60,000,000 and an increase of more than 20% in the pay of men, already the most highly paid in the transportation service. The ultimate cost to the railroads of an admission in this manner of the principle under contention cannot now be estimated; the effect upon the efficiency of the transportation of the country, now under severe test under the tide of business now moving and at a time when more instead of less effort is required for the public welfare, would be harmful beyond calculation.

The widespread effect upon the industries of the country as a whole is beyond measure or appraisal at this time and we agree with the insistent and widespread public concern over the gravity of the situation and the consequences of a surrender by the railroads in this emergency.

In like manner, we are deeply impressed with the sense of our responsibility to maintain and keep open the arteries of transportation, which carry the life-blood of the commerce of the country and of the consequences that will flow from even a temporary interruption of service over the railroads, but the issues presented have been raised above and beyond the social and monetary questions involved, and the responsibility for the consequences that may arise will rest upon those that provoke it.

The questions involved are, in our respectful judgment, eminently suitable for the calm investigation and decision by the public through the agency of fair arbitration, and cannot be disposed of to the public satisfaction in any other manner. The decision of a commission or board of arbitration having the public confidence will be accepted by the public, and the social and financial rearrangements made necessary thereby will be undertaken by the public, but in no less deliberate nor orderly manner.

The railroads of the country cannot under present conditions assume the enormous increase in their expenses. If imposed upon them it would involve many in early financial embarrassment and bankruptcy and imperil the power of all to maintain their credit and the integrity of their securities. The immediate increase in cost, followed by other increases that would be inevitable would substantially appropriate the present purchasing power of the railroads and disable them from extending and improving their facilities and equipment, to keep abreast of the demands of the country for efficient transportation service.

For these reasons we are with deep regret unable to accept the suggestion made by the President of the United States.

We propose, however, as a basis of settlement, the following:

(a) The railroads will, effective Sept. 1 1916, keep the time of all men represented in this movement upon an eight-hour basis and by separate account, monthly, with each man, maintain a record of the difference between the money actually earned by him on the present basis and the amount that would have been earned upon an eight-hour basis—overtime on each basis to be computed pro rata. The amounts so shown will be subject to the decision of the commission provided for in paragraph (c) of this memorandum and payable in money as may be directed by said commission in its findings and decision.

(b) The Inter-State Commerce Commission to supervise the keeping of these accounts and report the increased cost of the eight-hour basis, after such period of actual experience as their judgment approves or the President may fix, not, however, less than three months.

(c) In view of the far-reaching consequences of the declaration made by the President accepting the eight-hour day not only upon the railroads and the classes of labor involved directly in this controversy but to the public and upon all industry, it seems plain that before the existing conditions are changed the whole subject in so far as it affects the railroads and their employees should be investigated and determined by a commission to be appointed by the President of such standing as to compel attention and respect to its findings. The judgment of such a commission would be a helpful basis for adjustments with labor and such legislation as intelligent public opinion, so informed, might demand.

The railroads will accept the findings of such a commission upon the issue of an eight-hour basis of pay as compared with the present basis, as well as upon any other matters now in controversy that may be submitted to it by either party.

The commission should consist of not less than five members and should also be authorized to hear and determine all questions that may arise in the application of the findings of said commission or in the working out of such plan as it may propose.

The presidents of the railroads are prepared to continue negotiations on the subject with genuine anxiety, within the limits of their conviction above expressed, to find a solution of the situation.

In another formal statement the railway presidents announced:

The situation created through the issuance of the strike order by the brotherhoods makes it necessary that the railroad executives return to their homes to protect their properties in the emergency impending; as a consequence they are planning for an early departure.

TEXT OF ORDER CALLING TRAINMEN'S STRIKE SEPTEMBER 4.

Below we give the text of the strike order issued on Monday, August 28, to the Chairmen of the four railroad Brotherhoods, fixing September 4 as the date when the trainmen's strike, would become effective. The order bears date August 14, and was accompanied by instructions to officers and members of the brotherhoods as to their duties incidental to the strike. The strike order is as follows:

Brotherhood of Locomotive Engineers.
Brotherhood of Locomotive Firemen and Enginemen.
Order of Railway Conductors.
Brotherhood of Railway Trainmen.

August 14 1916.

To all local Chairmen, members and others employed in classes of service represented by the B. of L. F., B. of L. F. & E., O. R. C., and B. R. T.:

Sirs and Brothers.—This is to advise that the vote of the employees in train and engine service on the eight-hour day and time and one-half for overtime proposition was overwhelmingly in favor of a strike.

Notwithstanding this, your representatives have been unable to effect a satisfactory settlement, and a strike under the laws of the respective organizations becomes effective September 4 1916 at 7 A. M.

Impart this information so that those interested will understand that they are to promptly obey.

Fraternally yours,

General Chairman.

The instructions to members of the brotherhoods governing their conduct in the event of a strike as presented to the 640 brotherhood chairmen with the above order is annexed:

Sirs and Brothers:

In connection with the strike you will observe the following instructions:

Duties of Members.

1. No man in road service involved in the strike will perform any service after the hour set to strike, unless he has already begun a trip and has actually left the terminal. If the train has left the terminal he will complete the trip and deliver the engine and train at the end of the run, or tie-up point, if tied up under the law, after which he will perform no further service until the close of the strike. Men in other than road service will leave the service at the appointed time.

So far as your legal right to strike is concerned, there is no difference between a mail train and a freight train. You have identically the same right to refuse to perform service on a mail train as you have to refuse to perform service on a freight train.

2. All men on strike will keep away from the companies' property, except such men as are designated certain duties to be performed by authority of the organization.

3. Every man should understand that the laws of the land must be obeyed. Acts of violence of any nature will not be tolerated by the organizations.

4. The local representatives will arrange for a hall for meeting purposes at all terminals, using one of their own lodge rooms if available. Immediately after the strike becomes effective all men will assemble at the hall secured for meeting purposes. When thus assembled an organization will be perfected by the election of a Chairman, Vice-Chairman and Secretary. No person will be permitted to be present in the meeting halls other than those who are on strike except by permission of the assembly.

5. The Secretary will arrange a roll call (alphabetically) with each organization on a separate sheet. Roll will be called twice daily, morning and afternoon. The names of the non-members will be kept separate on the roll from the names of those who are members of the organizations. All strikers will be required to answer the roll call, and also to be in the halls, where halls are provided, during the day at all times, unless excused by committee action or by Chairman of the meeting. The Secretary will also keep a record of the proceedings from day to day.

6. In the conduct of every strike there are numerous irresponsible persons, not members of the organizations, who take occasion to engage in acts of violence and disorderly conduct, and such actions are usually attributed to members of the organizations, and great care should be taken by every member of the organizations to avoid associating with such persons, and such conduct should be discouraged so as not to cast reproach upon the cause.

7. Some railroad officials may endeavor to coerce or mislead the men by asserting that men at other points have not quit or that they have returned to work. Such information should be discounted, and all strikers should apply to their officers and committeemen for information and be governed accordingly, and no member or non-union man will return to work until the strike is officially declared off, when all will return to work at the same time without prejudice and with all former rights.

Duties of Local Chairmen.

1. The local Chairmen of each organization on each division of railroad will jointly supervise the prosecution of the strike on the territory over which they have jurisdiction.

2. Local chairmen are expected to keep in close touch with the situation and use every honorable effort to further the cause, and will report daily, preferably by night letter, to their respective general chairman as to the condition of affairs. Wherever it is possible for the four local chairmen to report to the four general chairmen jointly in one communication it should be done.

3. Expense incurred for telegrams will be borne jointly.

4. When deemed advisable the four local chairmen will agree upon assistant chairmen for their respective organizations to be located at outlying points, and said assistant chairmen will report to their respective local chairmen.

5. Clearly defined cases of disloyalty or inefficiency on the part of any representative of the organization should be reported to the other organizations, and necessary action either as to discipline or to safety measures taken at once.

Duties of General Chairmen.

1. The general chairmen of each railroad involved in the strike will supervise and be responsible for the conduct of the strike upon the line of railroad over which he has jurisdiction, and will make reports by night letter to the grand officer having general supervision over that line of road. Expense incurred by so doing will be paid in accordance with the laws of the respective organizations.

2. On roads where, because of the number of strikers involved, it becomes necessary for the general chairman to have assistants, he may designate other officers and members of the general committee or a joint board, as in his judgment may be necessary to successfully carry on the strike.

3. In the absence of instruction from the grand officer in charge of the district, the general chairmen will agree among themselves as to the points at which they will be located during the strike and they will immediately advise the officer in charge of the district and each of their local chairmen where they are located, and proper address. The four general chairmen should keep each other advised as far as possible as to their location or movements.

Duties of Grand Officers.

The grand officers of the four organizations will be assigned to certain districts and each grand officer so assigned will have general supervision of the strike in his respective district and over all members on strike and others associated with them in that district.

Grand officers will keep the executives of the four organizations advised of the exact situation in their district.

Assignment of Grand Officers.

Grand officers will be assigned to the following cities: Boston, Chicago, New York, St. Louis, Washington, Baltimore, Richmond, Kansas City, New Orleans, Atlanta, Houston, Cincinnati, Pittsburgh, Denver, Buffalo, Detroit, Los Angeles, St. Paul, San Francisco, Seattle and Portland.

Fraternally yours,

A. B. GARRETSON, President Order Railway Conductors.
W. S. STONE, Grand Chief Engineer Brotherhood of Locomotive Engineers.
W. G. LEE, President Brotherhood of Railway Trainmen.
W. S. CARTER, President Brotherhood of Locomotive Firemen and Enginemen.

SAMUEL REA ON CONDITIONS WHICH PREVENT A SURRENDER BY THE RAILROADS.

A lengthy statement in which he dilated upon the conditions confronting the railroads and recited the reasons why the roads had been forced to the conclusion that it would be better to force the alternative of a strike rather than surrender, was issued on Sunday by Samuel Rea, President of the Pennsylvania RR. We quote it below:

For the management of the railroads to yield to the demands and threats of the labor organizations and to accept President Wilson's proposal would be to destroy at one blow the principle of arbitration as the paramount and recognized method of settling labor disputes. What would be gained by this tremendous sacrifice of sound principle which involves the rights and interests of the railroads, of the great majority of their employees not embraced in the present controversy and of the American people? The threatened strike would be postponed, it is true, but we would have no assurance that it would be permanently prevented. Except that the principle of an eight-hour day would be conceded the issues of the controversy now pending would be left unsettled, while the future of the railroads would indeed be rendered uncertain.

These, in brief, are the reasons why the heads of the railroads, with a full appreciation of the solemn and weighty responsibility resting on them, as well as of their duty to the public and to their shareholders, have been forced to the conclusion that it is better to face the alternative of a strike than to surrender.

Let any man who questions the soundness of this conclusion consider, in the light of the history of the last 10 years, the position in which the carriers now find themselves.

The great labor movements culminating in the present one began a decade ago, almost simultaneously with the adoption of effective regulation. From that time the managements have been engaged in a desperate struggle to prevent net revenue from being so impaired as to destroy the credit of the railroads and completely stop their development. After the first large increases in wages appeal was made to the Inter-State Commerce Commission for advances in rates, which the commission in 1911 denied. Even in the face of this railway managers were undaunted and in good faith applied all their energy and ability to increasing efficiency. Never in the history of any industry was more hard, conscientious, able and successful work done to increase efficiency than has been done on the railroads of this country during the last 10 years.

What has been the result? The labor movement has continued and one arbitration board after another has awarded advances in wages. In spite of increased efficiency the companies could not stand the strain and in 1914 again appealed to the Inter-State Commerce Commission. This time the Commission decided that their earnings were not adequate and granted some advances in rates, but before this relief was accorded there were more miles of railway in the hands of receivers than ever before, and new construction had reached the lowest ebb since the Civil War.

This period of profound depression has been followed by a year of comparative prosperity in the railway business, due almost entirely to an abnormal increase in traffic which it is recognized cannot be permanent. And now, after this brief period of prosperity, it is proposed that the roads shall make sacrifice of principles and grant wages which would cause an increase in expenses that would wipe out all of the advances in rates that have been granted and sweep away the economies that have been achieved by the exertions of 10 years.

And who is to get the benefit of this? The public? No. All the employees of the railroads? No. A single group of their employees, constituting only a small percentage of the total number, is to get all. And are these the poorest paid employees? They are very much the highest paid. Are they the most loyal? Not if the acts of the leaders of their organizations are to be accepted as having their approval, for they are the very group of employees who, through their legislative committees, have been engaged for years in lobbying at Washington, and every State capital for full crew, train limit and other legislation designed to reduce the efficiency of operation, and who at this moment are refusing to arbitrate and threatening to tie up every railroad in the country and paralyze its commerce and industry.

The railroads have no assurance if they grant the demand for a counterfeited "eight-hour day," that the added burden of expense thus imposed will be offset by an adequate increase in rates. They have no assurance that they will secure arbitration of the other demands of these employees. They have no assurance that they will secure arbitration of their own proposals to the employees. Nor have they any assurance that they will be given protection by Congress from strikes in future.

Let me emphasize the fact that history is but repeating itself in the present crisis, for two years ago there was equal menace of a strike on the western roads. In response to the appeal then made to their patriotism the railway managers yielded. Nothing was done, either by the President or Congress as the result of that experience, to prevent the development of the like situation which now again faces the railway managers, but on the other hand, they are confronted by virtually the same ultimatum, and that they shall even sacrifice the one remaining principle of arbitration.

The railroads know that if they yield to the present demands of a comparatively small percentage of the total number of their employees they will receive like demands from the rest, and that these concessions to all employees will cost at least \$200,000,000 and probably \$300,000,000 a year. They know, too, that if they submit now to the proposition made to them by the President they will be denounced by the business interests of the country for having given up the principle of arbitration when every factor in the dispute points to the justice of their cause.

Confronted by such conditions and borne down by a solemn sense of their responsibility to their employees to the business interests of all kinds, to the 100,000,000 people of the United States, and to their stockholders, what could the heads of the railroads do but refuse to yield, and, then calmly, but resolutely, face the possibilities of the situation in full

confidence that their action will receive the unqualified indorsement and support of the business interests of the country and the public at large, who have as yet been denied all opportunity to be heard.

FAIRFAX HARRISON ON THE PRINCIPLE INVOLVED IN RAILROAD CRISIS.

Fairfax Harrison, President of the Southern Railway Company, in commenting this week upon the principle governing the stand of the railroads in the present crisis said:

I gave my individual adherence to the unanimous determination of the railway presidents recently in conference in Washington only after taking the advice of many representative men in various walks of life in all parts of the South, and with all other manifestations of public opinion of the South constantly in view. I include in this my knowledge that the employees of Southern Railway Company who are involved, and who still have my respect and whose welfare is of the utmost personal concern to me, have not had reason to be, and in fact have not been, discontented as a class. I did not take action hastily or with prejudice, but after my own best and most deliberate judgment and with full consciousness of my responsibility. The easiest course would have been to have accepted the proposals made to the railroads; to have waived the principle of arbitration and to have imposed a heavy, new, and, in my opinion, unnecessary burden on Southern commerce, with the inevitable consequence of postponement of the full development of the railroads for the largest service of the whole people of the South. There are some who believe that immediate and temporary peace at such a price is desirable. I am not one of them, though God knows, I am for peace, and have no illusions as to what industrial war means when threatened on the scale of the present crisis. In my judgment the time has come to test again whether the American people are to be governed by unregulated force or by law. I risk my own reputation on that issue, and I count on the support of all sound and conservative opinion in the South to counsel patience and endurance of temporary inconvenience while the test is being made. The decision must lie with deliberate and advised public opinion crystallized in law. Whatever it may be when so declared, I will, of course, abide by it.

PHILADELPHIA BOURSE ASKS PASSAGE BY CONGRESS OF RAILROAD STRIKE PREVENTION LEGISLATION.

On behalf of more than 3,000 manufacturing and shipping firms of Philadelphia and vicinity comprising its membership and of the business interests of its section in general, the Philadelphia Bourse, organizer and member of the Philadelphia Joint Committee on the Reasonable Regulation of Railroads, sent an urgent appeal on Aug. 29 to Congress and President Wilson for the immediate passage of legislation to prevent the threatened railroad employees' strike. The Bourse asks for legislation declaring employees of public service corporations engaged in inter-State business to be "public servants" and not free to conspire or combine to leave employment simultaneously, and declaring that all disputes between such corporations and their employees must be submitted to arbitration, failure to abide by the award being punishable by fine or imprisonment. The Bourse holds that a strike would paralyze the commerce and industries of the United States, cause misery to millions of wage earners in the industries dependent upon uninterrupted transportation, and asserts that the issue between the railroads and the trainmen is "clearly arbitrable." The action of the Bourse was taken at a special meeting of the Committee on Commercial Affairs, called in view of the crisis, and the request to Congress was made in the form of the following resolutions:

Whereas, The transportation of passengers, mail, express matter and freight is and has become generally recognized as a public service and the corporations engaged in such public service are subject to control and regulation in the interest of the public service by the several States in which they operate and the United States; and

Whereas, Such public service corporations cannot perform their functions and render service to the public except through the medium of numerous operating employees; and

Whereas, Men employed by the public service corporations, especially in the operating departments, are public servants and as such owe a duty to the public which cannot be lightly disregarded; and

Whereas, Such men voluntarily enter the employ of such corporations and by doing so assume duties and obligations to the public which become paramount to any personal claims; and

Whereas, The principal operating employees of the most important public service transportation corporations of the country, disregarding their obligations to the public, have threatened to stop the operation of such companies by refusing, as a body, to work, which threats, if carried out, will paralyze the commerce and industries of the whole country, bringing misery to millions of working people whose wages depend upon the commerce and industries which would come to a stop without railroad transportation; and

Whereas, These operating employees have formulated certain demands upon the employing public service corporations as the price of their continuance in the performance of their duties to the public, which demands the employing corporations contend are beyond reason and beyond their ability to meet, thus raising an issue that is clearly arbitrable; and

Whereas, It should be impossible for such a situation to arise, and it is manifest that legislation is requisite to prevent its recurrence; therefore,

Resolved, That the Philadelphia Bourse, speaking for several thousand business men, urges upon Congress the immediate enactment of legislation which will declare operating employees of public service corporations engaged in inter-State commerce to be public servants, and as such not free to conspire or combine to leave the service of the employer, simultaneously or proximately so, or at any time except upon due and sufficient notice, and shall further declare that all disputes between bodies and employees of public service corporations engaged in inter-State commerce shall be submitted to arbitration, such arbitration to be compulsory and final,

refusal to accept the award being punishable as contempt of court by a fine or imprisonment, or both, in the discretion of the court, no decision to be reopened for arbitration under two years from its rendering.

U. S. CHAMBER OF COMMERCE URGES IMPARTIAL INVESTIGATION OF TRAINMEN'S DISPUTE.

In a letter dealing with the strike situation of the trainmen sent to President Wilson by the Chamber of Commerce of the United States through the President of the organization, R. Goodwin Rhett, of Charleston, S. C., the urgency of an impartial investigation of all the facts involved in the dispute is pointed out. We quote below the letter of the Chamber, which was made public on August 24:

The railroad situation has assumed so grave a shape, in our judgment, as to render it now more imperative than at any past stage that the public should be informed of all the facts of the controversy, and thus have the opportunity of giving an unmistakable verdict as to the justice and fairness of the demands which have been made upon the railroads primarily but ultimately upon the public itself.

It is inconceivable that either the railroads or their employees should take the position that they are greater than the public whom they serve and the Government which represents that public. It is inconceivable that they should refuse a request or demand from the head of the Government to submit their irreconcilable differences to the investigation and subsequent judgment of a competent and properly constituted commission or tribunal.

Our Committee in its investigations found that there were radical differences of opinion with reference to the questions involved which could only be settled justly after facts and figures not then and not now available had been definitely ascertained. That is precisely what makes so difficult an agreement between the parties to-day to any proposition made by one party to the other or by a third to both. Even the meaning of an eight-hour day is a matter of dispute to such an extent that the public does not understand the term in the technical sense in which it is used. It was stated by the employees that the purpose of their demand was to shorten their hours of labor, and that the only method of doing so was by fixing their "basic working day" at eight hours and applying a penalty for overtime employment to enforce its practical application. The railroads insisted that the purpose of demanding a "basic eight-hour day" for the same compensation as they were getting for ten hours' work was to increase their pay to the extent of twenty-five per cent or more. The proposal that eight hours should be the basic day without any penalty for overtime work, of course, destroy the entire foundation of the plea set forth by the employees and make the whole proposition one of increased pay alone, inasmuch as there would be no penalty for working an employee up to sixteen hours out of twenty-four.

If the "basic eight-hour day" is, as claimed by the railroads, merely a means of changing the rate of pay per hour without limitation of hours of labor, then obviously the "basic eight-hour day" has no relation to the eight-hour day in industry founded on the theory of eight hours of work, eight hours of sleep, and eight hours of leisure and recreation.

It was in view of the many grave questions and serious complications that our Committee came to the conclusion that an impartial investigation of all these facts by an official body was essential. There are now two questions involved which are vital to the future prosperity of this country. The first is whether a determination of all vital points at issue shall succeed (not precede) a complete ascertainment of the underlying facts necessary to a just determination, and the second is whether the Government has the right to insist upon the continuance of the public service during such investigation. The seriousness of the situation, as we now see it, is that the public is informed of its helplessness to protect itself against certain demands, and therefore such demands must be acceded to by it. We are not in a position to say whether the demands are equitable and just or not. Our position is that the facts ought to be investigated, and if the demands are just they ought to be granted immediately upon the ascertainment of the facts on their merits, and not because either party is so powerful that it can dictate its terms to the public. We feel that there is no hope whatever of a permanent settlement of this question short of the method proposed, and we again appeal to you to use your power and influence to that end at this time.

PRESIDENT ELLIOTT ON THE RAILROAD SITUATION.

President Howard Elliott of the New York New Haven & Hartford, had the following to say on Thursday concerning the situation created by the demands of the trainmen:

I have from the time this question began to be discussed seriously felt that it ought not to be settled without giving the public, the real party in interest, time to understand it, and an opportunity to express its opinion before the Congress or an impartial tribunal created by the President or by Congress.

It would be very easy for any railroad manager to increase wages if every time the increase was made there was an increase in rates.

There is also the question of the amount of transportation to be produced. Now there is not enough being furnished for the present and future needs of the country, and the plan suggested in my judgment will reduce the capacity of the railroads to furnish the transportation needed by the American people.

But the public pay the rates and are vitally interested in having the railroads adequate for their needs.

I have therefore felt that I owed a duty to the people of New England—as well as to the owners of the property and to all of the employees—to use such influence as I possessed to have the subject settled only after the public understood it and had registered its will.

I recognize that organized labor is one of the great forces of modern industrial life. But just as organized capital has had to subordinate its conduct to the will of the people so must organized labor recognize the rights of 100,000,000 people in this country.

The present issue seems to have gone far beyond the questions of dispute between a part of the railway employees and the railroads.

The issues appear to be:

1. Shall organized labor without any check or restraint by law have the right to force its decisions upon the public regardless of the welfare of the public?

2. Shall organized labor settle disputes, in which it is interested, by force or use the peaceful methods of courts and arbitration tribunals in use in all other disputes in this country?

These two great questions should be settled, not by the leaders of the labor organizations, not by the presidents of the railroads, but by the whole

people through Congress or through some instrumentality created by Congress.

As President of the New York New Haven & Hartford Railroad Company, I have acted in this matter as seemed to me for the ultimate best interests of the property—of all the employees—of the owners and of the public to be served not only to-day but for years to come.

As a citizen of New England, I have tried to act as my conscience dictated and after suggestion and consultation with all classes of people, employees, shippers, owners of the securities, and members of Congress.

A strike is a terrible thing to contemplate and I hope it will not occur and that Congress representing all the people will in its wisdom find some solution. If Congress decides on a course of action, I shall as a loyal citizen carry out their mandate to the best of my ability whether or not the decision appeals to my conscience and judgment.

LEGAL PROCEEDINGS AGAINST THE RAILROAD STRIKE.

An order restraining the general and local officials of the Order of Railway Conductors from calling or enforcing a strike on the lines of the Union Pacific RR. was issued at Omaha on Aug. 30 by Judge W. E. Sears of the District Court of Douglas County. The order was issued on petition of Edwin A. Hamilton, a conductor on the Union Pacific and a member of the Order of Railway Conductors, who declared that he and many other employees of the road were anxious to continue at work. Judge Sears set to-day (the 2d inst.) for the hearing of the order. Hamilton in his petition contends the strike order is a violation of the constitution of the conductors' organization, which provides for a two-thirds vote on any road where a strike is to be called. This law was changed last May so that a two-thirds vote of all concerned in a general wage movement governs the employees of all railroads involved, whether the employees of an individual road vote to strike or not. Hamilton insists this change violates the constitution of the order.

At Kansas City, Mo., on Aug. 30, a temporary injunction, restraining the local and national officers of the Order of Railway Conductors from calling out members of the order on strike on the Union Pacific RR. was issued by Judge T. U. Seehorn in the District Court. This order is also returnable to-day, and was made out to Charles A. Brown, 66 years old, of Bonner Springs, Kan., a conductor on the Union Pacific RR. for thirty-one years. Brown in the petition alleged that should he go on strike he would lose his opportunity to retire on a pension of \$80 a month in four years, while if he does not go in the impending movement he will forego his insurance in the order, which he has kept up for many years.

It was reported yesterday that injunction proceedings filed by George W. Argue of Cheyenne, Wyo., against A. B. Garretson, Charles Friday and all officials of the five divisions of the Order of the Railway Conductors of the Union Pacific, were dismissed by United States Judge J. A. Riner in the Federal Court at Cheyenne on Thursday. The proceedings, it is stated, asked that the defendant officials be restrained from ordering or enforcing a strike of trainmen on any road and particularly the Union Pacific.

OPPOSITION OF BROTHERHOODS TO LEGISLATION SIMILAR TO THE CANADIAN COMMISSION PLAN.

The brotherhood heads, Messrs. Garretson, Stone, Leo and Carter, as we have noted elsewhere, took occasion on Aug. 29 to issue a statement in which they evinced their opposition to any legislation which might be proposed along the lines of the Canadian Commission. We give their statement below:

Since the abolition of slavery no more effectual means has been devised for insuring the bondage of the workingman than the passage of compulsory investigation Acts of the character of the Canadian industrial disputes Act. The writers speak from their personal experience thereunder, as these organizations are all international in their jurisdiction. To cite an actual occurrence:

In 1910 the men upon 80 railroads in the Eastern territory of the United States presented to the railway companies of that territory a demand for increase in wages. The companies refused to deal concertedly with the proposition, and it was therefore taken up with the individual roads. Three of the properties were Canadian, and two days after negotiation was opened, on Jan. 7, the first road in the United States opened negotiation on the three Canadian properties. The negotiations in the United States included Federal mediation in the first instance and arbitration in the third case.

On the 19th day of July following, settlement was made on the last of the 77 American lines involved. On the same date, at 6 p. m., a strike took place on the Grand Trunk Ry., one of the Canadian railways, settlement not having yet been effected on any one of the three, this growing out of the delays which the employers were able to interpose under the Industrial Disputes Act.

Moreover, the period of investigation is externally utilized by the employer to entrench himself in his effort to defeat the demands of the men, no matter how just their cause may be, and in a majority of instances, where a verdict by an investigating commission has been favorable to the men, it has been repudiated by the employer. In consequence of this attitude, disregard for and the ignoring of the provisions of that law have led to placing thousands of men in the attitude of law-breakers, and the passage of laws which induce men to open violation thereof is a deadly injury to a nation because it breeds universal contempt for law.

In the present strife, if such an Act were passed, all that would be necessary would be for the power of attorney to be withdrawn from the national conference committee of managers by the individual roads, and then immediate necessity would arise for 250 investigating boards to be created, or, if only a limited number were provided for, men would be compelled to remain for years in involuntary servitude if they obeyed the provisions of such a law.

NEW YORK CHAMBER OF COMMERCE'S APPEAL FOR ARBITRATION TO PRESIDENT WILSON.

The New York Chamber of Commerce, through its President and Executive Committee, in a telegram to President Wilson on Aug. 28, appealed to the latter to stand firmly for arbitration in the present dispute. The message was as follows:

The President, the White House, Washington, D. C.:

Aug. 28 1916.

The Chamber of Commerce of the State of New York has always been a strong advocate of arbitration. International and national questions of great importance, as well as differences between labor and capital, have been satisfactorily adjusted and settled by arbitration.

In the pending and important questions now under discussion between the railroads and their employees, this Chamber believes that the fairest and most permanent settlement can be reached through arbitrators, who should represent the railroads, their employees, and the general public, the last of which is by far the most important of the three elements. The Chamber, therefore, appeals to you, at this critical time, to stand fast for arbitration, and to use your high office to bring about a settlement in the only fair way for all parties, through the offices or skilled and impartial arbitrators, whose judgment and decision would no doubt be endorsed by the entire country.

E. H. OUTERBRIDGE,

President, and the Executive Committee of the Chamber of Commerce of the State of New York.

In a further communication to President Wilson, drafted at a meeting of its Executive Committee on Thursday, the Chamber said in part:

The sacrifice of the principle of arbitration in industrial disputes, especially in the field occupied by the great public service corporations and their employees, would involve a moral loss incalculable in its effects upon the future relations between industrial enterprises and the public. The force of public opinion, when correctly formed and fully developed, is more powerful than any statutory law. It is, in fact, the mainspring of all law. Public opinion could compel arbitration where statutory law perhaps could not, but the public must be given the opportunity and be furnished with the means of acquiring facts from a competent and impartial source in order to reach an intelligent conclusion.

RAILROAD EMBARGOES INCIDENT TO THREATENED STRIKE.

One effect of the impending trainmen's strike, slated to go into effect next Monday, the 4th inst., has been the issuance of embargoes by the railroads against shipments of freight for delivery after that date. The New York New Haven & Hartford RR., which was one of the first to declare an embargo, made known its action in the following notice issued on Tuesday:

August 29 1916.

To All Agents and Connecting Lines—

In spite of the earnest efforts of the railroads of the United States to have employees in the engine, train and yard service continue at work pending a peaceful adjustment of their demands, the Order of Railway Conductors, the Brotherhood of Locomotive Engineers, the Brotherhood of Locomotive Firemen and Engineers and the Brotherhood of Railroad Trainmen have ordered a strike which will become effective at 7 a. m. Sept. 4.

In view of this strike order to stop the commerce of the United States, it becomes necessary for this company to refuse to receive any more freight loaded after this notice from connecting rail or steamship lines, or at local stations, with the following exceptions:

First—Freight will be received at points of interchange from connecting rail or steamship lines or at local stations when, with the approval of the superintendent, the time for transportation is such that it can be delivered at destination not later than such an hour on Sept. 3 as will permit of placing before Sept. 4.

Second—Shipments of fuel, material and supplies for the operation of the railroad.

All freight received after this notice will be subject to delay, loss and damage because of the strike so ordered. Every effort will be made to move all freight now on the line or junction points to destination and to place for unloading prior to Sept. 4, preference being given to livestock, perishables and foodstuffs for human consumption.

On Aug. 30 embargoes on foodstuffs, explosives and other freight due to the proposed nation-wide railroad strike were announced by the Pennsylvania RR., the Philadelphia Baltimore & Washington and the West Jersey & Seashore, and in addition the Pennsylvania RR. announced that all tickets sold would be subject to restricted train service and delay after next Monday. The embargo on explosives went into effect Aug. 31, and on food stuffs Sept. 1. The general embargo on all freight from all points goes into effect on the 2nd inst. The announcement of the embargoes of the Pennsylvania RR., the Philadelphia Baltimore & Washington and the West Jersey & Seashore is as follows:

In view of the impending nation-wide strike of the enginemen, conductors, firemen and trainmen in the freight and yard services, the Pennsylvania Railroad Co., the Philadelphia Baltimore & Washington Railroad Co. and the West Jersey & Seashore Railroad Co. have been compelled to issue the following embargo notices on freight, to apply to shipments from all points for all destinations.

Item 1. Effective at close of business Thursday, Aug. 31 1916, embargo all shipments of explosives and inflammables of every kind and description.

Item 2. Effective at close of business Friday, Sept. 1 1916, embargo all shipments of perishable freight, including livestock, dressed beef, live and dressed poultry and fresh fruits and vegetables.

Item 3. Effective at close of business Saturday, Sept. 2 1916, embargo all freight of all kinds from all points for all destinations.

As soon as practicable on or after Sept. 4, which is the date set for the strike to become effective, these embargoes will be modified to permit resumption of the movement of foodstuffs and perishable freights. Other modification will be made as promptly as circumstances permit. It will not be possible, however, to give definite information on these points until the railroad companies can ascertain accurately, on next Monday, what force of employees will be available for the movement of traffic.

In the event that the strike orders should be withdrawn before Monday, Sept. 4, the embargoes will be canceled by wire.

All freight described under embargo items 1, 2 and 3 which may be in transit will not be accepted from the New York, Philadelphia & Norfolk RR., Cumberland Valley RR., Cornwall & Lebanon RR., Sparrows Point & Baltimore RR., Pennsylvania lines west of Pittsburgh or other connecting lines at any junction point after date and hour in each item above named, regardless of date on which shipment was accepted as indicated by date on billing.

All bills of lading issued on and after Wednesday, Aug. 30 1916, and until further notice, must bear the following notation: "This shipment accepted subject to delay, loss and damage account of threatened strike."

Station agents at all points of the Pennsylvania lines east of Pittsburgh are being notified to-day to urge that special efforts should be made by all parties interested to remove from the premises or cars of the railroad all explosives and inflammables before 6 p. m. on Sept. 2, and all perishable freight on or before Monday, Sept. 4. This applies to all explosives, inflammables and perishables, whether in stations or in transit.

The management of the Pennsylvania RR. has notified the Adams Express Company that after to-day all shipments over the lines of the Pennsylvania RR. must be accepted subject to delay, and that no live stock or perishables should be accepted that cannot be delivered on or before Saturday, Sept. 2. Notice is also given that the developments of the next day or two may determine whether or not it will be necessary to place express shipments under a complete embargo pending the results of the strike call.

The New York Central, the Delaware Lackawanna & Western, the Baltimore & Ohio, the Philadelphia & Reading and the Erie RR. are among the Eastern roads which have taken similar action, which has been pretty general throughout the country; the Chicago Burlington & Quincy, the Rock Island, the Southern Ry., the Missouri Kansas & Texas, the Wabash, are but a few of the other roads which have adopted a similar course. The Atchison Topeka & Santa Fe which also announced an embargo early in the week, issued an order from Topeka on Aug. 31 lifting the embargo on perishable freight. The ban on live stock was continued.

Last night there were evidences that there would be a further modification of the embargoes by the roads in general.

As indicating that passenger trains as well as freight would be affected by the strike, the New Haven road on Aug. 30 issued the following statement:

In reply to many queries that have been made regarding the scope of the threatened strike and to clear up any misunderstandings as to whether passenger trains will be affected, Howard Elliott, President of the New York New Haven & Hartford RR. Co., issued to-day in Washington the following statement showing that all classes of train service would be involved:

"In his address to Congress on Tuesday, the President said:

"The 400,000 men from whom the demand proceeded have voted to strike if their demands were refused; the strike was imminent; it has since been set for the 4th of September next. It affects the men who man the freight trains on practically every railway in the country. The freight service throughout the United States must stand still until their places are filled, if, indeed, it should prove possible to fill them at all."

"The address of the President will be read more carefully and by more people than any other statement about this unfortunate situation. Those who have not followed the subject carefully and who do not understand its complexities may assume from the President's language that a strike order will have no effect upon passenger train service. This is not the case, and included in the order to strike are all men in passenger train service who are members of the various brotherhoods.

"In the detailed instructions issued by the organizations to the members, the first paragraph says:

"1. No man in road service involved in the strike will perform any service after the hour set for the strike (7 a. m. Sept. 4) unless he has already begun a trip and has actually left the terminal. If the train has left the terminal, he will complete the trip and deliver the engine and train at the end of the run or tie up point, if tied up under the law (16-hour law), after which he will perform no further service until the close of the strike. Men in other than road service will leave the service at the appointed time. So far as your legal right to strike is concerned, there is no difference between a mail train and a freight train. You have identically the same right to refuse to perform service on a mail train as you have to refuse to perform service on a freight train."

"The public, the press and the Congress should understand clearly that the strike order 'affects the men who man' the passenger, mail, milk and express trains, just as much as those on the freight trains and that the passenger service also must 'stand still until their places are filled.'"

PHILIPPINE ISLANDS' BILL SIGNED BY PRESIDENT.

President Wilson on Aug. 29, signed the bill recently passed by both the House and Senate and referred to in these columns last week, providing for a greater measure of self-government for the Filipinos. In approving the measure the President said:

The Philippine bill excites peculiar feelings in me, because there have been times when the people of the Philippine Islands doubted our intentions to be liberally just to them. I hope and believe that this bill is a sufficient earnest to them of our real intentions. It is a very satisfactory advance in our policy of extending to them genuine self-government and control of their own affairs. It is only by such means that any people comes into contentment and into political capacity, and it was high time that we did his act of justice which we have now done.

The bill in part reads as follows:

To declare the purpose of the people of the United States as to the future political status of the people of the Philippine Islands, and to provide a more autonomous government for those islands.

Whereas, it was never the intention of the people of the United States in the incipency of the War with Spain to make it a war of conquest or for territorial aggrandizement; and

Whereas, it is, as it has always been, the purpose of the people of the United States to withdraw their sovereignty over the Philippine Islands and to recognize their independence as soon as a stable government can be established therein; and

Whereas, for the speedy accomplishment of such purpose it is desirable to place in the hands of the people of the Philippines as large a control of their domestic affairs as can be given them without, in the meantime, impairing the exercise of the rights of sovereignty by the people of the United States, in order that, by the use and exercise of popular franchise and governmental powers, they may be the better prepared to fully assume the responsibilities and enjoy all the privileges of complete independence: Therefore

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the provisions of this Act and the name "The Philippines" as used in this Act shall apply to and include the Philippine Islands ceded to the United States Government by the treaty of peace concluded between the United States and Spain on April 11 1899, the boundaries of which are set forth in Article III of said treaty, together with those islands embraced in the treaty between Spain and the United States concluded at Washington on Nov. 7 1900.

That all inhabitants of the Philippine Islands continuing to reside therein who were Spanish subjects on April 11 1899, and then resided in said islands, and their children born subsequent thereto, shall be deemed and held to be citizens of the Philippine Islands, except such as shall have elected to preserve their allegiance to the Crown of Spain in accordance with the provisions of the treaty of peace between the United States and Spain signed at Paris Dec. 10 1898, and except such others as have since become citizens of some other country: *Provided*, That the Philippine Legislature, herein provided for, is hereby authorized to provide by law for the acquisition of Philippine citizenship by those natives of the Philippine Islands who do not come within the foregoing provisions, the natives of the insular possessions of the United States, and such other persons residing in the Philippine Islands who are citizens of the United States, or who could become citizens of the United States under the laws of the United States if residing therein.

That no law shall be enacted in said islands which shall deprive any person of life, liberty, or property without due process of law, or deny to any person therein the equal protection of the laws. Private property shall not be taken for public use without just compensation.

That in all criminal prosecutions the accused shall enjoy the right to be heard by himself and counsel, to demand the nature and cause of the accusation against him, to have a speedy and public trial, to meet the witnesses face to face, and to have compulsory process to compel the attendance of witnesses in his behalf.

That no person shall be held to answer for a criminal offense without due process of law; and no person for the same offense shall be twice put in jeopardy of punishment, nor shall be compelled in any criminal case to be a witness against himself.

That all persons small before conviction be bailable by sufficient sureties, except for capital offenses.

That no law impairing the obligation of contracts shall be enacted.

That no person shall be imprisoned for debt.

That the privilege of the writ of habeas corpus shall not be suspended, unless when in cases of rebellion, insurrection, or invasion the public safety may require it, in either of which events the same may be suspended by the President, or by the Governor-General, wherever during such period the necessity for such suspension shall exist.

That no ex post facto law or bill of attainder shall be enacted nor shall the law of primogeniture ever be in force in the Philippines.

That no law granting a title of nobility shall be enacted, and no person holding any office of profit or trust in said islands, shall, without the consent of the Congress of the United States, accept any present, emolument, office, or title of any kind whatever from any king, queen, prince, or foreign State.

That excessive bail shall not be required, nor excessive fines imposed, nor cruel and unusual punishment inflicted.

That the right to be secure against unreasonable searches and seizures shall not be violated.

That slavery shall not exist in said islands; nor shall involuntary servitude exist therein except as a punishment for crime whereof the party shall have been duly convicted.

That no law shall be passed abridging the freedom of speech or of the press, or the right of the people to peaceably to assemble and petition the Government for redress of grievances.

That no law shall be made respecting an establishment of religion or prohibiting the free exercise thereof, and that the free exercise and enjoyment of religious profession and worship, without discrimination or preference, shall forever be allowed; and no religious test shall be required for the exercise of civil or political rights. No public money or property shall ever be appropriated, applied, donated, or used, directly or indirectly, for the use, benefit, or support of any sect, church, denomination, or system of religion, or for the use, benefit, or support of any priest, preacher, minister, or other religious teacher or dignitary or sectarian institution as such. Polygamous or plural marriages are forever prohibited.

That no money shall be paid out of the treasury except in pursuance of an appropriation by law.

That the rule of taxation in said islands shall be uniform.

That no bill may be enacted into law shall embrace more than one subject, and that subject shall be expressed in the title of the bill.

That no warrant shall issue but upon probable cause, supported by oath or affirmation, and particularly describing the place to be searched and the person or things to be seized.

That all money collected on any tax levied or assessed for a special purpose shall be treated as a special fund in the treasury and paid out for such purpose only.

That all expenses that may be incurred on account of the government of the Philippines for salaries of officials and the conduct of their offices and departments, and all expenses and obligations contracted for the internal improvement or development of the islands, not, however, including defenses, barracks, and other works undertaken by the United States, shall, except as otherwise specifically provided by the Congress, be paid by the government of the Philippines.

That the statutory laws of the United States hereafter enacted shall not apply to the Philippine Islands, except when they specifically so provide, or it is so provided in this Act.

That the laws now in force in the Philippines shall continue in force and effect, except as altered, amended, or modified herein, until altered,

amended, or repealed by the legislative authority herein provided or by Act of Congress of the United States.

That the legislative authority herein provided shall have power, when not inconsistent with this Act, by due enactment to amend, alter, modify, or repeal any law, civil or criminal, continued in force by this Act as it may from time to time see fit.

This power shall specifically extend with the limitation herein provided as to the tariff to all laws relating to revenue and taxation in effect in the Philippines.

That general legislative power, except as otherwise herein provided, is hereby granted to the Philippine Legislature, authorized by this Act.

That all the property and rights which may have been acquired in the Philippine Islands by the United States under the treaty of peace with Spain, signed Dec. 10 1898, except such land or other property as has been or shall be designated by the President of the United States for military and other reservations of the Government of the United States, and all lands which may have been subsequently acquired by the government of the Philippine Islands by purchase under the provisions of Sections 63 and 64 of the Act of Congress approved July 1 1902, except such as may have heretofore been sold and disposed of in accordance with the provisions of said Act of Congress, are hereby placed under the control of the government of said islands to be administered or disposed of for the benefit of the inhabitants thereof, and the Philippine Legislature shall have power to legislate with respect to all such matters as it may deem advisable; but Acts of the Philippine Legislature with reference to land, timber, and mining hereafter enacted, shall not have the force of law until approved by the President of the United States: *Provided*, That upon the approval of such an Act by the Governor-General, it shall be by him forthwith transmitted to the President of the United States, and he shall approve or disapprove the same within six months from and after its enactment and submission for his approval, and if not disapproved within such time it shall become a law the same as if it had been specifically approved: *Provided further*, That where lands in the Philippine Islands have been or may be reserved for any public purpose of the United States, and, being no longer required for the purpose for which reserved, have been or may be, by order of the President, placed under the control of the government of said islands to be administered for the benefit of the inhabitants thereof, the order of the President shall be regarded as effectual to give the government of said islands full control and power to administer and dispose of such lands for the benefit of the inhabitants of said islands.

That, while this Act provides that the Philippine government shall have the authority to enact a tariff law, the trade relations between the islands and the United States shall continue to be governed exclusively by laws of the Congress of the United States: *Provided*, That tariff acts or acts amendatory to the tariff of the Philippine Islands shall not become law until they shall receive the approval of the President of the United States, nor shall any act of the Philippine Legislature affecting the currency or coinage laws of the Philippines become a law until it has been approved by the President of the United States.

That no export duties shall be levied or collected on exports from the Philippine Islands, but taxes and assessments on property and license fees for franchises, and privileges, and internal taxes, direct or indirect, may be imposed for the purposes of the Philippine government and the provincial and municipal governments thereof, respectively, as may be provided and defined by acts of the Philippine Legislature heretofore enacted, and, where necessary to anticipate taxes and revenues, bonds and other obligations may be issued by the Philippine government or any provincial or municipal government therein, as may be provided by law and to protect the public credit: *Provided, however*, That the entire indebtedness of the Philippine government created by the authority conferred herein shall not exceed at any one time the sum of \$10,000,000, exclusive of those obligations known as friar land bonds, nor that of any province or municipality a sum in excess of seven per centum of the aggregate tax valuation of its property at any one time.

That general legislative powers in the Philippines, except as herein otherwise provided, shall be vested in a legislature which shall consist of two Houses, one the Senate and the other the House of Representatives, and the two Houses shall be designated "The Philippine Legislature": *Provided*, That, until the Philippine Legislature as herein provided shall have been organized, the existing Philippine Legislature shall have all legislative authority herein granted to the government of the Philippine Islands, except such as may now be within the exclusive jurisdiction of the Philippine Commission, which is so continued until the organization of the legislature herein provided for the Philippines.

That the members of the Senate of the Philippines, except as herein provided, shall be elected for terms of six and three years, as hereinafter provided, by the qualified electors of the Philippines.

That the members of the House of Representatives shall, except as herein provided, be elected triennially by the qualified electors of the Philippines.

The Legislature shall hold annual sessions commencing October 16, or, if the 16th be a legal holiday, then on the first day following which is not a legal holiday, in each year. The Legislature may be called in special session at any time by the Governor-General for general legislation, or for action on such specific subjects as he may designate. No special session shall continue longer than thirty days, exclusive of Sundays. The Legislature is hereby given the power and authority to change the date of the commencement of its annual sessions.

All laws enacted by the Philippine Legislature shall be reported to the Congress of the United States, which hereby reserves the power and authority to annul the same. If at the termination of any fiscal year the appropriations necessary for the support of government for the ensuing fiscal year shall not have been made, the several sums appropriated in the last appropriation bills for the objects and purposes therein specified, so far as the same may be done, shall be deemed to be reappropriated for the several objects and purposes specified in said last appropriation bill; and until the Legislature shall act in such behalf the treasurer shall, when so directed by the Governor-General, make the payments necessary for the purposes aforesaid.

That the qualified electors of the Philippine Islands shall, on the first Tuesday in June 1915, and at the general elections thereafter provided for the election of Senators and Representatives to the Philippine Legislature, elect two Resident Commissioners to the United States, who shall be entitled to an official recognition as such by all departments upon presentation to the President of a certificate of election by the Governor-General of said islands.

That the supreme executive power shall be vested in an executive officer, whose official title shall be "The Governor General of the Philippine Islands." He shall be appointed by the President, by and with the advice and consent of the Senate of the United States, and hold his office at the pleasure of the President and until his successor is chosen and qualified. He shall have general supervision and control of all of the departments and bureaus of the government in the Philippine Islands as far as is not inconsistent with the provisions of this Act, and shall be commander in chief of all locally created armed forces and militia. He shall be responsible for

the faithful execution of the laws of the Philippine Islands and of the United States operative within the Philippine Islands, and whenever it becomes necessary he may call upon the commanders of the military and naval forces of the United States in the islands, or summon the posse comitatus, or call out the militia, or other locally created armed forces, to prevent or suppress lawless violence, invasion, insurrection, or rebellion; and he may, in case of rebellion or invasion, or imminent danger thereof, when the public safety requires it, suspend the privileges of the writ of habeas corpus, or place the islands, or any part thereof, under martial law: *Provided*, That whenever the Governor General shall exercise the authority granted in this section, he shall at once notify the President of the United States thereof together with the attending facts and circumstances, and the President shall have power to modify or vacate the action of the Governor General.

That, except as provided otherwise in this Act, the executive departments of the Philippine Government shall continue as now authorized by law, until otherwise provided by the Philippine Legislature. When the Philippine Legislature herein provided shall convene and organize, the Philippine Commission, as such, shall cease and determine and the members thereof, except the Governor General and the heads of executive departments, shall vacate their offices as members of said commission.

That the government of the Philippine Islands may grant franchises and rights, including the authority to exercise the right of eminent domain, for the construction and operation of works of public utility and service, and may authorize said works to be constructed and maintained over and across the public property of the United States, including streets, highways, squares, and reservations, and over similar property of the government of said islands, and may adopt rules and regulations under which the provincial and municipal governments of the islands may grant the right to use and occupy such public property belonging to said provinces or municipalities: *Provided*, That no private property shall be damaged or taken for any purpose under this Section without just compensation, and that such authority to take and occupy land shall not authorize the taking, use, or occupation of any land except such as is required for the actual necessary purposes for which the franchise is granted, and that no franchise or right shall be granted to any individual, firm, or corporation except under the conditions that it shall be subject to amendment, alteration, or repeal by the Congress of the United States, and that lands or rights of use and occupation of lands thus granted shall revert to the governments by which they were respectively granted upon the termination of the franchises and rights under which they were granted or upon their revocation or repeal. That all franchises or rights granted under this Act shall forbid the issue of stock or bonds except in exchange for actual cash or for property at a fair valuation equal to the par value of the stock or bonds so issued; shall forbid the declaring of stock or bond dividends, and, in the case of public-service corporations, shall provide for the effective regulation of the charges thereof, for the official inspection and regulation of the books and accounts of such corporations, and for the payment of a reasonable percentage of gross earnings into the treasury of the Philippine Islands or of the province or municipality within which such franchises are granted and exercised: *Provided further*, That it shall be unlawful for any corporation organized under this Act, or for any person, company, or corporation receiving any grant, franchise, or concession from the government of said islands, to use, employ, or contract for the labor of persons held in involuntary servitude; and any person, company, or corporation so violating the provisions of this Act shall forfeit all charters, grants, or franchises for doing business in said islands, in an action or proceeding brought for that purpose in any Court of competent jurisdiction by any officer of the Philippine Government, or on the complaint of any citizen of the Philippines, under such regulations and rules as the Philippine Legislature shall prescribe, and in addition shall be deemed guilty of an offense, and shall be punished by a fine of not less than \$10,000.

ARMY AND NAVAL APPROPRIATION BILLS SIGNED BY PRESIDENT WILSON.

On August 29 the Army and Naval Appropriation Bills were signed by President Wilson. On the same day, as noted in another part of to-day's issue of our paper, the Uniform Bill of Lading Bill and the Philippine Bill were approved by the President. In affixing his signature to the several measures the President had something to say concerning the work accomplished by Congress in the interest of national defense. We quote his remarks as follows:

I cannot let an occasion like this pass without saying something of the feelings with which I sign these bills, many of which will probably be momentous in their results. I think that the whole country will feel that this Congress has accomplished a very remarkable part of the program of national defense.

This bill that I have signed for the army is merely the appropriation bill. It is not the bill by which we reorganize the army, you understand, but it does carry with it a much needed revision of the articles of war, and it does mean that the finances of the nation are to stand behind the reorganization of the army and its use for adequate national defense.

The navy bill is a very remarkable measure. Never before by a single act of legislation has so much been done for the creation of an adequate navy. Our navy has steadily grown. I think the development of that arm of force has always had the enthusiastic support of the nation. It is a matter of unusual gratification, therefore, that we should have been able at this time to do so much, to do it so well—as I believe it to be done in this bill—and to do it with such unanimity of support and opinion.

The Philippine bill excites peculiar feelings in me, because there have been times when the people of the Philippine Islands doubted our intentions to be liberally just to them. I hope and believe that this bill is a sufficient earnest to them of our real intentions. It is a very satisfactory advance in our policy of extending to them genuine self-government and control of their own affairs. It is only by such means that any people come into contentment and into political capacity, and it was high time that we did this act of justice which we have now done.

The last bill, the bill of lading bill, I believe will be a most substantial assistance to the right conduct of both the commercial and financial business of the country.

So that it is with great gratification that I am able to add my part to so many pieces of useful and public-spirited legislation.

As indicated in our issue of Aug. 19, the Naval Appropriation Bill calls for an expenditure of approximately \$313,000,000. The conference report on the bill, as stated in the item referred to, was approved by the House and Senate on Aug. 18. The measure provides for the building of 10 battle-

ships, 6 battle cruisers, 10 scout cruisers, 50 torpedo-boat destroyers, 9 fleet submarines, 58 coast submarines, 3 fuel ships, a repair ship, a transport, a hospital ship, 2 destroyer tenders, a submarine tender, 2 ammunition ships and 2 gunboats to be completed in three years. Altogether the bill calls for 157 new vessels within three years. It appropriates \$11,000,000 to build an armor plate plant, where armor plate can be manufactured at a price of \$230 a ton; and \$705,611 toward a projectile factory, to cost double that sum, insuring an adequate supply of superior ammunition, not now obtainable, at cost price.

The Army Appropriation Bill, it will be recalled, was vetoed by President Wilson on Aug. 18; the vetoed bill was that which had been agreed on in conference and approved by the Senate on Aug. 8 and the House on Aug. 9. The President's disapproval of the measure was based on the incorporation in it of the provision amending the revised articles of war exempting from the military criminal code officers and enlisted men on the retired list. With its veto Chairman Hay of the House Committee on Military Affairs at once (Aug. 18) re-introduced the bill, eliminating not only the provision concerning retired officers, but the entire section revising the Articles of War; without a roll-call the House on Aug. 22 passed the bill as re-introduced; on the 23d inst. it was passed by the Senate with the Revised Articles of War re-inserted except for the provision exempting retired officers from court-martial; the House accepted the amended Senate bill on Aug. 25. When the measure was about to be passed by the Senate on the 23d inst., Senator Underwood proposed an amendment to prevent the enlistment of boys under twenty-one, without the consent of parents or guardians. It was defeated, 25 to 23. Senator La Follette introduced the same amendment when the bill was originally before the Senate. The Senate at that time approved it, but it was subsequently stricken out in conference.

ENACTMENT OF GRAIN INSPECTION BILL AS PART OF AGRICULTURAL APPROPRIATION BILL.

In another item in to-day's issue we refer to the approval on August 11, by President Wilson of the Agricultural Appropriation Bill, which contains as riders the Cotton Futures Act, the Federal Warehouse Bill and the Federal Grain Standardization Bill. Special reference is made to the Cotton Futures Act and the Warehouse Act under separate heads. The Act dealing with the standardization of grain authorizes the Secretary of Agriculture to investigate the handling, grading and transportation of grain. A similar bill had been before the last Congress but failed of enactment. A statement, directed to all grain interests of the country, explaining the provisions of the new Act was issued by the Department of Agriculture on August 17. In this statement the Department had the following to say:

The Act authorizes the Secretary of Agriculture to investigate the handling and grading of grain and to maintain, as soon as may be, standards for corn, wheat, rye, oats, barley, flaxseed and other grains. Not less than 90 days' public notice must be given in advance of the dates on which such standards become effective.

Whenever such standards are established for any grain, the Act forbids the shipment or delivery for shipment, in inter-State or foreign commerce originating in the United States, of any such grain which is sold or offered for sale by grade, unless it is inspected and graded by a licensed inspector, either at the place of shipment or a point in transit, or at the destination. In case no licensed inspector is located either at the point of shipment or at the point of destination, the grain may be shipped without inspection, in which event either party to the transaction may refer any dispute as to the grade to the Secretary of Agriculture. When grain shipped or delivered for shipment in inter-State or foreign commerce is required to be inspected and graded by a licensed inspector, it is made unlawful for any person to represent that it is of a grade other than that stated in a certificate issued in compliance with the Act.

The Act permits the shipment in inter-State or foreign commerce of grain sold by sample or by type, or under any description which is not false and misleading and does not include any of the terms of the official grain standards.

The Secretary of Agriculture is authorized to examine grain that has been certified to conform to any grade of the official grain standards, or that has been shipped in inter-State or foreign commerce. If, after an opportunity for hearing has been given to the interested parties, it is determined that any such grain has been incorrectly certified or has been sold under a name, description or designation which is false or misleading, he may publish his findings.

When grain shipped in inter-State or foreign commerce has been inspected as required by the Act, any interested party may, either with or without reinspection, appeal the question of its grade to the Secretary of Agriculture. The Secretary of Agriculture is authorized to determine the true grade of the grain, and his findings are made prima facie evidence of that fact in suits between the parties in Federal courts. Reasonable fees may be charged for hearing disputes and appeals. When appeals are sustained such fees are to be refunded. Every person employed to inspect and grade grain for shipment in inter-State or foreign commerce is prohibited from certifying the grain according to the official grain standards, unless he holds an unsuspended and unrevoked license issued by the Secretary of Agriculture.

Any person who presents satisfactory evidence of competency may be licensed as an inspector under the Act. In States which have or may

hereafter have State grain inspection departments, the Secretary of Agriculture is required to issue licenses to persons authorized and employed to inspect and grade grain under the laws of such States. Licensed inspectors and persons employed by the Secretary of Agriculture for carrying out the provisions of the Act are prohibited from having any interest in any grain elevator or warehouse, or in the merchandising of grain, or from being employed by any person owning or operating any grain elevator or warehouse. Licensed inspectors are required to keep records of all grain inspected by them and to make detailed reports to the Secretary of Agriculture. The license of any inspector found to be incompetent, or to have issued any false certificate of grade, or otherwise to have violated any provision of the Act, may be suspended or revoked by the Secretary of Agriculture.

Any licensed inspector who knowingly inspects or grades improperly grain shipped in inter-State or foreign commerce, or knowingly gives any false certificate of grade, or accepts a bribe for neglect or improper performance of duty, may also be punished by fine or imprisonment or both.

Similar punishment may be imposed upon other persons who violate certain portions of the Act, particularly those with reference to the inspection by licensed inspectors of grain shipped in inter-State or foreign commerce.

An appropriation of \$250,000 is made for the enforcement of the Act.

The necessary rules and regulations will be prepared and published at the earliest possible date in order that persons interested may have an opportunity to become familiar with them before any of the standards become effective.

Objects Sought In The Act.

The benefits which the Act seeks to confer are described in the language used in the annual report of 1914 of the Secretary of Agriculture with particular reference to the establishment of standards for corn:

"* * * Grades for that grain * * *, if generally adopted and uniformly applied throughout the country, will simplify the relations between producers, dealers and consumers. Under these grades, fairly used, the grower or shipper of a superior quality of grain will be in a position to demand from the buyer the fair value to which the quality of his product entitles him. On the other hand, the producer of a product of inferior quality will receive a lower return.

"The beneficial influences upon agriculture of a uniform system of grading staple crop products will be very great through the financial incentive afforded the farmer to improve the quality of his product by the careful selection of varieties, skillful culture and adequate and effective methods of harvesting, handling and protecting it while in his hands."

PRESIDENT WILSON SIGNS BILL OF LADING MEASURE.

The Pomerene bill, governing bills of lading in inter-State and foreign commerce, was signed by President Wilson on Aug. 29. The bill passed the Senate on March 9. The House, after amending the bill, passed it on Aug. 9; the Senate disagreed in the first place to the House amendments, but on motion of Senator Pomerene it concurred in the House amendments to the bill on Aug. 18. Under the bill carriers are made liable for the acts of their agents in cases where bills of lading are issued for goods not actually delivered, and heavy penalties are imposed for forgeries.

In a report on the bill to the Senate in February, Senator Pomerene said:

This is in substance the same bill passed on Aug. 24 1912, and again on June 5 1914. It is the result of the labors of the Commissioners on Uniform State Laws of the American Bar Association, after repeated conferences with representatives of the American Bankers' Association, the railroad organizations and the shippers' associations. It was originally prepared for the purpose of having it presented to the several State legislatures with a view to providing uniform legislation upon the subject. It has already become the law in ten of the leading commercial States—Connecticut, Illinois, Iowa, Louisiana, Massachusetts, Maryland, Michigan, New York, Ohio and Pennsylvania.

The pending bill does not vary substantially from the Acts passed by the legislatures of the States just named, save that it is made to apply to inter-State and foreign commerce.

As to the necessity for Federal legislation, he said:

The total exports and imports for the year 1915 amounted to \$5,329,521,248.

In the hearings before the Inter-State Commerce Committee it was testified by well-informed witnesses that bills of lading were annually issued in American commerce representing consignments of merchandise valued at \$25,000,000,000; that 99% of the tonnage and value of the commodities shipped and covered by these bills of lading involved inter-State and foreign commerce, and only 1% intra-State commerce.

On these bills of lading it is estimated that \$5,000,000,000 in cash was advanced annually by the banks. It must follow, therefore, that any reasonable legislation which will lead to the security of these bills of lading in the hands of their owners or holders must be of immense value to the commerce of the country.

A statement from the office of Secretary of the Treasury McAdoo on Aug. 29, giving credit for the passage of the bill to Mr. McAdoo, said:

Secretary McAdoo, as President of the International High Commission, urgently recommended that Congress enact the measure, which has had the hearty support of the present Administration from the outset. The Secretary's particular attention was drawn to the bill as a result of the meeting of the Commission in Buenos Aires in April last. One of the purposes of the Commission is to secure the simplification and uniformity of inter-American commercial law and the Buenos Aires conference gave special consideration to the question of safeguarding bills of lading with ample protection. As soon as the Secretary returned to the United States he took up the Pomerene bill with members of Congress, urging its passage, and its enactment is one of the most important of the practical benefits resulting from the activities of the Commission to improve financial and commercial relations between the United States and Latin-America.

Thomas B. Paton, General Counsel of the American Bankers' Association, also recently had something to say concerning the bill of lading legislation. He was quoted to the following effect in the "Journal of Commerce:"

This successful result is the culmination of more than ten years' effort on the part of the American Bankers' Association to secure national legislation which will give bills of lading their proper status as instruments of credit. When the bill becomes law the rule of the Federal Courts that a carrier is not liable upon a bill of lading signed by his agent when no goods

have been received will be overturned. Not only will the banker and the consignee who advances money upon the truth of recitals in the bills of lading be thus protected, but the bill will add important features to the Federal criminal law, making the forger of a bill of lading subject to heavy penalties. Strange as it may seem, there is now no Federal law which punishes the man who forges a bill of lading, and for this reason the criminals who forged several million dollars of bills of lading in connection with the perpetration of the Knight-Yancey frauds were never punished. The result of these frauds and the fact that the way has been opened to other frauds of like nature, has done much to discredit our foreign bills of lading, and in the long run, if this defect in our Federal criminal law was not corrected, would seriously hamper the growth of our foreign trade. The Pomerene bill will correct all this.

Our Association started the movement for an adequate law governing and protecting purchasers of bills of lading in August, 1905. At the convention held in Washington that year, a special committee on bills of lading was appointed of which Lewis E. Pierson, now Chairman of the Irving National Bank, was Chairman. A bill was drafted and introduced in the next session of Congress by the late Senator Burrows and by Congressman (now Senator) Townsend, both of Michigan. Hearings were had on the bill before the House Committee on Inter-State and Foreign Commerce, but the measure was not reported out.

In each succeeding Congress our Association bill on this subject was re-introduced, and in 1911 we succeeded in having the measure passed by the House of Representatives, but it failed in the Senate. In the Sixty-second Congress, Senator Pomerene of Ohio introduced the measure, which passed the Senate but failed in the House. This was also true of the Sixty-third Congress. In the Sixty-fourth Congress, the bill passed the Senate on March 7 and has now been passed by the House with a few changes which do not materially affect its value.

Last April a delegation called on President Wilson and received his assurance that he was heartily in favor of the measure.

This bill is not only of importance to the banking interests, but equally to the commercial interests and the law will be of special benefit to the small shipper, who, unless he can pledge a document that will carry a responsibility of the carrier for the goods, cannot obtain a loan to finance his shipment.

ENACTMENT OF FEDERAL WAREHOUSE BILL AS PART OF AGRICULTURAL APPROPRIATION BILL.

We note elsewhere in to-day's issue of the "Chronicle" the enactment of the Agricultural Appropriation Bill, with its several riders, namely, the Cotton Futures Act, the Federal Grain Standardization Bill and the Federal Warehouse Bill, and have alluded under separate heads to both the grain and cotton futures legislation. The Federal Warehouse Bill provides for the licensing and inspection of warehouses for the storage of cotton, wool, grains, tobacco and flaxseed, the principal purpose of the bill being to establish a form of warehouse receipt for these commodities which will make the receipts easily and widely negotiable as delivery orders or as collateral for loans, to the end that they will be of definite assistance in financing crops. The Department of Agriculture, in a statement further indicating the object of the Act, said:

This purpose the Act aims to attain by licensing and bonding warehouse under conditions which will insure the integrity of their receipts and make these receipts reliable evidence of the condition, quality, quantity and ownership of the products named which may be stored with them.

The Secretary of Agriculture is given general authority to investigate the storage, warehousing, classification, weighing and certifying of cotton, wool, grains, tobacco and flaxseed, and to classify warehouses for which licenses are applied for or issued.

