

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 \$5,891,116,446, against \$6,067,121,777 last week and \$5,950,859,986 the corresponding week last year.

Clearings—Returns by Telegraph.	1918.	1917.	Per Cent.
New York	\$2,667,482,466	\$2,952,917,758	-9.7
Boston	218,910,448	203,178,465	+7.7
Philadelphia	287,364,473	252,982,209	+13.6
Baltimore	36,398,021	35,974,204	+1.2
Chicago	395,837,310	405,215,824	-2.3
St. Louis	128,384,359	110,625,549	+16.0
New Orleans	48,000,000	36,107,223	+32.6
San Francisco	80,053,051	69,534,227	+15.1
Pittsburgh	60,158,439	60,832,303	-1.1
Detroit	39,783,333	43,890,510	-9.4
Kansas City	163,880,810	122,647,505	+33.2
Eleven cities, 5 days	\$4,125,750,405	\$4,294,006,077	-3.9
Other cities, 5 days	782,948,763	670,002,944	+16.9
Total all cities, 5 days	\$4,908,699,168	\$4,964,009,018	-1.1
All cities, 1 day	982,417,278	986,840,968	-0.5
Total all cities for week	\$5,891,116,446	\$5,950,849,986	-1.0

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.

Figures for week ending Jan. 5 are as follows:

Clearings at—	1918.	1917.	Inc. or Dec.	1916.	1915.
New York	\$3,500,895,556	\$3,448,764,031	+14.5	\$3,791,513,700	\$1,859,472,251
Philadelphia	305,758,697	318,008,952	-3.8	320,011,963	178,536,729
Pittsburgh	75,068,410	75,533,466	-0.6	71,000,233	52,313,918
Baltimore	42,810,127	42,476,461	+0.8	55,882,139	40,285,970
Buffalo	20,957,011	23,005,305	-8.9	16,568,172	14,138,880
Albany	5,249,768	4,313,610	+21.7	5,773,742	7,203,905
Washington	10,889,317	9,984,276	+9.1	10,527,170	9,446,822
Rochester	8,978,922	9,478,056	-5.3	8,701,682	6,048,713
Syracuse	3,876,620	4,819,013	-23.7	3,351,683	3,944,074
Reading	5,875,508	5,708,871	+2.9	5,415,824	4,143,009
Wilkes-Barre	2,838,794	3,021,984	-4.6	2,585,718	2,066,127
Scranton	3,305,655	3,677,621	-10.1	3,075,916	1,921,241
Wilkes-Barre	1,917,247	2,107,106	-9.0	2,192,196	1,785,531
Wheeling	3,725,000	3,446,500	+8.0	3,130,375	2,063,850
Trenton	2,340,704	2,154,409	+8.6	2,291,250	1,834,383
York	1,148,343	1,135,133	+1.1	1,140,890	970,660
Erie	1,821,681	1,778,041	+2.4	1,698,215	1,099,554
Binghamton	1,084,400	1,106,700	-2.0	988,500	933,400
Chester	1,090,682	1,294,758	-15.3	1,225,101	668,408
Greensburg	965,407	925,214	+4.7	1,128,313	925,000
Lancaster	2,405,598	2,032,684	+17.1	2,185,184	1,482,541
Montclair	600,598	580,373	+12.6	539,502	607,358
Total Middle	4,003,253,043	3,965,352,594	+1.0	4,302,226,766	2,191,533,193
Boston	256,693,402	238,654,535	+7.6	229,016,385	153,750,459
Providence	11,883,900	11,019,506	+14.3	12,733,500	10,360,300
Hartford	10,320,903	10,382,704	-0.6	12,259,236	7,214,951
New Haven	4,700,000	5,288,412	-11.1	5,549,902	4,190,220
Springfield	3,992,466	4,683,813	-14.7	4,108,677	3,091,432
Worcester	4,299,781	4,962,036	-13.4	4,055,220	2,553,192
Portland	2,600,000	3,265,350	-20.4	3,277,979	2,289,771
Fall River	1,974,884	1,859,513	+5.0	1,458,863	1,282,012
New Bedford	1,576,484	1,599,548	-1.4	1,140,168	1,050,197
Lowell	1,075,626	1,073,877	+0.2	980,707	822,145
Holyoke	735,639	1,071,958	-31.3	1,009,934	920,881
Bangor	600,000	650,000	-7.7	647,058	527,708
Total New Eng.	303,450,085	286,521,246	+5.0	268,025,639	187,968,198

Note.—For Canadian clearings see "Commercial and Miscellaneous News."
* Banks in Clearing House deposited.

Clearings at—	Week ending January 5.				
	1918.	1917.	Inc. or Dec.	1916.	1915.
Chicago	\$474,074,534	\$456,840,321	+3.8	\$402,920,768	\$338,262,910
Cincinnati	33,437,983	36,072,527	-7.3	35,754,550	28,968,800
Cleveland	75,581,375	71,088,587	+5.4	43,276,880	30,399,356
Detroit	50,838,080	46,404,190	+9.6	37,684,948	24,599,909
Milwaukee	26,309,967	22,897,240	+14.9	20,844,718	19,152,554
Indianapolis	13,581,000	14,455,104	-5.9	12,213,616	10,245,206
Columbus	9,145,500	9,391,900	-2.6	9,094,100	6,555,900
Toledo	5,417,737	9,495,103	-11.4	6,298,411	5,601,561
Peoria	5,196,861	4,600,000	+13.0	4,500,000	4,158,707
Grand Rapids	5,089,742	5,123,897	-0.3	5,098,906	3,697,249
Dayton	4,264,301	4,236,123	+0.7	3,297,008	2,487,468
Evanston	3,569,433	2,966,726	+20.3	2,538,807	1,568,765
Springfield, Ill.	1,880,278	1,757,882	+7.5	1,494,274	1,190,175
Lexington	938,964	1,109,647	-15.9	1,195,840	1,292,393
Fort Wayne	1,440,403	1,766,554	-18.4	1,458,076	1,567,268
Youngstown	3,240,119	4,626,546	-30.0	2,090,393	1,665,411
Akron	4,413,000	4,908,000	-10.1	2,368,000	1,498,000
Cincinnati	1,429,556	1,160,810	+23.2	807,036	696,045
Bloomington	1,121,597	1,057,604	+6.0	934,848	1,020,087
Quincy	1,264,859	1,154,581	+9.6	1,055,545	959,335
Canton	2,600,000	2,335,955	+2.3	2,400,000	1,828,582
Decatur	859,730	801,437	+6.2	722,718	586,755
South Bend	1,034,189	1,246,255	-17.0	1,043,800	835,141
Springfield, Ohio	1,005,500	1,593,547	-0.8	1,191,765	953,166
Mansfield	720,833	783,214	-8.0	617,283	490,619
Danville	520,000	598,316	-13.1	672,662	519,174
Jacksonville, Ill.	536,904	461,720	+16.2	364,241	321,912
Lima	731,000	700,000	+3.0	600,000	500,000
Ann Arbor	426,164	413,627	+3.0	391,533	340,747
Southboro	1,110,039	1,176,483	-5.6	619,000	554,215
Adrian	75,000	75,424	-4.4	64,052	49,841
Lansing	900,000	1,107,490	-18.7	880,843	652,325
Total Mid. West	736,636,973	713,485,313	+3.2	604,600,401	493,027,576
San Francisco	96,748,104	80,852,128	+19.2	69,062,333	58,022,518
Los Angeles	30,280,000	27,282,000	+11.0	27,736,613	22,100,311
Seattle	23,738,849	16,745,259	+50.8	13,585,680	12,267,380
Portland	16,981,450	11,812,735	+43.8	11,875,012	11,075,889
Salt Lake City	16,591,902	16,332,584	+1.6	12,570,492	8,540,033
Spokane	7,322,026	5,895,328	+29.1	5,041,453	4,669,898
Tacoma	3,513,486	2,155,717	+62.0	2,071,664	2,586,024
Oakland	6,699,195	5,293,916	+9.5	4,741,851	4,520,031
Sacramento	3,388,903	2,761,704	+23.2	1,836,130	1,982,376
San Diego	2,492,426	2,281,692	+8.4	2,403,593	2,295,820
Fresno	2,145,251	1,970,396	+8.9	1,159,374	1,601,443
Stockton	2,310,742	1,447,263	+59.6	1,190,370	952,814
San Jose	1,288,202	1,022,502	+26.0	646,033	881,320
Pasadena	1,035,405	1,040,238	+1.2	1,215,236	887,441
North Yakima	631,119	672,183	+19.1	500,000	426,180
Redmond	500,000	420,318	+33.2	413,984	332,248
Long Beach	948,786	787,283	+20.5	775,072	658,795
Total Pacific	215,351,556	177,783,586	+21.1	157,123,400	133,009,395
Kansas City	176,843,849	118,922,512	+48.7	90,883,125	80,918,546
Minneapolis	33,341,691	30,811,679	+8.2	28,509,217	34,391,640
Omaha	37,000,000	28,387,265	+30.3	25,825,395	20,021,236
St. Paul	14,208,484	16,185,216	-12.3	19,005,001	12,490,971
Denver	17,817,929	14,029,009	+27.8	12,438,072	10,197,330
St. Joseph	13,267,933	10,320,035	+22.6	8,445,426	7,804,095
Duluth	4,967,732	5,199,328	-4.5	6,362,260	3,949,743
Des Moines	4,076,303	7,331,469	+3.1	7,319,442	6,213,762
Sioux City	6,780,017	5,623,879	+20.7	4,200,000	3,659,780
Wichita	7,431,738	3,169,415	+43.7	4,451,693	3,001,051
Lincoln	4,538,973	3,032,639	+51.3	3,480,828	2,028,877
Topeka	3,297,136	2,078,000	+57.2	1,880,300	1,487,175
Des Moines	2,631,034	3,071,448	-12.7	2,847,393	2,183,637
Cedar Rapids	1,919,405	2,437,472	-17.9	2,074,572	1,968,648
Fargo	1,616,265	2,072,042	-21.9	1,399,165	1,185,395
Colorado Springs	1,095,823	864,362	+16.3	835,271	636,032
Pueblo	749,274	750,226	-0.1	534,334	816,997
Fremont	634,698	610,000	+24.4	561,522	514,426
Waterloo	1,876,197	1,964,105	-4.7	1,867,382	1,584,548
Helena	2,651,645	2,050,989	+24.4	1,409,471	1,230,978
Billings	1,200,000	1,029,379	+16.6	735,506	611,623
Helena	450,000	432,151	+4.2	361,527	261,217
Aberdeen	1,019,913	701,753	+45.3	908,165	605,363
Total Gr. West	343,405,233				

INDEX TO CHRONICLE VOLUME.

