

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 \$5,099,790,662, against \$5,623,601,035 last week and \$4,703,650,948 the corresponding week last year.

Clearings—Returns by Telegraph. Week ending May 26.	1917.	1916.	Per Cent.
New York	\$2,792,178,204	\$2,460,677,855	+13.5
Chicago	399,395,809	305,968,375	+30.6
Philadelphia	253,754,165	192,705,325	+31.7
Boston	181,151,401	158,285,968	+14.4
Kansas City	107,141,682	66,108,597	+62.1
St. Louis	104,831,828	80,530,165	+30.2
San Francisco	73,882,244	49,683,771	+46.7
Pittsburgh	74,428,785	58,547,618	+27.1
Detroit	43,430,010	32,184,974	+35.0
Baltimore	33,538,617	32,027,138	+4.7
New Orleans	37,529,806	21,239,595	+76.6
Eleven cities, five days	\$4,100,271,551	\$3,457,959,381	+18.7
Other cities, five days	655,114,723	470,207,914	+39.3
Total all cities, five days	\$4,755,386,274	\$3,928,167,295	+21.1
All cities, one day	944,404,388	775,483,653	+21.8
Total all cities for week	\$5,099,790,662	\$4,703,650,948	+21.2

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.

Detailed figures for the week ending May 19 follow:

Clearings at—	Week ending May 19.				
	1917.	1916.	Inc. or Dec.	1915.	1914.
New York	\$3,230,237,365	\$2,925,886,941	+9.4	\$1,805,539,596	\$1,711,556,497
Philadelphia	346,205,935	239,731,554	+44.4	155,284,809	154,628,103
Pittsburgh	73,268,474	59,035,675	+24.1	49,340,954	54,328,006
Baltimore	43,775,114	42,070,225	+4.1	30,276,063	35,727,391
Buffalo	22,264,123	17,446,474	+27.6	11,802,649	11,572,401
Washington	11,572,547	9,469,529	+22.2	8,342,889	7,695,500
Albany	5,838,119	5,485,408	+6.4	6,206,420	6,335,931
Rochester	7,197,688	5,832,731	+23.4	4,801,741	4,781,791
Saratoga	4,619,885	3,223,328	+42.3	3,438,159	3,411,796
Syracuse	4,376,630	3,372,687	+29.8	3,090,699	3,480,632
Reading	3,022,126	2,348,428	+28.7	1,800,407	1,850,286
Wilmington	3,209,203	2,796,262	+14.8	1,861,531	1,875,286
Wilkes-Barre	1,530,842	1,884,702	-9.2	1,771,047	1,559,916
Wheeling	2,769,034	2,193,161	+26.3	1,831,307	2,282,926
Trenton	1,148,479	1,896,755	-39.4	1,896,394	1,725,412
York	2,159,541	1,781,864	+21.2	1,395,583	930,306
Lancaster	1,880,443	1,513,403	+24.3	1,095,453	1,505,035
Eric	1,090,000	984,000	+11.6	770,579	699,872
Binghamton	977,625	850,000	+13.6	674,400	674,400
Chester	1,500,000	1,179,796	+27.1	651,573	738,415
Greensburg	700,000	690,681	+1.3	579,746	607,069
Montclair	474,848	626,337	-24.3	399,352	425,934
Total Middle	3,772,610,946	3,331,780,524	+13.2	2,093,816,347	2,009,328,024
Boston	228,733,907	210,413,870	+9.7	148,390,321	153,800,974
Providence	119,505,000	109,000,000	+10.0	8,066,200	7,401,190
Hartford	8,448,617	8,435,410	+0.2	5,740,186	4,795,650
New Haven	4,781,450	4,581,129	+4.4	3,457,888	3,425,048
Springfield	4,200,000	4,327,782	-29.3	2,755,937	2,703,619
Portland	3,000,000	2,417,832	+24.1	1,884,731	2,104,218
Worcester	3,706,532	3,585,524	+3.5	2,786,821	3,232,328
Fall River	2,609,784	1,734,751	+51.5	1,220,974	1,362,460
New Bedford	1,897,483	1,506,947	+25.9	1,172,472	1,136,878
Lowell	1,232,307	1,036,614	+19.7	886,373	765,207
Holyoke	975,000	993,387	-1.8	728,142	865,817
Bangor	650,000	669,126	-2.8	400,795	443,040
Tot. New Eng.	271,750,059	250,602,372	+8.4	177,490,840	182,035,844

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

Clearings at—

Week ending May 19.

	1917.	1916.	Inc. or Dec.	1915.	1914.
Chicago	\$507,987,683	\$386,272,569	+31.5	\$308,201,115	\$369,946,623
Cincinnati	39,242,874	33,463,206	+17.3	24,946,850	27,418,000
Cleveland	70,543,821	40,825,958	+72.8	27,786,301	21,763,989
Detroit	63,112,212	45,480,663	+38.8	30,249,532	27,972,623
Milwaukee	26,000,000	19,748,329	+31.7	14,756,456	14,653,981
Indianapolis	14,675,917	10,878,857	+34.9	5,124,109	7,750,306
Columbus	9,987,500	8,545,100	+16.8	7,011,200	6,411,000
Toledo	11,597,489	9,560,608	+21.3	5,890,121	6,002,248
Peoria	5,000,000	2,950,000	+69.5	2,622,009	3,451,520
Grand Rapids	5,753,154	4,505,231	+27.7	3,483,832	3,327,448
Evansville	3,037,466	1,826,533	+67.9	1,184,936	1,171,955
Dayton	3,217,871	3,175,149	+1.3	2,032,769	2,126,416
Springfield, Ill.	1,882,491	1,402,418	+34.2	1,081,406	1,095,173
Fort Wayne	1,533,649	1,575,679	-2.7	1,250,825	1,252,425
Youngstown	3,229,359	2,093,243	+54.3	1,415,003	1,390,132
Rochford	1,593,553	1,038,187	+53.6	947,785	868,484
Akron	5,728,000	4,324,000	+32.5	2,376,000	2,157,000
Lexington	468,719	685,390	-31.7	612,332	628,352
South Bend	1,000,000	971,199	+3.0	707,091	576,048
Quincy	1,100,000	847,874	+29.7	719,780	773,963
Canton	4,393,921	2,417,078	+81.4	1,600,000	1,445,551
Bloomington	1,098,211	807,062	+36.1	559,425	559,482
Springfield, O.	1,023,018	808,558	+26.0	643,887	644,380
Jackson	1,000,000	945,647	+5.7	500,000	525,000
Denatur	758,847	594,246	+27.8	416,526	450,870
Manassas	1,034,912	687,409	+50.5	580,254	550,378
Danville	455,114	462,306	-1.6	444,412	450,000
Jacksonville, Ill.	435,072	308,150	+41.2	225,259	203,498
Lima	850,000	713,791	+19.1	481,978	426,398
Owensboro	532,927	327,365	+63.2	360,418	352,663
Ann Arbor	381,001	363,556	+4.8	212,925	206,314
Adrian	123,614	103,454	+20.2	77,569	58,703
Lansing	1,500,000	1,273,477	+17.8	606,272	486,675
Tot. Mid-West	780,310,765	590,159,228	+33.2	482,062,835	447,108,198
San Francisco	91,743,875	69,837,140	+31.4	51,833,591	47,146,019
Los Angeles	33,694,000	25,434,972	+32.5	19,660,692	23,900,704
Seattle	21,529,406	14,250,643	+51.6	11,943,231	11,909,201
Portland	18,245,998	10,697,000	+70.6	11,031,630	10,000,000
Salt Lake City	13,334,679	8,471,823	+57.0	6,033,556	6,141,565
Spokane	6,000,365	4,679,882	+28.2	3,644,680	3,834,456
Tacoma	3,367,249	2,347,370	+43.5	1,779,636	2,175,656
Oakland	5,320,106	4,422,073	+20.3	3,547,247	3,348,712
San Diego	2,629,569	2,601,251	+1.1	1,910,016	2,075,000
Sacramento	2,766,387	2,051,723	+35.3	1,727,054	1,898,810
Pasadena	1,261,339	963,469	+30.9	817,709	694,887
Fresno	1,951,807	1,137,472	+71.6	799,390	875,162
San Jose	772,016	650,000	+18.8	524,333	616,747
Stockton	1,790,241	1,171,242	+52.2	815,431	776,309
North Yakima	726,255	456,654	+59.1	300,948	301,271
Reno	500,000	300,888	+66.4	226,840	264,777
Long Beach	682,854	606,858	+12.5	436,727	534,269
Total Pacific	269,315,726	160,140,030	+67.4	116,794,074	116,236,327
Kansas City	137,224,052	83,961,020	+63.4	71,704,933	51,075,122
Minneapolis	36,989,211	23,143,405	+59.8	18,668,749	22,145,628
Omaha	37,244,652	22,506,899	+65.5	19,127,565	14,984,469
St. Paul	15,764,657	14,722,661	+7.1	13,167,434	11,871,401
Denver	14,031,032	13,300,000	+5.5	9,003,328	8,887,691
St. Joseph	14,950,036	9,224,084	+62.1	6,846,777	6,589,259
Des Moines	8,143,718	6,551,065	+24.3	5,654,300	5,123,408
Duluth	7,261,687	4,250,911	+69.4	3,464,592	3,654,912
St. Paul City	6,222,554	3,870,930	+60.8	3,092,219	3,053,923
Wichita	5,998,000	4,592,139	+30.6	3,385,300	2,961,888
Lincoln	4,549,130	3,268,473	+39.4	2,254,377	1,963,820
Davenport	2,105,225	1,731,430	+21.8	1,331,156	1,034,371
Topeka	2,442,356	1,829,866	+33.5	1,568,510	1,617,729
Cedar Rapids	2,400,000	1,584,754	+51.4	1,773,910	1,923,540
Fargo	1,856,199	1,719,455	+8.0	1,145,205	1,055,201
Colorado Springs	723,403	673,037	+7.4	739,978	750,125
Pueblo	695,111	645,374	+7.7	349,354	668,125
Fremont	629,794	425,000	+48.2	368,741	357,573
Waterloo	2,558,000	2,669,615	-4.3	1,720,187	1,465,990
Helena	1,709,355	1,534,784	+11.4	1,023,088	1,020,329
Aberdeen	972,101	879,785	+10.6	519,768	490,939
Billings	1,107,185	721,256	+53.5	439,33	

STATE AND CITY SECTION.

A new number of our "State and City Section," revised to date, is issued to-day, and all readers of the paper who are subscribers should receive a copy of it. As announced therein, a change has been made in the scheme of issuing this Supplement. Instead of publishing two complete numbers of the "State and City Section" each year, as was the practice in the past, this important publication is now issued in parts, the first part appearing to-day while the second part will appear next November. As the best way of indicating the reasons for the change, we reprint here the notice concerning the same given in the current number of the "State and City Section."

PUBLISHERS' NOTICE OF CHANGE IN PLAN OF ISSUING "STATE AND CITY SECTION."

As announced by us last November, beginning with the present number a change is made in the method of issuing this publication. Owing to the great pressure for space, we have been obliged to divide up the matter in the "State and City Section," and the periodical is now issued in two parts. The first part, comprising the New England and the Middle and the Central States (the latter embracing Ohio, Indiana, Illinois and Michigan), appears to-day. The second part, comprising the rest of the country, will appear on the last Saturday of next November. And this plan will be followed in the future.

This change is forced upon us by the constant addition to the number of municipal bond issues and the inability to compress the information concerning the same within the limits of a single number. Not only are the older and more important civic corporate bodies uninterruptedly putting out further bonded obligations, but many of the minor places, previously free from debt, have also entered the ranks of borrowing communities and are steadily creating new issues. Besides this, in the newer sections of the country where expansion and development are such noteworthy characteristics of affairs, new civil divisions are all the time springing into existence. The result is that the demands for additional space have outgrown our ability to provide for them in the customary way.

In the endeavor to avoid having to divide up the contents of the book, we have in the past resorted to all sorts of devices, hoping we might overcome our dilemma, but all in vain. We increased the size of the publication, adding 32 pages within the last five years; we had the whole publication reset in smaller type, and we practiced elimination, abbreviation and condensation. All these proved serviceable expedients in their way, and yet all combined failed to suffice for the needs. In face of all of them we were obliged to transfer a steadily augmenting number of municipalities to the list of "Additional Statements" at the end of each State. These "Additional Statements" comprised returns of municipal divisions for which we had been unable to make room in the body of the returns. They afforded a very unsatisfactory way of presenting the figures, since only a single line could be allowed for the data concerning each municipality. The longer the list of these "Additional Statements" the more apparent it became that they ought all to be given in complete shape and appear in alphabetical order with the remaining returns for the different States.

Only a few years ago, by the employment of the methods above outlined, we had succeeded in doing away with practically all the "Additional Statements." Such was the pressure for added space, however, that in last November's number of this publication, issued in the old form, we were carrying 382 "Additional Statements" in Ohio, 243 in Texas, and even 166 in New York, while for all the States combined we were carrying no less than 3,396 of such statements. To have attempted to give detailed returns in place of the partial returns for these 3,396 places and to have included them along with the other returns in a single number of this Supplement, as had been the plan up to the present time, would have increased the size of the book not only so as to make it unwieldy, but also so as, in all probability, to render it difficult, if not impossible, to obtain the present mail facilities for the same.

There was no alternative, therefore, but to issue the Supplement in two parts, and to assign a portion of the coun-

try to each part. This, therefore, is the plan we have now entered upon. In that way we shall be able to take care of immediate needs and hope also to provide for the growth of the country—for at least a few years to come. That any other course would have been out of the question is evident from the fact that in eliminating the "Additional Statements" merely in the portion of the book we present to-day we have been obliged to add no less than 38 pages—that is, while in the November 1916 number this portion of the book ended on page 116 it now runs to 154 pages. The addition to the second half of the book will have to be even greater.

THE FINANCIAL SITUATION.

The tax bill having been rushed through the House of Representatives by the heavy vote of more than four to one, divided nearly on party lines, all hope of modifying its emotional and dangerous extravagancies must lie with the Senate. It may not be useless to point out a few of the worst of these, and also, without enlarging upon what ought to be accepted as almost axiomatic, to mention a few principles of taxation which should always be remembered, but in this procedure seem entirely disregarded.

Taxation must carry the ordinary governmental expenses, provide for interest on loans, make reasonable provision for gradual amortization, and cover some part of the war demand; the degree to which the last-named purpose should be pushed ought to be kept clear of any sentimentalism for handing down to posterity, free of financial charge, the liberty for which we have now joined other nations. Those now on the stage must suffer in their persons as well as their property; posterity escapes the former suffering, and justice demands that it be left to take its ample share of the latter. Further, if we overload ourselves now in taxes, we shall enhance the cost of the war, shall possibly somewhat imperil its success, and may also wrong posterity by retarding the present and the post-war development which must ever be trusted to carry the financial burden. Still further, borrowing is a simple process, comparatively, if lenders can be found, and paying is naturally the difficult task. Congress may err in the borrowing, but is much more liable and likely to err in taxing, inasmuch as the latter is the more complex, the more uncertain in its reactionary effects, and also the more permanent in its reach. Therefore, since Congress is under some necessity and a very keen emotional impulse, to hurry matters, it would be wise to rely strongly upon borrowing and to take more time and give far more thought to the possible workings of a tax scheme, instead of rushing a crude bill along.

The first principle of a sound and wise taxation is to put the levy so that it shall touch surpluses of industry and not cripple means and processes; that gains shall be touched, without putting drag on instrumentalities; that there shall be neither discouraging nor drying-up of industry. There must be profits, before "excess" can be taken, and if excess profits are to be attacked as such they should be ascertained by some decent rule of average comparison and not by an arbitrary percentage upon some of the instrumentalities of the business, this percentage involving inequities and inequalities which have already been pointed out. To tax unwisely may swiftly lessen the funds upon which tax can be laid, and a natural apprehension concerning such a result in unsettling business and diminishing wage earnings may even have the effect of hindering the

present general effort on behalf of the Liberty Loan, the country over.

The disposition to "conscript" wealth is being overdone; wealth is not shrinking from its full share. The proposition to go back and apply a new demand to incomes of past years, already adjusted, may not be literally against the constitutional bar upon ex post facto laws, but it is unjust and immoral. The income of a past year, after having paid its tax, may itself have been spent and may no longer exist, or it may have gone into a fixed form; at least all outgoes and forecasts have been made on the assumption that the tax was final. To go back and demand another payment might be done in respect to any and several past years, if to a recent one; it is not only against good faith, but is counter to the universal rule that adjustment and settlement of any obligation involves an absolute quittance; otherwise, nobody could know where he stood.

An inheritance tax assumes that what comes without labor may fairly be put under toll, but life insurance proceeds answer this description and might thus be declared open to conscription. The pending bill seems to share this view, proposing to levy, on issuance of any life policy, 8 cents on each \$100, or fraction thereof, of the amount insured; also, one cent on each dollar or part thereof of premium for insurance of property against fire "or other peril," and the like on each premium in casualty or miscellaneous insurance. This is made worse by exempting, as under the present income tax, all fraternal or like organizations conducted by the members for their own benefit and not for profit.

The tax on the press through multiplied postage rates, has been modified to the extent only of delaying its full operation for a few months—so as to produce slow, rather than quick death—and is one of the most indefensible items of the bill.

The first aim of all taxation should be to follow to the utmost the insurance principle of dividing and distributing the burden so that it may be most lightly and insensibly borne. On the contrary, our tax laws have been among the worst, being put together as a disagreeable task, performed in haste and without studious consideration of any except partisan effects. The aim has been to get hold of funds in the handiest manner. Certainly, there has been no worse example of treatment which does not even seek to be scientific than this pending bill. If men of business and of experience in large affairs have been consulted they have been little heard, and apparently less heeded. The groundless assumption has persisted that wealth is the proper subject of levy, that wealthy men are concerned only in avoidance, and that their advice could not be other than selfish. The best judges of how taxes can be levied with the least ill effect upon the industry and fair prosperity which alone can supply the taxes, are undeniably the men who have proved their ability by success in business. Why should not their advice be sought first and be accorded the utmost weight? In the uncertainty on every hand which lies upon us all, whose foresight can be wiser and safer to trust than theirs? Shall we trust the mere politician? Is a matter of this vast and far-reaching importance to be handled in the manner avowed by the head of the House committee when he said of the flat 10% duty to be laid on the present free list (including pre-eminently therein raw materials) "I shall vote for it with my eyes shut"?

A sensible man once said that if he had three minutes in which to save his life in emergency he would take two of them in thinking how to do it, unless the method was entirely plain. The course of this country in performing the vital task it has undertaken is surely not plain in details. Great as may be the desirability of avoiding delay, it is better to take full time for careful thinking (not wasting any upon such follies as a censorship over the press, which has proved a sufficient censor of itself) than to act unwisely. Few thinking persons can doubt that the lower branch of Congress has acted with unhappy haste in this matter; let us now hope for more and better-directed consideration by the Senate.

Cotton manufacturers—the National Association of Cotton Manufacturers, representing the North, and the American Cotton Manufacturers' Association, the South—in joint session at Washington, D. C., on Tuesday did their "bit" in the present crisis in the affairs of the country by establishing a national council representing both bodies as an aid to the Government. In addition, moreover, they had the pleasure of listening to a very interesting and instructive address by Mr. Arthur J. Balfour, the head of the visiting British War Commission. This joint session was coincident with the regular annual convention (the twenty-first) of the American Cotton Manufacturers' Association, held at the New Willard Hotel, which brought together a notable group of men very prominent as growers as well as manufacturers of the staple who, at the outset of the meeting, laying aside for the time being the prescribed order of proceeding, indicated in no uncertain way their earnest support of the nation, thus turning the conclave into a monster patriotic demonstration.

The first speaker at the American Association convention was Dr. Hollis Godfrey, of the engineering and education committee of the advisory commission to the Council of National Defense, who stated in effect that the one aim of his committee is to accomplish maximum production in minimum time, in which three factors—production, quality and delivery—are involved. "It is one problem," he said, "to get goods to the Government and it is another to get them through the mill; the latter is a matter so urgent that in some industries it must be taken up at once." Reviewing the year's activities in the cotton manufacturing industry, President J. A. Law, in his annual address, remarked that it is now on the strongest basis in its history, having had opportunity of late to recover from the depression of recent years. It must, however, be preparing for the "war after the war." S. W. Cramer, acting chairman of the Legislative Committee, devoted his attention to the subject of war revenue taxation. Referring to the opposition of his committee to the excess profits tax, he proposed that more money be raised by bond issues and less by taxation. "The thought of taxation," he remarked, "has acted to depress business. Cotton mills as a class are undercapitalized and an excess profits tax on such corporations would work a hardship compared with its effect on an industry previously inflated by a great period of prosperity. There has grown up a theory that railroad rates must be fixed on the basis of earning 6%. If this bill establishes 8% as a normal profit for industrial concerns, how long will it be before they will be regulated on this

basis? With a view to the future we must oppose 8% as a universal figure."

The joint session of the two associations was presided over by the head of the National Association, Mr. Alfred F. Bemis, and crowded the assembly hall of the New Willard to utmost capacity. After preliminary remarks and the submission of the necessary resolutions a committee was appointed which, co-operating through the Council of National Defense, will undertake to see that all cotton needs of the Government are promptly and economically supplied. The committee, a thoroughly representative one, has as its chairman, Bristow Draper of Hopedale, Mass., and associated with him are: Ronald Lyman, Boston; John A. Law, Spartanburg, S. C.; Fuller E. Callway, Lagrange, Ga.; Stuart W. Cramer, Charlotte, N. C.; Albert Farwell Bemis, Boston, and Edwin F. Green, Boston.

The Fall River cotton mill dividend record for the second quarter of 1917 fitly supplements that of the first quarter in indicating a very satisfactory situation in cotton manufacturing in the country's leading centre of that industry. The showing, in fact, is even better than for the preceding three months' period and presumably the best on record. It is true that in the closing quarter of 1913 the average rate of distribution was moderately higher than for the present period, but the payment at that time included an extra dividend of 50% paid by one of the mills out of surplus and involved no less than \$600,000. The magnitude of the current distribution, on the other hand, is to be ascribed wholly to the important augmentation in earnings of late. At the present time all the mills are being operated as near to full capacity as available labor will permit, and shortage of hands is to some extent offset by overtime working. Advances, furthermore, are to the effect that orders already booked for future delivery are of sufficient volume to insure active operations at an excellent margin of profit for several months to come.

As regard the dividend declarations of this second quarter, it is to be noted that all of the corporations included in our compilation (37 in number) are participants, a situation not obtaining since 1910. A dozen or more of the establishments have increased their regular rate of distribution and several have made substantial extra dividends. In addition, but not included in our total of amount paid out, the Lincoln Mfg. Co. declared a stock dividend of 30% and the Sagamore Mfg. Co. 50%, the two aggregating \$975,000. In all the amount of cash to be paid out in the second quarter of 1917 is \$1,059,125 (nearly \$300,000 more than for the first three months of the year), or an average of 3.47% on the aggregate capitalization of \$30,486,670, this contrasting with \$409,675, or 1.35% in the corresponding period of last year, \$258,025, or 0.87%, in 1915, and \$315,667, or 1.07%, in 1914. Moreover, the return to stockholders for the elapsed half-year totals no less than \$1,821,100, or an average of 5.97%, against only \$752,092, or 2.48%, in 1916 and an even smaller return in 1915.

Britain is beginning to get over its fear that serious food shortage is to result from the German submarine menace. Admiral Lord Beresford at a luncheon in London on Thursday in introducing Sir Edward Carson, First Lord of the Admiralty, took occasion

to declare that while the submarine menace is not yet "in hand" there is no chance of "starving out" England. In the House of Commons yesterday Lloyd George, the Premier, spoke of recent successes against submarines having resulted in a distinct improvement in the food situation. The Premier said more effective blows had been dealt the submarines during the last three weeks than in any corresponding period of the war. He asserted that there was no danger to the country from starvation, but that the utmost economy of foodstuffs still was essential. "The submarine menace need cause no fear that the war is going to be lost for that reason," he declared. The shipping loss for May probably would show a reduction from the April figures. "We owe a very considerable debt of gratitude to the great American people," the Premier continued, "for the effective assistance that they have rendered and the craft they have placed at our disposal. Now that the American nation is in the war, it is easier to make arrangements for the protection of our mercantile marine than it was before." Lloyd George concluded with a declaration that the German submarine warfare is destined to be "the greatest miscalculation in the whole series of miscalculations of that hated Empire." The weekly statement of the Admiralty giving the number of ships sunk last week shows that out of arrivals at United Kingdom ports of 2,664 and sailings of 2,769, there were 18 British merchantmen of 1,600 tons or over sunk by mines or submarines and 9 under that tonnage. The British merchantmen unsuccessfully attacked numbered 9, and in addition 3 British fishing vessels were sunk. In the preceding week 18 British merchant ships of more than 1,600 tons also were sunk and 5 merchantmen of less than 1,600 tons, and 3 British fishing vessels. The high-water mark in the destruction of large vessels was reached in the report of April 26, when 40 such vessels were announced as destroyed during a period of a week. An Admiralty official speaking to a London correspondent of the Associated Press said that American destroyers were playing no small part in the anti-submarine war, and British officers have expressed the greatest enthusiasm at the spirit, enterprise, acumen and quick-wittedness with which the American unit has taken up its work. Announcement was made on Thursday that the British transport *Transylvania* was torpedoed in the Mediterranean on May 4, with a loss of 413 persons. Official announcement was also made that the French liner *Sontay* to Marseilles from Saloniki with 344 passengers was torpedoed on April 16, with a loss of 45 lives. No Italian steamers were sunk by submarines during the week ending May 20. During the preceding week 2 Italian steamers under 1,900 tons each and 7 small sailing craft were sunk. During the week ended May 20 only one French merchantman of more than 1,600 tons, and two under that size, were sunk by submarines.

In the military operations this week Italy has come forward into the limelight. On a front of nearly ten miles on the Carso plateau the Italian troops have pierced the Austrian line and have taken various positions extending from the town of Castagnavizza to the head of the Gulf of Triest. They have received valuable aid from some of the nine British batteries which have hauled their big guns down to the Isonzo front to help in the efforts aimed at the capture of Triest, which is Austria's chief sea-

port on the Adriatic. More than 1,200 Austrian prisoners have been taken, including 300 officers. The Italians are now within ten miles of Triest. The ground yet to be passed over is difficult for military operations and much hard work yet remains to be done before the port can be captured. Comparative quiet has prevailed on the Western front in France that is held by the British, but further south around the bend in the line from Soissons eastward intensive artillery duels are in progress between the French and the Germans. Russian troops are showing more of an aggressive spirit. The entire garrison at Sebastopol, which is Russia's big fortress and naval station in the Crimea, has requested unani- mously that it be permitted to go to the Riga front and give battle to the Germans. Inclement weather is said to be holding Field Marshal Haig's men to their trenches along the Arras front. The British troops started early in the week a new offensive, with the idea of bringing their forces to the north of Bulle- court in full alignment with those within the village. The completion of this task, however, has had to be delayed. A series of attacks by the army of the German Crown Prince that took place early in the week were completely repulsed in all cases.

China has not officially declared war on Germany, but the trend is clearly towards such a step and suggests action in the near future. President Li Yuan Hung has issued a mandate dismissing Premier Tuan Chi Jui and naming Dr. Wu Ting-Fang, ex-Minister to the United States, as Acting Premier and empower- ing him to form a new Cabinet. This action, it is expected, will end the deadlock in Parliament and make possible a declaration of war. The provincial military governors who were attempting to disband Parliament, left Peking before the President took action against Tuan Chi Jui as the President had positively announced that he would disregard their demand for a dissolution of the legislative body.

Advices cabled from Rio Janeiro quote the Brazil- ian Foreign Minister, Nilo Pecanha, as declaring in the Council of Ministers that it was not necessary for Brazil to declare war on Germany because she already had been virtually forced into a state of war by cir- cumstances. The press of Brazil is insistent, not only upon a declaration of war, but that 200,000 troops be sent to France. The Brazilian Congress is expected at an early date to revoke the decree of neutrality as between the United States and Ger- many, which step has been recommended by Presi- dent Braz. This will probably be a preliminary to joining the United States in the war upon Germany. Norway seems also on the brink of joining the war on the side of the Allies.

London has been favorably impressed by news from Petrograd of the success of the Russian "Loan of Liberty." In the first four days (ending Wednes- day) of the loan offering Petrograd and Moscow subscribed, it is said, 145,000,000 rubles, an amount more than double the sum raised in a similar period by the old Government during the previous loan. The greater volume of the new subscriptions is in- terpreted at the British centre as an accurate test of the new regime's stability. One Petrograd insur- ance company subscribed 6,000,000 rubles. The various oil firms decided to subscribe 10% of their capital, which will produce about 60,000,000 rubles. Small subscriptions seem to be pouring in in ever

increasing numbers. It is believed that the new Minister of Finance, Shingarev, who is very popular with the peasants, has helped greatly toward the success of the loan. The subscription books will remain open until June 2. The amount offered is 3,000,000,000 rubles (\$1,545,000,000 at the ex- change rate of 51c. to the ruble). The loan is being marketed at 85% of its nominal value, the rate of interest being 5% and the maturity 40 years. Only one-half the total is being offered for public sub- scription, a syndicate of banks having agreed to take 1,500,000,000 rubles.

That the English discount market is hardening is ascribable to the fact that yesterday's offering of £30,000,000 in Treasury bills was larger than usual. The London Stock Exchange, in addition to being closed to-day (Saturday), will remain closed on Mon- day, in observance of Whitsuntide. The British revenue return for last week was £8,835,000, the total with other sources of income being £63,952,000. Expenditures for the week aggregated £34,820,000. The Exchequer balance is reported at £22,365,000, being a decrease of £860,000. Outstanding Treasury bills aggregate £554,837,000. One London corre- spondent declares that the prevailing opinion in financial circles there is that but for the recent un- happy developments in Russia, the war would have been near its end; but the situation that has been created seems at present to insure the war's pro- longation. Last week's speech by the German Chan- cellor is interpreted as confirming the latter view, since the Chancellor apparently was under no urgent necessity to placate the German population by hold- ing out prospects of an early peace. Last week's allotment of Treasury bills was on a favorable basis, the three and six months' issue being at 4 13-16% and the yearlings at 4 7/8%. Rates accepted for yes- terday's tenders were as follows: all tenders for three months' bills at £98 15s. 11 1/2d. and above received allotments in full; six months at £97 12s. and above received allotments in full. One-year bills at £95 2s. 6d. received 40%, and tenders above that were allotted in full. There seems a general expectation in London of a further period of monetary ease, partly in view of the distribution on June 1 of the dividend on the war loan, amounting approximately to £50,000,000.

The French Parliament reopened on Tuesday. Thirty-five deputies had announced their intention of interpellating the Government in secret session. Twelve interpellations concern the recent offensive, four were on the subject of the German submarine war and eleven referred to the economic crisis and measures for provisioning France. M. Ribot, the Premier, declined to agree to an immediate secret session on the ground that the public had a right to be informed. Concerning the interpellation on the recent offensives there had, he said, been some exces- sive hopes and some errors of execution. But the results obtained should be neither exaggerated nor belittled. Never had the French soldiers proved more admirable. The Government had thought some changes should be made and they had been made. The high command had been reorganized to relieve it of everything not concerned in military operations. The Minister of War now works in co-operation with the Military Committee of the Chamber. M. Ribot asked postponement of the

discussion on this point until the work of bringing about this co-operation had been completed. In reference to submarine warfare he recognized that more energetic and decisive means of dealing with the menace must be sought. Taking up the Russian situation, the Premier said it was necessary to combat dangerous sophisms which sought to treat the restoration of "our lost Provinces" as being a question of annexation, and which also includes the question of indemnities for ravages in the invaded provinces. "This indemnity is a contribution which is inflicted as a fine for wrong done," said the Premier, "it is a requirement which both law and equity demand. The same reparation should be required for all small nations which have been crushed—for Belgium, Serbia, Rumania and Montenegro. No conquests and no covetousness—that in substance is what the Russian Government declares. France replies that it could not oppress any nationality, even that of its enemies. It will call to its aid to defend the small nations not vengeance, but justice. What France also wishes is a durable peace, but we do not wish military dispositions to endure which can destroy this durable peace when it once is made. If the German people comprehended this, it would make peace easier to obtain. That is the view of Russia at the moment when the United States is making preparations to enter the war. Now let Russia make her offensive, and we will be able to talk of peace not in an equivocal manner, but openly; and this peace, if they do not ask it of us, we will impose it." M. Ribot prefaced his reference to Russia by asking for a postponement of the debate because of conversations to which the French Government has been invited by the Russian Government. "We are following the development of the Russian revolution with the utmost care and sympathy," he said. "The eminent and courageous statesmen of Russia were surrounded for a time by difficulties which rendered their action difficult. But the men of intelligence who have now taken in hand the Russian Government have made declaration which gives us complete satisfaction. They say they wish a strong government and they desire above all to establish in the army that severe discipline which is indispensable." The Chamber set June 1 for the discussion of France's military policy and the question whether delegates from France should attend the international Socialist conference at Stockholm. Yesterday the submarine situation was discussed in secret session.

The French Government submitted to the Chamber its estimates for the third quarter of the year. The general budget totaled 9,843,000,000 francs (\$1,968,600,000) and the supplementary budget 1,032,000,000 francs (\$206,400,000). The general budget shows an increase of 218,000,000 francs over the second quarter of the year, but is slightly below what was expected, thus enabling the Minister of Finance, in presenting his estimates, to state that "for the first time since the beginning of hostilities the aggregate of Government expenses begins to show a certain tendency toward stability." Marshal Joffre and ex-Premier Viviani arrived at Brest on Wednesday on their return from the United States, having sailed from New York on Tuesday, May 15.

With the beginning on May 21 of the regime of two meatless days a week, beef in Paris went to \$1 a pound and vegetables and fish followed the upward tendency in price. There is much criticism against

rich buyers, who paid any price the dealers asked, thus sending the quotations too high for modest purses. Maurice Viollette, Minister of Subsistence, on Tuesday presented to President Poincare a decree which was formally issued on Wednesday, requiring all persons who possess more than one ton of coal to report to the authorities before June 20 on the amounts they have. All coal stocks not reported will be subject to requisition. The purpose of the decree is to prevent the laying in of large stocks for the winter, to the detriment of those who are unable to buy in advance. Dealing in coal, except through licensed merchants, will be prohibited.

The Imperial German Reichstag will reconvene on July 5 for a three day session, which, according to present plans, will comprise the summer legislative period. Advices by way of Amsterdam say that the German Government's controlled press has launched a concerted effort to consolidate public opinion in Germany against the United States and against the early peace campaign. The newspapers, in order to arouse prejudice, are utilizing President Wilson's effort to discriminate between the German people and the German Government. Prussian newspapers especially are zealous in this propaganda. They say that President Wilson is Germany's enemy and that if he dislikes Germany's Government that is a good sign, since the Government suits Germany. Berlin is now feeling the potato shortage. The supply of pork is short and may be sold only on Thursdays. A reduction in the present meat ration after Aug. 15 is being considered. In view of the food shortage, Prof. Weldner, an agricultural expert at Passau, Bavaria, advises the people to eat grass. He informs them that red clover and lucerne (alfalfa) may be used for making tasty dishes for human consumption. It is reported that the Hungarian Cabinet, of which Count Tisza was Premier, has resigned. The Cabinet is understood to have been strongly pro-German. Advices from Stockholm state that a strike has been in progress continuously in all the Budapest munitions factories since May 1. The Belgium Government has received intimation that the Germans have resumed the deportation of the Belgian civil population. Three thousand persons have been removed from the Brussels district since May 1. The Roman Catholic newspaper "Tijd" at Amsterdam claims authority for the statement that in accordance with the wishes of Pope Benedict the Austrian Court is initiating a new peace effort. Reports are current that Austria is endeavoring to induce Germany to promise that the head of the revived Kingdom of Poland shall be an Austrian Prince.

It is difficult to form any satisfying opinion from the various reports from Petrograd as to actual conditions existing in Russia. A perusal of these reports seems to suggest that the coalition Government has obtained a better control of the general position, and at any rate the prospects of Germany being able to induce a separate peace from Russia are not so bright as they seemed a week ago. The Minister of War is getting a better grip on the army and navy. On Friday of last week he issued the following Order of the Day to the army:

☞ The country is in danger. Each one must do what he can to avert the peril. No request to be allowed to resign, made by officers in high command with a desire to escape responsibility at a time so grave, will be accepted by me.

Deserters are enjoined to return to the army and fleet by May 28. All infractions of this order will be severely punished.

Furthermore, after a conference with the Government, with the Duma Committee and the Council of Deputies, the commanding generals have returned to the front. Addressing a Congress of peasants, the Minister of War announced his determination to introduce iron discipline into the army. He made an impassioned appeal for support in restoring the morale of Russia's military forces and his speech was greeted with enthusiasm and applause. This developed into "a great demonstration" after he had completed his address, the delegates embracing the Minister and carrying him on their shoulders to his automobile. The new Russian Cabinet will follow the lines agreed on previously for representation of the various Socialist groups. The official statement declares that six Socialists were included. In a statement dictated for the Associated Press the Premier, Lvoff, explained that:

The most serious crisis in the modern history of Russia has been satisfactorily settled and conditions already show marked symptoms of improvement. It is my impression that the new coalition Cabinet will receive the support of all reasonable Russian citizens. We have for the first time the prospect of a Government which will combine both moral authority and material power.

My hope is that when the present enemies of national tranquility see that not only the so-called bourgeoisie, but also the workmen and the Socialists themselves stand for the restoration of order, they will, without compelling us to take action, abandon their present anarchical methods, which, if continued, would result in the ruin of Russia. The program of policy which we have agreed upon with our new colleagues contains very great concessions to the Socialists, but these concessions were an indispensable condition of Socialist collaboration in the Government.

In the future democratic Russia must not only enjoy freedom, but must take on itself the responsibility of defending its freedom. Personally, I do not doubt our democracy's fitness for higher governmental work. During the negotiations which led to a settlement the representatives of the Council of Delegates showed that they thoroughly understood the dangers threatening Russia, and were determined to do everything possible to save the country from anarchy, defeat, and dissolution.

Later dispatches from Petrograd, unfortunately, are not so reassuring. Agrarian disturbances in the Minsk district are said to be getting beyond control of the militia. Soldiers and farmers recently sacked the estate of Prince Mirsky. In Tsaritsyn, in the government of Saratov, official authority has been overthrown and the peasants are said to be in control. A contribution of 1,500,000 rubles is said to have been levied by the soldiers, who have also confiscated vessels in the Volga.

Official rates continue to be quoted at 5% in London, Paris, Berlin, Vienna and Copenhagen; 5½% in Italy, Portugal and Norway; 6% in Petrograd and 4½% in Switzerland, Holland and Spain. In London the private bank rate has remained at 4 11-16% for sixty days and 4¾% for ninety days. No reports have been received by cable of open market rates at other European centres, as far as we have been able to learn. Call money in London has not been changed from 3½@4%.

The Bank of France is again putting new amounts of gold at the joint disposal of the Entente Powers. This week, according to the cablegram from our special correspondent, it has transferred a further sum of 85,034,275 francs to the joint pool, making

the total contribution to date 2,033,740,400 francs. In the amount of gold held in vault there was a reduction of 80,298,325 francs, so that the net change for the week in the total gold holdings (both at home and abroad) was an increase of 4,735,950 francs. The total holdings of gold (at home and abroad) now aggregate 5,269,155,525 francs. Last year the amount held (all in vault) was 4,731,513,396 francs, and in 1915 3,913,406,958 francs.

Since June 8 1916, when the item of gold held abroad was first shown in the weekly returns of the Bank, the amount so held has been increased from 69,182,975 francs to 2,033,740,400 francs. During the same period the amount of gold held by the Bank has decreased from 4,676,061,938 francs to 3,235,415,125 francs. Combining the two items, we have a net gain in the grand total since June 8 1916 of 523,910,612 francs, or from 4,745,244,913 francs to 5,269,155,525 francs. In the following table we show the changes week by week in the gold reserve of the Bank from June 8 1916 to date:

GOLD RESERVE OF THE BANK OF FRANCE.

Week ending—	In Bank Francs.	Abroad. Francs.	Total. 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	4,430,175,672	371,965,271	4,802,140,943
24	4,335,172,029	472,885,788	4,808,057,817
31	4,238,968,193	573,773,871	4,812,732,064
Sept. 7	4,243,545,828	573,773,871	4,817,319,699
14	4,247,825,666	573,773,871	4,821,599,537
21	4,152,170,201	674,553,075	4,826,723,276
28	4,158,198,210	674,553,075	4,832,751,285
Oct. 5	4,165,888,287	674,553,075	4,840,441,362
12	4,181,975,850	674,553,075	4,856,528,925
19	4,211,226,617	674,553,075	4,885,779,692
26	4,247,421,247	674,553,075	4,921,974,322
Nov. 2	4,115,807,288	876,212,957	4,992,020,245
9	4,133,179,615	876,212,957	5,009,392,572
16	3,944,965,602	1,078,038,626	5,023,004,228
23	3,957,016,578	1,079,072,906	5,036,089,484
30	3,764,625,496	1,280,921,624	5,045,547,120
Dec. 7	3,669,587,329	1,385,185,949	5,054,773,278
14	3,680,527,770	1,385,185,949	5,065,713,719
21	3,483,945,285	1,592,680,318	5,076,625,603
28	3,382,826,828	1,693,087,732	5,075,914,560
Jan. 4	3,392,694,296	1,693,088,532	5,085,782,828
11	3,405,929,855	1,693,088,532	5,099,018,387
18	3,316,125,606	1,794,122,312	5,110,247,918
25	3,326,901,384	1,794,122,812	5,121,024,196
Feb. 1	3,336,006,050	1,795,157,100	5,131,163,150
8	3,284,152,000	1,844,559,000	5,128,711,000
15	3,189,131,125	1,945,603,275	5,134,734,400
22	3,196,918,975	1,945,603,275	5,142,522,250
March 1	3,203,278,175	1,945,603,275	5,148,881,450
8	3,210,265,500	1,946,610,500	5,156,876,000
15	3,221,405,500	1,946,637,500	5,168,043,000
22	3,237,538,500	1,946,657,500	5,184,196,000
29	3,252,423,967	1,947,671,846	5,200,095,813
April 5	3,265,897,334	1,947,671,846	5,213,569,180
12	3,274,674,716	1,947,671,846	5,222,346,562
19	3,284,816,734	1,947,671,846	5,232,488,580
26	3,294,524,230	1,947,671,846	5,242,196,076
May 3	3,302,735,525	1,948,707,125	5,251,442,650
10	3,309,894,450	1,948,707,125	5,258,601,575
17	3,315,713,450	1,948,706,125	5,264,419,575
24	3,235,415,125	2,033,740,400	5,269,155,525

The silver item the past week was expanded 261,000 francs. Note circulation increased 50,464,000 francs, while general deposits registered the substantial increase of 117,247,000 francs. Bills discounted were reduced 20,961,000. Other changes were unimportant. Notes in circulation are now 19,394,509,000 francs. At this date last year the total was 15,434,971,165 francs and 11,827,868,670 francs in 1915. Comparisons of the various items with the statement of last week and the corresponding dates in 1916 and 1915 are as follows:

BANK OF FRANCE'S COMPARATIVE STATEMENT.

Gold Holdings—	Changes for Week Francs.	Status as of		
		May 24 1917. Francs.	May 25 1916. Francs.	May 27 1915. Francs.
In Bank	Dec. 80,298,325	3,235,415,125	4,731,513,396	3,913,406,958
Abroad.	Inc. 85,034,275	2,033,740,400		
Total	Inc. 4,735,950	5,269,155,525	4,731,513,396	3,913,406,958
Silver	Inc. 261,000	257,493,000	352,435,511	375,338,359
Discounts	Dec. 20,961,000	462,445,000	421,811,165	243,535,421
Advances	Dec. 1,398,000	1,141,327,000	1,211,839,897	639,551,705
Note circulation	Inc. 50,464,000	19,394,509,000	15,434,971,165	11,827,868,670
Treasury deposits	Inc. 13,366,000	81,205,000	105,705,665	75,074,465
General deposits	Inc. 117,247,000	2,628,814,000	2,109,144,167	2,201,045,051

The Bank of England reports an increase in its gold item of £235,641. Note circulation expanded £181,000; hence the total reserve was increased £54,000. The proportion of reserve to liabilities, however, declined to 19.49%, against 20.42% a week ago and 32.24% last year. This latter feature was undoubtedly due to a large increase in loans. Public deposits decreased £5,876,000, although other deposits showed a gain of £14,378,000. Government securities increased £81,000. Loans (other securities) increased £8,379,000. The English Bank's gold holdings now stand at £55,076,420, as against £60,032,286 in 1916 and £61,737,814 the preceding year. Reserves aggregate £34,830,000. This compares with £43,738,926 last year and £47,240,524 in 1915. Loans total £116,610,000, contrasting with £76,446,807 and £139,290,022 one and two years ago, respectively. The Bank reports as of May 19 the amount of currency notes outstanding as £140,527,655, comparing with £139,026,408 a week ago. The amount of gold held for the redemption of such notes is still £28,500,000. Our special correspondent is no longer able to give details by cable of the gold movement into and out of the Bank of the Bank week, inasmuch as the Bank has discontinued such reports. We append a tabular statement of comparisons:

BANK OF ENGLAND'S COMPARATIVE STATEMENT.

	1917.	1916.	1915.	1914.	1913.
	May 23.	May 24.	May 26.	May 27.	May 28.
	£	£	£	£	£
Circulation.....	38,695,000	34,743,360	32,947,290	28,933,380	28,269,065
Public deposits ..	47,119,000	54,250,998	132,088,558	19,014,809	13,802,969
Other deposits....	131,604,000	81,405,100	87,742,135	41,248,964	39,714,758
Govern't securities...	45,044,000	33,187,474	51,043,491	11,046,570	12,802,275
Other securities....	116,610,000	76,446,807	139,290,022	41,461,280	30,888,096
Reserve notes & coin	34,830,000	43,738,926	47,240,524	25,463,980	37,896,562
Coin and bullion...	55,076,420	60,032,286	61,737,814	35,947,360	37,715,627
Proportion of res'v'e					
to liabilities.....	19.48%	32.24%	21.50%	42.24%	52.04%
Bank rate.....	5%	5%	5%	3%	4½%

The weekly statement of the Imperial Bank of Germany, issued as of May 15, shows the following changes: Total coin and bullion increased 4,341,000 marks; gold increased 177,000 marks; Treasury notes declined 9,214,000 marks; notes of other banks showed a gain of 737,000 marks. Bills discounted registered the large increase of 567,232,000 marks. Advances increased 819,000 marks; investments decreased 686,000 marks; other securities were reduced 3,428,000 marks. Notes in circulation showed a large reduction, namely, 97,293,000 marks, while deposits recorded the almost sensational expansion of 640,584,000 marks. Other liabilities increased 16,510,000 marks. The German Bank's holdings of gold aggregate 2,533,097,000 marks. At this date a year ago the total was 2,462,284,000 marks, and in 1915 2,376,426,000 marks. Loans and discounts total 8,804,895,000 marks, and compare with 5,046,000,000 marks in 1916 and 3,997,580,000 marks the year preceding. Circulation is 8,206,305,000 marks, as against 6,536,000,000 marks and 5,143,307,000 marks one and two years ago, respectively.

There is no indication of any approaching strain in local money circles. Financing of all kinds, in the form of applications on the capital market, has given way completely to the necessities of a full subscription—an over-subscription in fact—to the Liberty Loan. No attempt will be made at the present to float any large amounts of other securities. Industry is continuing phenomenally active, and general trade seems to be showing slight, if any, conclusive evidence of contraction. Nevertheless the demand for working

capital is far from urgent, and there is no sufficient demand to induce lenders to advance their money rates. On the contrary quotations are somewhat easier as a net result than they were a week ago. The immediate demands for funds in connection with the war loans comprise a deposit of 2% with subscriptions. This is not calculated to prove a distinct drain. Payment by installments for the Government bonds include 2% on application, 18% on June 28, 20% on July 30, 30% on Aug. 15, and 30% on Aug. 30. Thus the proceeds of the bonds will not begin to become available in anything like substantial form until the close of June, which means, of course, that the Treasury must again have recourse to sale of short-term certificates of indebtedness to the banks. It is estimated that approximately \$400,000,000 will be advanced to our allies in June, which will bring the total of the advances up to \$1,070,000,000, or more than one-half of the proceeds of the present offering of the Liberty Loan. The Italian Commission, who have recently conferred with our Treasury officials, have cabled to Rome for more detailed information as to the commitments of that Government in this country. When this information is at hand it will be used in preparing a program to meet Italian financial needs for several months. British and French requirements already have been outlined definitely. The proposals contemplate loans to these Governments, according to what appear to be authentic advices from Washington, at the rate of approximately \$250,000,000 to \$300,000,000 a month. Russia, it is said, has not yet drawn against the \$100,000,000 that has been established for her, and it is thought that this sum will take care of her requirements for some time, possibly for the entire month of June. The Treasury has allotted among the banks of the Federal Reserve districts the \$200,000,000 offering of Treasury certificates of indebtedness, referred to last week. The allotment was made on the basis of 72% of the subscriptions, the offering having been over-subscribed about 40%.

Last Saturday's bank statement of New York Clearing House members, which will be found in more complete form on a later page of this issue, about filled expectations and showed, in consequence of the Federal Reserve Bank's operations in connection with the settlement of recently granted credits to the Allies, a large increase in loans and deposits as well as a nominal reduction in the surplus reserve. The loan item was expanded \$37,537,000. Net demand deposits increased \$44,052,000, although net time deposits declined \$2,080,000. Reserves in "own vaults" registered a gain of \$14,429,000, to \$462,905,000, of which \$415,489,000 is shown to be specie. Last year the reserves in own vaults totaled \$433,181,000, including \$362,529,000 in specie. Reserves in Federal Reserve banks were reduced \$7,840,000, to \$246,927,000, as compared with \$160,623,000 a year ago. The reserve in other depositories this week was increased \$668,000, to \$60,619,000, against \$60,849,000 in 1916. Circulation recorded a loss of \$54,000. Aggregate reserves increased \$7,257,000, and now stand at \$770,451,000, which compares with \$654,652,000 held at this date last year. The reserve required, however, increased \$7,701,580, thereby resulting in a loss of \$444,580 in surplus reserves, the net total of which is \$146,754,420, as contrasted with \$76,956,310, the sum on hand in 1916.

Referring to money rates in detail, call loans this week ranged between 2@3½%, comparing with

2@3% last week. Monday and Tuesday the high was 2½%, which was also the ruling quotation, while 2% was the minimum. On Wednesday 2½% was still the maximum as well as the renewal basis, while the low was 2¼%. Thursday the high was advanced to 3½% and the low to 2½%, although renewals continued at 2½%. Friday's range was 2¾@3½%, with 3½% the ruling figure. For fixed maturities further declines were recorded, though trading was exceptionally light. Sixty-day funds are quoted at 4@4¼%, against 4¼@4½% a week ago; ninety days at 4@4¼%, against 4½@4¾%; four months at 4¼@4½%, against 4½%, and five and six months at 4½%, against 4½@4¾%. Last year sixty-day money was quoted at 2½@3%, ninety days at 2¾@3%, and four, five and six months at 3@3¼%. In mercantile paper the volume of transactions was again small. Sixty and ninety days' endorsed bills receivable and six months' names of choice character remain as heretofore at 4¾@5%, and names not so well known 5¼%, against 5¼% a week ago. Banks' and bankers' acceptances were very quiet and quotations remained at substantially previous levels. Detailed rates are as follows:

	Spot Delivery			Delivery within 30 Days.
	Ninety Days.	Sixty Days.	Thirty Days.	
Eligible bills of mem. banks.	3¼@3 1-16	3¼@3	3 1-16@3	3¼ bid
Eligible bills of non-member banks	3 7-16@3¼	3½@3¼	3 3-16@3	3½ bid
Ineligible bills	4¼@4	4¼@3½	4@3½	4¼ bid

No changes in rates were announced by any of the Federal Reserve banks as far as our knowledge goes. Prevailing rates for various classes of paper at the different Reserve banks are shown in the following:

DISCOUNT RATES OF FEDERAL RESERVE BANKS.

CLASSES OF DISCOUNTS AND LOANS	CITIES										
	Boston.	New York	Philadelphia	Cleveland	Baltimore	Chicago	St. Louis	Memphis	Kansas City	Indianapolis	San Francisco
Member Banks, Coll. Loans:											
1 to 15 days' maturity	3½	3	3	3½	3½	3½	3½	3	3	3½	3½
16 to 30 " "	4	4	4	4	4	4	4	4	4	4	4
31 to 60 " "	4	4	4	4	4	4	4	4	4	4	4
61 to 90 " "	4	4	4	4½	4	4½	4	4½	4	4½	4½
Agricultural and Live-Stock Paper—											
91 days to 6 months maturity	5	5	4½	5	4½	6	5	5	5	5	6½
Trade Acceptances—											
1 to 30 days' maturity	3½	3½	3½	3	3½	3½	3½	3½	4	3½	3½
31 to 60 " "	3½	3½	3½	3½	3½	3½	3½	3½	4	3½	3½
61 to 90 " "	3½	3½	3½	4	3½	3½	3½	3½	4	3½	3½
Commodity Paper—											
1 to 90 days' maturity	4	---	3½	---	3½	3½	---	3½	4	4	3½

Note.—Rate for bankers' acceptances, 2½% to 4%.

The sterling exchange situation is without new feature. Rates have hardly varied during the week and there appears no prospect of the re-establishment of anything like a free market, in which demand and supply shall be the dominating factors, until peace has been secured. If anything, the position, since our own Government entered as an active participant in the war, has become even more arbitrary. The Treasury Department, aided by the Committee of Foreign Exchange Bankers, whose formation we referred to in our issue of April 21, is watching closely the outward movements of gold. They will satisfy themselves that such exports will not benefit the enemy before permitting them to go forward. Our own country is merely getting in line with other belligerents in this respect, England, France, Russia and Germany having long ago taken steps to conserve their supplies of the precious metal. This week's shipments of gold have included \$5,765,000 to Japan, \$1,178,000 to Spain, \$500,000 to South

America, \$400,000 to Cuba and \$10,000 to Mexico, making a total of \$7,853,000. There were no importations.

Dealing more specifically with detailed quotations, sterling exchange on Saturday, comparing with Friday of the preceding week, was firm, with demand quoted at 4 75 9-16@4 75 5/8, cable transfers at 4 76 7-16 and sixty days at 4 72 1/8. On Monday trading was dull and featureless, though rates were well maintained; demand bills ruled at 4 75 55@4 75 9-16, while cable transfers remained at 4 76 7-16 and sixty days at 4 72 1/8; the fact that no mail steamer was scheduled to sail before the end of the week served to accentuate the prevailing dullness. Very little business was reported on Tuesday and quotations were not changed from 4 76 7-16 for cable transfers and 4 72 1/8 for sixty days; demand ruled at 4 75 9-16. Wednesday's dealings were as dull as ever and sterling rates continued pegged at 4 75 9-16 for demand, 4 76 7-16 for cable transfers and 4 72 1/8 for sixty days. Trading was again at a low ebb on Thursday and quotations were held at the previous day's levels. The recent granting of extensive credits to the British Government has undoubtedly had much to do with the diminution in the inquiry for exchange. On Friday the market ruled quiet and steady. Closing quotations were 4 72 1/8 for sixty days, 4 75 55@4 75 9-16 for demand and 4 76 7-16 for cable transfers. Commercial sight finished at 4 75 3/8, sixty days at 4 71 3/8, ninety days at 4 69 3/8, documents for payment (sixty days) at 4 71 1/8 and seven day grain bills at 4 74 5/8. Cotton and grain for payment closed at 4 75 3/8.

The Continental exchanges have experienced another week of severe dullness and inactivity. Dealings have been largely professional in character and limited in volume, although the tone generally speaking was firm and in some cases slight net advances were recorded. Attention still centres to a considerable extent upon Russian affairs. Despite the improvement in sentiment at the close of last week which resulted from the announcement that the United States Government had decided to extend an immediate credit to Russia, further evidences of unsettlement and a renewal of the political discord between the various factions that has so persistently dominated the situation and hampered progress there, presented themselves, inducing fresh uneasiness and a disinclination to risk extensive commitments. Exchange on Petrograd moved irregularly and continues to reflect the kaleidoscopic rumors from time to time put forth. Fluctuations, however, did not assume the sensational features of recent weeks and for the most part the quotation was fairly well maintained. Lire ruled easier at the close, while francs were firm and higher. Trading in these was without specific activity, and presented no new feature. No transactions in German and Austrian exchange are being put through and quotations are unobtainable. The sterling check rate on Paris closed at 27.18, the previous close. In New York sight bills on the French centre finished at 5 71 3/4, against 5 73 1/8; cables at 5 70 3/4, against 5 72 1/8; commercial sight at 5 73 1/8, against 5 74 1/4, and commercial sixty days at 5 79, against 5 78 1/2 the preceding week. Reichmarks no quotations. Kronen no quotations. Lire closed at 7 02 1/2 for bankers' sight bills and 7 01 1/2 for cables, against 7 01 1/2 and 7 00 1/2 a week ago. Rubles, after declining to

27.40, rallied and finished at 27.55, which compares with 27.75 last week.

In the neutral exchanges very little business is passing, though here also the tendency was towards higher levels. Swiss exchange was exceptionally firm, showing an advance for the week of about 4 points, though no specific reason was assigned therefor. Scandinavian rates were strong and likewise registered fractional gains, while guilders ruled firm and higher. The improvement was attributed, however, to a limited supply of commercial offerings. Bankers' sight on Amsterdam finished at 41¼, against 40⅞; cables at 41 5-16, against 41 1-16; commercial sight at 40 11-16, against 40 9-16, and commercial sixty days at 40⅞, against 40¼ a week ago. Swiss exchange closed at 5 08¼ for bankers' sight bills and 5 07½ for cables, comparing with 5 12½ and 5 11½ a week ago. Greek exchange (which is still looked upon as neutral) closed at 5 04, against 5 00 a week ago. Copenhagen checks closed at 28.55, as compared with 28.40. Checks on Sweden finished at 29.95, against 29.75, and checks on Norway closed at 29.25, in comparison with 29.20 on Friday of last week. Spanish pesetas finished at 22.10. This compares with 21.85, the previous close.

The New York Clearing House banks, in their operations with interior banking institutions, have lost \$1,437,000 net in cash as a result of the currency movements for the week ending May 25 1917. Their receipts from the interior have aggregated \$8,967,000, while the shipments have reached \$10,404,000. Adding the Sub-Treasury and Federal Reserve operations and the gold exports, which together occasioned a loss of \$54,640,000, 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 \$56,077,000, as follows:

Week ending May 25.	Into Banks.	Out of Banks.	Net Change in Bank Holdings.
Banks' interior movement.....	\$8,967,000	\$10,404,000	Loss \$1,437,000
Sub-Treas. and Fed. Reserve oper. and gold exports.....	26,396,000	81,026,000	Loss 54,640,000
Total.....	\$35,363,000	\$91,440,000	Loss \$56,077,000

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

Banks of	May 24 1917.			May 25 1916.		
	Gold.	Silver.	Total.	Gold.	Silver.	Total.
England.....	£ 55,075,420	£	£ 55,075,420	£ 60,032,286	£	£ 60,032,286
France.....	129,416,605	10,280,000	139,696,605	189,220,000	14,097,000	203,317,000
Germany.....	126,654,850	1,087,300	127,742,150	123,142,000	2,050,000	125,192,000
Russia *.....	147,659,000	12,109,000	159,768,000	163,030,000	6,038,000	169,068,000
Aus-Hung.....	51,378,000	13,140,000	64,518,000	51,378,000	12,140,000	63,518,000
Spain.....	29,091,000	85,839,000	39,844,000	30,435,000		70,379,000
Italy.....	33,944,000	2,627,000	39,571,000	40,530,000	3,983,000	44,513,000
Netherl'd.....	49,636,000	585,200	50,221,200	44,857,000	192,000	45,049,000
Nat. Bel. h.....	15,380,000	600,000	15,980,000	15,380,000	600,000	15,980,000
Switzerland.....	13,688,400		13,688,400	10,285,800		10,285,800
Sweden.....	10,792,000		10,792,000	9,166,000		9,166,000
Denmark.....	9,595,000	131,000	9,726,000	7,753,000	207,000	7,960,000
Norway.....	7,165,000		7,165,000	6,127,000		6,127,000
Tot. week.....	706,463,275	69,550,500	776,013,775	760,945,086	69,742,000	830,687,086
Prev. week.....	709,261,817	69,367,200	778,629,017	760,293,347	69,651,400	829,945,247

* Gold holdings of the Bank of France this year are exclusive of £81,349,616 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. On the latest reported date, the amount so held, £211,888,000.

c July 30 1914 in both years. h Aug. 6 1914 in both years.

THE AMERICAN PEOPLE AND THE WAR.

The movement of events, since the United States entered the war, has repeatedly shifted the position of things so rapidly as to make it difficult to measure either results or tendencies. The prevalent idea among our people, when war became imminent at the end of March, undoubtedly was that our direct participation, whether as active combatants or through restrictions on the ordinary habits of Amer-

ican citizens, would be greatly limited by the necessities of the case. Our assistance through financial advances, naval co-operation, and the forwarding of supplies, was taken for granted beforehand; yet even in these directions, the scope and magnitude to which our national plans have already developed were certainly not foreseen. There are already indications that our advances to the Allies will be made in aggregate amounts per annum surpassing the yearly payments of England to her own allies and colonies thus far in the war. The increase of annual taxation as proposed in the House bill would be nearly as great as the increase made in England's annual taxation during two and a half years of war. The program for building new ships, though its scope was greatly overstated a fortnight ago, promises, nevertheless, to supersede all other requisitions on our industries. Our navy's destroyer fleet, of whose readiness for service no one knew, appeared in European waters barely one month after war was declared.

But these things make up only part of the changed prospective. The plan for a selective draft for the new army, which had been regarded in many quarters as a doubtful proposition when first discussed, became a law on Friday of last week, only five weeks after Congress declared war. Registration for the draft will be called for on June 5, and 500,000 men are expected to be in training by September. Discussion of an immediate expeditionary force to France, deprecated at first, because of belief that the necessary transportation facilities could not be spared from the work of carrying food and munitions, has suddenly taken official shape in the announcement regarding the prompt dispatch of 25,000 regulars under General Pershing.

The extravagant rise in the price of wheat and other grains, though due immediately, not to home speculation for the rise but to excited and ill-regulated bidding against one another in the market for future delivery by European Governments, has been followed by voluntary regulation and partial suspension of dealing in futures. This, in turn, has led to the "Food Bill" in Congress, giving the widest powers to the President and the Food Administrator, not only to prevent hoarding and regulate distribution, but under certain conditions to fix both maximum and minimum prices, to prohibit methods regarded as wasteful, or to restrict altogether the use of food-stuffs in manufacturing alcoholic liquors.

The effect on the public mind of so rapid, so far-reaching, and in many ways so unexpected, a change in surrounding circumstances, was bound to be bewildering. It is certainly not less so from the fact that while, as we have hitherto pointed out, the new problems of the moment in Europe are political, those of the United States are at present much more largely of a military nature. This will inevitably be true in increasing measure, as our plans for actual participation in the war mature.

Assuming that transportation facilities could properly be spared, the plan for a regular expeditionary army had much to recommend it. The sentimental influence of the appearance at the European battlefronts of American divisions under the American flag was itself by no means to be ignored; yet even that is superseded by the importance of study on the spot by our own educated soldiers, of European military methods, discipline, training and tactics. Beyond this, the fact that the utterly inadvisable

attempt of Colonel Roosevelt to get himself appointed at the head of an irregular volunteer expedition of the sort should now have been swept aside, is fortunate.

Such an expedition, whatever the individual plans and purposes of its organizers, could not possibly have failed to be surrounded from start to finish by an atmosphere of the spectacular, if not indeed by the atmosphere of politics. The incident was in fact a curious illustration of our excitable way of proposing and sometimes doing things in America; for every principle which had been set up as indispensable in our new military program would have been overturned, had the Government yielded to the clamor for the "Roosevelt army." The "special unit," the volunteer divisions organized by individuals and primarily responsible to them, the general appointed, not because of military experience but because of political reputation or personal popularity—all these were among the old-time practices denounced as demoralizing when the Army Bill was passed, and all would have been embodied in Colonel Roosevelt's division.

What the longer story of our army's direct participation in the European war will be, it is impossible to predict. The Russian episode, creating, as it did, a hysterical fear of such transfer of troops by Hindenburg from the Eastern to the Western front as should overpower the French and English resistance, occasioned some excitable discussion of our own instantaneous participation on a large scale on that front—a demand to which our War Department authorities wisely gave no heed. The date now appointed for mobilizing the drafted army indicates that no really extensive transfer of troops to Europe may be possible until the late autumn or next spring—even if two or three divisions of the National Guard should go forward earlier. Prediction regarding duration of the war long since became a futile task; yet it is at least within the bounds of possibility that the war will be virtually, or actually, over before 1918. The early winter months have thus far (as in 1916 and 1915) invariably been the period for the German Government to resume its own overtures for peace.

That aspect of the situation will itself be greatly affected by the outcome of the submarine campaign. Decrease in aggregate results from these attacks on merchant ships during the past week or two, combined with the presence of our destroyers, have revived hopes of dealing effectively with this question. Yet the loss of ships continues very formidable and the food problem may, as a consequence, be much more acute before it is really better.

The question as to the hitting on some new contrivance or invention, which may cripple submarine activities as a whole, remains. It is a question which, it hardly need be said, appeals to the American imagination and is employing the highest powers of the American inventor. It is no secret that more than one highly promising device is already under practical test by our own navy, and that the navy itself is hopeful. That the effectiveness of the hunt for submarines will be increased by this converging of fresh minds and active brains upon the problem is reasonably certain; that the whole pest will be exterminated as a result of it is far more doubtful. The task is one of immense difficulty. Yet the prize is very great, and history would at least repeat itself if it should be reserved for American

ingenuity, which invented not only nearly all the appliances used in present-day ocean warfare, but invented the submarine itself, to solve the problem of the antidote. Should this actually be done, the end of the European conflict would be appreciably nearer. It was the German Government itself which described its program of unrestricted submarine warfare as the last stake in its fight against its enemies.

PATRIOTISM TO AND BY GOVERNMENT.

The President's statement with reference to the Administration's food control program, given to the country May 20, contains the following passage:

"The proposed food administration is intended, of course, only to meet a manifest emergency and to continue only while the war lasts. Since it will be composed, for the most part, of volunteers, there need be no fear of the possibility of a permanent bureaucracy arising out of it. All control of consumption will disappear when the emergency is passed. It is with that object in view that the Administration considers it to be of pre-eminent importance that the existing associations of producers and distributors of foodstuffs should be mobilized and made use of on a volunteer basis. The successful conduct of the projected food administration by such means will be the finest possible demonstration of the willingness, the ability, and the efficiency of democracy, and of its justified reliance upon the freedom of individual initiative. The last thing that any American could contemplate with equanimity would be the introduction of anything resembling Prussian autocracy into the food control in this country."

In view of present tendencies in legislation his announcement is timely—and reassuring. We have stated our own fears of certain drastic laws that are proposed—and we have observed that the same fears are growing in the minds of the people. That the President *perceives* the dangers that threaten the people, augurs well. But, and we say it with respect, the claws concealed under this purring sound are in a preceding clause: "it is absolutely necessary that unquestionable powers shall be placed in my hands."

Why? How can they be exercised without bringing about the condition warned against? Further, why this food "administrator" working (wholly) with volunteers; why go to Congress for authority; why create a machine; when voluntary co-operation is to be solicited and *used*? However, we have heretofore marshalled our argument against the general application of governmental price-fixing and food (business) control. It is our purpose now to point out that the President's statement suggests a principle of even wider scope than the class of laws in question. And it is nothing less than the co-relation of people and government—their reciprocal responsibilities and duties.

It may seem anomalous to say that government can be patriotic. But government, though representative of the people, though possessing only delegated authority, is, notwithstanding, an institution—that acts. We are all conscious of the duty of the citizen toward the government he has created. Loyalty to rule, obedience to law, willing service in all the functions of statehood, pride in the purpose and power of that embodiment called The Govern

ment, these are all components in the individual's patriotism. But how can a government be patriotic, and to whom?

To answer the question briefly—our kind of a government can be patriotic by being democratic—within the limitations of a representative democracy. Patriotism is vaguely defined as love of country—that love flowering into all means of active support and service. Love of country is not only to an ideal of what a nation *may* become, but to what a nation actually is. And in any true analysis we ultimately translate the word country into people. Territory and wealth are nothing save for the people who inhabit the nation. So that patriotism upon the part of government is love and loyalty to the people. And this, too, is the whole content and extent of democracy.

We are passing through the most serious time our nation has ever known. We are engaged in the most stupendous undertaking ever essayed by organized rule. Without a single important change in the structural form of our government we are abandoning traditional policies heretofore considered inviolate, and we are engaging in processes that not only change for all time our relations to other nations, but affect no less, we fear, the economic, social and political life of the people who form that government. The exigencies of the present national endeavor are such that we cannot escape a degree of paternalism never before existent. This condition makes unusual demands upon the citizen. Can it be possible that it makes a less demand upon the government as an acting institution? If patriotism upon the part of one is required, is not the same solicitude and service required of the other? Love and loyalty by citizens to government is certainly no more incumbent than love and loyalty by government to the people!

We reach our conclusion, in advance of the argument, by saying that no matter what ideal a government may entertain, it can have none more imperative, none higher, than the welfare of its own people. And the degree in which it lives up to this principle is the measure of its democracy. And, using a common figure of speech, when stress and storm of any kind endanger the Ship of State, not only do the people come first and the crew last, but the object of the voyage, whatever it may be, must be abandoned at the precise point where its continuance endangers the passengers whose protection and safety are primal and imperative. This truth applied, declares that every act of Congress and every order of the Executive in time of war must relate itself, must become subservient, to the static conditions of the free life of our people *at home* in their customary and lawful activities. And that the measure of our democratic form of government is to be found in this freedom as an actual possession.

We cannot for the sake of an ideal, since we *are* a representative democracy, sacrifice the present for the future. Government can rightly demand nothing of the citizen it is not willing to bestow upon him. We speak, of course, of principles, as they animate what we have been pleased to designate as an acting institution. It cannot in all essentials sacrifice less than does the individual citizen. In fact, it is the citizen, enlarged, magnified, made composite. Until, therefore, its form is changed by his consent and will, it is the same government, with the same responsibilities and duties to him, in war as in peace.

We can conceive of no time when these considerations could be more important than the present. To set in the sky of national endeavor a new ideal never there before, and then use government as an instrumentality to accomplish that ideal, becomes, in so far as it sacrifices the rights and liberties of creating and supporting citizens, the antithesis of democracy. Our own people come first. And the legislative and executive departments of the Government are bound to consider them first. Also, last, and all the time—or we slip unconsciously into the rule of an autocracy, albeit one with a far-reaching democratic ideal. In the zeal of a high and even holy crusade it is easy to lose sight of this fundamental principle of our autonomy. Human rights are a matter of growth. If they have always existed, they have had to be slowly and painfully expressed. At any stage of development they depend upon admitted and established relationships. They have the guaranty of Government that they shall be inviolate by the Government itself. They cannot be changed in a day or a year. And since with us they are the result of one hundred and forty years of attainment through lawful endeavor, they are firmly fixed. To forget this fact is to forego liberty and to imperil democracy. And there is no more insistent thought that should ever be present in the minds of those who make and execute new laws.

The exercise of *power* is always a dangerous thing in a self-constituted democracy. It is part of the nature of power that it tends to pass from the specific to the general. Too often it assumes to do what the people demand before the demand has been made. Too often, conscious of its own purpose, and filled with purest motives, we may add, it depends upon a sanction that it feels should be, but which has not actually been, bestowed. Thus it tends to increase by its own exercise, one act requiring another, until, at last, it may go even beyond the privilege of the people to consent, *without a change by them of the form of government.*

Instantly, at this point, illustrations from current affairs start in the mind. We need use but one—the taxing power. Nothing is more patent than that a representative democracy shall and must maintain itself by taxation. The mode and objects of it, involved in the laying, attain in practice a wide range; automatically the property of the citizen, otherwise sacredly guarded and guaranteed as a personal right, becomes subject to the *needs of the Government for its own maintenance.* But government is not only a matter of growth, its administration is human, and subject to the imperfections of its administrators. It must, therefore, have its safeguards. And nowhere is this safeguarding of the rights of the citizens through specific direction and limitation placed upon government more strongly entrenched, more definitely stated than in the principle of taxation. No principle is more firmly established than this—that taxation cannot go beyond the purposes of maintenance—a limitation no more clearly fixed in peace than in war. And in the latter case coming under the general rule and interpretation of a maintenance involving only *defense.* The definitive measure laid upon every form of taxation and at all times is *that it shall not become confiscatory.* For it is obvious that in proportion as the State consumes the property and energies of the people it weakens the means of its own sustenance, and with confiscation in whole

destroys its own life, its means of existence. It is only necessary to say here that to take 50% of any form of private property for any purpose in one year is confiscatory, and contrary not only to the spirit but to the letter of the law in a democracy.

We pass from this to the thought that the exercise of legislative power to confer upon the executive the right to commandeer industrial integers, going businesses, by reason of the needs of government in war time, invades private and corporate rights, sustained and supported by law and fixed in popular customs and commercial conditions, and goes far beyond any reasonable demand for government-maintenance, and if it does not constitute an unwarranted seizure without compensation, which is wholesale confiscation, it is certainly an exercise of power which has no well-adjudicated background and has no adequate precedent in our past. Moreover, it is in contravention of the rights of the States under which the property is acquired and held and upon which State taxes must be laid to sustain the State Government. Certainly the national Government has no right to destroy the existence of the States by taking away their sustenance, by sequestering the property on which the State subsists! And just as certainly its very democracy requires that it protect and sustain the citizen whose obedience it seeks and commands. And just here the wise and careful statesman will hold aloof from legislation which impoverishes the nation by degrading and pauperizing the citizen.

The duty of the Government, a duty in patriotism, through its accredited representatives, to the people, our own people, at home, engaged in their life-sustaining tasks, should never leave the mind of the legislator, and is paramount to every other consideration of national aim and prestige. To forget the interests and welfare of the citizen when emergency is making its greatest demands for service and sacrifice is to defeat the object sought by the Government's latest adventure; is to change the very nature of representative democracy; and is to fasten upon ourselves the very yoke we are trying to lift from the world. Let us above every other thought strive to keep our present autonomy unchanged, until by our own deliberations and votes we do actually change it!

THE TWO BILLION DOLLAR ISSUE OF WAR BONDS.

As the country-wide campaign to secure subscribers to the initial bond issue of the war progresses we are made aware of the magnitude of the undertaking. No figures are to be given out by the Treasury Department until the final result of the canvass is obtained. Banks, corporations, and business houses are responding cordially to the endeavor, taking large blocks of bonds on their own account, and affording facilities free to the public generally that are not only worthy of praise but are productive of the greatest good. It seems almost certain the loan would fail without the assistance voluntarily given by these indispensable factors of our national life. Other independent organizations are lending aid, and there will be no lack of information and education. But when all is said it must be apparent that the imminent danger which other peoples have been sensible of is largely wanting in the United States. And we are disposed to the belief that a certain amount of the so-called apathy

in certain sections of the country is attributable to a sense of the remoteness not only of the war but of its ultimate issues.

If this be true, to rely too much upon an appeal to sentiment, where there is no deep and thrilling conviction, may not prove to be the wisest course. Yet, after all, sentiment *must be* a moving influence with the small subscriber, for he of all others is not able to invest his savings in low interest bearing bonds. In many sections of the country, with the most elementary knowledge of investments, countless ways of local buying and selling, and local loaning will disclose a higher return. There are vast areas of the country where the savings bank as a distinct institution does not exist. The comparative rate between savings bank dividends, as known to a large city's population, and the rate of the bond, is without bearing or interest. Yet there is an argument that holds always and everywhere, and it is that as a form of investment this one is above all others absolutely safe. A judicious combination of sentiment and saving would seem therefore the best argument. We cannot hope to add anything to the numerous reasons that are being put forth to induce subscriptions, but the average citizen of small means would doubtless respond to an appeal somewhat like this:

Help the Government while helping yourself! Turn your small economies into a war bond; and make your debt to your country an added credit item in your own personal wealth. You have now a double incentive to save. A like opportunity has never occurred before—the whole world sincerely hopes it may never occur again. The war may be a long war—if your savings are placed in a war bond they are free from taxation, which will become increasingly heavier as the war goes on. Unless the whole world becomes bankrupt, the bond is as good as gold. No other national bond to-day is equally well secured. Interest will be paid promptly—the Government never defaults in its fixed charges, and all its taxing machinery may be invoked to pay the bond coupons when due.

At all times the bonds will be good security at the banks for a loan, and thus they become the basis for a subsequent business venture, or they will furnish you funds for any personal emergency need which may occur. No other form of property is more readily convertible into cash. Do not let the rate of interest deter you. If peace were to come to the world to-morrow these bonds would likely in a few years bear a premium. As it is, it is almost a certainty that other issues will be offered. With no market at the present time for United States bonds anywhere except in this country, it is a most reasonable assumption that subsequent issues will bear a higher rate. Your bond is convertible by its terms and the promise of the Treasury to this higher rate, without lessening the time to run. An investment in these bonds is a hostage to the future, an anchor to the windward, a security against the grim effects of any and all the ills of life. The wealth of the nation, the energies of the people are behind them until they are paid. You can use them anywhere at any time to tide you over any temporary stress of business, or any sudden misfortune, that may come.

The partial payment plan which patriotism is offering through so many firms and corporations affords an easy means of acquirement, one that at-

taches to no other investment in like manner and degree. You exercise only the most elementary principle of thrift, as well as saving, when you enter your subscription for at least one bond. You should however cast up your own earnings and obligations in life, and take as many bonds as you are reasonably certain that you can pay for, and yet conduct your other affairs in the usual manner.

None of these personal considerations militate against or detract from the service you are performing for the country. You have full right to felicitate yourself upon the good you are doing—sometime and somewhere in the world, it is hoped, life will be sweeter, joy more abundant, and human freedom more firmly fixed, because *you* bought a bond. Somewhere a hundred dollar bond may change a tear into a smile, bring the glow of new life to childhood or age, light the fire in a deserted home—because the war was sooner ended, and a husband and father has come back to labor for loved ones.

The die is cast; our participation in the conflict is fixed. The common thought should be to make that participation conducive to the greatest good and to the most speedy termination of the awful havoc. Unless all the asseverations of the President and Congress are wrong, this will be the aim, and this should help to bring the end. Soldiers of peace must support soldiers of war. They may not do more, they should not do less. You are a citizen of your country. You should abide by its decisions whether in accordance with your personal views or not. Come what may it is your duty to support your own nation in its endeavors. These loans feed the hungry as well as strengthen the soldiery. They are therefore in line with the dictates of your conscience. They appeal to the most humane instincts, despite the awful reality of war. There is no good reason why you, and every citizen, may not add one name to the list of subscribers.

THE MEETING OF RAILWAY OWNERS.

The call for a meeting of owners of railway securities brought together in Baltimore on Wednesday some 400 men, said to represent directly more than 3,000 millions in those issues, the indirect representation of course being still larger. The declaration of principles adopted correctly says that the railways are the greatest business organization existing and that agricultural and industrial efficiency depends upon them. Through a long course of years, proceeds this declaration, "a state of mind has been created which seems to forbid the fair consideration of questions of vital consequence to the railroads and to those who have invested their money in these securities; the present-day owners of these, representing millions of our citizens, should be considered in the settlement of these questions and not made responsible for the acts of a few men who may in the past have profited at the expense of the properties they represented."

This is a statement of great mildness. So far as a hostile feeling towards railroads still persists in the public, it grows out of the notion (at the bottom of the demand for a physical valuation) that the roads are overcapitalized and are seeking dividends on water. Even more hurtful is the delusion of the senses which makes a road seem, in a vague way, to be oppressive in disposition and beyond danger of suffering serious injuries itself, because it is phy-

sically big. The most injurious factor, because the one apparently last to reach and hardest to remove, is indifference, since people do not realize that the railroad touches them except when they pay fares and freight bills to it and do not see their own indirect ownership in it.

It is because of this indifference in the public that arbitrations on the recurring demands of railway employees for wage increases and hearings upon petitions by the roads for the rate increases which alone can keep them living and growing are so one-sided. The employees make their demands; the shippers (or some of them, it should always be noted) appear in protest against any rate increase; the public stay aloof and exhibit neither a sense of concern nor a realization of having any interest in the whole subject.

Five men, says the report of the Baltimore meeting, will be appointed to represent the organization before the Inter-State Commission "and will present appeals for such action as necessary to stabilize the securities of carriers." The action necessary for this purpose and for the equally large and lasting purpose of making transportation efficient in the present national struggle has already been set forth by the railway executives, and nobody has attempted yet to seriously dispute their showing. It is now for this latest attempt at rallying and making coherent the ownership and concern in the welfare of railways to show the Commission that the millions really interested are beginning to realize the interest. It is to be hoped that the men who have procured this meeting are thoroughly in earnest, and that they will impress their earnestness by presenting before the Commission the hitherto unheard side. They have a further work before them in keeping at the duty of seeing that the newly-awakened public interest shall not languish.

THE LABOR PROBLEM IN THE SOUTH.

[From a correspondent at New Orleans.]

The announcement from Washington that the actual drafting of men for the new army under the conscription Act will not take place until Sept. 1 has proven welcome news to the cotton planting interests of the South. It is not generally known, but is a fact nevertheless, that the supply of labor in the South has already been materially reduced by the exodus of a large number of negroes to manufacturing centres of the North. Statistics now available show that over 300,000 of the negro population of the South have left that portion of the country within the last eight months. The loss in Southern population from this cause is divided by States as follows:

Virginia, 49,768; Georgia, 48,879; North Carolina, 35,376; Mississippi, 35,291; South Carolina, 27,560; Arkansas, 23,528; Tennessee, 22,632; Kentucky, 21,855; Louisiana, 16,912; Florida, 10,892; Texas, 10,870; Oklahoma, 5,386.

These figures, as given out by James W. Poe, President of the Colored Citizens' Patriotic League of Richmond, Va., do not, for some reason, include the State of Alabama, from which the exodus of negro labor, according to reliable advices, has been fully as large as that from Georgia. Incomplete as the statistics appear to be, however, they show conclusively that there is a strong tendency to shift the negro population of the South to the North, and hence the problem is a two-sided one, that affects both sections of the country.

Most of the negroes that have left the South have sought employment in the "war" plants which have grown to large proportions since the European struggle broke out in the summer of 1914. The promise of much larger wages than were being paid in the South was the attraction that drew this class of labor from the fields of the South. The Defense Council of the State of Georgia has proposed that the Federal Government, as a war-time measure, should step in and deal with this problem, but there appears no sound reason why the national authorities should interfere in an economic adjustment of this sort. In its final analysis, the problem is an economic one, and can be solved if Southern planting interests will pay the better wages which present conditions justify. When cotton was selling at 8 and 9 cents per pound, the present scale of wages on Southern plantations may have been reasonable compensation; but with cotton selling at 20 cents and above per pound, a higher scale of wages for the man who works the fields of the South must be put into effect, or that section will have to face further inroads into its available supply of labor. Should the Federal Government draft a large proportion of negroes for the army from the agricultural districts of the South, the labor problem in that section would become acute.

It is to be hoped that the interests vitally concerned in the South will approach this problem in the spirit of justice and fair play, and will establish a scale of wages that will induce the negroes to remain at home, where climatic conditions are more suited to their nature and mode of living. According to Coroner's Physician Joseph Springer of Chicago, thirty-five to forty negroes from the South are dying monthly in Chicago, and he has appealed to the authorities and business men to stop the importation of this class of labor to Northern States. Let the South lead off in the solution of this problem, and there will be no lack of co-operation on the part of other interests concerned in the matter.

CANADA'S SHIPBUILDING ACTIVITY.

Ottawa, Canada, May 24.

Approximately thirty million dollars has been made available during the past twelve months for building ships in Canada. Five million dollars worth of wooden vessels are now under way in British Columbia. Ten millions have been placed by the Dominion Government at the disposal of the Imperial Munitions Board for wooden vessels to augment the British merchant fleet. Forty-eight wooden and steel ships of from 150 to 1,500 tons are being built at the present time by private enterprise in the maritime Provinces, mostly for the Munitions Board.

This summary of Canadian shipbuilding activities is gauged very largely by war-time necessities and opportunities. British Columbia, for example, to take care of its own export trade was obliged to bonus shipbuilding by lending 35% upon vessels built in the Province and used for provincial trade, plus a bonus for ten years sufficient to bring the net earnings of a ship up to 15%. The Imperial Munitions Board has gauged its wooden ship program by the submarine losses, and the private maritime Province builders are seeking some of the abnormal profits for ocean and river carriers.

What will happen after the war when British shipbuilding enterprise reaches out after the world's orders engaged the earnest attention of the House of

Commons this week and some important news became public. The Minister of Finance frankly asserted his belief that subsidies might be necessary to encourage builders to maintain their present production. By collaboration with the British authorities a standard type of wooden ship had been agreed upon, and orders of the Imperial Munitions Board would be confined to that type chiefly. Steel ships had been ordered from Canadian yards aggregating more than 160,000 tons and would tax the country's capacity for such ships well into 1918. The biggest ships being produced were from seven to eight thousand tons, but the Controller of Shipping for the British Government had expressed a preference that in future three thousand tons ought to be the standard for Canadian yards. Of wooden ships, nothing less than 2,500 tons was required.

Outside of the orders for steel ships already placed, there can be no extension of orders at the present time, owing to the scarcity of steel. The entire output of steel from the Dominion Steel Corporation has been contracted for by the Imperial Munitions Board up to the middle of 1918 and the chances are that this contract will run into 1919. While from 25 to 30 steel vessels are understood to be on the ways in Canada, future construction will have to rely mostly upon wooden materials and as British Columbia timbers have distinct advantages the bulk of building will probably be upon the Pacific Coast.

WIDENING THE CHANNEL THROUGH HELL GATE.

The House Rivers and Harbors Committee has reported in favor of increasing to forty feet the channel through Hell Gate which the pending bill had made only thirty-five. Navy yards and dry docks are more than mere appliances of war-making and will be needed as long as navigation continues. The water along the east side of this island is conventionally called a river, but it is an estuary, a natural canal which fulfills the best function of a canal by joining two great bodies of water. It is, however, a natural canal defective in its ends, one of which has been artificially improved somewhat (although not yet quite enough) while the other has been less improved although naturally more defective. It is a canal with only one end open, as respects the deepest hulls, and if the direct entrance were blocked by some treachery such as the bridge patrol is intended to prevent, the navy yard would be mainly out of use. Viewed as a war measure, the greater depth is a necessity which should require no urging, yet Secretary Daniels has lately written to the committee that a forty-foot depth (as proposed in the bill) for the main approach and the like depth through the Gate would practically double the strength of our fleet in the Sound, since the exits at Ambrose Channel and at Montauk are so far apart that "it would take double the force to contain our fleet in those waters in order to guard the inlets at both of those points to prevent the egress of our fleet."

This is the view as a war measure, but the value of a deeper channel through the Gate is only less as a measure of peaceful commerce, for thereby a large area fit for industrial and trade improvement would get more efficiency.

But only four months ago, while the country was still the "great neutral" and had not given up expectation of remaining so, Congressman Hulbert of this

city was pointing out to the Chamber of Commerce the needs of the nation through this port, dwelling particularly upon neglect to properly improve this very "river." Fifty years ago there was to be a channel 26 feet deep, but while the work of making it dragged along the draught of ships increased, and in 1912 the work was abandoned as "economically unadvisable," less than two-thirds of it having been done. Then a 35-foot channel, to cost about 13½ millions, was recommended, and in 1915 some provision was made for removal of the Coenties reef; last year, Mr. Hulbert obtained a start upon a 35-foot channel as far as the navy yard, and at the last session of Congress he tried to get a provision for deepening the upper entrance to the same, thus making a sort of Kiel Canal. The item dropped out of the bill in conference, but now, under the stress of the war situation, it has come up anew.

The obstacle is the old one: the notion that this city belongs to itself and its commercial facilities and expenditures thereon are for local benefit. The post office here has always been treated niggardly, as being a local matter; so has the custom house; so have all propositions for harbor improvement. The assumption has been that this city was asking for itself and ought not to have more than its "share." On the contrary, this is a great entrepot and commercial exchange for the nation; its private property is individually owned, as elsewhere, but even that property is in a very broad and just sense an asset of the nation and in the nation's service. Three years ago, while speaking on behalf of the breaking up of the Coenties reef down to 35 feet at low water before the new subway tube was carried (to its danger unless the work were done in time) under the reef, Mayor Mitchel told the House Committee that in 1913 46% of all foreign commerce passed through this port, yet the State was getting only 6 2-3% and the city only 2% of the total appropriations for river and harbor improvement. The exact proportion does not greatly matter. The fact is that this city is both a national asset and a national agency, and that what is expended by the nation upon it goes to improving its efficiency as an instrument of the nation; moreover, if one is to speak of "shares" at all, the share this city gets is no more than its just proportion of national progress and is not to be measured as a percentage of the appropriation expended here to the total appropriation for river and harbor purposes.

It should be impossible, in the situation of to-day, for continuance at present of the archaic and selfish methods by which, we are officially told, 180 millions have been wasted on needless public buildings in the last twenty years, because a great bunch of bills for local expenditures have been put into one logrolling scheme instead of taking up each case separately, to be dealt with according to its own merits or demerits. Yet "pork" bills may appear, for there is no guarantee against them, so long as the principal duty and test of a Congressman at home remains (in the words of Mr. Hulbert) "securing an appropriation for every improvement in his district that can be made at Federal expense." So long as it is held to be a chief governmental function to collect great sums by tax and redistribute them for local fructification, according to some scheme of sharing, the parts of the country which contribute least to the tax fund will be sharpest and least scrupulous about grabbing for the redistribution.

Whoever believes in the existence of a Power above men, a Power that has a definite and consistent and unconquerable plan of evolution, must believe that this awful struggle of the world enters into that plan. Democracy, unification of nations, some lessening of selfishness which shall outlast the struggle, some more permanent force in what we now feel unusually as a patriotic fervor—is it not rational to count upon this as among the compensations to be offset against the almost unspeakable cost? If this nation is now to join in war as in a great game in which each player aims to do his best and is willing to accept sacrifice, then we should expect to emerge from it upon a higher level. We are in course of learning much, by some painful errors, about government, and about both personal and political economy. We cannot continue divided into "classes." We cannot continue the hostile alignment between capital and labor. We must find some common ground on which to get together and stay together. We must cease to be "sectional." We must grow into regarding the whole country, in a new sense and degree, as belonging to the whole people.

THE PROPOSED NEW YORK CENTRAL BRIDGE BELOW ALBANY.

Among the thirty-day measures in the hands of Governor Whitman is the Welsh bill, pushed through in the customary rush in the last hours of the session, when desirable propositions frequently fail and undesirable ones perhaps more frequently slip through without due thought. This bill would repeal the law of the Legislature of 1913 allowing the N. Y. Central to build a bridge over the Hudson at Castleton, ten miles below Albany, and to set a pier in the stream. The road's plan includes a double-track line from the proposed bridge almost directly east to the Boston & Albany at Van Hoesen station and a somewhat longer line northwesterly to join the West Shore at Feura Bush station. This would make a better route for through freight between New England and New York and the West, and avoid the congestion at Albany and the present grades.

The advantages of this new cut off and "connecting" road are obvious. All travelers east or west through Albany are aware of the grades between the Capital and Schenectady, especially the heavy one between Albany and West Albany. To surmount this rise is a burden on westbound passenger trains, and involves breaking-up and re-joining of long freight trains. It is estimated that the change would cut several days off the time on through freights, and there would be a favorable effect on passenger travel also by lessening the congestion at Albany.

The War Department issued the permit for the bridge on the 2d of this month, and the work was about to commence when the obstructive bill which would compel a bridge without a pier or an indefinite delay was slipped through. What good objection Albany could have to allowing through freight to cross the river at a point farther south is hard to conceive, especially as that city must profit by the facilitating of passenger traffic, and no good objections were raised at the hearing on Tuesday. No complaint was made against the bridge itself, which would be quite sufficiently elevated, but it was alleged that the pier would obstruct navigation by ice-jams and floods and would tend to defeat plans for a ship canal through the river. The bridge at Poughkeepsie has

not seriously disturbed navigation, and its piers are "incomparably more obstructive" than the pier of the Castleton structure would be, according to the War Department. If anybody has a notion of such heavy river traffic hereafter as shall make Albany a seaport, something might be said on behalf of Troy also, or is the head of river navigation (in dreams) to be up nearer Glens Falls?

The cost of the proposed two-span bridge was estimated at \$4,670,000, against \$7,330,000 for a single span; this was on the basis of former prices, and would be very considerably greater now. The Central road urges that the greater cost of a single span makes the whole improvement economically impossible; but even if the work would proceed notwithstanding, what justification is there for subjecting the road to a needless outlay? With all the burdens now lying upon transportation, with existing facilities inadequate to demand in the last two years and more so now, and with rolling-stock overworked and about to be even more so in order to afford needed aid to the roads in France, every economic as well as military consideration suggests lessening the difficulties in freight movement.

This later "connecting railroad" seems so clearly in the interest of the whole country and the opposition to it so merely obstructive that Governor Whitman might well withhold approval of the bill, even without passing on the legal point that bridging navigable water is a matter wholly within Federal jurisdiction.

THE FEDERAL RAILROAD VALUATION AND WATERED STOCKS.

It is now more than four years since Congress passed the so-called "Valuation Act," which was, in reality, an amendment to the Act that created the Inter-State Commerce Commission. Under its provisions the Commerce Commission was instructed to report to Congress on the "value" of the entire railroad property in the country, aggregating upwards of 250,000 miles of line. This was, indeed, a stupendous undertaking, having no parallel, or anything like a parallel, in the history of railroading.

That Congress intended to be fully informed about the railroads is evidenced by the language of the amendment. Under it the Commerce Commission is instructed to ascertain and report in detail in respect to each individual piece of railroad property; the Original Cost to Date, the Cost of Reproduction New, and the Cost of Reproduction, less Depreciation. Also, an account of other elements of value (intangible assets), if any are found. The Commerce Commission was also instructed to ascertain and report in detail in respect to the financial features of each property; the amount and kind of stock and bonds that have been issued and the manner and terms under which they were gotten out; an account of all syndicating and underwriting of securities; an account of all brokerage arrangements entered into in the process of floating, financing and re-organizing the properties. The instructions contained in the Act to the Commerce Commission were so clear and so much in detail in describing what was intended to be accomplished under the Act, that, if fully and conscientiously carried out, it would furnish a vast amount of information regarding the inner history and workings of the railroads. It would, however, furnish little or no information as to "value."

It is needless to say that the railroads, organizing as a whole, fought this measure tooth and nail. They could see no good that would be likely to come from such an undertaking. They knew the uselessness of trying to arrive at "value" by such methods. They have been consistent, too, in that they have never ceased to fight. Many others as well, who were in favor of the valuation work, have now altered their minds, for they can see, as the railroad people did at the start, the futility of ever bringing this enormous undertaking to a successful conclusion, at a cost that would be anything like commensurate with the utility of the work. They now see, as the railroad people saw from the beginning, that, instead of costing 3 or 4 million dollars, as was estimated by experts at the outset, it will cost, if ever finished, nearer 20 times this amount.

The advocates of the bill claimed that the work was needed—

1st. To enable the Commerce Commission to more readily and equitably adjust freight and passenger rates so that a "fair return" (and no more) might be realized by the roads on a "reasonable valuation."

2nd. To enable the Government to see whether or not the railroads were over-capitalized and to guard against this contingency in the future.

3rd. To furnish accurate and reliable statistics of cost in detail for use in case of the Government taking over the lines (nationalization).

As to the first, all students of railway economics agree that a "physical value" of a railroad property has no connection with the rates it should charge for carrying freight or passengers.

As to the third, should the United States Government ever seriously contemplate permanently taking over the railroads, the physical valuation of their property would or should have little weight in determining the price that should be paid for them. The value of a "going" property or business, be it a railroad or a cheese factory, is not what it cost, nor what it would cost to reproduce it, but the amount that a buyer who is willing to buy will pay to a seller who is willing to sell. This is logic, common sense and sound reasoning the world over, and no amount of "physical valuing" can alter the laws of barter and trade, as old as the world.

As to the second, it has long been held by the "public" that the railroads are grossly over-capitalized. This idea has become a deep seated conviction of nearly every one except those who really knew the inside workings of the railroads, and of those who were capable of seeing beyond the surface. This idea became an obsession and found expression in a popular demand that the "truth" be known; and the truth was expected to be found by making a "physical valuation." To our mind this was the real and actuating motive behind the valuation demand.

Over-capitalization means "watered stocks." To be sure, there has been watered stock in nearly every railroad that ever was built. How else could it ever have been done? Capital does not embark in railroad enterprises for philanthropic motives. It goes about railroad building actuated by the same motives as when engaging in any other business enterprise; for the profit there is in it. In past years, during the period when the bulk of our great railway mileage was constructed, the laws of the States in which they were operating permitted this practice, or at least, winked at it. Watered stock; stock given to promoters and projectors of railway

enterprises for their services in promoting, was freely made use of. Watered stock, given as a bonus to original investors in bonds—to those who staked their money in an untried enterprise—was freely used; otherwise no incentive would have been had. If, at the inception of a railroad enterprise it were possible to offer an investor only a prospective 5% or 6% return for his money, he would not consider such a proposition. He would, instead, invest in some proven, seasoned business where the element of risk was lacking. The original investor needed the added inducement of bonus stock, watered stock, to secure his backing. The promoter (and the word is used here in its best sense) needed his bonus stock, watered stock, in order to obtain the benefit of his skill and genius for organization. Watered stock was his pay, and it was pay in coin that would be valueless unless the venture proved successful.

The advocates of valuation do not seem to appreciate that watered stock represents any value being rendered by the receiver. The reverse was the case, however, in the majority of cases.

But of what value is it, at this late day, to know whether or not the roads are over-capitalized? Whether or not there is still any water in the stocks? Is this bit of information worth \$60,000,000? Suppose it were proven that there is a vast quantity of "water" in these stocks, what use can be made of the knowledge? It is of no avail to lock the door after the horse has been stolen. Every railroad that is now operating was built under the laws and in conformity with the regulations of some one of the States. Every share of stock that has been issued was issued in conformity with the regulatory supervision of such authority. In other words, the stock has all been legally issued. In amount, it cannot be reduced. No legislative body has the power or the right to do this. Such action would be tantamount to confiscation, and this is contrary to the Constitution under which we live.

But the "water" in the stocks has long since evaporated. This has been demonstrated over and over again to the satisfaction of all who really want to know the truth of the matter. For those who do not want to know the truth there is little hope, for there are none so blind as those who will not see. The water that was once so much in evidence in the railroad stocks has long since been squeezed out. The railroad companies themselves have done this by their policy of making improvements and betterments out of earnings rather than by issuing new capital securities. The squeezing has been going on automatically, too, by the gradual accretion that is constantly taking place in the value of the road-bed, terminals, lands, franchises, &c., due to the building up of a territory by the operation of its service. This accretion is sure to take place in the case of every property that continually operates at 100% efficiency as most of our trunk lines do. It is self-regulatory, automatic and sure.

In other words, the railroads have "caught up."

The railroads will eventually emerge from under the over-regulation and the multitude of difficulties that have beset their path for so many years and will again appear before the public in their proper light. Any system of regulation of an economic question that fails to take into account the laws of economic progress is destined to ultimate failure. The logical operation of economic laws will prevail over man-

made laws and, sooner or later, human intelligence will recognize this, and the re-arrangement that will take place will be by adjusting the laws to the economic conditions rather than by adjusting economic conditions to laws. Already there are signs that such an adjustment is beginning to take place. After years of persecution the pendulum has begun to swing the other way.

Railroad securities, when proper discrimination is used in selection, are among the best forms of investment. "Physical Valuation" will have little or no effect on this condition. The wise investor knows this and is not interested in the work. He looks with suspicion on it because he believes it is not being fairly done, and even if fairly done he sees that it will not help him in determining the "value" of any of the securities in which he is interested. He looks to the "market" quotations for this information. Here, to his mind, is the place to look for "values." He has ceased to be interested in knowing whether the stock in which he is investing contains "water" or not, for he has learned the practical impossibility of determining this fact, and has lost faith in those who have told him it can be done.

THE TREMENDOUS PRODUCTION OF STEEL IN THE UNITED STATES.

The official statistics of steel production in the United States for the calendar year 1916, as compiled by the American Iron & Steel Institute, have been made public this week, and they present a record even more marvelous than that in the case of the country's iron production. These statistics come the present year much earlier than usual and they are issued, too, in a very comprehensive and complete form, recalling the work of the late James M. Swank as General Manager of the American Iron & Steel Association at Philadelphia, who was the pioneer in the collection and compilation of the iron and steel statistics of this country. Of course the output of iron and steel is now on a much greater scale than during Mr. Swank's time, and data are collected concerning many items and articles never previously covered in the annual returns. The present co-called Statistical Bulletin relates not alone to the production of steel ingots and castings, but embraces most comprehensive details regarding the production of all the various finished forms of rolled iron and steel. The United States not only surpasses all other countries in its output of iron and steel, but it also excels them in the comprehensiveness of its statistics concerning the iron and steel trade and the promptness with which they are furnished.

The present official figures afford testimony to the magnitude of last year's steel production in this country. Never in any previous period of twelve months has there been such an output of steel, and never before has there been such a continuous demand for steel in all its various forms from beginning to end of the year. Neither have there ever before been such sensational advances in prices, and thus the trade had the double advantage of an unexampled production and extraordinarily high prices. These high prices did not serve in any way to check the demand or tend to diminish the urgency of the inquiry. On the contrary, if they had any influence at all on demand they served to stimulate it. Mills were taxed to the limit of their capacity and it was simply impossible to satisfy the demand, which was

continuously and uninterruptedly active (barring a brief period at the beginning of the summer) on foreign and domestic account alike, both, however, having their origin in the great European conflict.

In these circumstances constant accumulation of orders awaiting execution was the inevitable outcome. The United States Steel Corporation reported the unfilled orders on the books of its subsidiary corporations on Dec. 31 1916 as aggregating 11,547,286 tons, comparing with 7,806,220 tons on Dec. 31 1915 and only 3,836,643 tons on Dec. 31 1914. In 1917, thus far, the accumulation of orders has continued, the Steel Corporation reporting the aggregate of unfilled orders as increased still further, so that April 30 1917 the total was 12,183,083 tons. Prices, too, have advanced yet higher during the current calendar year. Taking steel billets for illustration, the price at the mills at the end of 1916 was \$60 per ton, as against \$32 at the opening of the year and only \$19 at the beginning of 1915. Since the country entered the war, advances in prices have been still more precipitate, and this week steel billets at the mills at Pittsburgh were quoted at \$90 per ton.

The statement of the American Iron & Steel Institute now at hand shows that the production of steel ingots and castings in 1916 aggregated no less than 42,773,680 tons, as against 32,151,036 tons for the calendar year 1915, and but 23,513,000 tons in the calendar year 1914, the latter a period of intense depression. The 1915 production was the previous maximum output, and as compared with that total the 1916 aggregate exceeded that figure by over 10½ million tons. The part played by the foreign demand in swelling the aggregate is seen in the fact that, taking all forms of iron and steel reported by weight, the exports for 1916 reached no less than 6,110,791 tons as against 3,532,606 tons in 1915 and but 1,638,829 tons in 1914.

At 42,773,680 tons the 1916 steel production exceeded the iron production by over 3,000,000 tons, the make of iron having been only 39,434,797 tons. As the iron is used for conversion into steel, this shows that a considerable amount of old iron and steel must have been used in 1916 and the same statement applies to the excess of the steel production over the iron production in the years immediately preceding. The following shows the yearly production of steel ingots and castings back to 1902, divided according to the processes used in making the steel:

PRODUCTION OF STEEL INGOTS AND CASTINGS BY PROCESSES.

Years.	Open-Hearth.			Bessemer.	Cru- cible.	Elec- tric.	Atte- nua- tion.	Total Gross Tons.
	Basic.	Acid.	Total.					
1902...	4,496,533	1,191,199	5,687,732	9,138,363	112,772	-----	8,386	14,947,250
1903...	4,734,913	1,094,998	5,829,911	8,592,829	102,434	-----	9,804	14,634,978
1904...	5,106,367	801,709	5,908,076	7,859,149	83,391	-----	9,190	13,859,887
1905...	7,815,728	1,155,648	8,971,376	10,941,375	102,233	-----	8,963	20,023,947
1906...	9,658,760	1,321,653	10,980,413	12,275,830	127,513	-----	14,380	23,398,136
1907...	10,379,315	1,270,421	11,649,736	11,667,549	131,234	-----	14,075	23,382,594
1908...	7,140,425	696,304	7,836,729	6,116,755	63,631	-----	6,132	14,023,247
1909...	13,417,473	1,076,464	14,493,936	9,330,783	107,355	13,762	9,183	23,935,211
1910...	15,292,329	1,212,180	16,504,509	9,412,772	122,303	52,141	3,194	26,094,919
1911...	14,685,932	912,718	15,598,650	7,947,854	97,633	29,105	2,544	23,676,106
1912...	19,841,502	1,139,221	20,980,723	10,327,901	121,517	18,309	3,553	31,251,303
1913...	20,344,626	1,255,305	21,599,931	9,545,706	121,226	30,180	3,831	31,300,874
1914...	16,271,129	903,533	17,174,662	6,230,846	89,869	24,009	3,622	23,513,000
1915...	22,308,725	1,379,377	23,679,102	8,287,213	113,782	99,412	1,527	32,151,036
1916...	29,616,651	1,798,769	31,415,421	11,059,039	129,692	168,918	604	42,773,680

The greater part of the country's steel production is now made by the open-hearth process, the Bessemer process having been on the decline, but even in the Bessemer product there was a large and noteworthy increase the past year, still leaving the Bessemer product, however, below what it was over a decade ago. In no small measure the diminution in the proportion of the Bessemer output is to be ascribed to the fact that the United States has in

recent years been turning almost exclusively to rails made by the open-hearth process and that Bessemer rails have been rapidly disappearing. The rail production in 1916, while having been larger than in 1915, and considerably above the diminutive output of 1914, did not get anywhere near the previous maximum of rail production, indicating that even under the freight congestion prevailing the railroads were slow in placing orders for rails. In brief, the rail production for 1916 was 2,854,518 tons, against 2,204,203 tons for 1915 and 1,945,095 tons for 1914, but comparing with 3,977,887 tons ten years before, in 1906. In the following we furnish a comparison of the rail production, the rail imports and the rail exports for the last seven years:

RAIL PRODUCTION AND CONSUMPTION.

	1916.	1915.	1914.	1913.	1912.	1911.	1910.
Bessemer.....	440,092	326,952	323,897	817,591	1,099,926	1,138,633	1,834,442
Open-hearth.....	2,269,600	1,775,168	1,625,851	2,527,710	2,105,144	1,676,923	1,751,359
Miscellaneous.....	144,826	102,083	95,347	157,479	122,845	7,234	230
Total prod.....	2,854,518	2,204,203	1,945,095	3,502,780	3,327,915	2,822,790	3,636,031
Imports.....	26,299	78,525	22,571	10,408	3,780	3,414	7,861
Exports.....	3,880,817	2,282,728	1,967,656	3,513,188	3,331,695	2,826,204	3,643,892
Home consum.....	2,340,468	1,891,349	1,792,966	3,052,632	2,885,222	2,405,330	3,290,712

It will be seen from the foregoing that only 440,092 tons of rails were made by the Bessemer process in 1916, while 2,369,600 tons were made by the open-hearth process. The change from Bessemer rails to open-hearth rails occurred with wonderful suddenness. Ten years ago, in 1907, only 252,704 tons of open-hearth rails were made, while the Bessemer rail product then aggregated 3,380,025 tons. Advantage is claimed for the open-hearth rail because of the fact that open-hearth steel contains a smaller percentage of phosphorus than does Bessemer steel. From this it is argued that rail breakages due to brittleness are greatly lessened. But whatever the explanation, it is obvious that overwhelming preference is now being shown by railroad managers for the open-hearth rail.

The American Iron & Steel Institute also furnishes an interesting statistical compilation showing the production in each year since 1887 of the different kinds of finished rolled iron and steel. This we produce as follows:

TOTAL PRODUCTION OF ALL KINDS OF FINISHED ROLLED IRON AND STEEL, 1887-1916.

Years.	Iron and Steel Rails.	Plates and Sheets.	Nail Plate.	Wire Rods.	Structural Shapes.	All Other Finished Rolled Products.	Total Gross Tons.
1887.....	2,139,640	603,355	308,432	-----	-----	2,184,279	5,235,706
1888.....	1,403,700	609,827	289,891	279,769	-----	2,034,162	4,617,349
1889.....	1,522,204	716,496	259,409	363,351	-----	2,374,968	5,235,928
1890.....	1,885,307	809,981	251,828	457,099	-----	2,618,660	6,022,875
1891.....	1,307,176	678,927	223,312	536,507	-----	2,644,941	5,390,963
1892.....	1,551,844	751,460	201,242	927,829	453,957	2,679,482	6,165,814
1893.....	1,136,458	674,345	136,113	537,272	387,307	2,104,190	4,975,885
1894.....	1,021,772	682,900	108,262	673,402	360,305	1,795,570	4,642,211
1895.....	1,305,135	991,459	95,085	791,130	517,920	2,487,845	6,189,674
1896.....	1,122,010	965,776	72,197	625,980	495,571	2,235,361	5,515,841
1897.....	1,647,892	1,207,286	94,054	970,735	583,790	2,497,970	7,001,728
1898.....	1,981,241	1,448,301	70,188	1,071,683	702,197	2,319,760	8,513,370
1899.....	2,272,700	1,903,505	85,015	1,036,398	850,376	4,146,425	10,294,419
1900.....	2,385,682	1,794,628	79,245	846,291	815,161	3,575,536	9,487,443
1901.....	2,874,639	2,254,425	68,850	1,365,934	1,013,160	4,772,329	12,349,327
1902.....	2,947,933	2,065,409	72,936	1,574,293	1,300,326	5,383,219	13,944,116
1903.....	2,992,477	2,699,665	64,162	1,503,455	1,095,813	4,952,185	13,207,697
1904.....	2,284,711	2,421,398	61,601	1,699,028	949,146	4,597,497	12,013,381
1905.....	3,375,929	3,632,330	64,541	1,808,688	1,090,510	6,398,107	16,840,015
1906.....	3,977,887	4,182,156	54,211	1,871,014	2,118,772	7,383,828	19,588,468
1907.....	3,633,654	4,248,832	52,027	2,017,583	1,940,352	7,972,374	19,864,822
1908.....	1,921,015	2,649,693	45,747	1,816,949	1,033,181	4,311,605	11,828,193
1909.....	3,023,845	4,234,346	63,746	2,335,683	2,275,562	7,711,506	16,444,690
1910.....	3,636,031	4,955,484	45,294	2,241,830	2,266,890	8,475,750	21,621,279
1911.....	4,822,790	4,488,049	48,522	2,450,453	1,912,307	7,316,990	19,039,179
1912.....	3,327,915	5,875,080	45,331	2,653,553	2,846,487	9,905,475	24,656,841
1913.....	3,002,780	5,751,037	37,593	2,464,307	3,004,972	10,030,144	24,791,243
1914.....	1,945,095	4,710,246	38,573	2,431,714	2,031,124	7,204,444	18,370,196
1915.....	2,204,203	6,077,694	31,929	3,095,907	2,437,003	10,546,188	24,392,424
1916.....	2,854,518	7,453,980	30,988	3,518,746	3,029,994	15,493,093	32,386,389

THIRD ISSUE OF TREASURY CERTIFICATES OF INDEBTEDNESS OVERSCRIBED.

Because of the overwhelming response which greeted the latest offering of \$200,000,000 of Treasury certificates of indebtedness, the subscription books were closed on May 23, two days ahead of the date originally set. The allotment of

the offering among the banks of the Federal Reserve districts was made on May 24, on the basis of 72% of the subscriptions, as the offering was oversubscribed about 40%. The certificates, as stated in these columns last week, bear interest at the rate of 3¼%, an increase of ¼ of 1% over the last previous offering. They mature June 30, and while not directly convertible in Liberty Loan bonds, are receivable at par and accrued interest in payments made by subscribers to the bonds. The eagerness of the banks to accept the latest offering presented somewhat of a contrast to the acceptance of the previous offering of \$200,000,000, which bore 3% interest. Subscriptions from New York to the latest offering, it is understood, were especially large, and in every Federal Reserve district, it is stated, the amount taken by the banks exceeded expectations.

LOANS OF FARM LOAN BANKS.

The Federal Land banks are reported to have thus far made loans to farmers exceeding \$1,000,000. Loans are being made, it is stated, at the rate of \$150,000 a day, and the Farm Loan Board estimates that the total loans for May will reach \$3,000,000. The loans by States up to May 15 had been:

Nebraska, \$168,750; South Carolina, \$167,700; Kansas, \$163,700; California, \$153,650; Mississippi, \$105,325; Kentucky, \$76,000; Washington, \$50,150; Montana, \$47,800; North Carolina, \$38,600; Texas, \$33,400; Virginia, \$23,450.

Loans in excess of \$150,000,000 for the first year are looked for by the Board. Announcement was made on May 15 that the first issue of farm loan bonds will be placed on the market within a month or six weeks.

GOVERNOR WHITMAN SIGNS BILL PERMITTING STATE BANKS TO CARRY RESERVES WITH FEDERAL RESERVE BANKS.

The bill permitting State banks and trust companies to keep part of their legal reserves with the Federal Reserve bank of the district, passed by the New York Legislature, was signed by Governor Whitman on May 22. As indicated in our issue of Saturday last, the bill provides that any part of the "reserves on hand"—that is, the cash in vault—in excess of 4% of the deposits in the case of the banks and in excess of 3% of the deposits in the case of the trust companies may be deposited with a Federal Reserve bank in the district in which the bank or trust company is located. It also permits Federal Reserve notes to be counted as part of the cash on hand by abolishing the existing prohibition against their being so counted. The text of the bill was printed in these columns last week, page 1975.

STANDARD TRUST & SAVINGS BANK OF CHICAGO TO ENTER RESERVE SYSTEM.

President Charles S. Castle of the Standard Trust & Savings Bank of Chicago filed application for membership in the Federal Reserve system on May 18. The directors at a meeting on the preceding day authorized President Castle to take this step.

PROPOSED FEDERAL RESERVE BANK BRANCH AT BALTIMORE.

A statement made by the Federal Reserve Board to the effect that it has under consideration the matter of approving the establishment of a branch at Baltimore of the Federal Reserve Bank of Richmond, was printed in the Baltimore "Sun" of May 24, as follows:

The Federal Reserve Board has had under consideration the approval of a plan submitted by the Federal Reserve Bank of Richmond to establish a branch bank at Baltimore. It has informally reached an agreement that it will take favorable action upon the proposal, but has deferred formal decision until such time as it is advised of the action of Congress with reference to the amendments to the Federal Reserve Act, now pending before that body, inasmuch as these amendments have a direct bearing upon the case of other cities, the establishment of branches in which is under consideration.

In addition to the Baltimore branch, the Baltimore paper states that Reserve branches will also be established at Louisville, Pittsburgh, Seattle, Spokane and Portland, and probably at Denver and Omaha.

GREAT BRITAIN'S NEW ISSUE OF EXCHEQUER BONDS.

From the English papers now at hand we are able to report the details of the new issue of Exchequer bonds, applications for which the Bank of England was authorized by the Lords Commissioners of the British Treasury to receive, beginning April 13. The offering was referred to in our issue of April 14. The bonds will be issued in denominations of

£100, £200, £500, £1,000 and £5,000, and will bear interest at 5%, payable half-yearly on April 1 and Oct. 1. The bonds are repayable at par on April 1 1922, but a holder of bonds of this issue, on giving three months' notice in the prescribed form, may require repayment of such bonds at par Oct. 1 1919. The bonds are exempt from all British taxation, present or future, if it is shown in the manner directed by the Treasury that the bonds are in the beneficial ownership of a person who is neither domiciled nor ordinarily resident in the United Kingdom of Great Britain and Ireland. We give below the details as announced by the Bank of England on April 12:

EXCHEQUER BONDS.

Per Acts 29 Vict. c. 25; 52 Vict. c. 6; and 6 & 7 Geo. V. c. 24.

Bearing Interest from the date of purchase at 5% per annum, payable Half-Yearly, on the 1st April and the 1st October.

Repayable at Par on the 1st April 1922.

Price of Issue Fixed by H.M. Treasury at £100%.

The Governor and Company of the Bank of England are authorized by the Lords Commissioners of His Majesty's Treasury to receive on the 13th April 1917, and thereafter until further notice, applications for Exchequer bonds as above.

The principal and interest of the bonds are chargeable on the Consolidated Fund of the United Kingdom.

The bonds will be repayable at par on the 1st April 1922, but a holder of bonds of this issue, on giving three calendar months' notice in the prescribed form, may require repayment of such bonds at par on the 1st October 1919.

The bonds will be issued in denominations of £100, £200, £500, £1,000 and £5,000, and will bear interest at 5% per annum, payable half-yearly by coupon, the first coupon on each bond representing interest from the date upon which the proceeds of the payment for the bond are available for the credit of H.M. Exchequer until the next succeeding day on which a half-yearly payment of interest is due.

Bonds of this issue and the interest payable from time to time in respect thereof, will be exempt from all British taxation, present or future, if it is shown in the manner directed by the Treasury that they are in the beneficial ownership of a person who is neither domiciled nor ordinarily resident in the United Kingdom of Great Britain and Ireland. Further, the interest payable from time to time in respect of bonds of this issue will be exempt from British income tax, present or future, if it is shown in the manner directed by the Treasury that the bonds are in the beneficial ownership of a person who is not ordinarily resident in the United Kingdom of Great Britain and Ireland, without regard to the question of domicile. Where a bond belongs to a holder entitled to exemption under these provisions the relative coupons will be paid without deduction for income tax or other taxes, if accompanied by a declaration of ownership in such form as may be required by the Treasury.

Bonds of this issue will be accepted at their nominal value, with due allowance for any unpaid interest thereon, by the Commissioners of Inland Revenue in satisfaction of amounts due on account of death duties or of excess profits duty and by the Ministry of Munitions in satisfaction of amounts due on account of munitions Exchequer payments; provided, in the case of death duties, that such bonds have formed part of the estate of the deceased continuously up to the date of death from the date of the original subscription or for a period of not less than six months immediately preceding the date of death, and, in the case of excess profits duty or munitions Exchequer payments that they have been held continuously by the firm, company, or other person liable for such duty or payment, since the date of the original subscription or for a period of not less than six months before such duty or payment becomes due and payable.

Applications for bonds, which must in every case be accompanied by payment of the full amount payable in respect of the bonds applied for, may be lodged by hand at the Bank of England Loans Office, 5 and 6 Lombard Street, E.C. 2, on any business day between the hours of 10 a. m. and 2 p. m. (Saturdays between 10 a. m. and 12 noon); or they may be forwarded to the bank through the post. Where payment is made otherwise than in cash or by banker's draft on the Bank of England, the amount of the first interest payment in respect of the relative bonds will be calculated as from the date on which the proceeds of the payment are actually received by the bank.

In all cases in which the bank are asked to forward bonds by post, the bonds will be dispatched by registered post at the risk of the applicant, who must himself effect any insurance that may be desired.

Bonds of this issue may be registered free of cost in the books of the Bank of England, or of the Bank of Ireland, in either of the following forms, viz.:

1. Registered 5% Exchequer bonds 1922, transferable in the bank transfer books.

2. Registered 5% Exchequer bonds 1922, transferable by deed.

Applicants who intend to register their holdings forthwith should notify the fact on the form of application, in which case they will not be required to take delivery of the actual bonds.

Holdings of registered bonds, which will be transferable in any sums which are multiples of £5, may be re-converted at any time in whole or in part (in multiples of £100) into bonds to bearer with coupons attached, such re-conversion being effected by means of a transfer executed under the provisions ordinarily applying to the transfer of Government stocks.

Dividends on registered bonds of this issue will be paid without deduction of income tax, but the income derived from such dividends will be assessable to income tax in the hands of the recipients at the rates of tax appropriate to their respective incomes. Dividend warrants will be transmitted by post. The warrant for the first dividend payable will be forwarded when due to the holder, or, in the case of a joint holding, to the first holder, in whose name the bonds are originally registered, or to his nominee.

Applications must be made upon the printed forms which may be obtained, together with copies of this prospectus, at the Bank of England; at the Bank of Ireland; of Messrs. Mullens, Marshall & Co., 13 George Street, Mansion House, E.C. 2; and at any bank, money order office, or Stock Exchange in the United Kingdom.

Bank of England, London, April 12 1917.

THE LIBERTY LOAN.

The Liberty Loan campaign has been actively pushed this week. In New York the retail stores entered the campaign and undertook the work of furthering the sale of the \$2,000,000,000 issue of bonds, providing an easy payment method where this was preferred to immediate payment in full. An

army of salesmen from the New York bond houses, some five hundred in number, began a systematic canvass of the New York Federal Reserve District on Monday for subscriptions to the loan, and efforts to awaken widespread interest in the loan to the end that it will be a "popular" success in every sense of the word have been taken in various other directions. At a conference in Washington on May 17 of representatives of Liberty Loan committees of the Federal Reserve Banks with officials of the Treasury Department, the Reserve Bank representatives were told that upon them would depend much of the task of arousing the "Spirit of '17" to match the "Spirit of '76" and thus insure a large over-subscription to the loan.

While there were reports last week of semi-official announcements of the Treasury allotments of the loan, it was made known at Washington on May 20 that there would be no official announcement of the subscriptions until the close of the subscription books on June 15. An indication, however, of what the different sections of the country were expected to contribute in the way of subscriptions for the absorption of the loan was given in an announcement made by the Treasury Department on May 22. These figures are the minimum. The maximum, the hope is expressed, will be such an over-subscription as has never before been recorded in the history of any nation. In framing the schedule of minimum takings expected from the East, West, South, and Pacific Slope, the Treasury experts have built a structure of figures with the entire banking resources of the country as its foundation. The program tentatively created, it is acknowledged, is likely to be entirely reshaped. But as a guide in the absence of any other precedent, it serves the purpose of showing each district just what the nation expects of it. Coincident with the announcement of the tentative estimates of what each region should take—the Federal Reserve Board announced on May 22 that it had availed itself of the extraordinary powers vested in it by Congress and virtually had placed at the disposal of every bank in the United States, member and non-member, the powerful machinery of the Reserve system to assist in making the loan an overwhelming success. In making public its tentative apportionments the Treasury Department adopted two bases of estimating—a \$2,000,000,000 issue and one of \$2,500,000,000, the latter designed to meet the possibility of any one region failing to take the amount estimated. The tentative allotments, maximum and minimum, by Reserve districts, follow:

Boston, \$240,000,000 to \$300,000,000.
New York, \$600,000,000 to \$750,000,000.
Philadelphia, \$140,000,000 to \$175,000,000.
Cleveland, \$180,000,000 to \$225,000,000.
Richmond, \$80,000,000 to \$100,000,000.
Atlanta, \$60,000,000 to \$75,000,000.
Chicago, \$260,000,000 to \$325,000,000.
St. Louis, \$80,000,000 to \$100,000,000.
Minneapolis, \$80,000,000 to \$100,000,000.
Kansas City, \$100,000,000 to \$125,000,000.
Dallas, \$40,000,000 to \$50,000,000.
San Francisco, \$140,000,000 to \$175,000,000.

Analysis of the tabulation shows that the three reserve districts with headquarters at Boston, New York and Philadelphia are expected to take 49% of the loan. Minimum tentative allotments by States, estimated on the same basis, show the following as each State's approximately proportionate share:

Maine	\$16,500,000	Ohio	\$93,000,000
New Hampshire	10,500,000	Indiana	36,000,000
Vermont	10,000,000	Illinois	135,000,000
Massachusetts	144,000,000	Michigan	50,000,000
Rhode Island	10,000,000	Wisconsin	32,000,000
Connecticut	40,000,000	Minnesota	43,000,000
New York	555,000,000	Iowa	45,000,000
New Jersey	53,000,000	Missouri	60,000,000
Pennsylvania	200,000,000	North Dakota	10,000,000
Delaware	4,000,000	South Dakota	9,500,000
Maryland	23,000,000	Nebraska	22,000,000
District of Columbia	8,500,000	Kansas	20,000,000
Virginia	18,500,000	Montana	9,500,000
West Virginia	13,500,000	Wyoming	2,500,000
North Carolina	10,500,000	Colorado	14,000,000
South Carolina	8,500,000	New Mexico	2,500,000
Georgia	18,500,000	Oklahoma	14,500,000
Florida	8,000,000	Washington	17,500,000
Alabama	9,000,000	Oregon	10,000,000
Mississippi	6,000,000	California	92,000,000
Louisiana	13,500,000	Idaho	4,000,000
Texas	36,000,000	Utah	6,500,000
Arkansas	7,000,000	Nevada	1,500,000
Kentucky	16,000,000	Arizona	3,000,000
Tennessee	15,000,000		

Announcement that the Federal Reserve banks would assist member and non-member banks in floating the bonds through the rediscount of paper secured by the bonds was made on May 22 by Paul M. Warburg, Vice-Governor of

the Federal Reserve Board, in a letter to the Reserve banks which said:

The Board has been advised that many corporations, including savings banks, have agreed to subscribe substantial amounts of the Liberty Loan, carrying the bonds for their employees subject to payment in small installments. It has been suggested that it would be helpful to the banks in placing the Liberty Loan and particularly in assisting corporations which make subscriptions of this character, if Federal Reserve banks were authorized to establish a special Liberty Loan rate of 3½% for notes, drafts and bills of exchange drawn by customers of the banks, including savings banks, having a maturity not in excess of ninety days and secured by Liberty Loan bonds or United States Treasury certificates of indebtedness. The Board has given this matter its careful consideration and has determined that it will grant such a rate to any Federal Reserve banks requesting it, good until countermanded or modified.

Consideration also has been given to the needs of non-member banks under present conditions. While the law provides that member banks may not, except with the special permission of the Board, act as agents in rediscounting for non-member banks, the Board feels that in view of the magnitude of the task imposed upon all banks of the country, member banks should be permitted to rediscount for non-member banks, including the savings banks, whenever the proceeds have been or will be used in meeting demands caused by subscriptions to the Liberty Loan.

From June 15 to July 15 1917, subject to further notice, Federal Reserve banks are, therefore, authorized, for such purposes, to rediscount such non-member bank paper, indorsed by member banks and otherwise eligible, without further permission from this Board. It is left to the discretion of the Federal Reserve banks to withhold the facilities whenever they believe that assistance is requested for other than the large objects and purposes to be carried out at this time.

As far as possible all money paid in will be returned to the market without delay. With this policy in operation, it is hoped to avoid any appreciable shortage or contraction of banking funds, even though some time be required for the return of the funds to the usual channels.

To meet temporarily shortages which may arise here and there, however, the Federal Reserve system should freely render assistance as needed, and it is suggested, therefore, that when the time for the payment of the installments draws near the Federal Reserve banks establish or maintain rates of discount at which member banks may by rediscounting with the Reserve banks, recoup themselves for any unusual withdrawals they may have to meet.

The Board's action is interpreted as opening the way to direct financial aid from the Government, though the Reserve banks, of the thousands of firms, corporations, savings banks and other institutions purchasing large blocks of the Liberty bonds for small investors who will pay for the bonds by installments. Under its ruling, it is pointed out, the Federal Reserve banks may advance, through member banks, funds to all such organizations to enable them to aid the small investor, at the same rate of interest as the bonds will pay, 3½%.

Last week we referred briefly to the Treasury Department's announcement that the proceeds of the Liberty Loan will be deposited in banks and trust companies which have qualified as depositories and which forwarded subscriptions of at least \$100,000. This announcement is contained in a circular issued under date of May 16, which we print in full herewith:

[Department Circular No. 79.]

DEPOSITS OF GOVERNMENT FUNDS IN CONNECTION WITH THE LIBERTY LOAN.

Treasury Department, Office of the Secretary, Washington, May 16 1917.

To Incorporated Banks and Trust Companies in the United States

Referring to Treasury Circular No. 78, dated May 14 1917, inviting subscriptions for bonds of the Liberty Loan; in order to avoid, even temporarily, a derangement of the money situation, the Secretary of the Treasury earnestly requests that all banks and trust companies, which have or expect to have payments to make for themselves, or others, on account of subscriptions to the loan, acquire, as and when offered from time to time, Treasury Certificates of Indebtedness, issued under the Act approved April 24 1917, to as large an amount as practicable and at least equal to 50% of the payments which they will have to make from time to time on account of subscriptions, and that they utilize such Certificates of Indebtedness in making payment. Inasmuch as such Certificates of Indebtedness are payable at any Federal Reserve bank, banks and trust companies in acting upon this request will, gradually and without disturbing the money market, acquire exchange payable in the place where subscriptions are to be paid, and meanwhile will secure an adequate interest return upon their money, and the privilege for themselves and their customers, to the extent of the Certificates of Indebtedness acquired, of making payment in full for bonds allotted, without previous notice, if desired.

As a further precaution, the Secretary of the Treasury has determined that banks and trust companies having payments to make on account of subscriptions for \$100,000 or more bonds, and which shall have qualified as depositories, may make payment upon such subscriptions on June 28 (as to any amounts not paid in Treasury Certificates of Indebtedness) by credit on their books to the account of the Treasurer of the United States of which credit and of the amount thereof notice shall be given in duplicate to the Treasurer and to the Federal Reserve bank of the district on or before June 28. The amounts so credited will be withdrawn from time to time when, and as required. How long they may be permitted to remain will depend in large measure on the extent to which the privilege of prepayment for the bonds of the Liberty Loan on or before June 28 is availed of. It will be necessary that the early installments paid upon subscriptions to the loan be devoted largely to the payment of the short-term Treasury Certificates of Indebtedness, which have been and will be placed throughout the country chiefly for making loans to Governments engaged in making war against Germany, and in part to meet unusual war expenditures of our own Government. As, however, practically all the proceeds of the Liberty Loan, whether advanced to foreign Governments or expended directly by Departments of the United States, will be spent in this country in payment of indebtedness heretofore or hereafter incurred, the bank resources of the United States as a whole will not be diminished and the operation involves only a shifting of credits.

Because of the great amount of work involved in passing upon the qualifications and securities of the banks and trust companies which will have payments to make, it is deemed necessary, until after July 1, to limit to those banks and trust companies having payments to make on subscriptions for \$100,000 or more bonds, the provision for making payment by credit—the object in providing for payment by credit being to avoid any disturbance in the money position which might result from large payments being made from June 28 to Monday, July 2, a period when there is customarily a heavy movement of funds due to corporate interest and other payments. As soon after July 2 as practicable the qualifications and securities of other banks and trust companies desiring to participate in redemptions will be passed upon, and after provision has been made for the immediate disbursements which the United States will have to make up to and including July 1, the proceeds of the loan received from time to time, in full or installment payments, will be redeposited with qualified banks and trust companies in a proportion, yet to be determined, based upon the amounts of bonds of the Liberty Loan for which subscriptions are filed by and through them, and upon the amount of Treasury Certificates of Indebtedness acquired by them and utilized in payment thereupon on or before June 28. Such deposits will, of course, be subject to call.

Interest at the rate of 2% per annum is to be allowed by the banks upon the amounts credited and redeposited from time to time. A statement as to the formalities of qualification for the purpose of making payment by credit, and of receiving redeposit of funds, and of the securities acceptable for such purposes, will be promptly furnished. The furnishing of security for such deposits is required by Section 7 of the Act approved April 24 1917, under which the Liberty Loan is issued, and Section 5153 of the Revised Statutes and amendments thereto. Each bank or trust company should at the earliest possible date make report to the Federal Reserve bank of its district of the character and amount of the securities which it will offer as security. These will be reported to the Secretary of the Treasury, and, when his approval shall have been obtained, notification thereof will be made to the banks and trust companies, respectively.

The Secretary feels that he can not too strongly urge upon the banks and trust companies of the country that it is their patriotic duty to prepare for the payments which they will have to make on account of the Liberty Loan, first by the acquisition of Certificates of Indebtedness, and second, by qualifying under the Act so as to be in a position to make payment by credit if the subscriptions by and through them are likely to amount to \$100,000 or more bonds. Bearing in mind the enormous amount of work involved on the part of the Treasury Department and Federal Reserve banks, he particularly urges that action in these matters be taken as promptly as possible by the banks and trust companies, inasmuch as it may be physically impossible to pass upon the qualifications of late applicants if many applications are long delayed, and the object of permitting payment in Certificates of Indebtedness—to avoid accumulation of great cash payments within a few days—will in large measure be defeated if such purchases are long postponed.

W. G. McADOO, *Secretary of the Treasury.*

On May 21 announcement was made on behalf of Secretary of the Treasury McAdoo that a program had been evolved under which depositors in savings banks would not lose their semi-annual interest on deposits by withdrawing them June 28, three days before the savings banks compute their interest payments, to pay for installments on Liberty bond purchases. The statement from the Treasury Department said:

The Secretary of the Treasury is desirous of preventing any loss of interest to those subscribers to the Liberty Loan who may wish to pay the June 28 installment out of funds on deposit with savings banks. The Secretary has learned with much gratification that large numbers of savings banks and trust companies having savings bank departments, have already contemplated this situation and, acting in the interest of the Liberty Loan and of their depositors, have ruled that any depositors withdrawing money on June 28, to meet Liberty Loan installments due on that date, will be credited with interest up to that time and will not, therefore, suffer the loss of interest which would otherwise be the case with respect to withdrawals before July 1.

If, however, any purchasers of bonds find that the savings banks in which their deposits are kept have not adopted such a practice, then the Secretary of the Treasury will permit such depositors to make payment on June 28 by giving an accepted order drawn to the credit of the Federal Reserve bank of his district, payable not later than July 5, such order to be taken subject to collection.

Subscribers to the Liberty Loan who may avail themselves of this regulation may find it necessary (dependent upon the rules of the particular savings bank in which their money is deposited) to present their pass-books to the bank before June 28 in order that the transaction here authorized, in so far as it affects the Treasury Department, be noted in the pass-book, thus conforming to the usual rules of procedure in the savings banks.

This exceptional ruling applies to payments on individual allotments not exceeding \$500 of bonds.

At a meeting of the Chicago Clearing House Association on May 21 a resolution was adopted recommending that the banks in the Association make loans on the bonds at a preferential rate of interest of 1% less than the current rate on commercial loans. The resolution follows:

A sub-committee of the general committee in charge of the co-operation of the banks and bond houses in marketing the Liberty Loan bonds in Federal Reserve District No. 7 having asked the Clearing House Committee to name the rate of interest or discount at which Chicago banks should make loans on said bonds, it was unanimously agreed to recommend that said banks should make a preferential rate on such loans of 1% below the rate current for ordinary commercial loans, but not less than the rate borne by said bonds.

In giving out the Clearing House Committee's resolution for publication James B. Forgan, Chairman of the Board of Directors of the First National Bank and Chairman of the committee, said:

While the resolution is in the form of a recommendation, we believe it will be generally followed by all the Chicago banks. How far its influence will go with the banks of the Seventh Federal District outside of Chicago, I cannot say.

The Clearing House Committee did not undertake to fix or suggest either the margin of loan on the face value of the bonds or the banks should make, or

the maximum loan that they should make on the security; those questions were left to the banks to determine each for itself, because there will enter into such determination the bank's resources and the character of the person applying for the loan. Banks will loan money to some men without Government bonds, and don't like to lend to some men on Government bonds.

It is the purpose to make these Liberty bond loans in small rather than in large amounts. For example, if one of the great Chicago business houses should ask for a loan of, say, \$2,000,000 and offer Liberty bonds as security, the bank likely would suggest that the borrower distribute his loan among a number of banks. It would not take such a loan in whole at a rate 1% below the prevailing rate of interest for commercial paper.

The current commercial rate just now is 5%, so the small borrower can now borrow on Liberty loan bonds at 4%, which is one-half of 1% higher than the interest the Government pays on the Liberty bonds. This in itself should be an inducement to the small investor to buy Liberty bonds.

The interest rate on commercial paper fluctuates from time to time, now one-half of 1% higher, now one-half of 1% lower, but at all times the holder of a Liberty bond will be able to obtain a 1% preferential rate on that security, with the proviso that the rate to him shall not be below the rate the Government is paying him on the bond.

The Chicago "Evening Post" of May 22 also stated that a move in favor of the war bonds was also taken by the Reserve Bank of Chicago. The rediscounting rate for member banks on paper of fifteen-day maturity secured by Liberty Bonds was placed at 3%, against 3½% on ordinary commercial paper.

A plan for subscriptions to the Liberty Loan by county units was approved on May 21 by Secretary of the Treasury McAdoo, who announced that he would immediately recommend its adoption throughout the country. The plan as formulated by the Iowa State Bankers' Association contemplates through organization of the State to sell a minimum of \$100,000 in each of the ninety-nine counties, which, with \$2,000,000 subscribed on May 21 by the Des Moines banks in place of their original subscription of \$750,000, would make the total Iowa subscriptions \$11,900,000. Mr McAdoo heartily indorsed the county unit plan because of its simplicity and thoroughness and the possibility it offers of tremendous oversubscription of the nation's war loan if other States make proportional subscriptions. It was urged in behalf of the plan that it would reach especially a rural population holding large sums of money received from record prices of wheat, corn and cotton during the last two years. The announcement of the plan was made at a dinner which concluded the Secretary's visit to Iowa in behalf of the Liberty Loan.

The Corn Exchange Bank of New York announced last week that it would make loans to depositors and friends to assist them in subscribing to the new United States Government war loan on the following terms:

For thirty, sixty and ninety days at 4% on a 10% margin, renewals at the same rate and time, provided the Federal Reserve bank does not increase its present rediscount rates.

Concerning a conference had by J. P. Morgan with Treasury officials on May 21 the New York "Times" said:

J. P. Morgan, the New York banker, conferred to-day with Treasury officials about the Government's latest offering of \$200,000,000 in Treasury certificates. Mr. Morgan pointed out that the certificates bear interest at the rate of 3¼% and mature on July 30, paying a lower rate of interest than the Liberty Loan bonds. The difference of one-quarter of 1% on \$200,000,000, Mr. Morgan said, during the forty-five days, would amount to about \$60,000, which the banks would receive by taking Liberty bonds, but would not receive if they should buy Treasury certificates of indebtedness.

Announcement that the National City Bank would make loans aggregating \$100,000,000 at 3½% to those desirous of purchasing Liberty Loan bonds was made by President Frank A. Vanderlip on May 22.

A number of big subscriptions to the Liberty Loan have been announced during the past two weeks. Some of those for unusually large sums previously made known were mentioned by us May 12. Since then a few of the subscriptions for exceptional amounts have included the following: John D. Rockefeller, who last week subscribed for \$5,000,000 of the bonds, subscribed for a similar amount the present week. The First National Bank has subscribed for \$35,000,000 of the bonds—\$25,000,000 for its own account and \$5,000,000 each for the Northern Pacific and the Bell Telephone System. The Central Trust Co. of New York has subscribed for \$25,000,000. The National Bank of Commerce has applied for \$10,000,000; and so has Kidder, Peabody & Co.; the Republic Iron & Steel Co., The Prudential Insurance Co. and the General Electric Co. have subscribed for \$5,000,000 of the bonds, and the Irving National Bank and the City of Milwaukee have made application for a like amount; F. S. Moseley & Co. have subscribed to \$3,000,000; the Western Union Telegraph Co. and the Anaconda Copper Co. have subscribed for \$2,500,000 of the bonds. Speyer

& Co., Goldman, Sachs & Co., the Citizens' National Bank, the Fifth Avenue Bank, J. & W. Seligman & Co., the Norfolk & Western RR., the Greenwich Savings Bank, the International Mercantile Marine and the Equitable Life Assurance Society have subscribed to the extent of \$2,000,000 each; the Bank for Savings, the Seamen's Savings Bank, the People's Trust Co. of Brooklyn, Swift & Co., the Illinois Central RR., Bernhard, Scholle & Co.; Heidelberg, Ickelheimer & Co.; the Bank of Montreal; the American International Corporation; Wells, Fargo & Co.; the Canadian Pacific Ry.; Armour & Co.; the Crucible Steel Co.; the Brier Hill Steel Co.; Tiffany & Co.; Boissevain & Co.; W. J. Wollman & Co.; the American Can Co.; the American Beet Sugar Co.; the Procter & Gamble Co.; the Union Central Life Insurance Co., and the Interborough Rapid Transit Co. are among those subscribing to the extent of \$1,000,000.

GOV. WHITMAN IN AID OF LIBERTY LOAN.

Governor Whitman of New York on May 23 called upon the people of the State to organize their efforts in support of the Liberty Loan. He also put in motion the machinery of the State's defense organization, the Resource Mobilization Bureau, to inaugurate a campaign for the sale of the Liberty Loan bonds in every county. The Governor sent a letter to the Chairman of each county home defense committee, and the Chairman of the Mayor's defense committee in New York City, calling attention to the opportunity presented now "to assist actively in negotiating the Liberty Loan." He said:

It is my desire that each county organization under the resource mobilization bureau move officially in this matter and make it an immediate and active part of its work. It is appropriate that the present defense organization of the State in every county should definitely undertake the task of insuring the Empire State's full contribution to the Liberty Loan.

Governor Whitman also accepted the offer of the New York State Bankers' Association, through its President, Benjamin E. Smythe, to do what it can for the State, and he sent a letter to Mr. Smythe urging the co-operation of the Bankers' Association with county home defense committees in the Liberty Loan campaign. Yesterday the Governor announced that he desired all of the 18,000 employees of the State to buy Liberty Loan bonds and promote that enterprize as much as their means would permit.

SECRETARY McADOO TO MAKE A SECOND SPEAKING TOUR ON BEHALF OF LIBERTY LOAN.

Secretary of the Treasury W. G. McAdoo, who has been touring the West in a speaking campaign to further the sale of the Liberty Loan bonds, while in Denver on May 22 announced his intention of making a second speaking tour on behalf of the Liberty Loan with the conclusion of his present campaign this week. The second tour will carry him to New York, Boston, Detroit, St. Louis, Cincinnati, Pittsburgh and Harrisburgh, Pa. He will leave Washington on June 4 to make this tour. In making known his intention to extend his campaign, Secretary McAdoo said:

Because of the patriotic response of the people of the cities I have already visited and the deep interest they have displayed in the Liberty Loan, I am convinced I should go to other cities and explain the situation.

I have found the people of the West co-operating magnificently to make the Liberty Loan a success.

CHEMICAL NATIONAL BANK TO PAY INTEREST ON DEPOSITS.

An announcement by the Chemical National Bank to the effect that after nearly one hundred years of a non-interest-paying policy it had decided, in view of the situation brought about by the war, to pay interest on deposits was made on May 21. We quote the announcement below:

In view of the financial situation brought about by the war, which will call for the placing of Government deposits on an interest basis, this bank, after nearly one hundred years of a non-interest-paying policy, has decided to pay interest on bank balances, time deposits, and special and reserve accounts.

The strength of the Chemical National Bank and the conservatism that has always characterized its management have given it a place among the foremost financial institutions of the country. Through every crisis since its founding it has always met in full the requirements of its customers, including the payment in gold of its circulating notes.

H. K. Twitchell, Vice-President of the bank, was quoted as follows in the "Journal of Commerce" of May 22, relative to the action of his institution:

The bank has taken this step so as to be in line with all those who will help the Government to float its war loans. Our rule against paying interest was so faithfully kept that some time ago we requested the Government to withdraw a balance of \$1,000,000 because we could not make an exception and pay interest on it. But in view of the present situation, which calls for the placing of Government deposits on an interest basis, also to serve the interest of executors and trustees of wills, our board has taken this step. We shall not compete with trust companies, but will pay 2%.

NEW YORK CLEARING HOUSE FACILITATES BORROWING ON LIBERTY BONDS.

A letter recommending that loans backed by the Liberty bonds be made at a rate not higher than $\frac{1}{2}\%$ above the Federal Reserve Bank rate was sent to members of the New York Clearing House Association by Gates W. McGarragh, Chairman of the Clearing House Committee, on Thursday, as follows:

That the banks may assist subscriptions to the Liberty Loan in every way, the Clearing House Committee recommends that loans secured by Government bonds or interim receipts thereof be made, when circumstances warrant, at a rate not higher than $\frac{1}{2}\%$ above the rate established by the Federal Reserve Bank of New York for the rediscount of paper secured by Government bonds or interim receipts, and that not more than 10% margin be required.

It is further recommended that the banks freely use their discount privilege with the Federal Reserve Bank, and that loans to customers, secured by bonds of the Liberty Loan, should not be considered as part of the regular lines previously granted to them for commercial purposes.

As the banks in rediscounting with the Federal Reserve Bank would obligate themselves to take up their bills at the end of 90 days (the limit of time for which the Federal Reserve Bank can discount), the suggested spread of $\frac{1}{2}\%$ in the rate would seem equitable.