He may issue to warehousemen licenses for the conduct of warehouses in which such products may be stored for inter-State or foreign commerce, and also of warehouses located in places under the exclusive jurisdiction of the United States in which such products may be stored. Persons who are not warehousemen may also be licensed, subject to the same requirements as licensed warehousemen, to accept such products for storage in warehouses owned, operated or leased by any State. Licenses may be issued for periods not exceeding one year, and are renewable upon showing satisfactory to the Secretary of Agriculture. A fee not exceeding \$2 may be charged for each license or renewal, and, in addition, a reasonable fee for each examination or inspection of a warehouse made upon application of the warehouseman. It is not, however, compulsory that any warehouseman be licensed by the Secretary of Agriculture. The system is wholly permissive.

Every applicant for a license as a warehouseman must agree to comply with the Act and the rules and regulations prescribed under it. He must give a bond, with other than personal surety, to secure the performance of his obligations as a warehouseman under the laws of the place in which the warehouse is conducted, under his contracts with his depositors, and under the United States Warehouse Act. The right is given to any person injured through its breach to sue in his own name on the bond for any damages sustained by him. When such bond has been given, the warehouse may be designated as bonded under the United States Warehouse Act.

Inspection of Licensed Warehouses.

The Secretary of Agriculture is authorized to inspect warehouses licensed, or for which licenses are applied for; to determine whether they are suitable for the proper storage of agricultural products; to prescribe the duties of licensed warehousemen with respect to their care of, and responsibility for, agricultural products; and to examine agricultural products stored in licensed warehouses. Deposits of agricultural products in such warehouses are made subject to the Act and the rules and regulations under it.

Duties of Warehousemen.

Licensed warehousemen are not permitted to discriminate between persons desiring to store agricultural products in their warehouses. All agricultural products, except fungible products (such as grain and the like) of the same kind and grade, for which separate receipts are issued, must be so kept that they may be separately identified and re-delivered to the depositor. Warehousemen may mix grain and other fungible products, ordinarily mixed in storage, when they are of the same kind and grade and are delivered from the same mass, but may not mix such products when they are of different grades.

Warehouse Receipts.

Original receipts must be issued for all agricultural products stored in licensed warehouses, but only when such products are actually stored at the time of the issuance of the receipts. Additional or further receipts for

the same products may only be issued in place of lost or destroyed receipts, and then only under specified conditions.

The Act enumerates certain facts which must be stated in all receipts issued by licensed warehousemen. They must show (a) the location of the warehouse; (b) the date of issuance; (c) the consecutive number; (d) whether the products will be delivered to the bearer, to a specified person, or to a specified person or his order, (e) the rate of storage charges; (f) a description of the product stored, including the quantity or weight; (g) the grade or other class, according to the official standards of the United States for such products, unless there be no such standard, in which event it must be stated according to some recognized standard or according to rules and regulations prescribed by the Secretary of Agriculture; (h) that they are issued subject to the United States Warehouse Act and the rules and regulations under it; (i) ownership, if any, of the products by the warehouseman; (j) any lien claimed by the warehouseman for advance made or liabilities incurred; (k) any other facts required by the Secretary of Agriculture; (l) the signature of the warehouseman, which may be made by his authorized agent. Unless otherwise required by the law of the State in which the warehouse is located, the grade may be omitted at the request of depositors, except in case of fungible agricultural products, if the receipts clearly show that they are not negotiable.

Licensed Classifiers and Weighers.

The Secretary of Agriculture may license competent persons to classify and weigh agricultural products stored in licensed warehouses, and to certify the classification or weight of the products. Such licenses may be suspended or revoked at any time if the licensee fails to perform his duties properly. All grain, flaxseed and other fungible products stored for interstate or foreign commerce in licensed warehouses must be inspected and graded by persons licensed for the purpose. Authority is given to establish official standards for the agricultural products named in the act, and standards established under any other Act of Congress are adopted for the purpose of the Warehouse Act.

Delivery of Products.

Upon demand of depositors or holders of receipts, licensed warehousemen, in the absence of some lawful excuse, must deliver products stored without unnecessary delay. The demand for delivery must be accompanied with an offer to satisfy the warehouseman's lien, to surrender the receipt, if negotiable, properly endorsed, and, when requested by the warehouseman, to sign an acknowledgment of the receipt of the products re-delivered. Upon the re-delivery of the products for which given, all receipts returned must be canceled.

Records and Reports.

Licensed warehousemen are required to keep in safe places complete and correct records of all agricultural products stored and withdrawn, and of receipts issued, returned and canceled. They must also make detailed reports to the Secretary of Agriculture as often as required. Their books, records, papers and accounts are subject to examination by the Department of Agriculture.

Revocation of Licenses.

The Secretary of Agriculture is required to publish the names, locations and addresses of all warehouses and persons licensed under the Act, with lists of all licenses revoked and the causes of termination. He may publish his findings whenever he determines that a licensed warehouseman is not performing fully his duties under the Act. He may suspend or revoke any license if the licensee fails to comply with the Act or the rules and regulations. He may also suspend or revoke any license issued to a warehouseman if unreasonable and exorbitant charges have been made for services rendered.

The Act expressly provides that nothing contained in it shall be construed to interfere with State laws relating to warehouses, warehousemen, weighers, graders and classifiers, or with similar Federal laws. On the contrary, the Secretary of Agriculture is authorized to co-operate with officials charged with the enforcement of such State laws in order to carry out the provisions of the United States Warehouse Act.

Penalties.

Punishment by fine or imprisonment or both may be imposed on any person who counterfeits, forges or uses without proper authority any license issued under the Act, or who issues or utters a false or fraudulent receipt or certificate, or who uses a name or description conveying the impression that a warehouse is designated as bonded under the Act unless the bond has actually been filed and approved or the license issued remains unsuspended and unrevoked.

An appropriation of \$50,000 is made for carrying out the provisions of the Act. The necessary rules and regulations are now in course of preparation, and will be published and widely distributed at the earliest practicable date.

Objects of the Act.

Warehouse legislation, in its bearing upon the marketing and distribution of farm products, was discussed by the Secretary of Agriculture in his annual report for 1915, in which he said:

"Investigations conducted by the Office of Markets and Rural Organization indicate that there is serious need of warehouse legislation. It would seem that the most desirable action on the part of the States would be the passage of laws which would guarantee the integrity of warehouse receipts. These laws should be uniform, so that the conditions governing such receipts may be the same throughout the country, thereby greatly increasing their availability as collateral for loans at distant banking centres. The uniform warehouse receipts Act is now in force in 31 States. In addition to the legislation that has been or may be enacted by the States, it is believed that the enactment of a Federal warehouse law would be of great benefit. The general interest in the subject is well shown by the inquiries the department constantly is receiving. In fact, many warehousemen, under the misapprehension that a bill on the subject considered by the last Congress actually had been passed, have asked the Department to give them information as to how to comply with it. The proposed measure, which is permissive in character, would enable the Department of Agriculture to license bonded warehouses in the various States. It would promote the better storing of farm products, increase the desirability of receipts as collateral for loans, and therefore would be of definite assistance in financing crops. A Federal statute on the subject also would promote the standardizing of storages, of warehouse receipts, and of marketing processes."

A Federal warehouse bill passed the Senate in August 1914, and in amended form was passed by the House in December 1914; it failed, however, of final enactment at that session of Congress.

RE-ENACTMENT OF COTTON FUTURES ACT AS PART OF AGRICULTURAL APPROPRIATION BILL.

The annual agricultural appropriation bill, carrying as riders the Cotton Futures Act, the Federal Warehouse bill and the Federal Grain Standardization bill, became a law with its approval by President Wilson on Aug. 11. The House passed the bill with its three riders on May 2; in

amended form (but with the several riders) the Senate passed the bill on July 12. The House disagreed to the Senate amendments on July 18 and sent the bill to conference. The conference report was returned to the Senate and House several times before its final acceptance by the respective branches of Congress on Aug. 4. As we have before indicated, the Cotton Futures bill (regulating cotton futures transactions) is similar to the one which became a law on Aug. 18 1914; that Act was declared unconstitutional by Judge Hough of the U. S. District Court in New York on Oct. 13 1915 on the ground that the measure in the form in which it was finally enacted had originated in the Senate. In attacking the constitutionality of the Act on this ground it was contended that the Constitution expressly provides that all measures for increasing or raising revenue shall have their origin in the House. Another point of contention was that the Act was unconstitutional, since it taxed the nature of the transaction rather than the transaction itself. The Act imposes a tax of two cents on each pound of cotton (\$10 a bale) sold for future delivery where the provisions of the Act are not complied with, and provides that trading shall be in accordance with standards fixed at various times by the Government. The provision taxing orders transmitted abroad is eliminated in the newly enacted law. The new Act became effective this week, Sept. 1. In calling attention to the Act on Aug. 11 Secretary of Agriculture D. F. Houston issued a statement saying:

The annual appropriation bill for the Department of Agriculture just passed by Congress contains a re-enactment, effective Sept. 1 1916, of the United States Cotton Futures Act, with a few changes. Section 11 of the present law, which taxes orders sent abroad for the making of future contracts on foreign cotton exchanges unless certain conditions were complied with, will be omitted.

A new section known as 6a is inserted in the bill, which provides an optional contract under which parties may, by agreement, without being subject to tax, contract that under certain specified conditions the buyer may demand delivery of the basis grade named in the contract.

Another modification which will be of interest and assistance to the trade is the authority conferred on the Secretary of Agriculture, in case of disputes, to include in his findings, even though only one question be referred, a complete classification of the cotton for the purpose of delivery on future contracts. Under the old law, the authority of the Secretary was confined to a determination of the specific question of grade, quality or length of staple referred to him by the parties. In other words, if the dispute involved grade only, and the cotton was found to be gin-cut, which is a question of quality, the Secretary had no authority to include a statement as to gin-cut in his findings.

Government officials in charge of the matter call especial attention to the facts that the new Act will not become effective until Sept. 1 1916, and that the old Act of Aug. 18 1914 will remain in full force until the beginning of next month.

The rules and regulations of both the Treasury and the Agricultural Departments, with slight modifications and additions necessitated by the changes made in the law, will be reissued shortly after the approval of bill, so that there will be no disturbance whatsoever to the trade. The official cotton standards of the United States heretofore established will be readopted and promptly promulgated, so as to be in force when the new Act becomes operative.

The Federal Grain Inspection legislation and the Federal Warehouse Act are referred to under separate heads in today's issue of the "Chronicle."

HOUSE ACCEPTS SENATE AMENDMENT TO SHIP PURCHASE BILL.

The House on Aug. 30 approved the Administration Ship Purchase Bill as amended by the Senate, and passed by the latter on Aug. 18. The bill originally passed the House on May 20. All efforts to change the Senate amendments were defeated in the House this week. The Senate amendments were outlined in these columns last Saturday.

PRESIDENT SIGNS CHILD LABOR BILL.

The House of Representatives on Aug. 18 agreed to the recommendation of the conferees on the Child Labor bill that it recede from its disagreement to the Senate amendments, thus putting the bill before President Wilson, who signed it yesterday (Sept. 1.) The bill was passed by the House on Feb. 2 last and by the Senate on Aug. 8. As it originally passed the House, it proposed to bar from interstate commerce products on which child labor actually had been employed. As amended by the Senate, and now perfected, it prohibits shipment between the States of all products of any establishment which employs child labor. It bars products of any mine or quarry employing children under 16, and products of any mill, cannery, workshop, factory or manufacturing establishment employing children under 14, or which employs children between 14 and 16 more than eight hours a day, more than six days a week, or earlier than 6 o'clock in the morning or later than 7 o'clock in the evening. It becomes effective one year after the date of the President's approval. Opposition to the bill was led by Southern Congressmen, and its sponsors charged cotton mill owners with being the principal objectors.

In presenting the conference report recommending that the House recede from its disagreement to the bill, Representative Lewis, one of the conferees on the part of the House, said:

This bill, known as the Child Labor bill, having passed the House went to the Senate, and the Senate passed it with certain amendments. I may say that the amendments by the Senate did not modify in any way the general objective of the bill—that is, the acts and the species of conduct intended to be prohibited by the House measure—but in considering the methods that should be employed for that purpose, especially in the leading, and what I may call the prohibitive, clause, the Senate adopted a method of treatment somewhat different from that adopted by the House.

The House method of treatment was to stigmatize the particular products of child labor, in whole or in part, and prohibit the movement in inter-State commerce of any such particular products. That clause, section 1, was amended by the Senate, and its treatment provides that wherever children are shown to have been employed by a manufacturer, and so forth, under the prohibited conditions, within one month of the offer of shipment of any product, the product of such factory shall be denied the privilege of inter-State commerce.

I shall not go into any discussion of the slightly different constitutional aspects presented by the House method of treatment and the Senate method of treatment. It may be said in favor of the Senate treatment that it renders the administration of the law itself, and the effectuation of the prohibitions of the law, easier than the House treatment would do, and is to be strongly recommended on that account. The difficulties in the way of obtaining evidence, of particularizing the special articles of the product of a mill which were sophisticated by child labor, in whole or in part, at once suggest themselves under the House treatment of the matter. The Senate treatment eliminates those difficulties, because any shipment of any of its products within one month after child labor has been employed in the factory makes out a case, under the indictment, for the Government. It need only prove that within one month of the objected shipment child labor was employed in the factory from which the article proceeded.

In signing the bill yesterday President Wilson said:

I want to say that with real emotion I sign this bill because I know how long the struggle has been to secure legislation of this sort, and what it is going to mean to the health and to the vigor of this country, and also to the happiness of those whom it affects. It is with genuine pride that I play my part in completing this legislation. I congratulate the country and felicitate myself.

HEARINGS OF FARM LOAN BOARD.

The members of the Farm Loan Board opened their hearings in furtherance of their efforts to determine upon the location of the Farm Loan banks and the division of the country into districts at Augusta, Me., on Aug. 21. Secretary of the Treasury William G. McAdoo, who is Chairman ex-officio of the Board, presided at the first few hearings, but was recalled to Washington on account of the illness of his wife. The initial hearing was marked by a luncheon tendered by the Augusta Board of Trade to Mr. McAdoo and the other members of the Board, at which Secretary McAdoo outlined the purposes of the Act as follows:

The Farm Loan Act creates a system under which the farmers of the United States will be able for the first time in the history of the country to borrow money on farm lands at low rates of interest on long time, namely, from five to forty years, and by means of annual dues or installments, not only to pay the interest, but also to retire the principal of the loan at maturity.

This piece of legislation is comparable in its benefits in the magnitude of the industry it will affect, with the Federal Reserve Act, but it is in many respects far more important to the country than the Federal Reserve Act. The Farm Loan Act or rural credits bill will emancipate the farmer from the disadvantages he has so long endured. It will, when fully established, unquestionably provide an abundance of credits, available at all times, to farmers in all parts of the country upon long term mortgages at lower rates of interest, with a provision for repayment of the principal in easy annual installments. In fact, under the new system the farmer ought to be able to pay the interest on his mortgage and the principal of his debt through annual installments which will be less than the straight interest charges he has been paying on his mortgage under the old system.

This is an act of long delayed justice. We must see to it that those who are entitled to its benefits get them with the least possible delay. The establishment of this rural credits means not only more profitable farming, but a life of greater comfort and prosperity for the farmer; it means destruction of the nightmare of foreclosure and loss of property for the farmer; it means security and independence, thrift and self-respect for the farmer.

It will re-attract to the farms vast numbers of our people who have been unable to engage in agriculture because it has been impossible to secure money on farm obligations. It means much for all the people of the country because they will prosper in direct proportion to the prosperity and strength of the farming industry of the country.

William J. Thompson, Master of the Maine State Grange, and Dr. George M. Twitchell of Auburn, were the only ones speaking at the hearing who thought that the Maine farmers were not fully ready for such a rural credits system as proposed by the Federal Farm Loan Act. Mr. Thompson stated that Maine was not suffering as much as the States in the South and West from high rates of interest, the prevailing interest rate being 6% on farm mortgages. In the northern section of the State the rate of interest had been 7 or 8%, but it was quite uniformly 6% at the present time. He thought that farmers in Maine were more in need of short term credit, explaining by that, that he meant the borrowing of a few hundred dollars for the season. The second hearing of the Board was held at Concord, N. H., on Aug. 22. Differences of opinion as to the necessity of a Farm Loan bank in the State were expressed at the hearing. One of those who failed to see any benefits to New Hampshire through the location of one of the banks there was Clarence

E. Carr of Andover, former Democratic candidate for Governor of New Hampshire, who said: "All the capital and all the money the New Hampshire farmer reasonably can ask for he can get in New Hampshire at as low a rate as the Federal Government should offer." Mr. Carr's views were accepted as describing the sentiment generally in New Hampshire. Hartford, Conn., and Springfield, Mass., were both visited by the Board on the 23rd. Both cities are desirous of obtaining one of the banks; the appeal on behalf of Springfield was conducted by the Hampden County Improvement League, assisted by prominent business and agricultural men representing Western Massachusetts. A large aggregation of business, banking and agricultural interests was also on hand at the Hartford hearing to plead the cause of that city; J. H. Hale, Public Utilities Commissioner in indicating the need for a bank in Connecticut said:

I have always been a farmer and have often found it necessary to borrow money from banks at an average rate of interest of 5½%. Most farmers in Connecticut, however, are not able to borrow quickly unless they pay an unreasonable rate of interest. I consider that, at the present time, Connecticut agriculture is in a serious process of rebuilding. Within the last fifteen years there has been an influx of shrewd farmers from all over the country, who are attracted to this section because of the splendid facilities which they find for disposing of their products. Then, too, there has been a back-to-the-farm movement, which has stimulated a large number of city people to get a rural home. It is many of these people who need loans. Connecticut, with its thousands of acres of fertile, uncultivated land is a neglected opportunity. In proportion to the number of people who have recently set out to clean up so-called wild land, the whole of New England may well be called the newly discovered part of America. It will be the great farming centre of the country in years to come. If the Northeastern part of the country is to have two banks, I should establish one in the Central part of New Hampshire and the other in Hartford. The first will serve Vermont and Maine, and the one here will meet the needs of the people of Massachusetts and Rhode Island.

John M. Holcombe, President of the Phoenix Mutual Life Insurance Company, in urging the choice of Hartford for one of the banks said:

I believe that this State is capable of producing a greatly increased supply of farm products, and that our present great handicap is a lack of scientific farmers. Next to intelligence, I believe the greatest need among the farmers here is the opportunity of acquiring loans which one of these banks will furnish. In my mind there is no question but that Hartford is peculiarly appropriate for the location of such a bank on account of its position in a centre where farming opportunities are great.

Utica is also solicitous of having one of the banks. The view was generally expressed at the hearing there on Aug. 24 that a farm loan bank at Utica would considerably benefit the farmers of that locality. According to the Utica "Press," W. I. Taber, President of the Citizens' Trust Co., submitted a comprehensive statement of figures prepared as the result of an investigation made some two years ago, showing the conditions found by banks in many parts of the State. He said the attitude of the banker toward the farmer is to help him as far as is consistent with safety, and that they will lend their moral support to the new plan just as they have to the building and loan associations. One of the reasons the farmer does not seek the banks for mortgage loans, he said, is because of the expense of the appraisal, examination of papers, &c. The average farmer can more readily pay a commission to a broker for a loan from an individual. The attitude of the banks and trust companies of the city, toward farm loans and mortgages and the situation in that section, as they see it with reference to loans, was set forth in the following statement:

In the first place it may be well to emphasize the fact that all the national banks and trust companies of this city make loans to farmers, but make practically no loans on bond and mortgage covering farm property. In other words, farmers in this section in good credit who need funds for legitimate purposes are welcome borrowers at all the banks and trust companies of the city. These loans are generally for short periods and the experience of the banks and trust companies of this city with such loans is, on the whole, entirely satisfactory.

With reference to the attitude of the Savings Bank, the bank advises us that during the last five years they have had an average of 12 applications per year for farm loans, and that of these applications they have accepted about one-half, or in the neighborhood of 30 loans, the average amount of which will run about \$3,500. Their present rate of interest is 5½%. The reasons for rejection on such as they did reject were sound; as for instance, some of the applications came in winter when it was impossible to appraise the land. Others were because the farmers wanted more than a 50% loan. They make all their loans on one-year time.

The same general statement might be made with reference to the Savings Bank of this city in regard to farm loans, as mentioned in the case of national banks and trust companies—namely, that the difficulty of appraisal is a drawback in the granting of these loans. They do not discriminate against farm loans, nor do they seek them.

Speaking first for the national banks and trust companies, of which there are three of the former and three of the latter in this city, we wish to call attention to the fact that a loan on bond and mortgage with farm land as security is not the sort of loan that national banks and trust companies located in a city of the size of Utica can advantageously handle. There are several pertinent and good business reasons for this. One is practical difficulty of appraisal of a farm loan in comparison with a mortgage loan on city property. Another general objection to the farm loan on bond and mortgage is the length of time it is compelled to run and the fact that it is therefore a less liquid asset.

None of the national banks of this city have taken any mortgages on farm lands in this section under the clause of the Federal Reserve Act, which permits them to do so, and further, none of the national banks in this city have had a single request for such a mortgage.

The national banks and trust companies of this city are on very cordial terms with the farmers of the surrounding community, and all of our institutions have now on their books many loans to farmers made directly upon their notes, endorsed either by their wives or some neighboring farmer.

In conclusion, it is quite evident that the local individual investor is practically the only source from which the farmer in this section of New York State secures funds on bond and mortgage with farm land as security.

The financial institutions of this city would not be prejudiced in principle against the establishment of a special financial institution in this section, such as might be provided by the Federal Farm Loan Board, and on the contrary can conceive how such an institution, organized especially to handle farm loans on bond and mortgage might be, provided the business was conducted economically, efficiently and honestly, of real benefit to the surrounding farming community.

At Lansing on Aug. 25 representatives of the various agricultural interests testified as to the need of a Federal Land Bank in Michigan, and without exception each witness said that Michigan was one of the few Northern States that would benefit greatly when the rural credits law is in operation.

On the 26th the need of Wisconsin farmers for mortgage loans at low rates of interest and the desirability of locating one of the twelve Federal Farm Loan banks in Madison were presented to the Federal Farm Loan Board.

Iowa business men and bankers were given a hearing on the subject at Des Moines on Aug. 28. Des Moines, Waterloo and Burlington were the three towns which were advocated as possible locations. Representatives of each insisted that Iowa be given the principal consideration and that the matter of the exact location of the bank be left until later. We learn from the Des Moines "Register" that at the conclusion of the hearing R. H. Faxon, Secretary of the Chamber of Commerce, summarized Iowa requests as follows:

Iowa is the logical location for the land bank in this section. The district for this section should comprise Iowa by itself, or Iowa and Minnesota, Iowa and Illinois, or Iowa and Missouri.

The same paper stated that H. C. Wallace, editor of "Wallace's Farmer," told the Board that the Farm Loan Law must be amended so as to meet the needs of the tenant farmer. As he viewed it, Des Moines would not be an ideal location for the bank, as the law now stands, for the most it offers is a slightly lower rate of interest to the land owner, whereas the community tributary to Des Moines is chiefly concerned in the welfare of the tenant farmer, who has no security to offer under the present law. Mr. Wallace was quoted as saying:

The law does not reach the spot in Iowa. We have a large per cent of tenant farmers who year after year are combining with the owners to rob the soil under our system of short-term leases. That is to say, they reap their rich harvests and put nothing back. The time is at hand when the land must be considered as a third party to every lease, if fertility is to be preserved. Tenantry is here and here to stay, and what we need is a law that will enable the tenant as well as the land owner to borrow money. This would encourage long time leases and naturally tend to conservation of the soil.

John A. Cavanaugh, Vice-President of the Des Moines National Bank, was quoted as saying:

In my opinion, the Iowa farmer will turn to the banks you gentlemen establish for the funds he desires, provided you make the interest rate lower than the rates now existing. Iowa farmers have been able to secure the bulk of their money at 5½%. If you enable them to borrow money at 5% you will reduce their annual interest debt by \$2,000,000.

It is my conviction that the new law will reduce interest rates to the farmer and enable him to borrow money—even here in prosperous Iowa—upon more favorable terms than he has been able to secure it before. This being so the law will be welcomed by Iowa farmers and will enhance our agricultural prosperity.

Iowa has a larger percentage of its farms mortgaged than any other State in the Union. The 1910 Census showed Iowa farms to be mortgaged to the extent of \$204,000,000, or \$60,000,000 more than the aggregate debt of any other State. We bankers have been loaning heavily on Iowa farms.

The Board visited Sioux Falls, S. D., on Aug. 30, and on the 31st conducted a hearing in St. Paul, Minn. Both St. Paul and Minneapolis are working to secure a bank for their city. The Minneapolis Civic and Commerce Association presented data in support of the claims of that city, and the St. Paul Association of Commerce submitted facts dealing, among other things, with the marketing advantages of the city. The St. Paul Association suggested a "district comprising Minnesota, North and South Dakota, and Montana, with St. Paul as the logical centre for a Federal loan bank to serve this territory."

The Board held a hearing at Fargo on the 1st inst. and Helena on the 2d. It will be in Spokane on the 4th.

On Aug. 22 Secretary Flannagan, of the Federal Farm Loan Board, issued a warning to farmers that solicitors are busy in several Western States, without authority of the Board, attempting to collect money for the organization of national farm loan associations. Such associations are authorized under the law and are to be formed by farmers who desire loans. Mr. Flannagan said:

The representation by any person that any organization is now offering to make loans by authority of the Farm Loan Board under the Federal Farm Loan Act, is false, and any attempt to collect money under such representations is fraudulent, and is punishable by fine and imprisonment.

Mr. Flannagan added that information had been received from Montana, Idaho and other Western States to the effect that unauthorized persons were soliciting subscriptions there. He said farmers should plan the organization of loan associations. "But," he said, "no money should now be paid in connection therewith to any person for stock or expenses, no matter what the representations may be."

BENEFIT TO FARMERS OF PREFERENTIAL DISCOUNT RATE ESTABLISHED BY RESERVE BOARD.

In indicating the effect of the action of the Federal Reserve Board in establishing a year ago preferential discount rates on commodity paper, Comptroller of the Currency John Skelton Williams points out that the arrangement has resulted in giving farmers in many parts of the country an opportunity of borrowing money at 6%, where for years they had been accustomed to paying 10% and higher. The Comptroller also announces that an analysis of the bank statement of June 30 shows that total national bank loans secured by warehouse receipts amount to \$124,095,000, of which \$79,749,000 represents loans on warehouse receipts secured by wheat, tobacco, and other commodities, and \$44,346,000 on cotton. A further matter touched upon by the Comptroller deals with the rates of interest exacted by national banks; reports coming to his office, he says, show that there has been a general collapse in the extortionate rates of interest which had been prevalent for years past. His observations on the several points above are contained in the following statement issued under date of August 25, but not released for publication until August 28:

August 25 1916.

The Comptroller of the Currency said to-day:

The action of the Federal Reserve Board a year ago in establishing preferential discount rates on commodity paper worked admirably. Under the Board's regulations in that connection, all member banks, State and national were given, within reasonable limitations, the opportunity of borrowing all the money they required at 3% per annum, where the discounting bank could show that the commodity paper offered was secured by warehouse receipts for cotton or other staple commodity, and that it had not charged the original borrower more than 6% per annum.

This arrangement resulted, in many parts of the country, in giving farmers the opportunity of borrowing money at 6%, where for years they had been accustomed to paying 10, 12 or 15%, and in many cases rates still more exorbitant.

An analysis of the bank statement of June 30 1916 shows that our national banks on the date named were lending to customers on warehouse receipts secured by cotton the sum of \$44,346,000; and on warehouse receipts secured by wheat, tobacco and other commodities they were lending \$79,749,000—the total loans secured by warehouse receipts being \$124,095,000.

Of the money thus loaned on warehouse receipts, 13 million dollars were being loaned by national banks in the New England States; 38 million dollars in the Eastern States; 37 million dollars in the Southern States; 25 millions by those in the Middle States; 2½ millions in the Western States; and about 8 millions in the Pacific States.

Of the 124 million dollars loaned on the security named, 39 millions were loaned by the country national banks; 37 million dollars by the national banks in the Central Reserve cities; and 48 million dollars by those in other Reserve cities.

The farmers of the country are also rapidly learning to take advantage of the provisions of the Federal Reserve Act which enable banks outside of the Central Reserve cities to loan money on farm lands. The amount loaned by national banks on farm property June 23 1915 was 25 million dollars; on March 7 1916 this had been increased to 40 million dollars; while the last report of June 30 1916 shows the amount loaned by national banks on farms to have increased to 45 million dollars.

Reports which have been coming to this office show that there has been a general collapse in the extortionate rates of interest which for years past had been exacted by many national banks in various sections of the country from their customers, especially in the agricultural districts; although in certain parts of the country some banks, I regret to say, are still trying to hang on to their old methods.

In various instances national banks which have been called on to reduce their rates of interest to those permitted by law, have not only complied but have advised this office that they are now conducting their business on a plane which is proving not only more satisfactory to their customers, but, all things considered, more satisfactory to the banks themselves, as their business is showing a healthy expansion in response to the more liberal treatment which they are now according their customers.

For example, the cashier of a national bank in the interior of Texas, which had in the past been charging excessive interest rates, recently wrote this office as follows:

"While it has been rather hard for us to get down to the legal rate I realize that you are absolutely correct, and I am sure that the cheaper rate of interest will bring, and is already bringing, this bank a large increase of business. Your stand in this matter is entirely commendable, and we will do our best to uphold you in it."

Since July 1 1916 24 new national banks have been organized, with a capital of \$1,845,000; and existing national banks have increased their capital to the extent of \$1,615,000; making a total increase in banking capital, since July 1, of \$3,460,000.

The number of national banks which have gone into liquidation in the same period, exclusive of those which have consolidated with other national banks, is 16, with aggregate capital of \$1,205,000. The capital of the new banks, plus the capital increase of old banks, since July 1, thus amounts to about three times the capital of banks going into liquidation for purposes other than to consolidate with other national banks.

DIVIDENDS LOOKED FOR BY MINNEAPOLIS FEDERAL RESERVE BANK IN JANUARY.

According to the Minneapolis "Evening Journal" of Aug. 25, the first dividend to be paid to the 700 banks that are stockholders of the Minneapolis Federal Reserve Bank will be sent out in January if earnings continue at the present rate. Announcement to this effect, it is stated, has been made by the bank. The "Journal" says:

The bank has paid off its expense of organization and now is accumulating earnings monthly at a rate sufficiently large to warrant a dividend disbursement in the next six months.

That the earnings will continue to hold up through the remainder of the year and may even be expected to increase, is indicated by the heavier demand for money from banks in the districts where crop losses are being felt and where country merchants and farmers are being carried over to another year.

Federal Reserve Agent John H. Rich to-day reported increasing inquiry from North Dakota and South Dakota for rediscount rates and a generally improved demand for money.

BUSINESS CONDITIONS IN THE ATLANTA FEDERAL RESERVE DISTRICT.

Concerning the operations of cotton mills in the Federal Reserve District of Atlanta, the report of the Atlanta Federal Reserve Bank prepared for the September Bulletin of the Federal Reserve Board, says:

Cotton mills continue to operate to full capacity and show increase of 40 to 50% in volume of business over the same month of previous year. There is no let-up in the demand for the product, which is better than for several years, and mills have orders booked running well into 1917, with prices showing substantial profit. A number of mills are making improvements and additions to their plants.

July, according to the report, was a prosperous month in view of the usual mid-summer dullness in the District; it adds: "there does not appear any marked let-up in general business activity, though future prospects are largely dependent upon the outcome of the crops."

The New Orleans Branch of the Federal Reserve Bank of Atlanta reports as follows:

The new commercial year beginning July 1 shows an increase beyond anything in the past. The summer business has been unusually good and the mid-summer month of July turned out to be almost the best of the past twelve months.

Although there is practically no coffee being handled—due, it is said, to the British black list against certain dealers, the imports were above those of same period last year. Exports are the largest ever known.

Indications are that the growing crops of cane, corn and rice will show an abundant yield, but that of cotton is only fair, in fact, from all our sources of information, the invariable comment is that the crop is below normal. The lumber market is showing some improvement, both in volume and price. Live stock is in good demand, and Louisiana and Mississippi farmers continue to develop this industry.

BUSINESS CONDITIONS IN PHILADELPHIA FEDERAL RESERVE DISTRICT.

In its report on business outlook in the Philadelphia Federal Reserve District for the "Federal Reserve Bulletin" of September, conditions in the iron and steel industry are outlined as follows:

The very heavy foreign demand for shell steel has been the feature of the new buying movement. This, coupled with a decrease in the output because of the hot weather, has made prices stiffen. For general domestic business there is a slackening of inquiry because of high prices. Heavy contracts for ship plates have been closed on domestic and foreign account for delivery in six and nine months, and a stronger tone prevails for all kinds of steel products. One result of the heavy buying is to awaken greater interest among some domestic consumers who were inclined to defer purchasing. The demand for barbed wire for extensive use on the battlefield has caused an advance in the price of wire and wire products. Jobbers being cleared of structural goods, the railroads active in the purchasing of equipment, and the United States Government planning for a larger navy, are some of the causes of the renewed impetus given to this industry.

REPORT ON BUSINESS CONDITIONS AND THE CLEAR- ANCE PLAN IN ST. LOUIS RESERVE DISTRICT.

The St. Louis Federal Reserve Bank in its monthly report of conditions in the St. Louis Federal Reserve District, prepared for the September Bulletin of the Federal Reserve Board, states that from July 15 (the date of the inauguration of the new clearance plan of the Federal system) to Aug. 15 266,755 items, totaling \$113,239,192, were handled by it. Prior to July 15 the Bank could collect at par items on only 470 member banks; now it collects checks on 1,203 banks. This information is embodied in the following extract from the report.

There has been little or no change in banking conditions during the past month. Banks continue to hold surplus funds as reported a month ago and there is no anxiety over the ability of banks to finance the crop movement. Commercial paper brokers report an active business, but the supply of available paper is limited. Rates are lower than quoted a month ago, best names now being offered from 3¼ to 4%. Country banks are reported as being active in the market at 4%. Some paper has been sold to city banks at 3¾%. Rates of discount show a downward tendency. The clearings for the principal cities of the district show important increases for the week ending Aug. 12 1916, as compared to the same week for 1915, 1914 and 1913. The percentage of gains for the week ending Aug. 12 1916,

compared to the same week for 1915 being as follows: St. Louis 40, Louisville 8.1, Memphis 32, Little Rock 19.5, and Evansville 18.6.

In July 1916 this bank cleared, passing through its hands direct, 194,343 items, totaling \$103,494,899 75. However, on July 15 the new clearing plan went into effect, and since then some of our member banks have been sending direct to other Federal Reserve bank items drawn on member banks in such Federal Reserve banks' districts. Such member banks make their remittances for the credit of this bank, sending us the proper advices. From July 15 to July 31, there were handled in this indirect way 33,265 items, totaling \$7,836,272 30. There was thus handled through the clearing system operated by this bank during the month of July a total of 296,949 items, amounting to \$154,302,798 75. This is an increase both in the number of items and amount over our previous records.

From July 15 to Aug. 15 1916, the first month of operation under the new clearing plan, this bank handled direct 179,146 items, amounting to \$95,940,734 19. During the same period, it handled indirectly—i. e., items sent direct to other Federal Reserve banks for the credit of this bank—87,609 items, totaling \$17,298,457 75, or a total for the first month of operation under the new clearing plan of 266,755 items, amounting to \$113,239,191 94.

There are approximately 3,050 member banks, State banks and trust companies in this district. Prior to July 5th, we could collect at par items on only 470 member banks, but now we are collecting at par checks on 1,203 banks in this district, or a little over one-third of the total number of banks.

GREAT BRITAIN'S NEW MOBILIZATION SCHEME.

The details of a new scheme for the regulation of foreign exchange by the loan of securities of Canadian and certain neutral countries, to the British Treasury incidental to the new \$250,000,000 British credit (backed by \$300,000,000 collateral), were announced on Aug. 12. The new arrangements provide for the transfer of securities to the Treasury for a period to expire at the end of five years from March 31 1917, subject to the right of the Treasury to return them to holders any time after March 31 1919, on three months notice. Under the original mobilization plan (scheme A), securities were accepted on deposit for two years. The holders of American securities, who deposited them under the first scheme, may transfer to the new scheme by giving notice before Sept. 14. The consideration for the loan remains as formerly, namely, a half per cent above the interest and dividends paid on the securities. The regulations under the new scheme are announced as follows in advertisements in the London papers:

REGULATION OF FOREIGN EXCHANGES.

Loan of Securities to the Treasury. (SCHEME B.)

The Lords Commissioners of his Majesty's Treasury hereby give notice that as from Aug. 14 1916, they will be prepared to accept certain securities upon deposit on the following terms and conditions.

- (1) The securities to which this scheme applies will be:—
 - (a) Those specified in the annexed list.
 - (b) Such as may from time to time be added to that list by public notice.
 - (c) Such American dollar securities as are from time to time being accepted for deposit under the scheme of March 24 1916 (Scheme A).
- (2) Holders of American dollar securities who have already deposited them under scheme A (deposit on loan for two years) may transfer their deposit to scheme B by giving notice, not later than Sept. 14 1916, of their desire to do so (such notice to be given on a form to be obtained at the National Debt Office, 19 Old Jewry, E. C.). This form, when approved, will be returned for lodgement with the certificate of deposit (or provisional receipt) so that the transfer to scheme B may be completed.
- (3) The securities will be transferred to the Treasury for a period to expire at the end of five years from March 31 1917, subject to the right of the Treasury to return them to the holders at any time on or after March 31 1919, on giving three calendar months' notice in writing of their intention to do so. If any of the securities are paid off during the period of deposit, the amount received in respect of the repayment will be paid over to the depositor in sterling on surrender of the deposit certificate (in the case of non-sterling securities at the exchange of the day on which the repayment is received).
- (4) While the securities are on deposit with the Treasury the lender will receive from the Treasury all interest and dividends paid in respect of them and also, by way of consideration for the loan, a payment at the rate of one-half of one per cent. per annum, calculated on the face value of the securities.
- (5) At the end of the period of deposit the securities or other securities of the same description and to the same nominal amount will, subject to the provisions of paragraph (6), be returned to the lender by the Treasury.
- (6) The Treasury will have the right at any time during the currency of the loan to dispose of the securities should they find it necessary to do so, but in the event of their being so disposed of, the lender will continue to receive from the Treasury the same payments as he would have received if the securities had been retained, and at the end of the period of the loan, the Treasury will either return to him securities of the same description and to the same nominal amount as those originally deposited, or, at their option, they will pay to him the deposit value of the securities with an addition of 5% on that value plus accrued interest from the last preceding interest date.

In the case of securities in respect of which the holder is entitled to repayment at a fixed date or by drawings within a fixed period, the Treasury when making payment will, if the deposit value plus 5% is less than the redemption value, make a further addition of an amount equal to the enhancement in value due to the approach of the date of redemption while the securities have been upon deposit.

For the purposes of this paragraph "deposit value" means in the case of sterling securities the net mean quotation (i. e., the quoted price less accrued interest or dividend in cases in which such accrued interest or dividend is included in the quoted price) on the London Stock Exchange of the day preceding the publication of the notice including the securities in the Treasury List for deposit under Scheme B, and in the case of dollar securities the sterling equivalent at the exchange of the day of the net quotation of the New York Stock Exchange of that day. In the case of unquoted securities or quoted securities in respect of which the current quotation may not be regarded as representing the true market value, the prices will be fixed by the Treasury. Thus, for all securities included under headings (a) and (c), clause (1), and all securities transferred from

Scheme A, the day for fixing the deposit value will be Aug. 11 1916, and for additional securities under heading (b) the day preceding the notice of their inclusion in the scheme.

(7) Holdings of £1,000 (\$5,000) and upwards will be accepted for deposit by the Treasury through the American Dollar Securities Committee, 19 Old Jewry, E. C. Arrangements for the aggregation of smaller holdings for purposes of deposit will be made by bankers and other agents as under Scheme A.

(8) Holders of bearer bonds (or share certificates transferable by delivery) will be required to lodge the bonds and coupons with the Treasury, and holders of registered stock or bonds will be required to execute a transfer of such stock or bonds. Bonds upon which British stamp duty has not previously been paid may be deposited unstamped. When the bonds have been lodged with the Treasury, or when the transfer of the stock or bonds has been registered in the company's books, the bonds or stock will be entered in the holder's name in a special register kept by the Treasury for the purpose, and a certificate of entry in this register will be issued to the holder. The title of bonds or stock entered in the Treasury Register may be transferred upon that register by deed in the ordinary way. In the case of registered stock or bonds the Treasury will bear all charges in respect of the original transfer into their name in the company's books, and of the re-transfer in the company's books into the name of the person in whose name the stock or bonds stand in the Treasury Register when finally released; transfer deeds for intermediate transfers in the Treasury Register will be subject to stamp duty in ordinary course, and to a registration fee of 2s. 6d. All transfer deeds in respect of bearer bonds or share certificates transferable by delivery will be free of stamp duty and registration fee. At the end of the period of the loan the bonds or certificates deposited (or bonds or certificates identical as far as possible in all respects with those deposited) will, subject to paragraph (6), be delivered to the depositor upon surrender of the deposit certificate. The Treasury will, if desired, exercise as far as possible the voting and other rights attached to the securities in the way that the owners of the deposited securities may indicate.

(9) Arrangements have been made by the Stock Exchange Committee for dealings on the Stock Exchange in the deposit certificates of securities deposited under the scheme.

(10) The interest and dividends on all deposited securities, together with the additional payment at the rate of $\frac{1}{2}$ of 1% per annum, will be paid to the holder for the time being on the Treasury Register, by warrant, as soon as they have been received by the Treasury. Non-sterling dividends will be paid in sterling at the exchange of the day on which the Treasury books are closed for the purpose of preparing the warrants. For convenience of payment, in cases where interest or dividends are payable half-yearly, a full half-year's additional payment (viz., $\frac{1}{4}$ %) will be added to the first dividend payment, and on the termination of the loan, the amount due from the actual date of deposit to the date of return will be calculated, and any overpayment or underpayment will be adjusted when the return is effected. A similar procedure, mutatis mutandis, will be applied in cases of quarterly or other periodical payments of interest or dividends.

(11) Under Section 2 of the Government War Obligations Act, 1915 (5 & 6, Geo. 5, c. 96), and Section 68 of the Finance Act, 1916 (6 & 7 Geo. 5, c. 24) trustees and companies are enabled to take advantage of the scheme notwithstanding any provisions of their trust or constitution, and are not liable for any loss arising from so doing.

(12) The Treasury reserve the right to refuse either in whole or in part any offer to deposit securities under the scheme.

The following is the list of securities acceptable under scheme B:

Argentine Government 4% Bonds, 1897.
 Argentine Government 4% Railway Guarantees Rescission Bonds, 1897-9.
 Argentine Government 4½% Internal Gold Loan, 1888.
 Argentine Government 4½% Sterling Conversion Loan, 1888-9.
 Argentine Government 5% Loan, 1886-7.
 Argentine Government 5% Loan, 1887-8-9. (North Central Ry. Extens).
 Argentine Government 5% Railway Bonds, 1890.
 Argentine Government 5% Buenos Aires Water Supply and Drainage Bonds, 1892.
 Argentine Government 5% Internal Gold Loan, 1907.
 Argentine Great Western Ry. Co. 5% Debenture Stock.
 Brazilian Government 5% Funding Bonds, 1898.
 Buenos Aires Great Southern Ry. Co. 4% Debenture Stock.
 Buenos Aires Great Southern Ry. Co. 5% Preference Stock.
 Buenos Aires & Pacific Ry. Co. 4% 1st Debenture Stock.
 Buenos Aires & Pacific Ry. Co. 4½% 2nd Debenture Stock.
 Buenos Aires & Pacific Ry. Co. 4½% Consolidated Debenture Stock.
 Buenos Aires & Pacific Ry. Co. 5% (1912) Debenture Stock.
 Buenos Aires Western Ry. Co. 4% Debenture Stock.
 Canada (Dominion of) 3% Sterling Bonds or Stock, 1938.
 Canada (Dominion of) 3½% Sterling Bonds or Stock, 1909-34.
 Canada (Dominion of) 3½% Registered Stock, 1930-50.
 Canada (Dominion of) (Canadian Pacific Ry.) 3½% Land Grant Bonds or Stock, 1923.
 Canada (Dominion of) 3¼% Bonds, 1914-19.
 Canada (Dominion of) 4% Stock, 1940-60.
 Canada (Dominion of) 4½% Bonds, 1920-25.
 Canadian Northern Ry. Co. 4% Debenture Stock (Guaranteed by Dominion Government), 1934.
 Canadian Northern Ry. Co. 4% 1st Mortgage Consolidated Debenture Bonds (Guaranteed by Manitoba), 1930.
 Canadian Northern Ontario Ry. Co. 3½% Stock (Guaranteed by Dominion Government), 1961.
 Canadian Northern Pacific Ry. Co. 4% 1st Mortgage Debenture Stock (Guaranteed by British Columbia), 1950.
 Canadian Pacific Ry. Co. Perpetual 4% Consolidated Debenture Stock.
 Canadian Pacific Ry. Co. 4% Preference Stock.
 Central Argentine Ry. Co. 4% Debenture Stock, 1988.
 Central Argentine Ry. Co. 4½% Preference Stock.
 Chilean Government 4½% Loan, 1886.
 Chilean Government 4½% Gold Loan, 1906.
 Chilean Government 5% Loan, 1896.
 Chilean Government 5% Loan, 1909.
 Chilean Government 5% Loan, 1910.
 Chilean Government 5% Loan, 1911, 1st Series.
 Chilean Government 5% Loan, 1911, 2nd Series.
 Copenhagen City 4% Bonds, 1908.
 Copenhagen City 4% Bonds, 1910.
 Danish Government 3% Loan, 1897.
 Danish Government 4% Loan, 1912.
 Dutch Government 3% Bonds, 1896.
 Dutch Government 3% Bonds, 1898, 1899 and 1905.
 Egyptian Government 3% Guaranteed Loan.
 Egyptian Government 3½% Preference Bonds.

Egyptian Government 4% Unified Bonds.

Grand Trunk Ry. Co. Perpetual 4% Consol. Debenture Stock.

Grand Trunk Ry. Co. Perpetual 5% Debenture Stock.

Grand Trunk Great Western Ry. Co. Perpetual 5% Debenture Stock.

Grand Trunk Pacific Ry. Co. 3% 1st M. Stg. Bonds (Guaranteed by Dominion Government), 1962.

Japanese Government 4% Sterling Loan, 1899.

Japanese Government 4% Sterling Loan, 1905.

Japanese Government 4% Sterling Loan, 1910.

Japanese Government 4½% Sterling Loan, 1905, 1st Series.

Japanese Government 4½% Sterling Loan, 1905, 2nd Series.

Japanese Government 5% Sterling Loan, 1907.

Norwegian Government 3% Conversion Loan, 1888.

Norwegian Government 4% Loan, 1911.

Stockholm City 4% Bonds, 1900.

Swedish Government 3½% Loan, 1880.

Swedish Government 3½% Loan, 1900.

Swedish Government 4-3½% Loan, 1908.

Swiss Government Federal Rys. 3½% Bonds.

THE SECRETARY AND COMPTROLLER GENERAL,
 National Debt Office, 19 Old Jewry, London, E. C.

Aug. 12 1916.

On Aug. 16 the London "Financial News" printed the following concerning the mobilization terms of the several schemes:

The Treasury announce that, in the case of securities deposited either under Scheme A (deposit for two years) or under Scheme B (deposit for five years), where coupons or dividends and also any repayments of capital are payable at option of holder in the currency of various countries, arrangements will be made for the encashment of such interest dividends or capital repayments in the most favorable manner.

In the event of the Treasury finding it necessary, in exercise of the right reserved to them, to sell during the period of deposit any of the deposited securities, and of the average price realized by such sales of any particular security exceeding the deposit value, plus 5%, the Treasury will, if the securities are not replaced, be prepared to pay the depositor at the end of the deposit period the full amount of the average price actually realized, notwithstanding that it exceeds the deposit value, plus 5%.

On Aug. 21, it was announced at London that the response which British holders of the securities, other than those of American issue, had made to the Chancellor of the Exchequer's appeal was highly satisfactory, and considerably more than the amount of \$300,000,000 required as collateral to cover the recent American loan, is reported to have been deposited with the Treasury. It was calculated that the total of foreign securities of the descriptions specified in the Treasury list which British holders could place at the disposal of the Government exceeded \$3,000,000,000.

Further measures, according to reports on Aug. 23, are contemplated by the Government to bring about the mobilization of such Canadian and neutral securities as have not been turned over to the Government. In the House of Commons on that day the Chancellor of the Exchequer, Reginald McKenna, stated that it was the intention of his department to apply to Parliament for power to impose a further income tax of two shillings on the returns from all such securities which have not been deposited with the Treasury. He added that he trusted every one would realize it was a public duty to deposit securities without delay.

On Aug. 2, the New York "Times" in a dispatch from Washington, printed the following concerning the special tax on American mobilized securities:

The prospect that holders of American securities in England will be subject to an additional special tax on such holdings has caused much discussion among financiers. Consul-General Skinner, at London, in a dispatch to the State Department, explains the present situation of the proposal. The tax, which amounts to 2s. in the pound, or 10%, is to be in addition to the regular income tax. Americans temporarily in England are exempt from the special tax, but there remains doubt whether this exemption will extend to trustees of estates who hold such stocks. All subjects of Great Britain who own American securities will be obliged to pay the special tax.

Consul-General Skinner says that because of the anxiety of American citizens in the United Kingdom, the Chancellor of the Exchequer has explained that, as consideration of the bill has not yet been completed by Parliament, the clause which provides for the taxation of American securities has not necessarily reached its final form. No exemption is proposed for residents of foreign nationality as such, but an exemption is provided for persons who are not domiciled in the United Kingdom in respect of income derived from securities held abroad, if the securities were so held before May 29 1916.

On Aug. 14 the British Treasury gave notice that the capital and interest of any Treasury bills and war expenditure certificates issued thenceforth would be free from the British income tax, and from any taxation, now or in the future, while held by persons neither domiciled nor ordinarily resident in the United Kingdom.

DEUTSCHLAND'S RETURN TRIP CARGO MADE KNOWN.

Details of the cargo of the German merchant submarine Deutschland, which, as reported in our issue of last week, has made her return voyage to Bremen in safety, have become available, the declaration filed at the Baltimore Custom House having been made public last Thursday, Aug. 29. Contrary to report there was no gold on the under-

sea boat when she left on her trip to Germany. The total weight of the cargo was 1,735,760 pounds, comprising the following: Crude rubber, 802,037 pounds; bar nickel, 752,674 pounds; crude tin, 181,049 pounds.

The cargo of dyes brought over from Germany by the Deutschland on her maiden voyage amounted to 3,042 cases, containing about 125 tons net, according to the "Oil, Paint and Drug Reporter." Commenting upon the dye cargo of the submarine, the "Wall Street Journal" of Aug. 28 said:

New York dye importers do not seem to think that the profits originally estimated on the cargo of dyes brought to Baltimore will be realized. The dyes were highly concentrated, whereas the prices quoted before the war were for less concentrated dyes. For the same strength of coloring matter before the war a much higher price would have been in effect. Moreover, the high prices in Germany, extraordinary freight rate and insurance, together with the growing competition from American manufacturers, rendered the purchase of the dyes rather spectacular.

In citing the reasons for the refusal of the manufacturers to purchase the dyes, the "Oil, Paint and Drug Reporter" in its issue of Aug. 28 said:

These reasons are, first, the asking price in many instances is from ten to twelve times the normal asking figure—dyes retailing before the war at from 35 to 45 cents being quoted at from \$4 to \$5 and even as high as \$9 and \$10 a pound. The second reason is that many American manufacturers have so adjusted their lines of goods that, with the aid of American dyestuffs makers, they are getting along about as well as under normal conditions.

SINKING OF THE ITALIAN STEAMSHIP STAMPALIA

On Aug. 19 a dispatch to Lloyds, London, reported the sinking, supposedly by a submarine, of the Italian steamship Stampalia, which had been plying between New York and Italian ports. The Stampalia, a comparatively new passenger and freight steamship, was built in 1909 and was owned by the Venice Navigation Co. of Genoa. She was 475 feet long, 55 feet beam and was of 9,000 tons gross. Her crew numbered about 170. She was expected here on Aug. 26 from Genoa, but, it is stated, her New York agents had received a cable message advising them that all her sailings had been canceled. On that account, it is said, they expressed their opinion that the Stampalia had been requisitioned and was in the service of the Italian Government. In that case she would have carried no passengers at the time she was reported sunk. The Stampalia attracted much notice in February last, when she arrived at New York from Genoa as an armed steamer, with two 3-inch rapid-fire guns mounted on her after-deck house. Her appearance occasioned a protest to the State Department by the Austro-Hungarian Government, but when it was ascertained at Washington that the guns were to be used for defensive purposes only, instructions were given the Collector of the Port to grant clearance papers to the vessel.

GOVERNMENT OF NEW ZEALAND PROPOSES TAX ON INCOMES AND WAR PROFITS.

According to a report presented to the Trade and Commerce Department by Commissioner Beddoe of Auckland, an income tax and a 45% tax on war profits is recommended in the second war budget which has been presented to the House of Representatives. A complete summary of the new proposals as published in Canadian papers is as follows:

The reduction of public works expenditure; the imposition of an income tax on sums invested on mortgage by owners; the provision for annual bonuses out of profits of public trust office to beneficiaries of estates; the provision for war bonuses during the war to employees of all branches of the public service whose pay does not exceed \$1,575 per annum; the provision of \$10,000,000 for internal expenditure and \$25,000,000 for the purchase of land for soldiers; the adjustment by legislation of changed banking conditions caused by the war; the acquisition of 45% of profits realized in war conditions; the issue of war bonds in New Zealand to provide a proportion of the cost of the war; a 5% income tax exclusive of those obtained from war profits; the regulation of the transfer from New Zealand of moneys except for legitimate trade purposes; the regulation of the rate of interest chargeable on deposits; the provision of financial assistance to friendly societies; borrowing an additional \$30,000,000 for war purposes.

An increase of over \$10,000,000 in revenue is shown by the figures for the 1916 fiscal year.

INCREASE IN MEXICAN POSTAL RATES.

An increase in Mexican postal rates to take effect Sept. 1 was announced at Mexico City on Aug. 24. It is stated that in the case of first class mail the advance will be from 20 to 25 centavos for letters dispatched to the United States, Cuba or Canada. The charge will be 50 centavos for mail to other countries in the international postal union and one peso for letters to countries not included in the union. The parcels post rates will be: For the United States and its possessions, 12 cents Mexican gold per pound up to 11 pounds; for Central American countries, 12 cents; Canada, 30 cents; Germany and France, 80 cents for parcels of 2.2 pounds or less; England, \$1.60 for parcels up to 11 pounds. The fee for registering mail will be increased from 40 to 50 centavos. A tax of 50 centavos will be levied for delivery of packages from the exterior.

PROCEEDINGS TO TEST PENNSYLVANIA ESCHAT LAW—APPLICABILITY TO NATIONAL BANKS.

Demurrers in a suit brought in the Dauphin County Court (Pa.) to test the constitutionality of the new Pennsylvania law under which unclaimed deposits revert to the State were signed on May 25 by State Auditor-General Powell. Bills in equity to restrain the Auditor-General from carrying out the provisions of the law were filed on May 4 and May 11 by the Union Trust Co. and the Columbia National Bank of Pittsburgh and the Germantown Trust Co. of Philadelphia. The law, as noted in our issue of March 4, went into operation on Jan. 1; it requires the banking institutions of the State to report to the Auditor-General in January of each year the deposits on hand for which no claim has been made for fourteen or more consecutive years. It further provides that in cases where a depositor has failed to present a claim for a period of seventeen successive years the same shall escheat to the Commonwealth, together with all interest thereon. The law applies to "every person, bank, safe deposit company, trust company and corporation, organized or doing business under the laws of this Commonwealth, except mutual savings fund societies, not having a capital stock represented by shares." It is stated that while many of the institutions have filed with the Auditor-General lists showing holdings which might be escheated under the law, they are in all cases sealed and marked not to be opened until the status of the legislation is determined. In our previous reference to the law we referred to the opinion of Deputy Attorney-General Hargest of Pennsylvania, in which he expressed the view that the national banks in the State come within the provisions of the law. We also indicated that the Reserve Board, through its counsel, had advanced the opinion that the Act was not intended to, nor does it, apply to the national banks. The Board, however, recommended that the national banks in the State make the report called for under protest, and file with it a statement to the effect that it was made out in deference to the opinion of the Deputy Attorney-General and without any admission of liability on their part. In his opinion Mr. Elliott, Counsel to the Reserve Board, stated that "the deposits in question will not be immediately escheated to the State in any event, and it is assumed that the question will be submitted to the courts for determination." Mr. Elliott's conclusions were set out in the March number of the Federal Reserve Bulletin as follows:

The Act of June 7 1915 of the Pennsylvania State Legislature, providing for the escheat to the State of all deposits which have not been increased or decreased for a period of 14 years, does not apply to such deposits in national banks.

January 27 1916.

Sir.—On June 7 1915 the Pennsylvania State Legislature passed an Act which provides in part as follows:

Be it enacted, &c., That every person, bank, safe deposit company, trust company and corporation, organized or doing business under the laws of this Commonwealth, except mutual saving-fund societies not having a capital stock represented by shares, which receives or has received deposits of moneys, shall make a report to the Auditor General, under oath, in the month of January of each year hereafter, of such deposits of moneys which shall have not been increased or decreased, or, if not increased or decreased, on which interest shall not have been credited in the pass book, at the request of the depositor, within fourteen or more consecutive years next preceding the first day of said month.

It will be observed that under the terms of this Act all banks organized or doing business under the laws of the State of Pennsylvania will be required to make a report to the Auditor General, under oath, during this month of all deposits of money which have not been increased or decreased within the preceding 14 or more consecutive years. A severe penalty is prescribed by the Act for failure to make this report.

The Deputy Attorney General of Pennsylvania has given an opinion to the Auditor General that this statute applies to national as well as State banks. Some of the national banks have asked for a ruling of the Federal Reserve Board on this question and the matter has been submitted to this office for an opinion.

Before discussing the legal questions involved it seems proper to call to the attention of the Board the fact that this being a State statute no ruling of the Board would protect a national bank refusing to make this report from incurring the penalty prescribed if a court of competent jurisdiction should subsequently find that the statute legally applies to national banks. The Board should, therefore, not undertake to rule officially that national banks need not make this report, but for reasons hereinafter set forth it is respectfully suggested that the Board recommend to national banks in the State of Pennsylvania that the return be made under protest. The deposits in question will not be immediately escheated to the State in any event, and it is assumed that the question will be submitted to the courts for determination.

The question under consideration is not whether the State of Pennsylvania may constitutionally pass an Act providing for the escheat to the State of unclaimed deposits or debts of national banks, but whether the Act of June 7 1915 was intended to apply, and does apply, to national banks as well as State banks. The title of this Act provides in part as follows:

Providing for the escheat of deposits of money or property of another received for storage or safe-keeping; the dividends, profits, debts and interest on debts of corporations, companies, banks, trust companies, insurance companies, limited partnerships and partnership associations, organized under the laws of this Commonwealth.

This title clearly indicates an intention on the part of the legislature to limit this Act to banks organized under the laws of Pennsylvania.

The constitution of the State of Pennsylvania as amended in 1864 provides (Section 3, Article 3) that—

No bill, except general appropriation bills, shall be passed containing more than one subject which shall be clearly expressed in its title.

It is true that the Pennsylvania courts have, in construing this provision of the constitution, said that it was not intended to mean that "the title should be a full index of the law," and the courts have accordingly sustained certain provisions which were more or less incidental to the subject set forth in the title. (See *Commonwealth v. Green*, 53 Pa. State, 222-233; *Yeager and German v. Weaver*, 64 Pa. State, 425-428.)

It can hardly be contended, however, that the subject of banks organized under the laws of Pennsylvania can be said to include national banks as incidental to this subject, nor is the language of the Act itself indicative of an intention on the part of the legislature to include national banks. It is true that the Act is made applicable to banks organized or doing business under the laws of the Commonwealth. National banks, however, are organized under the laws of the United States and exercise all of their corporate powers under authority of the laws of the United States. The fact that they are doing business within the geographical limits of a State does not alter the fact that they are doing business under the laws of the United States and not under the laws of the State.

The Deputy Attorney General, in support of his opinion that this Act applies to national banks, quotes from the case of the First National Bank v. Kentucky, 9 Wall., 353, as follows:

The salary of a Federal officer may not be taxed; he may be exempted from any personal service which interferes with the discharge of his official duties, because those exemptions are essential to enable him to perform those duties. But he is subject to all the laws of the State which affect his family or social relations or his property, and he is liable to punishment for crime, though that punishment be imprisonment or death. So of the banks. They are subject to the laws of the State, and are governed in their daily course of business far more by the laws of the State than of the Nation. All their contracts are governed and construed by State laws. Their acquisition and transfer of property, their right to collect their debts, and their liability to be sued for debts, are all based on State law. It is only when the State law incapacitates the banks from discharging their duties to the Government that it becomes unconstitutional.

It is true that national banks enter into contractual relations with others and that such contracts are subject to some extent to the laws of the State in which they are made. The question under consideration, however, is not whether State laws can be made to apply to debts due by national banks, but merely whether the language used in the Act under consideration indicates a clear intention on the part of the Pennsylvania Legislature to make the provisions of the Act applicable to national banks.

The Deputy Attorney-General in his opinion says:

It has been suggested that this language does not include national banks. I do not think the suggestion is tenable. National banks are not organized under the laws of the Commonwealth and are not doing business under the laws of the Commonwealth, in so far as the right to do business is concerned, but in a broader sense they are doing business under the laws of the Commonwealth.

With all due deference it is respectfully submitted that the conclusion reached by the Attorney-General, namely that national banks are doing business in a sense which makes the Act under consideration applicable, is not sustained by the authorities.

The case cited by the Attorney-General arose in Kentucky and the question involved was the right of the State to tax the shares of stock of a national bank. Section 5219 of the Revised Statutes specifically provides that such stock may be taxed as the personal property of the owner or holder. The court merely sustained the right of the State to tax the stock as the personal property of the owner.

The question now under consideration, namely whether the language used in the statute may reasonably be said to apply to national banks, has been considered and determined by the Supreme Court of Pennsylvania on more than one occasion.

In the case of *Commonwealth ex rel Torrey v. Ketner* (92 Pa. St. 372-376) the language of the Act under consideration was much broader in its terms than the Act of June 7 1915. In the *Torrey* case the Act prescribed and punished the offense of embezzlement by any person "being an officer, director, or member of any bank or other body corporate or public company." In considering this Act and its several amendments, the Court said, on page 375:

We are spared further comment upon these Acts for the reason that they have no application to national banks. Neither of them refers to national banks in terms, and we must presume, that when the Legislature used the words "any bank" that it referred to banks created under and by virtue of the laws of Pennsylvania. The national banks are the creatures of another sovereignty.

To case of *Commonwealth ex rel Torrey v. Ketner*, *supra*, was affirmed in *Allen's Appeal*, 119 Pa. St., 192. In the case of *Allen's Appeal* a Pennsylvania statute provided:

If any cashier of any bank in this Commonwealth shall engage directly or indirectly in the purchase or sale of stock, or in any other profession, occupation, or calling other than that of his duty as cashier, he shall be guilty of a misdemeanor. * * *

The court held that the Act did not apply to cashiers of national banks.

In the case of *Commonwealth v. T. & P. Railroad Company*, 98 Pa. St., 90, it was contended that the language "foreign corporation" as used in a revenue Act, included national banks. The court after holding that such banks were not foreign corporations in the ordinary sense, said in reply to the argument that this language was intended by the Legislature to include national banks, that—

This might be so if there was anything in the Act itself indicative of an intent to use the word in that sense; but there is not. On the contrary, in the 5th Section, which imposes a tax on limited partnerships, &c., they are described as "partnerships organized under or pursuant to the laws of this State, or of any other State or Territory, or of the United States, or under the laws of any foreign State, Kingdom, or Government;" thus clearly showing that when the Legislature intended to tax associations created by the General Government they used apt words of description for that purpose.

Applying this rule to the present case it may be reasonably assumed that had the Legislature of Pennsylvania intended to make the provisions of the Act of June 7 1915 applicable to national banks it would, as the court expressed it, have "used apt words of description for that purpose."

In the opinion of this office this Act was not intended to apply, and does not apply, to national banks. It is, therefore, unnecessary to consider the question of whether or not the Pennsylvania Legislature had the constitutional right to make this Act applicable to national banks.

As above stated, it is respectfully suggested that the Federal Reserve Board recommend to those national banks in Pennsylvania which have asked for a ruling on this question that the report called for be made to the Auditor General under protest, accompanied by the statement that it is made out of deference to the opinion of the Deputy Attorney-General and without any admission of liability on the part of such banks.

Respectfully,

M. C. ELLIOTT, Counsel.

To Hon. C. S. HAMLIN,
Governor Federal Reserve Board.

PRODUCTION OF PRIMARY SPELTER* BY SIX-MONTH PERIODS.

Figures compiled by C. E. Siebenthal, of the United States Geological Survey, Department of the Interior, from reports submitted by all zinc smelters operating during the first six months of 1916 show that the production of spelter from domestic ore in that period was 267,696 short tons and from foreign ore 48,756 short tons, a total production of 316,452 tons, compared with 272,987 tons for the last half of 1915 and 216,532 tons for the first half. The statement of the Geological Survey is an interesting one and proceeds as follows:

Production and Consumption of Spelter.