With this issue of the "Chronicle" we send to our subscribers an index covering the numbers of the paper that have appeared in the three months ending with Dec. 31 1917. With the issue of Oct. 20 we furnished in like manner an index to the numbers covering the three months ending with Sept. 30, the two together comprising the whole of the half-year from July to December, inclusive.

THE FINANCIAL SITUATION.

The reports from Washington that the President "is anxious to have hastened the bill through which we take possession of the railroads" are probably correct. It is undoubtedly true that his assumption of control did rally the financial markets at first; did bring a passing sense of relief at achieving what was taken as a short way out of trouble; and did commend itself, at the time, as bringing order and promise out of chaos. A degree of aid in breaking congestion, especially in respect to fuel, was obtained; give the utmost reasonable weight to all this, yet before further hasty action is taken it will be well for the country to pause and do some serious thinking.

Before rushing with perhaps increased speed on this untried and dangerous path of diversion from all our past, let us note what the "Chronicle" pointed out last week: that the situation, soberly studied, warns against far more than it justifies and commends further expansion of Governmental control. We have certain benefits already, let us concede, benefits which may or may not last long; yet this is analogous to the exhilaration of liquor, producing such a sense of delight as to make a call for additional draughts of the same. Question ourselves firmly, and we must see that Government has accomplished nothing, so far, except to slash through a knot of its own tying.

The railway system of the country was inadequate to its work four years ago; war has carried the demands upon it far beyond its capacity; officialism has tangled it up by priority orders; and now a "general" director has stepped out before a number who claimed a power which none was able to enforce.

By starving the roads, Government has ignorantly been preparing for years for this very situation, aided by a people who would not see beyond the present hour. Again and again in the last five years or more, and especially during the summer of 1916, and then during the struggle which ended in surrender by exhausted railway executives, the "Chronicle" (not wholly alone among American journals) renewed protest against the folly of refusing rate advances while permitting all outgoes by carriers steadily to rise in cost. Most emphatically, this protest was directed against the periodical demands by the railway brotherhoods. Probably a score of times in the last five years, we have pointed out that this evasive and cowardly course was only deferring the evil day and making it worse; and now that a congestion which must be dealt with somehow has been reached, the congestion is broken for the time by one executive order. But nothing has been changed. The substance and the seeds of every phase of the trouble remain. What Governmental bungling at professed regulation which was really starvation had wrought has now been partly and temporarily undone by one desperate slash.

Labor is still to be dealt with, and although it shrewdly puts up a pretense of patriotic assent to

what Government may deem proper, it is certain that labor counts upon what is smoothly called "some moderate increase;" labor is not to be deceived into interpreting last week's action except as making its own next move the easier. Because neither executive order nor the most positive of statutes can alter or placate the grimness of arithmetic, it is certain that there must be increases in rates, after all the long obstructiveness of the treatment of that subject. No, nothing has been made smoother in the difficult way; an arresting stoppage has been loosed for the present. This is all we yet know.

Accepting this as an emergency situation (for so it must be accepted) and viewing it as such, it seems clear that the final section of the pending bill should authorize the Federal control of transportation only "for and during the period of the war" and not also "until Congress shall thereafter order otherwise." Inasmuch as no statute can either increase or limit the powers of a subsequent Congress or session (when the obligation of contracts is not involved) these latter words are surplusage. At least, some definite date should be named now. If it is, it will remain subject to statutory action (or, possibly, to some new executive order) hereafter, and it is unhappily probable that before the war ends there will be ample time to get the aid of experience on this path of hazards and of unknowable pitfalls upon which the country is rushing. Then we shall know better what to do.

The difference between enacting substantially that this assumption of private property shall end with the emergency of war and enacting now that it shall continue during the pleasure of Congress, notwithstanding that the powers of Congress may be deemed equal in respect to both courses, is more than one of verbal form. What has been done already is unconstitutional in being, not in violation of but outside of and beyond the Constitution; that document is a modus, a formal declaration of lines of conduct and bases of principle, made by the people and subject to change by their will. When an emergency will not await such a change, the people have the reserved right, it seems to be thought, to suspend this bunch of previously-made resolutions and so conduct themselves as to maintain their right to the "life, liberty, and the pursuit of happiness" which is naturally inalienable. We may better confess that in a war situation which brooks neither delay nor casuistry we have practically put the Constitution in suspense, along with a variety of statutes and commissions that had proved obstacles.

But the "difference" mentioned in the preceding paragraph is important, being the difference between accepting a dangerous side-path as a temporary course of emergency and viewing it as a permanent highway of travel. Already there are calls for taking over mines, oil fields, water powers, and other public utilities, among which there may be renewed attempts to include the press; price-fixing for all articles is talked of, and we are liable to be swept along to what no human being can foresee, even to the complete undermining of our political foundations, if we do not brace ourselves and strive to keep our heads clear and cool. The difference between reluctantly permitting such unprecedented measures as would not have been dreamed of by any sane person ten years ago, and taking them blithely and even hurrying to duplicate them and apply them to everything, is one of mental attitude. If we accept these steps

as war measures only and to be retraced when the war ends, not when Congress shall so determine, we shall not have restricted the power of Congress to deal with circumstances as the future may develop them, but we shall keep ourselves in condition to deal with our problems more sanely and justly and shall avoid the dangers of confessedly and cheerfully committing ourselves to abandonment of all the known landmarks.

For the week ending Jan. 6, according to the British Admiralty's report, 18 British merchantmen of 1,600 tons or over were sunk by enemy submarines or mines. There were 3 smaller merchantmen also destroyed and 4 fishing vessels. Singularly enough, the figures duplicate exactly the returns for the week ending Dec. 30. The British explanation is that the Germans have instituted an intensive campaign for the purpose of influencing the peace negotiations with the Russian Bolsheviki. The weekly average sinkings for December was 14.6 ships over 1,600 tons and 3 under that size. In September, October and November the weekly average was 11.7 and 5.7, respectively. In June, July and August 18 and 4.2, and in March, April and May 20.4 and 9.4. For the year 1917 367 Norwegian vessels of 566,000 tonnage were sunk and 215 Danish ships with a total tonnage of 224,000.

The outstanding events since our issue of last week have been the definitive statements of war aims by the British Premier, David Lloyd George (on Saturday) and by President Wilson (on Tuesday). In large measure the expressions are identical, although those of our own country are perhaps rather more specific. We refer at length to these statements elsewhere in this issue. The British Premier's speech was delivered to the Trade Union Conference at London, and its impressiveness may be judged by Lloyd George's remark that "We have arrived at the most critical hour in this terrible conflict." It was, he said, not "merely to alter or destroy" the military and autocratic constitution of Germany which is a "dangerous anachronism in the twentieth century," but to establish securely government by the people or with the consent of the governed. The speaker had consulted many leaders, including Mr. Asquith and Viscount Grey, and he was glad to say as a result of all these discussions that, although the Government was alone responsible for the actual language he proposed using, there was a national agreement as to the character and purpose of war aims and peace conditions, and "in what I say to you to-day and through you to the world I can venture to claim that I am speaking not merely the mind of the Government but of the nation and of the Empire as a whole." Britain was not fighting a war of aggression against the German people. "Most reluctantly and indeed quite unprepared for the dreadful ordeal, we were forced to join in this war in self-defense of the violated public law of Europe and in vindication of the most solemn treaty obligation on which the public system of Europe rested and on which Germany had ruthlessly trampled in her invasion of Belgium. We had to join in the struggle or stand aside and see Europe go under, and brute force triumph over public right and international justice." The first requirement for the British Government and their allies has been the complete restoration, political, terri-

torial and economic, of independence of Belgium, and such reparation as can be made for the devastation of its towns and provinces. Next was the restoration of Serbia, Montenegro and the occupied parts of France, Italy and Rumania. The complete withdrawal of the Teutonic armies and the reparation for injustice done was, Lloyd George said, a fundamental condition of permanent peace. "We mean to stand by the French democracy to the death in the demand they make for a reconsideration of the great wrong of 1871 when, without any regard to the wishes of the population two French provinces were torn from the side of France and incorporated in the German Empire. This sore has poisoned the peace of Europe for half a century, and until it is cured healthy conditions will not have been restored." As to Russia, the speaker said that he was indulging in no reproaches. The present rulers of Russia are now engaged without any reference to the countries whom Russia brought into the war, in separate negotiations with their common enemy. "No one who knows Prussia and her designs upon Russia can for a moment doubt her ultimate intention. Whatever phrases she may use to delude Russia she does not mean to surrender one of the fair provinces or cities of Russia now occupied by her forces. Russia can only be saved by her own people." The British Government believes in an independent Poland and agrees with President Wilson that a break up of Austria-Hungary is no part of the war aims. Referring to Turkey, the Premier said that while the maintenance of the Turkish Empire in the homelands of the Turkish race with its capital at Constantinople was not challenged (the passage between the Mediterranean and the Black Sea being internationalized and neutralized), Arabia, Armenia, Mesopotamia, Syria and Palestine are entitled to a recognition of their separate national conditions. In conclusion, Lloyd George summarized as follows:

If, then, we are asked what we are fighting for, we reply, as we have often replied, We are fighting for a just and a lasting peace, and we believe that before permanent peace can be hoped for three conditions must be fulfilled: First, the sanctity of treaties must be re-established; secondly, a territorial settlement must be secured, based on the right of self-determination or the consent of the governed; and, lastly, we must seek, by the creation of some international organization, to limit the burden of armaments and diminish the probability of war. On these conditions its peoples are prepared to make even greater sacrifices than those they have yet endured.