The Liberty Loan is fundamentally one to be taken by the people, and customers of banks are urged not only to invest their surplus funds and present savings but also to borrow freely from their banks, in order to increase their subscriptions.

RECEIVING \$10 SUBSCRIPTIONS FOR LIBERTY LOAN BONDS.

The Federal Reserve Bank, in order to meet the demand for participation certificates on the Liberty Loan in denominations of less than \$50, has decided to issue such certificates in the sum of \$10. A statement given out on Thursday, announcing this, follows:

In order to meet a very widespread and growing demand for participation certificates in the Liberty Loan in denominations of less than the \$50 bond, which is the smallest denomination of the bonds to be issued by the Treasury Department, the Federal Reserve Bank of New York has decided to issue participation certificates in the sum of \$10.

Each certificate will recite that it represents a payment of \$10 as a subscription to the Liberty Loan of 1917 and that upon surrender of the certificate to the Federal Reserve Bank of New York, accompanied by four others of like amount, the holder will be entitled to receive a \$50 United States Government Liberty Loan $3\frac{1}{2}\%$ gold bond with all coupons attached.

The certificates will probably be ready for distribution on next Tuesday, May 29. It is hoped that they will be widely sold to individuals through the medium of department stores, chain stores, drug stores, cigar stores and other centres of distribution where large numbers of people may be reached and interested by means of existing facilities. The plan contemplates the sale of the certificates by the Federal Reserve Bank to the stores and other distributors in block, the stores and distributors then reselling the certificates to their employees or customers, as the case may be. In the case of large employers of labor, such as factories, railroads and public service establishments, where there are no facilities for distribution to the public at large, it is hoped that blocks of these certificates may be taken for distribution to the employees.

The system contemplates that any individual purchasing a \$10 certificate will retain same until he has purchased four more, making a total of \$50 worth, when he will be able to exchange them for a full-paid Liberty Loan bond for that amount, with all coupons attached, thus insuring the holder a return of the regular interest rate on the money he has invested in the certificates. While the Federal Reserve Bank only agrees to exchange \$50 bonds for the certificates at its own banking rooms, it is to be presumed that the stores and other establishments selling the certificates will also make arrangements for making the exchange when five of them are presented at their counters.

The plan provides a very simple and accessible method for all persons of moderate means to take a part in this great financial undertaking of the Government and to do their bit towards winning the war.

The full text of the certificate, which will be printed on engraved imitation proof paper, is as follows:

FIVE OF THESE CERTIFICATES MAY BE EXCHANGED FOR A \$50 00 LIBERTY LOAN BOND.

NO. \$10 00
UNITED STATES GOVERNMENT LIBERTY LOAN BOND
Participation Certificate.

This certificate represents a payment of TEN DOLLARS as a subscription to the Liberty Loan of 1917. Upon surrender of this certificate to the Federal Reserve Bank of New York accompanied by four others of like amount, the holder hereof will be entitled to receive a \$50 United States Government Liberty Loan $3\frac{1}{2}\%$ Gold Bond with all coupons attached.

FEDERAL RESERVE BANK OF NEW YORK,
By _____ Governor.

F. A. VANDERLIP ON NECESSITY OF PAYING FOR LIBERTY LOAN OUT OF SAVINGS.

"The Liberty Loan, Its Economic Status and Effects," was the caption under which Frank A. Vanderlip, President of the National City Bank of New York, addressed a meeting of Group V of the New York State Bankers' Association at Albany on May 16. Mr. Vanderlip called attention to the fact that a war is the current effort of a nation—that it has got to be fought out of the current savings of the nation. In laying stress on the fact that the \$2,000,000,000 fund must be raised out of the savings from now on, he showed the futility of drawing money out of the bank to pay for the bonds since money in the bank is not idle, and somebody's loan must be called if funds are withdrawn. Among other things, Mr. Vanderlip had something to say concerning what might happen if Russia made a separate peace. His remarks in large part follow:

We are a good deal dazed by the size of this loan; the authorization of a \$7,000,000,000 credit is something of a shock to the country. Not many people have thought in billions of dollars. All the stocks listed on the Stock Exchange are less than twice that amount; all the stock of all the railroad companies in the country aggregate only \$8,700,000,000; all the bonds of all the railroads in the country are little more than that figure. It is a huge total. And this amount must be raised this year. Don't think we are going to stop with \$2,000,000,000. We are going to raise more. There will be other loans following this about as soon as this is out of the way, but while it is almost incomprehensibly large, so is the country, so are our resources. There are 154 millions of depositors in the national banks alone in the United States. I should think it safe to say that there should be ten million subscribers to this loan if the people wake up to the need for the loan and the opportunity it offers. You are facing an opportunity. The last loan of Germany, with her 65,000,000 inhabitants, had nearly 6,000,000 subscribers. Surely we ought to have 10,000,000 subscribers in America if we would only wake up to it. The national bank deposits have increased in ten months \$2,000,000,000—enough to take this part of the issue that is now being offered. The resources of the banks in America total \$35,000,000,000. So you see, huge as this loan is—almost inconceivably large—it still is not so large when you measure it by some of the totals of the country. Our wealth is about \$220,000,000,000. If the people subscribed to 5% of their wealth, they would oversubscribe this issue about six times. Back in the Civil War days, with bank resources one-twentieth of what they are now, we raised \$3,000,000,000. So you see we are not facing an impossible proposition, but we are confronted by a serious proposition—we are up against the necessity, the very great necessity, of doing this thing. I feel that people are not altogether awake to the seriousness of this war; not altogether comprehending that we are in war, that we are in a very serious war—war that might even come to our own shores. It is easy to think that Germany is 3,000 miles away, surrounded by the greatest armies that were ever assembled; that the war is likely to be over before we can get any men into it; that we are like a manufacturer or merchant who is getting his customers to keep on buying at rather exorbitant prices, and that we are doing a good thing in loaning to the Allies, but that we are not in a very serious situation. As I conceive, it is much more serious than that.

Now just let us take one or two contingencies that are perfectly possible. We have had a revolution in Russia. No man in America or Russia can tell what the future of that situation is. It is surely conceivable that Russia might make a separate peace. I do not believe she will, but it is conceivable. What would happen then? It is said that there are a million and a half prisoners in Russia. Suppose all the forces of the Central Powers on the eastern border might be withdrawn; suppose their forces were augmented by a million and a half returned prisoners; suppose Russia's food stores were opened for Germany, and all that happening very promptly, which is a conceivable thing. In that event, could the armies of England and France on the western border withstand the onslaught? Is it not conceivable that if some solution is not found for the submarine menace, that England may be brought to the point of starvation? No matter what her wealth may be, starving men could not fight. I tell you it is within the possibilities that we may be raising not a Liberty Loan to pay for a war we hope successfully to wage, but a loan to pay the cost of a war Germany has been waging on civilization. This is no wild picture. I certainly do not believe it is within the future of events, but there is possibility enough in it to cause us to wake up as a nation, to make us recognize that we are in a great and uncertain war, and that we must support the military movement which this Government has got to make.

Now I want to say a word about the economics of this investment.

We are a tremendously rich country. We must raise \$2,000,000,000. Our wealth, as I have said, is about \$220,000,000,000. Where is this wealth? It is in farms and railroads and factories and instruments of production. But you cannot subscribe a railroad to a loan; you can't subscribe a factory. We must have fresh capital for this loan. Now remember that a war is the current effort of a nation; nothing that has been done in the past can fight it. It has got to be fought out of the current savings of the nation; all the savings of the past have been invested. The savings are now invested in fixed forms of capital; they are in the railroads, and farms and factories, and the money that is going to be raised must come from the savings of the future, not the savings of the past. You may say, "I can purchase a bond with some money I have in the bank." Yes, you can, but this money you have in the bank is at work to-day; it is not idle. If you draw it out, somebody's loan must be called. This fund must be raised out of the savings from now on. The wealth you have accumulated is not in a liquid form. The past savings are invested, and we want \$2,000,000,000 right away—and, let me tell you, we want it right away—not some time in the future. These \$2,000,000,000 will be spent before they are paid in, under the terms of the offer. And I may stop to say that none of you may be worried whether or not you get any deposits out of this first loan, for the reason that there will be no deposits, there will probably be a billion dollars of short-time notes maturing before the subscriptions on this loan are paid, and expenditures that are now being made will take this money as fast as it is paid in, so that the amounts of deposits from this first issue will be practically nil. You are going to raise this money by a creation of new credit now. You can get 550 subscriptions. Get every one you can. Get the whole ten million people to subscribe, but after you have all the success you can hope for with the \$50 and \$100 bonds, you will not have a very large total, measured by a two billion dollar loan. I am not in any measure discouraging these small subscriptions, but the loan is going to be made up of much larger subscriptions. The men who will make these larger subscriptions are not going to make them from idle capital but from money which they will borrow, and it is for you to recognize that you must facilitate these loans on a more liberal basis than you have probably had in mind. These bonds must be subscribed for in very large amounts, and the loans liquidated out of future savings; and we may be thankful that we have the banking machinery to do it. Fortunately, we have the Federal Reserve banks, not popular with some who don't like the system of collection or some other feature, but they stand there, an adequate piece of machinery to permit the raising of this huge credit. First of all, get out of your minds any preconceived prejudice about a bank rediscount. You have got to get away from the idea that your bank has never borrowed and will never borrow. It is going to do that as it never did before. It is going to borrow from its correspondents or Federal Reserve banks until we have a huge credit, and that credit is going to be wiped out by the current savings of the people who will make and pay the loans.

You are going to be called upon to make these loans at as low a rate as you are willing to make them. It would be fine if we could say, we will loan our customers all they want at 3½%, but I do not believe we will be able to do that. I think it is not quite within the province of a bank to agree to that in any great amount. That rate must be governed by what the condition of the money market will be. The rate made by the Federal Reserve bank for discount must be governed by the condition surrounding the bank at the time the loan is made. There has been quite a little pressure brought to bear on the Federal Reserve Bank of New York to say now what the rate would be. I think they have wisely concluded that they ought not

to commit the bank to a fixed rate. I think they will announce very shortly that it will be the policy of the Federal Reserve bank to loan freely, to really urge rediscounts, and probably to make a preferential rate for loans secured by these bonds.

Now what are the motives to lead men to subscribe to the Government bonds? One is profit. Cupidity—that isn't the word. The sense that it is a sound investment returning a good rate of interest. The other is patriotism. Let us take up the first set of reasons. Is this an attractive investment or are you facing calls to make financial sacrifices? I don't believe it is a sacrifice. You are being offered a bond for security which is beyond question the finest piece of paper in the world. The rate—3½%—looks low, but there are perquisites attached to that bond. Its income is free from taxation. You know what the minimum return is that goes into your pocket. You don't know what the maximum will be because the rate may be more. If this war goes on, as it looks as if it may for a good while, the chances are good that it will be more. You are not going to be penalized by being a subscriber to the first loan, that is certain. Whenever a subsequent loan comes out at a higher rate of interest, you are going to be in just as good condition as the tardy subscribers. The law was not very clear on this point; the circular issued by the Secretary of the Treasury is perfectly clear and gives you all the advantage you ought to have, all you could rightfully ask for in the event of an issue at a higher rate. Now does anybody doubt that when the war is over and the pressure is off the market for Government loans there will be a rise in the value of Government bonds? I don't believe anybody would doubt that. Now remember, the bonds you buy now bearing 3½% have a practical guarantee of parity, that is to say, if events go so that the Government can't raise money at 3½%, your bonds will be convertible into the higher rate, and the minute the war is over, your bond at par will command a premium. I can't think of a situation that will not find these bonds bearing a premium on their issue price after the war is over. I find some people disgruntled about the high taxes they have to pay. They say they are contributing enough to the Government in taxes without subscribing to a low-rate bond issue, but the higher the tax the more advantageous is the investment in these bonds. Here you have an income where you know exactly what will get into your pockets, at least the minimum amount that will get into your pockets.

Aside from the idea of profit or sacrifice, there are much nobler reasons why ten million people should subscribe to these bonds, and they are an attractive investment. Our belief in democracy, our belief in this Government, the foundations of our belief in freedom, lie back of the motives that ought to move ten million to subscribe to this issue. Now we have got to be waked up as a nation to the fact that we are in war. I heard a newspaper editor say the other night that he had secret information that we were in war, but he had not been able to get it over to his readers yet. And there is a good deal of truth in that. We have not as yet recognized what an unsuccessful prosecution of war would mean. We want to wake up to some of the psychological effects of a very successful subscription to this issue. It would be pretty discouraging to Prussianism if this loan is subscribed twice over. It will be very encouraging to those men who are fighting under the flags of France and Great Britain on the western front. It will unite this nation to a degree, I believe, to see that this issue is a tremendous success; that the whole people are back of the President, back of his Declaration of Liberty. The patriotic reasons seem to me so overwhelming that we hardly ought to think of that other side—whether this is an attractive investment—although it is an attractive investment. It is going to mean something besides patriotism in America; it is going to mean a new element in American life. It is going to mean an element of economy. We have got to have it just as certainly as we have got to have this expansion of credit to make this loan a success, because the banks must be paid from the future income and there must be economy to permit that being done. We cannot give the Government seven billion dollars or any other number of billion dollars of purchasing power and expect to have just as much purchasing power ourselves. That would be a miracle of loaves and fishes that we can't work out. We have got to economize. We have got to see that what we spend, we spend for necessities. You say "yes, but what is going to become of business, it can't go on as usual." We don't want business as usual. Our business is war. It is going to take the whole strength of this nation and it is going to discommode some people, probably discommode a good many people. You can't have war without worries. You have got to remember that we can't go on making unnecessary things, luxurious things, and make seven billion dollars worth of other things for war. Now you say, "Yes, but you have disorganized industry. You will make it necessary for producers to throw their employees out of work." Let me tell you there is going to be all the work that is possible to do for all the men and all the women that we have got to do it. There are two jobs waiting for every man there is to take hold, so we have got to have that kind of economy, the kind of economy that will make you weigh whether what you buy is absolutely necessary, for if you do buy something that is not necessary, you are competing for labor with the Government, which is engaged on works that are a national necessity. I think that is the test men must make of their purchases during this war. Are they competing with the Government for work that is unnecessary?

Now I would like briefly to consider some of the objections to this loan—some that I have heard—and I hope later to hear some more and see whether we can sit down together and reason out answers for them. I say that men have got to borrow to invest. They have got to invest more capital than they have in immediate reach. There will be objection to that surely. The rich man or any man used to making investments may regard it as a very poor policy to go in debt. He has occupied the position of creditor, not debtor. But I believe when he sees the economics of the whole situation, when he sees the demands that are upon us, when he sees the resources that are available to meet that demand, he will see that borrowing is what he must do. The richer he is, the greater should be his borrowing. You gentlemen in the banking business, and most of you are, may wonder about the other side of that transaction; you may wonder whether it is desirable to loan on bonds of this type because you may not see quite when the loans are going to be paid. You do want to see that the loan is going to be paid within a reasonable time. It is not desirable to loan a man an amount beyond that which his accumulation during a reasonable period will wipe out. But within that safe range, I believe it is not only your duty to loan freely, but to encourage people to borrow from you to take these bonds.

I have heard some men say, "Well, I will wait. I won't invest in this loan now, the Government will need money on the third and fourth loan more than now." The rule of conduct that any man adopts may be measured by the results that would follow if all men adopted it. If you do not subscribe to the Liberty Loan now, there may be an indemnity loan later and you will subscribe to that. You had better all subscribe to this one and not have the Government lacking in the support that means military success.

You will find men who will say, "We will invest only our available cash; we won't borrow." But I beg of you to see this as I do and ask those men to borrow and invest all they hope to accumulate in the months to come.

I hear from some of the State bankers that this is a Federal Reserve bank affair, let the Federal Reserve system take care of it. Now that is narrow and short-sighted. It is everybody's affair and the institution that isn't in the Federal Reserve system ought just the same to be thankful that there is a Federal Reserve system to act as a cushion in this situation.

You will find individuals who will tell you it is 'the banks' affair. It isn't. It is less the banks' affair than anybody's else in respect to the original subscriptions. It is not the function of a bank to tie up its deposits in a fifteen or thirty-year investment, but it is the function of a bank to loan to an individual or corporation on a ninety-day note, secured by this bond. That is the banks' function. Let the banks add the men who subscribe.

Some of you will hesitate a little and say "I don't want to lose my deposits. I don't want to encourage my depositors to subscribe." That is short-sighted. You are going to gain deposits as you never before dreamed of gaining deposits. The process that is going on here is to me perfectly clear. You are going to expand credit which means to expand deposits, several billion dollars before this war is over. Your deposits are going to be higher than they ever were before, not as a result of Government deposits, but through the increase of credits. If you make a loan to a customer to subscribe to these bonds, the customer first has his balance increased with you; then the loan is checked out to the Government. What does the Government do with it? It at once pays it out somewhere to someone who has money due. Now we are not going to use any more currency in this country, and by just the amount the loans go up, your deposits will go up. There will be interaction between the banks, but the great total is there and will remain deposited until the loans are liquidated. You are facing a situation where your deposits are inevitably going up.

F. A. VANDERLIP DOES NOT BELIEVE IN "BUSINESS AS USUAL."

The war will not, in the view of Frank A. Vanderlip, President of the National City Bank of New York, bring a diminution in the volume of business. He says the sooner the public gets over the idea that we want "business as usual" or can have "business as usual" the better for all. Mr. Vanderlip sees ahead a "different business but better business." Times, he believes, will be better than ever before, and instead of stagnation, the people of the country should prepare for top speed production which will call for their every energy and resource. These observations are contained in a statement prepared by Mr. Vanderlip and given out by him on May 17. We print the same herewith:

The sooner the public gets over the idea that we want "business as usual," or can have "business as usual" during this great war the better for all. We want to stop all unnecessary work and unnecessary expenditures, and concentrate on the immense volume of work which has to be done. Business men should get rid of any foolish fears that economy will bring on a general paralysis of industry or trade. There is no danger of not having work for everybody; the trouble is that there is more work in sight than can possibly be done, and the question is whether we shall cut off luxuries or necessities. The farmers are crying for labor and the whole world is crying for food; the great industries, like mining, lumbering, steel-making, cloth-making, transportation, shipbuilding, car-building, &c., are clamoring for help; a million to two million men are wanted for the army and navy, and thousands of women will be wanted to take their places in shops and offices; the army must be clothed and shod. It is absurd under these conditions to talk of the danger of unemployment, and to urge that the people shall go on buying what they do not actually need in order to keep labor from unemployment or to maintain business as usual. How is labor to be had to make uniforms unless it is released from making other clothes; how are looms to be had for blankets unless released from something else; how is steel to be had for ships, tin can and agricultural implements unless other consumption is curtailed; how are women to be had for offices unless released elsewhere? And, finally, how are we to put \$7,000,000,000 or \$8,000,000,000 of purchasing power at the disposal of the Government unless we curtail our individual expenditures?

The country should immediately awake to the fact that it has a great task in hand, and that it cannot carry on a war like this with one hand and continue to do all the business it did before with the other. No doubt some persons will be inconvenienced by being obliged to leave one job and look for another. In some instances they will probably improve their lot permanently; in some instances possibly they will not place themselves so well, but the sooner everybody recognizes the inevitable and plans for it, the better. We can no more expect to readjust business from peace conditions to war conditions without some inconvenience and loss than we can expect to send an army to the front without sacrifice and loss. We should unhesitatingly adjust our business affairs to support the army with the greatest possible efficiency.

Most of the argument against economy assumes that the people who economize will hoard their money. That, of course, would be foolish, but if they lend their savings to the Government it will find its way directly back into circulation in providing for the Government's needs.

All possible aid should be given in effecting the necessary shifts in employment. The Government should be prompt in placing its contracts, and give some attention to their distribution with a view to taking up labor that is displaced, and there should be organized community effort to aid in these readjustments. The essential fact in the situation is that readjustment is unavoidable but that any general state of unemployment is impossible.

These bond issues will necessitate more taxation in the future than in the past, but the person who practices self denial now in order to buy a bond not only aids the Government but provides an offset to future taxation on this account. The individual who takes his share of the bonds will pay his taxes into his own pocket.

Every community should be closely organized for subscriptions to these loans. Once the habit of saving to buy a bond is established it will not be abandoned when the war is over, but a million new springs of wealth will be developed to help on the development of industry and the progress of society in the future. Parents should buy for their children, and employers should join hands with their employees, in the name of a common patriotism and to bring an end to the world's last great war. There should be no family in this country without one of these bonds as a certificate of its loyalty and devotion to the Government in this time of supreme national effort.

In setting out to raise the first installment of the \$5,000,000,000 bond issue, it is very important for the people of this country to understand just how large the task is and how they must go about it. In the first place

our situation is quite different from that of England in that England had a great amount of capital employed abroad which it was able to convert and bring home. It had great holdings of foreign securities which it was able to turn into cash in the United States, and it had a sum estimated at £300,000,000, or \$1,500,000,000, employed in the foreign bill market, that is, in financing trade outside of England, such as our own trade with South America and Asia, and this capital has been withdrawn for home use. Finally, the commercial demands at home have been much reduced, on account of the industries being so largely occupied with war business. Altogether, a great amount of British capital has been released for Government use.

We have few holdings of foreign securities and there is no other market in which securities can be sold. We are using more capital than formerly in foreign trade and cannot withdraw it. We must raise these loans among ourselves, and almost wholly out of current earnings and savings. This is a rich country, but its wealth is in real estate, factories, railways and the machinery of production. This property cannot be paid into the Government Treasury, nor can money be raised in any general sense by selling property to each other. We see the effect of this in declining security markets. Such efforts depreciate capital values, disturb confidence, make people feel poor and in that way actually make the task harder. Withdrawals from savings banks will force the banks to call in investments. The only capital that is really free for subscriptions is that which is represented by bank balances against which the banks have made no investments. These balances are chiefly in the country banks, the banks of the larger cities being well loaned up.

But this loan cannot possibly be taken up by the mere conversion of bank funds now idle. The people must anticipate their earnings and pledge them in advance. There is a constant accumulation of profits and savings, which in ordinary times are also being continually distributed into permanent investments. The amount awaiting investment at any one time is comparatively small, but there is a regular flow in and out of the liquid fund. The flow into other investments must be stopped for the present, and all the accumulations given to the Government; moreover, in view of the great importance of having the Government's needs immediately and abundantly met, each individual should look forward to payments which he may reasonably expect to receive and savings which he can possibly make in the near future, and pledge these. The Treasury allows payments upon installments, and if these terms do not suit the subscriber's convenience he should consult a banker of his acquaintance.

The bankers must make up their minds to lend freely, and at a moderate interest rate, to promote this loan. This is a great national emergency, and ordinary rules should not govern. In the first place, loans made with these bonds as collateral, with marginal payments, will be safe beyond question, and, in the second place the Federal Reserve banks are at hand to back up the local banks. It is time now to lay aside all resolutions and prejudices against rediscounting.

The Federal Reserve banks have been established for the purpose of enabling the local banks to serve the country more effectively in time of need; the ultimate and real purpose, of course, was to provide the service to the public. The member banks are the agency through which the service must reach the public, and they are under obligations to use the facilities for that purpose. They have no right in any emergency, or when an opportunity is presented for public service, to consult only their own choice; each local bank is an essential factor in a great public system, and it should perform the part assigned to it. Certainly a time of war, when the supreme sacrifice is required of many, is no time for quibbling and finching over a plain duty.

On the other hand, no would-be subscriber has the right, while pretending to render a public service himself, to throw all of the burden on a bank. He should not make a subscription without a bonafide intention of paying up on it within a reasonable time, and he should make a payment down. Furthermore, he should then set out, earnestly and patriotically, with real economy and self denial, to pay up his subscription, so that he can then make another. That is the way these loans must be raised. The banks should make these subscriptions liquid, immediately available; they should help every subscriber of this type, and they can render enormous service in this way. But the public must not think that the bank can take care of the regular business of the country and supply all the funds for the war also.

J. OGDEN ARMOUR SEES PROSPERITY ASSURED.

That the prompt adoption by the American people of the "business as usual" idea is going to enable the nation to prosecute this war without experiencing a temporary depression such as England and France have recently recovered from is the opinion advanced by J. Ogden Armour. Writing in the Chicago "Evening Post" of May 16 Mr. Armour says in part:

Modern war requires the expenditure of huge sums of money and means maximum employment and high wages for all workers. Other conditions, peculiar to this war, make it certain that this nation will enjoy a period of business and industrial activity the like of which has never been seen and which is assured whether the war lasts several months or several years.

There is some reason to believe that economy rules will be misapplied for a while but conditions are such that the public will soon see, if they have not already, that there is no occasion whatever for them to become alarmed. They will have more money to spend than ever before and they will not find the things they want disappearing from the market.

A continuation of the great prosperity that has ruled in this country for two years is assured. There is an abnormal demand for everything the workers of this nation can grow or manufacture. There is work at high wages for every man and woman who wants work; the earning power of the people is restricted only by physical limitations; the buying power of the public is greater than ever before. These are certain guaranties of continued prosperity and of an ever-widening scope of our business and industrial life.

As to the advancing of billions of dollars to our allies, it is a misnomer to call it a loan to our allies. We are primarily extending them credit. Instead of sending billions of dollars out of the country, the transaction means that billions of dollars will actually be freed for circulation in this country. Practically all of the billions we lend our allies will be spent in this country for the products of our soil and our factories and for payment of our workers. We are the storehouse and the factory of the world now, and the more money the world can get hold of the more will be sent here, and the more that comes here the more work and the more business will result. And, in this connection, remember the Government of the United States is now a buyer for war purposes, and the dollars of Uncle Sam have already begun to pour forth to stores, factories and farms to pay for the expense of mobilizing, drilling, equipping and feeding the army and navy.

I consider the present the most auspicious from the standpoint of national prosperity in my memory. There is not one good reason why the business

of this country should not proceed in its normal course and on ever-increasing lines. There is not one reason why people should permit themselves to be swayed from the certainty that they are on a sound financial basis.

The per capita wealth of Americans is greater to-day than ever before—greater than that of the people of any nation at any time in the past, or in the present. Our national wealth is past the wildest dreams of a few years back. Labor is satisfactorily employed and at record wages. Every day that the war lasts will find a greater demand for the labor and the brains of the wage and salary earners of the United States. Certainty of work and certainty of wages are the prime factors of prosperity. They make prosperity certain.

Whether the war ends to-morrow, or whether it last indefinitely, this much is certain: The United States, having possession of approximately 40% of the world's supply of gold, the greatest natural resources and geographical isolation, is certain to suffer less than any other nation in the war or in the whole world.

The future of our nation is secure; our business prosperity is founded on safe ground; our labor situation is remarkably good and I cannot conceive of a sane or justifiable reason why the people of the United States should become alarmed over any phase of the martial, business or industrial situation.

The nation has been advised to economize on food. Economy means the intelligent use without waste; it does not call for self-denial. Economy was recommended to stop the waste of the \$700,000,000 worth of food which goes into the garbage pail each year. The wave of patriotism sweeping over the country should not seize upon parsimonious economy as a means of expression. There is no need for people to cease purchasing; there is need only for the elimination of extravagances and waste. There is no reason whatever for curtailment of the use of things ordinarily needed by people; there is need that everything be put to use.

As patriots it is our duty to stop the wastage of food; as patriots it is equally important that we do not stop the ordinary purchasing on which the business and the industry of the country are founded. Hysterical economy is as much a menace to the nation as is prodigal waste. The pursuance of our normal business along usual lines is of paramount importance at this time in order that our nation may maintain itself on a sound economical and industrial basis from which to prosecute the military phase of the struggle for the freedom of mankind.

Faith is the great need of the people to-day—faith in Providence to lend might to our right, faith in nature to respond bountifully to the wonderful efforts of our agriculturists to increase the food supply to provide a surplus for our allies, and faith in our Government, which has taken hold of the problems before it in a way that demonstrates it is deserving of our faith.

If I were asked to give a message to the American people—to the farmers, the wage earners, the merchants, the manufacturers and all—it would be this: Be strong in your faith that nature will reward the efforts being made to produce big crops and co-operate with our President, Woodrow Wilson, in his efforts to keep the nation composed and so organized as most efficiently to prosecute the war. Be confident and live your normal lives, as far as possible. Make business proceed as usual.

THORNTON COOKE DECLARES WAR MUST BE FOUGHT WITH CURRENT PRODUCTION.

The war and its financial problems came in for discussion by Thornton Cooke, President of the Missouri Bankers' Association in his annual address at the convention of the association, held at St. Joseph this week. Declaring that we will in the first place fight the war with current production, Mr. Cooke said:

We shall not tear up railways to get metal or tear down houses to get wood. The 1917 production of our mines and forests will furnish shell steel and ship timbers as we go. For these things constitute our national income. The income of our people is not money, except as we produce and mint some millions of gold. The gold serves, it is true, a very useful purpose in connection with the credit machinery through which other products are mobilized and exchanged. Gold is indispensable in handling our other income, but the other income exceeds it vastly. Our real income is wheat and corn and cattle. Our income is coal and oil and steel. Some current production is a conversion of capital, but the income portion of production is fortunately enough. We shall not trench upon the capital—the structures—of the past, but with these things produced to-day we shall fight this war and win the victory.

In answer to those who argue that we should leave some of the burden of the struggle for the next generation to pay Mr. Cooke asserted that this cannot be done—that it is a financial, a physical, impossibility. He continued:

The war will be fought with what this generation produces, with the guns and the powder and the beef and the flour of this year and next. All the wheat of 1937 will not feed a single platoon to-day, and all the shells the next generation can make will not batter in one kilometer of German trench in all this war.

The effect of the war on the next generation will be severe enough without any attempt of ours to pass the burden on. Our sons must do with fewer ships because this generation sank its own. They must build the railroads we could not build for them because we spent our labor upon munitions and burst our steel in fragments at Verdun. A bond issue will not draw from out the future one single ounce of powder for the firing line in France. Flour and guns and shells and powder must be furnished by us, the men and women of to-day, and by those of us who have the means. We may be taxed for these things, or we may get back bonds, promises to pay, for the money we advance to buy them, but we cannot escape the fact that munitions and provisions must be furnished by this generation. They cannot be furnished by the next. The mill will never grind with the water that is past, and the water of to-morrow will grind no grist to-day.

What a bond issue can do is this: It can bring it about that the sons of those who do not now provide the necessities of war shall pay interest and principal to the descendants of those who do provide them. This is just, to the extent that the parents of the payors might have provided munitions. It is unjust to precisely the extent that it passes to children the financial burdens their fathers could not afford, and to the extent that it exacts from the children of the poor a sort of payment on the installment plan for the mighty effort of the whole people of to-day.

Let me illustrate. Personally I shall be able to take some Government bonds. My neighbor, the bookkeeper, who is raising a family on a \$1,000 a year, hardly can, except perhaps a little bond for the sentiment of it. I don't want his children to pay interest and principal to my children for thirty years. I want him to pay his little share of this war, and I myself want to pay my somewhat larger share, both as we go.

The Common Sense of Taxation.

How then shall the nation finance itself? A bond issue at first to set things going, of course. Missouri bankers and their customers will take their full share. It is expected that we shall organize this very afternoon a mighty, State-wide effort for the Liberty Loan and victory. Then, seeing that we have agreed that the war must be fought with current income, and that this generation, as a whole, cannot pass one dollar of the cost to the next generation, as a whole, we should arrange carefully and in a business-like way to take by taxation, as we go, so much of the income of our people as is necessary to win this war for liberty.

We must, of course, avoid taxing in such a manner as to discourage effort and efficiency. As the money value of American income, however, is estimated at forty thousand million dollars, much will be left above all taxes. If we frame our tax laws carefully, there will remain profit enough, and to spare, to incite the highest effort.

For other reasons taxation is the best finance. It brings home the necessity for economy. If you and I pay the military and naval expenses and get Government bonds for the amount, our personal money income will be about the same as before, and we shall probably keep up our present scale of personal expenditure. If we pay the war cost in taxes, however, we shall economize. We shall not be so apt, for instance, to bid against the Government for motor cars and gasoline and other things the army needs.

America will, to a large extent, pay as she goes. We shall thus avoid much of the inflation that has accompanied other wars. We shall put down the foes of liberty without doing social injustice at home.

The War and Business.

And what will the war do to our prosperity? Not a banker here but is asked this by his customers every day. I need not recall how great our prosperity has been, how we have added more than one thousand millions of gold to our stock, how we have lent abroad over two thousand millions, or how we have brought back from Europe some three thousand millions of American securities. We are to spend, Mr. Kitchin thinks, five thousand millions the very first year, and we shall withdraw a million men from industry. Can any prosperity stand waste and strain like this?

Waste and Compensation.

But is war all waste? Are there no compensating factors? Most writers compute the loss to be what the Government spends, plus what the soldiers would have earned at peace. This, however, overstates the cost of war, first because the soldiers get the food and clothing which would have come out of their earnings at home, and second because when the young men go away people who have been idle before step in to take their places. The labor of women and older men fills, to a remarkable degree, the gap in the labor supply. Every one does his or her share. Whatever the ultimate effect on society of thus utilizing the labor of women and old men, the economic effect, for short periods at least, is compensatory. Again, organization and invention rise to necessity, and machinery is more and more brought into play. If the scythe-men have gone to war, England uses the self-blader, and in our Northwest Missouri counties the men who have left the plow handles are being replaced by the tractor. Then there is the effect on the souls and bodies of men and women. Work in common for the sake of country becomes a mighty uplift, so that the income of the English people has actually increased during the war.

In the United States, production, at least of necessities, will be sufficient, and there will also be great activity because of large, simultaneous orders for the goods the Army wants—for cloths, shoes, flour, beef, rifles and gasoline. It is the universal experience of modern nations that the outbreak of war stimulates business. We have observed the war nearly three years now. We can, if we are careful, avoid the financial and industrial errors of Europe. We need not repeat the blunder England made of sending to the front men who were needed to teach shell making at home, and we shall avoid the inflation and the abandonment of the gold standard that has been Germany's economic mistake.

We shall have no panic. The currency supply of the country is no longer a fixed quantity. The Federal Reserve banks can provide the country with all the money needed to do business on.

With all the compensations, there is, of course, a heavy price to pay. We cannot use for railroads and sky-scrapers the steel and the labor that we are putting into guns and ammunition. New enterprises will have to be postponed. Right here the patriotic banker will see an opportunity for public service in pointing out to his clients that they ought to put off new enterprises that would take energy, labor and material, when the whole national life should be concentrated on war. Construction and development must, for the most part, wait till our task of war is done.

If war goes on until our raw materials are exhausted, our machinery worn out, our railroads deteriorated and a large part of our young men crippled or dead, we shall have business reaction. If need be we will pay all this to "make the world safe for democracy." I have faith, however, that the cost will be less. I see after the war our people fully and happily employed at the tasks of peace. I see a people more efficient than ever before, because a common peril will have taught us to study and plan together.

BIGGER DEMAND FOR PRODUCTS EXPECTED THROUGH THE WAR.

There is no reason whatever for American business to become panic-stricken over the business future during the war, in the opinion of A. W. Shaw, Chairman of the Commercial Economy Board of the Council of National Defense. There must be readjustments in American business, in some cases perhaps really radical readjustments, to enable the Government and other absolutely necessary industries to get the men needed; but, carried out properly, with due care on the part of all business houses alike to eliminate any existing wasteful methods, the war may well serve a highly valuable purpose in bringing economy of business effort.

Mr. Shaw in a statement, given out on the 12th inst., with the approval of the Council of National Defense and printed in the new Official Bulletin, issued by the Government, under the direction of the Committee on Public Information, appointed by President Wilson, said:

The chief thing that business men must remember when they stop to consider the effect of the war is that successful business depends primarily on the demand for goods, and the war is going to bring a bigger demand for almost all kinds of products than the country has ever before known.

There will be no collapse of the market in any line. Business houses will have to worry not about customers but about systematizing their plants so that they can supply a larger trade with a smaller staff of employees.

It must be remembered, of course, that the nation will need to take men from their present normal employment not alone for the Army, Navy, and other branches of the military service but as well for the production of all forms of munitions and supplies which will be needed for the prosecution of the war. This is an industrial war, and American business must learn to increase its efficiency to fill the gaps left by war workers as well as fighters.

No matter how much individual economy in consumption is practiced, British experience has shown that inevitably war wages increase the purchasing capacity of large classes of people, thus expanding the market on a broad scale. Besides this, the men who have been withdrawn from productive work have to be fed and clothed as usual, increasing the proportionate demand for goods from those left in business. Added to all this, the foreign demand will continue to grow as the war progresses.

The balance sheets of British business can look forward. Selfridge & Co. (Ltd.), the London department store, showed at the end of the year 1916 a gain in profits over the previous year of £74,915, or approximately \$375,000. On Jan. 1 1916, the balance sheet showed a profit of £150,222, and on Jan. 1 1917, a profit of £225,177. This was in spite of the loss of 900 members of the staff who had gone to the front.

Other London retail profit figures are instructive. Whitley's shows a gain in 1916 over 1915 of £15,000; Crove-Wilson's one of £4,886; Dickins & Jones one of £24,100; Liberty & Co.'s profits jumped from £6,100 to £32,400 in the single year; Plummer Roddis gained £5,600; and Wallis & Co. climbed from £21,400 in 1915 to £130,700 in 1916. Other firms show similar records, gaining all the way from 5 to 50% in their net profits.

Whitley's gain was made in spite of a 40% increase in many of the operating costs, and other firms had to face similar obstacles. Disorganization of staffs and difficulties in securing goods to sell were unable to overcome the combined effects of a greatly increased demand and a systematic attention to details of management and elimination of wastes.

Our own difficulties will not be as serious as those England had to face because of our much greater field of operations and larger resources, and there is no reason whatever for assuming that the American business man will not come out of the war with a better organized and more efficient business machine than the one with which he has entered it.

It is to assist in making the readjustment to meet the new conditions quick and easy that the commercial economy board expects to be of the greatest service. To make our work count, it will be necessary to secure the active co-operation of the business men themselves in order to pool our common experience and place at the disposal of all the suggestions secured from the most efficient.

We are now engaged in making a careful canvass of the distribution methods of many different kinds of business houses, securing through questionnaires and through personal investigation information as to their present business habits and suggestions from the managers themselves as to how existing waste in these methods can be eliminated and the organizations made more compact. As soon as we can determine the value of a general policy from the combined experience and suggestions of a particular industry, we shall proceed to place our conclusions before the whole industry through a publicity campaign of individual letters, articles in trade publications and other mediums. We are drawing heavily on the experience of British merchants in working out similar problems.

It must be realized that business men in any one field must join in the common effort, because under competitive conditions it will naturally be impossible for one merchant to economize extensively without giving his competitors an unfair advantage. We expect the whole-hearted and patriotic co-operation of men in all branches of trade in solving the problem.

No merchant who faces the situation squarely, courageously, and imaginatively need fear the war readjustment. Whatever disorganization comes, can, with proper treatment, be passed over with comparative smoothness and speed.

ELBERT H. GARY ON PRINCIPLES FOR WHICH WE ARE FIGHTING.

In answering the question "What Are We Fighting For?" asked and answered in one form or another by millions of people, Elbert H. Gary, in his address as President of the American Iron and Steel Institute, at yesterday's annual meeting, declared that "we are fighting to firmly establish and permanently maintain a basis whereby every international question in dispute must be determined in accordance with the principles of justice." "To bring this about," said Mr. Gary, "other questions, which are obvious, must be determined; but if the above mentioned basis is secured, everything else necessary will have been or will be disposed of." Declaring that "now is the time to unite the whole country in a common cause," Mr. Gary said:

The soldiers are on a level, as they ought to be. All others should be on a level. Classes should be obliterated, and also politics, localities and religious differences, during war times, at least. Opportunity should be open to all; Governmental burdens should be borne by all.

In pointing out that the task which confronts the country is not confined to the army and navy, Mr. Gary stated that the time, money and prayers of all civilians must be given for the soldiers. We can rightfully claim, he said, that the burden of taxation be equitably distributed, that all the people be compelled to contribute." His remarks in part follow:

We are fighting to firmly establish and permanently maintain a basis whereby every international question in dispute must be determined in accordance with the principles of justice. To bring this about, other questions, which are obvious, must be determined; but if the above mentioned basis is secured, everything else necessary will have been or will be disposed of.

The task which confronts the country is not confined to the army and navy, although they will be entitled to the larger part of the credit and glory if we succeed. They offer their bodies as a sacrifice, and they must have the undivided, unqualified support of all outside their ranks. The time, money and prayers of all civilians must be given for the soldiers. They bear the brunt; they are the shield for our safety. All of us are fighting in self-defense. This is our land and the flag is ours. The adminis-

trators of the country, from President Wilson down, are no more interested than each of us. Life would not be worth living if our flag were to be permanently furled; if our country were subjugated by an alien enemy, especially such a one as we now defend ourselves against.

The pecuniary burdens to be imposed upon us will be very great. We know in advance such would be the case. We must pay the enormous cost of mobilizing, equipping, supplying and moving our own armies; and we must advance money and provide supplies to our Allies in accordance with their necessities and our resources. We could not decline if we were disposed, for they are now fighting our battles and we are, with them, under the whole burden. We must never falter nor retrace our steps. Wherever or whenever the end is, we must press forward with all our strength, might, minds and souls. The more vigorously we proceed within the limits of intelligence, the sooner will the end be reached.

Some of us are complaining or criticizing because of the enormous taxes that are likely to be imposed. We are apt to consider ourselves as opposed by the legislative or executive departments of the Government, as if they were partisans, seeking to punish or at least unfairly treat the private individual. We do ourselves an injustice by harboring such thoughts. We can rightfully claim that the burden of taxation be equitably distributed; that all the people, after exempting the necessities of life, shall be compelled to contribute; and that there shall be no waste or extravagance in making expenditures. Taxes ought to be levied and distributed, if possible, so as to avoid clogging the channels of business prosperity. All this we may properly demand. Equitable distribution is fair and reasonable, and it makes all peculiarly interested in the subject, including both the collection and the expenditure of the taxes levied. Less than this would tend to create classes—the worst thing for any country.

Now is the time to unite the whole country in a common cause. The soldiers are on a level as they ought to be. All others should be on a level. Classes should be obliterated and also politics, localities and religious differences, during war time, at least. Opportunity should be open to all; Governmental burdens should be borne by all. With such an administration of Governmental affairs, we should be satisfied, however severe the drafts which are made upon us or upon the larger interests which we represent.

I lately spent a few days in Washington, and it was my privilege to meet a number of men who in legislative halls or executive departments are serving their country; and it is certain that all are actuated by the motive to fairly represent and protect the best interests of the country and all the people. Individuals are not influenced by politics. There are and will be differences of opinion concerning the various questions presented, as a matter of course, but these will be adjusted and the legislation finally passed will represent an honest endeavor to do what is proper.

You have heard some criticism concerning the conduct of the Government's business affairs. It has been said that confusion, or at least lack of system or co-operation, sometimes appears; but it must be remembered that there has been suddenly thrust upon the Government officials an enormous amount of business, extraordinary in volume and character, and the strength and capacity of all are taxed to the utmost and often beyond physical endurance. Besides, rules of law or of departments established to fit other conditions sometimes appear and prevent the exercise of judgment which would bring better results if more latitude were permitted. Officials in Washington are entitled to credit and praise for their management under existing circumstances, and so far I believe there is no just ground for severe criticism.

And then there is a disposition on the part of Government officials to co-operate with the business men in promoting the welfare of the country. This is what all of us have desired and advocated, and now we will probably have as much opportunity in this direction as we have ever desired. Just what will be the result in all the ramifications of the business involved remains to be seen. To the extent that the directors of this Institute have been personally connected with these matters they have been well satisfied, except perhaps as to some of the prices in question.

Mr. B. M. Baruch, Chairman, Committee on Raw Materials, Minerals and Metals of the Advisory Commission of the Counsel of National Defense, writing for himself and the Secretary of War, and also representing the Secretary of the Navy, requested your President to act as Chairman and to appoint other members of a committee on Steel and Steel Products, to co-operate with the Government; whereupon the matter was brought before the directors of this Institute and such committee was designated. The committee meet regularly and are devoting much time to the work involved.

They have, with other work, been engaged in mobilizing the resources of the different producers of steel, such as the Government requires for its purposes, and the statistics are in the possession of the Secretary of this Institute.

The Secretary of the Navy submitted a program for 1917 for plates, structural shapes and bars needed for ships, and after considerable negotiation contracts were closed in behalf of the producers on the basis of \$2.90 for plates and \$2.50 for structural shapes and bars. We were of the opinion that in view of present costs and other conditions we should receive larger prices, but in the spirit I have referred to the proposition of the Government was accepted. As costs of production are advancing on account of increases in wages, taxes, prices of certain raw materials, etc., it is expected the Government will be willing to increase its purchasing prices accordingly.

The iron and steel fraternity, represented by this Institute, will be actuated by the highest conception of patriotic duty with respect to the requirements of the Government. We will cheerfully bear our full share of the load which must be carried until there is realized a complete triumph over the hosts of aggressive, desperate and inhuman autocracy. Personal interest will yield to the necessities of the country we love.

PRESIDENT WILSON CORRECTS STATEMENT THAT WE HAVE NO GRIEVANCE AGAINST GERMANY.

President Wilson's remark in his speech of May 12 before the Red Cross Society that the United States had gone into the war "with no special grievance of her own," and some misconceptions which have arisen with regard thereto have caused the President this week to correct any misinterpretation of his remarks. The President has answered his critics through Representative Heflin of Alabama, after the latter had directed his attention to speeches made in Congress on the War Revenue Bill by Representative Hill and Bland, in which reference was made to the phrase quoted above; Mr. Heflin expressed to the President his opinion that the interpretation placed on the President's remarks by Messrs. Hill and Bland was misleading, and hence suggested that t

erroneous view be corrected. In his letter to Representative Heflin, President Wilson said:

Washington, May 22.

Dear Mr. Heflin.—It is incomprehensible to me how any frank or honest person could doubt or question my position with regard to the war and its objects. I have again and again stated the very serious and long-continued wrongs which the Imperial German Government has perpetrated against the rights, the commerce, and the citizens of the United States. The list is long and overwhelming. No nation that respected itself or the rights of humanity could have borne those wrongs any longer.

Our objects in going into the war have been stated with equal clearness. The whole of the conception which I take to be the conception of our fellow-countrymen with regard to the outcome of the war and the terms of its settlement I set forth with the utmost explicitness in an address to the Senate of the United States on the 22d of January last. Again in my message to Congress on the 2d of April last those objects were stated in unmistakable terms.

I can conceive no purpose in seeking to becloud this matter except the purpose of weakening the hands of the Government and making the part which the United States is to play in this great struggle for human liberty an inefficient and hesitating part. We have entered the war for our own reasons and with our own objects clearly stated, and shall forget neither the reasons nor the objects.

There is no hate in our hearts for the German people, but there is a resolve, which cannot be shaken even by misrepresentation, to overcome the pretensions of the autocratic Government which acts upon purposes to which the German people have never consented.

Cordially yours,

WOODROW WILSON.

An earlier letter of the President's, addressed to Representative Pou on the same subject, was made public by the latter on May 23. In making known this letter, Mr. Pou said:

Mr. Pou wrote the President on May 19, saying that there was some misunderstanding of part of the President's Red Cross speech delivered before the American Red Cross Society in Washington City on May 12 1917. The following is a copy of the reply he received this morning.

May 21 1917.

My Dear Mr. Pou.—Certainly no apology was necessary for your letter of May 19. It was an act of friendship on your part to write it and of loyalty also to the great cause we are engaged in.

Your interpretation of my message I supposed would be the interpretation everybody would give it. I meant just what you say, that our grievance, "while entirely sufficient, was the same as that of other neutral nations," perhaps aggravated by the fact that Germany had made us special promises which she had grossly ignored.

I would be very much obliged to you for any steps you might take to correct this damaging and erroneous, and, I must believe, insincere, interpretation of my address to the Red Cross.

Cordially and sincerely yours,

WOODROW WILSON.

In a speech in the Senate, in behalf of the President and his utterances, Senator J. Hamilton Lewis, on May 23, said in part:

Let me say that there has been a misapprehension. The President has never said that America had no grievance. What the President said in the speech to which I invite attention is that America has, or we have, no special grievance—not that America did not have a grievance; to the contrary; but that America had a grievance that could not be recounted in words, as has been frequently disclosed here in his address, as well as in the events that have transpired all about us.

What the President meant was that the grievance that America had was not special from that which was had by the other countries which were fighting for the same cause as America was now at war. That is, the grievance of France, the grievance of Britain, the grievance of democracy, and was the general grievance which America had; that America's grievance was not special from the grievance of mankind, and that the conflict conducted by America was not only for America in her general grievance but for mankind.

BILL INCREASING GOVERNMENT REVENUES PASSED BY HOUSE.

The War Revenue Bill, designed to raise nearly \$2,000,000,000 during the coming year by increased taxation, was passed by the House on May 23 by a vote of 329 to 76. The bill as approved by the House differs in only a few particulars from the bill originally drafted. The new surtaxes on incomes above \$40,000 (in addition to the existing surtaxes), which had ranged in the original bill from 8% to 33%, are fixed in the bill as approved at from 10% to 45%; several articles, including print paper and pulp and gold and silver, slated for a duty of 10%, have been retained on the free list; some relatively slight changes have been made in the rate proposed on second class mail matter; the bill as introduced provided for a zone system of rates on newspaper mail, ranging from 2 cents to 6 cents; the House bill in its present form would increase the present flat rate from one cent a pound to a graduated scale ranging from 1 1-6 cents a pound in the first zone to six cents a pound in the eighth, but these rates would be temporary only, and by March 1 next would be up to the high figures of the original bill. A proposed 5% tax on all advertising other than in newspapers and periodicals has been eliminated. This tax would have applied principally to street car and bill board advertising. An amendment adopted on the day of the passage of the bill provides that individual, corporation and excess profits taxes shall be paid when returns are made, and not three months after the filing of returns as at present. The bill is expected to undergo material changes in the Senate. Some of the changes proposed by the Committee on Finance are referred to below.

Details of the changes made by the House in Committee of the Whole last week in the surtaxes on incomes of \$40,000 and over were given in these columns last Saturday, when we also referred to Secretary McAdoo's new estimates of \$2,245,000,000 (instead of the original estimate of \$1,810,420,000) required to meet the expenditures of the Government for the fiscal year ended June 30 1918. On May 18 a stormy session of the House Ways and Means Committee resulted in a final decision not to attempt to raise through the pending bill the increased amount estimated by Secretary McAdoo as needed. On that day the advisability of raising approximately \$400,000,000 by bond issue for the purchase of ships was discussed, and a tentative decision was reached to modify the second-class mail rate section of the measure. Convinced of the inequality of the zone rate system on second-class mail matter contained in the bill, the committee virtually decided to substitute the Moon proposal, once included in a Post Office bill, fixing a flat rate of one cent a pound on reading matter and making the parcels post zone rate apply on advertising matter. Under this plan, it was proposed that publishers make their return to the Post Office Department and be charged accordingly.

On the following day, the 19th, Representative Johnson of Washington, a newspaper publisher, and Representative Fitzgerald of New York injected new proposals in the second-class mail legislation, which resulted in final action in the matter being deferred. Representative Johnson declared that the Moon plan, to increase the mail rate on periodicals carried in the mails to any zones above the second, was unjust, and suggested a substitute plan basing the mail rate on the number of subscribers served by mail and the subscription prices of the newspapers or periodicals affected, without regard to distance carried. Under this plan, it was proposed that a publication selling at 50 cents a year would pay, in addition to the regular present 1-cent flat rate, a new rate of 1/4 cent a pound up to 20,000 subscribers. At 20,000 subscribers the additional rate would be raised to 1/2 cent per thousand. Representative Fitzgerald proposed to reduce the 5% tax on all advertising except newspapers and periodicals to 1%, and exclude only country weeklies within their home counties. This was passed over at the suggestion of Mr. Kitchin pending discussion of the mail rates. If newspapers are to be included, he said, the change might be made, but otherwise it would not.

A compromise on the second-class mail rates was agreed to by the House Ways and Means Committee on May 22, and the new provisions were adopted by the House after midnight on that day by a vote of 198 to 71. A proposal by Representative Mondell to strike out the second-class mail legislation had previously been voted down 174 to 126. Later, on a roll call, the House (on the 23rd) approved by a vote of 256 to 150 the committee proposal governing second-class mail matter. Three schedules of rates are embodied in the new provisions as follows:

From July 1 to Nov. 1 1917, 1 1-6 cents a pound for delivery within the first parcel post zone, 1 1-3 for the second or third, 1 2-3 for the fourth or fifth, 2 for the sixth, 2 1-3 for the seventh and 2 2-3 for the eighth.

From Nov. 1 to March 1, 1 1-3 cents for the first zone, 1 2-3 for the second or third, 2 1-3 for the fourth or fifth, 3 for the sixth, 3 2-3 for the seventh and 4 1-3 for the eighth.

After March 1, 1 1/2 cents for the first zone, 2 for the second or third, 3 for the fourth or fifth, 4 for the sixth, 5 for the seventh, and 6 for the eighth.

These rates do not apply to second-class mail matter delivered directly from the post office at which the matter is deposited.

So far as the House proceedings during the past week on other sections of the bill are concerned, the House, sitting as Committee of the Whole, successfully resisted on the 18th repeated attempts to amend the retroactive income, excess profits, beverage and cigars and tobacco products sections of the bill. Provisions upheld included a retroactive tax of one-third of the income tax of every person assessed last year, a doubled excess profits tax, an increase on whisky from \$1 10 to \$2 20 a gallon and from \$1 25 to \$2 50 on beer, as well as a new soft-drink tax and a doubled tax on tobacco and snuff and many other tobacco products. Only a perfunctory fight was made on the excess profits tax section. Representative Good of Iowa offered an amendment patterned somewhat after the English law, but it was defeated. Representative Madden of Illinois opposed the retroactive income tax as unfair, but the section, as indicated last week, was retained, 123 to 54.

Defeat of a proposal by Representative Lenroot of Wisconsin to strike out the 5% light and heat tax, and the adoption of an amendment lowering the express transportation tax from 10 to 6% were the outstanding results of last Saturday's debate in the House. The Lenroot proposal was voted down

116 to 58 despite the fact that the Wisconsin Representative had effected a \$66,000,000 increase in the income tax surtax schedules largely by the argument that he intended they should be a substitute for the light and heat levies.

On May 21 the House, in Committee of the Whole, defeated by a vote of 137 to 116 an amendment offered by Representative Moore of Pennsylvania, calling for a tax of \$2 50 a bale on raw cotton; on the same day it decided by a vote of 96 to 92 to limit the 5% tax on automobiles, motorcycles and their tires to plants paying annual profits of over \$5,000, and at least 8% on their capital invested. The House struck out this provision on the 23d and retained the original language levying a 5% tax on the factory price. The proposal to strike out the entire paragraph relating to the 5% tax on automobiles, motorcycles and tires was defeated in Committee of the Whole on the 21st by a vote of 85 to 48.

The inheritance tax section was adopted without change on May 22. It would reduce the exemption to \$25,000 and increase the levies so that estates not in excess of \$50,000 would pay 1½% and increase others correspondingly until those of \$15,000,000 and more would pay 30%.

The amendment eliminating the proposed tariff tax on gold and silver bullion, print paper, certain wood and rag pulps, coal, fertilizer and personal effects of travelers was adopted by the House on the 22d.

An effort by Representative Hill of Connecticut to substitute for the 10% tariff tax a flat tax of 12 cents a pound on tea and 6 cents a pound on coffee was defeated on the same day.

As heretofore indicated, the bill calls for a tax of 2%, in addition to the present tax of 2%, on incomes of corporations and individuals, and imposes new surtaxes in addition to those ranging from 1 to 13%; the new surtaxes run from 1% on incomes between \$5,000 and \$7,500 to 45% on incomes of \$1,000,000 and over; the bill lowers the exemption of individual incomes from \$4,000 to \$2,000 in the case of married persons and from \$3,000 to \$1,000 for single persons. In addition to the present inheritance taxes, new taxes from 1% on estates between \$25,000 and \$50,000 to 15% on estates of \$15,000,000 and over are levied under the bill. In addition to the tax of 8% on excess profits, a further tax of 8% is imposed; internal revenue taxes on liquor are increased and new taxes on amusements are called for, along with stamp taxes.

The revision of the bill by the Senate Finance Committee was begun on May 24, when it was reported that reduction of the gross tax levy of the bill by about one-third, or to about \$1,250,000,000, is favored by most of the committee-men. It is the belief, at any rate, that the aggregate tax burden will not be increased, and that the committee will not consider adding the extra estimates of \$445,000,000 recently submitted by the Treasury Department. Short-term bonds to take care of the millions by which the total levy for this year probably will be reduced apparently is generally favored. Chairman Simmons announced after Thursday's meeting that the Committee had agreed to the following changes in the House measure:

To strike out the additional retroactive income tax on incomes earned in 1916;

To strike out all provisions for increased second class mail rates under the zone system, and substitute a low direct tax (probably about 2%) on all advertising, including that in newspapers and magazines and of billboards, posters and street cars; and

To substitute for the House excess profits tax on profits over 8% of invested capital, an excess profits tax based instead on average profits for a period of years, not more than five.

Elimination of the retroactive tax on 1916 incomes, Senator Simmons estimated, alone would result in reduction of the House bill's tax levy by \$108,000,000. The loss of revenue by elimination of the section will be partly, if not wholly, recouped, the committee believes, by the proposed 2% tax on all advertising. It was stated yesterday that it had been definitely agreed to eliminate the 10% additional on the tariff, and to strike out the additional taxes on inheritances.

NEW YORK STOCK EXCHANGE TO PAY CONSCRIPTED MEN DIFFERENCE IN SALARIES.

The Committee of Arrangements of the New York Stock Exchange on May 23 decided that all employees of the Exchange who enlist, or are drafted for service in the army, navy, or marine corps, will receive the difference between their present salary and what the Government pays them, up to Dec. 31 of this year.

The Committee also passed the following resolution requesting the Finance Committee to arrange to receive

subscriptions to the Liberty Loan from the Exchange employees, either fully paid, or on a partial payment plan:

Resolved, That the Finance Committee be instructed to formulate and put into effect a plan for the reception of subscriptions to the Liberty Loan by employees of the Stock Exchange, either full paid or on a deferred payment plan to be approved by said committee; and the Finance Committee is hereby authorized to finance said subscriptions.

PRESIDENT PROCLAIMS WEEK ENDING JUNE 25 AS RED CROSS WEEK.

President Wilson in a proclamation to the American people, issued yesterday, designated the week ending June 25 as Red Cross Week. The proclamation urges every man, woman and child to aid the Red Cross with generous gifts to make it possible to best serve in caring for the armed forces of the country and the administration of relief. The text of President Wilson's proclamation follows:

PROCLAMATION.

Inasmuch as our thoughts as a nation are now turned in united purpose toward the performance to the utmost of the services and duties which we have assumed in the cause of justice and liberty:

Inasmuch as but a small proportion of our people can have the opportunity to serve upon the actual field of battle, but all men, women and children alike may serve, and serve effectively, by making it possible to care properly for those who do serve under arms at home and abroad:

And inasmuch as the American Red Cross is the officially recognized agency for voluntary effort in behalf of the armed forces of the nation and for the administration of relief:

Now, therefore, by virtue of my authority as President of the United States and President of the American Red Cross, I, Woodrow Wilson, do hereby proclaim the week ending June 25 1917 as Red Cross Week during which the people of the United States will be called upon to give generously and in the spirit of patriotic sacrifice for the support and maintenance of this work of national need.

(Signed) WOODROW WILSON.

TEXT OF WAR ARMY BILL EMBODYING SELECTIVE DRAFT LEGISLATION.

The Army Bill, providing for selective conscription, was signed by President Wilson on May 18. The House and Senate passed different bills on the subject on April 28, and a compromise bill, agreed to in conference, was accepted by the House on May 16 and by the Senate on May 17. The bill as enacted into law, provides among other things for an increase in the regular army to full war strength, the drafting into the Federal service of all National Guard units, and the increase of the Guard to full war strength. The law prohibits the sale of liquor at or near army training camps. The law further provides for the drafting of 500,000 men between the ages of 21 and 30, both inclusive, and the drafting of an additional 500,000 men of the same ages when the President deems it necessary. President Wilson in signing the bill issued a statement announcing that he had decided not to avail himself of the authority given in the bill providing for the raising of a volunteer army of four divisions. This amendment played a prominent part in the proceedings on the bill before Congress, its purpose being to allow Colonel Theodore Roosevelt to lead a volunteer army to France. We refer elsewhere to the President's statement concerning the same and to the disbandment of the Roosevelt volunteers. Immediately after signing the bill the President issued a proclamation (also printed in another column), fixing June 5 as the day on which all men between the ages of 21 and 30 both inclusive, are to register in their home precincts. About 10,000,000 are expected to register; from this number 500,000 are to be conscripted to form the new National Army. After the registration and exemptions have been completed, those passing the physical examination and declared to be eligible for war service will have their names placed in jury wheels and in this manner the first 500,000 men will be drafted.

Below we print in full the text of the Army bill as signed by the President on May 18:

[H. R. 3545.]

AN ACT To authorize the President to increase temporarily the Military Establishment of the United States.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in view of the existing emergency, which demands the raising of troops in addition to those now available, the President be, and he is hereby, authorized—

First. Immediately to raise, organize, officer, and equip all or such number of increments of the Regular Army provided by the national defense Act approved June third, nineteen hundred and sixteen, or such parts thereof as he may deem necessary; to raise all organizations of the Regular Army, including those added by such increments, to the maximum enlisted strength authorized by law. Vacancies in the Regular Army created or caused by the addition of increments as herein authorized which can not be filled by promotion may be filled by temporary appointment for the period of the emergency or until replaced by permanent appointments or by provisional appointments made under the provisions of section twenty-three of the national defense Act, approved June third, nineteen hundred and sixteen, and hereafter provisional appointments under such section may be terminated whenever it is determined, in the manner prescribed by the President, that the officer has not the suitability and fitness requisite for permanent appointment.

Second. To draft into the military service of the United States, organize and officer, in accordance with the provisions of section one hundred and eleven of said national defense Act, so far as the provisions of said section may be applicable and not inconsistent with the terms of this Act, any or all members of the National Guard and of the National Guard Reserves, and said members so drafted into the military service of the United States shall serve therein for the period of the existing emergency unless sooner discharged: *Provided*, That when so drafted the organizations or units of the National Guard shall, so far as practicable, retain the State designations of their respective organizations.

Third. To raise by draft as herein provided, organize and equip an additional force of five hundred thousand enlisted men, or such part or parts thereof as he may at any time deem necessary, and to provide the necessary officers, line and staff, for said force and for organizations of the other forces hereby authorized, or by combining organizations of said other forces, by ordering members of the Officers' Reserve Corps to temporary duty in accordance with the provisions of section thirty-eight of the national defense Act, approved June third, nineteen hundred and sixteen; by appointment from the Regular Army, the Officers' Reserve Corps, from those duly qualified and registered pursuant to section twenty-three of the Act of Congress, approved January twenty-first, nineteen hundred and three (Thirty-second Statutes at Large, page seven hundred and seventy-five), from the members of the National Guard drafted into the service of the United States, from those who have been graduated from educational institutions at which military instruction is compulsory, or from those who have had honorable service in the Regular Army, the National Guard, or in the volunteer forces, or from the country at large; by assigning retired officers of the Regular Army to active duty with such force with their rank on the retired list and the full pay and allowances of their grade; or by the appointment of retired officers and enlisted men, active or retired, of the Regular Army as commissioned officers in such forces: *Provided*, That the organizations of said force shall be the same as that of the corresponding organizations of the Regular Army: *Provided further*, That the President is authorized to increase or decrease the number of organizations prescribed for the typical brigades, divisions, or army corps of the Regular Army, and to prescribe such new and different organizations and personnel for army corps, divisions, brigades, regiments, battalions, squadrons, companies, troops, and batteries as the efficiency of the service may require: *Provided further*, That the number of organizations in a regiment shall not be increased nor shall the number of regiments be decreased: *Provided further*, That the President in his discretion may organize, officer, and equip for each Infantry and Cavalry brigade three machine-gun companies, and for each Infantry and Cavalry division four machine-gun companies, all in addition to the machine-gun companies comprised in organizations included in such brigades and divisions: *Provided further*, That the President in his discretion may organize for each division one armored motor-car machine-gun company. The machine-gun companies organized under this section shall consist of such commissioned and enlisted personnel and be equipped in such manner as the President may prescribe: *And provided further*, That officers with rank not above that of colonel shall be appointed by the President alone, and officers above that grade by the President by and with the advice and consent of the Senate: *Provided further*, That the President may in his discretion recommit in the Coast Guard persons who have heretofore held commissions in the Revenue-Cutter Service or the Coast Guard and have left the service honorably, after ascertaining that they are qualified for service physically, morally, and as to age and military fitness.

Fourth. The President is further authorized, in his discretion and at such time as he may determine, to raise and begin the training of an additional force of five hundred thousand men organized, officered, and equipped, as provided for the force first mentioned in the preceding paragraph of this section.

Fifth. To raise by draft, organize, equip, and officer, as provided in the third paragraph of this section, in addition to and for each of the above forces, such recruit training units as he may deem necessary for the maintenance of such forces at the maximum strength.

Sixth. To raise, organize, officer, and maintain during the emergency such number of ammunition batteries and battalions, depot batteries and battalions, and such artillery parks, with such numbers and grades of personnel as he may deem necessary. Such organizations shall be officered in the manner provided in the third paragraph of this section, and enlisted men may be assigned to said organizations from any of the forces herein provided for or raised by selective draft as by this Act provided.

Seventh. The President is further authorized to raise and maintain by voluntary enlistment, to organize, and equip, not to exceed four infantry divisions, the officers of which shall be selected in the manner provided by paragraph three of section one of this Act: *Provided*, That the organization of said force shall be the same as that of the corresponding organization of the Regular Army: *And provided further*, That there shall be no enlistments in said force of men under twenty-four years of age at time of enlisting: *And provided further*, That no such volunteer force shall be accepted in any unit smaller than a division.

Sec. 2. That the enlisted men required to raise and maintain the organizations of the Regular Army and to complete and maintain the organizations embodying the members of the National Guard drafted into the service of the United States, at the maximum legal strength as by this Act provided, shall be raised by voluntary enlistment, or if and whenever the President decides that they can not effectually be so raised or maintained, then by selective draft; and all other forces hereby authorized, except as provided in the seventh paragraph of section one, shall be raised and maintained by selective draft exclusively; but this provision shall not prevent the transfer to any force of training cadres from other forces. Such draft as herein provided shall be based upon liability to military service of all male citizens, or male persons not alien enemies who have declared their intention to become citizens, between the ages of twenty-one and thirty years, both inclusive, and shall take place and be maintained under such regulations as the President may prescribe not inconsistent with the terms of this Act. Quotas for the several States, Territories, and the District of Columbia, or subdivisions thereof, shall be determined in proportion to the population thereof, and credit shall be given to any State, Territory, District, or subdivision thereof, for the number of men who were in the military service of the United States as members of the National Guard on April first, nineteen hundred and seventeen, or who have since said date entered the military service of the United States from any such State, Territory, District, or subdivision, either as members of the Regular Army or the National Guard. All persons drafted into the service of the United States and all officers accepting commissions in the forces herein provided for shall, from the date of said draft or acceptance, be subject to the laws and regulations governing the Regular Army, except as to promotions, so far as such laws and regulations are applicable to persons whose permanent retention in the military service on the active or retired list is not contemplated by existing law, and those drafted shall be required to serve for the period of the existing emergency unless sooner discharged: *Provided*, That the President is authorized to raise and maintain by voluntary enlist-

ment or draft, as herein provided, special and technical troops as he may deem necessary, and to embody them into organizations and to officer them as provided in the third paragraph of section one and section nine of this Act. Organizations of the forces herein provided for, except the Regular Army and the divisions authorized in the seventh paragraph of section one, shall, as far as the interests of the service permit, be composed of men who come, and of officers who are appointed from, the same State or locality.

Sec. 3. No bounty shall be paid to induce any person to enlist in the military service of the United States; and no person liable to military service shall hereafter be permitted or allowed to furnish a substitute for such service; nor shall any substitute be received, enlisted, or enrolled in the military service of the United States; and no such person shall be permitted to escape such service or to be discharged therefrom prior to the expiration of his term of service by the payment of money or any other valuable thing whatsoever as consideration for his release from military service or liability thereto.

Sec. 4. That the Vice-President of the United States, the officers, legislative, executive, and judicial, of the United States and of the several States, Territories, and the District of Columbia, regular or duly ordained ministers of religion, students who at the time of the approval of this Act are preparing for the ministry in recognized theological or divinity schools, exempt from the selective draft herein prescribed, and nothing in this Act and all persons in the military and naval service of the United States shall be construed to require or compel any person to serve in any of the forces herein provided for who is found to be a member of any well-recognized religious sect or organization at present organized and existing and whose existing creed or principles forbid its members to participate in war in any form and whose religious convictions are against war or participation therein in accordance with the creed or principles of said religious organizations, but no person so exempted shall be exempted from service in any capacity that the President shall declare to be noncombatant; and the President is hereby authorized to exclude or discharge from said selective draft and from the draft under the second paragraph of section one hereof, or to draft for partial military service only from those liable to draft as in this Act provided, persons of the following classes: County and municipal officials; customhouse clerks; persons employed by the United States in the transmission of the mail; artificers and workmen employed in the armories, arsenals, and navy yards of the United States, and such other persons employed in the service of the United States as the President may designate; pilots, mariners actually employed in the sea service of any citizen or merchant within the United States; persons engaged in industries, including agriculture, found to be necessary to the maintenance of the Military Establishment or the effective operation of the military forces or the maintenance of national interest during the emergency; those in a status with respect to persons dependent upon them for support which renders their exclusion or discharge advisable; and those found to be physically or morally deficient. No exemption or exclusion shall continue when a cause therefor no longer exists: *Provided*, That notwithstanding the exemptions enumerated herein, each State, Territory, and the District of Columbia shall be required to supply its quota in the proportion that its population bears to the total population of the United States.

The President is hereby authorized, in his discretion, to create and establish throughout the several States and subdivisions thereof and in the Territories and the District of Columbia local boards, and where, in his discretion, practicable and desirable, there shall be created and established one such local board in each county or similar subdivision in each State, and one for approximately each thirty thousand of population in each city of thirty thousand population or over, according to the last census taken or estimates furnished by the Bureau of Census of the Department of Commerce. Such boards shall be appointed by the President, and shall consist of three or more members, none of whom shall be connected with the Military Establishment, to be chosen from among the local authorities of such subdivisions or from other citizens residing in the subdivision or area in which the respective boards will have jurisdiction under the rules and regulations prescribed by the President. Each board shall have power within their respective jurisdictions to hear and determine, subject to review as hereinafter provided, all questions of exemption under this Act, and all questions of or claims for including or discharging individuals, or classes of individuals from the selective draft, which shall be made under rules and regulations prescribed by the President, except any and every question or claim for including or excluding or discharging persons or classes of persons from the selective draft under the provisions of this Act authorizing the President to exclude or discharge from the selective draft. "Persons engaged in industries including agriculture, found to be necessary to the maintenance of the Military Establishment, or the effective operation of the military forces, or the maintenance of national interest during the emergency."

The President is hereby authorized to establish additional boards, one in each Federal judicial district of the United States, consisting of such number of citizens, not connected with the Military Establishment, as the President may determine, who shall be appointed by the President. The President is hereby authorized, in his discretion, to establish more than one such board in any Federal judicial district of the United States, or to establish one such board having jurisdiction of an area extending into more than one Federal judicial district.

Such district boards shall review on appeal and affirm, modify, or reverse any decision of any local board having jurisdiction in the area in which any such district board has jurisdiction under the rules and regulations prescribed by the President. Such district boards shall have exclusive original jurisdiction within their respective areas to hear and determine all questions or claims for including or excluding or discharging persons or classes of persons from the selective draft, under the provisions of this Act, not included within the original jurisdiction of such local boards.

The decisions of such district boards shall be final except that, in accordance with such rules and regulations as the President may prescribe, he may affirm, modify or reverse any such decision.

Any vacancy in any such local board or district board shall be filled by the President, and any member of any such local board or district board may be removed and another appointed in his place by the President, whenever he considers that the interest of the nation demands it.

The President shall make rules and regulations governing the organization and procedure of such local boards and district boards, and providing for and governing appeals from such local boards to such district boards, and reviews of the decisions of any local board by the district board having jurisdiction, and determining and prescribing the several areas in which the respective local boards and district boards shall have jurisdiction, and all other rules and regulations necessary to carry out the terms and provisions of this section, and shall provide for the issuance of certificates of exemption, or partial or limited exemptions, and for a system to exclude and discharge individuals from selective draft.

Sec. 5. That all male persons between the ages of twenty-one and thirty, both inclusive, shall be subject to registration in accordance with regulations to be prescribed by the President; and upon proclamation by

the President or other public notice given by him or by his direction stating the time and place of such registration it shall be the duty of all persons of the designated ages, except officers and enlisted men of the Regular Army, the Navy, and the National Guard and Naval Militia while in the service of the United States, to present themselves for and submit to registration under the provisions of this Act; and every such person shall be deemed to have notice of the requirements of this Act upon the publication of said proclamation or other notice as aforesaid given by the President or by his direction; and any person who shall willfully fail or refuse to present himself for registration or to submit thereto as herein provided, shall be guilty of a misdemeanor and shall, upon conviction in the district court of the United States having jurisdiction thereof, be punished by imprisonment for not more than one year, and shall thereupon be duly registered: *Provided*, That in the call of the docket precedence shall be given, in courts trying the same, to the trial of criminal proceedings under this Act: *Provided further*, That persons shall be subject to registration as herein provided who shall have attained their twenty-first birthday and who shall not have attained their thirty-first birthday on or before the day set for the registration, and all persons so registered shall be and remain subject to draft into the forces hereby authorized, unless exempted or excused therefrom as in this Act provided: *Provided further*, That in the case of temporary absence from actual place of legal residence of any person liable to registration as provided herein such registration may be made by mail under regulations to be prescribed by the President.

Sec. 6. That the President is hereby authorized to utilize the service of any or all departments and any or all officers or agents of the United States and of the several States, Territories, and the District of Columbia, and subdivisions thereof, in the execution of this Act, and all officers and agents of the United States and of the several States, Territories, and subdivisions thereof, and of the District of Columbia, and all persons designated or appointed under regulations prescribed by the President whether such appointments are made by the President himself or by the governor or other officer of any State or Territory to perform any duty in the execution of this Act; are hereby required to perform such duty as the President shall order or direct, and all such officers and agents and persons so designated or appointed shall hereby have full authority for all acts done by them in the execution of this Act by the direction of the President. Correspondence in the execution of this Act may be carried in penalty envelopes bearing the frank of the War Department. Any person charged as herein provided with the duty of carrying into effect any of the provisions of this Act or the regulations made or directions given thereunder who shall fail or neglect to perform such duty; and any person charged with such duty or having and exercising any authority under said Act, regulations, or directions, who shall knowingly make or be a party to the making of any false or incorrect registration, physical examination, exemption, enlistment, enrollment, or muster; and any person who shall make or be a party to the making of any false statement or certificate as to the fitness or liability of himself or any other person for service under the provisions of this Act, or regulations made by the President thereunder, or otherwise evades or aids another to evade the requirements of this Act or of said regulations, or who, in any manner, shall fail or neglect fully to perform any duty required of him in the execution of this Act, shall, if not subject to military law, be guilty of a misdemeanor, and upon conviction in the district court of the United States having jurisdiction thereof, be punished by imprisonment for not more than one year, or, if subject to military law, shall be tried by court-martial and suffer such punishment as a court-martial may direct.

Sec. 7. That the qualifications and conditions for voluntary enlistment as herein provided shall be the same as those prescribed by existing law for enlistments in the Regular Army, except that recruits must be between the ages of eighteen and forty years, both inclusive, at the time of their enlistment; and such enlistments shall be for the period of the emergency unless sooner discharged. All enlistments, including those in the Regular Army Reserve, which are in force on the date of the approval of this Act and which would terminate during the emergency shall continue in force during the emergency unless sooner discharged; but nothing herein contained shall be construed to shorten the period of any existing enlistment: *Provided*, That all persons enlisted or drafted under any of the provisions of this Act shall as far as practicable be grouped into units by States and the political subdivisions of the same: *Provided further*, That all persons who have enlisted since April first, nineteen hundred and seventeen, either in the Regular Army or in the National Guard and all persons who have enlisted in the National Guard since June third, nineteen hundred and sixteen, upon their application, shall be discharged upon the termination of the existing emergency.

The President may provide for the discharge of any or all enlisted men whose status with respect to dependents renders such discharge advisable; and he may also authorize the employment on any active duty of retired enlisted men of the Regular Army, either with their rank on the retired list or in higher enlisted grades, and such retired enlisted men shall receive the full pay and allowances of the grades in which they are actively employed.

Sec. 8. That the President, by and with the advice and consent of the Senate, is authorized to appoint for the period of the existing emergency such general officers of appropriate grades as may be necessary for duty with brigades, divisions, and higher units in which the forces provided for herein may be organized by the President, and general officers of appropriate grade for the several Coast Artillery districts. In so far as such appointments may be made from any of the forces herein provided for, the appointees may be selected irrespective of the grades held by them in such forces. Vacancies in all grades in the Regular Army resulting from the appointment of officers thereof to higher grades in the forces other than the Regular Army herein provided for shall be filled by temporary promotions and appointments in the manner prescribed for filling temporary vacancies by section one hundred and fourteen of the national defense Act, approved June third, nineteen hundred and sixteen; and officers appointed under the provisions of this Act to higher grades in the forces other than the Regular Army herein provided for shall not vacate their permanent commissions nor be prejudiced in their relative or lineal standing in the Regular Army.

Sec. 9. That the appointments authorized and made as provided by the second, third, fourth, fifth, sixth, and seventh paragraphs of section one and by section eight of this Act, and the temporary appointments in the Regular Army authorized by the first paragraph of section one of this Act, shall be for the period of the emergency, unless sooner terminated by discharge or otherwise. The President is hereby authorized to discharge any officer from the office held by him under such appointment for any cause which, in the judgment of the President, would promote the public service; and the general commanding any division and higher tactical organization or territorial department is authorized to appoint from time to time military boards of not less than three nor more than five officers of the forces herein provided for to examine into and report upon the capacity, qualification, conduct, and efficiency of any commissioned officer within his command other than officers of the Regular Army holding permanent or provisional commissions therein. Each member of such board shall be su-

perior in rank to the officer whose qualifications are to be inquired into, and if the report of such board be adverse to the continuance of any such officer and be approved by the President, such officer shall be discharged from the service at the discretion of the President with one month's pay and allowances.

Sec. 10. That all officers and enlisted men of the forces herein provided for other than the Regular Army shall be in all respects on the same footing as to pay, allowances, and pensions as officers and enlisted men of corresponding grades and length of service in the Regular Army; and commencing June one, nineteen hundred and seventeen, and continuing until the termination of the emergency, all enlisted men of the Army of the United States in active service whose base pay does not exceed \$21 per month shall receive an increase of \$15 per month; those whose base pay is \$24, an increase of \$12 per month; those whose base pay is \$30, \$36, or \$40, an increase of \$8 per month; and those whose base pay is \$45 or more, an increase of \$6 per month: *Provided*, That the increase of pay herein authorized shall not enter into the computation of the continuous-service pay.

Sec. 11. That all existing restrictions upon the detail, detachment, and employment of officers and enlisted men of the Regular Army are hereby suspended for the period of the present emergency.

Sec. 12. That the President of the United States, as Commander in Chief of the Army, is authorized to make such regulations governing the prohibition of alcoholic liquors in or near military camps and to the officers and enlisted men of the Army as he may from time to time deem necessary or advisable: *Provided*, That no person, corporation, partnership, or association shall sell, supply, or have in his or its possession any intoxicating or spirituous liquors at any military station, cantonment, camp, fort, post, officers' or enlisted men's club, which is being used at the time for military purposes under this Act, but the Secretary of War may make regulations permitting the sale and use of intoxicating liquors for medicinal purposes. It shall be unlawful to sell any intoxicating liquor, including beer, ale, or wine, to any officer or member of the military forces while in uniform, except as herein provided. Any person, corporation, partnership, or association violating the provisions of this section or the regulations made thereunder shall, unless otherwise punishable under the Articles of War, be deemed guilty of a misdemeanor and be punished by a fine of not more than \$1,000 or imprisonment for not more than twelve months, or both.

Sec. 13. That the Secretary of War is hereby authorized, empowered, and directed during the present war to do everything by him deemed necessary to suppress and prevent the keeping or setting up of houses of ill fame, brothels, or bawdy houses within such distance as he may deem needful of any military camp, station, fort, post, cantonment, training, or mobilization place, and any person, corporation, partnership, or association receiving or permitting to be received for immoral purposes any person into any place, structure, or building used for the purpose of lewdness, assignation, or prostitution within such distance of said places as may be designated, or shall permit any such person to remain for immoral purposes in any such place, structure, or building as aforesaid, or who shall violate any order, rule, or regulation issued to carry out the object and purpose of this section shall, unless otherwise punishable under the Articles of War, be deemed guilty of a misdemeanor and be punished by a fine of not more than \$1,000, or imprisonment for not more than twelve months or both.

Sec. 14. That all laws and parts of laws in conflict with the provisions of this Act are hereby suspended during the period of this emergency.

Approved, May 18, 1917.

PRESIDENT'S PROCLAMATION PUTTING INTO EFFECT THE SELECTIVE DRAFT PROVISIONS OF ARMY BILL.

Following the signing by President Wilson on May 18 of the war Army Bill, embodying legislation for conscripting certain classes of young men into military service, a proclamation was issued by the President fixing June 5 as the date for the registration of men between the ages of twenty-one and thirty, inclusive, subject to draft under the provisions of the newly-enacted law. In his proclamation the President sets out that "it is not an army that we must shape and train for war—it is a nation. To this end our people must draw close in one compact front against a common foe. * * *

The whole nation must be a team in which each man shall play the part for which he is best fitted. To this end Congress has provided that the nation shall be organized for war by selection, and that each man shall be classified for service in the place to which it shall best serve the general good to call him. The significance of this cannot be overstated. It is a new thing in our history and a landmark in our progress." The full text of the Army Bill appears elsewhere in our issue to-day. The proclamation in full follows:

Whereas, Congress has enacted and the President has on the 18th day of May, one thousand nine hundred and seventeen, approved a law which contains the following provisions:

Section 5.—That all male persons between the ages of twenty-one and thirty, both inclusive, shall be subject to registration in accordance with regulations to be prescribed by the President, and upon proclamation by the President or other public notice given by him or by his direction stating the time and place of such registration, it shall be the duty of all persons of the designated ages, except officers and enlisted men of the Regular Army, the Navy and the National Guard and Naval Militia while in the service of the United States, to present themselves for and submit to registration under the provisions of this Act; and every such person shall be deemed to have notice of the requirements of this Act upon the publication of said proclamation or other notice as aforesaid given by the President or by his direction; and any person who shall willfully fail or refuse to present himself for registration or to submit thereto as herein provided shall be guilty of a misdemeanor and shall, upon conviction in the district court of the United States having jurisdiction thereof, be punished by imprisonment for not more than one year and shall thereupon be duly registered, provided that in the call of the docket precedence shall be given in courts trying the same to the trial of criminal proceedings under this Act.

Provided, further, that persons shall be subject to registration, as herein provided, who shall have attained their twenty-first birthday, and who shall not have attained their thirty-first birthday on or before the day set for the registration, and all persons so registered shall be and remain subject to draft into the forces hereby authorized, unless exempted or excused therefrom as in this Act provided;

Provided, further, that in the case of temporary absence from actual place of legal residence of any person liable to registration as provided herein, such registration may be made by mail under regulations to be prescribed by the President.

Section 6.—That the President is hereby authorized to utilize the service of any or all departments, and any or all officers or agents of the United

States, and of the several States, Territories and the District of Columbia, and subdivisions thereof, in the execution of this Act, and all officers and agents of the United States and of the several States, Territories and subdivisions thereof, and of the District of Columbia, and all persons designated or appointed under regulations prescribed by the President, whether such appointments are made by the President himself or by the Governor or other officer of any State or Territory, to perform any duty in the execution of this Act, are hereby required to perform such duty as the President shall order or direct, and all such officers and agents and persons so designated or appointed shall hereby have full authority for all acts done by them in the execution of this Act by the direction of the President.

Correspondence in the execution of this Act may be carried in penalty envelopes bearing the frank of the War Department.

Any person charged as herein provided with the duty of carrying into effect any of the provisions of this Act or the regulations made or directions given thereunder, who shall fail or neglect to perform such duty; and any person charged with such duty or having and exercising any authority under said Act, regulations or directions, who shall knowingly make or be a party to the making of any false or incorrect registration, physical examination, exemption, enlistment, enrollment, or muster, and any person who shall make or be a party to the making of any false statement or certificate as to the fitness or liability of himself or any other person for service under the provisions of this Act, or regulations made by the President thereunder, or otherwise evades or aids another to evade the requirements of this Act or of said regulations, or who, in any manner, shall fail or neglect fully to perform any duty required of him in the execution of this Act, shall, if not subject to military law, be guilty of a misdemeanor, and upon conviction in the District Court of the United States having jurisdiction thereof, be punished by imprisonment for not more than one year, or, if subject to military law, shall be tried by court-martial and suffer such punishment as a court-martial may direct.

Now, therefore, I, Woodrow Wilson, President of the United States, do call upon the Governor of each of the several States and Territories, the Board or Commissioners of the District of Columbia, and all officers and agents of the several States and Territories, of the District of Columbia and of the counties and municipalities therein, to perform certain duties in the execution of the foregoing law, which duties will be communicated to them directly in regulations of even date herewith.

And I do further proclaim and give notice to all persons subject to registration in the several States and in the District of Columbia, in accordance with the above law, that the time and place of such registration shall be between 7 a. m. and 9 p. m. on the fifth day of June, 1917, at the registration place in the precinct wherein they have their permanent homes.

Those who shall have attained their twenty-first birthday and who shall not have attained their thirty-first birthday on or before the day here named are required to register, excepting only officers and enlisted men of the regular army, the navy, the Marine Corps and the National Guard and Naval Militia while in the service of the United States, and officers in the Officers' Reserve Corps and enlisted men in the enlisted Reserve Corps while in active service. In the territories of Alaska, Hawaii and Porto Rico a day for registration will be named in a later proclamation.

And I do charge those who, through sickness, shall be unable to present themselves for registration, that they apply on or before the day of registration to the County Clerk of the county where they may be for instructions as to how they may be registered by agent. Those who expect to be absent on the day named from the counties in which they have their permanent homes may register by mail, but their mailed registration cards must reach the places in which they have their permanent homes by the day named herein. They should apply as soon as practicable to the County Clerk of the county wherein they may be for instructions as to how they may accomplish their registration by mail.

In case such persons as through sickness or absence may be unable to present themselves personally for registration shall be sojourning in cities of over 30,000 population, they shall apply to the City Clerk of the city wherein they may be sojourning rather than to the Clerk of the County. The clerks of counties and of cities of over 30,000 population in which numerous applications from the sick and from non-residents are expected are authorized to establish such sub-agencies and to employ and deputize such clerical force as may be necessary to accommodate these applications.

The Power against which we are arrayed has sought to impose its will upon the world by force. To this end it has increased armament until it has changed the face of war. In the sense in which we have been wont to think of armies, there are no armies in this struggle; there are entire nations armed. Thus the men who remain to till the soil and man the factories are no less a part of the army that is in France than the men beneath the battle flags.

It must be so with us. It is not an army that we must shape and train for war; it is a nation. To this end our people must draw close in one compact front against a common foe. But this cannot be if each man pursues a private purpose. All must pursue one purpose.

The nation needs all men, but it needs each man, not in the field that will most pleasure him, but in the endeavor that will best serve the common good.

Thus, though a sharpshooter pleases to operate a trip-hammer for the forging of great guns, and an expert machinist desires to march with the flag, the nation is being served only when the sharpshooter marches and the machinist remains at his levers. The whole nation must be a team in which each man shall play the part for which he is best fitted.

To this end, Congress has provided that the nation shall be organized for war by selection; that each man shall be classified for service in the place to which it shall best serve the general good to call him.

The significance of this cannot be overstated. It is a new thing in our history and a landmark in our progress. It is a new manner of accepting and vitalizing our duty, to give ourselves with thoughtful devotion to the common purpose of us all. It is in no sense a conscription of the unwilling; it is rather selection from a nation which has volunteered in mass. It is no more a choosing of those who shall march with the colors than it is a selection of those who shall serve an equally necessary and devoted purpose in the industries that lie behind the battle line.

The day here named is the time upon which all shall present themselves for assignment to their tasks. It is for that reason destined to be remembered as one of the most conspicuous moments in our history. It is nothing less than the day upon which the manhood of the country shall step forward in one solid rank in defence of the ideals to which this nation is consecrated. It is important to those ideals, no less than to the pride of this generation in manifesting its devotion to them, that there be no gaps in the ranks.

It is essential that the day be approached in thoughtful apprehension of its significance and that we accord to it the honor and the meaning that it deserves. Our industrial need prescribes that it be not made a technical holiday, but the stern sacrifice that is before us urges that it be carried in all our hearts as a great day of patriotic devotion and obligation, when the duty shall lie upon every man, whether he is himself to be registered or not, to see to it that the name of every male person of the designated ages is written on these lists of honor.

In witness whereof I have herewith set my hand and caused the seal of the United States to be affixed. Done at the city of Washington this 18th day of May, in the year of our Lord one thousand nine hundred and seventeen, and of the independence of the United States of America the one hundred and forty-first.

By the President, ROBERT LANSING, Secretary of State.

HERBERT C. HOOVER APPOINTED FOOD ADMINISTRATOR—PRESIDENT'S PROCLAMATION.

President Wilson, in a formal statement issued on May 19, outlining the Administration's food control program, and explaining the scope and purpose of the Administration's legislation now before Congress to control the food situation, announced that he had asked Herbert C. Hoover, head of the American Commission for Relief in Belgium, and Chairman of the Committee on Food Supply and Prices, created by the Council of National Defense, to become Food Administrator. The President also made known that Mr. Hoover had accepted on condition that neither he nor his immediate assistants should receive pay for their services. The appointment of Mr. Hoover as Food Administrator is provisional on authorization by Congress of the Emergency Food Commission provided for in one of the food bills before Congress, and Mr. Hoover's acceptance of the office also was on the assumption that Congress would not see fit to limit the powers which Mr. Hoover regards as vital to a successful administration of the food situation. Soon after the President's statement was issued on May 19, Mr. Hoover made public a declaration of principles in which he outlined his plans for feeding the Allies while still conserving sufficient food supplies for consumption here. He said that he desired to have the food administration divided into four great sections, the duties of which he laid down in detail. Mr. Hoover also took occasion to reject the titles of Food Dictator and Food Controller, stating that they did not fit the emergency. The problem was one, he declared, not of dictation, but of wise administration.

President Wilson's proclamation follows:

It is very desirable, in order to prevent misunderstandings or alarms and to assure co-operation in a vital matter, that the country should understand exactly the scope and purpose of the very great powers which I have thought it necessary in the circumstances to ask the Congress to put in my hands with regard to our food supplies. Those powers are very great, indeed, but they are no greater than it has proved necessary to lodge in the other Governments which are conducting this momentous war, and their object is stimulation and conservation, not arbitrary restraint or injurious interference with the normal processes of production. They are intended to benefit and assist the farmer and all those who play a legitimate part in the preparation, distribution and marketing of foodstuffs.

It is proposed to draw a sharp line of distinction between the normal activities of the Government represented in the Department of Agriculture in reference to food production, conservation and marketing, on the one hand, and the emergency activities necessitated by the war in reference to the regulation of food distribution and consumption, on the other. All measures intended directly to extend the normal activities of the Department of Agriculture in reference to the production, conservation and the marketing of farm crops will be administered, as in normal times, through that department, and the powers asked for over distribution and consumption, over exports, imports, prices, purchase, and requisition of commodities, storing, and the like which may require regulation during the war will be placed in the hands of a Commissioner of Food Administration, appointed by the President and directly responsible to him.

The objects sought to be served by the legislation asked for are: Full inquiry into the existing available stocks of foodstuffs and into the costs and practices of the various food-producing and distributing trades; the prevention of all unwarranted hoarding of every kind and of the control of foodstuffs by persons who are not in any legitimate sense producers, dealers, or traders; the requisitioning when necessary for the public use of food supplies and of the equipment necessary for handling them properly; the licensing of wholesome and legitimate mixtures and milling percentages, and the prohibition of the unnecessary or wasteful use of foods.

Authority is asked also to establish prices, but not in order to limit the profits of the farmers, but only to guarantee to them when necessary a minimum price which will insure them a profit where they are asked to attempt new crops and to secure the consumer against extortion by breaking up corners and attempts at speculation, when they occur, by fixing temporarily a reasonable price at which middlemen must sell.

I have asked Mr. Herbert Hoover to undertake this all-important task of food administration. He has expressed his willingness to do so on condition that he is to receive no payment for his services and that the whole of the force under him, exclusive of clerical assistance, shall be employed, so far as possible, upon the same volunteer basis. He has expressed his confidence that this difficult matter of food administration can be successfully accomplished through the voluntary co-operation and direction of legitimate distributors of foodstuffs and with the help of the women of the country.

Although it is absolutely necessary that unquestionable powers shall be placed in my hands, in order to insure the success of this administration of the food supplies of the country, I am confident that the exercise of those powers will be necessary only in the few cases where some small and selfish minority proves unwilling to put the nation's interests above personal advantage, and that the whole country will heartily support Mr. Hoover's efforts by supplying the necessary volunteer agencies throughout the country for the intelligent control of food consumption and securing the co-operation of the most capable leaders of the very interests most directly affected, that the exercise of the powers deputed to him will rest very successfully upon the good-will and co-operation of the people themselves, and that the ordinary economic machinery of the country will be left substantially undisturbed.

The proposed food administration is intended, of course, only to meet a manifest emergency and to continue only while the war lasts. Since it will be composed, for the most part, of volunteers, there need be no fear of the possibility of a permanent bureaucracy arising out of it. All control of consumption will disappear when the emergency has passed. It is with that object in view that the Administration considers it to be of pre-eminent importance that the existing associations of producers and distributors of foodstuffs should be mobilized and made use of on a volunteer basis. The successful conduct of the projected food administration by such means will be the finest possible demonstration of the willingness, the

ability and the efficiency of democracy, and of its justified reliance upon the freedom of individual initiative. The last thing that any American could contemplate with equanimity would be the introduction of anything resembling Prussian autocracy into the food control in this country.

It is of vital interest and importance to every man who produces food and to every man who takes part in its distribution that these policies thus liberally administered should succeed, and succeed altogether. It is only in that way that we can prove it to be absolutely unnecessary to resort to the rigorous and drastic measures which have proved to be necessary in some of the European countries.

ADMINISTRATION INSISTS ON PRESS CENSORSHIP LEGISLATION IN ESPIONAGE BILL.

Contrary to the reports of last week that the Administration would probably make no further efforts at this time to have Congress enact a press censorship law, evidence that the President and his advisers would insist upon the inclusion of a press censorship provision in the espionage bill (now in conference) was furnished this week. Following the decision of the House Republicans, in caucus on May 22, to oppose any newspaper censorship legislation in the bill, there was made public a letter addressed by President Wilson to Chairman Webb, of the House Judiciary Committee, reiterating that it was imperative that Congress grant censorship powers to deal with the few persons who could not be relied upon to observe "a patriotic reticence about everything whose publication could be of injury." In his letter the President said:

My Dear Mr. Webb:

I have been very much surprised to find several of the public prints stating that the Administration had abandoned the position which it so distinctly took, and still holds, that authority to exercise censorship over the press to the extent that that censorship is embodied in the recent action of the House of Representatives is absolutely necessary to the public safety. It, of course, has not been abandoned, because the reasons still exist why such authority is necessary for the protection of the nation.

I have every confidence that the great majority of the newspapers of the country will observe a patriotic reticence about everything whose publication could be of injury, but in every country there are some persons in a position to do mischief in this field, who cannot be relied upon and whose interests or desires will lead to actions on their part highly dangerous to the nation in the midst of a war. I want to say again that it seems to me imperative that powers of this sort should be granted.

Cordially and sincerely yours,

WOODROW WILSON.

It is stated that the renewed efforts for censorship legislation have been actively supported by Attorney-General Gregory. A memorandum was sent by the Department of Justice to the conferees stating that the Department was not to be considered as having changed its belief that such authority is important and of immediate necessity. It was also reported on May 24 that President Wilson had been told by some Senators with whom he has discussed the censorship situation that until the appointment of George Creel as head of the Bureau of Public Information Congressional opposition to censorship was not so strong as at present. The President is said to have expressed full confidence in Mr. Creel's ability and discretion. As noted in these columns last week, the espionage bill as it passed the Senate on May 14 was stripped of the press censorship provision. The House Bill, as passed on May 4, carries the Gard provision, which is a modification of the original censorship section drawn by Attorney-General Gregory. The Gard amendment prohibits the publication "wilfully and without proper authority" of information that might be "useful to the enemy" and authorizes the President by proclamation from time to time to declare the character of such information. The amendment also provides for a trial by jury, the latter to determine not only whether the prohibited matter is published wilfully and without proper authority, but also whether the information is useful to the enemy. With the receipt of President Wilson's letter on May 22, Representative Webb announced that he would wage a determined fight in behalf of the censorship amendment carried in the House bill. Besides directing the attention of Representative Webb to the desires of the Administration, the President on May 23 called to the White House the Senate conferees on the bill, Senators Overman, Fletcher and Nelson, and urged them to agree to a censorship section. They were asked to learn whether it was possible to allay the Senate's objections, and secure the adoption of a modified censorship clause. The Senate's opposition to any form of censorship was made plain, it is said, to the President by the conferees. It was finally agreed, however, by the conferees to use their endeavors toward working out a provision along the lines of the less drastic Cummins-Thomas proposal, stricken out of the Senate bill on May 12.

The conferees of the House and Senate yesterday agreed to a so-called modified censorship provision which confines prohibited publication exclusively to military information, and retains the provision that a jury shall decide whether

published information is useful to the enemy. The conferees also agreed on the Senate amendment to empower the President to declare export embargoes. It is designed to prevent shipments of supplies to Germany through neutrals. The newly formed censorship section, prepared by Chairman Webb, reads as follows:

When the United States is at war, the publishing wilfully of information with respect to the movement, numbers, equipment, description, or disposition of any of the armed forces of the United States in naval or military operations, or with respect to any of the works intended for the fortification or defense of any place, which information is or may be useful to the enemy, is hereby prohibited, and the President may, from time to time by proclamation, declare the character of such above described information, which is or may be useful to the enemy and in any prosecution hereunder the jury trying the cause shall determine not only whether the defendant did wilfully publish such information as set out in the indictment, but also whether such information was of such character as was or might have been useful to the enemy; provided that nothing in this section shall be construed to limit or restrict any discussion, comment, or criticism of the acts or policies of the Government or its representatives, or the publication of the same.

Whoever violates this section shall, upon conviction thereof, be punished by a fine of not more than \$10,000 or by imprisonment for not more than five years, or both.

George W. Wickersham, former United States Attorney-General, speaking against the press censorship legislation before the Twenty-Ninth Assembly District Republican Club on Thursday night, was quoted in the "Times" as saying:

It is a singular fact that the Democratic Party, at present in control of the Government of this nation, should be largely engaged in endeavoring to have enacted into law measures conferring upon various departments of the Government powers hitherto unknown in the history of free institutions and against which the English-speaking peoples have been engaged in erecting bulwarks from the enactment of the Bill of Rights in 1688 until the present hour. It is true that the present war and the result of the disturbance of the world's commerce produced by it have given rise to new, intricate, and far-reaching problems; but it is yet to be demonstrated that a free people, living under Constitutional Government, with restraints upon the conduct of majorities and the arbitrary exercise of power by executives, cannot effectively maintain a war for the protection of democracy without the complete abandonment of the fundamentals of free government. Supreme as is the sacrifice of the man who dies for his country, it may be only a little less difficult to live for one's country, if living involves the surrender of the rights of free men.

Especially dangerous is the attempt, with which, unfortunately, the Democratic Party has initiated its plan of conducting the war, to establish a censorship upon the press, in violation of every tradition of Anglo-Saxon liberty. Undoubtedly, in the history of the press there is much of which to complain. The great power of publicity has been too often abused; but taking it for all and all, no one institution makes more for the preservation of those liberties for the maintenance of which we have entered this war than a free and unmuzzled press.

It would be the counsel of wisdom to require all newspapers printed in German to publish in parallel columns an English translation of the German text. Not even the most vigilant censor can be quite sure of the insidious effect upon the German-speaking population of America of the German vernacular press, and the task would be simplified and rendered easier by requiring the publication in English as well as in German. But the attempt to place the English-speaking press at the mercy of a military or executive censor is one of the most dangerous menaces to freedom that has yet been made in the name of liberty. The gentlemen who are engaged in efforts to suspend the ordinary Constitutional restraints on liberty and to vest themselves with vast autocratic power, should remember that as yet there has been no demonstration to the country that those upon whom these powers are proposed to be conferred are possessed of a wisdom or a capacity sufficient to justify the assumption that these powers will be employed with wisdom, with restraint, with efficiency. Great powers should only be vested in great men because of great emergencies. Surely we should wait until there arises a demonstration of a great national need before we even temporarily offer up all the liberties for which our fathers shed their blood as a needed sacrifice to the cause of freedom.

THE NEWLY CREATED COMMERCIAL ECONOMY BOARD.

Announcement is made of the creation of a Commercial Economy Board of the Advisory Commission of the Council of National Defense. The new board was organized by the National Defense Council to assist in the readjustment of distribution which the war will make necessary through securing the voluntary co-operation of business men in adopting more efficient methods and cutting down waste. One of its chief objects is to assist commercial houses in re-leasing employees for Government service without dislocating business. In this work the new board expects to gather and re-distribute the experience of foreign and American business houses in an effort to make it available for all American business as the war progresses. The new Economy Board will have as its Chairman, A. W. Shaw, President of the A. W. Shaw Company, of Chicago. The other members are George Rublee, of New Hampshire, member of the special commission appointed by President Wilson, to investigate the effects of the Adamson Act and former member of the Federal Trade Commission; Henry S. Denison, Treasurer of the Dennison Manufacturing Co., of Farmingham, Mass.; Edwin F. Gay, Professor of Economics at Harvard University and dean of the Harvard Graduate School of Business Administration, and Wallace D. Simmons, President of the Simmons Hardware Company of St. Louis. Dr. Hollis Godfrey, of the Advisory Commission of the Council of National Defense, is a member ex-officio.

GENERAL PERSHING TO LEAD FIRST AMERICAN ARMY DIVISION OVERSEAS.

President Wilson on May 18 issued orders directing that an expeditionary force of approximately a division of regular troops under the command of Major-General John J. Pershing, commander of the Southern Department of the Army, proceed to France at as early a date as possible. The War Department on the 18th issued the following statement regarding the President's order:

The President has directed an expeditionary force of approximately one division of regular troops, under command of General John J. Pershing, to proceed to France at as early a date as practicable. General Pershing and staff will precede the troops abroad.

It is requested that no details or speculations with regard to the mobilization of this command, dates of departure or other items, be carried by the press, other than the official bulletins given out by the War Department relating thereto.

Secretary of the Navy Daniels the next day, May 19, announced that a regiment of marines, 2,600 men strong, would be sent to France along with the first army expeditionary force. The marines will be commanded by Colonel Charles A. Doyen and will be composed generally of organizations which have been serving in Haiti, Santo Domingo and Cuba. Colonel Doyen, it is said, is one of the keenest fighters in the marine corps and has seen hard active service in Central America, the Philippines, and was in command of the marine contingent which went to Dominican waters on the transport Hancock in 1914. Although details have not been made public, it is said that with the marine regiment the total American force now designated for land service in Europe is close to 40,000. An army division at war strength comprises about 25,000 men and upwards of 12,000 are expected to be in the nine regiments of volunteers now being recruited. General Pershing and his staff will sail for Europe ahead of the troops, as there is, it is stated, much to be done on the other side to pave the way for final training of the first forces and for the huge army the United States is preparing to send across the seas as rapidly as men can be trained and equipped.

When General Pershing leaves for France, or soon after he arrives there, he will receive, it is stated, the rank of Lieutenant-General. This will require the approval of Congress and, it is said, will make the General the ranking officer of the United States army. With his present rank, General Pershing would be junior to all the generals now in command of forces at or near the front, including even the Portuguese.

ARRIVAL OF AMERICAN NAVAL VESSELS IN BRITISH WATERS.

The British Admiralty, in a statement, issued on May 16, announced the arrival at Queenstown of a squadron of American torpedo boat destroyers. The squadron upon its arrival at Queenstown made a formal exchange of greetings with the British naval officials and immediately put to sea again to patrol the waters for hostile submarines. Secretary of the Navy Daniels, in confirming the Admiralty's announcement on the 16th, issued a statement, saying that the American destroyers had been operating in European waters since May 4. The destroyers were dispatched from the United States the latter part of April, following the conference at Washington with British and French naval officers. Rear Admiral Sims is in general command of all the United States naval forces that are sent to European waters and is reported to be in daily touch with the Chief of the British Naval Staff. Secretary Daniels' statement read as follows:

United States naval vessels have been operating with the allied naval forces in European waters since May 4. A number of destroyers sailed from American ports in the latter part of April and all arrived at their destination without accident or delay of any kind. They were ready for operations when they arrived and went into service immediately.

The United States vessels are in command of Rear Admiral Sims, who went to England and France several weeks ago to arrange for active co-operation between the naval forces of the United States and those of the other nations at war with Germany. Plans formulated after reports from Admiral Sims made as a result of his conferences with the British and French admiralties are now being effected.

It has been the purpose of the United States Navy to give the largest measure of assistance to the other countries at war with Germany that is consistent with the full and complete protection of our own coasts and territorial waters.

The Navy Department has received no reports that engagements have occurred between the United States vessels now in European waters and the vessels of the enemy.

The British Admiralty statement, announcing the arrival of the squadron on the 16th, said:

A United States destroyer flotilla has arrived to co-operate with our naval forces.

Rear Admiral Sims, U. S. N., will command all naval forces in European waters.

The American destroyers arrived at Queenstown. Rear-Admiral Sims is in daily touch with the chief of staff.

The services the United States vessels are rendering the Allies is of the greatest value and is deeply appreciated.

One of the American war vessels began duty even before reaching the European side of the Atlantic, picking up and escorting through the danger zone one of the Atlantic liners. In appreciation the passengers sent the following message to the commander of the destroyer:

British passengers on board a steamer bound for a British port, under the protection of an American torpedo destroyer, send their hearty greetings to her commander and her officers and crew, and desire to express their keen appreciation of this practical co-operation between the Government and peoples of the United States and the British Empire, who are now fighting together for the freedom of the seas.

A special cable dispatch to the New York "Times" on the 18th inst. quoted the London "Chronicle" as saying that the American destroyers which arrived at Queenstown escorted the White Star liner Adriatic, and that the destroyers had an encounter with a submarine which was beaten off.

Secretary Daniels on May 17 cabled Rear Admiral Sims, in command of the destroyers, asking whether there was any truth in the news report that one of the destroyers had been in action with a German U-boat. Secretary Daniels stated that the Navy Department had received no confirmation of the story, although he had received a long cipher report from Admiral Sims on the 17th dealing with the arrival and activities of the destroyers on the other side of the Atlantic. The report, he said, showed that the American destroyers were working in close co-operation with the British and French naval vessels, and dealt with the plans of the three navies for the solution of the German submarine menace. It was stated on the 17th that the British Admiralty's announcement that the destroyers had arrived at Queenstown came as a surprise to the Navy Department officials at Washington who, as a matter of strategy, intended to keep the presence of the destroyers a secret for the present. Later it was the intention of the Navy Department to make an announcement of its own regarding the use of the vessels. The British Admiralty's announcement, it was stated, was made without consultation with Washington. It is expected that in the future information relative to the movements of American war vessels on the other side of the Atlantic, will not be issued until after there has been a more complete understanding on both sides. The understanding at Washington, it is stated, was that the official announcement at London was issued to arouse the emotions of the British people and to demonstrate that evidence of the American Government's co-operation in the war was already at hand. Dispatches from London on the 18th inst. stated that Commander Edward R. G. R. Evans, who was second in command of the Scott Antarctic Expedition, had been assigned to advisory duty with the American destroyer squadron in British waters. Commander Evans will, it is said, give practical advice to the senior American officers on all matters concerning strategy, technique, and the latest methods of submarine warfare.

A luncheon was given at the Navy League in London on the 17th inst. in honor of the American naval officers from the destroyer squadron. The luncheon was attended by many distinguished people. Sir Edward Carson, first Sea Lord of the Admiralty, in proposing a toast to the American Navy said that he desired to express his appreciation of the speedy way in which the American Government had rendered assistance, and extended a hearty welcome to the officers and men of the American Navy. No more important event in the history of the new world and the old," he said, "has ever happened than the arrival of this flotilla of destroyers in our waters, side by side with our Navy, intermingling the old Union Jack and the Stars and Stripes. Both the navies are engaged in a work of necessity which may have a far-reaching effect on the history of the relations between the great English-speaking races."

Admiral Henry T. Mayo, Commander of the United States Atlantic Fleet, on May 16 received the following message from Sir David Beatty, Commander of the British Grand Fleet:

The Grand Fleet rejoices that the Atlantic Fleet will now share in preserving the liberties of the world and maintaining the chivalry of the sea.

Admiral Mayo in reply to the communication answered:

The United States Atlantic Fleet appreciates the message from the British Fleet, and welcomes opportunities for work with the British Fleet for the freedom of the seas.

GOVERNMENT TAKES OVER MISSOURI SHOE FACTORY.

The taking over by the Government of a Missouri shoe factory, which had been idle for months on account of a strike, was made known in a special dispatch from Moberly on May 15 to the St. Louis "Globe-Democrat," which we print below:

The United States Government to-day announced the taking over of the large Brown shoe factory here, which has been idle for the past four months on account of a strike.

All efforts to reopen the factory for the manufacture of shoes have failed. It is stated the plant will be opened the latter part of the week under Government supervision for the manufacture of tents, leggings and other war materials. All of the old employees, it is stated, will be taken back and the force increased. New machinery worth \$10,000 will be installed.

The material to be made into tents, leggings, &c., is being rushed to Moberly under Government orders, and work will begin on its arrival.

William F. Rohloff of Moberly, a former factory foreman, has been employed as superintendent. It is understood the manufacture of shoes will begin in the fall.

THE GOVERNMENT'S PROPOSED CENTRALIZATION OF ALLIES PURCHASES.

An international agreement under which the purchasing power of virtually every dollar of the billions to be loaned to the Allies by the United States and the billions they will spend in this country will be placed in the hands of a commission is being perfected. It is stated that the plans are being drawn to include purchases for the army and navy of the United States. While no official announcement has been made as to the probable appointee, reports have it that Bernard M. Baruch has been considered for the post. The centralization of the purchases of the Allied Governments in this country is said to have been urged upon the Administration by J. P. Morgan & Co. some weeks ago, and while it is stated that the firm in view of the experience gained by it as purchasing agent for the Allies, indicated its willingness to place its services at the disposal of the Government, it also evidenced its readiness to terminate its arrangement with the Allies in the event that the Government should determine upon other plans for carrying out the supervision of the purchases under one head. On May 21, following a conference at Washington between Mr. Morgan and Treasury officials with reference to the establishment of the central purchasing commission, an announcement from Washington stated that the long established agreement between his firm and Great Britain and France would soon be replaced in part, at least, by the proposed international agreement. According to these reports the machinery through which the Morgan firm transacted its huge volume of American purchases will stand in part and probably will be utilized by the United States Government. Experts employed by the Morgan firm, it was indicated, will continue to a large extent their activities in purchasing for the Allies, hereafter under the direction of the central purchasing agency. The entire staff, it is stated, probably will not be utilized, but much of the valuable information obtained by the Morgan firm during the two and one-half years it has acted as purchasing agent for Great Britain and France has already been placed at the disposal of the Government and will be used by the new commission. Mr. Morgan discussed the situation with Foreign Minister Balfour, Chief of the British delegation, and afterward with Assistant Secretary of the Treasury Crosby. In his talk with Mr. Balfour, Mr. Morgan discussed the future relations between the Morgan firm and the British Government. With Mr. Crosby, Mr. Morgan talked of the details of the purchasing commission which will replace the Morgan firm, to great extent, in making purchases here. Rapid headway has been made, it was officially stated on the 21st, toward the completion of the program. The Government expects to have a staff of experts sufficient in size to handle the great volume of orders which the Allies will place here for execution. The amount of the shipments to be made through this single agency probably will reach \$500,000,000 a month, or \$6,000,000,000 annually. The present plans call for the financing by loans of Entente Governments at the rate of approximately \$400,000,000 a month, every dollar of which will be spent in the United States. In addition, the Allies will spend here a sizeable sum, estimated at the very lowest, at \$100,000,000 monthly, out of their own income.

On May 23 it was said that Great Britain, France, Russia, Italy, Japan, Belgium—virtually all the nations linked with America in the war against Prussian autocracy—have agreed to the essentials of the proposed arrangement and will sign an agreement making it effective as soon as the tremendous amount of detail involved can be adjusted. At present the program hinges on the extent to which the United States

will participate in the pooling arrangement. As indicated above, plans are being formulated under which the needs of the American army and navy would be placed in the hands of the commission. Heretofore the navy has been supplied by its own buyers and the army, similarly, has been furnished everything it requires from brass buttons to heavy artillery, through contracts placed by the War Department. The army and navy experts estimate will spend approximately \$3,500,000,000 during the first year of war. The mechanism of the proposed organization would consist primarily of a directing head and subdivisions or bureaus, each in charge of purchasers of certain commodities. As advisers, the organization would probably consult financial and other experts familiar with every line of industrial and commercial activity.

SERVICE COMMISSION CO-OPERATING WITH CORPORATIONS TO PREVENT CESSATION OF FUNCTIONS.

The Public Service Commission for the First District is co-operating with all of the great public service corporations of New York City—some 40 in number—and in addition with the New York Telephone Co., which is not under its jurisdiction, to the end that there shall be no cessation of functioning on the part of these great corporations during the course of hostilities. The transportation, gas, electric and telephone companies of New York City furnish approximately 20% of the whole quantity of such service furnished in the entire country. It is hoped that when the draft law goes into effect it may be possible for the employees of the several utilities corporations to be so classified and their work adjusted that those within the ages specified by the law may be spared for military service as far as may be consistent with keeping these utilities going. It is also hoped to aid the Government by certifying to it such men as are specialists in their respective lines, who may be needed for important and specific work by the Government. As a result of a circular to the heads of the several corporations, setting forth the urgency of the situation, an informal conference was held at the offices of the Public Service Commission last week, at which an organization was formed for the purpose mentioned above. The gathering was addressed by Chairman Oscar S. Straus, Commissioner Travis H. Whitney, George B. Cortelyou, President of the Consolidated Gas Co., and several others. Chairman Straus, in his address to the gathering, said that if at any time during the war, owing to the lack of men or if for any other cause, there should be a paralysis in the operation of any of the great public utilities of New York City, the effect will be felt far beyond New York City. He pointed out that one highly trained man could perform at home functions more important to the national welfare than the work of a regiment in the field. The following executive committee was named to carry out the project contemplated by the conference:

J. W. Lieb, Vice-President of the New York Edison Co.; Walter R. Addicks, Vice-President of the Consolidated Gas Co.; E. A. Maher Sr., President of the Third Avenue Railway Co.; J. J. Dempsey, Superintendent of Transportation, Brooklyn Rapid Transit Co.; F. H. Thurber, New York Telephone Co.; J. H. Jourdan, engineer, Brooklyn Union Gas Co.; and Wilbur Fisk, President of the Hudson & Manhattan RR.

PRESIDENT WILSON SEEKS POWER TO DETERMINE PRIORITY OF FREIGHT SHIPMENTS.

Pursuant to a request to Congress, made by President Wilson, that he be given authority to create a transportation commission, a resolution empowering the President to determine what classes of freight shall have priority in shipment, and to direct shipments in accordance with the emergency needs of the nation, was introduced on the 15th inst. by Chairman Webb of the House Committee on the Judiciary. The resolution authorizes the President to appoint a commission or commissioner on transportation to administer the law. In explaining the need for such legislation Attorney-General Gregory authorized this statement:

As war conditions develop it is certain there will be times when the shipment of arms and ammunition may be of prime importance; at another time movement of provisions may be more important; at another, the movement of coal and iron ore may become the most important of all.

Under these conditions it is thought essential that the power should be fixed in the President to determine from time to time what particular freights shall have priority and for how long this priority should continue. The powers conferred are to exist only during the war. In carrying out these powers it is proposed that the President be authorized to utilize any existing department or agency of the Government, or to appoint for this purpose a commissioner or a commission, not exceeding five in number.

Aside from the main purpose of the legislation as outlined in the Attorney-General's statement, other sections would empower the transportation commission or commissioners to adopt, subject to the President's approval, "all necessary

rules and regulations for this procedure and for the enforcement of the directions to be given to carriers." It also is provided specifically that "no act done or omitted to be done by any carrier necessary to comply with such a direction shall be the basis of any criminal or civil liability." In a letter to Representative Webb and to Chairman Adamson of the Commerce Committee the President, in submitting a resolution authorizing him to exercise the powers asked for, said:

The railroads of the country have in a very practical and patriotic way consented to the formation, under the guidance of the Council of National Defense, of an executive committee, presided over by Mr. Daniel Willard, through which they undertake to serve the interests of the Government and of the country in the best and most effective way possible under our guidance. Of course, one department thinks the shipments in which it is most interested the most important and deserving of immediate transportation, while another department thinks it an imperative necessity that other shipments should take priority.

What this resolution would provide, if adopted, would be some authority by which competitive questions of this sort could be determined. It would cause no friction, indeed it would remove it, and it would relieve a very great embarrassment arising out of the existing conditions.

In asking the Attorney-General to draw the inclosed resolutions I did not request him to prescribe a penalty, because I had in mind the following provision, which is already law and is contained in the Army Act of Aug. 29 1916:

"The President, in time of war, is empowered, through the Secretary of War, to take possession and assume control of any system or systems of transportation, or any part thereof, and to utilize the same, to the exclusion of all other traffic thereon, for the transfer or transportation of troops, war material and equipment, or for such other purposes connected with the emergency as may be needful or desirable."

I assumed that this furnished sufficient sanction, if sanction were needed, as I think it would not be.

FRENCH WAR MISSION ARRIVES SAFELY IN FRANCE.

The members of the French War Mission to this country arrived at Brest, France, on May 23, and immediately continued on their homeward journey to Paris. The French Mission, headed by Vice-Premier Viviani and Marshal Joffre, sailed from New York on Tuesday, May 15. Their departure was unknown except to a few officials and many American newspapers, which loyally kept the secret in order that the members of the Mission might not be unnecessarily endangered by German submarines. So well was the secret of the departure of the French Mission kept by the newspapers, which are voluntarily co-operating with the Government in the censorship of war news, that the French Commissioners generally were supposed to be still in Washington, and up to the time of the announcement on the 23d that they had arrived safely in France many invitations to them to visit various parts of the country were received at their former headquarters in Washington. On Monday, May 14, the French Mission returned to Washington on special trains from their tour of various cities of the country, where they received an enthusiastic welcome. After the reception in this city, referred to in these columns on May 12 and 19, the Mission was divided and two groups, one headed by Marshal Joffre and the other by M. Viviani, made separate tours of this country and Canada. The parties reunited at Baltimore on May 14, and returned to Washington, presumably, it was thought, to again take up their conferences on the conduct of the war. The real reason for their return to the capital, however, was to bid farewell to the President and other Government officials. The party late in the afternoon of the 14th, in accordance with carefully laid plans, returned over the route they had traversed earlier in the day and arrived in New York shortly before midnight. Tugs were ready and the distinguished guests were taken to the liner which brought them over from France, and which was waiting for them in midstream. The ship sailed through the harbor guards in the early morning of the 15th and started for France under convoy of a French warship. The State Department at Washington on May 23 issued the following statement regarding the part played by the newspapers in keeping the departure of the French Mission a secret:

The Department of State desires to express its sincere appreciation to newspaper correspondents and to editors, who by their co-operation in not publishing details of movements made it possible for the French Mission not only to travel in this country with entire safety, but also to depart without any intimation being given that might have made their journey unsafe.

The returning commissioners were welcomed in Paris on May 24 by huge crowds. Premier Ribot, Minister of the Interior Malry and other members of the French Cabinet were at the railroad station, and congratulated the members of the Mission on the results of their trip to this country. M. Viviani carried from President Wilson to Premier Ribot a cordial letter of considerable length. Dispatches from Paris on May 24 stated that according to the Paris "Temps" the steamship on which the French Mission returned to France changed her course shortly before reaching port, owing to the reported presence of German submarines in the vicin-

ity. The warning, said the dispatch, was received off Ushant, when the wireless reported that one or two German submarines had succeeded in sinking three cargo steamships in the same day in the locality in question.

OUR FOREIGN TRADE AS DISTRIBUTED AMONG THE DIFFERENT COUNTRIES.

The analysis of the foreign commerce of the United States for the month of March and the nine months ending with March was issued under date of the 10th inst. by the Bureau of Foreign and Domestic Commerce of the Department of Commerce. For the nine months the exports totaled \$4,636,981,785, against \$2,995,424,760 in the same period in 1916, \$1,931,077,869 in 1915 and \$1,883,221,915 in 1914. The value of the imports increased from \$1,213,613,643 in 1915 and \$1,504,662,718 in 1916 to \$1,818,053,116 in 1917. Large increases this year over last for the period under consideration are shown in the exports to all of the principal countries, except Austria, Denmark, Greece and Sweden. A noticeable feature of the analysis is the amount of exports in the case of Germany in the nine months to March 1917, the figures shown, \$2,196,174 representing the value of the cargo carried by the Deutschland on its last voyage from this country. In the nine months of the previous year the exports to Germany were but \$283,433, whereas for the same periods in 1915 and 1914 they were \$28,861,187 and \$290,417,563 respectively. We give below the table of imports and exports for the nine months for the past four years.

Exports to:	Nine Months Ended with March.			
	1916-17.	1915-16.	1914-15.	1913-14.
Grand Divisions—	\$	\$	\$	\$
Europe.....	3,231,770,788	2,095,807,061	1,371,313,021	1,208,540,019
North America.....	794,938,334	510,698,484	347,054,557	401,899,578
South America.....	184,014,518	127,144,287	62,790,238	97,775,246
Asia.....	300,441,369	157,132,262	76,291,902	90,888,955
Oceania.....	82,675,624	73,295,302	32,995,874	62,750,098
Africa.....	43,140,752	31,317,304	20,693,087	21,368,019
Total.....	4,636,981,785	2,995,424,760	1,931,077,869	1,883,221,915
Principal countries—				
Austria-Hungary.....	146,302	146,302	1,218,675	18,000,533
Belgium.....	36,122,066	15,308,242	16,794,203	48,401,216
Denmark.....	41,651,657	44,196,834	63,108,962	63,108,962
France.....	731,339,964	420,121,369	224,887,474	134,413,328
Germany.....	2,196,174	283,433	28,861,187	290,417,563
Greece.....	17,016,576	22,132,989	19,975,705	19,975,705
Italy.....	256,863,451	209,262,141	138,778,170	58,831,737
Netherlands.....	83,270,938	72,247,729	101,892,382	84,160,673
Norway.....	56,711,867	37,220,062	32,401,556	32,401,556
Russia in Europe.....	345,999,502	128,635,763	11,964,566	23,839,581
Spain.....	55,348,830	38,960,413	25,474,364	25,474,364
Sweden.....	38,792,773	43,197,715	65,980,749	65,980,749
United Kingdom.....	1,534,300,539	1,051,540,349	630,322,772	483,583,784
Canada.....	526,461,070	319,212,751	219,949,795	268,728,662
Central America.....	38,066,235	30,688,788	24,358,040	24,358,040
Mexico.....	47,300,964	35,790,842	24,138,491	32,254,678
Cuba.....	135,773,359	90,172,092	55,016,121	33,327,489
Argentina.....	59,061,336	46,008,258	18,181,907	37,013,805
Brazil.....	32,079,178	29,062,427	17,165,589	23,619,562
Chile.....	30,921,403	16,519,392	7,263,912	7,263,912
Colombia.....	36,159,256	16,151,688	10,667,383	17,500,453
British East Indies.....	27,191,438	17,740,062	11,000,508	11,000,508
Japan.....	94,607,504	48,477,972	29,768,705	44,471,052
Russia in Asia.....	119,136,646	58,550,184	12,303,309	12,303,309
Australia & N. Zealand.....	62,521,682	55,652,840	35,804,322	35,804,322
Philippine Islands.....	19,082,594	16,891,782	16,438,592	16,438,592
British Africa.....	25,861,796	20,695,531	13,084,496	13,084,496
Imports from—				
Grand Divisions—				
Europe.....	446,562,907	436,696,985	480,995,245	678,483,473
North America.....	507,345,746	394,890,045	325,846,130	302,060,732
South America.....	368,679,239	271,241,192	188,289,503	163,023,310
Asia.....	407,565,481	286,785,231	176,729,440	214,023,228
Oceania.....	43,736,084	70,635,475	33,087,712	28,545,822
Africa.....	44,172,659	44,413,799	13,665,613	12,216,013
Total.....	1,818,053,116	1,504,662,718	1,213,613,643	1,308,352,578
Principal countries—				
Austria-Hungary.....	205,988	1,262,470	8,815,362	15,480,395
Belgium.....	1,026,843	1,136,537	9,478,033	39,061,408
Denmark.....	81,357,318	73,868,272	60,923,778	115,721,795
France.....	1,517,633	12,249,887	83,708,578	143,952,718
Germany.....	34,031,343	39,587,900	38,515,691	41,433,142
Italy.....	26,577,619	23,116,836	25,176,821	26,538,178
Netherlands.....	4,783,888	5,284,633	4,304,948	4,304,948
Russia in Europe.....	5,173,207	2,667,929	2,270,753	16,388,233
Spain.....	25,201,338	18,553,344	13,737,727	13,737,727
Sweden.....	18,634,870	8,325,065	9,717,673	9,717,673
Switzerland.....	15,320,294	15,805,506	14,915,281	14,915,281
United Kingdom.....	217,855,178	220,162,401	187,061,309	125,870,973
Canada.....	209,093,230	149,311,323	123,363,207	210,490,511
Mexico.....	80,691,712	69,747,852	55,360,150	68,528,093
Cuba.....	163,293,514	137,644,282	112,479,721	83,091,653
Argentina.....	103,423,558	79,034,269	51,646,824	30,099,641
Brazil.....	109,182,269	95,383,333	72,697,814	78,891,810
Chile.....	70,842,332	39,585,364	17,510,048	17,510,048
Colombia.....	59,730,346	47,694,876	27,519,790	29,317,037
British East Indies.....	149,491,529	114,508,491	59,502,181	59,502,181
Japan.....	150,925,087	102,145,770	75,094,560	83,283,540
Australia & N. Zealand.....	12,072,385	48,930,628	13,287,288	13,287,288
Philippine Islands.....	28,556,918	18,835,094	18,983,066	18,983,066
Egypt.....	22,363,436	23,738,010	10,817,573	10,817,573

FREEDOM OF TRADE AS WELL AS FREEDOM OF SEAS SOUGHT.

With a view to preventing a trade war at the conclusion of the present war a message has been addressed to the heads of the British and French Missions in this country by a number of prominent Americans enlisting their efforts toward effecting an economic freedom as well as freedom of the seas.

The petitioners "hold that if the world is to be kept at peace, economic peace, based upon freedom of trade as well as freedom of the seas, must be established and maintained." The petition addressed to Arthur J. Balfour of the British Commission and Rene Viviani of the French Mission, under date of May 7, was cabled to their respective Governments on the 19th inst. Its text follows:

May 7 1917.

Right Hon. Arthur J. Balfour and Colleagues of Great Britain,
M. le Ministre Rene Viviani and Colleagues of France.

Gentlemen—We take the liberty of addressing you, the representatives of our mother country and of our sister republic, in behalf of associations and citizens favoring freedom of trade, as well as freedom of the seas, for America and all nations, in the belief that your mission to America is the harbinger of larger and closer relationship among all peoples. We believe that a chief cause among the several causes which have led to the world war has been the economic battle between selfish and restrictive "protection," so called, and international freedom of exchange. If Cobden's watchword, "Peace on earth, good-will toward men," which England adopted as the basis of her trade policy, had been accepted by Germany, instead of the "national economies" of List and his cry "From Berlin to Bagdad," the Imperial Government of Germany would probably not have plunged her people into the present horror and distress. We honor England for the broad economic policy which made her free ports the commercial centres of the world, and which generously made possible the development of the two great commercial fleets of Germany, now interned, seized or swept from the seas as the result of the war thrust upon the world, through the violation of Belgium and the ruthless defiance of the rights of humanity by the Imperial Teuton Governments. We honor France for the liberality which has made her capital the school for artists of all nations and of all classes through the bounty of education which she has given freely without distinction of nationality to all who sought. We regret that our own nation, though the home of political freedom, has denied to its people the advantage of full economic freedom, and has lessened from period to period, as restrictive legislation has multiplied, its representation on the high seas, once so promising, and its commercial rank among the nations.

We have learned with sorrow that there is some disposition after the close of the present war to engage in economic war between the present foes, a contest which in our belief could only result in future cataclysms even greater than that which has already piled up on future generations burdens of taxation and sorrow well nigh too grievous to be borne. We hold that if the world is to be kept at peace, economic peace based upon freedom of trade as well as freedom of the seas must be established and maintained, and that this is the one sure and enduring foundation for a league of honor or a league of peace, for disarmament, for the reduction of burdens upon the people, and for true and prosperous democracy throughout the world.

We recognize with joy that eminent publicists, both in England and in France, have taken this broad view of the future, and are putting forth their best endeavors to unite their own peoples and all peoples in this thought of the common interest of mankind, based on economic as well as political freedom. We venture the hope that the eyes of our own people and of all peoples may be opened to the larger vision, that they may look into the future with the full inspiration of international fellowship and mutual trust, of which your coming is the most noteworthy example in history, which will ultimately include all humanity and bring about the United States of the World, as free from barriers against each other as the States of our Union are free in mutual trade under the guarantees of our Constitution. Thus only can enemies be made friends and peace on earth good-will toward men be assured in the time to come.

We join with our fellow citizens in giving you heartfelt welcome, and in assuring you that in the great cause, the contest of democracy against autocracy, for which your countries have made such heavy sacrifices, and in which we are now striving to take our part, the soul of free America responds with no uncertain sound.

The signers of the above, some thirty in number, include Jacob H. Schiff, Dr. Charles W. Eliot, George Haven Putnam, George Foster Peabody, J. G. Phelps Stokes, Charles S. Fairchild, Horace E. Deming, Henry B. Sargent, etc.

PREMIER RIBOT DECLARES FOR DURABLE PEACE— WITH RESTITUTION.

In addressing the French Parliament with its re-opening on May 22, Premier Ribot, referring to Russia's pronouncements on the question of peace, declared that what France also wishes is a durable peace. "We ask," he said, "simply for restitution of what belongs to us and not for annexation." Addressing the Deputies relative to the interpellations regarding the conduct of the war, Premier Ribot said:

I recognize that the representatives of the people desire some explanations. These may be given publicly. The public, like yourselves, has the right to be informed. Secret sessions may well be reserved for other subjects.

Concerning the interpellations on the last offensive, it may be said there were some excessive hopes and some errors of execution, but the results obtained should be neither exaggerated nor belittled. Never have our soldiers proved more admirable.

The Government has thought some changes should be made, and it has made them. It has reorganized the high command so as to relieve it of everything not concerned with military operations. The Minister of War now works in co-operation with the Military Committee of the Chamber. I ask postponement of the discussion on this point until the work of bringing about this co-operation has been concluded.

In reference to submarine warfare, I recognize that while the tonnage loss has diminished, we must seek more energetic and decisive means of dealing with submarines. We will consider that situation further on Friday.

As to the food supply, we are ready to discuss it as soon as possible, believing that the country has not been sufficiently informed.

Taking up the Russian situation, Premier Ribot said it was necessary to combat dangerous sophisms which sought to treat the restoration of "our lost provinces" as being a question of annexation, and which also confused the question of indemnities for ravages in the invaded provinces. He said:

This indemnity is a contribution which is inflicted as a fine for wrong done. It is a requirement which both law and equity demand. The same

reparation should be required for all small nations which have been crushed—for Belgium, Serbia, Rumania and Montenegro.

No conquests and no covetousness—that, in substance, is what the Russian Government declares. France replies that it could not oppress any nationality, even that of its enemies. It will call to its aid to defend the small nations not vengeance but justice.

What France also wishes is a durable peace, but we do not wish military dispositions to endure which can destroy this durable peace when it is once made. If the German people comprehended this, it would make peace easier to attain. That is the view of Russia at the moment when the United States is making preparations to enter the war. Now let Russia make her offensive, and we will be able to talk of peace, not in an equivocal manner but openly, and this peace, if they do not ask it of us, we will impose it.

M. Ribot prefaced his reference to Russia by asking for a postponement of the debate, "because of conversations to which the French Government has been invited by the Russian Government." Continuing he said:

We are following the development of the Russian revolution with the utmost care and sympathy. The eminent and courageous statesmen of Russia were surrounded for a time by influences which rendered their action difficult, but the men of intelligence, who have now taken in hand the Russian Government have made declarations which give us complete satisfaction. They say that they wish a strong Government, and they desire above all to establish in the army that severe discipline which is an indispensable condition of the existence of the Russian nation.

The Premier created intense interest by reading a telegram received from the Russian Minister of Foreign Affairs which said:

Russia will never forget the plan with which France entered the war on our side and will always remember that at the moment of the present crisis in Russia's existence it was the splendid effort of the French people which attracted the enemy masses toward the West, and thus permitted our Russian forces to gain time for reorganization.

After reading the telegram he continued:

I accept for my country these words of confidence and gratitude. Yes, we march hand in hand with Russia, ever faithful. Yes, at this moment France retails on her front all those German hordes gathered from the Russian front, permitting Russia to recover herself and prepare that confraternity of arms which will demonstrate that there is no question of a separate peace.

As to the conditions of that peace, the Russian Minister of Foreign Affairs has himself exposed the sophisms whereby Germany's formulae of no annexation is made the pretext for Germany's holding the provinces she tore from France. She annexed these provinces, always French until yesterday. There stands Germany, the culprit guilty of annexation. We ask simply for restitution of what belongs to us and not for annexation.

The Chamber fixed May 31 for the submarine debate and June 1 for the discussion of France's military policy and the question of delegates from France attending the International Socialist Conference at Stockholm.

UNIFIED RAILWAY OPERATION FOR THE WAR— THE CRUCIAL TEST.

(From the "Railway Age Gazette" of May 11 1917.)

The action taken by the chief executive officers of the railways a few weeks ago when they delegated the supervision of the operation of all their lines to a committee of five was one of the most important events in the history of the railways of the United States. Its real significance and importance are only beginning to be realized by railway officers themselves. They have not yet begun to dawn upon the public.

Because of the radical and momentous character of that step and of the situation which it has created, it is desirable that certain features be emphasized for the information of both railway officers and the public. In the first place, the arrangement made does not affect the handling merely of military or even of Government traffic. It affects the handling of every kind of traffic, military and non-military, passenger and freight.

During the period of the war the railways will have two widely different functions. First, they will have to handle strictly military traffic, troops, army and navy supplies, munitions and so on. Second, they will have to handle their ordinary commercial business. The former function, while its proper and adequate performance may in the long run prove vital to the nation, will, for some time at least, require only a comparatively small part of the facilities of the roads and the energies of their personnel. But the addition of the military traffic to the ordinary traffic will increase the difficulty of handling the latter. Before the war began the facilities as then used were not sufficient to the demands. The most difficult problem of the Central Executive Committee, so far as any one can now foresee, will be that of so utilizing the facilities and personnel as to make them furnish the transportation required for ordinary purposes.

The step taken by the railway heads to make it possible to solve this problem was revolutionary. It wiped out many of the competitive relations which always had existed. It tends to create a pool of all facilities, and to cause the railways to be operated as a single system. If all the railways of Europe were operated as a single system, neither the total mileage nor the area covered by the system would be equal to the mileage involved and the area covered by the railway

system placed under the supervision of the Central Executive Committee in the United States.

Aside from its revolutionary character the most significant and important feature of the action taken is that it is voluntary. When Great Britain entered the war its railways were turned over to a central committee under a law passed forty years before, their net return was guaranteed, and they became almost as much a department of the Government as the Army or Navy. In the United States there was no law governing the railways in war; and the managements have made legislation unnecessary by doing voluntarily practically what the British railways were required to do. The committee of five which has been created to supervise the operation of our railways has sometimes been referred to as a sub-committee of the Government's Advisory Committee on National Defense. It has no direct relationship to that of any other government body. If the managements of the railways had been forced by legislation to do what they have done they would not deserve much credit for it. They do deserve great credit because they have done it spontaneously in recognition of the needs of the country and of their patriotic duty.

The fact that the arrangement made is voluntary, and that net return is not guaranteed is bound to raise some extremely important and difficult questions which have not arisen in Great Britain. When the Central Executive Committee begins on a large scale actually to use the facilities of the railways as those of a single system it will affect the interests of individual lines to an important degree. Then will come the crucial test. No voluntary railway organization ever has been able to get all of the railways to subordinate their individual interests to the welfare of all. It has been an easy thing to get the British railways to do this because, first, the Government required them to do it, and, second, no individual line had anything to lose by it.

The difference in these respects between the arrangement made in Great Britain and that made in the United States is what is going to make the problem of the Central Executive Committee of our railways very difficult. The success of the plan will depend, first, on the tact, self-restraint, fairness, wisdom and courage of the executive committee and, second, on the unselfishness, self-restraint and wisdom of the individual managements. If the individual managements will give the executive committee cordial support, it is probable that in the long run such large economies will be affected, that few or no individual lines will suffer, and that the railways as a whole will be greatly benefited. The economies which can be effected by really operating as a single system are large. Undoubtedly, differences of opinion as to the things which ought to be done will arise. But it does seem most apparent that the managers ought to fight these differences out absolutely among themselves, and that meantime they should loyally stick together and carry out in letter and spirit the injunctions of their own committee.

It is the conviction of many leading railway men that if they do not do this, the Government will intervene. The "Railway Age Gazette" shares that view. If this should occur, would the central control be left in the hands of men selected by the railways? This is most improbable. If the Government should intervene the railways would sacrifice the credit for having voluntarily rendered a great patriotic service regardless of their individual interests. Furthermore, under direct Government control they undoubtedly would be managed less efficiently and economically. These are seemingly conclusive reasons why the railways should wash all their dirty linen in private and go on steadfastly throughout the war carrying out the present plan, or, if not, some better plan of their own making.

The whole future of our railways is now in process of determination. The unrestrained and excessive individualism which has characterized their management in the past has done them great harm. If allowed to assert itself during the war it probably would ruin them. On the other hand, by recognizing the fact that at least during the war their interests as a whole must be put above those of individual lines, and that the interests of the country must be put above those of the railways, they will serve the country as best they can and in doing so further their own permanent interests in the most effective manner.

NEW ORGANIZATION OF RAILROAD SECURITY OWNERS.

At the conference of owners of securities of railroad companies, held at Baltimore this week (May 23) in response to

the call of S. Davies Warfield, President of the Continental Trust Company of Baltimore and Chairman of the Board of the Seaboard Air Line Railway, the National Association of Owners of Railroad Securities, was organized. Mr. Warfield was elected President of the association. The meeting was attended by investors from all parts of the United States, representing over \$3,000,000,000 of railroad investments. The following declaration of principles was adopted:

The National Association of Owners of Railroad Securities has for its object the protection of the credit of the railroads of the country. The railroads represent in capital approximately \$17,000,000,000. Together they constitute the greatest business organization in the world, and the greatest aggregation of capital. They are the arteries of the nation and consequently the arteries of trade. Whatever adversely affects their credit correspondingly affects the credit structure of the country; it affects railroad efficiency and hence the proper and effective conduct of war. Upon their efficiency and preparedness at all times depends the industrial and agricultural prosperity of the nation, as well as the insurance in times of war of one of the country's most effective agencies in its conduct.

The securities of the railroads are owned as follows:

By individuals outright, numbering about 1,000,000 owning over \$10,000,000,000.

By life insurance companies, with 46,000,000 of policies in force, representing a total of \$1,550,000,000.

By savings banks with 10,000,000 depositors, representing \$47,000,000.

By fire and marine insurance companies, casualty and surety companies, with holders representing a total of \$649,000,000.

By benevolent associations, colleges, schools, charitable institutions, &c., \$350,000,000.

By trust companies, State and national banks, \$365,000,000.

Balance held in channels not enumerated, mostly abroad.

The life insurance companies have an army of policy-holders owning insurance policies of an average amount of \$530 each. The proportion of the money belonging to the policy-holders and invested by their respective insurance companies in securities of the railroads represents approximately 25% of all the investments held by the life insurance companies. Therefore, every small policy-holder of \$1,000 or less and every other policy-holder of the 46,000,000 of life insurance policies is an indirect owner or investor in the securities of railroads to the extent of 25% of his investment in his life insurance company represented by his life insurance policy. And his policy in most cases is to insure the maintenance of those who are to come after him.

Without presenting in detail similar comparisons in the case of holders of fire insurance policies, which protect policy-holders against conflagration; savings banks with their 10,000,000 depositors, all with their pro rata indirect ownership in the railroad securities owned by the banks; fire and marine insurance companies; surety and casualty companies; benevolent associations, colleges, schools and charitable institutions; trust companies, State and national banks, with their pro rata interest of their stockholders, suffice it to say that in the aggregate over 50,000,000 people, half of our population, are either direct or indirect owners or investors in the securities of the railroads of the United States. They are, therefore, intimately concerned in whatever affects railroad credit with its corresponding effect on the securities of the railroads they own or in which they have the indirect interest mentioned above.

Through years of abuse of the railroads a "state of mind" has been created which seems to forbid the consideration, in a spirit of fairness, of questions of vital consequence to the railroads and those who in good faith have invested their money in their securities. The present-day owners of these securities, representing millions of our citizens, should be considered in the settlement of these questions, and not made responsible for the acts of a few men who may, in the past, have unduly profited at the expense of the properties they represented. The time has passed for this. Laws have been or can be enacted to prevent recurrences. The real owners of the railroad properties, the owners of the securities, should now be heard.

We call upon the press of the country; the millions of men and women who have their money in railroad securities represented either by the bonds or stocks of the railroads, or by the life insurance policies they own and through which they are interested in the securities of railroads, or in the savings banks, and upon all others interested, to do their part in bringing to the attention of the public and those in authority the necessity of maintaining the credit of our railroads, the greatest of all enterprises and which have done so much more than any other single agency towards the development and the prosperity of our country—the richest nation in the world.

Six hundred representatives of banks, insurance companies and individual investors were present at the conference. It was announced that over a thousand telegrams and letters had been received from other investors who were unable to be present but who announced their desire to join the movement. In opening the proceedings, Mr. Warfield, who was elected chairman of the meeting, said in part:

More than \$3,000,000,000 actual investments, nearly one-fifth of the total capital of all the railroads, is represented at this conference. The owners of the securities of the railroads feel great concern in the settlement of pending questions of serious consequence to the carriers of the country in which their money is invested.

The railroads are required to pay out by reason of increased prices this year over last year for equipment, supplies, materials and labor over \$570,000,000. The items composing this vast sum are as follows: Increased price for fuel \$100,000,000; for locomotives and cars \$195,000,000; materials and supplies, \$162,000,000; wages of trainmen, \$60,000,000; increased wages of other employees, \$57,000,000. To help to meet this the railroads have asked for an increase in their rates of 15%. This increase asked for will not begin to make up this huge sum; nevertheless, there seems to be considerable doubt whether it will be allowed, opposition having developed in certain directions. The railroads very properly have appointed a committee of five well known presidents to direct the operation of all the railroads entirely in the interest of the Government, which at this time is in the interest of the war. We are here confronted with an extraordinary condition.

Every citizen of the country is doing his utmost in subscribing to the Liberty Loan. Any impairment of railroad credit must have its effect in limiting the investing power of those of our citizens who are dependent upon the returns from their investments in railroad securities to enable them to subscribe to this loan.

Addresses were made by H. A. Schenck, President of the Bowery Savings Bank of New York; John G. Lonsdale, President of the National Bank of Commerce in St. Louis; J. H. Ecker, of the Metropolitan Life Insurance Company, New York; John E. Oldham, Boston; J. W. Stedman, of the Prudential Life Insurance Company, Newark, N. J.; J. E. Woodruff, President of the Trust Company of Georgia, Atlanta; and ex-Governor Edwin C. Stokes, of New Jersey. Mr. Stokes had the following to say:

The American people are long suffering and slow to wrath, and I have been wondering for the last decade how long the stockholders and security holders of our railroads would suffer a gradual impairment of their property without a united effort for just and proper treatment.