The output of spelter by Illinois smelters increased over 5,000 tons for the six-month period, and that of Kansas over 8,000 tons, but the gain in Oklahoma was the greatest of all—over 15,000 tons—a result of the completion of a part of the large contemplated increase in smelter capacity announced early in the year. The remaining spelter-producing States also made a large gain, principally in Pennsylvania, where the new smelter at Donora was put into complete operation. The output of primary electrolytic spelter, amounting to 1,697 tons, is also included in the production of these States.

The stocks of spelter held at smelters on June 30 1916 amounted to 23,817 tons, against 14,253 tons at the beginning of the year and 5,884 tons at the middle of 1915. This shows a gain over stocks at the close of the year part of which was doubtless due to the accumulation of working stocks at new smelters which started during the period.

From the foregoing figures and the records of the Bureau of Foreign and Domestic Commerce it is calculated that the apparent consumption for the period was 229,086 tons, which compares with 203,588 tons for the last half of 1915 and 160,906 tons for the first half. This consumption was not altogether domestic, however, for it must include the zinc content of the exports of brass and brass articles, which were largely increased during the first half of the present year.

In addition to that produced from ore, 15,800 tons of spelter was distilled or recovered electrochemically from zinc ashes, skimmings and drosses. Probably one-fourth of this output of secondary spelter, including the considerable quantity of electrolytic secondary spelter, was of high grade. No statistics were obtained of the spelter produced by re-melting skimmings, drosses, &c., but it was probably not less than 12,000 tons. The total output of spelter from both ore and skimmings was therefore about 344,000 tons, or at the rate of 688,000 tons a year.

Imports and Exports.

The imports of spelter were 464 short tons, compared with 415 tons during the last half of 1915 and 489 tons during the first half. The exports of spelter of domestic origin were 53,007 tons, against 54,235 tons in the last half of 1915 and 64,368 tons in the first half. The exports of spelter of foreign origin, including spelter exported from bonded warehouse, as well as articles manufactured from spelter of foreign origin and exported with benefit of drawback, were 20,197 tons, compared with 8,016 tons in the last half of 1915 and 5,959 tons in the first half.

The imports of zinc ore were 231,845 short tons, containing 93,907 tons of zinc, and valued at \$7,449,068, compared with 92,169 tons of ore, containing 33,672 tons of zinc, in the last half of 1915, and 66,683 tons of ore, containing 23,997 tons of zinc, in the first half. The exports of domestic zinc ore were 34 tons, compared with 154 tons in the last half of 1915 and 678 tons in the first half.

The source of the foreign zinc ore imported into the United States during the first half of 1916 is shown in the following table:

Zinc Ore Imported, January-June 1916.

From—	Quantity (short tons).	Zinc Content (short tons).	Value.
Canada	12,863	5,187	\$314,524
Mexico	79,663	25,471	3,254,004
Spain	38,239	16,006	1,051,315
Italy	7,525	3,283	213,275
Australia	83,775	38,133	2,225,790
Other countries, incl. China and Japan	9,780	5,827	390,160
Total	231,845	93,907	\$7,449,068

Prices and Value.

The price of spelter at St. Louis started at 17.3 cents a pound, but a sharp rise in the latter half of February carried it to 21 cents. The price broke sharply to 17.1 cents a pound by the middle of March, but a partial recovery brought spelter to 19 cents by the middle of April, after which a long decline continued until the midyear, the half year closing with spelter 12.1 cents. The average price of a pound of spelter for the first six months of 1916 was 17 cents.

The price of spelter at London followed a parallel course to that at St. Louis, but averaged about 2½ cents a pound higher. The opening price was £90 a long ton (19.48 cents a pound). The rise in February carried spelter to £111 a long ton (24.02 cents a pound) by March 1, after which came the decline that, except for the partial recovery in April, brought the price down to £61 a long ton (13.20 cents a pound) at the midyear. The average for the half year was £90 8s. 7d. a long ton (19.6 cents a pound).

The foregoing prices are for the ordinary commercial grades of spelter. High-grade spelter suitable for cartridge spinning has been in such great demand that it has commanded a good premium.

At the average price for immediate delivery at St. Louis the value of the spelter produced from domestic ores during the six months was \$91,016,640, and that of the spelter produced from foreign ores \$16,577,040, a total of \$107,593,680.

As most of the spelter sold during the six months was sold under contract for future delivery at considerably lower prices than those quoted for immediate delivery, it is certain that the foregoing values are in excess of the real sales values.

Smelter Changes.

The number of retorts at zinc smelters at the close of 1915 was 156,568, and there were building or planned 49,612 additional retorts, a total of 206,270. The number at Smelters June 30 1916 was 196,640, and 24,812 additional retorts were building or planned, a total of 221,452. Some of the smelters listed earlier in the year as planned were abandoned, and a number of other plants not listed never got beyond the promotion stage. On the other hand, work was begun on two smelters not listed, on the plant at Quinton, Okla., and on that at Weir, Kan., both small. Since June 30 ground has been broken for a large zinc smelter at Moundsville, W. Va. All the additions to plants were made as planned.

* "Primary spelter," which is produced directly from ore, is here distinguished from "secondary spelter," which is obtained by refining zinc ashes, drosses, and old metals.

The United States Smelting Co. has traded its plant at Iola, Kan., for the plant of the J. B. Kirk Gas & Smelter Co. at Checotah, Okla., the exchange dating from Aug. 15 1916.

The decline in the price of spelter has caused the temporary closing of some of the smaller smelters and the reduction of operations by several others. A canvass by the Survey showed not over 180,417 retorts in active operation Aug. 15, out of a possible 199,328. Some of them were being used to treat secondary materials, such as zinc ashes and drosses, and an unknown number of others were engaged in refining the ordinary grade of spelter by redistillation. It will be noted that the number of retorts on Aug. 15 was somewhat larger than that on June 30, owing to the completion of some of those under construction at the earlier date.

The Mammoth Copper Mining Co. of Kennett, Cal., after operating an experimental plant in 1915-1916, has announced that it will build a commercial electrolytic zinc plant. The capacity of the electrolytic plant of the Anaconda Copper Mining Co., at Anaconda, Mont., was increased to 25 tons and the plant was operated steadily throughout the half-year. The 100-ton plant of the same company at Great Falls, Mont., is expected to go into operation before Sept. 1.

Total Smelter Capacity.

On the basis that 156,568 retorts were already in existence at the beginning of 1916, that the 49,612 additional retorts then planned, and electrolytic plants aggregating 60,000 tons annual capacity, also then planned, were completed and that the smelters of secondary spelter kept their usual capacity, the United States, as was estimated in the spelter statement of April 4, would have the capacity at the close of 1916 to produce spelter at the rate of over 900,000 tons a year. This estimate was plainly stated to be one of the capacity under normal conditions at the close of the year—in other words, it pertained to capacity which might be exercised during 1917—and it was in no sense an estimate of output for either 1916 or 1917.

It need have occasioned no surprise that the production during the first half of 1916 failed to equal half the capacity indicated for 1917 in the Survey's estimate of capacity. There are evident reasons, of course, why it could not. During the half-year 25% of the retorts on which the estimate of capacity was based were only under construction or planned; in fact, one-sixth of the 25% had not been completed at the close of the half-year. These could not contribute to the output. Also a very considerable number of retorts was engaged in redistilling spelter of ordinary grade to make it of high grade. These retorts not only did not add to the output of spelter, but they diminished it, because there was a loss of 7 to 10% of zinc in the redistillation. Allowance was made for the above factors in the estimate of capacity because it was there considered that the capacity for high-grade electrolytic spelter at the close of 1916 plus the output of high-grade spelter from the lead-free ores of the Eastern States would relieve these retorts of such redistilling.

The average capacity per retort, estimated by the Survey at four tons, was somewhat fully considered on pages 892-893 of the chapter on zinc in Mineral Resources, 1914, to which the reader is referred for the data on which the estimate is based. By reason of great demands and high prices it has been claimed that the retorts were so crowded that the ores were "butchered." This, if true, would reduce the percentage of recovery but not the output. Smelters would certainly not crowd the retorts if they would thereby lower the average total output per retort. In times of great demand it would be expected, rather, that percentage of recovery might be sacrificed to capacity.

	1912.		1913.		1914.		1915.		1916.	
	First Half.	Last Half.	First Half.	Last Half.	First Half.	Last Half.	First Half.	Last Half.	First Half.	Last Half.
In tons of 2,000 pounds.										
Supply:										
Stock at beginning	9,081	6,414	4,522	21,856	40,659	64,039	20,095	5,884	14,253	
Production—										
From domestic ore	159,952	163,955	171,135	166,117	171,496	171,922	207,634	250,501	267,696	
From foreign ore	6,544	8,353	9,078	3,462	3,562	6,069	8,898	22,486	48,756	
Imports	3,053	3,062	5,333	567	506	374	489	415	464	
Total available	178,630	186,780	190,268	188,886	216,223	242,404	237,116	279,286	331,169	
Withdrawn:										
Foreign exports	7,331	174	8,724	4,672	2,048	8,513	5,959	8,016	20,197	
Domestic exports	5,839	795	6,615	1,168	824	63,983	64,368	54,235	58,007	
Stock at close	6,414	4,522	21,856	40,659	64,039	20,095	5,884	14,253	29,879	
Total withdrawn	19,584	5,491	37,195	46,499	66,911	92,591	76,211	76,504	102,083	
Apparent consumption	159,046	181,295	153,073	132,387	149,312	149,813	160,905	202,782	229,086	
Spelter made in—										
Illinois	44,224	44,173	53,524	53,130	62,062	65,884	74,982	84,976	90,082	
Kansas	52,455	48,619	42,645	31,461	23,737	20,773	35,247	66,176	74,592	
Oklahoma	36,010	40,915	43,253	39,961	45,443	45,924	51,172	58,036	73,298	
All other States	33,777	38,603	40,791	41,911	43,816	45,410	55,131	63,799	78,480	
	166,466	172,310	180,213	166,463	175,058	177,991	216,532	272,987	316,452	
Zinc ore imported	27,049	16,891	19,994	11,422	9,052	22,910	66,683	92,169	231,845	
Zinc content	12,228	5,339	9,204	4,293	2,949	9,183	23,997	33,672	93,907	
Zinc ore exported	13,709	9,640	9,745	7,968	8,042	3,069	678	154	34	

DOMESTIC (OR PAYING) SIZES OF ANTHRACITE DIMINISHING.

The Anthracite Bureau of Information at Wilkes-Barre recently completed a statement showing the regional distribution of the shipments of anthracite during the calendar year 1915. An interesting feature of the statement for 1915 as compared with 1914, is the smaller percentage of prepared or domestic sizes which form the profitable

portion of the output, and the larger percentage of the small or steam sizes which are sold below the cost of production. The statement is as follows:

The total shipments amounted to 67,883,776 long tons of which 39,539,236 tons, or 58.25%, were from the Wyoming or Northern region; 10,304,652 tons, or 15.18%, were from the Middle or Lehigh region, and 18,039,888 tons, or 26.57%, were from the Southern or Schuylkill region. In 1914, 59.64% was shipped from the Wyoming region; 13.30% from the Lehigh, and 27.06% from the Schuylkill.

The percentage of prepared sizes for the entire field decreased from 61.42% in 1914 to 60.14 in 1915, whereas the steam sizes, including pea coal, increased from 38.58% to 39.86%. This change in proportions of the prepared and small sizes is exhibited in each of the trade regions. In the Wyoming the percentage of domestic sizes decreased from 64.62 to 63.75, while that of the steam sizes increased from 35.38 to 36.25; in the Lehigh region the change was from 57.40% of prepared sizes in 1914 to 55.92 in 1915, and an increase in the steam sizes from 42.60 to 44.08%; in the Schuylkill region the proportion of prepared sizes decreased from 56.34 to 54.63, while the steam sizes increased from 43.66 to 45.37.

As the recovery of small size coal from the cull banks by washeries has been steadily decreasing for the last ten years, these figures bear out the contention that mining conditions are constantly becoming more difficult and expensive, while the decreased production of prepared sizes and the increased production of steam sizes naturally tend to decrease the average price received for the entire product.

BANKING, LEGISLATIVE AND FINANCIAL NEWS.

No bank stocks were sold at the Stock Exchange or at auction this week. One sale of 10 shares of trust company stock was made at auction. The sale was of Farmers' Loan & Trust Co. stock and the price at which it was made—1650—was 540 points higher than the last previous public sale price in April 1915. Extensive tables reporting bid and asked quotations, deposits, surplus, &c., of banks and trust companies in all important cities in the United States are published monthly in the "Bank and Quotation" Section, the August issue of which accompanies to-day's "Chronicle." Bid and asked quotations for all New York City bank and trust company stocks are also published weekly in another department of this paper, and will be found to-day on page 834.

Shares. TRUST COS. New York Low. High. Close. Last previous sale.				
10 Farmers' Loan & Trust Co	1650	1650	1650	April 1915—1110

A New York Stock Exchange membership was sold this week for \$64,500, as against \$64,000 the last preceding transaction.

The New York Cotton Exchange will be closed to-day (Saturday, Sept. 2), in addition to Monday next, Labor Day.

A petition was circulated on the floor of the Stock Exchange urging the Governors to close the Exchange to-day, thereby making a triple Labor Day holiday. The petition was denied, however, by the Governors on Wednesday.

The general program for the annual convention of the American Bankers' Association, which is to be held in Kansas City, Mo., the week of Sept. 25, has been completed, barring one or two uncertainties with regard to the speakers. The finishing touches to the arrangements were made on Aug. 21 and 22, when General Secretary Fred. E. Farnsworth visited Kansas City for that purpose and conferred with the members of the Clearing House Committee, who comprise the executive committee for the convention, and with the chairmen of the various committees. These committees have been at work since early in the year. The General Secretary found that most of the details were well in hand and rendered material assistance to the Clearing House committee in disposing of all remaining problems.

The sessions of the general convention will take place on Thursday and Friday, Sept. 28 and 29; the Clearing House Section will hold its meeting on Tuesday the 26th, and the Savings Bank Section, the Trust Company Section and the State Secretaries Section are also scheduled to meet on that day. Addresses and discussions of the National Bank Section are slated for the evening of Tuesday, the business session of that section taking place on Wednesday, when the country bankers are also to meet. Frank A. Vanderlip, President of the National City Bank of New York, will be one of the speakers at the general convention, and Joseph Chapman Jr., Vice-President of the Northwestern National Bank of Minneapolis, will also address the convention. Mr. Chapman's subject will be "Co-operation." Joseph Hirsch, Vice-President of the Corpus Christi National Bank of Corpus Christi, Tex., will likewise be a speaker at the main convention, and his discussion will treat of "The Country Bankers' Opportunity." The tentative business program is outlined as follows:

MONDAY, SEPTEMBER 25.
Morning.

Committee meetings.
Meeting to organize State Bank Section.
Afternoon.

Executive Council meeting.

TUESDAY, SEPTEMBER 26.
Morning.

Clearing House Section, business session.
Savings Bank Section, Thrift Campaign Celebration.
State Secretaries Section, business session.
Afternoon.

Clearing House Section, addresses and discussions.
Savings Bank Section, business session.
State Secretaries Section, business session.
Trust Company Section, business session.
Evening.

National Bank Section, addresses and discussions.

WEDNESDAY, SEPTEMBER 27.
Morning.

National Bank Section, business session.
Meeting of Country Bankers.

THURSDAY, SEPTEMBER 28.
Morning—General Convention.

Afternoon—General Convention.

FRIDAY, SEPTEMBER 29.
Morning—General Convention.

Afternoon—General Convention.

SATURDAY, SEPTEMBER 30.
Morning—Executive Council Meeting.

The following is the program of the general convention, as thus far arranged:

THURSDAY, SEPTEMBER 28.

First Day's Sessions.

Convention called to order at 9:30 A. M. by the President, James K. Lynch.

Invocation.

Addresses of Welcome:

Hon. George H. Edwards, Mayor of Kansas City, Mo.

J. W. Perry, President Kansas City Clearing House Association.

Response to Addresses of Welcome and Annual Address:

James K. Lynch, San Francisco, Cal., President of the Association.

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

Annual Report of the Treasurer, E. M. Wing, La Crosse, Wis.

Annual Report of the General Counsel, Thomas B. Paton, New York City.

Annual Report of the Executive Council, President James K. Lynch, Chairman.

Annual Report of the Protective Department, L. W. Gammon, Manager, New York City.

Annual Report of the Department of Public Relations, A. D. Welton, Manager, New York City.

Annual Report of the Librarian, Miss Marian R. Glenn, Librarian, New York City.

Amendments to the Constitution.

Address: Hon. Frank A. Vanderlip, President of the National City Bank of New York, New York City.

Communications.

Announcements.

Afternoon Session, Two O'Clock.

Report of Trust Company Section.

Report of Savings Bank Section.

Report of Clearing House Section.

Report of American Institute of Banking Section.

Report of State Secretaries Section.

Report of National Bank Section.

Report of Currency Commission, A. Barton Hepburn, Chairman.

Report of Committee on Law, Cornelius A. Pugsley, Chairman.

Report of Committee on Federal Legislation, C. A. Hirsch, Chairman.

Address, Joseph Chapman, Vice-President Northwestern National Bank, Minneapolis, Minn.: "Co-operation."

Communications.

Announcements.

Adjournment.

FRIDAY, SEPTEMBER 29.

Second Day's Sessions.

Convention called to order at 9:30 A. M. by the President, James K. Lynch.

Invocation.

Address, Joseph Hirsch, Vice-President of the Corpus Christi National Bank, Corpus Christi, Tex., and member Agricultural Commission, American Bankers Association: "The Country Banker's Opportunity."

Report of the Agricultural Commission, B. F. Harris, Chairman, Campaign, Ill.

Address: Speaker to be announced.

Communications.

Announcements.

Afternoon Session, Two O'Clock.

Report of Insurance Committee: Oliver J. Sands, Richmond, Va., Chairman.

Committees and Committee on Membership.

Address: Speaker to be announced.

Invitations for Next Convention.

Unfinished Business.

Communications from Executive Council.

Resolutions.

Report of Committee on Nominations.

Action on Report.

Installation of Officers.

Communications.

Announcements.

Adjournment, sine die.

The entertainment program of the week provides for automobiles on Monday for the accommodation of those desiring to visit the Stock Yards, where a luncheon will be served at noon; in the evening there will be an informal reception and dancing at Convention Hall. On Tuesday there will be automobile rides for the ladies only, with visits to the country clubs. Wednesday's program consists of a golf tournament; an entertainment at Longview Farm, one of the finest stock

farms in the United States; luncheon will be served at the farm and the afternoon spent there. Evening at Convention Hall. Thrift Campaign entertainment under the auspices of the Savings Bank Section, American Bankers' Association, consisting of a photo play, "The Trail of a Dollar," at 8:30 P. M. Thursday evening at Convention Hall, a reception and ball will take place. Friday there will be automobile rides for the ladies.

President S. J. Whitmore of the Muehlebach Hotel has arranged for his banker guests and the bankers generally attending the convention a unique feature for convention week—a Bankers' Dinner Dance, to be held in the Colonial Ball Room of the hotel on Monday evening, Sept. 25.

The American Institute of Banking is making plans to have its annual session, which is to open in Cincinnati on Sept. 20, the largest convention in its history. Under the guidance of President Robert H. Bean, the work of the Institute has made great progress during the past year and he will have the honor of presiding over one of the largest and most important conventions ever held by that body. Paul M. Warburg of the Federal Reserve Board, will deliver the principal address at the opening session, while other items on the program are an address by John J. Arnold, Vice President and Manager of the foreign exchange department of the First National Bank of Chicago, a conference of Chapter Presidents from all parts of the United States, an address by Gen. Leonard A. Wood and the Institute debate. The location and reputation of Cincinnati assures a hospitality to the members and guests which will be a composite of the Northern, Southern, Eastern and Western sections of our country. E. G. McWilliams, Publicity Manager of the Security Savings & Trust Company of Los Angeles, Cal., Chairman of the Thrift Committee and Milton W. Harrison, Assistant Educational Director of the Institute, will present the thrift work being carried on throughout the country. Particular attention has been given to the matter of transportation to and from the convention and reports from the committees having this work in charge indicate that the railroads are doing their utmost to accord the delegates and their friends every possible convenience en route.

William McClure, formerly for many years Secretary of the New York Stock Exchange, died on Aug. 28. He was one of the oldest members of the Stock Exchange, having been admitted in 1868. Mr. McClure was a native of Carlisle, Pa., at which place he died.

Following a meeting of the executive committee of the Guaranty Trust Co. of New York on Thursday, the following changes of officers were announced: William P. Conway, Treasurer, has been made Vice-President; N. Devereux Putnam, Secretary, has been made Treasurer; Fred W. Ellsworth, Publicity Manager, has been made Secretary; and R. B. F. Randolph, Chief Clerk, has been made Assistant Secretary. Mr. Conway entered the bond department of the Guaranty Trust Co. in 1911. Two years later he was elected Assistant Treasurer of the company, and in March 1916 he was made Treasurer. Mr. Putnam entered the employ of the company in 1895 as a messenger. He was later employed in the trust, transfer, registration and loan departments. In 1910 he was elected Assistant Secretary, and in March last was made Secretary. Mr. Ellsworth came to the Guaranty six years ago from the First National Bank of Chicago, and under his direction the publicity and new business department has developed from a one-man department to its present large organization. Mr. Randolph has worked his way up in the company from messenger in 1905. A year ago he was made Assistant Chief Clerk, and last March became Chief Clerk.

The State Banking Department has granted permission to the Guaranty Trust Co. to open a branch at 25 East Sixtieth Street.

George J. Corbett has retired from the firm of Joline, Larkin & Rathbone and has been elected an Assistant Secretary of the Central Trust Co. of this city.

Everett E. Risley, who has for several years been connected with the New Business Department of the National Bank of Commerce in New York, has been appointed an Assistant Cashier of the institution.

Announcement is made of the intention to organize a new bank, to be situated at 35 Wall Street, and to be known as The Kennedy, Mitchell & Co.'s Bank, with a capital of \$100,000. The incorporators of the proposed bank are Walter E. Harrington, William H. Gardiner, William H. Schott, Joseph W. Stone and James A. Lewis.

The Manufacturers Trust Company of Brooklyn is making extensive alterations and additions to its main office, Sumner Avenue and Broadway. The improvements will provide for new offices for the President, Nathan S. Jonas; new Director's rooms and more space generally to conduct its business. The Manufacturers Trust Company was organized in 1905 and has a paid-up capital of \$1,000,000. Besides its main office, it has two branches, one at 84 Broadway, Brooklyn, and the other at Broadway and Bleecker St., Brooklyn.

At a meeting of the directors of the Webster & Atlas National Bank of Boston on August 29 Frank B. Butts, Auditor of the Old Colony Trust Co., was appointed an Assistant Cashier, to take office September 1.

On Aug. 25 announcement was made of the purchase of the controlling interest in the Laurel Savings Bank & Trust Co., of Laurel, Del., by Alfred I. du Pont, of Wilmington, Del. Mr. du Pont, as reported in our issue of May 20, purchased the controlling interest of the Delaware Trust Co. of Wilmington, and was subsequently elected President of the company and a member of the board. Since then, application has been made by the company to increase its capital stock from \$200,000 to \$1,000,000. The purchase of the control of the Laurel Savings Bank & Trust Co. by Mr. du Pont was disclosed in the recent increase of capital stock from \$40,000 to \$100,000, made by that bank. It was then announced that Mr. du Pont had purchased the additional \$60,000 stock, thus acquiring control.

Hervey Schumacher has resigned as Cashier of the Peoples National Bank of Pittsburgh to become Secretary and Treasurer of the Sun Shipbuilding Company of Chester, Pa. Mr. Schumacher had been identified with the Peoples National for twenty-five years, during which time he held various positions. He was chosen Cashier in 1903 and was made a Director in 1912. He has also taken an active interest in the affairs of the State Banking Association, and has been Chairman of Group 8, composed of banks in Western Pennsylvania.

The Pew family of Philadelphia, which controls the Sun Company of that city, one of the largest independent oil refining companies of this country, has been instrumental in organizing the Sun Shipbuilding Company of Chester; the plant at that place, it is said, comprises a tract of 75-acres and represents an investment of \$3,500,000.

A statement regarding the closing of the Central Trust Co. of Pittsburgh on Aug. 24, referred to in our issue of last week, has been issued by the temporary receiver, G. H. Getty. The statement of Mr. Getty was, according to the "Pittsburgh Gazette" of Aug. 25, as follows:

The Central Trust Co. was closed by the Commissioner of Banking on account of the number of bad loans held by it and overdrafts permitted which the officers were unable to have taken out. No full statement at the present time can be made as to the amount the depositors will receive. The liquidation of this trust company will be under the direction of the Commissioner of Banking and the Attorney General, their representatives in charge being G. H. Getty, temporary receiver, and Horace W. Davis representing the attorney general.

The assets and effects of the Central Trust Co. will be removed as soon as possible to the banking rooms of the Pittsburgh Bank for Savings where the liquidation will proceed under the same machinery now being used in the liquidation of the Bank for Savings. The State will retain control of the affairs of the trust company. There will be no burdensome expenses and the efforts of the representatives of the State will be to accomplish an early and economical liquidation. It is expected that all effects of the Central Trust Co. will be removed to the Bank for Savings Building by Monday, Aug. 28, where all those having business with the receiver can find him.

On Aug. 23 an involuntary petition in bankruptcy was filed against Warren Edgar Ballard and Donald V. McConnel, partners, trading as Ballard & McConnel, stock brokers of Pittsburgh, with offices in the Commonwealth Building. William R. Blair, referee in bankruptcy for that district subsequently granted an injunction, in the absence of the Federal Judges, restraining all individuals, firms, corporations or companies, holding stocks, bonds, securities or notes of the alleged bankrupt firm, from disposing of them. Referee Blair also named Simon P. Patterson as receiver with bonds of \$5,000.

The first National Bank of Aspinwall, a suburb of Pittsburgh, was on Aug. 28 placed in charge of J. Frank Miller, a national bank examiner. The action followed a meeting of the directors at which it is said to have been disclosed that a large portion of the deposits had been withdrawn by depositors last Saturday. The withdrawals are reported to have resulted from the closing of the Central Trust Company of Pittsburgh, (which was announced in our issue of last week). The impression that C. O. Spillman, President of the bank, was also President of the Central Trust Co. having occasioned the uneasiness among the bank's depositors. Mr. Spillman resigned from the trust company in July. The first National Bank was organized in 1907, and has a paid-up capital of \$25,000.

Final steps completing the merger of the Merchants-Mechanics' National Bank and the First National Bank of Baltimore, two of the most important institutions in that city, were taken by both banks on Aug. 28. The united bank, as reported in our issue of July 22, will be known as the Merchants-Mechanics' Bank of Baltimore, capital \$2,500,000. It will have aggregate resources, according to the last statements made public by the two banks, of \$37,500,000, and deposits of from \$28,000,000 to \$30,000,000, making it one of the largest national banks of the South, and ranking with the most important banks of the country. Pending the completion of alterations in the Merchants-Mechanics' Bank Building, which will house the new bank, the business of the First National will be conducted at its present quarters. The President of the new bank is Douglas H. Thomas, formerly President of the Merchants-Mechanics' National Bank; Col. H. B. Wilcox, President of the First National Bank, has become Vice-President of the consolidated bank; John B. Ramsay will be the Chairman of the Board of the new bank, the membership of which has been increased to 22 by the addition of the following directors of the First National Bank: H. B. Wilcox, Blanchard Randall, Leonard L. Greif, E. Asbury Davis, William C. Rouse and Charles O. Scull. The other directors, all of whom had served on the board of the Merchants-Mechanics' National Bank, are: Alexander Brown, George C. Jenkins, Douglas H. Thomas, John B. Ramsay, D. D. Mallory, Miles White Jr., Lawrason Riggs, E. B. Hunting, John S. Gittings, George K. McGaw, James L. Sellman, Morris Whitridge, Summerfield Baldwin Jr., Samuel C. Rowland, James C. Fenhagen and William Wallace Lanahan.

To teach a lesson in saving and providing for old age, Walter J. Greenebaum, Cashier of Greenebaum Sons Bank & Trust Co., No. 9 South LaSalle St., Chicago, installed a display of working bees in the bank window of that institution. Seventeen thousand working bees were used. A scenic setting was provided for the background for the display showing a clover field, farmhouse and cattle in the pasture. Two regulation bee hives were installed in the window to accentuate the pastoral effect. The base of the show window was covered with grass matting, earth and bark. Savings banks were strewn in a pathway leading from the hives to the fiction clover field. Three sign posts bearing the following legends were set up:

If men were as wise as these little bees, there would never be any paupers. If these bees had not saved their honey, they would be starving now. Are you saving any honey for future use?

If you want some honey in later days when honey may be hard to get, start storing a little every day.

In the transfer of the bees one of the hives was broken. The bees were liberated, creating a panic in LaSalle Street. The crowds which gathered in front of the window interfered with the traffic and the police had to be called to keep the pedestrians moving. The bees, being an example of thrift, inculcated the idea in many spectators, some of whom opened bank accounts. Mr. Greenebaum recommends the plan to other banks as a business getter.

Nelson Swift Morris was elected a director of the First National Bank of Chicago and a member of the board of directors and advisory committee of the First Trust & Savings Bank at the meeting on Aug. 29th. He succeeds Marvin Hughitt, who has resigned from both boards. Mr. Morris is the third generation of the family on the board of the First National, his grandfather, Nelson Morris, the founder of the packing firm bearing the name, being elected a director in 1872, and his father Edward Morris, served the bank from 1907 till his death in 1913.

At a special meeting of the stockholders of the Chicago Title & Trust Co. at Chicago, held August 22, a resolution was passed whereby the capital of the institution will be increased from \$5,600,000 to \$7,000,000. As reported in our issue of July 22, each stockholder of record Sept. 1, will be offered the new stock in the proportion of one share of new stock to each four shares of stock held. The stockholders are given until September 16 to subscribe.

Julius C. Peter, formerly Assistant Manager of the bond department of the Detroit Trust Co. of Detroit, has been made Assistant to President Ralph Stone. Mr. Peters, it is said, will devote a large portion of his time to the trust company's publicity problems and to the development of new business.

Announcement is made of the election of Frank Warner of Waterloo, Ia., as Secretary of the Iowa Bankers' Association, to succeed Percy W. Hall, resigned. Mr. Warner has been connected with the Leavitt & Johnson banking interests of Waterloo, Ia. He assumed his new duties on September 1.

A "run" was experienced on Aug. 14 by the Illinois State Bank of East St. Louis, Ill., but was quickly checked by the readiness and ability of the bank officials to pay, on demand, depositors' calls upon it. The depositors were reassured by the sight of large amounts of money inside the paying teller's window and the co-operation offered by Swift & Co., Armour & Co., &c. According to the St. Louis "Republic", a committee appointed by the East St. Louis Commercial Club made a report on the 14th, saying:

After making investigation of the affairs of the bank, we unqualifiedly state that all such rumors are absolutely without foundation.

Announcement is made of the proposed formation of the new Marquette State Bank of Minneapolis, Minn., with a capital of \$100,000 to be situated in the financial district of the city. Among the organizers and managers of the new institution are George R. Morrissey, Jesse Van Valkenburg, Joseph Luger, F. R. Chase, E. R. Hare, G. J. Carlson, S. A. Challman, N. F. Kounze, M. H. Manuel and R. W. Manuel. M. H. Manuel and R. W. Manuel, who are at the head of the Manuel Brothers Co. and the Marquette Securities Co., are dealers in investment securities, bank stocks, bonds and mortgages.

D. A. Barton, formerly Secretary and Treasurer of the Home Savings & Trust Co. of Denver, Colo., has associated himself with Jesse M. Wheelock in a Wyoming oil company. John E. Cronin, who was chosen Assistant Secretary of the Home Savings & Trust in February, has succeeded to the office of Secretary, and William Bishop has been elected Treasurer.

Henry J. Failing of Twin Falls, Idaho, has been chosen Vice-President of the Lumbermen's National Bank of Portland, Oregon, to succeed E. G. Crawford, who was elected President of the Lumbermen's National following the death of George W. Bates on March 22. The Lumbermen's National Bank was organized in 1905. It has a capital of \$1,000,000. Its officers are: E. G. Crawford, President; Henry J. Failing, Vice-President; A. L. Tucker, Cashier; Graham Dukehart, C. M. Dyrlund and E. C. Sammons, Assistant Cashiers.

Mark Skinner has resigned as Vice President and Manager of the Commercial National Bank of Great Falls, Montana, and accepted a Vice Presidency in the First National Bank of St. Paul, Minn. Mr. Skinner had been active in Great Falls banking affairs for the past twenty years.

R. C. Stuart has resigned as Assistant State Bank Commissioner of Oklahoma and Secretary of the State Banking Board to become Cashier of the First State Bank of Oklahoma City, Okla.

W. E. Davis, State Auditor of Kansas, has been elected Cashier of the State Exchange Bank of Hutchinson, Kansas, to succeed F. C. Kath, who, as stated in our issue of July 1, has been made President of the Kansas Reserve State Bank of Topeka, Kansas, which started business in July. Mr. Davis will retire as State Auditor on Jan. 1.

A charter has been issued by the Comptroller of the Currency to the Midwest National Bank of Kansas City, Mo., The capital is fixed at \$500,000.

Louis C. Burnes, well known financier in the Middle West and President of the Burnes National Bank of St. Joseph, Mo., died suddenly on August 26.

Mrs. John G. Lonsdale, wife of the President of the National Bank of Commerce in St. Louis, has been putting into practice the ideas of her husband on "thrift." Mr. Lonsdale recently expressed the opinion that thrift to be of real value to the country as a whole must not be confined to any one particular class of people. Mrs. Lonsdale has won a prize at the Oakville Farmers' Fair for an exhibit of varieties of pickles and jellies, also of needlework. The American Bankers' Association, as is well known, has been conducting a vigorous campaign on thrift.

On August 26 arrangements were completed whereby the Hamilton National Bank of Chattanooga, Tenn., absorbed the Citizens National Bank of Chattanooga, taking over its assets and assuming its liabilities. The united institution, now one of the largest banks in Tennessee, is known as the Hamilton National Bank; its capital will remain unchanged at \$1,000,000. The consolidation was effected through the purchase on a basis of \$140 a share, of a majority of the stock of the Citizens National (capital \$300,000) by interests identified with the Hamilton National. It is stated that by agreement of the committees handling the negotiations, all shareholders of the Citizens National may transfer their stock on the same basis. It is understood that the Hamilton National interests acquired control of \$213,000 of the Citizens National's stock.

As a result of the union of the two banks the Hamilton National will now have deposits, according to the banks' statements given in the Chattanooga "Daily Times," amounting to \$7,789,330, and resources of over \$11,000,000. The deposits of the Citizens National on June 30 were \$2,262,230 and those of the Hamilton National \$5,527,101. The business of the new bank will be carried on for the present at the Hamilton National Bank, Seventh and Market Streets. It is said that the Citizens National Bank building will be purchased by the officers of the Hamilton National and not by the bank as an incorporated body. The Citizens National Bank was organized in 1889 and the Hamilton National started business in 1905. J. B. F. Lowry, Cashier of the Citizens National, succeeds C. M. Preston as Cashier of the Hamilton National, and Herbert Bushnell, Active Vice-President of the Citizens National, becomes Active Vice-President of the Hamilton National. C. M. Preston also will be Active Vice-President; and E. B. Shadden, Assistant Cashier of the Citizens National, will be Auditor of the Hamilton National. The full list of officers of the consolidated institution is:

President, T. R. Preston; Vice-President, G. H. Miller; Vice-President, H. T. Olmsted; Active Vice-President, C. M. Preston; Active Vice-President, H. Bushnell; Cashier, J. B. F. Lowry; Assistant Cashier, D. S. Henderson; Assistant Cashier, S. A. Strauss; Auditor, E. B. Shadden.

At a meeting of the shareholders of the New Farley National Bank of Montgomery, Ala., on August 10th, it was determined to change its name to The Capital National Bank of Montgomery. This change has been approved by the Comptroller, and hereafter the bank will be known as the Capital National Bank. There were no other changes in the institution or its management. The officers are: B. P. Crum, President; M. A. Vincentelli and J. S. Pinckard, Vice-Presidents; J. Morris Baldwin, Cashier; and Grover Keyton, Manager of the Savings Department.

Charles R. Buddy, Vice-President of the City National Bank of Dallas, Texas, died suddenly in New York on August 23, while on a vacation trip. Mr. Buddy, who was one of the most prominent citizens and bankers of Dallas, was born in Philadelphia in 1854. He became connected with Texas banking affairs in 1892, when in conjunction with his brother-in-law, H. M. Spalding, he organized the First National Bank of Denton, Texas. In 1894 he became paying teller of the City National Bank of Dallas and then rapidly advanced, becoming Assistant Cashier in 1899; Cashier in 1901, and Active Vice-President in 1905, which position he held at the time of his death.

John S. Patterson, State Commissioner of Insurance and Banking for Texas, died on August 30 as the result of bullet wounds received at the hands of T. R. Watson, President of the Farmers & Merchants State Bank, of Teague, Texas. The shooting took place in the bank while the Commissioner

was conducting an examination of the institution. Shots were also fired at J. E. McKinnon, a bank examiner, but he escaped unhurt. By a special sitting of the McLennan County Grand Jury, T. R. Watson and his two sons, who are also officers in the bank, have been indicted and are now in custody. Mr. Patterson had been Commissioner of Insurance and Banking for the State of Texas for the last two years.

James D. Hoge, President of the Union Savings & Trust Co. of Seattle, has been selected to serve on the general finance committee of the Republican Party on the Pacific coast.

At a meeting of the directors of the Royal Bank of Canada (head office Montreal) held on August 22, Mortimer B. Davis, President of the Imperial Tobacco Co. of Canada, Ltd., and G. H. Duggan, Vice-President and General Manager of the Dominion Bridge Co., were elected directors of the bank to succeed T. J. Drummond of Montreal and Wiley Smith of Halifax, both deceased. Mr. Davis is well known in Canada, not only for his connections with the tobacco industry, but also for his activity in the mining affairs in Canada. He was formerly a director of the Union Bank, but resigned from that post in 1910. Mr. Duggan has been prominent as an engineer and as an industrial organizer. He was recently elected to the directorate of the Montreal Trust Co. and is also a director of many other concerns in Canada.

Herman E. Lawford having accepted an appointment in another company, has resigned as Managing Director of the Farmers' Loan & Trust Co., Ltd., of London. Henry King Smith has been appointed Managing Director in his place.

IMPORTS AND EXPORTS FOR JULY.

The Bureau of Statistics at Washington has issued the statement of the country's foreign trade for July, and from it and previous statements we have prepared the following interesting summaries:

FOREIGN TRADE MOVEMENT OF THE UNITED STATES. (In the following tables three cipher (000) are in all cases omitted.)

Table with columns for Merchandise, Gold, and Silver, showing Exports and Imports for 1916 and 1915. Includes sub-sections for Merchandise, Gold, and Silver.

Table showing Exports and Imports for Gold in 1916 and 1915, with monthly breakdown.

Table showing Exports and Imports for Silver in 1916 and 1915, with monthly breakdown.

Table showing Excess of Exports or Imports for Merchandise, Gold, and Silver in 1916 and 1915.

Totals for merchandise, gold and silver for seven months:

Table showing Totals for Merchandise, Gold, and Silver for seven months (1916-1911).

* Excess of imports.

Similar totals for the month of July for six years make the following exhibit:

Table showing Similar totals for the month of July for six years (1916-1911).

* Excess of imports.

IMPORTS AND EXPORTS OF GOLD AND SILVER AT SAN FRANCISCO.

The Collector of Customs at San Francisco has furnished us with the details of the imports and exports of gold and silver through that port for the month of July, and we give them below in conjunction with the figures for preceding months, thus completing the results for the seven months of the calendar year 1916.

IMPORTS OF GOLD AND SILVER AT SAN FRANCISCO.

Table showing Imports of Gold and Silver at San Francisco for 1916 and 7 months 1915.

EXPORTS OF GOLD AND SILVER FROM SAN FRANCISCO.

Table showing Exports of Gold and Silver from San Francisco for 1916 and 7 months 1915.

ENGLISH FINANCIAL MARKET—PER CABLE.

The daily closing quotations for securities, &c., at London, as reported by cable, have been as follows the past week:

Table showing English Financial Market per Cable with columns for Week ending, Sept. 1, Aug. 26, Aug. 23, Aug. 20, Aug. 16, Aug. 13, Aug. 10, Aug. 7.

The price of silver in New York on the same days has been: Silver in N. Y., per oz.—cts. 66 1/2, 66 1/2, 66 3/4, 67 1/4, 67 1/4, 68 1/4.

Commercial and Miscellaneous News

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 showing Dividends with columns for Name of Company, Per Cent., When Payable, and Books Closed Days Inclusive.

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

APPLICATIONS FOR CHARTERS.

For organization of national banks:	
The First National Bank of Bishop, Cal., capital.....	\$25,000
The First National Bank of Pompey's Pillar, Mont., capital.....	25,000
The Brasher Falls National Bank, Brasher Falls, N. Y., capital.....	25,000
The First National Bank of Sykeston, N. Dak., capital.....	25,000
To succeed the Sykeston State Bank.	
For conversion of State banks:	
The First National Bank of Wolf Point, Mont., capital.....	\$25,000
Conversion of the Farmers' Bank of Wolf Point.	
The First National Bank of Floyd, Va.....	35,000
Conversion of the People's Bank of Floyd County.	
Total capital.....	\$160,000

CHARTERS ISSUED.

Original organizations:	
The Farmers' National Bank of Portland, N. D., capital.....	\$25,000
Fannettsburg National Bank, Fannettsburg, Pa., capital.....	25,000
To succeed the People's Bank of Fannettsburg.	
Conversions of State banks:	
The First National Bank of Lompoc, Cal., capital.....	\$100,000
Conversion of the Bank of Lompoc.	
The First National Bank of Wendell, Minn., capital.....	25,000
Conversion of the Farmers & Merchants State Bank of Wendell, Minn.	
Total capital.....	\$175,000

CHANGE OF TITLE.

The Woods-Rubey National Bank of Golden, Colo., to the "Rubey National Bank of Golden," capital.....	\$50,000
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INCREASES OF CAPITAL APPROVED.

The First National Bank of Cambridge, Ia. Capital increased from \$50,000 to \$80,000; increase.....	\$30,000
The First National Bank of Sebree, Ky. Capital increased from \$32,500 to \$40,000; increase.....	7,500
The State National Bank of Albuquerque, N. Mex. Capital increased from \$150,000 to \$200,000; increase.....	50,000
The First National Bank of Palmerton, Pa. Capital increased from \$25,000 to \$50,000; increase.....	25,000
Total increase.....	\$112,500

Auction Sales.—Among other securities, the following, not usually dealt in at the Stock Exchange, were recently sold at auction in New York, Boston and Philadelphia:

By Messrs. Adrian H. Muller & Sons, New York:

Shares. Stocks. Per cent.	Shares. Stocks. Per cent.
1,000 Horn Silver Mfg., \$25 ea. 31c. per sh.	200 La. Jara Gold Mines Co., \$1 each.....5c. per sh.
2 Niagara Fire Ins. Co., \$50 ea. 351	700 Atlantic Macaroni Co. \$60,000 lot
105 N. Y. Bowery F. Ins. Co., \$25 each.....\$1 lot	10 Farmers' Loan & Trust Co. 1650
12 Emerald & Hiddenite Mfg. Co.	277 Sanitol Chem. Lab'y Co., \$10 each.....\$2 per sh.
25 Bank of Franklin, Meadville, Miss.....\$50 per sh.	

By Messrs. Francis Henshaw & Co., Boston:

Shares. Stocks. \$ per sh.	Shares. Stocks. \$ per sh.
2 Mt. Wollaston Nat. Bk., Quincy 130	10 Great Falls Mfg. Co.....200
10 Weetamore Mills.....90	2 Pepperell Mfg. Co.....172½

By Messrs. R. L. Day & Co., Boston:

Shares. Stocks. \$ per sh.	Shares. Stocks. \$ per sh.
2 Commonwealth Trust Co.....175	¼ Draper Corporation.....67½
50 Hamilton Mfg. Co.....82	50 Sullivan Machinery Co.....129½
3 West Point Mfg. Co.....170	50 Pacific Mills.....143¼-144½
1 Fairbanks Co., pref.....27½	10 Library Bureau, pref.....102¾

By Messrs. Barnes & Lofland, Philadelphia:

Shares. Stocks. \$ per sh.	Shares. Stocks. \$ per sh.
40 Franklin Trust Co., \$50 each.....58¼	10 Germantown Pass. Ry.....105¼
2 East Mahanoy RR., \$50 each.....50¼	10 2d & 3d Streets Pass. Ry.....242
15 Mill Cr. & Mine Hill Nav. & RR. 50¼	1 Ridge Ave. Pass. Ry.....237
6 Schuylkill Valley Nav. & RR., \$50 each.....50	4 De Long Hook & Eye.....81¼
10 Broad Street Bank, \$50 each.....60	188 rights to subscribe to H. K. Mulford Co. at \$50 par.....5¼
1 Bank of North America.....253	10 Phila. Bourse, pref., \$25 each.....21
1 Central National Bank.....411	4 Phila. Bourse, com., \$50 each.....6
1 First Nat. Bank, Philadelphia.....200	
11 Franklin National Bank.....475	\$1,000 Phil. & Reading RR. s. f. 4s, 1932.....96½
13 People's Trust Co., \$50 each.....40	1,000 Springfield Consol. Water Ist 5s, 1958.....82
17 Philadelphia Warehouse Co.....120	
5 Atlantic City Fire Ins. Co.....250	

Imports and Exports for the Week.—The following are the reported imports of merchandise at New York for the week ending Aug. 26 and since the first week of January:

FOREIGN IMPORTS AT NEW YORK.

For Week.	1916.	1915.	1914.	1913.
For the week.....	\$23,045,854	\$14,508,933	\$11,716,817	\$22,413,649
Previously reported.....	840,608,496	617,092,061	647,855,490	617,717,365
Total 34 weeks.....	\$863,654,350	\$631,600,994	\$659,572,307	\$640,131,014

EXPORTS FROM NEW YORK.

	1916.	1915.	1914.	1913.
For the week.....	\$78,106,341	\$37,524,558	\$10,214,302	\$12,158,997
Previously reported.....	1,743,167,564	870,696,945	551,379,182	575,225,147
Total 34 weeks.....	\$1,821,273,905	\$908,221,503	\$561,593,484	\$587,384,144

EXPORTS AND IMPORTS OF SPECIE AT NEW YORK.

Week ending Aug. 26.	Exports.		Imports.	
	Week.	Since Jan. 1.	Week.	Since Jan. 1.
Gold.				
Great Britain.....	\$502,242	\$6,282,679	\$2,853	\$26,792,733
France.....	-----	-----	-----	14,840
Germany.....	-----	-----	-----	-----
West Indies.....	-----	26,961,941	5,750	9,674,214
Mexico.....	1,000	703,000	99,791	2,212,557
South America.....	100,000	9,501,461	351,970	6,900,468
All other countries.....	1,000,000	11,729,828	29,116	1,655,181
Total 1916.....	\$1,603,242	\$55,178,909	\$489,480	\$47,249,993
Total 1915.....	266,300	9,204,488	498,851	3,060,035
Total 1914.....	15,000	127,157,949	153,827	6,036,433
Silver.				
Great Britain.....	\$714,642	\$30,904,711	\$1,793	\$17,161
France.....	-----	40,600	-----	6,631
Germany.....	-----	-----	-----	-----
West Indies.....	-----	854,297	85	98,403
Mexico.....	-----	29,467	268,771	6,530,491
South America.....	-----	1,253,671	127,229	4,021,425
All other countries.....	-----	10,300	723	924,027
Total 1916.....	\$714,642	\$33,093,046	\$398,601	\$11,598,138
Total 1915.....	1,160,994	26,539,831	186,212	5,942,191
Total 1914.....	1,379,532	28,463,170	701,644	6,436,146

Of the above exports for the week in 1916, \$1,603,242 were American gold coin.

The Federal Reserve Banks.—Following is the weekly statement issued by the Federal Reserve Board on Aug. 26:

The statement indicates an increase for the week of over 2.4 millions in the total earning assets of the banks, a decrease of about 5.3 millions in the banks' aggregate cash reserves, and of over one-half million in their combined gold reserves. Of the total decrease in reserve a considerable portion was transferred to the Treasury and to Federal Reserve agents to redeem Federal Reserve notes and to decrease the banks' liabilities on notes outstanding. The amount of paid-in capital shows an increase of over \$250,000, largely the result of increased capitalization of member banks in the Eastern districts. Philadelphia reports an increase of \$873,000 in its cash reserve, due largely to liquidation of commercial paper. An equal gain in reserve shown by the San Francisco bank is accompanied by substantial increases in Government and bank deposits. New York's decrease of 5.2 millions in total reserve is caused apparently by net withdrawals of Government funds and bank deposits and the transfer of gold to the agent to decrease the bank's liability on Federal Reserve notes issued to it. Atlanta reports a decrease of 1.2 millions in its total reserve, together with a gain of over \$600,000 in earning assets and a change of an adverse to a favorable balance with other Federal Reserve banks.

About ¼ million has been added during the week to the amount of commercial paper held by the banks, all three Southern banks showing gains under this head. Acceptances on hand show an increase for the week of about 2 millions, Philadelphia alone showing smaller holdings of this class of paper than the week before. Of the total bills—including acceptances—on hand, 37% mature within 30 days, and 39.2% after 30 but within 60 days. Transactions in Government securities are reported by 4 banks, resulting in a decrease of \$233,000 in the amount of U. S. bonds and an increase of \$320,000 in the amount of one-year Treasury notes held. Practically no changes are shown in the holdings of municipal warrants.

Earning assets aggregate at present over 192 millions, or 347% of the total paid-in capital, as against 344% the week before. Of the total earning assets, acceptances constitute 42.8%; U. S. bonds, 24.3%; warrants, 14.5%; discounts, 14.1%, and Treasury notes, 4.3%. There has been a net increase by about \$400,000 in the amount of Government deposits, all the Western banks and Richmond reporting larger holdings of Government funds than at the end of the previous week. Net bank deposits decreased about 2.7 millions, Boston, New York and St. Louis showing the largest decreases under this head.

Federal Reserve bank notes in circulation decreased slightly during the week. Federal Reserve agents report the issue to the banks of \$179,838,000, net, of Federal Reserve notes, an increase of \$3,218,000 for the week. Against this total they hold \$163,834,000 of gold and \$17,048,000 of paper. The banks report \$156,345,000 of Federal Reserve notes in actual circulation, and aggregate net liabilities of \$13,733,000 on notes issued to them by the agents.

The figures of the consolidated statement for the system as a whole are given in the following table, and in addition we present the results for each of the eight preceding weeks, thus furnishing a useful comparison. In the second table we show the resources and liabilities separately for each of the twelve Federal Reserve banks. The statement of Federal Reserve Agents' Accounts (the third table following) gives details regarding the transactions in Federal Reserve notes between the Comptroller and the Reserve Agents and between the latter and the Federal Reserve banks.

COMBINED RESOURCES AND LIABILITIES OF THE FEDERAL RESERVE BANKS AT THE CLOSE OF BUSINESS AUG. 25 1916.

	Aug. 25 1916	Aug. 18 1916	Aug. 11 1916	Aug. 4 1916	July 28 1916	July 21 1916	July 14 1916	July 7 1916	June 30 1916
RESOURCES.									
Gold coin and certificates in vault.....	\$259,799,000	\$260,926,000	\$258,952,000	\$256,437,000	\$259,931,000	\$262,049,000	\$269,602,000	\$261,232,000	\$262,038,000
Gold settlement fund.....	110,951,000	110,001,000	106,121,000	106,811,000	102,911,000	99,561,000	118,631,000	123,611,000	112,931,000
Gold redemption fund with U. S. Treasurer.....	1,637,000	1,991,000	1,852,000	1,915,000	1,918,000	1,931,000	1,970,000	2,011,000	1,789,000
Total gold reserve.....	\$372,387,000	\$372,918,000	\$366,925,000	\$365,163,000	\$364,760,000	\$363,541,000	\$390,203,000	\$386,854,000	\$376,758,000
Legal tender notes, silver, &c.....	12,265,000	16,998,000	11,127,000	11,699,000	16,589,000	13,802,000	10,279,000	36,902,000	27,448,000
Total reserve.....	\$384,652,000	\$389,916,000	\$378,052,000	\$376,862,000	\$381,349,000	\$377,343,000	\$400,482,000	\$423,756,000	\$404,206,000
5% redemption fund ag't F. R. bk notes.....	500,000	500,000	500,000	450,000	450,000	450,000	450,000	450,000	450,000
Bills discounted and bought—									
Maturities within 10 days.....	\$12,955,000	\$8,163,000	\$12,425,000	\$15,271,000	\$17,308,000	\$17,163,000	\$10,613,000	\$7,970,000	\$11,451,000
Maturities from 11 to 30 days.....	27,507,000	29,267,000	26,310,000	23,863,000	19,421,000	26,740,000	25,755,000	20,688,000	16,539,000
Maturities from 31 to 60 days.....	42,781,000	42,400,000	41,898,000	42,586,000	40,019,000	36,302,000	35,441,000	32,002,000	28,492,000
Maturities from 61 to 90 days.....	23,548,000	24,584,000	25,388,000	25,228,000	30,493,000	30,121,000	28,730,000	27,090,000	30,614,000
Maturities over 90 days.....	2,387,000	2,480,000	2,950,000	3,006,000	3,807,000	3,993,000	4,559,000	4,423,000	5,187,000
Total.....	\$109,178,000	\$106,894,000	\$108,971,000	\$109,934,000	\$111,048,000	\$114,319,000	\$105,098,000	\$92,173,000	\$92,283,000
*Acceptances (included in above).....	\$82,146,000	\$80,138,000	\$80,513,000	\$79,519,000	\$83,454,000	\$85,382,000	\$81,130,000	\$70,148,000	\$71,095,000
Investments: U. S. bonds.....	\$46,796,000	\$47,029,000	\$46,708,000	\$48,037,000	\$48,659,000	\$49,746,000	\$52,589,000	\$52,589,000	\$52,939,000
One-year U. S. Treasury notes.....	8,205,000	7,885,000	8,351,000	7,925,000	7,925,000	7,190,000	4,546,000	4,546,000	4,190,000
Municipal warrants.....	27,863,000	27,788,000	27,975,000	27,375,000	27,220,000	27,723,000	27,424,000	25,236,000	22,671,000
Total earning assets.....	\$192,042,000	\$189,596,000	\$192,000,000	\$193,271,000	\$194,849,000	\$198,978,000	\$189,657,000	\$174,544,000	\$172,083,000

Main table showing RESOURCES (Concluded), LIABILITIES, and Federal Reserve Notes for various dates from Aug. 25 1916 to June 30 1916. Includes sub-headers like 'Brought forward (total reserve & earn'g assets)' and 'How Secured'.

*Including bankers' and trade acceptances bought in the open market. † Amended figures.

WEEKLY STATEMENT OF RESOURCES AND LIABILITIES OF EACH OF THE 12 FEDERAL RESERVE BANKS AT CLOSE OF BUSINESS AUG. 25 1916

Table showing weekly statement of resources and liabilities for 12 Federal Reserve Banks: Boston, New York, Philadel'a, Cleveland, Richmond, Atlanta, Chicago, St. Louis, Minneap., Kan. City, Dallas, San Fran., and Total. Columns include bank names, dollar amounts, and categories like Gold coin & etc., Federal Reserve Notes, and Liabilities.

a Items in transit, i. e., total amounts due from less total amounts due to other Federal Reserve banks.

STATEMENT OF FEDERAL RESERVE AGENTS' ACCOUNTS AUG. 25 1916.

Table showing statement of Federal Reserve Agents' Accounts for the 12 banks, listing categories like Federal Reserve Notes (Rec'd from Comptrol, Returned to Comptrol), Chargeable to Agent, and Amount of comm'l paper delivered to F.R. Ag't.

Statement of New York City Clearing House Banks and Trust Companies.—The following detailed statement shows the condition of the New York City Clearing House members for the week ending Aug. 26. The figures for the separate banks are the averages of the daily results. In the case of the totals, actual figures at end of the week are also given. In order to furnish a comparison, we have inserted the totals of actual condition for each of the three groups and also the grand aggregates for the three preceding weeks.

NEW YORK WEEKLY CLEARING HOUSE RETURN.

Table with columns: CLEARING HOUSE MEMBERS, Week Ending (Aug 26 1916), Capital, Net Profits, Loans, Discounts, Inestm'ts, &c., Gold, Legal Tenders, Silver, Nat. Bank Notes (Reserve for State Institutions), Nat. Bank Notes (Counted as Reserve), Federal Reserve Notes (Not Reserve), Reserve with Legal Deposit-taries, Add't'l Deposits with Legal Deposit-taries, Net Demand Deposits, Net Time Deposits, National Bank Circulation. Rows include Members of Federal Reserve Bank, State Banks, and Trust Companies.

a Includes capital set aside for Foreign Branches, \$3,000,000.

STATEMENTS OF RESERVE POSITION.

Table with columns: Averages, Actual Figures. Rows include Members Federal Reserve Bank, State Banks, Trust Companies, and Grand Aggregate actual condition. Columns include Cash Reserve in Vault, Reserve in Depositories, Total Reserve, a Reserve Required, Surplus Reserve, Inc. or Dec. from Previous Week, Cash Reserve in Vault, Reserve in Depositories, Total Reserve, b Reserve Required, Surplus Reserve, Inc. or Dec. from Previous Week.

* Not members of Federal Reserve Bank. a This is the reserve required on Net Demand Deposits in the case of State Banks and Trust Companies, but in the case of Members of the Federal Reserve Banks includes also the amount of reserve required on Net Time Deposits, which was as follows: Aug. 26, \$2,364,700; Aug. 19, \$2,399,050; Aug. 12, \$2,375,600; Aug. 5, \$2,394,900. b This is the reserve required on Net Demand Deposits in the case of State Banks and Trust Companies, but in the case of Members of the Federal Reserve Banks includes also the amount of reserve required on Net Time Deposits, which was as follows: Aug. 26, \$2,351,700; Aug. 19, \$2,408,000; Aug. 12, \$2,380,500; Aug. 5, \$2,348,950.

The State Banking Department reports weekly figures, showing the condition of State banks and trust companies in New York City not in the Clearing House, and these are shown in the following table:

SUMMARY OF STATE BANKS AND TRUST COMPANIES IN GREATER NEW YORK, NOT INCLUDED IN CLEARING HOUSE STATEMENT.

(Figures Furnished by State Banking Department.) Differences from August 26, previous week.

Table with columns: Loans and Investments, Gold, Currency and bank notes, Total deposits, Deposits, Reserves in New York City, and Percentage of reserve.

RESERVE.

Table comparing Reserve for State Banks and Trust Companies, showing Cash in vaults and Deposits in banks and trust cos.

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 ciphers in all these figures.

Table showing weekly combined results of banks and trust companies in Greater New York, with columns for Loans and Investments, Demand Deposits, Specte., Other Money, Total Money Holdings, and Entree Reserve on Deposits.

In addition to the returns of "State banks and trust companies in New York City not in the Clearing House," furnished by the State Banking Department, the Department also presents a statement covering all the institutions of this class in the whole State. The figures are compiled so as to distinguish between the results for New York City (Greater New York) and those for the rest of the State, as per the following:

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

The provisions of the law governing the reserve requirements of State banking institutions were published in the "Chronicle" March 23 1914 (V. 98, p. 968). The regulations relating to calculating the amount of deposits and what deductions are permitted in the computation of the reserves were given in the "Chronicle" April 4 1914 (V. 98, p. 1045).

STATE BANKS AND TRUST COMPANIES.

Table comparing State Banks in Greater N. Y., Trust Cos. in Greater N. Y., State Banks outside of Greater N. Y., and Trust Cos. outside of Greater N. Y. for the week ended Aug. 26.

+ Increase over last week. - Decrease from last week.

Non-Member Banks and Trust Companies.—Following is the report made to the Clearing House by clearing non member institutions which are not included in the "Clearing House return" on the preceding page:

RETURN OF NON-MEMBER INSTITUTIONS OF NEW YORK CLEARING HOUSE.

Large table titled 'RETURN OF NON-MEMBER INSTITUTIONS OF NEW YORK CLEARING HOUSE' showing details for various banks and trust companies, including Capital, Net Profits, Loans, Discs'ts, Investments, etc.

Philadelphia Banks.—Summary of weekly totals of Clearing House banks and trust companies of Philadelphia:

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

Table showing weekly totals for Philadelphia banks and trust companies, with columns for Loans, Disc'ts & Invest'ts, Due from Banks, Deposits, Reserve Held, and Excess Reserve.

Note.—National bank note circulation Aug. 26, \$9,413,000; Exchanges for Clearing House (included in "Bank Deposits"), banks, \$12,627,000; trust companies, \$1,533,000; total, \$14,160,000. Capital and surplus at latest dates: banks, \$64,175,000; trust companies, \$41,295,200; total, \$105,470,800.

Boston Clearing-House Banks.—We give below a summary showing the totals for all the items in the Boston Clearing-House weekly statement for a series of weeks:

BOSTON CLEARING HOUSE MEMBERS.

Table showing weekly totals for Boston Clearing-House members, with columns for Aug. 26 1916, Change from previous week, Aug. 19 1916, and Aug. 12 1916.

Imports and Exports for the Week.—See third page preceding.

Bankers' Gazette.

Wall Street, Friday Night, Sept. 1 1916.

The Money Market and Financial Situation.—The prospect of a nation-wide railway strike has been the absorbing topic in all financial circles throughout the week, so absorbing, indeed, that a very important event in the progress of the war in Europe, the entrance of Rumania into the conflict, passed almost without notice. There is at this writing some prospect that a strike will be averted by a hurried Act of Congress, recommended by the President, an Act more sweeping in its effect upon railway transportation and finances than any legislation enacted in recent years, and many are to-day longing for a little of such executive courage as we had several examples of during the Cleveland Administration.

The Government crop reports were so unfavorable as to cotton that the latter advanced sharply. The report showed a relative condition lower than heretofore reported at this season since the Government began these estimates, but as is well known, the acreage is substantially larger than last year and this, with the present high price, will largely offset the outlook for the per acre yield. At the same time, wheat has declined, dropping 8 points on Monday. This movement may be due in part to a natural reaction from the recent advance, but also, perhaps, to the possibility that Rumania's entrance into the war may be followed sooner or later by a release of Russia's supply of wheat to the markets of the world. A more immediate result of the latest war news has been an advance in exchange on Petrograd and a decline in Berlin exchange to the lowest point reached since Germany's commerce was interrupted.

More gold has been received from Canada, and the Bank of England reports a decrease of about \$5,000,000 in its holdings and a lower percentage of reserve within the week.

Foreign Exchange.—Sterling exchange has remained pegged during the week and the market has been a nominal one. Russian rubles have ruled firm in response to the entrance of Rumania into the war. Exchange on Berlin, on the other hand, has declined to the lowest rate on record, 69½ for sight and 69¾ for cable transfers.

To-day's (Friday's) actual rates for sterling exchange were 4 71½ for sixty days, 4 75½ for cheques and 4 76 7-16 for cables. Commercial on banks, sight, 4 75 9-16 sixty days, 4 70¾ ninety-days, 4 68¾ and documents for payment (sixty days) 4 71. Cotton for payment 4 75 9-16 and grain for payment 4 75 9-16.

There were no rates posted for sterling by prominent bankers this week. To-day's (Friday's) actual rates for Paris bankers' francs were nominal for long and 5 90 for short. Germany bankers' marks were 69½ for sight. Amsterdam bankers' guilders were 40 15-16 for short.

Exchange at Paris on London, 28.08½ fr. week's range, 28.08½ fr. high and 28.13½ fr. low.

Exchange at Berlin on London, not quotable.

The range for foreign exchange for the week follows.

Sterling Actual—Sixty Days.		Checks.	Cables.
High for the week	4 71½	4 75¾	4 76 7-16
Low for the week	4 71½	4 75¾	4 76 7-16

Paris Bankers' Francs—

High for the week	5 88¾	5 88
Low for the week	5 90¾	5 90¾

Germany Bankers' Marks—

High for the week	71¾	71¾
Low for the week	69¾	69¾

Amsterdam Bankers' Guilders—

High for the week	41¼ plus 1-32	41¾
Low for the week	40 1-16 plus 1-16	40 1-16 plus 1-16

Domestic Exchange.—Chicago, 20c. per \$1,000 discount. Boston, par. St. Louis, 15c. per \$1,000 discount bid and 10c. discount asked. San Francisco, 15c. per \$1,000 premium. Montreal, \$1 25 per \$1,000 premium. Minneapolis, 30c. per \$1,000 premium. Cincinnati, par. New Orleans, sight, 50c. per \$1,000 discount, and brokers, 50c. premium.

State and Railroad Bonds.—There have been no sales of State bonds recorded at the Board this week.