President Wilson's address does not merely ask the "reconsideration" suggested by Lloyd George in the matter of Alsace-Lorraine, but declares that "the wrong done to France by Prussia in 1871 in the matter of Alsace-Lorraine which has unsettled the peace of the world for nearly fifty years, should be righted in order that peace may once more be made secure in the interest of all." In brief summary, the requirements of the United States for peace are contained in the fourteen demands as follows, which we comment upon in a subsequent article:

1. Open covenants, openly arrived at, with no ensuing secret treaties.
2. Freedom of the seas in peace and war, except as closed by international action for enforcement of international covenants.
3. Trade equality among nations consenting to the peace.
4. Reduction of armaments.
5. Impartial adjustment of colonial claims, with regard for the wishes of the inhabitants.

6. Evacuation by Germany of all Russian territory and assurances of unhampered opportunity for Russia's political and economic development.

7. Evacuation and restoration of Belgium.

8. Evacuation of occupied French territory and righting of the wrong done to France by Prussia in 1871.

9. Readjustment of the Italian frontier along clearly recognized lines of nationality.

10. Autonomous development for the peoples of Austria-Hungary.

11. Evacuation and restoration of Rumania, Serbia and Montenegro, with access to the sea for Serbia.

12. Turkish sovereignty for the Turkish portions of the Ottoman Empire, with autonomy for other nationalities now under Turkish rule, and permanent freedom of the Dardanelles.

13. An independent Poland with access to the sea.

14. A league of nations to enforce specific covenants.

The military operations have continued on a minor scale. There still appears some expectation of a supreme German drive on the Western front though nothing of a practical nature appears to have transpired to suggest that this will be a development of the near future. The season is certainly not one for major operations of this character. On all the fighting fronts the infantry is doing very little, confining its operations to small raiding affairs, but artillery duels are being kept up. In Northern Italy snow has fallen to a depth of from three to five feet, bringing operations to a full halt. The movement of supplies to the Austrian armies in the mountainous country has been greatly impeded and fighting of great intensity would not be possible for some time.

As to peace negotiations there seems reason to credit recent reports that a separate peace has been signed by Russia and Bulgaria. The Bulgarian correspondent of the "Bund" newspaper published at Berne, Switzerland, quotes the text of a dispatch read by Bulgarian Premier Radoslavoff in the Bulgarian Parliament as follows:

"War between Russia and Bulgaria ceases. Diplomatic and economic relations between Russia and Bulgaria are resumed. Russia recognizes Bulgaria's right to nominate a delegate to an international Danube commission. The first peace is thus concluded, with the consent of Bulgaria's allies."

This announcement of peace has some elements of surprise in it since it has been understood that the Central Powers were to act as a whole on the peace question. Of course it is more than likely that Bulgaria's allies would favor separate action, since it does not take that country out of the war, but permits the transfer of the Bulgarian strength from a military standpoint to the Western front. As was to be expected, negotiations between the Bolsheviki and Teutonic representatives have been resumed. Trotzky, the Bolshevik Foreign Minister, is either on his way to the conference at Brest-Litovsk or has already arrived. He is said to have threatened the delegates of the Central Powers that if they do not accede to a transfer of the pourparlers to Sweden the voice of their own people and the strong arm of the Russian democracy will be felt by them. Trotzky on Thursday asked the suspension of the peace conference until the Bolshevik and Ukrainian delegates could formulate replies to the proposals of the Central Powers. The Bolsheviki and Ukrainians recently decided on joint action. The German delegates formally announced yesterday that all plans for a general peace meeting were con-

sidered by the Central Powers as definitely abandoned because of the failure of the Entente Powers to respond within ten days to the invitation to participate. Count Czernin, the Austro-Hungarian Foreign Minister, announced that henceforth the Central Powers were willing to negotiate only a separate peace with Russia. The German delegation have requested Sweden, it is reported, to act as intermediary for negotiations with the Allies. Fighting continues in central and southwestern Russia between the Bolshevik forces and the Cossacks of Generals Kaledines and Dutoff. The latest accounts of these operations suggest that the Bolsheviki for the time being are meeting with success.

Quotations on the London stock market have been maintained throughout the week. President Wilson's address, setting forth the American war aims, following a very similar announcement by Lloyd George on Saturday, was well received in English financial circles, and may be said to have added to the feeling of confidence already prevailing at the British centre. However, the activity was very moderate and the general market for securities presented few features. Payment of coupons on Russian Government bonds by the Rothschilds was another satisfying feature as, too, was the reduction of deposit rates by the English banks announced last week. The payment of Russian coupons was reassuring, in view of the reports from Petrograd that the Bolshevik Government intended to publish a decree within a few days canceling the Russian national debt, repudiating all loans and treasury bonds held by foreign subjects abroad or in Russia, also repudiating loans and Treasury bonds held by Russian subjects possessing more than 10,000 rubles in capital. French and Belgian bonds towards the close of the week showed signs of strength, though at the extreme close Russian obligations were subjected to selling pressure. Armament stocks were particularly firm and Cunard securities were strong as a result of rumors of an impending reorganization of its capital and also on talk of an upward revision of blue book shipping rates. Merger reports, more or less vague, also are heard. Sales of national war bonds by the English banks last week touched a new record at £23,882,000. The post office sales for Christmas week were £519,000. The aggregate of bonds sold £222,818,000. One-year French Treasury bills up to £8,000,000 were offered early in the week in London at $5\frac{1}{4}\%$, replacing £7,978,000 maturing Jan. 15. The latter, however, had been issued at 6%, thus indicating a much easier money position. It is stated that the Plantation Rubber Companies controlled in London are arranging by agreement to reduce their 1918 output to 80% of their best previous year. The London "Economist's" end of December index number, as received by cable, is 5845, creating a new high record, 77 points higher than the former high water mark 5768 at the close of November and 937 points higher than the index number of the corresponding month of the year preceding.

The British Treasury's weekly statement issued on Wednesday covered a period of five days only. It indicated an expansion in the amount of Treasury bills outstanding from £1,058,175,000 on Dec. 31 to £1,073,899,000 on Jan. 6, suggesting that the reduction in the interest rates by London banks has not

stopped the demand for bills. The national expenditure for the first five days of the year was announced at £44,614,000, with a total outflow of £121,785,000, including £67,094,000 repaid Treasury bills and £10,000,000 in advances repaid. The country's revenue for the five day period was £15,991,000, with a total inflow of £122,575,000, including £82,949,000 Treasury bills, £20,235,000 in war bonds, £1,300,000 in war loans certificates and £20,000,000 in temporary advances from the Bank of England. The Treasury balance at the close of the year stood at £16,383,000 and the outstanding Treasury bills aggregated about £1,073,899,000. The annual reports of the London banks nearly all show increased profits with dividends maintained. The London City & Midland, for instance, reported a profit of £1,968,000, against £1,637,000 a year ago. It is announced that negotiations have about been concluded between Great Britain and Argentina for a loan to the latter of £40,000,000, the transaction only awaiting action by the Argentine Congress and British Treasury. The object of the loan is to provide funds to facilitate the purchase of Argentine wheat and meat for the Allies. Considerable difficulties have been encountered heretofore in selling Argentina's large credits. It is expected that the new loan will greatly relieve the Argentine-London exchange situation.

There has been no change in official bank rates at leading European centres from 5% in London, Paris, Berlin, Vienna and Copenhagen; 5½% in Italy and Portugal; 6% in Petrograd and Norway; 4½% in Switzerland, Holland and Spain, and 7% in Sweden. In London the private bank rate continues to be quoted at 3 13-32% for sixty days and 4 1-32% for ninety days. Call money in London has remained at 3¼%. No reports have been received by cable of open market rates at other European centres, as far as we have been able to ascertain. A cable dispatch from London, dated Jan. 9, announces that the rate of discount of the Bank of Bengal has been fixed at 6%.

The Bank of England in its weekly statement reported a loss in its gold item of £120,174. This compares with the substantial gain of a week ago. The total reserve, however, was increased £768,000, there having been a decrease of £887,000 in note circulation, while the proportion of reserve to liabilities registered an advance to 19.71%, as against 16.3% the week previous and 19.40% a year ago. Public deposits increased £5,824,000. Other deposits were heavily reduced, viz., £34,878,000, while Government securities declined £13,966,000. The reduction in loans (other securities) totaled £15,819,000. The Bank's stock of gold aggregated £59,078,666. In 1916 the amount was £55,464,562 and £51,301,834 the year before. Reserves total £31,825,000, against £34,898,022 a year ago and £35,413,339 in 1915. Loans amount to £90,661,000, which compares with £42,584,303 and £107,360,566 one and two years ago, respectively. The English Bank reports, as of January 5, the amount of currency notes outstanding as £190,400,950, comparing with £190,332,295 last week. The amount of gold held for the redemption of such notes is still given at £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 for the Bank week, inasmuch as the Bank has

discontinued such reports. We append a tabular statement of comparisons:

BANK OF ENGLAND'S COMPARATIVE STATEMENT.