There are 11,000,000 depositors in the savings banks of this country and they are interested in the solvency and prosperity of the American railroads. I was amazed to hear Mr. Ecker give the figures of the life insurance policies. I think you said, Mr. Chairman, there were 34,000,000 holders, who represented \$75,000,000,000 of insurance. Every one of these policy-holders is interested in the solvency and prosperity of the American railway systems. There are thousands of stockholders of banks and trust companies in this country and they are all interested in the solvency and prosperity of the American railway systems.

Every loyal patriotic American takes a just pride in the railway system of this country. That is a marvel of efficiency, that has done so much for this country, that has penetrated the wilderness, the pioneer that has explored the desert and that to-day furnishes a market of one-third in amount of all the sales made under the American flag. And yet, as vast as their interests are, legitimate as they are, they are the last to be considered in the settlement of railroad problems.

At the conclusion of the morning session a committee on organization was appointed consisting of 47 representatives of the various cities represented at the conference. This committee decided upon the name to be adopted for the organization and those present at the conference enrolled as members of the association. The committee on organization was authorized to select a general committee and other officers except the Secretary who is to be appointed by the President. Five Vice-Presidents will represent the following sub-divisions of the country: South, East, Southwest, Middle West and Far West. The conference authorized Mr. Warfield to appoint five representatives of the organization to appear before the Inter-State Commerce Commission to present to that body the necessity for such action to stabilize the securities of the railroads of the country and to protect the credit of the carriers. President Warfield has addressed a communication to the Commission requesting permission for the security holders in the American railroad systems to present their views as to the needs of the carriers for an increase of 15% in freight rates.

L. F. LOREE DECLARES CRISIS CONFRONTS RAILROADS.

Speaking before the National Association of Manufacturers at their annual meeting at the Waldorf on May 16, L. F. Loree, President of the Delaware & Hudson Co., referred to the change worked in business since the advent of the war in Aug. 1914, and its effect upon the railroads, whose condition he said "is such as to create for them and for those dependent upon them, an emergency." Describing the conditions confronting the roads as "a crisis, an occasion for action," he said:

There are many who consider money solely as a standard of value and for that purpose as having a fixed and unfluctuating value. If we take that view, it is apparent that railroad service constitutes about the only commodity or service which has not in the past two years risen, as compared with the standard. If this be the case, it is apparent that there is necessity for a general and immediate adjustment or increase in the rates charged for railroad service, for otherwise the railroads will be unable to secure, out of their revenues, the labor and materials necessary for their operation, to meet their fixed charges and dividend requirements, and to pay interest sufficient to attract the additional capital which is necessary for their development.

There are others who consider money rather in its function as a medium of exchange. They feel this to be a proper view which reduces all transactions to barter. If we take that view, it is apparent that in the past two years there has been a diminution in the value of money, and that with the little-varying schedules of rates and the largely-increasing rise of wages and prices of materials and supplies and of the rental value of money, a fixed quantity of railroad transportation is, from year to year and especially during the past two years, exchanged for a steadily decreasing quantity of railroad labor and railroad material and supplies, as well as for money borrowed. If this be the case, it is apparent that the railroads are not now asking for real advances in rates, but merely for readjustment (readjustments that I think will be inadequate) to make up the losses which they have sustained by reason of general rises in the wages level and the prices level.

In the same way the railroads have seen the cost of their capital go up in response to intensified competition from public and private sources. Moreover, they have seen the natural reaction of their rates of fare and freight to these conditions impeded or prevented by public authority. So far from keeping pace with rising costs, which have been in progress since 1896, they have been required to reduce rates which had not been changed since the value of money was at its highest.

When I see a corporation where within twelve months it can voluntarily advance the wages of its employees 46%, advance the rate of dividends paid to its common shareholders from zero to 17%, and change the earnings on its common stock from zero to more than 70%, and contrast its condition with the condition of the railroads, contrast its treatment of its men with the attitude that we are compelled to take with ours, while I have

no criticism to offer regarding its position, for myself and for every man on the payrolls, with my whole heart and energy I resent that situation and challenge everyone who is responsible for it. It is a situation not of our making, not of our bringing about; a situation that, had we a free hand, we would not for a moment permit to continue.

As a consequence of this the railroads have become the recruiting ground for every other employing interest, whether it be the Federal Government taking skilled mechanics for work in its arsenals and navy yards or the contractor taking unskilled labor for work on the public highways. The constant changes in the body of the employees and the great number of promoted and green hands have resulted in a deterioration in railway labor efficiency estimated by many to be as high as 30%.

The carrier claims that an emergency exists, that it has long been "coming forth into view," that it has reached the condition of a "crisis" that it presents "an occasion for action," and they urge as that necessary action a general increase in all their freight rates of 15%. What we are confronting, then, is in very truth, an emergency; something that has been "coming forth into view" for the past thirty years and for the past two and one-half years, with menacing rapidity and sinister import; something that is a "crisis, an occasion for action;" something which, unless intelligent and adequate and immediate action is taken threatens the downfall of the whole economic structure.

The reasonableness of the proposed increase must rest upon the presumption that those relations among the rates for different services which persisted at the end of a thirty-year period of effective Federal regulation of rates must be just and proper.

The necessity of the proposed increase must be evident to every one familiar with commercial conditions.

It seems a remarkable thing that at this time of crisis, when the Government was never so much in need of the services of the railroads, when the railroads themselves were never so well organized and capable of rendering the services demanded of them, when their forces, both line and staff, were never so eager to be of service, that this situation should be endangered by the repressive influence of the Government itself. Our attitude in this respect is in marked contrast with that of Great Britain. The first step taken there was to relieve the railroad officers of all anxiety as to their financial responsibility; here no relief is in sight. On the contrary, we are compelled to assume all the hazards of the situation without freedom of action to meet the changing conditions.

W. M. ACWORTH BEFORE NEWLANDS COMMITTEE ON GOVERNMENT OWNERSHIP OF ROADS.

On May 7, before a special meeting of the Joint Committee of Congress on Inter-State Commerce, of which Senator Newlands is Chairman, W. M. Acworth, England's leading railroad authority, appeared to discuss the question of Government ownership of railroads in foreign countries. Mr. Acworth has just completed his work as one of the Royal High Commission which recently investigated the railroad situation in Canada. In his opening statement he said that while it was true that "most countries own their own railroads," the statement is misleading. Bulgaria, for illustration, owns its railways, which comprise only 1,204 miles. Bulgaria counts as one country, and so does the United States. But the United States has more than 200 times the Bulgarian mileage, all owned privately. Accordingly, on a mileage basis, the witness pointed out, less than one-third of the world's 700,000 miles of railways is owned by States. Mr. Acworth dealt first with Prussia, which he regarded as the best example of an efficient nationalized railway system. Following the war of 1870, which unified Germany under the leadership of Prussia, Bismarck attempted to acquire all the railways of Germany in order to weld the newly formed Empire into one unit. In 1879, the Ministry submitted to the Prussian Parliament an elaborate memorandum in support of the policy of nationalizing the railroads then in private hands. The significant feature of this memorandum, said Mr. Acworth, was the emphasis placed upon the importance of railways for military purposes. "On the whole," said he, "it is abundantly clear that the main reason for Bismarck's action was of a political nature. It is in harmony with all Prussian history that the importance of military considerations and the necessity of making public control paramount in the life of the country should weigh above all other considerations with a Prussian statesman; and after the war with France and the creation of the German Empire, these considerations might be expected to have even greater weight than at any other time."

Citing Professor Schumacher of Bonn, Mr. Acworth said that the freight receipts per ton mile in 1880 and 1909 in Germany were respectively 1.65 and 1.41 cents. The corresponding receipts per ton-mile for American railways were, in 1882, 1.23 cents, and in 1909, 0.763 cents. In other words, the American ton-mile rate started at the beginning of the period 25% below the Prussian rate, and it fell in the course of the twenty-nine years, not 15%, but nearly 40%. At the end of the period, the American rate was not much more than one-half the Prussian rate—0.763 cents compared with 1.41 cents. The witness added that progressive rate reductions in Germany had ceased long before 1909. Proceeding he said:

While American companies have revolutionized their equipment and methods of operation, Prussia has clung to old equipment and old methods. This is typical. In all the history of railway development it has been the private companies that have led the way, the State systems that have

brought up the rear. Railroading is a progressive science. New ideas lead to new inventions, to new plant and methods. This means the spending of much new capital. The State official mistrusts ideas, pours cold water on new inventions and grudges new expenditure. In practical operation, German railway officials have taught the railway world nothing. It would be difficult to point to a single important invention or improvement the introduction of which the world owes to a State railway. That Prussia is the only country where the State system shows a profit after payment of operating expenses and interest on capital follows because Prussia bought the railroads at a most opportune moment, and has been powerful enough to maintain a scale of rates unaltered over a long period of years. When it comes to railroad tariffs, no country has gone as far as Prussia in giving advantage to the big shipper over the small man.

Referring to Italy, Mr. Acworth said: "It has tried State ownership and operation, private ownership and operation, State ownership with private operation, and now, for the last ten years, it has reverted to both ownership and operation by the State." The Italian Parliament on April 22 1905 determined to take over the railways of Italy. In the first year of nationalization the operating ratio was 73.4; in no subsequent year has it fallen below 79.5, and for the three years, 1911-1913, it averaged 84.4. Each year shows a substantial advance in operating costs over the year preceding it. The figure in the first year of the period was \$57,885,600; in the last it is \$102,264,560, an increase of over 78%. He continued:

The final result is that whereas in the financial year 1906-07 the railway^s paid over to the treasury \$9,796,368 as a return on a capital of \$1,091,404,045, which is, roughly, one per cent, in the last year they only returned \$5,402,656 on a capital that meanwhile had risen to \$1,374,975,952, which is, roughly, two-fifths of one per cent. In at least two cases just before the war, concessions had been granted to a private enterprise which was to take over a portion of the existing State railway, to build an extension with the help of substantial State subsidies, and then work on its own account both sections as one undertaking.

Australia furnishes the most conspicuous instance of railway construction by the State, because private enterprise refused to undertake the task. Speaking broadly, the seven separate States which make up Australia have 20,000 miles of railway owned and worked by the respective governments. And it must be frankly said that public opinion is entirely in favor of the system. Having regard to the well-known fact that State Socialism has been carried further in Australia than in any other part of the world, this is not surprising.

Ton-mile rates on the State railroads in Australia are excessive compared with other countries, said the witness. In two States they average 2.20 and 2.12 per ton-mile. The corresponding private railroad rate in Canada is only 0.75 cent and in the United States 0.73 cent. A mixed system of State and private ownership prevails in Russia, Austria and India, owing mainly to political and military reasons. Referring specifically to one company, which had paid an average dividend of 12% for five years previous to its acquisition by the Austrian Government, Mr. Acworth quoted the President of the Austrian Chamber of Deputies in describing the result of the State's administration up to 1910. Said that official:

We have always been in favor of the State taking over the railways, but if we had been able to foresee the results of the management, I assure you we would have hesitated a little longer. We are still in favor of the principle, but it does seem to us that our Government has performed a remarkable feat when it has succeeded in creating a deficit on the Northern Railway. The Government have enlisted an army of new employees; they have gone much too far in the reduction of hours of labor; instead of commercial management, they have appointed lawyers to posts that require business men or experts; they have established an entirely unpractical bureaucracy. At the present moment we are face to face with a deficit of \$25,000,000. There would be no deficit at all if the return from our railways were that which it ought to be. I repeat that absolute imbecility has characterized the taking over of our railways. We must introduce business ideas into the Government service.

Of late years in Russia the tendency seems to be in the direction of private railroad enterprise, subsidized and closely controlled by the Government. Continuing, Mr. Acworth said:

While in Holland some of the most important lines were built by the State, the operation has always been wholly in private hands. In 1908 a motion in Parliament in favor of nationalization was brought forward and defeated. A Parliamentary commission to investigate the question was subsequently appointed and reported unfavorably. The financial result to the State is not over satisfactory, but is due largely to the competition of the rivers and canals, which intersect the country. The railways have to depend mainly on passengers and high-class freight for their income.

For more than 30 years the French Government have owned and worked a system of lines in the central west of France. The financial results were very unsatisfactory—the operating ratio over a series of years ranged between 72 and 83%. Among the great companies much the weakest financially is the Western. Year after year the French Government had to find a considerable portion of the dividend for this road. During the last ten years of company management the State had to pay an average of \$2,894,280 a year to meet its liability under the dividend guarantee. During the first three years after the transfer of this road to the Government, the latter had to pay \$6,753,320, \$8,875,792 and \$14,934,484, respectively. For the year 1913 the figure was \$14,752,237.

Moreover, the service to the public was absolutely demoralized, and compensation for accidents, loss and damage rose from an average of \$400,000 under company rule to \$2,045,291 in 1911. The Minister of Public Works criticized the State administration as a "frightful fraud," said Mr. Acworth, and the Senate passed a resolution referring to

"the deplorable situation of the State system, the insecurity and irregularity of its workings."

In 1897 Switzerland took over all the railways of the country. Immediately an increase in expenses was noted, due to higher wages and reduced working hours. In three years, after meeting operating expenses and the charges of the debt, there was an accumulated deficit of over \$2,500,000. In 1900 the ton-mile rate was slightly under 3 cents a mile; in 1911 it was slightly over. At the date of the last account, so far from being reduced the sum paid for the acquisition of the railways had risen \$270,000. Mr. Acworth summarized his conclusions as to Government ownership of railroads as follows:

It is impossible to obtain satisfactory results on Government railways in a democratic State unless the management is cut loose from direct political control. Neither Australia nor any other country with a democratic constitution—perhaps an exception ought to be made of Switzerland—has succeeded in maintaining a permanent severance. The Australian Parliaments have loosened their hold for a few years, but only for a few years. In France, in Belgium, in Italy, Parliamentary interference has never been abandoned for a moment. Without imputing a double dose of original sin to politicians, it is easy to see why this happens.

The railways belong to the people. Parliament is the authorized representative of the people. It seems, therefore, to the ordinary citizen only right and natural that Parliament should control the management of the people's railways. And yet facts are stubborn things; and the facts show that Parliamentary interference has meant running the railways, not for the benefit of the people at large, but to satisfy local and sectional or even personal interests. They show further that, under Parliamentary management, it is easier to get money for big schemes of new construction than for inconspicuous day-to-day betterments and improvements which probably would produce much greater public benefit.

Some day, perhaps, having learned wisdom by experience, a Parliament and a people may recognize that management for the people is not necessarily management by the people; that there are other branches of government besides the judicial branch, unsuited for popular interference; and may establish a permanent State railway organization, with its own board of directors, with its own separate budget, and entirely independent of Parliamentary control, but controlled like any private company by a judicially minded commission, required also, like a private company, to earn a dividend for its stockholders, the people. And then a main objection to Government railways in a democratic State will have lost its force.

But hitherto no Parliament and no people have recognized this fact, even though it stands out abundantly clear on the pages of railway history.

NEW YORK LAW ALLOWING CORPORATIONS TO ISSUE STOCK WITHOUT NOMINAL OR PAR VALUE.

According to the Secretary of State at Albany, the Foundation Company of New York, a concern engaged in the building of wooden ships for use in America's new mercantile marine, has the distinction of being the first to file a certificate of reorganization at Albany with Secretary of State Hugo's Corporation Bureau, under the provisions of the Walters-Pratt bill, which has just been signed by the Governor. A number of corporations that have been waiting passage of the bill will now take advantage of its provisions, which permit existing corporations to reorganize and issue shares without nominal or par value. The law is one of the most important affecting corporations of any enacted in several years. There has been much interest in the outcome of the bill among corporation attorneys and others. An announcement coming from the office of the Secretary of State says:

Among other things, the Walters-Pratt bill is aimed at certain concerns which ruthlessly water their stock, and dishonest promoters of corporations whose one object is the marketing of worthless stocks. The bill adds five new sections to the Stock Corporation Law, and is so constructed that it affords an easy and effective method of changing the shares of stock of an existing corporation from stock having a fixed par value to shares that are without nominal or par value.

Sections 19 to 23, inclusive, of the Stock Corporation Law, enacted at the instance of the New York State Bar Association in 1912, permitted the inclusion in the original charter of corporations thereafter formed or reorganized of a provision for the issuance of shares without par value. It failed, however, to provide any method by which a corporation that had already been formed could be reorganized so that it could obtain the full benefits of the new law without first going through the process of dissolution.

The advantage accruing to a corporation from the right to issue shares without an expressed par value lies in the fact that such shares may be lawfully exchanged for patent rights, secret processes, the good-will of going concerns, or other intangible property rights involving some element of speculative risk, without the necessity of a preliminary determination by the directors that the consideration received is equal to the face value of the shares.

The corporation having shares without nominal value is likewise sometimes useful as a means of apportioning the estate of a decedent among those entitled to share in it, without an inventory or appraisal of its value being necessary and without interrupting business if the estate consists of an active concern.

The new form of shares have the additional merit of putting the prospective investor on inquiry as to the actual value of the shares he is about to purchase, uninfluenced by any representation on the face of the stock certificates offered to him that the shares are of a certain stated value.

This statement of so-called "par value" expressed on certificates of stock, always immaterial and often misleading, has been frequently not only a contributing aid to stock watering transactions in the past, but it has been helpful to the dishonest promoters of corporations formed for the sole purpose of disposing of worthless stocks.

The popularity of the "no par value" feature of New York's corporation law is shown by the revenues which have been derived from fees and taxes on the organization of corporations of this particular type, already reaching a sum in excess of \$1,500,000.

An amendatory Act, extending the operation of the law of 1912 to previously existing corporations, has been advocated by Secretary of State Hugo for the last two years. The bill, introduced by Senator J. Henry Walters and Assemblyman Charles O. Pratt, embodies Mr. Hugo's recommendations along that line. The amendment carries with it a revenue-producing feature consisting of an initial tax for the privilege of reorganization.

GEN. CARRANZA TAKES OATH OF OFFICE—OTHER MEXICAN MATTERS.

Gen. Venustiano Carranza on the 1st inst. took the oath of office as the first constitutional President of Mexico since the assassination of Francisco Madero in 1913. The members of the diplomatic corps attended the ceremony and subsequently returned with the President to the National Palace in Mexico City, where United States Ambassador Fletcher, as ranking member, offered the President the congratulations of foreign nations of Mexico's return to constitutional government. The election of Gen. Carranza as President of Mexico under the new Constitution was referred to in these columns April 7. The Chamber of Deputies, constituting the Electoral College, after a canvass of the vote in the recent Presidential election, returned its formal report on April 27, declaring the election of Gen. Carranza as President of the Republic by an overwhelming majority. The number of votes cast for Gen. Carranza was 797,305. Pablo Gonzales had the next highest number of votes, and Gen. Alvaro Obregon was third in the race. There was a scattering vote for other candidates whose names were not given.

Complete diplomatic relations between the United States and the Mexican Government were resumed on April 17 when Ignacio Bonillas, the new Mexican Ambassador to the United States formally presented his credentials to President Wilson. Senor Bonillas is the first officially recognized Ambassador in Washington since the murder of President Madero, when the authority of Ambassador Calero was cancelled. Eliseo Arrédondo served semi-officially as Ambassador until a few months ago but was never formally recognized by the United States Government.

In addressing President Wilson Ambassador Bonillas said:

After the long struggle to institute a democratic government, emanating from their own choice and representative of their own aspirations, the Mexican people have succeeded in the realization of their highest ideals. By her recent elections Mexico has assured the re-establishment of constitutional order, and on May 1 the officials freely elected by the popular ballot will take the oath of office, and the Republic shall feel the satisfaction of returning to its place in the concert of nations.

As a natural consequence, I hope the most cordial relations and sympathy will continue to exist between our people and our Governments. My most ardent desires are that it may be so, and I trust that, in order to accomplish this end, a warm reciprocity may be accorded by the Government so worthily presided over by your Excellency.

The First Chief of the Constitutionalist Army, in charge of the executive power of the nation, duly elected President, has instructed me to convey to your Excellency his sincerest desire for your personal happiness and for the prosperity of the people of the United States.

Replying to the new Ambassador President Wilson spoke as follows:

Mr. Ambassador, I am happy to accept the credential letters by which His Excellency, the First Chief of the Constitutionalist Army in charge of the executive power of the United Mexican State accredits you as Ambassador extraordinary and plenipotentiary of the de facto Government of Mexico near the Government of the United States and to accord you formal recognition in that high capacity.

The close neighborhood of the United States and Mexico makes it most desirable that there should be between the two countries relations of friendly trust and confidence. It has been my endeavor in these years of unrest and strife in Mexico to impress upon the Mexican people that the United States has none but the best interests of Mexico at heart and has no wish more selfish than to see its people placed in the enjoyment of the blessings of peace, happiness and prosperity by the establishment of a constitutional and stable Government, capable, among other things, of affording due protection to American citizens and property and of meeting all other international requirements.

I take note of your statement that constitutional order will be re-established in Mexico on May 1. I shall welcome the day that brings me convincing evidence that a Constitutional Government has been established in Mexico both willing and able to afford to American citizens and their property the same measure of protection and to apply to them the same impartial administration of justice that is afforded to nationals or the citizens or subjects of other foreign countries. The United States asks no more and can, of course, accept no less.

Gen. Carranza in a message read to the Mexican Congress with the reassembling of that body on April 15 devoted much attention to the resumption of diplomatic relations with the United States since 1913. He touched briefly on the Benton case and referred to the occupation of Vera Cruz as a "lamentable incident." Following an account of the Villa raid on Columbus and the clashes with American troops at Carrizal and Matamoros, he said:

This can be considered as a period of war with the United States, for hostilities had commenced. Nevertheless, the Government continued to treat the situation by diplomatic methods and secured in the shortest possible time the retirement of the American forces.

In regard to Mexico's position as a neutral nation, Gen. Carranza said:

Mexico will endeavor to continue to follow a policy of the most rigorous and strictest neutrality in the European conflict. I am able to assure you that actual relations with all the peoples on earth are friendly.

A statement to the Mexican press was issued by the United States Ambassador to Mexico Henry P. Fletcher on April 24 in which he declared that the relations between Mexico and the United States were increasingly cordial and that any misunderstanding would be due to the activities of enemies of both countries. The statement follows:

I do not believe that any difficulty may be expected between the United States and Mexico as the result of the entrance of the United States into the war. My Government is perfectly satisfied with the declaration of neutrality of Mexico made by the President on April 15, and is confident that Mexico as a sovereign people will respect the same, taking measures for its strict observance.

No pressure has been exercised by the United States on Mexico or on any other neutral country to force its entrance into the war on the side of the United States. The relations between the United States and Mexico each day grow more cordial and friendly, and I sincerely hope there will be no occurrence to affect the good and complete understanding between the two great democracies of America. By situation we are neighbors and by community of ends, aspirations and feelings we should be friends. If in Mexico anything occurs compromising her neutrality or involving in difficulties the two nations it will be the result of the efforts of enemies of one or other of the countries or both.

The Government of the United States desires nothing except prosperity for this country, and wishes nothing which disturbs the establishment of free, constitutional, and orderly Government, pacification of the country and promotion of prosperity. The United States, in spite of vehement desires and sincere efforts to remain aloof from the great conflict, has been forced to take up arms, and I sincerely hope that Mexico will be more fortunate than us in this respect.

Americans in Mexico, conscious of the hospitality of this country will abstain both in their official acts and private life, from any acts which might compromise the neutrality of Mexico or place this Government in an embarrassing position.

The statement was issued as the result of newspaper dispatches from the United States, which gave reports of the suspicions there in regard to Mexico's position.

On April 26 official advices to the State Department at Washington were said to have announced that the Mexican Government had warned Germans in Mexico that any concentration of Germans near the American border would be followed immediately by their arrest. It was reported that the Mexican authorities in conveying this notice explained that they could do no less in view of the fact that a state of war exists between Germany and the United States. Gen. Obregon, who has since (May 1) resigned as Minister of War, in a statement issued on April 27 declaring that Mexico would remain strictly neutral, said:

Mexico's relations with the United States are not as close as desired by us as we feel that by the acts of the United States in withholding the arms, ammunition and machinery bought in the States after Carranza was recognized as the head of Mexico the complete pacification of the Republic has been delayed more than six months. We want to be friendly with the United States, as our commercial interests lie there, but it is up to the United States to show friendship.

Mexico has no interest and no intention of furthering the interests of any of the Powers now at war. All the Powers have respected Mexico's rights. We cannot complain against any Power.

I will see that the term "strict neutrality" as declared by the First Chief will be carried out. Mexico will not permit any foreigner to commit any overt act. We are simply able to punish any violations of neutrality.

Mexico will not enter into alliance with any Power, since Mexico's sphere is in Mexico, not in Europe. I personally am interested only in the reconstruction of the country. My only ambitions are to see Mexico take her place with other nations. Mexico has too much to do to settle her own problems, without entering into affairs of others, which could only injure the future.

Gen. Obregon was also said to have added that he believed the reports on the number of German reservists and other foreigners arriving in Mexico had been greatly exaggerated. He did not deny that many Germans had come, but said that Mexico was their only natural refuge with the Allies in control of the seas and Canada, the United States and Cuba all in the war against Germany. He declared that the only Germans in the Mexican army had served through the revolution and that none had been admitted since the United States declared war on Germany, or would be. Mexicans are able to fight their own battles, he said, and would not accept the aid of others who had their own ulterior purposes to further. "Those foreigners who hold commissions in the army," he contended, "and among them are some Americans, two or three Japanese, but mostly Germans, had all been in the army long before the outbreak of the European struggle."

Luis Cabrera, General Carranza's Minister of Finance, in a letter to Secretary Lane, with whom he sat on the Mexican-American Commission, has pledged not only Mexico's neutrality, but his Government's intention to do nothing to embarrass the United States in the war with Germany. A part of Cabrera's letter, made public on May 2 by Secretary Lane, follows:

All Mexicans who know and appreciate the United States are striving to keep Mexico absolutely neutral in the present world conflict, which unfortunately has extended to America. Although I believe that the war between the United States and Germany will actually take place in Europe, and not in America, the United States can be sure that the present Government of Mexico will do everything in its power to make the United States

feel absolutely confident that there will be no reason at all to fear from our side.

Mexico has gone through a civil war, and there is nothing the people desire more than to remain in peace, and without being engaged in international war.

On the 8th inst. the Mexican Senate, after a long, stormy session, passed a bill giving President Carranza extraordinary powers to deal with the finances of the country. Before the measure was passed Gen. Carranza directed a communication to the Senate explaining the necessity of that body granting him the authority, and declaring that if Congress could not give him the power his only recourse was to appeal direct to the people.

BONAR LAW'S SPEECH IN DETAILING WAR BUDGET.

Brief reference to the remarks of the British Chancellor of the Exchequer, Bonar Law, in introducing in the House of Commons on the 2d inst. the war budget for the fiscal year, was made in these columns May 5. We are now able to give the Chancellor's speech in detail, as reported in the London "Financial News." The Chancellor announced the total estimated expenditure for the current year as £2,290,381,000 and the estimated revenue as £638,600,000, leaving a balance of £1,651,781,000 to be provided by loans. In his speech he also made known that from the beginning of the war the total advances to the Allies have been £828,000,000, and to the Dominions £142,000,000, making the aggregate advances to the Allied Powers £970,000,000; the total national expenditure during the war has been £4,318,000,000, of which £1,137,000,000 was provided by revenue. The national debt totals £3,854,000,000.

On the 9th inst., in moving a vote of credit for £300,000,000 in the House of Commons, the Chancellor stated that the alarming feature of the figures was that they represented a total daily expenditure of £7,450,000. Between April 1 and May 5, he observed, the advances to the Allies and Dominions had increased so that they now average £2,000,000 daily. The budget estimate for this use was about £1,000,000 a day, so the estimate was exceeded by £1,000,000 daily. America, however, continued the Chancellor, had acted with promptitude, for which the nation could not be too grateful. She not only promised but actually afforded financial assistance to Great Britain's allies, and he, therefore, hoped that the budget estimate of expenditure under this head would be realized. For the first period of the vote of credit last year, Bonar Law said, the daily expenditure was £4,820,000, and for the corresponding period this year £7,450,000. The present vote would carry the Government on until about Aug. 1. The vote of credit now asked brings the total since the outbreak of the war to £4,642,000,000. With the exception of the credit of £550,000,000 voted in February the present credit was the largest of the war.

As heretofore indicated, the budget introduced by the Chancellor on the 2d contained no surprises and fewer changes from the existing taxation than did the previous one. No new forms of taxation were proposed. The only changes were increases in the excess profits tax, which was raised to 80% from 60%, the placing of excess profits on munition works on the same basis, an increase of tobacco duty by 1s. 10d. per pound, and increased entertainment taxes on the higher-priced tickets. Economy in the employment of ships by Government impressment of all vessels except small coasters at fixed rates of pay was also announced. The budget speech in full follows:

In each succeeding year of the war the Chancellor of the Exchequer has imposed upon him the duty of presenting to the House a financial statement on a scale which has never been heard of, or dreamed of, in any country in any previous period. These gigantic figures are not a subject of rejoicing, though there is ground for thankfulness that we are able to bear the financial strain, which is hard upon us. These figures represent part of the problem, though not the biggest part, which we, as a nation, have to face for the greatest act of madness for the greatest crime, which has ever been committed in the history of the world. But, looking at it from the point of view of what seemed right at the time, and looking back after the experience of nearly three years of war, we, as a nation, can still say, on our souls and consciences, that it is a crime in which we have no share. Under these circumstances, this is not an occasion for rhetoric, and I propose to follow, to the best of my ability, the example set by my predecessor (Mr. McKenna) and present to the House a plain statement of our financial position as clearly and as briefly as I can. It is a tradition that the Treasury is always able to present fairly accurate estimates of taxation in the future, however small the available data may appear to be, but at a time like this, when the expenditure, especially for army supplies, depends not on any fixed and constant demand, but on the powers of production in the country, and when the revenue is influenced on every hand by restrictions imposed on account of the war, it was hardly necessary for Mr. McKenna to claim the indulgence which he did, and to ask the House to receive the estimates as, at best, more or less intelligent guesses. Now last year the estimate of expenditure given by my right honorable friend was £1,825,380,000, and the actual expenditure for the year was £2,198,113,000, or an excess of £372,733,000, which is almost identical with the excess on the votes of credit, which was about £373,000,000. It is hardly necessary for me to explain again that this expenditure is largely due to two causes—the in-

creased cost of munitions and increased advances to our allies and to our Dominions. I need not justify to the House expenditure under either of these heads. The result of the increased expenditure on munitions is seen in the position of our armies in France and on every front.

Financing our Dominions and Our Allies.

Now as regards the advances, the British Government from the first has considered that this was one war in which the interests of all the allies were alike, and that it was our duty to the extent of our ability to use our resources, financial or otherwise, in aid of our allies in precisely the same way as if they were spent upon ourselves. With this explanation, I should like to add that the estimate for loans to allies and Dominions has been exceeded by something like £100,000,000. It is a satisfaction to me, as I am sure it is to the Committee, to know that as regards the Dominions they have not only had the will, of which there was no doubt, but they have had the power to supply so much from their own resources that there has been no increasing strain upon the British Exchequer from that source. The Committee will be interested to know the total amount of these advances, and here I give the figures which represent the obligations to the British Treasury, including, that is, interest and discount, and not the actual amount expended. Last year the total advances to the allies were £540,000,000, and to Dominions £54,000,000, making a total of £594,000,000. From the beginning of the war the total advances to the allies are £828,000,000, and to the Dominions £142,000,000, the total being £970,000,000. If we turn to the revenue, we find a different picture and a more satisfactory one. The estimate of revenue was £502,275,000. The actual revenue exceeded that amount by £71,153,000.

In view of the restrictions of all kinds, the Committee will have anticipated—indeed, they will have seen from the figures—that there has been a deficit in the case of customs and excise. Taking the two together, that deficit amounts to £9,059,000, and it extends, as might be expected, over almost every branch of those two services. The main exceptions are tea, in which there is a surplus of £1,000,000, which, however, is almost entirely represented by forestallments, and tobacco, in which there is an excess of about £1,500,000. If we turn to the inland revenue there is a different picture. There the total increase amounts to £66,039,000, and I shall show the House the main sources of that excess.

The total amount of excess profits was £139,920,000, and the excess over the estimate is £53,920,000. I need not remind the House that a large part of that excess—between £30,000,000 and £40,000,000—was due to advances made under discount, which was not arranged for at the time the budget statement was made, and was put later into the finances. Income tax exceeded the estimate by £7,930,000 and super-tax by £2,103,000, making altogether an excess of upwards of £10,000,000.

There has been an excess over the estimate in the case of stamps of £878,000 and over the previous year of £1,114,000. That is interesting because a large part of the excess is due to stamps in connection with Stock Exchange transactions, and shows that, in spite of the war, there has been a considerable revival of business in this connection. Another fact will interest the House. The total amount collected by the penny stamp exceeds £2,000,000, a larger sum than at any time previous to the war. That is, of course, largely due to cheques, and shows that the use of cheques as a form of currency has increased during the war.

The War Loans.

With this brief explanation of revenue and expenditure I come to the balance. The actual issues were £2,198,113,000; the receipts were £573,428,000, leaving to be raised by loan the sum of £1,624,685,000. I think it will interest the House to have fuller particulars of the war loan of this year. In the table in the hands of members the amount from the recent war loan appears less by £157,000,000 than the actual figure, the balance being due to instalments which have not yet fallen due. In giving the figures now I shall treat it as if these instalments had all been received. The 5% war loan, including Treasury bills, amounted to £966,048,000. The 4½% loan converted amounted to £821,005,000. Exchequer bonds converted amounted to £282,792,000. The total amount converted is therefore £1,048,812,000. As this loan was issued at a discount, this is represented by face value stock at £1,103,797,000. I will now give the figures of the 4% loan. The applications, including Treasury bills, were £22,658,000. The 4½% Exchequer bonds converted were £28,726,000, making a total of £51,384,000. The House will not be sorry to see as an indication of how the future is regarded that the tax-compounded loan has not been taken advantage of to any great extent. The total amount converted of the 4½% loan is 97½%, leaving something like £20,000,000 unconverted. Even that amount is larger than I had expected. As regards Exchequer bonds the amount of 5% converted is 61.9% and of 6% only 12.9%. Looking at the position of what is called the floating debt at the end of last year I think it must be regarded as satisfactory. The total amount of Treasury bills outstanding was only £163,705,000, and I would remind the House that, though in this connection Exchequer bonds are often spoken of as if they were a floating loan, that is in no sense true. In the statement which appears on the table, to which I have referred, there is an amount of £72,750,000 from war savings certificates. In my judgment there is nothing connected with the finance of the war so satisfactory as the way in which men of small means have contributed to the expenses of the war through this medium. I am very glad to tell the House that the boom in war savings certificates at the time of the war loan has not spent itself. Some idea of the growth of this form of saving will be found when I say that the total amount contributed from Feb. 22, the date on which they started, to Dec. 31 was £54,664,000, whereas the total from Jan. 1 to the end of last month was nearly £46,000,000. I am informed that it is even more satisfactory than this, because the subscriptions now consist almost entirely of small individual applications.

Position of the National Debt.

I will now deal with another aspect of the question, and that is the position of the national debt.

The debt was increased last year by £1,714,000,000. It stands now at a sum of £3,854,000,000. From that, in any estimate of what our position on a peace basis will be after the war, we are entitled to deduct the advances made to our allies and to the Dominions.

My right hon. friend last year gave quite correctly the standard of our position. It was that at the end of each financial year we should be able to show a surplus of revenue, not including duties which will come to an end when the war closes, which will provide the amount necessary to carry on the service of the country, including reasonable provision for the paying off of the debt which has been incurred. I have had the balance sheet examined from that point of view, and this is the result. Our total revenue is £573,428,000. If we deduct the excess profits duty and other non-recurring revenue, like interest from the Dominions and allies—the amount is £157,000,000 roughly—it leaves a total revenue of £416,428,000. The pre-war expenditure was approximately £173,000,000. If you make additions, they will not be less for pensions and education of £30,000,000; if you take the debt charge at the rate of interest of 5½%, which would pay it off in forty-two to forty-three years—the amount is £153,700,000—on this basis at the end of last year there was a balance in our favor of upwards of £59,000,000.

Interest Rates—Relative Position of England and Germany.

There is another point of view which, to my mind, is equally important, and that is the extent to which this gigantic expenditure is being met out of taxation, and not from borrowed money. The result of that for last year is as follows: Our total national expenditure during the war is £4,318,000,000; of this £1,137,000,000, or fully 26%, was provided out of revenue, and I need not remind the House that there is no belligerent country which, by any possibility, could present a figure so satisfactory. I think it will, perhaps, interest the House to give you the average rate of interest which we have paid on money borrowed. That is, approximately, 4½%. That suggests to me a subject to which, since I went to the Exchequer, I have given a great deal of thought, and in regard to which there is a great difference of opinion—that is, as to what the rate of money at home ought to be. There is one school of thought which desires money to be at the lowest possible level. There is another which thinks this low level is bad.

If anyone is inclined to compare the rate of interest we have to pay with the rate in Germany they have to bear in mind that the exchange there has been given up, and that they have only home conditions to consider. If we had been in that condition I do not doubt we could have got the money 1 or 1½% cheaper than we actually had to pay for it.

New Taxation.

I now come to the new taxation which I think it necessary to impose. On the one hand, the burden of taxation already is extremely heavy, and, however necessary it may be, no one can doubt that in whatever form that taxation is raised it diminishes the capital available at the end of the war, and to that extent is a handicap upon trade after the war. On the other hand, it is equally true that an immense national debt after the war will be a burden upon our trade and industry. We have therefore to decide between the two.

The Committee will be surprised, and many members will be disappointed, when I tell them I do not propose to add any new taxes whatever, and that I only propose to make additions in the case of three existing taxes.

I recognize as fully as anyone that at a time like this the ordinary rule which should guide a Chancellor of the Exchequer—that taxation should be for the sake of revenue, and for that alone—does not apply. At a time when we are desirous of cutting down unnecessary expenditure in every direction, it is right, if it can be done effectively, that the Exchequer should be used for that purpose also. From that point of view I have considered very carefully a large number of proposals, but in every case I have rejected them for two reasons. The first and least important is that each of them, when you went into detail, suggested to me that the amount of gain in cutting down unnecessary expenditure in proportion to the trouble of collection and to the disturbance which it would create made it not worth while to go on with them. But there was a much stronger reason. The staff at the disposal of the Treasury is not sufficient to enable us to cope with new taxation.

When I tell the Committee that from the Board of Inland Revenue alone upwards of 3,000 men have gone to join the fighting forces and remind the Committee of the immense increase of taxation already incurred during the war and the labor involved, and further call attention to the fact that my advisers are of opinion that to attempt to use the existing staff for new duties, which would not give a large revenue and might produce results which are problematical, the Committee will see that this would simply mean we should lose a larger amount of revenue in the collection of the big taxes than we should gain by a change in this direction.

Entertainments Tax.

The first new tax is comparatively a small item—that is, the entertainment tax. That duty was put on by my predecessor, who estimated we should get in a full year something like £5,000,000 from it. The revenue last year was about £3,000,000. I think this form of taxation can contribute a little more revenue without disadvantage to the State. I recognize the value of amusement to the public at the present time. I agree entirely with what was said by the Director of National Service on the subject. No nation will show its best strength if it is always brooding over something which they cannot forget. There must be some means by which they can forget. That is shown by what is being done by the War Office in providing recreation for our soldiers both at home and at the front. I do not much believe in a man, however responsible his position, who never leaves his work.

I have no Puritanical feeling in regard to the theatre, and the addition I propose to this tax is not a very heavy one. The total revenue I anticipate is an additional £1,500,000. I do not think it right to raise the scale of the duties placed on 1d. and 2d. charges for admission, which is now ½d. The second addition is that the free complimentary tickets will bear taxation, the same as the others. That is only fair, because the object of this tax is not to get money out of the theatrical entertainers. It is the public who pay, and anyone who gets a ticket for nothing is in a very good position to pay.

Tobacco Duty.

The next tax to which I propose to make an addition is the tobacco duty. It is a curious thing, although I am sure there has been no leakage in the Treasury, that the press has defined in advance exactly the additional taxation I propose. There is good ground for this additional taxation. It is justified by the simplest method of reasoning—namely, that it is a revenue-producing tax. Last year, in spite of a heavy additional duty, and of the fact that a large proportion of our countrymen were where they get their tobacco without paying duty, there has been no falling off in the consumption.

Tobacco is, I suppose, a luxury. There are few necessities which I would not rather do without. For that reason also we are entitled to put an additional duty on it, and I propose to make the same addition as was made last year—1s. 19d. in the pound. I have been in consultation with those acquainted with the trade, and I am satisfied that that figure, better than any other, will enable the burden to be placed on the consumer without the middleman getting more as his part out of the additional taxation. This additional burden is estimated to bring to the Treasury £6,000,000 in the current year. It may interest the House to know what are the ways in which tobacco is smoked. 70% is smoked in a form of which I have never been able to see the advantage, namely, cigarettes.

Excess Profits Duty.

Now, I come to the source of taxation from which I expect the largest amount of revenue. I propose to make the excess profits duty 80%, instead of 60%.

Some members of the House cheer that announcement, but I must frankly say that if the need had not made a large addition to our revenue necessary I should have been very glad to leave the tax where it was left by my predecessor. No one, however, can for a moment consider that it is unfair to take so large a proportion of the profits, which are due to the war, and which arise out of the war. But, of course, there are many cases, though not by any means a large proportion of the whole, in my opinion, where the profits are not due to the war. But even there, when we consider what privation, from the point of view of income, as well as in other directions, the great bulk of the population is undergoing, I cannot myself

consider it unfair, or that anyone is badly used if he gets a larger income during the war than he got before it.

But that is not the only point of view from which we have to regard it. We have to consider the effect on our national interests, and especially on our trade position after the war. I received a number of deputations from those who were against an increase in this tax. I heard all their arguments. I recognized the force of most of them, and I think I understand them completely. It is not so simple as merely saying you are going to take 80%. This big increase of profits means a large increase of expenditure on working capital, and on account of that large increase many of the firms are not able to pay this duty except by borrowing money. But the additional revenue is necessary, and I have come deliberately to the opinion—and I think the House will agree with me—that there is no other form of taxation which on the whole will be fairer or less detrimental to the national interest. One of the things which we would all wish to avoid, if it were possible, would be to make a tax retrospective. Nobody would do it if he could help it. I propose that this new rate of duty should begin on Jan. 1 this year. That seems to me, and I think it seemed to the representatives of the firms which are chiefly affected, perfectly fair. The Prime Minister, as a matter of fact, intimated in this House a few days before that date that the Government would raise this duty, so that warning has been given of it.

Munitions Levy.

From Jan. 1 the munitions levy is merged in the excess profits duty, and it will all be collected by the Board of Inland Revenue.

That was one of the considerations which made it so difficult to get the men to look at a new tax—the additional work which would be thrown on the existing staff. The munitions levy was first imposed—and rightly and necessarily imposed—not for revenue, but mainly for this reason, which was just as strong, that you could not expect the workmen to do their best if they had the feeling that their work was being used to make private profit. At that time the excess profits duty was not imposed. The munitions levy was a special charge on this class of firm. It was a necessity, and was probably arranged in the best way at the time, but it had this great disadvantage, that once a certain amount of profit was made nothing more could be made by the firm; that is to say, all incentive beyond a certain point was taken away. By merging both duties into one the incentive—I am sure they will feel it a very small one—still remains. I do not consider it an absolutely negligible quantity. I do not believe, however, that that system was bad entirely. A great deal has been said about the way money has been spent in advertising and equipping the works with machinery. That money is not all lost. It remains there, and in my opinion one of the best hopes for the future of this country after the war is to be found in this, that as a result of the way in which munitions have been produced in this country we have revolutionized our whole industrial process.

We have scrapped not only old machinery but old methods, and when the war is over there will be plenty of demand for any production which is available, and, in my deliberate opinion, the rapidity of the recovery of this country after the war will depend upon the use which we make of the new methods and the new machinery which have been introduced, and will depend, above all, upon the extent to which the old hostility between capital and labor can be removed, so that both can work together to get the best possible output in the national interest.

The excess profits duty does tell very unfairly. It is inevitable that that should be so. Equality is our ideal of all taxation, but I know no tax in which, taking all the circumstances into account, equality rigidly is secured. This duty tells unfairly against one trade as against another, and in many cases it tells against particular methods of carrying on one particular trade as against other methods of carrying on the same trade. I recognize all that, and in dealing with the excess profits duty I have adopted the same method which I have tried with the issue of the loan.

Concessions Made.

I have made concessions which I think will be useful, and which will not cost the Treasury much money. The most important of these is in regard to the rate of interest on new capital put in since the war.

That is one of the greatest grievances in connection with this tax. The value of money has risen enormously since the war. It would not, for that reason, be reasonable to say that money used before the war should therefore have a higher rate of interest, but in the interest of the nation it is right to encourage the employment of new capital where it is required and where war emergencies demand it. The rate of interest previously allowed was 6%. I propose to make a great increase on that figure.

I propose to allow an additional 3% for new money put in during the war, and I am making another concession.

An allowance was made of 1% to private firms as against public companies. I have examined this as carefully as I can, and I do not think that allowance is quite sufficient, and I propose to make the allowance 1% additional, that is to say, 4% more will be given to private firms and 3% to public companies. That will apply to all periods for which the 80% tax applies.

In order to get rid of some of the most obvious hardships of this tax, a Board of Referees was set up which has allowed a higher rate of interest on money of this kind. I propose that this additional 3% should be handed over in every case where the referees have allowed a higher rate than the 6%. Of course that is only to apply to accounting periods where the increased rate of taxation also applies.

There will be some other slight modifications introduced in the finance bill. Some of them remedy small grievances or inequalities, but none of them, I am glad to say, will cost the Exchequer very much money. In connection with the excess profits tax, there is one particular branch of industry on which I must say something, and that is the shipping trade.

Shipowners and Their Profits.

Public opinion and the opinion of this House, which I share, is that there is no trade probably which has made such big profits during the war and which have been so directly due to the war.

For that reason this trade is being treated now in a special way. It is easy to be wise after the event. In my opinion, we delayed too long in taking over control of the shipping.

But I am not going to blame anyone else in connection with this matter. I was myself a member of the Government, and, more than that, as the leader of one of the parties in the Coalition I had as much right as anyone to press my own view; and though I think we made a mistake, I say frankly that I do not suggest that anyone was more responsible for it than I am myself. I do not think that the excess profits duty fairly met that situation.

I have many shipowners among my acquaintance, and I have said—none of them agreed with me—and I still hold the view, that merely putting on an excess profits duty when there was something like a monopoly would almost unconsciously have this effect, that rates would be raised in order to increase profits in consequence of the tax. I think that must have happened to some extent; at all events, shipowners have had a very good time. But there is no industry which will be more important to this country after the war than shipowning, and the last thing this House or any Government

should do would be to deal with a question of that kind on the ground of prejudice. It is quite true that they have had excessive profits, precisely in the same way as other business men have had, and nothing would be more futile or unfair than to accuse them of any special lack of patriotism or any special degree of wickedness in taking advantage of the situation as it was presented.

Special Treatment.

But we have thought it necessary to deal with this trade in a special way. The method by which we are dealing with it in bringing it under control and in regulating its profits is by, to a large extent, requisitioning at the present time of all ships of 1,600 tons and upwards. Over 90% are either requisitioned or have notice that they are going to be requisitioned as soon as they can be got home. It is true that at one stage the requisitioning at Blue Book rates left still a large margin of profit. But the additional cost in other directions of running ships, especially additional insurance, has made that no longer true. I have examined the accounts of something like a score of typical ships, and in not one of those cases was it possible for the ship under the requisitioning terms to make anything like a pre-war rate of profit. Many of them show a loss.

It is impossible, under requisitioning, to make even a pre-war scale of profit. The Shipping Controller has controlled the rates of freight and by that means also the shipping profits, as well as the use of ships under the control of the Government. It is not by the excess profits duty we propose to deal with shipping, but by the method I have described. There is a class of ships which it is impossible to requisition, and that is the small coasting steamer of under 500 tons. Of this class of steamer there are between 4,000 and 5,000, and the nation depends upon their being used to the utmost. I am advised that it would be absolutely impossible for any Government department by any means to attempt to run that class of steamer. They must be run by their present owners. There was two other methods open to me in dealing with this question. One was to fix a definite scale of profit beyond which they should not be allowed to go without reference to the excess profits duty. That was the method I intended to adopt, but I have had to abandon it for a reason which seems to me conclusive. In the case of these small steamers which you cannot requisition, you would take away all incentive after they had once made the scale of profit. There is the further consideration that in the case of many of these small steamers the master is the owner, and therefore you would be expecting him not only to run his ship for nothing, but also to run it at the risk of his life. Taking all that into account, I came to the conclusion that we could not adopt that method. Under the excess profits duty if a profit was made last year and a loss this year there is a provision that this year's loss up to the pre-war standard and up to the amount paid in duty previously would be made good. That is a perfectly fair arrangement. But look at the effect on the shipowners. They have paid such a large amount of taxation in the past that if that provision was allowed to continue it would mean, in spite of the restrictions we have imposed, that every shipowner would get back at the expense of duties he has already paid the whole of the pre-war standard. I have no feeling of prejudice against shipowners. I believe they are as patriotic as other people. But the fact remains that they get unduly large profits, and I don't think it would be right that they should make good up to the pre-war standard out of taxes they had previously paid the losses which they may be subjected to this year. I propose therefore to insert a provision in the Finance Act that in the case of shipowners this excess profits tax shall not apply, and they shall not be entitled to get back out of previous taxation the amount necessary to bring the present year's profits up to the pre-war standard. These are all the new taxes.

An Hon. Member: "What is the estimate?"

Coming Year's Estimates—Influence of the United States.

Mr. Bonar Law: The estimate of the extra revenue from excess profits duty next year is £20,000,000. This brings me to the estimates for the coming year:

The total expenditure is estimated at £2,290,381,000.

First, there is a debt charge of which £41,500,000 represents the interest on debt at the beginning of this year.

The debt charge will be £211,500,000.

The estimate of the vote of credit is £1,975,000,000, of which the three war services amount to £1,438,500,000.

Miscellaneous war expenditure on the vote of credit amounts to £126,500,000, bringing the expenditure by us out of the vote of credit to £1,575,000,000.

When we came to form an estimate of the amount of advances to our allies and Dominions the Committee will understand how difficult it was to arrive at any figure. The entrance of the United States into the war has altered the financial situation. We know that to the extent of their ability the Government of the United States will help us in bearing the financial burdens of our allies. To what extent we can count upon this we cannot at present say. I have put in the estimate the figure of £400,000,000, which is £150,000,000 less than the amount expended last year. I hope this amount will not be required. It makes the total under the vote of credit £1,975,000,000.

On this estimate the total rate of expenditure per day is £6,275,000, as against an actual rate incurred last year of £6,022,000.

Taking the items on the vote of credit, which are to be applied to our own expenditure, and leaving out advances to our Dominions and allies, the expenditure is £1,575,000,000, and the rate per day becomes £4,315,000.

If we turn to the revenue this is the result. The total estimated revenue is £638,600,000. Of this the tax revenue is £569,700,000. The customs and excise, in spite of the additional taxation to which I have referred, show a diminution as compared with last year. The income tax, including the super-tax, is estimated to show an excess of £18,967,000. The excess profits will show an additional £60,000,000, and in the non-tax revenue there is a diminution in every branch. It is not necessary to explain why that has occurred. There is only one item in which there is an increase, and that is a miscellaneous revenue. That increase is accounted for, and more than accounted for, by the loan so generously granted by the Government of India. They have undertaken responsibility for a loan of £100,000,000. I do not know precisely how much they will be able to raise, but we expect that the Indian budget will produce £10,000,000. If you add the interest they will become responsible for on the £90,000,000, that will give a total of £13,000,000, which is more than the increase on the miscellaneous estimate. I have not gone into the details. Hon. members will have them in their hands in the morning.

Our Balance Sheet Now.

I shall now come to the balance sheet at the end of this year.

The total expenditure will be £2,290,381,000.

The total revenue will be £638,600,000, making the balance to be provided by loan £1,651,781,000.

I wish—and this is the last word I shall address to the Committee—I wish the House to consider what our position will be at the end of this year on a peace basis. As regards the contribution out of revenue, the figures which I have given show that it has not fallen off. We still have considerably more than a quarter of the whole expenditure provided for out of

revenue. If we make a calculation precisely on the same basis as for the end of last year when there was a very large balance, the result is that we shall have a balance in our own favor of only £2,000,000. But I am glad to say that that is a result much more favorable than I anticipated when I began to prepare the budget, and it is a result which, I think, the House has every reason to be satisfied with. It gives a small margin, but I leave out of account in that margin any expansion of revenue which is certain to come from customs and excise after the war, and there is another item which is not available this year, but will become available, and that is income tax, which has been deferred in connection with the war loan by not deducting it at the source. In addition to that there will be large arrears of excess profits to be collected. The Committee will remember that income tax is not charged on excess profits, and if by good fortune we have anything like the same amount of profit after the war, there would be an income tax available which, if we put it at 5s. in the £, would be equal to £50,000,000. I have kept my word and have tried to confine myself entirely to a plain statement of the financial position, and I am satisfied that the result which I have given to the House justifies me in the statement which I made in my first speech as Chancellor of the Exchequer, that though we could not go on indefinitely on this scale of expenditure, yet it is certain that it will not be want of money which will prevent our victory, and that we shall be able to go on, from this point of view, longer than our enemies.

RUSSIAN INVESTMENT OPPORTUNITIES.

William A. Russell, of New York, has been appointed to the position of special agent to investigate Russian investment opportunities in behalf of the Bureau of Foreign and Domestic Commerce, of the Department of Commerce. The opinion is generally held that Russia will need a great deal of American capital for the development that is sure to come in the near future, but definite information as to the nature of the opportunities now presented has been lacking. The first step taken by the Government to remedy this difficulty was the appointment of Augustin W. Ferrin, editor of "Moody's Magazine," to study conditions as they really exist in Russia. Recent developments in Russia, however, have emphasized the importance of the work to such an extent that it has been decided to send two agents instead of one. Mr. Ferrin and Mr. Russell will travel together and divide the work.

Mr. Russell is a native of Petrograd, received his education there, and gained valuable experience as a consulting engineer in Russia, Siberia and China before coming to this country. In New York he has been engaged as an advisory engineer and has devoted much of his time to analyzing investment propositions. It is stated that he will consult with interested American firms before sailing for Russia.

MEXICAN EMBARGO ON CATTLE AND FOOD PRODUCTS.

According to "Commerce Reports" of May 17, the Department of State at Washington "has been informed by the American Vice-Consul at Eagle Pass, under date of May 15, that instructions have been issued to the Mexican collectors of customs not to permit exportation to the United States of goats, sheep, hogs, cattle, flour and other articles of prime necessity for provisions. The instructions include chile (peppers), coffee and bean varieties."

The National City Bank of New York, in a statement on May 21 concerning the suspension of food imports from Mexico, said:

The action of the Mexican Government in prohibiting the exportation of foodstuffs and food animals to the United States, as announced by the Department of Commerce, closes a door through which the United States has been receiving considerable quantities of food, even during the disturbances in that country, and which was of very considerable importance in former years. A compilation by the National City Bank of New York of the principal foodstuffs entering the United States from Mexico shows that the total amounted to over \$12,000,000 in 1916, and this total is much below the normal, which ranged from \$15,000,000 to \$25,000,000 in former years.

Cattle are among the most important of the food animals imported from Mexico. In 1916 they amounted in value to over \$4,000,000, and in 1915 and 1914 about \$3,000,000 per annum. Sheep averaged in the past three years about \$300,000 per annum, and other animals over \$250,000 per annum. Whether horses are included in the list of prohibited imports is not known; they amounted in 1916 to about \$175,000, and in 1914 to over \$500,000. Of rice the imports from Mexico in 1915 were 1,355,000 lbs., of wheat 55,000 bushels, and of other breadstuffs smaller quantities. Of coffee the imports from Mexico in 1916 were 60,000,000 lbs., valued at over \$6,000,000, and in 1915 about 53,000,000 lbs., and coffee is named as one of the prohibited articles. Fresh fish from Mexico in 1916 amounted to about 2,500,000 lbs., and of shrimps, other shellfish and turtles about \$150,000 worth.

Of fruits the importations from Mexico are of very considerable importance, bananas alone amounting to over 2,000,000 bunches in 1915, valued at over \$500,000, and in the preceding year over \$700,000. Other fruits coming in less quantities include dates, figs, grapes, lemons, olives, oranges, pineapples and preserved fruits. Still other foodstuffs from Mexico include about 4,000,000 lbs. of fresh beef in 1915, 75,000 lbs. of cheese and, in 1915, about 75,000,000 lbs. of sugar.

Imports from Mexico other than foodstuffs consist chiefly of manufacturing materials, and there is no intimation that these are included in the list of prohibited articles. Hides and skins alone amount to approximately \$8,000,000 per annum; sisal in 1916 to \$20,697,000, against \$22,980,000 in 1914 and \$15,496,000 in 1913. Crude mineral oil shows very large increases in the imports from Mexico, having amounted in the fiscal

year 1916 to 834,000,000 gallons, valued at \$11,357,000, against 738,000,000 gallons in 1914 valued at \$10,972,000, while in 1912 the total was but 131,000,000 gallons valued at \$2,143,000. Copper imports from Mexico in ore and pigs amount to about \$2,000,000 per annum, India rubber approximately \$1,000,000, lead about \$2,000,000 and raw cotton \$3,500,000.

The principal exports to Mexico are, of course, manufactures of various classes, including cotton cloths, electrical machinery, iron and steel manufactures, railway material, fire arms, cartridges and limited amounts of foodstuffs, including meats, lard compounds, condensed milk, butter, cheese, corn, oats and flour.

Trade between the United States and Mexico shows steady gains, despite the unfavorable conditions in that country in recent years. The imports into the United States from Mexico, which amounted to \$36,000,000 in 1914 and to \$84,000,000 in 1915, were \$105,000,000 in 1916, and the exports to that country, which amounted to \$33,000,000 in 1914, were \$41,000,000 in 1915 and \$53,000,000 in 1916. In the nine months ending with March 1917, imports from Mexico were \$80,692,000, against \$69,748,000 in the same period of last year, and the exports to that country \$47,501,000, against \$35,761,000 in the corresponding months of the preceding year.

ITALY PROHIBITS IMPORTATION OF UNNECESSARY ARTICLES.

The Italian Government, according to a cablegram received by the Department of Commerce on April 6 from the American Embassy at Rome, has placed restrictions on the importation of unnecessary commodities. "Commerce Reports" of April 9 had the following to say regarding the new prohibition:

A royal decree dated April 1, published to-day (April 6) prohibits the importation of goods coming from abroad with the following exceptions: (1) Goods imported by the Government; (2) foodstuffs and raw materials for industry, which will be designated by the Government; (3) such large quantities of merchandise of known origin as may be admitted by decree of the Minister of Finance; (4) goods for which special permits may be issued from time to time by the Minister of Finance.

ONE MEATLESS MEAL A DAY IN FRANCE.

The French Minister of Supplies on April 22 ordered one meatless meal each day, instead of two meatless days a week, as a measure of economy. All restaurants are prohibited from serving anything in the nature of meat, poultry or game for the evening meal. All butcher shops are obliged to close their shops at 1 o'clock in the afternoon.

ALLIED SHIPPING RELEASED BY AGREEMENT BETWEEN GREAT BRITAIN AND SWEDEN.

Allied shipping, to the extent of approximately 90,000 tons, tied up in the Gulf of Bothnia, since the beginning of the war, will be released, it is stated, as the result of an agreement between Great Britain and Sweden, perfected on the 9th inst. Information to this effect came in press dispatches from Stockholm, which stated that Sweden secures as its part of the bargain the release of its ships, laden with food stuffs and other necessities, which have been detained in British harbors. The dispatches add:

The official statement of this arrangement says that thereby the country's wheat requirements until the next harvest will be met, provided the present system of rationing is steadfastly adhered to, even if, as there is reason to fear, the harvest is late. Furthermore, it is said, it seems possible to increase rations to some extent in very urgent cases.

The cables from London on the 9th inst. said:

An Exchange Telegraph dispatch from Stockholm quotes the "Svenska Aftonbladet" as saying with reference to the Anglo-Swedish agreement that it was not secured without compensation on the part of Sweden, the main condition by Great Britain being that the narrow sound used by British ships returning from the Baltic, and which was mined some months ago, shall be reopened.

The newspaper also says that guarantees were received from Germany that the vessels would not be torpedoed.

CLOSING OF PANAMA AT NIGHT.

Announcement was made on the 5th inst. that beginning the following day the Panama Canal terminal ports of Cristobal and Balboa would be closed to navigation between sunset and sunrise, and lights would be extinguished. Shipping is warned that it is unsafe to approach nearer than two miles from the ports, by day or night.

MARSHAL JOFFRE.

The following tribute to the hero of the Marne appeared in the "Financial America" of the 10th inst.:

The greatest multitude ever assembled in the greatest city of the world lined Broadway and Fifth Avenue yesterday to pay tribute to the Man of the Marne. It is no disrespect to Balfour, he who had been Premier of the British Empire, to Viviani, he who had been Premier of France to say the Soldier of France was the one upon whom all eyes were turned and upon whom all interest was centered.

Those who were fortunate enough to get close to the Marshal, who looked into his eyes and had him look into their eyes, can say that they understood more in a few seconds about Joffre than they had learned in the many months since August 1914 brought him into the limelight of the world.

Of all men New York has greeted no one comes up to specifications as does Joffre.

He is the embodiment of power. He suggests strength, endurance, energy, reserve force more than any human being we have ever seen. It is understandable now how the French soldiers have had such absolute faith in him.

And he is a whale of a man. White of hair, white of mustache, three score years or more of age, it would seem that he would show some sign of physical wear. But he doesn't. He has the complexion of one who never has known a day of ill-health, to whom living is a joy and to whom the years add only strength. Deep of chest, wide of frame, he looks bulky until he stands besides tall men, and then it is seen that he towers above the others.

As a piece of human machinery Joffre is a credit to France. Few men subjected to the scrutiny of appraisal by millions of soul-searching eyes could stand the test so well.

New York viewed him with affectionate, with loving and yet with a critical eye, and it was joyed, for it saw a wonder work, a master of men and a master mind in as kindly, as simple and yet as powerful and impressive a human setting as perhaps ever was pictured by the fancy of man.

RENAMING OF INTERNED GERMAN RAIDERS.

The two interned German raiders, Kronprinz Wilhelm and Prinz Eitel Friedrich, which have been taken over by the United States Government, have been renamed, according to an announcement made by Secretary of the Navy Daniels on the 7th inst. The vessels will hereafter bear the names of Germans who fought with the Continental Army in the Revolutionary War. The Kronprinz Wilhelm will hereafter be known as the Baron von Steuben, while the Prinz Eitel Friedrich will bear the name of the Baron de Kalb. Both vessels, the announcement says, are to be placed in service under the American flag as soon as repairs are completed. Reports received at the Navy Department at Washington on April 19 stated that the vessels were being put in readiness for service, through the skill of experts working under the American engineer officers, who lost no time in solving the various puzzles of machinery which the Germans caused in dismantling intricate parts.

Baron von Steuben was a German soldier, born at Magdeburg, Prussia, in November 1730. He won fame in the Seven Years' War, and was at one time Grand Marshal to the Prince of Hohenzollern. In 1777 he came to this country and offered his services to Congress as a volunteer in the Continental Army. In March 1778 he began drilling the inexperienced soldiers at Valley Forge, and in May of the following year, when he was made Inspector General, with the rank of Major General, he had established a thorough system of discipline and economy. He was at one time in command of the Continental Army in the district of Virginia, being superseded in that charge in 1781 by Lafayette. He took part in the siege of Yorktown and retired from the service of the army after the war. He passed the last years of his life at Steubenville, N. Y., where he died on Nov. 28 1794. Baron Johann de Kalb was born in Huttendorf, Germany, in June 1721. He served with the French in the war of the Austrian Succession and won a brilliant reputation in the Seven Years' War. He was one of the first to volunteer his services to the colonists after the Declaration of Independence. In 1777 he arrived at Philadelphia on the ship fitted out by Lafayette. He was made a Major General and was selected as second in command to Lafayette for the proposed expedition against Canada, which was later abandoned. He died at Camden, N. J., on Aug. 19 1780, a prisoner of war.

LIBERIA SEVERS DIPLOMATIC RELATIONS WITH GERMANY.

Liberia's decision to sever relations with Germany was officially reported to the State Department at Washington by the American Minister at Monrovia on the 10th inst. Similar advices were received at Baltimore on May 9 by Ernest Lyon, the Consul General representing Liberia at Baltimore. Considerable importance is attached to this step, as Liberia is the landing point of many cables and was used for some time by German residents as a base against the British. It is reported, however, that the Liberian authorities have recently suppressed that hostility. The advices to the State Department covering the break with Germany came in a telegram from Monrovia, which said:

Liberia severed diplomatic relations with Germany on May 8. The authorities searched and disarmed all Germans whose residences and places of business were examined. The flags of the United States, Great Britain, and France were displayed at the executive mansion, and throughout the day a band played the martial airs of the Allies, amid applause from assembled crowds. There was no disorder. Steps are being taken to disarm Germans at other points.

BANKS LOSE IN DAMAGE SUITS AGAINST KRONPRINZESSIN CECILE.

An opinion adverse to the Guaranty Trust Co. and the National City Bank in the damage suits brought against the North German Lloyd Steamship Co., owners of the Kronprinzessin Cecile, was handed down by the United States Supreme Court on May 7. Last November the United States

Circuit Court of Appeals at Boston decided that the banking institutions were entitled to damages as a result of the failure of the vessel to deliver the gold bullion shipped by them on the vessel, which, with the news of the outbreak of the war in 1914, discontinued her trip abroad and returned to the United States. Previous to the verdict of the United States Circuit Court of Appeals at Boston, Judge Hale in the United States District Court at Boston on Feb. 2 1916 denied the claims of the Guaranty Trust, his findings being made to apply also to the suit of the National City Bank and to proceedings brought by Charles W. Rantoul Jr., of New York, and Maurice Hanssens, of Brussels. In response to the plea of the North German Lloyd Line, the United States Supreme Court on March 12 of this year granted the company's petition for a writ of certiorari to review the decision of the United States Circuit Court of Appeals. The Supreme Court, in its opinion rendered on May 7, decided that the steamer is not liable in damages to the shippers for turning back to the United States in mid-ocean and abandoning her voyage. Justice Holmes delivered the opinion. Justices Pitney and Clark dissented. With regard to the findings of the Supreme Court the "Times" said:

The Cecile carried a large number of passengers, among whom were 304 Americans, 667 Germans, 151 Russians, 406 Austrians and 14 English. In the view of the Court the fact that Austria had declared war against Serbia indicated that a general European war was imminent. On July 31 Germany had declared that a state of war with Russia existed, which served to strengthen the expectation of a general war. The Court took the view that the action of the directors of the steamship company was therefore justified.

In the bill of lading there was no protecting clause except that the company might be excused from specific performance by "arrest or restraint by princes, rulers or peoples." The law that personal contact for service may be excused by death, and that labor under contract has been held to be excused in the face of an epidemic of cholera, was cited to support the view that the steamship company acted within its rights.

The further circumstance was urged that the responsibility of the company to its German passengers, who would have been detained in British or French custody, was also a strong reason for the course taken.

"We are unable," says the Court, "to accept the argument that the captain of a ship may not give up the voyage to avoid capture after war is declared, and he is never to be at liberty to anticipate war."

The gold shipment of the Guaranty Trust Co. destined for London, amounted to \$4,942,937; the National City Bank had on board a consignment of \$3,165,973, of which \$1,061,719 was being forwarded to London and \$2,104,254 to Paris. The trust company claimed damages of \$1,040,468, while the bank placed its damages at \$446,828.

Federal officials at Boston stated on the 7th inst. that, following the Supreme Court decision, the Collector of the Port probably would be ordered by Washington to take possession of the Kronprinzessin Cecile, which then will have the same status as other German refugee steamers here. Experts employed by the Government recently reported that it would cost \$200,000 to repair the damage to the Cecile's machinery and that the vessel could not be made seaworthy in less than six months. Marshal John J. Mitchell said that while he had advertised for bids, none had been submitted, and that the repairs would be made under direction of the United States Shipping Board, after he had delivered the Cecile to the Collector of the Port.

FEDERAL TRADE COMMISSION SEES JUSTIFICATION FOR ONLY MODERATE ADVANCE IN ANTHRACITE.

According to a preliminary report of the Federal Trade Commission issued on May 5 the wage increase to anthracite coal miners agreed upon on April 26 justifies only a moderate advance in the retail prices of coal—in fact, they say the new mine prices will not justify present retail prices in many instances. The preliminary report of the Commission is based on a partially completed investigation ordered by Congress during the winter. The Commission states that it "will expose any unscrupulous wholesaler, jobber or retailer who seeks to mislead the public into a belief that exorbitant prices are justifiable or that there is any necessity to join in a frenzied bidding to secure immediate delivery for far-future needs." The report says:

Within the scope of its own powers, this Commission will continue to exert every influence to avert the threatened recurrence of the conditions obtaining in the winter of 1916-1917. To this end the Commission proposes to secure complete current information, keeping close to the conditions of production, distribution, price at the mouth of mine, price to jobbers, price to retailers and price paid by the public.

The Commission will expose any unscrupulous wholesaler, jobber or retailer who seeks to mislead the public into a belief that exorbitant prices are justifiable or that there is any necessity to join in a frenzied bidding to secure immediate delivery for far-future needs.

The Commission will compile this information at frequent intervals and will ask the co-operation of the patriotic newspapers of the country to the end that the public may be kept constantly informed of what, in justice and reason, it should be expected to pay for anthracite and as to the volume of the production and stocks on hand existing at such times. The Commission has assurances from the anthracite operators that in case

of local shortages being called to their attention by the Commission the operators will relieve such local stringency immediately.

The agencies which handle and distribute coal after it leaves the mine and before it comes into the hands of the consumer have also been heard to say to the Commission, through numerous representatives, that they desire and will expect only a fair and reasonable profit for the useful labor and service which they perform.

The fair retail price at any place is the price at the mouth of the mine plus freight, plus the reasonable dealer's profit and cost of local delivery. The May price at the mine of ordinary white ash anthracite, allowing for the 40-cent discount, is approximately as follows:

	Gross Tons. (2,240 lbs.)	Net Tons. (2,000 lbs.)
Egg.....	\$4 05	\$3 61
Stove.....	4 30	3 84
Chestnut.....	4 40	3 93

So, then, anthracite coal consumers of the United States may feel assured, first, that there is an adequate supply of coal; second, that that supply will be taken out and prepared for use in a large and constant flow during the summer months; third, that in so far as the power of constant scrutiny and publicity are effective, the Federal Trade Commission will function; fourth, that prices at the mine will be reasonable and such as would not justify the average prices now being paid by consumers.

As to the price of coal to the consumer for the coming season, this leaves two problems for further action, either by the Congress of the United States or by some authority to be designated by Congress. First, the elimination of the element of speculation and the charging of an exorbitant price or the withholding from use of this necessity of life and second, the imperative need of keeping the coal moving from the point of its production to its final destination and of preventing coal cars from being held out of use for the purpose of speculative storage.

During the past week, daily conferences have been held with anthracite operators, with the officials of the United Mine Workers of America, with leading jobbers, and with retailers from various parts of the country.

The Commission is able to say that there now exists no good reason for a panic in the anthracite market, nor for any increase in the present selling price to consumers. On the contrary, the retail prices generally obtaining to-day are unwarranted.

The wage increase agreed upon on April 26 1917 will involve an increased cost of production of between 24 and 30 cents a ton. The price at which leading operators have announced that they will sell, will not exceed this increase. This price is upon anthracite on cars at the mouth of the mine. There is no justification for a larger increase to be passed on to the consumer and these mine prices will not justify present retail prices in many instances.

The new wage scale with the United Mine Workers is a beneficial and steadying factor in the industry. The Commission has received assurances both from responsible anthracite operators and from the miners' representatives that this will be a year of unusually large production. The mine prices announced for May reflect approximately the wage increase of last week. The Commission is assured that there is no reason why this price should not continue for the season and be subject to the usual summer discounts, namely 40 cents per ton in May, 30 cents in June, and 20 cents in July, and 10 cents in August.

The Commission believes that the custom normally followed by the majority of retailers of passing the benefit of these discounts on to the consumer, should be followed by the whole trade.

If the public is again so deceived as to indulge in a scramble for coal such as occurred last winter, the favorable situation above reported may be nullified. A demand for four months' coal in the single month of May will be most deplorable. If, on the other hand, purchases are made as usual, there will be no disturbance and small chance for speculators to fleece the public. The best thing that can happen now is for everyone to buy as has been his custom in former years. Such normal buying spreads evenly through the summer, and will insure a steady flow of the production of the mines through the channels of distribution, to build up usual supplies in the hands of consumers, and more especially to build up the normal piles of wholesalers and retailers at points far removed from the anthracite region. Many of these points must build up their winter supply during the summer when water transportation is available. Transportation will thereby be relieved of undue burdens and the coal will be steadily distributed during the summer against the needs of the winter.

During the coal panic of the winter of 1916-17, one of the greatest factors in the distressing and intolerable condition, was the unwarranted and indefensible practice of using coal cars for warehouses. Coal was held in cars by speculators while shortages of cars was alleged as a cause of fuel shortage. The Commission calls your attention also to other activities of speculators in anthracite coal who perform no useful service in the distribution of the coal, but who insert themselves as a disturbing and clogging factor upon the industry and whose unearned profits are often much greater than those enjoyed by either miner or operator or honest dealer. These profits, in many instances, more than 100%, were paid by the consumer, together with enormous bills for car demurrage.

With regard to the conferences held in Washington on May 1 and 2 between members of the Federal Trade Commission and representatives of anthracite operators on the high prices of anthracite, the "Coal Trade Journal" of the 9th inst. said:

An epoch-making event in the history of the anthracite coal trade was the conference held in Washington on Tuesday and Wednesday of last week between members of the Federal Trade Commission and representatives of the large producing interests, middlemen and retail dealers from several of the larger cities. It was in the nature of an informal consultation, and while nothing in the way of an exact report of the proceedings is available, it is quite evident from the news that has come to hand that the trade was placed, as one might say, on probation.

The conference was, in a measure, incidental to the report that the Federal Trade Commission is to render shortly to Congress, following its investigation of coal trade conditions during the past season. The privilege of meeting for the interchange of views prior to the submission of the report was sought by representatives of the trade, and in response to invitations extended by the Commission a large number of coal men were present in Washington last week. While a degree of informality prevailed and there was not any examination of witnesses in the customary legal form, the inquiries were conducted on behalf of the Commission by former Governor Fort of New Jersey and Dr. Durand, who has long been identified with the compilation of statistics in the Government service. He is said to have a great command of trade facts and figures.

A day and a half was spent in a careful investigation of anthracite matters, and it was made quite clear that the usefulness of the middlemen was a subject of critical inquiry. In fact, quite a question was raised as to the usefulness of middle-houses in the coal trade, with the upshot that it was impressed upon company representatives and other producers that they

in the law passed this year giving the Governor wide military powers. It was under the authority of this law that the Governor issued his proclamation. Governor Edge yesterday said:

June 5 will be observed as a legal holiday in New Jersey, and I am quite sure no one will seriously question the edict.

The National Bank of Commerce in New York publishes for its clients the Selective Draft Law and the President's Registration Proclamation, which affect directly and immediately ten million young men and concern in a vital way the entire nation. The complete text of the law and the proclamation is given in the hope that it may supply a definite need for accurate information on a matter which has an intimate bearing on the banking business as well as every other.

To what degree the weight of economic power thrown by the United States into the balance against Germany brings victory closer for the Allies, is indicated in a booklet, issued this week by the Mechanics & Metals National Bank of New York City. This booklet, entitled "Applying our Wealth to War," shows that the developed resources of the United States are more than double the resources of any other single nation; that, in fact, our wealth exceeds the combined wealth of the world's three other greatest powers—the British and German Empires and the French Republic. The booklet is designed with the purpose of stimulating subscriptions to the Liberty Loan.

E. Kerr, the librarian of William Morris Imbrie & Co., has written a book entitled "The Effect of Wars and Revolutions on Government Securities." The book explains, in narrative form, how foreign wars and internal dissension and revolutions have affected the prices of various government obligations. The first chapter gives a general summary of public debt since the days of Carthage. A chapter is devoted to each one of ten important modern nations, reviewing the general history and conflicts of each country. Tables are included giving the range of prices of the securities of these nations. Graphic comparisons are provided at the end of the different chapters showing the population, wealth and debt of each country. A complimentary copy of this book will, we believe, be mailed to those who may be interested in the subject.

Edmund P. Rogers, connected with the Union Trust Company, of this city, has been appointed an Assistant Secretary of the company.

The Atlantic National Bank announces the appointment of John P. Laird as Assistant Cashier. Mr. Laird has filled various positions with the bank since 1882.

Milo M. Belding, Treasurer and director of Belding Bros. & Co., silk manufacturers, of which he was one of the founders, died in this city on May 23. Mr. Belding was a director of the Broadway Trust Co. of this city, second Vice-President and director of the International Pulp Co., and connected in one capacity or another with a number of other corporations. He was eighty-four years of age.

The directors of the West Philadelphia Title & Trust Co. of Philadelphia, in addition to declaring the usual semi-annual dividend of 6%, declared the usual half-yearly dividend of 6% to employees, based on the annual salary.

Harry W. Cumner, President of the Boylston National Bank of Boston, died on the 18th inst. at the age of fifty-seven years, from a cerebral hemorrhage, with which he was stricken on the preceding day at a Red Cross meeting. Mr. Cumner was a trustee and member of the executive committee of the Home Savings Bank, a director of the John Hancock Mutual Life Insurance Co., Vice-President and director of the Thayer, McNeil Co., a director of the Frank W. Graves Co. of Minneapolis, Minn., and President and director of Cumner-Jones Co. and Cumner-Jones & Co., Inc., of Chicago.

W. W. Laird, Vice-President of the Wilmington Trust Co. and Laird & Co. of Wilmington, Del., has been elected a director of the Commercial Trust Co. of Philadelphia.

Charles K. Zug has been elected Vice-President and Trust Officer of the Commonwealth Title Insurance and Trust Company of Philadelphia, Pa.

John R. Goehring has been elected a director of the Northwestern National Bank of Philadelphia.

Arthur W. Wright has been elected an Assistant Cashier of the Centennial National Bank of Philadelphia. Mr. Wright was formerly paying teller of the institution.

The resignation of William Winchester as chairman of the board of directors of the National Union Bank of Maryland at Baltimore occurred on April 30. Mr. Winchester had been President of that institution for more than fifteen years up to September last. Former Governor Goldsborough, of Maryland, at that time became President, Mr. Winchester taking the post as chairman of the board. The directors announce that Mr. Winchester's resignation from the chairmanship and as a director was accepted at his request. Mr. Winchester has been actively identified with banking business in Baltimore a great many years, not only as President of the National Union Bank, but as head of the Baltimore Clearing House Association.

A change in the name of The Mohawk German Banking & Savings Co. of Cincinnati to The Mohawk German Bank of Cincinnati was approved by the stockholders on April 28.

The Illinois State Auditor on May 23 closed the doors of the Auburn State Bank and Morgan Park State Bank of Chicago. The closing of the banks, it is said, was due to mismanagement. The Auburn State Bank had a capital of \$200,000 and recently made a statement showing \$566,835 deposits on its books, \$322,490 of real estate loans; \$147,077 of collateral loans and \$132,870 of other loans. It was formerly a private bank operated by McFarland & Bransfield, being incorporated as a State bank in April 1914. The Morgan Park State Bank, located at 1937 Monterey St., Morgan Park, a suburb of Chicago, had a capital of \$25,000, and recently reported deposits of \$49,686. The officers of both banks were the same: Thomas F. McFarland being President; Mark P. Bransfield, Vice-President and Cashier; William J. Cline, Assistant Cashier, and they together with J. M. Bransfield and P. J. McFarland constituted the board of directors.

James M. Hurst, Third Vice-President of the National Bank of the Republic of Chicago, will on June 1, it is announced, become President of the Central Bond & Mortgage Co. He will, on assuming his new duties, retire from the National Republic Bank, in the management of which he has been active for over twelve years. Mr. Hurst in a statement said:

The Central Bond & Mortgage Co. has total resources of more than \$1,500,000. Its business consists of the purchase of manufacturers' accounts, bills receivable and motor truck paper. It is controlled by James Mitchell Hoyt and Charles B. Little, both successful business men interested in a number of substantial enterprises. Associated with them are a number of wealthy and prominent men of the city.

Mr. Hoyt will become chairman of the board and Mr. Little, chairman of the executive committee, upon Mr. Hurst's election to the Presidency.

The name of the A. H. Hill & Co. State Bank of Chicago has changed to the Hill State Bank.

At a meeting of the retailers of Chicago, held at the Grand Pacific Hotel on May 15, an organization was formed to further the mutual retail interests of Chicago. One of the principal features of the association will be the establishing of a bureau for credit, information and collections. The association has taken offices in the Cunard Bldg., 140 North Dearborn St., to be used as permanent headquarters. The officers elected for the year are: President, F. W. Hardcastle of M. Rothschild & Co.; Vice-President, Charles Sommers of Klee Bros. & Co.; Secretary, M. A. H. Turner, of F. E. Foster & Co.; Treasurer, H. J. Fiddelke of Lyon & Healy; Assistant Treasurer, E. Krieger of the National City Bank, and Business Secretary, F. G. Leland, 140 N. Dearborn St.

must see that such middle-houses as, because of their long-established business connections, are supplied with tonnage must see in turn that the coal sold by them is supplied in turn to dealers or consumers.

No More Compound Commissions.

The matter of coal changing hands several times, at a steadily increasing price, and perchance—as happened more than a few times during the past winter—eventually coming back to one of the original handlers for final disposition, at much greater cost, was clearly discountenanced. In fact, it was made plain that retailers who encouraged speculation in coal by buying freely at extreme prices, acted in a manner detrimental to the best interests of the trade, and of the country as well, and that if they persisted in this course they would be cut off from their supply of company coal.

The representatives of the Commission did not hesitate to state that the Government was prepared to take any necessary measures to secure not only a fair price basis, but an equitable distribution of tonnage. It was pointed out that control of the coal mines of England has been taken over by the Government and may not return for many years, if at all, to their owners, and that this was brought about largely by the fact that the British coal producers did not accept as readily as they might have done the suggestions of the Government as to their trade policy.

As to prices, the operators contended that all due liberality must be observed in view of the cost of coal turned out by the mines most expensive to operate. It was pointed out that in addition to the wage increases that have become so familiar, higher royalties, higher taxes and increased cost of material must be considered. Evidently the Commission was in a receptive mood in regard to this proposition and was prepared to give all due heed to the matter of necessary expense. The point they emphasized particularly was the matter of a fair charge over and above cost of production, and the fact that speculative influences, middlemen's commissions, &c., must be carefully restrained, and, indeed, eliminated as far as possible.

Buyers Already Notified.

We understand that notices have already been sent out by certain interests explaining the new policy and that very careful supervision will be exercised in the future over all sales that are made. In brief, tonnage that is bought will not be absolutely the property of the buyer, to do with as he pleases, but must be considered in the light of a public utility, and, as such, subject to utilization in the best interests of the public.

The leading interests, which have in the face of much criticism and much temptation to follow the general course of the market, held firmly to their established policy, were, we understand, quite willing to accept all suggestions made, which in fact justified their actions in the strenuous times of the recent past. But the middlemen, who have been reaping a harvest in certain instances, and the retailers, who have not made careful calculations as to the proportion of company coal received and the proportion of individual coal received, but have in effect based their selling price on the cost of their independent tonnage, will have to modify their plans.

The fact that a liberal increase in wages had been granted the mine workers, without the customary controversy or quibbling, was specified by the Commission as a reason why the men should display special energy in the turning out of tonnage, and the intimation was conveyed that the Commission would see to it that such a course was pursued. This was naturally a source of much satisfaction to the representatives of the producing interests there present.

The suggestion was advanced by a representative of the Commission that the coal operators should one and all agree upon a fair price for tonnage. The producers were surprised that this idea was broached and one representative of the companies inquired about the effect of the Sherman Law upon such an arrangement. It was indicated very definitely that upon necessity the Sherman Law could be waived. This shows clearly the unusual and urgent measures that the Government is prepared to take.

In the absence of more positive word from Washington, this seems to be as definite a statement of the situation as can be made at the present time, though it might be added that the Commission in this matter is acting in close harmony with the Council of National Defense and that any action taken by them is in accordance with the Administration's policy to exercise every effort for the proper regulation of affairs in the great national emergency now prevailing.

In its New York market review the previous week the "Coal Trade Journal" had the following to say:

The past week has failed to bring any relief to the local anthracite market, where the shortage is so serious that retail dealers are obliged to see a part of their delivery equipment remain idle day after day, although they have orders enough booked to keep every team and motor truck busy for weeks to come if the coal could be secured. Some yards are practically shut down at times, waiting for the arrival of boats that are at the loading ports waiting for cargoes and incidentally piling up big demurrage bills.

Under such conditions, wholesalers with coal to sell at the highest bidder are able to dispose of their holdings at a steadily rising scale of prices. The amount of this tonnage is so limited, however, that it hardly figures as relieving the general scarcity of hard coal. Some of the largest independent producers are selling to the retail trade at about the same price as the companies and are limiting their sales to regular customers, but at present it is impossible to tell how many of the individuals will adopt this course and how many will continue to sell to the buyer offering the higher price.

As anticipated, there is less uniformity than usual in the May prices announced during the past week by the various companies. The variation amounts to as much as 20 cents on domestic sizes and much more than that on steam sizes. Company prices, f. o. b. New York harbor ports, as fixed by different circulars, show approximately the following range for May loading: Broken, \$5 30-\$5 50; egg, \$5 35-\$5 50; stove, \$5 60-\$5 75; chestnut, \$5 65-\$5 80; pea, \$4-\$5 25; buckwheat, \$3 95-\$4 65; rice, \$3 45-\$3 60; barley, \$2 95-\$3 15; boiler, \$3 20-\$3 65.

Leading companies are quoting the following mine prices as the New England circular: Broken and egg, \$3 95-\$4 05; stove, \$4 20-\$4 35; chestnut, \$4 25-\$4 40; pea, \$3 10-\$3 95; buckwheat, \$2 65-\$3 30.

It is expected that the prices on the prepared sizes and pea coal will take the usual 10-cent monthly advance until Sept. 1.

Individual egg, stove and chestnut are quoted at \$8-\$8 50 f. o. b. A sale of pea was reported this week at \$7 50 and buckwheat is held at around \$7 to \$7 25.

The Soft Coal Situation.

Conditions in the bituminous trade are steadily becoming more acute, and this has been reflected during the past week by a strong upward trend to prices. The advance seems to gain momentum every day. Buyers find that there is very little free coal at the piers and the amount is apparently growing less day by day. In spite of this, embargoes affecting all the principal soft coal ports have been in force off and on, and the trade is at a loss to understand it except that the roads are congested between here and the mines or for some other reason are obliged to restrict the movement of coal to tidewater.

Furthermore the railroads have been buying and confiscating coal on such a large scale of late that the tonnage available for sale and for delivery on contracts is materially reduced. On top of all this is the very strong

demand in all-rail territory, which is preventing much tonnage coming to New York on consignment or speculation. Operators with any coal to sell can dispose of it in the region at attractive figures direct to consumers or to middlemen who are buying for their customers.

Rumors as to what the Government had done or was going to do in regard to commandeering tonnage and fixing prices on coal for its own use and for munition makers, and perhaps later on regulating prices on the entire coal output of the country, have been numerous. Naturally they have caused a lot of discussion, and the trade seems to be pretty well agreed that the Government, so far as it has gone, is handling the situation in a way that will, in the long run, be in the best interest of the operators. A liberal price is being allowed for coal taken, according to current reports, and apparently there is a disposition to allow a reasonable profit on commercial sales in the event that any general regulation is attempted.

The fact that coal must be treated as a preferred freight is encouraging shippers to hope for a better car supply in the near future, and that in turn will make it easier to hold working organizations together and maintain the output on a heavier basis than in the recent past. Many mines in the Clearfield-Cambria district are reported idle this week on account of labor unrest.

Free coal at the piers is being held from \$7 50 to \$7 75 f. o. b. in the case of the better grades. Mine prices are from \$6 to \$6 50 in central Pennsylvania, with West Virginia coals about 50 cents less on an average.

The following anthracite prices at New York, Philadelphia and Buffalo were reported in the "Coal Trade Journal" of the 9th:

<i>Philadelphia & Reading Anthracite Prices.</i>			
	<i>Egg.</i>	<i>Stove.</i>	<i>Nut.</i>
Port Reading, New York Harbor—			
White ash	\$5 85	\$6 10	\$6 15
Shamokin	6 10	6 35	6 40
Schuylkill red ash	6 35	6 60	6 65
Lorberry	6 35	6 60	6 65
Lykens Valley	6 85	7 10	7 15
Port Richmond, Philadelphia—			
White ash	\$5 75	\$6 00	\$6 05
Shamokin	6 00	6 25	6 3
Schuylkill red ash	6 25	6 50	6 55
Lorberry	6 25	6 50	6 55
Lykens Valley	6 75	7 00	7 05

<i>Buffalo Prices.</i>				
<i>All gross tons.</i>	<i>Egg.</i>	<i>Stove.</i>	<i>Nut.</i>	<i>Pea.</i>
On cars at Buffalo or Bridges	\$6 45	\$6 70	\$6 50	\$5 30
F. O. B. vessel, Buffalo	6 70	6 95	7 05	5 55

A reduction of 40 cents per ton will be allowed from the above prices on shipments during the month of May 1917.

In March the Federal Trade Commission, fearing that the operators would fail to make the 50 cents per ton reduction in prices from the winter schedule, issued a statement saying that no justification existed for an increase in the usual spring price of coal through the failure to grant the customary discounts. This warning was contained in an announcement issued March 13 to twenty-five of the leading anthracite coal producers. The statement said:

It is rumored in the anthracite trade that the producing companies are intending either to withdraw or reduce the Spring discounts this year, thus increasing the prices charged for anthracite coal. None of the large railroad coal companies has as yet announced its policy. The selling agent of one of the more prominent of the independent operators, however, has made the following announcement to the trade:

"Owing to a number of circumstances which have increased the cost of mining coal, we do not intend to make the usual Spring reduction on anthracite."

In its inquiry into the cost of mining anthracite, the report on which will be issued in the near future, the Federal Trade Commission has obtained detailed information on the cost of companies which mined in 1916 about 75% of the total production of anthracite. This information, obtained directly from the records of the companies referred to, indicates no increase in average cost in the last four months of 1916, and further indicates an actual decrease of cost in the case of some of the companies whose costs of production are high. Judging from the tonnage produced in January 1917 there is no reason to believe that costs thus far in 1917 would materially change the average shown by the figures compiled for September to December 1916.

Therefore it is the opinion of the Commission that further increase in circular prices this Spring by failure to grant the customary discounts could not be justified on the basis of increased cost. The Commission makes this statement in advance of its forthcoming report, because it is a matter of vital interest to the public that no unjustifiable increase of price should be made.

This statement does not refer to the increases in circular prices of all anthracite in May 1916, nor to the panic prices which have prevailed on part of the tonnage this Fall and Winter, concerning which the Commission will make a report in the near future. The cost data already compiled by the Commission, however, are conclusive against further price increases this Spring.

BANKING AND FINANCIAL NEWS.

Only ten shares of bank stock were sold at the Stock Exchange this week and no sales of either bank or trust company stocks were made at auction.

<i>Shares.</i>	<i>BANK—New York.</i>	<i>Low.</i>	<i>High.</i>	<i>Close.</i>	<i>Last previous sale.</i>
10	Nat. Bank of Commerce	170	170	170	May 1917—167

Governor Edge of New Jersey yesterday overruled the State Attorney-General and decided that June 5, the day selected by the President when men eligible for national conscription must register, shall be a legal holiday. The Attorney-General questioned the right of the Governor to declare a holiday except for fasting and prayer, after several of the banking institutions in the State raised a question as to the status of the day. The Attorney-General advised the Governor that the banks would not be compelled to observe it and that the power to add to the holidays was not included

c Of this original amount issued \$43,825,500 have been purchased for the sinking fund and cancelled.
 d Of this original amount issued \$2,235,800 have been converted into conversion bonds and \$3,439,000 into one-year Treasury notes.
 e Of this original amount issued \$2,007,500 have been converted into conversion bonds and \$2,045,000 into one-year Treasury notes.

GROSS DEBT.		NET DEBT.	
Debt bearing no int.	\$254,237,325 52	Gross debt (opposite)	\$1,544,053,795 78
Debt on which interest has ceased	1,439,220 26	Deduct—Balance available to pay maturing obligations (see above)	146,778,458 58
Interest-bearing debt	1,283,357,250 00		
Aggregate	\$1,544,053,795 78	Net debt	\$1,397,275,337 20

Commercial and Miscellaneous News

STOCK OF MONEY IN THE COUNTRY.—The following table shows the general stock of money in the country, as well as the holdings by the Treasury and the amount in circulation on the dates given:

	Stock of Money May 1 1917		Money in Circulation	
	In U. S.	Abroad	In U. S.	Abroad
Gold coin and bullion	3,121,887,443	218,127,892	678,211,423	625,876,808
Gold certificates	1,812,883,009	1,300,904,319	1,812,883,009	1,300,904,319
Standard silver dollars	568,270,061	14,238,058	71,209,574	65,732,485
Silver certificates	480,731,823	487,472,228	480,731,823	487,472,228
Subsidiary silver	197,815,088	6,247,131	191,567,957	167,355,070
Treasury notes of 1890	1,990,606	—	1,990,606	2,122,328
United States notes	346,681,016	8,091,661	338,589,355	340,472,423
Federal Reserve notes	451,743,460	2,649,735	449,093,725	182,172,805
Federal Reserve bank notes	11,073,125	39,960	11,033,165	6,899,970
National bank notes	717,490,822	15,959,496	701,531,326	731,272,366
Total	5,414,961,015	265,453,933	4,736,841,963	3,910,280,802

Population of continental United States estimated at 103,859,000. Circulation per capita, \$45 61.

a This statement of money held in the Treasury as assets of the Government does not include deposits of public money in Federal Reserve banks, and in national bank depositories to the credit of the Treasurer of the United States, amounting to \$144,878,086 95.

b For redemption of outstanding certificates and Treasury notes of 1890 an exact equivalent in amount of the appropriate kinds of money is held in the Treasury, and is not included in the account of money held as assets of the Government.

Note.—On May 1 1917 Federal Reserve banks and Federal Reserve agents held against Federal Reserve notes \$11,075,769 gold coin and bullion and \$401,589,350 gold certificates—a total of \$412,665,119, against \$170,200,680 on May 1 1916.

GOVERNMENT REVENUES AND EXPENDITURES.

—Through the courtesy of the Secretary of the Treasury, we are enabled to place before our readers to-day the details of Government receipts and disbursements for April 1917 and 1916 and for the ten months of the fiscal years 1916-17 and 1915-16.

Receipts—	April 1917.		April 1916.		10 mos. '16-'17.		10 mos. '15-'16.	
	Ordinary	Extraordinary	Ordinary	Extraordinary	Ordinary	Extraordinary	Ordinary	Extraordinary
Customs	20,911,335 88	18,926,615 11	178,603,899 26	171,765,333 84	1,786,038,926 50	1,786,038,926 50	1,786,038,926 50	1,786,038,926 50
Ordinary internal rev.	40,238,672 65	29,572,962 16	342,673,171 69	315,230,567 77	3,426,731,171 69	3,426,731,171 69	3,426,731,171 69	3,426,731,171 69
Income tax	24,814,125 51	2,714,406 44	56,849,856 43	23,292,863 81	568,498,856 43	568,498,856 43	568,498,856 43	568,498,856 43
Miscellaneous	7,293,419 95	4,087,255 25	57,383,142 69	37,313,648 15	573,831,426 69	573,831,426 69	573,831,426 69	573,831,426 69
Total	93,257,553 99	55,301,238 96	635,510,070 07	548,102,413 57	6,355,100,070 07	6,355,100,070 07	6,355,100,070 07	6,355,100,070 07

Panama Canal—			
Tolls, &c.	377,677 70	30,122 60	4,822,177 82

Public Debt—			
Sale of certificates of indebtedness	265,000,000 00	—	315,000,000 00
Sale of Pan. Can. bonds	—	—	1,794,660 00
Sale of Post. Sav. bonds	—	—	1,803,500 00
Deposits for the purchase of one-year Treasury notes of Apr. 1 1917 (Sec. 15, Fed. Res. Act, approved Dec. 23 1913)	4,390,000 00	—	4,390,000 00
Deposits for retirement of nat. bank notes and Fed. Res. bank notes (Acts of July 14 1890 and Dec. 23 1913)	294,047 50	9,907,085 00	36,538,712 50
Total	269,694,047 50	9,907,085 00	50,070,972 50

Disbursements—			
Ordinary	363,319,279 19	65,238,446 56	998,055,620 39
Extraordinary	—	—	800,331,067 44
Total	363,319,279 19	65,238,446 56	1,798,386,687 83

Special—			
Panama Canal: Checks paid (less balances repaid, &c.)	2,346,334 78	1,396,100 59	16,832,612 26
Payment for West Indian Islands	—	—	25,000,000 00
Subscription to stock of Federal Land banks	5,948,020 00	—	5,948,020 00
Purchase of obligations of foreign Govts. (Act approved April 24 1917)	200,000,000 00	—	200,000,000 00
Total	208,294,354 78	1,396,100 59	247,780,632 26

Public Debt—			
Bonds, int.-bear'g notes & certificates retired	938 00	6,555 00	15,508 75
One-year Treas. notes of Apr. 1 1916 redeemed (Sec. 15, Fed. Res. Act, approved Dec. 23 1913)	4,390,000 00	—	4,390,000 00
Nat. bank notes & Fed. Res. bank notes retired (Acts of July 14 1890 & Dec. 23 1913)	3,289,510 00	4,082,917 50	34,415,485 50
Total	7,680,448 00	4,089,472 50	38,820,994 25

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

1916-17.	Bonds and Legal Tenders on Deposit for—		Circulation Afloat Under—		
	Bonds.	Legal Tenders.	Bonds.	Legal Tenders.	Total.
Apr. 30 1917	\$ 667,587,120	\$ 53,245,374	\$ 664,245,448	\$ 53,245,374	\$ 717,490,822
Mar 31 1917	664,526,370	56,191,132	661,371,468	56,191,132	717,562,600
Feb. 28 1917	674,992,080	47,118,057	671,001,858	47,118,057	718,119,915
Jan. 31 1917	676,415,840	50,540,470	670,717,615	50,540,470	721,258,085
Dec 30 1916	677,315,840	52,165,687	674,859,618	52,165,687	727,025,305
Nov. 30 1916	682,853,740	49,199,416	675,006,203	49,199,416	724,205,619
Oct. 31 1916	687,957,990	46,418,377	679,650,913	46,418,377	726,069,290
Sept. 30 1916	687,931,240	48,900,332	684,409,881	48,900,332	733,310,213
Aug 31 1916	689,739,180	50,707,153	683,786,698	50,707,153	734,493,851
July 31 1916	689,774,560	54,324,278	685,998,918	54,324,278	740,321,196
June 30 1916	690,440,930	57,591,025	686,583,635	57,591,025	744,174,660
May 31 1916	690,044,040	62,045,070	686,834,103	62,045,070	748,879,173
April 29 1916	696,750,590	60,622,296	693,132,610	60,622,296	753,754,906

*Including \$8,000,000 Federal Reserve bank notes covered by bonds and \$3,073,125 by lawful money.
 The following show the amount of each class of U. S. bonds held against national bank circulation and to secure public moneys held in national bank depositories on Apr. 30:

Bonds on Deposit April 30 1917.	U. S. Bonds Held April 30 to Secure—		
	On deposit to secure Federal Reserve Bank Notes.	On deposit to secure National Bank Notes.	Total Held.
2s, consols of 1930	\$ 7,802,500	\$ 552,790,100	\$ 560,592,600
3s, loan of 1908-1918	—	15,660,420	15,660,420
4s, loan of 1925	—	27,762,200	27,762,200
2s, Panama of 1936	42,500	46,576,020	46,618,520
2s, Panama of 1938	155,000	24,793,380	24,938,380
Total	8,000,000	667,587,120	675,587,120

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

National Bank Notes—Total Afloat—	\$717,562,600
Amount afloat April 1 1917	717,778
Net amount retired during April	\$717,490,822
Amount of bank notes afloat May 1 1917	\$56,101,133
Legal-Tender Notes—	2,945,758
Amount on deposit to redeem national bank notes April 1 1917	2,945,758
Net amount of bank notes issued in April	\$53,245,374
Amount on deposit to redeem national bank notes May 1 1917	

DIVIDENDS.

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

Name of Company.	Per Cent.	When Payable.	Books Closed, Days Inclusive.
Railroads (Steam).			
Alabama Great Southern, ordinary	2 3/4	June 26	Holders of rec. June 4a
Ordinary (extra)	—	June 26	Holders of rec. June 4a
Preferred	3	Aug. 28	Holders of rec. July 21a
Preferred (extra)	3 1/2	Aug. 28	Holders of rec. July 21a
Atch. Top. & Santa Fe, com. (qu.) (No. 48)	1 1/2	June 1	Holders of rec. April 30a
Atlantic Coast Line Co. (quar.)	\$1.50	June 9	June 1 to June 8
Atlantic Coast Line RR., common	3 1/2	July 10	Holders of rec. June 19a
Boston & Albany (quar.)	4 1/2	June 30	Holders of rec. May 31a
Boston & Lowell	4	July 2	Holders of rec. May 26
Canadian Pacific, common (quar.)	2 1/2	June 30	Holders of rec. June 1a
Central RR. of N. J. (extra)	2	June 30	Holders of rec. June 19a
Chesapeake & Ohio	2	June 30	Holders of rec. June 8a
Chesapeake Hill (quar.)	75c	June 4	May 20 to June 3
Chicago & North Western, com. (quar.)	1 1/4	July 1	Holders of rec. June 1
Preferred (quar.)	2	July 1	Holders of rec. June 1
Cin. New Ori. & Texas Pacific, common	3	June 12	Holders of rec. May 29a
Common (extra)	3 1/2	June 12	Holders of rec. May 29a
Preferred (quar.)	1 1/2	June 1	Holders of rec. May 29a
Cleveland & Pittsburgh, reg. guar. (qu.)	\$7 1/2	June 1	Holders of rec. May 10a
Special guaranteed (quar.)	50c	June 1	Holders of rec. May 10a
Cripple Crk. Cent., com. (qu.) (No. 30)	1 1/2	June 1	Holders of rec. May 15a
Preferred (quar.) (No. 46)	1	June 1	Holders of rec. May 15a
Erte & Pittsburgh (quar.)	87 1/2c	June 9	Holders of rec. May 31a
Hocking Valley, common	2	June 30	Holders of rec. June 15a
Illinois Central (quar.) (No. 126)	1 1/2	June 1	Holders of rec. May 4a
Maine Central, preferred (quar.)	1 1/2	June 1	Holders of rec. May 15a
Mobile & Birmingham, pref.	2	July 1	June 2 to July 1
N. Y. Philadelphia & Norfolk	\$3	May 31	Holders of rec. May 15a
Norfolk & Western, adj. pref. (quar.)	1	May 19	Holders of rec. April 30a
Norfolk & Western, common (quar.)	1 1/2	May 19	Holders of rec. April 30a
Pennsylvania (quar.)	75c	May 31	Holders of rec. May 1a
Phila. Germantown & Norristown (qu.)	\$1.50	June 4	May 20 to June 3
Pittsburgh Bessemer & Lake Erie, pref.	\$1.50	June 1	Holders of rec. May 15
Pitsh. Youngs & Ashtabula, pref. (qu.)	1 1/2	June 1	Holders of rec. May 21
Reading Co., 1st pref. (quar.)	50c	June 15	Holders of rec. May 29a
Reading Co., 2d pref. (quar.)	50c	July 12	Holders of rec. Aug. 28a
Reading Co., 3d pref. (quar.)	50c	July 12	Holders of rec. June 25a
Southern Pacific (quar.) (No. 43)	1 1/2	July 2	Holders of rec. June 1a
Union Pacific, common (quar.)	2	July 2	Holders of rec. June 1a
Extra	1/2	July 2	Holders of rec. June 1a
Street and Electric Railways.			
American Railways, common	\$1	June 15	Holders of rec. May 31
Baton Rouge Elec. Co., com. (No. 4)	4	June 1	Holders of rec. May 19a
Preferred (No. 12)	3	June 1	Holders of rec. May 19a
Central Ark. Ry. & Light, pref. (quar.)	1 1/2	June 1	May 16 to May 28
Cent. Miss. Val. El. Prop. pref. (qu.) (No. 14)	1 1/2	June 1	Holders of rec. May 16a
Cities Service, com. and pref. (monthly)	1 1/2	June 1	Holders of rec. May 15
Common (payable in common stock)	1 1/2	June 1	Holders of rec. May 15
Cities Service, com. & pref. (monthly)	1 1/2	July 1	Holders of rec. June 15
Common (payable in common stock)	1 1/2	July 1	Holders of rec. June 15
Detroit United Ry. (quar.)	2	June 1	Holders of rec. May 16a
Frankford & So'work Pass., Phila. (quar.)	\$4.50	July 1	Holders of rec. June 1a
Indianapolis Street Ry.	3	June 30	June 21 to July 1
Northern Ohio Trac. & Lt., com. (quar.)	1 1/2	June 1	Holders of rec. May 15a
Northern Texas Elec. Co., common (qu.)	1	June 1	Holders of rec. May 17a
Pensacola Elec. Co., pref. (No. 10)	3	June 1	Holders of rec. May 15a
Public Service Corp. of N. J. (quar.)	2	June 30	Holders of rec. June 15a
Rochester Ry. & Light, pref. (quar.)	1 1/2	June 1	Holders of rec. May 26a
Second & Third St. Pass., Phila. (quar.)	\$3	July 1	Holders of rec. June 1a
United Ry. & Electric, Baltimore, pref.	n2	May 31	Holders of rec. May 29
Washington (D. C.) Ry. & El., com. (qu.)	1 1/2	June 1	May 16
Preferred (quar.)	1 1/2	June 1	May 16
Wisconsin-Minn. Lt. & Pow., pref. (qu.)	1 1/2	June 1	Holders of rec. May 21a
Miscellaneous.			
Aeme Tea, 1st and 2d preferred (quar.)	1 1/2	June 1	Holders of rec. May 21a
Adams Express (quar.) . . .			

Name of Company.	Per Cent.	When Payable.	Books Closed, Days Inclusive.	Name of Company.	Per Cent.	When Payable.	Books Closed, Days Inclusive.
Miscellaneous (Continued).				Miscellaneous (Concluded).			
Amer. Graphophone, com. (qu.) (No. 40)	1 1/2	July 2	Holders of rec. June 15	Langston Monotype Mach. (quar.)	1 1/2	May 31	Holders of rec. May 21
American Locomotive, common (quar.)	1 1/2	July 3	Holders of rec. June 22a	Lehigh Coal & Nav. (quar.) (No. 154)	3	May 31	Holders of rec. Apr. 30a
Preferred (quar.)	1 1/2	July 21	Holders of rec. July 5a	Liggett & Myers Tobacco, com. (quar.)	3	May 31	Holders of rec. May 15a
Amer. Power & Light, com. (qu.) (No. 18)	1	June 1	Holders of rec. May 24	Lindsay Light, common (quar.)	2	May 31	Holders of rec. May 19a
American Radiator, common (quar.)	1	June 3	June 22 to June 30	Common (extra)	2	May 31	Holders of rec. May 19a
American Sewer Pipe (quar.)	150c.	June 20	See note (F)	Preferred (quar.)	1 1/2	May 31	Holders of rec. May 19a
Amer. Smelting & Refg., com. (quar.)	1 1/2	June 15	May 28 to June 3	Louisville Gas & Electric, preferred (quar.)	1 1/2	June 1	Holders of rec. May 21
Preferred (quar.)	1 1/2	June 1	May 12 to May 20	Monkey Companies, com. (quar.) (No. 48)	1 1/2	July 2	Holders of rec. June 9a
American Sugar Refg., com. & pref. (quar.)	1 1/2	July 2	Holders of rec. June 1a	Preferred (quar.) (No. 54)	1	July 2	Holders of rec. June 9a
Common and preferred (quar.)	1 1/2	Oct. 2	Holders of rec. Sept. 1a	Magma Copper, com. (quar.)	60c.	June 30	Holders of rec. June 8
American Thread, preferred.	2 1/2	July 1	May 16 to May 31	Manhattan Shirt, com. (quar.) (No. 9)	2 1/2	June 1	Holders of rec. May 20
American Tobacco, common (quar.)	5	June 1	Holders of rec. May 15a	Massachusetts Gas Companies, preferred	1	June 1	Holders of rec. May 21a
Anaconda Copper Mining (quar.)	\$2	May 28	April 22 to May 16	Maxwell Motor, Inc., common (quar.)	2 1/2	May 1	May 16 to May 31
Associated Dry Goods, 1st pref. (No. 1)	1 1/2	Dec. 1	Holders of rec. Nov. 15a	First preferred (quar.)	1 1/2	July 2	Holders of rec. June 11a
Preferred (quar.)	0 1/2	Aug. 1	Holders of rec. June 29a	Second preferred (quar.)	1 1/2	July 2	Holders of rec. June 11a
Atl. Gulf & W. I. S. S. Lines, common	5	June 15	Holders of rec. June 8a	May Department Stores, common (qu.)	1 1/2	June 1	Holders of rec. May 15a
Preferred (quar.)	0 1/2	June 10	June 1 to June 10	Mercantile Linotype (quar.)	2 1/2	June 30	Holders of rec. June 2a
Atlanta Refining (quar.)	5	June 10	June 1 to June 10	Middle West Utilities, common (quar.)	50c.	July 2	Holders of rec. June 22
Atlas Powder, common (quar.)	2	June 10	June 1 to June 10	Middle West Utilities, preferred (quar.)	1 1/2	June 1	Holders of rec. May 15a
Common, (extra)	3	June 10	June 1 to June 10	Molten Flow, first preferred (quar.)	1 1/2	June 1	Holders of rec. May 18a
Baldwin Locomotive Works, preferred.	3 1/2	July 1	Holders of rec. June 9	Second preferred (quar.)	1 1/2	June 1	Holders of rec. May 18a
Bethlehem Steel, common (quar.)	2 1/2	July 2	Holders of rec. June 15	Montana Power, com. (quar.) (No. 19)	1 1/2	July 2	Holders of rec. June 15
Common, Class B (quar.)	2 1/2	June 2	Holders of rec. June 15	Preferred (quar.) (No. 19)	1 1/2	July 2	Holders of rec. June 15
Blackstone V. G. & E., com. (qu.) (No. 19)	2	June 1	Holders of rec. May 14a	Montreal Cottons, common (quar.)	1 1/2	June 15	Holders of rec. June 5
Preferred (No. 10)	3	June 1	Holders of rec. May 14a	Preferred (quar.)	1 1/2	June 15	Holders of rec. June 5
Booth Fisheries, common (quar.)	1 1/2	July 2	Holders of rec. June 20	National Acme Co. (quar.)	70c.	June 1	Holders of rec. May 15a
Preferred (quar.)	1 1/2	July 2	Holders of rec. June 20	National Biscuits, common (qu.) (No. 75)	1 1/2	June 14	Holders of rec. May 15a
Borden's Con. Milk, pref. (qu.) (No. 62)	1 1/2	July 15	June 2 to July 1	Preferred (quar.) (No. 77)	1 1/2	May 31	Holders of rec. May 17a
Brier Hill Steel, common (quar.)	1 1/2	July 1	June 21 to July 1	Nat. Cloak & Suit, com. (quar.) (No. 2)	1 1/2	July 14	Holders of rec. July 5a
Common (extra)	5	July 1	June 21 to July 1	Preferred (quar.) (No. 12)	1 1/2	June 1	Holders of rec. May 23a
Preferred (quar.)	1 1/2	July 1	June 21 to July 1	National Conduct & Cable, Inc. (No. 1)	\$1	July 16	Holders of rec. June 15
British-American Tobacco, ordinary	1 1/2	June 30	See note (I)	Preferred (quar.)	1	June 30	Holders of rec. June 8a
Brooklyn Union Gas (quar.) (No. 65)	1 1/2	July 2	Holders of rec. June 15a	National Sugar Refining (quar.)	1 1/2	July 2	Holders of rec. June 14
Extra	1	July 2	Holders of rec. June 15a	National Surety (quar.)	3	July 2	Holders of rec. June 22a
Brown Shoe, common (quar.)	1 1/2	June 1	Holders of rec. May 31	National Transit (quar.)	50c.	June 15	Holders of rec. May 31a
Buckeye Pipe Line	\$3	June 15	Holders of rec. May 21	N. Y. & Queens Elec. L. & P., pref. (qu.)	1	June 1	Holders of rec. May 15a
Burns Bros., Inc., com. (quar.) (No. 15)	1 1/2	May 31	Holders of rec. May 21	New York Transportation (quar.)	25c.	June 1	Holders of rec. May 15a
Common (payable in common stock)	1 1/2	May 31	Holders of rec. May 21	Niles-Benent-Pond, common (quar.)	3	June 20	June 7 to June 20
California Packing Corp., com. (No. 1)	50c.	June 15	Holders of rec. May 31	Northern Ohio Elec. Corp., pref. (quar.)	1 1/2	July 2	Holders of rec. June 15a
Extra	\$1	June 18	Holders of rec. June 1	Northern Pipe Line	5	July 2	Holders of rec. May 21a
Calumet & Hecla Mining (quar.)	\$25	June 21	Holders of rec. June 1	Ogilvie Flour Mills, Ltd., pref. (quar.)	1 1/2	June 1	Holders of rec. May 22a
Extra	75c.	June 15	Holders of rec. June 1	Ohio Fuel Oil (quar.)	\$150 1/2	June 1	May 18 to June 5
Canada Steamship Lines, pref.	\$5 1/2	June 15	Holders of rec. June 1	Ohio Oil (quar.)	60c.	June 5	Holders of rec. May 31
Case (J. I.) Thrash Mach., pref. (quar.)	1 1/2	July 1	Holders of rec. June 11a	Extra	\$1 25	June 20	Holders of rec. May 26
Cent. Aquiline Sugar Cos., com. (extra)	10	June 1	Holders of rec. May 28	Owens Bottle Machine, common (quar.)	75c.	July 2	Holders of rec. June 21
Preferred (quar.)	1 1/2	July 2	Holders of rec. May 28	Common (extra)	50c.	July 2	Holders of rec. June 21
Central Leather, pref. (quar.)	1 1/2	June 1	Holders of rec. May 18a	Preferred (quar.)	1 1/2	July 2	Holders of rec. June 21
Cerro de Pasco Copper Corp. (quar.)	50c.	June 19	Holders of rec. June 2a	Pabst Brewing, preferred (quar.)	1 1/2	June 15	June 7 to June 15
Extra	50c.	June 19	Holders of rec. June 2a	Pacific Mail S. S., pref. (quar.)	1 1/2	June 1	Holders of rec. May 17a
Childs Company, common (quar.)	1 1/2	June 11	June 1 to June 11	People's Natural Gas & Pipeage (extra)	60c.	May 25	Holders of rec. May 19
Preferred (quar.)	1 1/2	June 11	June 1 to June 11	Philadelphia Electric (quar.)	43-75c.	June 15	Holders of rec. May 22a
Colorado Power, common (quar.)	1 1/2	July 15	Holders of rec. June 30	Pierce, Fenner & Smith, common	\$1 25	Aug. 1	Holders of rec. July 14
Preferred (quar.)	1 1/2	July 15	Holders of rec. June 30	Preferred (quar.)	2	July 2	Holders of rec. June 15
Connecticut Power, pref. (qu.) (No. 17)	1 1/2	June 15	Holders of rec. May 31	Pittsburgh Brewer, pref. (quar.)	1 1/2	May 31	May 20 to May 31
Consolidated Gas of New York (quar.)	1 1/2	June 1	Holders of rec. May 14a	Prof. (on acct. of accumulated divs.)	1 1/2	May 31	May 20 to May 31
Extra	1 1/2	June 15	Holders of rec. May 10	Pittsburgh Steel, pref. (quar.)	1 1/2	June 1	Holders of rec. May 15a
Copper Range Co. (quar.) (No. 39)	\$1.50	June 16	May 27 to June 16	Porto Rican-Amer. Tobacco (quar.)	4	June 4	Holders of rec. May 15a
Extra (No. 40)	\$1	June 15	Holders of rec. May 25	Pressed Steel Car, com. (quar.) (No. 27)	1 1/2	June 6	Holders of rec. May 16a
Cosden & Co. (quar.)	10c.	June 1	Holders of rec. May 18	Pure Oil (quar.)	30c.	June 1	May 15 to June 1
Extra	25c.	June 1	Holders of rec. May 18	Extra	20c.	June 1	May 15 to June 1
Cosden Oil & Gas, preferred (quar.)	\$3 1/2	June 1	Holders of rec. May 21a	Quaker Oats, common (quar.)	2 1/2	July 16	Holders of rec. July 2a
Crescent Pipe Line	75c.	June 15	May 24 to June 15	Preferred (quar.)	1 1/2	Aug. 31	Holders of rec. Aug. 1a
Crucible Steel, pref. (quar.) (No. 37)	1 1/2	June 30	Holders of rec. June 15a	Quaker Oats, pref. (quar.)	1 1/2	May 31	Holders of rec. May 10
Prof. (on acct. of accumulated divs.)	\$2	June 30	Holders of rec. June 15a	Preferred (quar.) (No. 3)	1 1/2	Aug. 1	Holders of rec. July 16a
Preferred (on acct. of accum.) (No. 56)	\$2	June 12	Holders of rec. June 1a	Preferred (quar.)	1 1/2	July 2	Holders of rec. June 15a
Cuban-American Sugar, common (quar.)	2 1/2	July 2	Holders of rec. June 15a	St. Joseph Lead Co. (quar.)	25c.	June 20	June 10 to June 20
Preferred (quar.)	1 1/2	July 2	Holders of rec. June 15a	Extra (from reserve for amortiz.)	50c.	June 20	June 10 to June 20
Cudahy Packing, common (quar.)	1 1/2	July 15	Holders of rec. June 15a	Savoy Oil	30c.	June 25	Holders of rec. June 11
Deere & Co., pref. (quar.)	1 1/2	June 1	Holders of rec. May 15a	Solar Refining	5	June 20	June 10 to June 20
Diamond Match (quar.)	2	June 15	Holders of rec. May 14a	Southern Pipe Line (quar.)	5	June 1	Holders of rec. May 15
Done Mine, Ltd., preferred (quar.)	25c.	June 1	Holders of rec. May 19a	South Penn Oil (quar.)	5	June 30	Holders of rec. June 14
Preferred (quar.)	1 1/2	June 1	Holders of rec. June 12	Southwestern Power & L., pref. (quar.)	1 1/2	June 1	Holders of rec. May 21
Second preferred (quar.)	1 1/2	June 15	Holders of rec. June 15	South West Pa. Pipe Lines (quar.)	3	July 2	Holders of rec. June 21
Driggs-Seabury Ordnance, common	1 1/2	June 15	Holders of rec. May 31	Stable Milling, common (qu.) (No. 6)	1	May 31	Holders of rec. May 15
First preferred (quar.)	1 1/2	June 15	Holders of rec. May 31	Common (payable in common stock)	1	May 31	Holders of rec. May 21
Second preferred (quar.)	1 1/2	June 15	Holders of rec. May 31	Preferred (quar.) (No. 30)	1 1/2	May 31	Holders of rec. May 21a
Eastern Steel, common (quar.)	2 1/2	July 15	Holders of rec. July 2	Standard Oil (Calif.) (quar.)	2 1/2	June 15	Holders of rec. May 15
First and second preferred (quar.)	1 1/2	June 15	Holders of rec. June 1	Standard Oil (Indiana) (quar.)	3	May 31	May 8 to May 31
Eastern Wisconsin Elec. Co., pref. (qu.)	1 1/2	June 1	Holders of rec. May 21a	Extra	3	May 31	May 8 to May 31
Eastman Kodak, common (extra)	5	June 1	Holders of rec. April 30a	Standard Oil (Kansas) (quar.)	3	June 15	Holders of rec. May 31
Eastman Kodak, common (quar.)	2 1/2	July 2	Holders of rec. June 2a	Extra	2	June 15	Holders of rec. May 31
Preferred (quar.)	1 1/2	July 2	Holders of rec. June 2a	Standard Oil (Nebraska)	10	June 20	Holders of rec. May 19
Elk Horn Coal Corp., pref.	3	June 11	Holders of rec. June 1	Standard Oil of N. J. (quar.)	3	June 15	Holders of rec. May 15a
Elk Horn Coal Corp., pref. (quar.)	1 1/2	June 1	May 22 to May 31	Standard Oil of N. Y. (quar.)	3	June 15	May 20 to May 30
Fairbanks Morse & Co., preferred (quar.)	1 1/2	June 15	Holders of rec. May 22	Standard Oil (Ohio) (quar.)	3	July 2	June 1 to June 20
Federal Mining & Smelting, pref. (quar.)	1 1/2	June 1	Holders of rec. May 22	Extra	1	July 2	June 1 to June 20
Freight Gas, preferred (quar.)	1 1/2	June 30	Holders of rec. May 31a	Standard Oil Cloth, com. (quar.) (No. 7)	1	July 22	Holders of rec. June 15a
Galena-Signal Oil, common (quar.)	2	June 30	Holders of rec. May 31a	Prof., Classes A & B (quar.) (No. 12)	1 1/2	July 22	Holders of rec. June 15a
Preferred (quar.)	1 1/2	June 30	Holders of rec. May 31a	Studebaker Corporation, com. (quar.)	2 1/2	June 1	Holders of rec. May 19a
General Asphalt, pref. (quar.)	1 1/2	June 1	Holders of rec. May 17a	Preferred (quar.)	1 1/2	June 1	Holders of rec. May 19a
General Chemical, common (quar.)	2	June 1	Holders of rec. May 22a	Supplies Milk, preferred (quar.)	1 1/2	June 1	Holders of rec. May 19a
General Chemical, preferred (quar.)	1 1/2	June 1	Holders of rec. May 15a	Shell & Co. (quar.) (No. 123)	2	July 1	Holders of rec. June 9
General Cigar, Inc., pref. (quar.)	1 1/2	June 1	Holders of rec. May 15a	Tennessee Eastern Electric, pref. (quar.)	1 1/2	June 1	Holders of rec. May 22a
General Development (quar.)	2	June 1	Holders of rec. June 15a	Texas Company (quar.)	2 1/2	June 30	Holders of rec. June 11
General Electric (quar.)	2	July 14	Holders of rec. June 15a	Texas Gas & Electric, preferred (quar.)	1 1/2	June 1	Holders of rec. May 22a
General Fireproofing, com. & pref. (qu.)	1 1/2	July 1	Holders of rec. June 20	Toronto Paper	3	July 3	Holders of rec. June 23
Globe Soap, common (quar.)	1 1/2	June 15	June 1 to June 15	Extra	2	July 3	Holders of rec. June 23
First, second & special pref. stocks (quar.)	1 1/2	June 15	June 1 to June 15	Underwood Typewriter, com. (quar.)	1 1/2	July 2	Holders of rec. June 15a
Goodrich (B. F.) Co., common (quar.)	1 1/2	Aug. 15	Holders of rec. Aug. 3a	Preferred (quar.)	1 1/2	July 2	Holders of rec. June 15a
Goodrich (B. F.) Co., pref. (quar.)	3	July 2	Holders of rec. June 22a	Union Bag & Paper Corporation (quar.)	1 1/2	June 15	Holders of rec. June 5
Goodyear Tire & Rubber, common (quar.)	3	June 1	May 20 to May 31	Preferred (quar.)	1 1/2	July 2	June 21 to July 1
Great Atlantic & Pacific Tea, pref. (quar.)	1 1/2	June 1	Holders of rec. June 1	Union Carbide (quar.)	2	June 15	Holders of rec. May 31a
Great Northern Paper	2 1/2	June 1	Holders of rec. May 26a	Preferred (quar.)	1 1/2	June 15	Holders of rec. May 15a
Greene Cananea Copper Co. (quar.)	2	May 28	Holders of rec. May 11a	United Cigar Stores, pref. (qu.) (No. 19)	1 1/2	June 1	Holders of rec. May 15a
Gulf States Steel, common (quar.)	2	July 2	Holders of rec. June 15a	United Drug, 2d pref. (quar.) (No. 5)	1 1/2	June 1	Holders of rec. May 15
Common (extra)	1	July 2	Holders of rec. June 15a	United Profit Sharing Corporation	5c.	June 1	Holders of rec. May 15
First preferred (quar.)	1 1/2	July 2	Holders of rec. June 15a	U. S. Cast Iron P. & Fdy., pref. (quar.)	1 1/2	June 15	Holders of rec. June 1a
Second preferred (quar.)	1 1/2	July 2	Holders of rec. June 15a	U. S. Gypsum, pref. (quar.)	1 1/2	June 30	June 21 to July 1
Haekensack Water, com. and pref.	75c.	June 1	Holders of rec. May 19a	U. S. Indust. Alcohol, pref. (qu.) (No. 43)	1 1/2	July 15	Holders of rec. June 30a
Harbison-Walker Refractories, com. (qu.)	1 1/2	June 1	Holders of rec. May 19a	Common (extra)	1 1/2	June 29	June 2 to June 4
Common (extra)	1 1/2	May 20	Holders of rec. May 19a	Preferred (quar.)	3	June 29	June 2 to June 4
Harbison-Walker Refractories, pref. (quar.)	1 1/2	July 20	Holders of rec. July 10	Utah Consolidated Mining (quar.)	1 1/2	May 29	May 1
Hart, Schaffner & Marx, Inc., com. (qu.)	1	Aug. 31	Holders of rec. Aug. 19a	Waltham Watch, preferred	3	June 1	Holders of rec. June 9
Preferred (quar.)	1 1/2	Aug. 31	Holders of rec. Aug. 2a	Wayland Oil & Gas, common	10c.	June 11	Holders of rec

FOREIGN TRADE OF NEW YORK—MONTHLY STATEMENT.—In addition to the other tables given in this department, made up from weekly returns, we give the following figures for the full months, also issued by our New York Custom House.

Month.	Merchandise Movement at New York.				Customs Receipts at New York.	
	Imports.		Exports.		1916-17.	1915-16.
	1916-17.	1915-16.	1916-17.	1915-16.		
July	\$ 95,814,439	\$ 75,812,940	\$ 243,808,629	\$ 156,745,121	\$ 11,314,255	\$ 11,112,048
August	107,920,942	76,266,846	273,627,773	144,117,480	15,392,700	10,873,044
September	80,486,311	85,617,595	265,387,737	163,698,127	11,679,290	11,030,703
October	85,883,225	77,121,495	238,474,910	176,847,556	13,487,160	12,035,882
November	87,639,487	97,096,815	233,798,432	159,811,899	12,878,590	13,708,275
December	102,935,633	94,197,773	228,173,541	191,268,097	12,166,341	11,924,418
January	125,344,239	91,197,773	228,173,541	191,268,097	13,494,316	11,608,270
February	97,854,888	90,084,535	223,464,135	234,934,940	10,890,297	14,019,504
March	147,901,883	116,193,589	265,020,408	232,726,208	13,395,986	14,970,425
April	126,801,100	115,290,462	253,873,040	186,671,441	14,052,313	12,404,994
Total	1,061,362,107	941,245,082	2,632,531,339	1,843,390,565	125,601,260	123,747,263

Imports and exports of gold and silver for the 10 months:

Month.	Gold Movement at New York.				Silver—New York.	
	Imports.		Exports.		1916-17.	1915-16.
	1916-17.	1915-16.	1916-17.	1915-16.		
July	\$ 17,881,388	\$ 5,301,292	\$ 8,096,907	\$ 2,064,670	\$ 1,521,172	\$ 4,213,651
August	1,432,146	3,281,541	5,759,159	1,032,670	1,403,423	4,206,413
September	11,773,504	8,992,572	2,651,454	1,817,500	1,600,676	4,694,171
October	1,515,309	27,999,731	1,811,114	2,824,000	1,722,342	5,395,226
November	1,197,787	49,827,918	11,244,658	1,127,370	917,029	5,417,413
December	1,258,973	36,371,277	18,318,717	3,054,228	1,788,147	6,541,579
January	1,930,781	13,025,093	10,494,074	6,220,132	1,908,222	4,209,111
February	1,085,800	4,258,059	14,129,717	10,539,971	1,085,891	5,132,662
March	1,074,962	2,368,344	9,819,730	4,532,220	982,904	3,875,123
April	877,460	4,320,050	3,047,151	6,443,234	601,007	3,096,143
Total	40,038,116	154,754,877	84,842,681	39,706,595	13,621,213	46,801,492

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:

Shares.	Stocks.	\$ per share	Shares.	Stocks.	\$ per share
15	Remington Typewriter, com.	13 1/4	10	Whinnook Club, \$50 each	55 lot
366	The Marine Co. of N. Y.	119 1/4	500	Chalmers Motor Corp., com.	10 1/2-13
50	Deep Well Water Co.	\$3.100 lot			Per cent.
5,000	Argonaut Cons. Min.	\$.55 each			
		\$1.70 per sh.	\$4,000 N. Y. & Hoboken Ferry os.		96
			1946		

By Messrs. R. L. Day & Co., Boston:

Shares.	Stocks.	\$ per sh.	Shares.	Stocks.	\$ per sh.
6	Merchants' National Bank	250	55	Adirondack Elec. Pow. Corp.	20
5	Nashua Mfg., \$500 each	798		common	100
52	Pacific Mills	134 1/4	28	American Felt, preferred	42 1/2
10	Boston Helling	100	2	ths American Glue, common	42 1/2
5-10	Lincoln Mfg.	9 1/2	20	Taunton-New Bedford Copper	167
29	Arlington Mills	116 1/2	5	Adirondack Elec. Power, pref.	77 1/2
1	Boston Athenaeum, \$300 par	415	20	Wamsutta Mills	112
5	Cambridge Gas Light	180	2	ths Pacific Mills	35 1/2

The Federal Reserve Banks.—Following is the weekly statement issued by the Federal Reserve Board on May 19:

Withdrawals on a large scale of Government deposits and a decline in gold and total reserves are indicated by the weekly bank statement as at close of business May 18 1917. The funds withdrawn represent chiefly payments on account of U. S. certificates of indebtedness received by the several Federal Reserve banks. These funds were transferred through the Gold Settlement Fund to the New York Bank, which reports a decrease of 31.2 millions in cash reserve and of 26.4 millions in its balance due from other Federal Reserve banks. The Gold Settlement Fund shows a depletion by 33.8 millions, owing mainly to the Government's financial operations during the past week. Commercial paper on hand shows an increase of 5.3 millions, largely as the result of discount operations of some of the larger member banks in Boston, Philadelphia, Richmond and Baltimore. Of the total discounts held, \$14,835,000, as against \$11,235,000 shown the week before, are member banks' collateral notes. About 75% of these notes are held by the Philadelphia, Richmond and New York Banks. Larger offerings of bank paper in the New York and Boston markets account for a net addition of about 3 millions to the banks' holdings of acceptances, Minneapolis and Kansas City report the purchase of \$164,000 of United States bonds, while sales of \$112,000 of Treasury notes and of \$3,423,000 of U. S. certificates are shown by 6 other Reserve banks. Total earning assets increased to 274 millions and constitute at present 432% of the banks' paid-in capital, compared with 473% the week before. Of the total, 36.6% is represented by acceptances; 19.9% by U. S. certificates of indebtedness; 16.4% by discounts; 13.3% by U. S. bonds; 8.5% by Treasury notes, and 5.3% by warrants. Government deposits, including 54.5 millions re-deposited with subscribing banks and trust companies, are given as 187.1 millions, a decrease for the week of 55.3 millions, all the banks except New York and San Francisco reporting substantial net withdrawals of Government funds. Member banks' reserve deposits show an increase of 7.8 millions, notwithstanding a decrease under this head of over 8 millions reported by the New York Bank. Federal Reserve agents show a total of \$478,006,000 of notes outstanding, which is but 4.5 millions less than the amount of silver certificates reported by the Treasury Department outstanding on the same date. Additional notes were issued during the week to 8 banks, while retirements are reported by all the banks. The result is a net increase of about 8.5 millions in the total of Federal Reserve notes outstanding, New York, Philadelphia, Cleveland, Chicago and San Francisco accounting for practically the entire increase. The banks show an actual Federal Reserve note circulation of \$448,311,000, or about 10 millions in excess of the circulation shown the week before. Their aggregate liabilities upon notes outstanding are given as \$24,648,000.

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 MAY 18 1917.

	May 18 1917.	May 11 1917.	May 4 1917.	Apr. 27 1917.	Apr. 20 1917.	Apr. 13 1917.	Apr. 6 '17.	Mar. 30 1917.	Mar. 23 1917.
RESOURCES.									
Gold coin and certificates in vault	\$350,269,000	\$336,841,000	\$330,118,000	\$311,798,000	\$330,162,000	\$388,369,000	\$362,472,000	\$374,903,000	\$350,736,000
Gold settlement fund	187,969,000	231,759,000	218,910,000	207,920,000	206,830,000	198,271,000	206,125,000	200,081,000	209,281,000
Gold redemption fund with U. S. Treasurer	2,754,000	2,687,000	2,669,000	2,518,000	2,651,000	2,434,000	2,609,000	2,414,000	2,519,000
Total gold reserve	\$540,992,000	\$561,287,000	\$551,697,000	\$522,236,000	\$539,643,000	\$589,074,000	\$568,206,000	\$577,398,000	\$562,536,000
Legal tender notes, silver, &c.	27,442,000	39,149,000	39,415,000	30,340,000	24,462,000	21,136,000	19,110,000	9,282,000	10,865,000
Total reserve	\$568,434,000	\$597,436,000	\$591,112,000	\$552,576,000	\$564,105,000	\$610,210,000	\$587,316,000	\$586,680,000	\$573,401,000
5% redemption fund against F. R. bank notes	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000
Bills discounted—Members	\$4,848,000	\$39,534,000	\$35,918,000	\$35,043,000	\$29,737,000	\$22,069,000	\$17,928,000	\$29,106,000	\$18,473,000
Bills bought in open market	100,177,000	97,155,000	83,871,000	71,400,000	72,925,000	80,604,000	82,735,000	84,473,000	87,798,000
United States bonds	36,383,000	36,222,000	36,222,000	36,222,000	36,222,000	36,218,000	36,629,000	29,275,000	29,275,000
One-year U. S. Treasury notes	23,338,000	23,450,000	23,450,000	23,450,000	23,360,000	23,370,000	23,042,000	18,425,000	15,818,000
U. S. certificates of indebtedness	54,665,000	58,089,000	64,597,000	58,145,000	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000
Municipal warrants	14,639,000	14,688,000	14,755,000	14,999,000	15,103,000	15,212,000	15,207,000	15,715,000	15,761,000
Total earning assets	\$274,052,000	\$269,138,000	\$258,311,000	\$239,260,000	\$227,400,000	\$227,418,000	\$225,541,000	\$167,994,000	\$170,125,000
Federal Reserve notes—Net	\$26,458,000	\$24,080,000	\$23,581,000	\$20,622,000	\$20,540,000	\$22,001,000	\$16,235,000	\$18,989,000	\$19,446,000
Due from other Federal Reserve banks—Net	3,037,000	1,345,000	6,243,000	132,000	2,473,000	1,071,000	3,412,000	2,275,000	3,295,000
Due from depository banks—fiscal agent account	84,481,000	84,481,000	84,481,000	84,481,000	84,481,000	84,481,000	84,481,000	84,481,000	84,481,000
Uncollected items	162,830,000	210,635,000	184,639,000	204,842,000	166,966,000	169,184,000	146,422,000	132,759,000	145,757,000
All other resources	5,981,000	6,678,000	5,412,000	5,757,000	4,770,000	4,610,000	4,909,000	75,393,000	5,650,000
Total resources	\$1156,673,000	\$1209,162,000	\$1076,178,000	\$1033,589,000	\$986,744,000	\$984,889,000	\$981,131,000	\$914,480,000	\$917,991,000

By Messrs. Francis Henshaw & Co., Boston:

Shares.	Stocks.	\$ per sh.	Shares.	Stocks.	\$ per sh.
5	National Shawmut Bank	202 1/2	14	American Glue, common	42 1/2
25	Great Falls Mfg., ex-div	203 1/2	30	Merrimack Chemical, \$50 each	90 1/4
10	Pepperell Mfg.	202	1	Lowell & Andover RR.	96
100	Boston Wharf	100 1/4			

By Messrs. Barnes & Lofland, Philadelphia:

Shares.	Stocks.	\$ per sh.	Shares.	Stocks.	\$ per sh.
1	Commercial Finance, \$10 par.	150	38	Continental Equit. Tr., \$50 ea.	87
375	Conneaut & Erie Trac., \$50 ea.	\$3 lot	3	Fidelity Trust Co., \$500 paid.	580
23	Rembrandt Bldg. & Loan Assn.	5100 lot	10	Guarantee Trust & Safe Dep.	155
	1st series	5100 lot	18	Pennsylv. Co. for Insur., &c.	710
25	East Phila. Bldg. & Loan Assn.	3500 lot	175	Rights to subscribe President Life & Trust Co. at \$100.	300-302
1	Penn. Academy of Fine Arts	25 1/4	15	United Secur. L. I. & Trust	133 1/2
20	Germantown Trust	305 1/4	5	Fire Assoc. of Phila. (new stb), \$50 each	307
268.31	Amer. Manganese Mfg., pt., \$50 each	12	3	Girard Life Insurance, \$10 each	9 1/2
30	J. B. Stetson Co., preferred	150	20	Phila. Life Insur., \$10 each	10 1/2
3	Partners' & Mech. Nat. Bank	150 1/2	14	Saratoga Life Ins., \$10 each	9 1/2
50	Fourth Street National Bank	295	2	Philadelphia & Trenton RR.	235
2	Girard National Bank	384	10	Atlantic City Steel Pier Co.	200
3	Hatboro National Bank	367	5	Burguer & Engel, preferred	55
13	Philadelphia National Bank	372	3	Second & Third Str. Pass. Ry.	240 1/4
10	Commonwealth T. L. & Trust	352			

Canadian Bank Clearings.—The clearings for the week ending May 17 at Canadian cities, in comparison with the same week in 1916, shows an increase in the aggregate of 25.2%.

Clearings at—	Week ending May 17.			
	1917.	1916.	Inc. or Dec.	1915.
Canada—	\$ 81,588,415	\$ 74,347,933	+9.7	\$ 48,906,035
Montreal	65,387,154	50,240,714	+30.1	35,969,354
Toronto	54,884,943	36,824,221	+49.1	20,276,604
Winnipeg	7,471,407	5,973,888	+25.1	5,305,667
Vancouver	5,809,649	5,218,953	+11.3	3,926,462
Ottawa	1,628,304	1,499,626	+8.6	1,508,215
Victoria	6,823,280	3,949,609	+72.8	2,690,514
Calgary	4,056,573	3,780,274	+7.1	2,764,033
Hamilton	2,366,494	2,113,524	+11.6	1,822,981
Edmonton	3,683,882	3,854,306	-4.4	3,536,780
Quebec	2,132,814	1,717,923	+24.1	1,492,280
St. John	2,784,576	2,231,447	+24.8	2,042,029
Halifax	2,308,757	2,106,573	+9.6	1,864,162
London	2,790,058	1,811,286	+54.1	1,149,412
Regina	1,654,237	1,029,786	+60.7	686,761
Saskatoon	1,048,940	767,619	+36.6	577,861
Moos Jaw	765,180	456,013	+67.8	324,536
Lethbridge	839,225	634,870	+32.3	557,774
Brandon	419,179	449,518	-6.7	449,518
Fort William	649,511	509,705	+27.5	459,290
New Westminster	344,830	310,617	+11.0	281,209
Medicine Hat	556,855	410,090	+35.6	250,218
Peterborough	630,438	511,210	+23.3	359,363
Shrobrooke	614,049	591,835	+3.8	-----
Kitchener	672,221			

LIABILITIES.	May 18 1917.	May 11 1917.	May 4 1917.	Apr. 27 1917	Apr. 20 1917	Apr. 13 1917	Apr. 5-6 1917	Mar. 30 1917	Mar. 23 1917
Capital paid in.....	\$56,868,000	\$56,859,000	\$56,850,000	\$56,409,000	\$56,411,000	\$56,408,000	\$56,100,000	\$56,075,000	\$56,057,000
Government deposits.....	187,127,000	242,421,000	107,868,000	99,689,000	41,988,000	42,247,000	46,461,000	20,567,000	19,702,000
Due to members—Reserve account.....	748,499,000	740,726,000	743,143,000	719,785,000	742,584,000	741,542,000	758,219,000	720,411,000	711,117,000
Member bank deposits—Net.....	136,750,000	134,447,000	122,761,000	129,032,000	128,850,000	131,064,000	105,436,000	100,961,000	113,784,000
Collection items.....	24,645,000	23,975,000	18,974,000	18,226,000	16,459,000	15,014,000	15,914,000	15,941,000	16,725,000
Federal Reserve notes—Net.....	1,781,000	10,734,000	25,573,000	448,000	446,000	614,000	620,000	625,000	616,000
Federal Reserve bank note liability.....									
All other liabilities.....									
Total liabilities.....	1155,673,000	1209,162,000	1075,178,000	1023,589,000	928,744,000	898,889,000	821,131,000	814,480,000	801,901,000
Gold reserve ag't net dep. & note liabilities.....	65.2%	65.9%	67.4%	68.6%	71.0%	71.3%	73.0%	79.9%	79.0%
Cash reserve ag't net dep. & note liabilities.....	69.5%	71.2%	72.1%	72.5%	74.2%	73.9%	75.4%	81.2%	80.5%
Cash reserve ag't net deposit liabilities after setting aside 40% gold reserve against aggregate net liabilities on F. R. notes in circulation.....	70.4%	72.1%	72.9%	73.3%	74.9%	74.5%	76.1%	82.1%	81.4%
Distribution by Maturities—									
1-15 days bills discounted and bought.....	\$40,495,000	\$38,850,000	\$41,038,000	\$38,021,000	\$36,555,000	\$40,745,000	\$34,433,000	\$31,061,000	\$30,245,000
1-15 days municipal warrants.....	773,000	54,000	119,000	392,000	520,000	345,000	52,000	744,000	794,000
16-30 days bills discounted and bought.....	24,025,000	22,153,000	18,397,000	20,900,000	24,462,000	21,543,000	22,631,000	30,320,000	28,410,000
16-30 days municipal warrants.....	11,434,000	9,153,000	772,000	2,658,000	2,153,000	292,000	519,000	345,000	52,000
31-60 days bills discounted and bought.....	44,304,000	37,442,000	34,741,000	29,620,000	26,529,000	26,038,000	29,744,000	30,638,000	36,260,000
31-60 days municipal warrants.....	107,000	3,058,000	11,441,000	10,235,000	9,973,000	12,232,000	7,720,000	437,000	682,000
61-90 days bills discounted and bought.....	33,849,000	36,378,000	24,107,000	16,735,000	14,102,000	13,367,000	13,073,000	11,735,000	10,505,000
61-90 days municipal warrants.....	1,289,000	1,336,000	1,321,000	335,000	531,000	2,000	4,674,000	11,977,000	12,122,000
Over 90 days bills discounted and bought.....	2,446,000	1,866,000	1,504,000	1,167,000	1,014,000	920,000	782,000	827,000	851,000
Over 90 days municipal warrants.....	1,035,000	1,037,000	1,102,000	1,839,000	1,986,000	3,341,000	2,342,000	2,212,000	2,211,000
Federal Reserve Notes—									
Issued to the banks.....	\$478,905,000	\$470,401,000	\$458,874,000	\$446,544,000	\$440,539,000	\$431,789,000	\$400,698,000	\$382,504,000	\$372,244,000
Hold by banks.....	32,405,000	32,183,000	30,372,000	26,035,000	26,182,000	29,979,000	24,188,000	24,709,000	25,440,000
In circulation.....	\$446,501,000	\$438,218,000	\$428,502,000	\$420,509,000	\$414,357,000	\$401,809,000	\$376,510,000	\$357,793,000	\$346,804,000
Gold and lawful money with Agent.....	\$448,311,000	\$438,323,000	\$433,039,000	\$422,005,000	\$418,538,000	\$410,796,000	\$378,450,000	\$360,668,000	\$349,519,000
Federal Reserve Notes (Agents' Accounts)—									
Received from the Comptroller.....	\$778,440,000	\$761,060,000	\$747,580,000	\$724,200,000	\$708,520,000	\$696,540,000	\$667,060,000	\$647,700,000	\$625,320,000
Returned to the Comptroller.....	142,918,000	141,523,000	139,325,000	137,725,000	135,902,000	132,292,000	130,248,000	127,917,000	121,807,000
Amount chargeable to Agent.....	\$635,522,000	\$619,537,000	\$608,255,000	\$586,475,000	\$572,618,000	\$564,248,000	\$536,812,000	\$519,783,000	\$503,513,000
In hands of Agent.....	156,616,000	149,136,000	149,381,000	139,931,000	132,079,000	132,459,000	136,114,000	137,219,000	131,209,000
Issued to Federal Reserve banks.....	\$478,905,000	\$470,401,000	\$458,874,000	\$446,544,000	\$440,539,000	\$431,789,000	\$400,698,000	\$382,504,000	\$372,244,000
Note Secured—									
By gold coin and certificates.....	\$264,035,000	\$261,025,000	\$258,885,000	\$253,944,000	\$252,194,000	\$245,313,000	\$234,673,000	\$222,377,000	\$219,836,000
By lawful money.....									
By commercial paper.....	30,595,000	32,078,000	25,785,000	23,639,000	22,001,000	20,998,000	22,253,000	21,898,000	22,725,000
Credit balances in gold redemption fund.....	20,596,000	21,028,000	20,634,000	20,931,000	18,644,000	18,583,000	17,697,000	17,631,000	14,553,000
Credit balances with Federal Reserve B'd.....	163,080,000	156,270,000	153,570,000	148,030,000	147,700,000	143,900,000	128,180,000	120,660,000	115,330,000
Total.....	\$478,905,000	\$470,401,000	\$458,874,000	\$446,544,000	\$440,539,000	\$431,789,000	\$400,698,000	\$382,504,000	\$372,244,000
Commercial paper delivered to F. R. Agent.....	\$32,421,000	\$32,776,000	\$27,343,000	\$28,981,000	\$23,826,000	\$22,594,000	\$23,554,000	\$23,050,000	\$24,388,000

a Amount due to other Federal Reserve banks. † Amended figures.