In sympathy with other business at the Stock Exchange and because of events mentioned above, values of railway and industrial bonds declined. From a list of twenty-five most active issues only six advanced, the movement in most cases being fractional. Steel s. f. 5s advanced ½ a point while United Railroads of San Francisco 4s, International Mercantile Marine col. tr. 4½s cts. of dep., Norfolk & Western con. 4s and Union Pacific 3s were among the advances. Chicago Rock Island & Pacific deb. 5s reversing their movement of last week, moved up from 57¼ to 58½, falling away at the close, however, to 56¾. New York Central deb. 5s, on the other hand, fell off from 112½ to 111¼.

Among the Government issues, interest was divided between the Anglo-French 5s, American Securities 5s, the Dominion of Canada issues and the new loan by the British Government, offered to the public last Wednesday. Sales of these securities amounting to \$827,000 have been recorded on the "curb" with prices ranging from 98½ to 99½ for the week. New York City bonds were in good demand, but transactions in State issues have been nil.

Sales on a s-20-f basis, indicating presumably sales on foreign account have increased slightly, being \$37,000, as against \$26,000 a week ago.

United States Bonds.—Sales of Government bonds at the Board, are limited to \$1,000 2s, reg. at 99; \$1,000 2s coup. at 100 and \$10,000 4s reg. at 111. For to-day's prices of all the different issues and for the week's range see third page following.

Railroad and Miscellaneous Stocks.—Various depressing influences, such as the danger of a general strike of rail-

road employees and unfavorable Government reports concerning the cotton crop, have had surprisingly little influence on Stock Exchange activities. The entrance of Rumania into the great European conflict in connection with the Allied forces was another factor of great general importance that, apparently, failed to have any effect upon the value of securities. The general trend, for the first few days of the week, was toward lower values, but a sharp reaction on Thursday, amounting to two or three points in a number of issues, made the closing figures, for the most part, only fractionally below those of a week ago. Canadian Pacific closed 2 points lower than last Friday and Chicago Milwaukee & St. Paul and Rock Island declined fractionally. Aetna fell away to 102½, advanced to 103, but closed at 102½, while most of the other railway issues acted in the same way. The copper stocks closed strong in response to enlarged dividend declarations by some of the companies and other industrials were similarly effected. Steel, after selling from 97½ to 95½, gained back on Thursday to 98½, the final figure being 95½, while the high, low and last prices for Lackawanna Steel, Baldwin Locomotive, Industrial Alcohol, Studebaker and American Beet Sugar were 77¼-75-76; 80¼-76¼-76¾; 113-109-109¼; 126½-120¼-120¼ and 89-85¼-87¾. Cuba Cane Sugar, Inspiration Copper and Mercantile Marine common and preferred, showed net gains for the week of from ¼ to 6¾ points.

For daily volume of business see page 833. The following sales have occurred this week of shares not represented in our detailed list on the pages which follow:

STOCKS. Week ending Sept. 1.	Sales for Week.	Range for Week.		Range since Jan. 1.	
		Lowest.	Highest.	Lowest.	Highest.
Acme Tea tem cts. 100	1,500	53¼ Aug 26	55 Aug 29	51 Aug 29	52¾ July
1st pref tem cts. 100	200	93¼ Aug 31	95 Aug 31	93¼ Aug 31	97½ June
Adams Express 100	400	135 Aug 30	135 Aug 30	132¼ Mar 15	154¾ Jan
Ajax Rubber 50	500	264¼ Sept 1	66¾ Aug 30	63 July 6	65¾ Aug
Am Br S & F pt cts. 100	252	197 Aug 30	198 Aug 30	165 Feb 18	165 July
Am Writ Paper pref. 100	1,300	26¼ Sept 1	27½ Aug 28	11 Jan 29	2½ July
Associated Oil 100	900	67 Aug 30	70 Aug 28	62 Jan 7	77 Jan
Batopilas Mining 20	200	1¼ Aug 30	1¼ Aug 30	1¾ June 3	¾ Jan
Brown Shoe 100	150	60½ Aug 29	60½ Aug 29	50½ Jan 6	1½ Aug
Preferred 100	100	99 Aug 29	99 Aug 29	95¼ Jan 10	102 May
Burns Brothers 100	1,100	75¼ Aug 26	79¼ Aug 30	66 Aug 8	77 Jan
Butterick 100	200	29 Aug 30	29 Aug 30	28 Apr 31	31 Jan
Cent & So Am Teleg. 100	18	136 Aug 28	136 Aug 28	134 July 14	141½ June
Cluett, Peabody & Co 100	800	69¾ Aug 31	71 Aug 28	68 Apr 7	76 Jan
Preferred 100	100	108 Aug 31	108 Aug 31	108 June 12	112 Jan
Compu-Tab-Record 100	100	44¼ Aug 28	44¼ Aug 28	40¾ July 5	52¾ Jan
Cons CTRP (Balt) 100	100	11¼ Sept 1	11¼ Sept 1	10¾ Mar 15	115½ June
Deere & Co. pref. 100	100	90 Sept 1	90 Sept 1	83 May 9	98¾ Feb
Detroit Edison 100	90	140 Aug 26	140 Aug 26	131 Mar 14	141½ Jan
Detroit United 100	300	115 Aug 31	115 Aug 31	70 Jan 19	119 Aug
Diamond Match 100	300	118½ Aug 31	119 Aug 30	102¼ Mar 19	119 Aug
Electric Star Battery 100	400	63 Aug 30	66 Aug 29	58 Apr 6	68¾ Aug
Gulf States St'l r cts 100	510	73 Aug 30	76¼ Sept 1	71 May 90	90 June
2d pref trust cts. 100	300	81 Aug 31	84¾ Sept 1	72 May 90	90 June
Helme (G W) pref. 100	100	117 Aug 31	117 Aug 31	117 Aug 19	119 Mar
Int Harvester Corp. 100	100	78 Aug 28	78 Aug 28	63½ Mar 8	84½ May
Preferred 100	225	108 Aug 30	108 Aug 30	104½ Apr 10	109 June
Kayser (Julius) & Co. 100	400	97¾ Aug 31	98 Aug 31	80¼ Mar 10	100 June
1st preferred 100	100	116½ Sept 1	116½ Sept 1	111¼ Jan 18	118 Aug
Kings Co Elec L & P 100	67	127 Sept 1	127 Sept 1	126¾ May 13	131 Feb
Laclede Gas 100	200	105 Aug 29	105¾ Aug 31	103½ Mar 10	107½ Feb
Mackay Companies 100	200	85¾ Aug 26	85¾ Aug 26	78 Apr 9	91 Feb
Preferred 100	200	67½ Aug 29	67½ Aug 31	65½ Jan 6	68¾ June
Manhat Shirt pref. 100	100	113 Aug 29	113 Aug 29	109 Jan 18	118 May
May Dept Stores 100	300	60½ Aug 29	61 Aug 31	50½ Jan 6	68¾ May
Morris & Essex 50	200	80½ Aug 31	81 Aug 30	80½ Aug 8	83½ Apr
Natl Cloak & Suit 100	600	75¼ Aug 30	76¾ Aug 30	71 Mar 31	81½ Jan
Preferred 100	440	109 Aug 26	109 Aug 31	106 May 11	113 Feb
N Y Chic & St Louis 100	100	35¼ Aug 30	35¼ Aug 30	33 Apr 4	45 Jan
Norfolk Southern 100	300	23 Aug 28	23 Aug 31	20 Apr 27	27 Jan
Pac Mail SS pref subs 100	200	95 Aug 31	95 Aug 31	90 June 9	95¼ July
Pacific Tel & Tel 100	100	35 Aug 29	35 Aug 29	32¼ Apr 4	44 Jan
Peoria & Eastern 100	100	9 Sept 1	9 Sept 1	8 Mar 15	14 June
Pittsb Coal cts dep 100	1,500	26 Aug 28	27 Aug 30	25¼ July 29	29 June
Pref cts of dep 100	500	100¾ Sept 1	100¾ Sept 1	100¼ Aug 10	103 Aug
Pittsb Steel pref. 100	320	98 Sept 1	98¾ Aug 31	93½ Feb 10	100½ Jan
Tobacco Products 100	2,200	45¼ Aug 29	47 Aug 28	45¼ Aug 4	47 Aug
Preferred 100	100	101¼ Aug 29	101¼ Aug 29	99 July 10	103 Mar
Tol St L & W pt r cts 100	100	9½ Sept 1	9½ Sept 1	8 Feb 11	11 May
Underw'd Typewr 100	200	100 Aug 31	101 Aug 28	86 Jan 10	105 May
Preferred 100	100	117 Aug 29	117 Aug 29	110 Jan 18	118 Aug
U S Reduc & Refin. 100	100	1¼ Aug 28	1¼ Aug 28	1 June 3	¾ Jan
Virginia Ry & Power 100	100	47 Aug 31	47 Aug 31	45½ Aug 4	45½ Jan
Wells, Fargo Express 100	310	124 Aug 30	125 Aug 29	123½ May 15	135 Jan
Weyman-Bruton 100	100	265 Aug 31	265 Aug 31	225 Mar 26	265 Aug
Preferred 100	100	115 Sept 1	115 Sept 1	111 Jan 11	118 May
Worth n P & M vtc. 100	2,400	30¼ Aug 31	32¼ Aug 29	25 July 32	3½ Aug
Preferred A vtc. 100	213	96½ Aug 31	97 Sept 1	95 July 9	98½ Aug
Preferred B vtc. 100	900	60 Sept 1	60¾ Aug 29	52¾ July 6	60¾ Aug

Outside Securities.—Sales of securities on the Broad Street "Curb" have been larger than those recorded last week, prices having as a whole declined, in some cases, sharply. Aetna Explosives fell away from 12¼ to 10¾, while Chevrolet Motors dropped from 200 to 186½, the final figure, however, being 192. Driggs-Seabury, by far the most spectacular, declined from 98 to 65, the last price being 75, but Haskell & Barker Car Co. advanced from 37 to 38, the last quotation being 37¾. Kathodian Bronze pref. lost 4 points and Maxwell Motors and Midvale Steel lost 1 and 2½ points, respectively. Saxon Motors declined from 73 to 71½, while the high, low and last prices for Stutz Motors, Submarine Boat, United Motors and White Motors were 67½-64-67½, 35-33½-34½, 63½-57½-58¾ and 54-52½-53.

Standard Oil securities were inactive. Atlantic Refining Co. fluctuated between 800 and 750, while Prairie Pipe Line and Standard Oil of New York varied between 242-245 and 209-211, respectively. The other oil stocks, most of which sell at cents a share, were fairly firm and active.

Among the bonds traded in at the "curb" were \$827,000 British 5s at 98¾ to 99½, \$551,000 Russian Government 6½s at 100¼ to 101¾, and \$51,000 Cosden Oil 6s at 100½ to 102.

A complete record of "curb" transactions for the week will be found on page 833.

For record of sales during the week of stocks usually inactive, see second page preceding.

Main table with columns: HIGH AND LOW SALE PRICES—PER SHARE, NOT PER CENT. (Saturday Aug. 26, Monday Aug. 28, Tuesday Aug. 29, Wednesday Aug. 30, Thursday Aug. 31, Friday Sept 1); SELLERS FOR THE WEEK; STOCKS NEW YORK STOCK EXCHANGE (Industrial & Misc. (Con.) Par); PER SHARE Range Since Jan. 1 On basis of 100-share lots (Lowest, Highest); PER SHARE Range for Previous Year 1915 (Lowest, Highest). Rows list various stocks like Baldwin Locomotive, Bethlehem Steel, etc.

* Bid and asked prices; no sales on this day. g Less than 100 shares. † Ex-rights. a Ex-div. and rights. b New stock. c Par \$25 per share. \$ Ex-stock dividend. z Ex-dividend. n Par \$100 per share.

New York Stock Exchange—Bond Record, Friday, Weekly and Yearly 827

In Jan. 1909 the Exchange method of quoting bonds was changed, and prices are now all "and interest"—except for income and defaulted bonds.

Main table containing two columns of bond data. Each column lists bond types, denominations, and prices under various headings like 'BONDS N. Y. STOCK EXCHANGE' and 'BONDS N. Y. STOCK EXCHANGE'. Includes columns for 'Interest Period', 'Price Friday', 'Week's Range or Last Sale', 'Bonds Sold', and 'Range Since Jan. 1'.

* No price Friday; latest this week. d Due April. e Due May. g Due June. h Due July. k Due Aug. o Due Oct. p Due Nov. q Due Dec. s Option sale

N. Y. STOCK EXCHANGE											BONDS												
Week Ending Sept. 1.											Week Ending Sept. 1.												
		Interest Period		Price Friday Sept. 1		Week's Range or Last Sale		Bonds Sold		Range Since Jan. 1				Interest Period		Price Friday Sept. 1		Week's Range or Last Sale		Bonds Sold		Range Since Jan. 1	
		Bid	Ask	Low	High	No.	Low	High		Low	High			Bid	Ask	Low	High	No.	Low	High		Low	High
<p>Delaware & Hudson (Cont)— 1st incl equip g 4 1/2s. 1922 J - J 100 1/2 101 1/4 1st & ref 4s. 1943 M - N 97 1/2 98 1/2 20-year conv 5s. 1935 A - O 105 1/2 105 7/8 Alb & Susq conv 3 1/2s. 1946 A - O 86 87 1/4 Renss & Saratoga 1st 7s. 1921 M - N 112 1/8 Deny & R Gr 1st con g 4s. 1936 J - J 77 1/2 78 Consol gold 4 1/2s. 1936 J - J 83 83 3/4 Improvement gold 5s. 1928 F - A 60 1/2 61 1/2 1st & refunding 5s. 1955 F - A 87 1/2 95 Rio Gr June 1st gu g 5s. 1939 J - D 34 1/2 Rio Gr Sou 1st gold 4s. 1940 J - J 34 1/2 Guaranteed. 1940 J - J 73 74 3/4 Rio Gr West 1st g 4s. 1939 J - J 62 64 Mtge & coll trust 4s. 1949 A - O 94 Utah Cent 1st gu g 4s. 1917 A - O 99 Des Moines Un Ry 1st g 5s. 1917 M - N 77 85 Det & Mack—1st lien g 4s. 1995 J - D 75 80 Det 4s. 1995 J - D 90 92 Gold Ry Tun—Ter Tun 4 1/2s 1961 M - N 103 1/2 Dul Missabe & Nor gen 5s. 1941 A - O 100 1/2 Dul & Iron Range 1st 5s. 1937 A - O 102 1/2 Registered. 1937 J - J 92 93 Dul So Short 1st 5s. 1937 M - N 102 Elgin Joliet & East 1st g 5s. 1941 J - J 103 1/2 Erie 1st consol gold 7s. 1920 M - N 95 3/4 N Y & Erie 1st con g 4s. 1947 M - N 102 2d ext gold 5s. 1919 M - S 100 3d ext gold 4 1/2s. 1923 M - S 101 1/2 4th ext gold 5s. 1920 J - D 92 5th ext gold 4s. 1928 M - S 103 1/2 N Y L E & W 1st g f 7s. 1920 J - J 82 1/2 Erie 1st con g 4s prior. 1936 J - J 84 Registered. 1936 J - J 70 71 1st consol gen lien g 4s. 1996 J - J 70 Registered. 1996 J - J 89 Penn coll trust gold 4s. 1951 A - O 69 1/2 50-year conv 4s Series A. 1953 A - O 72 1/2 do Series B. 1953 A - O 84 1/2 Gen conv 4s Series D. 1952 M - N 103 1/2 Chic & Erie 1st gold 5s. 1932 M - N 123 1/2 Clev & Mahon Vall g 6s. 1938 A - O 101 1/2 Long Dock consol g 6s. 1935 M - N 106 Coal & RR 1st cur g 6s. 1923 J - J 106 Doek & Imy 1st ext 5s. 1943 M - N 103 1/2 N Y & Green L g g 5s. 1946 J - J 97 N Y Susq & W 1st ref 5s. 1937 J - A 77 2d gold 4 1/2s. 1937 F - A 105 1/2 General gold 5s. 1940 M - N 104 Terminal 1st gold 5s. 1943 A - O 82 Mid of N J 1st ext 5s. 1940 J - J 82 Wilk & Eas 1st gu g 5s. 1942 J - J 100 Ev & Ind 1st con gu g 6s. 1926 J - J 102 Evansy & T H 1st cons 6s. 1921 A - O 53 1st general gold 5s. 1949 A - O 92 Mt Vernon 1st gold 6s. 1923 A - O 92 Sull Co Branch 1st g 5s. 1930 J - D 93 Florida E Coast 1st 4 1/2s. 1959 J - J 66 1/2 Fort St U D Co 1st g 4 1/2s. 1941 J - J 98 Ft W & Rio Gr 1st g 4s. 1928 J - J 98 Great Northern— C B & Q coll trust 4s. 1921 J - J 97 Registered h. 1921 J - J 98 1st & ref 4 1/2s Series A. 1961 J - J 96 Registered. 1961 J - J 96 St Paul M Man 4s. 1935 J - J 119 1/2 1st consol gold 6s. 1933 J - J 102 1/2 Registered. 1933 J - J 102 1/2 Reduced to gold 4 1/2s. 1933 J - J 95 1/2 Mont ext 1st gold 4s. 1937 J - D 85 1/2 Registered. 1937 J - D 85 1/2 Pacific ext guar 4s £. 1940 A - O 92 1/2 E Minn Nor Div 1st g 4s. 1948 J - J 108 1/2 Minn Union 1st g 6s. 1932 J - J 123 1/2 Mont C 1st gu g 6s. 1937 J - J 109 1/4 Registered. 1937 J - J 109 1/4 1st guar gold 5s. 1937 J - J 109 1/4 Registered. 1937 J - J 109 1/4 Will & S F 1st gold 5s. 1938 J - D 70 Green Bay & W deb cts "A". Feb 70 Debenture cts "B". Feb 88 Gulf & S I 1st ref & t g 5s. 1915 J - J 80 1/2 Hocking Vall 1st cons g 4 1/2s. 1999 J - J 88 Registered. 1999 J - J 88 Col & H V 1st ext g 4s. 1948 F - A 88 1/2 Col & Tol 1st ext 4s. 1935 F - A 87 Houston Belt & Term 1st 5s. 1937 J - J 87 I Incls Central 1st gold 4s. 1951 J - J 84 1/2 Registered. 1951 J - J 84 1/2 1st gold 3 1/2s. 1951 J - J 83 1/2 Extended 1st gold 3 1/2s. 1951 A - O 83 1/2 Registered. 1951 A - O 83 1/2 1st gold 3s sterling. 1951 M - S 80 Registered. 1951 M - S 80 Coll trust gold 4s. 1952 A - O 88 Registered. 1952 A - O 88 1st refunding 4s. 1955 M - N 89 3/4 Purchased lines 3 1/2s. 1952 J - J 80 L N O & Texas gold 4s. 1953 M - N 85 1/2 Registered. 1953 M - N 85 1/2 Cairo Bridge gold 4s. 1950 J - D 89 Litchfield Div 1st g 4s. 1951 J - J 80 Louisville Div & Term g 3 1/2s. 1953 J - J 83 Registered. 1953 J - J 83 Middle Div 1st 5s. 1952 F - A 101 Omaha Div 1st gold 3s. 1951 F - A 66 1/2 St Louis Div & Term g 3s. 1951 J - J 76 Gold 3 1/2s. 1951 J - J 79 Registered. 1951 J - J 79 Spring Div 1st g 3 1/2s. 1951 J - J 79 Western lines 1st g 4s. 1951 F - A 89 1/2 Registered. 1951 F - A 89 1/2 Bellev & Car 1st 6s. 1923 M - S 86 Carb & Shaw 1st gold 4s. 1932 J - D 106 3/4 Chic St L & N O gold 6s. 1951 J - D 105 Registered. 1951 J - D 105 Gold 3 1/2s. 1951 J - D 83 Registered. 1951 J - D 83 Joint 1st ref 5s Series A. 1963 J - D 100 1/2 Memph Div 1st g 4s. 1951 J - D 90 Registered. 1951 J - D 87 1/2 St Louis Sou 1st gu g 4s. 1931 M - S 88 1/2 Ind Ill & Iowa 1st g 4s. 1950 J - D 88 1/2 Int & Great Nor 1st g 6s. 1919 M - N 95 1/2 James Frank & Clear 1st 4s. 1950 J - J 84 Kansas City Sou 1st gold 3s. 1950 A - O 67 1/2 Registered. 1950 A - O 67 1/2 Ref & Imp 5s. Apr 1950 J - J 89 3/4 Kansas City Term 1st 4s. 1960 J - J 87 1/2 Lake Erie & West 1st g 5s. 1937 J - J 98 1/2 2d gold 5s. 1941 J - J 81 North Ohio 1st guar g 5s. 1945 A - O 72 Leh Vall N Y 1st gu g 4 1/2s. 1940 J - J 100 1/2 Registered. 1940 J - J 100 1/2 Lehigh Vall (Pa) cons g 4s. 2003 M - N 99 1/4 General cons 4 1/2s. 2003 M - N 99 1/4 Leh V Term Ry 1st gu g 5s. 1941 A - O 112 1/2 Registered. 1941 A - O 112 1/2</p>																							

* No price Friday; latest bid asked this week. a Due Jan. b Due Feb. c Due April. d Due May. e Due June. f Due July. g Due Aug. h Due Oct. i Due Nov. s Option sale.

Main table with columns: N. Y. STOCK EXCHANGE, Week Ending Sept. 1, Interest Period, Price Friday Sept. 1, Ask, Low, High, Bonds Sold, Range Since Jan. 1, etc. It contains two large sections of bond listings.

* No price Friday; latest bid and asked. a Due Jan. b Due Feb. c Due May. d Due June. e Due July. f Due Aug. g Due Oct. h Due Nov. i Due Dec.

Table with columns for Bond Type (e.g., N.Y. Stock Exchange, Bonds), Price (Friday Sept. 1), Week's Range or Last Sale, Range Since Jan. 1, and various other bond identifiers.

* No price Friday; latest bid and asked. † Due Jan. ‡ Due Apr. § Due May ¶ Due June. †† Due July. ‡‡ Due Aug. §§ Due Oct. ¶¶ Due Nov. §§ Due Dec. ††††† Option Sale

SHARE PRICES—NOT PER CENTUM PRICES.

Sales of the Week Shares

STOCKS BOSTON STOCK EXCHANGE

Range Since Jan. 1

Range for Previous Year 1915

Main table containing stock prices for various companies like Atch Topeka & Santa Fe, Boston & Albany, Boston Elevated, etc. Columns include date, price, and range.

* Bid and asked prices. a Ex-dividend and rights. b Ex-stock dividend. c Assessment paid. d Ex-rights. e Ex-dividend. f Ex Tamarack stock. g Half-paid.

Outside Stock Exchanges

Boston Bond Record.—Transactions in bonds at Boston Stock Exchange Aug. 26 to Sept. 1, both inclusive:

Table with columns: Bonds, Friday Last Sale Price, Week's Range of Prices (Low, High), Sales for Week, Range since Jan. 1 (Low, High). Includes entries like Alaska Gold denon 6s, Amer Agric Chem 5s, etc.

Chicago Stock Exchange.—Complete record of transactions at Chicago Stock Exchange from Aug. 26 to Sept. 1, both inclusive, compiled from the official sales lists, is as follows:

Table with columns: Stocks, Par, Friday Last Sale Price, Week's Range of Prices (Low, High), Sales for Week Shares, Range since Jan. 1 (Low, High). Includes entries like American Radiator, Amer Shipbuilding, Booth Fisheries, etc.

z Ex-dividend.

Pittsburgh Stock Exchange.—The complete record of transactions at the Pittsburgh Stock Exchange from Aug. 26 to Sept. 1, both inclusive, compiled from the official sales lists, is given below. Prices for stocks are all dollars per share, not per cent. For bonds the quotations are per cent of par value.

Table with columns: Stocks, Par, Friday Last Sale Price, Week's Range of Prices (Low, High), Sales for Week Shares, Range since Jan. 1 (Low, High). Includes entries like Amer Wind Glass Mach 100, Amer Wind Glass pref 100, Caney River Gas, etc.

Baltimore Stock Exchange.—Complete record of the transactions at the Baltimore Stock Exchange from Aug. 26 to Sept. 1, both inclusive, compiled from the official sales lists, is given below. Prices for stocks are all dollars per share, not per cent. For bonds the quotations are per cent of par value.

Table with columns: Stocks, Par, Friday Last Sale Price, Week's Range of Prices (Low, High), Sales for Week Shares, Range since Jan. 1 (Low, High). Includes entries like Arundel Sand & Gravel 100, Balt Electric pref, Baltimore Tube, etc.

Philadelphia Stock Exchange.—The complete record of transactions at the Philadelphia Stock Exchange from Aug. 26 to Sept. 1, both inclusive, compiled from the official sales lists, is given below. Prices for stocks are all dollars per share, not per cent. For bonds the quotations are per cent of par value.

Table with columns: Stocks, Par, Friday Last Sale Price, Week's Range of Prices (Low, High), Sales for Week Shares, Range since Jan. 1 (Low, High). Includes entries like American Rys, pref, Baldwin Locomotive, Buff & Susq Corp v t e, etc.

Table with columns: Friday Last Sale Price, Week's Range of Prices, Sales for Week, Range since Jan. 1. Includes Bonds (Concluded) and Ex-dividend.

Table with columns: Friday Last Sale Price, Week's Range of Prices, Sales for Week, Range since Jan. 1. Includes Stocks (Concluded) and Rights.

Volume of Business at Stock Exchanges

TRANSACTIONS AT THE NEW YORK STOCK EXCHANGE DAILY, WEEKLY AND YEARLY.

Table showing transactions at the New York Stock Exchange: Week ending Sept. 1 1916, Stocks, Railroad, State, Mun. & Foreign, U. S. Bonds.

Table showing sales at the New York Stock Exchange: Week ending Sept. 1, 1916, 1915, Jan. 1 to Sept. 1, 1916, 1915.

DAILY TRANSACTIONS AT THE BOSTON, PHILADELPHIA AND BALTIMORE EXCHANGES.

Table showing daily transactions at the Boston, Philadelphia, and Baltimore exchanges: Week ending Sept. 1 1916, Boston, Philadelphia, Baltimore.

New York "Curb" Market.—Below we give a record of the transactions in the outside security market from Aug. 26 to Sept. 1, both inclusive. It covers all the sales for the week ending Friday afternoon.

Large table showing transactions in the New York "Curb" market: Week ending Sept. 1, Stocks, Range since Jan. 1.

Table showing Former Standard Oil Subsidiaries: Anglo-American Oil, Atlantic Refining, etc.

Table showing Other Oil Stocks: Alberta Petrol., Barnett Oil & Gas, etc.

Table showing Mining Stocks: Alaska-Brit Col Metals, Alaska Westover Copr., etc.

Table showing various stocks: Aetna Explos., Amer Druglist Synd., etc.

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 Includes Cleveland Lorain & Wheeling Ry. b Includes Evansville & Terre Haute. c Includes Mason City & Fort Dodge and the Wisconsin Minnesota & Pacific. d Includes not only operating revenue, but also all other receipts. e Does not include earnings of Colorado Springs & Cripple Creek District Ry. f Includes Louisville & Atlantic and the Frankfort & Cincinnati. g Includes the Texas Central and the Wichita Falls lines. h Includes the St. Louis Iron Mountain & Southern. j Includes the Lake Shore & Michigan Southern Ry., Chicago Indiana & Southern RR, and Dunkirk Allegheny Valley & Pittsburgh RR. n Includes the Northern Ohio RR. p Includes the Northern Central. * 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 August. The table covers 35 roads and shows 23.62% increase in the aggregate over the same week last year.

Table with columns: Third Week of August, 1916, 1915, Increase, Decrease. Lists 35 roads and their earnings for both years, along with percentage changes.

Net Earnings Monthly to Latest Dates.—The table follows shows the gross and net earnings with charges and surplus of STEAM railroads and industrial companies reported this week:

Table with columns: Roads, Gross Earnings (Current, Previous Year), Net Earnings (Current, Previous Year), Total Oper. Revenue, Total Oper. Expenses, Net Rev. from Oper., Net Inc. after Chgs. Lists monthly earnings for various railroads and industrial companies.

Table with columns: Gross Earnings, Net, after Taxes, &c., Other Income, Gross Income, Fixed Charges, Balance, Surplus. Contains detailed financial data for various railroads and industrial companies.

INDUSTRIAL COMPANIES.

Table with columns: Companies, Gross Earnings (Current, Previous Year), Net Earnings (Current, Previous Year), Fixed Charges, Balance, Surplus. Lists earnings for industrial companies like New York Telephone, Abington & Rockland Elec, etc.

Table with 5 columns: Company Name, Gross Earnings, Net after Taxes, Fixed Charges, Balance Surplus. Includes Houghton Co El Lt, Lowell Elec Lt Corp, Miss River Power, etc.

Electric Railway Net Earnings.—The following table gives the returns of ELECTRIC railway gross and net earnings with charges and surplus reported this week:

Table with 5 columns: Road, Gross Earnings, Net after Taxes, Fixed Charges, Balance Surplus. Includes Brazilian Trac Lt & P, Illinois Traction, Toronto Railway, etc.

ELECTRIC RAILWAY AND TRACTION COMPANIES.

Large table with 6 columns: Name of Road, Latest Gross Earnings (Current Year, Previous Year), Jan. 1 to latest date (Current Year, Previous Year). Lists numerous companies like Atlantic Shore Ry, Keokuk Elec Co, etc.

b Represents income from all sources. c These figures are for consolidated company. f Earnings now given in milreis. g Includes constituent companies. c Milreis. z After allowing for other income received.

EXPRESS COMPANIES.

Table with columns for American Express Co. and Northern Express Co. showing financial data for 1916, 1915, and 1914, including revenue, expenses, and operating income.

Summary table for Express Companies comparing 1915-16, 1914-15, and 1913-14, showing total revenue, dividends, and remainder.

* Items so marked cover a period of six months only. a After deducting the quarterly dividend paid Oct. 1 1914, \$1,950,000, against \$1,500,000 Oct. 1 1913. b Includes hotels, g Incl. the quar. div. payable Oct. 1 1915 and 1914, respectively, \$1,950,000.

BALANCE SHEET JUNE 30 (SEE TEXT ON SUBSEQUENT PAGE).

Balance Sheet for June 30, 1916, 1915, and 1914, detailing assets (Railway, Rolling stock, etc.) and liabilities (Common stock, Preference stock, etc.).

Total liabilities-----960,217,058 931,853,369 933,720,871
d Consists of (1) active assets (total, \$4,797,369), viz., Stocks, \$2,442,619, and colleries in Alberta and British Columbia, and interest in other producing coal mines, \$2,500,000; and (2) inactive assets (\$122,186,517), consisting mostly of unsold lands. q Also includes in 1916 reserve for contingent war taxes.—V. 103, p. 753.

ANNUAL REPORTS

Annual Reports.—An index to annual reports of steam railroads, street railways and miscellaneous companies which have been published during the preceding month will be given on the last Saturday of each month. This index will not include reports in the issue of the "Chronicle" in which it is published. The latest index will be found in the issue of July 29. The next will appear in that of Aug. 26.

Canadian Pacific Railway.

(Report for Fiscal Year ending June 30 1916.)

The remarks of Rt. Hon. Lord Shaughnessy, President and Chairman of the company, will be found on subsequent pages.

OPERATIONS AND FISCAL RESULTS.

Large table showing operations and fiscal results for 1915-16, 1914-15, 1913-14, and 1912-13, including miles operated, passenger mileage, earnings, and expenses.

x This is the miles operated at the close of year on which operations given are based. y Also 3% extra yearly (3/4% quar.) paid from special income. z Includes net earnings of Pacific Coast steamships, commercial telegraph and news department transferred to special income account.

DETAILS OF SPECIAL INCOME FOR YEARS ENDING JUNE 30

Table detailing special income for years ending June 30, 1915-16, 1914-15, 1913-14, and 1912-13, listing various sources like interest received, proceeds from land sales, and dividends.

Fonda Johnstown & Gloversville R.R.

(46th Annual Report—Year ended June 30 1916.)

Pres. J. Ledlie Hees, Gloversville, N. Y., says in substance:

Results.—The general resumption in business in the cities and towns served by your road was not substantially reflected in its earnings until Dec. 1, and during the remaining seven months of the year an increase in gross was shown of \$79,249, equal to about 17% for that period. Freight revenues were the largest in the history of the company, showing an increase over last year of \$37,213, of which \$7,333 represented the increase in coal traffic and \$29,875 in merchandise freight. All commodities showed an increase in tonnage, particularly bituminous coal and hides and leather. The increase in passenger revenues (electric) amounted to \$49,728, that division carrying 6,586,931 passengers. During the last seven months of the year, however, more passengers were carried than during the same months of any previous year. The passenger revenues (steam) decreased \$3,098, due principally to weather conditions and poor excursion business to Sacandaga during July and August of last year. Ticket sales to other points on the steam division increased for the year.

Additions and Betterments.—During the year \$50,615 was expended on road and equipment.

Balance Sheet.—No securities have been issued and sold since 1911 and all additions to property since then, amounting to \$256,577, which amount is subject to capitalization, have been financed from surplus earnings and temporary loans.

The treasury has not yet received payment for its advances and loans to the Edison Electric Light & Power Co., aggregating about \$300,000, but the Pub. Serv. Comm. recently gave its consent for the issue of capitalization to the latter company for the purpose of funding its indebtedness and through the sale of its authorized securities the railroad will be reimbursed and placed in a position to retire its loans. The Edison company, at the capital stock of which is owned by the railroad company, continues to show largely increased earnings, and on Aug. 1 of the current year was awarded a new ten-year contract for lighting Amsterdam at satisfactory rates.

Outlook.—The development of the manufacture of glove leathers in Gloversville and Johnstown, referred to in last year's report, which previous to the war was largely a German enterprise, has added much to the industrial activity and prosperity of both cities. It has resulted in the construction of new plants, many additions to old ones, and has grown into a large and successful manufacturing enterprise.

This new industry and the glove and other industrial plants, all in more active operation than ever before, should give largely increased earnings to this company for the current year.

The present prosperity, however, of these industries and all wage-earners is due mainly to the war and a discontinuance of importations. This condition can be continued and made permanent only through a new tariff giving proper protection to local and other industries.

INCOME ACCOUNT FOR YEARS ENDING JUNE 30.

Income Account for years ending June 30, 1915-16, 1914-15, 1913-14, and 1912-13, showing freight revenue, passenger revenue, and other income.

CONDENSED GENERAL BALANCE SHEET JUNE 30.

Table with columns for Assets and Liabilities for 1916 and 1915. Assets include Road & equip't, Invest. in affil. cos., Physical property, Cash, Agents, Loans & bills rec., Miscell. accounts, Materials & supp., Deferred assets, Unadjusted assets. Liabilities include Common stock, Preferred stock, Funded debt, Loans & bills pay., Traffic balances, Vouchers & wages, Mat. Int., divs., &c., Depreciation, Unadj. accts., &c., Profit and loss.

* After deducting miscellaneous adjustments, \$159.—V. 103, p. 758.

United Railways Company of St. Louis.

(Semi-Annual Report—6 Mos. ended June 30 1916.)

Pres. Richard McCulloch, St. Louis, July 15, says in subst.:

Results.—The gross earnings from operation for the 6 months ending June 30 1916 increased \$448,902, or 7.79%, compared with the corresponding period last year. Total operating expenses, including depreciation, increased \$137,036, or 3.4%. The income from operation, after deducting total operating expenses and taxes, increased \$287,242, or 19.46%, and the gross income increased \$269,368, or 18.95%. Fixed charges decreased \$23,479, or 1.8%, due to the retirement of Southern Railways Co. 6% bonds May 1 1915.

Capital Expenditures.—For the six months ended June 30 1916 there was charged to capital account the sum of \$91,513.

Refunding of Bonds.—On May 8 1916 the \$1,000,000 6% bonds of the St. Louis & Meramec River R.R. matured and were paid off in cash. A corresponding amount of the 5% bonds of the St. Louis & Meramec River General Mortgage were issued and placed in the treasury of the United Railways Co., reducing the fixed charges \$10,000 per year. On Aug. 1 the 5% bonds of the Southern Electric RR., amounting to \$200,000, will mature. These bonds will be paid off in cash and a corresponding amount of the 4% bonds of the United Railways Co. will be issued and placed in the treasury of the United Railways Co., reducing fixed charges \$2,000 p.a.

Power.—At the present time power for the operation of the United Railways Co. is obtained from: (1) Water power purchased; (2) Union Electric power purchased, and (3) power produced in the plants of the United Railways Co. located at (a) Park and Vandeventer Aves., capacity 12,000 kilowatts, and (b) Broadway and Salisbury Sts., capacity 8,400 kilowatts. The plants of the United Railways Co. are run chiefly as peak plants.

Power Statistics.—The average distribution of power on a kilowatt hour basis for the 6 months of 1916 was as follows: From the Electric Co. of Mo. (water power), 58.1%; Union Electric Light & Power Co., 31.6%, and United Railways plants, 10.3%.

Reduction in Price of Purchased Power.—By negotiation with the Electric Co. of Mo., a reduction of 10% has been obtained in the price paid for water power, this reduction being effective Jan. 1 1916. This reduces the price for 30,000 h. p. on peak to 0.577c. per k. w. h., which is the lowest price paid for power by any large street railway company under similar conditions.

The cost of purchased power has been steadily reduced yearly and the average price of 0.669c. per k. w. h. paid for all purchased power during the first six months of 1916 compares most favorably with the price at which power is purchased by street railway companies in other large cities.

Contract with Union Electric Light & Power Co.—The contract for steam power with this company expires in 1919. The amounts to be taken each year of the contract are as follows: 1916, 15,000 k. w.; 1917, 12,000 k. w.; 1918, 10,000 k. w., and 1919, 5,000 k. w. After the present year the amounts are comparatively small and the contract ceases to be an important factor in the cost of purchased power.

Future Power Requirements.—At the present time the peak of the load is about 55,000 k. w. A conservative estimate of the power required next year is 6% in excess of this peak, or a maximum of 58,500 k. w. The capacity of one of the company's plants is now being increased 1,200 k. w. by certain changes. Under the terms of the contract the power received from the Union El. Lt. & Power Co. decreases 3,000 k. w. on Jan. 1 1917.

Table with 2 columns: 1916, 1917. Rows include Peak, Water power supplied under contract, Steam power supplied under contract, Capacity of Railways plants, Reserve capacity, Deficit.

The contract with the Union Electric Light & Power Co. for steam power, which in 1916 calls for 15,000 k. w., expires Dec. 31 1919. By that time it is conservatively estimated that the gradual increase in service will cause an increase in load of 10,000 k. w. This amount, when added to the amount of power now being purchased from the Union Company, calls for facilities available in 1919 having 25,000 k. w. capacity. A power plant to furnish 25,000 k. w. at all times should have at least 35,000 k. w. capacity.

There are, therefore, two alternatives before the Railways Company: (1) The near construction of a new power plant with an original installation of 35,000 k. w. of machinery, requiring the expenditure of a large sum of money; and (2) a new contract with a power company for a gradually increasing supply of power as needed.

Mill Tax Litigation.—In 1903 the Municipal Assembly passed an ordinance requiring the United Railways Co. to pay the City of St. Louis, in addition to all of its other taxes, a tax of one mill per revenue passenger, which amounts to a tax of 2% upon the gross receipts of the company from travel originating in the city.

At the time this ordinance was passed and at the present time, the United Railways Co. was and is the largest taxpayer in Missouri. In 1915 we paid State, city, school, Government and franchise taxes amounting to \$749,833, representing 6.22% of gross receipts. In addition to this large sum, the company spends annually about \$250,000 in street paving between its rails. This sum represents a tax upon the company, because, although the Railways Co. pays for the cost and maintenance of the pavement, its vehicles are the only ones occupying the streets which do not use this pavement. If we add this sum of \$250,000 to the \$749,833 already paid in taxes, we find that the present tax upon the property is more than 8% of the gross receipts.

Based upon the present earnings of the United Railways Co., the mill tax amounts to about \$240,000 a year. If we should be required to pay this additional tax of \$240,000 a year, we would be paying considerably more than 10% of the gross receipts of the company in taxes. The case was tried in the United States Courts as a violation of the franchise contracts between the city and the United Railways Co. The United States Supreme Court decided against the company.

The city then brought suit in the local Circuit Court to enforce the payment of the tax. The Circuit Court decided in favor of the city. Upon appeal to the Missouri Supreme Court the question was decided in favor of the city. An appeal was taken by the company to the United States Supreme Court, and on May 4 1916 this Court refused to consider the case, as it decided that it had no jurisdiction. An application for rehearing made by this company was denied. The cases for which judgments were obtained by the city and affirmed by the Supreme Court were for taxes from 1903 to 1910, and amounted, with interest to date, to \$1,839,205, which was to be paid to the city on June 16 1916 (V. 103, p. 494). The taxes from 1910 to June 30 1916, with interest, amount to about \$1,500,000. No judgments have been obtained for these taxes, although suits have been filed by the city and will probably come up for trial in the fall.

Duration of Franchise.—In 1911 the franchise of the Jefferson Ave. line expired and the city of St. Louis brought quo warranto proceedings to determine by what right the United Railways Co. continued the operation of this line. The Railways Co. contended that its rights on Jefferson Ave. were extended to 1939 by the franchise of the St. Louis Transit Co. and to 1948 by the franchise of the Central Traction Co., both of which franchises belong to the United Railways Co. The case was tried in the Circuit Court and decided in favor of our company with respect to the St. Louis Transit Co. franchise. The case was then appealed by the City of St. Louis to the Missouri Supreme Court, where it is now pending.

Property.—From July 1 1910 to June 30 1916 there has been expended on the property of the United Railways Co.: In maintenance, \$9,912,347;

in reconstruction of property paid for out of depreciation reserve, \$5,371,880, and in construction and in betterment and improvements, \$1,528,020; a total of \$16,812,246. All of this sum has been paid out of the earnings of the property and none represents money obtained from new capital issues. This sum is 22.985% of the gross earnings during those years.

There has been expended during this time the sum of \$2,263,000 out of earnings to take up maturing bonds. This sum amounts to 3.094% of the gross earnings during this period.

Maturing Obligations.—Between June 30 1916 and Oct. 1924, the following bonds mature: Underlying bonds, \$9,948,000; St. Louis & Suburban Consolidated bonds, maturing in 1921, \$2,000,000; St. Louis & Suburban general bonds, maturing in 1923, \$5,500,000; and St. Louis Transit Co. bonds, maturing in 1924, \$10,000,000; total, \$27,448,000. For the last several years it has been possible, by using the earnings to retire some of the maturing bonds and provide for the necessary property requirements.

INCOME ACCOUNT FOR CALENDAR YEARS 1915 AND 1914 AND SIX MONTHS' PERIODS ENDING JUNE 30 1916 AND 1915.

Table with columns for 1916, 1915, and 1914. Rows include Revenue pass. carried, Transfer passengers, Transportation, Other than transport'n, Total oper. revenue, Operating expenses, Depreciation, Net earnings, Taxes, Net income, Other income, Gross income, Fixed chgs. & misc. int.

Table with columns for 1916, 1915, and 1914. Row: Balance, surplus.

GENERAL BALANCE SHEET JUNE 30 1916 AND DEC. 31 1915.

Table with columns for June 30 '16, Dec 31 '15, and 1915. Rows include Assets (Property, U.S.Gov 2% bds, Other stocks and bonds owned, Material & supplies, Cash, Cash for coupons, Notes & loans, &c., receivable, Miscellaneous, Special deposits) and Liabilities (Pref. shares issued, Com. shares issued, Funded debt, Loans & notes pay., Aud. vouch. &c., Int. due & accrued, Deprec. reserve., Inj. & dam. fund., Insurance fund., Miscell. accts., Profit & loss surp.).

b Includes taxes, \$444,174; miscellaneous, &c., reserves, \$1,082,428; unadjusted credits, \$122,531, and other sundry items aggregating \$156,300. c After making adjustments for the year, \$1,846,370.—V. 103, p. 494.

Brazilian Traction, Light & Power Company, Ltd. (Third Annual Report—Year ended Dec. 31 1915.)

Sec. J. M. Smith, Toronto, Aug. 3, wrote in substance:

Results.—Exchange.—While the combined earnings in Brazilian currency have fully realized our expectation, being considerably greater than in previous years, the result is not so satisfactory in Canadian currency. For some years prior to the outbreak of the European war the value of the milreis per eight bills on London was about 16 pence. During the latter part of 1914 the average value fell to approximately 13 pence, and in 1915 to an average of about 12 1/2 pence. Converting the earnings during 1915 at the average rates prevailing prior to the war, the net revenue, in Canadian currency, as shown below would be increased by over \$5,000,000.

Although rigid economies have been effected, the cost of operation and maintenance has been adversely influenced by the rise in the price of materials, and by the enormous advance in ocean freights. This advance has particularly affected the earnings of the gas business. It is evident, however, that with a return to normal conditions, the revenue of the company should be not only equal to that obtained prior to the war, but should show a considerable and steady increase. Conditions generally in Brazil are showing distinct signs of improvement.

Dividends.—Dividends on the ordinary shares at the rate of 1 1/2% each were paid on March 1 and again June 1 1915, but as exchange continued to fall, the dividends payable on Sept. and Dec. 1 were reduced to 3/4 of 1% each, making a total of 4% for the year.

Acquisitions.—Further shares have been acquired in the capital of the Companhia Telephonica do Estado do Sao Paulo and of the Companhia Rede Telephonica Bragantina, and we now hold 95% of the share capital of each (i. e., out of 4,750 and 4,500 cantos of rios respectively). We have also made advances for necessary improvements and extensions to the telephone systems, which when completed should materially increase the revenue.

Extracts from Report of Pres. Alex. Mackenzie, Rio de Jan. May 13. (1) Rio de Janeiro Division.—The gross earnings in Brazilian currency exceeded those of 1914 by 2,923,000 milreis, there being substantial increases in all departments except the tramways, the earnings of which were slightly below those of 1914. The increase in total net earnings in Brazil was 1,916,000 milreis.

Notwithstanding the greatly increased cost of material, ocean freights and other charges, the ratio of operating expenses was reduced to slightly below that of 1914, as a result of rigid economies introduced on the breaking out of the war. It is anticipated that the earnings for the current year in Brazilian currency will show a considerable increase over those of 1915, as during the first four months there have been increases in all departments.

Electric Light and Power.—On Dec. 31 1915 there was connected to the system 93,892 h. p. in motors, an increase for the year of 19,171 h. p. There was a large increase in private lighting, 6,203 new customers being added, the number of incandescent lamps (on the basis of 60 watts, or 16 c. p.) being 766,038 on Dec. 31 1914, and 800,802 on Dec. 31 1915. The output of the power station at Lages was increased by 6.8% over 1914, the maximum hourly output being 36,000 k. w. Notwithstanding the drought of 1914 and the increased load, there was at all times sufficient water for the operation of the hydraulic installations and it was not necessary to make use of the reserve steam plant.

Gas Service (Societe Anonyme du Gaz de Rio de Janeiro).—The number of stoves and water-heaters connected in 1915 was 18,634, against 14,755 in 1914 and 9,506 in 1913. There were in service Dec. 31 1915, 22,080 gas lamps, practically the same as in 1914, there being a further extension of its use for bakeries and other industries requiring heat.

Table: TOTAL GROSS INCOME OF RIO DE J. DIV. (IN BRAZIL. CURR.) (Not incl. Companhia Telephonica do Estado and Companhia Bragantina) In Milreis— 1912, 1913, 1914, 1915. Rows include Tramway, Light & Power, Telephone, Gas.

Total -----44,573,945 49,917,364 50,624,299 53,547,934 (2) Sao Paulo Division.—The light and power departments showed an increase in their net earnings of 9.6% over 1914. There was a slight decrease in tramway earnings. The total increase in gross and net earnings in Brazilian currency was 452,000 milreis and 49,000 milreis respectively.

On Dec. 31 1915 there was connected to the system 38,896 h. p. in motors, an increase of 8,656 h. p. over 1914. There was also an increase of 6,028 new lighting customers.

Table: TOTAL GROSS INCOME OF SAO PAULO DIV. (In Brazilian Currency) In Milreis— 1912, 1913, 1914, 1915. Rows include Tramways, Light & power.

representing both railway and terminal bondholders, has been appointed, and in this committee has been vested the outstanding common stock of the railway for the purpose of exercising all voting and other rights incidental thereto. Of the \$5,000,000 pref. shares issued to and held by the public, \$3,000,000 of a new substituted non-cumulative preference stock will be issued as fully paid to the bondholders' committee for distribution amongst the railway bondholders and terminal bondholders.

Our corporation is the holder of \$5,000,000 of common stock and subject to the voting trust referred to will retain this holding intact and in addition will receive in satisfaction of the debt of \$318,800 a like amount of the railway company's 2d M. bonds. Moneys representing the unexpended balance of the proceeds of the terminal bonds will be paid over to the bondholders' committee for the benefit of the railway company in the development of its properties and otherwise. Both the terminal and the railway bondholders have made certain modifications and concessions as to the payment of their respective interest. (Further particulars V. 102, p. 1058.)

The guaranty of the Lake Superior Corp. still remains in full force and effect, but no holder of railway or terminal bonds is entitled to take action without the consent of the bondholders' committee or unless extraordinary resolutions at bondholders' meetings are passed. Provision is made for the re-transfer of the stock and for the rights of the committee to cease when principal and interest of both companies' bonds have been paid in full.

Through the increased activity of the Algoma Steel Corp. and of the various industries at Sault Ste. Marie, the outlook is much better than it has been for some time. Whilst the railway company's report for the year is not yet to hand, it is understood that earnings, particularly from the steamship line, show a substantial increase.

Algoma Eastern Ry.—The earnings show an increase. During the year financial arrangements were made through which the railway has been equipped with additional rolling stock, necessitated through prospective additional traffic. Patents have been received in respect of the entire land grant lands of the railway, aggregating nearly 700,000 acres. Every effort will be made to so deal with these lands as to bring about all possible benefits to the railway company, especially in a financial direction.

International Transit Co.—Trans St. Mary's Tractor Co.—The former has been disposed of, your corporation having received \$100,000 for their holdings of common stock. The bonds, which were held by outside parties, were assumed by the purchasers. (V. 102, p. 1058.) The Trans St. Mary's Tractor Co.'s operations are not satisfactory. From an earnings point of view this street railway has never been a success, and in view of additional and costly paying schemes which have been launched by the Council of Sault Ste. Marie, Mich., and to which the street railway has to contribute, your directors have under consideration a sale of the property. This is one of our minor assets, which, on account of the lack of development on the other side of the river, has made but little progress.

General.—The revenue of the Lake Superior Corp. is not sufficient to permit of the payment of interest other than on its 1st M. bonds.

One fact in connection with the Algoma Steel Corporation must be borne in mind, and it is that further finance is necessary in order to put the steel plant on a proper footing in reference to the manufacture of a much more diversified product. As was foreshadowed in the previous report, the Lake Superior Corporation must sooner or later be called upon to consider its present interest in the Steel Corporation in reference to the necessary development of the latter.

W. E. Stavert has retired from the Presidency and from the board, as did John T. Terry. T. J. Kennedy, who was elected in place of Mr. Terry, has also been compelled to resign through ill health, and Thomas Gibson has joined the army, and his services in the meantime are not available.

OPERATIONS OF SUBSIDIARY COS. FOR YEARS END. JUNE 30.

	1915-16.	1914-15.	1913-14.
Net earnings from oper. of all sub. cos., subj. to deprec. & other chgs.	\$3,503,471	*\$1,366,210	\$2,511,346
Add—Unappropriated profits from previous years	Deb. 331,765	Cr. 61,931	Cr. 114,519
Land grant earns. of Algoma Cent. & Hud. Bay Ry. of prev. years			94,951
Total	\$3,171,706	\$1,428,141	\$2,720,816
Amts. written off in resp. of disc., &c.	206,681	62,000	62,428
	\$2,965,025	\$1,366,141	\$2,658,388
Deduct Chgs., Dis., &c., Paid by Sub. Cos.—			
nt. on bonds of sub. cos. and on bank & other advances (see V. 101, p. 920)	\$513,539	\$1,166,414	\$1,542,323
Amounts set aside for sinking fund payments, &c.	667,173	134,423	154,726
Appropriations for deprec., &c., res'v	425,595	54,210	360,903
Reserved for doubtful debts and for losses of previous years			137,009
Paid to Lake Sup. Corp. by sub. cos. as int. on bds., notes, &c., and as divs.		342,859	437,880
Total	\$2,606,307	\$1,697,906	\$2,632,841
Balance carried forward by sub. cos. sur.	\$358,718	def\$331,765	sur\$25,547

*Excluding the earnings of the Algoma Central & Hudson Bay Ry.

INCOME FOR FISCAL YEAR ENDING JUNE 30.

	1915-16.	1914-15.	1913-14.	1912-13.
Int. and div. on securities of subsidiary cos.	\$290,000	\$342,859	\$437,880	\$793,148
Other income	45,760	26,174	10,174	12,514
Total	\$335,760	\$369,033	\$448,054	\$805,662
Int. on 1st M. bonds	277,320	367,371	424,644	386,482
General expenses	(32,985)			
Bal., cred. prof. & loss	\$25,455	\$1,662	\$23,410	\$419,180
Balance, preceding years	25,072	23,410		deb. \$34,808
Total	\$50,527	\$25,072	\$23,410	\$384,372
Transferred to res. fund				\$234,372
Res. for deprec. of invest.	\$40,000			
Int. on income bonds				(5) 150,000
Total surplus as per balance sheet	\$10,527	\$25,072	\$23,410	

BALANCE SHEET JUNE 30.

	1916.	1915.	1916.	1915.
Assets—			Liabilities—	
Invest. & securities	47,974,556	48,236,178	Capital stock	40,000,000
Real estate	98,945	171,989	First mtge. bonds	5,472,000
Aacr. int. on Alg. St. bds. owned	24,167	24,167	Income bonds	3,000,000
Due by sub. cos.	545,403	615,181	Temporary loan	75,000
Temporary loans	100,000	100,000	Mtge. on real est.	1,325
Mortgage held	190,071	186,146	Accrued interest	22,800
Proc. of sale of Inv.	136,356	100,000	Coupons unpaid	25,900
Cash	206,297	101,256	Reserve account	710,953
Mineral lands, &c.	45,978	42,285	Voluntary relief fund	7,125
Miscellaneous	6,243	6,620	Miscellaneous	3,036
Cash for unpaid interest coupons	24,325	22,525	Income account	10,527
Total	49,252,341	49,606,245	Total	49,252,341

The company had (as of June 30 1916) contingent liabilities on its guaranty of principal and interest of \$10,080,000 bonds and loans of Algoma Central & Hudson Bay Ry., \$2,500,000 Algoma Eastern Ry., \$2,432,500 Algoma Steel Corp., Ltd., 3-year notes, and \$14,000,000 1st & ref. bonds, and \$4,999,527 Algoma Central Terminals, Ltd., bonds.—V. 103, p. 761, 582.

Pacific Mail Steamship Company.

(Semi-Annual Report—Six Months ending June 30 1916.)

President Geo. J. Baldwin, Aug. 26, says in substance:

The six months' period reported upon in 1916 includes under "net revenue" the earnings of but five steamships as against seven steamships in 1915. That fact accounts for the comparatively small increase in gross revenue from steamships operated by company as well as for the considerable decrease in operating costs, which include normal depreciation. The

net earnings of the other two steamships appear under revenue from ships chartered to others. A similar factor enters into the 12 months' report for the last six months of which were under the present control. Very little charter revenue was earned in the first half of the 12 months.

The earnings of the old trans-Pacific line, which was still in operation in the early part of the 12 months' period are not shown here, as they have no comparative value. Our new trans-Pacific line, with the new steamships Ecuador, Venezuela and Colombia, is just getting under way. The Ecuador is to sail from San Francisco Aug. 27.

The valuation of the steamships includes the seven originally purchased and two of the new ones, but not the third, the Colombia, which at that time had not been transferred to our ownership, but which has since been transferred and paid for from funds indicated under the heading bills and accounts receivable.

In addition to the usual annual depreciation charge, \$549,610 was written off during the fiscal year ending April 30 1916 from the valuation of the seven steamers first purchased. As these steamers were then carried upon the books at \$1,031,681, their present book value is left at the conservative figure of \$482,071, to prepare for any future contingencies. The company will hereafter issue semi-annual statements.

(RESULTS FOR 6 MONTHS AND YEAR ENDED JUNE 30 1916.)

	6 Mos. ending June 30—1916.	1915.	Increase.	12 Mos. end. June 30—1915-16.	1914-15.
Gross revenue	\$803,865	783,650	+20,214	1,530,531	1,691,850
Oper. cost, deprec'n., &c.	608,596	696,339	-87,744	1,226,740	1,504,185
Net revenue	195,269	87,311	+107,958	303,791	187,665
From ships chartered to others (net)	272,890		+272,890	311,547	
Miscellaneous revenue	11,129	15,626	-4,497	19,787	30,464
Total net rev. (exclud. trans-Pacific line)	479,288	102,937	+376,351	635,125	218,128

CONDENSED BALANCE SHEET JUNE 30 1916.

Assets (Total, \$4,936,089)—	
Steamers, other floating equipment, &c., \$5,077,643; less reserve for accrued depreciation, \$1,999,765	\$3,077,878
Securities, unpledged, \$157,784; less reserve for depreciation of securities, \$100,000	57,784
Cash, \$218,035; bills and accounts receivable, \$1,209,001; insurance claims against underwriters, \$204,485; material and supplies, \$49,031; total, \$1,680,553; less reserve for doubtful accounts, \$200,000	1,480,553
Rents paid in advance, \$141,095; deferred debit items, \$178,779	319,874
Liabilities (Total, \$4,936,089)—	
Preferred stock, \$1,700,000; common stock, \$1,150,000; premiums on capital stock, \$150,000	\$3,000,000
Audited vouchers and wages unpaid, \$23,411; traffic balances owed to other companies, \$6,633; miscellaneous accounts payable, \$21,298; matured dividends unpaid, \$37,335; other working liabilities, \$23,728	117,406
Open voyage revenues, \$212,035; other deferred credit items, \$130,597	342,632
Surplus	1,476,051
The fiscal year formerly ending April 30 now ends Dec. 31.—V. 103, p. 669.	

U. S. Light & Heat Corporation, Niagara Falls, N. Y.

(First Annual Report—Year ending June 30 1916.)

Friends of the property express the belief that under its new control the company has started on an era of prosperity of which results for the first year since the receivership are no criterion. Pres. J. Allan Smith, Aug. 9, wrote in sub:

Results.—The operations cover the full period from July 1 1915 to June 30 1916, although the receivership did not actually end until Aug. 4 1915, and embarrasments attended the conduct of operations owing to the delays in obtaining the necessary financing. The first money available for use was received after Sept. 20 1915.

The year was a difficult one in which to produce satisfactory results. There was the inevitable cost of rehabilitation, the living down of the receivership, the financial troubles of the two years preceding, as well as the financial situation of the present year. Had there been harmony of action the task would have been far easier. Dissension was brought about by our determination to protect the stockholders from the unwarranted distribution of nearly \$700,000 of treasury securities.

The labor and material markets have been most erratic, the cost of labor advancing an average over 25% and our raw materials advancing from 50 to 500%. In fact, the markets advanced so rapidly at times that it was impossible to cover on sales or to increase prices to customers sufficiently to show normal profits. Unfortunately, the reorganization was not assured until after the 1915 contract season was closed, and we were compelled to operate the plant during the first year on the gross business of \$1,751,365, or about 33 1-3% of the plant's capacity. On this small volume of business we could not properly absorb the overhead expenses.

The losses of the past year emanate from the following sources: (1) Losses from current operations, indivisible portions of which are assignable to (a) An inevitable loss in rehabilitating the property; (b) the unfortunate delay in reorganization with respect to the important contract season; (c) the harassments of unnecessary attacks and litigations arising therefrom; (d) unstable market for commodities; and (e) necessity for enlarged expenditures for repairs and renewals.

(2) The extraordinary expenses, legal and otherwise, directly incurred in defending the company from attack or directly relating to reorganization matters.

(3) The extraordinary expenses resulting from defense of the patent suits, written off to profit and loss June 30 1916.

While a substantial item for plant upkeep has been charged into operating expenses in the past year, there has been no allowance made for depreciation, a situation which we must sooner or later meet.

Patent Litigation.—Owing to the fact that our merged companies were the first in the field of axle-driven car lighting apparatus, the patent litigation instituted by our competitors has with one exception resulted favorably to your interests and there is little doubt but that this abnormal expense ultimately will prove a valuable asset. The expenses should at an early date be reduced to normal.

Orders.—The steam railroads of the country have not been large buyers of passenger car equipment during the past three years, due first to business depression throughout the country, and at later date because of abnormally high prices. This has materially reduced the volume of business in the car-lighting department.

We close the year with the largest volume of unfilled orders (actual releases) the property has had for three years, amounting to \$1,300,738. Over and above these orders in hand, large releases will be received on account of sales contracts made in the last few months, such contracts amounting to over \$3,000,000 in all.

With the acquisition since reorganization of over 200 service stations for distribution of the U-S-L product direct to users, the company is experiencing an increased market for batteries to be used on automobiles. The volume of this renewal business has been several times greater than our experience heretofore—a direct result from the unique advertising and sales campaign adopted in Oct. 1915.

In the contract season just closed we have been successful in getting more than our share of business at prices varying with the cost of material in the commodity markets.

At the time the war contracts were being placed, your company was in the hands of receivers and could not get on the approved list, nor did we have the money available to properly equip the plant to operate as subcontractors. Every effort was made to obtain a volume of this business. Our only opportunities, however, involved too much risk with little or no profit if proper depreciation charges were made.

Improvements.—After obtaining funds it was also possible to contract for much needed improvements and additions to affect material reductions in the overhead expenses. These economies are becoming effective and in a short time will be in full operation.

secure dividends in the event of fire, have been provided for, and a surplus has been carried forward to the next year.
The works have been maintained in excellent condition and a further extension is almost completed for the manufacture of absorbent gauze, which will be in operation during the summer.

RESULTS FOR CALENDAR YEAR.

	1915.	1914.	1913.
Cloth sales.....	\$3,055,367	\$2,201,885	\$3,017,704
Cloth in process.....	951,117	1,202,882	1,100,895
Total.....	\$4,006,484	\$3,494,767	\$4,118,599
Cloth stock, beginning of year.....	1,202,882	1,100,896	805,360
Balance.....	\$2,803,602	\$2,393,871	\$3,313,239
Deduct— Raw cotton, wages, supplies, &c.....	\$1,922,046	\$1,678,103	\$2,443,905
Taxes, interest, insurance, &c.....	295,490	267,690	291,649
Salaries and general expenses, &c.....	76,167	79,657	79,508
Depreciation.....	115,000		115,000
Total deductions.....	\$2,408,703	\$2,025,450	\$2,930,062
Manufacturing profits.....	\$394,899	\$368,421	\$383,177
Farm rents, &c.....	12,887	13,051	12,136
Total.....	\$407,786	\$381,472	\$395,313
Bond interest and bad debts.....	\$53,777	\$44,166	\$47,054
Dividends.....	330,000	330,000	330,000
Balance, surplus.....	\$24,008	\$7,306	\$18,259

BALANCE SHEET DEC. 31.

Assets—	1915.	1914.	Liabilities—	1915.	1914.
Mill, land, power, &c.....	4,209,721	4,180,614	Capital stock.....	3,000,000	3,000,000
Employees' cottages.....	211,395	211,395	Bonds.....	856,664	879,832
Cash.....	803,677	802,651	Open account.....	393,168	363,641
Book debts, &c.....	2,604,073	1,833,462	Bills payable.....		55,038
Inventories.....	31,806	84,075	Advances.....	797,999	
Bills rec. (discount).....	12,657	14,179	Indirect liabilities.....	31,806	84,075
Miscellaneous.....			Sales guarantee.....	297,767	297,569
Total.....	7,875,041	7,126,783	Insurance reserve.....	803,458	803,458
			Surplus.....	2,194,178	2,170,170
			Total.....	7,875,041	7,126,783

—V. 102, p. 890.

United Cigar Stores, Ltd., Toronto.

(First Annual Report—Year ending May 31 1916.)

Pres. W. B. Reid, Toronto, June 26, says in substance:

This company is a holding company; the accounts deal only with its investments in subsidiary companies and the income derived from these investments. During the period the company received an income from its investments amounting to \$52,290, out of which dividends on the issued preferred stock at the rate of 7% per annum were paid, amounting to \$37,758. After providing for executive and administrative expenses, a balance of \$13,515 is carried forward.
The accounts of the operating company for the year ending April 30 1916 show that the gross sales of the retail stores amounted to \$881,968, against \$553,327 last year, being an increase of \$328,641, equivalent to 59%. The customers served by the operating company numbered 4,616,069, against 3,226,989, an increase of 1,389,080, equivalent to 43%.
We are at present operating a number of stores and sub-branches in Toronto, Montreal and various other towns and cities in Ontario. Our program of extension for the immediate future comprises the opening of additional stores in both Ontario and Quebec and various places further west. Our policy in this respect, however, will be governed by our ability to secure suitable sites on long leases at moderate rentals.
The operations of the Tamblin Drug Stores, Ltd., in which company we have a substantial investment, report for the year ending Dec. 31 1915 gross sales, \$438,642, an increase of \$31,945.
During the period we have acquired the ownership of all the share capital of two large cigar manufacturing concerns, which companies are operating four factories for the manufacture of cigars, &c., and are at present employing in the neighborhood of 400 people and are capable, without further extension, of an output of 24,000,000 cigars per annum. These factories are located in Farinham, Que., St. Cesaire, Que., London, Ont., and Windsor, Ont., since acquiring these factories their monthly output has shown an increase ranging from 90 to 100%. Through our ownership of these factories we are able to control the manufacture of a number of very valuable and popular brands, some of which are owned by the United Cigar Stores, Ltd., and others by the factories.