	1918. Jan. 9.	1917. Jan. 10.	1916. Jan. 12.	1915. Jan. 13.	1914. Jan. 14.
Circulation.....	45,703,000	39,016,540	34,338,495	35,174,625	28,471,320
Public deposits.....	37,595,000	49,529,490	53,653,039	44,892,893	7,467,913
Other deposits.....	123,533,000	130,245,009	104,076,256	116,033,097	46,065,873
Gov't securities.....	50,865,000	120,273,560	32,839,377	18,068,460	12,148,974
Other securities.....	90,661,000	42,584,303	107,360,566	108,220,646	29,723,622
Reserve, notes & coin	31,825,000	34,898,022	35,413,339	52,636,269	29,869,847
Coin and bullion.....	59,078,666	55,464,562	51,301,834	69,360,894	39,890,867
Proportion of reserve to liabilities.....	19.71%	19.40%	22.50%	32.75%	55.93%
Bank rate.....	5%	6%	5%	6%	4½%

The Bank of France this week announced another gain of 1,999,307 francs in its stock of gold on hand, thus carrying the Bank's total gold holdings to 5,357,506,500 francs, of which amount 3,320,398,016 francs are held in vault and 2,037,108,484 francs abroad, comparing with 5,099,018,387 francs last year, when 3,405,929,387 francs were held in vault, and 1,693,088,532 francs abroad, and 4,997,738,672 francs the preceding year, all of which was held in vault. During the week silver holdings decreased 719,000 francs. Note circulation expanded 193,669,000 francs. Bills discounted declined 90,032,000 francs. Treasury deposits showed a loss of 180,090,000 francs. General deposits were diminished 80,741,000 francs and the Bank's advances decreased 447,000 francs. Notes in circulation are now 22,982,792,240 francs. At this time last year the total was 17,105,088,970 francs, and in 1916 13,634,720,440 francs. In 1915 no statement was issued until Jan. 28. On Dec. 24 1914 the amount outstanding was 10,042,000,000 francs. Comparisons of the various items with the statement of last week and the corresponding dates in 1917 and 1916 are as follows:

BANK OF FRANCE'S COMPARATIVE STATEMENT.

	Changes for Week.	Jan. 10 1918.	Status as of Jan. 11 1917.	Jan. 13 1916.
Gold Holdings—				
In France.....	Inc. 1,999,307	3,320,398,016	3,405,929,387	4,997,738,672
Abroad.....	No change.	2,037,108,484	1,693,088,532	-----
Total.....	Inc. 1,999,307	5,357,506,500	5,099,018,387	4,997,738,672
Silver.....	Dec. 719,000	246,109,180	237,397,088	353,146,620
Bills discounted.....	Dec. 90,032,000	958,211,846	697,749,072	393,784,096
Advances.....	Dec. 447,000	1,233,054,817	1,308,032,344	1,142,205,506
Note circulation.....	Inc. 193,669,000	22,982,792,240	17,105,088,970	13,634,720,440
Treasury deposits.....	Dec. 180,090,000	156,512,712	34,298,644	121,259,341
General deposits.....	Dec. 80,741,000	2,696,980,015	2,218,170,328	2,055,131,581

The Imperial Bank of Germany in its statement as of Dec. 31 shows the following changes: Total coin and bullion increased 18,563,000 marks; gold increased 594,000 marks; Treasury notes registered the substantial expansion of 147,979,000 marks; notes of other banks declined 3,630,000 marks; bills discounted showed the spectacular advance of 1,977,950,000 marks; advances were reduced 1,160,000 marks; investments decreased 2,026,000 marks; other securities were contracted 125,865,000 marks; notes in circulation were heavily increased, viz., 441,712,000 marks, while deposits recorded the enormous expansion of 1,415,239,000 marks. Other liabilities gained 154,860,000 marks. Comparisons of note circulation, loans and discounts, &c., are not available, no other statement having been received since Dec. 7. The Bank's gold holdings total 2,405,590,000 marks, which compares with 2,520,480,000 marks a year ago and 2,444,180,000 marks in 1915.

Last week's statement of New York associated banks and trust companies, issued on Saturday, recorded a fairly heavy loss in reserves, which may be attributed mainly to operations of the banks coincident with the year-end settlements. Loans were reduced \$1,342,000. Net demand deposits showed a further substantial advance of \$66,276,000 to \$3,646,444,000 (Government deposits of

Peace talk has been effective in producing an appreciably better tone in the foreign exchanges. There appears a tendency, which is growing, to place some degree of credence in these reports. President Wilson's address to Congress on Tuesday has been well received, adding to the favorable impression produced by the British Premier's speech, which was published on Sunday. It is argued that there is still a long winter ahead in which there will be ample time for negotiations and slight opportunity for military operations on a large scale; hence it is possible that before the spring campaigns begin there may be a much more satisfactory basis for negotiations than at present exists. The firmness in Anglo-French bonds was a corresponding evidence of this more credulous attitude regarding the peace outlook.

A transaction that will be of interest in sterling exchange circles is contained in the announcement that negotiations are in progress between the Argentine Government and Great Britain for a loan to the former of \$40,000,000. This will of course relieve the London-Argentine exchange situation and undoubtedly has indirect connection with the announcement made by our Treasury Department that it had this week concluded, through the State Department, an arrangement with the Argentine Government to establish between the two countries a plan of financial co-operation to check the depreciation of the American dollar on the Argentine market. Under the new arrangement the Argentine Government revised their law, which was passed immediately after the outbreak of the European war, under which American business men owing money to Argentine merchants may deposit such amounts with the Argentine Ambassador, who in turn will deposit these amounts in current account with the Federal Reserve Bank of New York. The Argentine Government on its part agrees that the balance of this account will not be shipped in gold until after the ratification of the treaty of peace ending the present war. The American Government agrees that no obstacles shall at that time be interposed to the shipment of the said balance of gold. Payments to the Argentine Ambassador are to be on the basis of the relative gold value of the two currencies, plus a charge of 3% to cover transportation, insurance and other charges. The arrangement with the Argentine Government permits such deposits up to \$40,000,000 with the Argentine Ambassador, but it is expected that if this amount proves inadequate arrangements for increasing the limit will be made without difficulty with the Argentine Government. Advices from Santiago, Chile, quote a newspaper there as stating that the United States has agreed to permit the exportation of gold to that country, so that a solution of Chile's monetary problems may be facilitated.

Referring to the day-to-day rates, sterling exchange on Saturday, in comparison with Friday of a week ago, was quiet but steady, with demand a shade firmer at 4 75 3-16@4 75 1/4; cable transfers, however, were not changed from 4 76 7-16 and sixty days at 4 71 1/2@4 72. On Monday demand opened a shade higher, though subsequently the quotation reacted to Saturday's level; the day's range was 4 75 1/4@4 75 5-16, with sixty day bills and cable transfers still pegged at 4 71 1/2@4 72 and 4 76 7-16, respectively. Only slight changes were recorded in sterling on Tuesday; demand bills ruled at 4 75 1/4, against 4 75 1/4@4 75 5-16 the previous

day; cable transfers and sixty days were unchanged. Wednesday's market was not active and the volume of transactions was light; quotations remained at 4 75 1/4 for demand, 4 76 7-16 for cable transfers and 4 71 1/2@4 72 for sixty days. Dulness prevailed throughout Thursday's dealings, though the tone was firm and demand advanced fractionally to 4 75 1/4@4 75 30; the quotation for cable transfers remained at 4 76 7-16 and sixty days at 4 71 1/2@4 72. On Friday the market ruled firmer with commercial and grain bills a shade firmer. Closing quotations were 4 76 7-16 for cable transfers, 4 75 1/4@4 75 30 for demand and 4 71 1/2@4 72 for sixty days. Commercial sight finished at 4 75@4 75 1/8, sixty days at 4 71@4 71 1/8, ninety days at 4 69 1/8@4 69 3/8, documents for payment (sixty days) 4 71@4 71 1/8, and seven-day grain bills at 4 73 3/4@4 74. Cotton and grain for payment closed at 4 73 7/8@4 74 1/8.

Operations in the continental exchanges this week were devoid of noteworthy features. The volume of trading was still exceptionally light, and the trend, during the earlier days of the week, was toward a lower level. Lire opened weak, moved irregularly, but on Wednesday rallied as a result of support by a large institution, which had turned buyer, and the close was firm. Francs were fairly well maintained, and advanced fractionally on the improved tone of news from the Western war front. As to Russian exchange, very little change has been recorded. They are firmly held, though only slight importance is attached to rates current, as these are wholly nominal, trading at this centre being at a complete standstill. Rumors that the Bolshevik leaders had reopened peace parleys with the Teutonic Powers attracted only passing attention. President Wilson's statement before Congress on Tuesday of America's war aims exercised a sentimentally favorable influence upon the various exchanges. No dealings are being put through in German and Austrian exchange, and quotations for reichsmarks and kronen are not available. The unofficial check rate on Paris finished at 27.18, compared with 27.21 1/2 last week. In New York sight bills on the French centre closed at 5 72 3/4, against 5 73 5/8; cables at 5 70 5/8, against 5 71 1/2; commercial sight at 5 73 1/2, against 5 74 1/4, and commercial sixty days at 5 79 3/8, against 5 80 1/8 on Friday of a week ago. Lire finished at 8 37 for bankers' sight bills and 8 36 for cables. This compares with 8 42 and 8 41 the week preceding. Rubles closed at 13 1/4 for sight and 13 1/2 for cables, as against 12.25 and 13.00, the previous close. Greek exchange has not been changed from 5 13 1/2 for checks and 5 12 1/4 for cables.

In the neutral exchanges some irregularity has been evident, although very little business is passing and movements pro and con were without special significance. Scandinavian rates were easier, as were also guilders and Swiss francs. Spanish pesetas ruled firm. Bankers' sight on Amsterdam closed at 42 3/4, against 43 1/2; cables at 43 1/4, against 44; commercial sight at 42 11-16, against 43 7-16, and commercial sixty days at 42 9-16, against 43 5-16 a week ago. Swiss exchange finished at 4 49 for bankers' sight bills and 4 47 for cables. Last week the close was 4 41 and 4 39. Copenhagen checks finished at 30 and cables at 30 1/2, against 30 1/2 and 31. Checks on Sweden closed at 32 1/4 and cables at 32 3/4, as compared with 33.25 and 33.50, while checks on

Norway finished at 31.25 and cables at 31.75, against 32.75 and 33.25 on Friday of a week ago. Spanish pesetas closed at 24.30 for checks and 24.40 for cables, as contrasted with 24.40 and 24.45 the previous week.