WEEKLY STATEMENT OF RESOURCES AND LIABILITIES OF EACH OF THE 12 FEDERAL RESERVE BANKS AT CLOSE OF BUSINESS MAY 18 '17.

	Boston.	New York.	Philad'a.	Cleveland.	Richmond.	Atlanta.	Chicago.	St. Louis.	Minneap.	Kan. City.	Dallas.	San Fran.	Total.
RESOURCES.													
Gold coin & etc. in vault.....	15,126,000	189,625,000	23,762,000	19,844,000	6,872,000	5,047,000	34,948,000	12,437,000	12,123,000	7,978,000	7,841,000	14,077,000	350,269,000
Gold settlement fund.....	22,421,000	37,809,000	4,854,000	18,041,000	13,900,000	4,973,000	39,268,000	7,462,000	7,923,000	22,233,000	7,145,000	12,810,000	187,969,000
Gold redemption fund.....	50,000	250,000	37,000	69,000	442,000	214,000	278,000	259,000	144,000	144,000	20,000	2,754,000	3,240,000
Total gold reserve.....	37,597,000	227,684,000	28,856,000	37,922,000	20,855,000	11,062,000	64,370,000	20,177,000	20,295,000	30,355,000	15,111,000	26,907,000	540,992,000
Legal-ten notes, altv. & co.....	418,000	20,419,000	375,000	137,000	172,000	997,000	2,053,000	1,234,000	244,000	15,000	1,278,000	100,000	27,442,000
Total reserve.....	38,015,000	248,103,000	29,231,000	38,059,000	20,828,000	12,059,000	66,423,000	21,411,000	20,539,000	30,370,000	16,389,000	27,007,000	568,434,000
5% retemp. fund—F. R. bank notes.....											300,000	100,000	400,000
Bills:													
Discounted—Members.....	4,058,000	1,940,000	8,921,000	1,367,000	9,515,000	2,860,000	2,716,000	2,458,000	5,663,000	1,448,000	3,064,000	806,000	44,848,000
Bought in open mkt.....	11,676,000	29,028,000	12,623,000	8,598,000	6,061,000	2,424,000	8,161,000	4,565,000	3,871,000	2,913,000	998,000	9,259,000	100,177,000
Total bills on hand.....	15,734,000	30,968,000	21,544,000	9,965,000	15,576,000	5,284,000	10,877,000	7,023,000	9,534,000	4,361,000	4,062,000	10,065,000	145,023,000
United States bonds.....	530,000	1,395,000	549,000	1,152,000	1,965,000	672,000	7,007,000	2,233,000	1,857,000	8,842,000	3,968,000	2,429,000	36,386,000
One-yr. Treasury notes.....	2,194,000	2,788,000	2,648,000	1,895,000	1,969,000	1,491,000	2,985,000	1,444,000	1,340,000	1,784,000	1,430,000	1,500,000	23,338,000
US certifs. of indebtedness.....	3,000,000	20,000,000	3,500,000	3,710,000	2,009,000	2,810,000	5,253,000	3,505,000	2,000,000	2,510,000	2,905,000	4,473,000	54,666,000
Municipal warrants.....	127,000	5,029,000	1,422,000	2,885,000	15,000	5,000	2,186,000	1,043,000	177,000	431,000	503,000	817,000	14,639,000
Total earning assets.....	21,585,000	60,090,000	29,563,000	24,269,000	20,712,000	10,262,000	28,308,000	14,278,000	14,008,000	17,928,000	12,871,000	19,278,000	374,052,000
Fed. Res'v notes—Net.....	1,913,000	15,791,000	1,638,000	1,345,000	1,345,000	5,435,000	5,435,000	5,435,000	5,435,000	5,435,000	5,435,000	5,435,000	64,500,000
Due from other Federal Reserve banks—Net.....			3,958,000	3,305,000									1,691,000
Due from depos. banks.....													2,543,000
Fiscal Agent account.....		83,361,000											83,361,000
Uncollected items.....	16,147,000	43,445,000	24,515,000	16,473,000	9,856,000	9,385,000	29,575,000	10,597,000	6,518,000	11,192,000	6,023,000	9,104,000	192,830,000
All other resources.....	22,660	1,332,000	1,422,000	311,000	73,000	740,000	512,000	407,000	97,000	161,000	648,000	238,000	5,981,000
Total resources.....	77,882,000	452,112,000	88,689,000	84,055,000	51,469,000	33,791,000	136,702,000	46,693,000	42,092,000	62,554,000	36,929,000	59,881,000	1,155,673,000
LIABILITIES.													
Capital paid in.....	5,082,000	12,059,000	5,263,000	6,243,000	3,140,000	2,388,000	7,057,000	3,139,000	2,434,000	3,081,000	2,748,000	3,934,000	56,868,000
Government deposits.....	10,646,000	111,493,000	10,050,000	4,150,000	3,235,000	6,063,000	14,244,000	3,139,000	2,434,000	2,600,000	4,642,000	13,180,000	187,127,000
Due to members—Reserve account.....	49,277,000	287,071,000	48,402,000	58,877,000	25,563,000	18,448,000	96,871,000	27,966,000	27,340,000	47,983,000	22,382,000	38,524,000	748,499,000
Collection items.....	11,924,000	20,914,000	22,681,000	14,985,000	8,911,000	5,490,000	18,830,000						

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 previous week.
Loans and investments.....	\$841,476,000	Inc. \$11,852,300
Gold.....	67,945,900	Dec. 656,600
Current and bank notes.....	10,738,700	Dec. 255,000
Total deposits.....	1,055,373,300	Inc. 10,025,000
Deposits, eliminating amounts due from reserve depositories and from other banks and trust companies in New York City, and exchanges.....	\$81,259,200	Inc. 4,331,400
Reserve on deposits.....	242,085,900	Inc. 6,397,100
Percentage of reserve, 30.0%.		

RESERVE.

	State Banks	Trust Companies
Cash in vaults.....	\$14,838,400 11.37%	\$63,836,200 9.43%
Deposits in banks and trust cos.....	19,786,700 15.18%	143,624,600 21.23%
Total.....	\$34,625,100 26.55%	\$207,460,800 30.66%

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

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

We omit two ciphers in all these figures.

Week Ended—	Loans and Investments	Demand Deposits	Specie	Other Money	Total Money Holdings	Entire Reserve on Deposits
Feb. 24...	\$ 4,230,371.9	\$ 4,539,468.4	\$ 538,044.3	\$ 71,511.5	\$ 609,555.8	\$ 1,038,788.2
Mar. 3...	4,262,506.1	4,386,187.0	538,553.5	73,635.3	612,038.8	1,043,203.4
Mar. 10...	4,309,612.6	4,396,027.8	513,952.9	68,056.4	582,609.3	1,031,061.1
Mar. 17...	4,330,588.8	4,438,468.5	516,425.5	69,368.5	585,794.0	1,042,356.3
Mar. 24...	4,338,308.0	4,464,708.0	517,268.4	68,877.9	586,146.3	1,051,036.4
Mar. 31...	4,373,513.4	4,478,501.9	492,947.2	70,214.9	563,162.1	1,009,966.2
Apr. 7...	4,428,959.8	4,507,052.8	512,177.1	66,029.6	578,206.7	1,048,836.4
Apr. 14...	4,473,449.0	4,596,003.4	511,593.4	65,346.0	577,139.4	1,040,605.5
Apr. 21...	4,479,414.6	4,568,116.5	489,493.1	62,529.3	552,022.4	1,008,192.9
Apr. 28...	4,494,872.1	4,583,729.2	470,021.0	60,017.7	530,038.7	1,008,245.1
May 5...	4,451,612.3	4,434,409.8	459,554.7	51,821.4	502,373.1	936,181.5
May 12...	4,110,790.7	4,435,448.8	462,801.5	49,677.7	512,379.2	972,909.8
May 19...	4,462,874.0	4,459,324.2	490,314.9	54,030.7	544,345.6	1,005,532.9

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.

CLEARING NON-MEMBERS.	Capital.	Net Profits.	Loans, Discounts, Investments, &c.	Gold.	Legal Tenders.	Silver.	Nat. Bank Notes (Res. for State Institutions)	Nat. Bank Notes (Not Counted as Res.)	Federal Reserve Notes (Not Res.)	Reserve with Legal Depositories.	Additional Deposits with Legal Depositories.	Net Demand Deposits.	Net Time Deposits.	National Bank Circulation.
Members of Fed'l Reserve Bank														
Battery Park Nat.	400,000	415,800	5,307,000	397,000	79,000	87,000	-----	4,000	11,000	553,000	-----	4,866,000	196,000	196,000
First Nat., Brooklyn	300,000	688,700	5,920,000	150,000	32,000	117,000	-----	14,000	21,000	487,000	490,000	4,930,000	175,000	296,000
Nat. City, Brooklyn	300,000	626,300	6,089,000	164,000	70,000	137,000	-----	7,000	9,000	664,000	233,000	5,743,000	-----	120,000
First Nat., Jersey City	400,000	1,298,900	5,254,000	294,000	437,000	87,000	-----	26,000	51,000	1,518,000	4,167,000	4,997,000	-----	394,000
Hudson Co. N. J. C.	250,000	771,500	5,314,000	208,000	16,000	95,000	-----	96,000	3,000	596,000	306,000	4,971,000	-----	197,000
First Nat., Hoboken	220,000	615,000	6,367,000	189,000	11,000	42,000	-----	10,000	30,000	459,000	439,000	2,908,000	3,298,000	218,000
Second Nat., Hoboken	125,000	319,300	5,212,000	37,000	50,000	84,000	-----	2,000	9,000	429,000	497,000	2,656,000	2,329,000	100,000
Total.....	1,995,000	4,736,200	39,463,000	1,439,000	695,000	649,000	-----	168,000	134,000	4,706,000	6,152,000	31,071,000	5,998,000	1,521,000
State Banks.														
<i>Not Members of the Federal Reserve Bank.</i>														
Bank of Wash. D.C.	100,000	443,300	2,383,000	151,000	11,000	54,000	30,000	-----	-----	118,000	37,000	1,967,000	-----	-----
Colonial Bank.....	400,000	949,800	8,939,000	733,000	213,000	561,000	43,000	-----	30,000	592,000	310,000	9,860,000	-----	-----
Columbia Bank.....	300,000	674,100	5,521,000	819,000	8,000	300,000	90,000	-----	-----	608,000	401,000	10,131,000	-----	-----
International Bank.....	500,000	113,500	8,845,000	347,000	18,000	28,000	-----	-----	19,000	216,000	122,000	3,486,000	318,000	-----
Mutual Bank.....	200,000	470,100	8,304,000	888,000	58,000	218,000	38,000	-----	60,000	538,000	103,000	9,049,000	312,000	-----
New Netherland.....	200,000	219,000	4,292,000	180,000	113,000	240,000	38,000	-----	10,000	276,000	-----	4,814,000	60,000	-----
W.R. Grace & Co's Bk.	500,000	555,000	3,354,000	62,000	-----	1,000	-----	-----	1,000	16,000	3,584,000	3,857,000	2,204,000	-----
Yorkville Bank.....	100,000	593,900	6,912,000	493,000	85,000	279,000	91,000	-----	-----	453,000	262,000	7,546,000	-----	-----
Mechanics', Bklyn.	1,600,000	840,800	21,190,000	1,560,000	189,000	745,000	332,000	-----	-----	1,369,000	1,224,000	22,773,000	65,000	-----
North Side, Bklyn.	200,000	184,800	4,446,000	327,000	61,000	107,000	20,000	-----	24,000	268,000	453,000	4,531,000	400,000	-----
Total.....	4,100,000	5,040,300	73,186,000	5,560,000	757,000	2,502,000	682,000	-----	135,000	4,449,000	6,496,000	77,813,000	3,366,000	-----
Trust Companies.														
<i>Not Members of the Federal Reserve Bank.</i>														
Hamilton Trust, Bklyn	500,000	1,150,100	9,557,000	685,000	54,000	32,000	46,000	-----	17,000	403,000	2,015,000	8,071,000	793,000	-----
Mechanics', Bayonne	200,000	309,000	6,190,000	103,000	45,000	92,000	38,000	-----	15,000	154,000	647,000	3,074,000	2,974,000	-----
Total.....	700,000	1,459,100	15,747,000	788,000	99,000	124,000	84,000	-----	32,000	557,000	2,662,000	11,145,000	3,767,000	-----
Grand aggregate.....	6,795,000	11,235,600	128,396,000	7,787,000	1,551,000	3,275,000	766,000	168,000	301,000	9,712,000	15,310,000	120,209,000	13,131,000	1,521,000
Comparison, prev. wk.	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Excess reserve.	\$488,280	decrease	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Grand aggr'te Mar 12	6,995,000	11,350,400	130,872,000	8,073,000	1,692,000	3,324,000	880,000	168,000	321,000	9,684,000	11,973,000	120,626,000	14,014,000	1,519,000
Grand aggr'te May 5	6,995,000	11,350,400	129,939,000	8,259,000	1,654,000	3,337,000	857,000	222,000	309,000	9,420,000	15,098,000	119,939,000	14,030,000	1,523,000
Grand aggr'te Apr 28	6,995,000	11,520,200	129,703,000	8,771,000	1,757,000	3,399,000	930,000	174,000	354,000	9,570,000	16,149,000	119,720,000	14,090,000	1,522,000
Grand aggr'te Apr 21	6,995,000	11,520,200	127,793,000	8,796,000	1,800,000	3,452,000	957,000	179,000	289,000	10,010,000	16,534,000	118,650,000	14,141,000	1,524,000
Grand aggr'te Apr 14	6,995,000	11,520,200	126,233,000	8,771,000	1,796,000	3,699,000	966,000	192,000	310,000	9,576,000	18,164,000	117,047,000	14,322,000	1,514,000

a U. S. Deposits deducted, \$1,600,000.

Philadelphia Banks.—Summary of weekly totals of Clearing House banks and trust companies of Philadelphia:

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

May 19.	Loans, Disc'ts & Invest'ts.	Due from Banks.	Deposits			Reserve Held.	Excess Reserve.
			Bank.	Indirect.	Total.		
Nat. bank	400,051.0	86,503.0	167,735.0	339,741.0	507,476.0	77,238.0	16,940.0
Trust cos.	159,035.0	3,710.0	3,427.0	142,878.0	146,305.0	23,712.0	2,687.0
Total	559,086.0	90,213.0	171,162.0	482,619.0	653,781.0	100,950.0	19,627.0
May 12.....	566,833.0	83,367.0	169,055.0	489,511.0	658,869.0	99,954.0	17,303.0
May 5.....	563,681.0	90,095.0	176,807.0	495,644.0	672,451.0	105,957.0	22,225.0
Apr. 28.....	560,279.0	95,118.0	179,751.0	490,555.0	670,309.0	103,003.0	20,090.0
Apr. 21.....	551,943.0	100,829.0	187,149.0	495,582.0	682,731.0	114,734.0	31,186.0
Apr. 14.....	550,714.0	101,173.0	192,590.0	495,653.0	688,213.0	121,595.0	37,091.0
Mar. 7.....	549,749.0	96,682.0	190,440.0	492,404.0	682,844.0	119,898.0	35,850.0
Mar. 31.....	549,020.0	89,678.0	185,230.0	476,485.0	661,715.0	112,033.0	29,560.0
Mar. 24.....	550,356.0	89,535.0	186,930.0	477,014.0	663,953.0	113,227.0	30,404.0
Mar. 17.....	553,267.0	88,624.0	191,055.0	473,202.0	664,257.0	112,830.0	29,572.0

Note.—National bank note circulation May 19, \$8,235,000; exchanges for Clearing House (included in "Bank Deposits"), banks, \$18,983,000; trust companies, \$2,422,000; total, \$21,405,000. Capital and surplus at latest dates: Banks, \$64,175,800; trust companies, \$41,295,200; total, \$105,470,800.

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 28 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.

Week ended May 19.	State Banks in Greater N. Y.	Trust Cos. in Greater N. Y.	State Banks outside of Greater N. Y.	Trust Cos. outside of Greater N. Y.
Capital as of Feb. 28	\$ 23,950,000	\$ 84,550,000	\$ 12,238,000	\$ 18,451,200
Surplus as of Feb. 28	42,309,900	179,277,000	15,228,300	18,123,900
Loans and investments	427,538,100	1,833,407,000	174,06	

Bankers Gazette.

Wall Street, Friday Night, May 25 1917.

The Money Market and Financial Situation.—The security markets have responded liberally this week to a decided improvement in several phases of the general situation. Among the most important of these is the tendency towards a more concrete form which Russian affairs are assuming. This is a matter not likely to be overestimated, as a collapse of the Provisional Government and army of Russia, which earlier in the month seemed imminent, would certainly have resulted in a prolongation of the war and probably in greater difficulty in arriving at satisfactory terms of peace.

Next in importance, perhaps, is the more conservative attitude of legislators at Washington in formulating the various schemes for increasing Government revenue to meet large war demands. The latter will at best be severe enough, but as passed by the House would have led to disastrous results. That these will be modified by the Senate, as now seems certain, is regarded in financial circles as cause for congratulation and hopefulness.

Weather reports from the wheat belt indicate both winter and spring wheat have improved. It is well known that a cool wet May is favorable for spring wheat, insuring a well rooted, strong plant, not likely to be injured by the mid-summer heat.

Notwithstanding elaborate plans made by practically all financial institutions for handling large blocks of the Liberty Loan, the money market has not been perceptibly affected.

Foreign Exchange.—The position continues completely arbitrary in sterling exchange, quotations having scarcely changed during the week. The Continental exchanges were quiet but rates were well maintained.

To-day's (Friday's) actual rates for sterling exchange were 4 7/8 for sixty days, 4 7/8 9-16 for cheques and 4 7/8 7-16 for cables. Commercial on banks: sight, 4 7/8; sixty days, 4 7/8; ninety days, 4 6/8; and documents for payment (sixty days), 4 7/8. Cotton for payment, 4 7/8, and grain for payment, 4 7/8.

To-day's (Friday's) actual rates for Paris bankers' francs were 5 7/8 for long and 5 7/8 3/4 for short. Germany bankers' marks were not quoted for sight, nominal for long and nominal for short. Amsterdam bankers' guilders were 40 1/4 for short. Exchange at Paris on London, 27.18 fr.; week's range, 27.18 fr. high and also 27.18 fr. low.

The range for foreign exchange for the week follows:

	Sixty Days.	Cheques.	Cables.
Sterling Actual—			
High for the week	4 7/8	4 7/8	4 7/8 7-16
Low for the week	4 7/8	4 7/8	4 7/8 7-16
Paris Bankers' Francs—			
High for the week	5 7/8 3/4	5 7/8 3/4	5 7/8 3/4
Low for the week	5 7/8 3/4	5 7/8 3/4	5 7/8 3/4
Germany Bankers' Marks—			
High for the week	---	---	---
Low for the week	---	---	---
Amsterdam Bankers' Guilders—			
High for the week	40 1/4	41 1/4	41 1/4
Low for the week	40 1/4	40 1/4	41 1-6

Domestic Exchange.—Chicago, 10c. per \$1,000 discount. Boston, par. St. Louis, 15c. per \$1,000 discount bid and 5c. discount asked. San Francisco, 10c. per \$1,000 premium. Montreal, 93 1/2 c. to \$1.25 per \$1,000 premium. Minneapolis, 10c. per \$1,000 premium. Cincinnati, par. New Orleans, sight 50c. per \$1,000 discount, and brokers 50c. premium.

State and Railroad Bonds.—Sales of State bonds at the Board this week were \$5,000 Va. 6s tr. co. receipts. at 50 1/2.

Sales of railway and industrial bonds at the Stock Exchange have decreased considerably in volume, as compared with those of last week. Prices, however, advanced, only 2 from a list of 25 most active issues showing any decline, Chesapeake & Ohio conv. 5s moved up from 85 3/8 to 87 3/4 and Lackawanna Steel 5s 1950, the most spectacular, gained from 98 1/4 to 104 3/8, the closing figure being 104 3/4. New York Central deb. 6s moved up from 104 1/2 to 106 1/2 and Southern Pacific conv. 5s gained over a point. New York Railways adj. 5s and St. Louis & San Francisco p. l. 4s ser. A fell away fractionally. Third Avenue adj. 5s advanced from 43 1/2 to 44 1/4, while U. S. Rubber 5s tr. co. etfs. and Midvale St. col. tr. 5s gained 1 and 2 3/8 points each for the week.

Among the bonds of the various foreign governments which, as usual, made up a large part of the transactions, Anglo-French 5s, American Foreign Securities 5s, the several Great Britain & Ireland issues and the Dominion of Canada securities were most prominent. Various of the French municipal bonds, such as the City of Paris 6s and securities of Lyons and Bordeaux, were also traded in. The United States "Liberty Loan" has absorbed a great deal of attention while other Government issues have been active. No sales on a s-20-f basis have been reported.

United States Bonds.—Sales of Government bonds at the Board include \$19,000 4s coup. at 105 1/4 to 105 1/2, \$5,000 3s coup. at 99, \$10,000 Panama 3s reg. at 91 and \$1,000 Panama 3s coup. at 90. For to-day's prices and for the week's range, see third page following.

Railroad and Miscellaneous Stocks.—The stock market has been remarkably active this week, sales amounting to considerably over a million shares having been recorded on at least 3 days. Values advanced steadily, a continuation of the movement noted a week ago, which movement has been fostered by the more favorable situation in Russia. One cause for the remarkable strength shown by the industrial shares, especially those of the steel and copper companies is the certainty that huge quantities of these metals will be required by our own and foreign nations in vigorous prosecution of the war. United States Steel advancing from 121 1/8 reached a new high mark of 133 3/8. This price was not maintained, however, the close being at 132 3/8. American Beet Sugar gained from 89 1/2 to 93 1/2. American

Locomotive, American Can and American Car & Foundry gained 4 3/8, 4 3/8, and 4 3/8 points each for the week, while Chili Copper and Chino Copper advanced from 21 1/2 and 54 3/4 to 23 3/8 and 59 1/8 respectively. The high, low and last prices of Inspiration Copper, United States Industrial Alcohol, International Mercantile Marine com. and pf., Baldwin Locomotive and Anaconda were 65-57-64 1/2, 135 1/4-127 3/4-134 1/2, 31-27 1/4-30 3/8, 85 1/2-79 1/4-84 1/4, 62 3/4-57 3/4-62 1/2 and 86 1/2-79 1/2-86.

The railroad shares were less active but advanced generally. Union Pacific gained 3 3/4 points for the week. Acheson, Canadian Pacific, Chesapeake & Ohio and New York Central gained 1 1/2, 1 3/8, 2 and 1 7/8 points each. Two notable exceptions were New Haven and Denver & Rio Grande which fell away sharply, due to recent developments peculiar to themselves, the former falling from 39 to 32 3/4, gaining back to 35 at the close.

For daily volume of business see page 2105. The following sales have occurred this week of shares not represented in our detailed list on the pages which follow:

STOCKS. Week ending May 25.	Sales for Week	Range for Week.		Range since Jan. 1.	
		Lowest.	Highest.	Lowest.	Highest.
Am Brake Shoe & F. 100	100 103	May 25	103	May 25	102
Am Smelters Secur.	100	91	May 25	91	May 25
Am Sumatra Tobac. 100	7,600	30 3/4	May 25	32 1/4	May 24
Preferred	100	90	May 24	90	May 24
Am Teleg & Cable 100	100	60	May 19	60	May 19
Assoc Dry Goods Distrip 100	100	52	May 19	52	Apr 19
Associated Oil 100	200	62 1/2	May 19	63	May 25
Atlanta Birm & Atl. 100	700	16	May 21	16	May 24
Barrett sub rec full paid	200	110 3/4	May 25	111	May 25
Batopilas Mining 20	3,100	1	May 19	1 1/4	May 25
Burns Bros. 100	1,300	95	May 25	95 3/4	May 25
Butterick 100	100	15	May 25	15	May 25
Call Packing 100	800	36 1/4	May 25	38 1/4	May 25
Cabinet & Arizona 10	1,100	80	May 19	83	May 24
Cent & So Am Teleg. 100	15,117 1/2	May 24	117 1/4	May 24	117
C. S. P. M. & Omaha 100	100	100	May 22	100	May 22
Cluett, Peabody & Co. 100	200	68	May 19	68 1/2	May 25
Cora G. EL&P(Balt) 100	400	112 1/2	May 24	113	May 24
Deere & Co pref. 100	400	98	May 23	98 1/2	May 23
Detroit Edison 100	72,119 1/2	May 23	120 1/2	May 23	120 1/2
Detroit United 100	50	112	May 23	112	May 23
Drugs-Seabury Ord. 100	400	72	May 22	72	May 24
Duith SS & A pref. 100	400	8	May 23	8	May 24
Elco Storage Battery 100	200	60 1/2	May 21	61	May 21
Elkhorn Coal Corp 5,400	308 1/2	May 24	33 1/2	May 24	30 1/2
Federal Mg & S 100	300	14	May 24	14 1/4	May 25
Preferred 100	700	39 1/2	May 24	43	May 25
Fisher Body Corp pf. 100	200	89	May 21	89	May 21
Gaston, W & W Inc no par	1,300	31	May 24	32	May 24
General Chemical 100	10,220	May 25	220	May 25	205
Gen Chemical pref. 100	15,112	May 23	112	May 23	108
Int Harv N J pref. 100	300	114 1/2	May 25	115	May 24
Int Harvest Corp 100	1,000	74	May 25	76	May 22
Int Paper pref etfs dep 500	96 1/2	May 22	96 1/2	May 22	94
Kaysor (Julius) & Co 100	200	112	May 21	114 1/2	May 21
Laclede Coal 100	100	98 1/2	May 19	96 1/2	May 19
Liggett & Myers pref 100	200	118	May 25	119	May 25
Long Island 50	200	41	May 22	43	May 22
Lorillard (P) pref. 100	100	115	May 19	115	May 19
Manhattan (Elev) Ry 100	1,000	116 1/2	May 19	118 1/2	May 23
Manhattan Shtet 100	200	68	May 23	68	May 23
May Dept Stores 100	100	56	May 19	56	May 19
Preferred 100	200	106	May 23	106	May 23
Michigan Central 100	1,110	May 19	110	May 19	110
Missouri Pacific 100	175	6 1/2	May 21	6 1/2	May 21
Trust receipts 17,952	6 1/2	May 21	6 1/2	May 21	6 1/2
do lat paid 150	19	May 22	19	May 22	19
do full paid 2,200	57	May 25	58 1/2	May 24	57
Nat Cloak & Suit 100	200	70 1/2	May 19	71	May 25
Nat Ryas Mex 2d pref 100	100	6	May 24	6	May 24
N Y Cle & St Louis 100	200	27 1/2	May 22	27 1/2	May 22
New York Dock 100	300	14	May 22	14 1/2	May 26
Nova Scotia S & C 100	300	92	May 24	93 1/2	May 25
Owens Bottle-Mach. 25	700	90 1/2	May 19	95	May 23
Pacific Tel & Tel 100	100	26 1/2	May 22	26 1/2	May 22
Pan-Am P & T pref. 100	200	92	May 23	93	May 24
P C & St Louis 100	652	26	May 19	23	May 23
Plus Fy Wayne & C 100	1,132	May 19	152	May 19	154
Pitt Steel pref. 100	25	99 1/2	May 24	99 1/2	May 24
Royal Dutch etfs dep. 5,600	43 1/2	May 19	45 1/2	May 25	59
St. Louis Fran pref A 100	100	28	May 23	28	May 23
Sloss-Sheffield pref. 100	100	93	May 22	93	May 22
So Porto Rico Sug pf 100	15,112	May 23	112	May 23	112
Superior Steel 100	7,800	46	May 24	49 1/2	May 21
1st preferred 200	100 1/2	May 24	100 1/2	May 24	99 1/2
United Drug 2d pref 100	100	85 1/2	May 21	85 1/2	May 21
U S Realty & Impt 100	400	12 1/2	May 24	14	May 21
Vulcan Founding 100	300	8	May 19	8	May 23
Wells Fargo Express 100	1,132	98 1/2	May 25	98 1/2	May 25
Western Pacific 100	2,000	18 1/2	May 22	18	May 19
Preferred 100	300	43 1/2	May 21	46	May 24
Wilson & Co pref. 100	100	102 1/2	May 21	102 1/2	May 21

Outside Securities.—In sympathy with the movement at the Stock Exchange, values of securities at the Broad Street "curb" advanced. American Sumatra Tobacco fluctuated between 27 3/4 and 31 1/4, and Carbon Steel advanced from 90 to 104, the final quotation being at that figure. Chevrolet Motors was, as usual, irregular. From 95 it moved up to 99, fell to 97 and closed at 100. Haskell & Barker Car Co. gained from 38 to 40, and Marlin Arms from 84 to 86. American Stores Co. added 1/4 of a point to its closing price of 35 1/4 a week ago, but West Indies Syndicate fell away from 43 1/4 to 40. The high, low and last prices of New York Shipbuilding, Submarine Boat, United Motors and Wright-Martin Aircraft were 42 1/4-39-41 1/2, 35-31 3/8-33 3/8, 31 3/4-28 3/8-30 3/8, and 8 1/2-5 3/8-6.

Standard Oil securities were fairly active. Ohio Oil covered a range of 10 points, while Standard Oil of California moved between 255 and 257. Standard Oil of New Jersey advanced from 605 to 640, the final figure being 623. Illinois Pipe Line fell from 220 to 218.

Among the bonds traded in at the "curb" were \$68,500 American Smelters 5s at 90 1/2 to 92. \$137,000 Bethlehem Steel 2-yr. 5% notes at 97 1/2 to 98 1/2. \$79,000 Russian Government new 5 1/2s at 78 to 79 1/2, and \$80,000 Russian Government 6 1/2s at 84 1/2 to 88. A complete list of "curb" market transactions for the week will be found on page 2105.

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, PER CENT., Sales for the Week Shares, STOCKS NEW YORK STOCK EXCHANGE, PER SHARE Range Since Jan. 1, PER SHARE Range for Previous Year 1916. Includes stock names like Industrial & Misc. (Con.) Par, Bethlehem Steel Corp., etc.

* Bid and asked prices; no sales on this day. † Less than 100 shares. ‡ Ex-rights. § Ex-div. and rights. ¶ Par \$100 per share. * Certificates of deposit. † Ex-dividend.

New York Stock Exchange—Bond Record, Friday, Weekly and Yearly 2099

In Jan. 1909 the Exchange method of quoting bonds was changed, and prices are now —and interest—except for income and defaulted bonds.

BONDS				BONDS				
N. Y. STOCK EXCHANGE				N. Y. STOCK EXCHANGE				
Week ending May 25				Week ending May 25				
U. S. Government.	Interest Period	Price Friday May 25		Week's Range or Last Sale	Bonds Sold	Range Since Jan. 1	Low	High
		Bid	Ask					
U S 2s consol registered.....	Q-J	96 1/4	98	May 17	95	99 1/2		
U S 2s consol coupon.....	Q-J	96 3/4	98 1/2	Jan 17	95	99 3/4		
U S 3s registered.....	Q-F	98 1/4	99	May 17	97	99 1/2		
U S 3s coupon.....	Q-F	99	99	99	5	99 101 1/2		
U S 4s registered.....	Q-F	105	105	May 17	103 1/2	110		
U S 4s coupon.....	Q-F	105	105 1/2	105 1/2	10	105 1/2 111 1/2		
U S Pan Canal 10-30-yr 2s.....	Q-F	90 1/4	91 1/2	Oct 15				
U S Pan Canal 10-30-yr 2s.....	Q-F	90 1/4	91 1/2	July 16				
U S Panama Canal 3s.....	Q-F	90	90	90	1	90 102 1/2		
U S Philippine Island 4s.....	Q-F			100 Feb 15				
Foreign Government.								
Amer Foreign Secur 5s.....	F-A	95 1/4 Sale	95 1/4	95 1/4	62	95 1/4 98 1/2		
Anglo-French 5-yr 6s Exter loan.....	F-A	93 1/4 Sale	93 1/4	94 1/4	1617	90 1/2 95 1/2		
Argentine—Internal 5s of 1909.....	M-N	80	80	May 17		80 1/2 93		
Bordeaux (City of) 3-yr 6s.....	M-N	95 Sale	94 1/4	95 1/4	70	94 1/2 96 1/2		
Chinese (Hukuang Ry) 5s of 11.....	J-D	71 1/2	72 1/2	May 17	70	72 1/4		
Cuba—External debt 5s of 1904.....	F-A	90	90 1/2	May 17	97	100		
External loan 4 1/2s.....	F-A	85 1/2	87	Jan 17	86 1/2	86 1/2		
Dominion of Canada 4 1/2s.....	F-A	97 1/4 Sale	97 1/4	97 1/4	14	96 1/2 100 1/2		
Do do.....	F-A	98 1/4	98	98 1/4	20	95 1/2 100		
Do do.....	F-A	95 1/4	95 1/4	95 1/4	31	95 1/2 100 1/4		
Do do.....	F-A	99 1/4	99 1/4	99 1/4	463	99 1/4		
French Repub 5 1/2s secured loan.....	F-A	86 1/2	88	86 1/2	4	81 88 1/2		
Japanese Govt—Loan 4 1/2s.....	F-A	82 1/4	86 1/2	82 1/4	79 1/2	80 23 78 1/2		
Second series 4 1/2s.....	J-J	73 1/2	75 1/2	Apr 17	73 1/2	76 1/2		
Sterling loan 4s.....	J-J	95	95	95	102	95 97 1/2		
Lyons (City of) 3-yr 6s.....	M-N	95	95	95 1/2	48	94 1/2 97		
Mexico—Exter loan 5s of 1890.....	Q-J	48	50	48	4	40 1/2 50		
Gold debt 4s of 1904.....	J-D	33	35	36	7	35 39 1/2		
Paris, City of, 5-yr 6s.....	M-N	93 1/4	94	94 1/4	72	92 97 1/2		
Tokyo City—6s loan of 1912.....	M-S	78	78 1/4	78	2	78 78 1/2		
U K of Gr Brit & I 2-yr 5s.....	M-S	97 1/4	97 1/4	97 1/4	1258	97 1/4 98 1/2		
3-yr 5 1/2 temp notes.....	M-N	96 1/4	96 1/4	96 1/4	97	96 1/4 98 1/2		
5-yr 5 1/2 temp notes.....	M-N	95 1/4	95 1/4	95 1/4	330	93 1/2 98 1/2		
Temporary notes 3 1/2s.....	M-N	99 1/4	99 1/4	99 1/4	553	98 100 1/4		
Temporary notes 3 1/2s.....	M-N	99 1/4	99 1/4	99 1/4	698	98 1/2 101 1/2		
State and City Securities.								
N Y City—4 1/2s Corp stock.....	M-S	100 1/4	100 1/4	101	17	100 1/2 104 1/2		
4 1/2s Corporate stock.....	M-S	100 1/4	101 1/2	101 1/2	6	100 1/2 105 1/2		
4 1/2s Corporate stock.....	M-S	100 1/4	101 1/2	101 1/2	2	101 1/2 106		
4 1/2s Corporate stock.....	M-S	105 1/4	105 1/4	105 1/4	54	105 1/4 110 1/2		
4 1/2s Corporate stock.....	M-S	105 1/4	105 1/4	105 1/4	8	105 1/4 110 1/2		
4% Corporate stock.....	M-N	99 1/2	99 1/2	100	17	99 1/2 102 1/2		
4% Corporate stock.....	M-N	99 1/2	100	May 17	99	99 102 1/2		
4% Corporate stock.....	M-N	99 1/2	99 1/2	99 1/2	4	99 102 1/2		
4% Corporate stock.....	M-N	99 1/2	100	Jan 17	99 1/2	100 102 1/2		
New 4 1/2s.....	M-N	100	100	100 1/2	6	100 110 1/2		
4 1/2s Corporate stock.....	M-N	105 1/4	105 1/4	105 1/4	3	100 110 1/2		
4 1/2s Assessment bonds.....	M-N	100 1/4	100 1/4	June 16				
3 1/2s Corporate stock.....	M-N	80	80 1/2	80 1/2	18	88 90		
N Y State—4s.....	M-S	103	103 1/2	Apr 17	103	103 106 1/2		
Canal Improvement 4s.....	J-J	103	103	103	2	103 106 1/2		
Canal Improvement 4s.....	J-J	102 1/2	102 1/2	May 17	102 1/2	102 1/2		
Canal Improvement 4 1/2s.....	J-J	102 1/2	103	May 17	102 1/2	103 106 1/2		
Canal Improvement 4 1/2s.....	J-J	112 1/2	113 1/2	112	112	117 1/2		
Canal Improvement 4 1/2s.....	J-J	106 1/2	108 1/4	Sept 16	106 1/2	117 1/2		
Highway Improv't 4 1/2s.....	M-S	112	113 1/4	Apr 17	113	117 1/2		
Highway Improv't 4 1/2s.....	M-S	108 1/4	108 1/4	Mar 17	108 1/4	110		
Virginia funded debt 2-3s.....	J-J	83	85	Aug 16	85	90 1/2 61 1/4		
As deferred Brown Bros etc's.....	J-J	50	50 1/2	50 1/2	5	50 1/2 61 1/4		
Railroad.								
Ann Arbor 1st 4s.....	Q-J	61	63 1/4	63 1/4	5	63 1/2 73 1/2		
Ach Top & S Fe gen 4s.....	A-O	90 1/2	90 1/2	90 1/2	33	89 1/2 97		
Registered.....	A-O	85	90	Apr 17	91	91 1/2 93 1/2		
Adjuvant gold 4s.....	Nov	80 1/4	81 1/2	80 1/2	1	80 1/4 85 1/4		
Registered.....	Nov	85 1/2	85 1/2	Nov 16				
Stamped.....	Nov	82	83 1/2	82	4	81 89		
20-yr conv 4 1/2s.....	J-D	102 1/4	103 1/2	102	22	99 106 1/2		
Conv 4s issue of 1910.....	J-D	101 1/2	103 1/2	102	26	99 107		
10-yr 5s.....	J-D	101	100	May 17	100 1/2	100 107 1/2		
East Okla Div 1st 4s.....	M-S	94	96	Mar 17	95	99		
Rocky Mtn Div 1st 4s.....	J-J	80	85 1/4	Apr 17	85 1/2	88		
Trans Con Short L 1st 4s.....	J-J	82 1/2	89 1/2	Apr 17	89	93 1/4		
Cal-Aris 1st & ref 4 1/2s.....	M-S	95	93 1/2	93 1/2	4	91 100		
S Fe Pca & Ph 1st 4s.....	M-S	100 1/4	104 1/4	Feb 17	100 1/4	104 1/4		
All Coast L 1st gold 4s.....	M-S	88 1/2	88	89 1/2	7	88 96 1/2		
Cons unified 4 1/2s.....	J-D	88 1/2	88 1/2	88 1/2	7	88 1/2 95 1/2		
Ala Mid 1st gold 5s.....	M-N	101	103	100	10	106 107 1/2		
Bruna & W 1st gold 5s.....	J-J	87 1/2	89 1/4	Mar 17	88	104 93 1/4		
Charles & Sav 1st gold 7s.....	J-J	124 1/2	120 1/2	Aug 16	120 1/2	124 1/2		
L & N coll gold 4s.....	M-N	82 1/4	83 1/2	81	6	81 89		
Sav F & W 1st gold 4s.....	A-O	111	118	May 17	118 1/2	118 1/2		
1st gold 5s.....	A-O	102	102	July 15				
Sil Sp Oca & G 1st 4s.....	J-J	98 1/2	99 1/2	Apr 17	97	97 100 1/2		
Balt & Ohio prior 3 1/2s.....	J-J	90 1/2	90	90 1/2	37	90 96 1/2		
Registered.....	J-J	87 1/4	93	Apr 17	87	90 96 1/2		
1st 50-yr gold 4s.....	A-O	87 1/2	86 1/2	87 1/2	23	85 1/2 92 1/2		
Registered.....	A-O	85	92 1/2	Mar 17	87	88 1/2 97 1/2		
20-yr conv 4 1/2s.....	J-D	99 1/4	99 1/4	97	35	96 101 1/2		
Refund & gen 5s Series A.....	J-D	112	112	Jan 12				
Pitts Div 1st gold 6s.....	M-N	80	80 1/2	80 1/2	13	80 90		
PJunc & W 1st gold 6s.....	M-N	80	80 1/2	80 1/2	13	80 90		
P L E & W Va Sva ref 4s.....	J-J	87 1/2	87 1/2	87 1/2	1	87 94 1/2		
South Div 1st gold 3 1/2s.....	J-J	87 1/2	87 1/2	87 1/2	1	87 94 1/2		
Cent Ohio R 1st 4 1/2s.....	M-S	96 1/2	98	Apr 17	100	100		
Cl Lor & W con 1st 6s.....	A-O	99 1/2	100 1/2	Oct 16				
Monon River 1st gu 5s.....	F-A	104 1/2	104 1/2	104 1/2				
Ohio River RR 1st 6s.....	J-D	105	107 1/2	Feb 17	107 1/2	107 1/2		
General gold 5s.....	A-O	96	103 1/2	Nov 16	107 1/2	107 1/2		
Pitts Cleve & Tol 1st 6s.....	A-O	99 1/2	107	Feb 17	107	107		
Pitts & West 1st 6s.....	A-O	99 1/2	107	Feb 17	107	107		
Buffalo R & P gen 6s.....	M-S	102	105 1/2	Sept 16	105 1/2	111 1/2		
Consol 4 1/2s.....	M-N	102	105 1/2	May 17	105 1/2	111 1/2		
All & West 1st 4s.....	M-N	88 1/2	93	Nov 16	101 1/2	102 1/2		
Clear & Mah 1st gu 6s.....	J-J	106 1/2	106 1/2	Apr 17	106 1/2	106 1/2		
Roch & Pitts 1st gold 6s.....	F-A	104 1/2	106 1/2	Dec 16	106 1/2	106 1/2		
Consol 1st 6s.....	J-D	104 1/2	107 1/2	Jan 17	109 1/2	109 1/2		
Canada Sou cons gu 5s.....	A-O	99 1/2	99 1/2	100	8	99 105 1/2		
Car Clinch & Ohio 1st 30-yr 5s.....	F-A	85	85	85	1	85 92 1/2		
Central of Ga 1st gold 5s.....	F-A	109	108 1/2	May 17	108 1/2	110		
Consol gold 5s.....	M-N	97 1/2	98 1/2	97 1/2	10	96 103		
Chatt Div pur money 2 1/2s.....	J-D	78	87 1/2	May 16	80	87 1/2		
Mac & Nor Div 1st 6s.....	J-J	106	106 1/2	106 1/2	103	103		
Mid Ga & AL Div 5s.....	J-J	97 1/2	103 1/2	Mar 17	103	103		
Mobile Div 1st 6s.....	J-J	97 1/2	103 1/2	Mar 17	103	103		
Gen RR & B of Ga col 5s.....	M-N	95	94 1/2	Apr 17	104 1/2	104 1/2		
Cent of N J gen 1st gold 5s.....	J-J	111 1/2	111 1/2	May 17	111 1/2	120 1/2		
Do do.....	J-J	111	110	110	3	110 120		
Am Doek & Imp gu 5s.....	J-J	100 1/2	102	Apr 17	102	104 1/2		
Leh & HD Riv gen gu 5s.....	J-J	97 1/2	101 1/2	100	100	100		
N Y & Long Br gen 4s.....	1941	93	100 1/2	Jan 13				
Cent Vermont 1st gu 4s.....	F-A	80	78	Feb 17	78	79 1/2		
Ches & O fund & imp't 6s.....	J-D	100 1/2	102 1/2	102 1/2	1	102 108 1/2		
Registered.....	M-N	85 1/2	85 1/2	86 1/4	14	84 94		
General gold 4 1/2s.....	M-S	85 1/2	85 1/2	86 1/4	14	84 94		
Registered.....	M-S	85 1/2	85 1/2	86 1/4	14	84 94		
20-yr convertible 4 1/2s.....	F-A	79 1/2	85	Mar 17	80 1/2	92		

BONDS N. Y. STOCK EXCHANGE Week ending May 25	Interest Period	Price Friday May 25		Week's Range or Last Sale		Bonds Sold	Range Since Jan. 1	
		Bid	Ask	Low	High		Low	High
Del & Hudson Pa Div 7 1/2... 1917	M	100	100	101	101		101	101 1/2
Registered... 1917	M	97 1/2	98 1/2	100 1/4	100 1/4		100 1/4	101 1/4
1st lien 6 1/2 gu 4 1/2... 1913	M	99 1/2	99 1/2	99 1/2	99 1/2		99 1/2	99 1/2
1st & ref 4 1/2... 1935	A	93	93	93	93		93	93
20-year conv 6 1/2... 1918	A	81	82	80	80		80	80 1/2
Alb & Susq conv 7 1/2... 1918	A	103 1/2	103 1/2	112 1/2	112 1/2		112 1/2	112 1/2
Cons & Susq 4 1/2... 1918	A	73	74	74	74 1/2		74	74 1/2
Consol gold 4 1/2... 1935	J	73 1/2	80	83	83		83	90
Improvement gold 5 1/2... 1928	J	82	83	82 1/2	82 1/2		82 1/2	83
1st & refunding 5 1/2... 1955	F	55 1/2	55 1/2	55	55		55	55 1/2
Rio Gr June 1st gu 5 1/2... 1939	J	95	95	94 1/4	94 1/4		94 1/4	95
Rio Gr Sou 1st gold 5 1/2... 1910	J	95	95	95 1/2	95 1/2		95 1/2	95 1/2
Guaranteed... 1940	J	65	65	65	65		65	65
Rio Gr West 1st gold 4 1/2... 1939	J	58	58	59	59		59	59 1/2
Mtge & col trust 4 1/2... 1914	A	93 1/2	93 1/2	93 1/2	93 1/2		93 1/2	93 1/2
Des Moines Un Ry 1st g 5 1/2... 1917	M	82 1/2	82 1/2	82	82		82	82
Del & Mack—1st lien 6 1/2... 1905	J	81	81	81 1/2	81 1/2		81 1/2	81 1/2
Gold 4 1/2... 1905	J	85 1/2	85 1/2	85 1/2	85 1/2		85 1/2	85 1/2
Del Rio Twp—Fer Tan 4 1/2... 1911	M	101 1/2	101 1/2	103 1/2	103 1/2		103 1/2	103 1/2
Dut Missabe & Nor con 5 1/2... 1941	J	97 1/2	99 1/2	100 1/4	100 1/4		100 1/4	100 1/4
Dut & Iron Range 1st 5 1/2... 1931	A	84	84	84	84		84	84
Registered... 1937	A	84	84	84	84		84	84
Dut Sou Shore & Atl g 5 1/2... 1937	J	102 1/2	102 1/2	104	104		104	104
Elgin Joliet & East 1st g 5 1/2... 1911	M	105 1/2	105 1/2	105 1/2	105 1/2		105 1/2	105 1/2
Eric 1st consol gold 7 1/2... 1920	M	95 1/2	95 1/2	95 1/2	95 1/2		95 1/2	95 1/2
N Y & Erie 1st ext g 4 1/2... 1910	M	90 1/2	90 1/2	90 1/2	90 1/2		90 1/2	90 1/2
2d ext gold 5 1/2... 1910	M	97 1/2	97 1/2	97 1/2	97 1/2		97 1/2	97 1/2
3d ext gold 4 1/2... 1910	M	93 1/2	93 1/2	93 1/2	93 1/2		93 1/2	93 1/2
4th ext gold 5 1/2... 1910	M	95 1/2	95 1/2	95 1/2	95 1/2		95 1/2	95 1/2
5th ext gold 4 1/2... 1910	M	93 1/2	93 1/2	93 1/2	93 1/2		93 1/2	93 1/2
N Y L & E W 1st g 7 1/2... 1920	M	103 1/2	103 1/2	107 1/2	107 1/2		107 1/2	107 1/2
Eric 1st cons g 4 prior... 1905	J	79 1/2	79 1/2	79 1/2	79 1/2		79 1/2	79 1/2
Registered... 1905	J	61 1/2	61 1/2	61 1/2	61 1/2		61 1/2	61 1/2
1st consol gen lien g 4 1/2... 1905	J	73	73	73	73		73	73
Registered... 1905	J	88 1/2	89 1/2	88 1/2	88 1/2		88 1/2	89 1/2
Penn col trust gold 4 1/2... 1915	A	55	55	54 1/2	54 1/2		54 1/2	54 1/2
50-year conv 4 1/2 Series A... 1915	A	55	55	54 1/2	54 1/2		54 1/2	54 1/2
do Series B... 1915	A	55	55	54 1/2	54 1/2		54 1/2	54 1/2
Gen conv 4 1/2 Series D... 1915	A	67 1/2	67 1/2	67 1/2	67 1/2		67 1/2	67 1/2
Chic & Erie 1st gold 5 1/2... 1912	M	99	102 1/2	103	103		103	103 1/2
Clay & Mahon Vall g 5 1/2... 1933	J	109 1/2	109 1/2	109 1/2	109 1/2		109 1/2	109 1/2
Eric & Jersey 1st f 6 1/2... 1955	J	105	105 1/2	105 1/2	105 1/2		105 1/2	105 1/2
Genesee River 1st f 6 1/2... 1957	J	104	104 1/2	104 1/2	104 1/2		104 1/2	104 1/2
Long Doek consol g 6 1/2... 1935	A	111 1/2	111 1/2	112 1/2	112 1/2		112 1/2	112 1/2
Coal & RR 1st cur gu 5 1/2... 1922	J	102 1/2	102 1/2	102 1/2	102 1/2		102 1/2	102 1/2
Doek & Imp 1st ext 5 1/2... 1943	J	97	97	102 1/2	102 1/2		102 1/2	102 1/2
N Y & Green L gu 5 1/2... 1946	M	92	92	100 1/2	100 1/2		100 1/2	100 1/2
N Y Susq & W 1st ref 5 1/2... 1910	F	69	69	69	69		69	69
2d gold 4 1/2... 1910	F	69	69	69	69		69	69
General gold 4 1/2... 1910	F	69	69	69	69		69	69
Terminal 1st gold 5 1/2... 1913	M	105	105	105	105		105	105
Mid of N J 1st ext 5 1/2... 1910	A	67	70	70	70		70	70
Wilk & East 1st gu 5 1/2... 1912	J	100	100 1/2	100 1/2	100 1/2		100 1/2	100 1/2
Ey & Ind 1st cons gu 5 1/2... 1926	J	100	100 1/2	100 1/2	100 1/2		100 1/2	100 1/2
Evans & T H 1st cons 5 1/2... 1921	J	75 1/2	75 1/2	75 1/2	75 1/2		75 1/2	75 1/2
1st general gold 5 1/2... 1912	A	90	90	90	90		90	90
Mt Vernon 1st gold 6 1/2... 1923	A	90	90	90	90		90	90
Shill Co Branch 1st g 5 1/2... 1930	A	90	90	90	90		90	90
Florida E Coast 1st g 4 1/2... 1919	J	92	92	92	92		92	92
Port St U Co 1st g 4 1/2... 1911	J	69 1/2	69 1/2	69 1/2	69 1/2		69 1/2	69 1/2
Pt Worth & R R 1st g 4 1/2... 1928	J	87	87	87 1/2	87 1/2		87 1/2	87 1/2
Galv Hous & Hen 1st 5 1/2... 1933	A	95	95	95	95		95	95
Great Nor C & Q coal 4 1/2... 1921	J	94 1/2	94 1/2	94 1/2	94 1/2		94 1/2	94 1/2
Registered... 1921	J	92	92	92	92		92	92
1st & ref 4 1/2 Series A... 1901	J	112 1/2	112 1/2	112 1/2	112 1/2		112 1/2	112 1/2
Registered... 1901	J	99 1/2	99 1/2	99 1/2	99 1/2		99 1/2	99 1/2
St Paul M & Man 4 1/2... 1933	J	99 1/2	99 1/2	99 1/2	99 1/2		99 1/2	99 1/2
1st consol gold 6 1/2... 1933	J	99 1/2	99 1/2	99 1/2	99 1/2		99 1/2	99 1/2
Registered... 1933	J	99 1/2	99 1/2	99 1/2	99 1/2		99 1/2	99 1/2
Reduced to gold 4 1/2... 1933	J	91	95 1/2	91	91		91	91 1/2
Registered... 1933	J	98 1/2	98 1/2	98 1/2	98 1/2		98 1/2	98 1/2
Mont ext 1st gold 4 1/2... 1937	J	91	95 1/2	91	91		91	91 1/2
Registered... 1937	J	98 1/2	98 1/2	98 1/2	98 1/2		98 1/2	98 1/2
Pacific ext guar 4 1/2... 1910	J	85 1/2	85 1/2	85 1/2	85 1/2		85 1/2	85 1/2
E Minn Nor Div 1st g 4 1/2... 1918	A	87	87	87 1/2	87 1/2		87 1/2	87 1/2
E Minn Union 1st g 6 1/2... 1922	J	105 1/2	105 1/2	105 1/2	105 1/2		105 1/2	105 1/2
Mont C 1st gu g 6 1/2... 1937	J	114	114	114 1/2	114 1/2		114 1/2	114 1/2
Registered... 1937	J	103	103	103 1/2	103 1/2		103 1/2	103 1/2
1st guar gold 5 1/2... 1937	J	102 1/2	102 1/2	102 1/2	102 1/2		102 1/2	102 1/2
Will & S F 1st gold 5 1/2... 1938	J	70	79 1/2	79 1/2	79 1/2		79 1/2	79 1/2
Green Bay & W deb cfs "A"... 1910	F	11 1/2	11 1/2	11 1/2	11 1/2		11 1/2	11 1/2
Debiture cfs "B"... 1910	F	83	82 1/2	82 1/2	82 1/2		82 1/2	82 1/2
Gulf & S I 1st ref & 5 1/2... 21052	J	82	84 1/2	86	86		86	86 1/2
Hocking Val 1st cons g 4 1/2... 1909	J	82	84 1/2	86	86		86	86 1/2
Registered... 1909	J	85 1/2	87 1/2	88	88 1/2		88 1/2	88 1/2
Col & H V 1st ext g 4 1/2... 1918	A	75	75	75	75		75	75
Col & T 1st ext 4 1/2... 1955	F	90 1/2	90 1/2	90 1/2	90 1/2		90 1/2	90 1/2
Houston Belt & Term 1st 5 1/2... 1937	J	96	96	96 1/2	96 1/2		96 1/2	96 1/2
Illinois Central 1st gold 4 1/2... 1951	J	94 1/2	94 1/2	94 1/2	94 1/2		94 1/2	94 1/2
Registered... 1951	J	84 1/2	84 1/2	84 1/2	84 1/2		84 1/2	84 1/2
1st gold 3 1/2... 1951	J	83	83	83	83		83	83
Registered... 1951	J	83 1/2	83 1/2	83 1/2	83 1/2		83 1/2	83 1/2
Extended 1st gold 3 1/2... 1951	A	80	80	80	80		80	80
Registered... 1951	A	87	87	87 1/2	87 1/2		87 1/2	87 1/2
1st gold 3 1/2 sterling... 1951	M	87	87	87 1/2	87 1/2		87 1/2	87 1/2
Registered... 1951	M	87	87	87 1/2	87 1/2		87 1/2	87 1/2
Collateral trust gold 4 1/2... 1952	A	87	87	87 1/2	87 1/2		87 1/2	87 1/2
Registered... 1952	A	87	87	87 1/2	87 1/2		87 1/2	87 1/2
1st refunding 4 1/2... 1955	M	87	87	87 1/2	87 1/2		87 1/2	87 1/2
Purchased lines 3 1/2... 1952	J	82	82	82	82		82	82
L N O & Texas gold 4 1/2... 1933	M	84	84	84	84		84	84
Registered... 1933	M	84	84	84	84		84	84
Calro Bridge gold 4 1/2... 1930	J	81	81	81	81		81	81
Litchfield Div 1st gold 3 1/2... 1953	J	70 1/2	78 1/2	76 1/2	76 1/2		76 1/2	76 1/2
Loulay Div & Term g 3 1/2... 1953	J	70 1/2	78 1/2	76 1/2	76 1/2		76 1/2	76 1/2
Registered... 1953	J	100 1/2	100 1/2	102	102		102	102 1/2
Middle Div res 5 1/2... 1921	F	61	61	72 1/2	72 1/2		72 1/2	72 1/2
Omaha Div 1st gold 3 1/2... 1951	F	77	77	77	77		77	77
St Louis Div & Term g 3 1/2... 1951	J	82	82	80	80		80	80 1/2
Gold 3 1/2... 1951	J	80	80	80 1/2	80 1/2		80 1/2	80 1/2
Registered... 1951	J	80	80	80 1/2	80 1/2		80 1/2	80 1/2
Spring Div 1st g 3 1/2... 1951	J	80	80	84 1/2	84 1/2		84 1/2	84 1/2
Western lines 1st g 4 1/2... 1951	F	80	80	84 1/2	84 1/2		84 1/2	84 1/2
Registered... 1951	F	107 1/2	107 1/2	107 1/2	107 1/2		107 1/2	107 1/2
Belle & Car 1st 6 1/2... 1923	M	88	88	88	88		88	88
Carb & Shaw 1st gold 4 1/2... 1932	M	99	99					

BONDS N. Y. STOCK EXCHANGE Week ending May 25										BONDS N. Y. STOCK EXCHANGE Week ending May 25									
Interest Period	Price Friday May 25		Week's Range or Last Sale		Bonds Sold	Range Since Jan. 1		Interest Period	Price Friday May 25		Week's Range or Last Sale		Bonds Sold	Range Since Jan. 1					
	Bid	Ask	Low	High		Low	High		Bid	Ask	Low	High		Low	High				
N Y Cont & H R RR (Con.)	A-O	70	90	Apr '17		89 3/4	94	P C C & St L (Con.)	J-D	100	100 1/2	100	100 1/2		100 1/2	100 1/2			
N Y & Pu 1st cons gu 4 1/2 1933	A-O	100 1/2	113	May '16	1	99 1/2	104 1/2	Series F 4 1/2 guar	J-D	94 1/2	95 1/2	95 1/2	95 1/2		95 1/2	95 1/2			
Pine Creek reg gu 4 1/2 1932	A-O	100 1/2	102	102		100 1/2	100 1/2	Series G 4 1/2 guar	J-D	100	100 1/2	100 1/2	100 1/2		100 1/2	100 1/2			
R W & O 1st ext 6 1/2 1922	A-O	99 1/2	100 1/2	100 1/2	1	99 1/2	100 1/2	Series L 1 cons gu 4 1/2 1932	F-A	100 1/2	100 1/2	100 1/2	100 1/2		100 1/2	100 1/2			
R W & O 1st 1st gu 5 1/2 1918	M-N	99 1/2	100 1/2	100 1/2	1	99 1/2	100 1/2	C St L & P 1st cons gu 5 1/2 1932	A-O	100 1/2	100 1/2	100 1/2	100 1/2		100 1/2	100 1/2			
Rutland 1st gu 4 1/2 1941	J-J	80	90	Apr '17		80	90	Peoria & Pekin Un 1st 6 1/2 1921	Q-F	100	100 1/2	100 1/2	100 1/2		100 1/2	100 1/2			
Og & L Cham 1st gu 4 1/2 1948	J-J	62	70 1/2	Apr '17		62	70 1/2	2d gold 4 1/2 1922	M-N	84	84	84	84		84	84			
Rut-Canada 1st gu 4 1/2 1942	J-J	70	70 1/2	June '09		70	70 1/2	Pere Marquette 1st Ser A 5 1/2 1950	Q-F	88	88	88	88		88	88			
St Lawr & Adir 1st gu 6 1/2 1906	J-O	90	101	Nov '16		90	101	1st Series B 4 1/2 1922	J-J	70 1/2	70 1/2	70 1/2	70 1/2		70 1/2	70 1/2			
2d gold 6 1/2 1906	A-O	90	103	Nov '16		90	103	Philippine Ry 1st 30-yr 4 1/2 1937	J-J	100 1/2	100 1/2	100 1/2	100 1/2		100 1/2	100 1/2			
Utica & Hk Riv gu 4 1/2 1922	J-J	97 1/2	99 1/2	July '16		97 1/2	99 1/2	Pitts St & L E 1st 5 1/2 1940	A-O	100 1/2	100 1/2	100 1/2	100 1/2		100 1/2	100 1/2			
Lake Shore gold 3 1/2 1907	J-D	81 1/2	81 1/2	79	87 1/2	79	87 1/2	1st consol gold 5 1/2 1943	J-J	91 1/2	91 1/2	91 1/2	91 1/2		91 1/2	91 1/2			
Registered	J-D	76	78 1/2	79	87 1/2	79	87 1/2	Reading Co gen gold 4 1/2 1907	J-J	91 1/2	91 1/2	91 1/2	91 1/2		91 1/2	91 1/2			
Debuture gold 4 1/2 1923	M-S	92	92	91 1/2	92	91 1/2	92	Registered	J-J	91 1/2	91 1/2	91 1/2	91 1/2		91 1/2	91 1/2			
25-year gold 4 1/2 1923	M-S	90 1/2	90 1/2	90 1/2	91	90 1/2	90 1/2	Jersey Central coll g 4 1/2 1951	A-O	91	94	90 1/2	90 1/2		90 1/2	90 1/2			
Registered	M-N	90 1/2	90 1/2	90 1/2	91	90 1/2	90 1/2	Atlantic City guar 4 1/2 1951	J-O	91	94	90 1/2	90 1/2		90 1/2	90 1/2			
Ka A & G R 1st gu 6 1/2 1938	J-J	100	104 1/2	Dec '16		100	104 1/2	St Louis & San Fran (reorg Co)	J-J	75	80	80	80		79	82			
Madison C R RR 1st 6 1/2 1934	J-J	100	104 1/2	Dec '16		100	104 1/2	Prior Lien ser A 4 1/2 1950	J-J	63	84	62 1/2	63 1/2		62 1/2	71 1/2			
Pitts & L Erie 2d 6 1/2 1928	A-O	100	104 1/2	May '17		100	104 1/2	79 Sale	J-J	79	84	79	79		79	88 1/2			
Pitts Meck & Y 1st gu 6 1/2 1932	J-J	108	130 1/2	Jan '09		108	130 1/2	60 1/2 Sale	J-J	60 1/2	60	60	60		60	60 1/2			
2d guaranteed 6 1/2 1934	J-J	107	133 1/2	Mar '12		107	133 1/2	Income series A 6 1/2 1900	July	48	54	48	48		48	56 1/2			
McKee & B V 1st gu 6 1/2 1913	M-S	104 1/2	106 1/2	Aug '16		104 1/2	106 1/2	St Louis & San Fran gen 6 1/2 1931	J-J	103	110	111	110		111	112 1/2			
Mohican Central 6 1/2 1913	M-S	104 1/2	106 1/2	Aug '16		104 1/2	106 1/2	General gold 5 1/2 1931	J-J	99 1/2	101 1/2	100 1/2	100 1/2		100	104			
Registered	Q-M	104 1/2	106 1/2	July '16		104 1/2	106 1/2	St L & S F RR cons g 4 1/2 1906	J-J	70 1/2	74 1/2	70 1/2	70 1/2		70 1/2	75			
Registered	J-J	86 1/2	88	Apr '13		86 1/2	88	General 15-20-yr 6 1/2 1927	M-N	70 1/2	74 1/2	70 1/2	70 1/2		70 1/2	75			
J L & S 1st gold 3 1/2 1931	M-S	72	87	Feb '14		72	87	Trust Co cfts of deposit		70 1/2	74 1/2	70 1/2	70 1/2		70 1/2	75			
1st gold 3 1/2 1931	M-S	82 1/2	82 1/2	June '08		82 1/2	82 1/2	do		70 1/2	74 1/2	70 1/2	70 1/2		70 1/2	75			
20-year debenture 4 1/2 1929	A-O	81	84	May '17		81	84	Stamford		70 1/2	74 1/2	70 1/2	70 1/2		70 1/2	75			
N Y Chic & St L 1st 4 1/2 1937	A-O	90 1/2	90 1/2	May '17		90 1/2	90 1/2	Boh Div 1st gu 5 1/2 1947	A-O	85	90	90	90		90	90			
Registered	A-O	90 1/2	90 1/2	May '17		90 1/2	90 1/2	Refunding gold 4 1/2 1951	J-J	83 1/2	83 1/2	83 1/2	83 1/2		83 1/2	83 1/2			
Debuture 4 1/2 1931	M-N	79 1/2	89	May '17		79 1/2	89	Registered	J-J	83 1/2	83 1/2	83 1/2	83 1/2		83 1/2	83 1/2			
West Shore 1st 4 1/2 guar	J-J	80 1/2	87	May '17		80 1/2	87	Trust Co cfts of deposit		77 1/2	74 1/2	74 1/2	74 1/2		74 1/2	78 1/2			
Registered	J-J	80	84 1/2	May '17		80	84 1/2	do		77 1/2	74 1/2	74 1/2	74 1/2		74 1/2	78 1/2			
N Y G Lines eq tr 5 1/2 1916-22	M-N	100 1/2	100 1/2	Jan '17		100 1/2	100 1/2	K C F S & M cons g 6 1/2 1928	M-N	103 1/2	104 1/2	102 1/2	102 1/2		102 1/2	111 1/2			
Equip trust 4 1/2 1917-22	J-J	100 1/2	100 1/2	Jan '17		100 1/2	100 1/2	K C F S & M Ry ref g 4 1/2 1936	A-O	71	71	71	71		71	79 1/2			
N Y Connnet lat gu 4 1/2 A 1933	F-A	92 1/2	97 1/2	60 1/2	May '17	90 1/2	99 1/2	K C M R & B 1st gu 5 1/2 1929	A-O	80	80	80	80		80	80			
N Y N H & Hartford	1917	M-S	79 1/2	79 1/2	Sept '16		79 1/2	St L S W 1st 4 1/2 bond cts 1939	M-N	72 1/2	74	74	74		74	80			
Non-conv debent 4 1/2 1917	M-S	71	71	Nov '16		71	71	2d 4 1/2 income bond cts 1939	J-J	60	63	60	60		60	65 1/2			
Non-conv debent 3 1/2 1917	M-S	62	63	Dec '17		62	63	Consol gold 4 1/2 1932	J-D	62	64	62 1/2	62 1/2		62 1/2	72 1/2			
Non-conv debent 3 1/2 1917	A-O	62	63	Dec '17		62	63	1st term & unit 5 1/2 1952	J-J	64 1/2	67	64 1/2	64 1/2		64 1/2	71 1/2			
Non-conv debent 4 1/2 1917	M-N	70	68	Mar '17		70	68	Gray's Pt Ter 1st gu 6 1/2 1947	J-J	63	66	63	63		63	65			
Non-conv debent 4 1/2 1917	M-N	73	69 1/2	Apr '17		73	69 1/2	S A & A Pass lat gu 4 1/2 1943	J-J	63	66	63	63		63	65			
Conv debenture 3 1/2 1917	J-J	59 1/2	62	60	1	57 1/2	64	S F & N P 1st sk fd 5 1/2 1919	J-J	63	66	63	63		63	65			
Conv debenture 4 1/2 1917	J-J	96	96	97 1/2	7	96	110 1/2	Seaboard Air Line g 4 1/2 1950	A-O	78	83 1/2	79 1/2	79 1/2		79 1/2	82 1/2			
Cons Ry non-conv 4 1/2 1930	F-A	79 1/2	91 1/2	Jan '12		79 1/2	91 1/2	Gold 4 1/2 stamped	A-O	77 1/2	79 1/2	78 1/2	78 1/2		78 1/2	82 1/2			
Non-conv debent 4 1/2 1935	J-J	75 1/2	79 1/2	Apr '16		75 1/2	79 1/2	Adjustment 5 1/2 1949	F-A	60 1/2	60 1/2	60 1/2	60 1/2		60 1/2	68 1/2			
Non-conv debent 4 1/2 1935	A-O	80	80	80		80	80	Refunding 4 1/2 1950	A-O	63	65 1/2	64	64		64	70 1/2			
Harlem R Pt Ches lat 4 1/2 1954	M-N	82 1/2	85	May '17		82 1/2	85	Ad Brn 30-yr 1st g 4 1/2 1933	M-S	70	86	87	87		87	87			
B & N Y Air Line lat 4 1/2 1953	F-A	83	83 1/2	Apr '17		83 1/2	88 1/2	Car Cent lat con g 4 1/2 1949	J-J	98 1/2	98 1/2	98 1/2	98 1/2		98 1/2	98 1/2			
Cent New Eng lat gu 4 1/2 1930	M-S	78	74	Apr '17		78	78 1/2	1st land & Pen 1st g 5 1/2 1918	J-J	101	101	101	101		101	101			
Hartford St Ry lat 4 1/2 1931	M-S	105 1/2	105 1/2	May '15		105 1/2	105 1/2	Consol gold 5 1/2 1943	J-J	101	101	101	101		101	101			
Houston R R cons g 5 1/2 1937	M-N	87	87	July '14		87	87	Ga & Ala Ry 1st con 5 1/2 1943	J-J	83	100 1/2	103 1/2	103 1/2		103 1/2	102			
Naugatuck RR lat 4 1/2 1934	M-N	88	88	Aug '13		88	88	Ga Car & No 1st gu 6 1/2 1929	J-J	100 1/2	100 1/2	100 1/2	100 1/2		100 1/2	102 1/2			
N Y Prov & Boston 4 1/2 1942	A-O	90	90	90		90	90	Seab & Roan lat 5 1/2 1926	J-J	100 1/2	101 1/2	99 1/2	99 1/2		99 1/2	102 1/2			
NYW Ches B 1st ser 1 4 1/2 1946	J-O	60 1/2	60 1/2	Aug '09		60 1/2	60 1/2	Southern Pacific Co		81	81 1/2	81	81		81	88			
N H & Derby cons ey 5 1/2 1918	M-N	107	107	Aug '09		107	107	Gold 4 1/2 (Cent Pac coll) 1949	J-D	81	81 1/2	81	81		81	88			
Boston Terminal lat 4 1/2 1935	A-O	102 1/2	102 1/2	102 1/2		102 1/2	102 1/2	Registered	J-D	81	81	81	81		81	88			
New England cons 5 1/2 1945	J-J	88	99 1/2	Mar '12		88	99 1/2	20-year conv 4 1/2 1929	M-S	82 1/2	81 1/2	82 1/2	82 1/2		82 1/2	88 1/2			
Consol 4 1/2 1945	J-J	88	99 1/2	Mar '12		88	99 1/2	20-year conv 5 1/2 1934	J-D	92 1/2	93 1/2	93 1/2	93 1/2		93 1/2	98 1/2			
Providence Secur deb 4 1/2 1957	M-N	60	57	Apr '16		60	57	Cent Pac 1st ref gu 4 1/2 1949	F-A	85 1/2	85 1/2	85 1/2	85 1/2		85 1/2	93 1/2			
Prov & Springfield 1st 6 1/2 1923	J-J	80 1/2	99 1/2	Dec '14		80 1/2	99 1/2	Registered	F-A	85 1/2	85 1/2	85 1/2	85 1/2		85 1/2	93 1/2			
Providence Term 1st 4 1/2 1925	M-S	80 1/2	83 1/2	Feb '14		80 1/2	83 1/2	Mort guar gold 3 1/2 1929	J-D	85	80 1/2	85	85		85	91 1/2			
W & Con heat lat 4 1/2 1943	J-J	70 1/2	73 1/2	70 1/2	70 1/2	70 1/2	70 1/2	Through St L 1st gu 4 1/2 1954	A-O	79	81 1/2	8							

BONDS		Price		Week's		Range		BONDS		Price		Week's		Range		
N. Y. STOCK EXCHANGE		Friday		Range or		Since		N. Y. STOCK EXCHANGE		Friday		Range or		Since		
Week ending May 25		May 25		Last Sale		Jan. 1		Week ending May 25		May 25		Last Sale		Jan. 1		
	Interest	Bid	Ask	Low	High	No.	Low	High		Interest	Bid	Ask	Low	High	No.	
Union Pacific (Com.)—									Syracuse Lighting 1st g 5a.	1951	J-D	102	97 1/2	May '17	97 1/2	101
One Short Line 1st g 5a.	1922	F-A	103 1/2	105 1/2	103 1/2	105 1/2	1	105 1/2	Syracuse Light & Power 5a.	1954	J-D	90	85	Apr '17	85	87 1/2
One consol g 5a.	1946	J	103	108	104	104	2	104	Trenton G & El 1st g 5a.	1949	M-S		101 1/2	Apr '17	101 1/2	101 1/2
Guar refund 4a.	1929	J-D	87 1/2	Sale	86 3/4	88	34	86 3/4	Union Elec L & P 1st g 5a.	1932	M-S		101 1/2	Dec '16	101 1/2	101 1/2
Utah & Nor gold 5a.	1926	J	99	102	Mar '16				Refunding & extension 5a.	1933	M-N		100	Nov '16	99 1/2	100 1/2
Ext extended 4a.	1933	J	92	100	Apr '16				United Fuel Gas 1st f 6a.	1936	F-A	100	99 1/2	May '17	99 1/2	100 1/2
Vandalla cons g 4s Ser A.	1955	F-A	82 1/2	88 1/2	Apr '17				Utah Power & L 1st g 5a.	1944	F-A	90	80	Apr '17	80	90 1/2
Consol 4s Series B.	1957	M-N	92	88	May '17				Utica Gas & Elec ref 5a.	1950	J-D	101	101	Apr '17	101	103
Vera Cruz & P 1st gu 4 1/2a.	1934	F-A	35	42 1/2	Aug '15				Westchester Lig gold 5a.	1950	J-D	101	105	Mar '17	102	106
Virginian 1st 5s Series A.	1962	M-N	94	96	95	31	95	100 105 1/2								
Wabash 1st gold 5a.	1939	M-N	100 1/2	101	May '17											
2d gold 5a.	1939	F-A	80	95	Oct '16											
Debuture Term 1st 5a.	1939	F-A	80	95	Oct '16											
1st lien equip & f 5a.	1921	M-S	100	100 1/2	Mar '17											
1st lien 50-yr g term 4a.	1954	J	100	100	May '17											
Det & Ch Ext 1st g 5a.	1941	J	100	101 1/2	May '17											
Des Moines Div 1st g 4s.	1939	J	80	80	Aug '12											
Om Div 1st 2 1/4a.	1941	A-O	78	75	Apr '17											
Tol & Ch Div 1st g 4a.	1941	M-S	84 1/2	84 1/2	Jan '17											
Wab Pitts Term 1st g 4s.	1954	J-D														
Cent and Old Col Tr Co cert.																
Columbia Tr Co cert.																
Col Tr etfs for Cent Tr etfs.																
2d gold 4a.	1954	J-D														
Trak Co cert.																
Wash Term 1st 3 1/2a.	1945	F-A	77	80	56 1/2	Jan '17		85 1/2	80 1/2							
1st 40-yr guar 4s 5a.	1945	F-A	95	91 1/2	Aug '15											
West Maryland 1st g 4a.	1952	A-O	68 1/2	70	68 1/2	5	67 1/2	75 1/2								
West N Y & Pa 1st g 5a.	1937	J-D	99	102	102	May '17		99	105 1/2							
Gen gold 4a.	1943	A-O	45	55 1/2	Mar '17			85 1/2	86							
Income 5a.	1943	Nov	45	55 1/2	Oct '16			85 1/2	87 1/2							
Western Pac 1st ser A 5a.	1946	M-S	85 1/2	Sale	85 1/2	92	84 1/2	87 1/2								
Wheeling & L E 1st g 5a.	1926	A-O	101	102 1/2	100 1/2	Apr '17		100	100							
Wheel Div 1st gold 5a.	1923	J	99 1/2	99 1/2	100	Feb '17		100	100							
Exten & 1st gold 5a.	1934	F-A	99 1/2	99 1/2	Mar '17			99 1/2	99 1/2							
RR 1st consol 4a.	1949	M-S	78	78 1/2	78 1/2	1	78	82								
Winston-Salem S B 1st 4a.	1960	J	79	88 1/2	85	May '17		85	88 1/2							
Wa Cent 50-yr 1st gen 4a.	1949	J	84	Sale	84	5	84	88 1/2								
Sup & Dul Div & Term 1st 4s 3/8	1930	M-N	80	85	80 1/2	Apr '17		86	91							
Street Railway																
Brooklyn Rapid Tran g 5a.	1945	A-O	95	Sale	95	95	2	95	101 1/2							
1st refund conv gold 4a.	2002	J	97	73 1/2	Apr '17			73 1/2	77 1/2							
6-year secured notes 5a.	1918	J	98 1/2	Sale	97 3/4	98 3/4	15	97 1/2	101 1/2							
Bk City 1st con 4a.	1916	1941	J	81	94 1/2	Nov '16		100 1/2	101 1/2							
BK Q Co & S con g 5a.	1941	M-N	99 1/2	101	May '13			100	100							
Bklyn Q Co & S 1st 5a.	1941	F-A	92 1/2	96	92	2	92	101 1/2								
Bklyn El 1st g 4 1/2a.	1950	F-A	92 1/2	95	92	1	92	101 1/2								
Stamped guar 5a.	1950	F-A	78	78	78	1	75	80 1/2								
Kings County E 1st g 4a.	1949	F-A	80	81 1/2	Apr '17			81 1/2	87							
Nassau Elec guar gold 4a.	1951	J	73	71	Mar '17			70 1/2	74 1/2							
Chicago Rys 1st 5a.	1927	F-A	93 1/2	94 1/2	93 1/2	94 1/2	22	92 1/2	97 1/2							
Conn Ry & L 1st & ref g 4 1/2a.	1951	J-D	93 1/2	99 1/2	100 1/2	Feb '17		101 1/2	101 1/2							
Stamped guar 4 1/2a.	1951	J-D	80 1/2	81 1/2	Jan '14			80	80 1/2							
Det United 1st con g 4 1/2a.	1932	J	61	62	61	16	58	69 1/2								
Ft Smith L & Tr 1st g 5a.	1936	M-S	14	14 1/2	14 1/2	16	14 1/2	25 1/2								
Hud & Manhat 5s Ser A.	1957	F-A	100 1/2	100 1/2	100	Feb '17		100	100 1/2							
Adjust Income 5a.	1957	F-A	64	Sale	62 1/2	64 1/2	95	61 1/2	73 1/2							
N Y & Jersey 1st 5a.	1956	A-O	93 1/2	Sale	93 1/2	93	107	91 1/2	99 1/2							
Interboro-Metrop col 4 1/2a.	1956	A-O	83 1/2	Sale	85 1/2	85 1/2	7	85 1/2	94 1/2							
Interboro Rap Tran 1st 4a.	1996	A-O	85 1/2	Sale	85 1/2	85 1/2	7	85 1/2	94 1/2							
Manhat Ry (N Y) cons g 4a.	1990	A-O	85 1/2	Sale	85 1/2	85 1/2	7	85 1/2	94 1/2							
Stamped tax-exempt.	1990	A-O														
Metropolitan Street Ry																
Bway & 7th Av 1st g 5a.	1943	J-D	93	94	May '17			94	100							
Col & 9th Av 1st g 5a.	1943	M-S	99	96 1/2	Apr '17			95	100							
Lex Av & P 1st g 5a.	1993	J	99 1/2	99 1/2	Mar '14			99 1/2	99 1/2							
Met W S E P (Chic) 1st g 4a.	1948	F-A	103	103	Mar '17			103	103							
Milw Elec Ry & L 1st g 5a.	1926	F-A	93	93	Nov '16			93	93							
Refunding & extn 4 1/2a.	1931	J-D	98	99 1/2	101	Aug '16		99	99 1/2							
Minneapolis 1st con g 5a.	1919	J	87	90	89 1/2	May '17		89 1/2	90 1/2							
Montreal Tram 1st & ref 5a.	1941	J-D	99	99	May '17			99	99 1/2							
New Or Ry & L 1st & ref g 4 1/2a.	1935	J	57 1/2	59 1/2	57 1/2	84	57 1/2	71 1/2								
N Y Munif Ry 1st f 5a A 1966	1943	J-D	26	Sale	25 1/2	26 1/2	1	26	27 1/2							
N Y Rys 1st R E & ref 4a.	1943	J-D	77 1/2	83	77 1/2	84	77 1/2	87 1/2								
30-year adj inc 5a.	1942	A-O	83 1/2	92	88 1/2	Nov '16		77 1/2	78 1/2							
N Y State Rys 1st con 4 1/2a.	1962	M-N	73	78	Apr '17			77 1/2	78 1/2							
Portland Ry 1st & ref 5a.	1930	F-A	90 1/2	90 1/2	Feb '17			90 1/2	90 1/2							
Portland Gas & Elec 1st 5a.	1935	J	100	100	Apr '17			100	100							
St Jos Ry L H & P 1st g 5a.	1937	M-N	100	100	Apr '17			100	100							
St Paul City Cab cons g 5a.	1937	J	100 1/2	102 1/2	Mar '17			102 1/2	102 1/2							
Third Ave 1st ref 4a.	1960	J-D	66	Sale	66	67	19	66	80 1/2							
Adj Inc 5a.	1960	A-O	44 1/2	Sale	42 1/2	44 1/2	101	38	73 1/2							
Third Ave Ry 1st g 5a.	1937	J	100	105 1/2	Mar '17			105 1/2	108							
Tri-City Ry & L 1st s f 5a.	1923	A-O	97 1/2	98	96 3/4	97	6	95 1/2	101							
Undergr of London 4 1/2a.	1953	J-D	85	90	Mar '17			89 1/2	90							
Income 6a.	1948	A-O	70	84	Oct '08			63 1/2	63 1/2							
Union Elev (Chic) 1st g 5a.	1949	M-N	75	70	Mar '17			70								

SHARE PRICES—NOT PER CENTUM PRICES.

Table with columns for dates (Saturday May 19 to Friday May 25) and stock prices. Includes sub-sections for 'Sales of the Week Shares' and 'STOCKS BOSTON STOCK EXCHANGE'.

Table listing various stocks and bonds with columns for 'Range Since Jan. 1' (Lowest, Highest) and 'Range for Previous Year 1916' (Lowest, Highest). Includes categories like Railroads, Miscellaneous, and Mining.

* Bid and asked prices. * Ex-dividend and rights. * Assessment paid. * Ex-rights. * Ex-dividend. * Half-paid.

Outside Stock Exchanges

Boston Bond Record.—Transactions in bonds at the Boston Stock Exchange May 19 to May 25, both inclusive:

Table with columns: Bonds, Friday Last Sale Price, Week's Range of Prices, Sales for Week, Range since Jan. 1. (Low, High). Includes entries like Am Agric Chem 5s, Am Tel & Tel coll 4s, etc.

Chicago Stock Exchange.—Record of transactions at Chicago May 19 to May 25, both inclusive, compiled from official sales lists:

Table with columns: Stocks, Par, Friday Last Sale Price, Week's Range of Prices, Sales for Week, Range since Jan. 1. (Low, High). Includes entries like American Radiator, Amer Shipbuilding, American Straw Board, etc.

Ex-dividend, b Ex-50% stock dividend, c Ex-25% stock dividend.

Pittsburgh Stock Exchange.—The complete record of transactions at the Pittsburgh Stock Exchange from May 19 to May 25, 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, Sales for Week, Range since Jan. 1. (Low, High). Includes entries like Amer Sewer Pipe, Amer Wind Glass Mach 100, Cable Consol Mining, etc.

Table with columns: Stocks (Concluded) Par, Friday Last Sale Price, Week's Range of Prices, Sales for Week, Range since Jan. 1. (Low, High). Includes entries like U S Steel Corp com, West house Air Brake, West house Elec & Mfg, etc.

Baltimore Stock Exchange.—Complete record of the transactions at the Baltimore Stock Exchange from May 19 to May 25, 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, Sales for Week, Range since Jan. 1. (Low, High). Includes entries like Alabama Co, 1st preferred, 2d preferred, Atlantic Petroleum, etc.

Table with columns: Bonds, Par, Friday Last Sale Price, Week's Range of Prices, Sales for Week, Range since Jan. 1. (Low, High). Includes entries like Arundel Sand & G 6s, AtCLeonvdb 6s, Bailt Elec stamped 5s, etc.

Philadelphia Stock Exchange.—The complete record of transactions at the Philadelphia Stock Exchange from May 19 to May 25, 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, Sales for Week, Range since Jan. 1. (Low, High). Includes entries like Alliance Insurance, American Milling, American Railways, etc.

Table of stock prices and sales for various companies including Welsbach, West Jersey & Sea Shore, and various bonds. Columns include Stock Name, Par, Friday Last Sale Price, Week's Range of Prices, Sales for Week, and Range since Jan. 1.

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. Columns include Week ending, Stocks (Shares, Par Value), Railroad, State, Man. & Foreign Bonds, and U. S. Bonds.

Table showing sales at the New York Stock Exchange. Columns include Week ending, Stocks (1917, 1916), Jan. 1 to May 25, 1917, and 1916.

DAILY TRANSACTIONS AT THE BOSTON, PHILADELPHIA AND BALTIMORE STOCK EXCHANGES.

Table showing daily transactions at the Boston, Philadelphia, and Baltimore stock exchanges. Columns include Week ending, Boston, Philadelphia, and Baltimore (Shares, Bond Sales).

New York "Curb" Market.—Below we give a record of the transactions in the outside security market from May 19 to May 25, both inclusive. It covers the week ending Friday afternoon:

Table of transactions in the New York "Curb" market. Columns include Stock Name, Par, Friday Last Sale Price, Week's Range of Prices, Sales for Week, and Range since Jan. 1.

Table of stock prices and sales for various companies including Marlin Arms, Maxim Munitions, Mitchell Mot, and various bonds. Columns include Stock Name, Par, Friday Last Sale Price, Week's Range of Prices, Sales for Week, and Range since Jan. 1.

Table of stock prices and sales for various companies including Alcock Oil, Allen Oil, Atlantic Petroleum, and various bonds. Columns include Stock Name, Par, Friday Last Sale Price, Week's Range of Prices, Sales for Week, and Range since Jan. 1.

Table of stock prices and sales for various companies including Alaska-Brit Col Metals, Alaska Mines, Arizona Standard, and various bonds. Columns include Stock Name, Par, Friday Last Sale Price, Week's Range of Prices, Sales for Week, and Range since Jan. 1.

Week ending May 25.	Friday Last Sale Price.	Week's Range of Prices.		Sales for Week Shares.	Range since Jan. 1.	
		Low.	High.		Low.	High.
Loma Prieta Cons Mines	1 1/2	1 1/2	1 1/2	1,300	1	Feb 1 1/2
Louisiana Consol.	10c	1 3/16	1 3/16	55,000	80c	Feb 1 3/16
Magma Copper	48 1/2	47	49	4,720	40	Jan 35 1/2
Magma Copper	23c	21c	25c	10,100	19c	Mar 59 1/2
Magnate Copper	80c	85c	90c	25,900	75c	Apr 89c
Marsh Mining	20c	18c	21c	30,700	9c	Jan 23c
Marysville Gold Min.	1 1/16	1 1/8	1 1/4	8,500	11 1/16	May 1 1/2
Mason Valley	6 1/2	5 1/2	6 1/4	9,200	5	Feb 7 1/2
McKinley-Darragh Sav.	51c	50c	51c	1,000	46c	Apr 57c
Miami Mercer Copper	1 1/2	3-10	3-10	600	3-16	May 2 5/16
Milford Copper	1 1/4	9/16	1-1/16	16,800	90c	Apr 1 3/16
Mohican Copper	3 1/2	3 1/4	3 1/2	10,100	3 1/4	Mar 1 1/2
Mojave Tungsten	2	7-10	1 1/2	1,000	3/4	Apr 1 1/2
Monitor Hill L&M M.M.	1	3/4	1	2,600	3/4	Mar 1 1/2
Monter Chief	0-32	1/4	5-16	21,300	3-16	Mar 1/4
Mother Lode	31c	27c	32c	31,500	26c	May 46c
Nancy Hanks-Montana	1	1	1 1/2	4,600	80c	Feb 1 1/2
National Leasing	20c	18c	20c	6,500	18c	May 20c
National Zinc & Lead	70c	45c	70c	49,000	45c	May 70c
Newray Mines Ltd	1	3/4	1	7,200	3/4	May 1 1/2
N Y Zinc	1 1/2	1-1/16	1 1/2	51,300	1 1/16	3 1/2
Nicklas Mining	1	3-10	2	1,100	1	Apr 2 1/2
Nixon Nevada	1	60c	50c	7,000	50c	May 70c
Old Copper new w r	1 1/2	1-1/16	1 3/16	31,700	3/4	Feb 1 1/2
Old Emma Leasing	10c	45c	30c	45c	25c	May 68c
Portland Cons Cop.	1 1/4	1 1/4	1 1/4	21,900	3/4	May 1 1/4
Progress Min & Mill	1	3-10	3-10	1,000	3-10	May 3/4
Ray Hercules	3 1/2	3 1/4	4	1,400	3 1/4	May 5
Red Warrior	1	3/4	1 1/4	3,600	3/4	Apr 1 9-16
Rochester Mines	62c	62c	69c	19,650	50c	Apr 72c
Sacramento Vall Cop	1 1/4	1 1/4	1 1/4	2,000	1	Jan 1 1/4
Sagamore M Co	1 1/2	7-32	1-9-32	8,200	81c	Apr 1 5-16
Santa Rita Devel	1	5-16	5-16	4,000	3-16	May 3/4
Sat Toy Mining	19c	11 1/2	20c	17,200	11 1/2	May 20c
Seneca Copper (no par)	9 1/2	9 1/4	10	2,100	8 3/4	May 10c
Senorita Copper	1	1 1/4	1 1/2	8,050	1	Apr 2
Silver King of Arizona	3-16	1/4	7-32	10,500	1/4	May 13-16
Silver Pick Cons	1	10c	10 1/2	1,000	10c	Mar 26c
Standard Silver-Lead	1	22-32	3/4	4,000	3/4	Feb 3/4
Stewart Mining	0-32	0-32	5-16	5,000	3/4	Apr 17-32
Success Mining	34c	33c	38c	13,000	33c	Feb 60c
Superstition Mining	28c	25c	29c	15,800	25c	May 30c
Tommy Burns G M com	21c	15c	25c	14,000	14c	Jan 70c
Tono-Belmont Devel	4 1/4	4	4 1/2	6,500	4	May 4 1/2
Tonopah Extension Min.	2	2	2 1/2	12,900	2	May 4 1/2
Tonopah Mining	2	0 1/4	6 1/8	30	5 1/2	Feb 7
Tri-Bullion S & D	5	3 1/2	5 1/2	1,800	3 1/2	May 1 1/2
Troy-Arizona Cop Co	34c	30c	35c	14,200	28c	May 62c
Tuolumne Copper	1	1	1 1/4	3,000	1	May 2 1/4
Tuolumne River Gold M	1 1/2	1 1/4	1 1/2	11,000	1 1/4	May 1 1/2
United Copper Mining	1	3/4	1-1/16	10,200	13-16	Apr 15-16
United Eastern	4 1/2	4 1/4	4 3/4	1,300	3 3/4	May 5 1/2
United Magma Mines	28c	28c	35c	12,200	24c	Apr 57c
United Mines of Ariz	1	3/4	1	12,000	3/4	Apr 1 1/4
U S Tungsten	23c	21c	24c	17,300	20c	Jan 25c
United Verde Exten	60c	38 1/2	38 1/2	33 1/2	33 1/2	Feb 40
United Zinc (no par)	5 1/4	3 1/4	3 1/4	1,100	2 1/4	Jan 3 1/4
Unity Gold Mines	6	2 1/2	2 1/2	19,100	65c	Apr 2 1/2
Utah Nat Mines	1	7/8	7/8	14,100	69c	Apr 78c
Verde Inspiration	1	65c	65c	1,400	62c	Apr 84c
West End Consolidated	15	1 7-10	1 7-10	3,500	34c	Jan 2 1/2
White Cross Mining	10c	1 1/2	1 1/2	11,400	1 1/2	Jan 60c
White Cross Copper	1	3/4	3/4	30,600	21c	Feb 60c
Yerlington Mt Cop	32c	31c	32c	300	1 1/4	Apr 2 1/2
Yukon Gold	5	2 1/2	2 1/2	300	1 1/4	Apr 2 1/2

* Odd lots. † No par value. ‡ Listed as a prospect. § Listed on the Stock Exchange this week, where additional transactions will be found. ¶ New stock. * Unlisted. † Ex-stock and stock dividends. ‡ When issued. § Ex-dividend. ¶ Ex-rights. † Ex-stock dividend.

CURRENT NOTICE.

—Hayden, Miller & Co., Cleveland, O., are offering a block of Lorain Street Ry. Consolidated (now First) Mtge. 5% bonds of 1899, of which \$550,000 are outstanding and \$200,000 are deposited as collateral to secure an issue of \$200,000 Lorain Street RR. (successor company) 6% notes due 1918.

New York City Banks and Trust Companies

Bank	Assets	Liabilities	Trust Co's	Assets	Liabilities
Bank of N.Y.	545	555	Manhattan	340	340
America	235	240	Mark & Felt	255	255
Amer Exch	175	182	Mech & Met	295	303
Atlantic	150	160	Mechanics	245	245
Battery Park	400	400	Metropolis	275	300
Bowery	200	200	Metropol'n	180	190
Bronx Boro	150	150	Mutual	375	375
Bronx Nat	145	160	New Neth	215	225
Bryant Park	90	100	New York Co	400	400
Butch & Dr.	350	365	New York	405	415
Chase	238	245	Pacific	270	270
Chat & Phen	100	120	Park	425	475
Chelsea Ex	388	395	People's	200	220
Chemical	197	205	Prod Exch	188	198
Citizens	445	450	Realty	230	240
City	210	230	Seaboard	450	450
Coal & Iron	450	450	Second	395	415
Colonial	315	315	Sherman	120	130
Columbia	1170	1200	State	100	110
Commerces	315	325	23d Ward	100	135
Corn Exch	85	95	Union Exch	160	160
Cosmopol'n	60	70	Unit States	500	500
East River	150	150	Wash H's	275	275
Fidelity	4300	4300	West Av	300	350
Fifth Ave	200	225	West side	590	590
Flt	900	1015	Yorkville	590	590
Garfield	182	187	Brooklyn	125	135
Germ-Amer	125	140	Coney Isl'd	255	270
German Ex	390	405	Flat	140	155
Germania	200	235	Flatbush	155	165
Gotham	220	230	Greenpoint	155	165
Greenwich	310	325	Hillside	110	120
Hancock	680	695	Homestead	115	115
Hartman	230	240	Mechanics	125	130
Imp & Trad	510	530	Montauk	90	105
Irving	215	225	Nassau	200	210
Liberty	950	1000	Nationl City	205	215
Lincoln	310	330	North Side	175	200
			People's	130	140

* Banks marked with a (*) are State banks. † Sale at auction or at Stock Exchange this week. ‡ New stock. § Ex-rights. ¶ Ex-100% stock dividend.

New York City Realty and Surety Companies

Company	Bid	Ask	Company	Bid	Ask
Alliance Rty	70	77	Lawyers Mtg	137	143
Amer Surety	125	130	Mtge Bond	98	103
Bond & M	235	245	Nat Surety	210	218
Casualty Co	12	17	N Y Title & Mtge	88	93
City Invest & Preferred	60	67			

Quotations for Sundry Securities

All bond prices are "and interest" except where marked "F".

Standard Oil Stocks	Per Share	RR. Equipments—Per Cent	Basis	Per Cent
Anglo-American Oil new	151 1/2	Baltimore & Ohio 4 1/2	4.90	4.60
Atlantic Refining	100 965	Buff Roch & Pittsburgh 4 1/2	4.75	4.50
Borne-Strymer Co.	100 420	Equipment 4 1/2	4.75	4.50
Buckeye Pipe Line Co.	50 104	Canadian Pacific 4 1/2	5.10	4.80
Chesbrough Mfg new	100 385	Caro Clinefield & Ohio 5 1/2	5.75	5.00
Colonial Oil	100 50	Central of Georgia 5 1/2	5.25	4.75
Continental Oil	100 520	Equipment 4 1/2	5.25	4.75
Crescent Pipe Line Co.	50 37	Chicago & Alton 4 1/2	5.75	5.00
Cumberland Pipe Line	100 155	Chicago & Eastern Ill 5 1/2	6.25	5.50
Eureka Pipe Line Co.	100 205	Equipment 4 1/2	6.25	5.60
Galea-Signal Oil com.	100 153	Chic Ind & Louisv 4 1/2	5.25	4.80
Preferred	100 138	Chic St Louis & N O 5 1/2	4.90	4.60
Illinois Pipe Line	100 215	Chicago & N W 4 1/2	4.75	4.50
Indiana Pipe Line Co.	50 97	Chicago R I & Pac 4 1/2	6.00	5.00
International Petroleum	1 13 1/2	Colorado & Southern 5 1/2	5.25	4.80
National Transit Co.	12.50	Erie 5 1/2	5.20	4.80
New York Transit Co.	100 190	Equipment 4 1/2	5.20	4.80
Northern Pipe Line Co.	100 103	Equipment 4 1/2	5.20	4.80
Ohio Oil Co.	25 367	Hoeking Valley 4 1/2	5.00	4.60
Penn-Mex Fuel Co.	25 415	Equipment 5 1/2	5.25	4.70
Pierces Oil Corporation	25 133	Illinois Central 5 1/2	4.85	4.50
Prairie Oil & Gas	100 545	Equipment 4 1/2	4.75	4.50
Prairie Pipe Line	100 298	Kansas & Michigan 4 1/2	5.25	4.80
Solar Refining	100 335	Louisville & Nashville 5 1/2	4.85	4.60
Southern Pipe Line Co.	100 195	Missouri Pacific 5 1/2	5.75	5.00
South Penn Oil	100 283	Mobile & Ohio 5 1/2	5.30	4.90
Southwest Pa Pipe Lines	100 112	Equipment 4 1/2	5.30	4.90
Standard Oil (California)	100 270	New York Central Lines 5 1/2	5.25	4.75
Standard Oil (Indiana)	100 785	Equipment 4 1/2	5.25	4.75
Standard Oil (Kansas)	100 475	N Y Ontario & West 4 1/2	5.25	4.80
Standard Oil (Kentucky)	100 340	Norfolk & Western 4 1/2	4.75	4.50
Standard Oil (Nebraska)	100 500	Equipment 4 1/2	4.75	4.50
Standard Oil of New Jer.	100 625	St Louis Iron Mt & Sou 5 1/2	5.30	5.00
Standard Oil of New Yk	100 297	St Louis & San Francisco 5 1/2	6.00	5.00
Standard Oil (Ohio)	100 435	Seaboard Air Line 5 1/2	5.40	4.90
Swand's Flack	100 100	Equipment 4 1/2	5.40	4.90
Union Tank Line Co.	100 92	Southern Pacific Co 4 1/2	4.90	4.60
Vacuum Oil	100 370	Southern Railway 4 1/2	5.15	4.75
Washington Oil	100 28	Toledo & Ohio Central 4 1/2	5.40	4.90

* Per share. † Basis. ‡ Purchaser also pays accrued dividend. § New stock. ¶ Flat price. † Nominal. ‡ Ex-100% dividend. § Ex-dividend. ¶ Ex-rights.

Investment and Railroad Intelligence.

RAILROAD GROSS EARNINGS.

The following table shows the gross earnings of every STEAM railroad from which regular 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-tables for 'Various Fiscal Years' and 'AGGREGATES OF GROSS EARNINGS - Weekly and Monthly'.

AGGREGATES OF GROSS EARNINGS - Weekly and Monthly. Sub-tables for Weekly Summaries and Monthly Summaries, showing current and previous year earnings, increases or decreases, and percentages.

Includes Cleveland Lorain & Wheeling Ry. b Includes Evansville & Terre Haute. c Includes Mason City & Fort Dodge and the Wisconsin Creek District Ry. d Includes Louisville & Atlantic and the Frankfort & Cincinnati. e Includes the Texas Central and the Wichita Falls lines. f Includes the St. Louis Iron Mountain & Southern. g Includes the Lake Shore & Michigan Southern Ry., Chicago Indiana & Southern RR., and the Nor. Alabama. h Includes Vandalla R.R. i Includes N. Or. Ohio RR. j Includes Northern Central. * We no longer include 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 second week of May. The table covers 32 roads and shows 16.28% increase in the aggregate over the same week last year.

Second Week of May.	1917.	1916.	Increase.	Decrease.
Ann Arbor	\$ 59,646	\$ 53,887	\$ 5,759	
Atlanta Birmingham & Atlantic	73,610	51,361	22,249	
Buffalo Rochester & Pittsburgh	309,879	265,426	44,453	
Canadian Northern	582,000	748,300	133,700	
Canadian Pacific	3,123,000	2,592,000	531,000	
Chesapeake & Ohio	1,023,548	952,555	76,981	
Chicago Great Western	336,243	326,924	9,319	
Chicago Ind & Louisville	176,405	158,996	17,409	
Colorado & Southern	306,761	281,409	25,352	
Denver & Rio Grande	565,700	458,800	106,900	
Denver & Salt Lake	35,788	28,679	7,109	
Detroit & Mackinac	25,793	23,668	2,125	
Duluth South Shore & Atlantic	73,819	68,703	5,116	
Georgia Southern & Florida	48,244	43,253	4,991	
Grand Trunk of Canada				
Grand Trunk Western	1,356,646	1,076,436	280,210	
Detroit Grand Hav & Milw.				
Canada Atlantic				
Louisville & Nashville	1,388,410	1,237,110	151,300	
Mineral Range	20,167	20,495		328
Minneapolis & St. Louis	217,880	210,790	7,090	
Iowa Central				
Minneapolis St Paul & S S M.	661,013	593,810	67,203	
Missouri Kansas & Texas	607,456	610,802	96,654	
Mobile & Ohio	281,856	247,838	33,548	
Nevada-California-Oregon	7,622	5,584	2,038	
Rio Grande Southern	10,100	10,325		225
St. Louis Southwestern	296,000	224,000	72,000	
Southern Railway System	2,063,717	1,827,963	235,754	
Tennessee Alabama & Georgia	2,415	2,172	243	
Texas & Pacific	386,603	303,194	83,409	
Toledo St. Louis & Western	149,222	130,018	19,204	
Western Maryland	208,122	193,268	14,854	
Total (32 roads)	14,803,193	12,747,776	2,055,970	553
Net increase (16.28%)			2,055,417	

Net Earnings Monthly to Latest Dates.—The table following shows the gross and net earnings with charges and surplus of STEAM railroad and industrial companies reported this week:

Roads.	Gross Earnings		Net Earnings	
	Current Year.	Previous Year.	Current Year.	Previous Year.
Atchafalaya & S. Fe. b. Apr 13	269,739	11,049,400	3,974,960	3,938,049
July 1 to Apr 30	128,544,802	109,860,073	49,987,652	40,959,858
Kansas City South b. Apr	1,058,731	892,081	428,259	354,603
Jan 1 to Apr 30	4,201,160	3,402,863	1,681,466	1,268,362
Wabash Ry. b. Apr 3	3,776,333	2,984,869	1,113,166	976,966
Jan 1 to Apr 30	12,385,651	11,763,258	3,560,160	3,746,077

a Net earnings here given are after deducting taxes.
 b Net earnings here given are before deducting taxes.
 For April taxes and uncollectible railway revenue amounted to \$594,876, against \$530,528 in 1916; after deducting which, net for April 1917 was \$3,380,083, against \$3,407,521 last year. From July 1 to April 30 taxes, etc., were \$5,962,823 in 1917, against \$5,199,315 in 1916. The per cent of return on property investment was 7.01 for the 12 months ending April 30 1917, against 6.67 for the same period last year.

Roads.	Gross Earnings		Net Earnings		Charges & Taxes.	Balance Surplus.
	Current Year.	Previous Year.	Current Year.	Previous Year.		
Delaware & Hudson—						
3 mos: Mar 31 '17	6,377,398	1,118,807				53,939
'16	6,324,091	2,034,898				777,352
Fonda John & Gloy—						
Apr '17	86,574	37,853	1	37,854	37,013	841
'16	82,665	40,922	1,525	42,447	37,692	4,755
4 mos '17	333,577	140,082	8,657	148,739	147,016	1,723
'16	308,514	138,698	7,679	146,377	147,635	def1,258
Norfolk & Western—						
Apr '17	5,077,097	1,830,025	352,529	2,191,554	586,022	1,605,532
'16	4,876,973	1,998,381	182,931	2,181,312	533,976	1,647,336
4 mos '17	19,685,709	7,752,792	1,331,615	9,084,407	2,309,731	6,774,678
'16	18,860,031	8,286,249	668,626	8,954,875	2,116,759	6,838,111

EXPRESS COMPANIES.

Canadian Express Co.—	Month of February		Jan. 1 to Feb. 28	
	1917.	1916.	1917.	1916.
Total from transportation	\$ 354,134	\$ 264,554	\$ 668,679	\$ 522,261
Express privileges—Dr.	182,330	125,034	355,084	275,738
Revenue from transport'n.	171,803	139,520	313,595	246,523
Operations other than trans.	10,634	4,492	22,479	9,496
Total operating revenues	182,437	144,012	336,075	256,020
Operating expenses	164,423	125,185	328,793	246,361
Net operating revenue	18,013	18,827	7,341	9,658
Uncollectible rev. from trans.	3	234	157	272
Express taxes	7,000	4,200	14,000	8,400
Operating income	11,010	14,393	loss 6,515	986
Northern Express Co.—	Month of March		Jan. 1 to Mar. 31	
	1917.	1916.	1917.	1916.
Total from transportation	\$ 270,634	\$ 222,463	\$ 694,099	\$ 600,576
Express privileges—Dr.	148,578	121,613	383,127	331,076
Revenue from transport'n.	122,055	100,850	310,971	268,600
Oper. other than transport'n	3,781	3,494	10,040	8,941
Total operating revenues	125,837	104,344	321,012	277,541
Operating expenses	96,096	88,456	279,760	252,223
Net operating revenue	29,741	15,888	41,251	25,317
Uncollectible rev. from trans.	46	16	202	74
Express taxes	6,000	5,000	18,000	15,000
Operating income	23,694	10,871	23,040	10,243

ELECTRIC RAILWAY AND PUBLIC UTILITY COS.

Name of Road or Company.	Latest Gross Earnings.		Jan. 1 to latest date.		
	Week of Month.	Current Year.	Previous Year.	Current Year.	Previous Year.
Adirondack El Pow Corp	March	\$ 132,451	\$ 128,235	\$ 419,918	\$ 393,482
Atlantic Shore Ry	April	27,158	23,576	97,840	91,418
Chic & Elgin	March	163,197	146,546	469,516	439,640
Bangor Ry & Elec	March	71,203	63,794	214,663	192,484
Baton Rouge Elec Co	March	18,277	16,200	57,545	61,177
Belt L Ry Corp (NYC)	February	61,941	58,420	109,688	124,151
Berkshire Street Ry	March	87,361	72,293	245,482	212,396
Brazilian Trac. L & P	March	775,900	691,300	2,168,000	1,915,000
Brock & Plym St Ry	March	8,413	7,097	25,143	23,455

Name of Road or Company.	Week of Month.	Latest Gross Earnings.		Jan. 1 to latest date.	
		Current Year.	Previous Year.	Current Year.	Previous Year.
Bklyn Rap Tran Syst	February	\$ 2184,955	\$ 2099,998	\$ 4,624,424	\$ 4,357,557
Cape Breton Elec Co	March	33,754	27,867	104,345	90,625
Cent Miss V El Prop.	March	23,629	23,516	72,328	72,328
Chatanooga Ry & L	March	106,691	100,095	315,017	297,614
Cities Service Co.	April	1609,012	638,492	6,368,810	2,612,221
Cleveland & East	March	38,255	32,533	107,053	93,356
Cleve Palmsv & East	March	117,466	104,120	331,373	303,029
Cres Southw & Col.	April	917,782	787,024	4,082,813	3,477,541
Columbia Gas & El	March	87,851	66,736	258,445	203,305
Colum (O) Ry, L & P	March	332,389	288,094	986,278	866,211
Com'w'th P, Ry & L	April	1502,961	1313,207	6,209,952	5,437,467
Connecticut Co.	March	806,909	751,504	2,314,102	2,134,382
Consum Pow (Mich)	April	450,732	371,398	1,852,919	1,632,625
Cumb Co (Me) P & L	March	236,387	209,374	692,381	620,956
Dallas Electric Co.	March	188,025	159,828	568,142	496,179
Dayton Pow & Lt.	April	142,023	125,577	536,033	531,879
g Detroit Edison	April	977,958	775,855	4,166,105	3,717,056
Detroit Electric Lines	March	143,168	123,688	4,143,246	3,623,118
D E E B & Batt (Rec)	February	32,542	37,840	67,229	77,977
Duluth Superior Trac	April	131,287	106,730	510,602	430,766
East St. Louis & Sub.	March	287,052	231,887	847,817	688,727
Eastern Texas Elec.	March	76,062	62,339	228,421	192,608
El Paso Electric Co.	March	108,183	86,491	335,751	282,920
42d St M & St N Ave	February	128,719	146,979	209,048	310,559
g Federal Lt & Trac.	March	239,235	216,914	712,926	658,514
Galv-Hous Elec Co.	March	157,470	158,394	468,500	460,506
Grand Rapids Ry Co	March	315,772	291,943	986,339	924,164
Great West Pow Syst	March	40,824	35,076	87,492	71,619
Hagers'n & Fred Ry.	February	90,003	89,701	304,720	355,614
Harrisburg Railways	April	545,397	470,616	1,597,210	1,452,233
Havana El Ry, L & P	March	59,741	53,664	173,992	161,123
Honolulu RT & Land	March	30,497	27,191	81,499	76,193
Houghton Co Tr Co.	March	524,053	503,689	2,107,514	1,981,711
b Hudson & Manhat.	March	1080,633	985,925	3,282,112	3,022,529
Illinois Traction	March	3521,020	3243,930	11,074,347	12,879,708
Interboro Rap Tran.	April	61,510	54,731	174,603	157,914
Jacksonville Trac Co	March	18,750	19,939	58,686	58,912
Kooluk Electric Co.	March	11,359	9,236	33,244	28,058
Key West Electric	March	132,542	114,647	380,290	334,523
Lake Shore Elec Ry.	March	217,984	198,636	850,545	754,043
Lehigh Valley Transit	March	67,227	55,204	183,723	158,661
Lewis Aug & Waterv	February	14,769	14,655	31,027	30,489
Long Island Electric	March	261,478	250,571	748,541	728,367
Louisville Railway	March	639,406	562,680	2,610,881	2,333,761
Milw El Ry & Lt Co.	April	167,274	133,104	666,752	517,844
Milw Lt, Ht & Tr Co.	March	202,777	128,044	565,490	371,028
Monongahela Valley Tr	March	202,328	194,038	698,770	575,941
Nashville Ry & Light	March	39,453	34,788	118,068	117,790
New N & H Ry G & E	February	26,914	26,205	57,078	55,607
N Y City Interboro	February	10,175	10,570	21,525	22,735
N Y & North Shore	February	86,122	100,303	197,526	209,423
N Y & Queens Co.	February	914,076	1040,670	1,911,151	2,162,113
New York Railways	March	27,318	24,955	77,311	71,420
N Y & Stamford Ry.	March	45,165	39,835	130,528	118,018
N Y Westches & Bos	March	17,334	17,282	49,654	48,016
Northampton Trac.	April	534,826	405,058	2,054,763	1,641,963
Nor Ohio Trac & Lt.	February	199,545	190,936	529,223	459,444
North Texas Electric	March	5,148	5,164	10,552	10,588
Ocean Electric (L I)	February	1025,814	1600,035	3,369,379	3,362,748
Pacific Gas & Elec.	March	270,616	259,776	815,208	761,415
g Paducah Tr & Lt Co	March	25,394	25,725	79,732	78,790
Pensacola Electric Co	March	25,221	24,056	79,176	69,825
Phila Rapid Transit.	April	2456,300	2272,272	9,600,249	8,718,030
Phila & Western Ry	April	45,646	42,503	162,468	149,843
Port (Ore) Ry, L & P Co.	April	474,478	450,803	1,424,617	1,315,122
g Puget Sd Tr L & P.	February	720,178	597,215	1,508,948	1,366,808
g Republic Ry & Lt.	April	368,029	327,672	1,482,279	

	Gross Earnings.	Net after Taxes.	Fixed Chgs.	Balance, Surplus.		Gross Earnings.	Net Earnings.	Fixed Chgs. & Taxes.	Balance, Surplus.					
Chatt Ry & Light. Mar '17	106,691	32,060	29,753	2,307	Harrisburg Rys. Apr '17	90,003	43,431	32,243	11,188					
'18	100,095	39,527	29,793	9,734	'18	89,701	54,502	32,191	22,311					
3 mos '17	315,917	97,819	92,113	5,076	4 mos '17	364,720	175,662	128,972	46,690					
'18	297,698	114,055	87,218	20,837	'18	355,614	218,558	128,570	89,968					
Cleve Paines & E. Mar '17	38,255	13,932	11,380	2,543	Honolulu Rap Tr & Land Mar '17	59,741	32,595	6,916	25,679					
'18	32,533	12,546	11,046	1,500	3 mos '17	53,664	21,638	6,759	14,879					
3 mos '17	107,053	39,007	34,262	4,745	'18	173,932	91,303	20,748	75,234					
'18	93,356	36,887	33,158	3,728	'18	161,123	72,204	20,278	254,716					
Col (O) Ry P & Lt. Mar '17	332,389	94,612	45,100	49,503	Internat'l Ry (Buffalo) 3 mos Mar 31 '17	2,011,554	750,288	482,485	272,259					
'18	288,094	118,132	44,375	73,757	'18	1,794,461	741,204	464,018	228,215					
3 mos '17	986,278	295,300	134,339	160,961	New York Dock Apr '17	396,358	219,744	84,927	134,817					
'18	866,211	357,796	129,872	227,924	'18	258,414	123,614	41,570	52,044					
Consol Gas El Lt & Pow Co (Baltimore) 10 mos '17	7,095,575	3,353,221	1,356,958	1,996,262	4 mos '17	1,399,917	695,642	231,709	363,933					
'18	6,206,406	3,026,500	1,332,988	1,693,512	'18	1,006,407	461,401	289,250	172,151					
Consu Pow (Mich) Mar '17	454,581	193,335	75,804	117,531	North Ohio Tr & Lt Apr '17	534,826	219,129	127,099	92,030					
'18	374,835	204,143	73,482	130,661	'18	405,058	209,568	114,649	94,919					
3 mos '17	1,402,187	625,386	235,334	390,052	4 mos '17	2,054,752	815,343	503,147	312,196					
'18	1,161,227	685,500	224,800	460,700	'18	1,541,954	790,061	462,405	336,656					
Cumb Co (Me) P & L Mar '17	236,387	70,250	66,829	3,421	Phila & Western Apr '17	45,646	22,962	12,517	10,445					
'18	209,374	69,754	66,371	3,383	'18	42,803	22,647	12,526	10,121					
3 mos '17	692,381	196,905	199,100	def2,195	4 mos '17	162,468	76,438	50,112	26,326					
'18	620,956	219,858	197,983	21,875	'18	149,843	76,052	50,176	25,876					
Duluth Superior Traction Apr '17	131,287	44,199	14,621	29,578	Washington Balt & Annapolis El RR 3 mos '17	86,314	33,850	26,704	29,189					
'18	106,730	31,997	14,029	21,916	'18	65,100	23,553	24,259	21,849					
4 mos '17	510,002	156,288	58,122	2105,632	'18	211,327	69,002	79,417	zdef3,555					
'18	430,766	118,367	56,750	266,999	'18	180,967	65,608	75,321	zdef1,930					
East St L & Sub Mar '17	287,052	103,233	64,662	38,571	z After allowing for other income received.									
'18	231,887	90,019	63,645	26,374	<h3>ANNUAL REPORTS</h3> <p>Annual, &c., Reports.—The following is an index to all annual and other reports of steam railroads, street railways and miscellaneous companies published since April 28. This index, which is given monthly, does not include reports in to-day's "Chronicle."</p>									
3 mos '17	847,817	298,905	192,696	104,209										
'18	688,727	272,171	187,300	84,871										
Ft Worth Pow & Lt Apr '17	76,629	45,627	9,746	35,881										
'18	63,059	35,512	9,030	26,782										
12 mos '17	845,298	517,105	118,794	398,401										
'18	827,468	488,800	114,216	374,584										
Grand Rapids Ry Mar '17	112,733	37,075	17,456	19,619										
'18	107,618	40,200	14,086	25,114										
3 mos '17	329,773	105,951	55,829	59,952										
'18	316,564	120,348	43,106	77,242										
Gt West Pow Syst Mar '17	315,772	186,609	140,648	250,014										
'18	291,943	181,191	138,871	279,195										
3 mos '17	986,439	610,074	421,621	201,129										
'18	924,164	599,389	400,302	229,450										
Hudson & Manhat'n Apr '17	524,053	279,549	217,879	61,670										
'18	503,689	293,709	214,118	79,591										
(All sources) 4 mos '17	2,107,514	1,152,736	869,178	283,558										
'18	1,981,711	1,124,205	853,982	270,223										
Huntington Dev & Gas 3 mos to Mar 31 '17	159,503	100,221	46,297	53,924										
10 mos to Mar 31 '17	436,911	255,941	145,566	110,376										
Interborough R T Mar '17	3,521,020	1,827,001	1,019,546	2850,435										
'18	3,243,930	1,839,201	993,306	2890,510										
10 mos '17	33,097,412	17,038,833	10,019,613	27,455,907										
'18	29,702,744	16,149,431	9,422,572	27,194,351										
Kansas Gas & Elec Apr '17	153,670	40,389	20,367	20,022										
'18	133,716	50,878	18,054	32,824										
12 mos '17	1,675,012	552,324	227,242	325,082										
'18	1,400,751	541,797	202,967	338,830										
Lake Shore El Ry Mar '17	132,542	42,156	34,368	7,788										
'18	114,647	36,360	36,356	10										
3 mos '17	380,290	106,789	103,126	3,663										
'18	331,523	102,763	108,791	def0,028										
Lewis Aug & Water Mar '17	67,227	13,641	15,679	def2,038										
'18	55,204	10,132	16,155	def0,023										
3 mos '17	183,723	24,599	46,431	def21,832										
'18	158,681	33,947	48,203	def14,256										
Milw Elec Ry & Lt Apr '17	639,406	141,633	78,132	271,716										
'18	562,680	169,252	65,509	2106,962										
4 mos '17	2,610,881	634,535	283,065	2380,044										
'18	2,333,761	685,033	266,632	2433,571										
Milw Lt Ht & Trac Apr '17	167,274	38,332	38,649	zdef 150										
'18	133,194	38,168	56,438	z26,779										
4 mos '17	696,752	139,291	154,385	zdef14,914										
'18	517,844	148,041	227,000	z101,187										
Nash Ry & Light Mar '17	201,328	64,237	40,906	23,331										
'18	194,038	72,263	42,807	29,456										
3 mos '17	608,790	219,794	123,114	96,680										
'18	575,941	228,164	128,787	99,377										
New Eng Co Pow System 4 mos '17	202,400	117,852	49,420	68,422										
'18	173,922	118,508	59,349	68,150										
4 mos '17	814,603	422,749	197,819	224,930										
'18	658,659	437,881	194,806	243,075										
Pacific Pow & Lt Apr '17	127,180	67,669	33,784	33,885										
'18	116,615	56,412	32,887	23,525										
12 mos '17	1,507,769	730,617	407,513	329,104										
'18	1,448,884	735,025	388,160	346,875										
Phila Rap Trans Apr '17	2,456,300	1,073,352	813,746	259,606										
'18	2,272,272	1,027,812	816,043	211,769										
10 mos '17	23,457,395	10,295,123	8,142,214	2,152,909										
'18	21,135,064	9,324,836	8,161,908	1,102,928										
Port Gas & Coke Apr '17	101,995	43,672	27,243	16,429										
'18	97,318	44,015	26,465	17,550										
12 mos '17	1,274,258	604,187	325,734	278,453										
'18	1,257,962	613,258	313,384	299,874										
Port (Ore) Ry Light & Pow 3 mos '17	474,478	212,101	184,024	28,077										
'18	450,803	196,598	182,064	14,534										
3 mos '17	1,424,617	658,950	547,378	111,572										
'18	1,315,122	550,093	544,992	5,101										
St Jos Ry Lt Ht & P Apr '17	118,621	41,759	23,962	17,797										
'18	104,215	44,982	20,833	23,549										
4 mos '17	508,932	203,846	95,849	107,997										
'18	456,745	214,770	83,332	131,438										
Tennessee Pow Co Mar '17	125,538	31,550	47,239	zdef8,057										
'18	111,555	63,441	36,756	z33,281										
3 mos '17	410,741	136,969	137,257	z25,293										
'18	332,678	181,914	109,550	z93,494										
Texas Power & Lt Apr '17	188,094	71,479	41,364	30,115										
'18	163,905	65,319	33,632	31,687										
12 mos '17	2,345,979	1,025,179	466,907	558,272										
'18	1,996,554	813,054	362,803	450,251										
Virginia Power Co Apr '17	43,689	20,284	17,686	2,698										
'18	33,592	17,316	16,836	480										
4 mos '17	178,025	76,047	71,079	4,968										
'18	134,717	69,012	67,269	1,743										
West Penn Pow Co Apr '17	315,680	113,062	38,342	74,720										
'18	238,221	118,884	38,345	80,539										
4 mos '17	1,282,424	507,501	153,369	354,132										
'18	946,977	469,648	149,888	319,760										
West Penn Trac Apr '17	609,491	253,743	170,281	83,462										
'18	504,352	258,479	173,046	80,433										
(and sub cos) 4 mos '17	2,398,907	1,028,325	685,379	342,046										
'18	1,936,508	989,158	664,203	324,955										
Wisconsin-Minn Lt & Pow 12 mos end Apr 30 '17	1,474,145	763,162	268,834	494,328										
'18	1,201,789	612,661												

	Gross Earnings.	Net Earnings.	Fixed Chgs. & Taxes.	Balance, Surplus.
Commonwealth Pow Ry & Light (and constt cos) Apr '17	1,502,961	699,449	521,925	177,524
'18	1,313,207	694,157	500,940	193,217
4 mos '17	6,209,952	2,849,992	2,085,460	764,532
'18	5,437,467	2,871,253	1,960,658	910,595

Great Northern Railway.
 (28th Report—Six Months ending Dec. 31 1916.)
 The full text of the remarks of Chairman and President L. W. Hill is given on subsequent pages; also the revenue and income accounts for the six months ending Dec. 31 1916, the general balance sheet as of Dec. 31 1916 in detail, &c., &c.

RESULTS OF LINES OPERATED AS GREAT NORTHERN RY. AND THOSE INDEPENDENTLY OPERATED: MINNEAPOLIS WESTERN RY. AND DULUTH TERMINAL.

Table with columns for Statistics, 6 Mos. to Dec. 31, 1916, 1915, and Years end. June 30, 1916, 1915. Rows include Average miles operated, Passengers carried, Freight (tons), etc.

GENERAL COMBINED RESULTS—REVENUES AND EXPENSES.

Table with columns for Earnings, 6 Mos. to Dec. 31, 1916, 1915, and Years end. June 30, 1916, 1915. Rows include Passenger, Freight, Mail, express, &c., and Total oper. revenues.

COMBINED INCOME ACCOUNT.

Table with columns for 6 Mos. to Dec. 31, 1916, 1915, and Years end. June 30, 1916, 1915. Rows include Net earnings, Taxes accrued, Operating income, and Total deductions.

CONSOLIDATED BALANCE SHEET.

Table with columns for Dec. 31 '16, June 30 '16, and June 30 '15. Rows include Assets (Ry. property, Bonds, etc.) and Liabilities (Capital stock, etc.).

Chesapeake & Ohio Railway.

(39th Annual Report—Year ending Dec. 31 1916.) The remarks of President Geo. W. Stevens at length, together with the balance sheet and income account for the entire year, are published on subsequent pages.

INCOME ACCOUNT FOR 6 MOS. ENDED DEC. 31 (as shown by Pamphlet Report).

Table with columns for 1916, 1915, 1916, and 1915. Rows include Oper. Revenues (Freight, Passenger, etc.), Net earnings, Taxes, and Total oper. exp.

BALANCE SHEET. (Excluding stocks and bonds owned of auxiliary companies. This balance sheet of Dec. 31 1916 is given on a subsequent page.)

Table with columns for Dec. 31 '16, June 30 '16, and Dec. 31 '16, June 30 '16. Rows include Assets (Road & equip't, Improvements, etc.) and Liabilities (Stock, common, preferred, etc.).

A comparative income account for four years was published in V. 104, p. 655.

Western Maryland Railway.

(Eighth Annual Report—Year ending Dec. 31 1916.)

Table with columns for Years ending Dec. 31, 1916, 1915, and Years ending June 30, 1916, 1915. Rows include Operating revenues, Operating expenses, Net earnings, and Total deductions.

The report will be cited at length another week.—V. 104, p. 1491, 1265.

The New York Chicago & St. Louis Railroad.

(30th Annual Report—Year ended Dec. 31 1916.)

Pres. & Gen. Mgr. J. J. Bernet says in substance:

Funded Debt.—During the year the funded debt was increased by the issuance and sale of \$1,100,000 equipment trust certificates dated Aug. 1 1916, covering 1,000 steel underframe \$0,000-lb. capacity box cars placed in service late in the year (V. 103, p. 1032), and decreased by the purchase of first mtge. bonds under the sinking fund provisions of the mortgage of \$103,000, making an outstanding amount Dec. 31 1916, \$29,566,000, or 92.75% over 1915. Freight revenue was \$13,372,737, an increase of \$2,631,397, or 24.50%. Passenger revenue increased \$109,280, or 8.36%. Operating expenses amounted to \$11,471,986, an increase of \$2,149,860, principally maintenance of equipment, \$1,064,656, and transportation expenses, \$890,406.

Grade Crossings.—The following amounts have been expended on account of separation of grades at Grand Crossing, Ill., and the elimination of street crossings at grade in Cleveland, O. (West Side and Ivanhoe Road).

Table with columns for Held in Suspense, Grand Cross'g, and Cleveland. Rows include Expended during year 1916 and Total expenditure to Dec. 31 1916.

In addition to the cars mentioned above, 10 switch engines and 15 rebuilt consolidation engines were placed in service during the year. An equipment trust, to be known as the New York Chicago & St. Louis Engine Trust of 1916, in amount of \$300,000, is to be arranged for in connection with the purchase of this equipment.

OPERATIONS AND FISCAL RESULTS.

Table with columns for 1916, 1915, 1914, 1913, and 1912. Rows include Miles operated, Passengers carried, Freight, Rate per pass. per mile, etc.

INCOME ACCOUNT YEAR ENDING DECEMBER 31.

Table with columns for 1916, 1915, 1914, and 1913. Rows include Earnings (Passenger, Mail, express, &c., etc.), Total oper. revenue, and Total deductions.

Expenses—

Table with columns for 1916, 1915, 1914, and 1913. Rows include Maint. of way & struc., Maint. of equipment, Traffic expenses, Transportation expenses, and Total deductions.

GENERAL BALANCE SHEET DECEMBER 31.

Table with columns for 1916 and 1915, and sub-columns for Assets and Liabilities. Assets include Road & equipm't, Securities owned, Misc. phys. prop'y, Stock in treasury, Materials & supp., Cash, Special deposits, Traffic, &c., bal., Agents & cond'g, Miscell. accounts, Advances, Items in suspense. Liabilities include Int. pref. stock, 2d pref. stock, Common stock, Funded debt, Accounts & wages, Int. div., &c., unpd, Int., divs., &c., accrued-not due, Traffic, &c., bal., Miscell. accounts, Approp. surplus, Unadjusted acct., Operating res'ves, Deprec'n (equipt.), Profit and loss.

a Appropriated surplus in 1916 includes additions to property through income and surplus, \$3,608,567, and funded debt retired through income and surplus, \$1,477,584. b After deducting \$323,726 loss on retired road and equipm't and misc. items (net) aggregating \$14,006.—V. 104, p. 2005, 1899.

Chicago Milwaukee & St. Paul Ry.

(Special Report—Six Months ending Dec. 31 1916.)

President A. J. Earling, May 1917, says in substance: Results for Calendar Years.—Operating revenues for the calendar year 1916 exceed those of any previous period, being \$110,609,689, an increase of \$13,561,638, or 13.97%, over 1915.

Special attention, however, is directed to the radical increase in operating expenses, due primarily to increases in the cost of fuel and other materials used in the maintenance and operation of the property, which averaged about 30% during the year and have steadily advanced since; also to a great many increases resulting from congestions due to embargoes, all of which, it will be noted, produced an increase in operating expenses of \$11,593,518, or 18.65%. It will also be noted that there was an increase in taxes of \$445,715 (or 8.85%). This was due largely to an increase in the Federal income tax rate from 1% to 2%, the full effect of which will be felt in the coming calendar year.

Operations.—The operating revenues for the 6 months ending Dec. 31 1916 were \$59,305,951, an increase of \$4,963,205 compared with the same period in 1915. Freight traffic increased \$3,612,416, or 9.24%. The tons of freight carried increased 1,682,002 tons, or 8.57%. Products of forests increased 461,118 tons, manufactures 467,564 tons and commodities not specified 1,440,989 tons; products of agriculture decreased 177,907 tons and products of mines 166,831 tons. The number of tons of all agricultural products carried during the period of this report was 4,208,383 tons, a decrease compared with the previous year of 4.05%. Agricultural products comprised 10.74% of the total tonnage carried. The revenue per ton per mile was .7357 cents, a decrease of 4.02%. The number of tons of revenue freight per freight and mixed train mile was 470.44, against 436.69 during the same period in 1915, an increase of 7.73%.

The operating expenses for the period of this report were \$37,294,375, an increase of \$4,644,993 compared with the same period in 1915. During the six months' period 15 steel bridges, aggregating 1,073 feet in length, and 4 masonry bridges, aggregating 324 feet in length, were built, replacing 869 feet of wooden bridges, 32 feet of iron bridges and 16 feet of embankment; and 5,066 feet of wooden culverts were replaced with iron and concrete pipe. About 1.4 miles of pile bridges were filled with earth, 36 bridges having been completely filled and 14 reduced in length by filling.

Adamson Law.—The so-called Adamson Law, passed by Congress, which will increase the wages of engineers, trainmen and allied employees in excess of \$2,000,000 per annum, will cause a still greater increase relatively in the operating expenses for the ensuing year. It is to be hoped that the company will receive substantial relief through an increase in freight and passenger rates.

Acquisition of the Big Blackfoot Ry.—On Dec. 31 1916 the railway, property and franchise of this company were purchased by purchase. That company operated a line of railroad from Bonner to Blackfoot Junction, Mont., 11.48 miles, and also operated over the logging railroad of the Anaconda Copper Mining Co., 10.53 miles easterly from McNamara Landing. The line purchased is now being operated as a part of our Missoula division.

Seattle Port Angeles & Victoria Ry.—The extension from Majestic to Twin Rivers, Wash., 8 miles, has been finished since Dec. 31 1916 and authority given for a further extension to the Pysht River and thence to the Solide River at the mouth of Beaver Creek, about 15 miles, tapping a heavy body of spruce, hemlock and cedar timber.

Bellingham & Northern Ry.—The track was laid on the branch from Goshen to Welcome, Wash., 11.3 miles, during December 1916, and the line is now in operation.

Milwaukee Terminal Ry.—This company has purchased from the Northern Pacific Ry. the iron barges used by the latter for ferrying its trains across the Columbia River between Kalama and Goble, prior to the completion of the bridge over the Columbia River near Portland. The barge is equipped with three parallel tracks and is 330 feet in length. When remodelled it will be placed in service between Seattle, Bellingham and Port Townsend.

Equipment.—During the six-months' period 18 locomotives and 1,581 cars of various classes have been purchased or built, and 1 locomotive and 886 cars were destroyed by wreck or fire, sold or taken down on account of small capacity. The original cost of the equipment retired has been credited to property investment—road and equipment.

Property Investment During the Six Months to Dec. 31 1916.—This aggregated (net) \$12,462,816, viz.:

Table with columns for Equipment, Purchase Big Blackfoot Ry., New branches & exten't. and sub-columns for Reducing grade, &c., Other add'ns & betterm'ts, Credit—Property retired or converted.

Additions and Betterments.—Authority has been given for the purchase or building of 2,590 50-ton gondolas, 1,000 box cars, 150 flat cars, 231 cinder dump cars, 250 ore cars and 68 other cars.

At Beloit, Wis., the engine terminal was completed. The 21 grain tanks, Elevator No. 1 of 625,000 bushels, in connection with the company's facility at Beloit, Wis., Milwaukee, have been put into operation. At Tacoma, Wash., the new ocean dock, covering an area of 1,000 feet by 175 feet, was completed and placed in operation last autumn. At Butte, Mont., the new passenger station was nearly completed on Dec. 31 1916. It has since been finished and put into operation.

New Lines and Extensions.—The Choteau line, from Great Falls to Agawam, Mont., 70 miles, is practically completed. All construction work will be completed and the line placed in full operation early this summer. An extension from Grass Range to Winneto, Mont., 23.04 miles, was started last summer, and the grading was about 90% completed on Dec. 31 1916. The work will be completed this spring and track will be laid as soon as possible.

Tunnels.—The lining with concrete of the St. Paul Pass Tunnel, 8,751 feet long, in the Bitter Root Mountains, which was started in the autumn of 1915, was completed on Dec. 31 1916.

Electrification.—The electrical construction work on the Missoula division between Deer Lodge and Alberton, Mont., 111 miles, was completed and put in operation on Nov. 1 1916. Work on the line between Alberton and Avery, Idaho, 101 miles, was 90% completed as of Dec. 31 1916. Electrification of this district has since been completed and put in operation Feb. 27 1917. The completion of this work now places under electrical operation the entire main line between Harlowton, Mont., and Avery, Idaho, 410 miles (V. 103, p. 1687).

Funded Debt.—This has been decreased during the six months by \$3,000 Dakota & Great Southern Ry. Co. 5s, \$38,000 Dubuque Division 6s, \$74,000 Wisconsin Valley Division 6s and \$3,935,454 European Loan of 1910 4% bonds retired. It has been increased by \$3,935,454 4% gold bonds of 1925 issued. The amount of bonds issued on Dec. 31 1916 is \$490,547,155, of which \$132,259,200 are in the treasury of the company and \$358,287,955 are outstanding.

Treasury Bonds.—These have been decreased by General Mortgage 4% bonds transferred to insurance reserve, \$159,000. On Dec. 31 1916 bonds in treasury amounted to \$132,259,200, composed of General and Refunding Mortgage bonds, available for the acquisition of additional property or for other additions and betterments, \$107,259,200; and bonds certified

by trustees, to reimburse the company for expenditures incurred for additional property and paid from earnings (General and Refunding Mortgage bonds), \$25,000,000. These latter bonds are available for such corporate purposes as the board of directors may authorize.

COMPARATIVE RESULTS OF OPERATIONS.

Table comparing results of operations for years ending Dec. 31 and June 30 for 1916 and 1915. Columns include Mu's operated, average, Equipment, Locomotives, Passenger equipment, Freight, misc., &c., cars, Operations, Passengers carried, Rate per pass. per mile, Freight (tons) carried, Rate per ton per mile, Av. rev. tr.-load (tons), Earnings per pass. tr. mile, Earnings per fr't tr. mile, Earnings per mile of road.

b Three ciphers (000) omitted. c Revenue freight only.

INCOME ACCOUNT FOR SIX MONTHS ENDED DEC. 31.

Table with columns for 1916 and 1915, and sub-columns for 1915 and 1916. Rows include Freight rev., Maint. equip., Oth. trans. rev., Incidental rev., Jt. facil'ty rev., Tot. oper. rev., Oper. exps., Net operating revenue for 6-months' period, Other income: Int. on bonds, Int. on other secur., loans and accounts, Gross income for six months ending Dec. 31 1916, Deduct: Int. acc'd on fund. d't, Rents paid, Divs. paid: Pref. (3 1/2%), Balance, surplus, for six months ending Dec. 31 1916.

OPERATIONS AND FISCAL RESULTS.

Table with columns for 1916 and 1915, and sub-columns for 1916 and 1915. Rows include Operating Revenues, Expenses, Total operating revenues, Expenses, Total operating exp., Net operating revenue, Taxes, Operating income, Int. on bonds owned, Divs. on stocks owned, Int. on other secur., loans & accounts, Rents received, Miscellaneous, Total net income, Accrued bond interest, Hire of equipment, Rents paid, Miscellaneous, Prof. divs. (7%), Common dividends, Total deductions, Balance, sur. or def.

OPER. FOR 6 MOS. TO DEC. 31 1916 OF COS. INDEPENDENTLY OPERATED.

Table comparing Tacoma, Bell'm & Milw., Nor. Ry. Term. Ry., Gallatin, Big Black, S. P. A., East. Ry., Vall. Ry., foot Ry., & W. Ry. Rows include Revenues, Expenses, Net revenue, Taxes, Oper. income, Rents rec'd, &c., Hire of equipm't, Total, Deduct, Accr. int. on bds, Hire of equipm't, Rents paid, Miscellaneous, Sinking fund, Total deduc't, Bal., sur. or def.

BALANCE SHEET.

Table with columns for Dec. 31 '16, June 30 '16, and Dec. 31 '16, June 30 '16. Rows include Assets, Road & equip., yStks. control, yStks., &c., of controlled cos., Advances to controlled cos., Misc. phys. prop., Other misc. inv., Cash, Traf., &c., bal., Ac'ts & cond'g, Mat'n & suppl's, Miscellaneous, Unmatured int., Secur. in ins. fd., Sinking fund, Taxes prepaid, Oth. def. deb. items, Total, Liabilities, Common stock, Preferred stock, Prem. on cap. stk., Funded debt, Bills payable, Traf., &c., bal., Pay roll advancem., Coup. not pres., Miscellaneous, Taxes not yet due, French Gov. tax, European loan, Ins. res'v fund, Oth. def. items, Sink. funds, &c., Surplus, Total.

x After deducting \$10,239,458 reserve for accrued depreciation. y Unpledged. z Advances to controlled companies for construction, equipment and betterments.—V. 104, p. 2010, 1701.

Grand Trunk Railway of Canada.

(Report for Fiscal Year ending Dec. 31 1916.)

Chairman Alfred W. Smithers, London, April 13, wrote in substance:

General Results.—The gross receipts for 1916 amounted to £9,819,740, against £8,292,688, an increase of £1,527,052. The working expenses, excluding taxes, amounted to £7,007,159, or 71.36% of the gross receipts, against £6,306,162, or 76.05%, in 1915; an increase in amount of £700,997 but a decrease of 4.69% in the proportion to the gross receipts.

Capital Expenditures.—The total charges to capital account for the year amounted to £351,317. Of this sum £145,168 was for the acquisition of securities of the Lachine Jacques Cartier & Maisonneuve Ry., and Montreal & Southern Counties Ry. companies. The expenditure on capital account in respect of new works was £55,985; machinery and tools, £4,750; new rolling stock, £20,573; increased weight of rails, £3,160; and land purchased, £121,681, making a total of £206,149.

Rolling Stock.—Three engines were charged to capital account during the year and added to the official stock.

Grand Trunk Pacific Ry.—In the session of 1916 of the Canadian Parliament a loan was made by the Government, to the Grand Trunk Pacific Ry., for the purpose of enabling that company to meet its obligations pending a report on the railway situation in Canada to be made by a commission appointed by the Canadian Government.

OPERATIONS AND FISCAL RESULTS FOR 12 MOS. END. DEC. 31.

	1916.	1915.	1914.	1913.
Operations—				
Miles worked by engines	4,007	4,015	4,015	4,012
Passengers carried	13,132,611	12,082,238	12,781,000	13,852,551
Tons freight carried	22,710,327	20,698,509	21,473,864	23,894,960
do one mile (000)	4,732.376	3,748.316	3,836.370	4,343.599
Average per ton mile	0.67 cts.	0.70 cts.	0.68 cts.	0.69 cts.
Earnings—				
Passengers	2,442,343	2,109,240	2,386,332	2,701,134
Mail and express	485,176	423,198	496,247	397,761
Freight and live stock	6,386,714	5,382,701	5,436,808	6,136,903
Miscellaneous	502,607	377,549	377,381	384,378
Total earnings	9,819,740	8,292,688	8,596,768	9,620,176
Expenses—				
Maintenance of way &c.	909,215	1,002,729	1,076,061	1,129,454
Maint. of equipment	1,506,052	1,406,930	1,375,300	1,465,632
Traffic expenses	239,515	237,621	239,895	293,493
Conducting transp'n &c.	4,050,379	3,337,983	3,679,522	3,945,424
General expenses	301,998	320,899	265,098	255,022
Taxes	220,868	205,095	165,043	172,256
Total	7,228,037	6,511,257	6,841,919	7,261,810
Net earnings	2,591,713	1,781,431	1,754,849	2,358,366
Other income	509,520	759,270	682,744	307,233
Total	3,101,233	2,540,701	2,437,593	2,665,599
Deduct—				
Rental of leased lines	155,206	155,206	155,206	155,206
Int. on bonds & debens.	1,506,639	1,506,142	1,492,034	1,420,488
Int. on secured notes	299,920	223,750	100,000	8,417
Reserve for contingencies	400,000	—	—	—
Dot. Gr. Hav. & Milw.	def10,239	def1,880	def103,743	def83,870
Grand Trunk West Ry.	sur10,238	def122,177	def135,348	—
Pol. Sag. & Musk. Ry.	def18,136	def20,593	def26,147	def20,496
Div. on guar. stock	(4)500,000	(3)500,000	(3)437,500	(4)196,233
do 1st pref. stk. (5%)	170,842	—	—	170,842
do 2d pref. stk. (5%)	126,420	—	—	126,420
do 3d pref. stock	—	—	—	(2)5179,116
Total	3,096,214	2,530,017	2,449,977	2,661,677
Balance, sur. or def.	sur5,019	sur10,684	def12,344	sur3,922

The preliminary statement put out by President Edson J. Chamberlain, dealing with certain aspects of the Drayton-Aoworth report on the railway situation in Canada, will be found in full in our advertising department on previous pages. See also the "News Department" on a subsequent page.—V. 104, p. 1898, 1800.

Missouri Pacific System.

(5th Annual Report—Year ending Dec. 31 1916.)

CONSOLIDATED INCOME ACCOUNT.

	Six Months ending—		Calendar Years—	
	June 30 '16.	Dec. 31 '16.	1916.	1915.
Avg. mileage operated	7,389	7,485	7,437	7,200
Operating Revenues—				
Freight	\$24,165,849	\$28,456,595	\$52,622,444	\$44,654,918
Passenger	5,140,082	6,891,900	12,031,982	10,127,055
Mail, express, &c.	2,195,412	2,388,498	4,583,910	4,137,982
Incidental, &c.	351,507	382,969	734,477	579,736
Total oper. revenues	\$31,852,850	\$38,119,962	\$69,972,812	\$59,500,501
Maintenance of way &c.	\$5,648,651	\$6,622,829	\$12,271,479	\$8,843,188
Maintenance of equip't	7,522,080	6,488,016	14,010,096	11,582,605
Traffic	872,359	862,386	1,734,745	1,426,687
Transp'n (rail line)	10,394,491	11,330,671	21,725,162	19,046,195
Miscellaneous operations	196,292	107,552	213,774	201,735
General	768,535	810,412	1,578,932	1,620,752
Transp. for investment	Cr.80,079	Cr.111,732	Cr.191,812	Cr.37,570
Total railway op. exp.	\$25,232,258	\$26,110,139	\$51,342,397	\$43,483,592
Net earnings	\$6,620,592	\$12,009,823	\$18,630,415	\$16,016,999
Taxes, &c.	1,603,657	1,500,106	3,103,792	2,621,995
Operating income	\$5,016,935	\$10,509,718	\$15,526,623	\$13,395,004
Other Income—				
Joint facility rent	\$244,423	\$211,310	\$455,734	\$450,422
Income from funded sec.	132,605	85,740	218,351	214,705
do unfunded secur.	128,889	39,486	168,375	63,392
Other income	281,101	320,312	601,412	458,079
Gross income	\$5,803,953	\$11,166,572	\$16,970,525	\$14,590,662
Hire of equipment	\$176,920	\$430,992	\$657,912	\$834,805
Joint facility rents	652,027	694,966	1,346,993	1,014,339
Other rents, &c.	308,174	265,596	573,770	481,337
Interest on funded debt	6,668,267	6,681,482	13,349,749	13,318,700
Other interest	35,438	47,655	83,093	68,010
Total deductions	\$7,840,826	\$8,170,691	\$16,011,517	\$15,717,191
Balance	def2,036,873	sr\$2,995,881	sr\$959,008	def\$1,126,529

Philadelphia Company of Pittsburgh.