INCOME ACCOUNT FOR PERIOD ENDING MAY 31 1916.

Interest and divs. received.....	\$52,290	Net income.....	\$51,274
Expenses.....	1,016	Preferred dividends.....	37,758
Net income.....	\$51,274	Balance, surplus.....	\$13,516

BALANCE SHEET AS OF MAY 31 1916 (Total Each Side \$3,362,266).

Investments.....	\$3,190,080	Preferred stock.....	\$1,285,000
Sundry debtors, incl. bank balance.....	167,374	Common stock.....	2,000,000
Organization expense.....	4,812	Payment on subscribed stock not allotted.....	63,500
		Undivided surplus.....	13,516
		Est. accrued expenses.....	250

Directors: W. B. Reid (Pres.), L. W. Fraser (V.-P.), H. Stuart Watts, F. M. Dewan (Sec.) and P. Tilston (Treas.). See preferred stock offering in V. 102, p. 257.

Canadian Westinghouse Co., Limited.

(12th Annual Report—Year ending Dec. 31 1915.)

Pres. H. H. Westinghouse wrote in substance:

The result of operations for 1915 shows profits amounting to \$560,628. From the year's profits dividends amounting to \$449,343, being 9% on the capital stock, have been paid, property and plant account has been depreciated by an amount of \$150,000, and the remaining balance of \$261,285 has been carried forward to the credit of profit and loss, which shows as of Dec. 31 1915, a total unapportioned surplus, exclusive of all reserves, of \$1,823,775.
The industrial life of Canada during the year just closed experienced a remarkable recovery from the suspended activity of the preceding year. Many plants which had with difficulty kept together an irreducible minimum of their operating organization found themselves early in 1915 strained to their utmost capacity under night and day operation. In addition, numerous new industries have been brought into being, the changed conditions in these respects being the direct result of large purchases in Canada by the British and Allied Governments of various supplies and munitions of war.
Your company competed successfully for a large share of the new apparatus and equipment demanded by these conditions, and was likewise favorably affected by release for execution of various large contracts for electrical apparatus, progress on which had been halted during 1914 by the declaration of war. At the same time, we placed at the disposal of the Government all that portion of its plant and equipment which proved suitable for manufacture of munitions, the fabrication of which latter in considerable quantities and of several varieties as dictated by the Government was successfully accomplished.

RESULTS FOR CALENDAR YEARS.

	1915.	1914.	1913.	1912.
Net earnings.....	\$560,628	\$386,114	\$1,002,619	\$1,050,124
Dividends.....	(9%)\$449,343	(7%)\$349,489	(9%)\$445,027	(9%)\$399,763
Reserve for insur. fund.....			50,000	50,000
Miscellaneous.....		5,626	28,700	
Written off prop. & plant.....	150,000		250,000	348,606
Balance, surplus.....	\$261,285	\$30,999	\$228,892	\$251,755

BALANCE SHEET DEC. 31.

Assets—	1915.	1914.	Liabilities—	1915.	1914.
Cash.....	1,078,254	512,779	Capital stock issued.....	4,992,700	4,992,700
Accts. & bills receiv.....	1,593,177	1,335,694	Accounts payable.....	252,193	273,380
*Property & plant.....	3,232,306	3,367,225	Div. payable Jan. 10.....	299,562	87,372
Materials, &c.....	2,424,162	2,579,790	Contracts in progress.....	212,527	143,591
Insurance and taxes.....			Reserves.....	750,000	750,000
in advance.....	2,859	13,344	Profit and loss.....	1,823,775	1,562,490
Total.....	8,330,757	7,809,533	Total.....	8,330,757	7,809,533

* Consists of Hamilton (including air-brake and electric properties, real estate, general office building, equipment, sundries and patents, rights and licenses), \$3,172,306, and Winnipeg (including real estate and buildings for offices and warehouses) \$60,000.—V. 102, p. 1348.

GENERAL INVESTMENT NEWS

RAILROADS, INCLUDING ELECTRIC ROADS.

Algoma Central & Hudson Bay Ry.—Report.—See report of Lake Superior Corp. on a previous page.—V. 102, p. 238.

Algoma Eastern Railway.—Report.—See report of Lake Superior Corp. on a previous page.—V. 102, p. 238.

Antofagasta (Chile) & Bolivia Ry. Co., Ltd.—Notes Purchased.—J. P. Morgan & Co., Kuhn, Loeb & Co., the National City Bank and the Guaranty Trust Co. have purchased, with the intention of selling the same, \$3,000,000 2-year 6% notes of this railway, a company registered under the English Companies Act Nov. 27 1888.

The notes are secured by special debenture stock having a present market valuation of over \$3,800,000. The company has outstanding (a) capital stock, viz.: \$2,000,000 of deferred ordinary stock, \$2,000,000 preferred ordinary stock and \$2,000,000 5% cum. preference stock; (b) debenture stock listed on the London Stock Exchange as follows: 4% perpetual deb. stock, £1,000,000; 4½% deb. stock redeemable £1,000,000; 5% deb. stock red. £1,500,000, and 5% (Bolivia) deb. stock red. £600,000. The common stock ("deferred ordinary stock") has received dividends of from 5 to 11% per annum from 1904 to the present time. It is now quoted in London at around 130% per share.

Bangor & Aroostook RR.—Earnings for June 30 Years.—

Year—	Operating Revenue.	Net Earnings.	Other Income.	Interest, Taxes, &c.	Divs.	Balance, Surplus.
1915-16.....	\$3,748,004	\$1,389,798	\$256,067	\$1,405,256	\$103,458	\$137,150
1914-15.....	3,747,973	1,402,254	203,307	1,379,071	103,458	123,032

—V. 102, p. 2253, 1810.

Boston & Maine RR.—Temporary Receiver Appointed.—Judge Putnam in the U. S. Circuit Court at Boston on Aug. 29 appointed President Hustis as temporary receiver of the road. The Judge then withdrew from the case, owing to the filing of an affidavit by Attorney Asa P. French, on behalf of Francis V. Streeter, a stockholder, charging bias on the part of Judge Putnam.

See also Connecticut River RR. and Vermont Valley RR. below.—V. 103, p. 757, 664.

Brooklyn Rapid Transit Co.—Maturing Bonds.—

See N. Y. Consolidated RR.—V. 103, p. 401, 238.

Wages.—The company announced on Aug. 29 a general increase in the wages of its employees in the transportation department, effective Sept. 1, in recognition of the loyalty displayed during the recent attempts of outsiders to stir up dissatisfaction. The increases affect 9,216 employees, from car cleaners to superintendents, and will cost the company about \$650,000 a year. An official statement says:

The new rates for motormen range from 26c. to 42½c. an hour, the minimum rate applying to beginners on the surface lines and the maximum to those in service over 10 years on the elevated and subway lines, the rates gradually increasing to the maximum according to the years of service. Elevated and subway motormen will continue to be chosen from those having good records on the surface lines. The present time allowances are also continued whereby on the surface lines conductors and motormen working over eight hours a day but less than ten are paid for ten hours work, and on the elevated and subway lines motormen, conductors and guards working over seven hours and less than ten hours receive ten hrs. pay.

Rates (Cents) per Hour for All Motormen, also Conductors of Surface Lines.

Surface—	1st yr.	2d yr.	3d yr.	4th yr.	5th yr.	6th yr.	7th yr.	8-10th yr.	11-15th yr.
Old rate.....	25c	25c	26c	27c	28c	28c	28c	29c	29c
New rate.....	26c	27c	28c	29c	30c	31c	32c	33c	34c

Elevated and Subway—
Old rate..... 30c 32½c 32½c 32½c 35c 35c 37½c 40c 40c
New rate..... 34c 35c 36c 38c 39c 40c 42c 42½c 42½c

Inasmuch as an unusual percentage of the employees have been in service for many years, a large proportion of the total will receive the maximum rates of pay. The graduated scale of wages has been in force for many years, and tends, the company believes, to attract good men and to encourage continuity and efficiency of service.

The company also announced that the members of the Brooklyn Rapid Transit employees' benefit association have ratified by a very large majority (over 86% of entire membership of more than 10,000) the proposed amendments to the constitution of that organization, creating in each one of the large departments of the B. R. T. system a set of departmental trustees who, when elected, will form a committee to voice any change of conditions desired by the employees of such department.—V. 103, p. 401, 238.

Cape Girardeau Northern Ry.—Decision of Master.—See St. Louis & San Francisco RR. below.—V. 101, p. 46.

Chattahooche Valley RR.—Bonds Paid Off.—We learn that the \$50,000 1st mtge. 6% bonds of this company due July 15 1916 were paid off at maturity and that they have been replaced by Consol. 5s of 1900.

Chattanooga Ry. & Light Co.—Strike Settled.—Service on this company's lines was resumed on Aug. 26 after a two days' tie-up due to a strike of the conductors and motormen. The union will be recognized and the discharged men reinstated. Wage scale, &c., remain to be settled by negotiation or if necessary by arbitration.—V. 102, p. 1625.

Cities Service Co.—Extension of Time.—See Toledo Traction, Light & Power Co. below.—V. 103, p. 665, 493.

Civic Investment & Industrial Co.—Listing.—The Montreal Stock Exchange on Aug. 22 listed this company's stock. Amount auth., \$75,000,000; reported outstanding as of Aug. 19, \$58,803,600; total listed as of same date, \$56,025,000.—V. 103, p. 496.

Colusa & Lake RR.—Sale.—The trustees under a deed of trust securing an issue of \$50,000 6% 20-yr. coupon bonds were to sell this company's property at auction on Aug. 21. This company was incorporated in Cal. Nov. 1886 with \$400,000 auth. capital stock, of which \$100,500 was paid in. The road ran from Colusa to Sites, Cal., but has not been operated since Jan. last.

Connecticut River RR.—Temporary Receiver.—Judge Morton in the U. S. District Court at Boston on Aug. 31

appointed as temporary receiver of this property James H. Hustis, who on Aug. 29 was made temporary receiver of the Boston & Maine RR., the lessee of the Connecticut River RR.

The counsel of the Connecticut River RR. asked that Mr. Hustis be made receiver of the road, but reserved the right to move for the appointment of another receiver or co-receiver later if any conflict should arise between the interests of the Connecticut River and the Boston & Maine.

The Boston "News Bureau" on Aug. 29 said:

Despite newspaper reports to the contrary, no efforts are being made, so far as we are informed, to renew the nearby maturities represented by the floating debt of Connecticut River RR. and its subsidiary Vermont Val. RR. [The receivership of both roads resulted from their inability to meet maturing notes, with the B. & M. in receiver's hands.—Ed. "Chronicle."]

The Connecticut River RR. has \$2,000,000 6% notes maturing Aug. 31. It claims that they were given for accommodation of the Boston & Maine, and that the latter is entitled to issue stock or bonds in payment of the debt represented by these notes. Boston & Maine, however, is not a party to them as an endorser or guarantor and does not admit the claim of the Connecticut River as to them.

Connecticut River owns all the outstanding \$1,000,000 par of 10% stock of Vermont Valley RR., which also has a sizable amount of notes coming due at the end of this month. Its note issue totals \$2,300,000 6% and Boston & Maine purports to be liable as endorser on them. It is alleged that the Vermont Valley will be unable to pay these notes, and that payment of them will be demanded of the Boston & Maine. Minority stockholders interested in the Boston & Maine believe its guaranty of these notes is illegal. See also V. 103, p. 758, 578.

Interborough Rapid Transit Co.—Wage Increase.—

The following advance in wages, with a decrease in time from ten to nine hours, was announced on Aug. 31, effective Sept. 3:

Conductors: The new scale calls for \$2 80 for the first year and \$3 for the second year and thereafter, and a nine-hour day, as against \$2 60 for first year, \$2 80 second year and ten-hour day. Guards: \$2 40 to \$2 70 for nine-hour day, against \$2 20 to \$2 50 for ten-hour day. Motormen, \$3 50 a day for the first year and by a sliding scale of increase, \$4 50 a day after the tenth year, with a nine-hour day.

Overtime for trainmen is to be paid pro rata for the first hour and time and a half for all after the first hour.

Porters, switchmen, starters, ticket agents, gatemen and mechanics received similar increases.—V. 103, p. 493, 320.

International Transit Co.—Report—Bonds.—

See the report of the Lake Superior Corporation on a previous page.—V. 102, p. 1811.

Interoceanic Ry. of Mexico.—Operations Resumed.—

This road, which has not been in regular operation for some time on account of disturbed conditions, has resumed service.—V. 101, p. 130.

Kanawha & Michigan Ry.—Purchase—Bonds.—

See Kanawha & West Virginia RR. below.—V. 102, p. 1621.

Kanawha & West Virginia RR.—Purchased—Bonds Assumed.—

The Kanawha & Michigan Ry. Co., one of the New York Central lines, has purchased all or nearly all of the outstanding stock (\$1,359,600) and has assumed the \$1,000,000 1st M. 5% bonds of 1905 due July 1 1955.

The road runs from Charleston to Blakely, W. Va., up Elk River, 33 miles (with branch 4 miles), and is to be extended into the coal fields.—V. 85 p. 221.

Kansas City & Pacific RR.—New Trustee—Deposits.—

See Missouri Kansas & Texas Ry. below.—V. 103, p. 320.

Martinez & Concord Interurban Ry.—New Company.—

This company, incorporated in California on Jan. 24 1916 with \$200,000 authorized common stock, has filed a mortgage securing an issue of \$200,000 25-year 6% cum. participating bonds dated Sept. 1 1916. There are no stocks or bonds outstanding.

The company proposes to build its road during the fall of 1916, presumably between Martinez and Concord, Cal., a distance of 8 miles.

Minneapolis & St. Louis RR. Co.—New Directors.—

New Directors.—Charles Hayden, Chairman of the Board; Edward L. Brown, President; E. V. R. Mayer, Pres. Merchants National Bank, Boston; John A. Spoor, Pres. Chicago Junction Stock Yards; J. S. Bache, Frank P. Frazier, F. H. Davis, of the Edwin Hawley estate; Colonel Slocum of the Russell Sage estate; H. E. Huntington, S. B. Novembre and Thomas Gibson.

C. W. Huntington was re-elected Vice-Pres., but not Gen'l Manager. The following directors resigned: Newman Erb, W. J. Wollman, A. C. Doan, Ward E. Pearson, T. P. Shonts and Frank Trumbull. Mr. Erb's resignation, it is stated, is due to poor health.—V. 103, p. 666, 406.

Minneapolis St. Paul Rochester & Dubuque Electric Traction Co.—Receiver's Certificates.—

The Minneapolis "Journal" of Aug. 26 said in substance:

Federal Judge Wilbur F. Booth to-day granted authority to C. P. Bratnober, receiver for the Dan Patch line, to issue \$100,000 receiver's certificates to take care of obligations existing now or shortly expected to arise. Attorneys at the hearing said the creditors had not come to a decision as to what should be done about the terminal agreement with the Electric Short line, and action on that was deferred. M. H. Boutelle represented the receiver, W. A. Lancaster the Minneapolis Trust Co., collateral trustees, and J. R. Wheeler the Continental Trust & Savings Bank, Chicago, trustee of the general mortgage.

Judge Booth released the road's rolling stock from a technical mortgage, so the surplus can be sold after spending \$5,000 or \$6,000 on repairs. Since canceling the lease on the Great Western line to Mankato, the road has much unused rolling stock.

Obligations to be met out of the certificates which the receiver will issue include \$15,000 expected deficit in the next 60 days, \$35,000 to close up right of way claims, \$24,000 to pay the overdue taxes with penalties and \$2,500 in traffic balances due other roads. The road needs \$1,500 a month to keep up its terminal contract, and a \$15,000 installment is due on its contract for terminal land bought of T. B. Walker, but action on these matters was delayed.—V. 103, p. 406.

Missouri Kansas & Texas Ry.—Franklin Trust Co. Appointed Trustee under K. C. & Pacific RR. Mortgage—Over 66 2-3% of Bonds Deposited.—

The Central Trust Co. having recently resigned as trustee of the issue of \$2,500,000 Kansas City & Pacific RR. 1st M. 4% bonds due Aug. 1 1990, the Franklin Trust Co. of N. Y. was on July 28 appointed successor trustee.

The Feb. 1 1916 coupons on the Kansas City & Pacific 4s were not promptly met and a committee composed of Edward C. Delafield, Chairman L. M. Childs, Pres. of Montgomery Trust Co., Norristown, Pa.; Lee Clark, Chairman of Interstate Nat. Bank, Kansas City, Mo.; S. S. Furman, of Kountze Bros., N. Y. City; Thomas C. Temple, Secy. of the Phoenix Ins. Co., Hartford, Conn.; and L. Edmund Zacher, Treas. of the Travelers Ins. Co., Hartford, Conn. was formed to protect the bondholders. J. O. Traphagen acted as Secretary (V. 102, p. 163, 1348).

There has been deposited with the committee considerably over two-thirds of the total issue of bonds, and on July 28 the committee appointed the Franklin Trust Co., successor trustee.

Notice to Holders of M. K. & T. Ry. of Texas 1st M. 5s.—

Interest Payment.—As the result of the efforts of the committee representing these bonds Jules S. Bache, Chairman, an order has just been entered by the court directing the receivers to pay the coupons due on these bonds due Mar. 1, 1916.

The depositing bondholders are notified by advertisement on another page that the Empire Trust Co., 120 Broadway, N. Y. City, will, on Sept. 1, receive the aforesaid interest and will thereafter, upon presentation of the certificates of deposit, accompanied by ownership certificate, in accordance with the Federal Income Tax Law, pay the March 1 interest.—V. 103, p. 579, 321.

New Orleans Great Northern RR.—Earnings.—

Table with columns: Year, Gross Earnings, Net after Taxes, Other Inc., Bond Interest, Rentals, Chgs., Balance Sur. or Def. Rows for 1915-16 and 1914-15.

New York Consolidated RR.—Bond Payment.—

We are informed that the \$650,000 4% consols of the Sea Beach Ry. Co. which matured Sept. 1 will be taken up by the Brooklyn Rapid Transit Co. at maturity, and deposited with the trustee of the last-named company's First Refunding gold mortgage, dated July 1 1902, pursuant to the provisions of the mortgage.—V. 96, p. 653.

New York New Haven & Hartford RR.—Restitution Suit.—

Five stockholders, residents of Mass., owning in the aggregate \$1,000,000 or more of the capital stock, brought suit in the Federal District Court, N. Y., on Aug. 30 against former officers and directors of the company for the recovery of \$1,600,000 alleged to have been lost through mismanagement and bad investments.

Plaintiffs: Edwin Adams, Julius C. Morse, Geo. C. Flisk, James F. Ray and Mary M. Clark.

Defendants: William Rockefeller, Charles M. Pratt, Lewis Cass Ledyard, George Maculloch Miller, James S. Elton, Henry K. McHarg, Edward D. Robbins, John L.illard, Robert W. Taft, Charles S. Mellen, and J. Pierpont Morgan, Herbert L. Satterlee, William P. Hamilton and Lewis Cass Ledyard as executors under the will of J. Pierpont Morgan and Florence A. V. Twombly as executrix under the will of Hamilton McK. Twombly and the N. Y. N. H. & Hartford RR. Co.—V. 103, p. 759, 752.

New York Railways.—Income Bond Interest Declared.—

This company has declared \$19 81 (per \$1,000 bond) on the Adjustment Income 5% bonds for the 6 months ended June 30 1916, payable Oct. 2. Compare advertisement on another page.—V. 103, p. 579, 494.

Northern Ohio Traction & Light Co.—Change in Control—Deposit of Stock—New Bonds.—

Vice-President E. W. Moore on Aug. 25 said:

A contract has been entered into between holders of Northern Ohio Traction & Light Co. common stock aggregating a majority for the sale of the stock with the understanding that all holders of common stock may participate on exactly the same price and terms. The price is par, and the dividend payable Sept. 15 will go to present holders. The sale is contingent upon 95% of all of the stock coming in.

Notices are being mailed to-day requesting deposit of the stock with the Citizens' Savings & Trust Co. of Cleveland, as trustee. The bank will issue participating certificates. The terms are \$3 a share, to be paid on notice by the trustee that 95% of the stock is on deposit; \$47 a share, payable thirty days later and the remaining \$50 a share to be paid on or before one year later at 6% interest, payable quarterly. The trust company certificates will have all of the stock so purchased as security. They will be in negotiable form and usable in place of stock. Possession of the property will not be turned over to the buyers until full 50% has been paid.

The "Cleveland Plain Dealer" adds to the foregoing:

The \$4,000,000 40-year 5s recently sold to N. W. Halsey & Co. will be distributed by the National City Bank of New York. It is believed that there will be little change in the active management of the property. Of the 90,000 common shares outstanding the holdings of Henry Everett and E. W. Moore total more than 30%. The deal means the relinquishment by Henry Everett of the property of which he and Mr. Moore have been sponsors since the inception of the present company, which was formed in 1902 as a consolidation of a number of Ohio properties. It has proved one of the most brilliant performers among public utility concerns in the country.—V. 103, p. 666.

Omaha Lincoln & Beatrice Interurban RR.—Secur.—

This company has applied to the Nebraska RR. Commission for authority to issue \$2,000,000 common and \$500,000 pref. stock and \$2,500,000 bonds. This, it is said, will cover the complete line from Omaha to Lincoln, but will not include the extension to Beatrice. Pres., Harvey Musser; Supt., J. H. Bramelt, Supt. of Lincoln Traction Co. (See "Electric Ry." Section, page 60.)

Pennsylvania Railroad.—Judgment.—

See Pennsylvania Canal Co. under "Ind." below.—V. 103, p. 321, 146.

Pere Marquette RR.—Earnings for Year ending June 1916.—

Following is the statement published last week, changed only by the insertion of the item "hire of equipment," so that final results show balance applicable to int. payments:

Table with columns: June 30 Years, 1915-16, 1914-15, 1913-14, 1912-13. Rows for Gross earnings, Operating expenses, Net earnings, Non-operating income, Total, Taxes, Hire of equipment, Rentals, Balance before deducting interest.

—V. 103, p. 759, 156.

Pittsburgh Cincinnati Chicago & St. Louis Ry.—

Merger Plan.—President Samuel Rea in circular dated at Pittsburgh, Pa., on Sept. 1 1916, regarding the meeting of the shareholders to be held Oct. 17 to vote on the proposed consolidation of the allied Pennsylvania RR. properties below mentioned as the Pittsburgh Cincinnati Chicago & St. Louis RR. Co., says in brief:

Under the provisions of the consolidation agreement, the outstanding indebtedness of the constituent companies will be assumed by the new company and the amount of stock to be issued by the new or consolidated company in exchange for stock and bonds now outstanding of the foregoing companies, is as follows (tabulated by the "Chronicle").

Terms of Exchange of Old Stock, &c., for New Stock.

Table with columns: Holders of each \$100 of, Outstanding New Stk., Will Receive, Total Amt. Rows for Pitts. Cinc. & St. L. pref. stock, Pitts. Cinc. do com. stock, Vandalia RR. capital stock, Pittsburgh Wheeling & Ky. stock, Anderson Belt Ry. stock, Chic. Ind. & East. Ry. stock, do do mortgage bonds.

x Par \$100 a share. y Par \$50 a share. z One \$100 share for entire \$1,000,000.

The total par value of the stock and bonds of the existing companies proposed to be surrendered in exchange for stock of the new or consolidated

company is \$84,807,514 73, and the par value of the stock of the latter company to be issued therefor aggregates \$84,860,166 08. (All of one class, Ed.)
The purpose of the proposed merger and consolidation of these five separate corporations is to obtain the benefits that will result from their operation, accounting, financing and general administration as a united corporation. (Compare V. 103, p. 666.)

Pittsburgh Lishon & Western RR.—Stock Reduction.—This company on or about July 27 reduced its capital stock from \$5,000,000 (practically all at last accounts owned by Wheeling & Lake Erie RR.) to \$150,000.—V. 100, p. 475.

Railroad Labor Situation.—Proposed Legislation.—See editorial columns on a previous page.—V. 103, p. 759, 666.

St. Joseph Ry., Light, Heat & Power Co.—New Mtge.—Stockholders of this subsidiary of the Cities Service Co. will vote Sept. 28 on authorizing an issue of \$15,000,000 First and Ref. Mtge. 5% 30-year bonds.

The new bonds will be used partly to refund \$5,000,000 First M. bonds now outstanding and \$26,000 First M. bonds of the St. Joseph & Savannah Interurban RR., and for extensions, betterments and improvements. The stockholders will also be asked to approve the extension of the new mortgage to the properties of the St. Joseph & Savannah, as well as on all properties of the St. Joseph Ry., Light, Heat & Power Co.—V. 101, p. 2072.

St. Louis & San Francisco RR.—Sale Confirmed.—Circuit Judge Sanborn in the Federal District Court at St. Louis on Aug. 29 confirmed the sale of the road to the Reorgan. Managers, over the protest of nine unsecured creditors.

Master in Chancery Fauntleroy at St. Louis on Aug. 29 submitted his report to the U. S. Circuit Court allowing claim of Louis H. Cook of Cape Girardeau, Mo., and St. Louis Union Trust Co. for \$1,037,368 against the old St. Louis & San Francisco RR., on account of bonds issued by Cape Girardeau Northern Ry. Co. in part payment for four lines which the "Frisco" bought in 1913. The Special Master finds the operating agreement valid and holds that the claim should be paid. The road extends from Auccel to Farmington, Mo., 92.8 miles, and Saine Jct. and Chester, Mo., 11.4 miles. See V. 101, p. 46.

St. Louis—San Francisco Railway.—New Securities.—The Missouri P. S. Commission on Aug. 26 approved the proposed issue of the following new securities under plan of reorganization (V. 102, p. 896, 1061), viz.: (a) Prior Lien bonds, \$118,398,500; (b) \$40,547,818 6% Cum. Adjustment M. bonds; (c) \$35,192,000 6% non-cum. Income M. bonds; (d) \$9,452,026 6% pref. stock; (e) \$48,481,000 common stk.

The officers of the new company are as follows: Pres., W. C. Nixon, St. Louis; Ist V.-Pres., W. B. Biddle, St. Louis; 2d V.-Pres. and Gen. Mgr., E. D. Levy, Springfield; 3d V.-Pres., N. M. Rice, St. Louis; 4th V.-Pres., C. W. Hillard, New York; Sec. and Treas., F. H. Hamilton, St. Louis.—V. 103, p. 759.

South Carolina Light, Power & Rys., Spartanburg.
This company has awarded to the J. G. White Engineering Corp., New York, a contract for the consulting, engineering in connection with the design and erection of a concrete dam 600 ft. long and 45 ft. high on the Broad River near Gaston Shoals, approximately 30 miles from Spartanburg. This dam will be in connection with the company's hydro-electric development at Gaston Shoals. The company does the entire street railway, electric lighting and power business in the city of Spartanburg, S. C. The power developed by the company's hydro-electric plant at Gaston Shoals is transmitted over seventy miles of line to Spartanburg, Gaffney, Cowpens, Woodruff, Pacolet and Blacksburg.—V. 102, p. 1437.

Third Avenue Ry.—Wages.—President Frederick W. Whitridge on Aug. 30 issued the following statement:

The request for an increase in wages the company will be unable to meet. Since Jan. 1 the wages have been increased by some \$250,000. I had every reason to suppose that the time of my last conference with the men in July that that was substantially satisfactory, and I hope to be able to induce the men to proceed without now asking for an unreasonable further increase and thus avoid the delay and expense of arbitration. If the men are not willing to meet me upon these lines I am, of course, prepared to undertake such an arbitration and to pay our share of the expense thereof. [For the July earnings statement see the "Earnings Department" above.]

[At the meeting on Thursday Mr. Whitridge intimated that if the employees would cut down their requests the company might be able to meet them half way.]—V. 103, p. 680, 494.

Toledo Railway & Light Co.—Certificates.—The Ohio P. U. Commission has authorized the issue of \$330,000 car trust certificates. The proceeds to be used for the purchase of 60 new street cars.—V. 103, p. 407.

Toledo Traction, Light & Power Co.—Extension of Time
Henry L. Doherty & Co. announces that the executive committee of Cities Service Co. will recommend to the directors that the privilege of depositing Toledo Traction Co. stocks for exchange for Cities Service Co. securities, which expires Sept. 1, be extended until Sept. 15 1916.—V. 103, p. 494.

Toronto Hamilton & Buffalo Ry.—Bonds.—This company recently filed for record a mortgage securing its new issue of \$10,000,000 consol. mtge. 5% serial gold bonds dated Aug. 1 1916, due Aug. 1 1966, of which \$2,000,000 are outstanding. Interest payable F. & A. Denom. \$1,000. Guaranty Trust Co., N. Y., trustee.—V. 102, p. 1626.

Vermont Valley RR.—Temporary Receiver.—At Montpelier, Vt., on Aug. 31, James H. Hustis, temporary receiver of the Boston & Maine RR., was made also temporary receiver of its leased line, the Vermont Valley RR., by the Federal Dist. Court. Compare Connecticut River RR. above and Boston & Maine RR. in V. 103, p. 758.—V. 103, p. 240.

Western Pacific RR. Corp.—New Directors.—The corporation has been organized with the election of the following directors: C. Ledyard Blair of Blair & Co., F. H. Ecker, Treas. Metropolitan Life Insurance Co., Alvin W. Kreech, Pres. Equitable Trust Co.; A. M. Hunt 55 Liberty St., N. Y.; R. W. Martin, William A. Read & Co.; Starr J. Murphy of the Rockefeller Foundation; William Salomon of William Salomon & Co. and R. B. Young of E. H. Rollins & Sons, and Senator James D. Phelan. This company controls the Western Pacific RR., the operating company.—V. 103, p. 408, 62.

Wheeling & Lake Erie RR.—Upsel Price.—The Central Trust Co., as trustee under the General Mortgage of 1905, has petitioned the Federal Court at Cleveland to reduce the upset price from \$18,500,000 to \$18,000,000.—V. 103, p. 580, 240.

INDUSTRIAL AND MISCELLANEOUS.

Algoma Steel Corporation, Ltd.—Report.—See report of Lake Superior Corp. on a previous page.—V. 101, p. 924.

Allouez (Copper) Mining Co.—Increased Dividend.—This company has declared a quarterly dividend of \$2 50 per share on the \$2,500,000 outstanding capital stock, payable Oct. 4 to holders of record Sept. 13. This compares with a payment of \$2 per share in July, \$1 50 in April and \$1 in January of this year.—V. 102, p. 2168.

American & British Mfg. Co., Bridgeport, Conn.—Pres. John C. Stanley, 49 Wall St., N. Y., by adv. on Aug. 25, says in substance:

Notice is hereby given that on or about Aug. 2 1916 four promissory notes, payable on demand to the order of the Cramp-Hoadley Co., or Joseph H. Hoadley, for \$25,000 each, and one promissory note payable on demand to the order of the same persons for \$21,610, were signed in the name of this company and delivered to the Cramp-Hoadley Co. or Joseph H. Hoadley, and that there were delivered therewith \$100,000 bonds of the Longacre Electric Light & Power Co. and \$50,000 bonds of this company, all of which were then in the possession of the American & British Mfg. Co. Such delivery of notes and bonds is claimed by this company to have been illegal, unauthorized and without consideration, and an action has been commenced in the Supreme Court of N. Y. State to secure the cancellation of the said notes and the re-delivery of the said bonds and for other purposes. By order dated Aug. 25 1916, in the said action, signed by Mr. Justice Delahanty, the sale, transfer or removal of the said notes and bonds has been enjoined until further order of the Court.—V. 101, p. 1808.

American International Corp.—New Vice-President.—Frederick Holbrook, President of Holbrook, Cabot & Rollins, has been elected a Vice-President in charge of the office in Petrograd, Russia.—V. 103, p. 580, 240.

American Locomotive Co.—Common Dividend Resumed.—A quarterly dividend of 1 1/4% has been declared on \$25,000,000 common stock, payable Sept. 28 to holders of record Sept. 18. This is the first payment on this stock since Aug. 1908, when a like amount was paid. The regular quarterly 1 3/4% on the pref. stock was also declared payable Oct. 21 to holders of record Aug. 18.—V. 103, p. 576, 495.

Arkansas Light & Power Co.—Notes Paid Off.—We are informed that the \$290,000 6% 1st mtge. notes due Sept. 1 were called and paid off on Feb. 28 last.—V. 102, p. 2256.

Brier Hill Steel Co., Youngstown.—Bonds.—Regarding the report that the company proposes to pay off its \$2,000,000 serial bonds of 1915 at 103 and int., Treasurer John Stambaugh says: "The company will probably call a part or all of these bonds Feb. 1 1917. The amount will not be determined until Dec. 1, when notice will be issued. The \$2,000,000 1st M. bonds are the only bonds on the company's property. No statement of earnings has been given since Jan. 1 last."—V. 103, p. 667.

Calumet & Hecla Mining Co.—Dividend Increased.—A quarterly dividend of 8% (\$20) has been declared on the \$2,500,000 capital stock, payable Sept. 22 to holders of record Sept. 1. In March and June last 60% each was paid.—V. 103, p. 495.

Canadian Vickers, Ltd.—Debentures Offered.—The Law Debenture Corp., Ltd., London, is offering at par £1,000,000 6% First Mortgage Registered Debentures in debentures of £100 each, unconditionally guaranteed, principal, interest, sinking fund and premium by Vickers, Ltd., of London. An advertisement says in substance:

A first mortgage to Law Debenture Corp., Ltd., as trustee, upon the leasehold land and works at Montreal, and a floating charge on other assets. Redeemable at 103 within 25 years by the half-yearly cum. sinking fund of 2% per annum, to retire bonds, beginning in 1917. The company may also redeem the outstanding debentures at 103% in whole or in part, on any interest date after Feb. 1 1921, upon six months' notice. Any debentures not previously redeemed will be repayable at 103% on Aug. 1 1941, or on the security becoming enforceable. Principal and interest (F. & A.) payable in London in sterling free of Canadian taxes. Authorized share capital is \$5,000,000.

Digest of Statement by Secy. John T. Coffin, London, Aug. 14 1916.
Incorporated in Canada and holds 34 acres of land at Montreal, leased to the company by the Montreal Harbor Commissioners for 50 years at a sliding scale rent, with an interest up to \$25,000 per annum (inclusive of the rent) in the profits of the company. Over £1,000,000 has been spent upon the floating dock, works and equipment, which are fully employed, and last year's profits were more than sufficient to meet the interest and sinking fund on the debentures. The company holds a subsidy from the Dominion Government, secured by Act of the Dominion Parliament, of \$102,456 (equal at par of exchange to £21,052) per annum for 35 years, of which 33 years are unexpired. The accumulative sinking fund of 2% p. a. is calculated to redeem the whole issue at 103% within 25 years. The issued share capital of Vickers, Ltd., is as follows: Ordinary shares, £5,550,000; 5% non-cum. pref. stock, £750,000; 5% non-cum. pref. shares, £750,000. The profits of Vickers, Ltd., (after deducting £227,097 for interest and sinking funds on its debenture stocks, of which in the year 1914 only £106,911 was applied in payment of interest and the balance in repayment of principal), and the dividends paid on its ordinary shares during the four years preceding the outbreak of the war were as follows:

Vickers, Ltd.	Profit.	Divs.	Profit.	Divs.
1911	£641,686	10%	£911,996	12 1/2%
1912	872,033	10%	1,019,035	12 1/2%

The accounts for 1915 have not yet been made up, but a dividend for that year of 12 1/2% has been paid. On the basis of the profits for the year 1914 there was, as stated above, a net balance of £1,019,035, which amounts to 12 1/2 times the interest and sinking fund on the £1,000,000 debentures of Canadian Vickers, Ltd.

Canary River Gas Co.—Earnings for Years end. June 30:
June 30 Year—1915-16. 1914-15. June 30 Year—1915-16. 1914-15.
Gross (less gas purchased)---\$880,641 \$332,980 Bond interest---\$25,933 \$11,297
Depreciation---128,958 61,035
Net, after taxes---384,183 156,377 Dividends---(10)100,000 (8)80,000
Balance, surplus *129,292 4,045
* Before deducting \$56,854 profit and loss adjustments.—V. 101, p. 1187.

Catholic Church Bonds, Montreal.—Fabrique Loan, St. Pierre Claver.—F. A. Brewer & Co., Chicago, are offering at par and int. \$350,000 "L'Oeuvre et Fabrique" of the Parish of St. Pierre Claver, Montreal, Can. (a Quebec corporation), 5% Ten-Year Gold Bonds approved by the Archbishop of Montreal. A circular says in substance:

Dated May 1 1916 and due May 1 1926, but subject to call at 102 and int. Denom. \$1,000 and \$500 c*. Bonds and coupons (M. & N.) payable in U. S. gold coin, at Hibernian Banking Association, Chicago, and National City Bank, New York. Authorized by special Act of the Legislature of Quebec and secured by lands and buildings of the "Fabrique" and by assessments on the immovable property of the Catholic freehold inhabitants of the parish, all pledged under a first mortgage to the Hibernian Banking Association, Chicago, and General Trust of Canada, Montreal, as trustees.

Financial Statement.
Property of inhabitants on which taxes to pay these bonds are the first tax lien (assessed value based on municipal valuation roll) \$4,504,950
Fabrique (church) property, on which bonds are a first mortgage (cost value as per statement of the parish priest) 360,000

Bonds authorized, this issue, \$350,000; security-----\$4,864,950
St. Pierre Claver Parish is located in the centre of the eastern half of Montreal, the first and wealthiest city in Canada. Catholic population of parish is 6,000, and increasing steadily.

For generations the Catholic Church of Montreal and Province of Quebec has borrowed money in Belgium, England and France at very low rates of interest. As a result of war in Europe the Church has come to the United States with its 5% "Fabrique loan" bonds, the "Fabrique" being the church organization of the Roman Catholic community, which, under the laws of the Province of Quebec is empowered to borrow on vote of a majority of the property holders in the parish on the security of the church property and all

or part of the immovables of the Roman Catholic members of the community. In other words, a fabrique obligation is the first tax lien on the Catholic property in the parish raising the loan, about 80% of the property in the Province of Quebec being owned by Roman Catholics. For this loan the immovable property of Roman Catholics is assessable on a tax rate based on the municipal roll of valuation, and the debt for the payment of which the tax is levied, ranks as the underlying lien, taking precedence over municipal and school obligations. The lien of these "fabriques" on property in the city of Montreal, for example, must be discharged before the holder of a Montreal municipal or school bond can by judicial process collect the interest or principal on the bond or debenture which he holds.

Those familiar with affairs of the Catholic Church are aware that it has never defaulted in any of its obligations. These obligations, too, have always been liquidated out of the usual church revenues without having to resort to the right of assessment under the law. But the additional security is there, and the right to assess property worth, in many instances, a dollar or more for every five cents borrowed, is subrogated to the lender.

Centennial Mining Co.—Initial Dividend.—

An initial dividend of \$1 per share has been declared on the stock, payable Sept. 21 to holders of record Aug. 31.—V. 80, p. 1177.

Central Union Telephone Co.—Purchase.—

The Onio P. U. Commission has approved the purchase of the properties of the Washington, Jefferson, Belmont, Union and Woodfield telephone companies by this company for \$1,341,000.—V. 102, p. 610.

Charcoal Iron Co. of America, Detroit.—Earnings.—

Various Periods—	6 Mos. to Dec. 31 '15.	3 Mos. to Mar. 31 '16.	6 Mos. to June 30 '16.	Month of July 1916.
Profit from operation	\$144,991	\$220,739	\$529,884	\$108,172
Interest and reserves	53,334	41,723		41,872

Net profit.....\$91,657 \$179,015 \$529,884 \$96,300
The balance sheet as of July 31 1916 shows \$5,217,250 6% cumulative preferred stock and \$2,839,350 common stock (par \$10), and bank loans, \$480,000.—V. 103, p. 496.

Chevrolet Motor Co., New York.—Car at \$490.—Pres. Durant, in Bulletin No. 4, dated Aug. 28, says in brief:

When the company first offered its model "Four-Ninety" touring car to automobile dealers and to the public in Jan. 1915, with electric lights and starter, at the then sensational price of \$550, the management stated frankly that whenever its manufacturing facilities and production justified it, the price should be \$490. The company has since then completed one of the best motor plants in this country; has built and equipped an up-to-the-minute axle plant; has acquired a complete transmission plant, and has in operation seven large assembling plants. Accordingly, our 1917 contracts now going out, present the model "Four-Ninety" to the public at \$490, fully equipped, with a standard, two-unit electric lighting and starting system built into the car, making it the lowest priced, electrically lighted and started automobile in the market to-day. Compare V. 103, p. 581.

City Light & Water Co., Amarillo, Texas.—Notes.—

Brooke, Stokes & Co., Phila., are placing at par and int. \$250,000 1-Year 6% Secured Gold Notes, dated Sept. 1 1916 and due Sept. 1 1917, but callable at 100½ and int. on 30 days' notice. A circular shows:

Authorized and outstanding, \$250,000. Denom. \$500 and \$1,000. Interest M. & S. 1. Trustee, Guaranty Trust Co. of N. Y. Secured by deposit of \$400,000 1st M. bonds, the entire outstanding issue, under the \$2,000,000 mortgage. The company agrees that no more bonds shall be issued until the notes are paid. Proceeds of notes will retire a like amount of notes due Sept. 1 1916 and provide for improvements, extensions, &c.

The company does the entire electric and water business without competition and under long-term franchises, in Amarillo, Tex., a substantial and growing city, population 13,585 (local census), against 9,957 in 1910 and 1,442 in 1900.

Properties: (a) Modern fireproof power plant, brick and stone, steam turbine equipment, 1,325 k. w. generating capacity. (b) A water supply pumping equipment and reservoir having a 1,000,000-gallon capacity and a standpipe giving a static head of 80 feet. (c) Electric transmission lines with 124 miles of wire distribution. (d) 36 miles of water mains covering the city. Appraised replacement value, excluding franchises, and other intangibles, over \$560,000. The entire capital stock is owned by the Cities Service Co. of N. Y., which owns and operates over 70 public utility companies, serving over 2,000,000 people. (See p. 83 of "E.I. Ry." Section.)

Earnings, July 31 Years—	1915-16.	1914-15.	1913-14.	1912-13.
Gross earnings	\$145,288	\$128,872	\$120,881	\$109,514
Net earnings	67,257	54,604	9,827	24,688

One year's interest on the \$250,000 notes calls for \$15,000.—V. 101, p. 1191.

Colorado Springs Lt., Ht. & Pow. Co.—Gas Rate Increase.

The company has been granted permission by Colorado P. U. Comm. to increase its gas rate from \$1 net to \$1.10 for first 5,000 feet of monthly consumption. Company had sought to raise the rate to \$1.25 a thousand. The company was able to show that it was not earning a fair return on investment in gas property.—V. 102, p. 1542.

Consolidated Gas Electric Light & Power Co. of Baltimore.—New Stock.—

The company is proposing, provided the Maryland P. S. Commission approves, to offer to its shareholders, both common and preferred, the right to subscribe at par on or before Dec. 1 1916 for \$3,697,912 additional common stock to the extent of one new share for every five shares held by them respectively.

Subscriptions will be payable at the company's office in Baltimore, or to its agent, the New York Trust Co., 26 Broad St., N. Y. City, as follows: \$20 per share on Jan. 15 1917, \$15 per share on Mar. 15 1917, \$15 on May 15 1917, \$15 on July 15 1917, and \$20 per share, less \$2 65 int., on Oct. 1 1917.

The shareholders of the company in Great Britain who are at present precluded under the Acts of the British Government from investment in foreign securities, will be permitted to exercise their rights in 1917 in case the existing embargo is raised. Deferred warrants to subscribe will be issued on the basis of one to five, with the option to purchase the stock on Oct. 1 1917, at 105 a share. Compare annual report for 1915-16 in V. 103, p. 753, 763.

Continental Coal Co. (of W. Va.)—Sale of Stock.—

See Sunday Creek Coal Co. below.—V. 102, p. 2169.

Cosden & Co., Baltimore.—Earnings.—Pres. J. S. Cosden, in circular dated at Tulsa, Okla., Aug. 25 1916, reports to the shareholders:

Enclosed herewith you will find dividend check for 7% on your common stock, which represents the regular 2% dividend and a 5% extra dividend. During the quarter which ended June 30 1916, the net profits amounted to about \$900,000; for the first six months of the year the net profits amounted to about \$2,000,000. Due to the fact that the lubricating plant was not in operation, the earnings for the second quarter of the year were less than expected.

The lubricating plant should have been in full operation by May, but owing to delays in the delivery of machinery and steel, completion was impossible before the 15th of the month. It is now running and should add at least \$100,000 per month to our net earnings. From now on our profits should greatly increase by reason of the low price of crude oil, additional still capacity and the lubricating plant. We are confident that the net earnings for the six months ending Dec. 31 1916 will be greater than for the six months that ended June 30th.

All of the pref. stock and bonds having been converted into common stock, our present capitalization consists now wholly of common stock, the amount outstanding being \$5,752,865.

In addition to our lubricating plant we have added 14 miles to our Cushing pipe line, purchased about 600 additional tank cars, erected many large storage tanks for crude and refined products, built a new acid plant, bought a large interest in the Union Petroleum Co., an oil export company, erected and are still erecting many new stills, and otherwise added to and improved our refinery in such a manner that to-day, although our company is not

three years old, it is one of the largest independent oil refining companies in the U. S., with a refinery at West Tulsa, Okla., modern in every detail. The future of your company never looked brighter or better to me than it does to-day.—V. 103, p. 409, 147.

Denver Union Water Co.—Proposed Purchase.—

See "State and City" Dept. on another page.—V. 103, p. 410.

Driggs-Seabury Ordnance Co.—Common Div. Passed.

The quarterly dividend of 5% on the \$9,000,000 common stock, usually declared at this time, has been passed. The regular quarterly dividends of 1¼% on the first pref. and 1½% on the second pref. stocks were declared payable Sept. 15 to holders of record Sept. 1.

Pres. A. E. Borie on Aug. 30 issued the following statement: "The company's earnings are more than sufficient to warrant and pay a dividend on the common stock Sept. 15, but, owing to delays which could not have been foreseen in deliveries during June, July and the first half of August and the consequent heavy increase in raw materials on hand, work in process, &c., the board of directors deemed that the best interests of the stockholders will be more adequately conserved if no dividend on the common stock is declared at this time. Deliveries are now being made at an increasing and satisfactory rate."

COMBINED PROFIT STATEMENT FOR 6 MOS. END. JUNE 30 1916.

(Including the Driggs-Seabury Ordnance Co. and Savage Arms Co.)	
Sales	\$3,668,389
Cost of sales	1,760,500
Manufacturing profit	\$1,907,889
Other income	64,646
Gross profit	\$1,972,535
Admin., &c., exp. & depr.	488,237
Bond interest	45,000
Net profit	\$1,439,298

COMBINED BALANCE SHEET AS OF JUNE 30 1916.

Assets (Total, \$16,691,941)—	
Plant & equip., incl. cost of investment in Savage Arms Co.	\$10,597,483
Patents, patent rights, licenses and goodwill	1,370,338
Investments	268,351
Inventories at cost, \$2,553,564; notes receivable, \$3,892; accounts receivable, \$464,509; cash, \$1,376,722	4,398,688
Unexpired insurance, prepaid interest, bond premiums, &c.	57,081
Liabilities (Total, \$16,691,941)—	
1st pref. stock, \$500,000; 2d pref. stock, \$500,000; common stock, \$9,000,000	\$10,000,000
First mortgage 6% bonds	1,500,000
Advanced payments, account contracts	2,369,964
Notes payable, \$300,000; royalties and commissions payable, \$172,460; accounts payable, \$194,586	667,046
Reserves	297,262
Surplus	1,857,670

—V. 103, p. 64.

(E. I.) du Pont de Nemours & Co.—Extra Dividends.—

191½% in Anglo-French Bonds.—On Aug. 30 the following dividends were announced:

(a) A dividend of 19¼%, payable in Anglo-French bonds, valued in the declaration at 97½; (b) an extra cash dividend of 4%; and (c) the regular quarterly dividend of 1¼%, making a total of 25%, all payable Sept. 15 to stockholders of record Aug. 31. In addition, a dividend of 1¼% was declared on the 6% debenture stock, payable Oct. 25 to holders of record Oct. 10, and a dividend of 1¼% on the old company's common stock, payable Nov. 1.—V. 102, p. 2170.

Eastern Steamship Corporation, Boston.—Reorganization Plan.—

The committee of holders of Eastern S.S. Corp. bonds, representing under deposit agreement of April 17 1915 over 96% of the outstanding issue (\$5,700,000), has prepared a plan of reorganization dated Aug. 23 to which the shareholders are invited to become parties. The plan having been assented to by the owners of over 70% of the deposited bonds, will, it is stated, be put into effect as rapidly as the necessary court procedure will permit.

Stockholders wishing to participate should surrender their certificates of stock, properly endorsed in blank, and bearing the necessary revenue stamps, to the Old Colony Trust Co., as depository, on or before Sept. 16 1916, accompanying each preferred share so surrendered with the payment of \$25, and each common share with a payment of \$5. Those so doing will be entitled to receive when issued the proper number of shares, preferred or common, of the new company, in accordance with the following plan.

Plan of Reorganization Dated Aug. 23.

Outstanding Underlying Mortgages (Not Including Bonds in Sinking Fund). [It is not proposed to disturb these.]

1. Mtge. of the Eastern Steamship Co. dated May 1 1902, bonds \$2,202,000	
2. Mtge. of Portland Steamship Co. dated Jan. 1 1896, on steamer "Bay State," bonds	42,100
3. Eastern Steamship Co., to secure the payment of principal and interest on these bonds, pledged with the trustee \$56,000 Eastern Steamship Co. bonds, which are included in the amount of Eastern Steamship Co. bonds outstanding above.)	
4. Mtge. of Maine Steamship Co., on SS. "Northland," bonds	114,500
5. Mtge. of Portland Consolidated Steamship Co., dated July 1 1901, covering steamship "North Star," bonds	212,000
6. Mtge. of Metropolitan Steamship Co. dated Mar. 1 1905, covering Union Wharf in Boston	500,000

From earnings made by the receiver in the operation of the properties the \$129,075 receiver's certificates have since been paid, and there has also been paid from receiver's earnings something over \$400,000 of current indebtedness of the corporation due and payable at the time of the appointment of the receiver on Nov. 7 1914, entitled to priority of payment out of income. The receiver has also kept up the payment of taxes and the payment of interest under the various underlying mortgages, including the mortgage held by Mass. Hospital Life Insurance Co. on Union Wharf, Boston.

It has not, of course, been possible to cure any of the defaults under the Eastern Steamship Corporation mortgage, nor to make any payment on account of note indebtedness or claims of general creditors of the Eastern Steamship Corporation with the exception of priority claims.

Present Defaulted Indebtedness.

Eastern S.S. Company mtge.—three sinking fund installments, due Jan. 1 1915, 1916 and 1916, \$172,000 each	\$516,000
Massachusetts Hospital Life Insurance Co. mtge. on Union Wharf, overdue as to principal only	500,000
Portland Consolidated S.S. Co. mtge., two sinking fund installments, July 1 1915 and 1916	13,000
Maine S.S. Co. mtge., sinking fund requirements due April 1 1916	4,500
Eastern S.S. Corp. mtge., interest coupons due Dec. 1 1914, June 1 1915, Dec. 1 1915 and June 1 1916	586,000
Two installments to sinking fund, due Jan. 1 1915 and 1916	200,000
Principal which the trustee has been asked to declare due (amount supplied excluding \$160,000 pledged as collateral.—Ed.)	5,700,000
Overdue and unpaid note indebtedness of Eastern S.S. Corp. of \$780,000, contracted in connection with building over certain of the company's steamships, furnishing working capital and making payments required from time to time under the Eastern S.S. Corp. mtge. and the above-mentioned underlying mtges.	780,000
\$490,000 of this note indebtedness is secured by and constitutes a first lien upon (a) the total capital stock of the Boston & Yarmouth S.S. Co., Ltd., which stock, subject to the lien aforesaid, is owned by the Eastern S.S. Corp. and (b) Eastern S.S. Corp. bonds of \$160,000. The balance of the note indebtedness is unsecured.	

There also remains unpaid a small amount of general unsecured indebtedness, not included in the claims above mentioned.

Net Earnings After Paying All Operating Expenses, Taxes, Rentals and Interest Requirements under Underlying Mtgs., but not Sinking Funds.
 Calendar Years— 1912. 1913. 1914. 1915.
 Net earnings as above \$291,096 \$160,218 \$827 \$309,800
 The operating expenses for 1912 included a much smaller appropriation for depreciation than for the other two years reported. In each of the years 1913, 1914 and 1915 the operating expenses include a charge for depreciation deemed by the management to be entirely adequate. The exceptionally low return for 1914 was due to causes not likely to occur again.

Plan of Reorganization—New Company After Foreclosure.
 A new corporation to be organized under the name of "Eastern Steamship Lines, Inc.," will acquire all or substantially all of the property owned by the Eastern Steamship Corporation, subject to the five aforesaid prior underlying mortgages, and in consideration of the same will issue:

1. Non-cumulative 30-year Income Mortgage Bonds. To be secured on all the property and securities vested in the new company pursuant to the plan except the stock of the Boston & Yarmouth S.S. Co., Ltd. To be strengthened by sinking fund provisions, and to bear interest for each fiscal year up to 5% per annum, payable out of the available net income as defined in the mortgage, prior to the payment therefrom of the principal of the new five-year 5% notes, and before any dividend is paid on the preferred or common stock for such fiscal year. Total authorized—\$5,700,000.
2. Five-year 5% debenture notes, secured by pledge of the total capital stock of the Boston & Yarmouth S.S. Co., Ltd.—\$750,000.
3. Preferred stock, in \$100 shares, entitled to non-cumulative dividends at rate of 6% p. a., and after the common stock shall have received 6% for any year, any additional funds available and declared as dividends shall be declared payable to all outstanding stock, without distinction between preferred and common. In case of liquidation or dissolution, the preferred stock shall be entitled to be paid at par before any payment or distribution shall be made upon the common stock, and anything remaining for distribution after both preferred and common stock shall have been paid at par shall be distributed among all the outstanding shares, without distinction between preferred and common. Each share of pref. and com. stock shall have the same voting power.—\$3,750,000.
4. Eastern Steamship Lines, Inc., common stock, in \$25 shares—1,687,500.

Terms of Exchange for Disturbed Securities of Eastern S.S. Corporation.

Holders of	Amount Outstanding.	If Paying.	Will Receive		
			New Incomes.	New Pref. Stock.	New Com. Stock.
First—	\$5,700,000x	Nil	\$5,700,000		
y Preferred stock	3,000,000	\$750,000x	100%	\$3,750,000	
z Common stock	1,687,500	25% 37,500 20%		125%	\$1,687,500

x Supplied by Ed. y Par \$100. z \$25.
 No securities will be issued in respect of the \$160,000 of First & Ref. Mtg. bonds of the Eastern S.S. Corp. now pledged as collateral as hereinabove stated. If they are acquired by the committee, but if so acquired such bonds may be used for such purposes of the reorganization as the committee may determine and shall, together with the other bonds and securities deposited under the bondholders' agreement or the plan, be kept alive so long as is deemed necessary for the purposes of the reorganization or the protection of the new company or its security holders.

The \$740,000 five-year 5% debenture notes to be exchanged at their par value for an equivalent principal amount of the notes of the present company hereinabove referred to, the balance of such notes, aggregating \$40,000, to be paid in cash from the funds to be provided under the plan.

Cash Requirements.—From the cash contribution by the holders of preferred and common shares, which has been guaranteed as and to the extent hereinafter stated, it is estimated that no less than \$850,000 in cash will be received. This fund, together with any additional cash paid to or received by the committee in respect of the deposited bonds or otherwise, will be used to carry through the foreclosure and other court proceedings and acquire the property embraced in the reorganization as carried out, and to remedy the defaults in respect to the sinking funds under the Eastern S.S. Co., Maine S.S. Co. and Portland Consolidated S.S. Co. mortgages, and to acquire or pay the note and other floating or general indebtedness not otherwise provided for in the plan, and to discharge any obligations or expenses of receivership or reorganization, including any committee expenses and compensation; any balance remaining to go into the treasury of the Eastern Steamship Lines, Inc.

Payment on account of the new pref. and common stock to the amount of \$850,000, to wit: \$750,000 on account of the preferred shares and \$100,000 on account of 20,000 common shares, has been guaranteed by Hayden, Stone & Co., who will be entitled to receive the new stock not taken by the old stockholders and also a commission of 2% of the \$850,000 subscription guaranteed on account of the stock.

Each depositor will be held to have assented to the plan unless he shall within 20 days after Aug. 31 1916, the date of mailing a copy of said plan, have filed with the depository written notice of his dissent therefrom. Any depositor may, within ten days from Aug. 31 1916, withdraw his bonds, but only upon paying his pro rata share of any advances or loans made by or through the committee, and expenses incurred by the committee.

Holders of First & Ref. Mtg. bonds not heretofore deposited under the agreement of April 17 1915 may deposit their bonds on or before Sept. 20. Signed by Philip Stockton, President of Old Colony Trust Co., Boston; Galen L. Stone of Hayden, Stone & Co., and W. P. Cussis, Vice-pres. and Treas. of Union & New Haven Trust Co., as committee under bondholders' agreement of April 17 1915 for Eastern Steamship Corporation bonds.—V. 101, p. 848.

Enger Motor Car Co.—Stock Offered.—The Block & Platt Co. are offering the unsold portion of an issue of convertible 7% cumulative pref. stock on a basis of one share pref., par \$100, and two shares common, par \$10 each, for \$105.

Digest of Statement by Pres. Frank J. Enger, Cincinnati, Aug. 22.
Organization.—Incorporated in Ohio (on or about Aug. 9 1916) to manufacture automobiles and trucks. Has purchased all of the assets and business of Frank J. Enger and the Enger Motor Co. in Cincinnati, O., rated over \$1,000,000 and high credit in Dun's and Bradstreet's; a continuation of the business of the Enger Carriage Co., managed for 30 years, with large profit. Carriage business discontinued 3 years ago for profitable automobile field. Will continue in active charge as President and General Manager under five years' contract.

Capitalization (No bonds, notes or floating debt)—Authorized. Issued.
 Conv. 7% cum. pref. stock, par \$100—\$1,000,000 \$1,000,000
 Common stock, par \$10 (\$1,000,000 is reserved for conversion of preferred) 3,000,000 2,000,000

Ample working capital. Net tangible assets, real and personal property will be about \$1,200,000, with allowance for valuable good-will, trade rights, patents, &c. Based on present business and production scheduled of 5,000 cars, net earnings for the year ending Aug. 1 1917 should be \$1,000,000. Dividends on pref. stock, \$70,000.

Preferred Stock Rights.—(a) Cumulative dividends of 7% p. a., payable Q.-J. in preference to all other stock. Priority in assets over the common stock to extent of 120% of par value and dividends. (b) After year's 7% on the pref., 2% of the remaining net profits before anything is paid on the common stock, to go to reserve fund to secure the pref. dividends until full year's dividend is in hand. (c) Convertible into common stock, ten \$10 shares of common for one \$100 share of pref., at option of holder prior to July 1 1918. (d) If not converted is redeemable at 120% and dividends, at option of company, on three months' notice at any dividend-paying period which is three years subsequent to the last issue of pref. stock. After 1918 10% of annual net profits must go to redemption fund for the pref. stock. (e) No bonded debt, mortgage security or stock ranking prior to or equal with the pref. is issuable without consent of 75% of the pref. and common stock, except it be for newly acquired property or equipment, and then only on such equipment or property. (f) Non-voting unless dividends are in arrears for one year when it has full voting power with common until dividends are paid in full.

Officers and Directors.—Frank J. Enger, Pres. and Gen. Mgr.; Daniel McLaren, 1st V.-P., also Pres. Hamilton County Bank; Edward L. Jones, 2d V.-P.; George W. Platt, Sec.-Treas., also Sec. Block & Platt Co.; Walter R. Draper, V.-P. Cincinnati Traction Co.; Rudolph H. Wurltzer; V.-P. Rudolph Wurltzer Co.; R. B. Goodrich, Pres. Eagle Mfg. Co.; Fred E. Wesselmann, Pres. First Nat. Bank, Cheviot; A. A. Taylor, V.-P. Stearns & Foster Co.; Leo R. Marks, Pres. L. R. Marks Co.; William B. Hay, Pres. Hay Lumber Co.; Edwards Ritchie, Pres. Guar. Deposit Bank.

The Plant.—Located on main line of C. H. & D. Ry. in Cincinnati, O., and contains over 100,000 sq. ft., equipped with automatic sprinkler system, with room for expansion on real estate now owned.

Car.—At present we manufacture only one style of car, the Enger 12-6, thereby permitting of great economy in production. It is a high-grade, light efficiency car, selling at the lowest price (\$1,295) of any 12-cylinder car on the market. Has been unable to meet the demand and has sold every car at a large net profit.

Application has been made for authority to list the common and pref. stock on the Cincinnati Stock Exchange and the common stock on the N. Y. curb market. The Union Savings Bank & Trust Co., Cincinnati, is transfer agent and registrar.

Escondido (Cal.) Utilities Co.—Sold.

This company's gas and electric-light and power property was recently sold at auction for \$10,000 to A. W. Wöhlford of Escondido, who held 49 of the 50 bonds outstanding.

Firestone Tire & Rubber Co., Akron, Ohio.—Stock.

The stockholders will vote Sept. 30 on increasing the limit of capital stock from \$4,000,000 to \$50,000,000, of which \$40,000,000 will be common and \$10,000,000 6% cum. pref. The present \$1,000,000 pref. will be redeemed, presumably at 110. Press reports say that a large dividend in stock is thought likely.—V. 101, p. 844.

Food Products Merger in California.—Control.—F. P. Anderson, San Fran., in an advt. dated Aug. 25, says:

Certain local interests have requested me to secure options on the business of the California Fruit Cannery's Association, Central California Canneries, Griffin & Skelly Co., the J. K. Armsby Co., and options on 51% of the stock of the Alaska Packers' Association. This I have now accomplished, having secured options on the four companies mentioned and considerable in excess of the necessary amount of Alaska Packers' Association stock, and am leaving this afternoon for New York accompanied by Mr. Frank Madison, Mr. J. Cheever Cowden and Mr. George N. Armsby, to carry out the financial plan I have arranged so that any further stock holders of the Alaska Packers' Association who care to join this plan may do so by signing options at the Bank of California, or at the office of Bond & Goodwin, before Aug. 31 1916. [It is understood local interests referred to is the Armsby Co. of N. Y.]—See also V. 103, p. 760.

Ford Motor Co., Detroit.—Report.—Press advices quote the report as showing:

Statistics for the Year ending July 31 1916.

No. of cars made	508,000	Materials on hand	\$31,895,431
Cars sold	472,350	Employees at home plant	34,489
Profit	\$59,994,118	do (all plants)	49,870
Cash on hand	\$52,550,771	do getting \$5 a day or more	36,626

—V. 103, p. 496.

General Motors Co.—Readjustment of Capital.—The

board of directors met Aug. 31 to consider possible readjustment of capitalization. The meeting was adjourned until Sept. 7 without definite action. The following statement, as revised by the "Chronicle," is believed to be subst. correct:

Although details have not yet been completed, the plan which is now under consideration, it is stated, calls for the formation of a new corporation with a capitalization of \$100,000,000. Present common stockholders will be given the privilege of exchanging their holdings for common stock of the new company on the basis of five shares of new common for one of old. It is expected that the new stock will have no par value.

The plan is also understood to provide for a readjustment of the pref. stock through the issuance of a new pref. to be offered for the old on the basis of possibly 4 shares of new for 3 of old stock, which would increase the present preferred stock somewhat. The new preferred will probably be a 6% stock, callable at 110 after 1918.

The new company, on the basis of the plan outlined above would have total outstanding common stock of between \$75,000,000 and \$80,000,000 and pref. stock of between \$15,000,000 and \$20,000,000, making a total of \$100,000,000. The present outstanding common stock is \$16,506,783 and the pref. \$14,985,200, not including \$1,311,300 pref. and \$138,500 common held in the treasury of subsidiary companies and \$1,741,900 pref. and \$3,233,747 common in the General Motors treasury.

On the basis of the present volume of business being handled by the General Motors Co. it is regarded by careful students of the situation that a \$100,000,000 capitalization would not be out of proportion. In the fiscal year ended July 31 last, according to preliminary estimates, the company earned over 160% on its outstanding common stock, or over \$80 a share. On the basis of a common stock capitalization of \$75,000,000 the company without any further increase in revenues, would show in the neighborhood of 40% earned on the stock.—V. 103, p. 496.

Hartman Corporation.—Stock Listed.

The Chicago Stock Exchange has listed \$12,000,000 capital stock.—V. 103, p. 668, 496.

Hawaiian Sugar Co.—Extra Dividend.

This company has declared an extra dividend of \$1 20 per share on the outstanding capital stock (par \$20) in addition to the regular monthly distribution of 30 cents, both payable Sept. 15 to holders of record Sept. 8. An extra dividend of \$1 50 was also paid in June and 50 cents extra in April.—V. 102, p. 2258.