As to South American quotations, the check rate on Argentina finished at 45.87 and cables at 45.93, against 45.60 and 45.70. For Brazil the check rate is 26.93 and cables at 27.03. This compares with 27.00 and 27.10, the previous close.

Far Eastern check rates are as follows: Hong Kong, 74½@74¾, against 73½@73¾; Shanghai, 110@111 (unchanged); Yokohama, 51¾@52, against 51⅞@52; Manila, 50@50⅛ (unchanged); Singapore, 56¾@57 (unchanged); and Bombay, 35@35½ (unchanged).

The New York Clearing House banks, in their operations with interior banking institutions, have gained \$7,519,000 net in cash as a result of the currency movements for the week ending Jan. 11. Their receipts from the interior have aggregated \$10,683,000, while the shipments have reached \$3,164,000. Adding the Sub-Treasury and Federal Reserve operations, which together occasioned a loss of \$62,565,000, 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 \$55,046,000, as follows:

Week ending Jan. 11.	Into Banks.	Out of Banks.	Net Change in Bank Holdings.
Banks' interior movement.....	\$10,683,000	\$3,164,000	Gain \$7,519,000
Sub-Treasury and Federal Reserve operations.....	52,748,000	115,313,000	Loss 62,565,000
Total.....	\$63,431,000	\$118,477,000	Loss \$55,046,000

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

Banks of	Jan. 10 1915.			Jan. 11 1917.		
	Gold.	Silver.	Total.	Gold.	Silver.	Total.
England..	59,078,666	---	59,078,666	55,464,562	---	55,464,562
France a..	132,318,320	9,840,000	142,158,320	136,337,194	11,495,880	147,833,074
Germany..	129,279,500	7,894,050	137,173,550	126,945,050	825,950	127,771,000
Russia *..	129,560,000	12,375,000	141,935,000	147,149,000	11,251,000	158,400,000
Aus-Hun c..	51,578,000	12,140,000	63,718,000	51,878,000	12,140,000	64,018,000
Spain....	78,670,000	25,539,000	104,209,000	59,035,000	29,542,000	88,577,000
Italy.....	33,364,000	3,265,000	36,629,000	35,973,000	2,903,000	38,876,000
Netherl'ds	58,200,000	580,000	58,780,000	48,967,000	582,100	49,549,100
Nat. Bel. b.	15,380,000	600,000	15,980,000	15,380,000	600,000	15,980,000
Switz'land	14,306,000	---	14,306,000	13,799,900	---	13,799,900
Sweden..	12,577,000	---	12,577,000	10,146,000	---	10,146,000
Denmark..	9,922,000	147,000	10,069,000	8,075,000	107,000	8,182,000
Norway...-	6,296,000	---	6,296,000	6,840,000	---	6,840,000
Tot. week.	723,117,486	75,430,050	798,547,536	705,691,706	69,546,930	775,238,636
Prev. week	721,834,733	74,268,309	796,103,042	703,817,130	69,783,940	773,601,070

a Gold holdings of the Bank of France this year are exclusive of £81,484,340 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 was £230,800,000.

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

MR. WILSON AND THE TERMS OF PEACE.

The discussion of possible terms of peace has assumed, during the past week, a shape different in many essential respects from that which the controversy has presented at any previous time. The immediate occasion, both for the speech of Lloyd George to the British Trades Unions last Saturday and for President Wilson's address to Congress on Tuesday, was undoubtedly the turn in the negotiations between Germany and Russia. The blunder of the German negotiators in attempting, while professing the formula of no annexations or indemnities, to reserve the power of controlling Russian territory occupied by their army, followed by the temporary breaking-off of negotiations by Russia, indicated a tactical advantage which the Entente Powers might gain through re-stating plainly and honestly their own purposes—both to Russia and to the world at large.

In such a declaration there were obviously three considerations to be specially kept in mind—the peace proposals already made by the present de facto Russian Government, the outline of peace terms by Count Czernin and the German emissaries at Brest-Litovsk, and the attitude of the German people, so far as they are represented by the party in opposition to the declared German policy at that conference. The immediate purposes to be served by a declaration from Entente statesman were the preventing of a separate Bolshevik peace with Germany; the depriving the Teutonic statesmen of the advantage of position, derived by them from their pretense of conceding reasonable terms which the Entente should not publicly accept, and the strengthening of the hands of the popular party in Germany and in the countries allied to Germany, against the militarist group.

Just how to accomplish all this was a somewhat delicate problem. It was so, not only because of the anomalous attitude of the Bolshevik clique toward Russia's former allies, but because certain past declarations of purpose by European Entente statesmen—such as the dismemberment of the Austrian and Turkish Empires, and the economic war on Germany after peace—would apparently have to be modified or abandoned, in view of their effect on Teutonic opinion. There also remained, as troublesome issues to deal with under existing circumstances, the questions of the future sovereignty of Alsace-Lorraine and of the German colonies captured by England and France.

Lloyd George dwelt particularly on the fact that the Allies were not fighting a war of aggression or destruction against the Teutonic Powers. In particular, they had "never aimed at breaking up the German peoples or the disintegration of their State." But neither were they "fighting to destroy Austria-Hungary or to deprive Turkey of its capital or rich lands in Asia Minor or Thrace which are predominantly Turkish." The Allies were resolved, however, "to stand by the French democracy to the death in the demand the French make for a reconsideration of the great wrong of 1871, when Alsace-Lorraine was torn away from them." As to Belgium, not only was restoration and evacuation insisted on by Lloyd George, but he added that "unless international right is recognized by insistence on payment for injury done in defiance of its canons, it can never be a reality."

As to Russia, the English Premier was evidently not so clear in mind. "We should be proud to fight side by side with the new Russian Democracy." But "if the present rulers of Russia act independently, we have no means to arrest the catastrophe." What he meant by this, he further showed by his declaration that, "whatever phrases Prussia uses to delude Russia, she intends that in one way or another the Russian provinces now occupied by Teutonic armies will henceforth be part of the Prussian dominions ruled by the Prussian sword, and the rest of the Russians will be enticed or bullied into complete economic and ultimate political enslavement."

The cables seemed to indicate that Lloyd George's speech was not in all respects well received, either by the Russian Government or by the German Opposition. President Wilson's subsequent statement of terms was comprised in fourteen separate stipulations. Stated in the briefest form they were:

(1) Open peace agreements, without private international understandings; (2) Freedom of the seas in peace and war, except when closed by international action; (3) Removal of all trade and economic barriers between the nations agreeing to peace; (4) Reduction of armaments, duly guaranteed, to the lowest point consistent with domestic safety; (5) Adjustment of colonial claims, on the principle that the interests of the populations should have equal weight with Governmental claims; (6) Unconditional evacuation of Russian territory; (7) Unconditional evacuation and restoration of Belgium; (8) Evacuation and restoration of conquered French territory and "righting of the wrong done to France by Prussia in 1871 in the matter of Alsace-Lorraine;" (9) Readjustment of the Italian frontiers "along clearly recognizable lines of nationality;" (10) Autonomous development of the peoples of Austria-Hungary; (11) Evacuation of Rumania, Serbia and Montenegro, with access to the sea for Serbia and guarantee of political independence for the Balkan States; (12) Turkey to retain the Turkish portions of the Ottoman Empire, but other nationalities now under Turkish rule to be allowed autonomous development; (13) Freedom of the Dardanelles to be internationally guaranteed, and an independent Poland to have free access to the sea; (14) Guarantee of all these things by a League of Nations.

This is a pretty large program. Many of its proposals would seem to warrant the comment of the London "Times" that they "almost appear to assume that a reign of righteousness on earth is already within reach of realization." There are a few of the proposals which go rather far into details, in advance of the establishment of the principles on which those details must depend. Some of them would seem to depend for their practicability on subsequent conditions or circumstances, which might themselves so develop as to create new and unforeseen problems.

For instance, "freedom of the seas" in the larger sense would itself assume international relations such as should render it safe for a country like England to relinquish permanently both the offensive and defensive power of her navy. "Removal of all trade and economic barriers" would on its face mean much more than abandonment of the plan of an economic war against Germany; it would seem to imply free trade between all contracting States. This might conceivably be desirable in the higher economic sense; but it would throw a very far-reaching controversy into the negotiations, and possibly divert them from the issues which are immediately at stake.

On the other hand, Mr. Wilson does not insist in terms on financial reparation by Germany for what she has done in Belgium. This may have been because of the Russian proposal of an "international fund" for that purpose, and because the President wished to avoid a controversy on that point at the present time. The tactical skilfulness of Mr. Wilson's address—and this has been quite unanimously conceded—lies largely in his manner of handling the Russian proposals. He goes to considerable length in recognizing the force of those proposals. The Russian people's "conviction of what is right, of what it is humane and honorable for them to accept, has been stated with a frankness, a largeness of view, a generosity of spirit, and a universal

human sympathy which must challenge the admiration of every friend of mankind, and they have refused to compound their ideals or desert others that they themselves may be safe."

Indeed, this program of the American Government, while reasserting the main contentions and conditions of the Allies, states them almost in the form which was taken by the terms addressed to Germany by the Russian delegates. Mr. Wilson's statement does not, it is true, adopt the unqualified Bolshevik stipulation that Germany shall get back her colonies, or the suggestion that the Government of Alsace-Lorraine should be settled by a plebiscite of citizens, or the plain intimation that Belgium and Serbia should be restored through an international fund rather than through an exclusively German indemnity. But otherwise the two sets of proposals run on fairly parallel lines.

Even as regards these three considerations, there is nothing vitally incompatible between the proposals at Brest-Litovsk and at Washington. It is the working-out of details which will count. It has at times appeared possible that the reticence of England and her allies, regarding the German colonies, foreshadowed the offering of alternative terms when negotiations should actually begin. It is not in the least inconceivable that when that time arrives, return of the German colonies might be conditioned on relinquishment of Alsace-Lorraine by Germany, or that agreement of the Allies to participate in an international fund for restoration of Belgium and Serbia should be made an offset to the return of these Rhine provinces to France.