(33d Annual Report—Year ending March 31 1917.)

On subsequent pages will be found the remarks of President J. H. Reed, the consolidated income account for the year ending Mar. 31 1917, the consolidated balance sheet as of Mar. 31 1917, including all proprietary natural gas companies, and the income accounts and balance sheets of other proprietary operating companies, namely, Pittsburgh Rys. Co., Duquesne Light Co., Philadelphia Oil Co., Pennsylvania Light & Power Co., the Beaver Valley Traction Co. and the Pittsburgh & Beaver Street Ry.

CONSOLIDATED INCOME ACCOUNT FOR YEARS ENDING MAR. 31.

[Includes the Equitable Gas Co. and Pittsburgh & West Virginia Gas Co., Philadelphia Co. of West Va., in 1915 the Monongahela Natural Gas Co. and Philadelphia Oil Co., and in 1916 and 1917 excludes the Phila. Oil Co.]

(Transactions between companies eliminated.)

	1916-17.	1915-16.	1914-15.	1913-14.
Receipts—				
From gas	\$9,171,612	\$7,990,132	\$7,037,719	\$7,224,637
From oil	—	—	217,747	394,107
Miscellaneous	38,536	38,387	33,287	38,900
Gross earnings	\$9,210,148	\$8,028,519	\$7,288,753	\$7,657,644
Operations, taxes, &c.	4,093,992	3,405,047	3,406,884	3,424,686
Net earnings	\$5,116,156	\$4,623,473	\$3,881,869	\$4,232,958
Divs. and int. received	2,405,697	2,192,968	1,803,097	1,690,086
Rent	693	608	642	626
Interest, discount, &c.	424,192	464,471	508,787	463,819
Total income	\$7,947,038	\$7,281,520	\$6,194,395	\$6,387,489
Deduct—				
Paid leased companies	\$23,086	\$22,566	\$23,694	\$22,967
Interest on bonds, &c.	1,796,499	1,906,825	1,940,548	1,854,379
Impts., extensions, &c.	1,215,180	802,167	833,220	831,512
Depreciation of property	153,497	163,770	193,575	181,696
Discount, taxes, &c., on securities sold, &c.	57,500	64,965	74,941	437,821
Miscellaneous int., &c.	235,450	386,268	208,655	161,983
Total	\$3,481,212	\$3,346,561	\$3,270,633	\$3,490,358
Surplus for year	\$4,465,826	\$3,934,559	\$2,914,762	\$2,897,131
Add previous surplus	7,110,760	a8,508,813	8,222,141	5,846,781
Additions to profit & loss	35,457	—	b15,774,053	16,875
Total	\$11,612,033	\$12,443,372	\$26,910,956	\$8,760,787
Div. on pref. stocks	\$476,644	\$471,966	\$411,941	\$399,122
Div. on com. stock (7%)	3,005,772	(6)2,363,364	(5)4,204,950	(7)2,732,758
Book value of securities & loan written down	—	—	15,774,053	—
Discount, taxes, &c., on sale of common stock	—	936,333	—	—
Decrease in book value Monong. Nat. Gas Co. phys. prop. reappraised	—	1,466,863	—	—
Guar. div. on Con. Gas Co. pref. stock	74,076	77,576	78,194	78,766
Miscellaneous	—	16,920	—	86
Total	\$3,556,491	\$5,333,022	\$18,373,695	\$3,210,755
Tot. sur. at close of year	\$8,055,542	\$7,110,760	\$8,537,261	\$5,560,032

a Excludes surplus of the Philadelphia Oil Co., \$70,334 in 1916-17, against \$28,448 in 1915-16. b Includes in 1914-15 increase in book value of securities reappraised, \$3,217,612, and increase in book value of physical property appraised, \$12,556,441.

The gross earnings of the Philadelphia Oil Co. for the year ending Mar. 31 1917 were \$365,527, and net income, \$254,638. After deducting interest and charges, \$71,348, and dividends on preferred stock (5%), \$100,050, the balance surplus, was \$83,139. The total accumulated surplus Mar. 31 1917 was \$153,473.

CONSOLIDATED BALANCE SHEET MARCH 31.

[Including in 1917 the Philadelphia Co., Equitable Gas Co., Monongahela Natural Gas Co., Pittsburgh & West Virginia Gas Co., The Philadelphia Co. of West Virginia.] (All inter-company items eliminated.)

	1917.	1916.	1917.	1916.
Assets—				
Chartered & fran.	72	72	Common stock	42,943,000
Gas rights & leases	1,344,654	1,344,654	Cum. pref. stock	6,763,550
Gas & oil wells	3,781,141	3,276,357	Non-cum. pref. stk	1,442,450
Compressing stations, &c.	1,374,326	922,807	Philadelphia Co.	—
Pipe lines	26,811,975	26,256,116	1st M. & coll. tr. ss	6,500,000
Real estate buildings, &c.	4,491,770	4,361,358	Cons. M. & coll. trust ss	15,148,000
Stocks & bonds of Phil. Co. in treas.	88,054	67,704	Conv. 5% debts	11,751,000
Stocks & bonds of other cos. owned:			Coll. 6% notes	750,000
Natural gas cos.	1,804,200	1,801,426	P. & W. Va. Gas Co.	—
Oil companies	1,261,500	1,241,500	Coll. tr. 6% hrs.	1,050,000
Artificial gas cos.	101,679	101,157	Affiliated cos.:	
El. tr. & pow. cos.	21,732,900	21,571,900	Subsidiary to atk.	
Street ry. cos.:			Dug. Lt. Co.	3,590,000
Stocks	17,399,476	17,398,996	Accts. payable	11,131
Bonds	12,866,320	12,200,000	Accrued accts.	365
Miscell. cos.	10,000	150,000	Temporary loan	100,000
Affiliated cos.:			Notes payable	3,700,000
Notes receivable	2,400,000	2,400,000	Accounts payable	611,329
Dug. Lt. Co. contract purch. of Brunot Isl. property	3,500,000	3,500,000	Consumers' adv.	364,097
Temp'y loans	496,501	437,001	Unpaid div. scrip, called Feb. 2 '16	2,247
Accts. receivable	810,360	786,230	Accr. liab., not due:	
Cash	1,026,248	2,624,293	Accrued taxes	250,589
Special deposits	17,707	14,026	Acct. bond int.	340,875
Accts. &c., receiv.	685,007	574,596	Accrued int. on debts & notes	227,850
Materials & supp.	664,145	458,735	Other acc. liab.	54,235
Miscellaneous	17,469	7,543	Cons. Gas Co. gu.	13,286
Unamortized debt discount, &c.	661,699	816,834	Res'vd for divs. on pref. stocks	175,099
Other def'd accts.	190,845	56,724	Miscellaneous	6,045
Excess book value over par value of com. stks. elim'd	4,034,539	4,050,003	Contingent reserve	564,643
Total	107,582,677	106,418,132	Invested surplus	—
Total	107,582,677	106,418,132	(Ph. Co. of W. Va.)	3,257,343

Note.—The Philadelphia Co. guarantees both principal and interest of the Union Gas Co. of McKeesport 30-year 1st M. 5% of Oct. 21 1899, \$230,000; Mt. Washington St. Ry. 30-year 1st M. 5% of April 1 1903, \$1,500,000; 17th Street Incline Plans Co. 30-year 1st M. 5% of March 1 1905, \$125,000; Allegheny Balleve & Perryville Ry. 30-year 1st M. 5% of April 1 1905, \$500,000; The Morningside Electric St. Ry. 30-year 1st M. 5% of Oct. 2 1905, \$200,000; Ben Avon & Emsworth St. Ry. 30-year 1st M. 5% of April 1 1906, \$300,000; Pittsburgh & Beaver St. Ry. 50

volume of business has been greater than at any similar period since the company was organized.

In most instances the foreign companies in which the company is interested have continued to show a considerable increase in business. This is true especially of the French and English companies, but our business in the Scandinavian countries has been materially affected by our inability to make shipments to our Danish company in Copenhagen upon which shoe manufacturers in Norway, Sweden and Denmark were dependent for supplies and parts.

Merger.—The proposed merger of the United Shoe Machinery Co. with the United Shoe Machinery Corporation, referred to in circular letter of Feb. 8 1915, was prevented by a suit instituted by a stockholder of the former on the ground of dissimilarity in the purposes of the two corporations as expressed in their certificates of incorporation. By an amendment to the certificate of incorporation of the corporation, filed Feb. 24 1917, the purposes of the two companies are made identical, and a new merger agreement will be submitted to the stockholders of each at meetings called for that purpose. [But see news item on a subsequent page.—Ed.]

Suits—Orders.—The suit brought by the Government in the Federal Court in Massachusetts to secure a dissolution of the company, in which the decision by the court in Massachusetts was favorable to the company, and which was appealed to the United States Supreme Court, has now been argued before that court but no decision has yet been handed down.

The suit brought by the Government in the District Court of the United States for the District of Missouri under the Clayton Act is still pending. [See news item below.—Ed.]

The company is now several thousand machines behind in its orders for machines to be supplied not only to manufacturers in the United States but to manufacturers in England and France, where at the present time such machines are vitally needed. It is unfortunate that at a time when our efficiency should be at its highest we should be hampered and the company's facilities for rendering its greatest services should be restricted by such litigation.

Stockholders.—The corporation now has 9,503 individual stockholders, of whom 4,945 are holders of common stock only, and 3,080 are holders of pref. stock, while 1,478 are holders of both pref. and common stock.

INCOME ACCOUNT.

Feb. 28 '17, Feb. 29 '16, Feb. 28 '15.

Combined earnings of Un. Sh. Mach. Corp. and the Un. Sh. Mach. Co., after deducting proper, applicable to outstanding stock of Un. Sh. Mach. Co. not held by the Corp.	\$8,174,453	\$6,138,433	\$4,861,092
Cash dividends paid	4,996,360	5,853,658	2,897,443
Balance, surplus, for year	\$3,178,093	\$284,775	\$1,963,649

BALANCE SHEET MARCH 1.

1917.		1916.		1917.		1916.	
Assets—		Assets—		Liabilities—		Liabilities—	
Real estate	2,171,839	2,282,355	Preferred stock	9,789,975	9,774,075		
Machinery	1,403,802	1,443,547	Common stock	31,506,981	31,526,981		
Patent rights	400,000	400,000	Accounts payable	859,722	1,451,159		
Securities, other real estate and leased mach'y	37,992,360	30,077,805	Reserves	1,919,484	1,901,911		
Cash & receivables	20,927,834	19,494,314	United Shoe Mach. Co. stock not held by corp'n.	215,374	220,517		
Inventories	8,476,419	6,050,035	Surplus	627,109,966	14,919,050		
Miscellaneous	27,249	25,038					
Total	71,399,502	69,773,694	Total	71,399,502	69,773,694		

a The figure at which stocks and bonds are carried on the books is, in the opinion of the board, less than their actual value. This item has now been increased by a reappraisal to the amount not exceeding their actual tangible asset value on March 1 1917.

b After deducting \$1,889,782 stock dividend paid during the year 1916-17 and adding revaluation of stock of sub. cos. as of March 1 1916. \$10,902,606; see "a" above.—V. 104, p. 869.

Mexican Petroleum Co., Ltd. (Delaware).

(Report for Fiscal Year ending Dec. 31 1916.)

On subsequent pages will be found the remarks of President E. L. Doheny, in addition to the consolidated income account for the year ending Dec. 31 1916 and the consolidated balance sheet as of Dec. 31 1916, comprising the Mexican Petroleum Co., Ltd., of Del., Mexican Petroleum Co. (Cal.), Huasteca Petroleum Co. and the Mexican Petroleum Corporation.

COMBINED INCOME ACCOUNT FOR YEARS ENDING DEC. 31.

	1916.	1915.	1914.
Oil sales	\$7,154,830	\$4,437,518	\$5,236,137
Mexican war claim		491,278	
Net increase in oil storage	2,613,634	72,093	203,791
Gross earnings	\$9,668,464	\$5,000,889	\$5,439,928
Deduct—Depreciation	\$400,000	\$400,000	\$423,871
Freight on oil	1,609,378	926,315	968,712
Operating expenses		597,287	936,622
Miscellaneous	34,516	21,589	24,389
Income tax paid and accrued	215,757		
Net earnings	\$7,408,812	\$3,055,695	\$3,086,333
Add miscellaneous interest (net)	deb. 17,013	112,545	6,955
Gross income	\$7,391,799	\$3,168,240	\$3,093,288
Bond interest	238,739	280,139	330,232
Preferred dividends (8%)	960,000		
Balance, surplus	\$6,193,060	\$2,888,101	\$2,763,056

CONSOLIDATED BALANCE SHEET DEC. 31.

1916.		1915.		1916.		1915.	
Assets—		Assets—		Liabilities—		Liabilities—	
Oil lands & leases, wells, etc.	64,834,180	63,472,068	M. P. Co. (Del.):				
Cash with M. trus.	994,471	710,681	Common stock	39,232,000	39,110,500		
Investments	48,100	48,100	Preferred stock	12,000,000	12,000,000		
Cash	1,194,652	805,078	M. P. Co. (Cal.) stk.	82,321	85,029		
Accts. & bills rec.	2,873,903	2,512,440	Huasteca P. Co. stk.	2,500	2,500		
Oil stocks	33,758,796	1,245,163	Bonded debt	3,864,080	4,404,520		
Materials & supp.	596,787	435,274	Notes payable		765,000		
Asph. stock	71,917	100,054	Pan-Am. Pet. & Transp. Co.	1,034,363			
Mex. Gov. dues paid under protest	1,349,126	1,341,503	Accounts payable	907,163	1,131,879		
Mex. war claim	837,941	831,368	Accr. bond int., etc.	91,691	71,139		
Deferred charges	131,710	45,548	Prof. div. payable				
			Jan. 2 1917	240,000			
			Deprec'n reserve	2,067,319	1,667,319		
			General reserve	132,166	132,166		
			Reserve for taxes	209,120	11,941		
			Profit and loss	17,308,868	11,260,808		
Total	77,191,590	70,662,800	Total	77,191,590	70,662,800		

x Includes in 1916 oil stocks, 5,782,581 bbls. y Bonded debt, \$3,864,080, as above in 1916, includes Mexican Petrol. Co., Ltd. (Del.), 1st lien and ref. sinking fund gold bonds, \$2,837,580; Mexican Petrol. Co. (Cal.) sinking fund 6% gold bonds of 1910, \$81,600; Huasteca Petrol. Co. and Mexican Petrol. Co., Ltd. (Del.), joint 6% gold bonds, \$269,400; Huasteca Petrol. Co. Coast Pipe Line 1st M. gold 6s, \$675,500.—V. 104, p. 1805, 668.

Philadelphia (Pa.) Electric Co.

(17th Annual Report—Year ended Dec. 31 1916.)

Pres. Joseph B. McCall, Camden, N. J., April 11, wrote:

Results.—Attention is called to the extraordinary increase in the gross earnings of the properties during the past year, as well as to the corresponding increase in the expenses. It is obvious that if an abnormal increase in gross earnings, due principally to the unusual demand by large power installations and for railway purposes, had not prevailed, the reductions

made in rates by all the companies owned by you would have resulted in a reduction in dividend. In formulating the new tariff of rates, to which reference is made below and also in the last annual report, the calculations based upon the business connected, the new business secured and in prospect, justified the reductions made, which benefited principally the small and average customers, and still enabled us to meet the increasing cost of labor, coal and material of all kinds, provide for the fixed charges and continue the dividend upon the stock.

Statistics.—The total commercial connected load as of Dec. 31 1916 was equivalent to 4,715,121 50-watt lamps, an increase of 756,592; and the increase in the number of consumers during the year was 13,620.

The railway, railroad and other utilities connected amounted to 33,450 k.w. Dec. 31 1916, an increase of 1,200 k.w. over 1915.

Rates.—During April 1916 the Penna. P. S. Commission authorized the new tariff of rates of the Philadelphia Electric Co. of Penna., the rates for street arc lighting to take effect as of Jan. 1 1915 and those applicable to commercial customers as of April 1 1916. It was therefore necessary to refund to the city the difference between the rates charged and the new rates agreed upon for the year 1915. This refund and all expenses, legal, expert, &c., in connection with the rate case and the valuation of your properties, covering the period in the history of the company prior to 1915, were (in all \$481,103) charged against the surplus existing Dec. 31 1915.

During the past year reductions were made by the Beacon Light Co. of Chester, the Delaware County Electric Co. and the Bala & Merion Electric Co., effective Oct. 1 1916, making rates same as those in force in Philadelphia.

Additions.—During the year the large generating station, known as "A-2," capacity 65,000 k.w., was completed; additional main to sub-station capacities; the erection of nearly 1,000 additional arc lamps for street lighting; a large portion of the construction of the high-tension transmission lines between Philadelphia and Chester completed, overhead and underground lines extended.

A large generating station, located on the Delaware River, at Chester, having an ultimate capacity of 120,000 k.w., is now being erected by the Beacon Light Co., and it is expected the first unit will be in operation this coming fall. This plant will be connected with the generating stations in Philadelphia by a tie line, right of way for which has already been secured.

Plan.—The plan of unification of the company's properties in Philadelphia, as adopted was announced in a circular letter of July 20 1916, and provided for the purchase and retirement of the trust certificates, the sale and transfer of all the properties in Philadelphia to the Philadelphia Electric Co. of Penna., the placing of a mortgage thereon of \$60,000,000, and the issuing of sufficient bonds under this mortgage for the purpose of purchasing and retiring the trust certificates and providing additional capital for the immediate needs of the company (V. 103, p. 326; 1416).

Under this plan there was deposited over 95% of the Philadelphia Electric 5% gold trust certificates and the Philadelphia Electric 4% gold trust certificates, respectively, being more than the amount required by the terms of the agreements under which they were issued, and all but \$17,000 of the Edison Electric 5% stock trust certificates. In the latter case it is necessary to acquire the entire issue in order to cancel the trust agreement, before a transfer of its property can be made (V. 103, p. 1416, 1986; V. 104, p. 367, 457).

The P. S. Commission having approved the transfer of the properties of the underlying companies, other than the Edison Company, to the Philadelphia Electric Co. of Penna., and also its acquisition of the Edison Electric 5% stock trust certificates and shares of stock of the Edison Electric Light Co. of Phila., a mortgage was made by the Philadelphia Electric Co. of Penna. of \$60,000,000, dated Oct. 1 1916, to the Land Title & Trust Co., trustee, of all the property of the company in the city of Philadelphia, including, besides with the trustee of all the Edison Electric 5% stock trust certificates and the capital stock of the Edison Electric Light Co. of Phila., acquired by the Philadelphia Electric Co., under which mortgage there was issued \$35,335,000 of bonds on Feb. 1 1917, leaving in the treasury of the Philadelphia Electric Co. of Penna. \$24,665,000 of said bonds for future issue (V. 104, p. 261, 565).

To guarantee and protect the outstanding Philadelphia Electric 5% gold trust certificates and the Philadelphia Electric 4% gold trust certificates, which were not deposited under this plan of retirement, satisfactory arrangements have been made with the Land Title & Trust Co., trustee under, both issues, in accordance with the terms of the trust agreements under which said issues were made.

Exchange of Stock.—As a result of this unification and as a final step, it is hoped in the near future that we will be able to submit a plan for the exchange of the stock of this co. for the stock of your Pennsylvania co. [On Dec. 31 1916 169,985 shares (\$16,998,500) of the stock of last-named co. were in the treasury of the Phila. Elec. Co. of N. J. The Penn. Co. has been arranging to increase its capital stock from \$25,000,000 auth. (\$17,000,000 issued, including directors' shares) to \$50,000,000.—Ed.] (V. 104, p. 868.)

Assessment.—The final assessment on the capital stock of the company, making the stock full paid, was called, payable Dec. 16 1916 (V. 103, p. 1892).

Net Result of Unification Plan.—The plan placed in the treasury of the company \$10,332,193 and after providing for the outstanding loans as shown on the balance sheet of \$4,950,000, cash of \$5,382,193 remained.

RESULTS FOR CALENDAR YEARS.

	1916.	1915.	1914.	1913.
No. of consumers Dec. 31	82,761	69,141	59,791	52,085
Comm'l conn'd load Dec. 31 (50-watt equiv.)	4,715,121	3,958,529	3,496,709	3,127,450
Gross income, all cos.	\$10,290,072	\$8,777,924	\$8,160,025	\$7,815,615
Oper. exp., taxes, fixed charges and deprec'n	\$7,466,021	\$6,363,374	\$6,181,046	\$5,887,372
Div. (on amt. paid in)	(7) 1,574,313 (7) 1,574,308*	(6) 1,418,915	(6) 1,418,915	(6) 1,418,915
Total deductions	\$9,040,334	\$7,937,685	\$7,755,354	\$7,068,187
Surplus	\$1,219,738	\$840,239	\$404,671	\$747,428

*Also extra stock dividend of \$1.50 per share paid Dec. 1 1913, calling for \$1,499,265.

BALANCE SHEET DEC. 31.

1916.		1915.		1916.		1915.	
Assets—		Assets—		Liabilities—		Liabilities—	
Subs. to cap. stock	2,495,175	2,495,175	Cap. stock (amount called Dec. 31)	24,987,750	23,485,975		
Installments	51,953	615					
Cash	1,562,130	1,361,756	Amount subject to assessment		2,495,775		
Charter & organ'a	15,631	15,631	Funded debt	3,500,000	3,500,000		
Stocks misc. eos.	336,894,052	36,992,124	Land Title & Trust Co. (trustee)	15,014,142	15,014,142		
Phila. Elec. gold 4s.	1,396,565	1,396,565	Accounts payable	1,427,505	1,644,564		
Accts. receivable	1,496,038	5,390,473	Notes payable	1,450,000	400,000		
Supplies	1,358,811	820,341	Accrued items	583,112	538,537		
Advanced paym'ts	18,538	14,806	Profit and loss	63,500,023	2,311,987		
Miscellaneous	912	403					
Net loans, own eos	7,238,301						
Total	50,012,931	48,396,979	Total	50,012,931	48,396,979		

a Securities in treasury include, among others: Stocks (No. shares)—The Phila. Elec. Co., 169,985; Phila. Elec. Co., 240; Pennsylvania Mfg. Lt. & Pow. Co., 979,89; Beacon Light Co., 12,387.5; the Kensington Elec. Co., 5,264; The Penn. Elec. Light Co., 227,488; Electrical Testing Laboratories, 3,090; Delaware Co. Elec. Co., common, 7,500, and pref., 2,495,594 and Philadelphia Electric Co. 4s. \$2,015,000.

b After deducting from previous surplus, \$481,103 refund to city on street lighting contract for 1915, expenses of valuation and rate case.—V. 104, p. 1494, 868.

National Fuel Gas Co. (of N. J.), New York.

(Report for Fiscal Year ending Dec. 31 1916.)

Pres. Walter Jennings, 26 Broadway, N. Y., says in part:

The companies underlying National Fuel Gas Co., their capital and the percentage of each owned directly or indirectly are:

Controlled Companies—	Capital Stock	Ownership
United Natural Gas Co. (V. 95, p. 549)	\$15,000,000	100.00%
Iroquois Natural Gas Co. (V. 95, p. 547)	8,332,500	100.00%
Pennsylvania Gas Co. (V. 92, p. 1905)	7,200,000	50.71%
Provincial Natural Gas & Fuel Co. of Ont., Ltd.	600,000	55.25%
Iroquois Building Corporation	255,500	100.00%
Clarion Gas Co.	125,000	100.00%

The principal places supplied with natural gas are: (1) In N. Y. State, Buffalo, Jamestown, Olean, Salamanca, Lackawanna, Lancaster, Depew, Hamlet, East Aurora, Angola, Springville; (2) in Pennsylvania, Erie, Oil City, Bradford, Warren, Meadville, Sharpsburg, Du Bois, Franklin, Titusville, Corry, Clarion, Brookville, Reynoldsville, Tidoute, Youngville.

Mercer, Greenville, Sheffield; (3) in Canada, Niagara Falls, Welland, Bridgeburg, Fort Erie, Sherston.

RESULTS FOR YEARS ENDING DECEMBER 31.

	1916.	1915.	1914.
Earnings—			
Number of consumers.....	175,092	166,438	140,097
Percentage owned by N. F. G. Co.....	152,719	146,303	132,552
From sales gas.....	\$7,043,151	\$6,263,238	\$6,202,018
From miscellaneous.....	235,540	153,494	125,582
Total earnings.....	\$7,278,691	\$6,416,732	\$6,327,600
Expenses and taxes.....	\$2,244,658	\$2,090,703	\$2,125,291
Gas purchased.....	1,105,802	1,062,888	1,082,208
Net earnings.....	\$3,928,230	\$3,263,141	\$3,123,101

BALANCE SHEET DEC. 31.

	1916.	1915.	1916.	1915.
Assets—			Liabilities—	
Stocks & bonds of.....			Capital stock.....	14,803,900 14,803,900
underlying eq. 27,335,432	26,109,502		Accounts payable.....	894,801 1,053,928
Sec. & accts. rec.....	1,045,046	1,518,904	Div. pay. Jan. 15 '17	370,098
Cash.....	695,000	18,259	Capital stock premium account.....	355,300 355,300
Office equipment.....	860	836	Surplus.....	12,682,300 11,524,373
Total.....	29,076,398	27,737,501	Total.....	29,076,398 27,737,501

Spring Valley Water Co., San Francisco, Calif.

(Report for Fiscal Year ending Dec. 31 1916.)

Vice-Pres. & Gen. Mgr. S. P. Eastman, San Francisco, April 9, wrote in substance:

Results.—The proceeds from sales of water in San Francisco during 1916 were only \$7,396 less than the sales during the Exposition year 1915. Service connections increased to 67,035, an addition of 899.

Consumption.—The properties of the company had only been developed for an average daily yield of 44 million gallons, thus the consumption for the year 1916, as estimated in May of that year, would have exceeded the developed yield of the properties. The consumption of water, however, commenced to decrease thereafter and the average daily consumption for 1916 was 40,914,501 gallons, against 42,655,014 gallons during 1915. This substantial decrease was due to the following factors: the installation of 16,393 meters on residence services during the year, the discontinuance of the Panama-Pacific Exposition, and the prevalence of comparatively low temperature conditions. By March 27 1917 the project of installing 25,000 meters authorized in May 1916 had been completed.

Increased Prices of Commodities.—Present prices of all commodities necessary in the conduct of the company's business have reached unprecedented figures and their rise continues.

Calaveras Dam.—Substantial progress during the past year has been made in the construction of the Calaveras Dam. The dam and appurtenances, exclusive of the spillway, were 70% completed by Dec. 31 1916. Of the financial estimate for completion of the dam exclusive of the spillway given in the annual report of 1915 of \$2,100,000 there has been spent \$1,399,486, of which \$491,997 was spent during 1916. The expenditures made during 1916 are within the estimate. It is expected that the dam will be completed early in 1918, and that substantially all of the permanent spillway will be available for the winter season of 1917-18. At the present date there is stored in the Calaveras Reservoir 5,300 million gallons of water, which is nearly equal to the storage capacity of Lake San Andreas.

Suit.—Litigation was instituted by the directors of the Alameda County Water District to enjoin the construction of the Calaveras Dam and any further diversions of water from Alameda Creek. Litigation was also authorized by the directors of the Pleasanton Township County Water District with reference to any increased diversions from the Livermore Valley. Negotiations finally resulted in the execution of agreements with the water districts which establish the right of the company to increase its diversions and to develop the resources of the Alameda system.

Rates.—The submission of evidence before the Standing Master in Chancery in the U. S. District Court covering the rates cases of the years 1907-1914 inclusive was commenced July 12 1915 and proceeded without appreciable interruption until the conclusion of the arguments Sept. 1 1916. We look with confidence to a decision that will settle past differences and afford a foundation for established credit and the constructive extension of the system.

Need of Extensions.—The company is now under the supervision of the Railroad Commission of California. The Commission has great powers and it is hoped that it will be able to protect the company from some of the uncertainties and unreasonable exactions that have in the past hampered the development of the company's system. The structural works, except for the Calaveras Reservoir, have remained with but comparatively little change for ten years. They now urgently need to be extended and comprehensively developed to properly serve the growing requirements of a prosperous community. The Railroad Commission has already taken up the examination of the properties with reference to fixing water rates for the future. It is hoped that a way may be found by which the company may be given assurance of such protection as will warrant it in investing the large additional amounts of money required to increase the capacity and efficiency of the water supply of San Francisco.

INCOME ACCOUNT FOR CALENDAR YEARS.

	1916.	1915.	1914.	1913.
Earnings—				
Water sales.....	\$3,452,011	\$3,489,408	\$3,277,776	\$3,217,278
Rents.....	118,331	109,662	109,495	108,606
Suburban water sales.....	27,773	22,769	25,700	33,715
Interest.....	63,282	53,499	44,133	31,983
Miscellaneous.....	1,645	7,249	6,191	9,098
Gross earnings.....	\$3,693,548	\$3,682,587	\$3,463,295	\$3,400,680
Operating expenses.....	938,408	924,488	832,920	805,611
Net earnings.....	\$2,755,140	\$2,758,099	\$2,630,375	\$2,595,069
Deduct—				
Taxes.....	\$519,055	\$496,298	\$488,640	\$445,213
Interest on bonds.....	714,360	714,360	714,360	714,360
Other interest.....	77,672	61,719	62,620	62,035
Depreciation, &c.....	288,000	260,000	260,000	260,000
Contingent liab. fund.....	46,737	290,324	407,558	387,547
Dividends.....	(3 1/2) 980,000	(3 1/2) 840,000	(2 1/2) 700,000	(2 1/2) 595,000
Miscellaneous.....	64,029	26,100	13,757	1,030
Total deductions.....	\$2,690,453	\$2,688,801	\$2,646,935	\$2,465,185
Bal., sur. or def.....	sur. \$64,687	sur. \$69,298	def. \$16,560	sur. \$129,884

BALANCE SHEET DEC. 31.

	1916.	1915.	1916.	1915.
Assets—			Liabilities—	
Real estate, water rights, rights of way, &c.....	668,694,816	67,928,364	Capital stock.....	28,000,000 28,000,000
Gen. M. bonds.....	65,395,000	4,242,000	Capital surplus.....	c14,866,101 c14,848,571
Bills & accts. rec.....	37,027	159,472	Stock assessment.....	840,000 840,000
Mat'l supp., &c.....	329,389	299,253	Gen. M. 4 1/2% bonds.....	23,164,000 22,101,000
Consumers' accts.....	162,090	73,421	2-yr. 5 1/2% notes.....	2,500,000 2,500,000
Un. Tr. Co. trustees	d179,168		Current liabilities.....	763,418 426,837
Unamort. discount, &c., on notes.....	48,576		Twin Peaks Ridge Tunnel assessm't	944,533 1,132,934
Cash.....	39,473	421,944	Empl. insur. fund.....	33,259 22,143
15% deposit under injunction.....	2,273,868	2,280,449	Deprec., &c., fund	3,050,614 2,783,799
			Miscel. reserves.....	3,000
			Contingent fund.....	2,273,868 2,280,449
			Surplus net rev.....	682,638 517,748
Total.....	77,021,431	75,453,481	Total.....	77,021,431 75,453,481

a After deducting \$74,224 for sales of property, transfers and removals of equipment and \$1,436, adjustments of property values sold. b Includes in 1916 \$3,554,000 in treasury (against \$3,714,000 in 1915). c Arising from re-valuation of capital assets. d Includes deposits of proceeds of real estate sales \$153,128 and mortgages receivable held account of real estate sales \$26,040.—V. 104, p. 958.

Pierce Oil Corporation (of Virginia).

(3d Annual Report—Year ending Dec. 31 1916.)

Pres. C. A. Pierce, St. Louis, April 21 wrote in subst.:

Additions.—The paraffine and lubricating plant at Sand Springs, Okla., refinery began operations in November. This plant cost about \$750,000, and has capacity to supply all of the corporation's domestic requirements for all kinds of lubricating oils and wax and in addition a large quantity of these commodities for export. The operation of this plant is proving very profitable. The acid-restoring plant at the Sand Springs refinery was completed in September and has since been in successful operation; the asphalt plant at the Tampico, Mexico, refinery has been completed and is now running to capacity; the doubling of the capacity of the Tampico, Mexico, refinery topping plant was completed in September. Fifty-two new distributing stations were established in the United States.

The new motor tank ship Pennant, with a carrying capacity of 33,000 bbls., was purchased at a cost of \$1,150,000, and 390 new tank cars were bought at a cost of \$876,070.

The construction of a continuous gasoline treating plant was commenced in Dec. at the Sand Springs refinery, which will materially reduce the cost of manufacturing gasoline. The installation of four new crude and two new steam stills was begun in Dec. at Sand Springs refinery to increase the capacity of that plant. Twelve additional 55,000-bbl. and three additional 37,500-bbl. and a number of smaller-sized steel storage tanks were constructed or purchased. The additional gasoline finishing plant which was begun in the spring at the Tampico refinery to double its gasoline capacity has been completed.

The tank steamer Euphon, capacity 33,000 bbls., which was requisitioned by the British Admiralty in March 1915, has been released and returned to the corporation's service. The tank steamer Mexicano, capacity 26,000 bbls., purchased in 1914, was continuously in our service. Early in 1917 the new schooner El Gallo, carrying capacity 1,000 tons, was purchased for \$85,000 to transport asphalt from Tampico to the United States.

Results in Mexico.—The results of the Mexico business were much better than in 1915, the net profits being \$635,002, which, even under the continued adverse political conditions, would have been much larger had sufficient rail and water transportation facilities been obtainable. The corporation maintained its organization throughout Mexico and suffered no material property losses. In December all depreciated Mexican paper currency was eliminated from circulation and replaced by gold and silver, which restored our Mexico business to a firm foundation and insures us against loss through exchange fluctuations. Development of the corporation's Mexico oil fields continued to be retarded by the revolutionary conditions, which, however, are now considerably improved.

All the corporation's Mexican currency assets, including accounts which were receivable in Mexican currency but which are now collectible in Mexican coin, have been written down in the balance sheet at a value of \$1 U. S. currency as they were in 1915. It is believed the corporation will ultimately realize a substantial sum from these Mexican currency assets which have already materially increased in value through the re-establishment of a gold and silver basis in Mexico.

The business of the corporation in the United States and its exports were largely increased in volume and profits. Since Jan. 1 1917 the domestic and export business and profits have shown further large increases in both the United States and Mexico.

INCOME ACCOUNT FOR YEARS ENDING DEC. 31.

	1916.	1915.	1916.	1915.
a Trading profits.....				
United States.....	\$1,717,408	\$1,108,217	Net.....	\$2,178,790 \$921,590
Mexico.....	476,621	def. 22,573	Deduct abandoned wells written off.....	51,009
Interest rec'd (net).....	33,179		Int. on debentures.....	593,103 600,000
Total.....	\$2,432,208	\$1,085,644	Interest & discount.....	140,000
Depr. & misc. exp.....	253,417	164,054	Other interest (net).....	4,803
Net.....	\$2,178,790	\$921,590	Surplus.....	\$1,393,778 \$316,788

a Denotes sales less producing and marketing expenses.

BALANCE SHEET DECEMBER 31.

	1916.	1915.	1916.	1915.
Assets—			Liabilities—	
Oil lands, leaseh'ds, pipe lines, &c. (incl. cap. stck. of ready to M.F. Co.)	20,389,630	20,387,811	x Capital stock.....	13,857,500 13,857,500
Real est. occupied by refineries and distrib. sta'n's	2,612,019	2,011,019	6% convert. sink fund debentures	9,705,000 10,000,000
Buildings, plants and equipment.....	4,604,110	3,814,165	6% 5-year convertible notes.....	2,000,000 2,000,000
Tank steamers.....	1,730,200	626,017	Purch. mon. oblig.: Purchase of oil lands & leaseh'ds	57,609 129,752
Tank cars.....	444,207	283,500	Steamship & car purch. oblig'n's	925,091 144,058
Stablegar, equip.....	151,118	179,929	Notes payable, secured & unsec'd	1,382,228 709,278
Iron bbls. & drums	250,022	214,425	Accts. payable & acer'd liabilities	2,390,474 1,123,799
Drilling tools, &c.....	16,436	16,134	Capital surplus.....	5,702,313 5,703,813
Mdse., mat'l's, etc.....	3,519,341	2,239,502	Profit and loss.....	1,800,502 400,723
Notes & accts. rec.....	2,541,307	2,586,681		
Cash.....	1,877,486	1,529,460		
Prepaid insur., &c.....	254,834	186,276		
Total.....	37,880,718	34,074,924	Total.....	37,880,718 34,074,924

x Capital stock authorized, \$33,000,000; less \$10,000,000 held for conversion of 10-year 6% debentures, \$2,500,000 5-year 6% convertible gold notes and \$6,642,500 unissued, balance as above, \$13,857,500.—V. 104, p. 2016.

Pierce Fordyce Oil Association.

(Report for Fiscal Year ending Dec. 31 1916.)

Pres. S. W. Fordyce Jr., Dallas, April 21 wrote in subst.

Trade conditions in Texas during 1916 were, taken as a whole, much better than in 1915, and the business handled showed substantial increases.

The reconstruction of our refinery at Texas City which was seriously damaged by storm and floods in Aug. 1915, has now been practically completed, and the capacity of this plant has not only been more than doubled, but additional facilities have been provided for the manufacture of asphalt, greases of all kinds and other products which were not previously being manufactured at this refinery, with the result that our earnings from this plant have been materially increased. A 12-foot levee will surround the entire property.

The large increase in the volume of business has also made it necessary to increase the capacity of our refinery at Fort Worth, and the additions completed or under construction will practically double the said capacity. Dividends amounting to \$6 per share were paid during the year and the balance of our earnings were reserved for use in enlarging our refineries and making other additions to our plant and equipment which were required to take care of our rapidly increasing business.

Early in 1917 the construction of an eight-inch pipe line was started between the Healdton, Okla., oil field and Fort Worth, Tex., about 100 miles, for the purpose of supplying our Fort Worth refinery with crude oil at a minimum cost. This work is progressing satisfactorily and it is now expected the pipe line will be completed and in operation some time in Aug. 1917. This pipe line will not only greatly facilitate the prompt handling and delivery of crude supplies, but will show a very large earning on the investment.

INCOME ACCOUNT FOR YEARS ENDING DEC. 31.

	1916.	1915.	Deduct (Cont'd)	1916.	1915.
a Trading profits.....	\$1,297,226	\$771,493	Interest paid.....	\$88,626	\$91,720
Other income.....	29,456		Dividends paid.....	(86) 216,138	
Gross income.....	\$1,326,682	\$771,493	Balance, surplus.....	\$841,159	\$332,705
Deduct—			Depreciation, &c.....	180,753	137,626
Storm & flood loss.....	180,753	137,626	Storm & flood loss.....	209,441	
Total.....	\$1,145,929	\$633,867	Total surplus.....	\$2,450,745	\$1,609,585

a Denotes sales less producing and marketing expenses.

BALANCE SHEET DEC. 31.

Table with columns for Assets and Liabilities, and rows for 1916 and 1915. Assets include Bldgs, plants, oil lands, equip., etc. Liabilities include xCts. of beneficial interest, Interest, Car purchase notes, etc.

Total 5,988,504 5,007,014 Total 5,988,504 5,007,014

x Certificates of beneficial interest authorized \$10,000,000; issued \$3,602,300, less \$2,242,432 distribution on acc't of capital balance as above \$1,359,868. [See report of the Pierce Oil Corp. above.]—V. 104, p. 2016.

Eastman Kodak Co. (of N. J.), Rochester, N. Y.

(Report for Fiscal Year ending Dec. 31 1916.)

COMPANY AND ITS SUBSIDIARIES—INCOME ACCOUNT.

Table with columns for 1916, 1915, 1914, 1913. Rows include Net profits, Divs. paid and accrued, On pref. stock, On com. stock, Res'v for contingencies, Total, Surplus.

* After providing for possible war losses in 1914.

COMBINED BALANCE SHEET DEC. 31 (INCLUDING SUB. COS.).

Table with columns for Assets and Liabilities, and rows for 1916 and 1915. Assets include Real estate, build-ings, Welfare fd assets, etc. Liabilities include Common stock, Preferred stock, etc.

x Includes real estate, buildings, plant, machinery and capital investments at cost less depreciation reserve.—V. 104, p. 1492, 767.

American Power & Lt. Co., New York, and Subsidiaries.

Kansas Gas & Electric Co., Pacific Power & Light Co., Portland Gas & Coke Co., Southwestern Utilities Corp., Southwestern Power & Light Co. and Subsidiaries.

(Report for Fiscal Year ending Dec. 31 1916.)

Pres. F. G. Sykes, N. Y., Mar. 15 1917, wrote in substance:

Business conditions in the territory served by our operating subsidiaries have, on the whole, greatly improved during the year. Conditions in Kansas were unusually favorable. Supplies of farm products were large and brought high prices. The large output of the new oil fields developed during the year was marketed at exceptionally high prices. Texas was never more prosperous than at present. The cotton crop of 1916 was abundant and sold at record prices. The number of cattle marketed was large and commanded unusually favorable prices. In the Pacific Northwest territory business conditions continued quiet until the latter part of the year, when this section became more prosperous as the result of several favorable factors. Business conditions in Portland and vicinity were quiet throughout the year. General business conditions, however, are now beginning to improve as a result of better prices for lumber and the activity in ship building. Acquisition.—Control of the Hutchinson Gas & Fuel Co. and the Newton Gas & Fuel Co. was acquired by the Southwestern Power & Light Co. during the year. These two companies distribute natural gas to Hutchinson and Newton, Kan., buying the gas from producing companies. Statistics.—During 1916 operating companies in Texas continued to extend transmission lines and to add to the number of communities served. A total of 216 miles of high-tension transmission lines was built during the year, while on Dec. 31 1916 an additional 144 miles were under construction. Debentures.—Your company issued \$6,984,300 of gold debenture bonds, the proceeds of which have entirely liquidated its floating debt and provided working capital with which to assist in the temporary financing of the subsidiary companies. Of these debenture bonds \$6,984,300 were offered for subscription to the stockholders and 86% were subscribed for, leaving only 14% to be taken by the underwriters. Although only 10% of subscriptions were required forthwith, the balance being payable over a term of years, the subscribers have so anticipated payments that as of Dec. 31 1916 \$4,658,000, or more than 66% of the amount subscribed, has been paid for (V. 102, p. 1627). Status.—Current assets as of Dec. 31 1916 were \$3,388,212 and total current liabilities \$341,788.

STATISTICS AS TO SERVICE OF SUBSIDIARY COMPANIES, CAL. YEARS.

Table with columns for 1916, 1915, 1909. Rows include Output 12 months (k. w. hours), Gas output—Artificial (cubic feet), Natural (cubic feet).

STATISTICS FOR CONTROLLED COMPANIES DEC. 31.

Table with columns for Kan. Gas & El. Co., Pac. P. & L. Co., Portl. G. & C. Co. and rows for Electric customers, Gas customers, Water customers, Gen. capacity, k. w., etc.

g Three eiphers (000) missing. h Excludes 4,500 k. w. capacity operated in connection with company's system, but not owned.

Table with columns for S. W. P. & Lt., Pac. P. & Lt., Ft. W. P. & Lt. and rows for Electric customers, Gas customers, Water customers, etc.

g Three eiphers (000) omitted. k This decrease in artificial gas output was due to the substitution of natural gas in Waco.

EARNINGS OF CONTROLLED COMPANIES YEARS ENDING DEC. 31.

Table with columns for Gross Earnings, Net (after Taxes), Interest Charges, Dividends, Balance, Surplus. Rows include Kansas Gas & Electric Co., Pacific Power & Light Co., Portland Gas & Coke Co., etc.

INCOME ACCT., ETC., OF AMER. POWER & LT. CO.—CALENDAR YEARS.

Table with columns for 1916, 1915, 1914. Rows include Gross income of Am. Power & Light Co., Net earnings of Amer. Power & Light Co., Interest and discounts, etc.

Balance, combined surplus for calendar years 1916, 1915, 1914

BALANCE SHEET OF AMERICAN POWER & LIGHT CO. DEC. 31.

Table with columns for Assets and Liabilities, and rows for 1916 and 1915. Assets include Stocks and bonds, Cash, Adv. to sub. cos., etc. Liabilities include Preferred stock, Common stock, etc.

BALANCE SHEETS OF CONTROLLED COMPANIES DEC. 31.

Table with columns for Kan. G. & E. Co., Pac. P. & L. Co., Portl. G. & C. Co. and rows for Assets and Liabilities.

S. W. P. & Lt. Co., Pac. P. & Lt. Co., Ft. W. P. & Lt. Co.

Table with columns for Assets and Liabilities, and rows for 1916 and 1915. Assets include Plants, Securs. oth. cos., Current assets, etc. Liabilities include Preferred stock, 2d pref. stock, etc.

Southwestern Power & Light Co. Dec. 31.

Table with columns for Assets and Liabilities, and rows for 1916 and 1915. Assets include Securs. other cos., Current assets, etc. Liabilities include Preferred stock, 2d pref. stock, etc.

a Of the \$10,000,000, \$7,424,000 have been retired, leaving \$2,576,000, and of these \$212,000 are owned by Am. Power & Lt. Co. Capital stock, \$15,000,000; par value outstanding, issued under the laws of Virginia for assets valued at \$2,851,000.—V. 104, p. 2013, 1594.

Donner Steel Company, Incorporated.

(First Annual Report—Year ending Dec 31 1916.)

Pres. William H. Donner, Feb. 20, wrote in substance:

Organization.—This company was incorporated Dec. 8 1915, and on Dec. 23d received deed for its property, containing 65 acres, one blast furnace, three open hearth furnaces, a blooming mill, power plants, &c. During the year 2.38 additional acres of ground were secured, making the total manufacturing site of 67.38 acres. The works then lacked finishing mills and docking facilities for limestone and ore and were moreover too small for economical operation. To remedy these difficulties we are building (1) a modern ore dock which will enable vessels to unload ore and limestone direct at your plant, (2) a second blast furnace to form a more economical unit for producing pig iron and provide metal for the seven new open hearth furnaces now building, which will reduce the cost of ingots, (3) Finishing mills to convert all of the steel into finished products and obviate the sale of billets. We propose to finish in your own mills the entire output of steel, having planned the improvements with a view to commercial advantages as well as economical manufacture. The river front improvement yard tracks, &c., have already been placed in service. The principal items under construction are: Blast furnace; open hearth addition; consisting of seven new furnaces and equipment; ore dock; two ore bridges, one 6,000 k.w. turbo-generator, 84-inch plate mill, 18-inch Moran continuous billet mill, 14-inch continuous merchant mill, 10-inch continuous merchant mill, 8-inch merchant mill, addition to engine house, south crossing under D., L. & W. Railway, roll shop, addition to machine shop, axle and forge plant, billet yard, shipping building and stock house. The mills will be driven by electric motors. Owing to the constantly increasing cost of building and the delay in securing construction materials, the building of By-Product Coke Ovens has been indefinitely postponed.

Operation.—The blast furnace was lighted Dec. 31 1915, and the first metal tapped Jan. 2 1916. The three open hearth furnaces were started in January and February, after which it was found advisable to change the two Talbot furnaces to the stationary type. There was a loss in operation until March, but since that time each month has shown a profit. The energy of your organization has been devoted largely to construction work which so far, instead of being remunerative, has frequently interfered with operation. It is expected that two of the new open hearth furnaces will be in operation in March 1917, the new blast furnace in April and the plate mill in May. With the orders on hand and the demand for steel products practically assured through 1917, these improvements should add materially to the profits. It is an exceedingly difficult time to secure machinery and construction materials. The remaining open hearth furnaces and mills will be completed and put in operation as rapidly as possible.

Stock Increase.—The stockholders on Dec. 26 1916, authorized an increase of the capital stock to \$9,000,000 was authorized, the new stock, \$4,000,000, to be \$3,500,000 Preferred and \$500,000 Common. The entire \$3,500,000 of Preferred has been underwritten at par without commission; \$2,400,000 of the new stock was subscribed for by the shareholders and paid in during January, and the "Bills Payable" have been retired. Any balance not subscribed for on March 1 1917 will be taken up by the underwriters. This increase together with the proceeds from the sale of the remaining \$2,500,000 bonds already authorized will finance the improvements under construction.

Donner Mining Co.—This subsidiary was incorporated in March 1916, with a capital stock of \$100,000, all of which is owned by your Company. It will operate the Alexandria Mine, located in St. Louis County, Minn., which it has under a long-term lease. The property has large reserves of high grade ore, suitable for basic iron. It has modern equipment and improvements; the mine is being rapidly developed and is expected to ship approximately 200,000 tons in the season of 1917. Your company also has contracts running from two to ten years for other desirable ores at reasonable prices, so that it is well protected.

Donner Steamship Co.—This company, a majority of whose stock is owned by the Donner Steel Co., owns the steamship Herbert F. Black, a modern vessel that made its first voyage in Sept. 1916. This vessel is under contract to move our ore from Upper to Lower Lake ports over a period of years, which insures us reasonable rates. Moreover, we have a favorable contract for the transportation of ore with other vessels over a period of five years.

Limestone.—We have a contract for ten years with the Michigan Limestone & Chemical Co. for first quality limestone on a very favorable basis. **Tonawanda Furnace.**—Your Company has leased the two blast furnaces and property of the Tonawanda Iron & Steel Co. at North Tonawanda, N. Y., for one year, with the privilege of one or two additional years and the option to purchase the property at any time during the period of the lease. There should be considerable profit in the operation of these furnaces in 1917 notwithstanding their high costs of production. If the Niagara River is deepened we will be justified in purchasing this property.

Prospects for 1917.—Indications are that the entire output of the American mills, with their increased capacity, will be needed for a year to take care of the accumulated orders and normal demands even if the war should end soon. Production may be restricted somewhat on account of fuel supply. Traffic conditions are also likely to play an important part, as the railroads have so limited their expenditures the last few years that transportation facilities are now inadequate for the increased volume of business. However, a profitable business for 1917 is practically assured.

INCOME ACCOUNT FOR THE YEAR ENDED DEC. 31 1916.

The total net earnings of your properties after deducting all operating expenses, including ordinary repairs and maintenance (approximately \$293,000) and interest on bonds of subsidiary companies	\$1,166,058
Less provision for depreciation	350,242
Deduct interest on bonds and floating debt	119,127
Net income carried to surplus	\$647,463

*At the rate of 7% per annum from respective dates of payment for stock to Dec. 31 1916.

CONSOLIDATED BALANCE SHEET, DEC. 31 1916.

Assets.—(Total, \$11,670,235): real estate, buildings, improvements, machinery, equipment, &c., \$8,491,447; less reserve for depreciation, \$350,242	\$8,141,205
Payments for advance mining royalties, unexpired insurance, &c., chargeable to future operations, \$38,309; payments on account of Tonawanda plant (not yet in operation), including advance rental, \$43,856	82,165
Inventories, \$2,019,113; cash, \$346,762; accounts receivable, \$1,080,990	3,446,865
Liabilities.—(Total, \$11,670,235)—Preferred (7% cumulative) stock, \$2,500,000; common, \$2,500,000	\$5,000,000
1st & purchase money Mine 5% 20-year bonds (\$5,000,000 authorized), \$2,500,000; bonds of sub. co., not guaranteed by Donner Steel Co., Inc., Donner S. S. Co. \$92,600	2,592,600
Accounts payable, \$1,117,406; bills payable, \$2,200,000; total	3,317,406
Bond interest accrued, \$10,417; preferred dividend No. 1, \$149,226	159,643
Reserve for relining furnaces, extraordinary repairs and other operating accounts	53,063
Surplus (earned)	647,463
xCapital stock increased since Jan. 1 1917, yBills payable retired in January 1917. As to "bonds," etc., see news items below.—V. 104, p. 955.	

GENERAL INVESTMENT NEWS

RAILROADS, INCLUDING ELECTRIC ROADS,

Atlanta Birmingham & Atlantic Ry.—Proposed 75-Mile Extension to Jacksonville, Fla.—It is announced that the company has definitely decided to extend its line from Waycross, Ga., to Jacksonville, Fla., 75 miles. An approved statement adds:

A large terminal site has been bought in the centre of Waycross and the road has also arranged for terminal property at Jacksonville which is admirably located. It will take 2 to 2½ years to finish this line with the material situation as it is to-day and the cost will be something over \$2,000,000. The 80-lb. rail for the new line is ordered and will be delivered some time in 1918. When the road is built into Jacksonville it will have the advantage of a tidewater shipping point, the only direct route between Birmingham and Jacksonville, and will have the best or one of the best routes from Atlanta to Jacksonville.—V. 104, p. 663, 162.

Barcelona Traction Light & Power Co., Ltd.

The company gives notice (a) to holders of the 7% prior lien "A" bonds that the interest coupon No. 4 due June 1 1917 on the said "A" bonds will be paid on June 1 1917 at the Bank of Scotland, London, Eng., and at Canadian Bank of Commerce, Toronto, Canada, 16 Exchange Pl., N. Y. (b) That the semi-annual interest coupon No. 11 due June 1 1917 on the 5% 1st M. 50-year bonds may be lodged on and after June 1 1917 at the offices of the company, Toronto, Canada, or 3 London Wall Buildings, London, Eng., to be exchanged for interim certificates in respect to the 5% 10-year notes to be issued in discharge thereof.—V. 102, p. 1810.

Beaumont (Tex.) Traction Co.—Merger.

See Jefferson County Traction Co. below.—V. 103, p. 1636.

Boston & Maine RR.—Extension of Notes.

Judge Morton in U. S. District Court at Boston, Mass., on May 22 authorized Receiver James H. Hustis to extend for 1 year the \$757,577 notes of the Fitchburg RR., maturing June 1 next.—V. 104, p. 2009, 1898.

Brazil Railway.—Plan Now Stated Not to Have Been Abandoned.—The London "Statist" of May 5 says:

We regret having fallen into an error last week in stating that the proposed reorganization of the Brazil Railway Co. had been abandoned because of the inability of the French banking syndicate to raise the necessary cash. This is incorrect. Indeed, we are informed that there is no justification even for the suggestion that the scheme has been postponed till the

war is over, or that the banking syndicate have in any way caused it to be delayed. The amount of new money contemplated to be raised immediately is less than £1,000,000, and it is understood by all the parties interested that the required amount will be forthcoming as soon as the scheme has been definitely accepted by those concerned. Various committees have been formed in England to safeguard the interests of the bondholders in this country, and it is understood that these committees have now practically agreed with the committees in France and Belgium on the main outlines of a scheme, the progress of which has necessarily been slow owing to the difficulty in adjusting the numerous and, in some cases, conflicting interests involved. In view of the intricate structure of the company the drafting of a scheme is necessarily a complicated matter; but we believe we are right in saying that this work is now in the hands of various legal advisers, and that as soon as they have completed their task and the scheme has been passed by the counsel for all parties it will be submitted to the security holders for their approval. [Sullivan & Cromwell, 49 Wall St., N. Y., represent the French banks which will provide the cash for reorganization purposes.]—V. 104, p. 2010.

Brooklyn Rapid Transit.—Transfer Charges Sought.—This company through Pres. Williams has filed application with the P. S. Commission for authority to make a charge for transfers issued on the company's lines except in the case of continuation tickets. The application shows in part:

During the three fiscal years preceding July 1 1914 the average annual increase in passenger revenue of the companies affected was \$634,796. During the three years following the average annual increase (with May and June of the current year estimated) has been only \$119,826, an average yearly decrease in growth of \$514,970. The normal addition to population should have produced an increase of revenue of about 6% a year. The actual increase has been less than 1%. (Figures submitted showed that the number of passengers had increased from 484,365,000 in 1913 to 516,365,587 in 1916, or more than 32,000,000. In 1913 the average fare per passenger was 3.82 cents, and in 1916 it was 3.25 cents.)

The explanation of these adverse results is found in the vastly increased free rides represented by transfer passengers. In 1913 the number of transfers received was 146,776,347; in 1916 it was 168,175,299, and in 1917 (May and June estimated) it will be at least 173,000,000. Under the present order of the Commission transfer passengers are increasing at the rate of over 8,000,000 a year and cash passengers are barely increasing at all.—V. 104, p. 862, 361.

Buffalo Lockport & Rochester Ry.—New Directors, &c.—A. S. Muirhead, W. H. Nesbitt and R. C. Vaughan of Toronto, Canada, have been elected directors *vice* E. R. Wood, F. A. Dudley and C. D. Beebe, ha

The executive offices of the road have been transferred from Syracuse to Rochester.—V. 103, p. 753, 758.

Buffalo Rochester & Pittsburgh Ry.—Locomotives.—An order for 25 high-power locomotives has just been placed by the company, making a total of 70 purchased within the past four months.

It is understood that securities will be issued within 2 or 3 weeks on account of this purchase.—V. 104, p. 1483, 1044.

Central RR. of N. J.—Extra Dividend.—The usual extra dividend of 2% has been declared on the stock, payable June 30 to holders of record June 19.—V. 104, p. 1793.

Chesapeake & Ohio Ry.—Dividend.—A dividend of 2% has been declared on the stock, payable June 30 to holders of record June 8. A like amount was paid in Dec. 1916, when dividends were resumed after a lapse of 2 years.—V. 104, p. 1387, 655.

Chicago & Eastern Illinois RR.—Sale Ordered—Tentative Plan—Listed.—Judge Carpenter in the U. S. District Court at Chicago on May 22 entered a decree ordering the sale of the company's properties at Danville, Ill., on July 17 1917 at an upset price of \$10,000,000 for the "main lines."

The reorganization plan, according to information obtained by the Chicago "Herald," will have the following provisions:

- (1) An assessment of \$30 a share on present outstanding stock.
- (2) New cash, about \$12,500,000, to be raised through new securities.
- (3) There will be only one issue of stock, to bear interest only after bond charges have been met.
- (4) Income bonds will be issued in place of bonds now out.
- (5) A few bonds between \$6,000,000 and \$7,000,000 upon which no default has been entered will not be disturbed.

This reduction in fixed charges will be accomplished largely through the divesting of the Chicago & Indiana Coal Ry. and the Evansville & Indianapolis RR., which always have been losers. The coal properties ordinarily have "broken even," without making the road money. Relieved of these "drains," the reorganization committee believes the road, which is now showing greater earnings than ever before in its history, can get ahead. The exchange of outstanding bonds, it is said, will be made on a "tight" basis—55% of new income bonds and 35% of new stock. Stockholders who meet the \$30 assessment, it is understood, will receive new stock for that amount. [Kuhn, Loeb & Co., who will probably assist in the reorganization, do not confirm the foregoing statement.]

Prof. Stock Restored to List.—The New York Stock Exchange has restored to the list \$8,402,500 prof. stock.

This stock was formerly listed, but when stock trust certificates of the St. Louis & San Francisco were issued therefor in 1902, the amount of prof. shares listed was reduced by the amounts deposited. Of the stock trust certificates, over 99% have been surrendered to the trustee, and upon such surrender there have been delivered the certificates for prof. stock of the C. & E. Ill. RR.

It is expected that a plan for the reorganization of the C. & E. Ill. RR. will be promulgated within a few months. See reorganization plan for St. L. & S. F. RR. in V. 102, p. 896.—V. 104, p. 1387, 301.

Chicago Milwaukee & St. Paul Ry.—Electrif.

Work on the electrification of the Puget Sound end of the transcontinental line traversing the State of Washington has been begun between Othello and Cle Elum, Wash., 98 miles. See "Reports" above.—V. 104, p. 2010.

Cleveland Cincinnati Chicago & St. Louis Ry.—Notes.

This company has applied to the Ohio P. U. Commission for authority to issue \$2,370,000 5% equipment notes at 93, the proceeds to be used for equipment contracted for.—V. 104, p. 1794, 1585.

Delaware Lackawanna & Western RR.—Litigation Settled—Dividend on \$15,000,000 M. & E. Stock Increased from 7% to 7½%.

See Morris & Essex RR. below.—V. 104, p. 760.

Denver & Rio Grande RR.—Adverse Decision.—Protective Committees.

The U. S. District Court for the Southern District of New York, by a decision rendered May 17 1917, directed judgment for upwards of \$32,000,000 against the company in favor of the Equitable Trust Co. of N. Y., as trustee of the mortgage securing the First Mortgage 5% 30-year gold bonds of Western Pacific Ry. Co. In view of this fact the following protective committees have been organized and will shortly receive deposits of bonds and stocks with their respective depositories (see adv. pages).

First & Ref. 5% M. Bonds.—Seward Prosser, Chairman; C. Ledyard Blair E. K. Boisot, John Henry Hammond, Andrew J. Miller, William Salomon, Joseph H. Seaman and Frederick Strauss. Cadwalader, Wickersham & Taft, counsel; Bankers Trust Co., N. Y., depository.

Common & Prof. Stock.—Harry Bronner, J. Horace Harding, John W. Platten and Harrison Williams. Cravath & Henderson, counsel; Chancery

H. Murphey, 55 Cedar St., N. Y., Secretary; United States Mtgs. & Trust Co., N. Y., depository.

7% Cum. Adj. Bonds.—John B. Dennis, Alonzo Potter, Otto T. Bannard and Albert Strauss, with B. L. Stowell as Secretary, 24 Broad St., N. Y.; New York Trust Co., depository.

Decision in Western Pacific Guaranty Case.—Judge Learned Hand on Friday last handed down an opinion in the U. S. District Court deciding the controversy between the Equitable Trust Co., representing the old Western Pacific Ry. bondholders, and the Denver road. Murray, Prentice & Howland, 37 Wall St., counsel for the plaintiffs, have favored the "Chronicle" with the following regarding the decision:

It will be remembered that a little prior to 1905 the Union Pacific, through its purchase of Southern Pacific, acquired control of the Central Pacific, which was the only outlet for the Denver to San Francisco. As a result the Denver & Rio Grande undertook in substance to extend its own line to the Pacific Coast, using for that purpose the Western Pacific Co., of which it acquired control. In order to float the Western Pacific First Mortgage bonds at a good price (92½ for a 5% bond on an unconstructed road) the Denver undertook with the bankers who were to float the Western Pacific bonds to supply the Western Pacific and the mortgage bondholders' trustee with the necessary bond interest money and indeed practically to maintain the Western Pacific as a going concern. This resulted in the now famous "Contract B."

The Denver supplied the necessary money until the maturity of the March 1915 coupon, when it defaulted, and, as the Court holds, repudiated the whole contract. The trust company, as trustee, foreclosed the Western Pacific mortgage and then brought suit against the Denver to enforce its obligations under Contract B. The Court holds:

1. That the contract between the Denver & Rio Grande RR. Co., the old Western Pacific Co. and the trustee for the Western Pacific bondholders under which the Denver Co. agreed to supply money for Western Pacific bond interest was a contract whereby the Denver Co. entered into direct contractual obligations to the Western Pacific bondholders;
2. That the delivery of notes of the Western Pacific which under the contract were to be delivered in consideration of the payments made by the Denver, was not a condition precedent to the Denver Co.'s obligation to perform;
3. That the foreclosure of the Western Pacific mortgage and the sale of the mortgaged property did not relieve the Denver Co. from its obligations under the contract, although the old Western Pacific was thereby incapacitated to carry out the contract upon its part and the purchaser at foreclosure sale did not assume its obligations;
4. That the trustee for the bondholders had a right to foreclose the Western Pacific mortgage for principal as well as interest, and that the acceleration of the maturity of the principal and foreclosure thereof did not operate to relieve the Denver Co. from its obligation to provide interest moneys;
5. That the contract was not ultra vires of the Denver Co. and that the fact that since the Denver Co.'s default and the foreclosure of the Western Pacific mortgage performance might be ultra vires of the Denver is immaterial, inasmuch as the situation has arisen through the Denver Co.'s own default;
6. That the Denver Co. deliberately and without justification repudiated the contract;
7. That thereby the bondholders became entitled to recover damages for the breach of the contract as a whole;
8. That the contract is not merely a contract for payments in installments to be made by one party to the other, but is a contract involving mutual obligations more closely assimilable with contracts for the delivery of and payment for merchandise in installments;
9. That the course pursued by the Trustee and the majority bondholders in connection with the foreclosure was proper and did not entitle the Denver Co. to a revaluation of the mortgage security.

The Court refused to decide the question whether a lien upon the Denver Co.'s property was created by the contract in question.

A decree was directed for the amount of the installments of interest (each being \$1,250,000) falling due March 1 and Sept. 1 1915, and March 1 1916, less in each case the amount of earnings made by the old company or by its receivers applicable in regular course to the payment of interest and for the capitalized sum of \$32,272,274.45, together with interest upon the whole. The total amount of the judgment on this basis will, it is understood, be something like \$36,000,000.

The Court authorized the issuance of execution against the money impounded in this circuit, some \$3,000,000, after the entry of decree. Leave is given to apply for the settlement of the decree at the Judge's Chambers upon notice, but it is provided that if it should prove necessary to have an extended hearing concerning the form of the decree, the matter may come before Philip L. Miller, Esq., as Special Master. (Compare old W. P. Ry. Co., foreclosed in June 1916, V. 102, p. 155, 160; 2167, 2255; V. 103, p. 62, 408.)—V. 104, p. 2010, 863.

Detroit Toledo & Ironton RR.—Equipment Notes.—Application has been made to the Ohio P. U. Commission for authority to issue \$500,000 5½% equipment gold notes at 97½, the proceeds to be used to purchase auto box and gondola cars.—V. 103, p. 1408.

Empire United Rys., Inc.—Separate Plan.—See Rochester Syracuse & Eastern RR. below.—V. 104, p. 2010, 1800.

Fitchburg RR.—Notes Extended One Year.—See Boston & Maine RR. above.—V. 104, p. 250.

Galesburg (Ill.) Ry. Ltg. & Power Co.—Stock Increased. The shareholders have ratified the proposed increase in capital stock from \$3,600,000 to \$4,000,000.—V. 98, p. 155.

Grand Trunk Ry.—Official Statement as to Operations and Maintenance of Property—Annual Report.—In addition to our usual summary of the report for the calendar year, which is given above under the heading "Annual Reports," there will be found on two pages preceding the Clearing House returns of the U. S. a full statement by President E. J. Chamberlin, clearly setting forth the good record that has been made by the Grand Trunk Railway System under the exceptionally difficult conditions prevailing since the war broke out, a record comparing favorably, as Mr. Chamberlin points out, with that shown by any road on the continent.

Condensed Editorial from "The Daily Mail," Montreal, May 15 1917. The Drayton-Acworth report on the Canadian Railway situation is here changed in some of its most important features by Pres. Chamberlin. An exhaustive treatment of the subject is not attempted; this, it is understood, will come later. There is, however, a sufficiently striking presentation of facts, contradictory of assertions made by the majority commissioners to raise considerable doubt as to the value of their conclusions. The statement derives strength from its moderation of tone. Mr. Chamberlin, it must be admitted, has made a very strong case not only as affecting the position of the Grand Trunk, but as related to the material upon which conclusions offered in the majority report are based.

As opposed to the intimations that the Grand Trunk as a railway system is in decline and incapable of performing its duties the President of the company affirms that road: (a) Has made the largest average gross earnings per mile of any of the principal lines of Canada; (b) Owns more passenger and freight car and locomotive equipment per mile than any other road in Canada, with the single exception of the Michigan Central; (c) Moved last year more loaded cars than at any previous period in the past five years, and that this record was maintained, notwithstanding unprecedented weather conditions, in the early months of the present year; (d) Made provision last year for nearly \$1,000,000 worth of new rail and that deficiencies in this respect are due to the fact that orders could not be filled, owing to prior claims for munitions; (e) Has expended in recent years over \$3,000,000 on terminals and new equipment.

These facts furnish reasonable evidence of virility and efficiency and more than justify Mr. Chamberlin's moderate observation that the majority report was made "without a real understanding of the situation." This official presentation also has a wider value than in the mere correction of inaccurate statements and false conclusions as applied to one particular road. It reveals the intricacy of the whole railway situation and empha-

sizes the great difficulty and danger of hurried treatment of the subject. If we are to frame a wise railway policy it is manifest that there must first be strict accuracy and agreement as to facts.

Salient Facts from Special Statement of President E. J. Chamberlin. (1) *Large Gross Earnings.*—The report of the Commission states the average earnings per mile of all railways in Canada as \$6,997, and gives the annual gross earnings of the six principal systems as follows, the rate per mile being based on the total mileage operated, including trackage:

Table Showing the Grand Trunk Ry. (Proper) to Have Made the Largest Average Gross Earnings per Mile of Line of Any of the Principal Lines in Canada.

Miles Op.	Annual Operating Revenue	Total	Per Mile
12,994	Canadian Pacific	\$124,654,571	\$9,593
9,702	Canadian Northern	35,478,275	3,657
3,565	Grand Trunk	39,155,040	10,983
1,968	Grand Trunk Pacific (excluding Grand Trunk Branch Lines Co.)	6,063,188	3,538
2,002	Transcontinental	5,798,518	2,896
1,553	Intercolonial	15,686,892	10,101

(2) *Heavy Tonnage.*—Compare also the record of the Grand Trunk Ry. Co. of Canada and Grand Trunk Ry. system in the number of "revenue tons carried one mile" in 1916, with the average of all the railways of the United States, which includes the heavy ton mile movement of the coalroads.

Number of Revenue Tons Carried One Mile per Mile of Road.

Grand Trk. Ry. of Can.	Grand Trunk System	United States Railroads.
1,155,872	1,270,174	1,176,923

(3) *Extensive Equipment.*—The following table discloses the fact that the Grand Trunk Ry. with its 1,167 passenger cars, 45,224 freight cars and 1,345 locomotives on 4,786 miles of road owns more passenger and freight-car equipment, and also more locomotive equipment, per mile of road than any railway in Canada except the Michigan Central, and compares more than favorably with the most conservative and successfully managed railways in the United States having a similar traffic:

Equipment Figures Taken From "Railway Equipment Register" May 1917.

Average Number per Mile of Rd.	Grand Trunk	Canadian Pac.	Ch. & C.	Ill.	Mich.
Passenger cars	0.24	0.22	0.36	0.18	0.29
Freight cars	9.45	7.17	8.67	6.57	15.93
Locomotive	0.28	0.17	0.24	0.20	0.41

(4) *Loaded Car Movement.*—The Commission has not only selected for an example of the efficiency of the Grand Trunk the month of February, 1917, which as regards weather was one of the most severe in the history of Canada, but has failed to mention the extraordinary congested conditions of the connections of frontier points, which made it impossible to keep our large terminals clear of cars held for delivery to other railways.

Loaded Cars Moved—Record for Calendar Years and First 4 Mos. of 1917, Notwithstanding Adverse Weather, Compared with Average 1912 to 1916.

1912	1913	1914	1915	1916	1917-4 mos.—Aver.
5,180,742	5,226,134	4,842,753	4,899,727	5,793,750	1,551,764

(5) *Commission Erroneously Assumes "Deferred Expenditures" to Mean "Deferred Maintenance."*—Only \$11,761,598 of the \$21,181,345 mentioned by the Commission was in fact chargeable to maintenance of way, and only \$1,343,400 to maintenance of replacement of equipment, the balance being capital improvements. The maintenance of way item includes \$6,182,672 for the Grand Trunk Ry. of Canada, and \$5,578,926 for the lines operated in the United States.

The estimated expenditures for "rebuilding and reinforcing freight-car equipment," amounting to \$8,943,971, embraces the following sums, aggregating \$7,690,571, which are additions and betterments to equipment and are chargeable to capital account and not to maintenance:

Equipping box cars with outside metal roofs	\$347,142
Reinforcing box cars with steel underframes	2,314,278
Equipping box cars with metal truck bolsters	286,450
Equipping box cars with friction draft gear (reinforcing ends, &c.)	4,567,539
Reinforcing steel coal cars	85,182

The remainder, \$1,343,400, was a maintenance charge for replacing 831 freight cars of various classes which have been or are yet to be scrapped. The report is silent upon the fact that in order to increase the output of steel for munition purposes, the rail mills were not permitted by the Dominion Government to roll rail orders the past year, and that in the case of the Grand Trunk, out of a total of 29,000 tons ordered for renewals in Canada in 1916, the mill was permitted to roll only 2,500 tons.

The actual provision made by the Grand Trunk for new rail in 1916, notwithstanding war conditions, was approximately \$961,376, viz.:

Lines in Canada, 135.1 miles, estimated cost	\$541,376
Lines in United States, 89.5 miles, estimated cost	320,000

The Grand Trunk Railway System will bear favorable comparison with any railway, either in Canada or the United States, in respect to its physical condition, its maintenance of equipment or its efficiency of operation.

Development of Facilities.—In all fairness the report should have contained some of the heavy expenditures which the Grand Trunk Ry. has made within recent years, all of which are shown in the official books of the company. Such items as the following should not be overlooked if any attention was given to actual provisions made for handling our business:

Expenditures for New Equipment, &c., \$23,467,844 in Last Five Years:

(1) Grand Trunk Ry. of Canada—Chargeable to capital, 8,825 freight cars, 131 passenger cars and 203 locomotives	\$15,303,810
Renewals chargeable to expenses, 5,322 freight cars and 18 passenger cars	4,963,038
(2) Grand Trunk Western Ry., 2,750 new freight cars, chargeable to capital	2,182,117
(3) Terminal facilities, Southwark Terminal (St. Lambert), and Turcot and Fort Erie additions	1,018,879

In addition to the large purchases of freight cars shown, in the foregoing statement, the old equipment has been thoroughly maintained, and the last official report shows that there was only 3.43% of the freight equipment undergoing and awaiting shop repairs, compared with an average of 6.44% for the principal railways of Canada and the United States.

[The report concludes with some comparative statistics as to the freight and passenger traffic of the four leading Canadian roads for the year 1915-16. From this tabulation it appears that while second among the Canadian lines as regards the total volume of freight and passenger traffic, respectively, the company on its 3,565 miles of road surpasses all the others both as to the number of tons of freight carried per mile of line (its 5,347 tons contrasting with (a) 3,917, (b) 2,253, and (c) 1,376, respectively) and as for number of passengers carried per mile of line, its figure of 3,357 in this case contrasting with 2,773 and 967].—Compare V. 104, p. 1800, 1899.

Gulf Florida & Alabama Ry.—Bondholders' Committee—Receivers' Certificates.—The company, being now in the hands of receivers in consequence of financial difficulties, and a default being likely to occur on the maturity of the next coupon, viz., July 1 1917, on its \$4,410,000 1st Mtge. bonds, the following bondholders' protective committee has been formed and is calling for deposits of the bonds with the Metropolitan Trust Co., 60 Wall St., as depository.

Bondholders' Protective Committee.—George O. Van Tyn Jr., Chairman, Pres. Metropolitan Trust Co., N. Y. City; Charles G. Bancroft, Pres. International Trust Co., Boston; Newton P. Hutchison, Providence; H. C. Mandel, Elmira, N. Y.; John P. Steele, Buffalo; Edward S. Stranahan, Stranahan & Co., Providence; S. S. Stratton, Pres. Agricultural Credits Co., Chicago; Harold B. Thorne, V.-Pres. Metropolitan Trust Co., N. Y. City; and Joseph Walker Jr., Joseph Walker & Sons, N. Y. City, with James F. McNamara as Secretary, 60 Wall St., and Lewis & Kelsey as counsel, 120 Broadway. Any plan adopted by 66 2-3% of the depositors will bind all depositors under the agreement.

Digest of Committee's Circular, Dated at New York, May 17. A few weeks ago some of the bond houses connected with the sale of the bonds of the railroad, learning of the disturbed condition of affairs, employed F. E. Dewey, a railroad expert, to examine the property. The report indicated good earning possibilities, a strategic physical situation, a well-built railroad, a great shortage of freight cars and the necessity for a substantial expenditure for betterments and improvements.

Mr. Dewey reported that the road owned 9 locomotives, of which 7 should be in condition for 12 months' service with an expenditure of about \$1,500, and that the other two require repairs of about \$5,000. Of the original 261 freight cars purchased, 15 have been destroyed, leaving 246, of which 104 are out of service. The box and coal cars require an expenditure

of about \$150 each and the flat cars of about \$70 each. The 14 passenger cars require a total expenditure of about \$1,000 only. To place the roadway and structures in safe operating condition, to provide the facilities on the recent 50-mile extension, to install necessary sidings and connections, and to put the railway and its equipment generally in condition to operate to profitable advantage, about \$175,000 is required.

An average of 140 to 150 cars of freight per day is being offered, which the road cannot transport because of a shortage of cars. A total of about 900 cars is a pressing need. The company is paying at the rate of \$25,000 per year for hire of freight cars, which should be saved. Furthermore, the present per diem rate is 75 cts. Even upon a basis of 45 cts. per diem the net earnings on 900 cars, after deducting maintenance, would be well above \$100,000. At the present time it is practically impossible to rely upon the use of empty cars from other railroads. The property is powerless to make a satisfactory showing unless it can secure the cars with which to make earnings. The committee has reason to believe that it can purchase 300 cars at once, now in service on other roads, and the purpose of the committee would be to increase the car equipment to a proper total as soon as possible. There are outstanding obligations, including laborers' wage liens, of approximately \$125,000, which must be paid. A reasonable amount of working capital is also required.

Mr. Dewey estimates that after making the necessary improvements and betterments and securing the cars suggested, the gross earnings for the first 12 months, exclusive of per diem earnings on cars, should equal \$450,000, with operating expense of 70%, leaving net earnings of \$135,000, while the second year should show net earnings of \$180,000 and the third year net earnings above \$235,000, all exclusive of per diem on cars.

Upon this report the bond dealers conferred with prominent financial interests, with the net result that it was deemed clearly best that a friendly receivership be brought about to carry into effect the plan recommended by Mr. Dewey. An application was also made for an order permitting the issuance of \$500,000 receivers' certificates to carry out said plan.

[The order of court respecting the receiver's certificates is returnable on May 28, and no contest is expected. The sale of the certificates, it is stated, has been practically assured. This will put receiver in funds to carry out his plan of rehabilitation of property.] Compare V. 104, p. 1899.

Havana Electric Ry., Lt. & Pow. Co.—New Stock.—

The company having increased its pref. stock from \$15,000,000 to \$21,000,000 (par \$100), offers to stockholders of record (either pref. or com.) as of May 28 1917, the privilege of subscribing for the new stock at par and div. for (a total of \$101 25 a share) to the extent of 20% of his holdings of both pref. and common stock. Subscriptions must be made and paid on or before June 15 1917, either at the N. Y. agency of the company, 55 Liberty St., or at the office of the company at Monte No. 1, Havana, Cuba. Subscription warrants will be issued shortly after May 28. Fractional subscription warrants (convertible into full warrants, in amounts aggregating one full share or more), will pass by delivery and will be wholly void and of no value after June 12 1917.—V. 104, p. 2010.

Interborough Rapid Transit Co.—Sales of Power.—

The P. S. Commission has ratified an agreement by which the New York Municipal Ry. and the New York Consolidated RR. will obtain current from the Interborough company for use in operating the new rapid transit lines of the Brooklyn system in Manhattan. The Commission also approved an agreement by which the Transit Development Co. (subsidiary of the Brooklyn Rapid Transit Co.) would supply the power necessary for the operation of all rapid transit lines in Brooklyn.

Both agreements are for a term of about 10 years.—V. 104, p. 764, 361.

International & Great North. Ry.—Judgment Affirmed.

The Civil Court of Appeals in Austin, Tex., on May 17 affirmed the decision of the lower court in awarding the National Bank of Commerce, of St. Louis, \$158,447 due to it from the railroad on borrowings made in 1908.—V. 104, p. 952, 764.

International Traction Co. System, Buffalo.—Earnings.

Calendar Years—	Gross Earnings.	Net, after Taxes.	Interest, Rents, & Repairs.	Renew. & Cont. Exp.	Balance for Divs.
1916	\$7,815,678	\$3,232,240	\$1,822,709	\$522,708	\$567,822
1915	7,397,474	2,933,347	866,960	396,582	670,404

See "Electric Railway" section on page 18.—V. 103, p. 1210.

Jefferson County (Tex.) Traction Co.—Merger Co.—

This company will consolidate under its own name the properties of the Beaumont (Tex.) Traction Co. (V. 103, p. 1886) and the Beaumont Electric Light & Power Co. (V. 94, p. 1766) each owned by Stone & Webster interests. It is expected further that the Port Arthur Light Co. will also be included in the consolidation. An election will be held July 10 to vote on the merger.

Lake Shore Electric Ry.—New Officers—Directors.—

F. H. Goff and A. Lowenthal have been elected Vice-Presidents to succeed the late Henry A. Everett and W. H. Rice. Mr. Goff and E. P. Frickberger, Pres. and V. Pres., respectively, of the Cleveland Trust Co.; J. B. Nutt, V. Pres. of Citizens' Savings & Trust Co., and Charles Currie, V. Pres. of Northern Ohio Trac. & Light Co., have been elected directors to succeed Mr. Everett, J. B. Hanna, T. H. Hogsett and John P. Witt.—V. 104, p. 1895, 1263.

Lehigh Valley RR.—Government Suit to be Reheard.—

See Anti-Trust Litigation under "Indus." below.—V. 104, p. 1263, 863.

Mahoning & Shenango Ry. & Light Co.—Merger of Subsidiary Properties.—The shareholders will vote June 14 on ratifying a proposition looking to the consolidation of certain subsidiaries for the purpose of eliminating unnecessary taxation. A circular, to be dated May 31, says in substance:

It is now desired to merge the properties of the Mahoning Valley Ry. (V. 74, p. 1139), the Mahoning Valley South Eastern Ry., the Poland Street Ry. (V. 96, p. 1702), the Youngstown Park & Falls St. Ry. and the Youngstown & Sharon St. Ry. (V. 100, p. 903) into the Mahoning & Shenango Ry. & Light Co., which already owns all of their capital stock but at present operates directly only the street railways owned by it in and around Sharon, Pa., and the leased lines in New Castle, Pa., consisting of about 36 miles. If the proposed consolidation is effected, the parent company will also operate directly the subsidiary street and interurban railways in Ohio, making a total of about 142 miles (out of a total of 174), as well as the Lowellville power station, all the subsidiary electric-light plants and distribution systems in Ohio, and the gas plant in Youngstown. The company now receives as the result of direct operation about 11% of the gross operating revenues of the system. After the proposed consolidation it will receive as the result of direct operation about 82% of the gross operating revenues.

It is anticipated that this consolidation will save a large amount per year in taxes (on the increased basis under war measures).—V. 104, p. 1702

Metropolitan Street Ry., N. Y.—Guaranty Litigation.—See 28th & 29th Streets Crosstown RR. below.—V. 103, p. 1880.

Missouri Pacific Railroad.—Annual Report.—See Missouri Pacific System under "Reports."—V. 104, p. 1899, 2010.

Morris & Essex RR.—Litigation Ends—Dividend Increased from 7% to 7 3/4%.—The suit brought by certain stockholders of the company in the Court of Chancery of New Jersey, to determine their right to an additional dividend under the lease to the Delaware Lackawanna & Western RR. Co., has been settled, the lessee agreeing to increase the annual dividend rate on the \$15,000,000 capital stock from 7% to 7 3/4% per annum, payable as below noted.

Digest of Circular Signed by the Directors of the Co., Dated May 25. In the ordinary course, a final decision would probably not be secured within a year or two. The issues developed have become very numerous and complicated and it has become plain that the result would be conclusive only as to the past. The extra dividend is, under the lease, conditional on the earnings for each year, and each future year would present its own problem, involving possibly frequent and expensive litigation and requiring

the continuation of an independent board of directors, separate books, &c., all at the expense of such stockholders as might come in for that purpose. Only about one-fourth interest of the stockholders have supported this important litigation.

Feeling, in view of these circumstances, that an assured fixed annual income of 7 3/4% would be more advantageous than the possibility of securing the maximum of 8% named by the lease, your directors have concluded with the D. L. & W. an agreement of settlement, subject to the approval of the stockholders, so modifying the lease, which is perpetual, that the D. L. & W., in lieu of the conditional additional income past and future 1% provided in the lease, will unconditionally undertake to pay all the stockholders of the M. & E. a fixed additional rental of 1/4 of 1% p. a. for the year 1916 and all subsequent years, making the total fixed rental 7 3/4% p. a.; the additional rental for the year 1916 to be paid on July 1 next, or as soon thereafter as said agreement is ratified, and for the subsequent years on Jan. 1 1918 and each succeeding Jan. 1, respectively. In addition to this, the D. L. & W. agrees that it will not capitalize, that is to say, charge to construction account of the M. & E., or demand bonds of the M. & E., for certain expenditures it has made upon the M. & E. from 1890 to date, and not heretofore capitalized, aggregating about \$11,000,000, and will also credit to construction account a disputed item of over \$400,000.

If you approve, please send assent promptly to Henry V. Poor, Secretary of the M. & E., 54 Wall St., New York City.

[The shareholders' protective committee will relinquish the deposited stock without any expense to the depositor. The annual meeting of the stockholders will be held June 27 1917, at which time the ratification of this agreement will be acted upon.—V. 102, p. 1896.]

New York, New Haven & Hartford RR.—Resolution in Appreciation of Services of Mr. Elliott.

—In accepting the resignation of Howard Elliott, the board places on record its sense of his extraordinary services to the co., saying: By his personal character he commanded the confidence of the stockholders and secured the good-will of communities which had previously been indifferent or hostile. By his tact he prevented conflict with the public authorities of the nation and the several States. Understanding railroad business in all its aspects, he was equally at home with financiers and with legislators, with shippers and with employees. As a result of this many-sided ability, burdens of all kinds were thrown upon him; burdens more numerous than he anticipated when he came, and heavier than any one man could be asked to bear permanently. These complex burdens he carried with loyalty and devotion as long as was humanly possible.

We congratulate ourselves that he does not leave us entirely, we congratulate the country that it resigns the presidency of the New Haven road, he transfers his services and powers to a still wider field of public activity, to meet emergencies with which he is by nature and training pre-eminently fitted to deal.

Pref. Stock Issue Advocated.—On behalf of the board of directors, Howard Elliott, James L. Richards and Joseph B. Russell, as Massachusetts directors, have addressed the Mass. stock and bondholders, including the savings banks and others, urging them to request their legislative representatives and Senators to support the pending bill in the Mass. Legislature, permitting the company to pay dividends out of net income on an issue of preferred stock (compare V. 104, p. 2010). An advertisement dated May 21 says:

Governor McCall, in a special message to the Legislature, has recommended the careful consideration of the bill, saying: "There is an obvious advantage in disposing of the floating debt through the issue of stock, the income of which does not constitute a fixed charge upon the property and which does not need to be refunded nor involve the menace of a receivership." The P. S. Commission, replying to Gov. McCall's inquiry, expresses the opinion that, "In view of these circumstances and existing financial conditions, the Commission believes that it is expedient that the proposed legislation be enacted."

In Connecticut the Governor has just signed a similar bill (V. 104, p. 2010). The directors are unanimous in recommending the passage of the bill for the following reasons:

(1) It will enable the stockholders to vote whether the company may issue preferred stock to pay off the floating debt of \$45,000,000 and to prescribe that such pref. stock may in the future be retired and canceled.

(2) It will remove the danger, brought about by the war, of being unable to renew the \$45,000,000 of notes representing this indebtedness and due April 15 1918.

(3) It will save the \$96,000,000 of collateral pledged to secure these notes.

(4) It will reduce the company's funded and floating debt and increase its capital stock so that they will be substantially equal in amount instead of the debt exceeding the capital stock by about \$50,000,000 as at present.

(5) It does not place any new charge ahead of the common stock, but only substitutes a dividend charge if earned for an interest charge which must be paid whether earned or not.

(6) It will take the company out of the hands of its creditors and place it where it belongs—in the hands of its stockholders.

The issuance of preferred stock is, as it always has been, subject to the will of the stockholders. Two-thirds of all the shares must vote in favor to make such an issue effective. The pending bill does not change the existing law in this respect, but only permits dividends to be paid out of earnings. Savings banks and other investors in the bonds and debentures of the company are vitally concerned that the company shall continue to pay the interest on these securities. The opponents of the bill, who have so far publicly appeared, are confined to two stockholders and an attorney engaged in litigation against some former directors. They advocate forcing a receiver on the company in the hope of promoting this litigation. There is no occasion to talk of a receivership. The company is amply able to pay its way if only given time and a little help. The necessary enormous issue of Government bonds making a just and patriotic appeal for all available funds will, however, greatly increase the difficulty of railroad financing. In these circumstances the stockholders should be permitted to avail themselves of every reasonable method of financing, and that is what this legislation will authorize.

The Massachusetts House yesterday voted overwhelmingly to have the bill engrossed.

Company Accepts Act of Massachusetts Legislature.—On May 8 the board of directors accepted the Act of the Massachusetts Legislature approved May 1 entitled "An Act Relative to the N. Y. N. H. & H. RR. Co., Its Holding of the Stocks and Securities of Other Corporations and Its Relation to Certain Subsidiary Companies." This Act which limits the dividends on the common stock of the company to 5% p. a. until certain requirements are fulfilled was cited at much length last week (p. 2010).

Operating Changes and Policy of Organization.—It is announced that the company has completed plans for the amplification of its policy of operating department organization, and the changes announced are intended to result in greater concentration of authority and responsibility on the part of officers of the company.—V. 104, p. 2010, 1899.

New York Railways Co.—Applications Filed for Authority to Make Charge for Transfers.—This company has applied to the P. S. Commission for permission to make a charge of 2 cents for transfers and in this connection it has issued a 19-page pamphlet showing the reasons why such a charge is justifiable on its lines. Compare V. 104, p. 2011, 1899.

Litigation.—See 28 & 29th Sts. RR. below.—V. 104, p. 2011.

Norfolk & Ocean View Ry. (Norfolk, Va.)—Dissolved.—This company's corporate existence has been terminated as a consequence of its inability to operate at a reasonable profit. The line, in operation ten years, had accumulated a deficit of \$328,000. Prior to its dis-

solution, the company conveyed its lines in Norfolk County to Ocean View to the Virginia Ry & Power Co., which will operate into the city of Norfolk. Operation of the Norfolk & Ocean View Ry was discontinued at midnight on April 5.—V. 84, p. 571.

Pennsylvania RR.—Orders for Locomotives.

This company has given orders for 275 locomotives, to cost \$14,200,000, to cover 1918 requirements for the lines east of Pittsburgh. Of the total ordered 245 will be constructed at the company's Altoona shops and the balance by the Baldwin Locomotive Works. Recently there were ordered 70 locomotives for the lines west of Pittsburgh at a total cost of \$5,500,000, equally divided between the Baldwin and American Locomotive companies.—V. 104, p. 2011, 1801.

Philadelphia Rapid Transit Co.—Official Statements as to the Proposed Lease of City-Built Lines.—E. T. Stotesbury, Chairman of the board of directors, and Ellis Ames Ballard, General Counsel of the company, on May 18 made important statements before the joint committee of Councils regarding the proposed lease of the city-built lines.

Digest of Statement by Chairman E. T. Stotesbury.

Six years ago I was requested to take charge of the affairs of the company, then in very bad condition. We have spent \$15,000,000 in improving and developing this property. We have supplied 1,500 new cars of a capacity nearly double the antiquated equipment which they superseded, so that to-day in the congested districts and at the rush hour there is at least 65% more seating capacity at the service of the public than there was six years ago. This has been accomplished by scientific rerouting, by speeding of the cars and by the substitution of the large car for the small one.

Within the last year the earnings have been so established as to justify initial dividends at the rate of 5% per annum. But this has only come after the stockholders, who have paid in their \$30,000,000, have gone without any return whatever for a period of 15 years—an actual loss to them of something like \$20,000,000.

It was the contract of 1907 that made this possible. Of late, however, there has been a demand for a comprehensive system of high-speed lines beyond the power of any private corporation to finance, to build up the outlying sections and provide for an optimistic future. This is a praiseworthy municipal undertaking, but it is not a business proposition.

We have been asked to join with the city in making this plan the greatest success possible; and, recognizing that we owe a duty to the public in this matter, we have offered to participate on a basis that not only surrenders our entire future, except as we may share to the extent of 10% in the growth of the joint business, but restricts us to a 5% dividend—less than the legal rate of interest—upon the money actually paid in upon this property, and scarcely more than half its earning power at the present time.

With all sincerity, I feel that the company has made a most liberal proposition. I can well understand that with the very great increase in the cost of all construction items, the city is confronted with a very serious proposition in respect to the building of the lines to which it has been committed by a vote of the people. But I cannot see how it will aid in the solution of this question to pass legislation which may destroy the company and must tend to make it impossible for the company to perform its joint service.

As representative of the stockholders, I would not be willing under the voting trust to consent to any changes which would result in taking away the assurance of a return of 5% on the full-paid stock. I do not, however, wish to stand in the way of a settlement, and if the city authorities insist on a modification, I and my associates will resign, the voting trust will be dissolved, and the Rapid Transit stockholders through a new board of directors can negotiate a new contract on such terms as may be agreed upon.

I would regret not to be able to effect a solution of the new problems; but I would feel that the failure was due to causes entirely beyond my control, and that the progress already made had justified my undertaking.

Condensed Data from Statement by Ellis Ames Ballard.

Two plans for the operation of the city's high-speed transit lines by the company are before the public. The two principal differences are these: 1. Under the city's plan (offered by the Mayor Oct. 10 1916) while the two roads were to be operated as one, the accounts were to be kept separate. Under the company's plan of Jan. 21 1917 (compare V. 103, p. 2342), the properties are to be operated as one, both physically and financially.

2. Under the city's plan, the company's earning power established at the time the first city line is opened was to be protected by a preferential payment from the moneys taken in on the city's system. Under the company's plan the amount is fixed at \$1,500,000.

The company's plan is better in that it is simpler. The offer to take less than the legal rate of interest upon the money actually paid in, particularly in view of the stockholders' loss of fifteen years' interest, or something like \$20,000,000, is a fair one from their standpoint. It is also fair from the standpoint of the present earnings, which this year will approximate 9%, or \$2,700,000 upon the stock.

[The statements have been printed for distribution, forming a 12-page pamphlet.]—V. 104, p. 1703, 1593.

Reading Co.—Government Suit to be Reopened.

See Anti-Trust Litigation under "Industrials" below.—V. 104, p. 765.

Rochester Syracuse & Eastern (Electric) RR.—Plan for Separate Reorganization.

The 1st Mtge. bondholders' protective committee, Arthur W. Loasby, Chairman, President Trust & Deposit Co. of Onondaga, Syracuse, N. Y., has issued a plan, dated May 18, providing for the reorganization of the property (see adv. on another page) independently of the Empire United Rys., heretofore in control. In a circular dated at Syracuse, May 18, the committee says in sub.:

Sale.—Foreclosure sale of the R. S. & E. property under judgment of the Supreme Court of N. Y. State will be had in the near future. The committee therefore submits a plan for reorganization of the property.

Physical Condition.—The property which will be owned by the bondholders, if purchased by the committee, cost more than \$7,000,000. It now consists of the double-track line running from the outskirts of Syracuse into which city it runs over the tracks of a connecting road, to Rochester, a distance of about 80 miles. Roadbed, tracks and overhead construction are in good condition. The rolling stock, while sufficient in amount, is not modern and should be replaced by newer and better type, thereby effecting a great saving in operating expense. Shops, car barn and station facilities, mechanical equipment, etc., are ample. In short, the property does not require the heavy expenditures usual at reorganization.

Receipts C. Loomis Allen's Report of Financial Operations for Calendar Yr. '16. Gross earnings.....\$753,343 Income deductions.....\$52,000 Net, less oper. exp., taxes (Applicable to bond interest and depreciation).....270,604 and dividends.....218,604 Proposed Capitalization.—If the plan goes through, it is proposed that Mr. Allen shall continue to manage the property.

The capitalization to be authorized by the successor company for the purpose of acquiring the property, we believe, should not exceed its actual value, \$7,000,000, and this amount should be divided as follows: (unless it shall be hereafter determined to raise the amount of bonds to not less than \$2,448,000, in which event the amount of common stock would be correspondingly raised): Preferred (a. & d.) stock, 6% cum. Total auth. not to exceed.....\$3,000,000 Common stock (this amount may be increased correspondingly in case immediate issue of 1st 5s is decreased—see below).....1,000,000 1st Mtge. 5% gold bonds (total auth. \$5,000,000), to bear int. from May 1 1917, present issue not to exceed (see below).....3,000,000

Total.....\$7,000,000

Terms of Exchange, &c.—The bondholders participating in the plan are to receive for each \$1,000 par value of the old bonds the following securities outstanding securities as below:

	Per \$1,000. Tot. in Exch.
50% in First Mortgage 6s.....	\$500
50% in preferred stock, 6% cumulative.....	500
10% in pref. stock 6% cum. (representing unpaid int.) x100.....	2,937,000
20% common stock.....	200
Total.....	979,200

Total.....\$1,300 \$6,364,800
x Subject to reduction if and to the extent of cash paid for such interest.

The plan provides that such of the (\$7,000,000) authorized new securities as shall not be required for delivery to the old bondholders participating in the plan shall be delivered to the committee, with the right to sell the same or any part thereof at any price as to it may seem best, for the purpose of raising the necessary cash to pay the non-participating bondholders. The privilege is also given to the assenting bondholders to take part in paying off non-participating bonds at their pro rata share of the proceeds of the foreclosure sale, and for this or other purposes to participate pro rata in the purchase of any securities to be sold under the plan (receiving in return the securities in which the non-assenting bondholders would otherwise have received.) This provision will probably render unnecessary any outside financial aid.

Outlook for Dividends.—The amount of new bonds, therefore, will be not less than \$2,448,000 nor more than \$3,000,000, while the net earnings during the first year of operation should exceed the bond interest by \$70,000 to \$100,000. This amount would be applicable to preferred dividends, insuring substantial value to this cumulative stock and justifying a dividend which, with the bond interest, will make the total return upon the new securities at the outset equivalent to 4% upon the old bonds. The gross earnings, moreover, are showing a substantial increase over those for 1916 (which were used in formulating the plan), and the substitution of new passenger cars should result in a large saving. The net common stock will represent real value in assets and the future possibilities.

No Assessment—About \$500,000 Cash to be Available.—The Columbia Trust Co., as trustee of the R. S. & E. mortgage, and Messrs. Allen and Holden, as receivers in the R. S. & E. foreclosure action, and also as receivers of the Empire United Rys., hold large cash balances (including the sum derived from the sale of the Lyons power plant); and after meeting all expenses or obligations payable by this plan, there will ultimately be available to the participating certificate holders about \$500,000. The committee is authorized at its discretion to use this money for any one or all of three purposes, viz.: (1) To pay off non-participating bond and certificate holders, in which event the amount of the new bonds required to be sold for that purpose will be reduced, thus strengthening the position of the preferred stock. (2) To pay part or all of the interest now in default upon the R. S. & E. bonds, in which event the preferred stock given by the plan for this interest would be correspondingly reduced. (3) To provide working capital, thus avoiding the sale of securities for that purpose. The fewer dissenting bondholders there are from the plan, the more likely it becomes that this money or some part of it may be devoted to paying the interest in default or some thereof.

No assessment of cash is to be made upon the bondholders.

Alternative to Purchase.—The committee will at the foreclosure sale bid in the property unless some other purchaser makes a bid for it which appears more advantageous to the bondholders than ownership of the property.

Further Provisions Condensed by Editor from Plan of May 18 1917.

It is contemplated: That the new company shall be incorporated by the committee on behalf of the certificate holders under the Railroad Laws of N. Y. State, with an authorized capital of not more than (a) \$3,000,000 6% cumulative preferred stock, preferred also as to assets; (b) \$1,000,000 common stock, unless the latter be increased as hereinafter provided, each fully paid and non-assessable. That the directors at incorporation be selected from the bondholders of the company by the committee.

The committee may, in its discretion, establish a voting trust for the stocks, preferred and common, to which the certificate holders participating in the plan are entitled, such voting trust to continue for not exceeding five years, voting certificates to be issued in lieu thereof, carrying the right to receive all dividends. The certificate of organization may provide that the directors be chosen from the holders of the new bonds.

It is proposed that the new company shall authorize the execution to an appropriate trustee of a mortgage upon all of its property to secure an issue of its 1st Mtge. 5% gold bonds in the aggregate sum of \$5,000,000, and that not over \$3,000,000 of said bonds, to bear interest from May 1 1917, be issued presently, and for the purposes hereinafter stated, and that the remainder be reserved and duly issued only with the consent of the majority of the holders of the new stock on account of permanent improvements, extensions and additions. If the amount of said bonds to be presently issued shall be determined to be less than \$3,000,000, the common stock may be increased by the amount of such reduction of the bonds, but in no event shall the total par value of the stocks and the bonds to be presently issued exceed \$7,000,000. The new company, as a consideration for the railroad and property to be conveyed to it, shall deliver to the committee all of its preferred and common stocks and said First Mortgage 5% gold bonds authorized to be presently issued.

Bondholders' Protective Committee: Arthur W. Loasby, Elbert A. Harvey and DeForest Settle, with Mercer V. White as Secretary, 100 North Salina St., Syracuse, N. Y. Depositories, Trust & Deposit Co. of Onondaga, 100 N. St., Salina St., Syracuse, N. Y., and Old Colony Trust Co., 17 Court St., Boston. Counsel to committee, Hiscock, Doheny, Williams & Cowie, Syracuse, N. Y.—V. 104, p. 2011.

St. Louis-San Francisco Ry.—Bonds Ready.

The company gives notice that definitive engraved Adjustment Mtge. bonds and Income Mtge. bonds (both series A) are ready for delivery upon surrender of the temporary bonds; for Adjustment bonds at Bankers Trust Co., N. Y.; for Income bonds, Union Tr. Co., N. Y.—V. 104, p. 2011, 1900.

St. Paul Union Depot Co.—Guar.—Plans Completed.

The Wisconsin RR. Commission has authorized the Chicago Milwaukee & St. Paul Ry., the Northern Pacific RR., the Chicago St. Paul, Minneapolis & Omaha Ry., and the Minneapolis St. Paul & Sault Ste. Marie Ry., to execute a guaranty, to be endorsed upon the Depot company's First & Refunding Mtge. gold bonds, to the extent of \$11,500,000, total authorized issue \$20,000,000.

The "Railway Age Gazette" of May 18 publishes a comprehensive article describing the details of the revised design, with data regarding track and building arrangements, &c., for this new union terminal, work on which will commence shortly, involving an ultimate expenditure of \$11,000,000. It is pointed out that there will be 14 through tracks and 8 stub tracks. Provision is made for the handling of large quantities of express matter in addition to the passenger accommodation.

The nine lines sharing equally in the ownership of the property are: Chicago Burlington & Quincy, Chicago Great Western, Chicago Milwaukee & St. Paul, Chicago Rock Island & Pacific, Chicago St. Paul Minneapolis & Omaha, Great Northern, Minneapolis & St. Louis, Minneapolis St. Paul & Sault Ste. Marie and the Northern Pacific.—V. 104, p. 560.

Southern Pacific Co.—To Operate S.S. Fleet.

The I.-S. C. Commission on May 19 authorized this company to continue in possession and operation of its coastwise steamers plying between New York, New Orleans and Galveston. The commission on March 10 handed down a decision under the Panama Canal Act by which the company might continue the operation of its vessels provided certain objectionable practices were corrected; those, it is now set forth, have been corrected. Compare V. 104, p. 953.—V. 104, p. 2012, 1703, 1694.

Springfield (Mass.) Street Ry.—Contract.

A contract with the Turners Falls Power & Electric Co. has been arranged as a result of which (a) the Springfield company will purchase the entire requirements for the operation of its lines, and (b) the Turner Falls company will, in two or three years, expend about \$3,000,000 for extensions in the Springfield-Greenfield region.—V. 101, p. 1886.

Twenty-eighth & Twenty-ninth Streets Crosstown.

The U. S. Supreme Court has affirmed the judgment made by U. S. District Judge Hough of N. Y., dismissing the action brought by the bondholders' committee of this old company (property foreclosed and now known as the Mid-Crosstown Ry.) against the New York Rys. Co., on the ground that the action was one of which the U. S. Courts had no jurisdiction.

Gilbert & Gilbert, 43 Exchange Place, N. Y., counsel for the bondholders' committee, inform us that this decision does not in any manner affect the merits of the litigation, and that the action will now be brought in the State court and pressed to a conclusion.

The committee claims that the New York Rys. Co. is liable on the guaranty of the Metropolitan Street Rys. Co. on the bonds issued by the 28th & 29th Streets Crosstown RR., contending that the New York Rys. Co. is the Metropolitan Street Ry. Co. under a new name. It also contends that the Interborough-Metropolitan Co. before reorganization owned 80% of the stock of the Metropolitan Street Ry. Co., thus practically owning the company, and as a result of the reorganization owns about 85% of the reorganized company, and contends that the Interborough-Metropolitan Co., as the principal stockholder of the Metropolitan Street Rys. Co. and the New York Railways companies, cannot avoid its obligation to the bondholders of the 28th & 29th Streets Crosstown Co. by reorganization, and thus hold its property free of the debts of the Metropolitan Street Rys. Co.—V. 104, p. 1703.

Virginia Ry. & Power Co.—Acquisition.— See Norfolk & Ocean View Ry above.—V. 103, p. 1883.

Washington (D. C.) Ry. & Elec. Co.—Guaranteed Bds. See Potomac Electric Power Co. under "Industrials".—V. 104, p. 2006

Washington Water Power Co. (Spokane).—Bonds Listed—Earnings.—

The N. Y. Stock Exchange has added to the list \$1,700,000 First Refunding Mortgage sinking fund 5% 30-year bonds, due July 1 1939, with authority to add on or before Jan. 1 1918 \$539,000 additional of said bonds, making the total amount authorized to be listed \$7,374,000. The funds covered by the new bonds aforesaid were used for permanent improvements, extensions and additions, the principal item of which is the construction of the power station at Long Lake, Wash., 34 miles west of Spokane, embracing a solid concrete dam giving a fall of 170 ft. and forming a lake 23 miles long by 3/4 of a mile wide and power station with capacity of 66,000 electric h.p., of which one-half is installed and ready for service. The total cost of this development has been about \$5,200,000. There are at present outstanding \$239,000 Consol. Mtge. & Coll. Trust 5% bonds of 1899 (due July 1 1929), the balance of an issue of \$2,000,000, of which \$1,761,000 exchanged for First Refunding 5s are held by the trustee of that mortgage as additional security therefor, but are stamped "not negotiable." Otherwise there is no lien of any sort taking precedence of the First Refunding bonds.

Income Account for Three Months Ending March 31 1917. Receipts \$874,942 Depreciation \$81,250 Net, after exp. & taxes 350,363 Div. 1% April 2 1917 154,900 Interest on bonds and notes 109,030 Balance, surplus 5,183 See annual report, V. 104, p. 663, 1900.

West End Street Ry., Boston.—Bonds.—

The Mass. P. S. Commission has authorized the issuance of \$1,581,000 6% 30-year bonds, the proceeds to be used to retire a like amount of serial debenture bonds due Aug. 1 1917.—V. 104, p. 1491, 1389.

Western Pacific RR. Corp.—Favorable Decision Ordering Judgment against D. & R. G. RR. Under Old Guaranty.— See Denver & Rio Grande RR. above.—V. 104, p. 2013, 560.

Youngtown & Sharon Street Ry.—Merger.— See Mahoning & Shenango Ry. & Light Co. above.—V. 100, p. 903.

INDUSTRIAL AND MISCELLANEOUS.

Acme Tea Co., Philadelphia.—Control—List.— In connection with the announcement that this company's common stock had been stricken from the list for trading on the New York Stock Exchange, it is learned, that the American Stores Co. has acquired 31,000 of the 35,000 shares issued.—V. 104, p. 2013, 1491.

Adams Express Co.—System Extended.— Negotiations have been arranged by which this company takes over on July 1 the offices and contracts of the American Express Co. on the Western Pacific RR. from Salt Lake City to San Francisco, about 1,000 miles, and the business of the Wells-Fargo Express Co. on the Denver & Rio Grande RR. on Sept. 1, (the latter embracing about 2,600 miles), thus providing the Adams Co. with a complete transcontinental service.—V. 103, p. 1884.

American Beet Sugar Co.—New Officers, &c.— Charles C. Duprat, Asst. Sec. and Asst. Treas., has been elected Sec. & Treas., to succeed John E. Tucker, resigned. Charles E. Eller succeeds Mr. Duprat as Asst. Treas., and Arthur J. McQuade as Asst. Sec. Remaining officers were re-elected. The company has subscribed to \$1,000,000 of the Liberty Loan.—V. 104, p. 1896.

American Can Co.—Offer to Government.— This company, it was reported last week, made the lowest bid on 3,000,000 complete shrapnel rounds for the U. S. Army, having offered to make shells at \$10.51 each, against \$10.57 the next lowest bid. The company will neither confirm nor deny the report.—V. 104, p. 1339, 555.

American Pneumatic Service Co.—Consol. Earnings.— Cal. Years— 1916. 1915. 1914. 1913. 1912. Net profits—\$590,299 \$479,254 1st pf. divs. (7%) \$105,000 \$105,000 Depreciation, &c. \$85,425 \$65,510 2d pf. divs. (3%) 188,981 188,981 Sinking fund— 47,450 64,180 Balance, surplus—\$132,725 \$24,885 Bond interest &c. 30,708 32,599 Total surplus—\$761,297 \$678,006 —V. 104, p. 665, 258.

American Stores Co.—Sales.— Jan. 1 to May 5— 1917. 1916. Increase % Sales (5 Phila. chain stores)—\$20,509,200 \$15,261,037 \$5,248,172 34% Chandler & Co., Inc., are interested. See Acme Tea Co. above.—V. 104, p. 2013, 1803.

American Sumatra Tobacco Co.—Stocks Listed.— The New York Stock Exchange has admitted to list \$1,000,000 7% cumulative pref. stock and \$6,500,000 common stock, with authority to add prior to Jan. 1 1918 \$200,000 common stock on official notice of issuance and payment in full, making the total amount of common stock authorized to be listed \$7,000,000.—V. 104, p. 2013, 1047.

Anti-Trust Litigation.—Suits Ordered Reargued.—The Supreme Court on May 21 ordered reargument of the anti-trust suits against the United States Steel Corp. (V. 104, p. 769), the International Harvester Co. (V. 104, p. 1493), the United Shoe Machinery Corp. (V. 104, p. 869), and the Lehigh Valley (V. 103, p. 1118), and Reading RRs. (V. 103, p. 1119) and affiliated coal companies constituting the so-called anthracite coal trust. It is stated that probably a year would elapse before decisions were rendered.

Arizona Gas & Electric Co. (Nogales).—Bonds Offered.— P. W. Brooks & Co., Inc., are offering, at 98 1/2 and int.; this company's First Mtge. Sinking Fund 6% gold bonds, dated Jan. 1 1917, due Jan. 1 1937. Auth., \$1,000,000, issued, \$200,000.

The company operates an electric light, power and gas plant in Nogales, Ariz., and furnishes electric power throughout the Patagonia mining region. Population served, over 10,000.

Armour & Co., Chicago.—Purchase Denied.— A press report from Chicago on May 22 says: "Armour & Co. deny purchasing \$1,500,000, or 50% of the stock of the Stanton packing plant at Spokane."—V. 104, p. 2013, 665.

Armstrong Cork Co., Pittsburgh, Pa.—Stock Increase. The shareholders will vote July 24 on increasing the authorized capital stock from \$8,000,000 to \$17,000,000, the new stock to be all common. We are advised as of May 23 that as yet no circular has been prepared to be sent to stockholders.—V. 97, p. 331.

Atlas Powder Co., Wilmington, Del.—Extra Dividend. An extra dividend of 3% has been declared on the common stock in addition to the regular quarterly 2%, both payable June 10 to holders of record May 31. Previous dividends were: Dividends— 1913. 1914. 1915. 1916. 1917. On common, Q-M. 1 1/4 6 1 1/4 1 1/4 1 1/4 2 2 2 2 2 2. - do extra - - - - - 3/4 1 3/4 3 3/4 3 3/4 3 3/4. - —V. 104, p. 786, 657.

Beaumont (Tex.) Electric Lt. & Power Co.—Merger.— See Jefferson Co. Traction Co. under "RRs." above.—V. 94, p. 1766.

Booth Fisheries Co., Chicago.—Plan Approved.—

The shareholders on May 21 approved the plan of recapitalization to take effect July 1 next, providing for the issuance of new common stock of no par value in exchange for 50,000 shares of \$100 each of old common in the ratio of 5 shares of the new to 1 of the old. The regular quarterly dividends of \$1 on the common and \$1 75 on the preferred were declared, payable July 2 to holders of record June 20.—V. 104, p. 2013, 1803.

Brooklyn Union Gas Co.—Earnings.—

Cal. Gross Net, after Other Bond Dividends Balance, Yr.— Earnings. Taxes. Income. Int., &c. (8%). Sur. or Def. 1916—\$11,353,594 \$1,987,346 \$239,200 \$837,630 \$1,440,000 def.\$51,084 1915— 10,719,758 2,324,212 232,167 839,319 1,440,000 sur.277,059 —V. 102, p. 1890.

Brown Shoe Co., Inc., St. Louis.—Government Control.— See editorial columns in this issue.—V. 103, p. 1885.

Buckeye Pipe Line Co.—New Director.— George E. Pifer succeeds L. O. Welch as director.—V. 104, p. 562.

Bulk Oil Transports, Inc.—Bonds Called.—

All the outstanding (\$400,000) 6% Serial First Mtge. gold marine equipment bonds, dated Jan. 1 1917, have been called for payment July 1 at 101 and int. at Baltimore Trust Co. See offering in V. 104, p. 166.

California Packing Corp.—Pref. and Com. Stock Listed.

The New York Stock Exchange has authorized the listing of temporary interchangeable certificates for \$8,455,000 7% cum. conv. pref. stock, in \$100 shares, and also 338,819 shares of common stock (without par value), with authority to add on or before Jan. 1 1918, \$1,545,000 of pref. stock and 11,181 shares of com. stock, on official notice of issuance and payment in full; also with authority to substitute on or before Jan. 1 1918, permanent engraved, interchangeable certificates, on official notice of issuance in exchange for temporary certificates, making the total amounts authorized to be listed, of pref. stock \$10,000,000, and of com. stock, 350,000 shares without nominal or par value.

The above-mentioned outstanding pref. and com. stock were issued for the entire properties and assets of the J. K. Armsby Co., California Fruit Cannery Assn., Central California Canneries, Griffin & Skolley Co., 45,331 shares of capital stock of the Alaska Packers Assn., and \$1,267,353 cash. The properties of the four mentioned concerns were taken over by the California Packing Corp. on Nov. 8 1916, and their liabilities assumed (V. 103, p. 1212). See "Annual Report," V. 104, p. 1697.—V. 104, p. 1901, 1705.

Canadian Cottons, Ltd.—New Director.—

W. J. Morrice has been elected a director to succeed David Morrice, deceased.—V. 104, p. 2013.

Central Iron & Steel Co.—Tenders.—

The Girard Trust Co. of Phila., as trustee, having obtained from the receivers \$268,000 will, until June 15, receive offers for the sale of lat. M. 5% bonds at not exceeding 102 1/2 and int. All arrears of sinking fund payments due under the mortgage have thus been made in accordance with the order of the court.—V. 102, p. 524.

Chandler Motor Car Co.—Extra Dividend.—Earnings.—

An extra dividend of 1% has been declared on the stock in addition to the regular quarterly 2%, both payable July 1 to holders of record June 15. An authoritative statement dated May 23 says: "A report made by the management shows an increase in business in the period from Jan. 1 to April 30 1917 of 134% over the corresponding period of 1916, and an increase in profits for the period of 182%. Net profits from Jan. 1 to June 1 1917, with the last 10 days of May estimated, would approximate \$1,206,000, or slightly more than \$17 per share on the outstanding stock, and even discounting the possibility of some recession in business, due to the war this year's earnings undoubtedly will be considerably larger than those for 1916.—V. 104, p. 666, 166.

Cleveland-Akron Bag Co.—Extra Dividend.—

An extra dividend of 3/4 of 1% has been declared on the stock in addition to the regular quarterly 1 3/4%, both payable July 8 to holders of record June 23. A like amount was paid in March last. See V. 104, p. 666.

Cleveland Electric Illuminating Co.—Bonds.—

The Ohio P. U. Commission has authorized this company to issue \$2,000,000 1st Mtge. 5% bonds at 95. Of the bonds, \$62,619 will be used to reimburse the income account for capital expenditures to Feb. 28 and the balance for 1917 budget improvements.—V. 104, p. 954, 562.

Consumers Gas Co., of Toronto.—Stock Offering.—

This company, it is announced, will offer its shareholders the right to subscribe at par for 19,528 shares of stock on a basis of 1 new share for each 5 shares held. The proceeds to be used to liquidate floating debt.—V. 103, p. 2248.

Crucible Steel Co. of America.—Offering of Liberty Loan Bonds.—

Geo. A. Turville, Sec. & Treas., in a letter to shareholders and employees on May 16, says:

The directors have subscribed \$1,000,000 to the 1917 Liberty Loan of the U. S. Government for the benefit of our stockholders and employees, many of whom have expressed a desire to purchase such amounts of bonds as they may conveniently pay for, through our Treasury Department.

The company for some time past has been making monthly payments to its stockholders against deferred dividends, and it has been thought that many of those receiving these dividends would like to apply them, and possibly additional sums, towards the purchase of these bonds. Subscriptions should be paid for in full on or before June 13 to escape an interest charge.—V. 104, p. 2014, 1594.

Diamond Ice & Coal Co.—Bonds Called.—

This company has called for payment on June 1 bonds Nos. 10 and 42 of the 1st M. and Consolidated 6s, dated May 24 1913, at 105 and int. at Wilmington Trust Co., Wilmington, Del. The total amount of bonds outstanding, it is reported, is \$140,000.—V. 100, p. 1170, 143.

Dominion Textile Co., Montreal.—Earnings.—

Mar. 31 Yrs.— 1916-17. 1915-16. Deduct. (Concl.): 1916-17. 1915-16. Sales—\$13,375,750 \$10,438,089 Bad dts. writ. off. \$7,276 \$8,945 Net profits— 1,582,705 1,481,195 Patent fund— 20,000 15,000 Divs. received 74,378 74,378 Tax reserve— 100,000 100,000 Prof. divs. (7%)— 135,331 134,820 Com. divs. (6%)— 300,000 300,000 Gross income—\$1,657,083 \$1,555,573 Rentals— 469,163 536,056 Bond interest— 274,679 219,144 Balance, surplus—\$350,632 \$211,608 As to dividend increase on common stock, see V. 104, p. 1902.

Donner Steel Co.—Report—Bond Issues.—

The digest of this company's annual report will be found on a preceding page. The company's First & Purchase Money Mtge. 5% gold bonds are described as below by the Duquesne Bond Corp., which makes a specialty of the issue and is now offering a block at 96 and int.:

The bonds are dated Dec. 15 1915, due Dec. 1 1935. Interest J. & 10. Denom. \$1,000. Redeemable at 102 1/2 and interest on any interest date upon sixty days' notice. Bankers Trust Co., of Buffalo, N. Y., trustee. Authorized, \$5,000,000; outstanding, \$3,500,000.

Security.—The direct obligation and a first mortgage upon the properties of the company, which was organized in 1915 to take over the plants of the New York State Steel Co. The original cost of these plants was reported to be in excess of \$6,000,000, and they were acquired by the Donner Steel Co. at a cost of \$2,750,000.

Equity.—At the purchase price the properties show an equity over the amount of bonds outstanding. As a growing concern the properties are worth considerably more. Adding to this the \$2,000,000 or more reported to have been spent on improvements and extensions brings the present value up to about \$5,000,000. Further extensions to the plant are now being made and it is expected that \$1,000,000 to \$1,500,000 more will be spent for improvements.

Management.—The company is under the personal management of Wm. H. Donner, formerly President of the Cambria Steel Co., the Union Steel Co. and who has been connected with other large steel companies. The **Donner-Union Cokes Corporation** has been incorporated to build south of the steel plant a \$3,000,000 by-product coke plant of 120 ovens, though possibly not until the war ends. The directors are William H. Donner and R. N. Donner, of Donner Steel Co.; Frank B. Baird and Harry Yates, of Buffalo Union Furnace Co., and Fred C. Stee, attorney. [A. L. Chambers & Co., Marine Bank Bldg., Buffalo, also deal in the bonds.]—V. 104, p. 955.

Eastern States Public Service Co.—Incorporated.—This company mentioned last week (see offering of bonds V. 104, p. 2014) was incorporated Mar. 5 under the Laws of Dela. with \$3,000,000 authorized capital stock. Compare V. 104, p. 2014.

Elk Horn Coal Corporation.—Listed on N. Y. Stock Exchange—Full Official Statement.—The New York Stock Exchange this week listed the company's stock and bonds, and also the notes of the old Elk Horn Fuel Co. The very full statement made to the Exchange regarding the listing of the preferred and common stock, but covering also much detailed information regarding the outstanding securities, the properties, operations, financial status, &c., will be found at length on subsequent pages of this issue.

Securities Just Listed by New York Stock Exchange.

Elkhorn Fuel Co. 1st M. 5-year 5% conv. notes due May 1 1918.	\$1,904,500
Elkhorn Coal Corp. 10-yr. S. F. M. conv. 6% notes due Dec. 1 '25	4,790,000
do do 6% non-cumulative preferred stock	6,000,000
do do common stock	12,000,000

See the aforesaid statement below and "Report" in V. 104, p. 1706, 2014.

Federal Sugar Refining Co., N. Y.—Plan to Resume Dividends on Common Stock and Make Full Financial Statements.—Dividends on the \$6,677,200 common stock, which were suspended in Jan. 1914 following the payment in 1912 and 1913 of eight quarterly distributions of 1 1/4% each, can now, the management believe, be safely resumed. Pres. C. A. Spreckels, in circular of May 23, says in substance:

A minority interest is soliciting proxies for the next annual meeting of the shareholders, to be held June 18 1917, at which meeting will be elected the directors for the coming year.

The present management has been in control since the enterprise was started in 1902. Their policy has been to enlarge the plant to its most economical working basis, to pay for improvements out of earnings and to accumulate a working capital which would enable the company to go through unsettled financial times without risk.

In the judgment of your directors these objects have now been achieved, and in view of the fact that the past year has been unusually prosperous, (the plant having very generally run to capacity, 10,000 bbls. per day), the board is of opinion that the common stock may safely be placed on a permanent dividend basis.

It is the intention of the board to ask the stockholders at the annual meeting to rescind their previous instructions and authorize a full and complete disclosure of our financial position. With all the facts in their possession the stockholders will then be in position to determine whether they wish to continue their properties under the present management or install a new control.

Under the present management your properties have been brought to a high state of efficiency. A change of control would impair this efficiency, disrupt the organization and depreciate the value of your investment. The decision will rest with the stockholders after hearing the annual report on June 18 1917.

An Excise Tax Urged as a Substitute for 10% Tariff Increase.

An excise tax on sugar instead of a 10% tariff increase, it is asserted, would bring in more revenue than either the latter or higher postage and would, therefore, be an excellent substitute for both. Frank C. Lowry, Gen. Sales Mgr. of the Federal Co., upon his return from a visit to Washington this week, said: "The present ruling import tariff of 1c. a lb. brought in the Government only \$38,000,000 in 1916, reaching only 46% of the sugar consumed, while the domestic sugar producers absorbed a bounty of \$46,000,000. An excise tax of the same amount on all sugar used would have yielded \$92,000,000. A 10% ad valorem increase in the tariff, as proposed in the House, would add only \$19,000,000 to the Government revenue and give a total 'protection' subsidy of \$69,000,000 annually to the domestic beet and sugar-cane interests already fattened with abnormal profits. I understand that a number of Senators favor placing an excise tax of 1c. a lb. on all sugar in addition to the present tariff. This would add \$92,000,000 to the Government income and make the total annual sugar revenue \$130,000,000. The increased cost, in every instance, is borne by the public, but with an excise tax the nation gets all the tax instead of sharing it with the domestic sugar interests, as is the case with the import tariff." Compare V. 104, p. 75.

Fifth Avenue Coach Co., N. Y.—Earnings.

6 Mos. to	Gross	Net, after	Other	Interest	Misc. (net)	Balance,
Dec. 31—	Earnings	Taxes, &c.	Income	Charges	Deductions	Surplus
1916	\$1,107,159	\$319,004	\$13,705	—	\$10,809	\$321,890
1915	819,666	229,282	17,763	—	18,063	250,967

See New York Transportation Co. below.—V. 99, p. 1370.

Fort Worth Power & Light Co.—Annual Report.—See Amer. Power & Lt. Co. under "Ann. Reports" above.—V. 104, p. 1595.

Fulton Iron Works Co.—Pref. Stock Sold.—Smith, Moore & Co., St. Louis, have sold this company's \$1,000,000 8% Cumulative Pref. (a. & d.) stock, par \$100 to the Laclade Steel Co. of St. Louis. Divs. Q-M.

The stock is redeemable all or part, or through the Sinking Fund, or otherwise, at 110 and dividends. At no time shall the net quick assets fall below 80% of the Pref. stock outstanding. Annual sinking fund of 10% of net earnings, after pref. dividends. No additional Pref. stock can be issued, unless assets exceed 200% of the amount already outstanding and that to be issued. No mortgage or prior lien without the consent of 75% of outstanding Pref.

Data from Letter of Chairman J. F. O'Neil, St. Louis, May 15 1917.
Organization.—Organized in Dela., has acquired the plant, &c., of the Fulton Iron Works of St. Louis, Mo. The predecessor company was established in 1852, by Gerard H. Allen, and was incorporated in 1871, with a capital stock of \$250,000 fully paid. In 1905 the present officers took over the company. The plant advantageously located on Delaware St., near Plymouth St., St. Louis, was appraised as of Nov. 18 1916 at \$1,012,393.
Business.—Mainly manufactures cane sugar mill machinery, in which line this company is said to be the leader. By arrangement with the firm of Franco Tosi of Italy, builders of Diesel engines, the company owns the exclusive American rights for the manufacture and sale of these engines.
Capitalization (No bonds):
 8% Cumulative Preferred stock.....\$2,000,000
 Common stock (no par value).....40,000 shares, 40,000,000
Assets.—Net tangible assets are about \$2,000,000. Of this about \$1,000,000 is net quick assets, \$140,000 Fulton Iron Works 6% bonds have been called for redemption Nov. 15 1917; funds to pay them having been deposited.

Earnings.—Average annual net earnings for the past five years are more than \$233,000. Earnings for 1916 were over eight times the pref. dividend.
Management.—J. F. O'Neil, Chairman; H. J. Steinbreder, formerly First V.-Pres. of the Laclade Steel Co., of St. Louis, Pres. Otherwise the same as since 1905.

General Motors Corporation.—Manufacture of Tractors.
 This company has arranged to enter the tractor field on an extensive scale and has purchased the Sanson Iron Works of Stockton, Cal., which already turns out about 18 tractors a week. The new interests plan to enlarge the facilities of this plant so that by Oct. 1 it will be producing 15 sieve-wheel tractors daily, and erect three other similar plants in or near

Kansas City, Pontiac, Mich., and at some point on the Atlantic Coast. These will be ready for operation by the early spring of 1918, and bring the total production up to 60 tractors daily.—V. 104, p. 1390, 955.

Granite Mills, Fall River.—Stock Dividend.—The shareholders on May 24 ratified the proposed increase in capital stock from \$1,000,000 to \$1,250,000, the new stock to be issued as a 25% stock dividend.—V. 104, p. 2015.

Grasselli Chemical Co.—Extra Dividend.—An extra dividend of 3 1/4% has been declared on the common stock in addition to the regular quarterly 1 1/4% on the common and pref. stocks, respectively, all payable June 30 to holders of record June 15. Like amounts were paid in March last.—V. 104, p. 767, 366.

Great Northern Paper Co.—Dividend Increased.—A dividend of 2 1/4% has been declared on the stock, payable June 1 to holders of record May 26. In March last 1 1/4% was paid.—V. 103, p. 1510.

Greene Cananea Copper Co.—Purchase.—See Greene Cananea Consolidated Copper Co. below.—V. 104, p. 1493.

Greene Consolidated Copper Co.—Proposed Merger—Offer for Minority Stock.—

The Greene Cananea Copper Co., now owning over 96% of the \$10,000,000 outstanding capital stock, exclusive of treasury stock, has offered to purchase all the property and assets of the company, as an entirety, not including, however, the corporate franchise or good-will, and in addition to assume all debts, lawful contracts, litigation, &c., and to pay therefor the sum of \$21,000,000, in the manner following, to-wit:
 (1) By issuing one (\$100) share of the capital stock of the Greene Cananea Copper Co. for each two shares of the capital stock of the Consolidated company (par \$10), exclusive of the stock of the company then held by the Greene Cananea Copper Co., fractions to be paid for at the current market price per share in New York of the stock of Greene Cananea Copper Co.
 (2) By delivering to the company the receipt of the Greene Cananea Copper Co. for the sum constituting its distributive share of said \$21,000,000, which distributive part is and shall be such sum as the total of all shares of the capital stock of the company held by the Greene Cananea Copper Co. which will amount to, at the rate of \$21 per share.
 The Greene Cananea Copper Co. has an authorized capitalization of \$60,000,000 divided into 600,000 shares of the par value of \$100 each. It present issued and outstanding capital stock is 488,555 shares. It has no debts, bonded or otherwise.—V. 98, p. 1611.

Harrison's, Inc., Phila.—New Officers.—Lamont du Pont, Vice-Pres. of E. I. du Pont de Nemours & Co., has been elected President to succeed Russell S. Hubbard, who retired. This company recently succeeded to the business of Harrison Bros. & Co., Inc. See V. 104, p. 1148.

Holly Sugar Corporation.—Purchase.—This company has purchased the Santa Ana Sugar Co. for about \$2,500,000. The company operates a 1,000-ton beet-sugar factory at Santa Ana.—V. 104, p. 1804, 456.

Hutchinson Gas & Fuel Co.—New Control.—See American Power & Light Co. under "Annual Reports" above.

Indian Refining Co.—Accumulated Dividends.—A dividend of 5 1/4% has been declared on the pref. stock, on account of accumulations, for the three quarters ended Dec. 15 1914, payable June 25 to holders of record June 9. The company has subscribed for \$100,000 of the Liberty Loan bonds and will finance any subscriptions that its employees may desire to make.—V. 104, p. 1707, 1595.

Indiana & Michigan Electric Co.—Stock Increased.—This company's capital stock was recently increased from \$3,500,000 to \$5,000,000.—V. 99, p. 1532.

International Harvester Co.—Govt. Suit to be Reargued.—See Anti-Trust Litigation above.—V. 104, p. 1493, 768.

International Paper Co., N. Y. City.—Distribution to Pref. Stockholders—Listing of Stock.—The Bankers Trust Co. will, on June 1, begin delivering to the assenting pref. shareholders the stamped pref. stock certificates and also the additional stock and cash called for by the plan of Jan. 31 (V. 104, p. 563) for discharging the 33 1/2% of accumulated dividends on the pref. stock, viz.: 7 1/2% in cash, 14% in 6% cum. pref. stock and 12% in com. stock. Pref. shareholders who have not yet assented may participate by depositing their certificates on or before May 31.

The N. Y. Stock Exchange has accordingly agreed to list the following amounts of stock when and if issued (but only on official notification of issue) making the total stock listed and to be listed not to exceed \$25,000,000 pref. and \$20,000,000 common.
 Pref. shares already assented, stamped certificates to be listed \$19,021,700
 Remaining outstanding pref. stock to be listed when assenting 3,385,000
 Further pref. stock (making \$25,000,000 outstanding) issuable (along with \$543,638 purchased) for aforesaid 14% distribution 2,593,300
 Common shares (making a total of \$20,000,000 outstanding) to be issued in connection with said 12% distribution 2,567,200
 The certificates of pref. stock will be stamped "All deferred dividends accrued prior to Oct. 1 1916, paid in full." Compare V. 104, p. 563, 1697, 1902, 1707.

Kansas Gas & Electric Co.—Annual Report.—See Amer. Power & Lt. Co. under "Ann. Reports" above.—V. 104, p. 1595.

(S. H.) Kress & Co.—Listing of Preferred and Common Stock.—The New York Stock Exchange on May 23 listed both classes of the company's outstanding stock. In this connection a very complete statement regarding the enterprise has been made to the New York Stock Exchange. This statement will be found in full on subsequent pages. In addition to showing the income account, balance sheet, &c., it describes the organization, business properties, &c. The company operates a successful chain of 130 5, 10 and 25-cent stores, mainly in the South and Southwest. See offering of stock, V. 102, p. 1990. Annual report, V. 104, p. 659.—V. 104, p. 2015, 1902.

Lackawanna Steel Co.—Extra Dividend.—An extra dividend of 2 1/4% has been declared on the stock, payable June 30 out of the surplus net earnings for the first two quarters of this year to holders of record June 15. In December last an extra of 3% was paid.—V. 104, p. 1493, 1049.

Laclade Steel Co., St. Louis.—Acquisition.—See Fulton Iron Works Co. above.—V. 104, p. 1804.

Lancaster Mills, Boston, Mass.—Dividends Resumed.—A dividend of 3% has been declared on the \$1,000,000 stock, payable June 1 to holders of record May 22. This is the first payment since Mar. 1 1912. The company is said to have been going through a process of financial and physical rejuvenation since the fall of 1913, when Lockwood, Greene & Co. assumed the management.—V. 90, p. 505.

Lawrence Mfg. Co.—Dividend Increased, &c.—A semi-annual dividend of 3% and an extra of 2% has been declared on the stock, payable June 1 to holders of record May 22. In December last a semi-annual dividend of 2 1/4% was paid, comparing with 2% in June 1916.—V. 102, p. 2345.

Lone Star Gas Co., Dallas, Tex.—Earnings.—

Cal. Years—	1916.	1915.	1916.	1915.
Gross earnings	\$1,510,356	\$1,417,864	\$592,710	\$531,098
Oper. expens., taxes & int.	377,961	427,513	325,000	340,760
Miscell. chgs.	30,996	3,297	192,720	115,196

—V. 104, p. 1049.

MacAndrews & Forbes Co., Camden, N. J.—Report.—

Calendar Years—	1916.	1915.	1914.	1913.
Net domestic profits	\$574,796	\$621,874	\$488,829	\$488,829
Net foreign profits	—	322,050	354,129	—
Divs. & int. received	\$1,357,592	486,514	25,457	29,586

Total profits	\$1,357,592	\$1,061,310	\$969,381	\$902,544
Prof. dividends (6%)	\$168,936	\$168,936	\$175,027	\$176,764
Common (cash) divs. (17 1/2%)	\$700,000*	(10) \$75,000	(10) \$300,000	(10) \$300,000

Balance, surplus, \$488,656; \$517,374; \$494,354; \$425,780
 * Total net earnings from sale of licorice, dyewoods, box board, &c., after deducting all charges and expenses of management.
 * In addition the co. paid June 15 1915 a common stock div. of 33 1/3% on the \$3,000,000 common stock, calling for \$1,000,000 (V. 101, p. 1835).

Balance Sheet Dec. 31.

ASSETS—	1916.	1915.	1916.	1915.
Real estate, machinery, good-will, &c.	4,670,960	4,519,119	2,815,000	2,815,000
Material, supp., &c.	4,220,366	3,507,897	4,000,000	4,000,000
Stocks and bonds	313,734	252,165	425,809	368,075
Cash	998,117	1,130,043	228,076	180,510
Bills & accts. receiv.	452,551	408,379	1,316,749	1,172,579
			242,234	142,234
			1,027,259	1,138,003
Total	10,665,727	9,817,003	10,665,727	9,817,003

—V. 104, p. 1903.

Massachusetts Gas Co.'s.—Sub Company Dividend.—
 See New England Coal & Coke Co. below.—V. 104, p. 1805, 1049.

Massey-Harris Co., Ltd., Toronto.—New Directors.—
 A. S. Patterson and Vincent Massey are now directors.—V. 97, p. 1587.

Merchants Coal Co.—Sale.—
 See United Coal Co. below.—V. 102, p. 1253.

Montana Power Co.—Common Dividend Increased.—
 A quarterly dividend of 1 1/4% has been declared on the common stock, payable July 2 to holders of record June 15. This compares with 1% quarterly since July 1916. The regular quarterly 1 1/4% on the pref. stock was also declared payable the same date.—V. 104, p. 1707, 1487.

National Conduit & Cable Co., Inc.—Initial Dividend.—
 An initial quarterly dividend of \$1 per share has been declared on the stock, payable July 16 to holders of record June 15.—V. 104, p. 2015, 1903.

National Malleable Castings Co., Cleve.—Stock Increase.—
 The shareholders will vote on June 26 on increasing the authorized capital stock from \$8,000,000 to \$10,000,000, par \$100.—V. 92, p. 730.

New England Coal & Coke Co.—10% Dividend.—
 This company, all of whose \$1,500,000 stock is owned by the Massachusetts Gas Companies has declared a dividend of 10% on its stock payable May 31 to stock of record May 29.—V. 99, p. 1455.

New Bedford Cordage Co.—Stock Dividend.—
 The directors have voted to recommend to the stockholders the increase in common stock from \$200,000 to \$400,000 by a stock dividend of 100%.—V. 83, p. 1174.

New York Transportation Co.—Earnings.—

Six Months to Dec. 31—	Gross Inc.	Int., &c.	Expenses & Taxes	Misc. (net)	Deduct'ns.	Balance Surplus.
1916	\$27,174	\$32,424	\$14,542	\$19,049	—	\$26,007
1915	25,350	33,212	11,282	1,727	—	45,553

—V. 104, p. 1805.

Ohio Cities Gas Co.—Earnings Year end. Mar. 31 1917.

Gross earnings (including oil-producing properties)	\$5,740,047
Net earnings after oper. exp., ref. costs, ord. repairs, &c.	3,740,467
Deduct—Interest and amortized note discount	129,632
Preferred dividends, \$34,576; common dividends, \$1,181,783	1,516,359

Balance, surplus, for year ending March 31 1917—\$2,094,476
 a Includes earnings only from Dec. 18 1916 from Gunsburg & Forman purchases (Oklahoma Oil Producing Properties), exclusive of departmental leases, approved since March 31 1917 by the Department of the Interior, and also 4 months' earnings only of the International and Ardmore refineries.

Earnings.—For the month of April (including subsidiaries).

Total earnings of all companies	Apr. '17.	Apr. '16.	Increase.
Net (after exp. & taxes, Ohio Cities G. Co.)	\$835,964	\$224,191	\$611,773
	802,824	217,068	585,756

Proposed Plan for the Purchase of the Pure Oil Co.—
 The directors at an informal meeting May 24 are reported to have voted for a resolution to purchase the assets and business of the Pure Oil Co. on the basis of a payment of \$25 a share (par \$5) for the \$4,535,245 common stock. There was also outstanding on Dec. 31 1916 \$101,500 pref. stock. It is stated that the Pure Oil Co. directors will submit the proposal to stockholders in a few days. The purchase plan, in addition to the payment of cash for the stock, provides for subscription by Pure Oil stockholders for Ohio Cities Gas shares.
 [See annual report of the Pure Oil Co. in V. 104, p. 957.]—V. 104, p. 1805.

Old Ben Coal Corp., Chicago.—Stock Increase.—
 This company, recently incorporated in Delaware as successor to the original Old Ben Coal Co., has increased its authorized capital from \$6,531,000 (of which \$4,000,000 is pref.) to \$7,000,000. The bonds were offered by Cassatt & Co. See V. 103, p. 325, 249.

Owens Bottle-Machine Co.—Sale of Stock to Employees.—
 An official statement says in substance:

In March 1916, with the approval of stockholders, the articles of incorporation were amended so as to permit the sale of not to exceed \$1,500,000 common stock to certain employees, before the sale of which it is necessary to list the same on the N. Y. Stock Exchange. The necessary application has been made. It has been decided to offer less than \$500,000 par value to about 125 employees (not executive officers or large stockholders) at the same price as stock was last offered to stockholders, plus additional book value, conditioned on approved service contracts for a term of years.—V. 104, p. 2016, 1903.

Pacific Power & Light Co.—Annual Report.—
 See Amer. Power & Lt. Co. under "Ann. Reports" above.—V. 104, p. 1596.

People's Gas Light & Coke Co., Chicago.—Bonds.—
 This company has applied to the Illinois P. U. Commission for authority to issue \$250,000 Gen. & Ref. Mtge. bonds.—V. 104, p. 1596, 1049.

Pierce-Arrow Motor Car Co.—Initial Common Dividend.—
 A dividend of \$1 25 per share has been declared on the 250,000 shares of common stock, payable Aug. 1 to holders of record July 14. The regular quarterly 2% on the pref. stock was also declared, payable July 2, to holders of record July 15.

W. C. Wrye, Treas., in a letter dated at Buffalo, N. Y., May 23 1917 reports: "Profits for the 4 months ended April 30 1917, after deducting all expenses and accrued taxes except tax on excess profits, show:

Net operating profit, \$1,502,833, less interest, \$5,257; balance—\$1,497,576
 Depreciation of plant and equipment—156,444

Net profit, exclusive of tax on excess profits (estimated for the four months under existing laws at about \$73,000)—\$1,341,132
 "No reservation has here been made in respect of proposed taxes now under discussion.
 "The company will hereafter publish quarterly statements of net earnings. The first such statement will be published after the July meeting of the directors and will cover the three months from April 1 to June 30.—V. 104, p. 957.

Portland Gas & Coke Co.—Annual Report.—
 See Amer. Power & Lt. Co. under "Ann. Reports" above.—V. 104, p. 1596

Potomac Electric Power Co., Wash., D. C.—Bonds.—
 This company is offering \$750,000 General Improvement 6% debenture bonds of 1915, the proceeds to be used only for extensions, additions, betterments, &c. These bonds are guaranteed prin. and int. by the Washington Ry. & Electric Co. The company has been authorized by the P. U. Commission of the Dist. of Columbia to sell \$1,127,000 of these bonds. The company has now outstanding \$1,700,000 First Mtge. 6% bonds, maturing June 1 1929, and \$5,300,000 Consolidated Mtge. 5% bonds, maturing July 1 1936, and holds in its treasury \$1,700,000 of the Consol. Mtge. bonds to take up the First Mtge. bonds upon maturity. It also has outstanding \$9,000,000 capital stock.
Gross Receipts and Net Income Available for Interest for Calendar Years.

Calendar Year—	1916.	1915.	1914.
Gross receipts	\$2,432,473	\$2,191,392	\$2,054,074
Net for interest	1,114,478	1,016,793	954,021

Annual interest charges on outstanding bonds, including the \$750,000 debenture bonds now offered, amounts to \$395,000.—V. 104, p. 2016.

Pure Oil Co.—Possible Sale.—
 See Ohio Cities Gas Co. above.—V. 104, p. 1707, 957.

Regal Motor Car Co., Detroit, Mich.—Pref. Stock Protection.—
 L. N. Rosenbaum & Co., N. Y., holders of 430 shares of the pref. stock on May 21 1917 addressed the preferred stockholders in substance as follows:

Developments have occurred which, in our opinion, seriously affect the rights of the pref. shareholders. It is important that action be taken for the protection of our interests, and we therefore advise that all shareholders deposit with us their shares of pref. stock, giving us authority to act for the protection of all stock so deposited, the costs to be pro rated. We believe it is indisputable that the company has ample going assets which under proper management should make the pref. shares worth par, but which the present management has permitted to deteriorate to an alarming extent.—V. 104, p. 2016.

Salem (Mass.) Gas Light Co.—Additional Stock.—
 The Mass. Gas & Electric Light Commission on May 23 authorized the company to issue 3,100 additional shares of stock to its stockholders at \$130 per share.—V. 77, p. 352.

Sinclair Gulf Corporation.—Bonds All Paid.—
 See Freeport & Tampico Fuel Oil Corp. in last week's "Chronicle," page 2014.—V. 104, p. 1904, 1805.

Smart-Woods, Ltd.—Common Dividend Resumed.—
 A dividend of 1 1/4% has been declared on the common stock, payable June 1 to holders of record May 26. This is the first payment on this stock since April 1 1914, when 1 1/4% was paid.—V. 103, p. 2348.

Solvay Process Co.—New Officers.—
 Edward L. Pierce, Vice-Pres. of the Solvay Co., has been elected President of the Solvay Process Co. to succeed the late Frederick R. Hazard. Nathan L. Miller has been elected Vice-Pres. to succeed R. G. Hazard, who has been made Chairman of the Board.—V. 104, p. 1805.

Southwestern Power & Light Co.—Annual Report.—
 See Amer. Power & Lt. Co. under "Ann. Reports" above.—V. 104, p. 1597.