Holland Land Co., California.—Bonds.—The William

R. Staats Co., Los Angeles, is offering for sale \$400,000 1st M. 6% gold bonds of 1916, with interest guaranteed for two years' period by the California Delta Farms, Inc. A circular shows:

Dated June 1 1916, due June 1 1936. Callable at 102 and Int. on any interest payment date. Denom. \$100, \$500 and \$1,000 (c*). Principal and interest (J. & D.) at Mercantile Trust Co. of San Francisco (the trustee) William R. Staats Co., Los Angeles, and Illinois Trust & Savings Bank, Chi.

Capitalization—Authorized.
 Capital stock—\$3,000,000
 First M. 6% bonds (this issue), deliverable as work progresses—1,250,000
 Second M. 6% bonds (Int. begins to accrue Jan. 1 1919)—1,476,000

Properties.—Owns in fee over 20,000 acres of rich, level farming land on west side of Sacramento River, about 14 miles south from city of Sacramento. About 1,100 acres, standing above high water, are now under cultivation and producing crops, and the entire tract is being prepared for farming, renting or sale in small farms, dredgers being now at work. The adjoining lands yield asparagus, beans, alfalfa, fruit, berries &c. The plans call for the same general improvement work so successful throughout the lower Sacramento Valley, plans approved by the California Delta Farms, Inc., with its long experience in similar contract work as well as on its own property of about 40,000 acres on which the improvements cost over \$3,000,000. The proper water level is regulated by drainage canals and ditches, and the surplus water in winter, if any, is pumped off the property, the lands being sub-irrigated in summer.

The property upon the completion of the work now under way should find a ready market in parcels of from 50 acres upwards at from \$200 to \$500 per acre. The present value of the property is not less than \$2,000,000 and when the improvement work is completed at not less than \$200 per acre net, or about \$4,000,000, against not over \$1,250,000 1st M. bonds. Navigable water ways nearly surround the property.

Income.—Lands in the immediate vicinity are in ready demand at from \$15 to \$25 rental per acre. At \$15 per acre the company would have a total gross revenue of \$300,000 per annum, and there should be a net income of several times the interest on the 1st M. bonds and also a surplus to pay the sums due to the sinking fund each year on and after June 1 1921. By the sale of the land the company should receive payments equal to three times the amount of this mortgage. The company's Rim lands are plowed and cultivated, and it is expected that the entire tract may be cleared and plowed and placed in a condition for a first crop for the year 1917.

Sinking Fund to Retire Bonds.—(a) Annually Beginning June 1 1921 a sum equal to 5% of the par value of 1st M. bonds outstanding, but in no year less than \$50,000. (b) In cases of land sales the final 125¢ per acre must go directly to the trustee to retire these bonds.

Under the terms of the 2d M. also 50% of the surplus net earnings, after paying interest, shall be paid into the trustee, two-thirds to 1st M. bond redemption and one-third to 2d M. bond redemption. The trustee, however, shall invest the 2d M. bonds sinking fund up to the amount of 5% of the par value of the bonds outstanding in securities which are a legal investment for California savings banks, and shall hold the same pending the maturity of all bonds outstanding, but may sell them if necessary to protect the property in accordance with the terms of the deed.

[The company is successor of the Netherlands Farms Co., whose \$1,476,000 1st M. bonds were exchangeable in the reorganization, \$ for \$, for new 2d M. bonds and interest certificates covering the period to July 1 1919.]

Imperial Oil Co., Ltd.—8% per Annum.—

A dividend of \$4 per share has been declared on the stock, payable Sept. 1 to holders of record Aug. 18. The same amount was paid in February, and places the stock on an 8% per annum basis.—V. 102, p. 979.

International Mercantile Marine Co.—Earnings.—

The results for the month of August, we are informed, will not differ materially from the results recorded for other recent months, but September is expected to yield a record income. The following is an authoritative statement to July 31 1916:

Earnings of the International Mercantile Marine Co. for 7 Mos. end, July 31.

January	\$4,525,000	May	\$7,311,000
February	4,007,000	June	6,929,000
March	5,192,000	July	4,773,000
April	5,727,000		
Total net earnings before deducting war tax			\$38,464,000
War tax (60% with exemptions varying from month to month)			est 12,821,000

Balance \$25,643,000

This estimated \$25,643,000 net for the seven months is at the rate of \$43,992,000 for the twelve months of 1916, or the equivalent to \$55 a share on the \$51,725,000 pref. stock outstanding, or more than the equivalent of all dividends accumulated (82%) on the pref. stock since the company was formed in 1893. No war tax has yet been paid and the amount of the ultimate payment cannot now be determined. See V. 103, p. 668, 552.

International Salt Co.—Dividend Increased.—

A quarterly dividend of 1% has been declared on the \$6,077,130 stock, payable Oct. 1 to holders of record Sept. 15. This compares with the regular 1/2% and 1% extra paid in July last.—V. 102, p. 2258.

Interstate Electric Corp.—Dividends.—

A quarterly dividend of 1 1/4% was paid Sept. 1 on the \$500,000 pref. stock, to holders of record Aug. 25.—V. 103, p. 668.

Jewel Tea Co., Inc.—Sales for 4 and 32 Weeks end, Aug. 12

1916—4 Weeks—1915.	Increase.	1916—32 Weeks—1915.	Increase.
\$927,454	\$590,927	\$336,527	\$7,007,456
		\$4,469,427	\$2,538,029

—V. 103, p. 497, 148.

Kanawha & Hocking Coal & Coke Co.—Sale.—

See Sunday Creek Coal Co. below.—V. 102, p. 1166.

Kansas Natural Gas Co.—Plan—Underwriting.—With a view to paying off the entire bonded debt and the past due and accrued interest thereon, and thus lifting the receivership, and for the further purpose of providing \$1,000,000 or thereabouts for improvements, it is proposed to increase the outstanding stock from \$6,000,000 to \$15,000,000. The \$9,000,000 is to be offered at \$25 a share or 50% of its face value (\$50) to the stockholders, provided underwriting can be obtained for the entire amount.

Digest of Underwriting Agreement of July 7, Signed Pres. V. A. Hays.

(1) It being necessary in order to effect the discharge of the receiver to raise money to pay debts, extend and improve plant and increase gas supply, the company agrees within six months (or a longer period in case of unavoidable delay) to cause its capital stock to be increased in the amount of \$9,000,000 in addition to the outstanding stock; par value \$50 a share; said increase to be sold, full paid and non-assessable, at 50% of its face value upon the following conditions: (a) The stockholders shall have the first right to purchase the same pro rata at 50% within 15 days after notice has been mailed to them. (b) The underwriters shall purchase pro rata at the same price any portion of the \$9,000,000 new stock not taken by the stockholders, the underwriting agreement, however, to be binding only in case the entire \$9,000,000 is underwritten.

(2) The moneys realized from the sale of said stock shall be applied to the payment of the bonded debt of said company, secured by its first and second mortgages, the bonded debt of the Kansas City Pipe Line Co. and the Magnet Mining Co. and the past due and accrued interest on said bonded debt, so that the same can be redeemed and retired and the mortgages cancelled. Said indebtedness is to be determined by the creditors' agreement dated Dec. 17 1914 (V. 100, p. 401, 1171). It is estimated that the amount of funds for said purpose will be approximately \$3,500,000. The balance of the money so raised shall be used in the extension and improvement of the plant and to obtain an increased gas supply. The company further agrees that as soon as said stock has been sold and its debts paid as aforesaid it will promptly apply for the discharge of the receiver of said company.

Stockholders' Protective Committee.—This committee, it is understood, is co-operating with the management as to reorganization matters:

R. A. Long, Pres. Long-Bell Lumber Co., Kansas City, Mo.; M. L. Benedum, Pres. Benedum-Trees Oil Co.; G. T. Braden, Pres. Oklahoma Natural Gas Co., and E. P. Whitcomb, V.-Pres. & Gen. Mgr. Union Natural Gas Corp., all of Pittsburgh, Pa.; W. W. Spang, director Union Natural Gas Corp., Oil City, Pa.; L. C. McKinney, Pres. & Gen. Mgr. Titusville Iron Co., Titusville, Pa.; V. A. Hays, Pres. Kansas Natural Gas Co., Independence, Kan., with John C. Bartlett as Secy. of committee, 1402 Union Bank Building, Pittsburgh.

Increase in Rates.—Pres. V. A. Hays, Independence, Aug. 23, wrote:

Answering your questions in the order named: (1) The advance in price at Kansas City, Mo., applies to other towns equally distant from the gas field, which are Kansas City, Kansas, Olathe, Lawrence and Topeka. Atchison and Leavenworth, which are further distant, will pay a slightly higher rate, and Ottawa and towns south of there will pay 32c. Towns on our Southern trunk line will pay 30c., being much nearer the field. Notices of these increased rates were sent out recently, to become effective after Sept. 1, but so far no restraining orders have been asked for, and we do not think there will be, for the reason that we are protected by the decisions of the Federal Court in the suit of the receiver against the P. U. Commission of Kansas.

(2) An application to terminate the receivership will be made as soon as the underwriting agreement is completed, which will probably be done at an early day.

(3) The underwriting agreement fully explains the plan of reorganization.

Notice Sent by Receiver Landon to Kansas City Gas Co. on August 4.

You are hereby notified that from and after the August 1916 meter readings, and until further notice, the price you will charge for gas delivered to domestic and gas engine consumers in the city of Kansas City, Mo., and vicinity shall be as follows:

A minimum bill of \$1 a month, which is uniform over our entire system, which will cover the first 2,000 feet or fraction thereof of gas consumed.

All gas consumed in any one month in excess of 2,000 feet, 33 cts. per 1,000 cu. ft.

A discount of 3 cents per 1,000 cu. ft. will be allowed on all gas in excess of the 2,000 ft. covered by a minimum bill to all consumers paying their bills on or before the 10th of the month following that in which the gas was consumed.

[The Court having fixed the minimum price in Kansas at 32 cts., the receiver has varied the price in that State, according to location. In Kansas City 62 1/2% of the gross receipts from sale of natural gas go under contract to the Kansas City Natural Gas Co. The price in that city until recently was 27 cts. per 1,000.]

Minimum Price of 32 Cents Charged in Kansas Pending Final Decision.

The U. S. District Court for the Dist. of Kan., First Div., on June 3 granted John M. Landon, as receiver of the company, an injunction restraining the P. U. Commission of Kansas et al. from enforcing the order of the Commission fixing at 28 cts. per 1,000 cu. ft. (with certain exceptions) the price to be charged for natural gas and authorized the receiver to raise his minimum price to 32 cts., pending a final decision in the suit. This decision, based on the ground that the other rates were confiscatory, was granted on the condition (a) that within 60 days from the entry of this decree the receiver shall make and file in this court a bond for the benefit of all parties interested in the sum of \$750,000; (b) that the receiver will pay no more upon the principals of the debts of creditors who were parties to the creditors' agreement of Dec. 1914 or to the Fidelity Title & Trust Co., trustee, until \$750,000 has been invested in the necessary extensions of the pipes of the Natural Gas Co., and the necessary compressors, to enable the receiver to furnish to his customers and the customers of the Natural Gas Co. a reasonably adequate gas supply; (c) that he will proceed speedily to make these investments, that he will invest therein at least \$500,000 within six months after the entry of this decree (June 3 1916); (d) that in case the court shall finally be decided against him the receiver will pay back to each of the consumers of the gas he furnishes herein the excess paid by such consumer therefor above what he would have paid at the rates fixed by the order of the Commission of Dec. 10 1915.

Extracts from Opinion of Judge.

In the earlier years of its operation the natural gas company produced most of its gas from its leaseholds in Kansas, but the fields so leased have been gradually exhausted until it is able to produce therefrom only about 7 1/2% of the gas it transports and sells. In order to get gas it has already extended its pipes far into the State of Oklahoma where it purchases and where it transports to the cities of Kansas and Missouri 92 1/2% of its gas.

The creditors by their agreement of Dec. 1914 provided for an expenditure of \$5,000,000 within six years from Dec. 1914 for the extensions of the pipes of the company and an additional supply of gas. The Kansas Commission in its opinion, founded upon that creditors' agreement, made a like allowance. The extensions contemplated have not been made and the exhaustion of the available gas fields has proceeded for 17 months since the creditors' agreement and for about 11 months since the opinion and finding of the Commission founded upon it.

In order to procure and maintain a reasonably adequate supply of gas for the coming winter it is necessary for the receiver to extend the pipe lines 50 or 60 miles and to construct compressors at an aggregate expense of at least \$750,000 to \$900,000 during the first year after the filing of this opinion. And it is the opinion of the court that in order to procure and maintain such a supply of gas during the six years of the probable life of the company as a going concern it will be necessary for the receiver to expend for extensions and compressors at least \$750,000 the first year and \$200,000 in each of the five years thereafter, amounting in all to \$1,750,000.

As the life of the company as a going concern is six years the salvage value of the pipes and other materials at the end of the six years when they will be no longer useful in their places in the ground is estimated to be \$262,500, and deducting this from the \$1,750,000 leaves \$1,487,500, which must be returned within the six years. The Commission in its finding and estimates made no allowance for these extensions.

The Commission allowed for interest 6% annually on \$7,283,606, or \$437,017. The business of and the investment in the property of this company is of the most precarious and hazardous nature; 7% per annum is deemed a just and reasonable allowance on investments in railroads and in the property of water, artificial gas and lighting companies of a permanent nature, and at least 8% per annum should be allowed in this case, or an increase of the amount allowed by the Commission of 2% on \$7,283,606, or \$145,672.

The creditors by their agreement consented that there should be reserved during the year 1915 \$500,000 out of the annual earnings for that year and \$200,000 annually thereafter for extensions, betterments and additional gas supply upon condition that the properties were being operated on a compensatory rate. Those amounts have not been so reserved and applied, and yet \$1,000,000 has been paid on the principal of the creditors' debts during these years.—V. 102, p. 2345.

Kelsey Wheel Co., Inc.—All Subscribed.—

Lehman Bros. and Goldman, Sachs & Co. announce by advertisement on another page the sale, prior to public offering, of all of the 7% cumulative preferred stock purchased by them in this new company. The letter of President John Kelsey, regarding the property, its finances, earnings, &c., was cited at considerable length in the "Chronicle" of July 29, p. 411.—V. 103, p. 761.

Maxim Munitions Corporation.—Cartridges.—

J. W. O'Bannon, Pres. of this corporation announces that it is now producing finished cartridges under its contract with the Royal Danish Government and that its first cartridges have successfully passed every inspection test of the Danish Commission. A large shipment will be made early in September.—V. 103, p. 148.

Mowbray & Robinson Co., Cincinnati, O.—Bonds

Offered.—Lyon, Gary & Co., Chicago, are offering \$500,000 1st mtge. 6% gold bonds, dated July 20 1916, due \$25,000 semi-annually April 1918 to Oct. 1927, at par and interest, except April and Oct. 1908 maturities, which are offered at 100 3/4 and 100 1/2 and interest, respectively. Auth. issue, \$1,000,000. Denom. \$1,000 c*, \$500 and \$100.

Interest payable A. & O. at the Continental & Commercial Trust & Savings Bank, Chicago, trustee, but subject to call at 102 and interest.

Data from Letter of Vice-Pres. & Sec. F. W. Mowbray, Aug. 5 1916.

Incorporation.—Organized in 1901 by Messrs. F. W. Mowbray and E. O. Robinson, with one outside partner, with the nominal capital of \$8,800. In 1904 Mr. Mowbray and Mr. Robinson took over the remaining interest, paying \$36,000 therefor, and incorporated in Delaware in 1912.

Plant, &c.—Our main plant is at Quicksand, Ky., where we manufacture about 3,000,000 ft. of hardwood lumber and re-manufacture a part of this product about 10,000,000 ft. of flooring, and carry between 10,000,000 and 17,000,000 ft. of lumber, consisting of about 90% oak, poplar, ash and basswood.

At West Irvine, Ky., on the L. & N. RR., we have a yard for drying lumber and have on sticks at this point about 5,000,000 ft. of finished product of about the same grade and percentages as our stock at Quicksand. We manufacture, here between 8,000,000 and 10,000,000 ft.

In addition, we lease a sawmill at Viper, Ky., which is sawing from 4,000,000 to 5,000,000 ft. per annum; also a small plant at Typo, Ky., sawing about 1,500,000 ft. of lumber annually. All in all, we now manufacture close to 50,000,000 ft. annually, and handle upwards of 10,000,000 ft. additional, which we purchase from time to time.

Timber.—Our main body of timber, approximately 55,000 acres, and estimated to carry upwards of 300,000,000 ft. of merchantable hardwood timber, lies in two tracts, one known as the "Taylor & Crate" tract; the other tract, which at present we treat as a reserve holding, lies mostly in Clay and Leslie counties, Ky. In addition to these two tracts, we have under contract some 50,000,000 ft. adjacent to our Quicksand plant. Also, in and about here, we own additional timber of some 15,000,000 ft. or more, and own upwards of 12,000,000 ft. of logs, all of which will come to our Quicksand plant.

We estimate that we own and control considerably over 375,000,000 ft. of hardwood timber, consisting largely of forked-leaf white oak.

The proceeds of this issue are to be used to retire a previous debt incurred through the purchase of timber. These bonds are secured by an absolute first mortgage on the following timber standing on about 44,845 acres: oak, 151,137,250 ft.; poplar, 20,698,650 ft.; lynn, 2,217,935 ft.; ash, 245,972 ft.; hickory, 10,323,500 ft.; beech, birch and maple, 27,540,425 ft.; chestnut, 24,164,580 ft.; pine, 2,911,290 ft.; hemlock, 1,872,625 ft.; buckeye, 707,450 ft.; walnut, 105,150 ft.; locust, 66,200 ft.; sycamore, 11,250 ft.; elm, 6,000 ft.; total, 22,008,877 ft.

Some 4,000 acres included under this mortgage have not been cruised, which, coupled with the conservatism of our estimate, leads us to believe the lands under this mortgage carry upwards of 275,000,000 ft. of timber.

This mortgage is also a first lien on the company's manufacturing plant at Quicksand, Ky., as well as the sawmill plant at West Irvine, Ky.

New Bonds.—Under strict provisions of the mortgage, and then only with the consent of Lyon, Gary & Co., as bankers, can additional bonds be issued, only for the purchase of timber or timber lands or for building

sawmills and plants and equipment, and logging railroad, any and all of which property must be first subjected to the lien of this mortgage.

Valuations.—We value the stumpage throughout the property at not less than \$5 per 1,000 ft., which is considerably over twice the present bond issue. Our actual cash investment in the timber and plants pledged under this mortgage is considerably in excess of \$1,000,000. We would conservatively appraise the mortgaged property as follows: timber, 242,008,777 ft., at \$5 per M., \$1,210,444; mfg. plants and equipment, real estate, &c., \$300,000; total, \$1,510,444, or more than 3 times the amount of this issue. Redemption Fund.—This mortgage requires an accounting of \$4.25 per M. ft. log scale on 71,309,327 ft., and \$3 per M. ft. log scale on 170,699,450 ft. All moneys received by the trustee from the above sources constitute a fund to retire the principal only of this issue. Guaranty.—Principal and interest is unconditionally guaranteed by F. W. Mowbray and E. O. Robinson personally.

Muskogee Refining Co.—Time Extended.—

Pres. John M. Crawford announces that the time for the exchange of Muskogee stock for that of the Oklahoma Producing & Refining Co. has been extended to Sept. 7. It is said that more than 450,000 of the 500,000 shares have been exchanged.—V. 103, p. 669.

New York & Richmond Gas Co.—Control Purchased.—

Announcement was made on Aug. 31 that the Dawes Syndicate, in conjunction with local banking interests, had purchased control of this company, operating in Richmond, Staten Island. The negotiations were handled by M. M. Freeman & Co., Phila., and Wm. B. Walter, Chicago.—V. 98, p. 1771.

Oklahoma Producing & Refining Co.—Time Extended.

See Muskogee Refining Co. above.—V. 103, p. 669.

Parker Cotton Mills Co.—Stockholders' Committee.—

The following stockholders committee was elected on Aug. 23 to submit a plan of reorganization: Leonard Phinizy, Thomas F. Parker, John M. Miller Jr., J. P. Matthews, M. L. Marchant and M. V. Hagelden.—V. 102, p. 1901.

Pennsylvania Canal Co.—Judgment.—

Judges Buffington, McPherson and Woolley in the U. S. Circuit Court of Appeals at Phila. on Aug. 10 affirmed a decree of the U. S. District Court on April 6 1916, awarding a judgment of \$1,379,941 against the Pennsylvania RR. Co. Compare V. 102, p. 1064, 1441.

Pioneer (Sugar) Mill Co., Hawaii.—Stock Increase.—

This company some weeks since increased its capital stock from \$4,000,000 to \$5,000,000 (par \$20) for the purpose, it is understood, of paying a 25% stock dividend.—V. 102, p. 1722.

Pittsburgh Coal Co. (of N. J.)—Over 90% Assent.—

At the close of business Aug. 22 1916 there had been deposited under the readjustment plan, 93.62% of the preferred and 91.59% of the common shares. The readjustment committee as of Aug. 23 further says:

In view of the fact that the vacation season is now on, and it is known a number of owners have thereby been prevented from depositing their shares, and desiring the action of the stockholders shall be as nearly unanimous as possible, the committee has instructed the several depositaries to continue receipt of deposits of stock until further advised. In order that we may know at as early a date as possible the full amount of stock supporting the plan, the committee now urges upon all stockholders, who have not already done so, the early deposit of their shares in accordance with the readjustment plan. Depositing stockholders will promptly receive all cash dividends declared and paid by the company. The depositaries are the Bankers Trust Co. of N. Y., Union Trust Co. of Pittsburgh and Guarantee Trust & Safe Deposit Co., Philadelphia. (See plan, V. 102, p. 804, 1166, 2259.)—V. 103, p. 411.

Pittsburgh Steel Co.—Earnings 12 Mos. end. June 30.—

Table with 3 columns: 1916, 1915, 1914. Rows: Gross sales, Net profits, After setting aside \$500,000 as reserve for deprec.

Pneumatic Scale Corp., Ltd.—Bonds Offered.—

E. Elmer Foye & Co., Boston, have offered at 101 and int., yielding about 6 3/4%, \$350,000 5-year 7% debenture coupon bonds, dated Mar. 1 1916, due Mar. 1 1921. Int. M. & S. I. Trustee, Old Colony Trust Co., Boston.

Denom. \$1,000 and \$100. Callable all or part at 105 and int. on Mar. 1 1918, or on any int. day thereafter. Prior to the payment or redemption of these bonds no new mortgage will be placed upon the property.

Data from Letter of W. H. Doble, Treas., Norfolk Downs, Mass., March 27 1916.

Organization.—Incorporated in Maine June 6 1904 to manufacture, lease, operate and deal in all kinds of machines, appliances and devices for weighing, packaging and handling all kinds of goods and merchandise. Plant is at Norfolk Downs, Mass. Branch offices, New York, Chicago, Kansas City, San Francisco, Toronto and London.

The machines made can automatically feed the knocked-down cartons from a stack, fold and seal bottom flaps, emboss identifying mark, insert sealed inner lining, fill and weigh goods, drop in coupon, fold and seal top flaps, wrap in wax paper, shrink on a printed label, gluing all surfaces tightly and water-proofing the carton before leaving from one or two ounces up to 49 pounds, speed in some instances running as high as 60 per minute. The sanitary sealed package is daily coming into more general use, and we estimate that fully 90% of all goods put up in packages in this country are being handled on the Pneumatic machines.

Table with 3 columns: Authorized, Issued. Rows: Preferred stock, 7% cumulative; Common stock.

First M. 7% gold bonds due Sept. 1 1917, (to be retired by this issue) \$197,000

Purpose of Issue.—The proceeds will pay off floating debt, retire outstanding bonds and furnish additional capital temporarily needed to place in line of manufacture on a commercial basis several new types of machines, which will add greatly to the breadth of our field and the values of our present machines.

Condensed Balance Sheet Jan. 31 1916 (Total Each Side \$1,900,579).

Table with 2 columns: Assets, Liabilities. Rows: Cash & acct's receivable, Stock, Machinery on rental, Plant & mach'y, Patents and good-will, Leases, Preferred stock, Common stock, Notes and accounts payable, First mortgage bonds, Surplus.

Earns. (av. 4 1/2 times int. on this iss.): 1912, 1913, 1914, 1915.

Bal. available after depreciation \$102,938 \$110,865 \$143,818 \$115,522 Dividends paid of 4% per annum have been paid on the common stock for the past 7 years. Depreciation charges have been liberal. The rentals under existing leases of the company's machinery, payable during the term of these bonds, will nearly equal the par value of the bonds.

Directors and officers: A. L. Robinson, Pres.; W. H. Doble, Treas. and Gen. Mgr.; A. L. Lincoln, Gilbert Balkam, J. F. Sheppard.—V. 95, p. 1546.

(The) Russell & Co., Massillon, Ohio. (Farm Machinery, &c.)—Preferred Stock Offered.—

The Maynard H. Mureh Co., Cleveland, Ohio, have offered, at 102 and div., \$500,000 7% cumulative pref. stock, with sinking fund. Par \$100. A circular shows:

The stock is pref. as to both assets and earnings. Red., all or part, at 105 and divs. Divs. Q.-J. Not less than \$30,000 per annum must be redeemed and canceled, beginning April 1 1918. No mortgage, lien, &c., without consent of 75% of the pref. stock. While possessing no general voting power, a majority of the pref. stock present at any meeting will have this power to the extent of 66 2/3% of all the votes cast at any meeting in case of failure to comply with the sinking fund and other provisions of the pref. stock.

Organization.—Founded in 1842 in Massillon, O.; originally incorporated in Ohio in 1878. Manufactures heavy farm machinery, including gas

engines, steam engines, threshing machines, sawmills and road machinery. This stock issue places the control in the hands of men who for more than 20 years have successfully conducted this business.

Table with 2 columns: Authorized, Issued. Rows: Capitalization (No bonds or mortgage); 7% cum. pref. stock; Common stock.

Property Owned.—Plant at Massillon, including over 20 acres of land and having a replacement valuation of practically \$1,000,000; 420 shares out of 500 of Massillon Belt Ry.; sales branches and five subsidiary companies located at Council Bluffs, Ia.; St. Paul, Minn.; Chattanooga, Tenn.; St. Joseph, Mo., and Portland, Ore. The subsidiary companies have a combined paid-in capital stock of \$450,000 and a surplus fund of \$495,209—but \$7,600 of the stock being owned by the company, and carried at par. The subsidiary companies cannot incur any debt other than for ordinary current expenses, except to the parent company, and the latter agrees that their notes, which it has discounted, shall at no time exceed 75% of the security given.

Earnings.—Total earnings, together with its subsidiary companies, aggregated for cal. year 1915, \$282,167, including \$52,137 carried to the surplus accounts of the subsidiary companies—or over eight times the pref. dividend, and for the past 14 years have averaged annually over 4 1/2 times the preferred dividend.

Balance Sheet of The Russell & Co., Dec. 31 1915 (Total Each Side, \$2,702,578)

Table with 2 columns: Resources, Liabilities. Rows: Plant account, Stock in subsidiary cos., Outside real estate, Cash in banks, Bills & accounts receivable, Accrued interest, Merchandise stocks, Balances due from sub. cos., Common stock, Preferred stock, Bills & acct's payable, Cash in banks, Pref. div. paid Jan. 1 1916, Bills & accounts receivable, Reserve for contingent losses, Surp. account Jan. 1 1915, Undiv. profits (year 1915).

Aside from the items above shown, the company has discounted bills receivable as follows: Its own customers' bills, \$167,466; bills made by its subsidiary companies, \$1,147,733; secured by \$1,721,051 farmers' notes pledged as collateral. As owner of practically all of the capital stock of its subsidiary companies, it virtually owns the surplus assets of such subsidiary companies, amounting to \$495,209. The plant account as above includes real estate, buildings and equipment as appraised Feb. 1912 at reproductive value, \$974,173; additions since appraisal, \$6,249; less depreciation, \$354,082; net, \$626,340.

The profit for the year 1915 per books was \$180,029, and dividends from subsidiary companies, \$50,000; total, \$230,029; less pref. dividends (6%), \$30,000, and reserve for contingent losses, \$87,074; balance, \$112,955.

St. Joseph Lead Co.—Dividend from Amortization.—

A distribution of 50 cents a share from the reserve for amortization, in addition to the regular quarterly 25 cents a share, has been declared on the stock, payable Sept. 20 to holders of record Sept. 9.—V. 103, p. 757.

Standard Screw Co.—Bonds Called.—

This company has called for payment on Oct. 1 at par and interest at the N. Y. Trust Co., N. Y., the outstanding \$240,000 5% gold debentures.—V. 102, p. 2347.

Studebaker Corporation.—Rumor Denied—Earnings.—

Regarding the report that the company contemplated making an issue of \$15,000,000 new stock, Pres. A. R. Erskine on Aug. 29 said:

The Studebaker Corporation is entirely out of debt, has bank balances of approximately \$4,000,000, its profits are more than sufficient to take care of all its requirements, and it contemplates absolutely no new financing of any kind.

(The company confirms the report that its net profits for the year ended June 30 1916 were \$6,028,000, contrasting with \$9,248,375 for the full calendar year 1915 and \$5,345,396 for 1914. The company has outstanding \$30,000,000 common and about \$10,965,000 pref. stock.)—V. 103, p. 499.

Stutz Motor Car Co.—Initial Dividend.—

An initial dividend of \$1.25 has been declared on the stock, payable Oct. 2 to holders of record Sept. 15.—V. 103, p. 534, 499.

Sunday Creek Coal Co.—Sale of Collateral.—

Default for more than 3 months having been made in the payment of interest due July 1 1915 and Jan. 1 1916 on the \$3,503,000 Sunday Creek Co. Collateral Trust Gold bonds dated July 1 1905, the Central Trust Co. of N. Y., trustee under the collateral indenture of that date, as required by the registered holders of a majority of the bonds now outstanding, gives notice that it will sell the collateral on Oct. 4 through Adrian H. Muller & Son, N. Y., viz.: Trust certificates representing the beneficial interest in (a) 32,300 shares of stock of the Kanawha & Hocking Coal & Coke Co., being \$3,230,000 of the total outstanding issue of \$3,250,000; (b) 32,500 shares of stock of Continental Coal Co., being \$3,250,000 of a total outstanding issue of \$3,500,000.—V. 99, p. 1055.

Sunday Creek Co.—Sale of Collateral.—

See Sunday Creek Coal Co. above.—V. 99, p. 1055.

Swift & Co., Chicago.—Listing.—

The Chicago Stock Exchange has listed \$2,400,000 additional 1st M. bonds, making \$32,420,000 listed to date.—V. 102, p. 1723.

Tennessee Copper Co., New York.—Litigation.—

Pres. Utley Wedge, N. Y., has made the following statement:

It is true that Wm. H. Stiner & Son have brought four suits against the Tennessee Copper Co., attaching some of our property in New York, as the Copper company is a New Jersey corporation. A surety bond has been arranged to be furnished by the copper company and the unwarranted attachment released.

The same party had entered into contracts with Wm. H. Stiner & Son for the sale to Stiner & Son of sulphuric acid and other chemicals. Some time ago Stiner & Son defaulted in their performance of the contracts and a letter was sent to them advising that they would be held liable to the Tennessee Copper Co. for damages by reason of the breach of the contracts.

The suits instituted by Stiner & Son are wholly unwarranted, and it is perfectly clear that the only purpose in filing these suits was to anticipate the action that Stiner & Son knew would be taken against them by the copper company. Counter suits will soon be filed. The copper company has nothing whatever to fear from these actions.—V. 102, p. 2347, 2260.

Tobacco Products Corp.—Listing.—

The N. Y. Stock Exchange has admitted to list on and after Aug. 28 \$16,000,000 common stock.—V. 103, p. 670, 664.

Todd Shipyards Corp., N. Y.—Initial Dividend.—

An initial dividend of \$1.75 has been declared on the stock (no par value), payable Sept. 30 to holders of record Sept. 20.

The following statement was given out: "Net earnings for the quarter ended Aug. 31 will be in excess of \$750,000, after providing for all interest and sinking fund payments, including interest and sinking funds on the 5-year 6% notes."—V. 102, p. 2347.

Torrington (Conn.) Co.—Sub. Company Purchase.—

The National Sweeper, a subsidiary of this company, has purchased the Domestic Vacuum Cleaner Co., Worcester, Mass. Late last year the Olmsted-Tuttle Co.'s property in Chicopee, was purchased by the Excelsior Needle Co., also a subsidiary of this company.—V. 102, p. 1991.

Union Sugar Co.—Dividend Increased.—

A monthly dividend of 35 cents has been declared on the stock, payable Sept. 5 to holders of record Aug. 31. This is an increase of 10 cents per share.—V. 101, p. 452.

United Drug Co.—Stock Underwritten.—

The following bankers have underwritten an issue of \$2,500,000 1st pref. stock offered to holders of the old pref. at par (\$50) until Sept. 1: F. S. Moseley & Co., Kissel, Kinnicut & Co. and Dominick & Dominick. Stock not taken by 1st pref. holders will be offered to owners of 2d pref. and common.—V. 103, p. 417.

For other Investment News see pages 853 and 854.

Reports and Documents.

CANADIAN PACIFIC RAILWAY COMPANY

THIRTY-FIFTH ANNUAL REPORT—FOR THE FISCAL YEAR ENDED JUNE 30TH 1916.

To the Shareholders:

The accounts of the Company for the year ended June 30 1916 show the following results:

Gross Earnings.....	\$129,481,885 74
Working Expenses.....	80,255,965 28
Net Earnings.....	\$49,225,920 46
Deduct Fixed Charges.....	10,306,196 06
Surplus.....	\$38,919,724 40
Contribution to Pension Fund.....	125,000 00
	\$38,794,724 40
Deduct Net Earnings of Pacific Coast Steamships, Commercial Telegraph, and News Department, transferred to Special Income Account.....	1,923,288 96
	\$36,871,435 44
From this there has been charged a half-yearly dividend on Preference Stock of 2 per cent, paid April 1 1916.....	\$1,613,638 42
And three quarterly dividends on Ordinary Stock of 1¼ per cent each, paid Dec. 31 1915, April 1 1916 and June 30 1916.....	13,650,000 00
	15,263,638 42
	\$21,607,797 02
From this there has been declared a second half-yearly dividend on Preference Stock, payable Oct. 1 1916.....	\$1,613,638 42
And a fourth quarterly dividend on Ordinary Stock, 1¼ per cent, payable Oct. 1 1916.....	4,550,000 00
	6,163,638 42

Leaving net surplus for the year..... \$15,444,158 60
In addition to the above dividends on Ordinary Stock, three per cent was paid from Special Income.

THE FOLLOWING ARE THE DETAILS OF SPECIAL INCOME FOR YEAR ENDED JUNE 30 1916.

Balance at June 30 1915.....	\$8,216,144 15
Less Dividend paid Oct. 1 1915.....	1,950,000 00
	\$6,266,144 15
Interest on Proceeds Land Sales.....	151,170 51
Interest on Deposits and Loans.....	976,326 08
Interest from Minneapolis St. Paul & S. S. Marie Ry. Bonds.....	159,720 00
Interest from Mineral Range Ry. Bonds.....	50,160 00
Interest from Toronto Hamilton & Buffalo Ry. Bonds.....	10,237 78
Interest from Montreal & Atlantic Ry. Bonds and other Securities.....	108,136 03
Interest from Berlin Waterloo Wellesley & Lake Huron Ry. Bonds.....	17,040 00
Interest from St. John Bridge & Railway Extension Co. Bonds.....	6,250 00
Interest from Esquimalt & Nanaimo Ry. Bonds.....	193,280 00
Interest from Dominion Atlantic Ry. Extension Debenture Stock.....	56,940 00
Interest from Dominion Atlantic Ry. 2nd Debenture Stock.....	36,986 67
Interest from Hull Electric Railway.....	60,000 00
Dividend on St. John Bridge & Railway Extension Co. Stock.....	70,000 00
Dividends on Minneapolis St. Paul & S. S. Marie Ry. Common Stock.....	890,645 00
Dividends on Minneapolis St. Paul & S. S. Marie Ry. Preferred Stock.....	445,326 00
Dividends on West Kootenay Power & Light Co. Common Stock.....	27,500 00
Dividends on West Kootenay Power & Light Co. Preferred Stock.....	3,850 00
Dividends on Consolidated Mining & Smelting Co. Stock.....	307,437 50
Dividend on Berlin Waterloo Wellesley & Lake Huron Ry. Stock.....	12,500 00
Earnings from Ocean Steamships and Hotels.....	3,583,292 28
Revenue from Company's Interest in Coal Mine Properties.....	557,842 72
Extraneous Mail Earnings.....	216,305 07
Net Earnings of Pacific Coast Steamships, Commercial Telegraph, News Department.....	1,923,288 96
Received for Space rented in Office Buildings.....	76,720 34
	\$16,207,099 09
Less:—Payments to Shareholders in dividends: December 31 1915, April 1 1916 and June 30 1916.....	5,850,000 00
	\$10,357,099 09
From this a dividend has been declared payable Oct. 1 1916.....	1,950,000 00

2. The working expenses for the year amounted to 61.98 per cent of the gross earnings, and the net earnings to 38.02 per cent, as compared with 66.04 and 33.96 per cent, respectively, in 1915.

3. There were no sales during the year of four per cent Consolidated Debenture Stock, four per cent Preference Stock or other Capital Securities.

4. The sales of agricultural land during the year were 390,715 acres for \$6,126,108, being an average of \$15 68 per acre. Included in this area were 8,046 acres of irrigated land, which brought \$54 67 per acre, so that the average price of the balance was \$14 86 per acre.

5. You will be asked to give your approval to an Agreement between the New York Central, Michigan Central, and Canada Southern railway companies and your Company, and the Toronto Hamilton & Buffalo Railway Company,

which, in addition to providing for the interchange of traffic passing over the latter Company's lines, provides for the issuance by the Toronto Hamilton & Buffalo Railway Company of First Mortgage Consolidated Bonds not exceeding in amount \$10,000,000, bearing interest at a rate not in excess of 5% per annum, to be issued only with the consent of the other Companies, parties to the Agreement, and to be unconditionally guaranteed, as to principal and interest, by these Companies jointly and severally.

6. In consequence of the extraordinary conditions created by the present War, your Directors considered it advisable to postpone the effective date of the Agreement entered into between your Company and the Allan Line Steamship Company and the Canadian Pacific Ocean Services, Limited, authorized by Resolution passed at the last Annual Meeting, for the acquisition by the last-named Company of the Capital Stock of the Allan Line now held by your Company and of the vessels of your Company named in the Resolution. Your Directors have, however, thought it desirable to enter into an Agreement with the Canadian Pacific Ocean Services, Limited, under which the vessels of both fleets are operated by that Company as Managers and Agents. In view of possible changes in the conditions pertaining to ocean traffic, your Directors consider that it may be advisable, in your Company's interests, that in giving effect to the proposals previously approved, a somewhat different plan should be adopted, and a Resolution will be submitted granting authority to your Directors to carry out the transaction with the Ocean Services or some other Company created for that purpose, of which Company your Company will have full ownership and control in such manner and on such terms as seem to them proper.

7. The revenue from your steamships given in the statement of Special Income is exclusive of an amount transferred to the Reserve Account to cover the cost of replacing ships sold or destroyed, and of a sum sufficient to meet any tax on excess profits that may be ultimately payable.

8. The relations between the Consolidated Mining & Smelting Company and the West Kootenay Power & Light Company were such as to make it desirable, in the interests of both properties, that they should be under one control, and in order that this might be accomplished, your Company joined with the other shareholders in the West Kootenay Power & Light Company in exchanging its holdings of Common Stock in that Company for shares in the Consolidated Mining & Smelting Company, on a basis of \$75 of the stock of the Consolidated Company for each \$100 face value Common Stock of the West Kootenay Company.

9. Your Directors appropriated for Expenditure on Capital Account in the calendar year the amount of \$3,749,474. Of this, \$1,955,000 was required for the Connaught Tunnel in the Selkirk Mountains, and the balance for miscellaneous works of improvement over the whole system.

10. The profits resulting from the manufacture in your Company's shops of munitions of war, undertaken at the request of Government, have not been taken into the operating revenue, but have been applied as a set-off against contributions to Patriotic and Relief Funds, and other expenditures by your Company directly due to the war, and not properly chargeable to working expenses.

11. The important falling off in the revenue per ton mile for the carriage of freight traffic from .76 cents in 1915 to .64 cents this year, was largely due to the abnormal increase in the tonnage of grain handled at the very low rates that apply to that commodity, although the reduction in many tariff rates in Western Canada had considerable influence.

12. There being some doubt as to the right of the Company to issue its Preference and Debenture Stocks in dollar currency as well as sterling, the requisite authority to do so was secured by Act of Parliament at the last Session.

13. In November last the Trustees under the Mortgage securing £7,191,500 First Mortgage Bonds executed a discharge of mortgage and re-conveyance of the property to the Company, and the documents have been deposited with the Honorable the Secretary of State at Ottawa.

14. Mr. E. W. Beatty, K.C., Vice-President and General Counsel, was elected a Director of the Company to fill the vacancy caused by the resignation of Mr. David McNicoll.

15. The under-mentioned Directors will retire from office at the approaching Annual Meeting. They are eligible for re-election.—

MR. WILMOT D. MATTHEWS,
MR. AUGUSTUS M. NANTON,
MR. GEORGE BURY.

For the Directors,

SHAUGHNESSY,
President.

Montreal, August 14th 1916.

GENERAL BALANCE SHEET, JUNE 30TH 1916.

ASSETS. Property Investment: Railway \$352,971,897 76; Rolling Stock Equipment 153,605,367 56; Ocean, Lake and River Steamers 24,211,713 33; Acquired Securities (Cost): Schedule "A" 111,793,714 53; Advances on Lines and Steamships under Construction 42,852,519 99; Advances and Investments 9,639,472 07; Deferred Payments on Lands and Townsites Sales, No. 2 12,006,140 61; *Special Investment Fund: Deferred Payments on Lands and Townsites 39,044,383 42; Government Securities 10,088,734 86; Deposited with Trustee 7,135,650 56; Working Assets: Material and Supplies on Hand \$11,814,583 84; Agents' and Conductors' Balances 1,819,709 40; Net Traffic Balances 512,056 88; Miscellaneous Accounts Receivable 8,737,605 83; Temporarily Invested in War Loans 5,272,690 63; Cash in Hand 41,581,680 69; Other Assets: Schedule "B" 127,129,135 93; Total \$960,217,057 89.

* Security for Issue of Note Certificates, \$52,000,000.

LIABILITIES.

Capital Stock: Ordinary Stock \$260,000,000 00; Four Per Cent Preference Stock 80,681,921 12; Four Per Cent Consolidated Debenture Stock 176,284,882 10; Mortgage Bonds: Algoma Branch 1st Mortgage 5 per cent 3,650,000 00; Note Certificates 6 Per Cent 52,000,000 00; Premium on Ordinary Capital Stock Sold 45,000,000 00; Current: Audited Vouchers \$5,185,207 45; Pay Rolls 4,789,748 92; Miscellaneous Accounts Payable 5,536,269 10; Accrued: Rentals of Leased Lines and Coupons on Mortgage Bonds 11,680,000 00; Reserves and Appropriations: Equipment Replacement \$4,978,627 79; Steamship Replacement 5,384,028 92; Reserve Fund for Contingencies and for Contingent War Taxes 14,103,178 79; Marine Insurance Fund 335,960 86; Net Proceeds Lands and Townsites 24,801,796 36; Surplus Revenue from Operation 68,255,803 19; Surplus in other Assets 100,604,596 60; Total \$960,217,057 89.

I. G. OGDEN, Vice-President.

AUDITORS' CERTIFICATE.

We have examined the Books and Records of the Canadian Pacific Railway Co. for the fiscal year ending June 30 1916, and having compared the annexed Balance Sheet and Income Account therewith, we certify that, in our opinion, the Balance Sheet is properly drawn up so as to show the true financial position of the Company at that date, and that the relative Income Account for the year is correct.

PRICE, WATERHOUSE & CO., Chartered Accountants (England).

Montreal, August 10 1916.

FIXED CHARGES FOR YEAR ENDED JUNE 30TH 1916.

Table of fixed charges: \$200,000 St. Lawrence & Ottawa Ry. 4% First Mortgage Bonds; \$2,544,000 Man. & West. Colon. Ry. 1st Mortgage 5% Bonds, due June 1st 1934; \$4,007,381 15 5 Ontario & Quebec Ry. Debenture Stock 5%; \$2,000,000 Ontario & Quebec Ry. Ordinary Stock 6%; \$1,330,000 Atlantic & North West Ry. 1st Mortgage Bonds, due January 1st 1937; \$750,000 Algoma Branch 5% 1st Mortgage Bonds due July 1st 1937; \$500,000 New Brunswick Southern Ry. 1st Mortgage Bonds, 3%; \$500,000 Lindsay Bobcaygeon & Pontypool Ry. 1st Mortgage Bonds, 4%; Rental Toronto Grey & Bruce Ry. 20,000 00; Rental Calgary & Edmonton Ry. 140,000 00; Rental Farnham to Brigham Jct. 218,357 60; Rental Mattawamkeag to Vanceboro. 1,400 00; Rental New Brunswick Ry. System 23,800 00; Rental, Terminals at Toronto 372,829 74; Rental, Terminals at Hamilton 25,968 71; Rental, Hamilton Jct. to Toronto 38,877 61; Rental, St. Stephen and Milltown Ry. 43,487 40; Rental, Joliette & Brandon Ry. 2,050 00; Rental, Lachine Canal Branch 939 96; Rental, Interest on Montreal & Western Ry. 12,501 84; Interest on Equipment Obligations 567,191 66; Total \$3,254,800 76; \$36,222.921 4% CONSOLIDATED DEBENTURE STOCK 7,051,395 30; Total \$10,306,196 06.

SCHEDULE "A"—ACQUIRED SECURITIES.

Securities of Leased Lines.

Table of acquired securities: Atlantic & North West Ry. 1st Mortgage Bonds, 5% Par Value \$19,466 87; Eganville Branch 1st Mortgage Bonds, 4% 302,000 00; Guaranteed Stock *Capital Stock 3,240,000 00; Alberta Railway & Irrigation Co. *1st M. Bonds, 4% 176,000 00; Ordinary Stock 2,396,000 00; Alberta Central Railway 1st Mortgage Bonds, 4% 3,171,500 00; Capital Stock 2,240,000 00; British Columbia Southern Ry. 1st Mortgage Bonds, 5% 50,000 00; *Capital Stock 1,175,000 00; Berlin Waterloo Wellesley & Lake Huron Ry. *1st Mortgage Bonds, 4% 172,200 00; *Capital Stock 426,000 00; Calgary & Edmonton Ry. 1st Mortgage Bonds, 4% 125,000 00; *Capital Stock 5,900,000 00; Campbellford Lake Ontario & Western Ry. 1st M. Bds., 4% 1,000,000 00; *Capital Stock 9,220,000 00; Cap de la Madeleine Ry. *Capital Stock 125,000 00; *Capital Stock 30,000 00; Columbia & Kootenay Ry. 1st Mortgage Bonds, 4% 1,277,500 00; *Capital Stock 250,000 00; Columbia & Western Ry. 1st Mortgage Bonds, 5% 5,691,000 00; *Capital Stock 925,000 00; Dominion Atlantic Ry. Capital Stock 1,101,848 93; Preferred Stock 1,310,202 00; 2nd Debenture Stock 924,666 67; Extension Debenture Stock 1,423,500 00; Esquimalt & Nanaimo Ry. *1st Mortgage Bonds, 4% 4,832,000 00; *Capital Stock 2,500,000 00.

Table of securities: Great North West Central Ry. 1st Mortgage Bonds, 5% -- Par Value \$1,375,000 00; *Capital Stock 300,000 00; Guelph & Goderich Ry. 1st Mortgage Bonds, 4% 2,415,000 00; *Capital Stock 125,000 00; Georgian Bay & Seaboard Ry. 1st Mortgage Bonds, 4% 4,840,000 00; *Capital Stock 250,000 00; Kettle Valley Ry. *Capital Stock 375,000 00; Kingston & Pembroke Ry. 1st Mortgage Bonds, 4% 1,075,000 00; 1st Preferred Stock 995,450 00; 2nd Preferred Stock 134,900 00; Ordinary Stock 1,980,900 00; Kootenay & Arrowhead Ry. *1st Mortgage Bonds, 5% 780,000 00; *Capital Stock 250,000 00; Kootenay Central Ry. 1st Mortgage Bonds, 4% 2,970,000 00; *Capital Stock 250,000 00; Lindsay Bobcaygeon & Pontypool Ry. *Capital Stock 200,000 00; Manitoba & North Western Ry. 1st Mortgage Bonds, 6% 2,627,513 33; 1st Mortgage Bonds, 5% 2,520,000 00; Shell River Branch 1st Mortgage Bonds, 5% 160,000 00; Debenture Stock, 5% 613,200 00; Preferred Stock, 5% 415,000 00; *Capital Stock 5,613,113 63; Manitoba South West Col. Ry. 1st Mortgage Bonds, 5% 72,000 00; Capital Stock 700,000 00; Montreal & Ottawa Ry. 1st Mortgage Bonds, 5% 1,636,250 00; *Capital Stock 227,200 00; New Brunswick Southern Ry. *Capital Stock 49,000 00; Northern Colonization Ry. 1st Mortgage Bonds, 4% 1,118,000 00; *Capital Stock 300,000 00; Nicola Kamloops & Similkameen Ry. 1st M. Bonds, 4% 1,175,000 00; *Common Stock 250,000 00; Nakusp & Slocan Ry. *Common Stock 300,000 00; Ottawa Northern & Western Ry. 1st M. Bonds, 4% 3,075,000 00; *Capital Stock 804,000 00; Ontario & Quebec Ry. Capital Stock 5,000 00; Orford Mountain Ry. 1st Mortgage Bonds, 4% 702,000 00; *Capital Stock 501,000 00; Saskatchewan & Western Ry. 1st Mortgage Bonds, 5% 181,040 00; *Common Stock 232,506 00; South Ontario Pacific Ry. *1st Mortgage Bonds, 4% 495,000 00; *Common Stock 20,000 00; Shuswap & Okanagan Ry. 1st M. Bonds (£256,700), 4% 1,249,273 33; Common Stock 741,000 00; St. Lawrence & Ottawa Ry. *Common Stock 466,000 00; St. Mary's & Western Ontario Ry. *1st M. Bonds, 4% 356,500 00; *Capital Stock 250,000 00; St. Maurice Valley Ry. 1st Mortgage Bonds, 4% 945,000 00; *Capital Stock 500,000 00; Tillsonburg Lake Erie & Pacific Ry. 1st M. Bonds, 4% 1,067,500 00; *Common Stock 400,000 00; Vancouver & Lulu Island Ry. 1st Mortgage Bonds, 5% 455,000 00; *Capital Stock 25,000 00; Walkerton & Lucknow Ry. 1st Mortgage Bonds, 4% 740,000 00; *Common Stock 19,000 00.

Securities of Other Companies, Controlled but Not Leased.

Table of other securities: Duluth South Shore & Atlantic Ry. Con. M. Bonds, 4% 15,107,000 00; Income Certificates 3,000,000 00; Preferred Stock 5,100,000 00; Ordinary Stock 6,100,000 00; Minn. St. Paul & Sault Ste. Marie Ry. 1st M. Bonds, 4% 3,993,000 00; Preferred Stock, 7% 6,361,800 00; Common Stock 1,118,000 00; Montreal & Atlantic Ry. 1st Mortgage Bonds, 5% 12,723,500 00; Common Stock 945,000 00; St. John Bridge & Ry. Extension Co. 1st M. Bonds, 5% 2,160,000 00; *Common Stock 125,000 00; Dominion Express Co. *Common Stock 200,000 00; Chateau Frontenac Hotel Co. *Common Stock 2,000,000 00; Allan Line Steamship Co., Limited, Capital Stock 280,000 00; 60,617 shares; Miscellaneous Securities: Alberta Stock Yards Co., Limited, Preferred Stock 21,100 00; Common Stock 79,900 00; Canada North West Land Company Common Stock 5,625 00; Mineral Range Ry. 1st Mortgage Bonds, 4% 1,254,000 00; Toronto Hamilton & Buffalo Ry. Capital Stock 749,600 00; Town of Morris, Manitoba, Bonds 15,000 00; The Public Markets, Limited, of Manitoba, Stock 285,000 00; Canadian Pacific Railway (Souris Branch) *1st M. Bds., 4% 1,946,666 67; Pacific Steamships *4% First Mortgage 2,720,000 00; Pacific Coast Steamships *5% First Mortgage 3,504,000 00; \$225,000 1,095,000 00.

*Denotes complete ownership.

We have examined all the Securities, including those listed above, held for account of the Canadian Pacific Railway Company, by the Treasurer, and have received certificates from the Custodians, for those deposited with the Banks and Trust Companies for safe custody, and having compared them with the records of the Company, find them correct and in order.

Montreal, August 10th 1916. PRICE, WATERHOUSE & CO., Chartered Accountants (England).

SCHEDULE "B"—INVENTORY JUNE 30 1916 OF THE ACTIVE AND INACTIVE ASSETS OF THE COMPANY, AS SHOWN SHOWN IN THE GENERAL BALANCE SHEET.

ACTIVE ASSETS.

Table of active assets: 143,570 Shares Consolidated Mining & Smelting Company Stock, cost \$1,320,016 57; 550 Shares West Kootenay Power & Light Company, Preferred Stock, cost 55,000 00; Hull Electric Railway Company, cost to date 1,067,602 17; Company's Collieries in Alberta and British Columbia, and Company's interest in other producing coal mines 2,500,000 00.

INACTIVE ASSETS CONSISTING OF UNSOLD LANDS AND OTHER PROPERTIES.

Table of inactive assets: SURPLUS LANDS AND BUILDINGS available for sale in the Provinces of New Brunswick, Quebec, Ontario, Manitoba and British Columbia, representing mainly those purchased in excess of the requirements when securing right of way, station grounds and shop sites, as being more economical than a resort to condemnation proceedings. 2,390,360 00; MANITOBA: Agricultural lands 204,528 at \$10 00 2,048,280 00; SASKATCHEWAN: Agricultural lands 2,001,144 at \$13 00 26,014,872 00; ALBERTA: Agricultural lands 3,164,654 at \$13 00 41,140,502 00; A. R. & I. (500,000 acre tract, under agreement with Government) 43,689 at \$5 00 218,445 00; ALBERTA—Irrigated lands: Western Section 41,687 at \$25 00 1,042,175 00; Eastern Section 413,506 at \$40 00 16,540,240 00; A. R. & I. Section 31,843 at \$40 00 1,273,720 00; Land reserved in Irrigation Blocks for right of way and operating purposes 57,357 at \$13 00 745,641 00; DEMONSTRATION FARMS: Strathmore 75,000 00; Tilley 15,000 00; Brooks 10,000 00; Cassils 5,000 00; Mixed Farms (13) 123,000 00; TIMBER LANDS AND MILLS: Timber and Tie reserve in British Columbia 552,350 at \$4 00 2,209,400 00; A. R. & I. Timber limit in Alberta 45,000 at \$1 50 67,500 00; Bull River Mill and improvements 100,000 00.

STATEMENT OF EQUIPMENT AT JUNE 30 1916.

Locomotives	2,255
*First and second class Passenger Cars, Baggage Cars and Colonist Sleeping Cars	2,183
First class Sleeping, Dining and Cafe Cars	498
Parlor Cars, Official and Paymasters' Cars	100
Freight and Cattle Cars (all kinds)	87,108
Conductors' Vans	1,420
Boarding, Tool and Auxiliary Cars and Steam Shovels	6,867

* Includes Cars in Line Service as follows:

ST. JOHN & BOSTON LINE.		MONTREAL & BOSTON LINE.	
4 First Class	80.04% owned by other lines.	2 First Class	68.33% owned by other lines.
4 Second Class		2 First Class & Smoking	
4 Baggage		2 Dining and Smoking	
12 Cars		4 2d Class	
		4 Baggage & Express	
		14 Cars	

TORONTO HAMILTON & BUFFALO LINE.

9 First Class	63.96% owned by other lines.
4 Second Class	
2 Baggage and Smoking	
4 Baggage and Express	
19 Cars	

OCEAN, LAKE AND RIVER STEAMERS.

Atlantic Service.		
Empress of Britain	Medora	Monmouth
Lake Manitoba	Metagama	Montfort
Lake Michigan	Milwaukee	Montreal
Mattawa	Missanable	Mount Temple
Pacific Service.		
Empress of Asia	Empress of Russia	
Empress of Japan	Monteagle	
Pacific Coast Service.		
Beaver	Princess Charlotte	Princess Victoria
Charmer	Princess Ena	Qualicum
Melanope	Princess Maquinna	Queen City
Nanoose	Princess Margaret	Tees
Nitinat	Princess May	Transfer No. 1
Otter	Princess Mary	Transfer No. 2
Princess Adelaide	Princess Patricia	Transfer No. 3
Princess Alice	Princess Royal	Transfer No. 4
Princess Beatrice	Princess Sophia	

Upper Lakes Service.		
Alberta		Assiniboia
Athabasca		Keewatin
Manitoba		
British Columbia Lake and River Service.		
Aberdeen	Kuskanook	Rossland
Bonington	Minto	Sandon
Castlegar	Moyie	Scamouac
Columbia	Nelson	Stocan
Hosmer	Nasookin	Vathalla
Kaladen	Naramata	Whitshau
Kokanee	Okanagan	Ymir
Kootenay	Proctor	York

Bay of Fundy Service.		
Empress	St. George	Yarmouth
Ferry Service.		
Michigan		Ontario

DESCRIPTION OF FREIGHT FORWARDED.

		Year Ended June 30		
		1914.	1915.	1916.
Flour	Barrels	8,802,250	8,538,600	10,499,260
Grain	Bushels	184,954,241	126,909,828	276,788,209
Live Stock	Head	2,481,360	2,833,726	2,190,389
Lumber	Feet	2,953,125,699	2,180,735,600	2,696,804,934
Firewood	Cords	287,910	254,428	298,426
Manufactured Articles	Tons	8,148,012	6,024,590	7,960,723
All other articles	Tons	9,159,112	7,423,163	8,228,156

FREIGHT TRAFFIC.

		Year Ended June 30		
		1914.	1915.	1916.
Number of Tons Carried	One Mile	27,801,217	21,490,596	29,276,872
Earnings per Ton per Mile		0.75 cents	0.76 cents	0.64 cents

PASSENGER TRAFFIC.

		Year Ended June 30		
		1914.	1915.	1916.
Number of passengers carried	one mile	15,638,312	13,202,603	13,833,978
Earnings per passenger per mile		2.05 cents	2.06 cents	1.97 cents

TRAIN TRAFFIC STATISTICS—FOR TWELVE MONTHS ENDED JUNE 30TH 1916 AND 1915.

[Earnings of Lake and River Steamers not included in this Statement.]

	Year Ended June 30 1916.	Year Ended June 30 1915.	Inc. (+) or Dec. (-).	
			Amount or Number.	Per Cent.
TRAIN MILEAGE.				
Passenger trains	18,159,545	17,977,033	+182,512	1.02
Freight trains	25,355,997	16,896,368	+8,459,629	50.07
Mixed trains	2,098,825	1,939,478	+159,347	8.22
Total trains	45,614,367	36,812,879	+8,801,488	23.91
CAR MILEAGE.				
Passenger.				
Coaches and Parlor, Dining and Sleeping cars	88,080,027	87,283,067	+796,960	.91
Combination cars	2,835,311	2,829,455	+5,856	.21
Baggage, Mail and Express cars	39,335,804	40,691,990	-1,356,186	3.33
Total Passenger cars	130,251,142	130,804,512	-553,370	.42
Freight.				
Loaded	603,705,406	404,249,594	+199,455,812	49.34
Empty	280,241,711	144,408,527	+135,833,184	94.06
Caboose	27,558,813	18,476,337	+9,082,476	49.16
Total Freight cars	911,505,930	567,134,458	+344,371,472	60.72
Passenger cars per Traffic Train Mile	6.43	6.57	-.14	2.13
Freight	33.20	30.11	+3.09	10.26
PASSENGER TRAFFIC.				
Passengers carried (earning revenue)	13,727,219	13,086,064	+641,155	4.90
" " " " one mile	1,247,118,119	1,155,371,348	+91,746,771	7.94
" " " " one mile per mile of road	96,546	93,413	+3,133	3.35
Average journey per passenger	90.85	88.29	+2.56	2.90
Average amount received per passenger	1.78	1.81	-.03	1.66
" " " " per passenger mile	1.96	2.05	-.09	4.39
Average number of passengers per train mile	61.56	58.01	+3.55	6.12
" " " " car	13.72	12.82	+.90	7.02
Revenue from passengers per passenger car mile	26.84	26.32	+.52	1.98
Total passenger train earnings per train mile	1.55	1.53	+.02	1.31
" " " " mile of road	2,425.15	2,468.87	-43.72	1.77
FREIGHT TRAFFIC.				
Tons of revenue freight carried one mile	13,822,500,920	7,734,433,065	+6,088,067,855	78.71
Tons of non-revenue freight carried one mile	1,300,624,817	985,500,816	+315,124,001	31.98
Total tons (all classes) freight carried one mile	15,123,125,737	8,719,933,881	+6,403,191,856	73.43
Tons of revenue freight carried one mile per mile of road	1,070,068	625,338	+444,730	71.12
Tons of non-revenue freight carried one mile per mile of road	100,688	79,679	+21,009	26.37
Total tons (all classes) freight carried one mile per mile of road	1,170,756	705,017	+465,739	66.06
Average amount received per ton per mile of revenue freight	0.641	0.773	-.132	17.08
Average No. of tons of revenue freight per train mile	503.46	410.62	+92.84	22.61
" " " " non-revenue freight per train mile	47.37	52.32	-4.95	9.46
" " " " (all classes) freight per train mile	550.83	462.94	+87.89	18.99
" " " " revenue freight per loaded car mile	22.90	19.13	+3.77	19.71
Average No. of tons of non-revenue freight per loaded car mile	2.15	2.44	-.29	11.89
Average No. of tons of (all classes) freight per loaded car mile	25.05	21.57	+3.48	16.13
Freight train earnings per loaded car mile	14.68	14.79	-.11	.74
" " " " train mile	3.23	3.17	+.06	1.89
" " " " mile of road	6,860.21	4,832.53	+2,027.68	41.96

STATEMENT OF CANADIAN PACIFIC RAILWAY PENSION DEPARTMENT TO JUNE 30 1916.

Balance to June 30 1915	\$585,548 13
Amount contributed by Company for year	125,000 00
Amount received as interest	43,609 82
Payment of Pension Allowances for year	\$754,157 95
	240,222 94
Balance in Cash and Investments	\$513,935 01

NUMBER ON PENSION ROLL AT JUNE 30 1916.

Under 60 years of age	60
Between 60 and 70 years of age	445
Over 70 years of age	329
Total	834

United States Playing Card Co.—Reincorporation.—

This company, incorporated in New Jersey, has applied to the Secretary of State at Columbus for an Ohio charter. Except for this formality, it is stated, there will be no change in the organization. Of the \$3,600,000 of authorized stock, in \$100 shares, \$3,335,900 is stated outstanding and receiving dividends of 12% per annum (Q-J.).—V. 98, p. 309.

United States Steamship Co.—Extra Dividend.—

An extra dividend of 1/2 of 1% has been declared on the capital stock, payable Oct. 1 to holders of record Sept. 16.—V. 102, p. 2082.

Waltham (Mass.) Watch Co.—Deferred Dividend.—

A dividend of 1% was paid on the \$5,000,000 pref. stock on Sept. 1 to holders of record Aug. 25. This payment is for the Dec. 1915 dividend, when only 2% was paid.—V. 102, p. 2260.

Willys-Overland Co.—Right to Subscribe.—Common

stockholders of record at the close of business on Sept. 5 1916 will be offered the right to subscribe at \$44 per share for the \$15,000,000 new common stock (par \$25) to the extent

GUANTANAMO SUGAR COMPANY

ELEVENTH ANNUAL REPORT FOR THE FISCAL YEAR ENDING JUNE 30 1916.

August 7 1916.

To the Stockholders of the Guantanamo Sugar Company:—

The Directors beg to submit the accounts of your Company for the year ending June 30 1916 and a copy of the Balance Sheet together with the report of the General Manager on the operations of the Company. The accounts have as usual been audited by Messrs. Price, Waterhouse & Company and a copy of their certificate is appended.

Decreased cane production, due to severe drought during the growing season, has been offset by approximately 10 per cent increase in yield of sugar per ton of cane, and by the remunerative prices realized for the crop.

The net profit of the Company for the fiscal year was \$886,574 52, after charging off \$174,194 75 for depreciation on buildings, machinery and equipment and for replanting of cane. Part of the sugar on hand at 30th June was already sold. The balance is accounted for in the profits at prices current on closing.

On July 1 1916 a cash dividend of \$6 per share was paid, absorbing \$329,970. At same time a dividend in stock at par of \$4 50 per share was paid. The total authorized issue of Capital Stock, viz., \$3,000,000, is now outstanding.

To assure an increased supply of cane at reasonable cost, the Directors have authorized the expenditure of substantial sums for the development of new areas, and for railroad extensions to serve them.

Further considerable outlays have also been authorized in continuation of the improvements and betterments to the factories begun last year, including new quadruple effect at "Los Canos," additional evaporating apparatus and centrifugals at "Soledad," and new defecators at all three places.