What the actual effect of these outlines of policy by the Allied statesmen is to be, it remains for events to show. Perhaps their reception by the de facto Russian Government depends on how far that Government is honest in its public purposes, and how far it is either secretly inclined to favor Germany or resolved to subject all other considerations to its own peculiar ideas of Government. What the effect will be in Germany also depends on other considerations than the merits of the proposals. The military clique and the Imperial Court could scarcely be expected to accept any program on the lines set forth either by Lloyd George or President Wilson. Still, we have at least an outline of terms, submitted by the Allies as it has not been submitted by Germany. Furthermore, behind the sinister political and military influences which now seem to control Germany, there remain the German Opposition, the precarious political and economic conditions in all the countries of the Quadruple Alliance, and the restlessness of Germany's allies over her policy in preventing practical peace negotiations. In these directions, there is yet the possibility of startling and unexpected developments in the news.

THE RUSSIAN SITUATION—THE MILLS OF THE GODS.

"One gets into the way in Russia of saying that things are going to be splendid because they are so bad—and really there they do *went* things to be better. And often I do think that there's going to be, one day, a new world. And many people now think about it and hope for it—perhaps they always did."—*Hugh Walpole*.

With the most generous sympathies one cannot fail to see that the Russian situation has developed along lines that were disclosed at the outset. From Finland, where government promptly went to pieces, and where as yet nothing is settled, to Turkestan, where Government troops were early reported to

have massacred tens of thousands of the natives and driven still greater numbers into the desert because of their refusal of military service, and Siberia, the Caucasus and the Ukraine, which are setting up governments of their own, there is a general debacle. Anarchy is rampant, and famine is imminent.

Some four years ago Professor Simpson of Edinburg, after two prolonged and extensive visits to Russia, wrote his book full of enthusiastic prospect of Russia's awakening and development in the new era which was opening. In the early months of the war Prince Troubetsky said that if one would understand Russian sentiment he must inquire not in Petrograd but of the peasant soldiery at the front. He would find them filled with the thought that the time had come for the re-establishment of the religion of their fathers and the regaining of its true capitol in Constantinople, and in consequence with an absolute loyalty, throwing themselves into the war with a fierce and eager devotion. Meanwhile something has been done of late in the way of compulsory public education; and the vast illiteracy of Russia, it is claimed, has been greatly reduced.

In the face of all this we have the present situation; the whole land in utter confusion; not simply the people, but the army as well, split into fragments and carried hither and thither by any wild rumor, or the talk of the last tonguey speaker, breaking away from all restraint, throwing overboard all convictions, rushing into the wildest excesses, thinking at any hour to inaugurate a reign of universal well-being. The most unfortunate and perplexing feature of the situation is that the "Intellectuals," the men who should be their leaders, are proving so incompetent. The conditions under which they have lived in the past have so embittered and narrowed them, or they are such wild theorists, that they are fiercely impatient of one another and are regardless of any confusion or destruction their leadership or their teachings may produce. It is not strange that many outsiders and well-wishers in other lands fear that Russia, now advanced to parleying and something of intimacy with the Germans, will not only break away from the Allies, but will inaugurate by this upheaval an outbreak of socialism which will convulse Europe, if it does not overthrow our civilization.

It is worth while to remind ourselves that there are two elements in the situation which may be counted upon to arrest the destructive forces.

The first is the fact that the Russians have no political sense. They approach a political or social condition with a hard and fast theory, with little regard to history or experience. Free institutions as they now exist are the result of more than a thousand years of Anglo-Saxon development. They have been built up, a part at a time, upon the foundation of victories won by struggles carried on often through long periods and many a personal sacrifice. The method is characteristic of the Anglo-Saxon and makes England the mother of free institutions and the teacher and inspirer of would-be free peoples. America, her daughter, driven to separation by a German king on the English throne, broadened the foundations and amplified the institutions of her inheritance, and has become the accepted interpreter of them to the world now fast coming under their influence. This history the Russian leaders repu-

diate or ignore. They will have all or nothing. Liberty for Russia must descend upon her like Athene for the Greeks, armed and panoplied, as complete for dominion and permanence as she is ideally beautiful in form and thought.

Some years ago, at a time when all eyes were turned to Russia because of the signs of her political and social awakening, William T. Stead, the editor of the English "Review of Reviews" and a pronounced Russophile, went to Russia for a year's study of the situation. He was then at the height of his own influential career as a guide of English and American thought and he had the heartiest welcome and access to men of every class. He came home at the end of the year utterly disheartened. He found the same doctrinaire impatience among all who might be looked to as leaders in the new day. It culminated for him in a conversation with the owner of a great manufactory in the neighborhood of St. Petersburg, a man of much influence because of his wealth, his character and his progressive opinions. When, after drawing from him a full account of the Russian situation and his views as to the future and the needful changes to insure it, his visitor replied, pointing out that England had won her liberties by being always willing to accept a half-loaf when the whole was not attainable, and then to move forward step by step, the slow but sure process through a thousand years, the Russian exclaimed, "A half loaf for Russia? Never! Do you suppose we can wait a thousand years? We mean to have the whole loaf now!" This was the method of the French Revolution of 1793. It wrought wild confusion. It plunged all Europe into war. It gave place to a military dictator, and only after more than a hundred years resulted for France, even since this war began, in a genuine representative Republic. History is not likely to reverse herself.

The second important consideration is this: The Russian leaders having proceeded at once to make approaches to Germany, have staked their all on that move. They have engaged in a contest in which their adversary has both overmastering power and skill. And they cannot turn back. They hoped for immediate fellowship and support from the Socialists in that country. But no Government has such reason to fear socialism among its own people, or who maintain such strong measures to control them, as the German. If, therefore, Germany secures the defection of Russia from the Allies, having already secured an armistice, it will inevitably result in the encircling of Russia with a wall, and planting in Russia an effective influence that will quickly arrest further socialistic development or, if need be, utterly crush it, at least for the time being. In either case it will put a stop to its having power to inspire the socialistic movement elsewhere.

We may be unable to forecast the future. Much is certainly "on the knees of the gods." We hold fast the faith that God is in His heaven, and, in His time and way, we shall see that it is well with the world, despite the price that is to be paid. But in the present emergency we may comfort ourselves with the thought that headlong and even headless revolution in Russia does not mean anarchy and the upheaval of human society in the rest of the world. The world-wide response to President Wilson's address to Congress and the temper of the armies bear witness to this.

*THE WORLD THINKS ON PEACE AND FIGHTS
IN WAR.*

It is a significant fact, that, notwithstanding a ban is placed upon ultra-pacifist discussion of war's end, a wide consideration of the elements of the permanent peace to come is going on all the time. The President's message of this week and the re-statement of the terms of peace by the Allies are a demonstration of this truth, for nothing can be clearer than that the terms of immediate peace wait upon conditions favorable to an ultimate peace. The leaders of thought in the war against Germany hold that these conditions compel a present continuance of the conflict. But the chief significance of all expression, at the present time, as we behold it, is that the stupendous problem of lasting peace is taking hold of the mind of the world. For it is a problem of enormous magnitude, involving or comprising, questions not only of international agreements but of forms of Government and the physical agencies of war itself.

Albert Bushnell Hart, Professor of Government, Harvard University, writing under the title "Rocky Road to Permanent Peace," in the New York "Times Magazine," Jan. 6 1918, says:

"The stumbling block, recognized by all who consider the question, is how to compel nations to accept facts and definitions of international law and principles which they think unfavorable to themselves; and still more how to prevent an ambitious and heavily-armed nation from taking the law into its own hands. The idea of international enforcement is to be found in most of the plans for general peace put forward during the last three centuries; but the present war has accentuated the difficulty of dealing with a determined and desperate nation."

It will be recalled that President Wilson in one of his addresses said, in substance, that the whole matter centred largely around the question of disarmament. In other words, if the nations can be brought to a condition when they no longer have the *power* to make war, then the future of the world may be rested upon the triumph of a continuance of peace by agreements. And the physical facts of *modern* warfare indicate the futility of any nation attempting through the long years necessary, and the tremendous cost, of re-arming itself, in the face of an overwhelming sentiment for world peace. The writer declares that all nations avow they are fighting for a permanent peace. And he does not except Germany. The phrase expressing a chief difficulty "how to prevent an ambitious and heavily-armed nation from taking the law into its own hands," becomes pointless if we could behold complete disarmament once in existence. And the President's thought seems to set this condition before every other. The leagues to *enforce* peace, the projected international police, would not be necessary *if* the instrumentalities of Force were no longer in existence.

It is often pointed out that half a dozen of the great nations hold the destinies of the world in their own hands; that the cost and engineering of modern war forever place small States at their mercy, tending to compel them to enter federations and groups for their own protection. And yet as this writer points out, "All the schemes of world peace so far lack flexibility, adaptation to the irregular growth of the world." But what would there be to fear from *unarmed* savages, or weak and small though

expanding nations, or between great nations once a state of complete disarmament were established? It is not conceivable that the bow and arrow, the sling shot, and battering ram, would come into a sort of spontaneous use. They could hardly make headway against the cities of to-day. And standing armies would be useless without arms. Democracy, we know, means that the boundaries of all future States and federations depend upon the consent of the governed—a consent now prevented by military rule. And disarmament would seem to compel arbitration, since there would be no other way. In fact, if the imagination could conceive of such a state, the world would be born anew.