Standard Gas & Electric Co.—Bonds Redeemed.—
 This company has canceled through the sinking fund \$975,500 convertible sinking fund 6% gold bonds, due 1926, making the total amount of these bonds redeemed up to May 19 by the sinking fund or otherwise \$4,369,500 and leaving \$5,930,500 outstanding.—V. 104, p. 1597, 1495.

Standard Oil Cloth Co., Inc.—Dividends.—
 The directors have declared the following dividends payable July 2 to holders of record June 15: Pref. stock, Class "A," quarterly dividend No. 12, 1 1/4%; pref. stock, Class "B," quarterly dividend No. 12, 1 1/4%; common stock, dividend No. 7, 1%.—V. 104, p. 1050.

Standard Tire & Rubber Mfg. Co. (Willoughby, Ohio)—Pref. Stock Offered.—
 The Clark-Sabin Co., Cleveland, Ohio, are offering at par and div. \$350,000 7% Cumulative Pref. (a. & d.) stock tax-free in Ohio, par \$100, div. quarterly. A circular shows:

The stock is redeemable on any dividend date after Dec. 31 1919 at \$110 and dividends. Beginning Dec. 31 1919, the company sets aside 25% of net earnings to retire the Pref. stock.

Outstanding Capitalization (No Bonds or Mtgs.)
 Com. stock, outstanding \$400,000 (Preferred stock (this issue) \$350,000
 No mortgage or other lien can be placed, nor may any stock be issued prior to or in part with this issue except with the consent of 75% of the Pref. stock outstanding.

Plants & Properties.—Owns a large and modern factory. The company has established a reputation by its "Cleveland-Standard" tires and tubes, also manufactures the "Velvetread" tire and "Willow" tube, together with a high grade line of mechanical rubber products. The proceeds of this preferred stock will be used to strengthen the working capital and for betterments and extensions.

Earnings.—The three months ending Mar. 31 1917, show net profits equal to 4 1/2 times the pref. dividend requirements. Orders now booked are more than sufficient to take the entire production for over a year.

Assets.—The balance sheet as of Mar. 31 1917, adjusted to reflect the present financing, shows total net assets of over \$200 for each share of pref. stock, and net quick assets of over \$100 for each share. The company must maintain total net assets equal to 200% and net quick assets of 100% of the pref. stock outstanding.

Officers.—Pres., M. J. Gillen; D. O. Summers, V.-Pres.; Perry Narten, Treas.; Charles H. Shaw is Sec'y.

Standard Screw Co.—Death of President.—
 President Walter B. Pearson died on May 19.—V. 104, p. 1904, 1050.

(F. B.) Stearns (Motor Car) Co., Cleveland.—Stock Offered.—
 The James E. Milliken Co., Cleveland and Columbus, Ohio, are offering on the basis of 101% to net 6.93% for the pref. and 115 for the common shares, \$350,000 7% Cumulative Pref. (a. & d.) stock and \$150,000 common stock, par value \$100. Divs. Q.-J. A circular shows:

The stocks are free from Ohio taxes and the normal Federal income tax. Preferred stocks redeemable, all or part, on any div. paying date at \$110, with div. Compulsory redemption beginning Jan. 1 1920, and yearly thereafter of not less than 8% of the largest amount of pref. stock (a) outstanding, either by redemption or purchase. Pref. stock votes equally with common in case of default of purchase. (b) redemption in-statement (c) maintenance of assets as required. No bonds or equal or prior stock without consent of 75% of pref. outstanding. Additional pref. stock issuable under restrictions.

Capitalization (No Bonds)	Authorized.	Outst'd'g & to be Issued.
Preferred stock 7% cumulative, \$100 par	\$750,000	\$500,000
Common stock, \$100 par	1,250,000	1,000,000

Extracts From Letter of Pres. F. B. Stearns, Dated April 26 1917.

Organization.—Established in 1896 and incorporated in West Va. In 1902 the company incorporated in Ohio, with a capitalization of \$200,000, this was increased in 1912 to \$400,000, of which \$242,000 was issued. The company, one of the pioneers of the industry, was the first to use the Knight motor. The company has always been a close corporation and owns its property, ideally situated. This real estate is appraised at a value of \$328,000 on the land alone. Employees number about 1,000.

Our license to manufacture the Knight type of engine [using "sleeves" instead of valves] while considered a very valuable asset, has not been capitalized on the books.

Dividends.—For the past eight years the company has paid an average of 9 1/2% yearly in cash dividends, and in addition, during eleven years has accumulated a surplus of over \$1,000,000 which averaged 38% per ann. on capital. By a stock dividend of 210% capitalization was brought to about \$750,000. Stockholders are purchasing additional \$250,000 which, with the \$500,000 now offered, will make the outstanding capital \$1,500,000, with net assets in excess of \$2,000,000, without any valuation on patents, good will, or on license to manufacture the Knight type of engine.

Assets.—The company shall maintain net quick assets of not less than 125% and total net assets of not less than 300% of pref. outstanding. With the proceeds of this issue, the company will have net assets, excl. of patents, good will, &c., of over \$400 for each \$100 of pref. stock of the \$500,000 outstanding and book value of over \$150 per share on the common stock.

Profit.—For 1916 was \$193,760, after deducting interest charges.
Officers and Directors.—F. B. Stearns (Pres.), W. P. McGuire V. Pres.), Detroit, Mich.; E. McEwen (Sec'y. & Treas.); L. M. Sanford (Gen. Mgr.); C. A. Blake (Super.); Philip Wick, Pres. Youngstown Securities Co., Youngstown, O.; Thos. L. Robinson, Pres. Republic Rubber Co., Youngstown, O.; Roy F. York, Pres. Stearns Motor Sales Co.; A. W. Thompson, Pres. Wilson Transit Co.; S. H. Tolles and Roger C. Hyatt of Tolles, Hogsett, Ginn & Morley, all of Cleveland, except as noted.—V. 98, p. 180.

Superior Steel Corp.—Operations.—Pres. E. W. Harrison has made the following statement:

All the plants are running at top-notch. May, from present indications, gives promise of returning the largest net earnings for any month in the history of the company. They will undoubtedly exceed March 1917, which was the previous best month, when net earnings were \$302,000. Not only is the company well entrenched as far as business goes, but it is also well provided for with raw materials. We have already purchased sufficient materials at advantageous prices to keep us operating until the first quarter of 1918. No decision has been reached as to distribution of surplus earnings now accruing, whether they should be used as dividends on common stock or in the retirement of the pref. stock.

See official statement to N. Y. Stock Exchange in V. 104, p. 1917.—V. 104, p. 1904, 1806.

Tennessee Copper & Chemical Corp.—Listed.

The New York Stock Exchange has admitted to list common stock trust certificates for 358,624 shares, without par value, on official notice of issuance, in exchange for outstanding temporary common stock trust certificates, with authority to add on or before Jan. 1 1918, common stock trust certificates for 41,378 shares, without par value on official notice of issuance in exchange for outstanding common stock, making the total amount authorized to be listed. Common stock trust certificates for 400,000 shares of common stock. See Tennessee Copper Co. below.—V. 104, p. 1904, 1708.

Tennessee Copper Co.—Bonds Listed, &c.

The New York Stock Exchange has admitted to list \$2,000,000 First M. 10-year Convertible St. Fund 6s. Series "A," due Nov. 1 1925.

The company's balance sheet of Dec. 31 1916 shows that of the authorized issue of \$3,000,000 1st M. 6s. \$2,400,000 have been issued, of which \$400,000 Series "B" bonds are pledged as collateral. Since that date an additional \$600,000 bonds (Series B), being the balance of the issue of \$3,000,000, have been pledged as collateral, making \$1,000,000 so pledged.

On May 1 1917 191,498 shares, par \$25, representing \$4,787,450 of the \$5,000,000 stock of the Tennessee Copper Co., were held by Tennessee Copper & Chemical Corp., at present a holding company (see above).

Since Jan. 1 1917, an International Agricultural Corporation's claim and the suite of William H. Stiner & Son and the By-Products Re-Claiming Corporation have been compromised and settled. The balance sheet of Dec. 31 1916 shows: Contingent liabilities, \$1,140,000, as reserve for possible liability under Russian contract, which is disputed (compare earnings, &c., for 1916 under caption Tennessee Copper & Chemical Corp. in V. 104, p. 1708).—V. 103, p. 2083.

Texas Co.—Increase in Capital Stock.

This company, according to notice received by the New York Stock Exchange late yesterday proposes to increase its authorized capital stock from \$55,500,000 to \$69,375,000.—V. 104, p. 1392, 1270.

Texas Power & Light Co.—Annual Report.

See Amer. Power & Lt. Co. under "Ann. Reports" above.—V. 104, p. 1597.

Toronto Paper Mfg. Co., Ltd.—Extra Dividend.

An extra dividend of 2% has been declared on the stock along with the regular semi-annual 3%, both payable July 3 to holders of record June 23.—V. 104, p. 1806.

Trussed Concrete Steel Co., Youngstown, Ohio.—Stock Increase—Subscriptions.

The stockholders on May 16 voted to increase the authorized pref. stock from \$1,000,000 to \$1,500,000, the shareholders having the right to subscribe on or before June 1 for the new stock at \$10 (par) per share. The entire issue of pref. stock is to be reissued on certificates providing for the redemption value of shares on the basis of \$11 instead of \$10 50 per share as heretofore.—V. 103, p. 2348.

Turners Falls (Mass.) Power & Electric Co.—New Steam Generating Plant.

This company, it is stated, has purchased 40 acres at Chicopee Junction, Mass., and will erect a relay steam generating plant to cost upwards of \$1,500,000 and have an initial capacity of 40,000 h. p. Ultimate capacity 80,000 h. p. is planned for.

See Springfield Street Ry under RR's above.—V. 100, p. 738.

Union Bag & Paper Corp.—Combined Earnings—3 Mos. ending April 30 1917.

Net earnings, after deducting ordinary repairs and maintenance, \$863,722 Deprec., \$83,061; int. on bonds, \$67,972; res' ve for taxes, \$90,000. 241,033

Balance for 3 months ending April 30 1917 \$822,689

*This amount is more than sufficient to take care of full dividend requirements for the entire current year. The net earnings of the St. Maurice Paper Co., Ltd., are not included in the above earnings.—V. 104, p. 1495, 1260.

United Coal Co. of Pittsburgh.—Acquisition.

This company contemplates purchasing the properties of the Merchants Coal Co. of Pennsylvania, having, it is understood, obtained control of a majority of the bonds. The Merchants Co. property is advertised to be sold June 12 1917, by order of the United States District Court for the Western District of Pennsylvania.—V. 104, p. 262.

United Fruit Co.—New Director.

George C. Lee, of Lee, Higginson & Co. has been elected a director to succeed Hugh G. Levick, resigned.—V. 104, p. 958.

United Paper Board Co., Inc.—Common Stock Listed in New York—Earnings for Nine Months.

The New York Stock Exchange has listed permanent engraved interchangeable certificates for \$9,180,400 common stock on official notice of issuance in exchange for present outstanding certificates.

Income Account for Nine Months ending Feb. 24 1917.
Total sales.....\$5,246,038 Dividend, 3% on pref.... \$51,814
Net, after expenses.....1,343,395
Interest charges.....20,696 Surplus.....\$1,270,885
Net profit.....\$1,322,699

The company charges off depreciation at end of fiscal year. During the present year, the company contemplates that substantial sums will be charged for depreciation, reserves and extraordinary repairs. See "Annual Report" for year 1915-16 in V. 103, p. 755.—V. 104, p. 1904, 769.

United Shoe Machinery Corp.—Reargument—Report.

See "Reports" on a previous page and "Anti-Trust Litigation" above. A meeting of the stockholders called for May 22 to complete the merger of the United Shoe Machinery Co., the operating company, with the United Shoe Machinery Corp., the holding company, was adjourned for a week without action owing to a temporary injunction obtained by Charles M. Bradley of Lakewood, holder of a small amount of the pref. stock of the operating company.—V. 104, p. 869.

United States Steel Corp.—Reargument—Shipbuilding.

Chairman Gary is quoted as follows regarding the order of the Supreme Court for a reargument of the anti-trust suit.

I do not credit the report that the Court intends to postpone a decision in the case until after the war, or beyond the time required for full argument and consideration of the questions involved. Naturally we are anxious to have an early decision and regret the delay incident to a reargument. However, in the meantime, we shall proceed to enlarge our productive facilities to meet the requirements of the Government to the utmost of our ability.

Shipbuilding Plant for the Construction of Steel Vessels.

This company, through its subsidiary, the American Bridge Co., has purchased 60 acres of land in the Hackensack (N. J.) Meadows on Newark Bay, and contemplates the construction of steel barges and possibly later steel vessels ranging from 5,000 to 8,000 tons dead weight. See Anti-Trust Litigation above.—V. 104, p. 1904, 1896.

Utica (N. Y.) Steam & Mohawk Valley Cotton Mills.

The shareholders voted May 17 to increase the authorized capital stock from \$2,500,000 to \$5,000,000, par \$100. Shareholders were given the right to subscribe to \$500,000 new stock on the basis of 20% of present holdings. George De Forest is Pres. Compare V. 104, p. 1708.

Virginian Power Co.—New Notes.

The \$360,500 convertible 6% gold notes, which mature on June 1 1917, are being retired through the issuance of \$750,000 convertible 6% gold notes dated June 1 1917, due June 1 1919. Interest J. & D. at office of A. B. Leach & Co., 62 Cedar St., New York. The New York Trust Co., trustee. Authorized, \$750,000. Normal income tax deducted from interest.

Earnings.—For cal. year 1916 (see "Railway Earnings Department" on a previous page).

Gross earnings.....\$424,951 Bond interest.....\$194,833
After taxes.....193,638 Other interest.....32,414
Net income.....21,210 Balance, deficit.....12,398
See map in "Ry. & Ind. Section" on page 201.—V. 103, p. 330.

Washington (D. C.) Gas Light Co.—Bonds.

The P. U. Commission of the District of Columbia has authorized the issuance of \$478,000 50-year 5% bonds to reimburse the company for improvements, betterments and additions prior to 1917.—V. 104, p. 2016.

Wauregan (Conn.) Co.—Stock Offered.—Richardson, Hill & Co. are offering a block of 6% com. stock, par \$100.

Divs. Q. J.

Capitalization authorized and outstanding: Common stock, \$600,000 7% pref. stock, \$500,000.

Data (Largely) from Letter of Gen. Mgr. J. Arthur Alwood, Oct. 30 '16

Organization, &c.—Organized in 1899 in Connecticut to acquire the assets of Wauregan Co., established in 1853. The property consists of two miles, each 500 ft. by 50 ft. Operated by water-power developed to 1,550 h. p. in water wheels; auxiliary steam engine 1,000 h. p.

Business.—Product is varied although mainly in Madras shirtings. There are 1,548 40-in. looms, of which 880 are equipped with fancy dobbling the balance, consisting of 400 Draper looms and 268 plain looms, all looms being equipped with warp stop motion. There is a total of 59,160 spindles, 37,896 frame spindles and 21,264 mule spindles. The company spins about 2,000,000 lbs. of yarn and weaves about 9,000,000 yards of goods a year. The balance spun but not woven is sold.

Earnings.—Earnings for the calendar year 1916 applicable to dividends on the common stock were \$116,073, equal to 19.34%. For the 10-year period ended June 30 1916 average earnings were \$105,000. The company has expended an average of \$45,000 a year on improvements, and has paid dividends yearly since its incorporation in 1899 of 6% on its capital stock.

Balance Sheet as of Dec. 30 1916.

Assets (Total, \$1,354,575)—
Real estate and machinery.....\$600,000
Cash, \$85,659; accounts receivable, \$174,582; supplies, \$29,392;
cotton and stock in process, \$274,462; cloth, \$186,000; Wauregan store, \$4,470; total.....754,575

Liabilities (Total, \$1,354,565)—
Common, \$600,000; preferred, \$500,000.....\$1,100,000

Notes payable, \$125,000; accounts payable, \$20,488; labor, \$4,594 150,083
Reserve for depreciation, \$18,334; profit and loss, \$86,158.....104,492

Directors (and Officers).—Frank A. Sayles, Sayles Bleachery, Saylesville, R. I.; Charles B. Wiggin, V. Pres. Merchants Nat. Bank, Boston (Pres.); Elliott S. Emerson, Richardson, Hill & Co.; W. Irving Bullard, V. Pres. & Gen. Mgr. of the E. H. Jacobs Mfg. Co., Danielson, Conn.; A. Lockwood Danielson, Treas. & Sec. of Quinebaug Co., Danielson, Conn. (Treas. & Sec.); J. Walter Atwood, J. Arthur Atwood, Jr. (V. Pres.); J. Arthur Atwood, Treas. Ponemah Mills, Taftville, Conn. (Asst. Treas. & Asst. Sec.)

Western Power Corp., N. Y.—Combined Earnings.

Calendar Gross Net, after Other Interest Preferred Net
Year—Earnings—Taxes—Income—Charges—Dividend—Income.
1916.....\$3,743,346 \$2,404,865 \$108,392 \$1,684,900 \$432,920 \$395,367
1915.....3,038,205 2,082,865 208,092 1,372,265 150,000 768,692

Preferred dividends as above in 1916 include \$281,575 paid on Western Power Corp. pref. stock, \$1,345 paid on Western Power Co. pref. stock and \$150,000 on California Electric generating Co. pref. stock.

a After crediting in 1915 \$320,376 sinking fund appropriations and \$342,291 miscellaneous additions, and deducting \$1,261,967 miscellaneous deductions, the balance, deficit was \$204,032, comparing with a surplus of \$563,011 in 1915.—V. 102, p. 1168.

Wisconsin Edison Co., Inc., N. Y.—Earnings.—The North American Co. reports:

—Month of April— 12 Mos. end. April 30

Earnings Wisconsin Edison Inc. over Inc. over
Subsidiaries 1917. 1916. 1916-17. 1915-16.
Operating revenues.....\$957,507 +18.99% \$10,841,751 +18.79%
Net earnings.....\$308,037 +2.47% \$4,108,535 +9.09%

Bal. available for Wisc. Edison Co. and deprec. of sub. cos. \$153,236 —15.33% \$2,465,428 +15.17%

Depreciation.....Not stated.....\$1,105,274 —19.59%

After deducting interest, taxes and other expenses of the Wisconsin Edison Co., Inc., the balance for the year 1916-17 is equivalent to \$4.20 per share on its stock, against \$3.74 per share for 1915-16.—V. 103, p. 2245.

Wright-Martin Aircraft Corp.—Directors, Etc.

G. H. Houston and H. E. Graham, of Goethals, Jamieson, Houston & Jay, Inc., have been elected directors. Mr. Houston has also been elected Vice-President and General Manager.—V. 104, p. 1919, 1392.

York Mfg. Co.—Extra Dividend.

An extra dividend of \$1 per share has been declared on the stock in addition to the regular semi-annual \$3 per share, both payable June 1 to holders of record May 25. A like amount was paid in Dec. 1916.—V. 99, p. 1683.

CURRENT NOTICE.

—An interesting little pamphlet from the pen of Luigi Criscuolo, statistician for Redmond & Co. of this city, is being circulated under the title of "Our War Financing." The subject is dealt with by Mr. Criscuolo in a concise and forceful manner. A complimentary copy will be mailed on request.

—Baker, Carruthers & Pell, 15 Broad St., N. Y., have issued a booklet in which are grouped legal investments for savings banks in every State of the United States. This firm will be glad to mail a copy of same on request.

Reports and Documents.

GREAT NORTHERN RAILWAY COMPANY

TWENTY-EIGHTH REPORT—FOR THE SIX MONTHS ENDED DECEMBER 31 1916.

To the Stockholders:

The Board of Directors submits the following report for the six months ended December 31 1916:

CAPITAL STOCK.

There was no change during the six months in amount of authorized share capital; same remains at \$250,000,000 00.

Of the capital authorized, there had been issued to June 30 1916.....\$249,476,850 00

which remains the same on December 31 1916, and which is represented by:

Stock certificates.....	\$249,466,400 00
Full-paid subscription receipts to \$19,000,000 issue, not at that date surrendered for exchange into stock certificates.....	152 00
Scrap, full-paid.....	10,298 00
Total.....	\$249,476,850 00

There remained unissued December 31 1916, 17½ shares of Great Northern stock for acquiring 14 shares of The St. Paul Minneapolis & Manitoba Railway Company, of which 10 shares are in the Treasury of the Company and 4 shares still outstanding; also under the \$19,000,000 00 issue, 14 shares not paid in full and 5,200 shares not as yet offered for subscription by the Company.

BONDED DEBT.

The balance sheet on a subsequent page gives amounts of bonds outstanding December 31 1916. A comparison with the figures of June 30 1916 follows:

	Dec. 31 1916.	June 30 1916.	Increase (+) or Decrease (-).
Outstanding in hands of the Public.....	\$143,235,515 16	\$143,275,757 58	-\$40,242 42
(See detail list on a subsequent page.)			
Held in the Company's Treasury.....	39,856,393 93	37,482,151 51	+2,374,242 42
Held in Pension Fund.....	500,000 00		+500,000 00
Held by Mortgage Trustees.....	14,106,000 00	14,106,000 00	
Totals.....	\$197,697,909 09	\$194,863,909 09	+\$2,834,000 00

The decrease in amount of bonds outstanding in hands of the Public was caused

by redemption, through operation of the Sinking Fund as per table on a subsequent page, of.....	\$29,000 00
par value, The St. Paul Minneapolis & Manitoba Railway Company Consolidated Mortgage Bonds, of which \$11,000 00 were 4½% and \$18,000 00 were 4% bonds;	
by purchase of \$38,000, face value, of The St. Paul Minneapolis & Manitoba Railway Company Pacific Extension Mortgage 4% Bonds, same being held in the Treasury of the Company.....	184,242 42
	\$213,242 42
Less—sale of the Company's First and Refunding Mortgage Gold Bonds, Series "A," 4¼%, of par value.....	173,000 00
Net decrease.....	\$40,242 42

The increase in bonds "Held in Treasury" was caused by the issuance of the Company's First and Refunding Mortgage Gold Bonds, Series "A," 4¼%, of par value.....\$2,863,000 00

These bonds were issued in accordance with the terms of the mortgage, against the acquisition of the following shares of stock:

Lake Superior Terminal & Transfer Ry. Co. \$4,600 00 (46 shares),	
Great Northern Equipment Co., \$2,860,000 00 (28,600 shares) by the purchase of \$38,000, face value, of The St. Paul Minneapolis & Manitoba Railway Company Pacific Extension Mortgage 4% Bonds.....	184,242 42

These bonds are subject to lien of the Company's First and Refunding Gold Bond Mortgage and, together with the \$107,900 mentioned in last report, have been pledged with the Trustee under the same on January 9 1917.

	\$3,047,242 42
Less—	
sale of the Company's First and Refunding Mortgage Gold Bonds, Series "A," 4¼%, of par value.....	\$173,000 00
transfer to the Pension Fund of the Company's First and Refunding Mortgage Gold Bonds, Series "A," 4¼% of par value.....	500,000 00
Net Increase.....	\$2,374,242 42

GENERAL.

Charges on account of construction of new lines were as follows:

Wildrose to Grenora, N. D.....	\$537,995 51
Moccasin to Lewistown, Mont.....	817 20
New Rockford, N. D., to Lewistown, Mont.....	6,490 21
Plentywood to Scobey, Mont.....	Cr. 5,944 44
Bluestem to Peach, Wash.....	22,931 81
Total.....	\$562,290 29

which has been charged to "Cost of Road."

There were purchased from the Great Northern Equipment Company, 25 Mikado type freight locomotives, 1,500 freight service cars of 80,000 pounds capacity, and 500 refrigerator cars of 60,000 pounds capacity, the cost of which has been charged to "Cost of Equipment," and included in table on a subsequent page. Details of other expenditures for Equipment are given in the President's report, which follows, and in tables on a subsequent page.

There was expended for Additions and Betterments the sum of \$3,870,073 01 (see a subsequent page), which was

charged to "Cost of Road." Of the total, cost of Betterments, \$2,180,347 15, was paid from and debited against the "Fund for Permanent Improvements and Betterments" and was credited to "Cost of Additions and Improvements made to the property of the Great Northern Railway Company and paid for from 'Fund for Permanent Improvements and Betterments.'" This permanent Improvement Fund was credited \$8,987 99, net proceeds from sale of town lots and lands not forming a portion of the railway property or land grant.

This Company has purchased, at par, \$75,000 00 of the capital stock of the Great Falls & Teton County Railway Company. It also has subscribed, at par, for \$700,000 00 of the capital stock of the Montana Eastern Railway Company, paying 10% thereon, making the total amount of that Company's capital stock subscribed for to date, \$6,850,000 00.

The Company's investment in Canadian Companies, on account of advances made to pay for property, construction, additions and betterments, has been changed during the period, as follows:

Midland Railway Company of Manitoba.....	Cr. \$4,751 50
Manitoba Great Northern Railway Co.....	3,092 55
Brandon Saskatchewan & Hudson's Bay Railway Co.....	642 16
Crow's Nest Southern Railway Co.....	1,177 65
Nelson & Fort Sheppard Railway Co.....	1,558 92
Vancouver Victoria & Eastern Railway & Navigation Co.....	254,949 62
Total.....	\$256,663 50

The property investment of the Minneapolis Western Railway Company was increased \$6,289 93, and of the Duluth Terminal Railway Company, \$922 89, by expenditures for additions and betterments.

The Bedlington & Nelson Railway Company in August 1916 removed the track and abandoned its line of railway, extending from the International Boundary to Wilkes, B. C., a distance of 12.04 miles.

The Watertown & Sioux Falls Railway Company, the acquisition of which was mentioned in the last report, is operated as a separate property, and no figures or statistics relative thereto are included in the tables of this report. The gross operating revenues and other income for the six months ended December 31 1916 were \$166,530 59, and the operating expenses, taxes and other deductions from gross income were \$111,284 52, leaving \$55,246 07 as the net income for the period. This Company's investment in the Watertown & Sioux Falls Railway Company on December 31 1916 amounted to \$1,152,887 28.

The field work in connection with the Federal Valuation of this Company's property has been completed. Much remains to be done before the final figures are determined. This Company's expenditure to date, in connection therewith, has amounted to approximately \$573,000 00.

A pension system, to which brief reference was made in the last report, was put in effect on September 16 1916. Certain securities, owned by the Company and held in its treasury, have been set aside to form the pension fund, the income from which will be used in paying the pensions as provided in the plan. The number of pensioners on the rolls on December 31 1916 was 57 and the amount expended for pensions to and including that date was \$3,007 99.

For the Board of Directors,
LOUIS W. HILL, *Chairman.*

REPORT OF PRESIDENT.

To the Board of Directors:

Herewith report for six months ended December 31 1916:

GENERAL.

The grain traffic this season was approximately 65,500,000 bushels, as compared with 121,396,000 for the same period last year. The decrease was caused by the partial failure of the small grain crops throughout Minnesota, North Dakota and South Dakota, and a reduced production in certain sections of Montana. This condition was mentioned on page 18 of the last report.

The iron ore tonnage carried was 8,264,005 tons, an increase of 2,133,094 tons, 34.79 per cent, over that of the same period last year. The movement of ore was somewhat restricted on account of scarcity of boats at the Head of the Lakes.

Most other commodities show small increases over the tonnage handled during the same period last year. The western fruit crop was the largest in the history of the railway.

Numerous changes were made in freight rates, most of which were of minor importance. However the average revenue per ton-mile decreased .0158 cents, 2.0527 per cent, being .7539 cents.

On page 20 of the last report reference was made to increases allowed in certain inter-State passenger rates. The average revenue per passenger per mile increased, for the period, from 2.210 cents to 2.362 cents, 6.8778 per cent.

Effective November 1 1916, the Government Post Office Department ordered a change in basis of computing pay to railway companies, for the carrying of the mails, from a weight system to a space system. This will cause a reduction for the Company of about a half a million dollars per annum.

The revised Federal Income Tax Law, applicable to the year ended December 31 1916, raised the rate from one per cent to two per cent, making an increase in the Company's taxes, from this source, of approximately \$180,000.

On March 19 1917 the Supreme Court of the United States declared constitutional the so-called "Adamson Law" to which reference was made on page 21 of the last report. It will, therefore, be necessary for this Company, commencing January 1 1917, to pay the increased wages called for by that law. The estimated increase in operating expenses for the coming year, on this account, will be approximately \$1,300,000. In addition to this amount, other estimated increases aggregating \$13,500,000 will doubtless result, caused by the rising cost of fuel and all other materials used by railway companies and the necessary advances in the wages of employees other than those covered by the Adamson Law.

NEW LINES.

This Company commenced to operate the line constructed by the Great Falls & Teton County Railway Company, from Bynum to Pendroy, Mont., a distance of 8.7 miles, on November 20 1916.

The line of the Vancouver Victoria & Eastern Railway & Navigation Company, between Cannon (formerly Sumas Landing) and Kilgard, B. C., was completed and placed in operation on Sept. 5 1916, giving this Company a through Canadian line between Oroville and Vancouver.

This Company's line from Wildrose to Grenora, N. D., has been practically completed, all business being carried on construction trains. Regular service will be established thereon in the spring of 1917.

The Montana Eastern Railway Company's line from Lambert to Richey, Mont., is practically completed, and, although not formally opened for operation, is handling all commercial business offered.

Work on the Montana Eastern Railway Company's line between Lewistown and Grass Range, Montana, a distance of 37 miles, has been continued, and it is expected that the line will be completed during the coming year.

EQUIPMENT.

Of equipment contracted for during the year ended June 30 1916 there remained undelivered on that date, 25 steam locomotives and 1,300 freight service cars.

This equipment had been received and taken into account, December 31 1916, as follows:

- 25 Steam freight locomotives of the Mikado type, 28"x32" cylinders, weighing 220,000 lbs. on drivers.
- 1,300 Freight service cars:
 - 500 Automobile box, 40 feet long, 80,000 lbs. capacity.
 - 300 Plain box, 40 feet long, 80,000 lbs. capacity.
 - 500 Refrigerator, 40 feet long, 60,000 lbs. capacity.

New contracts have been made for 50 steam locomotives, 15 steel mail cars, and 2,000 freight service cars, to be delivered during the summer of 1917.

The Company built at its shops 2 company service cars. Total amount expended for equipment purchased from the Great Northern Equipment Company, for equipment built and under construction at Company's shops, and for improvements and betterments to equipment in service, was \$2,918,250 61, of which \$2,917,526 01 is for the Company, and \$724 60 for the Vancouver Victoria & Eastern Ry. & Navigation Co.

Included in the above figures is \$554,744 69 paid to the Great Northern Equipment Company to reimburse it for expenditures made prior to June 30 1916, reported on page 23 of the last report.

- There were taken out of service:
- 4 Steam locomotives,
 - 2 Baggage mail and express cars,
 - 1 Baggage car,
 - 2 Express refrigerator cars,
 - 1 Passenger and baggage car,
 - 223 Box cars,
 - 12 Refrigerator cars,
 - 41 Stock cars,
 - 74 Flat and coal cars,
 - 2 Sand cars,
 - 74 Wooden ore cars,
 - 15 Caboose cars,
 - 1 Cinder car,
 - 41 Ballast cars,
 - 2 Boarding cars,
 - 2 Tool cars,
 - 1 Water car,
 - 1 Scale inspector's car.

The original cost of this equipment was \$321,796 89. Of this amount \$247 50 has been credited to the investment in the V. V. & E. Ry. & N. Co., \$803 83 has been credited to the investment in the Red Mountain Ry. Co., and \$320,745 56 to "Equipment Account." These amounts, less amount received for salvage from equipment destroyed, have been charged against various equipment "Retirement" accounts under Operating Expenses, or to "Equipment Depreciation Fund." The amount remaining to credit of this "Fund" December 31 1916, \$27,382,279 12, represents full depreciation to that date on all equipment then in service, list of which appears on page 36 [pamphlet report]. The difference between this amount and the amount shown by balance sheet on a following page, represents the amount of this "Fund" carried on the books of the Canadian Companies.

The following conversions were made:

- 50 Box cars into Caboose cars,
- 5 Box cars into Boarding cars,
- 1 Box car into Scale inspector's car,
- 1 Flat car into Gravel dozer,
- 2 Flat cars into Tie and rail loading derricks.

This resulted in a net credit of \$23,280 73 to the Company's "Equipment Account."

ADDITIONS AND BETTERMENTS.

All the work reported in progress in the last report has either been finished or will be completed during the coming year.

Following is a classified statement of amounts actually expended for Additions and Betterments, the names of the accounts given being those prescribed by the Inter-State Commerce Commission:

Accounts—	Additions.	Betterments.	Total.
Engineering	\$45,238 71	\$32,238 75	\$77,477 46
Land for transportation purposes	78,641 78		78,641 78
Grading	98,143 98	246,187 01	344,331 99
Tunnels and subways		269,678 65	269,678 65
Bridges, trestles and culverts	*342 82	283,304 62	283,647 44
Ties	73,784 30	37,285 11	111,069 41
Rails	121,411 49	30,780 77	152,192 26
Other track material	62,114 51	110,116 94	172,231 45
Ballast	20,772 31	107,789 57	128,561 88
Track-laying and surfacing	152,458 33	69,901 52	222,359 85
Right-of-way fences	40,834 51	1,399 95	42,234 46
Snow and sand fences and snow-sheds	678,760 55	224,951 23	903,711 78
Crossings and signs	44,107 75	23,622 54	67,730 29
Station and office buildings	54,437 36	120,582 81	175,020 17
Roadway buildings	3,073 25	1,023 50	4,096 75
Water stations	23,989 73	81,039 71	105,029 44
Fuel stations	12,611 57	2,510 06	15,121 63
Shops and enginehouses	157,958 31	515,079 19	673,037 50
Wharves and docks		4,679 88	4,679 88
Telegraph and telephone lines	6,224 49	*148 87	6,373 36
Signals and interlockers	4,840 28	17,729 56	22,569 84
Power dams, canals and pipe lines		2,203 94	2,203 94
Power plant buildings	4 77		4 77
Power distribution systems	5,429 76	1,391 95	6,821 71
Miscellaneous structures	209 83	441 05	650 88
Paving	172 23	369 26	541 49
Roadway machines	13,397 67	303 53	13,701 20
Assessments for public improvements		25,394 28	25,394 28
Other expenditures—Road		36 92	36 92
Shop machinery	7,502 82	9,808 39	17,311 21
Power plant machinery	544 43		544 43
Total, including Canadian Lines	\$1,700,942 60	\$2,220,292 52	\$3,921,235 42
Total Canadian Lines	11,217 04	39,945 87	51,162 41
Total G. N. Ry. Co.	\$1,689,725 56	\$2,180,347 15	\$3,870,073 01

* Credits. Many important improvements are contemplated for the coming year, as follows: Double-tracking portions of main line in Montana; enlarging yards at terminals; extensions of existing and building of additional passing tracks; construction of new water treating plants; construction of new shop buildings at Superior and Great Falls; extension of round-houses; replacing timber snow sheds with permanent concrete sheds; construction of new steel bridges and concrete trestles.

The property has been fully maintained during the period covered by this report.

Respectfully submitted,
L. W. HILL, President.

REVENUE ACCOUNT.

REVENUES, OPERATING EXPENSES, ETC., FOR THE SIX MONTHS ENDED DECEMBER 31 1916, OF THE LINES OPERATED AS GREAT NORTHERN RAILWAY COMPANY AND THOSE INDEPENDENTLY OPERATED, MINNEAPOLIS WESTERN RAILWAY COMPANY AND DULUTH TERMINAL RAILWAY COMPANY.

	Revenues.		Operating Expenses.	
	6 mos. ended Dec. 31 1916	6 mos. ended Dec. 31 1915	6 mos. ended Dec. 31 1916	6 mos. ended Dec. 31 1915
Revenue from Transportation—	Per cent of Total	Amount.	Amount.	Per cent of Total
Freight	73.3412	\$34,686,305 89	\$33,810,261 78	74.5127
Passenger	17.6692	8,356,578 15	7,656,703 82	16.8742
Excess Baggage	.1340	63,392 18	64,744 14	.1427
Sleeping Car	.0998	430,289 42	419,951 51	.9255
Parlor and Chair Car	.0872	41,252 90	38,469 95	.0848
Mail	2.6462	1,251,486 07	1,284,790 49	2.7874
Express	2.4032	1,137,533 46	1,004,892 24	2.2146
Other Passenger Train	.0151	7,133 94	4,783 21	.0150
Switching	.8411	397,785 76	337,342 14	.7435
Special Service Train	.0491	23,205 30	28,146 52	.0620
Other Freight Train	.0007	306 15		
Total Revenue from Transportation	98.0988	\$46,395,269 22	\$44,632,085 80	98.3624
Revenue from Operations Other than Transportation—				
Dining and Buffet	.6001	\$283,849 97	\$261,302 54	.5789
Hotels and Restaurants	.4935	233,374 13	171,698 31	.3784
Station and Train Privileges and Train News Service	.2171	102,692 12	86,981 37	.1917
Parcel Room Receipts	.0551	26,058 30	24,499 20	.0540
Storage—Freight and Baggage	.0574	27,150 46	24,431 38	.0538
Demurrage	.2213	104,654 05	70,207 68	.1547
Telephone	.0365	17,240 11	20,545 44	.0453
Rents of Buildings and Other Property	.0716	33,850 36	26,603 89	.0586
Miscellaneous	.1486	70,279 95	56,811 97	.1252
Total	1.9012	\$899,149 45	\$743,081 78	1.6376
Gross Operating Revenues	100.0000	\$47,294,418 67	\$45,375,167 58	100.0000
Operating Expenses,				
Class—	Per cent of Total	Amount.	Amount.	Per cent of Total
Maintenance of Way and Structures	19.5963	\$4,835,847 87	\$3,578,780 51	17.8741
Maintenance of Equipment	22.1054	5,455,011 95	4,071,081 13	20.3329
Traffic Expenses	2.3921	590,292 06	563,384 02	2.8138
Transportation Expenses	51.9903	12,829,813 18	10,796,945 38	53.9249
Miscellaneous Operations	2.1090	520,433 65	452,889 26	2.2619
General Expenses	2.8637	706,694 81	660,418 80	3.2984
Transportation for Investment—Cr	1.0568	260,792 29	101,323 48	.5080
Total Operating Expenses	100.0000	\$24,677,301 23	\$20,022,175 62	100.0000

Per Mile of Road Operated—	1916.	1915.
Revenue from Transportation	\$5,697 58	\$5,542 42
Revenue from Operations other than Transportation	110 42	92 28
Gross Operating Revenues	\$5,808 00	\$5,634 70
Operating Expenses	3,030 50	2,488 36
Net Operating Revenue	\$2,777 50	\$3,146 34
Taxes Accrued	362 20	324 80
Operating Income	\$2,415 30	\$2,821 54
Average Miles of Road under Operation	8,142.97	8,052.81
Operating Expenses, per cent of:		
Total Revenue from Transportation	53.19	44.86
Gross Operating Revenue	52.18	44.13
Operating Expenses and Taxes, per cent of:		
Gross Operating Revenue	58.41	49.89

Other Income:	
Rents Received	\$595,048 18
Dividends on Stocks Owned	301,941 50
Interest on Bonds Owned	36,682 50
General Interest	417,776 49
Income from Pension Fund	4,250 00
Miscellaneous Income	439 03
Total Other Income	1,356,137 70
Gross Corporate Income	\$21,023,822 82
Deductions from Gross Corporate Income:	
Rentals Paid	\$475,739 61
Hire of Equipment—Balance	110,162 54
Bond Interest Accrued	3,220,419 42
Miscellaneous Deductions	16,324 82
Total Deductions from Gross Corporate Income	3,822,646 39
Net Corporate Income	\$17,201,176 43
Against which have been charged:	
Dividends on Great Northern Ry. Stock:	
Aug. 1 1916, 1 3/4 % on \$249,463,900	\$4,365,618 25
Nov. 1 1916, 1 3/4 % on 249,464,900	4,365,635 75
Total Dividends on Stock	\$8,731,254 00
Appropriations to Cover:	
Renewal of Allouez Bay Ore Docks	128,165 82
Pension Fund	10,447 92
Total	8,869,867 74
Balance, transferred to Profit and Loss	\$8,331,308 69

INCOME ACCOUNT.

Six Months ended December 31 1916.

LINES OPERATED AS GREAT NORTHERN RAILWAY COMPANY AND THOSE INDEPENDENTLY OPERATED: MINNEAPOLIS WESTERN RAILWAY COMPANY AND DULUTH TERMINAL RAILWAY COMPANY.

Operating Income:	
Rail Operations:	
Operating Revenues	\$47,294,418 67
Operating Expenses	24,677,301 23
Net Operating Revenue	\$22,617,117 44
Railway Taxes Accrued	2,949,432 32
Operating Income	\$19,667,685 12

Note.—As in former years, the Company's proportion of Interest Accrued on Northern Pacific-Great Northern Joint C. B. & Q. Collateral Bonds and of the Dividends Received on the C. B. & Q. Stock, deposited to secure said Bonds, have been omitted in the above Income Account to make it more clear, those items counterbalancing.

STATISTICS OF FREIGHT AND PASSENGER TRAFFIC ON SYSTEM FOR THE SIX MONTHS ENDED DEC. 31 1916, COMPARED WITH THE SAME PERIOD OF PREVIOUS YEAR.

DESCRIPTION.	1916.	1915.	Increase.	
			Amount.	Per Cent.
FREIGHT TRAFFIC—				
Freight Train Miles	6,158,023	5,751,277	406,746	7.0723
Mixed Train Miles	408,053	456,487	48,434	10.6102
Total	6,566,076	6,207,764	358,312	5.7720
Mileage of Locomotives employed in "helping" Freight and Mixed Trains	259,631	330,739	71,108	21.4997
Percentage of "helping" to Revenue Train Miles	3.9541	5.3278	1.3737	
Loaded Freight Car Miles	199,841,907	187,332,561	12,509,346	6.6776
Empty Freight Car Miles	75,556,854	92,267,677	16,710,823	18.1112
Caboose Car Miles	6,340,475	5,962,141	378,334	6.3456
Total	281,739,236	285,562,379	3,823,143	1.3388
Tons of Freight Carried—				
Revenue	17,911,660	16,449,404	1,462,256	8.8894
Company	2,536,901	2,218,195	318,706	14.3678
Total	20,448,561	18,667,599	1,780,962	9.5404
Tons of Revenue Freight Carried One Mile	4,601,003.560	4,392,610.210	208,393.350	4.7442
Total Tons Carried One Mile (Revenue and Company Freight)	5,269,035.794	4,958,343.823	310,691.971	6.2660
Freight Revenue	\$34,686,305 89	\$33,810,261 78	\$876,044 11	2.5911
Averages—				
All Freight Cars per Train Mile	42.91	46.00	3.09	6.7174
Tons Revenue Freight per Train Mile	700.723	707.599	6.876	.9717
Tons Revenue Freight per Loaded Car Mile	23.023	23.448	.425	1.8125
Tons Revenue Freight Carried One Mile per Mile of Road	565.023	545.475	19.553	3.5846
Distance Haul of One Ton—Miles	256.87	267.04	10.17	3.8084
Freight Revenue per Train Mile	\$5 23	\$5 45	\$0 17	3.1193
Freight Revenue per Mile of Road	\$4,259 66	\$4,198 57	\$61 09	1.4550
Revenue per Ton Mile—Cents	.7539	.7697	.0158	2.0527
PASSENGER TRAFFIC—				
Passenger Train Miles	6,265,774	6,118,161	147,613	2.4127
Mixed Train Miles	408,053	456,487	48,434	10.6102
Total	6,673,827	6,574,648	99,179	1.5085
Mileage of Locomotives employed in "helping" Passenger Trains	149,311	82,085	67,226	81.8980
Percentage of "helping" to Revenue Train Miles	2.2373	1.2485	.9888	
Passengers Carried	4,379,047	4,474,082	95,035	2.1241
Passengers Carried One Mile	353,801.787	346,437.908	7,363.879	2.1256
Passenger Revenue	\$8,356,578 15	\$7,656,703 82	\$699,874 33	9.1407
Passenger Service Train Revenue	11,287,666 12	10,456,335 36	831,330 76	7.9505
Averages—				
Passengers Carried One Mile per Mile of Road	43.449	43.021	.428	.9949
Distance Carried—Miles	80.794	77.432	3.362	4.3419
Revenue per Passenger per Mile—Cents	2.362	2.210	.152	6.8778
Passenger Service Train Revenue per Mile of Road	\$1,856 19	\$1,298 47	\$57 72	6.7556
Passenger Service Train Revenue per Train Mile	1.691	1.590	.101	6.3522
TOTAL TRAFFIC—				
Revenue Train Miles—				
Freight	6,158,023	5,751,277	406,746	7.0723
Passenger	6,265,774	6,118,161	147,613	2.4127
Mixed	408,053	456,487	48,434	10.6102
Special Service	15,902	17,823	1,921	10.7782
Total	12,847,752	12,343,748	504,004	4.0831
Revenue from Transportation	\$46,395,269 22	\$44,632,085 80	\$1,763,183 42	3.9505
Revenue Other than Transportation	899,149 45	743,081 78	156,067 67	21.0028
Total Operating Revenue	47,294,418 67	45,375,167 58	1,919,251 09	4.2297
Operating Expenses	24,677,301 23	20,022,175 62	4,655,125 61	23.2498
Net Operating Revenue	22,617,117 44	25,352,991 96	2,735,874 52	10.7911
Averages—				
Revenue from Transportation per Train Mile	\$3.611	\$3.616	\$.005	.1383
Revenue Other than Transportation per Train Mile	.070	.060	.010	16.6667
Total Operating Revenue per Train Mile	3.681	3.676	.005	1.360
Operating Expenses per Train Mile	1.921	1.622	.299	18.4340
Net Operating Revenue per Train Mile	1.760	2.054	.294	14.3184

CONSOLIDATED GENERAL BALANCE SHEET DEC. 31 1916.

ASSETS.	
<i>Cost of Property.</i>	
Property owned by Great Northern Railway Co.:	
Cost of Road.....	\$316,348,755 55
Cost of Equipment.....	75,637,002 47
Cost of Elevators.....	2,228,584 98
Total.....	\$394,214,343 00
Property of the Minneapolis Western Ry. Co., the entire Capital Stock of which is owned by the Great Northern Ry. Co.:	
Cost of Road.....	\$762,930 70
Cost of Equipment.....	12,417 38
Total.....	775,348 08
Investments in Other Railways whose lines form a part of the Great Northern System, represented by their Capital Stock and amounts advanced for construction purposes:	
Duluth Terminal Ry. Co.....	\$408,386 54
Midland Ry. Co. of Manitoba.....	2,348,218 39
Manitoba Great Northern Ry. Co.....	2,070,970 33
Brandon Saskatchewan & Hudson's Bay Ry. Co.....	2,150,642 16
Crow's Nest Southern Ry. Co.....	4,217,663 24
Nelson & Fort Sheppard Ry. Co.....	2,120,578 43
Red Mountain Ry. Co.....	310,619 07
Vancouver, Victoria & Eastern Ry. & Navigation Co.....	22,503,878 85
New Westminster Southern Ry. Co.....	260,000 00
Total.....	35,390,957 05
Investments in Union Depot and Terminal Companies, represented by Cost of their Stocks and Advances for Construction purposes:	
St. Paul Union Depot Co.....	\$103,600 00
Minnesota Transfer Ry. Co.....	23,256 07
Lake Superior Terminal & Transfer Ry. Co.....	169,996 09
Total.....	296,852 16
Total Railway Property.....	\$431,677,500 29
<i>Securities Owned.</i>	
Bonds, the payment of which is assumed by Great Northern Ry. Co., held by Mortgage Trustees (see Contra).....	14,106,000 00
Cost of Securities in hands of Trustees of N. P., G. N., C. B. & Q. Collateral Joint Bonds (1,076,135 shares of C. B. & Q. RR. Capital Stock—Great Northern Ry. Co. one-half owner).....	109,114,809 76
Other Securities Owned:	
Held in Treasury, or by Mortgage Trustees:	
Stocks, not including Stocks of the Railway and Union Depot Companies above listed.....	\$31,645,030 31
Bonds, not including Bonds of the Railway and Union Depot Companies above listed:	
Issued or Assumed by the Great Northern Ry. Co.....	39,856,393 93
Issued by Other Companies.....	28,092,958 00
Total.....	\$99,594,391 24
Held in Pension Fund:	
Stocks.....	50,000 00
Bonds.....	953,000 00
Total.....	100,597,391 24
<i>Other Investments.</i>	
Miscellaneous Investments and Advances to Other than Railway and Union Depot Companies above named.....	12,811,604 40
Total.....	\$668,307,305 69
<i>Current Assets.</i>	
Cash.....	\$16,471,479 25
Bills Receivable.....	9,862,504 11
Due from Agents.....	3,957,650 05
Due from U. S. Post Office Department.....	418,716 18
Due from U. S. Transportation.....	20,132 56
Due from Canadian Post Office Department.....	5,523 57
Advanced Charges.....	179,765 18
Other Accounts Receivable.....	4,220,986 81
Total.....	35,136,757 71
Value of Material and Fuel on hand.....	7,579,058 35
Total.....	\$711,023,121 75

LIABILITIES.	
<i>Capital Stock.</i>	
Authorized Capital Stock of Great Northern Ry. Co. Issuable Dec. 31 1916.....	
Less—Held in Treasury unissued as explained on previous page.....	\$249,478,600 00
Issued and Outstanding.....	1,750 00
Partial Payments received on Subscriptions to Capital Stock.....	\$249,476,850 00
	860 00
<i>Funded Debt.</i>	
Bonds Issued or Assumed by Great Northern Ry. Co.:	
Outstanding in hands of the Public.....	\$143,235,515 16
Held in Treasury of the Great Northern Ry. Co. (see Contra).....	39,856,393 93
Held in Pension Fund.....	500,000 00
Held by Mortgage Trustees, shown contra.....	14,106,000 00
Total Outstanding.....	197,697,909 09
N. P., G. N., C. B. & Q. Collateral 4% Joint Bonds.....	\$215,227,000 00
Less—Northern Pacific Ry. Co.'s proportion, one-half.....	107,613,500 00
Total Capitalization.....	\$554,789,119 09
<i>Current Liabilities.</i>	
Audited Vouchers Unpaid.....	\$2,576,749 74
Unpaid Pay Rolls.....	2,779,321 79
Unpaid Coupons, including those due Jan. 1 1917.....	2,899,411 62
Matured Bonds and Debentures Unpaid.....	1,200 00
Other Accounts Payable.....	921,230 58
Total.....	9,177,913 73

Brought forward.....		\$9,177,913 73
<i>Accrued Liabilities Not Yet Due.</i>		
Accrued Taxes not due.....	\$3,172,885 81	
Bonds Interest Accrued not due.....	146,004 16	
Total.....		3,318,890 97
<i>Deferred Liabilities.</i>		
Balances due Affiliated Companies.....	\$2,884,942 43	
Excess of Other Working Liabilities and Deferred Credit Items over Other Working Assets and Deferred Debit Items.....	3,921,127 51	
Total.....		6,806,069 94
<i>Unexpended Balances in Sundry Funds.</i>		
Fund for Permanent Improvements and Betterments.....	\$5,504,700 63	
Amounts set aside to cover Depreciation on Equipment now in service.....	27,237,168 47	
Insurance Funds.....	1,658,073 63	
Pension Fund.....	1,010,447 92	
Miscellaneous Reserve Funds.....	1,395,367 14	
Total.....		36,805,757 79
<i>Balance.</i>		
Cost of Additions and Improvements made to the property of the Great Northern Ry. Co. and paid for from "Fund for Permanent Improvements and Betterments".....	\$38,917,544 81	
St. P. M. & M. Ry. Consolidated Mortgage Bonds retired since Nov. 1 1907 through operation of the Sinking Fund.....	928,000 00	
Profit and Loss.....	60,279,826 42	
Total.....		100,125,371 23
Total.....		\$711,023,121 75

RESOURCES AND DISBURSEMENTS SIX MONTHS ENDED DECEMBER 31 1916.

RESOURCES.	
Cash on hand and in banks June 30 1916.....	\$16,049,873 51
Receipts:	
Net Corporate Income as per preceding page.....	17,201,176 43
Investment in Union Depot and Terminal Companies	
Decreased:	
Minnesota Transfer Ry. Co. Bonds Redeemed.....	\$191,000 00
Less, Advances Minnesota Transfer Ry. Co.....	11,842 69
	179,157 31
Stocks Owned Decreased:	
Great Northern Equipment Co.....	\$1,027,500 00
East Wenatchee Land Co.....	17,826 65
Great Northern Ry. Co.....	488 00
	\$1,945,814 65
Less, Stocks Acquired:	
Great Falls & Teton County Ry. Co. see preceding page.....	\$75,000 00
Watertown & Sioux Falls Ry. Co.....	1,100,000 00
Subscription to Montana Eastern Ry. Co. Stock, see preceding page.....	70,000 00
	1,245,000 00
Bonds of Other Companies Decreased:	
Bonds retired.....	1,000 00
Amount of Miscellaneous Investments and Advances Decreased.....	319,161 68
Accrued Liabilities Not Due Increased:	
Accrued Taxes not due.....	\$848,639 17
Less, Decrease in Interest on Bills Payable not due.....	5,625 00
	843,014 17
Sundry Reserve Funds Increased:	
Fund for Permanent Improvements and Betterments (not including amounts charged against the Fund during the six months).....	\$13,628 81
Equipment Depreciation Funds.....	199,321 27
Insurance Funds.....	115,317 95
Miscellaneous Reserve Funds.....	697 14
	328,965 17
Total.....	\$35,623,162 92

DISBURSEMENTS.	
Expended for Railway Property:	
By the Great Northern Railway Co.:	
Cost of Construction, as per preceding page.....	\$562,290 29
Cost of Additions and Betterments, as per preceding page.....	3,870,073 01
Expenditure for New General Office Building.....	23,451 05
Increase in Cost of Road.....	\$4,455,814 35
Cost of Equipment, as per preceding page.....	\$2,017,526 01
Less, Cost of Equipment Out Service, see preceding page.....	\$320,745 56
And adjustments in accounts caused by transfers between classes, see preceding page.....	23,280 73
	344,029 29
Increase in Cost of Equipment.....	2,573,499 72
Total Expenditures for Railway Property Owned by Great Northern Ry. Co.....	\$7,029,314 07
By the Minneapolis Western Railway Co.:	
Cost of Additions and Betterments, see preceding page.....	6,259 93
Investment in Controlled Companies Whose Lines Form a Part of the Railway System Increased:	
In United States, see preceding page.....	\$922 89
In Canada, see preceding page.....	256,663 50
	257,586 39
<i>Funded Debt:</i>	
Outstanding in hands of the Public Decreased:	
The St. P. M. & M. Ry. Co.'s Pacific Extension Mortgage Bonds reacquired, per preceding page.....	\$184,242 42
Less, Great Northern Ry. Co.'s First and Refunding Mortgage Gold Bonds, Series "A," sold, per preceding page.....	173,000 00
	11,242 42

<i>Brought forward</i>		\$7,304,432 81
Current Assets Increased:		
Due from Agents.....	\$23,388 34	
Due from U. S. Post Office Department.....	200,301 55	
Due from U. S. Transportation.....	5,286 58	
Due from Canadian Post Office Department.....	169 91	
Advanced Charges.....	62,220 93	
Other Accounts Receivable.....	804,123 75	
	\$1,095,491 06	
<i>Less, Decrease in Bills Receivable</i>	380,422 83	
	709,068 23	
Value of Material, Fuel, &c., on Hand Increased	893,395 41	
Current Liabilities Decreased:		
Bills Payable.....	\$225,000 00	
Audited Vouchers Unpaid.....	131,573 98	
Unpaid Pay Rolls.....	270,803 64	
Other Accounts Payable.....	61,593 86	
	\$688,971 48	
<i>Less, Increase in Unpaid Coupons</i>	95,797 54	
	593,173 94	
Deferred Liabilities Decreased:		
Balances due Affiliated Companies.....	\$482,408 60	
Excess of Other Working Liabilities and Deferred Credit Items over Other Working Assets and Deferred Debit Items.....	260,854 40	
	743,263 00	
Refunds of Revenue Under Decision in "Minnesota Rate Cases".....	1,834 39	
Profit and Loss:		
Net debit from sundry adjustments during the six months.....	175,261 89	
Dividends Paid, as per preceding page.....	8,731,254 00	
Cash on hand and in banks, December 31 1916.....	16,471,479 25	
Total	\$35,623,162 92	

STATEMENT OF BONDS AND STOCK OUTSTANDING IN THE HANDS OF THE PUBLIC FOR WHICH THE GREAT NORTHERN RAILWAY COMPANY IS RESPONSIBLE, DIRECTLY OR UNDER GUARANTY.

<i>In Hands of Public July 1 1916.</i>	<i>BONDS.</i>	<i>Due.</i>	<i>In Hands of Public December 31 1916.</i>	<i>Charges paid July 1 to December 31 1916.</i>
<i>Assumed by Great Northern Railway Company.</i>				
<i>St. P. M. & M. Ry. Co.</i>				
<i>Consolidated Mortgage:</i>				
\$13,344,000 00	6 per cent. 1933	\$13,344,000 00		\$400,320 00
21,098,000 00	4 1/2 per cent. 1933	21,098,000 00		474,457 50
8,237,000 00	4 per cent. 1933	8,219,000 00		164,189 00
10,185,000 00	Montana Ext. 4% 1937	10,185,000 00		203,700 00
28,567,757 58	Pacific Ext. 4% 1940	28,383,515 16		568,461 12
<i>Eastern Ry. Co. of Minn.</i>				
<i>Northern Division</i>				
9,695,000 00	1st Mtge. 4% 1948	9,695,000 00		193,900 00
<i>Montana Cent. Ry. Co.</i>				
6,000,000 00	First Mtge. 6% 1937	6,000,000 00		180,000 00
4,000,000 00	First Mtge. 5% 1937	4,000,000 00		100,000 00
<i>Willmar & Sioux Falls Ry. Co.</i>				
3,625,000 00	First Mtge. 5% 1938	3,625,000 00		90,825 00
<i>Minneapolis Union Ry. Co.</i>				
2,150,000 00	First Mtge. 6% 1922	2,150,000 00		64,500 00
650,000 00	First Mtge. 5% 1922	650,000 00		16,250 00
<i>Spokane Falls & Northern Ry. Co.</i>				
229,000 00	First Mtge. 6% 1939	229,000 00		6,870 00
107,780,757 58	Total Amount of Bonds Assumed by Great Northern Ry. Co.	\$107,567,515 16		\$2,463,263 62
<i>Issued by Great Northern Railway Co.</i>				
<i>First and Refunding Gold Bonds.</i>				
35,495,000 00	Sec. "A" 4 1/4% 1961	35,668,000 00		757,155 80
\$143,275,757 58	Total Bonds on Railway Property outstanding in Hands of Public	\$143,235,515 16		\$3,220,419 42
STOCK.				
249,476,850 00	Issued by Great Northern Railway Company	249,476,850 00		8,731,254 00
\$392,752,607 58	Total Bonds and Stock	\$392,712,365 16		\$11,951,673 42

In addition to the bonds listed on preceding page, the Great Northern and Northern Pacific Railway Companies have issued their joint G. B. & Q. Collateral 4% bonds to the amount of \$215,227,000 secured by deposit with the Standard Trust Co. of New York, as Trustee, of 1,076,135 shares of the Capital Stock of the Chicago Burlington & Quincy R.R. Co.

Total Bonds and Stock shown above.....	\$392,712,365 16
Miles of Road owned by the Great Northern Ry. Co. and Controlled Companies, as per preceding page.....	7,820 64
Mileage of Main Tracks in System, including second, third, fourth, fifth and sixth main tracks, as shown on page 34 (pamphlet report), covered by the above capitalization.....	8,061 82
	<i>Mile of Total Main Tracks.</i>
Bonds and Stocks per.....	<i>Mile of Road.</i>
Bonds.....	\$18,315 06
Stock.....	31,899 80
Totals	\$50,214 86
	\$48,712 62

EQUIPMENT OF THE GREAT NORTHERN RAILWAY COMPANY AND OPERATED LINES ACTUALLY IN SERVICE ON DECEMBER 31 1916 AS COMPARED WITH JUNE 30 1916.

<i>Class—</i>	<i>Dec. 31 1916.</i>	<i>June 30 1916.</i>
Locomotives:		
Steam Locomotives.....	1,311	1,290
Electric Locomotives.....	4	4
Total Locomotives	1,315	1,294
Passenger Equipment:		
Sleeping Cars.....	95	95
Parlor Cars.....	28	28
Observation Compartment Cars.....	35	35
Dining Cars.....	44	44
Coaches.....	416	416
Tourist Cars.....	58	58
Passenger and Baggage Cars.....	42	43
Baggage, Mail and Express Cars.....	458	463
Gas-Electric Motor Cars.....	1	2
Open Observation Cars.....	1	1
Business Cars.....	29	29
Total Passenger Equipment	1,208	1,214
Freight Equipment:		
Box Cars.....	33,796	33,275
Transfer Freight Cars.....	50	50
Refrigerator Cars.....	4,289	3,801
Stock Cars.....	2,223	2,264
Total Box, Refrigerator and Stock Cars	40,358	39,390
Flat and Coal Cars.....	6,319	6,396
Sand Cars.....	664	666
Ore Cars (Wood).....	2,477	2,551
Ore Cars (Steel).....	6,961	6,961
Total Flat, Gondola and Ore Cars	16,421	16,574
Oil Tank Cars (Steel).....	115	115
Ballast Cars.....	118	454
Caboose Cars.....	623	588
Cinder Cars.....	148	149
Boarding Cars.....	127	124
Derrick and Pool Cars.....	100	100
Steam Shovels.....	19	19
Lidgerwood Unloaders.....	21	21
Pile Drivers.....	15	15
Rotary Snow Plows.....	10	10
Snow Dozers.....	60	59
Other Work Equipment.....	142	141
Total Freight and Work Equipment	58,572	57,759

Note.—The above list does not include 2 Steam Locomotives and 1 Caboose Car owned by the Midland Ry. Co. of Manitoba, and which Company is owned by the Great Northern and Northern Pacific Railway Companies jointly.

EQUIPMENT OF THE GREAT NORTHERN RAILWAY COMPANY AND OPERATED LINES ACTUALLY IN SERVICE ON EACH OF THE DATES BELOW NAMED AND ALSO SHOWING THE TRACTIVE POWER AND WEIGHT OF STEAM LOCOMOTIVES AND CAPACITY OF FREIGHT CARS.

		<i>Tractive Power in Pounds.</i>		<i>Weight in Tons Exclusive of Tender.</i>		<i>Average Wt. per Engine on Drivers in Tons.</i>
<i>June 30.</i>	<i>Number</i>	<i>Total.</i>	<i>Average per Engine</i>	<i>Total.</i>	<i>Average per Engine</i>	
1900	550	12,147,810	22,087	31,536	57.34	46.25
1901	563	12,847,630	22,820	33,236	59.03	47.56
1902	608	15,050,560	24,754	38,805	63.82	50.90
1903	637	16,278,700	25,555	41,792	65.61	54.42
1904	702	19,055,860	27,138	48,431	68.41	57.59
1905	786	21,959,730	27,938	56,579	71.98	59.41
1906	943	28,335,770	30,048	73,817	78.28	63.53
1907	1,081	34,398,875	31,821	89,190	82.51	66.87
1908	1,073	34,049,845	31,733	88,696	82.66	66.72
1909	1,123	36,641,215	32,628	95,885	85.38	68.55
1910	1,169	38,868,760	33,249	100,907	86.32	71.05
1911	1,187	40,054,060	33,744	103,620	87.30	71.78
1912	1,280	46,709,400	36,492	117,529	91.82	75.98
1913	1,320	48,798,678	36,900	123,114	93.27	77.67
1914	1,317	48,795,178	36,982	122,997	93.39	77.77
1915	1,360	48,054,720	37,252	122,046	94.61	77.53
1916	1,311	49,531,490	37,781	125,405	95.66	78.31

Freight Cars.
(Includes Box, Transfer, Freight, Refrigerator, Stock, Flat, Coal, Gondola, Sand and Ore Cars—(both Wood and Steel).)

<i>June 30.</i>	<i>Number.</i>	<i>Capacity (in Tons).</i>	
		<i>Total.</i>	<i>Average per Car.</i>
1900	21,484	548,185	25.52
1901	22,959	606,701	26.39
1902	24,944	688,594	27.60
1903	28,426	839,606	29.54
1904	30,791	932,332	30.28
1905	31,277	951,812	30.43
1906	33,296	1,041,707	31.29
1907	38,385	1,282,683	33.42
1908	42,131	1,457,236	34.59
1909	42,280	1,474,387	34.87
1910	44,283	1,569,226	35.44
1911	46,101	1,660,854	36.03
1912	47,641	1,731,603	36.35
1913	53,595	1,985,768	37.05
1914	55,279	2,062,645	37.32
1915	55,664	2,079,397	37.36
1916	55,964	2,108,661	37.68
Dec. 31 1916.	56,779	2,144,523	37.77

NUMBER OF MILES OF FIRST MAIN TRACK LAID WITH EACH WEIGHT OF STEEL RAILS ON EACH OF THE DATES SHOWN (Does not include rails laid in Second, Third, Fourth, Fifth and Sixth Main Tracks.)

<i>Date.</i>	<i>Weight per Yard in Pounds.</i>											<i>Total.</i>
	90	85	80	77 1/2	75	72	70	68	66 1/2	60	56	
<i>June 30—</i>	<i>Miles.</i>	<i>Miles.</i>	<i>Miles.</i>	<i>Miles.</i>	<i>Miles.</i>	<i>Miles.</i>	<i>Miles.</i>	<i>Miles.</i>	<i>Miles.</i>	<i>Miles.</i>	<i>Miles.</i>	<i>Miles.</i>
1900	122.28	289.21	1,154.75	1,160.97	987.46	987.46	987.46	987.46	987.46	987.46	987.46	5,404.20
1901	245.63	274.61	1,160.97	987.46	987.46	987.46	987.46	987.46	987.46	987.46	987.46	5,447.96
1902	259.35	755.19	1,155.26	1,152.82	961.45	961.45	961.45	961.45	961.45	961.45	961.45	5,845.78
1903	257.53	927.72	1,152.82	961.45	961.45	961.45	961.45	961.45	961.45	961.45	961.45	5,879.20
1904	254.53	1,085.00	1,030.62	958.83	94.96	94.96	94.96	94.96	94.96	94.96	94.96	5,942.60
1905	469.72	1,168.73	986.01	25.29	940.03	940.03	940.03	940.03	940.03	940.03	940.03	6,248.69
1906	38.96	646.69	1,145.05	950.54	26.35	909.91	111.12	111.12	111.12	111.12	111.12	6,457.64
1907	410.25	622.52	1,089.73	836.53	24.75	813.50	111.12	112.96	112.96	112.96	112.96	6,687.98
1908	122.67	748.33	602.60	1,062.75	727.51	24.75	100.04	712.62	111.12	1,080.46	1,080.46	6,876.34
1909	405.64	838.81	584.52	1,049.90	691.50	24.75	150.38	709.79	109.85	965.69	1,193.38	6,999.94
1910	697.57	831.58	582.48	961.91	739.74	25.29	191.17	709.78	109.85	968.99	1,202.60	7,051.63
1911	850.17	797.74	542.08	933.32	720.14	25.29	191.17	709.78	109.85	965.69	1,193.38	7,177.57
1912	1,052.14	783.84	516.02	855.84	680.61	24.82	212.32	551.58	108.83	1,002.88	1,173.44	7,464.45
1913	1,715.74	783.84	516.02	855.84	680.61	24.82	212.32	551.58	108.83	1,002.88	1,173.44	7,528.16
1914	1,758.61	678.56	468.50	612.52	577.14	24.82	224.05	569.56	102.42	1,000.69	1,155.02	7,822.87
1915	2,208.63	656.27	456.09	748.39	577.93	24.52	225.16	650.64	102.46	921.83	1,194.44	7,814.24
1916	2,312.20	564.43	422.87	825.93	569.76	23.55	234.51	650.64	102.46	899.78	1,194.44	7,820.64
Dec. 31 1916	2,343.45	568.33	397.77	837.81	567.90							

72-lb. Rails are re-rolled from used 80-lb. Rails. 66 1/2-lb. Rails are re-rolled from used 75-lb. Rails.

THE CHESAPEAKE AND OHIO RAILWAY COMPANY

THIRTY-NINTH ANNUAL REPORT—FOR THE FISCAL YEAR ENDED DEC. 31 1916, WITH OPERATING STATEMENTS FOR THE SIX MONTHS, JULY TO DECEMBER 1916.

Richmond, Va., April 19 1917.

To the Stockholders:

The Thirty-ninth Annual Report of the Board of Directors, for the fiscal year ended December 31 1916, is herewith submitted. There are also submitted herein certain tables relating to the operation for the period of six months ended December 31 1916.

The average mileage operated during the year by the Chesapeake & Ohio Lines was 2,378.7 miles, an increase over the previous year of 6.0 miles. The mileage at the end of the year was 2,380.7 miles, an increase of 6.4 miles over mileage on December 31 1915.

RESULTS FOR THE YEAR.

Operating Revenues were.....	\$49,834,312 18
(Increase \$6,253,471 30, or 14.35%.)	
Operating Expenses were.....	32,698,675 85
(Increase \$3,700,050 13, or 13.76%.)	
Net Operating Revenue was.....	\$17,135,636 33
(Increase \$2,553,421 17, or 17.51%.)	
Taxes were.....	1,636,604 01
(Increase \$190,919 05, or 13.21%.)	
Operating Income, Taxes deducted, was.....	\$15,499,032 32
(Increase \$2,362,502 12, or 17.98%.)	
Miscellaneous Income was.....	1,641,142 98
(Increase \$807,150 03, or 96.78%.)	
Rentals and Other Payments were.....	\$17,140,175 30
(Increase \$266,053 22, or 32.27%.)	
Income for the year available for interest was.....	\$16,049,714 86
(Increase \$2,903,598 93, or 22.09%.)	
Interest (52.23% of amount available) amounted to.....	8,382,833 09
(Increase \$323,738 23, or 4.08%.)	
Net Income for the year, equivalent to 12.21% on capital stock outstanding, amounted to.....	\$7,666,881 77
(Increase \$2,574,860 65, or 50.57%.)	
Dividends paid during year: One dividend of 2%.....	\$1,255,632 00
Remainder.....	\$6,411,249 77

RETURN ON PROPERTY.

The following table shows the amount of return to your Company, including subsidiary companies, from transportation operations only, upon its investment in road and equipment at the termination of each year of the five year period ended December 31 1916:

	Property Investment.	Total Operating Income.	Percentage of Return.
Year ended Dec. 31 1916.....	\$259,247,098 33	\$15,359,715 04	6.14%
Year ended Dec. 31 1915.....	244,068,206 05	12,465,058 24	5.11%
Year ended Dec. 31 1914.....	243,144,711 90	9,314,430 78	3.83%
Year ended Dec. 31 1913.....	236,065,971 07	9,382,649 18	3.97%
Year ended Dec. 31 1912.....	230,801,618 77	10,600,231 82	4.59%
Yearly average for five years ended Dec. 31 1916.....	\$240,865,521 22	\$11,424,417 01	4.74%

FINANCIAL.

The changes in funded debt in the hands of the public during the year were as follows:

	Sold.	Retired.
5% Convertible 30-Year Secured Gold Bonds.....	\$40,180,000 00	
4 1/2% Equipment Trust Certificates—Series "O".....	3,160,000 00	
5% Five-Year Secured Gold Notes.....		\$33,000,000 00
4% Big Sandy Ry. First Mortgage Bonds.....		111,000 00
4% Coal River Ry. First Mortgage Bonds.....		67,000 00
4% Greenbrier Ry. First Mortgage Bonds.....		39,000 00
4% Raleigh & Southwestern Ry. First Mortgage Bonds.....		5,000 00
Equipment Trust Obligations.....		1,270,696 00
Net Increase.....	\$43,340,000 00	\$34,492,696 00
	8,847,304 00	

Other changes in obligations shown under funded debt on balance sheet of December 31 1916 were as follows:

	Increase.	Payments.
5% First Lien and Impt. Mortgage Bonds.....	\$6,995,000 00	
6% Equipment Contracts—General Equipment Co.....		\$1,000 00
5% Equipment Contract—Standard Steel Car Co.....		628,241 77
5% Equipment Contract—Central Locomotive & Car Works.....		68,172 94
6% Equipment Contract—American Locomotive Co.....		160,789 36
5 1/2% Equipment Contract—Central Locomotive & Car Works.....	253,025 00	120,000 00
Net Increase.....	\$7,248,025 00	\$978,204 07
	6,269,820 93	

Five per cent Convertible Thirty-Year Secured Gold Bonds, of a face amount of \$40,180,000, maturing April 1 1946, were issued under a closed mortgage, dated April 1 1916, to Central Trust Company of New York, trustee, secured by a face amount of \$45,920,000 of your Company's First Lien and Improvement Mortgage Bonds and sold to provide funds for the retirement of \$33,000,000 Five Year 5% Secured Gold Notes called for payment at a premium of 1% June 1 1916, and for other capital purposes.

Four and one-half per cent Equipment Trust Certificates Series "O," amounting to \$3,160,000, were issued and sold to provide funds for payment of equipment.

Five per cent First Lien and Improvement Mortgage Bonds, of a face amount of \$6,995,000, were issued during the year for additions and betterments and other capital purposes. The total amount of these bonds outstanding aggregate \$47,265,000, of which \$45,920,000 are pledged and \$1,345,000 are held in the treasury.

Your Company acquired during the year 11,722 additional shares of the capital stock of the Chesapeake & Ohio Northern Railway Company, payment for which was made out of cash derived from the sale of the Kanawha & Michigan Railway Company's stock. Of the proceeds of the sale there is still deposited with the Trustee for future investment the sum of \$1,473,600.

There were also acquired 539 additional shares of capital stock of the Pond Fork Railway Company, which is constructing a line of railroad from a point near Madison, W. Va., up Pond Fork of Coal River, and additional shares of capital stock of the White Sulphur Springs, Inc. Additional First Mortgage Bonds of the Elkhorn & Beaver Valley Railway Company were acquired at par in reimbursement for advances for construction purposes.

Securities of the Chesapeake & Ohio Equipment Corporation, issued in respect of the cost of twenty-four Mallet locomotives, were acquired by your Company and the cost of same is included in property account.

Further shares of stock and First Mortgage Bonds of the Chesapeake & Ohio Railway Company of Indiana were issued in respect of the cost of certain additions and betterments made to that line and were pledged under your Company's First Lien and Improvement Mortgage.

A statement of charges to property accounts will be found below, showing a net addition of \$6,189,605 24; that is, \$1,836,380 07 was added to cost of road and \$4,353,225 17 was added to cost of equipment.

During the past eight years your Company's increase in capital liabilities in hands of the public, its principal acquisitions of stocks and bonds of other companies, and its expenditures for equipment, branch line construction, second track and other additions and betterments, have been as follows:

Capital Obligations Issued or Assumed—	Par Value.
General Mortgage 4 1/2% Bonds.....	\$4,306,000 00
General Funding and Improvement Mortgage 5% Bonds.....	11,000,000 00
First Consolidated Mortgage 5% Bonds.....	2,000,000 00
Convertible 4 1/2% Debentures.....	31,390,000 00
Three-Year 4 1/2% Collateral Trust Notes.....	25,000,000 00
One-Year 5% Collateral Trust Notes.....	3,500,000 00
Five-Year 5% Collateral Trust Notes.....	33,000,000 00
Convertible 5% Secured Gold Bonds.....	40,180,000 00
Coal River Railway Co. First Mortgage 4% Bonds.....	3,000,000 00
Raleigh & Southwestern Railway Co. First Mortgage 4% Bonds.....	860,000 00
Big Sandy Railway Co. First Mortgage 4% Bonds.....	229,000 00
Virginia Air Line Railway Co. First Mortgage 5% Bonds.....	900,000 00
Equipment Trust Certificates, Series "N".....	1,700,000 00
Equipment Trust Certificates, Series "O".....	3,160,000 00
Equipment Contracts, Various.....	4,809,390 00
Realizin.....	\$165,034,390 00
Less:.....	\$156,484,690 22

Capital Obligations Paid or Purchased—	
Six Per Cent Collateral Gold Notes.....	\$5,000,000 00
Collateral Gold 6% Notes.....	2,500,000 00
Peninsula Division First Mortgage 6% Bonds matured January 1 1911.....	2,000,000 00
Greenbrier & New River Railroad Co. First Mortgage 5% Bonds redeemed Feb. 1 1911.....	339,000 00
General Funding and Improvement Mortgage 5% Bonds.....	7,302,000 00
Greenbrier Railway Co. First Mortgage 4% Bonds retired November 1 1911.....	2,000 00
Three-Year 4 1/2% Collateral Trust Notes.....	25,000,000 00
One-Year 5% Collateral Trust Notes.....	3,500,000 00
Five-Year 5% Secured Gold Notes.....	33,000,000 00
Kineon Coal Co. First Mortgage Bonds.....	200,000 00
Equipment Trust Payments Through Sinking Funds.....	13,182,000 00
Big Sandy Railway Co. First Mortgage 4% Bonds.....	437,090 00
Coal River Railway Co. First Mortgage 4% Bonds.....	224,000 00
Greenbrier Railway Co. First Mortgage 4% Bonds.....	157,000 00
Raleigh & Southwestern Railway Co. First Mortgage 4% Bonds.....	43,000 00
Costing.....	\$92,886,000 00

93,614,994 69

Acquisitions—	
Stocks of:	
The C. & O. Railway Co. of Indiana.....	\$5,998,800 00
Elkhorn & Beaver Valley Railway Co.....	30,000 00
Gandy & Meadow River Railroad Co.....	116,300 00
The Hocking Valley Railway Co.....	7,671,900 00
The Cincinnati Inter-Terminal Railroad Co.....	55,000 00
Logan & Southern Railway Co.....	292,100 00
Lewis River Railroad Co. (of Ky.).....	50,000 00
The Lewis River Railroad Co. (of Va.).....	50,000 00
Kanawha Bridge & Terminal Co.....	400,000 00
The Silver Grove Land & Building Co.....	200,000 00
White Sulphur Springs, Incorporated.....	2,560,000 00
First National Bank Building Corporation (Richmond, Va.).....	180,000 00
The Chesapeake & Ohio Northern Railway Co.....	2,552,900 00
Pond Fork Railway Co.....	59,100 00
Miscellaneous.....	32,300 00
Costing.....	\$20,249,400 00

Bonds and Notes of:	
Atlantic Coast Line RR. Co. Equipment Bonds, 4%.....	\$6,000 00
Baltimore & Ohio RR. Co. Equipment Certificates, 4 1/2%.....	180,000 00
The C. & O. Railway Co. of Indiana First Mortgage, 5%.....	6,869,000 00
Elkhorn & Beaver Valley Railway Co. First Mortgage, 5%.....	1,031,000 00
Illinois Central RR. Co. Equipment Certificates, 4 1/2%.....	99,000 00
Southern Pacific RR. Co. Equipment Certificates, 4 1/2%.....	2,000 00
Pennsylvania RR. Co., Promissory Notes, 3 3/4%.....	500,000 00
Miscellaneous.....	280,000 00
Costing.....	\$8,967,000 00

\$7,559,019 26

Brought forward.....	\$29,149,361 15
Properties of:	
Coal River Railway Co.....	\$2,304,359 88
Raleigh & Southwestern Railway Co.....	816,562 42
Virginia Air Line Railway Co.....	1,071,947 12
Costing.....	\$4,192,869 42
Construction of:	
Extension of Branch Lines, costing.....	\$1,744,281 94
Second Track (176.5 miles) and Additions and Betterments, costing.....	18,305,393 17
(Excluding \$2,320,823 99 expended on Chicago Line to April 30 1916 for which securities have been acquired.)	20,049,675 11
Equipment:	
Additional equipment acquired (less retireals).....	23,166,621 03
(Excluding \$24,586 89 expended on Chicago Line to April 30 1916 for which securities have been acquired.)	
Costing.....	\$76,552,526 71

GENERAL REMARKS.

The Inter-State Commerce Commission at a general session, held November 24 1916, ordered all common carriers, subject to the provisions of the Act to Regulate Commerce, to file with the Commission, on or before the thirty-first day of March in each year, reports covering the period of twelve months ending with the preceding thirty-first day of December, thereby changing the fiscal year period from June 30th. In conformity with this order your Board at its meeting, held December 21 1916, authorized the preparation for distribution to the stockholders of the annual report of your Company for the fiscal year from January 1 to December 31 of each year (instead of as heretofore from July 1 to June 30), beginning with the year Jan. 1 1916, to Dec. 31.

The equipment inventory as of December 31 1916, was as follows:

Locomotives owned.....	648	Inc.	73
Locomotives leased.....	178	Dec.	34
Total.....	826	Inc.	39
Passenger train cars owned.....	335	Dec.	12
Passenger train cars leased.....	49	Inc.	20
Total.....	384	Inc.	8
Freight train and miscellaneous cars owned.....	26,811	Inc.	4,344
Freight train cars leased.....	19,702	Dec.	3,755
Total.....	46,513	Inc.	589

There were undelivered December 31 1916, 200 Steel Gondola Cars purchased under Equipment Trust Series "O," that are not included in the above table. Your Company ordered additional new equipment during the year, none of which was delivered until after January 1 1917, as follows: 50 Mallet Locomotives, 1,000 seventy ton and 2,000 fifty-five ton Steel Coal Cars, 10 Steel Passenger Coaches, 2 Steel Parlor Cars and 1 Steel Dining Car.

The changes during the year in the accrued depreciation of equipment account were as follows:

Balance to credit of account December 31 1915.....	\$5,181,007 39
Amount credited during year ended December 31 1916 by charges to:	
Operating expenses.....	\$951,081 93
Charges to account for:	
Accrued depreciation on equipment retired during year—6 locomotives, 2 passenger train cars, 3,764 freight train and work cars.....	\$270,804 64
Accrued depreciation on cars changed in class during year.....	5,574 17
	285,378 81
	665,703 12
Balance to credit of account December 31 1916.....	\$5,846,710 51

Operating Revenues	1916.	1915.	Inc. or Dec.
amounted to.....	\$49,834,312 18	\$43,580,840 88	+\$6,253,471 30
Net Operating Revenue.....	\$17,135,636 33	\$14,582,215 16	+\$2,553,421 17
Operating Ratio.....	65.6%	66.5%	— .9%
Tons of Revenue Freight carried one mile.....	10,437,225,643	9,274,753,635	+1,162,472,008
Revenue train loads, tons.....	1,007	954	+53
Revenue tons per loaded car.....	34.1	33.0	+1.1

The revenue coal and coke tonnage was 27,298,125, an increase of 17.2%; other freight tonnage was 11,153,755, an increase of 13.4%. Total revenue tonnage was 38,451,880 tons, an increase of 16.1%. Freight revenue was \$39,888,932 23, an increase of 13.3%. Freight train mileage was 10,367,744 miles, an increase of 6.6%. Revenue ton miles were 10,437,225,643, an increase of 12.5%. Ton mile revenue was 3.82 mills, an increase of 0.5%. Revenue per freight train mile was \$3.847, an increase of 6.3%. Revenue tonnage per train mile was 1,007 tons, an increase of 5.6%; including Company's freight, the tonnage per train mile was 1,069 tons, an increase of 5.6%. Tonnage per locomotive, including Company's freight, was 946 tons, an increase of 5.1%. Revenue tonnage per loaded car was 34.1 tons, an increase of 3.3%. Tons of revenue freight carried one mile per mile of road were 4,387,786, an increase of 12.2%.

There were 7,012,014 passengers carried, an increase of 7.7%. The number carried one mile was 301,961,827, an increase of 12.5%. Passenger revenue was \$6,435,025 33, an increase of 12.6%. Revenue per passenger per mile was 2.131 cents, an increase of 0.1%. Number of passengers carried one mile per mile of road was 126,944, an increase of 12.2%. Passenger train mileage was 5,212,111, an increase of 7.6%. Passenger revenue per train mile was \$1.235, an increase of 4.7%; including mail and express it was \$1.454, an increase of 4.3%. Passenger service train revenue per train mile was \$1.491, an increase of 4.6%.

A spur track 4.7 miles in length, leaving the main line at Penniman Junction, just east of Williamsburg, Va., and extending to the plant of the E. I. duPont de Nemours Company at Penniman, has been completed.

Extensions during the year have been as follows: An extension of Gauley and Rich Creek Branch 0.1 mile; Dingess Run Branch of the Guyandot Valley line 0.8 mile; and an extension of Minden Branch up Rock Lick Creek 1.5 miles.

The Morris Creek Branch, 2.8 miles, extending from Morris Creek Junction to Morris Creek, W. Va., previously carried as side track mileage has been transferred to first track mileage.

The following lines have been taken over for operation during the year: Horse Creek Branch of Coal River line 2.5 miles; Peter Cave Fork Branch of Horse Creek Branch 2.0 miles; and Beech Creek Branch of Coal River line 1.6 miles.

First track mileage is increased 2.2 miles, due to Glade Creek and Raleigh Railroad being carried as 11.4 miles while the correct length is 13.6 miles.

The change of line at Walbridge, Ky., resulted in a decrease of 0.1 mile.

The following lines have been abandoned and taken up during the year: Sycamore Creek Extension of Cabin Creek Branch 0.5 mile; Old Main line of Raleigh & Southwestern Railway 0.3 mile; and the narrow gauge part of the Glade Creek and Raleigh Railroad 10.9 miles.

Second track between Balcony Falls and Greenlee, Va., 3.4 miles, has been completed.

There were 21,525.3 tons new rail (1,300.9 tons 125-lb., 17,774.2 tons 100-lb., and 2,450.2 tons 90-lb.) equal to 137 miles of track, used in renewal of existing track.

There were 1,587,350 cross ties used in maintaining existing tracks, a decrease of 328,612.

There were 1,004,954 yards of ballast (533,053 yards stone) used in maintaining existing tracks, an increase of 235,983 yards.

The average amount expended for repairs per locomotive was \$3,299 51; per passenger train car, \$919 94; per freight train car, \$94 08.

Effective January 1 1916, Mr. E. D. Hotchkiss was promoted from General Freight Agent to the position of Freight Traffic Manager; Mr. Thornton Lewis from General Western Freight Agent, to Assistant Freight Traffic Manager; and Mr. A. P. Gilbert from Assistant General Freight Agent to General Freight Agent.

Effective July 1 1916, the following appointments were made: Mr. E. W. Grice, Assistant to President; Mr. J. P. Stevens, General Manager; Mr. E. P. Goodwin, General Inspector of Transportation and Station Service; Mr. W. L. Booth, Superintendent of Freight Transportation; Mr. L. B. Allen, General Superintendent, Central General Division; Mr. E. L. Bock, Superintendent, Huntington and Big Sandy Divisions; Mr. G. J. Derbyshire, Superintendent, C. & O. Ry. of Indiana.

Effective January 1 1917, Mr. Meade T. Spicer was appointed Executive Assistant; Mr. George W. Poe, Auditor of Passenger Traffic, was retired at his request, being succeeded by Mr. I. D. Briggs, Jr.

The Company lost three faithful officers during the year by death: Mr. L. L. Scherer, General Claim Agent, who died October 21 1916; Mr. J. A. Fox, Superintendent Clifton Forge Division, who died October 25 1916; Mr. G. S. Sipp, Car Service Agent, who died February 27 1916. The vacancies caused were filled by the appointment of Mr. H. L. Dunham, General Claim Agent, in charge of personal injury claims; Mr. F. W. H. O'Meara, Freight Claim Agent, in charge of loss and damage claims; Mr. J. W. King, Chief Special Agent; Mr. J. A. Gleason, Superintendent, Clifton Forge Division, all effective November 1 1916. The position of Car Service Agent was abolished and the department transferred to the Accounting Department.

The Board tenders its thanks to officers and employees for loyal and efficient services rendered during the year.

By order of the Board of Directors.

FRANK TRUMBULL, *Chairman.*
GEO. W. STEVENS, *President.*

GENERAL INCOME ACCOUNT FOR YEAR ENDED DEC. 31 1916, AND COMPARISON WITH YEAR ENDED DEC. 31 1915.

	1916.	1915.	Inc. (+) or Dec. (-).	Per Cent.
Operating Revenues—				
Freight Traffic.....	\$39,888,932 23	\$35,198,357 38	+\$4,690,574 85	13.3
Passenger Traffic.....	6,435,025 33	5,713,463 38	+721,561 95	12.6
Transportation of Mails.....	472,981 62	443,004 34	+29,977 28	6.8
Transportation of Express.....	669,029 30	594,987 81	+74,041 58	12.4
Miscellaneous.....	2,368,343 61	1,631,027 97	+737,315 64	45.2
Total Operating Revenues.....	\$49,834,312 18	\$43,580,840 88	+\$6,253,471 30	14.4
Operating Expenses—				
Maintenance of Way and Structures.....	6,067,657 64	5,112,084 09	+955,573 55	18.7
Maintenance of Equip.....	10,240,497 62	9,980,824 84	+1,259,672 78	14.0
Traffic.....	675,380 54	631,011 82	+44,368 72	7.0
Transportation.....	14,355,564 64	13,197,859 88	+1,157,704 76	8.8
Miscellaneous Operations.....	348,783 03	232,442 44	+116,340 59	50.1
General.....	1,035,931 62	886,141 40	+149,790 22	16.9
Transportation for Investment—Cr.....	25,130 24	41,738 75	-16,599 51	39.8
Total Operating Expenses.....	\$32,698,675 85	\$28,998,625 72	+\$3,700,050 13	13.8
Net Operating Revenue.....	\$17,135,636 33	\$14,582,215 16	+\$2,553,421 17	17.5
Railway Tax Accruals.....	1,636,604 01	1,445,684 96	+190,919 05	13.2
Uncollectible Railway Revenues.....	12,355 33	16,172 04	-3,816 71	23.6
	1,648,959 34	1,461,857 00	+187,102 34	12.8
Railway Operating Income.....	\$15,486,676 99	\$13,120,358 16	+2,366,318 83	18.0
Income from Other Sources—				
Hire of Equipment.....	535,912 32	Dr. 74,980 10	+610,892 42	---
Interest from Investments and Accounts.....	761,430 65	561,807 88	+199,622 77	35.5
Miscellaneous.....	343,800 01	347,075 17	-3,275 16	0.1
	1,641,142 98	833,992 95	+807,150 03	96.8
Gross Income.....	\$17,127,819 97	\$13,954,351 11	+\$3,173,468 86	22.7

Deductions from Gross Income				Deduct:		
Interest on Debt	8,382,833 09	8,054,094 81	+328,738 28	4.1	Dividend 33, of 2%, paid Dec. 30 1916	1,255,632 00
Rentals Leased Roads, Joint Tracks, & Loss on C. & O. Grain Elevator	959,257 56	912,090 26	+47,167 30	5.2		\$13,090 419 68
Miscellaneous	54,060 88	Cr. 138,942 84	+103,003 72		Discount and Expense on Securities issued during the year ended Dec. 31 1916	\$2,529,145 51
	64,786 67	35,087 76	+29,698 91	84.6	Premium on Five-Year Secured Gold Notes called for payment June 1 1916	330,202 76
Total Deductions	9,460,938 20	8,862,329 99	+598,608 21	6.8	Appropriation of Surplus to Sinking and Other Reserve Funds	57,000 00
Net Income	7,666,881 77	5,092,021 12	+2,574,860 65	50.6		2,916,348 27
Amount to credit of Profit and Loss Dec. 31 1915			\$6,679,169 91			\$10,174,071 41
Amount of Net Income for year ended Dec. 31 1916, transferred to Profit and Loss			7,666,881 77		Add Sundry adjustments	58,922 40
			\$14,346,051 68		Balance to credit of Profit and Loss Dec. 31 1916	\$10,232,993 81

GENERAL BALANCE SHEET DECEMBER 31 1916.
ASSETS.

(Excluding Stocks and Bonds owned of The C. & O. Ry. Co. of Indiana and of The C. & O. Equipment Corporation.)

Property Investment.				
Cost of Road			\$174,421 169 47	
Cost of Equipment			54,180,907 05	\$228,602,076 52
Improvements on Leased Railway Property				3,815 99
Securities of Proprietary, Affiliated and Controlled Companies—Pledged.				
Stocks—See Schedule, page 13 (pamphlet report)			\$13,613,999 44	
Bonds—See Schedule, page 18 (pamphlet report)			4,110,407 01	
			\$17,724,406 45	
Securities—Issued or Assumed—Pledged.				
Bonds—See Schedule, page 18 (pamphlet report)			45,920,001 00	\$63,644,407 45
(Includes First Lien and Improvement Mortgage 5% Bonds, \$45,920,000. See Contra.)				
Miscellaneous Investments.				
Physical Property				341,005 63
Special Funds, and Funded Debt Issued and Reserved.				
First Lien and Improvement Mortgage Bonds—Drawn for Additions and Betterments			\$1,345,000 00	
R. & S. W. Ry. Co., First Mortgage Bonds—Reserved for Construction			40,000 00	
Potts Creek Branch—Cash			45,676 24	
Special Deposits account of Construction and Equipment			1,920,873 88	
(Includes Cash and Note—Balance Proceeds R. & M. Ry. Co. Stock Sale.)				3,351,550 12
				67,336,963 20
Working Assets.				
Cash in Treasury			\$6,768,326 31	
Cash in Transit			1,507,466 08	\$295,942,855 71
Cash deposits to pay Interest and Dividends			\$8,275,792 39	
Cash deposit to pay Equipment Trust Principal			1,395,604 45	
Cash deposits to pay Matured Bonds and Scrip			112,000 00	
Cash deposits to pay C. & O. Grain Elevator Insurance Claims			69,794 17	
Loans and Bills Receivable			3,792 97	
Traffic Balances			224,403 05	
Agents and Conductors			1,011,483 68	
Miscellaneous Accounts Receivable			1,035,777 66	
Other Working Assets			1,312,813 19	
			80,916 20	\$13,522,377 76
Materials and Supplies				4,200,015 46
Securities in Treasury—Unpledged.				
Stocks—See Schedule, page 17 (pamphlet report)			\$4,829,223 45	
Bonds—See Schedule, page 17 (pamphlet report)			1,528,448 02	6,357,671 47
Deferred Assets.				
Unmatured Interest, Dividends and Rents			\$95,014 50	
Advances to Proprietary, Affiliated and Controlled Companies			226,768 39	
Advances, Working Funds (Fast Freight Lines, &c.)			37,522 45	
Special Deposits with Trustees, Various Mortgage Funds			86,356 03	
Cash and Securities in Sinking Funds			61,422 43	
Cash and Securities in Insurance Reserve Fund			66,244 22	
Sundry Accounts			422,710 64	996,068 66
				25,076,133 35
Total				\$321,018,989 06

LIABILITIES.

(Excluding Stocks and Bonds owned of The C. & O. Ry. Co. of Indiana and of The C. & O. Equipment Corporation.)

Capital Stock.				
Common			\$62,792,600 00	
First Preferred			3,000 00	
Second Preferred			200 00	
Common—The Chesapeake & Ohio Railway Co. of Indiana			\$62,795,800 00	
			1,200 00	\$62,797,000 00
Funded Debt.				
First Mortgage, Terminal, &c., 6% Bonds	1922		\$142,000 00	
General Funding and Improvement, 5% Bonds	1929		3,698,000 00	
Convertible, 4 1/4% Bonds	1930		31,390,000 00	
First Mortgage, R. & S. W. Railway, 4% Bonds	1936		857,000 00	
First Consolidated Mortgage, 5% Bonds	1939		29,858,000 00	
First Mortgage, Craig Valley Branch, 5% Bonds	1940		650,000 00	
First Mortgage, Greenbrier Railway, 4% Bonds	1940		1,782,000 00	
First Mortgage, Warm Springs Branch, 5% Bonds	1941		400,000 00	
First Mortgage, Big Sandy Railway, 4% Bonds	1944		4,563,000 00	
First Mortgage, Paint Creek Branch, 4% Bonds	1945		539,000 00	
First Mortgage, Coal River Railway, 4% Bonds	1945		2,776,000 00	
Convertible 5% Secured Gold Bonds	1946		40,180,000 00	
First Mortgage, Potts Creek Branch, 4% Bonds	1946		600,000 00	
First Mortgage, Virginia Air Line Railway, 5% Bonds	1946		900,000 00	
First Mortgage, R. & A. Division, 4% Bonds	1989		6,000,000 00	
Second Mortgage, R. & A. Division, 4% Bonds	1989		1,000,000 00	
General Mortgage, 4 1/4% Bonds	1992		48,129,000 00	
Equipment Trust Obligations and Contracts			\$173,444,000 00	
			6,846,386 89	180,290,386 89
First Lien and Improvement Mortgage, 5% Bonds not in hands of public (see Contra)	1930			\$243,087,386 89
Working Liabilities.				
Loans and Bills Payable			\$95,000 00	
Traffic Balances			508,457 80	
Audited Vouchers and Pay Rolls			5,006,513 32	
Unpaid Wages			27,313 39	
Miscellaneous Accounts Payable			395,163 42	
Matured Interest and Dividends Unpaid			1,503,121 14	
Matured Mortgage and Secured Debt Unpaid			69,794 17	
Other Working Liabilities			95,888 07	\$7,701,251 31
Deferred Liabilities.				
Unmatured Interest and Rents			\$2,365,166 45	
Taxes Accrued			930,339 30	
Accrued Depreciation—Equipment			5,846,710 51	
Sundry Accounts			505,423 95	9,647,640 21
Appropriated Surplus.				
Additions to Property through Income since June 30 1907			\$2,984,365 23	17,348,891 52
Reserve Invested in Sinking Funds			34,107 39	
Reserve Invested in Insurance Fund			66,244 22	
			\$3,084,716 84	
Profit and Loss—Balance			10,232,993 81	13,317,710 65
Total				\$321,018,989 06

This Company is also liable as a guarantor of the following securities in hands of the public—

The Chesapeake & Ohio Grain Elevator Co., First Mortgage 4% Bonds due 1938	\$820,000 00
Richmond-Washington Co. Collateral Trust Mortgage (C. & O. proportion 1-6) 4% Bonds due 1943	10,000,000 00
The Chesapeake & Ohio Northern Railway Co. First Mortgage 5% Gold Bonds due 1945	1,000,000 00
Louisville & Jeffersonville Bridge Co. Mortgage (C. & O. proportion 1-3) 4% Bonds due 1945	4,500,000 00
Western Pocahontas Corporation, First Mortgage 4 1/4% Bonds due 1945	750,000 00
Western Pocahontas Corporation, Extension Mortgage No. 1, 4 1/4% Bonds due 1945	83,000 00
Western Pocahontas Corporation, Extension Mortgage No. 2, 4 1/4% Bonds due 1946	151,000 00
Norfolk Terminal & Transportation Co., First Mortgage 5% Bonds due 1948	500,000 00

COST OF PROPERTY DEC. 31 1916.	
The Cost of Road as of Dec. 31 1915 was	\$173,904,834 04
Added for—Additions and Betterments during year ended Dec. 31 1916:	
Branch Lines	\$183,308 86
New Second Track	153,336 44
Eliminating Grade Crossings	757 05
Sidings and Yards	29,902 54
Depots at various places	152,191 64
Shop Buildings at various places	863 83
New Coal Pier (No. 9), Newport News, Va.	21,443 81
Additions to Piers, Newport News, Va.	65,112 60
Water and Coaling Stations	97,059 93
Renewing and Strengthening Bridges	7,025 33
Telephone Lines for Dispatching Trains	256,111 80
Various Other Structures	18,477 43
Interlocking, Block and Other Signals	165,581 68
Shop Machinery and Tools	2,376 07
Track Scales	1,733 51
Furniture and Equipment, General Offices	129,822 29
Right of Way and Real Estate	5,652 34
Stock Pens	11,276 89
Paving, Sidewalk, Sewer and Street Assessments	13,457 42
Fencing Right of Way	189,084 24
Improved Rail and Track Fastenings	49,412 36
Increasing Width of Roadbed and Ballasting	4,186 92
Roadway Tools (Motor Cars)	
	\$2,080,645 24
Purchase of Securities of subsidiary Companies	50 00
	\$2,080,695 24
Less—Sundry Credits for Property retired and destroyed	244,315 17
	1,836,380 07
	\$175,741,214 11
Difference between face value of securities of auxiliary companies and the prices at which they were taken over	1,320,044 64
Cost of Road Dec. 31 1916	\$174,421,169 47
The Cost of Equipment as of Dec. 31 1915 was	\$49,827,681 88
Added for—Equipment purchased and acquired during year ended Dec. 31 1916:	
34 Mallet Locomotives	\$1,094,019 04
6 Consolidation Locomotives	105,263 59
2 Shay Locomotives	22,650 01
2 Pacific Type Locomotives	36,653 29
1 Atlantic Type Locomotive	17,716 12
1,800 70-Ton Hopper-Bottom Gondola Cars	2,728,452 31
349 Steel Underframe 30-Ton Box Cars	257,596 22

2,067 30-Ton Box Cars	1,381,848 21
96 Cabin Cars	92,276 30
10 57 1/2-Ton Flat-Bottom Gondola Cars	10,205 01
6 55-Ton Topper-Bottom Gondola Cars	1,800 00
2 Parlor Cars	35,846 14
6 Passenger Coaches	86,911 31
12 Express Cars	105,017 83
1 Rail Derrick	4,500 00
1 Tug Boat	80,324 23
14 Freight Cars previously written off, returned to service	8,738 88
Changes in Classes of Equipment:	
2 Caboose Cars converted from Box Cars	\$1,327 56
6 Freight-Train Cars converted from Work Cars	2,430 87
148 Work Cars converted from Freight Train Cars	77,337 65
10 Work Cars converted from Passenger Cars	25,650 00
22 Work Cars converted from Work Cars	6,933 30
	113,679 38
Improvement of Equipment	194,012 31
	\$6,377,450 18
Less—Value of Equipment retired:	
6 Locomotives	\$70,911 00
3,658 Freight Train Cars	1,786,998 88
2 Passenger Train Cars	9,000 00
106 Work Cars	38,558 28
Changes in Classes of Equipment:	
2 Box Cars converted to Caboose Cars	\$1,327 56
6 Work Cars converted to Freight Train Cars	2,430 87
148 Freight Train Cars converted to Work Equipment	69,966 04
10 Passenger Cars converted to Work Cars	36,184 08
22 Work Cars converted to Work Cars	8,848 30
	118,756 85
	\$2,024,225 01
	4,353,225 17
Cost of Equipment Dec. 31 1916	\$54,180,907 05
Cost of Road and Equipment Dec. 31 1916, as per Balance Sheet	\$228,602,076 52

PHILADELPHIA COMPANY

THIRTY-THIRD ANNUAL REPORT—FOR THE YEAR ENDED MARCH 31 1917.

Office of the Philadelphia Company,
Pittsburgh, Pa., April 2 1917.

The President herewith submits his report for the fiscal year ended March 31 1917.

The gross operating revenues of the Philadelphia Company and its proprietary natural gas companies for the year amounted to \$9,210,148 17, an increase of \$1,181,628 83 over the preceding year. After the payment of operating expenses, taxes, fixed charges, dividends on the preferred stocks, depreciation, discount, etc. on securities issued, and the labor cost (amounting to \$1,215,180 43) of drilling new wells and of laying new field lines, the balance of income was \$3,915,106 13 (compared with similar income for the preceding year amounting to \$3,385,417 23), out of which dividends amounting to \$3,005,771 81 were paid on the common stock, leaving available for corporate purposes \$909,334 32.

The income from the holdings of Income Debentures of the Pittsburgh Railways Company was \$600,000 00. The dividends from the holdings of stock of the Duquesne Light Company, increased from \$1,264,706 32 to \$1,456,171 96. These receipts are included in the balance of income referred to above. The electric light and power companies, the street railway companies and the oil company have undistributed earnings for the year which are not taken into account in the earnings of the natural gas companies.

The companies comprising the natural gas department drilled 295 wells and purchased 18 wells during the year. Of the new wells drilled 236 were productive of gas and 59 non-productive. There were abandoned 76 wells which had ceased to be productive; also, there were sold 13 wells, and one well was reinstated. The total number of operative gas wells owned or controlled by the Company at this date is 1,740.

There was an increase during the year of 66.28 miles of transportation and well connecting lines, and 14.13 miles of distribution lines. The total amount of pipe lines controlled by the company now is 3,324.63 miles, of which 1,261.56 miles comprise distribution lines and 2,063.07 miles comprise transportation and well connecting lines. This does not include the 192.89 miles of distribution lines of the Allegheny Heating Company.

During the year the companies sold 48,120,896,100 cubic feet of natural gas, being an increase of 3,113,976,400 cubic feet, with increased receipts from that source of \$1,181,479 53.

There has been an increase during the year of 6,278 domestic consumers of the natural gas supplied by the companies controlled by this Company, making the total number of domestic natural gas consumers 139,199. These companies also supply natural gas to 427 industrial consumers.

During the year the oil department drilled 25 wells, of which 20 were productive of oil and 5 were non-productive. There were 17 wells abandoned, 3 wells sold and 1 well reinstated, making the number of oil wells owned or controlled by the company at this date 129, from which there was produced 122,159.02 barrels of oil, being a decrease of

3,751.52 barrels as compared with the preceding year, with an increased revenue of \$64,203 14.

From May 15 to July 15 1916, 11,819 shares of the 5% Preferred Stock of the Company were exchanged for an equal number of shares of the 6% Cumulative Preferred Stock of the Company, the holder in addition making a payment to the Company of \$3 00 per share. This is in line with the Company's policy to simplify the capitalization.

In July 1916 the Company caused the Equitable Coke Company to be formed, with a nominal capital stock. This latter Company in the same month purchased from the Allegheny Coal Company all of its operating coal properties, including over 3,000 acres of coal lands located in Allegheny County, Pennsylvania, and including 352 acres of surface land, of which 14 acres are located in Springdale Borough, fronting on the Allegheny River; also, its coal-mining equipment, including power station, miners' houses and 5 1/2 miles of railroad having connection with the Pennsylvania Railroad and the Pittsburgh Bessemer & Lake Erie Railroad. These coal properties now have a daily output of approximately 1,500 tons of coal. The Equitable Coke Company as of January 1 1917 issued and sold its Three-Year Five Per Cent Gold Notes in the amount of \$1,500,000 00, and used the proceeds in payment for the above property. This purchase has already been justified by its protection of the coal supply required by the company's subsidiaries for production of power, which was the purpose in acquiring this property.

Accompanying this report are the statements showing the earning power and financial condition of the natural gas companies; also, similar statements for the oil, electric light and power and street railway subsidiaries, and the reports of the Presidents of the electric light and street railway companies.

By Authority of the Board of Directors,

J. H. REED, *President.*

PHILADELPHIA COMPANY EQUITABLE GAS COMPANY MONONGAHELA NATURAL GAS COMPANY PITTSBURGH & WEST VIRGINIA GAS COMPANY THE PHILADELPHIA COMPANY OF WEST VIRGINIA.	
Summary of Consolidated Income for Year ended March 31 1917. (With Transactions between Companies Eliminated.)	
Gross Earnings:	
Gas	\$9,171,611 98
Miscellaneous	38,536 10
Total Gross Earnings	\$9,210,148 17
Operating Expenses:	
Prospecting and Lease	\$726,114 29
Gas Purchased	430,381 14
Production	749,944 03
Transportation	640,444 89
Distribution	551,083 85
Commercial	155,454 97
General and Miscellaneous	568,496 39
Total Operating Expenses	\$3,821,919 56
Taxes	272,072 56
Total Operating Expenses and Taxes	4,093,992 12
Net Earnings	\$5,116,156 05

Net Earnings (brought forward)	\$5,116,156 05
Other Income:	
Dividends and Interest on Stocks and Bonds Owned:	
Natural Gas Companies	\$133,450 00
Oil Companies	100,050 00
Electric Light Companies	1,456,173 48
Street Railway Companies	709,828 45
Miscellaneous	6,490 11
Total	\$2,405,992 04
Rental of Real Estate and Buildings	692 83
Interest and Discount	423,247 85
Miscellaneous	944 48
Total Other Income	2,830,882 00
Total Income	\$7,947,038 05
Deductions from Income:	
Rent of Leased Properties	\$23,085 77
Guaranteed Dividend on Consolidated Gas Company Preferred Stock	74,076 00
Interest and Discount	217,782 84
Miscellaneous	17,667 07
Total Deductions from Income	332,611 68
Net Income Before Deducting Fixed Charges	\$7,614,426 37
Fixed Charges:	
Interest on Bonds	\$1,146,437 22
Interest on Convertible Gold Debentures	587,561 40
Interest on Serial Gold Notes	62,500 00
Total Fixed Charges	1,796,498 62
Net Income After Deducting Fixed Charges	\$5,817,927 75
Other Deductions:	
New Producing Gas Wells—Other than Material	\$951,375 93
New Field Lines—Other than Material	263,804 50
Total	\$1,215,180 43
Depreciation of Property	153,497 44
Discount, Taxes and Expenses in Connection with the Sale of Securities	57,500 00
Total Other Deductions	1,426,177 87
Net Income for the Year	\$4,391,749 88

Consolidated Summary of Profit and Loss for the Year ended March 31 1917.

Balance, April 1 1916	\$7,110,750 21
Net Income for the Year	4,391,749 88
Premium on Stocks Exchanged	35,457 00
Gross Surplus	\$11,537,957 09
Deductions:	
Dividends on Preferred Stocks	\$476,643 75
Dividends on Common Stock—7% declared and paid	3,005,771 81
Total Deductions	3,482,415 56
Balance March 31 1917—Per Balance Sheet	\$8,055,541 53

PHILADELPHIA COMPANY.
EQUITABLE GAS COMPANY.
MONONGAHELA NATURAL GAS COMPANY.
PITTSBURGH & WEST VIRGINIA GAS COMPANY.
THE PHILADELPHIA COMPANY OF WEST VIRGINIA.
Consolidated General Balance Sheet, March 31st 1917.
(With all Inter-Company Items Eliminated)

ASSETS.

Property and Plant:	
Charters and Franchises	\$71 75
Gas Rights and Leases	1,344,654 03
Gas and Oil Wells	3,781,140 81
Rights of Way	159,043 88
Compressing and Measuring Stations	1,215,282 68
Pipe Lines—Transportation and Distribution	20,811,975 19
Services Connections	1,347,297 44
Meters and Regulators	2,484,449 94
Tools	50,236 29
Horses and Vehicles	7,485 02
Telephone Lines	118,130 60
Real Estate	293,854 28
Buildings	175,248 79
Office Furniture and Fixtures	15,067 20
Total Property and Plant	\$37,803,937 90
Stocks and Bonds of Philadelphia Company in Treasury	88,054 36
Stocks and Bonds of Other Companies Owned:	
Natural Gas Companies	\$1,804,200 00
Oil Companies	1,261,500 00
Artificial Gas Companies	101,679 02
Electric Light and Power Companies	21,722,900 00
Street Railway Companies—Stocks	17,399,476 00
Street Railway Companies—Bonds	12,866,320 00
Miscellaneous Companies	10,000 00
Total	55,166,075 02
Affiliated Companies:	
Notes Receivable Deposited with Trustees	\$2,400,000 00
Duquesne Light Company Contract for Purchase of Brunot Island Property	3,500,000 00
Temporary Loans	496,501 00
Accounts Receivable	810,359 56
Total Affiliated Companies	7,206,860 56

Brought forward	\$100,264,927 84
Current and Working Assets:	
Cash at Bank and on Hand	\$1,026,248 01
Special Deposits	17,797 04
Mortgages Receivable	2,075 00
Accounts Receivable	681,432 39
Notes Receivable	1,500 00
Materials and Supplies	664,145 49
Unexpired Insurance	9,675 82
Prepaid Interest and Taxes	7,793 05
Total Current and Working Assets	2,410,666 80
Deferred Accounts:	
Unamortized Debt Discount and Expense	\$661,699 00
Well Drilling in Progress	190,844 66
Total Deferred Accounts	852,543 66
Excess of Book Value over Par Value of Common Capital Stocks Eliminated Herein	4,054,539 00
Total	\$107,582,677 20

LIABILITIES.

Capital Stock:	
Common, 858,860 shares	\$42,943,000 00
Preferred 6% Cumulative, 135,271 shares	6,765,550 00
Preferred 5% Non-cumulative, 28,849 shares	1,442,450 00
Total Capital Stock	\$51,149,000 00
Funded Debt:	
Philadelphia Company:	
First Mortgage and Collateral Trust 5% 50-year Gold Bonds, dated March 1st 1899	\$6,500,000 00
Consolidated Mortgage and Collateral Trust 5% 50-year Gold Bonds, dated November 1st 1901	15,148,000 00
Ten-Year Convertible 5% Gold Debentures, dated August 2d 1909	1,957,000 00
Ten-Year Convertible 5% Gold Debentures, dated May 1st 1912	9,794,000 00
Serial Collateral 6% Gold Notes, dated August 1st 1913	750,000 00
Pittsburgh & West Virginia Gas Co.: Collateral Trust 6% Serial Gold Bonds, dated October 1st 1913	1,050,000 00
Total Funded Debt	35,199,000 00
Affiliated Companies:	
Subscription to Capital Stock of Duquesne Light Company	\$3,500,000 00
Accounts Payable	11,131 59
Temporary Loan	100,000 00
Accrued Rent, Not Due	365 25
Total Affiliated Companies	3,611,496 84
Current Liabilities:	
Notes Payable	\$3,700,000 00
Accounts Payable	611,328 91
Consumers' Advances	364,097 41
Unpaid Dividend Scrip, Called February 2d 1916	2,247 04
Total Current Liabilities	4,677,673 36
Accrued Liabilities, Not Due:	
Taxes	\$250,588 69
Rentals	5,000 00
Interest on Bonds	340,875 00
Interest on Gold Debentures and Notes	227,850 00
Interest on Current Liabilities	49,235 61
Consolidated Gas Company Guarantee	13,286 00
Reserved for Dividends on Preferred Stocks	175,098 95
Interest on Employees' Stock Subscription	6,045 00
Total Accrued Liabilities	1,067,970 25
Contingent Reserve	564,642 75
Invested Surplus (The Philadelphia Company of West Virginia)	3,257,343 47
Profit and Loss—Surplus	8,055,541 53
Total	\$107,582,677 20

Note.—The Philadelphia Company has a contingent liability for the following Bonds guaranteed both as to principal and interest: The Union Gas Co. of McKeesport, First Mtge. 30-year 5% Gold Bonds, dated October 2d 1899. \$230,000 00 Mt. Washington Street Railway Co. First Mtge. 30-year 5% Gold Bonds, dated April 1st 1903. 1,500,000 00 Seventeenth Street Incline Plane Co. First Mtge. 30-year 5% Bonds, dated March 1st 1905. 125,000 00 Allegheny Bellevue & Perryville Railway Co. First Mtge. 30-year 5% Gold Bonds, dated April 1st 1905. 500,000 00 The Morningside Electric Street Railway Co. First Mtge. 30-year 5% Gold Bonds, dated October 2d 1905. 200,000 00 Ben Avon & Emsworth Street Railway Co. First Mtge. 30-year 5% Gold Bonds, dated April 1st 1906. 300,000 00 Pittsburgh & Beaver Street Railway Co. First Mtge. 50-year 5% Gold Bonds, dated July 1st 1908. 750,000 00 Pittsburgh & West Virginia Gas Co. Collateral Trust 6% Serial Gold Bonds, dated October 1st 1913. 1,050,000 00 Equitable Coke Co. Three-Year 5% Gold Notes, dated January 1st 1917. 1,500,000 00 The Philadelphia Company has a contingent liability, as endorser, on short term notes issued from time to time by its Affiliated Companies.

PHILADELPHIA COMPANY.

SCHEDULE OF CAPITAL STOCK SHARES OF OTHER CORPORATIONS OWNED AT MARCH 31ST 1917

Natural Gas Companies—	Shares	Common	Preferred	Stock out of a total issue of	Shares
Pittsburgh & West Virginia Gas Company	37,500	37,500			37,500
Pittsburgh & West Virginia Gas Company	22,500	22,500			22,500
The Chartiers Valley Gas Company	29,850	29,850			29,850
The Philadelphia Company of West Virginia	20,000	20,000			20,000
Pennsylvania Natural Gas Company	19,997	19,997			19,997
The Union Gas Company of McKeesport	16,000	16,000			16,000
Equitable Gas Company	13,927	13,927			13,927
The Allegheny Heating Company	5,975	5,975	Preferred		5,975
Mansfield & Chartiers Gas Company	2,664	2,664	Common		4,754
	500				500
Oil Companies—					
Philadelphia Oil Company	40,020	40,020			40,020
The Cosmos Oil Company	2,610	2,610			2,610
Artificial Gas Companies—					
The Consolidated Gas Company of the City of Pittsburgh	80,000	80,000			80,000
The Consolidated Gas Company of the City of Pittsburgh	2,962	2,962	Preferred		40,000
South Side Gas Company	15,386	15,386	Common		20,000
The Braddock Gas & Light Company	5,000	5,000			5,000
Electric Light and Power Companies—					
Duquesne Light Company	217,209	217,209			217,209
Pittsburgh Electric Power Company	200	200			200
Street Railway Companies—					
*Consolidated Traction Company	286,880	286,880			286,880
*Consolidated Traction Company	233,117	233,117	Preferred		240,000
Pittsburgh Railways Company	50,000	50,000	Common		50,000
Pittsburgh Railways Company	50,000	50,000			50,000
The Beaver Valley Traction Company	21,500	21,500			21,500
*Seventeenth Street Incline Plane Company	5,000	5,000			5,000
Pittsburgh & Beaver Street Railway Company	4,700	4,700			4,700
*The Morningside Electric Street Railway Company	480	480			480
*Brereton Avenue Street Railway Company	240	240			240
Frankstown Avenue Extension Street Railway Company	240	240			240
*Bates Street Railway Company	180	180			180
*Pittsburgh Southern Street Railway Company	162	162			162
Grant & Liberty Street Railway Company	150	150			150
*Carrick & Baldwin Street Railway Company	120	120			120
Miscellaneous—					
Equitable Coke Company	50	50			50
Equitable Equipment Company	50	50			50

BONDS OF OTHER CORPORATIONS OWNED AT MARCH 31ST 1917.

	Issued and Outstanding.	Amount Owned by Philadelphia Company.
Pittsburgh Railways Company, Income Debentures	\$10,000,000 00	\$10,000,000 00
Pittsburgh Railways Company, General Mortgage Bonds	2,205,000 00	2,050,000 00
Pittsburgh & Beaver Street Railway Company First Mortgage Bonds	750,000 00	750,000 00
Ardmore Street Railway Company First Mortgage Bonds	1,032,000 00	26,000 00
The Beaver Valley Traction Company General Mortgage Bonds	957,000 00	56,000 00
Southern Traction Company First Mortgage and Collateral Trust Bonds	4,000,000 00	24,000 00
Pittsburgh Incline Plane Company Second Mortgage Bonds	100,000 00	100,000 00
The Southern Heat, Light & Power Company First Mortgage Bonds	300,000 00	1,000 00
The Union Gas Company of McKeesport First Mortgage Bonds	230,000 00	3,000 00
Total	\$19,574,000 00	\$13,010,000 00

* Operated by Pittsburgh Railways Company.

PHILADELPHIA COMPANY.
DIVIDEND RECORD.

Year Ended March 31	Declared on Common Stock.	Paid on 5% Preferred Stock.	Paid on 6% Cumulative Preferred Stock.
1886	5%	---	---
1887	12	---	---
1888	12	---	---
1889	12	---	---
1890	7	---	---
1891	6	---	---
1892	1	---	---
1893	4 1/4	---	---
1894	6	---	---
1895	4	---	---
1896	1	---	---
1898	2	---	---
1899	4 1/4	---	---
1900	4 1/4	5%	---
1901	6	5	---
1902	7 1/4	5	---
1903	6	5	---
1904	6	5	---
1905	6	5	---
1906	6	5	---
1907	6	5	---
1908	6	5	---
1909	6	5	---
1910	6	5	---
1911	7	5	---
1912	7	5	---
1913	7	5	6%
1914	7	5	6
1915	5 1/4	5	6
1916	9	5	6
1917	7	5	6

PHILADELPHIA OIL COMPANY.

SUMMARY OF INCOME AND PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31 1917.

Gross Earnings:		
Oil	\$340,982 31	
Gasoline	27,005 68	
Miscellaneous	539 60	
Total Gross Earnings	\$368,527 59	
Operating Expenses:		
Prospecting and Lease	\$10,037 39	
Production	81,441 12	
General and Miscellaneous	3,660 70	
Total Operating Expenses	\$104,139 21	
Taxes	12,045 52	
Total Operating Expenses and Taxes	116,184 73	
Net Earnings	\$252,342 86	
Other Income—Interest and Discount	2,294 88	
Total Income	\$254,637 74	
Deductions from Income:		
Interest and Discount	\$424 16	
New Producing Oil Wells	66,978 40	
Depreciation of Property	4,045 93	
Total Deductions from Income	71,448 49	
Net Income for the Year	\$183,189 25	
Surplus, April 1 1916	70,334 11	
Gross Surplus	\$253,523 36	
Deduction from Surplus—Dividend on Common Stock, 5%	100,050 00	
Surplus March 31 1917—Per Balance Sheet	\$153,473 36	

PHILADELPHIA OIL COMPANY.

GENERAL BALANCE SHEET, MARCH 31 1917.

ASSETS.	
Property and Plant:	
Organization	\$1,744 57
Oil Rights	1,415,095 94
Oil Wells	671,407 67
Gasoline Rights	6,979 26
Gasoline Recovery Stations	8,585 75
Buildings	422 16
Total Property and Plant	\$2,104,233 35
Affiliated Company—Account Receivable	32 18
Current and Working Assets:	
Cash at Bank and on Hand	\$43,667 49
Accounts Receivable	9,014 66
Unexpired Insurance	183 84
Prepaid Taxes	281 37
Unsold Oil and Gasoline	15,937 65
Total Current and Working Assets	69,085 01
Deferred Account—Well Drilling in Progress	7,349 50
Total	\$2,180,700 04
LIABILITIES.	
Capital Stock—40,020 Shares	\$2,001,000 00
Affiliated Companies—Accounts Payable	10,813 83
Current Liability—Accounts Payable	7,557 86
Accrued Liability, Not Due—Taxes	7,854 99
Profit and Loss—Surplus	153,473 36
Total	\$2,180,700 04

DUQUESNE LIGHT COMPANY.

Office of the Duquesne Light Company,
Pittsburgh, Pa., April 2 1917.

The President herewith submits his annual report for the year ended March 31 1917.

During the year the generating capacity of the plants of the Duquesne Light Company has been taxed to the utmost.

A large number of contracts have been obtained, due to the very much improved business conditions in the Pittsburgh district, which caused a sudden and greatly increased demand for current from the manufacturers.

There has been an increase in the connected power load at the end of this year over the preceding year of 32,621 horsepower.

The connected lighting load at the close of the year shows an increase over last year of 8,665 kilowatts.

Municipal lighting shows an increase of 1,041 tungsten lamps and 207 arc lamps. There seems to be a tendency on the part of municipalities to supplant the arcs with tungstens.

The average monthly output of the combined power stations for the last quarter of the year was 47,265,605 kilowatt hours, and for the corresponding period of last year 33,008,775 kilowatt hours, or an increase of approximately 43.2%.

During the year there was installed in Brunot Island power station one turbine unit of 18,000 K. V. A. capacity. The 40,000 K. W. cross-compound turbine unit which was expected to be in service December 1916, has been delayed in construction, but is now being delivered and will be ready for service shortly, thereby increasing our present capacity about 40%, and will enable us to take care of 23,766 kilowatts of power and lighting load now contracted for. The electrical switchboard equipment at Brunot Island has been enlarged and improved to meet new conditions of the large machines and is about complete.

During the year the Company has had to contend with extraordinarily high prices for coal. This item alone increased \$748,605, which represents practically 100% increase over last year, while the sale of current increased about 30% and the kilowatt output for the year increased 32% over last year. The added cost of coal is partially due to the failure of the coal contractors to live up to their contracts owing to the miners' strike of two months in the early part of the season and the shortage of cars thereafter, which necessitated the company buying part of its requirements of fuel in the open market.

In the last three months of the year the production cost per kilowatt hour on the system as a whole has increased 1.56 mills, caused chiefly by the extremely high price of coal.

During the latter part of the year a new schedule was filed with the Public Service Commission which provides for an increase in the price of current to power consumers on the basis of an advance or a decline in the price of coal, and the company is now operating under the revised schedule.

At Brunot Island the new coal-storage plant, which was designed for storing and submerging in water 100,000 tons of coal, is nearing completion and will be put in service during the coming summer. The new intake well and channel, which will be fitted with revolving water screens, is under construction and should be in operation toward the latter part of this year.

At Rankin power station a water-softening plant is contemplated which, owing to the very high cost of boiler tubes, chemicals and fuel, will show a great saving in operation.

During the year 89 privately-owned community plants were taken over and closed down, aggregating 12,868 horsepower, as compared with 57 plants, aggregating 6,099 horsepower during the previous year.

The high-tension steel-tower transmission line from Brunot Island to the Beaver Valley district was put in service September 9 1916, at 11,000 volts, and at 66,000 volts on January 8 1917, and the Brunot Island station is now furnishing approximately 75% of the load of the Beaver Valley district.

Of approximately 100 miles of high-tension overhead and underground lines and cables installed during the year there is included three 22,000 volt, and six 11,000 volt submarine cables in the Ohio River from Brunot Island to the north shore of the main channel, and two 11,000 volt submarine cables from the Island to the mainland on the southwest.

The capital expenditures on the property during the year have amounted to \$3,645,772 74, which represents expenditures on the power stations and transmission lines and is evidenced by the increased power capacity as shown in the statistical data attached to this report. Included in this expenditure is the installation of the 18,000 K. V. A. unit and the partial installation of the 40,000 K. W. unit now in course of erection.

Some of the larger items represented by this expenditure are as follows:

Land devoted to electrical operations	\$123,495
Building, power stations	164,014
Steam plant	483,970
Electrical generating plant	176,763
Sub-station equipment	319,726
Overhead construction	1,011,700
Underground construction	339,325
Individual plants, distribution lines and individual sub-stations	336,477
Sundry items	275,802
Total	\$3,231,272

In addition to the above the Company purchased securities consisting of stocks and bonds of affiliated electric light companies at a cost of \$414,500, making a combined expenditure for improvements and the purchase of these securities of \$3,645,772 74.

The total capital expenditure of \$3,645,772 74 was provided in part by the application thereto of the balance available from the issue of \$2,500,000 notes mentioned in my last report, by the borrowing temporarily of \$1,200,000, by the sale of \$150,000 common capital stock at par; the rest was obtained from the working assets of the Company. The Company is now arranging to obtain \$3,000,000 from the Philadelphia Company with which it proposes to repay said \$1,200,000 of temporary loans and to provide for the addition to its property and plant necessary to meet the constantly increasing demands which the activity of the Pittsburgh district is placing upon it.

The \$621,000 of Three-Year Five Per Cent Convertible Gold Notes of February 1 1915, outstanding on March 31 1916, were retired during the year, \$562,000 being exchanged for Preferred Stock of the Company, and \$59,000 called for payment on February 1 1917, under the terms of the note agreement.

The Company's physical properties are in splendid operating condition. There was expended on account of maintenance and repairs during the past year the sum of \$471,711, all of which was charged out of income. This expenditure is in addition to the provision which is made for depreciation as is shown in the Income Account.

The foregoing remarks about the operation of the Duquesne Light Company are arranged to enable the stockholders to compare the report of this year with my report of last. The attached Income Account and Balance Sheet are for the purpose of simplicity, made up to cover the operation of Duquesne Light Company and the various companies which comprise the electric light department.

By Authority of the Board of Directors,
JAMES D. CALLERY,
President.

**DUQUESNE LIGHT COMPANY
 BEAVER COUNTY LIGHT COMPANY
 DIAMOND LIGHT & POWER COMPANY
 PENNSYLVANIA LIGHT & POWER COMPANY
 MIDLAND ELECTRIC LIGHT & POWER COMPANY**
*Consolidated General Balance Sheet March 31 1917.
 (With all Inter-Company Items Eliminated.)*

ASSETS.

Property and Franchises	\$18,148,111 81
Bonds of Beaver County Light Company in Treasury	53,500 00
Stocks and Bonds of Other Companies (Including those due from Philadelphia Company)	10,031,468 99
Affiliated Companies:	
Notes Receivable (including those due from Philadelphia Company)	\$1,494,445 00
Accounts Receivable	177,794 53
Temporary Loan	1,000 00
Capital Stock Subscription of Philadelphia Company	3,500,000 00
Total Affiliated Companies	5,173,239 53
Current and Working Assets:	
Cash at Bank and on Hand	\$716,637 97
Special Deposit	1,050 00
Accounts Receivable	495,325 84
Materials and Supplies	1,063,013 35
Unexpired Insurance	8,387 11
Prepaid Accounts	29,982 93
Total Current and Working Assets	2,314,497 20
Deferred Account—Unadjusted Debit	1,723 78
Excess of Book Value over Par Value of Common Capital Stock Eliminated Herein	616,648 57
Total	\$36,339,189 88

LIABILITIES.

Capital Stock:	
Duquesne Light Company:	
Common—217,309 Shares	\$21,720,900 00
Preferred 7% Cumulative—59,410 Shares	5,941,000 00
Pennsylvania Light & Power Company:	
Common—6 Shares	300 00
Total Capital Stock	\$27,662,200 00
Funded Debt:	
Beaver County Light Company:	
First and Refunding Mortgage, 5%, 30-Year Gold Bonds, dated May 2 1910	\$543,000 00
Valley Electric Company:	
First Mortgage, 6%, 30-Year Gold Bonds, dated January 1 1898	230,000 00
Total Funded Debt	773,000 00
Affiliated Companies:	
Accounts Payable	\$129,598 92
Contract for Purchase of Brunot Island Property	3,500,000 00
Interest on Brunot Island Purchase	52,500 00
Total Affiliated Companies	3,682,098 92
Current Liabilities:	
Notes Payable	\$1,200,000 00
Accounts Payable	584,737 22
Consumers' Advances	50,947 58
Total Current Liabilities	1,835,684 80
Accrued Liabilities, Not Due:	
Taxes	\$283,447 27
Rentals	50,541 67
Interest on Funded Debt	13,743 75
Interest on Employees' Stock Subscriptions	26,953 50
Reserved for Dividend on Preferred Stock	69,311 66
Total Accrued Liabilities	443,997 85
Depreciation Reserve	611,961 98
Profit and Loss—Surplus	1,330,246 33
Total	\$36,339,189 88

**DUQUESNE LIGHT COMPANY
 BEAVER COUNTY LIGHT COMPANY
 DIAMOND LIGHT & POWER COMPANY
 PENNSYLVANIA LIGHT & POWER COMPANY
 MIDLAND ELECTRIC LIGHT & POWER COMPANY**

*Summary of Consolidated Income and Profit and Loss
 for Year Ended March 31 1917.
 (With Transactions between Companies Eliminated.)*

Gross Earnings	\$7,310,704 15
Operating Expenses:	
Production	\$2,465,786 43
Transmission and Distribution	656,259 65
Customers'	54,763 97
Municipal Street Lighting	115,042 25
Laboratory	27,367 81
Commercial	223,394 82
General and Miscellaneous	514,505 28
Steam Heating	4,575 68
Total Operating Expenses	\$4,061,695 89
Taxes	258,746 92
Total Operating Expenses and Taxes	4,320,442 81
Net Earnings	\$2,990,261 34
Other Income:	
Dividends and Interest on Stocks and Bonds Owed	\$20,610 00
Interest and Discount	91,109 16
Miscellaneous	526 46
Total Other Income	112,245 62
Total Income	\$3,102,506 96
Deductions from Income:	
Rent of Leased Properties	\$172,950 00
Rent of Power Stations	294,836 42
Interest and Discount	32,809 41
Miscellaneous	18,005 55
Total Deductions from Income	518,601 38
Net Income Before Deducting Fixed Charge	\$2,583,905 58
Fixed Charge—Interest on Funded Debt	54,606 99
Net Income After Deducting Fixed Charge	\$2,529,298 59
Other Deductions:	
Discount, Taxes and Expenses in connection with the Sale of Securities	\$28,058 00
Improvements and Betterments written off	6,768 40
Provision for Depreciation	323,792 13
Miscellaneous	2,352 50
Total Other Deductions	360,971 03
Net Income for the Year	\$2,168,327 56
Surplus, April 1 1916	1,022,887 61
Gross Surplus	\$3,191,215 17
Deductions from Surplus:	
Dividends on Preferred Stock	\$397,465 67
Dividends on Common Stock	1,456,171 96
Book Value of Securities and Loan written off	7,331 21
Total Deductions from Surplus	1,860,968 84
Surplus, March 31 1917—Per Balance Sheet	\$1,330,246 33

DUQUESNE LIGHT COMPANY.

STATEMENT OF FUNDED DEBT OF LEASED AND SUBSIDIARY COMPANIES, MARCH 31ST 1917.

	Issued and Outstanding.	Amount Owed by Duquesne Light Company.	Amount in the Hands of Public.
Monongahela Light & Power Company	\$1,700,000 00		\$1,700,000 00
The Allegheny County Light Company	500,000 00	\$500,000 00	
East End Electric Light Company	500,000 00	500,000 00	
The Southern Heat, Light & Power Company	300,000 00		53,000 00
The Pennsylvania Light, Heat & Power Company	150,000 00	150,000 00	
Beaver County Light Company	543,000 00	*34,500 00	508,500 00
Valley Electric Company	300,000 00	*89,000 00	211,000 00
Total	\$3,993,000 00	\$1,520,500 00	\$2,472,500 00

SCHEDULE OF CAPITAL STOCK SHARES OF OTHER CORPORATIONS OWNED AT MARCH 31ST 1917.

	Shares	Common Stock out of a total issue of	Share
Pennsylvania Light & Power Company	16,994		17,000
The Allegheny County Light Company	15,000		15,000
Beaver County Light Company	7,000		7,000
Southern Heat, Light & Power Company	6,000		6,000
Allegheny County Steam Heating Company	4,500		4,500
Diamond Light & Power Company	1,881		1,881
Midland Electric Light & Power Company	650		650
Brunot Island Bridge Company	50		50
121 Miscellaneous Electric Light and Power Companies	8,400		8,400
Virginia & Ohio Securities Corporation	3,000	Preferred	3,000

* Owned by Beaver County Light Company.

DUQUESNE LIGHT COMPANY, YEAR ENDED MARCH 31ST 1917.
COMMERCIAL DEPARTMENT.

At the close of the year the Company had in force.....	63,077 contracts
An increase during the year of.....	8,444 contracts
Representing an increased power load of.....	32,621 horse power
And an increased lighting load of.....	8,665 kilowatts
Contracts were made for.....	153 new signs
Using the equivalent of.....	54,878 4-c. p. lamps

DEPARTMENT OF DISTRIBUTION.

During the year 217 high tension transformers having a total capacity of 113,025 K. V. A. were installed in new substations for large power and lighting installations and to increase the capacity of existing sub-stations. Fifty-eight similar transformers of 14,180 K. V. A. total capacity were removed, leaving a net increase of 98,845 K. V. A., which was required to take care of the growth in business.

Forty-three switchboard panels carrying 68 oil switches were installed at new sub-stations and to replace equipment in present stations which had become inadequate to handle the greatly increased loads.

There was added during the year 7,015 feet of subway, consisting of 68,960 duct feet of conduit in various parts of the system.

During the year there were constructed:

High tension aerial lines, 66,000 volts.....	30 miles
High tension aerial lines, 11,000 volts.....	33 miles
3 and 4 wire 2,200 volt power lines.....	17.5 miles
2,200 volt lighting lines.....	28 miles
Arc lines.....	28.9 miles
Low tension distributing lines.....	1 mile
High tension underground cable, 22,000 volts.....	16.6 miles
High tension underground cable, 11,000 volts.....	19.1 miles
High tension aerial cable.....	2.25 miles
2,200 volt single-phase cable.....	5.7 miles
2,200 volt polyphase power cable.....	.4 mile
Arc cable.....	1 mile
Low tension distributing cable.....	2.8 miles

The number of additional new poles set during the year was 2,684.

DUQUESNE LIGHT COMPANY ELECTRIC LIGHTING AND POWER STATISTICS.

Year ended March 31st—	1917.	1916.	1915.	1914.
Power station generating capacity, k.w.....	124,280	107,500	84,900	64,300
Number of miles distribution lines.....	3,749.7	3,497	3,347	3,284
Number of miles of transmission lines.....	351.3	250	231	216
Number of miles underground conduit.....	65.63	64.3	62.3	55.8
Number of incandescent lamps supplied (50 watt).....	63,077	54,633	48,486	43,097
Total capacity of motor supplied, h. p.....	1,527,560	1,338,348	1,187,206	1,095,546
Number of arc lamps supplied.....	146,735	103,241	70,224	57,466
Number of arc lamps supplied.....	5,885	6,092	5,838	5,660

ALLEGHENY COUNTY STEAM HEATING COMPANY—SUMMARY OF INCOME AND PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31ST 1917.

Gross earnings.....	\$64,360 84
Operating Expenses:	
Steam Purchased.....	\$25,089 06
Production.....	35,078 88
Distribution.....	517 30
Commercial.....	475 09
General and Miscellaneous.....	427 95
Total Operating Expenses.....	\$61,587 78
Taxes.....	1,293 05
Total Operating Expenses and Taxes.....	62,880 83
Net Earnings.....	\$1,480 01
Other Income:	
Rental of Real Estate and Buildings.....	\$8,250 00
Interest and Discount.....	16 72
Total Other Income.....	8,266 72
Total Income.....	\$9,746 73
Deductions from Income:	
Rent of Power Station Property.....	\$15,000 00
Interest and Discount.....	527 51
Total Deductions from Income.....	15,527 51
Net Income—Deficit.....	\$5,780 78
Other Deductions—Taxes in Connection with the Sale of Common Capital Stock.....	733 34
Deficit for the Year.....	\$6,514 12
Surplus, April 1st 1916.....	1,996 63
Deficit, March 31st 1917—Per Balance Sheet.....	\$4,517 49

ALLEGHENY COUNTY STEAM HEATING COMPANY—GENERAL BALANCE SHEET, MARCH 31ST 1917.

ASSETS.	
Property and Franchises.....	\$199,463 79
Affiliated Companies—Accounts Receivable.....	347 70
Current and Working Assets:	
Cash at Bank and on Hand.....	\$25,200 91
Accounts Receivable.....	14,044 41
Unexpired Insurance.....	210 01
Total Current and Working Assets.....	39,546 23
Profit and Loss—Deficit.....	4,517 49
Total.....	\$243,875 21
LIABILITIES.	
Capital Stock—4,500 Shares.....	\$225,000 00
Affiliated Companies—Accounts Payable.....	10,747 30
Current Liability—Accounts Payable.....	651 98
Accrued Liability, Not Due—Taxes.....	1,475 93
Total.....	\$243,875 21

PITTSBURGH RAILWAYS COMPANY.

Office of the Pittsburgh Railways Company,
Pittsburgh, Pa., April 2 1917.

The President herewith submits his annual report for the year ending March 31 1917.

There has been a gradual improvement in business conditions throughout the Pittsburgh District during the past year, resulting in an increased traffic on all transportation lines. The gross earnings of your Company for the year ending March 31 1917 show an increase of \$1,081,595, or 8.8 per cent over the preceding year.

Owing to the unprecedented demands of manufacturers in this territory for all classes of labor, the Company was obliged to increase the compensation paid to employees in all departments, which, with the increased cost of power and the higher prices for materials and supplies, has resulted in an increase of \$1,201,934, or 16.4 per cent, in operating expenses over the preceding year.

In an adjustment of the strike on May 2 1916, the Chairman stated to the Committee of the Merchants' Association and the publishers and the Mayor of the city that the scale of wages demanded by the men would incur an additional expense to the Pittsburgh Railways Company of at least \$400,000. The actual increase for the year amounted to \$409,729 55. This Committee acquiesced in a statement to the Company that an increase in fares was warranted to meet this advance in wages. Promptly thereafter the Company filed a tariff increasing its night car fare, upon which the city authorities protested to the Public Service Commission. The Commission rendered an adverse decision, which has been appealed to the Supreme Court and is still pending.

There has been expended during the year \$1,505,537 39 for improvements, betterments and extensions on the properties operated by the Company, of which \$1,233,373 32 has been charged to Capital Account of this and subsidiary companies, and \$272,164 07 has been charged against the Income Account for the year, on account of extraordinary expenditures for improvements, replacements and realignments; there has also been charged to the Income Account \$91,277 69 as amortization of the deferred account for the same class of work.

There has been expended in the Maintenance of Way Department during the year \$1,108,667 31 for ordinary maintenance work.

The contracts made for new car equipment during the preceding year have resulted most advantageously to the Company, due to prices for such equipment having since advanced from thirty-five to sixty per cent, and in that two hundred new cars have been received and placed in service as rapidly as possible; resulting in a material improvement in service during rush hour periods of travel, in providing service for the gradual growth and increase in traffic, in replacing single truck cars on certain lines of heavy traffic, and in releasing such cars for service on lines of light traffic. These improved facilities have done much to gain for the Company the good-will of the public, and will effect further economies in operation and maintenance.

During the year progress was made in securing the consent of the city government for the installation of several track and loop connections that have long been necessary for an improvement in service. These connections are now under construction and will result in facilitating the operation, switching and dispatching of extra and regular cars during rush hour periods, and in maintaining schedules at times of unusual emergencies. The Operating Department has recommended a number of other connections and loops to improve the service.

Property has been secured for terminal facilities for the East Liberty Express Route, heretofore operated from a Car House several thousand feet distant from its route and which resulted in difficulty and confusion in furnishing relief cars, crews or the use of trailers. Property has been secured to enable the use of low-floor double truck steel cars on the Carrick line, permitting a much needed improvement in its service. Track facilities at Keating and Millvale permit the use of double truck cars and trailers on the East Street, West View and Bellevue lines, and to Millvale. Larger transfer tables at the Rankin and McKeesport car houses permit the operation of double truck cars on routes from such termini. New Car Houses have been completed at Ingram and Millvale. Additional shop facilities at Homewood now permit all shop work to be concentrated at Homewood and performed under more competent supervision, with improved machinery and in a more systematic and efficient manner than when scattered through the former three or four shops.

The power supply has been improved by the installation of additional apparatus at several sub-stations. The Taggart Street Sub-Station recently placed in commission and being centrally located to its load, has greatly improved the power throughout all the North Side District. The cost of power has been considerably greater than in former years, due to increases in the prices of fuel.

An increased use of machinery by the Maintenance of Way Department of the Company facilitates that class of work, lessens its expense, enables the Department to better maintain the standard of the track system and makes up in some measure for an increasing shortage of labor.

During the year the Company established a Welfare Bureau for the purpose of rendering prompt attention to injured employees and attending to the provisions for their compensation.

The work has also included a "Safety First" campaign. Lectures and instructions have been given to the employees in the various departments relative to proper action to be taken in case of injury. This has increased the efficiency of the employees and has resulted in a decrease in the number of accidents in all departments and in loss of time due to the same. The Bureau also looks after the welfare of employees who are entirely incapacitated due to injuries or infirmities.

The question of securing employees during the coming year is the most serious one confronting the Company. The demands for all classes of employees in this district is greater than ever known heretofore. Many men are enlisting and leaving for camps. Employers are bidding against each other for labor.

The Street Railway transportation industry in almost all of the large cities of the United States has been facing for many years a gradual increase in labor and material cost without any compensating increase in the fare charged to the

public, with the result that there has been no safe margin above operating expenses and interest on the cost of properties. The situation is now becoming acute on account of the recent phenomenal advance in wages and material, especially coal; and owing to the above conditions prevailing also in many cities of the United States, there is now a general movement on foot to obtain an increase in fares. It will be the policy of this Company to make every effort to secure remuneration for the additional cost of service it renders; and unless there is an increase in fares the Company will not be able to maintain its present high standard of service.

By authority of the Board of Directors
S. L. TONE, President.

PITTSBURGH RAILWAYS COMPANY.
THE BEAVER VALLEY TRACTION COMPANY.
PITTSBURGH & BEAVER STREET RAILWAY COMPANY.
CLAIRTON STREET RAILWAY COMPANY.

Summary of Consolidated Income and Profit and Loss for Year Ended March 31 1917.

(With Transactions between Companies Eliminated.)