These installations of new and approved equipment, needed in order to increase the yield of sugar and to reduce the cost of production, have materially strengthened your three factories and largely increased their capacity and efficiency.

By order of the Board of Directors.

WM. MOORE CARSON, *President.*

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING JUNE 30 1916.

Gross Sugar Sales, less Sea Freight, Brokerage, &c.....	\$2,720,994 97
Molasses sold.....	77,849 28
	\$2,798,844 25
<i>Deduct—</i>	
Producing and Manufacturing Costs and Shipping Expenses, including New York and Guantanamo Office Expenses.....	1,834,116 25
	\$964,728 00
<i>Add—</i>	
Interest (net).....	\$91,382 93
Rents (net).....	24,447 84
	115,830 77
	\$1,080,558 77
<i>Deduct—</i>	
Loss on Sugar and Molasses carried over from June 30 1915.....	14,592 48
Loss on Miscellaneous Operations.....	5,197 02
	19,789 50
	\$1,060,769 27
<i>Deduct—</i>	
Provision for Depreciation of Mills and Equipment and for Replanting of Cane.....	174,194 75
	\$886,574 52

The above statement includes the estimated proceeds of sugar made in July 1916, and the producing, manufacturing and shipping expenses in respect thereof.

The accounts of the Company have been audited and certified to by Price, Waterhouse & Co.

DIRECTORS.

E. A. BROOKS, WM. MOORE CARSON, R. WALTER LEIGH,
GEO. R. BUNKER, WM. E. GLYN, C. LEWIS,
JAMES H. POST.

OFFICERS.

President, - - - WM. MOORE CARSON
Vice-President, - - - JAMES H. POST
Secretary and Treasurer, - FREDERICK H. CLARK

GUANTANAMO SUGAR COMPANY.

BALANCE SHEET JUNE 30 1916.

ASSETS.	LIABILITIES.
Cost of Properties—	Capital Stock—
Real Estate, Cane Lands, Buildings, Equipment and other permanent Investments.....	Authorized and Issued, 60,000 shares of \$50 each.....
\$4,363,181 26	\$3,000,000 00
<i>Deduct—</i> Betterments charged to Surplus July 1 1911 to June 30 1915.....	Issued..... 60,000 shares.....
425,643 07	\$3,000,000 00
	<i>Less—</i> 5,005 shares in Treasury, authorized to be issued July 1 1916, for dividend and other purposes.....
	250,250 00
	Outstanding 54,995 shares of \$50 each.....
Advances to Guantanamo Railroad Company.....	\$2,749,750 00
7,649 Shares held in the Guantanamo Railroad Company	Stock Dividend, payable in Treasury stock.....
788,198 23	247,477 50
Current and Working Assets—	Current Liabilities—
Growing Crops carried over to 1916-1917 Season.....	Drafts in Transit.....
\$52,532 83	\$65,000 00
Inventories—	Accounts Payable and reserve for expenses of completing crop.....
Raw Sugar on hand, 29,621 bags.....	124,389 61
\$449,024 49	Dividend.....
Molasses.....	329,970 00
26,688 05	
Stores and Supplies at cost.....	Unexpended Funds—
149,852 15	For 1916 Dead Season Current Repairs and Maintenance.....
Spare Parts at cost.....	\$60,000 00
40,634 00	For Extraordinary Repairs.....
	2,435 51
Insurance Unexpired.....	For Depreciation.....
22,944 46	670,909 02
Sundry Accounts Receivable and Advances to Colonos.....	For Depreciation of Live Stock.....
305,193 75	19,926 80
Cash on Hand and in Banks (New York and Cuba).....	For Replanting.....
895,351 77	194,490 21
	947,761 54
1,942,221 50	Surplus—
	Balance at June 30 1915.....
	\$1,894,733 25
	<i>Add—</i>
	Profit on Operations of the year to June 30 1916, as per account annexed.....
	886,574 52
	\$2,781,307 77
	<i>Deduct</i>
	Purchased of Guantanamo Railroad Company shares written off as per Resolution of Board of Directors.....
	\$250 00
	Dividends Declared:
	Stock.....
	\$247,477 50
	Cash.....
	329,970 00
	577,447 50
	2,203,610 27
\$6,667,958 92	\$6,667,958 92

of 66 2-3% of their holdings on that date, and that pref. stockholders of record at the close of business on Sept. 5 1916 will also have the right to subscribe at \$44 per share for said new common stock (par \$25) to the extent of 100% of their holdings on that date. The right of both classes of stock to subscribe expires on Sept. 28 1916.—V. 103, p. 762, 670.

Wisconsin Power, Light & Heat Co. of Milwaukee.—*Merger.*—"Electrical World" of N. Y. some weeks since said:

This company has been organized to merge the properties at Beaver Dam, Fox Lake, Horizon, Berlin, Omro, Portage, Baraboo, Cambria, Pardeeville, Green Lake and Neshkoro in Southwestern Wisconsin. The Wisconsin RR. Commission has authorized a \$1,000,000 stock issue and a \$2,065,000 bond issue, the immediate proceeds of which will be used to construct a new 15,000 k. w. steam generating station at Portage, and transmission lines to the value of approximately \$1,000,000 to join the several properties, and to retire the underlying bonds against the present property. The company is a subsidiary organization to the Central Utilities Securities Corpo-

ration, which also controls the Wisconsin River Power Co. at Prairie du Sac, and the Southern Wisconsin Power Co. at Kilbourn, which are water-power properties and will be operated in conjunction with the new steam plant at Portage. The better plants on the small properties will be continued in operation; others will be shut down. John I. Beggs will be President. [The Milwaukee "Wisconsin" on July 6 said: "750,000 bonds and \$366,500 of stock will be used to acquire property and pay outstanding indebtedness of the Southern Electric Light & Power Co. of Portage, the Beaver Dam Light & Power Co., the Fox Lake Light & Power Co. of Fox Lake, the transmission line from Minnesota Junction to Burnett and the distributing system of Horizon and Minnesota Junction. Bonds to the amount of \$779,000 and stock to the amount of \$378,000 will be used in the construction of a distribution plant of 15,000 k. w. at Portage. Bonds to the amount of \$536,000 and stock to the amount of \$250,000 will be used in the construction of transmission lines to Portage, Arlington, Morrisonville, Windsor, Kirkwood, North Freedom, Reedsburg, Cambria, Markesan, Ripon, Tyocena, Rio, Omro and Randolph.

Yuma (Ariz.) Electric & Water Co.—*Default.*—

Default having been made in the payment of interest on the outstanding bonds, the properties of this company and the Yuma Gas Co., which supply Yuma, Ariz., with light, gas, water and power, have been taken over by the Title Insurance & Trust Co. of Los Angeles, who will operate them in the interests of the bondholders.—V. 82, p. 396.

The Commercial Times.

COMMERCIAL EPITOME

Friday Night, Sept. 1 1916.

Business has continued good in spite of the threat of a strike on the vast railroad system of the United States. In fact, the fear of a strike has caused increased precautionary buying of staple articles, lest railroad freight embargoes should be extended to many other things besides live stock and perishable commodities. This has stimulated business in branches of trade already active. Both wholesale and retail trade has been vigorous and prices in not a few cases have advanced. Steel has been in good demand and strong, with Europe an apparently omnivorous buyer. Copper is wanted by Europe, it is believed, in large tonnages. Cotton has had a sensational rise, owing to bad crop news. Indications seem to point to a moderate yield and a large consumption. The high price that the South is getting for its cotton is helping general trade in that section. Wool is still high. The hay and tobacco crops are large. Europe's grain crops are to all appearances so short that she will have to buy heavily from the United States, especially as ocean freights are scarce in competing countries. Since July 1 the American exports of wheat have been 72,965,649 bushels, or not very far from double the total up to this time last year. Cotton exports are also running well ahead of last year. Shipbuilding is stimulated to an unwonted degree, partly by American naval orders. Collections are good and money plentiful and easy. On the other hand, the fear of a railroad strike has undoubtedly been a disturbing factor. Some food prices have advanced in anticipation of possible trouble. Labor is scarce and restive. Wheat, corn and oats are lower, owing to fear of a railroad strike and the ultimate flooding of European markets with Russian grain if the Dardanelles are opened up, now that Rumania has entered the war. Still, provided there is no big railroad strike, American business is on the whole in satisfactory shape.

LARD firmer; prime Western 14.60c.; refined to the Continent, 15.25c.; South America, 15.40c.; Brazil, 16.40c. Futures, despite fears at one time of a railroad strike and some Eastern selling in Chicago, advanced on covering with a brighter outlook as to the railroad situation and the fact that hogs are the highest since 1865. To-day prices advanced slightly. It was said that Armour delivered 10,000,000 lbs. to Swift. Hogs closed 25 to 40 cents lower at Chicago, and cattle and sheep 25 to 75 cents lower, with trade demoralized. Western points received 78,600 hogs, against 45,000 this day last year. Following are the quotations:

DAILY CLOSING PRICES OF LARD FUTURES IN CHICAGO.

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
September delivery cts.	14.15	13.87	13.87	13.87	14.10	14.17
October delivery	14.20	13.90	13.92	13.92	14.15	14.15
December delivery	13.85	13.55	13.57	13.55	13.80	13.82

PORK quiet and firm; mess \$29 50; clear, \$27 @ \$29. Beef, mess, \$20 @ \$20 50; extra India mess, \$31 @ \$32. Cut meats firm; pickled hams, 10 to 20 lbs., 16 3/4 @ 17 1/4c.; pickled bellies, 15 1/2 @ 16c. Butter, creamery, 28 @ 35 1/2c. Cheese, State, 14 @ 19 1/4c. Eggs, fresh, 18 @ 37c.

COFFEE higher; No. 7 Rio, 9 1/2c.; No. 4 Santos, 11 1/4 @ 11 3/8c.; fair to good Cucuta, 11 3/8 @ 11 1/2c. Futures have been irregular within narrow limits. Lately they have advanced. Primary receipts have decreased. Ocean freights are scarce and high at Brazilian ports. Europe has bought here now and then. The crop movement at Rio and Santos is smaller than a year ago, the receipts at these ports being 2,939,000 bags against 3,468,000 last year and 1,661,000 two years ago. Cost and freight prices have been firm. Exchange has declined. But spot trade has been light. Warehouse stocks here are 926,411 bags against 870,992 last year, and bulls have been far from aggressive, especially as coffee futures have been neglected for cotton and sugar. To-day futures closed 14 to 16 points higher, with sales of 64,000 bags. Closing prices were as follows:

Sept. cts.	9.36 @ 9.37	January cts.	9.41 @ 9.42	May cts.	9.59 @ 9.60
October	9.36 @ 9.37	February	9.46 @ 9.47	June	9.63 @ 9.65
November	9.36 @ 9.37	March	9.50 @ 9.52	July	9.63 @ 9.70
December	9.36 @ 9.37	April	9.55 @ 9.56		

SUGAR quiet and again lower; centrifugal, 96-degrees test, 4.64c.; later 4.89c.; molasses, 4.12c.; granulated, 7 @ 7.25c. Futures fell to new low levels on dulness of trade, both in raw and refined, and fear of a railroad strike, but lately rallied sharply. On Thursday, for instance, on active trading—20,300 tons—futures suddenly advanced 26 to 32 points, with Europe buying, local shorts covering and spot raw sugar stronger. The decline in futures had been so pronounced that a rebound was not unnatural. Besides, although Cuban stocks are 392,500 tons against 384,500 a year ago, the combined supply in the United States and Cuba is 686,412 tons, or 63,474 tons less than a year ago. Stocks at Atlantic ports are 259,898 tons against 281,680 at this time last year. All this in some degree, at least, offsets factors of a bearish tinge. Still, refined is quiet, second hand has sold 6.80 to 6.85c. for granulated, beet root competition is only about a month off, and the railroad question has not actually been settled. To-day,

nevertheless, some months closed 10 points higher, if others ended 2 points lower. The sales to-day were 19,500 tons. Prices are a shade lower for the week in spite of the rally in the last two days. Closing prices were as follows:

Sept. cts.	4.08 @ 4.12	January cts.	3.87 @ 3.89	May cts.	3.82 @ 3.87
October	4.13 @ 4.14	February	3.72 @ 3.74	June	3.85 @ 3.80
November	4.17 @ 4.18	March	3.75 @ 3.77	July	3.88 @ 3.94
December	4.11 @ 4.12	April	3.79 @ 3.81		

OILS.—Linseed weak; City, raw, American seed, 72 @ 75c.; City, boiled, American seed, 74 @ 77c.; Calcutta, \$1. Lard, prime, \$1 05 @ \$1 10. Coconut, Cochin, 13 1/4 @ 14c.; Ceylon, 13 @ 13 1/2c. Corn, 7.75 @ 7.90c. Palm, Lagos, 9 1/2 @ 10c. Cod, domestic, 60 @ 62c. Cotton seed, nominal on the spot; September, 9.55c. bid, 9.66c. asked. Spirits of turpentine, 46 @ 47c. Strained rosin, common to good, \$6 15.

PETROLEUM in active demand for refined and firm. Refined in barrels, \$8 85 @ \$9 95; bulk, \$5 @ \$6; cases, \$11 25 @ \$12 25. Naphtha, 73 to 76-degrees in 100-gallon drums and over, 40 1/2c. Gasoline in brisk demand; gas machine, steel, 37c.; 73 to 76 degrees, steel and wood, 32 @ 35c.; 68 to 70 degrees, 29 @ 32c. Crude oil has shown little change, but lower prices are predicted by some before the bottom can safely be considered to have been touched, especially as regards the Eastern fields. The Texas output has fallen off. Prices were as follows:

Pennsylvania dark	\$2 30	North Lima	\$1 43	Illinois, above 30 degrees	\$1 47
Cabell	1 82	South Lima	1 43	Kansas and Oklahoma	90
Mercer black	1 80	Indiana	1 28	Caddo La., light	90
New Castle	1 80	Princeton	1 47	Caddo La., heavy	85
Corning	1 80	Somerset, 32 deg.	1 65	Canada	1 83
Wootter	1 65	Ragland	7 5	California Oil	68 @ 72
Thrall	95	Electra	95	Henrietta	95
Strawn	95	Moran	95		
De Soto	80	Plymouth	1 08		

TOBACCO has been in moderate demand and firm. Wrapper of the better grades is not very plentiful. Packers are buying new tobacco at what are considered high prices, and there is some speculation. Farmers are not in all cases inclined to sell freely, as they are looking for higher prices. After Sept. 1 exports must be consigned to the Netherlands Overseas Trust, as otherwise they are likely to be seized by Germany. Government reports show that harvesting and curing are becoming general in our tobacco States, adding that the crop was improved by the weather conditions last week, except that rain was generally needed in Pennsylvania. The crop is exceptionally good in Kentucky. It is late in Ohio, owing to the backward spring. It looks better in Virginia and is curing nicely. A Washington dispatch of Aug. 28 said: "Representatives of seventy-five leading Southern tobacco growers conferred here to-day with Senators and Representatives, protesting against the British embargo on the shipment of American tobacco to Germany and Austria beginning Aug. 31. They proposed that the State Department take prompt measures." Secretary Lansing has agreed to look into the matter.

COPPER strong and active, although foreign business to the amount of 125,000 tons for the Allies may be deferred. The Allies do not want to pay present prices. Lake here on the spot 28 @ 28 1/4c.; electrolytic, 28 @ 28 1/4c.; for future delivery 27 1/4 @ 27 1/2c. Standard at London has lately declined, after advancing earlier in the week. Tin lower on disappointing statistics, fear of a railroad strike, and a sharp drop at London. On the spot here 38 3/4c., after being 39 1/2c. earlier in the week. Deliveries of tin in August amounted to only 4,335 tons, of which 3,800 tons went from Atlantic ports and 535 tons from Pacific ports. The stocks and landing were 4,756 tons, the largest on record. Tin deliveries since the first of the year, 40,388 tons, against 32,258 tons for the same time last year. Arrivals thus far this month, 3,617 tons; afloat 3,285 tons. Spelter dull and lower on the spot at 9c. London has declined of late. Lead quiet on the spot at 6.70c. London has lately advanced. Lead at the West has lately been easy, owing to fear of a railroad strike. Pig iron in better demand and higher; No. 2 Northern, \$19 50 @ \$19 75; No. 2 Southern, \$14 50 @ \$15, Birmingham. Buffalo has reported sales of 100,000 tons of all grades, mostly in good sized lots. Some foundries, it is said, will buy more iron for this year, but most of them will carry over the 1916 iron two or three months into 1917. Predictions are heard of a shortage in iron ore. Steel has been in good demand and firmer. Mills are crowded to their capacity with orders. Big European and American naval orders are paramount factors. New business in August has certainly been much larger than in July. Premiums for early delivery are becoming more general again—an eloquent sign. They refer more particularly to bars, plates and shapes. Bars are 2.60c., Pittsburgh for forward delivery; shapes 2.70c.; plates 3c. Four battleships, four battle cruisers, four scout cruisers, 20 destroyers, 20 submarines, one fuel ship, one ammunition ship and one hospital ship are to be built by or for the U. S. Government and will require, it is estimated, about 215,000 tons for hulls and armaments. Shipbuilding is also more active on the Pacific coast, at Philadelphia and at Baltimore, on American and Norwegian orders, not to mention Eastern yards, one of which has ordered 40,000 tons of steel, mostly plates. Japan is ordering steel for shipbuilding. Railroads have also given considerable orders for rails. Large orders from various buyers are in the market for wire products, structural shapes and plates. Domestic buyers have bought steel for the first half of 1917, but not heavily. They have taken steel bars at 2.50c.; sales are said to have been 160,000 tons.

COTTON

Friday Night, Sept. 1 1916.

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 139,059 bales, against 79,181 bales last week and 58,481 bales the previous week, making the total receipts since Aug. 1 1916 365,042 bales, against 163,219 bales for the same period of 1915, showing an increase since Aug. 1 1916 of 201,823 bales.

Table showing weekly cotton movement (Sat., Mon., Tues., Wed., Thurs., Fri., Total) for various ports from Galveston to Philadelphia, with a total for the week ending 14,322.

The following shows the week's total receipts, totals since Aug. 1 1916 and stocks to-night, compared with last year:

Table comparing 1916 and 1915 receipts, totals since Aug. 1, and stocks for various ports, with a total for 1916 at 139,059.

In order that comparison may be made with other years, we give below the totals at leading ports for six seasons:

Table showing totals at leading ports for six seasons from 1916 to 1911, including Galveston, Texas City, New Orleans, etc.

The exports for the week ending this evening reach a total of 109,234 bales, of which 47,244 were to Great Britain, 3,137 to France and 58,853 to other destinations. Exports for the week and since Aug. 1 1916 are as follows:

Table showing exports from various ports to Great Britain, France, and other destinations, with totals for the week and since Aug. 1.

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.

Table showing cotton on shipboard, not cleared, at various ports, categorized by destination (Great Britain, France, Germany, etc.) and total for 1916.

Speculation in cotton for future delivery has been more active with a sensational rise on Thursday of 60 to 66 points, or 73 to 80 points from the lowest prices of the day, when the Government crop report put prices up to new high levels. The excitement and rapidity of the advance recalled the bull campaigns of Messrs. Patten, Brown and Hayne in 1910, when spot cotton here ran up to 19.75c. (on Aug. 29), and that of Daniel J. Sully in 1903-04, when the spot quotations for middling upland here reached 16.65c. on March 10 1904, figures that year, however, advancing more rapidly than "spots." The Government report on Aug. 31 this year put the condition at only 61.2%, which was two or three per cent lower than most people had expected. It was 11.1 lower for the month and 11.3 under the average condition for 10 years past. It showed a loss for the month of August, owing mainly to hot, dry weather, following heavy rains in July, of 28% in Oklahoma, 16 in Mississippi, 14 in Arkansas, 13 in Louisiana, 12 in Texas, 9 in Alabama, 8 in South Carolina, 6 in Georgia, 5 in North Carolina, 4 in Florida and 2 in Tennessee. Besides, Louisiana is 10% under the 10-year average, Texas 9, Oklahoma 8, Arkansas 6, Alabama and Mississippi 5, Florida 4, Georgia and North Carolina 3 and Tennessee 1. The Government interprets all this as pointing to a crop of 11,800,000 bales of lint cotton as against its figures of 11,191,820 bales last year, 16,134,930 in 1914-15, 14,156,486 in 1913-14 and 13,703,421 in 1912-13. The world's consumption this year is estimated at anywhere from 13,500,000 to 15,000,000 bales. Very high prices, it is assumed, would curtail it automatically. Some think the situation this season is in many respects closely analogous to that of 1909-10, though the crop that year was put at 10,513,000 bales, with the world's consumption then stated in some quarters at 11,700,000 bales. The point is made that though the crop this year is larger than then, the consumption is also larger; in fact, the increase in consumption, it is urged, will be greater than the increase in the crop over that of 1909-10. Meanwhile, spot markets are strong, with a brisk business reported at some of the Texas and Georgia markets. Exports thus far are something more than double those during the same time last season. Cotton goods are in brisk demand and strong, with cotton yarns up to new high levels. A report circulated early in the week that the Liverpool Cotton Exchange, or the British Government, would fix a maximum price on cotton was promptly denied from Liverpool. There has been some buying of October by spot houses and mills, supposedly owing to a fear of a railroad strike in this country to go into effect on Sept. 4. Shorts have covered freely. Wall Street, Chicago, New Orleans, the South generally, and Liverpool have all bought on a liberal scale, as report after report appeared putting the condition of the plant much below that of a month ago. Yet earlier in the week, and even at the opening on Thursday, the day on which the Government report appeared, prices at times were noticeably reactionary, owing to fears of a railroad strike, some beneficial rains in Texas and Oklahoma, and liquidation on the eve of the Government report. Many supposed it had been discounted by a rise in three weeks of about 200 points and within a month of 300 points. It was feared that a railroad strike might cause a big accumulation of supplies at the South. In any case it was urged that the Southern farmer would be only too glad to sell freely at current prices and that Southern hedge selling would soon be something to reckon with. Besides, good weather in September and October might put a rather different face on the crop situation. The Alexandria, Egypt, Exchange has fixed a maximum price, and it was argued that Liverpool, if hard pressed, might after all resort to the same expedient. And some think the Government condition of 61.2 was too low; that the crop with good weather in September and October may yet reach 14,000,000 bales, or more. In recent years the Government crop figures have rather leaned toward underestimates. It has also put the acreage too low. To-day prices advanced early, on strong Liverpool advices, better railroad news and covering. But they broke sharply later, owing to good rains in Texas and Oklahoma and liquidation on the eve of three days holiday. The American exchanges will be closed tomorrow and Monday. Liverpool will also be closed to-morrow, though, of course, open on Monday. Spot cotton closed at 16.30c. for middling uplands, showing an advance for the week of 55 points. The official quotation for middling upland cotton in the New York market each day for the past week has been:

Table of New York market quotations for middling upland cotton from Saturday to Friday, with prices ranging from 15.80 to 16.30.

NEW YORK QUOTATIONS FOR 32 YEARS.

Table showing New York cotton quotations for 32 years from 1916 to 1909, with prices for various grades and years.

MARKET AND SALES AT NEW YORK.

Table showing market and sales at New York, including Spot Market Closed, Futures Market Closed, and SALES (Spot, Contr't, Total) for various days of the week.

FUTURES.—The highest, lowest and closing prices at New York for the past week have been as follows:

Table with columns for days of the week (Saturday to Friday) and rows for various months (September to July) showing Range, Highest, and Closing prices.

f 16.50. 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.

Table showing stock quantities for Sept. 1-1916 and 1914-1913 for various locations: Stock at Liverpool, Stock at London, Stock at Manchester, Total Great Britain stock, Stock at Hamburg, Stock at Bremen, Stock at Havre, Stock at Marseilles, Stock at Barcelona, Stock at Genoa, Stock at Trieste, Total Continental stocks, Total European stocks, India cotton afloat for Europe, Amer. cotton afloat for Europe, Egypt, Brazil, &c., afloat for Europe, Stock in Alexandria, Egypt, Stock in Bombay, India, Stock in U. S. ports, Stock in U. S. interior towns, U. S. exports to-day.

Table showing Total visible supply and Total American stocks for Liverpool, Manchester, Continental, American afloat for Europe, U. S. ports stocks, U. S. interior stocks, U. S. exports to-day.

Table showing MIDDLING UPLAND COTTON QUOTATIONS for various locations including Middling Upland, Egypt, Good Brown, Peruvian, Broad, Fine, Tinnevely, etc., with prices for Sept. 1, 2, 3, 4, 5, 6, and 7.

Continental imports for past week have been 67,000 bales. The above figures for 1916 show a decrease from last week of 77,211 bales, a loss of 1,139,943 bales from 1915, a decrease of 113,998 bales from 1914 and a gain of 644,210 bales over 1913.

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.

Table showing closing quotations for MIDDLING COTTON on various days (Saturday to Friday) for locations like Galveston, New Orleans, Mobile, Savannah, Charleston, Wilmington, Norfolk, Baltimore, Philadelphia, Augusta, Memphis, St. Louis, Houston, and Little Rock.

NEW ORLEANS CONTRACT MARKET.—The highest, lowest and closing quotations for leading contracts in the New Orleans cotton market for the past week have been as follows:

Table showing Range, Highest, and Closing prices for New Orleans Contract Market from September to July.

AT THE INTERIOR TOWNS the movement—that is, the receipts for the week and since Aug. 1, the shipments for the week and the stocks to-night, and the same items for the corresponding period of the previous year—is set out in detail below.

Table showing Movement to Sept. 1 1916 and Sept. 3 1915 for various towns. Columns include Receipts, Shipments, and Stocks for both years.

Note.—Our Interior Towns Table has been extended by the addition of 8 towns. This has made necessary the revision of the Visible Supply Table and a number of other tables.

The above totals show that the interior stocks have decreased during the week 3,022 bales and are to-night 163,879 bales less than at the same time last year. The receipts at all towns have been 52,959 bales more than the same week last year.

OVERLAND MOVEMENT FOR THE WEEK AND SINCE AUG. 1.—We give below a statement showing the overland movement for the week and since Aug. 1, as made up from telegraphic reports Friday night. The results for the week and since Aug. 1 in the last two years are as follows:

Table showing Overland Movement for the week and since Aug. 1 for 1916 and 1915, including Sept. 1 shipped, Deduct Shipments, and Total gross overland.

*Including movement by rail to Canada. The foregoing shows the week's net overland movement has been 2,650 bales, against 3,714 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 1,017 bales.

In Sight and Spinners' Takings.	1916		1915	
	Week.	Since Aug. 1.	Week.	Since Aug. 1.
Receipts at ports to Sept. 1.	139,059	365,042	72,493	163,219
Net overland to Sept. 1.	2,650	38,839	3,714	39,856
Southern consumption to Sept. 1.	77,000	362,000	65,000	315,000
Total marketed	218,709	765,881	141,207	518,075
Interior stocks in excess	*3,022	±89,463	*5,203	±49,027
Came into sight during week	215,687		136,004	
Total in sight Sept. 1.		676,418		469,048
North. spinners' takings to Sept. 1.	21,590	114,157	25,913	97,790

*Decrease during week. ± Less than Aug. 1.

Movement into sight in previous years:

Week—	Bales.	Since Aug. 1—	Bales.
1914—Sept. 4.	95,014	1914—Sept. 4.	346,648
1913—Sept. 5.	230,040	1913—Sept. 5.	700,178
1912—Sept. 6.	203,223	1912—Sept. 6.	681,989

WEATHER REPORTS BY TELEGRAPH.—Advices to us by telegraph this evening from the South denote that the weather has been favorable during the week for gathering the crop, and picking, which is under way in most sections, has made good progress. Rain has been quite general, but moderate or light on the whole. From Texas we are advised that drought has caused further deterioration in the western part of the State and that damage by boll weevils is reported in central and southern sections.

Galveston, Tex.—Further deterioration from drought in the Western part of the State and boll weevil damage in the Central and Southern sections has been reported. Picking and ginning of the early planted is making good progress. It has rained on two days of the week, the rainfall reaching twelve hundredths of an inch. Average thermometer 83, highest being 90, lowest 76.

Abilene, Tex.—The week's rainfall has been fourteen hundredths of an inch, on two days. The thermometer has averaged 78, highest being 94 and the lowest 62.

Brenham, Tex.—There has been rain on three days the past week, the rainfall reaching eighty-six hundredths of an inch. The thermometer has averaged 81, ranging from 68 to 94.

Fort Worth, Tex.—It has rained on two days of the week, the rainfall being seventy-two hundredths of an inch. Average thermometer 80, highest 94 and lowest 66.

Henrietta, Tex.—We have had heavy rain on one day during the week, the rainfall being one inch and seventy hundredths. The thermometer has averaged 80, the highest being 100 and the lowest 60.

Huntsville, Tex.—We have had rain on one day during the week, the rainfall reaching fifteen hundredths of an inch. The thermometer has averaged 77, ranging from 64 to 90.

Kerrville, Tex.—There has been light rain on three days during the week, the rainfall reaching ten hundredths of an inch. The thermometer has ranged from 54 to 94, averaging 74.

Lampasas, Tex.—It has been dry all the week. Average thermometer 78, highest 96, lowest 60.

Longview, Tex.—We have had no rain during the week. The thermometer has averaged 78, the highest being 92 and the lowest 64.

Luling, Tex.—We have had rain on three days during the week, the rainfall reaching ninety-six hundredths of an inch. The thermometer has averaged 79, ranging from 64 to 94.

Nacogdoches, Tex.—We have had no rain during the week. The thermometer has ranged from 60 to 92, averaging 76.

Palestine, Tex.—We have had no rain the past week. Average thermometer 80, highest 92, lowest 68.

Paris, Tex.—The week's rainfall has been two hundredths of an inch, on one day. The thermometer has averaged 84, the highest being 100 and the lowest 68.

San Antonio, Tex.—Rainfall for the week three inches and fifty-four hundredths on three days. The thermometer has averaged 82, ranging from 70 to 94.

Weatherford, Tex.—It has rained on two days of the week, the rainfall reaching two inches and twenty-four hundredths. Average thermometer 79, highest 94, lowest 64.

Ardmore, Okla.—We have had rain on two days during the week, the rainfall being two inches and ninety hundredths. The thermometer has averaged 82, the highest being 102 and the lowest 62.

Marlow, Okla.—Rainfall for the week one inch and seventy-one hundredths on two days. The thermometer has averaged 79, ranging from 57 to 100.

Muskogee, Okla.—We have had rain on two days during the week, the rainfall being two inches and twenty-seven hundredths of an inch. The thermometer has ranged from 60 to 104, averaging 82.

Eldorado, Ark.—We have had rain on one day of the past week, the rainfall reaching one hundredth of an inch. Average thermometer 80, highest 96, lowest 63.

Little Rock, Ark.—Rain has fallen on one day during the week, the rainfall being two inches and seventeen hundredths of an inch. The thermometer has ranged from 64 to 94 averaging 79.

Alexandria, La.—It has rained on one day of the week, the rainfall being forty-two hundredths of an inch. Average thermometer 78, highest 94 and lowest 61.

New Orleans, La.—There has been rain on one day of the past week, the rainfall being forty-two hundredths of an inch. The thermometer has averaged 85, the highest being 94 and the lowest 76.

Shreveport, La.—Rain has fallen on one day during the week and the precipitation has been six hundredths of an inch. Average thermometer 81, highest 92 and lowest 70.

Columbus, Miss.—Dry all the week. The thermometer has averaged 77, the highest being 96 and the lowest 58.

Vicksburg, Miss.—Dry all the week. Average thermometer 78, highest 90, lowest 68.

Mobile, Ala.—With good weather the crop is opening rapidly and is of good grade. Yield is apparently small. We have had rain on two days during the week, the rainfall being twenty-seven hundredths of an inch. The thermometer has averaged 80, ranging from 68 to 91.

Montgomery, Ala.—There has been rain on two days of the week, the rainfall reaching forty-eight hundredths of an inch. The thermometer has ranged from 65 to 92, averaging 79.

Selma, Ala.—Rain has fallen on one day of the week, the precipitation being ninety-five hundredths of an inch. Average thermometer 76, highest 88, lowest 63.

Madison, Fla.—We have had rain on one day during the week, the rainfall being one inch. The thermometer has averaged 81, ranging from 72 to 93.

Albany, Ga.—We have had rain on one day during the week, the rainfall being twelve hundredths of an inch. The thermometer has ranged from 70 to 98, averaging 84.

Augusta, Ga.—We have had rain on two days of the week, the precipitation being eighty-two hundredths of an inch. Average thermometer 80, highest 94, lowest 66.

Savannah, Ga.—There has been rain on four days of the past week, the rainfall being three inches and ninety-seven hundredths. The thermometer has averaged 80, the highest being 96 and the lowest 70.

Charleston, S. C.—Rain has fallen on three days of the week, the precipitation reaching one inch and sixty-one hundredths. The thermometer has averaged 81, ranging from 71 to 91.

Spartanburg, S. C.—Rain has fallen on two days during the week, the rainfall being sixty-five hundredths of an inch. Highest thermometer 94, lowest 61, average 77.

Charlotte, N. C.—There has been rain on three days during the week, the precipitation being forty-nine hundredths of an inch. The thermometer has averaged 86, the highest being 90 and the lowest 61.

Weldon, N. C.—It has rained on one day of the week, the rainfall reaching two hundredths of an inch. The thermometer has ranged from 61 to 92, averaging 77.

Memphis, Tenn.—With favorable conditions cotton is opening. Picking has been begun but is not general. There has been rain on two days during the week, the rainfall being forty-four hundredths of an inch. The thermometer has averaged 76, the highest being 90 and the lowest 63.

THE AGRICULTURAL DEPARTMENT'S AUGUST REPORT.—The following statement, showing the condition of cotton on Aug. 25, was issued by the Department of Agriculture Aug. 31:

The Crop Reporting Board of the Bureau of Crop Estimates of the United States Department of Agriculture estimates, from the reports of the correspondents and agents of the Bureau, that the condition of the cotton crop on Aug. 25 was 61.2% of a normal, as compared with 72.3% on July 25 1916, 69.2 on Aug. 25 1915, 78 on Aug. 25 1914 and 72.3 the average on Aug. 25 of the past ten years. Comparisons of conditions, by States, follow:

State—	Aug. 25 1916.	July 25 1916.	Aug. 25 1915.	1914.	1913.	Ten-year Average.
Virginia	70	87	85	86	80	82
North Carolina	70	70	76	82	78	76
South Carolina	57	65	71	77	77	75
Georgia	62	68	69	81	76	75
Florida	58	62	70	83	81	77
Alabama	45	54	65	77	72	72
Mississippi	49	65	69	75	69	72
Louisiana	64	77	65	66	67	66
Texas	66	78	67	79	74	70
Arkansas	71	85	75	75	72	74
Tennessee	80	82	82	76	80	81
Missouri	80	80	81	72	72	81
Oklahoma	56	84	71	80	45	71
California	92	100	93	93	96	*96
United States	61.2	72.3	69.2	78.0	68.2	72.3

*Six years.

INDIA COTTON MOVEMENT FROM ALL PORTS.

Aug. 10. Receipts at—	1916.		1915.		1914.	
	Week.	Since Aug. 1.	Week.	Since Aug. 1.	Week.	Since Aug. 1.
Bombay	11,000	16,000	13,000	23,000	10,000	20,000

Exports from—	For the Week.				Since August 1.			
	Great Britain.	Continent.	Japan & China.	Total.	Great Britain.	Continent.	Japan & China.	Total.
Bombay—								
1916	1,000		19,000	20,000	1,000		29,000	30,000
1915			16,000	16,000			16,000	16,000
1914		1,000	2,000	3,000		4,000	15,000	19,000
Calcutta—								
1916								
1915		1,000		1,000		1,000		1,000
1914						1,000		1,000
Madras—								
1916								
1915								
1914								
All others—			2,000	2,000			2,000	2,000
1916		1,000	3,000	4,000	1,000	3,000	7,000	11,000
1915								
1914	1,000	6,000		7,000	1,000	11,000		12,000
Total all—								
1916	1,000		21,000	22,000	1,000		31,000	32,000
1915		2,000	19,000	21,000	1,000	4,000	23,000	28,000
1914		1,000	7,000	2,000	10,000	1,000	15,000	32,000

According to the foregoing, Bombay appears to show a decrease compared with last year in the week's receipts of 2,000 bales. Exports from all India ports record a gain of 1,000 bales during the week, and since Aug. 1 show an increase of 4,000 bales

bushels harvested last year. In India ocean tonnage is scarce and prices for wheat are firm. Russia's crop will be smaller than the last. Bulgaria's crops were damaged by hot weather. That was also the case in Austria-Hungary. There are persistent reports of a short yield in our Northwestern States. According to the Orange Judd monthly report there is not enough wheat being harvested to supply the total requirements of this country, for bread and seed. In Minnesota and in the Dakotas, the average spring wheat yield is placed at 8.2 bushels per acre, or a total spring wheat crop of about 145,000,000 bushels, though some private reports say only 100,000,000 bushels, or even less. Winter wheat returns do not maintain the figure it is said that was reported on Aug. 1, the average yield being 13.7 bushels per acre, indicating a total crop of 453,000,000 bushels, or a total wheat crop, winter and spring, of around 598,000,000 bushels, against 610,000,000 bushels, the normal annual requirements for seed and food purposes. Liverpool says that the Continent is absorbing wheat freely; that import demands are becoming urgent. To-day prices declined after an early advance of 2 to 4 cents. There was some fear that the Dardanelles may be opened up after all earlier than some had been inclined to believe. September deliveries at Chicago to-day were 4,250,000 bushels.

DAILY CLOSING PRICES OF WHEAT FUTURES IN NEW YORK.

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
No. 2 red	1.64	1.54 1/2	1.58 3/4	1.52 1/4	1.56	1.52

DAILY CLOSING PRICES OF WHEAT FUTURES IN CHICAGO.

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
Sept. delivery in elevator	1.51 1/2	1.40 1/2	1.43 1/2	1.38 1/2	1.42 1/2	1.40 1/2
December delivery in elevator	1.53 1/2	1.43 1/2	1.47	1.42 1/2	1.45 1/2	1.43 1/2
May delivery in elevator	1.56	1.46 1/2	1.49 1/2	1.45	1.48 1/2	1.46 1/2

Indian corn declined sharply in sympathy with the fall in wheat and heavy liquidation due to that fact, coincident with the menace of a big railroad strike. Eastern operators who bought heavily last week have been selling. Liverpool prices for a time declined. There have been beneficial rains in Argentina and last Tuesday Buenos Aires prices fell 2 1/2 to 2 3/4 c. in sympathy with the American decline, while Liverpool on the same day dropped 1 to 2 d. on spot corn. In this country offerings of old corn have been larger. Receipts are expected to increase next week unless there is a big railroad strike. Fears of such a strike have undoubtedly hurt business and caused selling. Bad crop reports have been offset by fears of a strike. Increased Argentine shipments are expected this week. But later on offerings of "futures" fell off, in response to a rally in wheat and a more hopeful outlook regarding the dispute between the railroads and their hands. Russia may not be able to ship heavily at once, even if the Dardanelles should shortly be opened, owing to scarcity of transportation by both land and water. Besides, crop reports from the West have been bullish. Drought in July and early August is said to have done more harm than was at first supposed. It is stated in the Orange Judd monthly report that unnatural heat prevailed during practically the whole period of tassel and silk upon the early crop. Poor fertilization and an unusually large number of barren stalks are reported. Late corn, particularly in Illinois, Ohio, and Southern Iowa, was stunted in growth, partially fired, and tasseled very low. It appears that the yield per acre now indicated is only 24.3 bushels, indicating a total crop of 2,585,000,000 bushels, against 2,872,000,000 bushels indicated on Aug. 1, and a crop harvested last year of 3,123,000,000 bushels. One firm puts the condition of the crop at 70, against 75 on Aug. 1, showing a crop of 2,476,000,000 bushels. Large buying of December and May was noticed at times during the week. Cash corn has been in steady demand and at times quite firm. Liverpool has reported the consumption larger, stocks moderate, and the general statistical position bullish, with prices now and then advancing. All this has, in a measure, neutralized the effects of the strike situation and the drop in wheat. To-day prices advanced early and then reacted, with wheat. There were no September deliveries at Chicago.

DAILY CLOSING PRICES OF NO. 2 MIXED CORN IN NEW YORK.

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
No. 2 yellow	93 3/4	97 1/4	97 1/4	95 1/4	98	98 1/2

DAILY CLOSING PRICES OF CORN FUTURES IN CHICAGO.

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
September delivery in elevator	85	84 1/4	85 1/2	85 1/2	86 1/4	86 1/4
December delivery in elevator	75	72 1/4	73 1/4	72 1/4	73 1/4	72 1/4
May delivery in elevator	73 1/4	75 1/4	75 3/4	76 1/4	76 3/4	78 1/4

Oats declined, partly owing to the entrance of Rumania into the European war, which might cause the release of large supplies in Russia. Besides, there were fears of a railroad strike. The visible supply in the United States increased for the week no less than 5,825,000 bushels. Also there was some natural sympathy with the decline in wheat. The selling was at times large. The receipts at Western points have been large. It might put the quietus on export trade for a time. Already exporters are beginning to put a "strike" clause in their contracts as a protection, and oats exporters may yet do the same thing. The shipments from North America last week were 3,142,000 bushels. On upturns there has been noticeable selling. Cash prices weakened and premiums suffered. The visible supply in the United States is now 21,355,000 bushels, against 2,924,000 a year ago. Of the increase of 5,875,000 bushels for the week, 3,868,000 bushels was at Chicago. But on the decline there has been some good buying. Receipts are expected to increase for a time. Last Monday exporters took 400,000 bushels. Cash prices have at times been firm at Chicago with a fair demand. One crop estimate is 1,185,-

000,000 bushels, against 1,507,000,000 in 1915. Broomhall had Russian dispatches intimating that grain shipments from Russia even in the event of the speedy opening of the Dardanelles would be retarded by inadequate railway facilities, and the smallness of the supply of ocean tonnage while with the Dardanelles open Russian prices would advance toward an export parity. To-day prices advanced early and then reacted. The crop movement is heavy offsetting the big consumption. Chicago, September deliveries were 1,100,000 bushels.

DAILY CLOSING PRICES OF OATS IN NEW YORK.

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
Standards	54-54 1/2	52 1/2	52 1/2-53	52 1/2-53	52 1/2-53	52 1/2-53
No. 2 white	Nom.	Nom.	Nom.	Nom.	Nom.	Nom.

DAILY CLOSING PRICES OF OATS FUTURES IN CHICAGO.

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
September delivery in elevator	43 1/4	44 1/4	44 1/4	44	44 1/4	44 1/4
December delivery in elevator	49 3/4	47 1/4	47 1/4	48 1/4	47 1/4	47 1/4
May delivery in elevator	53 1/4	50 1/4	51 1/4	50 1/4	50 1/4	50 1/4

The following are closing quotations:

WHEAT.

Winter, low grades	\$5 10 @ \$5 55	Kansas straights, sacks	\$7 25 @ \$7 50
Winter patents	7 40 @ 7 75	Kansas clears, sacks	5 85 @ 6 60
Winter straights	7 00 @ 7 25	City patents	9 20
Winter clears	6 50 @ 6 85	Rye flour	6 25 @ 6 75
Spring patents	7 90 @ 8 25	Buckwheat flour	5 35 @ 6 35
Spring straights	7 50 @ 7 80	Graham flour	5 35 @ 6 35
Spring clears	6 60 @ 6 85		

GRAIN.

Wheat, per bushel—f. o. b.—	Corn, per bushel—
N. Spring, No. 1, new	No. 2 mixed—f. o. b. Nom.
N. Spring, No. 2	No. 2 yellow—c. i. f. 98 1/2
Red winter, No. 2, new	No. 2 yellow kiln dried—97
Hard winter, No. 2	Argentina in bags
Oats, per bushel, new—cts.	Rye, per bushel—
Standard	New York—c. i. f. \$1 30
No. 2, white	Western—c. i. f. \$1 30
No. 3, white	Malt—Nom.
No. 4, white	

WEATHER BULLETIN FOR THE WEEK ENDING AUG. 29.—The influences of weather on the crops as summarized in the weather bulletin issued by the Department of Agriculture for the week ending Aug. 29 were as follows:

Corn.—Corn is ripening fast in the Southern States and is being harvested in Georgia and Oklahoma. In the last-named State, as well as in Kansas, the crop is being cut for ensilage and fodder because of the great damage to the grain by dry and hot weather of preceding weeks. In Northwestern Arkansas and southwestern Missouri the crop has been reduced by unfavorable weather, but in more Northern and Eastern districts the weather of the past week, as well as for the previous week, was more favorable. Much of the principal corn area, however, did not receive sufficient rainfall at the most critical periods of its growth. It was too cool for corn in the North Central States during the week, and there was some slight damage by frost in extreme Northern Minnesota. In North Dakota it is stated that the corn made rapid progress and will be mostly out of danger from frost in two weeks. In some localities in South Dakota the crop will be out fully two weeks to be past frost danger. The earliest corn is well dated in Iowa, and will be safe from frost damage in ten days, but it is estimated that 50% of it will need 30 days more to carry the crop past that danger. The average date of the first killing frost in that State varies from Sept. 25 in the Northwest portion to Oct. 5 in the extreme Southeastern counties. Those are the dates when a killing frost may be expected about half of the time, but a killing frost is not probable oftener than one year in ten earlier than 10 days before these dates.

Other Grains.—The harvest of oats, barley, and spring wheat continues along the Northern border of the country, as well as in the Rocky Mountain States. Threshing made good progress under favorable conditions in the Central and well into the Northern districts. In Oregon the yield of spring wheat is better than was expected, but the grain is somewhat shriveled in Montana. Smut is reported in Northern Idaho. The harvesting and threshing of rice progressed rapidly. Buckwheat improved during the week.

Cotton.—Although there was some rainfall in Oklahoma during the week it was not sufficient to favorably affect cotton, and this crop deteriorated steadily. It was shedding badly and plants were drying up in some localities. Cotton was not fruiting well in Texas on account of drought in the Western and Northern portions and boll weevil in Central and Southern districts. The crop is very poor in Northwestern Arkansas, but is good in other sections of the State, except that few new squares were forming in the Central and Southeastern portions, due to weevil damage. The weather conditions were favorable for the crop in Tennessee, and it continued to show some improvement in North Carolina, and the prospect was improving in South Carolina. It was too dry for late cotton, which was shedding the top crop in parts of Georgia, and there was no decided change in the conditions in Alabama. The plants deteriorated in Florida and in most of Mississippi, except in Northwestern counties where the weevil damage is small. There is much shedding in all Central, Southern and Western districts, and some rust is reported. The crop is late in Eastern sections. The work of picking and ginning progressed well under favorable weather conditions in Western, Central, and Southern districts, and the early crop is ready for picking in the Northeastern section.

Potatoes.—White potatoes are showing the unfavorable effect of the hot weather of previous weeks throughout nearly all the Central and Northern parts of the country. The weather was favorable during the week just past in much of the West and East, but rain is needed in some Central districts, and in many States the prospect is poor or only fair. Some blight is reported in New England and Pennsylvania. The early crop is being harvested in the extreme Northern districts. There was some damage by frost in extreme Northern Minnesota, and the frost of the previous week was quite damaging in South Central Oregon. The condition of sweet potatoes continued good, although rain was needed in parts of Mississippi.

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 Aug. 1 for each of the last three years have been:

Receipts at—	Flour.	Wheat.	Corn.	Oats.	Barley.	Rye.
	bbls. 196 lbs.	bush. 60 lbs.	bush. 56 lbs.	bush. 32 lbs.	bush. 48 lbs.	bush. 56 lbs.
Chicago	171,000	2,164,000	863,000	8,048,000	504,000	86,000
Minneapolis	1,922,000	42,000	1,296,000	628,000	72,000	
Duluth	507,000		35,000	90,000	33,000	
Milwaukee	33,000	97,000	195,000	194,000	323,000	57,000
Toledo		415,000	60,000	397,000		
Detroit	6,000	105,000	43,000	122,000		
Cleveland	4,000	43,000	18,000	168,000		2,000
St. Louis	82,000	1,236,000	332,000	542,000	8,000	29,000
Peoria	30,000	111,000	390,000	399,000	25,000	10,000
Kansas City		2,787,000	389,000	257,000		
Omaha		1,067,000	378,000	684,000		
Total week '16	326,000	10,454,000	2,711,000	12,052,000	1,478,000	289,000
Same wk. '15	235,000	7,238,000	2,401,000	8,764,000	923,000	437,000
Same wk. '14	448,000	9,743,000	6,184,000	7,565,000	1,729,000	505,000

Since Aug. 1

Year	Flour	Wheat	Corn	Oats	Barley	Rye
1916	1,303,000	48,475,000	11,935,000	42,243,000	5,004,000	838,000
1915	1,111,000	27,986,000	11,988,000	22,701,000	2,381,000	878,000
1914	1,642,000	44,314,000	17,650,000	37,337,000	3,962,000	1,331,000

Total receipts of flour and grain at the seaboard ports for the week ended Aug. 26 1916 follow:

STATE AND CITY DEPARTMENT.

News Items.

Canada.—Offer to Purchase Manitoba and Saskatchewan Debentures Withdrawn.—According to the London "Financial News," the British Treasury announced in reference to its offer of July last to purchase, at a price of 80, plus accrued interest, Province of Manitoba 4% debentures, due 1949, and 4% registered stock, due 1950; Province of Saskatchewan 4% bonds, due 1949, and 4% registered stock, due 1951, that the offer in respect to all of the above securities would remain in force up to an including Friday, Aug. 25, and would then be withdrawn.—V. 103, p. 772.

Denver, Colo.—Suit in U. S. Supreme Court Concerning Proposed Purchase of Denver Union Water Co.—The City and County Attorney writes us as follows in reply to our inquiry as to the present situation concerning the proposed purchase by the city of the plant of the Denver Union Water Co.—V. 102, p. 905:

William B. Dana Co., New York City:
Dear Sirs.—I have your letter of Aug. 12 inquiring about the present situation of the proposed purchase by this city of the Denver Union Water Co. operating in this city.

This purchase is covered by a contract under which a suit now pending in the Supreme Court of the United States involving rates, must first be determined. There is no temporary injunction preventing action in this particular.

The injunction you probably refer to is a temporary injunction restraining the city from purchasing a certain water supply for a proposed new plant. This attempted purchase was made prior to the time of entering into the contract for the purchase of the present plant, and the court granted a temporary injunction until certain matters in connection with the title can be cleared up. Whether this title will be cleared up satisfactory to the court we cannot now say.

The contract for the purchase of the plant of the Denver Union Water Co. involves the approval of the voters, and after certain legal questions have been passed upon by the Supreme Court of the United States it will be submitted to the voters for their approval or rejection.

Yours truly,
(Signed) J. A. MARSH.
De Soto Parish (P. O. Mansfield), La.—Road Bonds Attacked.—A suit has been filed in the District Court, according to reports, attacking the validity of the \$250,000 5% Road District No. 4 improvement bonds awarded on June 7 (V. 102, p. 2272) to the Bank of Commerce of Mansfield. The suit, which involves the legality of a tax, is brought by the Home Realty Co., S. W. Joyner & Co. and Dowling Bros., Ltd., all private corporations, and is directed against the Police Jury, the Board of Supervisors of District No. 4, T. M. Cook, Assessor, and C. W. Smith, Tax Collector.

Detroit, Mich.—Vote "For" and "Against" Proposed Charter Amendments.—The voters at a recent election, according to local papers, approved seven out of eight proposed amendments to the city charter. The amendments and the vote cast "for" and "against" each proposition are as follows:

	For.	Against.
Amendment fixing the minimum wage to be paid any class of city employees at \$2 25 per day	32,760	8,650
Amendment providing an increase in terms of city officials from two to four years	25,139	13,604
Amendment giving the City Election Commission supervision of election boards	24,162	13,354
Amendment authorizing issuance of bonds for hospital purposes	19,839	13,980
Amendment authorizing the annexation of territory to adjoining wards	28,453	8,053
Amendment authorizing the extension of ward boundaries	28,424	9,077
Amendment abolishing the Board of Estimates	24,257	12,909
Amendment giving the Common Council power to regulate public utility rates	16,507	23,240

The amendment authorizing the hospital bonds will be inoperative, it is stated, because of the Governor's veto through a technicality involved in the manner the resolution authorizing the amendment was passed by the Common Council.

Florida (State of).—Proposed Amendments to Constitution.—On Nov. 7 at the general election the voters will have submitted to them three proposed amendments to the constitution. They are as follows:

- Amendment of Section 9, Article 9, relating to taxation and finance.
- Amendment to Sections 2, 3 and 4, Article VII, relating to census and apportionment.
- Amendment to Section I Article VI, as amended by joint resolution No. 2, Acts of 1893, relating to suffrage and eligibility.

Grand Rapids, Mich.—Commission Government Adopted.—At an election held Aug. 29, this city voted, it is stated, to change the municipal government to that of commission form. It will go into effect May 1 1917.

Honey Lake Valley Irrigation District (P. O. Susanville), Lassen County, Calif.—Election on Organization of District.—Reports state that an election will be held Sept. 7 to vote on the organization of this district.

London (Metropolitan Water Board), Eng.—Loan Negotiated.—Announcement was made Aug. 31 that negotiations had been completed by Bernhard, Scholle & Co. and the Guaranty Trust Co., both of N. Y., for the joint purchase of an issue of \$6,400,000 one-year 6% discount gold notes of this Board. The issue will be dated Sept. 18 1916 and issued in denominations of \$5,000 and \$10,000. The notes mature Sept. 18 1917 and are payable in United States gold at the Guaranty Trust Co., N. Y. This district comprises over 500 square miles, including the entire city and county of London and parts of five adjacent counties and serves an estimated population of about 6,700,000. This is the first

time, it is said, that an English municipality has placed its obligations in our country. In the advertising pages of today's issue, the notes are being advertised only as a matter of record, as the issue has all been sold.

Maine (State of).—Proposed Constitutional Amendments.—Two proposed amendments to the Constitution will be voted upon at an election to be held in this State Sept. 11. They will appear on the official ballot as follows:

- Question No. 1.—Referendum.—Limiting the number of hours of employment of women and children to fifty-four in one week, in accordance with the provisions of Chapter 350, Public Laws of 1915.
- Question No. 2.—Submitted by the Legislature.—Providing for State and county aid for towns in the construction of highway bridges, in accordance with the provisions of Chapter 319, Public Laws of 1915.

Michigan (State of).—Propositions to be Submitted at General Election in November.—The following propositions are proposed to be submitted at the general election in November:

- Amendment relative to right of repeal of local or special acts by the Legislature.
- State-wide prohibition
- Question of repeal of Act 169, Public Acts of 1913, relative to fraternal or special acts by the beneficiary societies.

Mississippi (State of).—"Blue Sky" Law Passed By Legislature.—An Act was passed by the 1916 Legislature (Chapter 97), to regulate and supervise the sale and purchase in this State, of stocks of private, foreign and domestic corporations organized for profit, which propose to increase their capital stock; and regulating and supervising the offering or contracting for sale and purchase of the stocks of such corporations or proposed corporations. The new law also provides for the commission and promotion fees to be charged, and for the service of process, examination fees, and a penalty for the violation of the provisions of this Act. The exemption of certain corporations from the effect of the new law is also provided for.

Act Passed Validating All Municipal Bonds, &c., Regardless of Defects.—Chapter 151, Laws of 1916, approved March 23, validates all municipal bonds, notes, certificates of indebtedness and other obligations regardless of defects or informalities in their issuance. The Act in full follows:

Section 1. Be it enacted by the Legislature of the State of Mississippi, That all bonds, notes, certificates of indebtedness and other obligations which have been issued by a municipality under and by authority of any general, special, local or private Act of the Legislature, be, and they are hereby in all things made valid and legal, and are a binding obligation on the municipality issuing the same, regardless of defects or informalities in their issuance, or the failure of any municipality to comply with any law or part of law providing for their issuance.

Section 2. That this Act shall apply to all such bonds, notes, certificates or other such obligations now outstanding, and such obligations are hereby made in all things valid and legal, and when they mature may be refunded as provided by law; provided, it shall not apply to bonds over which there is now a contest and upon which no money has been paid.

Section 3. That this Act shall apply to all municipalities, whether operating under Chapter 99, Code of 1906, special charter or the commission government Acts.

Bond Issues For Building Permanent Roads.—Section 11 of an Act (Chapter 169), passed by the 1916 Legislature and approved April 8, amends Chapter 174 of the laws of 1914 and provides for the issuance of serial coupon bonds for permanent roads in an amount which will not exceed 20% of the assessed value of taxable property of said district, based on the assessment roll of the then current year. The bonds are to mature in not later than 20 years from their issuance and bear interest not to exceed 6%, payable annually or semi-annually, as the Road Commissioners may elect.

Nevada (State of).—Proposed Amendments to Constitution to Be Voted on in November.—Approved by the Legislature in 1913 and 1915, the following proposed amendments to the constitution will be presented to the voters at the November general election:

- Amendment to Section 3, Article XI, relating to revenues to be used for educational purposes.
- Amendment to Section 3, Article IX, changing limit of State debt from \$300,000 to 1% of assessed valuation of property in the State.

This latter section, if adopted as amended, will read as given herewith. The portions to be added we give in italics and those to be eliminated we put in brackets:

For the purpose of enabling the State to transact its business upon a cash basis from its organization, **the State may contract public debts, but such debts shall never in the aggregate, exclusive of interest, exceed the sum of three hundred thousand dollars, one per cent of the assessed valuation of the State, as shown by the reports of the county assessors to the State Comptroller, except for the purpose of defraying extraordinary expenses, as hereinafter mentioned. Every such debt shall be authorized by law for some purpose or purposes, to be distinctly specified therein; and every such law shall provide for levying an annual tax sufficient to pay the interest semi-annually, and the principal within twenty years from the passage of such law, and shall especially appropriate the proceeds of said taxes to the payment of said principal and interest; and such appropriation shall not be repealed, nor the taxes be postponed or diminished, until the principal and interest of said debts shall have been wholly paid. Every contract of indebtedness entered into or assumed by or on behalf of the State, when all its debts and liabilities amount to said sum before mentioned, shall be void and of no effect, except in cases of money borrowed to repel invasion, suppress insurrection, defend the State in time of war, or, if hostilities be threatened, to provide for the public defense.**

New York City.—Equalizing Values for Apportionment of Direct State Tax.—On Aug. 24 Comptroller Prendergast filed with the State Board of Equalization the results of an examination made in the Bureau of Municipal Investigation and Statistics of the Department of Finance for the purpose of determining the average rates at which real property is assessed in nine large counties of the State outside the City of New York—that is, Albany, Erie, Monroe, Niagara, Oneida, Onondaga, Rensselaer, Schenectady and Westchester counties. The examination shows that the rates at which real property was assessed for the year 1915 in the nine counties examined range from an average rate of assessment of 48% in Niagara County to 75% in Rensselaer County, and

that, compared with the ratios fixed by the State Board of Equalization in September 1915 for the counties referred to, the results of the examination indicate that real property in these counties was assessed at from 6 to 24 points lower than the ratios fixed by the equalization board. The examination was made, it is said, to get reliable data for the guidance of the Board of Equalization, which will meet early in September to adopt the 1916 county equalization table, on the basis of which the direct State tax is apportioned.

Comptroller Prendergast hopes that with the results of the examination in the hands of each member of the Board of Equalization, that when the board meets to adopt the 1916 equalization table it will be in a better position than ever before to fix accurately the ratios of the several counties of the State, and that when the direct State tax is apportioned New York City will not have to pay more than its fair share.

Building Zone Resolution Approved by Board of Estimate and Apportionment.—In our editorial columns last week we published an item concerning the new building zone resolution approved by the Board of Estimate and Apportionment on July 25, governing the construction and use of all future buildings.

Deficit in City's Pension Funds.—In the "Chronicle" of Aug. 12, we referred in our editorial columns to the report of experts submitted on July 23 to the Mayor's Commission on Pensions, estimating that if the city's pension funds are continued on their present basis, they will ultimately result in a deficit of \$202,775,568.

Philippine Islands.—Self-Government Bill Signed by President.—Reference is made this week in our editorial columns to the bill signed by President Wilson on Aug. 29 and which was recently passed by the House and Senate, providing for self-government for the Filipinos.

Rhode Island (State of).—Proposed Constitutional Amendment and Propositions to Be Submitted in November.—At the general election on Nov. 7 the following proposed amendment to the Constitution will be submitted to the voters:

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.

The voters will also be asked to pass upon propositions to issue \$130,000 armory, \$850,000 charitable and penal institutions and \$300,000 bridge-construction bonds.

Tennessee (State of).—Official Returns Defeat Holding Constitutional Convention.—A canvass of the vote in the election of Aug. 3 on the question of holding a constitutional convention was made on Aug. 30. The vote, it is stated, was 43,940 "for" to 67,336 "against" the proposal.—V. 103, p. 599.

Texas.—Rulings on School Bonds.—In the Dallas "News" of Aug. 26 appears the following concerning opinions written by Assistant Attorney-General Harris:

Assistant Attorney-General W. M. Harris, in charge of bond matters, has written an opinion of interest to school districts. He holds that when a city, having assumed control and management of its schools, extends its corporate lines for school purposes only, such city, in issuing school-house bonds, may include the added territory as bound for its pro rata part of such bonds only in so far as they cover any debt or debts incurred subsequent to the time of the extension of the territory. In other words, the added territory cannot have saddled on it the previous debts of the school district, but is liable only for its pro rata share of debts incurred after it becomes part of the district. The opinion was addressed to J. M. Smith of Caldwell.

In an opinion to W. L. Davidson, County Attorney at Richmond, Assistant Attorney-General W. M. Harris advises that boards of trustees of common school districts have power to contract for such districts in the sale of bonds, but that the bonds of a common school district cannot be sold for less than their face value and accrued interest. It was also held that a contract for the sale of common school district bonds for less than par and accrued interest would be unlawful and unenforceable and a failure of the district trustees to comply with such a contract would involve no personal liability on their part.

United States.—Conversion Bonds of 1916 Admitted to New York Stock Exchange List.—The New York Stock Exchange on Aug. 28 admitted to its list \$10,689,800 3% (Series of 1916-1946) conversion bonds issued under the provisions of Section 18 of the Federal Reserve Bank Act, approved by Congress Dec. 23 1913, in exchange for United States 2% gold bonds bearing the circulating privilege, but against which no circulation is outstanding. The bonds are in coupon form of the denominations of \$100 and \$1,000, and in registered form of the denominations of \$100, \$1,000, \$5,000 and \$10,000.

Utah (State).—Proposed Constitutional Amendments.—The two following proposed amendments to the Constitution will be voted upon at the general election in November:

Amendment to Section 17, Article 7, relating to the duties of the Auditor and of the Treasurer.

Amendment to Article 13 relating to revenue and taxation.

Virginia (State of).—"Blue Sky" Law Adopted by Legislature.—The Legislature at its 1916 session approved an Act (Chapter 499, Laws 1916) to prevent unfairness, imposition or fraud in the issuance, sale, promotion, negotiation or distribution of any stocks, bonds, notes or securities or contracts, and to provide penalties for violation thereof and

to authorize the State Corporation Commission to make investigations in connection with the sale of such securities or contracts.

Act Approved Providing for Issuance of County Bonds for Permanent Roads or Bridges.—An Act (Chapter 238, Laws of 1916), to amend Sections 1, 7, 9, 10 and 11, approved March 13 1912, was passed by the 1916 Legislature, and provides, among other things, for the issuance of county bonds for permanent road or bridge improvements in magisterial districts, but in no case must the maximum amount of bonds exceed 10% of the total taxable values at the time in the magisterial district in which the road or roads are to be built or permanently improved.

Wyoming (State of).—Proposed Constitutional Amendments.—The following amendments will be submitted to voters at the general election to be held Nov. 7:

Amendment to Section 6, Article 7, permitting the investment of State public school funds in farm mortgages and other securities authorized by law.

Amendment to Article 16, by adding Section 9, permitting the State to aid or engage in the construction and improvement of public roads and highways and to devote the proceeds of grants of land to works of internal improvement specified in the grants.

Bond Calls and Redemptions.

Birmingham, Ala.—Bond Calls.—The following bonds were called for redemption at the July 1 interest period:

City Public Improvement bonds Nos. 4, 7, 18, 29, 49, 62 to 64, incl. and 75 of Series of July 1 1911 Nos. 2 and 3 of Series 623; Nos. 4 to 43, incl. of Series 533; No. 2 of Series 691; Enley City Public Improvement bonds Nos. 21, 22 and 23 of Enley Series 131.

The following City Public Improvement bonds were called for redemption at the Aug. 1 interest period: Nos. 12 to 17, incl., of Series of Aug. 1 1911.

Denver, Colo.—Bond Call.—The following bonds are called for payment on August 31:

Storm Sewer Bonds.

Sub Dist. No. 2 North Denver Storm Sewer Dist. No. 1, Bond No. 15, West Denver Storm Sewer Dist. No. 1, Bond No. 61.

Sanitary Sewer Bonds.

Harman Special Sanitary Sewer Dist. 1, Bonds Nos. 56 to 90, incl. West and South Side Sanitary Sewer Dist., Bonds Nos. 253 to 267, incl. Part "A" Sub Dist. No. 3 West and South Side Sanitary Sewer Dist., Bond No. 48. Part "A" Sub Dist. No. 11 West and South Side Sanitary Sewer Dist., Bond No. 11. Part "A" Sub Dist. No. 14 West and South Side Sanitary Sewer Dist., Bond No. 29.