It seems idle to dwell upon these considerations—and yet it must be remembered that the Gordian knot was never untied, the threads were cut. What would follow if on a day set in 1918, this war could be ended by an agreement to disband all armies and destroy all armaments? Would other wars follow? Or would the "voices of humanity" bring concord and harmony to all the earth, and governments take on the form, extent and principles which the peoples wish them to have? All over the world the sentiment grows into law that the manufacture, sale and use of intoxicants shall cease. Could not the manufacture of explosives, of dynamite as a type term, be prohibited by law, *after peace comes by disarmament*, as well as alcohol? Has not the personal duel been done away with by law? Is it more respectable to kill by millions than by single persons? Suppose that this one condition precedent to permanent peace, disarmament, were by agreement and act made a fact, now in this year? Inending future wars it would certainly end this one! Suppose, in simple words, all nations on a given day were to scrap heap all the hideous engineering and quit, just destroy their arms and go home—what would be the result? Certainly the example of the mockery of war as Lloyd George suggests cannot be made more impressive by continuance. One thing seems reasonable, once such a state of war-impotency were in existence, if the nations could not then be trusted to "get together," to settle individually with kings and emperors, and military classes, to make out of a new sense of justice reparation and restitution, then they still need education; and despite their asseverations, *all*, that they fight for lasting peace they cannot be absolved of war spirit for war's sake. Why not put it up squarely to Germany, will you enter now into an agreement to, on a given day set, completely disarm, and this as a precedent to all future "agreements?"

In that beautiful poem "The Arsenal at Springfield," Longfellow wrote:

Were half the power that fills the world with terror,
Were half the wealth bestowed on camps and courts,
Given to redeem the human mind from error,
There were no need of arsenals and forts.

Yet such is the condition of the world to-day that the words of Shakespeare, in Richard III, stand out as a command to some of the greatest minds of the several States:

Cheerly on, courageous friends!
To reap the harvest of perpetual peace
By this one bloody trial of sharp war.

Ex-President Taft sees the human mind in error in Germany, and a certain voluntary organization offers a prize of a thousand dollars for the best method of getting the aims and sentiments of President Wilson before the common people of Germany. And so we recur to our original thought that while

an ultra pacifism, if we may so term it, is adjudged of no use to any nation at this time, felt to be even harmful, the larger question of the ultimate end of a triumph at arms *does* constantly engage the best minds everywhere. And in any event the fact is hopeful. For surely the future should not stand above the grave of this awful war and ask, as in Southey's poem, "Battle of Blenheim":

"But what good came of it at last?"
Quoth little Peterkin.
"Why that, I cannot tell," said he;
"But 't'was a famous victory."

THE MEASURE OF SACRIFICE IN HUMAN SERVICE.

As the rushing waters of human thought flow toward the great unknown which awaits mankind, some strange ideas come to the surface. Many, we are convinced, will suffer the fate of Burns's "snowflake on the river—a moment white, then gone forever." But whether they live or die, the ideas of this perturbed time are a part of *our* life as a people; and are interwoven with our *own* destiny, and all destiny. Forgotten, perchance, to-morrow, the thought of to-day is intense, earnest, absorbing. We are finding ourselves, though often we know it not. We are appraising our resources—of the flesh and of the spirit. We are measuring our energies, for conflict and for calm. We are testing our Government, by its intent as well as content. And the fleeting observations of our influential citizens become important objects of our consideration.

The Editor of the "Youth's Companion," that household treasure of so many generations, in an interview given in Washington the other day, is reported to have made the following interesting declarations. He said:

"The greatest task we have in the United States is to teach the growing generation the necessity of unselfishness. College men possess this virtue more than any other class of our people. It is unfortunate that the young men in business and the industries who have not been fortunate enough to have a college training are for the most part bent upon 'getting it.' In other words, they are selfish and have no other thought than accumulating worldly goods. It is largely different with college men. The latter will put away their own fortunes in the greater call of patriotism without a murmur. If we are to survive as a nation we must learn to be unselfish."

In justice to this eminent teacher of the youth of our land, for his paper has a peculiar and prominent place among our boys' journals, we must wish that this statement could have been amplified, for, as it stands, it seems to contain a distinction which could hardly have been intended. When one of our conscripts goes into the ranks he gives his all without reference to his previous training or future prospects. And no one can give more than another when he gives life itself. And we do not mean that under ordinary conditions one life is not of more worth to the community, to mankind, than another. The genius is worth more than the dullard. The ambitious man has greater potential value than the slothful one. And it may even be said that in the uneven fortunes which surround us, into which we are born, the man who has wealth of intellect or of worldly goods has more power for good, than another has who is without them. But unselfish giving at "the greater call of patriotism," is not measured by these conditions, but by the inner spirit of the individual who makes the sacrifice, and we feel it

would be very hard to show that in this any one class of our young men who have gone forth at the behest of the Government did so more willingly than another. Surely as a people we must now make no invidious distinctions. They are all "our boys"—dedicated to the cause, noble in their devotion, splendid in their sacrifice, whether they come from farm or factory, from school or shop or store. And in their magnificent abnegation to the needs of the Government that has drafted them, it may well be they are the teachers rather than the taught.

The underlying idea of the interview that the college bred man is of more relative value in the real forces that move the world forward, than the worker, the man of business, the man of means, "bent upon getting 'it'" is, of course, subject to debate. But just as the question of the value of a college education to a man *in* business has never been definitely settled as against the self-made, self-taught, man, so a college education can never be said to measure, or especially to induce, "unselfishness." There is bred in the atmosphere of a university an enthusiasm for ideals, a desire for a career in science, letters and art, perhaps a warmth of emulation for heroic deeds and accomplishments, but these are too often selfish rather than the opposite. And ideas born of hard knocks are often of more value than roseate ideals. The boy who tills the farm while his brother uses up all the patrimony going away "to school" can hardly fail to appreciate true sacrifice, though the other may. Millions of men in toil and trade give their all to their families. Thousands of young women grow old in the home caring for aged parents while the brothers seek adventure on land or sea, become soldiers of fortune, even seek the armies and navies of the world for fame and glory. When the editor of this famous New England journal undertakes to find in educational pursuits the teaching-essence of true "unselfishness" he should recall the famous Brook Farm experiment, wherein Emerson, Hawthorne, Margaret Fuller and other intellectuals, of an earlier day, undertook to demonstrate that the duty of every man and woman to our common kind is to do his share of the dull drudgery of the world—that he must, in a sense, produce cabbages as well as ideas, give up a part of the pleasure of pure thought to the pain of physical labor.

But the chief fault in the philosophy set forth in this interview is not in these comparative estimates. It is in an apparent failure to appreciate the service-value of commercial pursuits and that business men and men of wealth *do now feel their responsibilities* to industrial progress, employees' rights, and the public welfare, more than ever before, and are not merely "getting 'it'" in selfishness and greed. No less a current investigator and writer than Ida Tarbell has shown in a recent book that "safety first" in industrial enterprise was accepted first by the employer, and in some instances tardily, even hostilely, received by the employee. The very issues of this fateful day show that the business man becomes a burden bearer with a full realization of the call of patriotism. No one should discountenance the value of an education. But "unselfishness" is born of the heart rather than the head. And it was never more wrong than now to echo this old and pernicious error that there is something markedly selfish in "business." We are indebted to our school-men. But the long list of illustrious names who have

crystallized thought into enduring form in inventions and commercial agencies that minister to our daily needs and advancement are benefactors. And we should honor them. And above all we should set our young men on the right road by teaching them the value that lies in service, which is indeed true sacrifice.

"Labor, all labor, is noble and holy."

THE CONSERVATION OF IDEAS: CITIZEN AND STATE.

Correspondents writing of conditions in Russia, under the present revolutionary upheaval, tell of certain operations in industry and certain functionings in government that go on automatically in the absence of authority and security. It is much like a machine running on its own momentum. Life must go on; social relations cannot be escaped; exchange, by some means, cannot be avoided. The underlying truth is that so-called civilization possesses certain assets in modes of living which are so valuable that they cannot be discarded even in revolution. Interrupted, disordered, impeded, they tend to restore themselves at the first opportunity, because they are necessary, and because they are the result of long growth. They so fit into the scheme of things that nothing can take their place. Economics, politics, government, cannot annul them. They are natural and fundamental. Thus, in an exigency, the complicated machinery of modern exchange may reduce to simple barter—it is still exchange; toil for toil, goods for goods. Human relations may, therefore, change, but certain principles and ideas, certain ways of doing things, certain processes and possessions in thought, continue to exist. Evolution in progress that reaches to a full development can never be lost, no matter what happens. In the marvellous accomplishments of man in the world there are few really lost arts, and it is probable that these would be found to be superseded if they were rediscovered. The chief aim of mankind should be to preserve the even momentum of advancement.

And this is why ideas often possess a greater value than ideals. The old common sense advice to "let well enough alone" expresses the thought. Once an idea becomes a fact, condition, or principle, it is a foundation to build upon. The ideal gleams in the distance, it allures and leads, but we live upon what we have. We shall not stand still. There is an inner urge that moves us on. But in every adventure into the unknown we should still know the way back. To cut off our lines of communication is to invite defeat and disorder. We shall never become lost if we bark the trees on our way out. And if we sacrifice our ideas for our ideals we are undermining our own salvation. We do "rise on stepping stones of our dead selves to nobler things," but growth is an orderly progression, it is seldom a sudden transformation. To leave the "outworn shell" before we are ready for the new life, is death. To adopt an untried theory, is a leap in the dark. To a man floundering in the sea, in danger of death, any floating wreckage is welcome, but a wise man does not set sail in a coccle shell. A business man who buys every new thing on the market, and never "takes stock," is an enemy to himself and a danger to the community. A rebellion that succeeds is a revolution because it is an evolution. A statesman who deals in expediency, is selling short. To risk

a government on a bridge made of iridescent theories is like running a ten ton truck upon a rainbow.

The annual calendar is useful because it compels us to look backward as well as forward. It measures conservation by affording us an opportunity to ascertain what has been conserved. And it was never more helpful than now. As we attempt to sum up the year's accomplishments, we discover that one of our chief assets in all departments of life and effort is change. We find ourselves in the midst of a varied and complicated experimentalism. We have made "conservation" a shibboleth and an inspiration, and yet we appear to be conserving everything but the old way of doing things. With epicurean appetite we gormandize upon theories and ideals, apparently disdaining the common meat and wine of a citizenship it has taken us a hundred and fifty years to produce and perfect. We have grown so thrifty in saving the new ideas that we are scattering the old ones like drunken sailors throwing good money into a dust heap.