Gross Earnings from Street Railway Operations	\$13,648,579 60
<i>Operating Expenses</i>	
Maintenance of Way and Structures	\$1,141,118 99
Maintenance of Equipment	826,687 42
Traffic	31,655 68
Power	1,552,410 32
Transportation	3,681,353 57
General and Miscellaneous	1,524,522 73
Total Operating Expenses	\$8,757,748 71
Taxes	524,484 48
Total Operating Expenses and Taxes	9,282,233 19
Net Earnings from Street Railway Operations	\$4,366,346 41
<i>Auxiliary Operations</i>	
Gross Earnings	\$173,703 09
Operating Expenses and Taxes	99,435 45
Net Earnings	74,267 64
Total Net Earnings	\$4,440,614 05
<i>Other Income</i>	
Rental of Real Estate and Buildings	\$97,942 84
Interest and Discount	53,948 06
Miscellaneous	20,435 50
Total Other Income	172,326 40
Total Income	\$4,612,940 45
<i>Deductions from Income</i>	
Rent of Leased Properties	\$2,954,291 67
Interest and Discount	166,659 67
Total Deductions from Income	3,120,951 34
Net Income before Deducting Fixed Charge	\$1,491,989 11
Fixed Charge—Interest on Funded Debt	1,129,542 50
Net Income after Deducting Fixed Charge	\$362,446 61
<i>Other Deductions</i>	
Discount, Taxes and Expenses in Connection with the Sale of Securities	\$2,230 73
Extraordinary Expenditures for Improvements, Replacements and Realignments during the Year	275,440 90
Deferred Account Portion written off	91,277 69
Total Other Deductions	368,949 32
Deficit for the Year	\$6,502 71
Surplus, April 1 1916	508,063 99
Surplus, March 31 1917—Per Balance Sheet	\$501,561 28

PITTSBURGH RAILWAYS COMPANY.
THE BEAVER VALLEY TRACTION COMPANY.
PITTSBURGH & BEAVER STREET RAILWAY COMPANY.
CLAIRTON STREET RAILWAY COMPANY.

Consolidated General Balance Sheet March 31 1917.
(With all Inter-Company Items Eliminated.)

<i>ASSETS.</i>	
Property and Franchises	\$18,648,900 16
<i>Treasury Bonds:</i>	
Pittsburgh Railways Co. Gen. Mtg. Bonds	\$3,795,000 00
The Beaver Valley Traction Co. Gen. Mtg. Bonds	100,000 00
Total Treasury Bonds	3,895,000 00

Stocks and Bonds of Other Companies Owned	\$9,831,579 36
<i>Affiliated Companies—</i>	
Notes Receivable	\$1,259,330 23
Accounts Receivable	28,569 09
Temporary Loans	120,000 00
Advances for Construction	564,485 67
Total Affiliated Companies	1,972,384 99
<i>Current and Working Assets</i>	
Cash at Bank and on Hand	\$248,894 51
Special Deposits	243,638 50
Accounts Receivable	342,766 89
Mortgage Receivable	12,500 00
Materials and Supplies	791,304 94
Unexpired Insurance	14,693 84
Prepaid Accounts	42,185 55
Total Current and Working Assets	1,695,984 23
<i>Deferred Accounts</i>	
Unamortized Debt Discount and Expense	\$80,252 64
Extraordinary Expenditures for Improvements, Replacements and Realignments	681,704 55
Total Deferred Accounts	761,957 19
Excess of Book Value Over Par Value of Capital Stocks Eliminated Herein	11,000 00
Total	\$36,816,805 93

LIABILITIES.

<i>Capital Stock—</i>	
Pittsburgh Railways Co.—100,000 shares	\$5,000,000 00
The Beaver Valley Traction Co.—21,500 shares	1,075,000 00
Pittsburgh & Beaver Street Ry. Co.—4,700 shs.	235,000 00
Total Capital Stock	\$6,310,000 00
<i>Funded Debt—</i>	
Pittsburgh Railways Co.:	
General Mortgage 5% 40-year Gold Bonds, dated March 31 1913	\$6,000,000 00
Income Debentures, 6%, dated March 31 1913, maturing April 1 1953	10,000,000 00
Equipment Trust Bonds	566,000 00
Southern Traction Co. First Mortgage and Collateral Trust 5% 50-year Gold Bonds, dated Oct. 1 1900	
	4,000,000 00
West End Traction Co. General Mortgage 5% 40-year Bonds, dated Jan. 1 1898	
	981,000 00
Pittsburgh & West End Passenger Railway Co. First Mortgage 5% 30-year Bonds, dated July 1 1892	
	343,000 00
Pittsburgh Crafton & Mansfield Street Railway Co. First Mortgage 5% 30-year Bonds, dated July 1 1894	
	176,000 00
Coraopolis & Neville Island Bridge Co. 6% 30-year Bonds, dated Sept. 2 1895	
	4,000 00
The Beaver Valley Traction Co.:	
First Consolidated 5% 50-year Gold Bonds, dated Oct. 1 1900	675,000 00
General Mortgage 5% 50-year Gold Bonds, dated Nov. 1 1903	957,000 00
Equipment Trust Bonds, dated Jan. 1 1917	72,000 00
Pittsburgh & Beaver Street Railway Co.:	
First Mortgage 5% 50-year Gold Bonds, dated July 1 1908	750,000 00
Total Funded Debt	24,524,000 00
Real Estate Mortgages	36,000 00
<i>Affiliated Companies—</i>	
Notes Payable	\$875,000 00
Temporary Loans	380,000 00
Accounts Payable	220,656 41
Interest Accrued on Funded Debt	633,187 50
Total Affiliated Companies	2,108,843 91
<i>Current Liabilities—</i>	
Notes Payable	\$1,360,000 00
Accounts Payable	513,434 21
Total Current Liabilities	1,873,434 21
<i>Accrued Liabilities, Not Due—</i>	
Taxes	\$587,881 33
Rentals	723,620 59
Interest on Funded Debt	36,620 16
Interest on Current Liabilities	454 34
Total Accrued Liabilities	1,348,615 42
Reserves	114,351 11
Profit and Loss—Surplus	501,561 28
Total	\$36,816,805 93

Note.—The Pittsburgh Railways Company has a contingent liability for the following bonds, guaranteed both as to principal and interest:
Pittsburgh Canonsburg & Washington Railway Co. First Mortgage 30-year 5% Gold Bonds, dated July 1 1907. \$750,000 00
West Liberty & Suburban Street Railway Co. First Mortgage 30-year 5% Gold Bonds, dated Jan. 1 1908. 250,000 00

PITTSBURGH RAILWAYS COMPANY.

SCHEDULE OF CAPITAL STOCK SHARES OF OTHER CORPORATIONS OWNED AT MARCH 31ST 1917.

Company	Shares	Common	Preferred	Stock out of a total issue of 340,000 Shares
United Traction Company of Pittsburgh	340,000			
West End Traction Company	50,000			50,000
West End Traction Company	50,000			50,000
Pittsburgh & Charleroi Street Railway Company	50,000			50,000
Mt. Washington Street Railway Company	30,000			30,000
Washington & Canonsburg Railway Company	20,000			20,000
East McKeesport Street Railway Company	5,000			5,000
Allegheny Bellevue & Perrysville Railway Company	5,000			5,000
Ben Avon & Emsworth Street Railway Company	2,000			2,000
Pittsburgh Canonsburg & Washington Railway Company	1,500			1,500
Pittsburgh Express Company	1,400			1,400
Clairton Street Railway Company	600			600
West Shore Electric Street Railway Company	500			500
Washington & Claysville Street Railway Company	480			480
Pittsburgh Banksville & Mt. Lebanon Street Railway Company	400			400
McKees Rocks & Ingram Street Railway Company	400			400
Allenport & Roscoe Electric Street Railway Company	300			300
McKees Rocks & Neville Island Street Railway Company	300			300
Rosslyn Street Railway Company	200			200
Bon Air Street Railway Company	174			174
Pine Run Street Railway Company	168			168
McKees Rocks & Allegheny Street Railway Company	160			160
Ambidge Dixmont & Emsworth Street Railway Company	120			120
Crafton & Chartiers Valley Traction Company	120			120
Clairton & Blair Street Railway Company	120			120
Virginia Avenue Street Railway Company	120			120
West Liberty & Suburban Street Railway Company	120			120
Consolidated Traction Company	100	Preferred		240,000
Carnegie Bridge Company	100	Common		100
Cedar Avenue Street Railway Company	80			80
Superior Avenue & Shady Avenue Street Railway Company	80			80
Tustin Street Railway Company	24			24

BONDS OF OTHER CORPORATIONS OWNED AT MARCH 31ST 1917.

Company	Issued and Outstanding	Owned by Pittsb. Ry. Co.
Allenport & Roscoe Electric Street Railway Company, First Mortgage	\$127,000 00	\$127,000 00
Bon Air Street Railway Company	45,000 00	45,000 00
Cedar Avenue Street Railway Company	39,000 00	39,000 00
Superior Avenue & Shady Avenue Street Railway Co., "	65,000 00	65,000 00
West Shore Electric Street Railway Company	85,000 00	85,000 00
Ben Avon & Emsworth Street Railway Company, Second Mortgage	79,000 00	79,000 00
Pittsburgh & Charleroi Street Railway Company	522,000 00	522,000 00
Pittsburgh Canonsburg & Washington Railway Co., "	89,000 00	89,000 00
Washington & Canonsburg Railway Company	185,000 00	185,000 00
Total	\$1,236,000 00	\$1,236,000 00

MEXICAN PETROLEUM COMPANY, LIMITED

of Delaware and Subsidiaries

Mexican Petroleum Company, Huasteca Petroleum Company, Mexican Petroleum Corporation.

ANNUAL REPORT—1916.

CONSOLIDATED BALANCE SHEET DECEMBER 31 1916.

ASSETS.		
COST OF PROPERTIES:		
Oil lands and leases, wells and other properties.....		\$64,834,179 82
CASH IN HANDS OF TRUSTEES UNDER MORTGAGES.....		994,471 06
INVESTMENTS:		
\$31,100 00 American Oilfields Company bonds.....	\$31,100 00	
2,000 00 Petroleum Transport Company stock.....	2,000 00	
Payment on account of subscription, at par, to \$50,000 00 capital stock of Compania Petrolera Maritima.....	15,000 00	48,100 00
CURRENT ASSETS:		
Oil stocks—5,782,581 barrels.....	\$3,758,796 23	
Materials and supplies.....	596,787 12	
Live stock.....	71,917 27	
Accounts receivable.....	2,873,903 19	
Cash in banks and on hand.....	1,194,652 36	8,496,056 17
MEXICAN GOVERNMENT DUES AND TAXES PAID UNDER PROTEST.....	1,849,125 54	
MEXICAN WAR CLAIM.....	837,941 28	2,687,066 82
DEFERRED CHARGES:		
Prepaid insurance and rents.....	98,630 99	
Miscellaneous.....	33,085 07	131,716 06
		<u>\$77,191,589 73</u>
LIABILITIES.		
CAPITAL STOCK:		
Mexican Petroleum Company, Ltd., of Delaware:		
392,320 shares common stock of \$100 each.....		\$39,232,000 00
120,000 shares 8% non-cumulative preferred stock of \$100 each.....		12,000,000 00
		\$51,232,000 00
Mexican Petroleum Company (Cal.):		
Capital stock issued.....	\$6,576,994 00	
Less:		
Stock owned by Mexican Petroleum Company, Ltd., of Delaware, deposited with trustee as collateral under first lien and refunding deed of trust.....	\$6,248,175 00	
In treasury.....	246,498 00	6,494,673 00
		82,321 00
Huasteca Petroleum Company:		
Capital stock issued.....	\$14,680,600 00	
Less: Stock owned by Mexican Petroleum Company, Ltd., of Delaware, deposited with trustee as collateral under first lien and refunding deed of trust.....	14,678,100 00	2,500 00
		\$51,316,821 00
BONDED DEBT:		
Mexican Petroleum Company, Ltd., of Delaware, First Lien and Refunding Sinking Gold Bonds:		
Series A—Total issued.....	\$2,000,000 00	
Less: Canceled by purchase through sinking fund.....	\$1,058,000 00	
In treasury.....	58,000 00	1,116,000 00
		884,000 00
Series B—Total issued.....	\$1,940,000 00	
Less: Canceled by purchase through sinking fund.....	\$1,051,480 00	
In treasury.....	1,940 00	1,053,420 00
		886,580 00
Series C—Total issued.....	\$2,000,000 00	
Less: Canceled by purchase through sinking fund.....	\$877,000 00	
In treasury.....	56,000 00	933,000 00
		1,067,000 00
		<u>\$2,837,580 00</u>
Mexican Petroleum Company (Cal.) Sinking Fund 6% Gold Bonds (1910):		
Total issued.....	\$2,000,000 00	
Less: Canceled by purchase through sinking fund.....	\$320,000 00	
Bonds belonging to the Mexican Petroleum Co., Ltd., of Delaware, and deposited with trustee as collateral under first lien and refunding deed of trust.....	1,598,400 00	1,918,400 00
		81,600 00
Huasteca Petroleum Company and Mexican Petroleum Company, Ltd., of Delaware, Joint 6% Gold bonds:		
Total issued.....	\$1,000,000 00	
Less: Canceled through sinking fund.....	\$255,300 00	
Bonds belonging to the Mexican Petroleum Company, Ltd., of Delaware, and deposited with trustee as collateral under first lien and refunding deed of trust.....	295,000 00	
In Treasury.....	180,300 00	730,600 00
		269,400 00
Huasteca Petroleum Company Coast Pipe Line First Mortgage 6% Gold Bonds:		
Total issued.....	\$2,000,000 00	
Less: Canceled through sinking fund.....	\$324,500 00	
Owned by Mexican Petroleum Company, Ltd., of Delaware, and deposited with trustee as collateral under first and refunding deed of trust.....	1,000,000 00	1,324,500 00
		675,500 00
Huasteca Petroleum Company First Mortgage 6% Gold Bonds:		
Total issued.....	\$3,145,000 00	
Less: Bonds belonging to Mexican Petroleum Company, Ltd., of Delaware, and deposited with trustee as collateral under first lien and refunding deed of trust.....	3,145,000 00	3,864,080 00
CURRENT LIABILITIES:		
Pan American Petroleum & Transport Company.....	\$1,034,362 78	
Accounts payable.....	907,162 55	
Interest accrued.....	69,317 70	
Accrued to holders of Coast Pipe Line bonds participation certificates.....	22,373 25	
Reserve for taxes.....	209,120 00	
Dividend on preferred stock payable January 2 1917.....	240,000 00	2,482,336 28
RESERVES:		
Depreciation reserve.....	\$2,067,318 79	
General reserve.....	152,165 61	2,219,484 40
SURPLUS.....		17,308,868 05
		<u>\$77,191,589 73</u>

We have examined the books of the Mexican Petroleum Company, Limited, of Delaware, the Mexican Petroleum Company (California), the Huasteca Petroleum Company and the Mexican Petroleum Corporation for the year ending December 31 1916 from which the above consolidated balance sheet has been prepared. Premiums paid on bonds redeemed during the year through sinking funds have been charged to cost of properties. The basis of valuation of the oil inventories has been changed during the year, and the stocks at December 31 1916 have been taken at approximate selling values. The Mexican Government dues and taxes paid under protest and the war claim are considered collectible by the Company's officials, and are carried at fifty cents United States currency for the Mexican peso, the dues and taxes having been paid in Mexican gold and the claim lodged on that basis. General expenses have been apportioned between construction and operating, on the basis of the direct expenditure on these accounts.

Subject to these remarks, we certify that, in our opinion the above consolidated balance sheet shows the true financial position of the Companies at December 31 1916.

Los Angeles, Cal., March 29 1917.

(Signed) PRICE, WATERHOUSE & CO.

CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDING DECEMBER 31, 1916.

Oil Sales	\$7,154,830 37
Net increase in oil storage during year	2,613,633 51
Gross earnings	\$9,668,463 88
Deduct—	
Operating expense	\$1,609,378 28
Depreciation	400,000 00
Paid to holders of Coast Pipe Line bonds participation certificates	34,516 55
Income tax paid and accrued	215,757 09
	2,250,651 92
	\$7,408,811 96
Deduct—	
Bond interest	\$238,738 72
Miscellaneous interest (net)	17,013 28
	255,752 00
Profit for the year carried to surplus	\$7,153,059 96

Los Angeles, California, April 28 1917.

To the Stockholders of the Mexican Petroleum Company, Limited, of Delaware:

The Mexican Petroleum Company, Limited, of Delaware, was organized on February 16 1907. The purpose of its organization was to permit of the joint management and financing of several operating petroleum companies, the capital stocks of which were owned largely by the same individuals. The operating companies referred to are the Mexican Petroleum Company (California), the Huasteca Petroleum Company, the Tamiagua Petroleum Company, the Tuxpam Petroleum Company, and the Mexican Petroleum Corporation. The Mexican Petroleum Company, its oldest subsidiary, was organized on December 20 1900.

This consolidated statement and report, therefore, is the fifteenth annual statement of the Mexican Petroleum Company (California), the ninth annual report of the Huasteca Petroleum Company, as well as of this company, and the second annual statement of the Mexican Petroleum Corporation. The Mexican Petroleum Company, Limited, owns over 99% of the stock of the Mexican Petroleum Company (California), and 100% of the stock of each of its other subsidiaries. A reference to the Consolidated Balance Sheet will show—

Assets	\$77,191,589 73
as compared with	70,662,799 98 for 1915
The surplus for the year will be seen to be	\$7,153,059 96
as compared with	2,888,100 71 for 1915
The gross earnings for the year 1916 were	\$9,668,463 88
as compared with	5,000,889 06 for 1915

PHYSICAL PROPERTIES OF THE COMPANY.

There have been some considerable additions made to the physical properties of your Company during the year 1916. Those additions are represented largely by lands acquired and improvements made for distributing stations at the following points, to wit:

At Carteret, New York Harbor, 334 acres of land with improvements valued at \$1,745,136, of which \$554,400 95 was expended during the year 1916. At Chelsea, Boston Harbor, 23 acres of land with an expenditure of \$210,443, of which \$197,683 61 was expended in 1916. At Portland, Maine, 27 acres of land with an expenditure of \$181,029, of which \$6,758 81 was made during 1916. At Providence, Rhode Island, 62 acres of land with a total expenditure of \$296,342, of which \$141,699 32 was made during 1916. At Destrehan, Louisiana, 20 miles north of New Orleans, 1,012 acres of land with total expenditures of \$1,282,316, of which \$289,489 06 was made in 1916. At Tampa, Florida, 17½ acres of land, with total expenditures for land and improvements of \$75,709, of which \$24,962 83 was made in 1916. At Jacksonville, Florida, 15 acres of land, with a total cost for land and improvements of \$57,687 made during 1916. At Norfolk, Virginia, 82 acres of land were acquired for total expenditures of \$126,000 during 1916.

The above mentioned properties represent a total expenditure of \$3,974,662, and are indispensable to the carrying on of the business of distributing the various petroleum products of your Company to customers through the ports where they are situated. In Mexico no additions have been made to the extensive oil acreage heretofore owned by your Companies. Seven hundred and fifty acres of very necessary and advantageously situated harbor front lands have, however, been acquired on the south bank of the Panuco River, adjoining your Terminal property, which will accommodate 1,500,000 barrels of storage thirty metres above the level of the sea, from which steamers can be loaded at the rate of 10,000 barrels per hour. This land also affords space for good storage for the topping plant. Along the water-front 1,500 feet of wharf is being built, thus increasing over 100% the loading facilities of your Company. The total wharfage of the Company permits the loading of five tank steamers at a time. These lands were acquired under thirty-year lease, on advantageous terms.

DEVELOPMENT.

In addition to the great Cerro Azul well which was brought in on the tenth day of February 1916, and which was producing at the rate of 261,000 barrels a day when it was shut in, another producing well has been added to the list and to the potential capacity of your oil wells. During 1916 a development was commenced on a portion of your property adjoining your Casiano lands, and just outside of the rim of the great Casiano basin. This well, known as Chinampa No. 1, was drilled in during March of this year, with an initial

production of 10,000 barrels a day, which has gradually increased to 15,000 barrels a day. In any oil-producing district of the United States such a well would be regarded as a very welcome bonanza; but with your Companies' wells having already a potential production equal to six times its pipe-line capacity, the bringing in of Chinampa No. 1 merely adds to an unavailable surplus, meanwhile demonstrating the potentialities of your properties. No other oil well development has been concluded anywhere upon your properties.

PRODUCTION AND SALES.

The production of the wells of your Companies for the year 1916 was 12,862,973 barrels, an increase over that of 1915 of 4,937,948 barrels. The increase represents only the difference in the amount of available storage in 1916 over the previous year, plus the increased capacity of the available transportation facilities. It should be remembered that while the present capacity of your pipe-lines is limited to about 70,000 barrels a day, even the full capacity of the lines cannot be taken advantage of unless the storage and transportation facilities will take care of the oil delivered. It was expected early in the year 1916 that the sales and movement of oil would be much greater than was realized. Contracts already made early in the year provided for the sale and delivery of 11,650,194 barrels of petroleum of various grades. The close of the year found the company short on its deliveries more than 1,500,000 barrels, and short on expected deliveries over 2,300,000 barrels. This shortage of delivery and sales, and consequent disappointment in realization of earnings, was due to several causes over which your management had no control. Three tanks steamers, one already in commission and operating, and two new steamers not yet received, all of which floated the British flag, were requisitioned early in 1916 for governmental use, thus reducing your expected marine transportation facilities by more than 20,000 tons carrying capacity. The floods coming down the Panuco River deposited silt to a considerable depth on the bar at its mouth, thus reducing the draft over the bar and the carrying capacity of all of your steamers, and necessitating great delay in loading outside of the bar.

By arrangement with the authorities, a contract was let in March of this year to an American dredging concern, to dredge out the bar and make a channel up the Panuco River above your Company's wharves, to a depth of ten meters. The money to pay for the work done under the said contract is being furnished pro-rata, according to their shipments, by the various oil companies exporting oil from Tampico Harbor. Your Company's proportion is 33 1-3% of the whole. One hundred thousand dollars per month is thus being advanced by all of the companies to pay for said work. The work is being pushed rapidly, with the result that steamers can already cross the bar with greater draft and move oil more economically than formerly. The completion of this work will increase the moving capacity of your fleet not less than 10%.

In June of last year several of your steamers were occupied for many days in transporting to American ports several hundred American citizens who became convinced suddenly that they desired to visit the United States without delay.

These and other difficulties caused the shortage in deliveries above referred to, with some inconvenience to your customers and disappointment to the management and to the stockholders. If these difficulties had not occurred, or could have been avoided, the forecast as to earnings for 1916 as compared with 1915 would have been realized.

Approximately 45% of the oil produced and sold during 1916 was refined before selling. The refined product is a crude gasoline, which constitutes about 10% of the bulk of the crude oil and has a Beaume gravity of about 60 degrees. A ready market for this was had with one of the large refining companies of the United States, to which 20,000,000 gallons was sold and delivered in 1916. The residuum resulting from this process of refining is an ideal fuel, suited either for marine or land uses, which also finds a ready market now at any port in the United States and South America. Deliveries in 1916 totaled 5,000,000 barrels. The refining plant has been largely increased, and this year its product, which is selling at a somewhat better price than last year, will represent a much larger proportion of the Company's earnings. At the present time about 100,000 barrels of gasoline is being produced and sold monthly. Approximately 35,000 barrels per day of crude and fuel oil is likewise being sold. The quantity is limited to this amount until additional tank steamers are acquired. Five new tank steamers are due to be delivered to your Company by the Pan American Petroleum & Transport Company, during May, June and July. Five additional steamers are due in September, November, December and January. The carrying capacity of the first five steamers will be nearly 350,000 barrels, and their use, in addition to those already in commission, should increase the present rate of sales from 55,000 barrels to 75,000 barrels daily. With all of the steamers being built and to be delivered before February of next year, it should be possible for the Company to deliver fully 100,000 barrels daily to the average distant American port. Such delivery will equalize the capacity of the pipe-lines with that of the tank steamers, and will necessitate the building of additional pipe-lines before increased sales can be made.

LOCAL CONDITIONS IN MEXICO.

Notwithstanding the disturbed conditions in Europe and the uncertain and unsatisfactory conditions in many parts of Mexico, your management has not found it difficult to continue the operations of your properties, nor unsafe to visit and inspect them and supervise the work thereon during the entire year. During the month of November 1916 the president of your Company, accompanied by several of the officers and some stockholders, with their wives, visited Tampico by sea and went to the various parts of your properties, including Ebano, thirty-eight miles west of Tampico, and Casiano and Cerro Azul, ninety miles to the south. The traveling to the interior was done without arms, without a guard, wholly unprotected and with no expectation of other than the very best of treatment from the people who might be encountered, in which we were not disappointed. Another trip of inspection was made during the month of March 1917, covering the same ground. The party, fifteen in number, included the president, two vice-presidents and several large stockholders of your Company, also representatives of several influential New York financial houses and journals, and some California oil men, not interested in your stock. As to the physical condition of the property, the "esprit" and optimism of the local management, the demeanor and attitude of the people of the country, and the prosperous and active appearance of the vicinity and business generally, and especially that of your Companies, all the visitors expressed themselves in the most enthusiastic language.

FORECAST.

The gross earnings for the first quarter of 1917 were \$3,490,905 65, of which amount \$2,226,261 02 is net. There are many assurances that the statements for this year, and many coming years, will show marked and continual increase in the volume of business done by your Company and in its earnings.

The essentials for such increased business and prosperity may be enumerated as follows:

The practically inexhaustible supply of crude oil to be recovered from the properties owned by your Companies, as demonstrated by the developments upon and in the vicinity of the same, by your own wells and those of your immediate neighbors.

The great surplus production of crude petroleum now available, amounting to over 300,000 barrels daily, from wells already drilled and under perfect control, ready to yield their full quota of oil in response to the simple turning of a valve-stem.

The great world-wide and growing market for petroleum products, increasing apace as additional fuel-oil-using-machinery of every class is being invented and manufactured to meet the needs of civilization.

The motor car and auto-truck have not alone been responsible for the increased demand for motor spirits and lubricants. The tractor, which operates the plow, cultivator, harvester, threshing machine, and which will be used to break the soil, cultivate and harvest the crops of all the farming lands of the earth; the oil-using boiler on the passenger and freight steamer and on the battleship, and the marine Diesel motor on the slower going freighters, carrying on and protecting the commerce of the future, on the Seven Seas, all tend to make the market for petroleum products fully equal to any possible supply that may be developed. The increase in the tanker tonnage available for your Company will greatly augment the earnings for 1917 over that of 1916, and will increase still more that of 1918 over that of the present year.

It might be added, also, that the trend of public affairs in the United States, Mexico and the rest of the world, is such as to warrant increased confidence in the security with which your Companies may develop their properties.

Respectfully submitted,

E. L. DOHENY, *President.*

ELK HORN COAL CORPORATION

(Organized under the laws of West Virginia.)

OFFICIAL STATEMENT TO THE NEW YORK STOCK EXCHANGE IN CONNECTION WITH THE LISTING OF ITS SIX PER CENT NON-CUMULATIVE PREFERRED STOCK AND COMMON STOCK.

New York, May 16 1917.

Elk Horn Coal Corporation hereby makes application to have listed on the New York Stock Exchange \$6,600,000 of its Six Per Cent Non-Cumulative Preferred Stock (of an authorized issue of \$6,600,000), consisting of 132,000 shares of the par value of \$50 each, and \$12,000,000 of its Common Stock (of an authorized issue of \$22,000,000), consisting of 240,000 shares of the par value of \$50 each. All of said stock is issued and outstanding in the hands of the public.

All of said stock is fully paid and non-assessable, and no personal liability attaches to the holders.

Elk Horn Coal Corporation was organized under the laws of the State of West Virginia on November 17 1915, with an authorized Capital Stock of \$28,600,000, consisting of \$6,600,000 of Preferred and \$22,000,000 of Common Stock.

Duration of charter fifty years from November 17 1915.

Elk Horn Coal Corporation was organized for the purpose of acquiring, and did acquire, all the property, assets and business and assumed the liabilities of the Elk Horn Mining Corporation, Elk Horn Fuel Company and Mineral Fuel Company.

The Corporation, in accordance with the terms of its charter, is engaged principally in the business of owning, holding and leasing coal and other mineral lands, mining, shipping and selling coal and other mineral products, and has the right to operate or drill for, sell and distribute petroleum, oil and natural gas.

The charter provides, as to the preference of the Preferred Stock, as follows:

The holders of the Preferred Stock shall be entitled to receive and the corporation shall be obligated to pay, but only out of the surplus profits of the corporation, dividends at the rate of Six per Cent per annum, and no more, payable semi-annually or quarterly in each year before any dividends shall be paid upon or set apart for the Common Stock for such year. The dividends on such Preferred stock shall not be cumulative, that is, any deficiency from the full rate of Six per Cent in any one year shall not be made up in any future year. The remainder of the surplus applicable to the payment of dividends shall be distributed as dividends to the holders of the Common Stock as and when the Board of Directors shall determine, except that the holders of the Preferred Stock shall share equally with the Common Stock in all dividends paid for any year after the Common Stock has received dividends at the rate of Six per Cent per annum for such year, so that out of all dividends in excess of Six per Cent on the Preferred Stock and Six per Cent on the Common Stock paid for any year, dividends declared and paid for such year shall be at the same rate upon the Preferred Stock as upon the Common Stock.

Upon any dissolution or liquidation of the corporation, or upon any distribution of capital, or in the event of the insolvency of the corporation, there shall be paid to the holders of the Preferred Stock fifty-six and one-quarter dollars (\$56.25) per share before any sum shall be paid to or any assets distributed among the holders of the Common Stock, and after such payments to the holders of Preferred Stock, all remaining assets and funds of the corporation shall be paid to the holders of the Common Stock according to their respective shares.

The holders of shares of Preferred Stock shall have the same voting rights as the holders of Common Stock, but in case at any time or from time to time any default shall have been made and shall have continued for the period of one year in the payment of dividends at the full rate of Six per Cent per annum on the Preferred Stock, the holders of Preferred Stock at their option shall have the sole voting right in the election of Directors at the next annual meeting thereafter. The whole of the Preferred Stock, or any part thereof, may be redeemed at any time at the option of the Board of Directors, upon sixty days' previous notice in writing to the holders of record of such stock, given in such manner as may be prescribed by the By-laws, by paying therefor in cash the sum of fifty-six and one-quarter dollars (\$56.25) for each share of such Preferred Stock of the par value of Fifty Dollars (\$50) per share. If at any time less than the whole of the Preferred Stock then issued and outstanding shall be called for redemption only such proportion of said Preferred Stock held by each Preferred stockholder shall be redeemed as the total amount of stock then called for redemption shall bear to the total amount of Preferred Stock of the corporation then outstanding; except that whenever such proportion results in a fractional part of a share, then the proportion of such Preferred stockholder shall be increased or decreased so as to result in the nearest whole number of shares so to be redeemed. As such stock is so redeemed, each certificate therefor shall be canceled.

The following is a statement as to organization, capitalization and funded debts of the companies whose properties have been so acquired:

ELK HORN FUEL COMPANY.

Organized Feb. 3 1913 under laws of State of West Virginia. Dissolved March 29 1916.

	Authorized.	Issued.	Outstanding Apr. 30 '17.
Preferred Stock	\$7,000,000	\$7,000,000	None
Common Stock	19,000,000	19,000,000	\$463,900
Five-Year 5% Convertible Gold Notes, dated May 1 1913, maturing May 1 1918	4,000,000	4,000,000	*\$1,994,500

* The remainder were converted into stock of The Consolidation Coal Company as per terms of Elk Horn Fuel Company Mortgage.

† Certificates for 4,639 shares of Common Stock of Elk Horn Coal Corporation have been issued and are held by the Trustees in dissolution of Elk Horn Fuel Company for the retirement of such outstanding Elk Horn Fuel Company Common Stock.

MINERAL FUEL COMPANY.

Organized under laws of State of West Virginia. Feb. 5 1913. Dissolved March 30 1916.

	Authorized.	Issued.	Outstanding Apr. 30 '17.
Capital Stock	\$1,200,000	\$1,200,000	None
Thirty-year Sinking Fund 5% Gold Bonds dated May 1 1913, maturing May 1 1943	1,200,000	1,200,000	*\$475,000

* The remainder have been retired and canceled.

ELK HORN MINING CORPORATION.

Organized under laws of State of Virginia, July 17 1913. Dissolved Dec. 27 1916.

	Authorized.	Issued.	Outstanding Apr. 30 '17.
Preferred Stock	\$3,000,000	\$1,500,000	None
Common Stock	3,750,000	1,875,000	None
Six-Months' Notes	2,475,000	2,475,000	None

* Retired at organization of Elk Horn Coal Corporation.

The Capital Stock of Elk Horn Coal Corporation was issued as follows:

Issued for—	\$50 Par Value per Share.	Preferred.	Common.
Elk Horn Fuel Co. Preferred Stock \$6,000,000 (\$100 par value each)		\$5,100,000	\$900,000
On the basis of 1.7 shares (\$50 par value each) Elk Horn Coal Corporation Preferred Stock and .3 shares (\$50 par value each) Elk Horn Coal Corporation Common Stock for each share Elk Horn Fuel Co. Preferred Stock (\$100 par value each).			
Elk Horn Fuel Co. Common Stock \$18,000,000 (\$100 par value each)			9,000,000
On basis of one share Elk Horn Coal Corporation Common Stock (\$50 par value) for one share Elk Horn Fuel Co. Common Stock (\$100 par value).			
Plan provided for the retirement by Elk Horn Coal Corporation of sufficient of the Preferred and Common Stock of Elk Horn Fuel Company to make the outstanding capitalization of that Company \$6,000,000 of Preferred and \$18,000,000 of Common Stock. Elk Horn Coal Corporation then acquired all the properties and assets of the Elk Horn Fuel Company, subject to its Five-Year 5% Gold Notes outstanding, on above basis. Elk Horn Coal Corporation received the conveyance of the properties of the Mineral Fuel Company, subject to \$1,200,000 5% Thirty-Year Gold Bonds of that Company which were outstanding, these bonds being assumed by Elk Horn Coal Corporation. Of that amount \$725,000 have been retired since the organization of Elk Horn Coal Corporation, leaving \$475,000 outstanding April 30 1917.			
Elk Horn Mining Corporation Preferred Stock \$1,500,000 (\$100 par value)		1,500,000	
On basis of two shares Elk Horn Coal Corporation Preferred Stock (\$50 par value each) for one share Elk Horn Mining Corporation Preferred Stock (\$100 par value).			
Elk Horn Mining Corporation Common Stock \$1,875,000 (\$100 par value each)			600,000
On basis of 32-50ths of a share of Elk Horn Coal Corporation Common Stock (\$50 par value each) for one share Elk Horn Mining Corporation Common Stock (\$100 par value each).			
Elk Horn Mining Corporation property was so acquired by Elk Horn Coal Corporation subject to \$2,475,000 Elk Horn Coal Corporation notes which were paid by Elk Horn Coal Corporation and certain claims of underwriters of Elk Horn Mining Corporation which were met by Elk Horn Coal Corporation.			
Common Stock used to pay certain expenses and obligations incurred in putting plan of incorporation into effect			1,500,000
Total issue of Elk Horn Coal Corporation Stock. Reserved for conversion of 10-Year Sinking Fund 6% Convertible Gold Notes	\$6,600,000	\$12,000,000	10,000,000
Authorized Issue	\$6,600,000	\$22,000,000	

Elk Horn Coal Corporation owns or leases the following acreage:

County—	Owned			Leased.	Total.
	Mineral.	Fee.	Surface.		
Floyd, Ky.	90,690.98	11,057.43			101,748.41
Letcher, Ky.	986.18	4,123.52	543.48		5,653.18
Knott, Ky.	23,144.16	1,124.81			24,268.97
Pike, Ky.	20,235.60	699.65			20,935.25
Magoffin, Ky.	27,864.35				27,864.35
Johnson, Ky.	8,077.78				8,077.78
Randolph, W. Va.		12,246.17			12,246.17
Upshur, W. Va.		3,133.50			3,133.50
Harrison, W. Va.				650	650.00
	170,999.05	32,300.08	543.48	650	204,492.61

The main operations of the Corporation are in the State of Kentucky.

There are three veins of bituminous coal on the property, known as Elkhorn Number 1, 2 and 3. Each vein is being worked at various places on the property. The coal will average four feet in thickness.

In estimating the amount of coal contained in the above-mentioned acreage, considering the same to be in round numbers 200,000 acres, while a great part of the area contains several veins of coal, one only is considered in figure below. Erosion by calculation, where actual surveys have been made, varies from 0 to 30%, from which it is fair to assume that erosion would average 15% over the entire area; deducting this amount would leave a solid coal area of 170,000 acres.

The specific gravity of the coal has been found to be 1.27, making the coal weigh 79.35 pounds to the cubic foot in the solid; assuming the average thickness of the one vein to be four feet, there would be 6,913 tons of coal per acre in the solid.

Actual results obtained in the field show the recovery of 90% in mining; using 85% would give an actual yield of 5,876 tons per acre and a total of 998,920,000 tons.

A representative analysis of the coal is given below:

Moisture	1.75
Volatile matter	34.52
Fixed carbon	59.77
Ash	3.96
Sulphur	.62
Phosphorus	.003
B. T. U. Dry	14,648

The coal is of exceptional quality, especially for coking and metallurgical purposes.

This territory is served by three transportation lines: The Baltimore & Ohio Railroad, the Chesapeake & Ohio Railway and the Louisville & Nashville Railroad. There are under construction four mines on the Baltimore & Ohio Railroad; in operation, seven mines on the Chesapeake & Ohio Railway and seven mines on the Louisville & Nashville Railroad, which last year produced approximately 1,300,000 tons.

At the mines on the Baltimore & Ohio Railroad in Kentucky there are the towns of Wheelright and Jacks Creek; at the mines on the Chesapeake & Ohio Railroad there are the towns of Wayland, Estill and Garrett; at the mines on the Louisville & Nashville Railroad there are the towns of Fleming, Haymond and Hemphill.

All of the above-mentioned towns are illuminated by electric lights and a great number of the houses are plumbed for water and heated by natural gas.

The estimated life of the property is 768 years, assuming that the coal is not worked out any faster than it was last year, when the production was 1,300,000 tons; but it is the intention of the Elk Horn Coal Corporation to develop additional mines and to treble the tonnage, which, of course, would proportionately shorten the life of the property. In addition to what this Corporation proposes to mine, some of the property may be sold and other parts of it leased. This will increase the output and shorten the life of the property in accordance with whatever tonnage is mined.

The annual production of the properties since 1913 is as follows:

Year	Four months	Tons.
1913		15,416.91
1914	Year	329,420.22
1915	Year	605,779.86
1916	Year	1,283,945.24
1917	Three months	361,955.26

The properties of this Corporation in West Virginia comprise approximately 15,300 acres in Randolph and Upshur Counties, on the left fork of Buckhannon River, and extend along this stream on both sides from its mouth at Alexander, on the Pickens Branch of the Baltimore & Ohio Railroad, to its source on Beach Mountain.

This property is owned in fee. Two coal seams run through this property; one is the "Sewell" and the other the "Beckley" seam.

In character, both seams are coking coals of about 39 per cent volatile matter, are of excellent quality, low in ash, sulphur and phosphorus, will produce coke unusually low in these impurities, and have a high heat value; the B. T. U. average is a little above 14,400, phosphorus averages .006, and sulphur averages .80; on account of the cleanness of the seams and the hard, dark slate roof, the coal mined would be very free from slate or other foreign impurities.

At the present time the mines on these properties are not operated.

In addition to the acreage owned as outlined above, plant and equipment and improvements have been made on the property to the following extent:

There are 1,178 dwelling houses at eight mining towns in Kentucky and one in West Virginia. The Corporation also constructed and owns the following:

7 store buildings	6 hotels
3 general office buildings	2 hospitals
13 mine office buildings	2 meat markets
19 powder houses and magazines	7 barns
4 cap houses	15 sand houses
16 blacksmith and machine shops and equipment	13 oil houses
4 supply houses	1 ice plant
2 jails	1 vault
13 tipples	2,200 mine cars
68 electric mining machines	60 electric pumps
64 electric haulage locomotives	54 electric motors
1 steam hoist	3 electric hoists
7 electric generating machines and buildings for same	2 rock drills
5 rope haulage outfits	1 crab motor
15 electric ventilating machines and buildings for same	1 municipal building

A transmission line carrying 40,000 volts to the mines in Kentucky over a distance of 20½ miles was erected by the corporation, and the line, together with the right-of-way, is owned by Elk Horn Coal Corporation.

Elk Horn Coal Corporation owns, in addition to the above, lighting systems at the various towns, gas lines, water lines and wells, sewer lines, tanks and pump houses, railroad side tracks, stone crushers, steam generating equipment, trolley equipment, both inside and outside the mines, steel rails, copper wire, live stock and miscellaneous equipment.

The net earnings of the merged Companies are as follows:

Year	Elk Horn Fuel Co. and Mineral Fuel Co.	Elk Horn Mining Corp.	Elk Horn Coal Corporation.
1913	\$88,955.44		
1914	221,086.99	\$63,592.52*	
1915	161,604.97 (11 mos.)	4,799.99 (11 mos.)	\$69,300.56 (1 mo.) †

* Began operations in 1914.

† Began operations in 1915.

Elk Horn Mining Corporation and Mineral Fuel Company did not pay dividends. Elk Horn Fuel Company paid dividends as follows:

In 1913	2½%	on its Preferred Stock
In 1914	5%	on its Preferred Stock
In 1915	5%	on its Preferred Stock

INCOME ACCOUNT, THREE MONTHS ENDED MARCH 31 1917.

Earnings from all sources	\$1,084,289.47
Operating expenses, taxes, insurance and depreciation	418,252.14
Net earnings from operations	\$666,037.33
Fixed charges and sinking funds:	
Fixed charges (interest on notes and bonds)	\$93,699.65
Sinking funds	13,318.36
	107,018.01
Net surplus for January, February and March carried to profit and loss	\$559,019.32
Profit and loss account, Dec. 31 1916	313,257.92
Profit and loss account, March 31 1917	\$872,277.24

BALANCE SHEET AS OF MARCH 31 1917.

ASSETS.		LIABILITIES.	
Capital Assets:		Capital Liabilities:	
Real estate and coal lands	\$16,773,134 55	Capital Stock:	
Less reserve for exhaustion	15,901 76	Common—Authorized	\$22,000,000 00
	\$16,757,232 79	Reserved for conversion of	
Plant and equipment	\$4,157,190 40	10-Yr. S. F. 6% Conv.	10,000,000 00
Less reserve for depreciation	92,920 76	Gold Notes	
	4,064,269 64	Outstanding	\$12,000,000 00
Stock of other companies	\$20,821,502 43	Preferred (authorized issue)	6,600,000 00
25,300 shares The Consolidation Coal Co.		Ten-Year Sinking Fund Convertible 6% Gold	
7,879 shares Beaver Creek Consolidated Coal Co.		Notes (authorized \$9,500,000), due Dec. 1	4,790,000 00
3,055.64 shares Kentucky River Coal Corp. Common		1925	
Stock	4,422,077 12	Elk Horn Fuel Company Five-Year 5% Gold	
3,055.64 shares Kentucky River Coal Corp. Preferred		Notes, due May 1 1918	1,904,500 00
Stock		Mineral Fuel Co. 30-Yr. 5% Gold	
500 shares York Coal & Coke Co.		Bonds, due May 1 1943	\$475,000 00
Assets in hands of trustees of bond sinking fund—Cash	901 76	Less bonds in hands of trustees	
Deferred debit items	11,092 63	of sinking fund	15,000 00
Current assets:			460,000 00
Cash on hand and in banks	\$340,953 36		25,754,500 00
Accounts receivable	799,781 69	Current Liabilities:	
Notes receivable	156,875 00	Unpaid vouchers and pay-rolls	\$74,328 50
Interest receivable accrued	6,397 69	Accrued sinking fund	32,841 79
Merchandise stock on hand at cost	127,155 03	Accrued bond interest	145,372 91
Material and supplies on hand at cost	178,833 37	Accrued taxes	5,835 12
Coal on hand	6,838 25		258,378 32
Unexpired insurance	3,498 98	Profit and loss account	872,277 24
Treasury stock (100 shares preferred, 191			
shares common)	9,248 25		
	1,629,581 62		
	\$26,885,155 56		\$26,885,155 56

BALANCE SHEET DECEMBER 31 1916.

ASSETS.		LIABILITIES.	
Capital assets:		Capital Liabilities:	
Real estate and coal lands	\$16,724,590 63	Capital Stock:	
Less reserve for exhaustion	15,901 76	Common—Authorized	\$22,000,000 00
	\$16,708,688 87	Reserved for conversion of	
Plant and equipment	\$3,897,579 14	10-Yr. S. F. 6% Conv.	10,000,000 00
Less reserve for depreciation	75,816 43	Gold Notes	
	3,821,762 71	Outstanding	\$12,000,000 00
Stock of other companies:	\$20,530,451 58	Preferred (authorized issue)	6,600,000 00
39,733 shares The Consolidation Coal Co.		Ten-year sinking fund convertible 6% gold	
7,879 shares Beaver Creek Cons. Coal Co.		notes (authorized \$9,500,000), due Dec. 1	4,790,000 00
3,055.64 shares Kentucky River Coal Corp., Common		1925	
Stock	5,943,539 86	Elk Horn Fuel Company five-year 5% gold	
3,055.64 shares Kentucky River Coal Corp., Preferred		notes, due May 1 1918	3,551,500 00
Stock		Mineral Fuel Co. 30-yr. 5% gold	
500 shares York Coal & Coke Co.		notes, due May 1 1943	\$475,000 00
Assets in hands of trustees of bond sinking Funds—Cash	901 76	Less bonds in hands of trustees	
Deferred debit items	16,224 74	of sinking fund	15,000 00
Current assets:			460,000 00
Cash on hand and in banks	\$338,227 72		\$27,401,500 00
Accounts receivable	556,738 39	Current Liabilities:	
Notes receivable	157,833 34	Unpaid vouchers and pay-rolls	\$111,245 19
Interest receivable accrued	5,869 66	Accrued sinking funds	19,523 43
Merchandise stock on hand at cost	141,832 20	Accrued bond interest	55,766 40
Material and supplies on hand at cost	185,022 81		186,535 02
Coal on hand	9,415 28	Profit and loss account	313,257 92
Unexpired insurance premiums	5,987 35		
Treasury stock (100 shares Preferred, 191			
shares Common)	9,248 25		
	1,410,175 00		
	\$27,901,292 94		\$27,901,292 94

INCOME ACCOUNT DECEMBER 31 1916.

Earnings from all sources	\$2,457,453 09
Operating expenses, taxes, insurance and depreciation	1,349,133 13
Net earnings from operations	\$1,108,319 96
Fixed charges and sinking funds:	
Fixed charges (Interest on notes and bonds)	\$438,224 86
Sinking funds	30,487 24
	468,712 10
Net surplus for the year	\$639,607 86
Less dividends declared on preferred stock for year 1916	395,650 50
Net surplus for the year carried to profit and loss	\$243,957 36
Profit and loss account Dec. 31 1915*	69,300 56
Profit and loss account Dec. 31 1916	\$313,257 92

* Corporation organized Nov. 18 1915.

Elk Horn Coal Corporation agrees with the New York Stock Exchange as follows:

Not to dispose of its stock interest in any constituent, subsidiary, owned or controlled company, or allow any of said constituent, subsidiary, owned or controlled companies to dispose of stock interests in other companies unless for retirement and cancellation, except under existing authority or on direct authorization of stockholders of the company holding the said companies.

To publish at least once in each year and submit to the stockholders at least fifteen days in advance of the annual meeting of the corporation, a statement of its physical and financial condition, an income account covering the previous fiscal year, and a balance sheet showing assets and liabilities at the end of the year.

To maintain, in accordance with the rules of the Exchange, a transfer office or agency in the Borough of Manhattan, City of New York, where all listed securities shall be directly transferable, and the principal of all listed securities with interest or dividends thereon shall be payable; also a registry office in the Borough of Manhattan, City of New York, other than its transfer office or agency in said city, where all listed securities shall be registered.

Not to make any change in listed securities, of a transfer agency or of a registrar of its stock, or of a trustee of its bonds or other securities, without the approval of the Committee on Stock List, and not to select as a trustee an officer or director of the company.

To notify the Stock Exchange in the event of the issuance of any rights or subscriptions to or allotments of its securities and afford the holders of listed securities a proper period within which to record their interests after authorization, and that all rights, subscriptions and allotments shall be

transferable, payable and deliverable in the Borough of Manhattan, City of New York.

To notify the Stock Exchange of the issuance of additional amounts of listed securities, and make immediate application for the listing thereof.

To publish promptly to holders of bonds and stocks any action in respect to interest on bonds, dividends on shares, or allotment of rights for subscription to securities, notices thereof to be sent to the Stock Exchange, and to give to the Stock Exchange at least ten days' notice in advance of the closing of the transfer books or extensions, or the taking of a record of holders for any purpose.

To redeem Preferred Stock in accordance with the requirements of the Stock Exchange.

To notify the Stock Exchange if deposited collateral is changed or renewed.

The Directors, elected annually, are: G. W. Fleming, New York City; Geo. A. Baird, Chicago, Ill.; S. D. Camden, Parkersburg, W. Va.; S. P. Fetter, Paintsville, Ky.; J. C. Fenhagen, Baltimore, Md.; J. N. Camden, Versailles, Ky.; J. W. M. Stewart, Ashland, Ky.; Edward Cornell, New York City; Jno. E. Buckingham, Paintsville, Ky.; A. E. Nusbaum, New York City; A. H. S. Post, Baltimore, Md.

The Executive Committee is: G. W. Fleming, J. N. Camden and S. D. Camden.

The officers are: C. W. Watson, Chairman of the Board; G. W. Fleming, President; Geo. A. Baird, Vice-President; J. N. Camden, Vice-President; Edward Cornell, Vice-President; J. W. M. Stewart, Secretary; J. F. Caulfield, Treasurer and Assistant Secretary.

The fiscal year of the Company ends December 31.

The annual meeting of the Company is held at the Company's office, Room No. 1406, No. 14 Wall Street, New York City, on the fourth Wednesday in March.

Certificates of stock are interchangeable between New York and Baltimore, Md.

Transfer Agents: New York, Bankers Trust Company; Baltimore, Md., Fidelity Trust Company.

Registrar: New York, Guaranty Trust Company of New York; Baltimore, Md., Mercantile Trust & Deposit Co.

ELK HORN COAL CORPORATION,
G. W. FLEMING, President.

This Committee recommends that the above-described \$6,600,000 Six per Cent Non-cumulative Preferred Stock and \$12,000,000 Common Stock be admitted to the list.

WM. W. HEATON, Chairman.

Adopted by the Governing Committee, May 23 1917.

GEORGE W. ELY, Secretary.

S. H. KRESS & COMPANY

(Organized under the Laws of the State of New York, and herein referred to as the New Company.)

OFFICIAL STATEMENT TO THE NEW YORK STOCK EXCHANGE IN CONNECTION WITH THE LISTING OF ITS SEVEN PER CENT CUMULATIVE PREFERRED STOCK AND COMMON STOCK.

New York, May 14 1917.

S. H. Kress & Company, hereinafter referred to as the "New Company" hereby makes application to have listed on the New York Stock Exchange \$3,772,400 of its Seven per Cent Cumulative Preferred Stock, consisting of 37,724 shares of the par value of \$100 each, with authority to add \$227,600 of said Preferred Stock on official notice of issuance in exchange for temporary certificates, and \$11,801,600 of its Common Stock, consisting of 118,016 shares of the par value of \$100 each, with authority to add \$198,400 of said Common Stock on official notice of issuance in exchange for temporary certificates, and with further authority to add on or before January 1 1918, \$1,000,000 of said Preferred Stock, consisting of 10,000 shares of the par value of \$100 each; making the total amounts applied for of Preferred Stock \$5,000,000; of Common Stock, \$12,000,000, of which \$4,000,000 of Preferred Stock and \$12,000,000 of Common Stock has been issued and is outstanding, is full paid and non-assessable, and no personal liability attaches to stockholders.

The New Company was organized with perpetual charter under the laws of the State of New York on June 21 1916, with an authorized capitalization of \$17,000,000, consisting of \$5,000,000 Preferred Stock of which only \$4,000,000 has been issued, and \$12,000,000 Common Stock, all of which has been issued. Said corporation was organized for the purpose of acquiring, and it did acquire by purchase as of December 31 1915, the business, assets and property of every character, whether tangible or intangible (except real estate and leases at Houston, Texas, and at New Orleans, Louisiana, the portion of said real estate and leased premises occupied by the said business having been immediately respectively leased back to the New Company and to its Texas subsidiary company hereinafter described, and other property not in excess of \$20,000), including the name and good will of S. H. Kress & Company, hereinafter referred to as the "Old Company," which latter corporation had been organized on May 17 1907 under the laws of the State of New York, having an authorized Capital Stock of \$500,000, all issued.

The business transacted by the New Company, and which it has carried on since its incorporation, is the same that it theretofore carried on by the Old Company. The New Company may engage in practically every kind of mercantile and manufacturing business, and sell goods, wares and merchandise of almost every kind, character and description. Its business is what is commonly known as the five, ten and twenty-five-cent store business, but in addition in some places it sells higher priced merchandise, and also it carries on the mail order business in connection with seven of its stores situated at Nashville, Tennessee, Augusta, Georgia, Fort Worth, Texas, Little Rock, Arkansas, Wichita, Kansas, New Orleans, Louisiana, and Roanoke, Virginia, each of said mail order stores being located conveniently to serve the surrounding territory. Over a million mail order catalogues are each year issued and distributed among prospective customers. An extra and sufficient stock of merchandise to supply this mail order business is maintained at the said respective distributing points. At Fort Worth, Texas, Little Rock, Arkansas, New Orleans, Louisiana, Roanoke, Virginia, and Nashville, Tennessee, adequate additional premises have been secured in which to carry on the mail order business alone, and the same course will be pursued in the other cities as the growth of the business warrants. Some merchandise, higher priced than that sold in the stores of the New Company, is sold in this mail order department.

At present the New Company operates 130 stores, located mainly in the southern and southwestern portions of the United States, and employs over 4,000 people. All of these stores are occupied under leases with unexpired terms running from one to fifty years, and a substantial number of these leases have renewal clauses upon reasonable terms. The locations are all choice retail locations in their respective cities.

Of the 130 stores, 63 stores are occupied under uniform leases, all of which run for five years with assurance of renewals and extensions. The other 67 stores are occupied under ordinary leases, it not being possible to obtain uniform leases, but practically all of these contain a number of clauses which the New Company insists upon, namely, the right to assign or sublet without the consent of the landlord; also an agreement on the part of the landlord to give the New Company at least thirty days' notice in writing by registered mail, addressed to the New York office of the New Company, before the landlord may exercise any remedy against the New Company; also a standard insurance clause in practically all cases, providing that the landlord restore the building in the event of destruction or injury by fire; also,

on practically all cases, the landlord has agreed to keep the roof and floors in repair and the plate glass insured.

The following is a list of the cities in which the stores of New Company are located, and also those of the Texas Corporation:

Arkansas City, Kan.	Athens, Ga.
Chanute, "	Atlanta (2), "
Coffeyville, "	Augusta, "
Emporia, "	Brunswick, "
Fort Scott, "	Columbus, "
Hutchinson, "	La Grange, "
Independence, "	Minston, "
Iola, "	Rome, "
Lawrence, "	Savannah, "
Parsons, "	Valdosta, "
Pittsburgh, "	Waycross, "
Salina, "	Anderson, S. C.
Wichita, "	Charleston, "
Carthage, Mo.	Florence, "
Columbia, "	Greenville, "
Jefferson City, "	Spartanburg, "
Moberly, "	Ashville, N. C.
Nevada, "	Charlotte, "
Trenton, "	Durham, "
Bartlesville, Okla.	Fayetteville, "
Chickasha, "	Goldsboro, "
Enid, "	Greensboro, "
Guthrie, "	High Point, "
Lawton, "	New Bern, "
McAlester, "	Rocky Mount, "
Muscogee, "	Salsbury, "
Oklahoma City, "	Wilmington, "
Sapulpa, "	Winston-Salem, "
Shawnee, "	Cairo, Ill.
Tulsa, "	Ashland, Ky.
Fort Smith, Ark.	Hopkinsville, "
Helena, "	Winchester, "
Dallas, Tex.	Hot Springs, Ala.
Dennison, "	Little Rock, "
El Paso, "	Pine Bluff, "
Fort Worth, "	Alexandria, La.
Gainesville, "	Baton Rouge, "
Galveston, "	Lake Charles, "
Houston, "	New Orleans, "
Paris, "	Shreveport, "
San Antonio, "	Austin, Tex.
Sherman, "	Beaumont, "
Texarkana, "	Corpus Christi, "
Waco, "	Montgomery (2), Ala.
Waxahatchie, "	Selma, "
Wichita Falls, "	Tuscaloosa, "
Douglas, Ariz.	Jacksonville, Fla.
Phoenix, "	Key West, "
Tucson, "	Miami, "
Denver, Colo.	Pensacola, "
Pueblo, "	Tampa, "
Trinidad, "	Ybor City, "
Greenville, Miss.	Albany, Ga.
Hattiesburg, "	Americus, "
Jackson, "	Bristol, Tenn.
Meridian, "	Chatanooga, "
Natchez, "	Clarkeville, "
Vicksburg, "	Jackson, "
Anniston, Ala.	Johnson City, "
Bessemer, "	Knoxville, "
Birmingham, "	Memphis (2), "
Gadsden, "	Nashville (2), "
Huntsville, "	Roanoke, Va.
Mobile, "	

The business was started by Mr. S. H. Kress, President of the New Company, in Memphis, Tennessee, in 1896, with only a capital of a very few thousand dollars, and in the early days of the business two brothers of Mr. S. H. Kress, to wit, Messrs. C. W. and R. H. Kress, respectively vice-president and treasurer of the New Company, became actively connected in the management of the business.

The nature and preferences of the holders of the Preferred Stock of the New Company, their voting power and rights, distribution of assets, and the rights of the holders of the Common Stock of the New Company, respectively, and also conditions under which the unissued Preferred Stock may be issued, are fully set forth in the certificate of incorporation of the New Company, which contains the following provisions:

(a) From time to time or at any time four million dollars (\$4,000,000) in par value of said seven per cent cumulative preferred stock and twelve million dollars (\$12,000,000) in par value of said common stock may be issued in such amounts and for such purposes as shall be determined by the board of directors and as may be permitted by law. The remaining one million dollars (\$1,000,000) in par value of such seven per cent (7%) cumulative preferred stock shall only be issued: (1) for cash; (2) at a price at least equal to the par value thereof; and (3) provided that for a continuous period of at least twelve (12) months next preceding any such proposed issue (or if the Company shall not then have been in existence for twelve (12) months, for the entire period of its existence) it shall appear by the audit of a firm of certified public accountants of good standing selected by the board of directors of the Company that the net earnings of the Company, after allowing for proper depreciation and other reserves, have been at least twice the amount required for the payment of dividends on all the preferred stock, both then outstanding and which it is proposed to issue. To the extent to which the proceeds of sale of any part of said one million dollars (\$1,000,000) of additional preferred stock above mentioned shall actually be used for the acquisition of additional property, the earnings of such additional property for the twelve (12) months' period (or the lesser period above stated, in the event that the Company shall not then have been in existence for twelve (12) months next preceding the issue of any of said additional preferred stock, may be included in the earnings of the Company for such period. For the purpose of determining whether or not the earnings of the Company for said period have been twice the amount of dividends on all the preferred stock, both then issued and which it is then proposed to issue, the earnings of any such additional property for such period shall be ascertained in like manner as hereinabove provided with respect to the earnings of the Company.

(b) Before any dividends shall be paid upon or set apart for the common stock, the holders of preferred stock shall be entitled to receive, and the Company shall be obligated to pay, but only out of the surplus profits of the Company, cumulative dividends at the rate of seven per cent (7%) per annum (and no more) payable quarterly on the first days of April.

July, October and January in each year, the first quarterly dividend being payable October 1 1916. The dividends on the preferred stock shall be cumulative from and after July 1 1916.

(c) Out of the surplus profits of the Company, if sufficient, after all accumulated and defaulted dividends (if any) upon said preferred stock shall have been paid or set apart, the Company shall, during the month of January 1918, and annually on or before the first day of February in each and every year thereafter (until all the preferred stock shall have been retired), acquire—either (1) by redemption thereof, or (2) by purchase thereof in such manner as the board of directors may determine from time to time, at the lowest price at which the same may be obtainable with reasonable diligence by the Company, but in no event exceeding one hundred twenty-five dollars (\$125) per share plus accrued and unpaid dividends thereon—at least three per cent (3%) of the largest amount in par value of said preferred stock that shall have been at any one time issued and outstanding; and as and when said stock is acquired, shall forthwith cancel the certificates representing the same. If less than said amount of preferred stock shall be acquired, and the certificates therefor canceled by the Company in any such year on or before the first day of February, the deficiency (before any dividend on the common stock shall be paid or set apart) shall be made good out of the surplus profits in subsequent years; and if more than said amount of preferred stock shall be acquired, and the certificates therefor canceled in any such year on or before the first day of February, the excess may be credited upon the amount required to be acquired in subsequent years.

(d) The whole or any part of the preferred stock may be redeemed at any time at the option of the board of directors, upon ninety days' previous notice, by mail or by publication, or both, to the holders of record thereof, in such manner as may be prescribed by resolution of said board; and by paying therefor in cash one hundred twenty-five dollars (\$125) per share, and all unpaid and accrued dividends thereon to the date fixed for such redemption. If at any time less than the whole of the preferred stock then outstanding shall be called for redemption, the preferred stock so called for redemption shall, at the option of the board of directors, be redeemed in either of the following methods: (1) by redeeming such portion of the preferred stock held by each preferred stockholder as the total amount of said preferred stock then called for redemption shall bear to the total amount of preferred stock then outstanding, or (2) by lot. The board of directors shall have power and authority to prescribe the manner in which, and subject to the limitations and provisions in this certificate contained the terms and conditions upon which the preferred stock shall be redeemed from time to time, and shall have power, among other things, to restrict, after the date fixed for redemption, the voting rights of and the payment of dividends to the holders of any preferred stock so called for redemption, and to cause the Company to issue scrip representing a fraction of a share of stock, and to deprive the owner or holder of such scrip of any voting power and of the right to receive any dividends thereon, provided that any such scrip shall be convertible, together with sufficient other scrip, into full share certificates of stock, which certificates shall, upon being issued, entitle the holders thereof to receive such dividends as have theretofore accrued and been paid on other outstanding stock of the same class, but have not been paid to the holders of such scrip.

(e) None of the preferred stock of the Company acquired by it pursuant to Subdivision (c) or (d) of this Article Fourth, shall be reissued, but all such preferred stock shall from time to time and at convenient times be retired in the manner provided by law, and the authorized capital stock of the Company reduced accordingly.

(f) In no event shall any dividend whatsoever be paid or declared on the common stock, unless and until:

(1) The current quarterly dividend on the preferred stock, as well as all accumulated and defaulted dividends thereon, shall have been paid or set apart;

(2) All arrears in respect of the acquisition of preferred stock in accordance with the provisions of subdivision (c) of this Article Fourth, shall have been made good; and

(3) There shall have been first earned by the Company a surplus of at least five hundred thousand dollars (\$500,000); nor shall any dividend be paid or declared upon the common stock which would reduce said earned surplus below five hundred thousand dollars (\$500,000).

No dividend in excess of six per cent (6%) per annum in and for any one year shall be paid or declared on the common stock unless and until there shall have been first earned by the Company a surplus of at least one million dollars (\$1,000,000); nor shall any dividend in excess of six per cent (6%) per annum in and for any one year be paid or declared on the common stock which would reduce said earned surplus below one million dollars (\$1,000,000).

(g) Subject to the foregoing provisions, and not otherwise, such dividends (payable either in cash, common stock or otherwise) as may be determined by the board of directors, may be declared and paid on the common stock from time to time, out of the remaining surplus profits of the Company; and the profit shall not be entitled to participate in any such dividend, whether payable in cash, common stock or otherwise. Subject to the foregoing provisions, the board of directors shall, however, have power from time to time to fix and determine and to vary the amount of working capital of the Company, and to direct and determine the use and disposition of any surplus profits of the Company over and above the capital stock paid in, and use the surplus of the Company for the purpose of acquiring any of the capital stock of the Company, and to reissue any of the capital stock as acquired.

(h) The amount of preferred stock shall not be increased nor shall any stock having any preference or priority over said preferred stock be issued unless such increase or such issue shall have been previously authorized by the consent of at least three-fourths in interest of the then issued and outstanding stock of the Company of each class (both preferred and common) given separately in person or by proxy at a meeting specially called for that purpose.

(i) Upon any dissolution, liquidation, merger or consolidation of the Company, whether voluntary or involuntary (except in the event of insolvency or bankruptcy), or upon any distribution of capital, no sum whatsoever shall be paid to, nor any assets whatsoever be distributed among the holders of the common stock, until there shall have been paid to the holders of the preferred stock one hundred and twenty-five dollars (\$125) per share and the amount of all unpaid and accrued dividends thereon; and in the event of any dissolution or liquidation of the Company by reason of its insolvency or bankruptcy there shall be paid to the holders of the preferred stock the par value thereof and the amount of all unpaid and accrued dividends thereon before any sum shall be paid to or assets distributed among the holders of the common stock. After such payment to the holders of the preferred stock, all remaining assets and funds of the Company shall, in any of the above events, be paid to the holders of the common stock, according to their respective shares.

(j) Unless and until two quarterly dividends payable on the preferred stock shall be in default, the entire voting power for the election of directors and the amendment of the by-laws shall be vested exclusively in the common stock. If and whenever two quarterly dividends payable on the preferred stock shall be in default, the entire voting power for the election of directors and the amendment of the by-laws shall be vested exclusively in the preferred stock. However, if and when the defaulted dividends shall thereafter be paid, the preferred stock shall be divested of such voting power, which shall then vest in the common stock as before. The terms of office of all persons who may be directors of the Company at the time when the voting power of the preferred stock shall accrue as herein provided, shall terminate upon the election of their successors at a meeting of the preferred stockholders. Such meeting shall be held at any time after the accrual of such voting power upon notice similar to that provided in the by-laws for an annual meeting, at the request in writing of any holder of the preferred stock addressed to the Secretary of the Company at its principal business office. Upon the termination of the voting power of the preferred stock at any time by reason of the payment of all accumulated and defaulted dividends on such stock, the terms of office of all persons who may have been elected directors of the Company by vote of the preferred stockholders shall terminate upon the election of their successors at a meeting of the holders of the common stock. Such meeting shall be held at any time after the termination of such voting power, upon notice similar to that provided by the by-laws for an annual meeting, at the request in writing of any holder of the common stock, addressed to the Secretary of the Company at its principal business office.

The stockholders entitled to vote at stockholders' meetings shall have one vote for each share of stock held by them.

Depreciation upon furniture and fixtures has been accumulated at the rate of at least 5% per annum upon the

original cost, the amount charged off in this connection in and for the year 1916 being \$89,576 84. Amortization of improvements, alterations and bonuses on leased properties is charged off over the terms of the respective leases, except that where leases are for terms longer than the ordinary life of modern buildings, the amounts of such leased premises are written off over the estimated life of the buildings. The amount of such amortization written off in 1916 was \$68,682 56.

The following (and no other) debts, contracts and obligations of the Old Company were assumed by the New Company: (a) The debts and obligations of the Old Company (not including any bonds, debentures or funded debt, or mortgages or liens affecting real estate, the New Company having been indemnified by adequate undertakings against any possible loss or liability arising under same) the New Company's possible maximum liability thereunder being not in excess of \$200,000 and the said undertakings protecting the New Company against same being made jointly and severally by a Corporation and individuals each having a net worth of many times such liability, as shown upon its books of account as of December 31 1915, with only such changes as may have been necessitated by the current course of business after such date; (b) To contracts made in the ordinary course of business; (c) To certain claims for damages for torts incurred in the current conduct of its business, not shown upon its books of account, a list of same having been delivered to the New Company at the time of the transfer of said assets to it; these claims are all unliquidated, and arose in the ordinary course of business, and all of them (with one or two minor exceptions) are being contested; the total possible liability under same will probably not exceed \$25,000. (d) Any other debts incurred in the current conduct of its business which may not have been shown upon its books of account, not exceeding \$15,000.

In such acquisition there was transferred to the New Company, and it now owns, all of the Capital Stock (except directors' qualifying shares) of S. H. Kress & Company, a Texas corporation, hereinafter referred to as the "Texas Corporation," being 500 shares of the par value of \$100 each, aggregating \$50,000. The Texas Corporation was organized on June 12 1907, and its charter expires June 12 1957.

The holding of such stock of the Texas Corporation is merely incidental to the business of the New Company, and for the purpose of enabling it to receive the benefit of the transaction by the Texas Corporation of business in Texas, in which State the transaction of business by the New Company is impracticable, and this corporation is not a holding corporation in the same sense that such term is ordinarily employed.

Said subsidiary Texas Corporation was duly and legally organized, and is existing under and by virtue of the laws of the State of Texas, and has complied with all of the laws and requirements of the State of Texas with reference to all matters, including all requirements as to the issue of its stock. No consents were required to be obtained from any public authority in Texas for the issue of its stock, or for any other step in its organization.

The Old Company discontinued business upon the organization of the New Company, and in order to preserve the name and the muniments of title all of the stock of the Old Company is owned by the New Company.

The New Company has no power to mortgage or encumber any of its property or assets without the consent of at least three-fourths in interest of each class of outstanding stock of the company, both Preferred and Common, but it may, however, pledge its liquid assets for loans made to it in the current course of business, or give purchase money liens on property to be hereafter acquired by the New Company, or acquire property subject to mortgages, liens and encumbrances.

On October 1 1916, January 1 1917, and April 1 1917, the New Company paid quarterly dividends of one and three-quarters per cent, each upon the entire \$4,000,000 par value Preferred Stock then issued and outstanding. No dividends have been paid on the Common Stock of the New Company to date.

The New Company has no mortgage or funded indebtedness.

The sales and net profits of the business acquired by the New Company have been as follows:

The following is a statement of the gross sales and net profits of the New Company, and of its predecessor company, and of its said Texas subsidiary company hereinafter described, from the calendar year 1913 to 1916 inclusive:

Year—	Sales	Profits
1913	\$10,776,597	\$1,082,414
1914	11,897,989	1,064,384
1915	12,429,590	1,063,067
1916	15,059,683	1,354,093

The gross sales for the first four months of 1917 were \$4,683,651, as compared with \$4,084,438 for the same period of 1916.

The income account for the year ending December 31, 1916, shows the following figures:

Sales	\$15,059,682 82
Cost of sales, store expense, office and general expense including depreciation	13,724,337 69
	\$1,335,345 13
Other income	18,747 81
Total income	\$1,354,092 94

INITIAL BALANCE SHEET.

Being a combined balance sheet of the above named company and its subsidiary (S. H. Kress & Company, a Texas corporation) after introducing Assets and Liabilities taken over by it as of December 31 1916.

ASSETS.

Current assets:		
Inventories of merchandise and supplies at stores and warehouses.....	\$1,579,326 38	
Merchandise purchased for season of 1916, and in transit, not taken into inventory.....	661,623 02	
Sundry debtors and accounts receivable.....	32,549 41	
Prepaid expenses.....	4,596 22	
Cash in banks and on hand.....	1,083,424 06	
Total current assets.....		\$3,361,519 09
Capital assets:		
Furniture and fixtures at stores and New York office at cost, less depreciation.....	\$1,158,488 55	
Improvements, alterations and bonuses paid on leased properties—proportion unamortized:		
Leases with an unexpired term of seventeen or more years.....	\$449,936 90	
Other leases.....	352,658 54	
	802,595 44	
Good-will, organization, leaseholds, &c.....	12,000,000 00	
Total capital assets.....	13,961,083 99	
		\$17,322,603 08

CAPITAL AND LIABILITIES.

Current liabilities:		
Accounts payable and sundry creditors for merchandise and expense.....	\$268,747 09	
Accounts payable for merchandise (in transit) purchased for season of 1916.....	661,623 02	
Reserve for taxes.....	64,173 82	
Total current liabilities.....		\$994,543 93
Capital stock:		
7% Cumulative Preferred Stock authorized, 50,000 shares of \$100 each.....	\$5,000,000 00	
Whereof issued and outstanding.....	\$4,000,000 00	
Common stock:		
Authorized and issued, 120,000 shares of \$100 each.....	12,000,000 00	
Total capital stock.....	16,000,000 00	
Capital surplus.....	328,059 15	
		\$17,322,603 08

S. H. KRESS AND COMPANY.

(Incorporated June 21 1916 under the laws of New York.)

BALANCE SHEET AS OF DECEMBER 31 1916.

Being a combined balance sheet of the above-named company and its subsidiary S. H. Kress and Company, a Texas Corporation (all of the Capital Stock of which, except directors' qualifying shares, are held by the New York corporation).

ASSETS.

Capital assets:		
Furniture and fixtures at stores and New York office, at cost, less depreciation.....	\$1,255,835 85	
Improvements, alterations and bonuses paid on leased properties—proportion unamortized:		
Leases with an unexpired term of sixteen or more years.....	\$421,473 00	
Other leases.....	313,435 89	
	734,908 89	
Good-will, organization, leaseholds.....	12,000,000 00	
Total capital assets.....		\$13,990,744 74
Current assets:		
Inventories of merchandise and supplies at stores and warehouses, valued at cost or less.....	\$2,816,305 08	
Merchandise purchased for season of 1917 not taken into inventory, valued at cost.....	320,846 13	
Net expenditures for merchandise and expenses on stores newly opened.....	35,474 73	
Sundry debtors and accounts receivable.....	49,903 70	
Prepaid expenses.....	34,932 83	
Cash paid to fiscal agent for preferred dividend, payable Jan. 1 1917.....	70,000 00	
Cash in banks and on hand.....	1,158,536 38	
Total current assets.....	4,485,998 85	
		\$18,476,743 59

CAPITAL AND LIABILITIES.

Capital Stock:		
7% Cumulative Preferred Stock: Authorized 50,000 shares of \$100 each.....	\$5,000,000 00	
Whereof issued and outstanding.....	\$4,000,000 00	
Common Stock:		
Authorized and issued, 120,000 shares of \$100 each.....	12,000,000 00	
Total Capital Stock.....		\$16,000,000 00
Current liabilities:		
Current accounts payable for merchandise and expense.....	\$502,237 67	
Accounts payable for merchandise purchased for season of 1917.....	320,846 13	
Preferred stockholders for dividend declared payable Jan. 1 1917.....	70,000 00	
Reserve for taxes.....	41,507 70	
Total current liabilities.....	934,591 50	
Surplus:		
Capital surplus as of January 1 1916.....	\$328,059 15	
Current surplus:		
Net profit from operations for year 1916.....	\$1,354,092 94	
Deduct—Quarterly preferred dividends: Nos. 1 and 2 payable Oct. 1 1916 and Jan. 1 1917.....	140,000 00	
Balance carried to current surplus year 1916.....	1,215,092 94	
Total surplus.....	1,542,152 09	
		\$18,476,743 59

The New Company agrees with the New York Stock Exchange as follows:
To publish gross sales monthly.

Not to dispose of its stock interest in any constituent subsidiary owned or controlled company, or allow any of said constituent subsidiary owned or controlled companies to dispose of stock interests in other companies unless for retirement and cancellation, except under existing authority or on direct authorization of the stockholders of the company holding the said companies.

To publish at least once in each year, and submit to the stockholders, at least fifteen days in advance of the annual meeting of the corporation, a statement of its physical and financial condition, an income account covering the previous fiscal year, and a balance sheet showing assets and liabilities at the end of the year, also annually an income account and balance sheet of all constituent subsidiary owned or controlled companies, except the Texas Company, the assets and liabilities of which will be included in the combined balance sheet of the New Company.

To maintain, in accordance with the rules of the Exchange, a transfer office or agency in the Borough of Manhattan, City of New York, where all listed securities shall be directly transferable, and the principal of all listed securities, with interest or dividends thereon shall be payable; also a registry office in the Borough of Manhattan, City of New York, other than its transfer office or agency in said city, where all listed securities shall be registered.

Not to make any change in listed securities of a transfer agency, or of a registrar of its stock, or of a trustee of its bonds or other securities, without the approval of the Committee on Stock List, and not to select as a trustee an officer or director of the Company.

To notify the Stock Exchange in the event of the issuance of any rights, or subscriptions to or allotments of its securities, and afford the holders of listed securities a proper period within which to record their interests after authorization, and that all rights, subscriptions or allotments shall be transferable, payable and deliverable in the Borough of Manhattan, City of New York.

To notify the Stock Exchange of the issuance of additional amounts of listed securities, and make immediate application for the listing thereof.

To publish promptly to holders of bonds and stocks, any action in respect to interest on bonds, dividends on shares or allotment of rights for subscription to securities, notices thereof to be sent to the Stock Exchange, and to give to the Stock Exchange at least ten days' notice in advance of the closing of transfer books or extensions, or the taking of a record of holders for any purpose.

To redeem Preferred Stock in accordance with the requirements of the Stock Exchange.

To notify the Stock Exchange if deposited collateral is changed or removed.

The fiscal year of the Company ends on the 31st day of December of each year.

The annual meeting of the stockholders of the Company is held at its principal office, in the town of Eddyville, County of Ulster, State of New York, or at such other place in the State of New York as may be fixed by the Board of Directors at least twenty days before said meeting, at twelve o'clock noon, on the second Tuesday of May in each year, unless that be a legal holiday, and in that event on the next succeeding business day.

The Company also has an office at 350 Broadway, Borough of Manhattan, City of New York.

The Directors are (Class B, term expires 1918): H. R. Teitelheimer, 49 Wall Street; C. T. Green and J. J. Parkhurst, both of 350 Broadway. (Class C, term expires 1919): S. H. Kress, C. W. Kress and R. H. Kress, all of 350 Broadway. (Class A, term expires 1920): V. E. Whitlock and P. B. Searff, both of 35 Nassau Street, and H. S. Bowers, of 60 Wall Street.

The members of the Executive Committee are: S. H. Kress, President; C. W. Kress, Vice-President, and R. H. Kress, Treasurer, the President, S. H. Kress, being the Chairman thereof.

The Officers are: S. H. Kress, President; C. W. Kress and J. J. Parkhurst, Vice-Presidents; R. H. Kress, Treasurer; W. E. Harper, Assistant Treasurer; P. B. Searff, Secretary, and E. G. Grey, Assistant Secretary.

Transfer Agent: Lawyers Title & Trust Company, 160 Broadway.

Registrar: United States Mortgage & Trust Company, 55 Cedar Street.

S. H. KRESS & COMPANY,

By S. H. KRESS, President.

This Committee recommends that the above-described \$3,772,400 Seven per Cent. Cumulative Preferred Stock and \$11,801,600 Common Stock be admitted to the list, with authority to add \$227,600 of said Preferred Stock and \$198,400 of said Common Stock on official notice of issuance in exchange for present outstanding temporary certificates, with further authority to add on or before January 1 1918, \$1,000,000 of said Preferred Stock on official notice of issuance and payment in full, making the total amounts authorized to be listed,

Preferred Stock.....	\$5,000,000
Common Stock.....	12,000,000

GEORGE W. ELY, Secretary.

WILLIAM W. HEATON, Chairman.

The Commercial Times.

COMMERCIAL EPITOME

Friday Night, May 25 1917.

Despite undeniable drawbacks, the trade of the country is still large, even though it is undoubtedly smaller than recently. There is an enormous output of iron and steel, the demand for which seems insatiable. Textiles, notably cotton goods, have been active at rising prices. Chicago has been sending very optimistic reports in regard to the dry goods trade generally. It looks as though the great industries of the country will have to keep going at high pressure in order to satisfy the abnormal demands created by the war. It is a fact, too, that the trade in lumber, coal and machinery is on an unwonted scale of activity, which so far from relaxing, shows, if anything, a tendency to increase wherever that is possible. There are signs, too, that the industries of the country, wherever it is at all feasible, are preparing to meet the effects of conscription on the labor supply by increasing the supply of female labor. Another thing which attracts attention is the tendency to increase the acreage of food crops. That of corn will be noticeably augmented, and the movement to plant garden and vacant lands wherever they are available, whether in town or city, is undoubtedly gaining headway. It is said that New York's farm acreage this year will be the largest in seven years. It appears, too, that in many parts of this State corn and potatoes will be planted on areas usually given over to hay. It is believed that the acreage in oats in this country will be increased something like 12%. A very large crop of vegetables is expected, and the canning industry is likely to take on proportions seldom or never seen in the United States. The winter-wheat crop is looking better and the spring-wheat is starting well, both here and in Canada. The Northern corn belt, it now appears, will show a high-record acreage, and it is hoped that the weather will soon be warmer, so that germination of seed may be hastened. With a salutary decrease in speculation, prices of grain have declined sharply. The outlook for the boot and shoe industry seems very hopeful. Many factories are now operating on big army contracts, it being estimated that the United States Government will want 12,000,000 pairs of shoes for the army and navy within a year. Under the circumstances the leather trade is stimulated. The advance in the stock market has not been without a heartening influence in the walks of general trade. Interest is keen in the announcement that a commission may have to buy some \$10,000,000,000 worth of supplies of one kind or another. Shipbuilding, it need scarcely be said, is still very active. The patriotism of the country is aroused in behalf of the great Liberty Loan, which is to be offered to the people in very small denominations, whereby its success will no doubt be greatly promoted. On the other hand, it would be idle to deny that the retail trade of the country has suffered from several causes, i. e., abnormally cold weather, the high cost of living and finally an increasing disposition to practice economy wherever it is practicable. Meantime, too, car shortage militates against trade in lumber, coal and even flour; the cotton crop is getting a poor start in the vast section east of the Mississippi River, and the price of this, the cheapest article of clothing known, has latterly advanced materially. It is a sign of the times that the business in luxuries shows a noteworthy decrease. Not that this is to be deplored, especially in such times as these, but for all that it is a sign that economy is coming to be a force to be reckoned with in this country.

LARD lower; prime Western, 22.60c.; refined to the Continent, 23.85c.; South America, 24c.; Brazil, 25c. Futures have declined, owing partly to foreign selling. Also commission houses generally sold, a fact that offset the firmness of hogs. Western packing for the week was 500,000, against 542,000 in the same week last year. Liverpool cables that lard is quiet, with increasing supplies. To-day prices declined with hogs and grain. Cash trade light.

DAILY CLOSING PRICES OF LARD FUTURES IN CHICAGO.

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
July delivery	22.82	22.55	22.52	22.37	22.37	22.15
September delivery	22.92	22.67	22.67	22.55	22.50	22.30

PORK firm; mess \$41 50; clear \$42 50@44 50. Beef products firm; mess \$29@30; extra India mess \$49@50. Cut meats firm; pickled hams, 10 to 20 lbs., 22½@24½c.; pickled bellies 29@30c. Liverpool cables that the general market is dull, but steady, with limited arrivals and stocks fair. Butter, creamery, 41@42c. Cheese, State, 26½c. Eggs, fresh, 38½@39c.

COFFEE firm; No. 7 Rio, 10½c.; No. 4 Santos, 10¾@10¾c.; fair to good Cucuta, 11@11½c. Futures have advanced slightly on covering. But trading has been light pending action at Washington in regard to the question of a tariff. Some of the Washington dispatches have intimated that none will be imposed in view of the high cost of food, already weighing heavily on a large proportion of the population. And it is not believed that the Sao Paulo Government will carry out the valorization plan voted at the beginning of the war. Brazilian markets have latterly been irregular and Rio Exchange 13 11-16d. The new Brazilian

crop is estimated at not less than 18,000,000 to 20,000,000 bags, but Europe, especially France and Italy, seem to have been buying more freely in Brazil of late, so that prices there have been better sustained than might otherwise have been the case. To-day prices closed 1 point lower with sales stated at 7,000 bags. Prices were as follow:

May	cts. 8.16@8.18	September	cts. 8.31@8.32	January	cts. 8.49@8.51
June	8.15@8.18	October	8.35@8.37	February	8.55@8.57
July	8.22@8.24	November	8.39@8.41	March	8.61@8.63
August	8.27@8.28	December	8.53@8.55	April	8.67@8.69

SUGAR lower; centrifugal, 96 degrees test, 5.95c.; molasses, 89 degrees test, 5.20c.; granulated, 7.50@8.50c. Futures advanced early, but later came a reaction owing to tariff uncertainties and Washington advices seemingly indicating a disposition on the part of the Government to take control of the food question. Wall St., the trade and Cuba have sold as spot raws became easier. Also the beet production is said to be large. To-day prices closed 5 to 7 points higher with total sales stated at 17,200 tons. The ending was at a small net advance for the week.

Closing quotations follow:

May	cts. 5.02@5.03	September	cts. 5.18@5.19	December	cts. 4.95@4.96
June	5.02@5.03	October	5.15@5.16	January	4.70@4.72
July	5.09@5.10	November	5.15@5.16	February	4.55@4.58
August	5.13@5.15			March	4.50@4.53

OILS.—Linseed firm; City, raw American seed, \$1.27@1.30; City, boiled American seed, \$1.28@1.31; Calcutta, \$1.40. Lard, prime, \$1.95. Coconut, Cochin, 19c.; Ceylon, 18c. Corn, 15.31c. Palm, Lagos, 18c. Soya bean, 14¼@15c. Cod, domestic, 81@82c. Spirits of turpentine, 46@46½c. Strained rosin, common to good, \$6.50. Cottonseed oil higher on the spot at 16.65c. The closing prices of futures were as follows:

May	cts. 16.65@	August	cts. 16.47@16.49	Nov.	cts. 16.20@16.21
June	16.40@16.60	September	16.49@16.50	December	16.15@16.17
July	16.49@16.50	October	16.41@16.46		

PETROLEUM still in good demand and firm; refined in barrels \$10 25@11 25; bulk \$5 50@6 50; cases \$12 75@13 75. Naphtha, 73 to 76 degrees, in 100-gallon drums and over, 44½s. Gasoline firm; motor gasoline, in steel barrels, to garages, 24c.; to consumers, 26c.; gasoline, gas machine, steel, 41c.; 72 to 76 degrees, steel and wood, 36@38c.; 68 to 70 degrees, 29@32c. Of crude there is an increasing production in Kentucky; only light completions in the Ohio Valley. Dent's Run wells are said to be declining. Closing prices were as follows:

Pennsylvania dark	\$3 10	North Lima	\$1 88	Illinois, above 30	
Cabell	2 37	South Lima	1 88	degrees	\$1 92
Mercer black	2 18	Indiana	1 78	Kansas and Okla-	
Orichon	1 40	Princeton	1 93	homa	1 70
Corning	2 40	Somerset, 32 deg.	2 20	Caddo La., light	1 90
Wooster	2 18	Ragland	1 00	Caddo La., heavy	1 00
Thrall	1 70	Electra	1 00	Canada	2 35
Strawn	1 70	Moran	1 70	Humble	1 00
De Soto	1 80	Plymouth	1 88	Henrietta	1 70

TOBACCO has been quiet but firm, with supplies light and manufacturers busy. They are not inclined to buy much, however, until they see what legislation is adopted in the matter of internal revenue taxes. They are also awaiting developments at the Sumatra sale. Cuban leaf is firm, but like other descriptions is for the moment very quiet. The U. S. Government weekly report says: "Tobacco plants were making only a moderate growth, and in Tennessee the work of setting tobacco was delayed on account of dry weather; some plants were set in Virginia."

COPPER firm. Lake here on the spot, 32@33c.; electrolytic, 32@33c.; for third quarter, electrolytic, 28@29c. It declined and later became firmer, but no large business is looked for until the Government's prices are announced. Tin lower than recently; spot, 65½@65¾c. London, on the other hand, has been inclined to be rather firm. Arrivals, 3,625 tons; afloat, 3,422 tons. Spelter, 9¼@9½c., with a fair demand, notably for the distant deliveries. London has latterly been steady and unchanged as a rule. Lead firm on the spot at 10@11½c., but the trading is certainly light. London has been steady at £30 10s. on the spot and £29 10s. for future delivery. Pig iron has been firm and rather more active. Furnaces are sold well ahead. In New England there is good buying. Sales to domestic countries since May 1 are said to have reached half a million tons. Export business seems to promise better. The tendency of pig iron and scrap is believed to be upward. Basic pig iron has sold up to \$42. Foundry has advanced \$1 at Chicago. Steel is in insatiable demand at firm prices. The foreign demand is still large. Steel bars are scarce. Deliveries are more backward than ever. Orders are overtaking capacity. All manufacturers are sold ahead. Italy has bought wire heavily. The Government has bought 24,000 tons of wire rope. Russia is expected to give large orders for cars. Many mills refuse to fill orders for domestic consumers until the Government needs are known.

COTTON

Friday Night, May 25 1917.

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 40,952 bales, against 60,116 bales last week and 70,719 bales the previous week, making the total receipts since Aug. 1 1916 6,350,376 bales, against 6,605,237 bales for the same period of 1915-16, showing a decrease since Aug. 1 1916 of 254,861 bales.

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.	Total.
Galveston	1,419	3,526	5,149	1,842	2,071	1,988	15,995
Texas City	---	---	---	---	---	---	---
Port Arthur	---	---	---	---	---	---	---
Arant. Pass, &c.	945	1,624	2,878	1,011	1,238	1,060	8,756
New Orleans	115	---	---	178	73	78	444
Mobile	---	---	---	---	---	---	---
Pensacola	---	---	---	---	---	---	---
Jacksonville	---	---	---	---	---	---	---
Savannah	438	783	517	607	382	429	3,156
Brunswick	---	---	---	---	---	1,500	1,500
Charleston	28	20	160	28	238	232	706
Wilmington	5	---	122	---	88	15	230
Norfolk	1,586	2,313	815	1,219	397	2,640	8,970
N'port News, &c.	---	---	25	---	---	---	61
New York	29	---	46	37	---	---	112
Boston	50	17	46	265	103	95	576
Baltimore	---	---	---	---	---	---	488
Philadelphia	---	---	40	---	---	---	40
Totals this week	4,615	8,283	9,752	5,187	4,590	8,525	40,952

The following shows the week's total receipts, totals since Aug. 1 1916 and stocks to-night, compared withlast year:

Receipts to May 25.	1916-17.		1915-16.		Stock.	
	This Week.	Since Aug 1 1916.	This Week.	Since Aug 1 1915.	1917.	1916.
Galveston	15,995	2,495,286	26,916	2,374,185	195,477	203,919
Texas City	---	243,131	1,753	295,744	19,821	2,940
Port Arthur	---	41,447	---	53,793	---	---
Aransas Pass, &c.	7,756	49,991	20,201	84,800	248,483	66
New Orleans	444	1,420,732	20,201	1,258,959	280,729	290,729
Mobile	---	96,451	5,318	132,047	6,306	25,958
Pensacola	---	31,381	---	54,870	---	---
Jacksonville	---	60,081	104	39,917	8,700	1,425
Savannah	3,156	808,977	10,060	974,637	118,314	139,319
Brunswick	1,500	121,500	5,000	124,200	5,100	12,000
Charleston	706	164,337	1,956	253,629	20,344	61,348
Georgetown	---	---	---	728	---	---
Wilmington	230	86,786	3,359	206,683	53,439	68,961
Norfolk	8,970	499,750	8,288	619,236	105,225	82,713
N'port News, &c.	---	12,075	267	82,428	---	---
New York	91	35,205	77	26,881	76,333	232,450
Boston	576	85,238	1,754	75,371	12,292	8,106
Baltimore	488	9,419	197	44,537	27,466	2,908
Philadelphia	40	5,589	---	2,562	4,985	2,680
Totals	40,952	6,350,376	85,340	6,605,237	902,285	1,126,122

In order that comparison may be made with other years, we give below the totals at leading ports for six seasons:

Receipts at—	1917.	1916.	1915.	1914.	1913.	1912.
Galveston	15,995	26,916	26,592	15,649	11,920	10,191
Texas City, &c.	---	1,753	5,997	189	1,391	---
New Orleans	8,756	20,201	12,520	16,767	17,466	10,616
Mobile	444	5,318	493	6,509	2,464	553
Savannah	3,156	10,060	6,327	12,806	11,374	6,751
Brunswick	1,500	5,000	5,000	---	1,550	---
Charleston, &c.	706	1,956	1,064	1,822	934	502
Wilmington	230	3,359	1,411	119	1,270	349
Norfolk	8,970	8,288	3,221	2,423	2,271	1,955
N'port N., &c.	---	267	4,714	1,003	---	---
All others	1,195	2,222	10,406	3,750	2,938	3,954
Total this wk.	40,952	85,340	73,245	61,037	53,578	34,901
Since Aug. 1.	6,350,376	6,605,237	10,071,945	10,235,810	9,510,842	11,621,114

The exports for the week ending this evening reach a total of 38,339 bales, of which 28,603 were to Great Britain, 9,606 to France and 130 to other destinations. Exports for the week and since Aug. 1 1916 are as follows:

Exports from—	Week ending May 25 1917.				From Aug. 1 1916 to May 25 1917.			
	Great Britain.	France.	Other.	Total.	Great Britain.	France.	Other.	Total.
Galveston	14,784	---	---	14,784	873,327	136,718	459,105	1,474,150
Texas City	---	---	---	---	78,617	115,532	28,725	222,874
Port Arthur	---	---	---	---	40,748	---	---	40,748
Arant. Pass, &c.	---	---	---	---	---	---	500	500
New Orleans	8,706	9,600	130	18,442	524,131	210,810	107,501	932,442
Mobile	---	---	---	---	65,217	---	400	65,617
Pensacola	---	---	---	---	36,676	---	100	36,776
Savannah	---	---	---	---	155,532	118,399	83,743	357,674
Brunswick	---	---	---	---	107,798	---	---	107,798
Charleston	---	---	---	---	16,307	---	2,900	19,207
Wilmington	---	---	---	---	5,000	19,355	56,381	80,736
Norfolk	3,110	---	---	3,110	33,250	45,416	1,300	99,966
N'port News	---	---	---	---	913	---	---	913
New York	---	---	---	---	162,847	208,528	246,269	617,644
Boston	---	---	---	---	95,183	10,221	2,433	107,839
Baltimore	2,003	---	---	2,003	157,476	2,391	3,829	163,696
Philadelphia	---	---	---	---	32,500	---	4,577	37,077
San Fran.	---	---	---	---	148	---	---	148
Seattle	---	---	---	---	---	---	171,440	171,440
Tacoma	---	---	---	---	---	---	231,451	231,451
Pembina	---	---	---	---	---	---	123,134	123,134
Total	28,603	9,606	130	38,339	2,410,672	867,363	1,613,938	4,891,973
Tot. '15-'16	51,077	9,999	85,794	126,870	2,298,806	772,324	1,836,193	4,907,323
Tot. '14-'15	119,101	2,658	37,554	159,313	614,737	599,652	3,674,100	7,788,489

Note.—Exports from New York include 60 bales Peruvian to Havre and 890 bales West Indian to Liverpool.

In addition to above exports, our telegrams to-night also give us the following amounts of cotton on shipboard, not cleared, at the ports named. We add similar figures for New York.

May 25 at—	On Shipboard, Not Cleared for—						Leaving Stock.
	Great Britain.	France.	Germany.	Other Cont't.	Coast-wise.	Total.	
Galveston	25,547	---	---	950	5,500	31,997	163,480
New Orleans	3,702	1,570	---	35,227	1,758	42,557	205,926
Savannah	---	---	---	---	500	500	117,814
Charleston	---	---	---	---	100	100	20,244
Mobile	666	---	---	---	244	910	5,396
Norfolk	---	---	---	---	326	326	104,899
New York	1,500	3,000	---	---	---	4,500	71,833
Other ports	2,700	---	---	---	---	2,700	129,103
Total 1917	34,115	4,870	---	36,177	8,428	83,590	518,695
Total 1916	72,498	7,618	100	49,317	13,523	143,056	983,066
Total 1915	47,410	34,295	100	29,016	40,227	151,048	936,017

Speculation in cotton for future delivery has been more active at a sharp rise in prices. This was due largely to bad weather. It has been too cold and dry east of the Mississippi. The season is reported two to three weeks later there. Much replanting will have to be done and some of the new plowed up land, it is said, is to be planted in corn and vegetables. The stands are generally reported poor. In Alabama the appearance of boll weevil causes some apprehension. In parts of the Eastern belt there are complaints of a scarcity of labor. What that whole section needs is warm rains for a time. Certainly the nights have been altogether too cool and there has been a lack of rainfall. And even west of the river, in Texas or Oklahoma, for example, although conditions are better than they were recently, they are still far from being as good as could be desired. East of the river the indications are said to point to a decrease in the acreage. Spot markets have been more active, both at home and abroad. Spot sales in Liverpool have lately been 10,000 to 12,000 a day, whereas recently they were only half as large and that too for a long period. Manchester reports that the advance in prices is checking business, but that offers from India are on a better basis. Ocean freights have advanced, however, and the shipping question is undoubtedly a serious drawback. At the South the spot sales of late have been increasing and prices have risen rapidly. Here the speculation has broadened, owing to increased trading by the West. Wall Street has been a good buyer and large operators there are said to be identified with the bull side. Local shorts have been forced to cover on a rise of 130 points in July during the week, while the new crop months have also advanced very sharply. Most of the outside trading is in October and December. Liverpool stocks are steadily decreasing. They are noticeably smaller than a year ago, and the stock of American cotton is a million bales smaller than in 1915. The firmness of prices has been due also in no small degree to the active and advancing dry goods market. Now and then, too, there has been peace talk. Large spot interests have been buyers, as well as the spinners. On the other hand, some think that the big advance of late has fully discounted all the bullish factors of the situation. In two weeks there has been a very large advance, carrying prices of new crop months to a new high level. In fact they have reached a level higher than has been known for generations on a gold basis. July, moreover, has reached the highest point seen. At the same time, as we have seen, the crop reports from sections west of the Mississippi are improving. And there are those who believe that there is still plenty of time for the crop east of the river to make good its lost ground. Normal temperatures for this time of the year and reasonably abundant rains it is believed would soon put a different face on the whole crop outlook in the Atlantic and Eastern Gulf States. Moreover, the technical position, in the estimation of some, is being weakened by the rapid rise of late, and the steady increase in the "long" account. It stands to reason that much of the short interest has been eliminated on the way up, so that one potential support has been, or is being, removed. To-day, however, prices again reflected a bullish outburst, rising some 54 to 57 points on the largest trading seen in this market for some time past. It was traceable to a number of causes. One of the chief was the report that the National Ginners' Association had stated the condition of the crop at only 70.3% against 77.5 a year ago and 79.1 the ten-year average. This was far lower than anybody had been looking for. The effect was electrical. Wall Street, the West, spot interests and local shorts all bought and this readily absorbed the selling by Liverpool and the South and other sections which took profits to some extent. What gave the National Ginners' rumor so much force was the fact that the weather map was undoubtedly bad east of the Mississippi, where the temperatures were entirely too low for this time of the year. As regards the Western belt, the forecast was for cooler weather, and that is certainly not what is wanted. Moreover, Liverpool was active and higher with spot sales of 12,000 bales. Manchester showed more life. Also Southern spot markets were more active and higher, with sales at New Orleans nearly 19,000 bales. This was announced just at the close and undoubtedly had an effect. Spot cotton closed at 21.95 for middling, showing an advance for the week of 115 points.

The official quotation for middling upland cotton in the New York market each day for the past week has been:

Middling uplands—	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
May 19 to May 25—	21.10	21.15	20.30	21.55	21.55	21.95

NEW YORK QUOTATIONS FOR 32 YEARS.

1917 c.	1916	1915	1914	1913	1912	1911	1910	1909	1908	1907	1906	1905	1904	1903	1902	1901	1900	1899	1898	1897	1896	1895	1894	1893	1892	1891	1890	1889	1888	1887	1886	
21.95	21.95	21.95	21.95	21.95	21.95	21.95	21.95	21.95	21.95	21.95	21.95	21.95	21.95	21.95	21.95	21.95	21.95	21.95	21.95	21.95	21.95	21.95	21.95	21.95	21.95	21.95	21.95	21.95	21.95	21.95	21.95	21.95

MARKET AND SALES AT NEW YORK.

	Spot Market Closed.	Futures Market Closed.	SALES.		
			Spot.	Contract.	Total.
Saturday	Quiet, 30 pts. adv.	Very steady	---	---	---
Monday	Quiet, 5 pts. adv.	Steady	---	---	---
Tuesday	Steady, 15 pts. adv.	Very steady	400	---	400
Wednesday	Steady, 25 pts. adv.	Barely steady	---	---	---
Thursday	Steady	Steady	---	200	200
Friday	Steady, 40 pts. adv.	Very Steady	---	---	---
Total	---	---	400	200	600

FUTURES.—The highest, lowest and closing prices at New York for the past week have been as follows:

	Saturday, May 19	Monday, May 21	Tuesday, May 22	Wed. day, May 23	Thurs. day, May 24	Friday, May 25	Week.
May—							
Range	20.62-67	20.80-94	20.70-87	21.05-34	20.85-50		20.62-50
Closing	20.76	20.84	21.16-20	21.15			
June—							
Range				21.28		21.48	21.28-48
Closing	20.71	20.76	21.07	21.08	21.20	21.48-50	
July—							
Range	20.30-75	20.67-89	20.40-98	20.87-16	20.85-21	21.25-67	20.30-167
Closing	20.73-75	20.69-72	20.95-07	20.95-97	21.10-13	21.61-64	
August—							
Range	20.49	20.59-67	20.74	20.93-04	20.95-01	21.25-40	20.40-40
Closing	20.56-60	20.59	20.80-82	20.82-85	20.95-00	21.40-45	
September—							
Range	20.50	20.63		20.95		21.10	20.50-10
Closing	20.63	20.52-54	20.79	20.70	20.88	21.37	
October—							
Range	20.05-55	20.40-68	20.15-72	20.54-84	20.50-89	20.94-32	20.05-53
Closing	20.52-55	20.41-42	20.68-70	20.00-64	20.78-80	21.27-23	
November—							
Range				20.46			20.46
Closing	20.55	20.43-45	20.70	20.62	20.80	21.29	
December—							
Range	20.24-65	20.50-77	20.25-83	20.63-95	20.58-99	21.05-50	20.24-140
Closing	20.63-64	20.50-52	20.78-80	20.67-71	20.86-89	21.36-37	
January—							
Range	20.25-68	20.53-79	20.34-83	20.72-97	20.59-97	21.07-45	20.25-145
Closing	20.66-68	20.53-54	20.81-83	20.71-75	20.89-90	21.38-40	
February—							
Range	20.39-80	20.72-79	20.50-73	20.88-14	20.78-10	21.26-58	20.39-153
Closing	20.80	20.68-70	20.95-00	20.90	21.08-10	21.56-59	

121c.

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.

	1917.	1916.	1915.	1914.
Stock at Liverpool	541,000	701,000	1,708,000	1,027,000
Stock at London	24,000	40,000	43,000	5,000
Stock at Manchester	51,000	64,000	175,000	82,000
Total Great Britain	616,000	805,000	1,926,000	1,114,000
Stock at Hamburg	*1,000	*1,000	*12,000	23,000
Stock at Bremen	*1,000	*1,000	*322,000	469,000
Stock at Havre	220,000	290,000	318,000	333,000
Stock at Marseilles	4,000	16,000	12,000	3,000
Stock at Barcelona	85,000	495,000	46,000	31,000
Stock at Genoa	30,000	118,000	490,000	35,000
Stock at Trieste	*1,000	*1,000	3,000	51,000
Total Continental stocks	342,000	522,000	1,203,000	945,000
Total European stocks	958,000	1,327,000	3,129,000	2,059,000
India cotton afloat for Europe	73,000	54,000	114,000	333,000
American afloat for Europe	185,000	328,356	552,073	254,174
Egypt, Brazil, &c., afloat for Europe	30,000	24,000	35,000	33,000
Stock in Alexandria, Egypt	123,000	69,000	186,000	198,000
Stock in Bombay, India	886,000	993,000	980,000	982,000
Stock in U. S. ports	902,285	1,126,122	1,087,065	514,280
Stock in U. S. interior towns	801,750	692,609	635,595	294,792
U. S. exports to-day	882	13,780	34,934	18,854
Total visible supply	3,959,917	4,627,867	6,754,667	4,687,100
Of the above, totals of American and other descriptions are as follows				
American—				
Liverpool stock	415,000	558,000	1,419,000	812,000
Manchester stock	38,000	52,000	153,000	59,000
Continental stock	*285,000	*416,000	*1,034,000	837,000
American afloat for Europe	185,000	328,356	552,073	254,174
U. S. port stocks	902,285	1,126,122	1,087,065	514,280
U. S. interior stocks	801,750	692,609	635,595	294,792
U. S. exports to-day	882	13,780	34,934	18,854
Total American	2,627,917	3,186,867	4,915,667	2,790,100
East Indian, Brazil, &c.—				
Liverpool stock	126,000	143,000	389,000	215,000
London stock	24,000	40,000	43,000	5,000
Manchester stock	13,000	12,000	23,000	23,000
Continental stock	*57,000	*105,000	*169,000	108,000
India afloat for Europe	73,000	54,000	114,000	333,000
Egypt, Brazil, &c., afloat	30,000	24,000	36,000	33,000
Stock in Alexandria, Egypt	123,000	69,000	186,000	198,000
Stock in Bombay, India	886,000	993,000	980,000	982,000
Total East India, &c.	1,332,000	1,441,000	1,839,000	1,897,000
Total American	2,627,917	3,186,867	4,915,667	2,790,100
Total visible supply	3,959,917	4,627,867	6,754,667	4,687,100
Middling Upland, Liverpool	13,904	8,474	5,144	7,704
Middling Upland, New York	21,95c.	12,90c.	9,60c.	13,75c.
Egypt, Good Brown, Liverpool	27.50d.	11.89d.	8.10d.	9.95d.
Peruvian, Rough Good, Liverpool	22.50d.	13.50d.	10.50d.	8.85d.
Bracon, Fine, Liverpool	13.50d.	8.20d.	5.00d.	6.3-16d.
Tinnavely, Good, Liverpool	13.68d.	8.22d.	5.12d.	6½d.

* Estimated. a Revised.

Continental imports for past week have been 38,000 bales. The above figures for 1917 show a decrease from last week of 130,423 bales, a loss of 667,950 bales from 1916, a decrease of 2,794,750 bales from 1915 and a falling off of 727,183 bales from 1914.

QUOTATIONS FOR MIDDLING COTTON AT OTHER MARKETS.—Below are the closing quotations of middling cotton at Southern and other principal cotton markets for each day of the week.

Week ending May 25.	Closing Quotations for Middling Cotton on—					
	Saturday	Monday	Tuesday	Wed. day	Thurs. day	Friday
Galveston	20.50	20.50	20.70	20.70	20.85	21.25
New Orleans	20.13	20.13	20.13	20.75	20.75	21.06
Mobile	19.88	20.00	20.00	20.25	20.50	20.63
Savannah	20½	20½	20½	20½	21	21¼
Charleston	20¼	20½	20½ @ ¼	20½ @ ¼	20½	20½
Wilmington	20½	20½	20½	20½	20½	20½
Norfolk	20.50	20.50	20.38	20.63	20.63	20.88
Baltimore	20½	21	21	21¼	21¼	21½
Philadelphia	21.35	21.40	21.55	21.80	21.80	22.20
Augusta	20.63	20.75	20.75	21.00	21.00	21.38
Memphis	20.25	20.62	20.75	20.75	21.00	21.25
Dallas	20.63	20.00	20.25	20.25	20.40	20.90
Houston	20.60	20.60	20.70	20.80	21.00	21.35
Little Rock	20.25	20.25	20.25	20.50	20.75	21.00

AT THE INTERIOR TOWNS the movement—that is, the receipts for the week and since Aug. 1, the shipments for the week and the stocks to-night, and the same items for the corresponding period of the previous year—is set out in detail below.

Towns.	Movement to May 25 1917.						Movement to May 26 1916.					
	Receipts.		Shipments.	Stocks.	Receipts.		Shipments.	Stocks.				
	Week.	Season.			Week.	Season.						
Ala., Eufaula	14	9,763	378	7,773	41	17,727	384	10,121				
Montgomery	249	43,172	1,182	23,219	1,704	121,648	2,473	48,795				
Selma	67	21,459	161	3,180	337	58,744	501	18,977				
Ark., Helena	125	72,948	810	8,500	61	52,297	730	6,750				
Little Rock	1,063	228,259	2,905	22,088	1,549	167,469	4,681	23,304				
Pine Bluff	250	150,061	614	31,000	198	110,612	1,043	15,092				
Ga., Albany	8	19,158	235	1,308	1	21,266	258	1,453				
Athens	130	101,133	600	15,531	950	119,171	1,700	18,943				
Atlanta	2,218	304,952	4,600	65,833	6,887	161,832	12,268	60,017				
Augusta	1,531	365,655	5,022	71,963	2,449	379,355	6,865	94,821				
Columbus	12	61,462	2,875	10,620	234	63,622	1,350	30,804				
Macon	1,342	161,165	1,660	15,708	109	44,204	454	5,389				
Rome	243	57,338	544	5,743	409	63,503	601	9,429				
La., Shreveport	1,146	147,012	1,761	9,351	652	119,119	1,589	17,285				
Miss., Columbus	16	6,059	12	716	40	17,017	111	3,975				
Greenville	20	66,240	28	17,000	72	62,568	191	4,570				
Greenwood	750	111,704	1,250	19,000	356	105,632	1,315	8,573				
Meridian	304	22,372	302	5,593	930	50,243	1,125	12,332				
Natchez	58	34,023	604	7,046	174	24,237	356	6,922				
Vicksburg	2	16,160	316	1,985	12	26,556	16	324				
Yazoo City		19,218	319	3,881		30,094	357	6,378				
Mo., St. Louis	9,461	824,961	13,173	21,857	11,857	679,457	14,278	14,931				
N. C., Greensboro	1,400	75,059	1,900	6,000	3,714	91,196	2,833	11,577				
Raleigh	114	11,425	1,000	91	81	13,244	150	209				
O., Cincinnati	1,622	173,117	1,628	14,753	2,963	245,162	8,530	9,441				
Okla., Ardmore		62,052	59	1,350	28	44,620	20	974				
Chickasha	757	80,476	167	3,213	478	89,917	2,423	6,203				
Hugo		29,597	108	383		12,615		2,554				
Oklahoma	50	38,172	92	850	268	27,904	588	2,854				
S. C., Greenville	1,323	139,345	1,923	23,400	2,489	131,657	2,296	18,714				
Greenwood		16,432	413	3,123	18	19,131	379	5,268				
Tenn., Memphis	12,562	1,247,116	22,961	237,010	4,949	933,694	16,651	124,165				
Nashville	63	1,847	428	219		6,684		1,775				
Tex., Abilene	561	60,294		1,788	147	69,398	1,447	754				
Brenham	72	23,917	1,004	1,088	105	20,338	99	912				
Clarksville	1	42,093	187	837		27,976	600	1,600				
Dallas	510	119,925	741	5,094	425	26,397	691	9,594				
Honey Grove	175	39,622		1,101		29,261	209	800				
Houston	11,519	2,432,012	15,377	79,502	12,146	2,031,760	19,895	74,256				
Paris	1,683	137,804	2,347	3,833	50	95,380	1,050	3,400				
San Antonio	5	43,528	24	101	112	51,049	669	420				
Total, 41 towns	51,926	7,598,107	88,810	801,750	57,093	6,533,756	112,024	692,609				

badly needed except in a few Southwestern counties. Plant pests have been reported from several localities. We have had no rain during the week. The thermometer has averaged 73, ranging from 64 to 82.

Abilene, Tex.—It has rained lightly on two days of the week the rainfall reaching seven hundredths of an inch. The thermometer has ranged from 50 to 84, averaging 67.

Brenham, Tex.—We have had light rain on two days during the week, the rainfall reaching ten hundredths of an inch. Thermometer has averaged 73, ranging from 57 to 88.

Brownsville, Tex.—There has been no rain during the week. The thermometer has averaged 86, ranging from 74 to 98.

Cuero, Tex.—There has been no rain during the week. The thermometer has ranged from 68 to 98, averaging 83.

Dallas, Tex.—We have had rain on two days during the week, the precipitation reaching one inch and sixty-four hundredths. Average thermometer 68, highest 85, lowest 50.

Fort Worth, Tex.—There has been rain on two days during the week, the rainfall being one inch and fifty-four hundredths. The thermometer has averaged 68, the highest being 86 and the lowest 50.

Henrietta, Tex.—There has been rain on two days of the past week, the rainfall reaching one inch and seventy-five hundredths. The thermometer has averaged 70, ranging from 48 to 92.

Huntsville, Tex.—Dry all the week. The thermometer has ranged from 53 to 86, averaging 70.

Kerrville, Tex.—Rain has fallen on two days during the week, the rainfall being ninety-six hundredths of an inch. Average thermometer 68, highest 88, lowest 48.

Lampasas, Tex.—It has rained on three days of the week, the rainfall reaching ninety-five hundredths of an inch. The thermometer has averaged 72, the highest being 90 and the lowest 54.

Longview, Tex.—We have had rain on one day during the week, the rainfall reaching eight hundredths of an inch. Thermometer has averaged 72, ranging from 56 to 87.

Luling, Tex.—Rain has fallen on two days of the week, the rainfall being two inches and thirty-four hundredths. The thermometer has ranged from 60 to 88, averaging 74.

Nacogdoches, Tex.—We have had no rain during the week. Minimum thermometer 67, highest 82, average 51.

Palestine, Tex.—It has rained on two days of the week, the rainfall reaching twenty-two hundredths of an inch. The thermometer has averaged 67, the highest being 82 and the lowest 52.

Paris, Tex.—There has been rain on three days of the week, to the extent of one inch and sixteen hundredths. The thermometer has averaged 67, ranging from 46 to 87.

San Antonio, Tex.—There has been good rain on one day during the week, the rainfall being one inch and sixteen hundredths. The thermometer has ranged from 60 to 94, averaging 77.

Weatherford, Tex.—There has been rain on two days during the week, the rainfall being ninety-seven hundredths of an inch. Average thermometer 66, highest 84, lowest 48.

Dyersburg, Tenn.—Rain has fallen on two days during the week, the rainfall being ninety hundredths of an inch. Highest thermometer 85, lowest 47, average 66.

Memphis, Tenn.—The weather has been more favorable for the germination of cotton. Replanting is still in progress. We have had rain on two days during the week, the precipitation reaching seventy-three hundredths of an inch. Average thermometer 69, highest 84, lowest 46.

Ardmore, Okla.—There has been rain on three days of the week, to the extent of one inch and fourteen hundredths. The thermometer has averaged 66, the highest being 88 and the lowest 44.

Muskogee, Okla.—There has been rain on two days of the past week, the rainfall reaching one inch and forty-three hundredths. The thermometer has averaged 63, ranging from 39 to 86.

Eldorado, Ark.—There has been rain on one day during the week, the rainfall reaching twenty-three hundredths of an inch. The thermometer has ranged from 52 to 87, averaging 70.

Little Rock, Ark.—Rain has fallen on three days during the week, the rainfall being one inch and ninety hundredths. Average thermometer 64, highest 81, lowest 47.

Tezarkana, Ark.—There has been rain on two days during the week, the rainfall being twenty-three hundredths of an inch. The thermometer has averaged 68, the highest being 85 and the lowest 50.

Alexandria, La.—We have had no rain during the week. Thermometer has averaged 72, ranging from 51 to 92.

New Orleans, La.—Rain has fallen on one day during the week, the rainfall being eighteen hundredths of an inch. The thermometer has ranged from 63 to 89, averaging 76.

Shreveport, La.—It has rained on one day of the week, the precipitation being forty hundredths of an inch. Average thermometer 68, highest 82, lowest 55.

Columbus, Miss.—It has rained on one day of the week, the rainfall reaching twenty-seven hundredths of an inch. The thermometer has averaged 67, the highest being 87 and the lowest 47.

Greenville, Miss.—There has been rain on one day of the week, to the extent of ten hundredths of an inch. The thermometer has averaged 69, ranging from 51 to 86.

Vicksburg, Miss.—Rain has fallen on one day of the week, the rainfall being eighty-one hundredths of an inch. The thermometer has ranged from 55 to 85, averaging 70.

Mobile, Ala.—Weather conditions have improved. Higher temperature is stimulating growth, but rain is needed; the crop is clean. The week's rainfall has been two hundredths of an inch on one day. Average thermometer 73, highest 81, lowest 60.

Montgomery, Ala.—It has rained on one day of the week, the rainfall reaching thirty-six hundredths of an inch. The thermometer has averaged 69, the highest being 88 and the lowest 50.

Selma, Ala.—Rain one day of the week to the extent of fifty hundredths of an inch. The thermometer has averaged 71.5, ranging from 51 to 89.

Madison, Fla.—There has been no rain during the week. The thermometer has ranged from 60 to 87, averaging 74.

Tallahassee, Fla.—It has been dry all the week. Average thermometer 74, highest 91, lowest 57.

Albany, Ga.—There has been no rain the past week. The thermometer has averaged 73, the highest being 91 and the lowest 54.

Atlanta, Ga.—Rainfall for the week forty-nine hundredths of an inch on two days. The thermometer has averaged 67, ranging from 47 to 86.

Savannah, Ga.—There has been rain on one day during the week, to the extent of seventy-four hundredths of an inch. The thermometer has ranged from 57 to 91, averaging 76.

Charleston, S. C.—Dry all the week. Average thermometer 74, highest 91, lowest 57.

Greenville, S. C.—There has been rain on one day during the week, to the extent of eighty-six hundredths of an inch. The thermometer has ranged from 41 to 92, averaging 67.

Spartanburg, S. C.—We have had rain on one day during the week, the rainfall reaching ninety-two hundredths of an inch. Lowest thermometer 43, highest 93, average 68.

Charlotte, N. C.—Rain has fallen on one day during the week, to the extent of thirty hundredths of an inch. Minimum thermometer 49, maximum 89, mean 69.

Weldon, N. C.—Rain has fallen on one day during the week, the rainfall being fifty hundredths of an inch. Highest thermometer 97, lowest 42, average 70.

The following statement we have also received by telegraph, showing the height of the rivers at the points named at 8 a. m. of the dates given:

	May 25 1917.	May 26 1916.
New Orleans	Above zero of gauge. 13.5	13.9
Memphis	Above zero of gauge. 17.8	24.2
Nashville	Above zero of gauge. 8.2	8.3
Shreveport	Above zero of gauge. *1.5	7.7
Vicksburg	Above zero of gauge. 31.4	34.2
	*Below.	

RECEIPTS FROM THE PLANTATIONS.—The following table indicates the actual movement each week from the plantations. The figures do not include overland receipts nor Southern consumption; they are simply a statement of the weekly movement from the plantations of that part of the crop which finally reaches the market through the outports.

Week ending	Receipts at Ports.			Stock at Interior Towns.			Receipts from Plantations		
	1917.	1916.	1915.	1917.	1916.	1915.	1917.	1916.	1915.
April 6	75,372	93,455	177,149	1,061,258	1,080,178	877,272	71,829	70,980	127,815
13	64,264	102,550	181,379	1,026,113	1,013,861	834,222	29,119	56,238	138,329
20	71,799	112,603	152,756	995,504	966,013	781,859	41,190	65,753	100,403
27	96,817	99,812	131,675	957,090	939,613	752,927	28,403	43,412	102,733
May 4	63,243	97,583	102,560	922,841	852,920	718,549	35,994	40,390	68,182
11	70,719	83,041	94,412	877,537	803,134	688,704	25,415	33,295	64,567
18	60,116	101,366	69,538	838,634	747,540	655,103	21,213	45,772	35,937
25	40,952	85,340	73,245	801,750	692,609	635,595	4,058	30,409	53,737

The above statement shows: 1.—That the total receipts from the plantations since Aug. 1 1916 are 6,798,392 bales; in 1915-16 were 6,820,669 bales, and in 1914-15 were 10,587,401 bales. 2.—That although the receipts at the outports the past week were 40,952 bales, the actual movement from plantations was 4,068 bales, the balance being taken from stocks at interior towns. Last year receipts from the plantations for the week were 30,409 bales, and for 1915 they were 53,737 bales.

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:

	Saturday, May 19.	Monday, May 21.	Tuesday, May 22.	Wed. day, May 23.	Thursday, May 24.	Friday, May 25.
May—						
Range	20.17-50	20.36-56	20.18-64	20.70-96	20.40-50	— — —
Closing	20.47-50	20.36	20.59-61	20.88-90	— — —	— — —
July—						
Range	19.90-21	20.12-33	19.88-46	20.38-74	20.33-80	20.85-25
Closing	20.19-21	20.18-19	20.39-41	20.52-53	20.70-73	21.12-19
September—						
Range	20.00	— — —	— — —	— — —	— — —	— — —
Closing	20.03-08	20.03-06	20.14-16	20.17-20	20.33-35	20.76-78
October—						
Range	19.51-89	19.75-03	19.48-05	19.90-24	19.84-25	20.31-70
Closing	19.67-89	19.77-78	19.98-00	20.01-02	20.17-18	20.61-63
December—						
Range	19.64-00	19.86-15	19.59-15	20.06-30	19.99-35	20.41-74
Closing	19.98-00	19.88-89	20.10-11	20.12-14	20.27-28	20.72-74
January—						
Range	19.78-07	19.99-22	19.80-20	20.17-38	20.11-40	20.56-77
Closing	20.06-08	19.98-99	20.19-20	20.22-23	20.37-38	20.81-83
March—						
Range	19.92	20.16	— — —	— — —	— — —	— — —
Closing	20.21-24	20.09-11	20.31-33	20.33-35	20.48-50	20.92-93
Tom—						
Spot	Firm	Steady	Steady	Firm	Steady	Firm
Options	Firm	Steady	Very st'y	Steady	Steady	Steady

OUR COTTON ACREAGE REPORT.—Our cotton acreage report will probably be ready about the 21d of June. Parties desiring the circular in quantities, with their business cards printed thereon, should send in their orders as soon as possible, to ensure early delivery.

NEW YORK COTTON EXCHANGE.—*Nominations.*—The nominating committee of the New York Cotton Exchange has selected the following ticket to be voted upon at the annual election to be held June 4:

Pres., George M. Shutt; Vice-Pres., Walter L. Johnson; Treas., James F. Maury; members of the Board of Managers, Leopold S. Bache, W. H. Hubbard, Edward E. Bartlett, Jr., William H. Judson, Henry de la B. Carpenter, Elwood P. McNaney, Nathaniel L. Carpenter, George McFadden, H. L. Goss, Henry H. Royce, Edward L. Hanemann, William N. Schill, John A. Hartcorn, F. E. Storey and Edward M. Weld; trustee of the gratuity fund to serve three years, R. P. McDougal; inspectors of election to serve at the annual election, William A. Boger, F. A. Kimball and J. V. di Zerega.

WORLD'S SUPPLY AND TAKINGS OF COTTON.

Cotton Takings. Week and Season.	1916-17.		1915-16.	
	Week.	Season.	Week.	Season.
Visible supply May 18.....	4,090,430	3,198,251	4,753,119	4,664,410
Visible supply Aug. 1.....	104,030	11,764,379	146,960	11,416,657
American in sight to May 25.....	5120,000	2,474,000	54,000	2,881,000
Bombay receipts to May 24.....	610,000	211,000	6,000	331,000
Other India ship'ts to May 24.....	612,000	685,000	1,000	608,000
Alexandria receipts to May 23.....	616,000	196,000	13,000	217,000
Other supply to May 23*.....				
Total supply.....	4,352,460	18,528,630	4,974,079	20,118,067
Deduct—				
Visible supply May 25.....	3,959,917	3,959,917	4,627,867	4,627,867
Total takings to May 25 a.....	392,543	14,568,713	346,212	15,490,200
Of which American.....	211,543	11,224,713	281,112	11,520,200
Of which other.....	181,000	3,344,000	65,000	3,970,000

* Embraces receipts in Europe from Brazil, Smyrna, West Indies, &c. a This total embraces the estimated consumption by Southern mills, 3,508,000 bales in 1916-17 and 3,234,000 bales in 1915-16—takings not being available—and the aggregate amounts taken by Northern and foreign spinners—11,060,713 bales in 1916-17 and 12,256,200 bales in 1915-16, of which 7,716,713 bales and 8,286,200 bales American. b Estimated.

BOMBAY COTTON MOVEMENT.—The receipts of India cotton at Bombay for the week ending May 3 and for the season from Aug. 1 for three years have been as follows:

May 3. Receipts at—	1916-17.		1915-16.		1914-15.	
	Week.	Since Aug. 1.	Week.	Since Aug. 1.	Week.	Since Aug. 1.
Bombay.....	100,000	2,201,000	58,000	2,715,000	112,000	2,178,000

ALEXANDRIA RECEIPTS AND SHIPMENTS OF COTTON.—The following are the receipts and shipments for the week ending April 25 and for the corresponding week of the two previous years:

Alexandria, Egypt, April 25.	1916-17.	1915-16.	1914-15.
Receipts (cantars)—			
This week.....	47,631	5,528	74,450
Since Aug. 1.....	4,894,658	4,519,773	6,072,393

Exports (bales)—	1917.		1916.		1915.	
	Week.	Since Aug. 1.	Week.	Since Aug. 1.	Week.	Since Aug. 1.
To Liverpool.....	4,509	189,708	---	191,041	1,400	180,918
To Manchester.....	2,452	123,320	---	124,158	---	135,133
To Continent and India.....	---	108,882	2,415	157,049	4,300	253,406
To America.....	---	105,215	---	185,154	1,600	135,210
Total exports.....	6,961	527,125	2,415	657,402	7,300	704,577

Note.—A cantar is 99 lbs. Egyptian bales weigh about 750 lbs. The statement shows that the receipts for the week ending April 25 were 47,631 cantars and the foreign shipments were 6,961 bales.

MANCHESTER MARKET.—Our report received by cable to-night from Manchester states that the advance in quotations is checking business. Offers from India are on a better basis, however. We give prices for to-day below and leave those for previous weeks of this and last year for comparison:

	1917.						1916.									
	32s Cop		8 1/4 ds. Shrt-Cot'n		Up's		32s Cop		8 1/4 ds. Shrt-Cot'n		Up's					
Apr. d.	s.	d.	s.	d.	s.	d.	s.	d.	s.	d.	s.	d.				
6	16 1/4	@	18	9	4	@	12	12 1/2	@	13	7	0	@	9	2	7.62
13	16 1/4	@	18	9	0	@	13	0	@	12 1/2	7	0	@	9	2	7.78
20	16 1/4	@	18	9	4 1/2	@	12	7 1/2	@	12 1/2	7	0	@	9	2	7.82
27	16 1/4	@	18	9	4 1/2	@	12	7 1/2	@	13	7	0	@	9	2	7.94
May 4	16 1/4	@	18 1/4	9	4 1/2	@	12	9	@	13 1/2	7	1 1/2	@	9	3	8.12
11	16 1/4	@	18	9	4 1/2	@	12	10 1/4	@	13 1/2	7	3	@	9	4 1/2	8.44
18	16 1/4	@	18 1/4	9	6	@	13	0	@	13 1/2	7	4 1/2	@	9	6	8.74
25	17 1/4	@	18 1/4	10	0	@	13	9	@	13 1/2	7	4 1/2	@	9	6	8.47

SHIPPING NEWS.—In harmony with the desire of the Government to observe secrecy as to the destination of cotton leaving United States ports, our usual details of shipments are suspended until further notice.

COTTON FREIGHTS.—Current rates for cotton from New York are as follows, quotations being in cents per pound:

Liverpool, 2.50c. asked; Manchester, 2.50c. asked; Havre, 6.00c. plus 10% nom.; Genoa, 7.00c. nom.; Leghorn, 7.00c. nom.; Christiania, 4.00c.; Gothenburg, 4.00c.; Oporto, 10.00c. asked; Barcelona, 7.00c. nom.; Lisbon, 9.00c. asked; Japan, 3.00c.; Shanghai, 3.00c.; Vladivostok, 3.00c. nom.

LIVERPOOL.—By cable from Liverpool we have the following statement of the week's sales, stocks, &c., at that port:

	May 4.	May 11.	May 18.	May 24.
Sales of the week.....	45,000	40,000	48,000	52,000
Of which speculators took.....	5,000	2,200	2,500	3,700
Of which exporters took.....	---	---	---	200
Sales, American.....	40,000	36,000	37,000	45,000
Actual export.....	---	---	---	1,000
Forwarded.....	78,000	62,000	63,000	51,000
Total stock.....	616,000	607,000	575,000	541,000
Of which American.....	493,000	484,000	448,000	415,000
Total imports of the week.....	37,000	53,000	32,000	24,000
Of which American.....	9,000	44,000	22,000	16,000
Amount afloat.....	152,000	113,000	91,000	98,000
Of which American.....	92,000	58,000	41,000	53,000

The tone of the Liverpool market for spots and futures each day of the past week and the daily closing prices of spot cotton have been as follows:

Spot.	Saturday.	Monday.	Tuesday.	Wednesday.	Thursday.	Friday.
Market, 12:15 P. M.	Good demand.	Good demand.	Large business doing.	Good demand.	Hardening	
Mid. Upl'ds	13.44	13.45	13.65	13.79	13.90	
Sales Spec.&exp.	HOLIDAY.	10,000	12,000	12,000	10,000	12,000
		500	1,000	1,000	2,000	1,000
Futures Market opened	Steady at 18@22 pts. adv.	Quiet at 5@6 pts. dec.	Quiet at 3@6 pts. adv.	Steady at 2@3 pts. dec.	Steady at 12@16 pts. advance.	
Market, P. M.	Steady at 19@23 pts. adv.	Steady at 1@7 pts. adv.	Firm at 12@37 pts. adv.	Irreg. at 8@15 pts. dec.	Steady at 41@47 pts. advance.	

The prices of futures at Liverpool for each day are given below. Prices are on the basis of upland, good ordinary clause, unless otherwise stated.

The prices are given in pence and 100ths. Thus: 12 94 means 12 94/100d.

May 19 to May 25.	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
	12 1/4 p.m.	12 1/2 p.m.	12 3/4 p.m.	4 p.m.	12 1/4 p.m.	4 p.m.
May ---	d.	d.	d.	d.	d.	d.
May-June		12 94	97	95	04	15
July-Aug.		12 88	91	87	96	07
Oct-Nov.		12 71	75	71	80	91
Jan-Feb.		12 31	34	27	37	44
Mch-Apr.		12 18	22	41	24	29
		12 09	10	02	11	16

BREADSTUFFS

Friday Night, May 25 1917.

Flour has been quiet, irregular and unsettled. Everybody is awaiting developments in the matter of the proposed Government control of food. Not until the trade has been fully enlightened on this point is there expected to be much business. Meanwhile, the trading is mostly of a jobbing character. Mills are not offering freely, and purchases from second hands supply the needs of not a few buyers, though the stock in second hands is said to be not very large. Stocks in first hands in the United States May 1 were 2,396,000 barrels, against 2,614,000 barrels April 1 and 2,770,000 barrels May 1 last year. In Liverpool prices have, of late, been easier, with liberal Government offerings, and a smaller consumption. The total output last week at Minneapolis, Duluth and Milwaukee was 391,000 barrels, against 397,000 in the previous week and 311,000 in 1916; total since Sept. 1, 13,745,000, against 17,030,000 for the same time last season.

Wheat advanced 12c. early in the week, touching \$2 40 for July, but by Thursday it had fallen 18c. to \$2 22. Crop reports from the Northwest are glowing. Harvesting has begun in Texas under very favorable auspices. It is said it will produce 35,000,000 bushels, against 13,200,000 bushels last year and 23,575,000 in 1915. Kansas, it is said, promises a crop of 50,000,000 to 60,000,000 bushels, against 42,500,000 indicated by the Government returns on the May 1 report. To be sure, the crop there last year was 98,022,000 bushels, and the year before 106,538,000 bushels, but the point is that the crop in the largest wheat State in the country is turning out better than was expected. New buying of futures is limited to covering of shorts, while there are no restrictions as to selling except at the maximum prices of \$2 75 for July and \$2 45 for September. These are of course just not to all intents and purposes a dead letter, as the current market prices are very far below them. Clipping speculation has undoubtedly helped to bring down prices. So also, however, has the improved crop outlook. The talk in Washington, too, of establishing a food controllership in this country has had its influence. Broomhall cables from Liverpool: "No matter how decided the tendency of the different legislative food bills pending in America towards the conservation of supplies and the tempering of the hysteria which was responsible for the sharp rise in prices, fluctuations owing to restrictions will move within a certain narrow radius until some definite decision is arrived at, by which time it is believed that improved crop prospects will exert a prominent influence." The Premier of Canada says that reserves are large there and are practically owned by millers and the Government. The new-crop prospects are excellent, with acreage showing a steady increase. The weather in Canada, moreover, has been favorable. In France fine growing weather has improved the crop prospects and official estimates of the crops there are being slightly raised. In Italy there has

been a slight improvement and crop prospects are fairly favorable in Spain. In Australia the stocks are large and shipments are beginning to be made on a liberal scale. The acreage will be large, as seed is plentiful and labor in adequate supply. In Argentina fine weather favors planting and the Government is assisting to increase the acreage materially. On the other hand, France still labors under the disadvantage of scanty supply and but moderate arrivals. In Australia the weather is too dry. In Italy, though there has been some improvement, the outlook in the main is poor. The weather there has been bad, labor scarce and seed unsatisfactory. In Spain native supplies are about exhausted. Argentina reports that supply of tonnage is slight. In the Balkan States the acreage shows a large decrease. In Russia the weather has been unseasonably cold and there is still snow over a wide area. The winter crop is not good and the spring work is very late. Very little grain to the ports in Russia, and north ports are still ice-bound. The North American visible supply decreased last week 10,570,000 bushels, against a decrease in the same week last year of only 2,697,000 bushels. It has been decreasing so rapidly that it is now down to 75,667,000 bushels, against 117,578,000 a year ago. To-day prices declined 6 to 7 1/2 cts. Though the Kansas State report puts the prospective yield in that State at 40,000,000 bushels, or 2,500,000 less than the Government's recent estimate, but private reports state that there has been an improvement and some were therefore disposed to hope for something much better than the Kansas State figures. Some private estimates on the Kansas yield are 60,000,000 to 72,000,000; also winter crop reports in some other directions were better and export demand was small. Wheat also sympathized with the decline in other grain.

DAILY CLOSING PRICES OF WHEAT FUTURES IN NEW YORK.

No. 2 red	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
cts.	324	320	315	305	306	

DAILY CLOSING PRICES OF WHEAT FUTURES IN CHICAGO.

July delivery in elevator	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
cts.	240	233	232	227	222	217 1/2
September delivery in elevator		217	210	205	201	193 1/2 188

Indian corn advanced but later lost the rise, partly owing to much larger country offerings. Crop reports, too, have been favorable. Moreover, corn has sympathized with the depression in wheat. At the same time, country offerings, though increasing, are considered still far from large. And the North American visible supply is only 6,356,000 bushels, or 13,300,000 less than a year ago, and 11,000,000 less than in 1915. Also Liverpool advices state that corn has been firm there with good spot absorption and only moderate arrivals. Argentina shipments are expected to be light. Not only does the crop in this country promise well, but the acreage is likely to be considerably increased. This is a fact on which no little stress is laid. In the seven surplus States it is estimated the increase will be 12,000,000 acres, or 20%, of which Kansas has 4,000,000 acres and Nebraska 3,000,000 acres. It is said that abandoned winter wheat acreage is being put into corn. Planting generally is completed throughout the largest States. The Government weekly report says that higher temperatures and generous rains produced conditions much more favorable for corn in the principal corn-growing States. The work of planting and re-planting was carried on rapidly and the corn that was up made good growth, especially in the Southwest. To-day prices broke sharply on good crop reports, increased country offerings, lessened cash demand, and a drop of 4 to 4 1/2 cts. in sample prices.

DAILY CLOSING PRICES OF NO. 2 MIXED CORN IN NEW YORK.

No. 2 yellow	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
cts.	181 1/2	179 1/2	182 1/2	183	181 1/2	178

DAILY CLOSING PRICES OF CORN FUTURES IN CHICAGO.

July delivery in elevator	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
cts.	155 1/2	154 1/2	156	156 1/2	151 1/2	152
September delivery in elevator		148	147 1/2	148	147 1/2	141 1/2 137 1/2

Oats advanced at one time, but later declined. Crop reports have been in the main favorable. The Eastern demand has latterly fallen off. Exporters have not, as a rule, done much. In two days they took 150,000 bushels and 500,000 bushels recently and not before reported. But in general the foreign business has latterly been slow. Liverpool advices have latterly reported prices easier, with increasing arrival and a large quantity afloat. American offerings there are liberal. At the same time the continental demand has fallen off after recent large purchases. It seems, too, that Argentina is holding larger reserves than was supposed earlier in the season to be the case. On the other hand, Argentina reports prices firm. It is none the less a fact, however, that trading in this country has been less spirited and prices have fallen. Standards in store have latterly sold at Chicago at 4 cents over July, a decline of 1c. Meanwhile the visible supply in North America is large, reaching 45,547,000 bushels, or 14,400,000 bushels more than a year ago and 24,000,000 bushels more than at this time in 1915. In Liverpool barley and rye have latterly been steady, but less active, with arrivals increasing. To-day prices declined on heavy liquidation, favorable crop news and somewhat larger country offerings. Sample prices dropped 4c. at the West.

DAILY CLOSING PRICES OF OATS IN NEW YORK.

Standards	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
cts.	78 1/2	78 1/2	77	76 1/2	74	72 1/2
No. 2 white		78 1/2	78 1/2	78	75	73

DAILY CLOSING PRICES OF OATS FUTURES IN CHICAGO.

July delivery in elevator	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
cts.	67 1/2	66 1/2	65 1/2	64 1/2	62	60 1/2
September delivery in elevator		67 1/2	66 1/2	65 1/2	63 1/2	61 1/2

The following are closing quotations:

FLOUR		GRAIN	
Winter, low grades	\$9 50 @ 11 00	Wheat, per bushel—	
Winter patents	14 40 @ 14 65	N. Spring, No. 1, new	\$3 04
Winter straights	13 40 @ 13 75	N. Spring, No. 2	3 19
Winter clears	13 50 @ 13 85	Red winter, No. 2, new	3 19
Spring patents	13 25 @ 14 25	Hard winter, No. 2	nom.
Spring straights	15 10 @ 15 35	Oats, per bushel, new—	
Spring clears	12 20 @ 12 50	Standard	72 1/2
		No. 2, white	73
		No. 3, white	72
		No. 4, white	71 1/2

Spring, low grades	\$8 00 @ 11 00	Corn, per bushel—	
Kansas straights, sacks	11 50 @ 15 00	No. 3 mixed	f. o. b. \$1 76
Kansas clears, sacks	11 50 @ 13 00	No. 2 yellow kdn dried	1 78
City patents	16 30	No. 3 yellow	1 77
Rye flour	11 50 @ 12 25	Argentina	nom.
Buckwheat flour		Rye, per bushel—	
Graham flour	10 50 @ 11 50	New York	c. i. f. \$2 30
		Western	c. i. f. \$2 60
		Barley, malting	\$1 55 @ \$1 64
		Barley, feeding	\$1 45

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. 190 lbs.	bush. 60 lbs.	bush. 56 lbs.	bush. 32 lbs.	bush. 48 lbs.	bush. 56 lbs.
Chicago	202,000	356,000	1,112,000	1,981,000	234,000	74,000
Minneapolis	1,750,000	156,000	205,000	188,000	55,000	6,000
Duluth	803,000	213,000	265,000	333,000	256,000	81,000
Milwaukee	31,000	64,000	39,000	21,000		
Toledo	6,000	50,000	35,000	100,000		
Detroit	13,000	46,000	35,000	63,000	3,000	7,000
Cleveland	66,000	620,000	577,000	461,000	10,000	
St. Louis	31,000	61,000	497,000	297,000	59,000	
Peoria	700,000	339,000	148,000			
Kansas City	489,000	655,000	310,000			
Omaha						
Total wk. '17	349,000	5,738,000	3,710,000	3,922,000	813,000	223,000
Same wk. '16	297,000	5,294,000	2,933,000	6,542,000	1,416,000	133,000
Same wk. '15	370,000	3,730,000	2,346,000	2,521,000	584,000	92,000

Since Aug. 1—	15,805,000	320,790,000	470,217,000	234,652,000	77,634,000	19,987,000
1915-16	17,178,000	457,883,000	197,715,000	179,852,000	101,850,000	20,770,000
1914-15	16,769,000	356,366,000	212,028,000	240,633,000	79,627,000	18,577,000

Total receipts of flour and grain at the seaboard ports for the week ended May 19 1917 follow:

Receipts at—	Flour.	Wheat.	Corn.	Oats.	Barley.	Rye.
	Barrels.	Bushels.	Bushels.	Bushels.	Bushels.	Bushels.
New York	155,000	3,778,000	85,000	1,474,000	147,000	41,000
Portland, Me.						
Philadelphia	43,000	733,000	27,000	199,000	1,000	7,000
Baltimore	58,000	463,000	290,000	508,000		227,000
Newport News	14,000					
Norfolk						
Mobile						
New Orleans*	70,000	477,000	66,000	298,000		
Galveston						
Montreal	9,000	1,177,000	46,000	905,000	50,000	115,000
St. John						
Boston	50,000	270,000	11,000	365,000	9,000	
Total wk. '17	399,000	6,898,000	525,000	3,750,000	207,000	390,000
Since Jan. '17	8,188,000	83,085,000	30,236,000	47,223,000	7,130,000	5,132,000
July 1916	530,000	10,712,000	1,182,000	5,172,000	722,000	390,000
Since Jan. '16	10,255,000	148,747,000	23,478,000	63,266,000	12,609,000	5,682,000

*Receipts do not include grain passing through New Orleans for foreign ports on through bills of lading.

The exports from the several seaboard ports for the week ending May 19 are show in the annexed statement:

Exports from—	Wheat.	Corn.	Flour.	Oats.	Rye.	Barley.	Feas.
	bushels.	bushels.	barrels.	bushels.	bushels.	bushels.	bushels.
New York	1,497,522	439,698	45,271	1,406,145		231,511	8,046
Boston	110,954	19,700		49,655			
Baltimore	628,811	619,166		424,291	60,000	46,832	
Newport News			14,000	358,000			
Total week	2,147,297	1,078,564	59,271	2,238,091	60,000	278,343	8,046
Week 1916	1,036,737	1,300,863	325,287	1,431,326	129,405	149,748	16,330

The destination of these exports for the week and since July 1 1916 is as below:

Exports for Week and Since July 1 to—	Flour.		Wheat.		Corn.	
	Week May 19 1917.	Since July 1 1916.	Week May 19 1917.	Since July 1 1916.	Week May 19 1917.	Since July 1 1916.
United Kingdom	46,275	3,610,832	765,434	101,783,304	215,058	23,784,159
Continent	12,998	4,741,718	1,381,863	118,722,316	863,506	20,221,570
So. & Cent. Amer.		1,230,270		216,188		1,087,029
West Indies		1,596,754		15,683		1,893,350
Brit. No. Am. Colon.		11,533				3,624
Other Countries		162,517		19,660		26,154
Total	59,271	11,353,627	2,147,297	220,756,601	1,078,564	47,015,316
Total 1915-16	325,287	14,074,500	10,367,376	304,736,126	1,300,863	25,510,164

The world's shipments of wheat and corn for the week ending May 19 1917 and since July 1 1916 and 1915 are shown in the following:

Exports.	Wheat.			Corn.		
	1916-17.		a1915-16.	1916-17.		a1915-16.
	Week May 19.	Since July 1.	Since July 1.	Week May 19.	Since July 1.	Since July 1.
North Amer*	4,800,000	310,542,000	398,238,000	884,000	48,014,000	22,027,000
Russia		6,262,000	3,608,000		231,000	
Danube						
Argentina	1,368,000	62,396,000	60,098,000	211,000	95,397,000	138,767,000
Australia	1,120,000	37,070,000	27,008,000			
India	560,000	26,910,000	8,760,000			
Oth. countr's	16,000	4,520,000	5,920,000	16,000	4,038,000	10,211,000
Total	7,864,000	447,709,000	493,632,000	1,111,000	147,730,000	171,005,000

* North America.—The Canadian Government has officially prohibited the issuance of both manifests and exports until after ten days. This is effective during the continuance of the war. A Revised.

The quantity of wheat and corn afloat for Europe on dates mentioned was as follows:

	Wheat.			Corn.		
	United Kingdoms.	Continent.	Total.	United Kingdoms.	Continent.	Total.
May 19 1917	Not available	Not available	53,968,000	Not available	Not available	13,167,000
May 12 1917	Not available	Not available	54,960,000	Not available	Not available	7,532,000
May 20 1916	Not available	Not available	53,968,000	Not available	Not available	13,167,000
May 22 1915	Not available	Not available	54,960,000	Not available	Not available	7,532,000

The visible supply of grain, comprising the stocks in granary at principal points of accumulation at lake and seaboard ports May 19 1917 was as follows:

	Wheat.		Oats.	Rye.	Barley.
	United States—	Canada—			
New York	1,082,000	291,000	1,978,000	351,000	623,000
Boston	78,000	13,000	497,000	12,000	---
Philadelphia	1,488,000	204,000	701,000	51,000	---
Baltimore	674,000	549,000	1,824,000	352,000	41,000
Newport News	2,000	---	400,000	---	---
New Orleans	734,000	161,000	1,048,000	---	301,000
Galveston	1,630,000	10,000	---	---	---
Buffalo	4,613,000	165,000	1,244,000	---	176,000
Toledo	352,000	20,000	115,000	2,000	---
Detroit	287,000	69,000	144,000	17,000	---
Chicago	314,000	669,000	6,426,000	13,000	259,000
Milwaukee	179,000	98,000	220,000	14,000	3,000
Duluth	6,580,000	---	782,000	154,000	675,000
Minneapolis	5,975,000	110,000	5,358,000	140,000	562,000
St. Louis	375,000	95,000	278,000	1,000	10,000
Kansas City	1,028,000	220,000	630,000	22,000	---
Peoria	12,000	81,000	253,000	---	---
Indianapolis	95,000	581,000	394,000	---	---
Omaha	118,000	408,000	194,000	10,000	3,000
On Lakes	4,559,000	130,000	415,000	50,000	234,000

Total May 19 1917... \$30,173,000 3,872,000 22,892,000 1,189,000 2,787,000
 Total May 12 1917... \$33,080,000 4,070,000 24,631,000 1,199,000 2,915,000
 Total May 20 1916... \$45,338,000 17,112,000 13,753,000 1,332,000 2,197,000

* Including Canadian wheat now duty free.
 Note.—Bonded grain not included above: Oats, 171,000 New York, 102,000 Boston, 1,889,000 Buffalo, 1,799,000 Duluth; total, 3,961,000 bushels, against 9,433,000 in 1916; and barley, 51,000 New York, 192,000 Duluth, 199,000 Buffalo; total, 433,000, against 362,000 in 1916.