Improvement Bonds.

Arlington Park Improvement Dist., Bonds Nos. 73 to 76, incl. Capitol Hill Improvement Dist. No. 7, Bonds Nos. 15 to 17, incl. East Denver Improvement Dist. No. 5, Bond No. 87. East Denver Improvement Dist. No. 6, Bonds Nos. 24 and 25. East Denver Improvement Dist. No. 7, Bond No. 11. East Side Improvement Dist. No. 1, Bonds Nos. 98 to 100, incl. East Side Improvement Dist. No. 2, Bonds Nos. 88 to 90, incl. North Side Improvement Dist. No. 6, Bond No. 65. North Side Improvement Dist. No. 11, Bond No. 26. North Side Improvement Dist. No. 16, Bond No. 22. North Side Improvement Dist. No. 17, Bond No. 19. North Side Improvement Dist. No. 23, Bonds Nos. 1 to 23, incl. North Side Improvement Dist. No. 25, Bond No. 6. Sherman St. Improvement Dist. No. 1, Bonds Nos. 28 to 33, incl. South Denver Improvement Dist. No. 12, Bond No. 13. Thirteenth St. Improvement Dist. No. 1, Bonds Nos. 40 to 55 inclusive. West Denver Improvement Dist. No. 1, Bonds Nos. 166 to 168 inclusive. West Denver Improvement Dist. No. 2, Bond No. 15.

Paving Bonds.

Alley Paving Dist. No. 8, Bonds Nos. 21 to 27 inclusive. Alley Paving Dist. No. 13, Bond No. 19. Alley Paving Dist. No. 22, Bond No. 19. Alley Paving Dist. No. 24, Bond No. 19. Alley Paving Dist. No. 25, Bond No. 18. Alley Paving Dist. No. 30, Bond No. 12. Broadway Paving Dist. No. 3, Bond No. 57. East Denver Paving Dist. No. 1, Bond No. 9. Speer Boulevard Paving Dist. No. 1, Bonds Nos. 21 to 31 inclusive. Welton Street Paving Dist. No. 1, Bonds Nos. 49 to 66 inclusive.]

Surfacing Bonds.

Seventh Ave. Parkway Surfacing Dist., Bond No. 6.

Park Bonds.

Montclair Park Dist., Bonds Nos. 420 to 423 inclusive.

Spokane, Wash.—Bond Call.—The following special improvement bonds are called for payment at the City Treasurer's office on Sept. 15:

Name and Dist. No.	Up to and Incl.	Name and Dist. No.	Up to and Incl.	Name and Dist. No.	Up to and Incl.
Paving—		Grading (Con.)		Grading (Con.)	
Athur St., 728	41	Falls St., 446	16	19th Ave., 546	24
4th Ave., 790	43	15th Ave., 591	11	17th Ave., 701	13
9th Ave., 184	54	40th Ave., 982	6	36th Ave., 642	24
3d Ave., 560	36	Garland Ave., 604	53	37th Ave., 847	12
Grading—		Jefferson St., 607	77	Sewer—	
Ash St., 1018	7	Latawah St., 639	10	18th Ave., 650	31
Bernard St., 416	40				

Bond Proposals and Negotiations this week have been as follows:

AMBERG TOWNSHIP (P. O. Amberg), Marinette County, Wis.—BOND OFFERING.—Proposals will be received until 2 p. m. Sept. 6 by the Township Clerk for the \$5,000 6% 5-year road-construction bonds authorized by vote of 42 to 15 at the election held May 20.—V. 102, p. 1915.

ARCO, Blaine County, Idaho.—BOND ELECTION PROPOSED.—Reports state that an election will be called to vote on the question of issuing \$20,000 water and light bonds.

ATHENS RURAL SCHOOL DISTRICT (P. O. Athens), Athens County, Ohio.—BONDS VOTED.—Newspaper reports state that at the election Aug. 8 the proposition to issue \$16,000 building bonds carried.

AUGLAIZE COUNTY (P. O. Wapakoneta), Ohio.—BOND OFFERING.—Proposals will be received until 12 m. Sept. 16 by F. W. Langhorst, County Auditor, for \$21,000 5% 2 1/4-year aver. Bowsher road-impt. bonds. Auth. Sec. 6929, Gen. Code. Denom. \$1,000. Date Sept. 1 1916. Int. M. & S. Due \$2,000 each six months from Mar. 1 1917 to Mar. 1 1921 incl. and \$3,000 Sept. 1 1921. Certified check for 2% of amount of bonds bid for, payable to the County Treasurer, required. Bonds to be delivered and paid for within 15 days from time of award. Purchaser to pay accrued interest.

BANGOR SCHOOL DISTRICT (P. O. Bangor), Northampton County, Pa.—BONDS NOT SOLD.—No sale was made on Aug. 24 of the \$10,000 4% 3-15-year optional school bonds offered on that day. V. 103, p. 679. The bonds will be re-offered at some future date.

vote on the questions of issuing \$300,000 harbor improvement, \$500,000 pier-construction and \$50,000 hospital-building bonds.

LOS ANGELES MUNICIPAL IMPROVEMENT DISTRICT NO. 1 (P. O. Los Angeles), Calif.—BOND ELECTION PROPOSED.—Reports state that petitions are being circulated asking the City Council to call an election to vote on the question of issuing \$1,020,000 Hollywood water-works-purchase and improvement bonds. These bonds were disposed of on June 21, but were subsequently declared void because of certain irregularities in the holding of the first election (V. 103, p. 772).

LOS ANGELES MUNICIPAL IMPROVEMENT DISTRICT NO. 3 (P. O. Los Angeles), Calif.—BOND ELECTION.—An election will be held Sept. 15 (date changed from Sept. 5) to vote on the question of issuing \$200,000 Bairdstown Water Improvement bonds. V. 103, p. 341. Chas. L. Wilde is City Clerk.

LOUISVILLE, Jefferson County, Ky.—BOND SALE.—On Aug. 16 \$10,985 80 10-yr. street-impt. bonds were purchased, it is stated, by the "City of Louisville" at par and interest.

MC KOWN MOUNTAIN SCHOOL DISTRICT, Cherokee County, So. Car.—BONDS OFFERED BY BANKERS.—J. H. Hilsman & Co. of Atlanta are offering to investors \$2,000 6% 20-year school bonds. Denom. \$1,000. Date Feb. 1 1916. Prin. and semi-annual int. (F. & A.) payable in New York. Total debt, this issue, \$2,000. Asses. val. 1915, \$187,000; actual val. \$500,000.

McSWAIN SCHOOL DISTRICT, Merced County, Calif.—BOND SALE.—Blyth, Witter & Co., of San Francisco, have been awarded, it is stated, \$5,000 6% school bonds at 106.22.

MACON, Ga.—FINANCIAL STATEMENT.—We publish below a financial statement of this city recently received by us in connection with the offering on Sept. 12 of the two issues of 4 1/2% coupon gold bonds, aggregating \$200,000, described in the "Chronicle" of Aug. 19, on page 682. The statement referred to is as follows:

Table with financial statement items and amounts: Assessed valuation of real estate 1916: \$19,823,196 00; Assessed valuation of personal property 1916: 7,361,901 00; Utility assessments, based on 1915: 5,250,000 00; Total assessed valuation all property: 32,435,097 00; Estimated actual value: 50,000,000 00; City tax rate 1916, 12 1/2 mills: 5,000,000 00; Bonded indebtedness... 1,886,000 00; Paving loans... 26,000 00; No other except June pay-roll due July 5th... 19,834 96; Cash on hand, June 30 1916... 57,183 26

MARICOPA COUNTY SCHOOL DISTRICT NO. 11, Ariz.—BOND SALE.—The \$20,000 5% 20-year gold site-purchase, construction and equipment bonds for which bids were received on Aug. 14, but subsequently rejected (V. 103, p. 510) have been awarded to the International Trust Co. of Denver.

MARION COUNTY (P. O. Indianapolis), Ind.—BOND OFFERING.—Bids will be received until 10 a. m. Sept. 11 by Ed. G. Sourbier, Co. Treas., for \$10,800 4 1/2% 5 1/2-year aver. H. E. Snyder et al road bonds in Pike Twp. Denom. \$540. Date Aug. 1 1916. Int. M. & N. Due \$540 each six months from May 15 1917 to Nov. 15 1926, incl.

MARSHALL COUNTY (P. O. Holly Springs), Miss.—BOND SALE.—The Whitney Central Trust & Sav. Bank of New Orleans was awarded on June 1 \$16,500 6% road bonds for \$17,285 (104.757) and int. Denom. \$500. Date June 1 1916. Int. J. & D. Due \$2,500 June 1 1926 and \$1,000 yearly June 1 from 1927 to 1940, incl.

MARTIN COUNTY (P. O. Fairmont), Minn.—BOND OFFERING.—Proposals will be received until 11 a. m. Sept. 5 by H. C. Nolte, County Auditor, for the following 10 1/2-year (average) drainage bonds, aggregating \$85,000: \$28,000 Judicial Ditch No. 50, \$15,000 Jud. Ditch No. 64, \$10,000 Jud. Ditch No. 65, \$14,000 Jud. Ditch No. 66 and \$16,000 County Ditch No. 35. Interest rate not to exceed 5%. Certified check for \$4,000 required. Bonded debt, \$985,850. No floating debt. Assessed value 1916, equalized, \$18,238,268.

MAUMEE, Lucas County, Ohio.—BOND OFFERING.—Bids will be received until 7:30 p. m. Sept. 18 by Thos. N. Dowling, Vil. Clerk, for the following 5% bonds:

- \$42,097 00 Broadway St. impt. bonds. Denom. \$3 for \$500, 1 for \$597. Date Sept. 15 1916. Due \$4,097 Sept. 15 1917, \$4,000 Sept. 15 1918 to 1922, incl., and \$4,500 Sept. 15 1923 to 1926, incl.
3,476 00 Kingsbury St. impt. bonds. Denom. 1 for \$326, 9 for \$350. Date Sept. 15 1916. Due one bond yearly on Sept. 15 from 1918 to 1927, incl.
980 00 Soth St. sewer bonds. Denom. 1 for \$180, 4 for \$200. Date Sept. 1 1916. Due one bond yearly on Sept. 1 from 1917 to 1921, incl.
1,927 44 sewer-construction bonds. Denom. 1 for \$327.44, 4 for \$400. Date Sept. 1 1916. Due one bond yearly on Sept. 1 from 1917 to 1921, incl.
Cert. check on a Toledo or Maumee bank for 5% of bonds bid for, payable to the Vil. Treas., required. Bonds to be delivered and paid for within 10 days from time of award. Bids must be unconditional.

MAYO SCHOOL DISTRICT, Spartanburg County, So. Car.—BONDS OFFERED BY BANKERS.—J. H. Hilsman & Co. of Atlanta are offering to investors \$5,000 6% 20-year school bonds. Denom. \$1,000. Date July 1 1916. Prin. and semi-annual int. (J. & J.) payable in New York. Total debt, this issue, \$5,000. Asses. val. 1915, \$146,000; actual values, \$700,000.

MEDFORD, Jackson County, Ore.—BOND OFFERING.—Proposals will be received until 5 p. m. Sept. 5 by E. T. Foss, City Clerk, it is stated, for \$50,000 6% 1-30-year serial municipal railroad bonds. Interest semi-annual. Certified check for 5% required.

MELROSE, Middlesex County, Mass.—BOND AND NOTE OFFERING.—Proposals will be received until 12 m. Sept. 6 by Wm. R. Lavender, City Treas., for the following 4% coup. bonds and notes, \$10,000 sidewalk notes. Due \$2,000 yrly. on Aug. 1, from 1917 to 1926 inclusive.
\$10,000 sewerage bonds. Due \$2,000 yrly. on Aug. 1 from 1917 to 1926 inclusive.

Denom. \$1,000. Date Aug. 1 1916. Prin. and semi-ann. int.—F. & A.—payable at the National Shawmut Bank, Boston. These issues will be certified as to their genuineness by the Old Colony Tr. Co. and this trust company will further certify that legality of these issues has been approved by Ropes, Gray, Boyden & Perkins of Boston, a copy of whose opinion will accompany the bonds when delivered without charge to the purchaser.

MELSTONE, Musselshell County, Mont.—BONDS PROPOSED.—Reports state that this town is considering the issuance of \$6,000 electric-light-plant bonds.

MIAMI, Dade County, Fla.—BOND SALE.—On Aug. 25 the three issues of 5% gold bonds, aggregating \$253,000 (V. 103, p. 510) were awarded to Baker, Watts & Co. of Baltimore for \$255,417 90 (100.955) and int. Other bids were:
Stacy & Braun, Toledo. \$255,117 26 Terry, Briggs & Co., Tol... \$253,456
Mercantile Tr. Co., St. L. 254,720 00 Bolger, Mosser & Wil., Chic. 253,255
South Bk. & Tr. Co., Miami 254,037 00 U. S. Tr. & Sav. Bk., Jacksonv. 253,030
Davies-Bertram Co., Miami 254,012 60 Bank of Bay Biscayne, Miami 252,405
H. A. Kahler & Co., Miami 254,012 60 Field, Rich. & Co., Cin. 251,900
Prov. Sav. Bk. & Tr. Co., Miami 254,012 60

MIAMI, Roberts County, Texas.—CORRECTION.—In the "Chronicle" of Aug. 12, page 602, we reported that "on July 28 an issue of \$24,706 6% funding bonds was awarded to J. L. Arlitt of Austin at 85." This issue we now learn, was warrants and not bonds.

MIAMI COUNTY (P. O. Troy), Ohio.—BOND OFFERING.—Bids will be received until 10 a. m. Sept. 8 by Chas. N. Peters, Co. Aud., for \$17,900 4 1/2% 3 1/2-year aver. coupon Fair-Ground-impt. bonds. Auth. Sec. 9887-1 Gen. Code. Denom. 35 for \$500, 1 for \$400. Date June 1 1916. Prin. and semi-ann. int.—J. & D.—payable at Co. Treasury, due \$1,500 each six months from June 1 1917 to Dec. 1 1918, incl., \$2,000 each six months from June 1 1919 to June 1 1921, incl., and \$1,000 Dec. 1 1921. Cert. check or cash for 5% of amount of bid, payable to the Co. Aud., required. Bonds to be delivered and paid for within 10 days from

time of award. Purchaser to pay accrued interest. All bids must be unconditional.

MIDWAY (P. O. London), Madison County, Ohio.—BOND SALE.—The Farmers Bank of Sedalia were awarded at par on April 1 the \$102,000 5% 4-year aver. joint-town-hall-constr. bonds offered on that day.—V. 102, p. 1097.

MILAN SCHOOL DISTRICT (P. O. Milan), Sullivan County, Mo.—BONDS VOTED.—The question of issuing \$15,000 high-school-building bonds carried by a vote of 212 to 53, it is stated, at an election held Aug. 15.

MILTON, Van Buren County, Iowa.—PURCHASER OF BONDS.—The purchaser of the \$18,000 5% 4-20-year (ser.) water-works bonds awarded at par on July 29 (V. 103, p. 776) was Geo. M. Bechtel & Co. of Davenport, Denom. \$500. Date Sept. 1 1916. Int. M. & N.

MILWAUKEE, Wisc.—BOND OFFERING POSTPONED.—We are advised by the City Comptroller that owing to the fact that Tuesday Sept. 5 is a legal holiday (Primary Election Day) the date for opening bids for the three issues of 4 1/2% tax-free coupon bonds, aggregating \$1,350,000, has been changed from Sept. 5 to Sept. 7. For details and terms of offering see V. 103, p. 776.

MILWAUKEE COUNTY (P. O. Milwaukee), Wis.—BOND OFFERING.—Proposals will be received until 3 p. m. Sept. 14 by Theodore Dammann, County Treasurer, for \$380,000 4 1/2% House of Correction bonds. Denom. \$1,000. Date Sept. 18 1916. Prin. and semi-ann. int. (M. & S.) payable at the County Treasurer's office. Due \$19,000 yearly Sept. 1 from 1917 to 1936 inclusive.

MODESTO CITY SCHOOL DISTRICT, Stanislaus County, Calif.—BONDS DEFEATED.—The question of issuing the \$160,000 high-school-building bonds (V. 103, p. 602) failed to carry at the election held Aug. 15. Another election will probably be called.

MOJAVE SCHOOL DISTRICT, Kern County, Calif.—BOND SALE.—The \$12,000 6% 8 1/2-year (aver.) gold coupon site-purchase, building and equipment bonds offered on April 4 (V. 102, p. 1183) were awarded on that day to the Security Trust Co. of Bakersfield for \$13,011 20, equal to 108.426.

MONACA, Beaver County, Pa.—BONDS DEFEATED.—The proposition to issue \$37,000 public-improvement bonds failed to carry at the election Aug. 15.

MONONGAHELA SCHOOL DISTRICT (P. O. Monongahela), Washington County, Pa.—BOND SALE.—The Mellon Nat. Bank of Pittsburgh was awarded at 104.815, a basis of 4.087% on April 8 the issue of \$80,000 4 1/2% coupon school bonds offered on that day.—V. 102, p. 1286.

MONTGOMERY, Montgomery County, Ala.—BOND ELECTION PROPOSED.—Local papers state that an election will probably be called in October to vote on the question of issuing \$300,000 city-hall-erection bonds.

MONTGOMERY COUNTY (P. O. Dayton), Ohio.—BOND OFFERING.—Proposals will be received until 12 m. Sept. 8 by Walter H. Aszling, Clerk Bd. of Co. Commrs., for \$15,000 4 1/2% 5-year aver. bridge bonds. Auth. Secs. 2434 and 2435 Gen. Code. Denom. \$1,000. Date Sept. 8 1916. Prin. and semi-ann. int.—M. & S.—payable at office of Co. Treas. Due \$2,000 yearly on Sept. 1 from 1917 to 1923, incl., and \$1,000 Sept. 1 1924. Cert. check on a solvent bank or trust company for \$500, payable to the Co. Treas., required. Purchaser to pay accrued int. Bids must be unconditional.

MONTICELLO, Green County, Wis.—BOND SALE.—On Aug. 24 the \$12,000 5% 1-12-year serial electric-light and power-plant bonds (V. 103, p. 602) were awarded to the Wisconsin Trust Co. of Milwaukee for \$12,251 (102.916) and int.

MORGAN COUNTY (P. O. McConnellville), Ohio.—BOND SALE.—On Aug. 26 the \$8,800 5% 5 1/2-year aver. road bonds—V. 103, p. 682—were awarded, it is stated, to the Provident Savs. Bank & Tr. Co. of Cin. for \$9,054 32, equal to 102.888, a basis of about 4.41%.

MORRIS COUNTY (P. O. Morristown), N. J.—BOND OFFERING.—Further details are at hand relative to the offering on Sept. 8 of the issue of 4 1/2% gold coupon (with priv. of reg.) road bonds at not exceeding \$559,000—V. 103, p. 777. Bids for these bonds will be received until 2 p. m. on said day by Jos. F. McLean, Co. Collector. Denom. \$1,000 multiples. Date Oct. 2 1916. Prin. and semi-ann. int.—A. & O.—payable at First Nat. Bank, Morristown. Due \$43,000 yearly on Oct. 2 from 1918 to 1930, incl. Cert. check on an incorporated bank or trust company for 2% of bonds bid for, payable to Board of Chosen Freeholders, required. The U. S. Mtge. & Tr. Co. will certify as to the genuineness of the signatures of the officials signing the bonds and the seal impressed thereon and purchaser will be furnished with the opinion of Hawkins, Delafield & Longfellow of N. Y., that the bonds are legal and binding obligations.

MOUNTAIN VIEW SCHOOL DISTRICT, Santa Clara County, Calif.—BONDS VOTED.—The question of issuing \$9,000 building bonds carried, it is stated, at the election held Aug. 14.

MOUNT CLEMENS, Macomb County, Mich.—PRICE PAID FOR BONDS.—The price paid for the \$34,000 4 1/2% street-paving bonds awarded to Cummings, Prudden & Co. of Toledo on Aug. 7 was 101.55. See V. 103, p. 682.

MT. VERNON, Knox County, Ohio.—BOND OFFERING.—Proposals will be received until 12 m. Sept. 9 by Howard C. Gates, City Aud., for the following 5% bonds:

- \$5,382 35 sanitary-sewer-construction assess. bonds. Denom. 1 for \$382 25, 10 for \$500. Date Oct. 1 1915. Due \$382 25 April 1 1916 and \$500 yearly on April 1 from 1917 to 1926, incl.
4,500 00 sewage-treatment-plant-completion, city's portion bonds. Denom. 1 for \$500. Date Apr. 1 1916. Due \$500 yearly on Oct. 1 from 1917 to 1925, incl.
Auth. Sec. 3939 Gen. Code. Int. semi-annual. Cert. check for 2% of bonds bid for, payable to the City Treas., required. Bonds to be delivered and paid for within 10 days from time of award. Purchaser to pay accrued interest.

MUSCATINE INDEPENDENT SCHOOL DISTRICT (P. O. Muscatine), Muscatine County, Iowa.—BOND ELECTION.—Local papers state that an election will be held Sept. 23 to vote on the question of issuing \$38,000 grade-school-building bonds.

MUSKOGEE, Muskogee County, Okla.—BOND SALE.—On Aug. 25, the \$100,000 gas-pipe line bonds (V. 103, p. 682), were awarded, it is stated, to C. Edgar Honnola of Oklahoma City at 101.555.

MYRTLE POINT, Coos County, Ore.—BOND OFFERING.—Dispatches state that City Recorder E. A. Dodge will receive sealed bids until 7:30 p. m. Sept. 8 for \$15,000 5 1/2% 14 1/2-year average funding bonds. Int. semi-annual. Certified check for 5% required.

NEWARK, N. J.—BONDS PROPOSED.—This city has under contemplation the issuance of \$160,000 bonds for the erection of police headquarters, it is said.

NEW BOSTON (P. O. Portsmouth), Scioto County, Ohio.—BOND SALE.—On Aug. 29 the \$4,000 5% 19-year street bonds—V. 103, p. 683—were awarded, it is said, to the Central Bank of Portsmouth at 100.625—a basis of about 4.95%.

NEWCOMERSTOWN, Tuscarawas County, Ohio.—BOND SALE.—On Aug. 19 the \$9,000 5% sewage-disposal-plant bonds—V. 103, p. 511—were awarded to the New First Nat. Bank of Columbus at 102.50 and int. Other bids were:
Oxford Bk., Newcomerstown \$9,180 50 Durfee, Niles & Co. \$9,115 81
Breed, Elliott & Harrison. 9,171 00 Weil, Roth & Co. 9,114 30
Otis & Company. 9,135 00 Security S. B. & Tr. Co. 9,113 40
Mansfield Savs. Bank. 9,135 00

NEW GARDEN SCHOOL TOWNSHIP (P. O. Fountain City), Wayne County, Ind.—BOND SALE.—On Aug. 25 the \$3,000 4 1/2% 6 1/2-year aver. school bonds—V. 103, p. 683—were awarded to the Fletcher Amer. Nat. Bank of Indianapolis at 101.075 and int. Three other firms submitted bids.

NEW LEXINGTON SCHOOL DISTRICT (P. O. New Lexington), Perry County, Ohio.—BOND OFFERING.—This district will offer for sale on Sept. 18, it is stated, an issue of \$4,500 school-improvement bonds.

NEW PHILADELPHIA, Tuscarawas County, Ohio.—BOND SALE.—On Aug. 15 the \$5,500 5% 3 1/2-year aver. motor-hose-wagon-purchase

of amount bid, payable to G. H. Vivian, County Treasurer, required. Bonded debt, including this issue, \$907,406. No floating debt. Assessed valuation, 1915, \$324,256,080.

ST. LOUIS COUNTY (P. O. Clayton), Mo.—BOND OFFERING.—Sealed bids will be received until Sept. 14 by W. Seibie, Clerk of Co. Court, for \$520,000 of the \$3,000,000 4 1/2% coupon registered road and bridge bonds. Authorized by vote of 12,678 to 2,189 at the election held Feb. 15. Denoms. (100) \$100, (510) \$1,000. Date Aug. 1 1916. Int. F. & A. at the Mercantile Trust Co., St. Louis. Due Aug. 1 1936, subject to call. Cert. check for 5% payable to the Treas., required. Bonded debt this issue. Assess. val. 1915 \$69,000,000. Total tax rate (per \$1,000) \$5.30.

ST. MARYS, Auglaize County, Ohio.—BOND SALE.—The following were among the bids received for the \$45,000 5% 12 1/2-year aver. coupon water-works and electric-light bonds offered on Aug. 23—V. 103, p. 604. Fifth-Third Nat. Bk., Cin.—\$47,263; Well, Roth & Co., Cin.—\$46,845; Terry, Briggs & Co., Toledo.—\$47,165; New First Nat. Bk., Col.—\$46,710; A. B. Leach & Co., Chic.—\$47,123; Stacy & Braun, Tol.—\$46,687; Hayden, Miller & Co., Cleve.—\$46,868; Sid. Spitzer & Co., Tol.—\$46,548.

SALEM, Columbiana County, Ohio.—BOND OFFERING.—Proposals will be received until 12 m. Sept. 24 by Geo. Holmes, City Auditor, for \$15,000 5% 16 1/2-year aver. refunding bonds. Auth. Sec. 3916, Gen. Code. Denom. \$1,000. Date Sept. 1 1916. Int. M. & S. Due \$1,000 yearly on Mar. 1 from 1926 to 1940 incl. Certified check for 2% of bonds bid for, payable to the City Treasurer, required. Bonds to be delivered and paid for within 10 days from time of award. Purchaser to pay accrued int.

SAND SPRINGS, Tulsa County, Okla.—BONDS VOTED.—By a vote of 89 to 88 the question of issuing \$30,000 sewerage-system-construction bonds carried, it is stated, at the election held Aug. 22.

SCHENECTADY, N. Y.—CERTIFICATE SALE.—On Aug. 28 the \$200,000 certificates of indebtedness maturing March 28 1917 were awarded to Kissel, Kinnicut & Co. of N. Y. at 3.48% int.—V. 103, p. 778. The other bids were: Bernhard, Scholle & Co., N. Y., 3.586% discount. Blake Bros. & Co., N. Y., 3.625% discount, plus \$6 premium. Bond & Goodwin, N. Y., 3.75% discount, plus \$6 premium.

SCOTLAND NECK, Halifax County, No. Caro.—BOND OFFERING.—Proposals will be received until 2 p. m. Sept. 26 by Henry T. Clark, Town Clerk, for \$80,000 5% coup. water-works and sewerage bonds. Denom. \$1,000. Date Oct. 1 1916. Prin. and semi-annual int. payable at the National City Bank, New York. Due \$30,000 Oct. 1 1926 and \$25,000 Oct. 1 1936 and 1946. Cert. check on an incorporated bank for \$500 required.

SCOTT COUNTY (P. O. Shakopee), Minn.—BONDS VOTED.—The proposition to issue \$15,000 road-improvement bonds carried, it is stated, at a recent election.

SEMINOLE COUNTY (P. O. Wewoka), Okla.—BOND ELECTION.—PROPOSED.—An election will be held shortly, it is stated, to vote on the question of issuing \$250,000 road and bridge bonds.

SENECA, Nemaha County, Kan.—BOND OFFERING.—Sealed bids will be received on or about 12 m. Oct. 1 by Wm. Dennis, Mayor, for the \$30,000 4 1/2% city-hall building bonds voted July 13 (V. 103, p. 343). Denom. \$1,000. Date Sept. 1 1916. Principal and semi-annual int. (J. & J.) payable at the Kansas fiscal agency, Topeka. Due on Sept. 1 as follows: \$1,000 yearly from 1926 to 1935, inclusive, and \$20,000 1936. Certified check for \$1,000 required. Assessed value equalized, 1916, \$1,843,177, \$137,000. No floating debt.

SHAWNEE SCHOOL TOWNSHIP, Fountain County, Ind.—BOND SALE POSTPONED.—The sale of the \$23,000 4 1/2% school bonds which was to have taken place on Aug. 26 has been indefinitely postponed.—V. 103, p. 604.

SIGOURNEY, Keokuk County, Iowa.—BOND ELECTION.—The question of issuing \$25,000 hospital bonds will be submitted to a vote, it is stated, on Nov. 1.

SILVERTON, Marion County, Ore.—BONDS VOTED.—By a vote of 141 to 4 the question of issuing the \$21,000 auxiliary water-system bonds carried, it is stated, at the election held Aug. 25. These bonds take the place of the \$15,198 50 issue voted May 22 (V. 102, p. 2101). Mark Paulson is City Recorder.

SOUTH CHARLESTON, Clark County, Ohio.—BOND SALE.—For the three issues of bonds, aggregating \$17,000, offered on Aug. 29 the following bids were received:

Table with 4 columns: Bidder, Amount, Rate, and Total. Includes entries for New First Nat. Bank, Columbus; Hayden, Miller & Co., Cleveland; Provident S. B. & Tr. Co., Cin.; Davies-Bertram Co., Cin.; Weil, Roth & Co., Cin.; Security Sav. Bk. & Tr. Co., Toledo; Stacy & Braun, Toledo; Hanchett Bond Co., Chicago.

* Reports state that the bid of this bank was accepted for the three issues.

SOUTH HOUSTON, Harris County, Tex.—WARRANT SALE.—J. L. Arlitt of Austin recently purchased an issue of \$15,500 6% warrants. Date March 15 1916. Int. semi-annual.

SPOKANE, Wash.—BOND SALE.—On Aug. 24 the \$300,000 11 2-3-year (aver.) gold coupon bridge-construction bonds (V. 103, p. 512) were awarded to Reid-Williams Co., Spokane, bidding for R. M. Grant & Co., of Chicago, at 100.378 and int. for 4 1/2%, a basis of about 4.21%. Other bids were:

Table with 5 columns: Bidder, Prem., Int. Rate, Rate Price, Basis. Includes entries for C. E. Denison & Co., Cleveland; Remick, Hedges & Co., New York; Estabrook & Co., Boston; Blodgett & Co. and Curtis and Sanger, Boston; Cont. & Comm. Tr. & Sav. Bk., Chic.; Carstems & Earles, Seattle; Lumbermen's Trust Co., Portland; Ferris & Harroway, Spokane; Clark-Kendall & Co., Portland; Union Trust & Sav. Bank, Spokane; Sidney Spitzer & Co., Toledo; Sidney Spitzer & Co., Toledo; George H. Tilden & Co., Seattle; E. H. Rollins & Sons, Denver, &c.; E. H. Rollins & Sons, Denver, &c.; State of Washington.

All bids included accrued interest except State of Washington, which was flat.

SPOKANE COUNTY (P. O. Spokane), Wash.—BOND OFFERING.—Reports state that John H. Tilsey, Co. Treas., will receive sealed bids until 2 p. m. Sept. 18 for \$180,000 4-7-year (opt.) refunding bonds. Int. (rate not to exceed 4%), payable semi-annually.

THE DALLES, Wasco County, Ore.—BOND SALE.—On Aug. 14 the First Nat. Bank of The Dalles purchased, it is stated, \$50,000 automobile fire-truck-purchase bonds at par.

STEARNS COUNTY (P. O. St. Cloud), Minn.—BOND SALE.—The Merchants Trust & Loan Co. has purchased the \$4,465 Ditch No. 35 construction bonds offered on July 11.

STEBENVILLE SCHOOL DISTRICT (P. O. Steubenville), Jefferson County, Ohio.—BOND OFFERING.—Proposals will be received until 12 m. Sept. 18 by W. S. McCauslen, Clerk of Board of Education, for \$35,000 4 1/2% coup. school bonds. Denom. \$1,000. Date day of sale. Due \$1,000 yearly. Certified check for 5% of bonds bid for, payable to the

Board of Education, required. Purchaser to pay accrued int. Bids must be unconditional.

STEWART COUNTY (P. O. Dover), Tenn.—BONDS DEFEATED.—Reports state that the question of issuing \$200,000 road-construction bonds failed to carry at the election held Aug. 19.

SUMAS, Whatcom County, Wash.—BOND SALE.—An issue of \$9,908 25 municipal bonds has been awarded, it is stated, to the State of Washington at par for 5 1/2%.

SUMMERTON, Clarendon County, So. Car.—BONDS OFFERED BY BANKERS.—J. H. Hilsman & Co. of Atlanta are offering to investors \$6,000 5 1/2% 20-40-year (opt.) electric-light bonds. Denom. \$1,000. Date July 1 1916. Prin. and semi-ann. (J. & J.) payable in New York. Total debt (this issue) \$6,000. Assess. val. 1915, \$185,000. Actual val. \$425,000.

SWANSEA SCHOOL DISTRICT NO. 37, Lexington County, So. Car.—BONDS OFFERED BY BANKERS.—J. H. Hilsman & Co. of Atlanta are offering to investors an issue of \$5,000 6% 20-year school bonds. Denom. \$1,000. Date July 1 1916. Prin. and semi-annual int. (J. & J.) payable in New York. Total debt (this issue) \$8,000. Assess. val., 1915, \$224,015, actual val. \$1,000,000.

SWITZER SCHOOL DISTRICT, Spartanburg County, So. Car.—BONDS OFFERED BY BANKERS.—J. H. Hilsman & Co. of Atlanta are offering to investors \$3,500 6% 20-year school bonds. Denom. \$500. Date July 1 1916. Prin. and semi-ann. int. (J. & J.) payable in N. Y. Assess. val. 1915, \$98,500; actual val. \$400,000.

TALLAPOOSA, Haralson County, Ga.—BONDS OFFERED BY BANKERS.—J. H. Hilsman & Co. of Atlanta are offering to investors \$42,500 of the \$5,000 sewerage, \$25,000 public-school-bldg. and \$35,000 municipal water-works 5% coupon (with priv. of reg.) bonds (V. 102, p. 1742). Denom. \$500. Prin. and annual int. (Jan. 1), payable in New York. These bonds are tax exempt. Total debt, including these bonds, \$72,000. Assessed val. 1915, \$1,160,000. Actual values \$3,000,000.

TAYLOR'S SCHOOL DISTRICT, Greenville County, So. Caro.—BONDS OFFERED BY BANKERS.—J. H. Hilsman & Co. of Atlanta are offering to investors an issue of \$7,000 6% 15-year school bonds. Denom. \$1,000. Date July 1 1916. Prin. and ann. int. (July 1) payable in New York. Bonded debt, this issue, \$7,000. Assessed valuation, 1915, \$226,835; actual value, \$1,000,000.

TCHULA, Holmes County, Miss.—BOND OFFERING.—Proposals will be received until 12 m. Sept. 15 by John Ohleyer, Town Clerk, for the following bonds authorized by vote of 32 to 10 at an election held June 30: \$4,600 electric-light bonds at not exceeding 6% int. Denom. \$200. Due \$200 yearly for 20 years, the balance \$800 due in 20 years. 4,000 5% water-works bonds. Denom. \$200. Due \$200 yearly for 20 years. 5,000 sewerage and sidewalk bonds at not exceeding 6% int. Denom. \$250. Due \$250 yearly for 20 years.

Date July 1 1916. Int. J. & J. Cert. check for 5% of amount of each bid, payable to the Town Clerk, required. Separate bids to be made for each issue. Purchaser to pay accrued interest. These bonds were offered but not sold on Aug. 1.—V. 103, p. 344.

TEXAS.—BONDS PURCHASED BY STATE BOARD OF EDUCATION.—As stated in the "Chronicle" of Aug. 5, page 512, the State Board of Education at its meeting on June 27 agreed to purchase \$193,600 5% bonds of various school districts and cities throughout the State.

Table with 6 columns: County Com. Sch. Dist., Issue, Date of Issue, Due, Option. Lists various counties and school districts with their respective bond issues and terms.

Table with 6 columns: City, Issue, Date of Issue, Due, Option. Lists independent school districts and cities with their respective bond issues and terms.

TRENTON, N. J.—BONDS PROPOSED.—The City Commissioners will consider, at its meeting to be held Sept. 8, an ordinance providing for the issuance of \$77,000 4 1/2% sewer bonds. Date July 1 1916. Int. J. & J. Due \$8,000 yearly on July 1 from 1918 to 1924 incl.; \$10,000 July 1 1925 and \$11,000 July 1 1926.

TULSA, Tulsa County, Okla.—BOND OFFERING.—Sealed proposals will be received until 5 p. m. Sept. 7 by Frank Newkirk, City Auditor, for the following 5% coupon bonds voted Aug. 1—V. 103, p. 434: \$35,000 fire-station and equipment bonds. Due \$5,000 Sept. 1 1919, 1922, 1925, 1928, 1931, 1934 and 1937.

50,000 water-mains-ext. bonds. Due \$10,000 Sept. 1 1921, 1926, 1931, 1936 and 1941.

180,000 filtration-system bonds. Due \$45,000 Sept. 1 1926, 1931, 1936 and 1941.

35,000 incinerator-plant bonds. Due \$5,000 Sept. 1 1919, 1922, 1925, 1928, 1931, 1934 and 1937.

Auth. Sec. 27, Art. 10, Constitution of Okla. Denom. \$1,000. Date Sept. 1 1916. Prin. and semi-ann. int. payable at the fiscal agency of the State of Okla., N. Y. City. A separate certified check on some solvent bank, banking house or trust company for 5% of bid, payable to the City Treasurer, required. The purchaser must, without unnecessary delay, furnish without expense to the city blank bonds and must satisfy himself as to the legality of the bonds. The city reserves the right to purchase the filtration bonds regardless of any bids received. Total bonded debt, excluding these bonds, \$1,472,104. Warrant debt, \$89,925 03. Sinking fund, \$354,940 75. Assessed valuation, 1916-17, \$24,337,772. City tax rate (per \$1,000), 1916-17, \$13.20.

UNION COUNTY (P. O. Morganfield), Ky.—BOND OFFERING.—G. T. Higginson Jr., Secretary of the Board of Drainage Commissioners, will receive sealed bids until 1 p. m. Sept. 16 for \$52,500 6% 2-1-year serial drainage bonds. Denom. \$500. Date July 1 1916. Int. annual. Due \$5,250 yearly from 2 to 11 years incl. Certified check for 2%, payable to the above Secretary, required.

VERMILION COUNTY (P. O. Newport), Ind.—BOND SALE.—On Aug. 29 the \$3,000 4 1/2% road bonds—V. 103, p. 684—were awarded, reports state, to the Perrysville Bank at 100.15.

WALNUT RIDGE WATER-WORKS AND SEWER DISTRICT NO. 1 (P. O. Walnut Ridge), Lawrence County, Ark.—PRICE PAID FOR BONDS.—The price paid for the \$75,000 5½% 5-15-year (ser.) bonds awarded on Aug. 1 to J. G. Richardson, Pres. of the Lawrence Co. Bank of Walnut Ridge (V. 103, p. 605) was 99.75 and not par, as first reported. Denom. \$1,000. Date Aug. 1 1916. Int. semi-annual.

WARM SPRINGS IRRIGATION DISTRICT (P. O. Vale), Malheur County, Ore.—BOND OFFERING.—Proposals will be received until 2 p. m. Oct. 2 by John Rigby, Secy. Bd. of Directors, it is stated, for \$390,000 of the \$750,000 irrigation system bonds voted Aug. 15 (V. 103, p. 778). Int. (rate not to exceed 6%) payable semi-annually.

WARRICK COUNTY (P. O. Boonville), Ind.—BOND SALE.—On Aug. 28 the \$2,250 4½% road bonds (V. 103, p. 684) were awarded to the Fletcher-American Nat. Bank of Indianapolis for \$2,276 (101.151) and int. Breed, Elliott & Harrison and J. F. Wild & Co. were the only other bidders.

WATERVILLE VILLAGE SCHOOL DISTRICT (P. O. Waterville), Lucas County, Ohio.—BOND SALE.—On Aug. 26 an issue of \$2,000 5% school bonds was awarded to the Waterville State Savings Bank. Denom. \$500. Date Sept. 1 1916. Int. M. & S. Due from 1918 to 1921. Durfee, Niles & Co. of Toledo bid \$2,001 plus accrued int., but no check as required.

WAUSAU, Marathon County, Wis.—BOND ELECTION.—An election will be held Sept. 5 to vote on the question of issuing \$175,000 school-building-erection bonds.

WAYNESFIELD, Auglaize County, Ohio.—BOND OFFERING.—Proposals will be received until 12 m. Sept. 18 by A. F. Basil, VII. Clerk, for the following 5% coup. Wapakoneta street impt. bonds: \$1,500 village's portion bonds. Denom. \$150. Due \$150 yrly. on Oct. 1 from 1920 to 1929 incl. 14,800 assess. bonds. Denom. 20 for \$500, 10 for \$480. Due \$1,480 yrly. on Oct. 1 from 1918 to 1927 incl.

Date Oct. 1 1916. Prin. and semi-ann. int.—A. & O.—payable at office of VII. Treas. Cert. check for \$100, payable to the VII. Treas., required. Purchaser to pay accrued interest. Bids must be unconditional.

WAYZATA, Hennepin County, Minn.—BOND OFFERING.—Dispatches state that Village Recorder G. L. Lamb will receive sealed bids until 8 p. m. Sept. 15 for \$15,000 5% 15-year road and bridge bonds. Int. semi-annual.

WELLSBURG, Brooke County, W. Va.—BOND ELECTION.—The question of issuing \$35,000 sewer bonds will be submitted to a vote on Sept. 5, according to reports.

WENDELL, Wake County, No. Caro.—BOND OFFERING.—Sealed bids will be received until 3 p. m. Sept. 15 by the Board of Commissioners for \$5,000 6% 30-year coupon municipal building bonds. Denom. to suit purchasers. Interest semi-annual. Certified check for \$300, payable to the Town Treasurer, required. Bonded debt, including this issue, \$20,000. Floating debt, \$2,000. Assessed value 1916, \$500,000. Total tax rate (per \$1,000), \$.41.

WEST HOBOKEN, Hudson County, N.J.—MATURITY CHANGED.—The Town Council passed, it is stated, on Aug. 30 an ordinance amending the ordinance passed Aug. 23 so as to change the maturity of the \$150,000 4½% municipal-building bonds to the following: \$3,000 due yearly on Sept. 1 from 1917 to 1926 incl., and \$2,000 yearly on Sept. 1 from 1927 to 1936 incl. See V. 103, p. 778.

WEST POINT, Lee County, Iowa.—BOND ELECTION.—An election will be held Sept. 11 to vote on the question of issuing \$15,000 water-works bonds. John Walljasper is Town Clerk.

WEWOKA, Seminole County, Okla.—BOND ELECTION PROPOSED.—Reports state that this city is contemplating the holding of an election to vote on the question of issuing \$30,000 water-system bonds.

WHITE TOWNSHIP (P. O. Aurora), St. Louis County, Minn.—BOND SALE.—On Aug. 24 the \$27,000 6% 2½-year (average) coupon refunding bonds (V. 103, p. 605) were awarded to the Capital Trust & Sav. Bank of St. Paul at 100.30 and interest. Purchaser to pay for printing of bonds. There were five other bidders.

WHITLEY COUNTY (P. O. Columbia City), Ind.—BOND SALE.—On Aug. 22 the \$7,984 4½% road bonds (V. 103, p. 685) were awarded, reports state, to the Meyer-Kiser Bank of Indianapolis for \$8,162, equal to 102.229.

WILLIAMSBURG, James City County, Va.—BOND SALE.—On Aug. 25 the \$30,000 5% 30-year water and sewerage-system-construction bonds—V. 103, p. 605—were awarded to the First Nat. Bank of Williamsburgh at par. Other bids were: Well, Roth & Co., Cincinnati—\$30,020, less \$600. Sidney Spitzer & Co., Toledo—Par, less \$600. Motter & Co., Norfolk—99, less \$600. Hanchett Bond Co., Chicago—98, less \$600.

WILLOUGHBY, Lake County, Ohio.—BOND OFFERING.—Bids will be received until 12 m. Sept. 25 by C. C. Jenkins, Village Clerk, for \$7,000 5% 5½-year average Elm St. Improvement assessment bonds. Auth., Sec. 3939, Gen. Code. Denom. \$50. Date Sept. 1 1916. Int. M. & S. Due \$350 each six months from Sept. 1 1917 to March 1 1927, inclusive. Certified check for 10% of bonds bid for, payable to the Village Treasurer, required. Bonds to be delivered and paid for within ten days from time of award. Purchaser to pay accrued interest.

WILMINGTON, New Castle County, Dela.—BONDS PROPOSED.—Newspaper reports state that this city is contemplating the issuance of \$65,000 park-improvement bonds.

WING SCHOOL DISTRICT (P. O. Wing), Burleigh County, No. Dak.—BONDS VOTED.—The question of issuing \$7,000 building bonds carried by a vote of 28 to 2 at the election held Aug. 12.

XENIA, Greene County, Ohio.—BOND OFFERING.—Proposals will be received until 12 m. Sept. 12 by C. F. Logan, City Auditor, for the following 4½% street-improvement bonds:

NEW LOANS.

\$39,000

Village of South Glens Falls, N. Y. HIGHWAY BONDS

The Board of Trustees of the Village of South Glens Falls will, at eight o'clock p. m. on the 12TH DAY OF SEPTEMBER, 1916, sell to the highest bidder, bonds of the Village of South Glens Falls to the amount of Thirty Nine Thousand Dollars (\$39,000) for the purpose of providing money to pay the additional expense of constructing a State highway on Main Street and Saratoga Avenue in said Village, under the provisions of Section 137 of the Highway Law, of greater width than that provided for in the plans and specifications adopted therefor by the State Highway Commission.

Sealed proposals for the purchase of such bonds will be received by the Village Clerk of said village up to 7:45 o'clock p. m., SEPTEMBER 12, 1916.

No proposal will be accepted for less than the par value of said bonds with accrued interest.

The village reserves the right to reject any or all bids. A certified check payable to the order of the Village Treasurer of said village for the sum of Five Hundred Dollars (\$500) drawn against a national bank, State bank or trust company, must accompany each bid, which check will be returned to the bidder, in case his proposal is rejected, and which will become the property of the village in case of the failure of the successful bidder to comply with the terms of his bid.

The bonds will be numbered 1 to 39, both inclusive; each bond for the principal sum of One Thousand Dollars (\$1,000) with interest payable semi-annually at the rate of Four and One-Half Per Cent (4½%) per annum.

The bonds will be ready for delivery at the National Bank of Glens Falls, on or before September 16, 1916. Three of said bonds will become due September 1, 1917, and three of said bonds will become due on the 1st day of each and every September thereafter up to and including the year 1929.

The legality of the issue will be certified by Messrs. Dillon, Thompson & Clay of New York City.

Dated August 23rd, 1916.
FAYETTE S. GARDEPHE,
Village Clerk of the Village of South Glens Falls, Saratoga County, N. Y.
FINANCIAL STATEMENT.

As of May 1, 1916.
Assessed Valuation, Real Estate...\$887,507 00
Assessed Valuation, Special Franchises 31,350 00
Assessed Valuation, Personal Property 750 00

Total Assessed Valuation...\$919,607 00
Bonded debt, exclusive of this issue.
Water Bonds...\$36,000 00
Sewer Bonds...32,000 00
Population 2,250

\$150,000

County of Mobile, Alabama SCHOOL BONDS

Notice is hereby given that the County of Mobile, in the State of Alabama, will offer for sale at Noon of SEPTEMBER 11, 1916, at the County Court House in the City of Mobile, Alabama, Five Per Cent School Building bonds to the amount of One Hundred and Fifty Thousand (\$150,000) dollars. For particulars, details, &c., apply to

GEO. E. STONE, Treasurer,
Mobile, Alabama.

NEW LOANS.

\$200,000

Lackawanna County, Pa. IMPROVEMENT AND REFUNDING BONDS

Sealed proposals will be received by the County of Lackawanna for the sale of Two Hundred Thousand Dollars (\$200,000) worth of Lackawanna County Pennsylvania (4 per cent) Improvement and Refunding bonds, under the provisions of the Act of Assembly approved the 20th day of April, A. D., 1874, and all Acts amendatory thereof and supplemental thereto. All bids to be accompanied by a certified check of ten thousand dollars (\$10,000), made payable to the County of Lackawanna. Bids to be addressed to and in the hands of the undersigned on or before 10:30 A. M. o'clock, SEPTEMBER 25TH, 1916. The right is reserved to reject any and all bids.

Further information can be had upon application to the office of the Lackawanna County Commissioners, Court House, Scranton, Pa.
CHARLES P. SAVAGE,
County Comptroller.

Attest:
RALPH COLLINS,
Deputy County Comptroller.

Jefferson County, Alabama PROPOSALS WANTED

Proposals will be received by the Board of Revenue of Jefferson County until SEPTEMBER 8TH, 1916, for the placing of the issue of County Warrants authorized by resolution of date June 27th, 1916. Said warrant issue being made for the purpose of providing funds for the construction of the Birmingham-Warrior Highway, the contract for which will be let on September 11th, 1916.

The amount of said warrant issue will be not less than \$200,000 nor more than \$275,000, no warrant to be payable in less than Five years from date of issuance. Warrants to be issued as work progresses in amounts to suit contract obligations.

Said warrants to bear interest from the date of their issuance, payable semi-annually, at not to exceed 4½% per annum. Proposals will state the rate of interest offered on the warrants at par value.

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147 S. 4th St., Philadelphia

NEW LOANS

\$100,000

CITY OF DANVILLE, VA. BONDS

Sealed bids will be received by the undersigned until 12 o'clock noon, FRIDAY, SEPTEMBER 15, 1916, for \$25,000 Four and One-Half per cent 25-year serial Refunding Bonds,

and \$75,000 Four and One-Half per cent 25-year serial School Improvement Bonds, both dated October 1st, 1916; interest payable semi-annually.

Bids may be made for either or both of said issues. A certified check for 2% of each issue must accompany the bids.

The Council Committee on Finance reserves the right to reject any and all bids.
ROBERT BRYDON,
City Auditor.

Lawyers

RAYMOND M. HUDSON ATTORNEY AT LAW

BOND BUILDING WASHINGTON, D. C.

Practice before U. S. Supreme Court, U. S. Court of Claims, D. C. Court of Appeals, D. C. Supreme Court, Va. and Md. Courts, Executive Departments, Congressional Committees, Federal Reserve Board, Federal Trade Commission, Interstate Commerce Commission. Cable "Rayhud."

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\$5,000 assess. bonds. Due \$500 yearly on Mar. 1 from 1918 to 1927 incl.
 10,000 city's share bonds. Due \$1,000 yearly on Mar. 1 from 1918 to 1927 inclusive.
 36,000 assess. bonds. Due \$3,500 yearly on Mar. 1 from 1918 to 1925 incl. and \$4,000 Mar. 1 1926 and 1927.
 40,000 assess. bonds. Due \$4,000 yearly on Mar. 1 from 1918 to 1927 inc Denom. \$500. Date Sept. 1 1916. Int. M. & S. Certified check for 3% of amount of bonds bid for, payable to the City Treasurer, required. Bonds to be delivered and paid for within 10 days from time of award. Purchaser to pay accrued interest and furnish bonds at own expense.

YOUNGSTOWN, Ohio.—BOND OFFERING.—Bids will be received until 12 m. Sept. 25 by J. R. Edwards, City Auditor, for the following 5% coupon (with privilege of registration) street and sewer bonds, aggregating \$77,555, consisting of \$11,315, \$12,235, \$5,250, \$2,290, \$7,465, \$4,535, \$7,105, \$10,820, \$2,695, \$5,095, \$2,425 and \$6,325. Date Oct. 2 1916. Principal and semi-annual interest (A. & O.) payable at office of Sinking Fund Trustees. Due one-fifth of each issue yearly on Oct. 1 from 1918 to 1922, inclusive. City reserves right to issue a lesser amount of bonds than herein advertised. Certified check for 2% of each block of bonds bid for, payable to City Auditor, required. Separate bids must be made for each issue. Purchaser must be prepared to take bonds not later than Oct. 2.

Canada, its Provinces and Municipalities.

BROCKVILLE, Ont.—DEBENTURES AWARDED IN PART.—Newspaper reports state that local investors have purchased at par \$29,000 of an issue of \$30,000 5% 10 yr. debentures issued for patriotic purposes. This makes a total of \$4,500 sold since our last report see V. 103, p. 345.

CHATHAM, Ont.—DEBENTURES AUTHORIZED.—Local newspaper reports state that the Council passed a bylaw on Aug. 7, providing for the issuance of \$16,600 water mains ext. debentures.

DUNNVILLE, Ont.—DEBENTURES AUTHORIZED.—The Town Council passed a by-law on Aug. 14, providing for the issuance of \$10,000 sewer debentures, it is stated.

DEBENTURE ELECTION.—An election has been called for Sept. 25, to submit to the voters the proposition to issue \$53,000 hydro-electric-plant debentures, reports state.

FOXWARREN CONSOLIDATED SCHOOL DISTRICT (P. O. Foxwarren), Man.—DEBENTURE ELECTION.—An election is being held to-day (Sept. 2), it is stated, to vote on the question of whether or not this district shall issue \$6,000 debentures for erecting an addition to the present school and equipping the same.

LETHBRIDGE, Alta.—DEBENTURES PROPOSED.—This city has under contemplation the issuance of debentures for a filtration system, it is stated.

LYALL, Man.—DEBENTURE OFFERING.—According to reports this village is receiving bids until Sept. 5, for an issue of \$8,000 7% 20 installment debentures.

MILTON, Ont.—DEBENTURE SALE.—Reports state that an issue of \$15,000 6% 30 installment was recently awarded to G. A. Stimson & Co. of Toronto, at 104.61.

MINTO TOWNSHIP, Ont.—DEBENTURE SALE.—According to reports, this township has sold locally an issue of \$1,852 82 5/4% 20 installment drainage debentures at an average price of 99 1/2.

NELSON, B. C.—DEBENTURE SALE.—According to newspaper dispatches the Spokane & Eastern Trust Co. of Spokane, Wash., recently purchased an issue of \$30,000 hospital debentures.

PETERBOROUGH, Ont.—DEBENTURE SALE.—On Aug. 29 the six issues of coupon debentures, aggregating \$196,704 60—V. 103, p. 685—were awarded to the Canada Bond Co. of Toronto for \$191,159 78, equal to 97.181. The other bids were:

	Rate.	Amount.
Dominion Securities Corp	96.71	\$190,233 00
Wood, Gundy & Co	96.71	190,233 00
A. E. Ames & Co	96.28	189,387 19
Mulholland, Bird & Graham	96.22	189,280 00
Imperial Bank	96.17	189,171 00
R. C. Matthews & Co	95.892	188,625 00
Brent, Noxon & Co	95.716	188,270 00
Aemilius Jarvis & Co	95.491	187,835 19
C. H. Burgess & Co	95.26	187,380 80
Kerr, Fleming & Co	95.131	187,127 05

A description of the issues follows:
 \$73,000 00 5% 30-year outfall sewer debentures.
 \$3,704 60 5% 10-year paving debentures.
 20,000 00 6% 10-year patriotic fund debentures.
 3,300 5/4% 20-year Bonner-Worth Factory site-purchase debentures.
 5,500 00 5% 30-year public school debentures.
 1,200 00 5% 30-year Collegiate Institute debentures.
 Denom. \$1,000 and odd amounts. Date June 30 1916. Int. J. & D. in Peterborough.

REGINA PUBLIC SCHOOL DISTRICT NO. 4 (P. O. Regina), Sask.—DEBENTURE SALE.—On Aug. 16 the two issues of 6% 10-installment school debentures aggregating \$12,000 were awarded to Nay & James of Regina.—V. 103, p. 606.

SHERBROOKE, Ont.—DEBENTURES VOTED.—It is stated that at an election held Aug. 7, the voters decided in favor of the issuance of \$47,500 sewer construction debentures.

TRENTON, N. S.—DEBENTURES NOT TO BE SOLD THIS YEAR.—It is reported that the \$15,000 (balance of the \$30,000) 5% 20 yr. street paving debentures will not be marketed this year. The \$15,000 already sold was purchased by W. F. Mahon & Co. of Halifax, see V. 103, p. 345.

WEST ST. PAUL, Man.—DEBENTURE ELECTION.—Newspaper reports state that the question of issuing \$5,000 municipal hall constr. debentures is being submitted to the voters at the election to-day (Sept. 2).

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City of Shreveport, Louisiana...4 3/4s	Serial " 4.30%
Caddo Parish, La., S. D. No. 1...5s	" " 4.30%
Coahoma County, Mississippi...5s	" " 4.35-4.40%
City of Canton, Miss...5s	" " 4.60%

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October 30, 1915, Issue.

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January 1st and May 20th 1916

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Financial

ATLANTIC MUTUAL INSURANCE COMPANY

New York, January 26th, 1916.
 The Trustees, in conformity with the Charter of the Company, submit the following statement of its affairs on the 31st of December, 1915.

The Company's business has been confined to marine and inland transportation insurance.

Premiums on such risks from the 1st January, 1915, to the 31st December, 1915.....	\$6,153,866 45
Premiums on Policies not marked off 1st January, 1915.....	993,965 12
Total Premiums.....	\$7,147,831 57
Premiums marked off from January 1st, 1915, to December 31st, 1915.....	\$6,244,127 90
Interest on the investments of the Company received during the year.....	\$328,970 73
Interest on Deposits in Banks and Trust Companies, etc.....	75,237 05
Rent received less Taxes and Expenses.....	97,835 23
	\$502,043 09
Losses paid during the year.....	\$2,233,703 62
Less: Salvages.....	\$205,247 59
Re-insurances.....	448,602 85
	\$653,850 44
	\$1,579,853 18
Re-insurance Premiums and Returns of Premiums.....	\$1,076,616 36
Expenses, including compensation of officers and clerks, taxes, stationery, advertisements, etc.....	\$ 717,114 89

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 first of February next.

The outstanding certificates of the issue of 1910 will be redeemed and paid to the holders thereof, or their legal representatives, on and after Tuesday the first of February next, from which date such 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, 1915, which are entitled to participate in dividend, for which, upon application, certificates will be issued on and after Tuesday the second of March next.

By order of the Board,
G. STANTON FLOYD-JONES, Secretary.

- TRUSTEES.**
- | | | |
|---|---|--|
| EDMUND L. BAYLIES,
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NICHOLAS BIDDLE,
ERNEST C. BLISS,
JAMES BROWN,
JOHN CLARLIN,
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WILLIAM SLOANE,
LOUIS STERN,
WILLIAM A. STREET,
GEORGE E. TURMURE,
GEORGE C. VAN TUYL, Jr.,
RICHARD H. WILLIAMS. |
|---|---|--|
- A. A. RAVEN, Chairman of the Board.
 CORNELIUS ELBERT, President.
 WALTER WOOD PARSONS, Vice-President.
 CHARLES E. FAY, 2d Vice-President.

ASSETS.		LIABILITIES.	
United States and State of New York Bonds.....	\$ 670,000 00	Estimated Losses, and Losses Unsettled in process of Adjustment.....	\$ 3,117,101 00
New York City, New York Trust Companies and Bank Stocks.....	1,783,700 00	Premiums on Unterminated Risks.....	903,703 00
Stocks and Bonds of Railroads.....	2,832,463 65	Certificates of Profits and Interest Unpaid.....	273,130 00
Other Securities.....	386,185 00	Return Premiums Unpaid.....	103,896 45
Special Deposits in Banks and Trust Companies.....	2,000,000 00	Reserve for Taxes.....	76,949 12
Real Estate cor. Wall and William Streets and Exchange Place, containing offices.....	4,299,426 04	Re-insurance Premiums on Terminated Risks.....	215,595 73
Real Estate on Staten Island under provisions of Chapter 451, Laws of 1887.....	75,000 00	Claims not Settled, including Compensation, etc.....	113,375 73
Premium Notes.....	660,314 60	Certificates of Profits Ordered Redeemed, Withheld for Unpaid Premiums.....	22,557 84
Bills Receivable.....	788,575 31	Income Tax Withheld at the Source.....	1,230 30
Cash in hands of European Bankers to pay losses under policies payable in foreign countries.....	256,610 85	Suspense Account.....	5,899 76
Cash in Bank.....	1,695,488 03	Certificates of Profits Outstanding.....	7,187,370 00
Loans.....	135,000 00		
	\$15,582,763 48		\$12,025,609 00

Thus leaving a balance of.....\$3,557,153 92

Accrued Interest on the 31st day of December, 1915, amounted to.....\$ 40,523 66

Rents due and accrued on the 31st day of December, 1915, amounted to.....\$ 26,563 11

Re-insurance due or accrued, in companies authorized in New York, on the 31st day of December, 1915, amounted to.....\$ 172,382 60

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 66

And the property at Staten Island in excess of the Book Value, at.....\$ 63,700 00

The Insurance Department's valuation of Stocks, Bonds and other Securities exceeds the Company's valuation by.....\$1,727,337 20

On the basis of these increased valuations the balance would be.....\$6,037,250 60

MELLON NATIONAL BANK
 PITTSBURGH, PA.

STATEMENT OF CONDITION AT THE CLOSE OF BUSINESS JUNE 30, 1916

RESOURCES	
Loans, Bonds and Investment Securities.....	\$66,874,744 14
Overdrafts.....	13 01
Cash.....	7,696,695 17
Due from Banks.....	17,382,722 33
	\$91,954,174 65
LIABILITIES	
Capital.....	\$6,000,000 00
Surplus and Undivided Profits.....	3,509,602 32
Reserved for Depreciation, Etc.....	316,765 86
Circulating Notes.....	3,417,997 50
Deposits.....	78,709,808 97
	\$91,954,174 65

The Union Trust Company of New York will act as Trustee of permanent charitable, educational or religious trusts, created either under a will or a trust indenture, and gives special attention to trusts of this character. The Company also acts in the capacity of Treasurer, Assistant Treasurer, Financial Agent or Depositary for such institutions, and is qualified and equipped to render expert and attentive service in all such relations.

The Union Trust Company's record of fifty years in the continuous administration of all the usual forms of trusts invites confidence in the permanent maintenance of a high standard of ability as trustee.

UNION TRUST CO., 80 Broadway
 CAPITAL AND SURPLUS - \$8,500,000

Financial

STEWART SUGAR COMPANY

To the holders of Second Mortgage Seven Per Cent Gold Bonds of the Stewart Sugar Company issued under its mortgage to Knickerbocker Trust Company (now Columbia Trust Company), as Trustee, dated June 10, 1907.

NOTICE IS HEREBY GIVEN that pursuant to a resolution of its Board of Directors Stewart Sugar Company has elected to exercise the right of redemption reserved to it by Article Fourteenth of said mortgage and does hereby give notice that it will redeem on November 1, 1916, all of the Second Mortgage Seven Per Cent Gold Bonds issued under said mortgage of June 10, 1907, paying for each \$1,000 bond, upon surrender thereof and of all unpaid and unmatured coupons, the sum of \$1,050 and the accrued interest on said bond to November 1st, 1916.

Such redemption will be effected and payment made at the office of Columbia Trust Company, Trustee, under said mortgage, No. 60 Broadway, New York, N. Y. After November 1st, 1916, all bonds will cease to bear interest. Income Tax Certificates must be presented covering the interest due November 1st, 1916.

New York, July 25, 1916.
 STEWART SUGAR COMPANY,
 JOHN S. FISKE, Treasurer.

Holders of the above mentioned bonds of the Stewart Sugar Company are hereby notified that on or after July 26, 1916, they may obtain payment therefor at \$1,050 for each bond and accrued interest to the date of presentation, but not later than November 1, 1916, by surrendering the same with all unpaid and unmatured coupons to Columbia Trust Company, the trustee under said mortgage, No. 60 Broadway, New York, N. Y. Interest on said bonds will in any event cease on November 1st, 1916. Income Tax Certificates must be presented covering the accrued interest.

New York, July 25, 1916.
 STEWART SUGAR COMPANY,
 JOHN S. FISKE, Treasurer.

STEWART SUGAR COMPANY

To the holders of First Mortgage Six Per Cent Gold Bonds of the Stewart Sugar Company issued under its mortgage to Bowling Green Trust Company (now The Equitable Trust Company of New York) as Trustee, dated June 7, 1907.

NOTICE IS HEREBY GIVEN that pursuant to a resolution of its Board of Directors the Stewart Sugar Company has elected to exercise the right of redemption reserved to it by Article Fourteenth of said mortgage and does hereby give notice that it will redeem on October 1, 1916, all of the First Mortgage Six Per Cent Gold Bonds issued under said mortgage of June 7, 1907, paying for each \$1,000 bond upon surrender thereof and of all unpaid and unmatured coupons the sum of \$1,050 and the accrued interest on said bond to October 1st, 1916.

Such redemption will be effected and payment made at the office of The Equitable Trust Company of New York, Trustee under said mortgage, No. 37 Wall Street, New York, N. Y. After October 1st, 1916, all bonds will cease to bear interest. Income Tax Certificates must be presented covering the interest due October 1st, 1916.

New York, July 25, 1916.
 STEWART SUGAR COMPANY,
 JOHN S. FISKE, Treasurer.

Holders of the above-mentioned bonds of the Stewart Sugar Company are hereby notified that on or after July 26, 1916, they may obtain payment therefor at \$1,050 for each bond and accrued interest to the date of presentation but not later than October 1, 1916, by surrendering the same with all unpaid and unmatured coupons to The Equitable Trust Company of New York, the Trustee under said mortgage, No. 37 Wall Street, New York, N. Y. Interest on said bonds will in any event cease on October 1st, 1916. Income Tax Certificates must be presented covering the accrued interest.

New York, July 25, 1916.
 STEWART SUGAR COMPANY,
 JOHN S. FISKE, Treasurer.

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