Canadian—				
Montreal	2,107,000	1,101,000	2,953,000	245,000
St. William & P. Arthur	14,126,000	---	6,599,000	---
Other Canadian	1,461,000	---	1,927,000	---

Total May 19 1917... 17,694,000 1,101,000 11,439,000 245,000 139,000
 Total May 12 1917... 16,413,000 1,096,000 10,651,000 124,000 181,000
 Total May 20 1916... 27,753,000 21,000 13,098,000 68,000 67,000

Summary—					
American	30,173,000	3,872,000	22,892,000	1,189,000	2,787,000
Canadian	17,694,000	1,101,000	11,439,000	245,000	139,000

Total May 19 1917... 47,867,000 4,973,000 34,331,000 1,434,000 2,926,000
 Total May 12 1917... 49,493,000 5,566,000 35,282,000 1,323,000 3,096,000
 Total May 20 1916... 73,091,000 17,133,000 26,851,000 1,450,000 2,264,000

WEATHER BULLETIN FOR WEEK ENDING MAY 22.—The influences of weather on the crops, as summarized in the weather bulletin issued by the Department of Agriculture for the week ending May 22, were as follows:

The week was decidedly favorable for the advance of vegetation over almost all portions of the corn belt, in most of the Western cotton States, and in several of the Atlantic Coast States, while from Colorado northward and in much of the Pacific States the week was largely favorable. Cool weather has retarded growth of many crops in the Gulf and South Atlantic States, and in New England it is noted that the season is several weeks late. Cool nights and dryness are having a detrimental effect in North Dakota, and in the North Pacific States gardens and vegetables are very backward.

The cultivation of cotton is well advanced in Georgia and Alabama, while in the north part of the country the greater part of the week was favorable for all kinds of farm work. Corn planting has been pushed rapidly where not previously completed, and plowing is general in the northern portions of New England and New York. In North Dakota it is too dry locally to plow the ground for planting flax, while in some parts of Arizona, Idaho, and Oregon the soil is too wet to be worked.

WINTER WHEAT.—The rains in Texas, Oklahoma, and the eastern half of Kansas were very beneficial to winter wheat, and good progress was made in the growth of that crop. Some improvement was made in other sections, particularly in the northern portion of the winter wheat States. The plants are heading as far north as Tennessee, southern Kansas and Missouri, although heading low in most sections. While the straw is short the heads are reported to be well filled in Mississippi and South Carolina. The plants are stooling nicely in Iowa.

SPRING WHEAT.—The seeding of spring wheat was practically completed; the weather was favorable for germination and the growth of the plants, and this crop is in a very promising condition in most districts although somewhat late in some sections of the West.

OATS.—The harvesting of winter oats is in progress in parts of the South and the crop is now in the Southeastern States. The seeding of spring oats was well advanced in the extreme North, and the seed was germinating readily and the plants making satisfactory growth.

BARLEY, RYE, & C.—The seeding of barley and spring rye was well advanced, and winter rye was heading as far north as southern Pennsylvania. The weather conditions were very favorable for barley in California, and this crop is looking well in the north-central States. Flax seeding was under way in the extreme northern States, although the preparation of the ground was delayed by dry weather in North Dakota. Rice made good growth in the lower Mississippi Valley during the week.

COTTON.—Generous rains fell in central and northern Texas, Oklahoma, and in parts of Arkansas, western Tennessee, and northwestern Mississippi. Higher temperatures prevailed also, and together with the rainfall, produced conditions favorable for growth of cotton in most of the Western cotton belt. The drought was broken in southwestern Oklahoma, and the top soil was put in good condition for planting. Planting continued in western Texas, although the rainfall was not sufficient for crop needs in that section of the State. There was considerable improvement in the crop in Arkansas. The higher temperatures were favorable to cotton from the Mississippi Valley eastward, but the general lack of rainfall was detrimental. The report from North Carolina indicated that it is not possible to determine the full effect of the recent cold weather on cotton until rain occurs, but that the retardation of the crop was serious. The weather conditions were favorable for cultivation and replanting, although in the Eastern cotton States the germination is slow because of the lack of moisture. For this reason the crop was growing slowly, and the stands were generally poor. In a number of sections the poorest cotton stands are being plowed up and devoted to food crops. Chopping was retarded by dry weather in South Carolina, but was under way from Alabama westward to Texas and southeastern Oklahoma.

CORN.—Higher temperatures and generous rains produced conditions much more favorable for corn in the principal corn-growing States. The work of planting and replanting was carried on rapidly, and the corn that was up made good growth, especially in the southwestern corn States. In the Southeast the dry weather was detrimental and corn made slow growth. In the Northeastern States, also, the temperature was considerably below normal, and although corn planting made good progress, it germinated poorly. The planting was becoming general at the end of the week in southern Michigan, and good progress was being made in Wisconsin and Minnesota, and in the central Rocky Mountain districts. The acreage of abandoned wheat fields planted to corn is large in the central Great Plains region.

POTATOES.—Potato planting was begun in New York and southern New England; the planting was progressing rapidly in the central and upper Rocky Mountain States, and the upper Mississippi and central Missouri Valleys and Lake region. Potatoes were germinating well in nearly all districts, and where above the ground, made good growth. The setting of sweet potatoes made good progress in the South, except where delayed by dry weather and lack of plants.

THE DRY GOODS TRADE

New York, Friday Night, May 25th 1917.

Increased activity has been the feature throughout the drygoods trade during the past week, and there appears to be a gradual return of confidence. In addition to continued heavy buying by the Government, there has been more liberal purchasing through ordinary channels as merchants in many quarters expect there will be a shortage of fabrics later in the season and are laying in supplies. Although retail distribution, as a result of economical measures practiced throughout the country, will likely fall off, this will be offset by the heavy absorption of goods by the Government, while the outlook is for decreased mill production on account of the shortage of labor. Already Southern spinners are reported to be curtailing their output fully ten per cent, with New England mills complaining of the difficulty in securing skilled operatives despite the fact that wages are from thirty to forty per cent higher than they were a year ago. The price situation no longer appears to be a factor in checking inquiry, as when goods are needed buyers willingly pay the quotations asked. There has been an improved demand for remote deliveries, with some running as far ahead as the first quarter of next year. Manufacturers, however, are very reluctant about accepting such contracts, owing to the many uncertainties surrounding the situation as regards prices, raw material and labor conditions. The unfavorable outlook for the new cotton crop is beginning to cause considerable concern among mill interests, and many are credited with providing for their future needs in the "futures" market. According to reports emanating from the convention of the American Cotton Manufacturers' Association, the trade in general is of the opinion that cotton goods will play the most important part in the textile situation, and that their substitution for other fabrics will continue to increase. Distribution of goods continues to be checked by the congested railroad facilities, and many buyers are complaining of slow deliveries and scarcity of supplies as a result. While there is a fair inquiry for export account, shipping conditions continue to restrict business. Fair sales, however, have been made to South and Central American countries. Business with the Far East is practically at a standstill.

DOMESTIC COTTON GOODS.—Markets for staple cottons rule firm, with the tendency of prices upward. Demand for most all varieties of goods has broadened, and despite the high prices asked, inquiry is still increasing. Not only are purchases being made for prompt delivery, but for shipment as far ahead as the first quarter of next year. Many lines, such as heavy sheetings, are so well sold ahead that manufacturers' are unwilling to accept more business. While advances have been named on finished goods during the week, in many cases they are said to still be under a parity of present costs of goods in the gray. Not much information is being given out concerning details of orders placed by the Government, but according to rumors, rather high prices are being paid, and mills are well occupied in turning out the goods. The more favorable weather conditions have stimulated demand for ginghams and other wash fabrics, which are selling well at firm prices. Cotton duck is in heavy demand, with mills actively engaged in meeting the requirements of the Government, and in many cases refusing ordinary business. A very large trade is also being done in print cloths for both nearby and deferred delivery. Gray goods, 38 1/2-inch standard, are quoted at 9 1/4c.

WOOLEN GOODS.—Attention in the markets for woollens and worsteds is being devoted almost entirely to the needs of the Government, and a number of mills have turned over their entire output. As a result of these conditions, ordinary business is being refused, while some old orders have either been cancelled or greatly reduced. In the men's wear division of the market, consumers, fearing a shortage before fall, are endeavoring to secure early deliveries of goods in order to provide for their requirements. Although there has still been no openings of next spring fabrics announced, there is said to be considerable inquiry. Prices in general remain very firm, and in view of the rapidly decreasing supplies of raw material, further advances are likely.

FOREIGN DRY GOODS.—More activity has been displayed in the markets for linens, with buyers giving most attention to deferred deliveries. The fact, however, that importers are refusing to name prices on remote shipments is restricting business. Arrivals of goods continue to show improvement, but they are still greatly below the needs of the trade and stocks fail to show much increase. As a result unions and other substitutes are being taken in liberal quantities. According to reports, prices for damasks have been advanced fully 10%, while further upward revisions are predicted in handkerchief lines. In anticipation of the proposed increases in tariff rates, many interests have been withdrawing goods from bonded warehouses, and contracts now being made bind the buyer to pay any possible increased duties. Demand for burlaps, particularly heavy weights, continues active and with supplies light, prices are firmly maintained. Light weights are quoted at 9.20c. to 9.30c. and heavy weights at 11.50c.

STATE AND CITY DEPARTMENT.

STATE AND CITY SECTION.

A new number of our "State and City Section," revised to date, is issued to-day, and all readers of the paper who are subscribers should receive a copy of it.

News Items.

Atlanta, Ga.—City Suffers Heavy Loss by Fire.—As the result of a disastrous fire, which started on May 22 in the negro section of the city and then swept through the exclusive residential section, scores of blocks were devastated, destroying many of Atlanta's finest homes as well as hundreds of negro houses. Late estimates place the number of buildings destroyed at 1,563 and the property loss in the residential section at from \$4,000,000 to \$4,500,000. It is thought that at least 10,000 were made homeless. The only death reported was that of a woman who, it is said, died of shock.

The cause of the fire, which started in a storage house, is unknown. The fire authorities are of the opinion that it was incendiary, but Mayor Candler thinks it was accidental. An investigation is now in progress. Residential sections untouched by the blaze threw open their doors to the sufferers and Mayor Candler announced that while outside offers were appreciated, the city would take care of its own. The fire was brought under control only by the liberal use of dynamite, private residences being blown up on every side.

Colorado.—Legislature Makes Appropriation for War Purposes.—An appropriation of \$140,000 to be used in case of emergency, was provided for by the 1917 Legislature. A special session of the Legislature may be called, we are advised, for the purpose of creating a larger and more sufficient fund.

East Rutherford, N. J.—Election on Commission Government.—The question of whether or not this borough shall adopt the commission form of government will be decided by the voters on May 29.

Federal Tax Exemption of Municipal Bonds.—In our editorial columns last week we published an article dealing with this subject, written by Arthur J. Edwards, Assistant Secretary of the Wells-Dickey Co., of Minneapolis.

Iowa.—Appropriation for War Purposes Provided for by Legislature.—The recent Legislature of Iowa passed a bill appropriating \$1,000,000 to be used for organization and equipment of military organizations, and also authorizing the purchase and improvement of suitable camp grounds for the training of military forces.

Los Angeles County (P. O. Los Angeles), Calif.—Bonds Validated.—Governor Stephens has signed a bill validating the issuance of the \$4,450,000 flood-control bonds authorized by the voters on Feb. 20. The vote was 34,391 to 34,180.—V. 104, p. 978.

Lyndhurst Township, N. J.—Name Changed From Union Township.—See item in next column under head of Union Township.

Nebraska.—Appropriation for War Purposes.—The sum of \$100,000 has been appropriated by the State of Nebraska for mobilization purposes.

Nevada.—War Appropriation.—For the purpose of meeting any military demands which may be made upon the State of Nevada by the U. S. Government, the sum of \$25,000 has been appropriated from the general fund in the treasury.

New Jersey.—General Tax Act of 1903 Amended.—Section 3 of the General Tax Act of 1903, Compiled Statutes of 1910, page 5075, relating to the exemption from taxation of public securities in New Jersey was amended by the 1917 Legislature so as to read as follows. We italicize the portions added in 1917:

The bonds and other securities of the United States, other than circulating notes of national banking associations and United States legal tender notes and other notes and certificates of the United States, payable on demand and circulating or intended to circulate as currency and gold, silver or other coin, and all bonds, securities, improvement certificates and other evidences of indebtedness, heretofore or hereafter issued by this State or by any county thereof, or by any taxing district or school district of this State, and the personal property owned by citizens or corporations of this State situated and being out of the State upon which taxes shall have been actually assessed and paid within twelve months next before May 20, being the day prescribed by law for commencing the assessment.

New York City.—Mayor Vetoes Rockaway Bill.—On May 24 Mayor Mitchell vetoed the bill passed at the recent session of the Legislature, which had for its purpose the separation of the Fifth Ward, Borough of Queens (constituting the villages of Far Rockaway, Arverne and Rockaway Beach), and creating a new municipality to be known as Rockaway City. The Mayor vetoed a similar proposition on May 1 1915 (V. 100, p. 1611). In vetoing the 1917 measure the Mayor said:

It is with regret that I feel constrained to disapprove this bill, inasmuch as I indicated to the proponents of this measure that I would waive my objection to the separation of the Rockaways from the City of New York provided that an entirely satisfactory financial adjustment could be effected between the proposed new city and the City of New York.

From the argument and the facts submitted to me, I am convinced that it has been impossible to provide under this bill for a financial adjustment that would conserve the fundamental interests of the City of New York.

If this bill became law there would result a dual control of Jamaica Bay, with its vast undeveloped waterfront, which would of necessity mean a conflict between the interests of the new Rockaway City and the City of New York. New York City has already been committed by agreements and leases to the improvement of a part of the bay that would be under the jurisdiction of the new city. These agreements cover not only islands and bays, but also the north shore of the Rockaway peninsula facing the bay.

The City of New York, by the acceptance of this bill, would lose miles of what is now the finest sea front within its jurisdiction. It is difficult to estimate such a loss in financial terms, but the resulting inconvenience to citizens who use the Rockaway beaches in the summer, and the difficulty of developing rapid transit to these beaches in the future, constitute grave objections to separation. This bill, if signed, would bring about a loss of over \$52,800,000 of taxable realty, together with the annual tax revenue therefrom. This would deprive the city of upwards of \$1,130,000 of general property taxes, and in addition thereto of an amount ranging from \$50,000 to \$70,000 in other special revenues.

If basis were given for the belief that the City of New York was facing gradual disintegration, the resulting effect upon future bond sales of the city might be disastrous. The loss of over \$52,800,000 of taxable realty would at once result in a reduction of \$5,280,000 in the Constitutional debt-incurring power of the city, without reducing by one dollar the city's constitutional debt. There is no provision within the charter for the proposed Rockaway City where the City of New York could be relieved of any part of its constitutional debt. The constitutional debt of the City of New York which would be chargeable against Rockaway City could only be reduced if actual liquidation thereof was made by payments from Rockaway City to the City of New York.

City Authorized by Law to Make Time Deposits.—A bill has been signed by Mayor Mitchell and Governor Whitman amending Section 196 of the Greater New York charter in relation to the deposits of moneys of the city, by providing that the Chamberlain may, with the approval of the Comptroller, make time deposits of city moneys, for a period not to exceed six months, in any bank or trust company so designated for the deposit of city funds. This will increase materially the interest received by the city on its funds as the reserve against time deposits as required by the Federal Reserve Act (Sec. 19) is only 5%, whereas, heretofore all deposits have been subject to call, and as the Federal Reserve Act and the State Banking Law require banks and trust companies to keep from 15 to 18% of all call deposits in cash, the rate of interest paid the city was restricted by this fact.

New York State.—Local Option and Excise Bill Approved by Governor.—The Hill-Wheeler local option bill, passed by both branches of the 1917 Legislature, and referred to in these columns on May 12, was signed by Governor Whitman on May 22. The bill extends the local option law from the towns and villages to all of the cities of the State. As in towns and villages, the cities hereafter will vote upon four questions, namely, whether to license the sale of liquor in saloons, in bottled goods stores, in hotels, and in pharmacies. The new law provides that in the case of New York City the question of coming under the provisions of the local option law must first be submitted to a referendum vote of the electors of the city at a special election to be held on the third Tuesday in April of any year, and, in the event that the vote is in the negative, the question may be again presented at a special election on the third Tuesday in April of each fifth year thereafter, and not oftener than once in five years. The petition calling such an election must be signed by 25% of the votes cast in the city at the preceding general election.

The Senate Taxation Committee's excise bill, also mentioned in these columns on May 12, was signed by the Governor on May 22. The purpose of this bill is to increase the revenue from liquor licenses and to decrease the number of places in which intoxicants may be sold.

Union Township, Bergen County, N. J.—Name Changed to Lyndhurst Township.—At the election held May 8, the voters ratified the question of changing the name of this township to that of Lyndhurst Township. The change became effective May 15 1917.

Woodville School District (P. O. Woodville), Sandusky County, Ohio.—Injunction Halts School District Plans.—Injunction proceedings brought by over 100 township electors in the Common Pleas Court at Fremont, have according to reports, stopped the centralization of the Woodville township and village schools. The plaintiffs claim, it is said, that the Board of Education's action at the election, held on March 27, were irregular and illegal.

At the election referred to, propositions to centralize rural and village schools and issue \$80,000 bonds to purchase a site and construct a modern school building carried by a vote of the people.

Bond Proposals and Negotiations this week have been as follows:

ABINGTON TOWNSHIP SCHOOL DISTRICT (P. O. Abington), Montgomery County, Pa.—BOND SALE.—On May 21 the \$50,000 4½% coupon tax-free school bonds (V. 104, p. 2033) were awarded to M. M. Freeman & Co., of Philadelphia, at 101.04.

ACACIA SCHOOL DISTRICT, Imperial County, Calif.—BOND ELECTION.—Reports state that an election will be held June 4 to vote on the question of issuing \$9,000 6% school bonds.

ADAMS COUNTY (P. O. Decatur), Ind.—BOND OFFERING.—Reports state that bids will be received until 10 a. m. May 28 by G. E. Kinzie, County Treasurer, for \$6,560, \$8,800, \$4,720 and \$5,440 4½% highway improvement bonds.

AKRON, Summit County, Ohio.—BOND ELECTION.—The question of issuing \$1,000,000 water-works bonds will be submitted to a vote on June 6.

ALAMEDA COUNTY (P. O. Oakland), Calif.—BOND ELECTION.—Local papers state that an election will be held Aug. 14 to vote on the question of issuing \$2,000,000 bridge-building and hospital erection bonds.

ALEX SCHOOL DISTRICT (P. O. Alex), Grady County, Okla.—BOND SALE.—We are advised that this district has disposed of an issue of \$11,000 6% 20-yr. school bonds.

ALLEN PARISH, La.—BOND OFFERING.—Proposals will be received until 10 a. m. June 19 by G. M. King, Jr., Sec'y-Treas. of the Board of Dist. Supervisors (P. O. Kinder), for \$75,000 5% 1-20-yr. serial

Road Dist. No. 2 road bonds. Int. semi-annual. Cert. check for 2 1/4% of amount of issue required. Purchaser to furnish blank bonds at his own expense. The bonds are offered subject to the opinion of Wood & Oakley of Chicago.

AMITE COUNTY (P. O. Liberty), Miss.—BONDS VOTED.—The question of issuing \$80,000 road building bonds carried, it is stated, at the election held in Road Dist. No. 3 on May 5.

ANDERSON, Anderson County, So. Caro.—BOND SALE.—On May 17 the \$20,000 5% 30-yr. coupon bonds (V. 104, p. 1928), were awarded to R. M. Marshall & Bro., of Charleston at 101.025 and int. Spitzer, Roric & Co., Toledo bid \$20,077.50.

ANDERSON-COTTONWOOD IRRIGATION DISTRICT (P. O. Anderson), Shasta County, Calif.—BONDS VOTED.—The question of issuing the \$675,000 irrigation-system-improvement bonds (V. 104, p. 1825) carried, it is stated, at an election held May 11.

ARKABUTLA CONSOLIDATED SCHOOL DISTRICT (P. O. Arkabutla), Tate County, Miss.—BOND SALE.—On May 21 \$17,500 6% school bonds were awarded to the People's Bank of Senatobia for \$18,005 equal to 103.457. Denom. \$500. Date June 1 1917. Interest annual in June. Due \$1,000 yearly from 1918 to 1933, incl., and \$1,500 1934.

ARLINGTON, Shelby County, Tenn.—BOND SALE.—The Nat'l City Bank of Memphis purchased at par and expenses on Jan. 5 an issue of \$15,000 6% water-works and electric light bonds. Denom. \$500. Date May 1 1917. Int. M. & N. Due part in 1921, 1926, 1931 and 1936. We reported the sale of \$10,000 of these bonds in V. 104, p. 85.

ASHTABULA COUNTY (P. O. Jefferson), Ohio.—BOND OFFERING.—Bids will be received until 1 p. m. May 28 by B. E. Brainerd, Clerk of County Commissioners, it is stated, for an issue of \$67,000 4 1/2% 5 1/2-year average road bonds. Int. semi-ann. Certified check for \$500 required.

AUGLAIZE COUNTY (P. O. Wapakoneta), Ohio.—BOND OFFERING.—Proposals will be received until 12 m. June 4 by F. W. Langhorst, Co. Aud., for \$7,500 5% road impt. bonds, auth. Sec. 6929, Gen. Code. Denom. \$750. Date June 1 1917. Int. M. & S. Due \$750 each six months. Cert. check for 2% of amount bid for, payable to the Co. Treas., required. Bonds to be delivered and paid for within 15 days' from time of award. Purchaser to pay accrued interest.

BARAGA COUNTY (P. O. L'Anse), Mich.—BOND OFFERING.—Proposals will be received until 10 a. m. June 5 by M. Voetsch, Co. Clerk, for an issue of \$22,000 road bonds. These bonds are part of an issue of \$110,000, \$44,000 having been sold on Mar. 31. See V. 104, p. 1514.

BAXTER CREEK IRRIGATION DISTRICT (P. O. Susanville), Lassen County, Calif.—BONDS VOTED.—By a vote of 55 to 5 the question of issuing \$310,000 6% irrigation-system bonds carried, it is stated, at a recent election.

BAYOUN MALLETT & PLAQUEMINE DRAINAGE DISTRICT, St. Landry Parish, La.—BOND SALE.—On May 22 the \$70,000 5% 1-40-yr. serial gravity drainage bonds (V. 104, p. 1928), were awarded to the Opelousas Nat. Bank, Opelousas at 97 and int.

Other bids were: H. D. Laucade Jr., Opelousas \$63,070 W. L. Slayton & Co., Toledo \$59,500 Rud. Kloybolte & Co., Cin., 63,005]

BEMIDJI, Beltrami County, Minn.—BOND ELECTION PROPOSED.—Local papers state that an election will be called in the near future to submit to a vote the question of issuing bridge bonds.

BIDDEFORD, York County, Maine.—BONDS PROPOSED.—It is reported that an issue of \$45,000 4% 20-year coup. refunding bonds is under contemplation. Date July 1 1917. Int. J. & J. at office of City Treas.

BLISSFIELD TOWNSHIP (P. O. Blissfield), Lenawee County, Mich.—BOND SALE.—The Blissfield State Bank was awarded at par on Apr. 7 an issue of \$30,000 4 1/2% road bonds. Denom. \$1,000. Date Apr. 15 1917. Int. ann. on Apr. 15. Due \$6,000 yearly from 1921 to 1925 incl.

BOWERBANK SCHOOL DISTRICT, Kern County, Calif.—BOND OFFERING.—Proposals will be received until 10 a. m. June 4 by F. E. Smith, Clerk Bd. of Co. Supervisors (P. O. Bakersfield), for \$6,000 6% gold coupon building and equipment bonds. Denom. \$500. Date May 10 1917. Prin. and semi-annual int. (M. & N.), payable at the Co. Treas. office. Due \$500 yrly. May 10 from 1922 to 1933, incl. Cert. check (or cash) for 10% amount of bid, payable to the Chairman Bd. of Co. Supers., required. The district has no indebtedness. Assess. val. 1916, \$506,550.

BROCKTON, Mass.—TEMPORARY LOAN.—On May 22 the loan of \$200,000, maturing Nov. 23 1917, was awarded to Bernhard, Scholle & Co., of N. Y., at 4.40% discount (V. 104, p. 2034). The other bidders were:

Bond & Goodwin.....4.44% discount
P. S. Moseley & Co.....4.47% discount, plus \$2 premium
Loring, Tolman & Tupper.....4.53% discount plus 50c. premium
Farmers' Loan & Trust Co., N. Y.....4.60% discount

BROWNSTOWN SCHOOL TOWNSHIP (P. O. Brownstown), Jackson County, Ind.—BOND OFFERING.—It is stated that bids will be received until 2 p. m. June 5 by Worth Clark, Township Trustee, for \$3,000 5% school bonds.

BUENA VISTA RURAL SCHOOL DISTRICT (P. O. Buena Vista), Scioto County, Ohio.—BOND OFFERING.—Proposals will be received until 12 m. June 1 by La Fayette Young, Clerk-Treasurer of District, for the \$1,000 6% coupon school bonds voted April 17 (V. 104, p. 1722). Auth. Secs. 7825, 7826 and 7827, Gen. Code. Denom. \$100. Date June 1 1917. Int. J. & D. Due \$100 yearly on Dec. 1 from 1921 to 1930, inclusive. Certified check for 5% of bonds bid for, if bid is for entire issue, or check for \$50 if bid is for part of issue, is required, and must be made payable to the above Clerk-Treasurer. Purchaser to pay accrued interest.

BUFFALO, N. Y.—BOND OFFERING.—Proposals will be received until 11 a. m. June 6 by John F. Cochrane, City Comptroller, for \$350,000 hospital and \$160,000 grade-crossing 4 1/2% tax-free bonds. Denom. \$1,000 and multiples thereof. Date June 15 1917. Principal and semi-annual interest—J. & D.—payable at office of City Comptroller or at Hanover Nat. Bank, N. Y. Due one-twentieth of each issue yearly on June 15 from 1918 to 1937, incl. An unconditional certified check for 2% of bonds bid for, payable to the City Comptroller, is required. The favorable opinion of Caldwell & Massich, certifying as to the legality of these issues, will be furnished purchaser. Bids must be unconditional. Bonded debt May 15 1917, \$39,165,881, including water debt of \$12,141,900; sinking fund, \$4,395,650, including \$751,492 applicable to payment of water bonds; assess. val. of taxable real estate 1916-1917, \$351,939,420; special franchises, \$24,496,980; city tax rate (per \$1,000), \$29 84+

CAANAN TOWNSHIP RURAL SCHOOL DISTRICT (P. O. London), Madison County, Ohio.—BOND OFFERING.—Proposals will be received until 12 m. June 15 by Harry High, Clerk of Bd. of Ed., for \$4,500 5% coup. school bonds. Denom. \$500. Date day of sale. Prin. and semi-ann. int.—M. & S.—payable at office of Dist. Treas. Due \$500 yrly. on Mar. 1 from 1937 to 1945, incl. Cert. check for 5% of bonds bid for required. Purchaser to pay accrued interest.

CABARRUS COUNTY (P. O. Concord), No. Caro.—BOND OFFERING.—Sealed bids will be received until 1 p. m. June 14 by the Board of County Commissioners, L. A. Weddington, Chairman, for \$50,000 5% coupon county-home-building bonds. Denom. \$1,000. Interest semi-annual. Due \$2,000 yearly beginning in 2 years. Certified check for 1%, payable to the County Treasurer, required. Bonded debt, excluding this issue, March 16 1917, \$274,000. Floating debt, none. Assessed valuation 1916, \$12,000,000. A similar issue of bonds was offered on April 5 (V. 104, p. 1309).

CALDWELL COUNTY (P. O. Lenoir), No. Caro.—BONDS DEFEATED—NEW ELECTION PROPOSED.—According to reports the question of issuing \$250,000 road impt. bonds failed to carry at the election held May 8. Steps are being taken to ask the Board of Co. Commrs. to call another election in about forty days.

CALHOUN COUNTY (P. O. Marshall), Mich.—BONDS REFUSED.—Newspaper reports state that M. M. Freeman & Co. of Phila. have refused to accept the \$380,000 4 1/2% road bonds awarded them on Mar. 15 at 100.50 and int.—V. 104, p. 1177.

CAMBRIDGE, Mass.—TEMPORARY LOAN.—On May 23 the loan of \$500,000 was awarded to Salomon Bros. & Hutzler of N. Y., at 4.31% discount—V. 104, p. 2034. Other bids were:

Discount. Bond & Goodwin.....4.36% S. N. Bond & Co.....4.47%
Bernhard, Scholle & Co.....4.40% Farmers' Loan & Trust Co.....4.60%

CARLISLE, Cumberland County, Pa.—BOND ELECTION PROPOSED.—Reports state that this borough contemplates holding an election to vote on the questions of issuing \$50,000 funding and \$55,000 street-improvement bonds.

CARROLL COUNTY (P. O. Delphi), Ind.—BOND SALE.—On May 22 the \$12,700 4 1/2% road-improvement bonds—V. 104, p. 2034—were awarded to the First Nat. Bank of Peru for \$12,731.11—100.244—and int. J. F. Wild & Co. of Indianapolis bid \$12,704.25.

BOND OFFERING.—D. L. Musselman, Co. Treas., will receive bids until 3 p. m. May 28 for \$7,000 4 1/2% 5 1/2-year average Wilson et al. road impt. bonds. Denom. \$350. Date May 10 1917. Int. M. & N. Due \$350 each six months from May 15 1918 to Nov. 15 1927, inclusive.

CARUTHERSVILLE SCHOOL DISTRICT NO. 18 (P. O. Caruthersville), Pemiscot County, Mo.—BOND OFFERING.—C. F. Bloker, Secretary of Board of Education, will receive sealed bids until 7 p. m. May 28 for \$45,000 5% 20-year serial building bonds. Denom. \$500. Int. semi-annual at St. Louis. Certified check for 2% required.

CASS COUNTY (P. O. Logansport), Ind.—BOND SALE.—The following two issues of 4 1/2% highway improvement bonds, aggregating \$35,400, were disposed of on April 28:

\$14,200 bonds to Jas. D. McNitt, of Logansport, for \$14,220, equal to 100.14.

21,200 bonds to M. R. Kelly, of Indianapolis, at par.

CHESTER, Meigs County, Ohio.—BONDS DEFEATED.—The proposition to issue \$18,000 municipal-building bonds was defeated at an election held May 12 by a vote of 107 "for" to 146 "against," it is reported.

CHESTER, Delaware County, Pa.—BOND OFFERING.—It is reported that bids will be received until 10 a. m. June 13 by Wm. S. Blakely Jr., Chairman of Finance Committee, for \$130,000 4 1/2% 20-year school bonds. Certified check for 3% required.

CHICAGO, Ill. (North Shore Park District).—BOND OFFERING.—Bids will be considered until June 6 by the District Commissioners, Chas. H. Johnson, District Treasurer (P. O. 1618 Sherwin Ave., Chicago), for the \$125,000 4 1/2% park bonds mentioned in V. 104, p. 1619. Bonds to run 20 years, payments beginning 4 years after date.

CHICOPEE, Hampden County, Mass.—TEMPORARY LOAN.—On May 24 a loan of \$100,000, maturing Dec. 20 1916, was negotiated with Curtis & Sanger, of Boston, at 4.35% discount, plus \$2.50 premium. Other bidders were:

Bond & Goodwin, Boston.....4.39% discount
S. N. Bond & Co., New York.....4.49% discount
R. L. Day & Co., Boston.....4.57% discount

CLARKE COUNTY SCHOOL DISTRICT, Wash.—BOND SALE.—On May 12 \$1,500 1-4-yr. (opt.) gymnasium and assembly hall building bonds were awarded to the Washington Exchange Bank of Vancouver for \$1,501 (100.066) for 58. Denom. \$200. Date May 19 1917. Int. M. & N.

CLAY COUNTY (P. O. Brazil), Ind.—BOND SALE.—The Brazil Trust Co. of Brazil was awarded on May 23, the two issues of 4 1/2% road bonds, aggregating \$36,600, offered on that day (V. 104, p. 2034).

CLIFTON FORGE, Allegheny County, Va.—BONDS AUTHORIZED.—Reports state that the City Council has authorized the issuance of \$7,500 playground site-purchase bonds.

COATESVILLE, Chester County, Pa.—BOND SALE.—On May 17 an issue of \$36,000 4 1/2% 30-year serial water works bonds was awarded to Brown Bros. & Co. of Phila. Denom. \$1,000. Date June 1 1917. Int. M. & N. M. M. Freeman & Co. of Phila. was the only other bidder.

COCHISE COUNTY SCHOOL DISTRICT NO. 2 (P. O. Bisbee), Ariz.—BOND SALE.—On May 14 the \$100,000 5% gold school bonds (V. 104, p. 1826) were awarded to the Bank of Bisbee and the Miners & Merchants Bank of Bisbee at par and int. There were no other bidders.

COLLINGSWOOD SCHOOL DISTRICT (P. O. Collingswood), Camden County, Pa.—BOND ELECTION PROPOSED.—This district is contemplating calling an election to vote on the question of issuing \$10,000 school bonds, it is said.

COLUMBUS JUNCTION INDEPENDENT SCHOOL DISTRICT (P. O. Columbus Junction), Louisa County, Iowa.—BOND ELECTION.—An election will be held May 28, it is stated, to submit to a vote the question of issuing \$90,000 building bonds.

COOPERSTOWN (Village), Otsego County, N. Y.—BOND OFFERING.—Reports state that bids will be received until 8 p. m. May 28 by Wm. H. Michaels Jr., VII, Clerk, for the \$35,000 5% street bonds voted April 9—V. 104, p. 1412. Denom. \$700. Int. semi-ann. Due \$1,400 yearly. Cert. check for 1/2 of 1% is required.

COULTERSVILLE SCHOOL DISTRICT, Mariposa County, Calif.—BOND SALE.—On May 9 the \$3,800 6% building bonds (V. 104, p. 1826) were awarded to the Bank of Italy for \$3,805 (105.694) and int. Denom. \$300. Date June 1 1917. Int. ann. on June 1. Due \$300 yrly. for 12 years.

CRANSTON, Providence County, R. I.—BIDS REJECTED.—All bids received for the three issues of 4% gold bonds, aggregating \$365,000, offered on May 18, were rejected.—V. 104, p. 1929.

CRESCO INDEPENDENT SCHOOL DISTRICT (P. O. Cresco), Howard County, Iowa.—BOND ELECTION.—The questions of issuing \$63,000 primary and vocational school and \$12,000 primary building bonds will be submitted to a vote, it is stated, on May 31.

CROSS COUNTY (P. O. Wynne), Ark.—BOND OFFERING.—Dispatches state that the Board of Commissioners will receive bids until June 1 for \$125,000 Road Improvement District No. 1 road bonds.

CUYAHOGA COUNTY (P. O. Cleveland), Ohio.—BONDS NOT SOLD.—Reports state that no bids were received on May 23 for the two issues of 4 1/2% coupon road bonds, aggregating \$35,231, offered on May 23.—V. 104, p. 1826.

DALLAS, Dallas County, Texas.—BIDS REJECTED.—All bids received for the \$900,000 4% 20-yr. (aver.) gold coupon (with privilege of reg. as to prin.) sewer constr. bonds offered on May 18 (V. 104, p. 1929), were rejected. The Commr. of Finance & Revenue advises us that the probabilities are that this issue will not be put on the market again for several months, or until such time as conditions seem more favorable for this class of bonds.

DALLAS INDEPENDENT CONSOLIDATED SCHOOL DISTRICT (P. O. Dallas), Marion County, Iowa.—BOND OFFERING.—Chas. W. Nobler, District Treasurer, will receive sealed bids until 1:30 p. m. June 15, for \$20,000 4 1/2% serial building bonds.

DAYTON, Rhea County, Tenn.—BOND OFFERING.—Sealed proposals will be received until 12 m. June 4 by A. P. Haggard, Chairman Board of Commissioners, for \$20,000 5% 20-year site-purchase and city-hall and auditorium-building bonds.

DEARBORN COUNTY (P. O. Lawrenceburg), Ind.—BOND SALE.—On May 22 the \$3,900 4 1/2% road bonds (V. 104, p. 2034) were awarded to J. F. Lochard, of Versailles, for \$3,911 (100.282) and int. The other bidders were: People's Nat. Bk., Lawr'b'g.—\$3,905 J. F. Wild & Co., Indianapolis \$3,901

DELAWARE (State of).—BOND OFFERING.—Everett C. Johnson, Secretary of State, advises us, under date of May 22, that an issue of \$125,000 Women's College Improvement bonds "was advertised for sale on May 21, to be sold by June 1."

DENNISON, Tuscarawas County, Ohio.—BOND OFFERING.—Proposals will be received until 12 m. June 12 by H. J. Andrews, Village Clerk, for \$4,500 5% 1-9-year serial cemetery bonds. Auth., Secs. 4939 and 4188, Gen. Code. Denom. \$500. Date May 1 1917. Int. M. & N. Due \$500 yearly on May 1 from 1918 to 1926, inclusive. Certified check for \$100, payable to the Village Treasurer, required. Purchaser to pay accrued interest. Bonded debt May 1 1917 (excluding this issue), \$71,700; assessed valuation 1917, \$3,590,000.

DEPEW (Village), Erie County, N. Y.—BOND SALE.—The following bids were received for the \$14,600 coupon or registered (purchaser's option) improvement bonds offered on May 21:

Isaac W. Sherrill Co.	100.191	5%
H. A. Kahler & Co.	100.18	5%
Geo. B. Gibbons & Co.	100.17	5%

Bonds will be issued in any multiple of \$100, or fractional part thereof. Date May 21 1917. Int. M. & N. in N. Y., or elsewhere, at option of purchaser. Due \$1,460 yearly for ten years. Bonded debt May 7 1917 was \$187,450; assessed value of taxable real estate for 1916 is \$2,795,965. A similar issue of bonds was awarded on Jan. 2 to H. A. Kahler & Co., of New York (see V. 104, p. 180).

DES MOINES, Iowa.—DESCRIPTION OF BONDS.—The \$457,000 municipal court house and police station and \$20,000 garbage plant 4 1/2% bonds, awarded on May 2 to Kean, Taylor & Co., of Chicago (V. 104, p. 1929), are in the denom. of \$1,000 and dated April 1 1917. Int. A. & O. Due serially from 1918 to 1959.

DETROIT, Becker County, Minn.—BOND SALE.—On May 21 the \$20,000 5% coupon water-main bonds (V. 104, p. 2034) were awarded to the First Nat. Bank of Bemidji for \$20,387.50—equal to 101.937. Ralman, Matheson & Wood of St. Paul bid par less \$400 for attorneys' fees. Denom. \$1,000. Int. J. & J. Due \$2,000 yearly, July 1 from 1922 to 1931 inclusive.

DONNA, Hidalgo County, Texas.—WARRANT SALE.—J. L. Aclitt of Austin recently purchased \$12,000 6% public impt. warrants, dated Feb. 15 1917.

DOW CITY CONSOLIDATED INDEPENDENT SCHOOL DISTRICT (P. O. Dow City), Crawford County, Iowa.—BOND SALE.—On May 22 the \$20,000 20-yr. school bonds (V. 104, p. 1929) were awarded to James T. Wachob of Omaha at par for 5s.

DUBUQUE COUNTY (P. O. Dubuque), Iowa.—BOND AWARD DEFERRED.—The bids received for the \$188,000 funding bonds offered on May 15 (V. 104, p. 1929) have been referred to a committee.

DURHAM COUNTY (P. O. Durham), No. Caro.—BOND OFFERING.—Sealed proposals will be received until 12 m. June 18 by M. G. Markham, Co. Clerk, for \$125,000 5% gold funding bonds. Denom. \$1,000. Date June 1 1917. Prin. and semi-ann. int. (J. & D.) payable in N. Y. Due on June 1 as follows: \$5,000, 1919, 1920, 1921 and 1922; \$7,000 yearly, from 1923 to 1933 incl., and \$9,000, 1934, 1935 and 1936. Cert. check on an incorporated bank or trust company for \$2,500 required. Bonds will be delivered in Durham, N. Y. Chicago, Cincinnati or Toledo at purchasers' option on June 25 1917. All bids must be on blank forms furnished by the Co. Clerk. The bonds will be prepared under the supervision of the United States Mortgage & Trust Co., N. Y., which will certify as to the genuineness of the signatures of the city officials and seal impressed thereon. The purchaser will be furnished without charge the opinion of Caldwell & Masslich, N. Y., approving the bonds as obligations of the county, payable from special tax provided by the special Act ratified March 5 1917, which authorizes the bonds. Bonded debt, including this issue, \$566,000. Sinking fund, \$105,242. Assess. val. 1916, \$31,279,543; real val. (est.), \$60,000,000. A similar issue of bonds was reported sold on April 3 to Sidney Spitzer & Co. of Toledo and the Durham Realty & Insurance Co.—V. 104, p. 1412.

EAST PALMETTO AND RAILROAD DRAINAGE DISTRICT, Manatee County, Fla.—BOND OFFERING.—Sealed bids will be received until June 10 (to be opened June 11 at 10 a. m.) by Robt. H. Roesch, Clerk Bd. of Co. Commrs. (P. O. Bradenton), for \$15,000 6% bonds. Denom. \$1,000. Date May 1 1917. Int. M. & N. Due \$3,000 May 1 1919, 1921, 1923, 1925 and 1927.

ELGIN, Kane and Cook Counties, Ill.—DESCRIPTION OF BONDS.—The \$60,000 6% bridge bonds, authorized by a vote of 645 to 113 at the election, held May 2—V. 104, p. 2034—will be dated July 1 1917 and issued in denominations of \$200 and \$500. Prin. and ann. int. (July 1), payable at office of the City Treas. Due \$3,000 yearly, on July 1, from 1918 to 1937, incl. Bonded debt, incl. this issue, \$154,000. No floating debt. Sinking fund (all water), \$14,107; public benefit vouchers outstanding Jan. 1 1917, \$74,619; assess. val. 1916 (equalized), \$8,736,017; estimated actual, \$43,680,085; value of municipal property, \$1,334,924. Official circular states that there has never been any default in the payment of any obligations of the city and that there is no controversy or litigation pending or threatened, affecting the corporate existence, or the boundaries of said municipality, or the title of its present officials to their respective offices, or the validity of these bonds. Wm. F. Sylla is City Clerk.

ELKHART COUNTY (P. O. Goshen), Ind.—BOND OFFERING.—Bids will be considered until 10 a. m. June 2, by W. H. Winship, Co. Treas., for an issue of \$25,400 4 1/2% 54-year average road impt. bonds of Elkhart Twp. Denom. \$585. Date May 15 1917. Int. M. & N. Due \$1,170 each six months from May 15 1918 to Nov. 15 1927, incl.

ELKHORN, Walworth County, Wis.—DESCRIPTION OF BONDS.—The \$40,500 4 1/2% coupon street-impt. bonds, awarded on April 24 to the State Bank of Elkhorn for \$40,802 (100.745) and int. (V. 104, p. 1826) are described as follows: Denom. (45) \$500 and (25) \$1,000. Date Aug. 1 1916. Prin. and semi-ann. int. payable at City Treasurer's office. Due yrly. on Feb. 1 as follows: \$500 1918 and 1919; \$1,000 in 1920; \$1,500 in 1921; \$3,000 from 1922 to 1928, incl.; \$3,000 from 1929 to 1935, incl., and \$4,000 in 1936.

ELMORE SCHOOL TOWNSHIP (P. O. Elmore), Daviess County, Ind.—BOND SALE.—On May 21 the \$32,000 4 1/2% coupon school bonds (V. 104, p. 1826) were awarded, reports state, to Gavin L. Payne & Co., of Indianapolis, for \$32,156, equal to 100.487.

FANNIN COUNTY (P. O. Bonham), Tex.—BOND SALE.—On April 16 the \$40,000 5% 10-40-yr. (opt.) Road Dist. No. 17 road-impt. bonds (V. 104, p. 1516) were awarded to Matheny, Dixon & Co., Springfield, Ill., at par and int., less \$150 for attorneys' fees.

BONDS NOT SOLD.—No bids were received for the \$15,000 5% 10-40-yr. (opt.) Road Dist. No. 19 road-impt. bonds also offered on April 16 (V. 104, p. 1516).

FAYETTE COUNTY (P. O. Fayetteville), W. Va.—BOND OFFERING.—Sealed proposals will be received until 2 p. m. June 1 by H. J. Stegall, Clerk of County Court, for \$100,000 5% coupon Nuttall District road-improvement bonds. Denom. \$100, \$500 and \$1,000. Date July 1 1916. Interest semi-annually at the County Sheriff's office, or at the Chase Nat. Bank, N. Y. Due \$3,200 yearly Jan. 1 from 1919 to 1949, inclusive, and \$500 Jan. 1 1950. Certified check for 2% of amount of bid, payable to the County Sheriff, required. All bids to be net to the county clear of attorney's fees and expenses.

FERGUS COUNTY (P. O. Lewiston), Mont.—BOND OFFERING.—Sealed bids will be received until 12 m. June 12 by W. Wheaton, Clerk Bd. of Co. Commrs., for the \$100,000 5% coupon county free high school bonds voted April 23. Date June 15 1917. Prin. and semi-ann. int. (J. & J.) payable at the Co. Treas. office or at the Atlantic Nat. Bank, N. Y., at the option of holder. Due June 15 1937, subject to call \$10,000 yearly, June 15 from 1927 to 1936 incl. Cert. check on a national bank or on a bank doing business in Montana for \$10,000 required. The purchaser will be furnished without charge the opinion of Caldwell & Masslich, N. Y., approving the validity of the bonds. Bonded debt, including this issue, \$480,000. Floating debt, \$24,517.55. Sinking fund, \$32,314.38. Assessed valuation 1916, \$22,412,845. State and county tax rate (per \$1,000), 1916, \$38.85.

FORSYTH COUNTY (P. O. Winston-Salem), No. Caro.—BOND OFFERING.—Sealed bids will be received until 12 m. June 11 by L. M. Lentz, Clerk Bd. of Co. Commrs., for \$50,000 coupon road bonds. Bids are requested on bonds bearing 4 1/2%, 4 3/4% or 5% int. Denom. \$1,000. Date July 1 1917. Prin. and semi-ann. int. payable in N. Y. City. Due \$10,000 yearly, July 1 from 1918 to 1922, incl. Cert. check for 2% of amount of issue, required. Bonded debt, including this issue, \$221,000. Total assess. val. 1916 \$31,829,916, actual value (est.) \$80,000,000.

FORT SCOTT SCHOOL DISTRICT (P. O. Fort Scott), Bourbon County, Kans.—BOND SALE.—On May 19 the \$91,000 4 1/2% building bonds were awarded to P. H. Foster, Vice-Pres. of Fort Scott State Bank at par. Denoms. \$500 and \$1,000. Date July 2 1917. Int. J. & J. Due \$30,000 July 1 1937 and 1942 and \$31,000 July 1 1947.

GLENDORA SCHOOL DISTRICT, Los Angeles County, Calif.—BOND OFFERING.—Proposals will be received until 2 p. m. June 4 by J. H. Leland, ex-officio Clerk Board of Supervisors (P. O. Los Angeles), for \$40,000 5% construction and equipment bonds. Denom. \$1,000. Date June 1 1917. Prin. and semi-ann. int. at County Treas. Due \$2,000 yearly June 1 from 1918 to 1937, incl. Cert. or cashier's check for 3% of bonds bid for, payable to Chairman Board of Supervisors, required. Purchaser to pay accrued interest. Bonded debt, excluding this issue, \$36,000. Assess. val. 1916, \$2,164,185.

GALLATIN COUNTY SCHOOL DISTRICT NO. 7 (P. O. Bozeman), Mont.—BOND SALE.—On May 16 the \$93,000 10-20-yr. (opt.) coupon tax-free high-school-bldg. bonds (V. 104, p. 1724) were awarded to the Gallatin Valley Trust & Sav. Bank of Bozeman at par and int. for 4 1/2%. Other bids were:

State of Montana	Prem.	Int. Rate	International Tr. Co.	Prem.	Int. Rate
International Tr. Co.	\$1,000	4 1/2%	Palmer Bd. & Mfg. Co.	1,802	5 1/2%
Continental & Comm'l		5%	John E. Price & Co.	100	5 1/2%
Tr. & Sav. Bk.	515	5%	Spitzer, Rorick & Co.	100	5 1/2%
Harris Tr. & Sav. Bk.		5%	Rud. Kleybolte & Co.	2,325	6%
C. W. McNear & Co.	1,405	5 1/2%	F. C. Hoehler & Co.	1,413	6%
Cummings, Prudden & Co.	961	5 1/2%			
	3,751	6%			

GIBSON COUNTY (P. O. Princeton), Ind.—BOND OFFERING.—Reports state that bids will be received until 3 p. m. June 7 by D. H. Swan, Co. Treas., for \$17,520 and \$4,040 4 1/2% highway bonds.

GLOUCESTER, Essex County, Mass.—TEMPORARY LOAN.—Reports state that a loan of \$50,000 dated May 28 and maturing May 1 1918 has been negotiated with the Cape Ann Nat. Bank of Gloucester at 4.475% discount.

GOLDSBY TOWNSHIP, Okla.—BOND SALE.—W. A. Brooks of Oklahoma City was awarded on Feb. 26 \$20,000 6% 25-yr. road and bridge impt. bonds. Denom. \$500. Date April 2 1917. Int. A. & O.

GRAND TOWNSHIP SCHOOL DISTRICT, Marion County, Ohio.—BONDS DEFEATED.—According to reports the proposition to issue \$15,000 school bonds was defeated at the election, held May 10, by a vote of 56 "for" to 66 "against."

GRANT COUNTY (P. O. Canyon City), Ore.—BOND ELECTION.—The proposition to issue \$140,000 bonds will be submitted to a vote, it is stated, on June 4.

GRANT COUNTY SCHOOL DISTRICT NO. 77, Wash.—BOND SALE.—On May 12 the \$4,000 1-10-year (opt.) school bonds (V. 104, p. 1827) were awarded to the State of Washington at par for 5s. Other bids were: Keeler Bros. of Denver, \$4,005 for 6s. Wm. Harper & Sons bid par for 5 1/2s.

GRANT PARISH (P. O. Colfax), La.—BIDS REJECTED.—All bids received for the \$150,000 5% coupon Road Dist. No. 8 road impt. bonds offered on May 16 (V. 104, p. 1310) were rejected, according to reports.

GRANT SCHOOL DISTRICT (P. O. Grant), Newaygo County, Mich.—BONDS VOTED.—Newspaper reports state that at a recent election the question of issuing \$20,000 building bonds carried.

GREENWICH, Huron County, Ohio.—BOND SALE.—Otis & Co. of Cleveland were awarded at 104.75 on April 6 the \$5,000 5% 2 1/2% average coup. taxable water-works bonds offered on that day.—V. 104, p. 978.

GRIFFIN, Spalding County, Ga.—BOND SALE.—On May 15 the \$45,000 4 1/2% 12-30-year serial gold coupon street-improvement bonds.—V. 104, p. 1724—were purchased by the Trust Co. of Georgia, Atlanta.

HAMTRAMCK, Wayne County, Mich.—PURCHASER OF BONDS.—We learn that the purchaser of the four issues of 4 1/2% 30-year bonds aggregating \$242,000 sold on April 12—V. 104, p. 2035—was Matthew Finn of Detroit. The price paid was \$1,000 premium—equal to 100.413. Denom. \$1,000. Date March 31 1917. Int. M. & S. Due March 31 1947.

HARRISON COUNTY (P. O. Clarksburg), W. Va.—BOND OFFERING.—Sealed bids will be received until 2 p. m. May 31 by J. James Crews, Clerk of County Court, for \$300,000 5% coupon Clay Dist. road impt. bonds. Denom. \$1,000. Date Aug. 1 1916. Due \$8,000 Aug. 1 1925 and \$12,000 yearly, Aug. 1 from 1926 to 1941, incl. Int. F. & A. at the office of the Clerk of County Court or at the Guaranty Trust Co., N. Y., at the option of the purchaser. Cert. check on a national bank or trust company for 2% of bonds bid for, payable to the County Court required. Form of bid furnished on application to Clerk of County Court. These bonds are part of an issue of \$300,000 voted June 15 1916, of which \$100,000 was sold on July 31 1916 to Hayden, Miller & Co. of Cleveland (V. 103, p. 569).

HIGHLAND COUNTY (P. O. Hillsboro), Ohio.—BOND OFFERING.—Bids will be received until 1 p. m. June 1 by John T. Ridgway, Co. Aud., for \$5,264.21 5% coup. road bonds, Auth. Secs. 6908-6948; incl. Gen. Code. Denom. 1 for \$764.21 and 9 for \$500. Date June 1 1917. Prin. and semi-ann. int.—M. & S.—payable at office of Co. Treas. Due \$764.21 Mar. 1 1918 and \$500 each six months from Sept. 1 1918 to Sept. 1 1922 incl.

HILLSBORO, Trail County, No. Dak.—BOND ELECTION PROPOSED.—Local papers state that an election will probably be called to submit to a vote the question of issuing \$6,000 city-hall impt. bonds.

HILLSBOROUGH COUNTY (P. O. Tampa), Fla.—BOND OFFERING.—Proposals will be received until May 29 by W. P. Culbreath, Clerk of Board of County Commissioners, it is stated, for the \$100,000 5% 30-year Citrus Park Special Road & Bridge Dist. road-improvement bonds voted April 24.

HILLSIDE TOWNSHIP SCHOOL DISTRICT (P. O. Lyons Farms), Union County, N. J.—BOND OFFERING.—Proposals will be received until 8:30 p. m. June 4 by A. G. Woodfield, Clerk of Board of Education, for the \$86,000 5 1/2% school coup. bonds voted Mar. 20—V. 104, p. 1179. Int. payable A. & O. Certified check for \$1,000 required. Due \$10,000 in 1927 and 1931; \$20,000 in 1937 and 1941 and \$28,000 in 1945. Bonded debt, including this issue, \$152,000; assessed valuation 1916, \$2,520,530.

HOWARD COUNTY (P. O. Kokomo), Ind.—BOND SALE.—On May 22 the three issues of 4 1/2% road bonds aggregating \$53,800 were awarded to J. F. Wild & Co. of Indianapolis at par and int. V. 104, p. 2035. No other bids were received.

IDAHO.—BONDS PURCHASED BY STATE.—During the months of February and March the State Board of Land Commissioners purchased at par the following 5% bonds:

Six Issues, Aggregating \$9,325, Purchased in February.

Am't.	Co. School Dist.	Purpose	Date of Bonds	Due	Option
\$1,000	Cassia No. 9	Building	Jan. 27 1917	Jan. 1 1937	5-yr.
825	Freemont No. 21	Building	Nov. 24 1916	Nov. 1 1936	
1,300	Latah No. 91	Building	July 9 1916	July 29 1929	1-yr.
1,500	Madison No. 43 Bldg. & Ref.		July 11 1917	Jan. 1 1937	10-yr.
2,500	Owyhee No. 3	Building	Dec. 12 1916	Dec. 12 1936	10-yr.
2,200	Power No. 25	Building	Dec. 15 1917	Dec. 15 1926	10-yr.

Seven Issues, Aggregating \$18,952, Purchased in March.

Am't.	Co. School Dist.	Purpose	Date of Bonds	Due	Option
\$700	Bonneville No. 24	Building	Jan. 1 1917	Jan. 1 1937	5-yr.
3,000	Cassia No. 9	Building	Jan. 29 1917	Jan. 1 1937	10-yr.
1,075	Cassia No. 14	Building	Jan. 1 1917	Jan. 1 1937	10-yr.
1,700	Cassia No. 42	Building	Feb. 6 1917	Jan. 1 1937	10-yr.
477	Freemont No. 12	Building	Aug. 15 1916	Aug. 15 1931	10-yr.
1,000	Latah No. 50	Building	Sept. 15 1916	Jan. 1 1919	3-yr.
9,000	Mindoka No. 8	Building	Feb. 10 1917	Oct. 1 1926	10-yr.

JACKSON TOWNSHIP SCHOOL DISTRICT (P. O. St. Paris), Champain County, Ohio.—BOND OFFERING.—F. M. Apple, Clerk of the Bd. of Ed., will receive bids until 12 m. June 1 for an issue of \$5,000 school bonds, it is reported.

JASPER COUNTY (P. O. Rensselaer), Ind.—BOND SALE.—On May 22 the three issues of 4 1/2% road bonds, aggregating \$34,000—V. 104, p. 2036—were awarded as follows: \$13,000 bonds to J. F. Wild & Co. of Indianapolis for \$13,003.60, equal to 100.027. 21,000 two issues of bonds to Gavin L. Payne & Co. of Indianapolis for \$21,019.15, equal to 100.091.

JEFFERSON VILLAGE SCHOOL DISTRICT (P. O. Jefferson), Ashtabula County, Ohio.—BOND OFFERING.—Proposals will be received until 1 p. m. June 7 by Clara C. Hamilton, Clerk of Bd. of Ed., for \$5,000 5% coup. school bonds, auth. Secs. 7629 and 7630, Gen. Code. Denom. \$200. Date June 1 1917. Int. A. & O. Due \$200 yearly on Oct. 1 from 1918 to 1942, incl. Cert. check for \$50, payable to the Dist. Treas., required. Bonds to be delivered and paid for within 10 days from time of award. Purchaser to pay accrued interest.

JEWELL COUNTY (P. O. Mankato, Kan.)—BOND SALE.—On May 1 \$140,000 4% 1-12-year serial funding bonds were awarded to the Fidelity Trust Co. of Kansas City for \$141,500, equal to 101,071. Denom. \$500. Date May 1 1917. Int. J. & J. Due serially from May 1 1918 to 1929.

JOHNSON COUNTY (P. O. Franklin, Ind.)—BOND OFFERING.—E. G. Brewer, County Treasurer, will receive bids until 10 a. m. May 30 for an issue of \$6,200 4½% 5¼-year average Montgomery road impt. bonds of Union Twp. Denom. \$310. Date May 15 1917. Int. M. & N. Due \$310 each six months from May 15 1918 to Nov. 15 1927, inclusive.

KALIDA, Putnam County, Ohio.—BOND OFFERING.—Proposals will be received until June 10 (this date falls on Sunday, but is so given in an official advertisement) by S. H. Stevens, VII. Clerk, for \$4,000 5% bonds. Denom. \$500. Date Apr. 16 1917. Prin. and semi-ann. int., payable at office of VII. Treas. Due \$500 yearly from 8 to 15 years after date. Cert. check for 2% required.

KNOXVILLE, Tenn.—BONDS AUTHORIZED.—Local papers state that an ordinance passed by the City Commission on May 8 providing for the issuance of \$150,000 school impt. bonds.

KOSCIUSKO COUNTY (P. O. Warsaw, Ind.)—BOND SALE.—On May 21 the \$13,473 20 4¼% road-impt. bonds—V. 104, p. 1930—were awarded to the Indiana Loan & Trust Co. for \$13,638 22, equal to 101,224. Other bids were: Bred, Elliott & Harrison, \$13,488 20; Indiana National Bank, \$13,473 20; J. F. Wild & Co., 13,473 20.

LACONIA SCHOOL DISTRICT (P. O. Laconia, Belknap County, N. H.)—BOND OFFERING.—It is stated that bids will be received until 7:15 p. m. June 4 by the Dist. Treas. for an issue of \$125,000 4½% 20-year serial school bonds. Date June 1 1917. Due \$6,250 yearly on June 1 from 1918 to 1937, incl.

LAFAYETTE COUNTY (P. O. Mayo, Fla.)—BOND OFFERING.—Further details are at hand relative to the offering on July 2 of the \$250,000 5% Dixie Highway Special Road & Bridge Dist. road and bridge building bonds (V. 104, p. 1936). Proposals for these bonds will be received until 10 a. m. on that day by Cullen W. Edwards, Clerk of Circuit Court. Denoms. \$1,000, \$5,000 and \$10,000. Date probably July 1 1917. Prin. and semi-annual int. (J. & J.), payable in N. Y. City, Mayo or Jacksonville. Due \$41,666 66 yearly for 5 years. Cert. check for 1% required. The district has no indebtedness. Total assess. val. of dist. 1916, \$1,319,155. These bonds were authorized by vote of 164 to 41 at an election held Jan. 10.

LAFAYETTE, Tippecanoe County, Ind.—BOND OFFERING.—Proposals will be received until 2 p. m. June 12 by W. Mirdock Crockett, City Comptroller, for an issue of \$10,375 4% sewer bonds. Denom. 20 for \$500 and 1 for \$375. Date July 1 1917. Due \$5,000 Jan. 1 1922 and 1923 and \$375 July 1 1923.

LAHOMA SCHOOL DISTRICT (P. O. Lahoma), Garfield County, Okla.—BOND SALE.—We are advised that an issue of \$15,000 6% 20-year building bonds has been purchased by A. J. McMahon of Oklahoma City.

LAKE CRYSTAL, Blue Earth County, Minn.—BOND SALE.—On May 21 \$30,000 5% sewer and water bonds were awarded to the Minneapolis Trust Co. of Minneapolis. Denom. \$1,000. Date June 1 1917. Due \$3,000 yearly Dec. 1 from 1927 to 1936, incl.

LAKEWOOD, Cuyahoga County, Ohio.—BOND OFFERING.—According to reports bids will be received until 12 m. June 11 by B. M. Cook, Director of Finance, for \$222,040 of various improvement bonds.

LAKEWOOD TOWNSHIP (P. O. Lakewood), Ocean County, N. J.—BOND OFFERING.—Proposals will be received until 8 p. m. June 1 by Geo. H. Hurlburt, Twp. Clerk, for \$60,000 4¼% gold street-impt. bonds. Denom. \$1,000. Date June 1 1917. Prin. and semi-ann. int.—J. & D.—payable at First Nat. Bank, Lakewood. Due \$3,000 yearly. Bonds are coupon in form with privilege of registration. Cert. check upon an incorporated bank or trust company for 2% of bonds bid for, payable to the Twp. Treas.; required. Purchaser to pay accrued interest. The U. S. Mfg. & Tr. Co. of N. Y. will certify as to the genuineness of the signatures of the Township officials signing the bonds and the seal impressed thereon and the legality of these bonds will be approved by the Twp. Council, whose opinion will be furnished purchaser. Gross indebtedness \$58,000, funds in hand and sinking funds, \$16,763.

LA PORTE COUNTY (P. O. La Porte), Ind.—BOND OFFERING.—Bids will be received until 10 a. m. May 29 by Carl Fusch, Co. Treas. It is said, for issues of \$23,000 and \$8,800 4¼% road-impt. bonds.

LAUREL, Yellowstone County, Mont.—BOND OFFERING.—H. B. Shields, City Clerk, will offer for sale at public auction at 2 p. m. June 11 \$4,000 6% 10-20-year (opt.) water bonds. Denom. \$250. Date July 1 1917. Int. J. & J. at the City Treasurer's office or, at the option of holder, at some bank in New York City, to be designated by the City Treasurer. Certified check on some reliable bank in Yellowstone County, or cash, for \$400, payable to the City Treasurer, required.

LAWRENCE, Douglas County, Kan.—BOND SALE.—D. E. Dunne & Co. of Wichita, Kan., purchased during April \$426,000 4¼% 25-yr. water works bonds at 101.50. Denom. \$1,000. Date Feb. 1 1917. Int. F. & A.

Using newspaper reports we stated in V. 104, p. 1621, that D. E. Dunne & Co. had purchased \$250,000 water bonds as 4¼s.

LAWRENCE COUNTY (P. O. Buford), Ind.—BOND OFFERING.—Wm. E. Butler, Co. Treas., will receive bids until 2 p. m. May 28 for \$4,500 4¼% highway-impt. bonds. It is stated.

LEMHI COUNTY (P. O. Salmon), Idaho.—BOND SALE.—On May 15 \$150,000 road-construction bonds were awarded jointly to Keeler Bros. of Denver and the Pioneer Bank & Trust Co. of Salmon at par for 5¼s. Other bids were: Bosworth, Chanute & Co. of Denver \$152,355 for 5¼s (no check enclosed with bid). International Trust Co., Denver, \$150,111 for 5¼s (conditional bid). James N. Wright & Co., Denver, par for 5¼s (no check enclosed with bid). Denom. \$1,000. Date Jan. 1 1917. Int. J. & J. Due \$15,000 yearly from 1927 to 1936 incl.

LIMA, Allen County, Ohio.—BOND OFFERING.—Proposals will be received until 12 m. June 18 by David L. Rupert, City Aud., for the \$100,000 4¼% bridge bonds authorized by the City Council on March 9—V. 104, p. 1179, auth. Sec. 3939, Gen. Code. Denom. \$1,000. Date April 1 1917. Int. A. & O. at office of Sinking Fund Trustees. Due \$2,000 yearly on Oct. 1 from 1918 to 1967, incl. Cert. check for 2% of bonds bid for, payable to the City Treas., required. Bonds to be delivered and paid for within 30 days from time of award. Purchaser to pay accrued interest.

LIMESTONE COUNTY COMMON SCHOOL DISTRICT NO. 3 (P. O. Fallon), Tex.—BONDS VOTED.—By a vote of 29 to 9 the question of issuing \$3,000 bid. bonds carried, it is stated, at the election held May 12.

LITTLE FALLS, Herkimer County, N. Y.—BOND SALE.—H. A. Kahler & Co. of N. Y. were awarded on April 25 at par for 4.85s, an issue of \$22,496 45 street-impt. and assess. bonds. Denom. 16 for \$1,000, 4 for \$600 and 4 for \$1,024 12. Date May 15 1917. Int. M. & N. Due from May 15 1918 to May 15 1921.

LITTLE PITTSBURG CANAL DRAINAGE DISTRICT, Manatee County, Fla.—BOND OFFERING.—Bids will be received until June 9 (to be opened 10 a. m. June 11) by Robt. H. Roesch, Clerk Bd. of Co. Comms. (P. O. Bradentown) for \$8,000 6% bonds. Denom. \$500. Date May 1 1917. Int. M. & N. Due \$1,500 May 1 1919, 1921, 1923 and 1925; and \$2,000 May 1 1927.

LITTLE ROCK, Lyon County, Iowa.—PRICE PAID FOR BONDS.—The price paid for the \$15,000 5% 20-year transmission-line constr. bonds awarded on May 1 to Geo. M. Bechtel & Co. of Davenport (V. 104, p. 1930) was par. Denom. \$500 and \$1,000. Int. M. & N.

LONGPORT, Atlantic County, N. J.—BOND OFFERING.—Proposals will be received until 2 p. m. June 4 by the Board of Commissioners, for an issue of \$350,000 6% 8-year average sea-protection bonds, reports state. Interest semi-annual. Certified check for 2% required.

LOWELL, Middlesex County, Mass.—BOND OFFERING.—Bids will be received until 10 a. m. May 28 for an issue of \$24,000 4¼% bridge bonds. Due \$2,000 yearly on May 1 1918 to 1921 and \$1,000 yearly on May 1 1922 to 1937.

McKEES ROCKS SCHOOL DISTRICT (P. O. McKees Rocks), Allegheny County, Pa.—BOND OFFERING.—Proposals will be received until 8 p. m. May 28, by J. M. Hall, Sec'y, for \$50,000 4% coup. (option of registration) school bonds. Denom. \$1,000. Due \$2,000 Apr. 1 1918 and 1919, \$3,000 Apr. 1 1920 to 1925, incl. and \$4,000 yearly on Apr. 1 from 1926 to 1932, incl. Cert. check for \$500, required. Bonds are tax-free.

McPHERSON SCHOOL DISTRICT (P. O. McPherson), McPherson County, Kan.—BOND SALE.—The People's State Bank of Lyons, Kan. was awarded, at par, on April 30, \$50,000 4 1-5% building bonds. Denom. \$1,000. Date June 1 1917. Int. J. & D. Due June 1 1937, subject to call at any interest-paying date after ten years.

MALHEUR DRAINAGE DISTRICT (P. O. Ontario), Ore.—BONDS NOT SOLD.—No sale was made of the \$97,000 6% 5-20-year serial bonds offered on May 19.—V. 104, p. 1930.

MALVERN, Hot Springs County, Ark.—BOND SALE.—On May 15 the \$67,500 Water Works Impt. Dist. No. 12 and \$56,500 Sewer Impt. Dist. No. 13 bonds (V. 104, p. 1930) were awarded to James Gould of Pine Bluff at 101.25 for 6s.

MARION, Marion County, Ohio.—BOND OFFERING.—Bids will be received until 12 m. June 12, by Frank J. Weber, City Aud., for \$2,700 5% fire-dept. bonds. Denom. 1 for \$200, 5 for \$500. Date Mar. 1 1917. Int. M. & S. Due \$200 Mar. 1 1919 and \$500 each six months from Sept. 1 1919 to Sept. 1 1921, incl. Cert. check for \$55, payable to the City Treas., required. Total debt May 17 1917, excl. this issue \$754,301, assess. val. \$26,065,710, total tax rate (per \$1,000), \$13.30.

MARSHALL COUNTY INDEPENDENT SCHOOL DISTRICT NO. 3 (P. O. Warren), Minn.—PRICE PAID FOR BONDS.—The price paid for the \$25,000 4½% 11-15-yr. (serial) high school bid. bonds awarded on Mar. 22 to the Minnesota Loan & Trust Co., of Minneapolis (V. 104, p. 2036), was par and int. less \$250 discount.

MARTINSBURG, Berkeley County, W. Va.—BONDS VOTED.—The election, held May 8, resulted in a vote of 1,435 to 307 in favor of the question of issuing \$195,000 5% 20-34-yr. (opt.) municipal improvement bonds. John H. Zieckle is City Recorder.

MASON COUNTY (P. O. Point Pleasant), W. Va.—BONDS VOTED.—The question of issuing \$150,000 road bonds carried, it is stated, at an election recently held in Lewis District.

MASSENA (TOWN) UNION FREE SCHOOL DISTRICT NO. 1 (P. O. Massena), St. Lawrence County, N. Y.—BOND OFFERING.—Proposals will be received until 8 p. m. June 8 by D. H. Naylor, Secretary of Board of Education, for \$131,200 4¼% school bonds. Denom. 1 for \$1,200 and 130 for \$1,000. Date May 1 1917. Interest payable annually on May 1 at office of District Treasurer, in New York exchange. Due 3 bonds yearly on May 1 beginning 1920. Certified check, cash or bank draft for 10% of amount of bonds, payable to the President of the Board of Education, required. Bonded debt May 1 1917, \$12,000; assessed valuation, \$3,552,058.

MECKLENBURG COUNTY (P. O. Charlotte), No. Caro.—BOND OFFERING.—Sealed bids will be received until 12 m. June 19 by D. M. Abernethy, Clerk Bd. of Co. Comms., for \$100,000 5% coupon (with privilege of registration as to principal) bridge bonds. Denom. \$1,000. Date July 1 1917. Prin. and semi-ann. int. payable at the U. S. Mfg. & Tr. Co. of N. Y., or such other place as may be mutually agreed upon between the Board and the purchaser. Due \$10,000 yearly July 1 from 1919 to 1922 incl. and \$15,000 yearly July 1 from 1923 to 1926 incl. Bonds will be prepared under the supervision of the U. S. Mfg. & Tr. Co., N. Y. (or such other company as may be mutually agreed upon between the Board and the purchaser), who will certify as to the genuineness of the signatures of the county officials and the seal impressed thereon. The legality of the bonds will be approved by Caldwell, Masslich & Reed, Esqs., New York, or such other attorneys as may be mutually agreed upon between the Board and the purchaser of said bonds, whose favorable opinion will be furnished to the purchaser without charge. All bids must be upon blank forms which, together with other information, will be furnished by the Clerk, Bd. of Co. Comms., and must be accompanied by a certified check upon a national bank or upon a bank or trust company in North Carolina for \$2,500. No bid for less than par value and accrued interest will be received. Bonds will be delivered in Charlotte, Cincinnati, Baltimore or New York, at purchaser's option, on Aug. 1 1917, unless an earlier date shall be agreed upon with the purchaser. The right to reject any and all bids is expressly reserved.

MEMPHIS, Tenn.—BOND SALE.—On May 22 the \$357,000 19¼-yr. aver. coupon permanent-impt. and funding bonds (V. 104, p. 1930) were awarded to the Harris Trust & Sav. Bank and the Continental & Commercial Trust & Sav. Bank of Chicago for \$360,892 (101.07) and int. as fs. Other bids were (all for 5% bonds): A. B. Leach & Co., and E. H. Rollins & Sons, Chicago, \$359,820 75; Bred, Elliott & Harrison, Cincinnati, 358,642 20; J. E. Caldwell & Co., Nashville, and the Nat. City Co., N. Y., 358,063 86; Wel. Roth & Co., Cincinnati, 357,937 50. All bids provided for payment of accrued interest.

MERIDIAN, Lauderdale County, Miss.—BOND ELECTION.—Reports state that an election will be held May 31 to vote on the question of issuing municipal ice plant bonds.

It is further reported that the proposition to issue \$10,000 school impt. bonds will probably be submitted to a vote on the same date.

MINGO COUNTY (P. O. Williamson), W. Va.—BONDS VOTED.—The proposition to issue \$1,000,000 highway-construction bonds carried it is stated, at an election held May 10.

MINNEAPOLIS, Minn.—BOND OFFERING.—Sealed bids will be received until 3 p. m. June 13 by the Committee on Ways and Means of the City Council at the office of Dan C. Brown, City Comptroller, for the following bonds:

\$100,000 bridge bonds at not exceeding 5% int. Date June 1 1917. Due June 1 1947.
175,000 4% park bonds, \$50,000 dated Jan. 1 1917 and due Jan. 1 1947, \$125,000 dated June 1 1917 and due June 1 1947.
25,000 5% River Terminal bonds. Date June 1 1917. Due June 1 1947.
10,000 4% Appraisal bonds. Date June 1 1917. Due June 1 1947.
15,000 4% fire department bonds. Date June 1 1917. Due June 1 1947.

175,000 4% hospital bonds. Date June 1 1917. Due June 1 1947.
25,000 4% workhouse bonds. Date June 1 1917. Due June 1 1947.
250,000 4% main sewer bonds. Date June 1 1917. Due June 1 1947.
55,000 4% Permanent Impt. Fund bonds. Date June 1 1917. Due June 1 1947.

100,000 4% army bonds. Date June 1 1917. Due June 1 1947.
812,000 4% school bonds. Date June 1 1917. Due part yearly ending June 1 1946.

Int. annually or semi-annually as the purchaser may desire. Cert. check for 2% of bonds bid for, payable to C. A. Bloomquist, City Treas., required. The bridge bonds cannot be sold for less than their par value; the remainder of the bonds cannot be sold for less than 95% of their par value. Purchaser to pay accrued int.

Proposals will also be received until 3 p. m. June 13 by the Committee on Ways and Means of the City Council for \$47,089 70 special street-impt. bonds at not exceeding 5% int. Date June 1 1917. These bonds may be in the denom. of \$50 or any multiple thereof, at the option of the purchaser, and are to become due and payable one-twentieth yearly on June 1 from 1918 to 1937 incl. No bids will be entertained for these bonds for a sum less than the par value of same and accrued interest to date of delivery. Interest annually or semi-annually. Cert. check for 2% of bonds bid for, payable to C. A. Bloomquist, City Treasurer, required.

The official notice of these bond offerings will appear next week among the advertisements elsewhere in this Department.

MONTCLAIR, Essex County, N. J.—BOND OFFERING.—Proposals will be received until 4 p. m. June 5 by Harry Trippett, Town Clerk, for

not exceeding \$100,000 of 4 3/4% coupon (with privilege of registration) assessment bonds. Denom. \$1,000. Due \$16,000 yearly from 1918 to 1927, incl. Certified check upon an incorporated bank or trust company for 2% of amount of bonds, payable to the "Town of Montclair," required. The U. S. Mfg. & Truss Co. will certify as to the genuineness of the town officials and the seal impressed thereon and the purchaser will be furnished with the opinion of Hawkins, Delafield & Longfellow, of New York, that the bonds are binding and legal obligations of the town.

MONTGOMERY COUNTY (P. O. Independence), Kan.—BOND SALE.—D. E. Dunne & Co. of Wichita was awarded at par on April 9 \$92,800 4% coupon tax-free funding bonds. Denom. \$1,000. Date April 9 1917. Int. ann. in Jan. at the State Treasurer's office. Due one-third of the issue in Jan. 1918, 1919 and 1920. Bonded debt, this issue, \$92,800. Assessed valuation, \$67,000,000.

MONTGOMERY COUNTY (P. O. Rockville), Md.—BOND OFFERING.—Berry E. Clark, Clerk of the Board of County Commissioners, will receive bids until 12 m. June 5 for an issue of \$5,000 4 1/2% 1-25-year serial coupon bonds. Denom. \$200. Principal and semi-annual interest—F. & A.—payable at the Montgomery County Nat. Bank in Rockville. Due \$200 yearly beginning 1 year after date. Certified check (or cash) for \$200, payable to the "County Commissioners," required.

MOORHEAD, Monona County, Iowa.—BONDS VOTED.—Reports state that this city has authorized the issuance of municipal electric-light bonds.

MORGAN COUNTY (P. O. Martinsville), Ind.—BOND OFFERING.—John H. Schafer, Co. Treas., will receive bids until 12 m. May 31, for an issue of \$3,800 4 1/2% 5 1/2-year W. C. Lee et al road impt. bonds in Baker Twp. Denom. \$100. Date May 15 1917. Int. M. & N. Due \$190 each six months, from May 15 1918 to Nov. 15 1927, incl.

MORRIS COUNTY (P. O. Morristown), N. J.—BOND OFFERING.—Bids will be received until 2 p. m. June 5 by Jos. P. McLean, County Collector, for an issue of 4 1/2% 2-21-year aerial gold tuberculosis hospital bonds not to exceed \$40,000. Denom. \$1,000. Date June 1 1917. Prin. and semi-ann. int.—J. & D.—payable at the Nat. Iron Bank of Morristown. Due \$2,000 yearly on June 1 from 1919 to 1938, incl. Cert. check upon an incorporated bank or trust company for 2% of amount of bonds bid for, payable to the "Board of Chosen Freeholders," required. The U. S. Mfg. & Tr. Co. will certify as to the genuineness of the signatures of the officials signing the bonds and the seal impressed thereon and the purchaser will be furnished with the opinion of Hawkins, Delafield & Longfellow of N. Y. that the bonds are binding and legal obligations. Bonds are coupon in form with privilege of registration.

MORROW COUNTY (P. O. Mt. Gilead), Ohio.—BOND SALE.—On May 18 the four issues of 5% coup. road bonds, aggregating \$107,015—V. 104, p. 1828—were awarded to the Mt. Gilead Nat. Bank of Mt. Gilead for \$107,515 (100-467) and int.

MOUNT GILEAD TOWNSHIP, Montgomery County, No. Caro.—BOND OFFERING.—Proposals will be received until 10 a. m. June 15 by W. L. Wright, Clerk Board of County Commissioners (P. O. Troy), for \$30,000 5% road bonds. Bids are requested for straight 30-year bonds and also 30 years annuity plan. Certified check for \$500 required.

MT. VERNON, Knox County, Ohio.—BOND OFFERING.—Proposals will be received until 12 m. June 16 by Howard C. Gates, City Auditor, for four issues of 5% street-improvement assessment bonds, aggregating \$2,000 29. There are ten bonds to each issue. Date April 1 1917. Int. A. & O. Due one bond of each issue yearly on April 1 from 1918 to 1927, inclusive. Certified check for \$100, payable to the City Treasurer, required. Bonds to be delivered and paid for within ten days from time of award. Purchaser to pay accrued interest.

NEW BOSTON VILLAGE SCHOOL DISTRICT (P. O. New Boston), Scioto County, Ohio.—BOND OFFERING.—Bids will be received until 12 m. June 1 by Theo. D. O'Neal, Clerk Board of Education, for \$8,000 5% school bonds. Auth. Sec. 7629, Gen. Code. Denom. \$500. Date June 1 1917. Int. J. & D. Due \$4,000 June 1 1943 and 1944. Certified check for 2% of bonds bid for, payable to the District Treasurer, required. Bonds to be delivered and paid for within ten days from time of award. Purchaser to pay accrued interest.

NEWBURGH HEIGHTS, Cuyahoga County, Ohio.—BOND SALE.—On May 22 the \$40,000 4 1/2% street bonds—V. 104, p. 1931—were awarded to the Columbia Savs. & Loan Co. of Cleveland at par and int. No other bids were received.

NEW MADRID COUNTY SCHOOL DISTRICT NO. 25 (P. O. Morehouse), Mo.—BOND OFFERING.—Sealed bids will be received until 3 p. m. June 2 by E. L. Griffin, Treasurer Board of Education, for \$20,400 5% 10-20-year (opt.) school bonds. Denom. \$1,000. Date June 1 1917. Interest semi-annual. Certified check for \$500, payable to the Treasurer Board of Education, required.

NEWPORT NEWS, Warwick County, Va.—BOND OFFERING.—Sealed proposals will be received until 12 m. May 28, by Floyd A. Hudgins, City Clerk, for the \$50,000 street-impt. and \$50,000 small boat harbor 30-yr. coupon tax-free bonds, authorized by vote of 323 to 17 at the election, held Feb. 17. Bids are requested on bonds bearing int. at 4% and 4 1/2% int. Denom. \$1,000. Date July 1 1917. Int. J. & J. at the City Treas. office. Cert. check for 5% of bonds bid for, payable unconditionally to the City Treas., required. Bonded debt, exclusive of these bonds May 18 1917, \$1,968,000. No floating debt. Sinking fund \$74,210. Assess. val. real estate 1917, \$10,646,900; personal property 1917, \$4,250,000. True value of real and personal (est.), \$30,000,000.

NEW RAYMER SCHOOL DISTRICT (P. O. New Raymer), Weld County, Colo.—BOND ELECTION PROPOSED.—Reports state that an election will be called to vote on the question of issuing \$6,000 bldg. bonds.

NEWTOWN, Bucks County, Pa.—BONDS VOTED.—At an election held May 22 this borough voted in favor of the question of issuing \$0,000 bonds for fire protection, it is stated.

NORTH CAROLINA.—BONDS AWARDED IN PART.—The aggregate amount of bids received for the three issues of 4% coupon tax-free bonds, amounting to \$500,000, offered on May 24 (V. 104, p. 1828), was \$400,500. Of this, \$47,000, submitted by small bidders, was accepted.

NORTH NISHNEBOTNA DRAINAGE DISTRICT, Atchison County, Mo.—BONDS OFFERED BY BANKERS.—Little & Hays Investment Co., of St. Louis, is offering to investors \$31,500 5 1/2% drainage-system-improvement bonds. Denoms. \$500 and \$1,000. Date June 1 1917. Principal and semi-annual interest (A. & O.) payable at the Mechanics-American National Bank, St. Louis. Due \$1,000 yearly April 1 from 1922 to 1926, inclusive; \$2,500 yearly April 1 from 1927 to 1933, inclusive; \$3,000 April 1 1934, 1935 and 1936. These bonds will be ready for delivery about June 1 and are offered subject to the approval as to legality by Charles & Rutherford.

OKMULGEE COUNTY (P. O. Okmulgee), Okla.—BONDS SOLD LAST YEAR.—Using newspaper reports we stated in V. 104, p. 1828 that an issue of \$125,000 court-house erection bonds had been purchased by Katie Fatico of Okmulgee. We now learn that these bonds were sold during the year 1916.

OLDHAM COUNTY (P. O. Vega), Tex.—BOND OFFERING.—Sealed bids will be received until 6 p. m. June 3 by the Board of County Commissioners for \$60,000 5% 40-year road bonds. Date March 27 1917. Prin. and annual int. (March 27), payable at the County Treasurer's office, at the State Treasurer's office, at the First State Bank of Vega or at the National City Bank, N. Y. Cert. check for 2% of bonds bid for, payable to the Board of County Commissioners, required.

ORANGE COUNTY (P. O. Goshen), N. Y.—BOND SALE.—On May 24 the \$150,000 4 1/2% 10-24-year serial coupon road bonds (V. 104, p. 1726) were awarded to Crandell, Sheppard & Co., of N. Y., at 101.01. Other bidders were: Isaac W. Sherrill Co. 101.00 Geo. B. Gibbons & Co. 100.72 Harris, Forbes & Co. 100.85 H. A. Kahler & Co. 100.38 Denom. \$1,000. Date July 1 1917. Int. J. & J. Due \$10,000 yearly on July 1 from 1927 to 1941, inclusive.

ORCHARD PARK CONSOLIDATED SCHOOL DISTRICT (P. O. Millwood), Wash.—BONDS VOTED.—The election held May 3 resulted, reports state, in favor of the question of issuing \$27,000 building bonds.

OUTAGAMIE COUNTY (P. O. Appleton), Wis.—BOND OFFERING.—Proposals will be received until 10 a. m. June 1 by Wm. F. Wolf, Co. Clerk, for \$400,000 of the \$700,000 4 1/2% coupon non-taxable highway-impt. bonds authorized by vote of 4,761 to 4,123 at the election held Apr. 4

1916 (V. 102, p. 1468). Denoms. (320) \$500, (240) \$1,000. Date July 1 1917. Prin. and semi-ann. int. (J. & J.) payable at the Co. Treas. office. Due \$40,000 yearly July 1 from 1918 to 1927, incl. Bonds to be delivered on July 1. Cert. check on some bank for 5% of the amount bid for, payable to the Co. Treas., required. Bids will be opened and bonds awarded to the highest and best bidder on June 1 and residents of the county will have fifteen days from the time of opening the bids within which they may purchase any of said bonds at the rate of the highest and best bid made when said bids are opened. These bonds have been approved by Wood & Oakley of Chicago. Bonded debt, incl. this issue, \$700,000. No floating debt. Assess. val. equalized 1916, \$58,324,449; true valuation 1916, \$65,697,535. These bonds are part of an issue of \$700,000, of which \$300,000 was sold on June 1 1916 (V. 102, p. 2186).

OWENSBORO, Daviess County, Ky.—BONDS NOT SOLD.—No bids were received for the \$30,000 6% 1-10-year serial street-improvement bonds offered on May 19, according to reports.

PARK COUNTY (P. O. Livingston), Mont.—BOND ELECTION.—The question of issuing the \$68,000 high-school-bldg. bonds (V. 104, p. 1813), will be submitted to a vote, it is stated, on June 2.

PASSAIC, Passaic County, N. J.—BOND OFFERING.—Additional information is at hand relative to the offering on June 19 of the following two issues of 4 1/2% coupon (with privilege of registration) bonds, not to exceed the amounts mentioned in each case (V. 104, p. 2037): \$45,000 school funding bonds. Due \$2,000 yearly on June 1 from 1919 to 1934, inclusive, and \$1,000 yearly on June 1 from 1936 to 1947, inclusive.

63,000 park funding bonds. Due \$2,000 yearly on June 1 from 1919 to 1942, inclusive, and \$1,000 yearly on June 1 from 1943 to 1957, inclusive.

Bids for the above bonds will be received until 4:30 p. m. on that day by J. H. Woods, City Comptroller. Denom. \$1,000. Date June 1 1917. Principal and semi-annual interest—J. & D.—payable at Passaic Nat. Bank, Passaic, or Chase Nat. Bank, N. Y. Bonds are tax-exempt in New Jersey. Official circular states that there is no controversy or litigation pending or threatened concerning the validity of these bonds, the corporate existence or boundaries of the municipality or the title of the present officials to their respective offices, and that there has never been any default in the payment of any of the city's obligations. Total bonded debt May 1 1917 (including these issues), \$3,171,230; additional debt, \$366,421; sinking fund, \$455,609; assessed valuation of real and personal equalized 1916, \$49,757,577; value of municipal owned property, \$2,455,440.

PAW PAW, Van Buren County, Mich.—BOND SALE.—We are reporting, as a matter of record, that the Paw Paw Savings Bank was awarded at par on Aug. 1 1916, an issue of \$10,500 5% paving bonds. Denom. \$500. Date Aug. 1 1916. Int. F. & A. Due \$2,500 yearly.

PENNINGTON COUNTY INDEPENDENT SCHOOL DISTRICT NO. 18 (P. O. Thief River Falls), Minn.—BOND SALE.—On May 19 the \$18,000 5% 15-year refunding bonds were awarded to Kalman, Matteson & Wood of St. Paul at par. Denom. \$1,000. Date June 1 1917. Int. J. & D.

PEQUANNOCK TOWNSHIP FIRE DISTRICT NO. 1 (P. O. Riverdale), Morris County, N. J.—BOND ELECTION.—An election is being held to-day (May 26) to decide whether or not this district shall issue \$18,000 bonds, it is reported.

PERTH AMBOY, Middlesex County, N. J.—BONDS AUTHORIZED.—Reports state that the Board of Aldermen have passed an ordinance providing for the issuance of \$50,000 bonds to complete the light plant and for the purchase of a motor truck.

PICKAWAY COUNTY (P. O. Circleville), Ohio.—BOND OFFERING.—Proposals will be received until 12 m. May 29 by Frederick R. Nicholas, County Auditor, it is stated, for an issue of \$18,000 5% 5 1/2-year average highway bonds. Int. semi-ann. Cert. check for 3% required.

PIERCE COUNTY (P. O. Ellsworth), Wis.—BOND OFFERING.—F. W. Kendall, County Treasurer, will receive sealed bids until 2 p. m. June 1 for \$15,000 4% coupon bridge bonds. Denom. \$500. Date Feb. 1 1917. Principal and annual interest (Feb. 1) payable to the County Treasurer. Due \$5,000 April 1 1918, 1919 and 1920. A certified check for 5% of amount of bid required.

PITTSFIELD, Mass.—TEMPORARY LOAN.—On May 25 the City Treasurer awarded, it is stated, a temporary loan of \$200,000, in anticipation of taxes, dated May 25 and payable Nov. 30 to Bond & Goodwin, of Boston, at 4.34% discount, plus 1% premium.

PLACERVILLE, El Dorado County, Calif.—BOND ELECTION.—An election will be held May 31, it is stated, to vote on the question of issuing \$3,500 park-purchase bonds.

PONTIAC, Oakland County, Mich.—BOND SALE.—The Detroit Trust Co. of Detroit was awarded at par and int. on April 30 an issue of \$90,000 5% paving bonds—Denom. \$1,000. Date May 1 1917. Int. M. & N. Due \$25,000 May 1 1918, 20,000 May 1 1919 and \$15,000 on May 1 1920, 1921 and 1922.

PORTAGE COUNTY (P. O. Ravenna), Ohio.—BOND OFFERING.—Proposals will be received until 10 a. m. June 11 by M. J. Kelley, Co. Aud., for the following 5% highway-impt. bonds: \$30,000 bonds. Due \$500 Oct. 1 1918, \$1,000 Oct. 1 1919, 1920 and 1921. \$500 Apr. 1 1922, \$1,500 Oct. 1 1922, \$2,500 Apr. 1 1923, \$3,000 Oct. 1 1923 and Apr. 1 and Oct. 1 1924 and 1925, and \$3,500 Apr. 1 and Oct. 1 1926.

22,500 bonds. Due each six months as follows: \$2,000 Oct. 1 and \$1,500 Apr. 1 from Oct. 1 1918 to Oct. 1 1922 incl., \$500 Apr. 1 and \$1,000 Oct. 1 from Apr. 1 1923 to Apr. 1 1927 incl.

49,500 bonds. Due \$2,600 yearly on Oct. 1 from 1918 to 1921 incl., \$6,100 Oct. 1 1922, \$3,500 each six months from Apr. 1 1923 to Apr. 1 1925 incl. and \$4,000 Oct. 1 1925 and Apr. 1 and Oct. 1 1926. Denom. \$500, except that on the \$49,500 issue there are also 20 bonds for \$650. Date June 1 1917. Int. payable A. & O. at office of Co. Treas. Cert. check for \$200, payable to the Co. Treas., required with each issue. Purchaser to pay accrued interest.

PORT CHESTER (Village), Westchester County, N. Y.—BOND AND CERTIFICATE SALE.—The Port Chester Savings Bank was awarded at par on April 18 the \$3,400 4 1/2% bonds and \$4,750 4 1/2% assessment certificate of indebtedness.—V. 104, p. 1519.

PORTLAND, Maine.—TEMPORARY LOAN.—On May 23 the loan of \$200,000 maturing Oct. 1 1917—V. 104, p. 1931—was awarded to R. W. Pressprich & Co. of N. Y. at 4.23% discount. Other bidders were: Bond & Goodwin—4.36% discount, plus 50 cents premium. Farmers' Loan & Trust Co., New York—4.40% discount. S. N. Bond & Co., New York—4.44% discount. Bernhard, Scholle & Co., New York—4.70% discount.

POSEY COUNTY (P. O. Mt. Vernon), Ind.—BOND OFFERING.—Bids will be received until 2 p. m. June 5 by Geo. J. Ehrhardt, County Treasurer, for \$3,300 and \$8,200 4 1/2% highway improvement bonds, it is stated.

RACINE, Racine County, Wis.—BONDS AUTHORIZED.—Local papers state that on May 15 the City Council adopted an ordinance providing for the issuance of the \$1,020,000 bonds to purchase the plant of the Racine Water Co.—V. 104, p. 1824.

RANDOLPH, Cedar County, Neb.—BOND ELECTION.—An election will be held May 29 to vote on the question of issuing sewerage-system bonds.

RIDGEFIELD SCHOOL DISTRICT (P. O. Ridgefield), Bergen County, N. J.—BOND SALE.—On May 21 the \$25,000 5% 9-year average coup. school-impt. bonds—V. 104, p. 1931—were awarded to H. L. Crawford & Co. of N. Y., at 101.77, a basis of about 4.76%. Other bidders were: N. J. Fidelity & Plate Gl. Co. 101.10 Harris, Forbes & Co. 100.692 Geo. B. Gibbons & Co. 100.79 J. S. Ripple & Co. 100.59 Denom. \$1,000. Date July 1 1917. Interest J. & J. The above bonds mature yrly. on July 1 as follows: \$1,000 918 to 2 incl., \$3,000 1926 to 1930, incl., and \$2,000 in 1931.

ROSE HILL SCHOOL DISTRICT (P. O. Rose Hill), Mahaska County, Iowa.—DESCRIPTION OF BONDS.—The \$20,000 5% school bonds awarded on May 1 to Schanke & Co. of Mason City (V. 104, p. 2038) are in the denom. of \$500 and dated May 1 1917. Int. M. & N. Due \$1,000 yearly May 1 from 1923 to 1932 incl. and \$2,000 yearly May 1 from 1933 to 1937 incl.

RUSH COUNTY (P. O. Rushville), Ind.—BOND OFFERING.—Proposals will be received until 2 p. m. June 1 by John O. Williams, County Treasurer, for \$52,000 4 1/2% 5 1/2-year average Oliver W. Righter et al. road-impt. bonds in Ripley Twp. Denom. \$650. Date May 15 1917. Int. M. & N. Due \$1,800 each six months from May 15 1918 to Nov. 15 1927, incl.

ST. JOHN, Whitman County, Wash.—BONDS VOTED.—The question of issuing \$16,000 water-system bonds carried, it is stated, at an election held May 8.

ST. JOHNSVILLE (Village), Montgomery County, N. Y.—BOND ELECTION.—Reports state that a special election has been called for June 4 to decide whether or not this village shall issue \$33,000 and \$7,500 street-improvement bonds.

ST. LUCIE SPECIAL TAX SCHOOL DISTRICT No. 11 (P. O. Vero), Fla.—BOND SALE.—On May 15 the \$25,000 6% 17-year average coup. bldg. and equipment bonds (V. 104, p. 1623) were awarded to John Nuveen & Co. of Chicago at 102.10 and int.

ST. MARY PARISH (P. O. Centerville), La.—BOND OFFERING.—Sealed bids will be received until 11 a. m. June 4 by the Board of Dist. Supervisors for \$80,000 5% Road Dist. No. 2 road-construction bonds authorized by vote of 49 to 2 at an election held April 10. Denom. \$500. Date July 1 1917. Int. semi-annual. Due yearly on July 1 as follows: \$1,000 1918 to 1923, incl.; \$1,500 1924 to 1927, incl.; \$2,000 1928 to 1931, incl.; \$2,500 1932 to 1935, incl.; \$3,000 1936 to 1939, incl.; \$3,500 1940 and 1941; \$4,000 1942, 1943 and 1944; \$4,500 1945 and 1946; \$5,000 1947 and 1948. Certified check for \$2,500, payable to the President of the Board of District Supervisors, required. All bids must be unconditional. Purchaser will be furnished a proper legal opinion as to the validity of the bonds at the expense of the District. Assess. val. of Dist. 1916, \$859,627.

SALAMANCA, Cattaraugus County, N. Y.—BOND OFFERING.—Proposals will be received until 8 p. m. June 4 by Geo. H. Elliott, City Clerk, for \$23,005 assess., \$11,917 40 city's share, \$14,520 assess., \$21,682 assess. and \$11,676 40 city's share street bonds, also \$3,500 bridge bonds. There are 20 bonds of equal amounts to each issue except the bridge bonds, which are for \$700. Date July 1 1917. Int. (rate not to exceed 5%) payable semi-ann. Due one bond of each issue yearly beginning in 1918. Bonds may be coupon or registered, to be designated in bid. Certified check for \$500, payable to Fred. W. Gardner, City Comptroller, required. Total bonded debt \$306,514, including \$97,300 water bonds, total cash on hand, \$136,494; assessed val. real estate, \$4,537,321; personal, \$37,600; special franchise, \$199,162; total, \$4,774,083; total tax rate (per \$1,000), \$24.

SAN FRANCISCO, Calif.—BOND SALE.—As a matter of record we report the sale of \$156,000 4 1/2% water bonds of 1910, made during the month of January 1916. These bonds were disposed of "over the counter" at par and mature serially from 1920 to 1954.

BOND ELECTION PROPOSED.—Local papers state that an election will be called to submit to a vote the question of issuing \$3,500,000 school-building bonds.

SCHENECTADY, N. Y.—BOND SALE.—An issue of \$10,000 4% 1-10-year serial school bonds was awarded at par on Mar. 31 equally to the Firemen's and Police Pension Funds at par. Denom. \$1,000. Date Apr. 1 1917. Int. A. & O. Due on Apr. 1 from 1918 to 1927, incl.

CERTIFICATE SALE.—On May 22 the \$150,000 certificates of indebtedness maturing Jan. 23 1918—V. 104, p. 1932—were awarded to R. W. Pressprich & Co. of N. Y. at 4 1/2% int. plus \$15 premium. The other bidders were: Farmers Loan & Tr. Co., 4.65% [Bernhard, Scholle & Co., 4.78%]; S. N. Bond & Co., 4.70% [Geo. H. Burr & Co., 5%]; Blake Bros. & Co., 4.75% [3.00]. All bids were made to include accrued interest to date of delivery.

SCHODACK (TOWN) UNION FREE SCHOOL DISTRICT No. 10 (P. O. Castleton), Rensselaer County, N. Y.—BONDS NOT SOLD.—NEW OFFERING.—No sale was made on May 18 of the \$55,250 4 1/2% tax-free school bonds offered on that day—V. 104, p. 1932. New bids will be considered until June 15. Otis H. Wright is Clerk of the Bd. of Ed.

SCOTIA (Village), Schenectady County, N. Y.—BOND SALES.—During January an issue of \$2,000 3 1/2% refunding sewer bonds was purchased by the Sinking Fund at par. Denoms. 1 for \$600 and 2 for \$700. Date Feb. 1 1917. Int. F. & A. Due Feb. 1 1932.

The following two issues of bonds, aggregating \$11,100, were disposed of on June 19 1916—see V. 102, p. 2276: \$5,100 4 1/2% water refunding bonds to Sam. M. Strong at 102.98. Denom. \$500, \$800 and \$1,000. Date Aug. 1 1916. Int. F. & A. Due Aug. 1 1936.

6,000 5% sewer bonds to John J. Hart for \$6,020, equal to 100.483. Denom. \$1,000. Date Sept. 1 1916. Int. M. & S. Due Sept. 1 1921 to 1926.

SERGEANT BLUFF CONSOLIDATED INDEPENDENT SCHOOL DISTRICT (P. O. Sergeant), Woodbury County, Iowa.—BOND OFFERING.—Proposals will be received until 3 p. m. June 1 by H. M. Michaelson, Secretary of Board of Education, for \$15,000 5% 20-year building and equipment bonds. Denom. \$1,000. Int. J. & J. These bonds were offered without success on May 19.

SHACKELFORD COUNTY (P. O. Albany), Tex.—BONDS NOT SOLD.—No satisfactory bids were received for the \$100,000 5% 5-40 year (opt.) coupon Road Dist. No. 2 road constr. bonds offered on May 14. —V. 104, p. 1932.

SHAWSWICK SCHOOL TOWNSHIP (P. O. Bedford), Lawrence County, Ind.—BOND OFFERING.—Reports state proposals will be received until 2 p. m. June 8 by W. E. Alexander, Twp. Trustee, for \$30,000 4 1/2% highway-improvement bonds.

SNOW HILL SCHOOL DISTRICT (P. O. Coin), Page County, Iowa.—BOND SALE.—On May 3 \$10,000 5% 1-20-year serial refunding bonds were awarded to C. W. Williams, agent, of Des Moines at 100.77. Denom. \$500. Date July 1 1917. Int. J. & J.

SOUTH BETHLEHEM, Northampton County, Pa.—BOND SALE.—On May 21 the \$150,000 4% 15-30-year optional paving bonds—V. 104, p. 1932—were awarded to Montgomery, Clothier & Tyler of Phila. at par and int. There were no other bidders.

SPENCER COUNTY (P. O. Rockport), Ind.—BOND OFFERING.—Bids will be received until 10 a. m. June 15 by James A. Haines, Sr., Co. Treas., for \$11,200 and \$8,000 4 1/2% road-impt. bonds. Denoms. \$500 and \$400 respectively. Date June 15 1917. Int. M. & N. Due one bond of each issue each six months from May 15 1918 to Nov. 15 1927, incl.

STARK COUNTY (P. O. Canton), Ohio.—BOND OFFERING.—Proposals will be received until 10 a. m. June 6 by W. O. Schick, Clerk of Board of County Commrs., for an issue of \$131,500 4 1/2% semi-ann. road bonds, it is stated.

STOWEN TOWNSHIP SCHOOL DISTRICT (P. O. McKees Rocks), Allegheny County, Pa.—BOND SALE.—Rud. Kleyboite Co. of Cincinnati purchased at par on Jan. 29 an issue of \$44,000 4 1/2% funding bonds. Denom. \$500. Date Jan. 2 1917. Int. J. & J. Due in 1943, subject to call at any time.

SWAN SCHOOL TOWNSHIP (P. O. Swan), Noble County, Ind.—BOND OFFERING.—Proposals will be received until 2 p. m. June 2 by V. Clare Simon, Twp. Trustee, for an issue of \$19,000 4 1/2% school bonds, reports state.

TARRANT COUNTY COMMON SCHOOL DISTRICT No. 99, Tex.—BOND ELECTION.—An election will be held June 9, it is stated, to vote on the question of issuing \$7,000 building bonds.

TENNESSEE, State of.—BOND SALE.—On May 21 the two issues of bonds, aggregating \$380,000 (V. 104, p. 1932) were awarded as follows to the National City Co. and Redmond & Co. of New York: \$300,000 Charitable Institutions Impt. bonds at 100.114 and int. for 4 1/2% \$80,000 Herbert's Domain Impt. bonds at 100.114 and int. for 4 1/2%.

THOMASVILLE, Thomas County, Ga.—BONDS NOT YET OFFERED.—Up to May 21 no date had been set for the offering of the \$155,000 4 1/2% gold coupon or registered city-improvement bonds voted May 8. Denom. \$500. Date July 1 1917. Int. J. & J. Due \$5,000 July 1 1933; \$10,000 yearly, July 1 from 1934 to 1936, incl. and \$20,000 July 1 1947. Bonded debt, excluding this issue, May 21 1917, \$163,000. Floating debt, \$10,468 66. Sinking fund \$43,000. Assess. val., \$4,250,000. City tax rate (per \$1,000), \$10.50. A. A. Riley is City Clerk.

TIPPECANOE COUNTY (P. O. Lafayette), Ind.—BOND OFFERING.—Bids will be received until 3 p. m. June 8 by Harry G. Leslie, Co. Treas., for \$2,800 Union Twp. and \$2,800 Wayne Twp. 4 1/2% coup. road bonds. Denom. \$140. Int. M. & N. Due one bond of each issue each six months from May 15 1918 to Nov. 15 1927, incl.

TRENTON, N. J.—BOND OFFERING.—Proposals will be received until 12 m. June 6 by H. E. Evans, City Treasurer, for the following 4 1/2% coupon or registered (purchaser's option) bonds, not to exceed the amounts mentioned:

- \$195,000 funding bonds. Due yearly on July 1 as follows: \$8,000 1919 to 1922, \$9,000 1923 to 1929 and \$10,000 1930 to 1939.
 - 151,000 funding bonds. Due \$25,000 July 1 1918, \$22,000 July 1 1919 and \$13,000 yearly on July 1 from 1920 to 1927, inclusive.
 - 33,000 school bonds. Due \$3,000 July 1 1919, 1920 and 1921 and \$4,000 yearly on July 1 from 1922 to 1927, inclusive.
- Denom. \$1,000. Date July 2 1917. Int. J. & J. Certified check for 2% of amount of bonds bid for, payable to the City Treasurer, required. Purchaser will be furnished with the opinion of Hawkins, Delafield & Longfellow, of N. Y., that the bonds are binding and legal obligations of the city.

TREZEVANT, Carroll County, Tenn.—BOND ELECTION.—On May 29 an election will be held, reports state, to vote on the question of issuing \$20,000 electric-light-plant and water-works bonds.

TRIPP COUNTY (P. O. Winner), So. Dak.—BIDS REJECTED.—NEW OFFERING.—All bids received for the \$200,000 5% 20-year coupon funding bonds offered on May 21—V. 104, p. 2038—were rejected. New bids are asked for until June 8. C. M. Sinclair is County Auditor.

TURLOCK UNION HIGH SCHOOL DISTRICT, Modesto County, Calif.—BOND SALE.—On May 18 \$65,000 5% building bonds were awarded, it is stated, to the Union Savings Bank of Modesto for \$66,051, equal to 101.616.

TURTLE CREEK SCHOOL DISTRICT (P. O. Turtle Creek), Allegheny County, Pa.—BOND SALE.—We are reporting as a matter of record only that an issue of \$200,000 4 1/2% school bonds dated May 1 1916 has been purchased by the Colonial Trust Co. of Pittsburgh. Denom. \$1,000. Int. M. & N. Due beginning May 1 1921.

UNION (Town), Hudson County, N. J.—BOND OFFERING.—Proposals will be received until 8 p. m. June 7 by Wm. E. Egan, Town Treas., for the following 4 1/2% gold bonds not to exceed \$77,000: \$54,000 street bonds. Due \$5,000 yearly on April 1 from 1919 to 1924, incl., and \$6,000 on April 1 1925 to 1928, incl.

23,000 fire and police-signal-system bonds. Due \$2,000 yearly on Apr. 1 from 1919 to 1922, incl., and \$3,000 Apr. 1 1923 to 1927, incl.

Date Apr. 1 1917. Prin. and semi-ann. int. A. & O.—payable at office of Town Treas. Cert. check upon an incorporated bank or trust company for 2% of bonds bid for, payab. to the "Town of Union," required. Purchaser will be furnished with equal opinion of Hawkins, Delafield & Longfellow. Purchaser to pay a certified interest.

The official notice of this bond offering will be found among the advertisements elsewhere in this department.

VAN BUREN SCHOOL TOWNSHIP (P. O. Milford), Kosciusko County, Ind.—BOND SALE.—An issue of \$7,000 4% school bonds was awarded on Mar. 10 to the Banking House of Miles & Higbie of Milford for \$7,032 78, equal to 100.468. Denom. \$500. Int. J. & J. Due from 1918 to 1924.

VALLEY TOWNSHIP SCHOOL DISTRICT, Guernsey County, Ohio.—BOND ELECTION.—An election is being held to-day (May 26) in this district to decide whether or not \$10,000 school bonds shall be issued.

VERMONT, State of.—BOND SALE.—On May 22 the \$180,000 4% 1-10-year serial coupon public-building bonds—V. 104, p. 2038—were awarded to Harris, Forbes & Co. of Boston at 100.07 and int. The other bidders were: Julius B. Fox, 95.064 to 99.613 for \$180,000. National Life Insurance Co., par, for \$84,000. Capital Savings Bk. & Trust Co., Montpelier, par, for \$18,000. Montpelier Bank & Trust Co., Montpelier, par, for \$36,000. Edward H. Deavitt, par, for \$18,000. R. L. Day & Co., 100.03, for \$50,000.

VIGO COUNTY (P. O. Terre Haute), Ind.—BOND OFFERING.—Bids will be received until 10 a. m. June 2 by E. E. Messick, County Treasurer, for the following 4 1/2% highway-improvement bonds: \$3,200 Honey Creek Twp. road bonds. Denom. \$160. Date May 15 1917.

44,400 Harrison Twp. road bonds. Denom. \$1,110. Date June 15 1917. 56,800 Harrison Twp. road bonds. Denom. \$1,415. Date June 15 1917. 3,300 Carter road-improvement bonds. Denom. \$165. Date April 7 1917. This issue was offered on May 5, but the offering was later postponed (V. 104, p. 1727). Interest payable M. & N. Due part of each issue each six months.

WARMSPRINGS IRRIGATION DISTRICT (P. O. Vale), Malheur County, Ore.—BONDS NOT SOLD.—No sale was made of the \$750,000 6% gold coupon or reg. tax-free irrigation system bonds, offered on May 15 (V. 104, p. 1830).

WASHINGTON COUNTY (P. O. Salem), Ind.—BOND SALE.—On May 22 the four issues of 4 1/2% road-impt. bonds, aggregating \$41,270 —V. 104, p. 2038—were awarded to J. F. Wild & Co. of Indianapolis for \$41,296 50, equal to 100.064. The Bank of Salem, the only other bidder, offered par.

WASHINGTON SCHOOL TOWNSHIP (P. O. Marshall), Parke County, Ind.—BOND SALE.—On May 12 the \$25,000 4 1/2% 1-15-year serial school bonds—V. 104, p. 1727—were awarded to the Citizens' Bank at 100.408.

WASHINGTON SCHOOL TOWNSHIP (P. O. Washington), Daviess County, Ind.—BOND SALE.—On May 17 the \$15,000 4 1/2% coupon school bonds—V. 104, p. 1624—were awarded to J. F. Wild & Co. of Indianapolis for \$15,150 10, equal to 101.

WASHINGTON COUNTY, Va.—BOND OFFERING.—Bids will be received until May 28 by W. H. Aston, Chairman Bd. of Co. Supers. (P. O. Meadow View), for \$18,000 6% 35-year Glade Spring District public-impt. bonds. Denom. \$500. Date Aug. 1 1912. Int. ann. on Aug. 1. A similar issue of bonds was reported sold on Dec. 30 1916 to Robt. Garrett & Sons of Baltimore. V. 104, p. 90.

WATERTOWN FIRE DISTRICT, Litchfield County, Conn.—BOND OFFERING.—Proposals will be received until 10 a. m. May 28 by Fletcher W. Judson, Dist. Treas., (care of Waterbury Nat. Bank, Waterbury), for \$90,000 4 1/2% coupon water bonds. Denom. \$1,000. Date Feb. 1 1917. Prin. and semi-ann. int.—F. & A.—payable at First Nat. Bank of Boston. Due yearly on Feb. 1 as follows: \$1,000 1920 to 1922; \$2,000 1923 to 1932; \$3,000 1933 to 1942; \$4,000 1943 to 1946 and \$21,000 in 1947. The First Nat. Bank of Boston will certify as to the genuineness of the bonds and their legality will be approved by Storey, Thorneice, Palmer & Dodge, whose opinion will be furnished purchaser. Bonds to be delivered on or about June 1 at the above Boston bank. Floating debt May 1 1917, \$86,750, of which \$78,900 will be paid from proceeds of this issue. Assessed valuation 1916, \$2,140,316.

WELLS COUNTY (P. O. Bluffton), Ind.—BOND OFFERING.—Proposals will be received until June 1 by O. E. Lesh, Co. Treas., for \$3,780, \$5,340, \$3,700, \$6,940, \$4,200, \$9,000, \$6,940, \$11,000 and \$6,940 4 1/2% highway impt. bonds. There are 20 bonds of equal denominations to each issue. Date May 15 1917. Int. M. & N. Due one bond of each issue each six months from May 15 1918 to November 15 1927 inclusive. Cert. check for \$200 required. Bonds to be delivered and paid for within 10 days from time of award. The above bonds, with the exception of the \$11,000 issue, were offered without success as is on May 15. See V. 104, p. 2038.

WEST WINDSOR TOWNSHIP SCHOOL DISTRICT (P. O. Dutch Neck), Mercer County, N. J.—BONDS AWARDED IN PART.—Of the \$38,000 4 1/2% school bonds offered on May 21—V. 194, p. 1933—\$9,500 was awarded as follows: \$5,000 bonds to J. T. B. Wolff at 100.10 and int. 4,500 bonds to Alfred Perrine at par and int. The remaining \$28,500 were not sold.

WENDALL SCHOOL DISTRICT (P. O. Wendall), Wake County, No. Caro.—BONDS VOTED.—By a vote of 141 to 26 the question of issuing \$10,000 5 1/2% 20-year grade-school building bonds carried, it is stated, at the election held May 12.

WHEELER COUNTY (P. O. Wheeler), Tex.—BONDS NOT SOLD.—No sale was made of the \$35,000 5% 10-40-yr. (opt.) Road Dist. No. 2 road impt. bonds offered on May 14 (V. 104, p. 1830).

WHITEFIELD, Coos County, N. H.—BOND SALE.—This town sold on Jan. 1 an issue of \$50,000 4% funding bonds. Denom. \$500. Date Jan. 1 1917. Int. J. & J. Due \$1,000 yearly for 5 years and \$1,500 yearly thereafter.

WHITEFISH BAY, Milwaukee County, Wis.—BOND SALE.—The \$50,000 5% gold coupon general fund bonds offered on May 7 (V. 104, p. 1624), were awarded to the Wisconsin Trust Co. of Milwaukee on May 14 at 101.68 and int. Other bids were: Continental Trust & Sav. Bank, Chicago.....\$50,815 Bolger, Mosser & Williamson, Chicago.....50,250 Hanchett Bond Co., Chicago, par, int. and furnish bonds, less \$740 for expenses.

WHITLEY COUNTY (P. O. Columbia City), Ind.—PRICE PAID FOR BONDS.—The price paid for the \$9,665 4 1/2% 6-year average road bonds, awarded to Allen H. Pence of So. Whitley on May 15, was \$9,669, equal to 100.041 and not par as erroneously reported in V. 104, p. 2038.

WILLIAMS COUNTY (P. O. Bryan), Ohio.—BOND OFFERING.—Proposals will be received until 10 a. m. June 1 by Geo. C. Beuler, Co. Aud. for five issues of 5% coupon road-impt. bonds aggregating \$344,100. Date June 1 1917. Int. semi-ann. Due part of each issue each six months from Mar. 10 1918 to Sept. 10 1924 incl.

These bonds were offered without success as 4 1/4% on May 11.—V. 104, p. 2038.

WOOD COUNTY (P. O. Bowling Green), Ohio.—BOND SALE.—On May 21 the \$40,000 5% coup. road bonds—V. 104, p. 1934—were awarded to the Wood County Savs. Bank of Bowling Green at 100.05. Other bids were: Seasonroad & Mayer.....\$40,025 Mansfield Sav. Bank.....\$40,000 Cont. & Com'l Tr. & Sav. Bk. 40,018

WORCESTER, Mass.—TEMPORARY LOAN.—On May 18 a loan of \$150,000, maturing Nov. 6 1917, was negotiated with Salomon Bros. & Hutzler of N. Y. at 4.35% discount. Other bidders were:

Table with 2 columns: Bidder Name and Discount Rate. Includes R. W. Pressrich & Co., Bond & Goodwin, Farmers L. & Tr. Co., Bernhard, Scholle & Co., Loring, Tolman & Tupper, Merchants Nat. Bank, S. N. Bond & Co., Morgan & Bartlett.

YAKIMA COUNTY SCHOOL DISTRICT NO. 89, Wash.—BOND SALE.—On May 19 \$3,500 1-20-year opt. building and equipment bonds were awarded to the State of Washington at par for 2%. Denom. \$500.

YELLOWSTONE COUNTY SCHOOL DISTRICT NO. 2 (P. O. Billings), Mont.—BOND SALE.—On May 17 \$17,000 10-20-yr. building bonds were awarded to Ferris & Hardgrove of Spokane for \$17,026 (100-152) as 5 1/4%. Denom. \$1,000. Date June 1 1917. Int. J. & D.

YONKERS, N. Y.—BOND OFFERING.—Proposals will be received until 12 m. June 1 by Jos. Miller, City Compt., for the following 5% registered bonds: \$40,000 water bonds. Due \$1,000 yrly. on Apr. 1 from 1918 to 1957 incl. 160,000 tax deficiency bonds. Due \$16,000 yrly. on Apr. 1 from 1918 to 1927 incl.

34,000 police and fire bureau equip. bonds. Due \$3,400 yrly. on Apr. 1 from 1918 to 1927 incl.

150,000 assess. bonds. Due \$30,000 yrly. on Apr. 1 from 1918 to 1922 incl.

150,000 tax sale bonds. Due \$30,000 yrly. on Apr. 1 from 1918 to 1922 incl.

174,000 local impt. bonds. Due \$11,600 yrly. on Apr. 1 from 1918 to 1932 incl. Date Apr. 1 1917. Prin. and semi-ann. int. (A. & O.) payable at office of City Treas. in N. Y. exchange. Cert. check for 2% of bonds bid for, payable to the City Compt., required. Bonds will be ready for delivery on June 11. Purchaser to pay accrued int. The legality of these bonds will be approved by Hawkins, Delafield & Longfellow of N. Y. and a duplicate original of their opinion will be furnished purchaser.

Canada, Its Provinces and Municipalities.

BEAMSVILLE, Ont.—DEBENTURES AUTHORIZED.—The Council passed a by-law on April 23 providing for the issuance of \$3,000 electrical-plant-improvement debentures, reports state.

BIGGAR SCHOOL DISTRICT, Sask.—DEBENTURE ELECTION.—An election has been called for June 2. It is stated, to vote on the question of issuing \$17,000 school-improvement debentures.

EAST KILDONAN, Man.—DEBENTURE ELECTION.—The question of issuing \$15,000 school-improvement debentures will be submitted to a vote on May 30, it is said.

ELMIRA, Ont.—LOAN ELECTION.—It is reported that an election will be held May 28 to vote on the question of granting a loan of \$15,000 to the Elmira Machinery & Transmission Co.

HESELER, Ont.—DEBENTURES VOTED.—The proposition to issue \$14,000 waterworks debentures carried, it is stated, at an election held May 7.

BOND CALL.

CITY OF GALVESTON, TEXAS

BOND CALL

Notice to redeem Galveston 40-Year Limited Debt Bonds of 1881 of the City of Galveston, issued by said city on June 1, 1883, and April 1, 1884, and March 18, 1887, May 2, 1887, and from July 2, 1887, to August 23, 1887, and September 1st and 2nd, 1887.

Notice is hereby given to the holders of bonds of the City of Galveston known as the Galveston 40-Year Limited Debt Bonds issued by said city June 1, 1883, and numbered

- 1126, 1138, 1139, 1140, 1141, 1142, 1143, 1144, 1145, 1146, 1147, 1148, 1151, 1152, 1153, 1154, 1155, 1156, 1157, 1158, 1159, 1160, 1161, 1162, 1163, 1164, 1165, 1166, 1167, 1169, 1171, 1172, 1173, 1174, 1175, 1176, 1177, 1178, 1179, 1180, 1181, 1182, 1183, 1184, 1185, 1186, 1187, 1188, 1189, 1190, 1191, 1192, 1193, 1194, 1195, 1196, 1197, 1198, 1199, 1200, 1201, 1202, 1203, 1204, 1205, 1206, 1207, 1208, 1210, 1211, 1212, 1213, 1214, 1215, 1216, 1217, 1218, 1219, 1220, 1221, 1222, 1223, 1224, 1225.

Bonds Issued April 1, 1884, and numbered 1226, 1227, 1228, 1229, 1230, 1231, 1232, 1233, 1234, 1235, 1236, 1237, 1238, 1239, 1240, 1241, 1242, 1243, 1244, 1245, 1246, 1247, 1248, 1249, 1250.

Bonds Issued March 18, 1887, and numbered 1251, 1252, 1253, 1254, 1255, 1256, 1257, 1258, 1259, 1260, 1261, 1262, 1263, 1264, 1265, 1266, 1267, 1268, 1269, 1270, 1271, 1272, 1273, 1274, 1275, 1276, 1277, 1278, 1279, 1280, 1281, 1282, 1283, 1284, 1285, 1286, 1287, 1288, 1289, 1290, 1291, 1292, 1293, 1294, 1295, 1296, 1297, 1298, 1299, 1300, 1301, 1302, 1303, 1304, 1305, 1306, 1307, 1308, 1309, 1310, 1311, 1312, 1313, 1314, 1315, 1316, 1317, 1318, 1319, 1320, 1321, 1322, 1323, 1324, 1325, 1326, 1327, 1328, 1329, 1330, 1331, 1332, 1333, 1334, 1335, 1336, 1337, 1338, 1339, 1340, 1341, 1342, 1343, 1344, 1345, 1346, 1347, 1348, 1349, 1350, 1351, 1352, 1353, 1354, 1355, 1356, 1357, 1358, 1359, 1360, 1361, 1362, 1363, 1364, 1365, 1366, 1367, 1368, 1369, 1370, 1371, 1372, 1373, 1374, 1375, 1376, 1377, 1378, 1379, 1380, 1381, 1382, 1383, 1384, 1385, 1386, 1387, 1388, 1389, 1390, 1391, 1392, 1393, 1394, 1395, 1396, 1397, 1398, 1399, 1400, 1401, 1402, 1403, 1404, 1405, 1406, 1407, 1408, 1409, 1410, 1411, 1412, 1413, 1414, 1415, 1416, 1417, 1418, 1419, 1420, 1421, 1422, 1423, 1424, 1425, 1426, 1427, 1428, 1429, 1430, 1431, 1432, 1433, 1434, 1435, 1436, 1437, 1438, 1439, 1440, 1441, 1442, 1443, 1444, 1445, 1446, 1447, 1448, 1449, 1450, 1451, 1452, 1453, 1454, 1455, 1456, 1457, 1458, 1459, 1460, 1461, 1462, 1463, 1464, 1465, 1466, 1467, 1468, 1469, 1470, 1471, 1472, 1473, 1474, 1475, 1476, 1477, 1478, 1479, 1480, 1481, 1482, 1483, 1484, 1485, 1486, 1487, 1488, 1489, 1490, 1491, 1492, 1493, 1494, 1495, 1496, 1497, 1498, 1499, 1500, 1501, 1502, 1503, 1504, 1505, 1506, 1507, 1508, 1509, 1510, 1511, 1512, 1513, 1514, 1515, 1516, 1517, 1518, 1519, 1520, 1521, 1522, 1523, 1524, 1525, 1526, 1527, 1528, 1529, 1530, 1531, 1532, 1533, 1534, 1535, 1536, 1537, 1538, 1539, 1540, 1541, 1542, 1543, 1544, 1545, 1546, 1547, 1548, 1549, 1550.

Bonds Issued March 18, 1887, and numbered 1251, 1252, 1253, 1254, 1255, 1256, 1257, 1258, 1259, 1260, 1261, 1262, 1263, 1264, 1265, 1266, 1267, 1268, 1269, 1270, 1271, 1272, 1273, 1274, 1275, 1276, 1277, 1278, 1279, 1280, 1281, 1282, 1283, 1284, 1285, 1286, 1287, 1288, 1289, 1290, 1291, 1292, 1293, 1294, 1295, 1296, 1297, 1298, 1299, 1300, 1301, 1302, 1303, 1304, 1305, 1306, 1307, 1308, 1309, 1310, 1311, 1312, 1313, 1314, 1315, 1316, 1317, 1318, 1319, 1320, 1321, 1322, 1323, 1324, 1325, 1326, 1327, 1328, 1329, 1330, 1331, 1332, 1333, 1334, 1335, 1336, 1337, 1338, 1339, 1340, 1341, 1342, 1343, 1344, 1345, 1346, 1347, 1348, 1349, 1350, 1351, 1352, 1353, 1354, 1355, 1356, 1357, 1358, 1359, 1360, 1361, 1362, 1363, 1364, 1365, 1366, 1367, 1368, 1369, 1370, 1371, 1372, 1373, 1374, 1375, 1376, 1377, 1378, 1379, 1380, 1381, 1382, 1383, 1384, 1385, 1386, 1387, 1388, 1389, 1390, 1391, 1392, 1393, 1394, 1395, 1396, 1397, 1398, 1399, 1400, 1401, 1402, 1403, 1404, 1405, 1406, 1407, 1408, 1409, 1410, 1411, 1412, 1413, 1414, 1415, 1416, 1417, 1418, 1419, 1420, 1421, 1422, 1423, 1424, 1425, 1426, 1427, 1428, 1429, 1430, 1431, 1432, 1433, 1434, 1435, 1436, 1437, 1438, 1439, 1440, 1441, 1442, 1443, 1444, 1445, 1446, 1447, 1448, 1449, 1450, 1451, 1452, 1453, 1454, 1455, 1456, 1457, 1458, 1459, 1460, 1461, 1462, 1463, 1464, 1465, 1466, 1467, 1468, 1469, 1470, 1471, 1472, 1473, 1474, 1475, 1476, 1477, 1478, 1479, 1480, 1481, 1482, 1483, 1484, 1485, 1486, 1487, 1488, 1489, 1490, 1491, 1492, 1493, 1494, 1495, 1496, 1497, 1498, 1499, 1500, 1501, 1502, 1503, 1504, 1505, 1506, 1507, 1508, 1509, 1510, 1511, 1512, 1513, 1514, 1515, 1516, 1517, 1518, 1519, 1520, 1521, 1522, 1523, 1524, 1525, 1526, 1527, 1528, 1529, 1530, 1531, 1532, 1533, 1534, 1535, 1536, 1537, 1538, 1539, 1540, 1541, 1542, 1543, 1544, 1545, 1546, 1547, 1548, 1549, 1550.

Bonds Issued September 1 and 2, 1887, and numbered 1631, 1632, 1633, 1634, 1635, 1636, 1637, 1638, 1639, 1640, 1641, 1642, 1643, 1644, 1645, 1646, 1647, 1648, 1649, 1650, 1651, 1652, 1653, 1654, 1655, 1656, 1657, 1658, 1659, 1660, 1661, 1662, 1663, 1664, 1665, 1666, 1667, 1668, 1669, 1670, 1671, 1672, 1673, 1674, 1675, 1676, 1677, 1678, 1679, 1680, 1681, 1682, 1683, 1684, 1685, 1686, 1687, 1688, 1689, 1690, 1691, 1692, 1693, 1694, 1695, 1696, 1697, 1698, 1699, 1700, 1701, 1702, 1703, 1704, 1705, 1706, 1707, 1708, 1709, 1710, 1711, 1712, 1713, 1714, 1715, 1716, 1717, 1718, 1719, 1720, 1721, 1722, 1723, 1724, 1725, 1726, 1727, 1728, 1729, 1730, 1731.

each of said bonds being for \$1,000; that the City of Galveston will redeem at par the hereinbefore named and numbered bonds upon their presentation at the office of the Treasurer of the City, at Galveston, Texas, or at the National City Bank of New York, on June 1, 1917, and any of the bonds herein described and designated, which are not presented for redemption as aforesaid, on the first day of June, 1917, shall cease to bear interest from and after said date.

This notice is given in pursuance of Section 2 of the ordinance of the City of Galveston by virtue of which ordinance the said bonds hereinbefore described, designated and numbered were issued.

LEWIS FISHER, Mayor-President of the Board of Commissioners of City of Galveston.

H. O. STEIN, Treasurer of said City of Galveston. Galveston, Texas, April 23, 1917.

Town of Union, Hudson County, N. J.

NOTICE OF SALE OF 4 1/2% BONDS OF THE TOWN OF UNION, NEW JERSEY, OF AN AGGREGATE FACE AMOUNT NOT EXCEEDING \$77,000.

Sealed proposals will be received by the Town Council of the Town of Union, in the County of Hudson, at the Town Hall, in said Town, on JUNE 7, 1917, at eight o'clock P. M., for the purchase of two issues of bonds of the Town of Union, viz.:

(1) An authorized issue of \$54,000 Street Improvement Bonds, of which \$5,000 of bonds will mature on April 1st in each of the years 1919 to 1924, inclusive, and \$6,000 of said bonds on April 1st in each of the years 1925 to 1928, inclusive.

(2) An authorized issue of \$23,000 Fire and Police Signal System Bonds, of which \$2,000 of bonds will mature on April 1st in each of the years 1919 to 1922, and \$3,000 of said bonds will mature on April 1st in each of the years 1923 to 1927, inclusive.

ALL of said bonds will be dated April 1st, 1917, and will bear interest at the rate of 4 1/2% per annum, payable semi-annually on the first days of April and October. The principal and interest will be payable in gold coin of the United States of America at the office of the Treasurer of the Town of Union. No more bonds of said issue of Street Re-improvement bonds will be sold than will produce the sum of \$54,000, and an additional sum of less than \$1,000; and no more of said issue of Fire and Police Signal System Bonds will be sold than will produce the sum of \$23,000, and an additional sum of less than \$1,000, and if all the bonds of either issue are not sold, the bonds of such issue sold will be those of the earlier maturities. Proposals will be received for either or both of said issues, and any bid for both issues may be conditioned upon the award of both issues to the bidder; but bids for both issues must be framed in such a manner as to enable the Town of Union to award each issue separately to the person making the best bid for such issue upon the terms hereinafter stated.

Each of said bond issues will be sold upon the following terms and conditions: The sum of \$54,000 is required to be obtained by the sale of said Street Re-improvement Bonds, and the sum of \$23,000 is required to be obtained upon the sale of said Fire and Police Signal System Bonds. Unless all bids for an issue are rejected, the bonds of such issue will be sold to the bidder or bidders complying with the terms of sale and offering to pay not less than the authorized amount of such issue (\$54,000 and \$23,000, respectively), and to take therefor the least amount of bonds (stated in a multiple of \$1,000), commencing with the first maturity, and if two or more bidders offer to take the same amount of the bonds of such issue, then to the bidder or bidders offering to pay therefor for the highest additional price (such additional price being less than \$1,000). In addition to the price bid, the purchaser must pay accrued interest from the date of the bonds to the date of delivery.

The right is reserved to reject all bids, and any bid not complying with the provisions of this notice will be rejected. Proposals should be addressed to William E. Egan, Treasurer of the Town of Union, Union, N. J., and enclosed in a sealed envelope marked on the outside "Proposals for Bonds." Bidders must at the time of making their bid deposit a certified check for 2% of the face amount of the bonds bid for, drawn upon an incorporated bank or trust company, to the order of the Town of Union, in the County of Hudson, to secure said Town against any loss arising from the failure of the bidder to comply with the terms of his bid. Checks of unsuccessful bidders will be returned on the award of the bonds. No interest will be allowed on the amount of checks of the successful bidder. The successful bidder or bidders will be furnished with the opinion of Messrs. Hawkins, Delafield & Longfellow, attorneys of New York City, that the bonds are binding and legal obligations of the Town of Union, in the County of Hudson, N. J. By order of the Council of the Town of Union. Dated, May 21, 1917.

EMIL BAUTZ, Clerk of the Town of Union, N. J.

NEW LOANS

\$250,000.

City of Birmingham, Alabama,

SCHOOL BONDS.

Sealed proposals for the purchase of Two Hundred Fifty Thousand Dollars (\$250,000.00) municipal school bonds of the City of Birmingham, Alabama, will be received by the Commission of said City at the City Hall in said City until the 1ST DAY OF JUNE, 1917, at 12 o'clock noon, when said Commission will open the bids. Said bonds are all to be dated the 1st day of June, 1917, and payable on the 1st day of June, 1917, interest 4 1/2% per annum, payable semi-annually; principal and interest payable in gold coin at the Hanover National Bank, New York City.

The legality of the bonds has been approved by John C. Thomson of New York, copy of whose opinion will be delivered to the successful bidder.

The bonds will be prepared under the supervision of the United States Mortgage & Trust Company of New York, which will certify as to genuineness of the signatures of the city officials and the seal impressed thereon.

Each bid must be accompanied by a certified check on a national bank, or on a banking institution of the State of Alabama, payable to the City of Birmingham for one per cent (1%) of the par value of the bonds bid for as security for the performance of such bid and as liquidated damages in the event of failure of the successful bidder to accept and pay for the bonds. No interest will be allowed on certified checks accompanying the bids. Said bonds will be delivered to the successful bidder or bidders on the 10th day of June, 1917. No bids at less than par and accrued interest to date of delivery will be considered. The right is reserved to reject any and all bids.

Birmingham, Alabama, April 2nd, 1917.

GEORGE B. WARD,

President of the Commission of the City of Birmingham, Alabama.

C. B. LLOYD, City Clerk.

\$150,000

Town of Milford, Connecticut

4 1/2% BONDS

Sealed proposals will be received by the Town Treasurer, at the office of the Board of Selectmen, until 8 P. M. June 23d, 1917, for the purchase of the above named bonds amounting to \$150,000.00 with interest at four and one-half (4 1/2%) per cent per annum. Bonds to be dated July 1st, 1917. Principal and interest, payable in gold coin of the United States of America. Right reserved to reject any and all bids. For further information address SANFORD HAWKINS, Town Treasurer.

GEO. B. EDWARDS

BROKER

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SOUTHERN INVESTMENT SECURITIES

MONTGOMERY, ALA.

MAGOG, Que.—DEBENTURES AUTHORIZED.—It is stated that an issue of \$65,000 sewer, paving and sidewalk debentures has been authorized.

MEADOWLAND SCHOOL DISTRICT, Man.—DEBENTURE SALE.—Reports state that H. O'Hara & Co. of Toronto have been awarded an issue of \$1,000 7% 11-installment school debentures.

NEW LISKEARD, Ont.—DEBENTURES AUTHORIZED.—It is reported that the Council passed a by-law on May 7 providing for the issuance of \$6,000 debentures for the sinking of new wells.

NIAGARA-ON-THE-LAKE, Ont.—DEBENTURE SALE.—On May 15 the \$14,964 78 5/8% debentures maturing from 1926 to 1937 were awarded to C. H. Burgess & Co. of Toronto, it is said.—V. 104, p. 1934.

ORILLIA, Ont.—DEBENTURE SALE.—On May 7 two issues of 6% 20-installment debentures, aggregating \$52,048 54, were awarded to R. C. Matthews & Co. of Toronto.

PETERBORO, Ont.—DEBENTURE OFFERING.—Reports state that bids will be received until June 1 by F. Adams, City Treasurer, for an issue of \$99,742 82 5% 30-year debentures.

DEBENTURES AUTHORIZED.—Newspaper reports state that the City Council passed a by-law on May 7 providing for the issuance of \$9,742 sewer debentures.

DEBENTURE ELECTION.—An election has been called for May 31 to vote on the question of whether or not this city shall issue \$280,000 bridge debentures, reports state.

POINT AUX TREMBLES, Que.—DEBENTURE SALE.—It is reported that an issue of \$40,000 6% 25-year school debentures has been purchased by Beausoleil, Ltd.

ST. ADOLPHE SCHOOL DISTRICT, Man.—DEBENTURE SALE.—An issue of \$1,000 7% 10 installment school debentures has been purchased by H. O'Hara & Co. of Toronto.

SARNIA, Ont.—DEBENTURE OFFERING.—James Woods, City Treasurer, will receive bids until 1 p. m. June 1 for \$16,310 20 installment, \$3,960 10 installment and \$3,910 10 installment 6% coup. local impt. debentures. Int. payable annually.

SASKATCHEWAN (Province of)—DEBENTURE SALES.—The following 14 issues of debentures, aggregating \$29,350, issued by various school districts and villages in the province of Saskatchewan, are reported by the Local Government Board as sold from May 5 to May 18: \$1,600 Wild Flower Sch. Dist. No. 3801 debentures to the Canada Landed & Nat. Inv. Co. of Winnipeg.

1,400 Narrow Lake Dist. No. 1595 debentures also to above Investment company.

1,000 Marshall Dist. No. 1499 debentures to above Investment company.

1,700 Langholm Dist. No. 3818 debentures to H. O'Hara & Co. of Toronto.

4,000 Eston Dist. No. 3759 debentures to H. O'Hara & Co.

1,600 Hessedale Dist. No. 3557 debentures to H. O'Hara & Co.

1,400 Haig Dist. No. 3767 debentures to H. O'Hara & Co.

1,600 Barra Dist. No. 1189 debentures to W. L. McKinnon & Co. of Regina.

2,500 Village of Foam Lake debentures to the Great West Life Assurance Co.

6,000 District No. 3430 debentures to H. O'Hara & Co., of Toronto.

1,900 Fraternity District No. 3756 debentures to Goldman & Co. of Regina.

1,600 Anzac District No. 3839 debentures to Goldman & Co. of Regina.

1,200 Silver Springs District No. 3855 debentures to Macnell & Young of Toronto.

1,850 Longdale District No. 3856 debentures to Goldman & Co. of Regina.

SASKATOON, Sask.—DEBENTURES PROPOSED.—Newspaper reports state an issue of \$6,000 building debentures is under contemplation.

SIMCOE, Ont.—DEBENTURE OFFERING.—Bids will be received until 2 p. m. May 30 by Frank Reid, Town Treasurer, for \$39,447 79 29 installment school and \$4,840 20 installment local impt. 5 1/2% debentures.

SMITHS FALLS, Ont.—DEBENTURES AUTHORIZED.—On May 7 a by-law was passed by the Council providing for the issuance of \$1,200 debentures to construct an addition to the collegiate institute building, it is stated.

STRATFORD, Ont.—DEBENTURE SALE.—On May 21 the two issues of 5 1/2% coupon debentures aggregating \$80,000 were awarded to A. E. Ames & Co. of Toronto at 97.257 and int.—V. 104, p. 2039.

TEULON SCHOOL DISTRICT, Man.—DEBENTURE SALE.—According to reports an issue of \$16,000 6% 20-year school debentures has been purchased by J. A. Thompson of Winnipeg.

TILSONBURG, Ont.—LOAN DEFEATED.—At the election held May 14 the question of granting the loan of \$10,000 to the Tilsonburg Foundry & Machine Co. was defeated, reports state.—V. 104, p. 1831.

WELLAND, Ont.—BIDS REJECTED.—The following bids received for the \$40,000 5 1/2% 20-year hydro-electric-system debentures, offered on May 17, were rejected:

R. C. Matthews & Co. 96.55 Imperial Bank 94.28
W. A. Mackenzie & Co. 96.03 Brent, Noxon & Co. 94.027
Canada Bond Corp. 95.80 A. H. Martens & Co. 93.192
C. H. Burgess & Co. 95.07 Dominion Sec. Corp. 92.63
A. E. Ames & Co. 94.78

Debentures are in denom. of \$1,000 each. Int. payable semi-ann.

WENTWORTH COUNTY (P. O. Hamilton), Ont.—DEBENTURE SALE.—Reports state that on May 7 the issue of \$72,000 5% 20 installment patriotic purpose debentures was awarded to A. E. Ames & Co. of Toronto.

WHEATLEY, Ont.—DEBENTURES AUTHORIZED.—The Village Council passed a by-law on May 7 reports state, providing for the issuance of \$1,000 school debentures.

FINANCIAL

FACTORS

ATLANTIC MUTUAL INSURANCE COMPANY

New York, January 25th, 1917.
The Trustees, in conformity with the Charter of the Company, submit the following statement of its affairs on the 31st of December, 1916.

The Company's business has been confined to marine and inland transportation insurance.

Premiums on such risks from the 1st January, 1916, to the 31st December, 1916. \$8,087,174.02
Premiums on Policies not marked off 1st January, 1916. 903,703.68

Total Premiums \$8,990,877.68
Premiums marked off from 1st January, 1916, to 31st December, 1916. \$7,855,092.25

Interest on the Investments of the Company received during the year \$337,271.78
Interest on Deposits in Banks and Trust Companies, etc. 103,475.76
Rent received less Taxes and Expenses. 109,638.08 \$ 550,385.62

Losses paid during the year \$3,360,156.87
Less: Salvages \$322,139.57
Re-insurances 686,832.53 \$ 908,971.10

\$2,451,185.77
Re-insurance Premiums and Returns of Premiums \$1,389,298.73
Expenses, including compensation of officers and clerks, taxes, stationery, advertisements, etc. \$ 740,899.72

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 sixth of February next.

The outstanding certificates of the issue of 1911 will be redeemed and paid to the holders thereof, or their legal representatives, on and after Tuesday the sixth of February next, from which date all interest thereon will cease. The certificates to be produced at the time of payment and canceled.

A dividend of Forty per cent. is declared on the earned premiums of the Company for the year ending 31st December, 1916, which are entitled to participate in dividend, for which, upon application, certificates will be issued on and after Tuesday the first of May next.

By order of the Board, G. STANTON FLOYD-JONES, Secretary.

TRUSTEES.
EDMUND L. BAYLIES, ANTON W. HARD, ANTON A. RAVEN,
JOHN N. BEACH, SAMUEL T. HUBBARD, JOHN J. RIKER,
NICHOLAS BIDDLE, LEWIS CASS LEDYARD, DOUGLAS ROBINSON,
JAMES BROWN, WILLIAM H. LEFFERTS, JUSTUS RUPERTI,
JOHN CLAFLIN, CHARLES D. LEVERICH, WILLIAM JAY SCHIEFFELIN,
GEORGE C. CLARK, GEORGE H. MACY, SAMUEL SLOAN,
CLEVELAND H. DODGE, NICHOLAS F. PALMER, WILLIAM SLOANE,
CORNELIUS ELBERT, WALTER WOOD PARSONS, LOUIS STERN,
RICHARD H. EWART, CHARLES A. DEABODY, WILLIAM A. STREET,
G. STANTON FLOYD-JONES, JAMES H. POST, GEORGE E. TURNURE,
PHILIP A. S. FRANKLIN, CHARLES M. PRATT, GEORGE C. VAN TUYL, Jr.,
HERBERT L. GRIGGS, DALLAS B. PRATT, 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 and Warrants of the City of New York and Stocks of Trust Companies and Banks	\$ 670,000.00	Estimated Losses and Losses Unsettled in process of Adjustment	\$ 3,632,239.06
Stocks and Bonds of Railroads	1,773,550.00	Premiums on Underminated Risks	1,135,755.43
Other Securities	3,588,575.20	Certificates of Profits and Interest Unpaid	266,399.25
Special Deposits in Banks and Trust Companies	307,185.00	Return Premiums Unpaid	106,624.24
Real Estate cor. Wall Street, William Street and Exchange Place	2,000,000.00	Taxes Unpaid	174,943.90
Real Estate on Staten Island (held under provisions of Chapter 481, Laws of 1887)	3,900,000.00	Re-insurance Premiums on Terminated Risks	373,669.04
Premium Notes	75,000.00	Claims not Settled, including Compensation, etc.	158,309.94
Bills Receivable	866,000.00	Certificates of Profits Ordered Redeemed, Withheld for Unpaid Premiums	22,567.84
Cash in hands of European Bankers to pay losses under policies payable in foreign countries	1,068,547.73	Income Tax Withheld at the Source	1,210.29
Cash in Bank	206,311.68	Suspense Account	5,899.75
Loans	2,808,785.77	Certificates of Profits Outstanding	7,968,850.00
	135,000.00		
	\$17,458,990.74		\$13,546,488.69

Thus leaving a balance of \$3,912,502.06
Accrued Interest on the 31st day of December, 1916, amounted to \$49,286.30
Rents due and accrued on the 31st day of December, 1916, amounted to \$25,933.03
Re-insurance due or accrued, in companies authorized in New York, on the 31st day of December, 1916, amounted to \$ 245,472.80
Note: The Insurance Department has estimated the value of the Real Estate on Staten Island in excess of the Book Value given above, at \$ 63,700.00
The Insurance Department's valuation of Stocks, Bonds and other Securities exceeds the Company's valuation by \$1,988,069.90
On the basis of these increased valuations the balance would be \$6,285,864.09

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