"Nothing is the same; nothing will be the same"—we say it over and over, with all the complacency of a May morning. Billions on billions, on the theory that "we never miss the water till the well runs dry." What does our national balance sheet say, not in money, but in ideas? We have a great work to do next year, and the next, who knows? It is a government undertaking. Its proportions are unexampled; its possible good is immeasurable. What, or who, is to perform this work, the old republic or a new, the old man or a new? What are its instruments and agencies, the old institutions, ideas, methods, laws, economics, resources, and powers, or new ones—the eagle's wings or the fledgeling's? "Business" is the tool of trade. Is it to be wielded by old hands or new, by hands skilled in practice, or hands stuffed with theory? Are we trying, in all the endeavor of the time, to conserve anything as it is or as it was? And can we live in the old house while we are building the new on the same site? Just what is there left that is sacred? These are not idle questions—far from it. The year witnesses the largest crop of ideals raised in the history of the nation. No doubt many new inventions have been made. No doubt science, literature, art, have brought forth good fruits. No doubt there have been ministries of toil and marvels of production. But in the exaltation of spirit in a cause of splendid shining, are we treasuring these up at their worth? Are we holding fast to the old treasures of our civics and civilization while we crusade for the new? Are we taking stock of our staying qualities, are we conserving our essential strength, are we husbanding our inherent resources, that we fail not, however arduous the task, however long the way? Are we forgetting what is, in our zeal for what is to be?

There is something greater than conservation; it is preservation. One is for to-day, the other is for to-morrow. The governmental idea embodied in our Republic we believe to be the most valuable possession in the world of to-day. The citizen of the United States is the greatest figure in the history of nations. Heretofore the two have reacted upon each other to the good of the whole human race. Hitherto they have existed in the most perfect equilibrium ever known among men. Are they so to-day? As representatives of freedom they are perfected ideas—and hence are themselves ideals. Without chauvinism, we all believe so, at any rate. We would not

exchange with man or nation anywhere. And there is no power can undo us in these things but our own. Are we preserving this man and this government as we move forward in the world undertaking?

Shall we not benefit ourselves by thinking deeply at this day on these things? In the perilous times afloat, ought we not to take stock often?—not of what we are doing alone, but of what we are. This free citizen, as he stood erect in the free airs of endeavor, this political sculptor as he carved out his government in the image of himself, is he not the proper object of our first and highest solicitude, is he not an asset of pure gold, is he not the conservation of everything in his own preservation? Think—in the rapid swirling changes of the year, is he the same? Does he plant his feet firmly upon the footstool of his Government and sit in the throne of his inalienable rights and liberties, in the “seat of the mighty”? Does he? And if he does, will not all the rest follow?

THE MOTOR CAR AS A RAILWAY AID.

This has been the annual “Show” week in the automobile trade, and as folks always like to be where folks are and public entertainments seem never to lose their drawing power in this great city, the attendance was fairly large, although any user or expectant purchaser could find the same merchandise, without an admission fee, by visiting the stores in the motor section. This is true of the so-called pleasure car, which to most persons is all that is suggested by the word “automobile;” the commercial or goods car, on the contrary, is not pushed before the eyes of the general public, being relegated to the basement or similar unattractive places when included in exhibitions, and not much housed in stores with large windows and in costly localities. The pleasure car is advertised, for the benefit of competing dealers and makers; the utility car is not largely advertised, yet is the one which for the general benefit most needs pushing. It offers now a larger potential assurance of service than ever before, and the value of that assurance was never so great as now.

Nearly two months ago, the head of the Highways Transportation Committee of the Council of National Defense outlined a plan to supplement the present means of carrying by utilizing motor trucks. A truck train was to start soon from the Middle West to the Eastern Coast. It was to be made up of 27 cargo trucks, 2 gasoline tank trucks, 1 baggage and ration truck, 1 rolling kitchen, 1 light repair truck, 1 officers’ car, and 2 motorcycles, under the direction of 1 lieutenant and 76 men, to represent the standard army truck train at the front, with each truck carrying three tons of cargo. Such a train of 30 war trucks and some subordinates did leave Detroit about the middle of December and reached Baltimore on the 28th, completing a 600-mile journey at an average of 50 miles a day for the actual running-time. It experienced temperatures as low as minus 8, with driving rains and snowdrifts almost as high as the loaded trucks, but had no considerable mishap except that a collision with a railroad train near Detroit wrecked one truck and killed one man.

The trucks themselves were on their way to actual service, and had to be taken in some manner to the coast. A 40-ton freight car could receive only two of them, so that in the reported contemplation, by the Quartermaster’s Department, of sending under

their own power 30,000 war trucks it was figured that this plan of having them transport themselves across the country would release 17,250 freight cars for other service and relieve the railroads of the equivalent of 600,000 tons of haul, incidentally, also, taking along to the coast 60,000 tons of Government material and, as further incidental, giving opportunity for practical training of drivers and other helpers. We need not too captiously figure upon these expectations. Even if they are somewhat discounted, it is evident that the horse could not be so much as seriously thought of in connection with such a journey as this caravan of trucks has actually made, and that no horse could cover 50 miles a day continuously with any proportionate load and in good weather.

In normal times, in favorable seasons and weather, and over surfaces better than the average, the faithful horse is utterly distanced by the motor vehicle as a carrier. The latter occupies less space, does not block the way by falling down, does not weary, may be worked almost continuously without involving cruelty, has a speed capacity far surpassing the horse, and can haul loads easily which the animal could hardly start. When the loads are considerable and the service required is heavy, the draught animal is utterly outclassed, under favorable conditions; and when winter comes, not necessarily such an unprecedented winter as we have had thus far in this season, but a fairly moderate winter, the difference is emphasized. In bitter cold and with surfaces iced over, the motor truck may gasp more than usual but it is not stalled; it goes on, and stolidly performs its job. Test this by the work of delivering coal, for instance, when coal can be had in such conditions as have prevailed here for the past fortnight.

One motor company caps an advertisement in this “Show” time by declaring that its particular valve-gear is chiefly or largely responsible for the service of the “tank” at the western army front. Whether this overstates does not greatly matter now; what great and strange work that war monster wrought we know, and the monster is a product of the gasoline car, being an adaptation of the tractor which performed tasks in agriculture in our Western country before the war.

Another motor concern claims that in the last 13 months one of its cars has made a daily average of 237 miles, carrying heavy loads of newspapers between two cities in California, and never once missing its daily stunt. Another concern proudly exhibits a small truck which is claimed to have taken a ton of canned goods from New York to Atlanta, exchanging that there for a ton of other merchandise; to have taken that ton to Jacksonville, Florida, exchanging it there for a ton of rosin which it has now brought back to New York, having made the round journey of 2,500 miles within a month and without mishap or interruption. So many records of successful hauls by motor, and covering service uninterrupted through so many years, are available, that there seems no reason for doubting these recent claims.

Let us turn aside a moment for another view, in the line of visions, if we so consider it. A writer in the December issue of “The Railroad Man’s Magazine” announces what he calls “the engagement of Miss Motor-truck to Mr. Railroad;” the bride, he says, “is a daughter of the gasoline engine, and the groom has a long line of ancestors with superheated

steam coursing through every vein and artery." Dropping metaphors, the notion is that motor trucks capable of running on ordinary highways and railroad tracks interchangeably are in the near future to be put on the market. The farmer, says this article, "will mount his load of hay and motor to the nearest span of tracks; he will mount the rails and ride to town on his load." An accompanying picture shows him doing so, while a train is moving behind him on the same line of rails. Motor-driven cars for inspection service are no novelty on railroads, and the proposition is to have a wheel with a flanged rim to fit the rail and another face of a larger diameter to run on the highway. Such a truck could easily do 20 miles an hour or more on the rails; and while there might be some problems in arranging for readily passing from road to rail and back again, there is no insurmountable mechanical difficulty nor would the making of a time schedule so as to avoid interference be impossible. This writer speaks confidently, declaring that the problem will surely come forward and be solved, also that "already some of the railroad officials are dreaming about the matter. . . a few laws may have to be changed and a few inventions made, but legislators can make the laws and inventors will find a way to make the inventions."

This is only a reversion, for one of the first notions about a railroad was that it was to be just an improved highway, upon which each citizen was to drive his own vehicle. Of course, that was a conception at whose feebleness we might now smile. Upon such a plan, the greatest of inventions ever contributory to human progress could have developed little country and would have never passed beyond triviality; yet a rail line merely adds a less-resistant surface to a road which has been artificially leveled and straightened, and even if we refuse to admit the feasibility of running the same vehicle on the improved highway and what we still call the common one, the latter may feed and supplement the rail as it has not yet done.

The railroad transports; it does not itself produce. It carries, but its load must be brought to it. The lake is its feeder; so is the navigable river; so is the electric line in some degree; but the common highway must remain its principal servitor. The recent sending of coal through the under-river tubes constructed with no thought of anything but easy and quick passenger travel was an object-lesson, feasible because those lines reach from surface to surface; but there are other and longer lines on the surface not yet utilized for freight, namely, the electric lines. They could be so utilized, without doubt, and a news dispatch, some seven weeks ago, reported that a meeting had been held in Chicago by representatives of a score of electric suburban lines at which a decision was reached, "to form through lines to relieve the freight congestion in the Chicago district and enter into competition with the steam roads;" through cars were to be put on for the first time, the account said, and fast freight service in carload and less was to be established between Chicago and several other cities as far off as Indianapolis.

Not to pursue the subject further at this time, it is already certain that the motor truck or commercial car (a construction readily variable to suit many different purposes) is capable of an expanding influence upon transportation. It has really not

more than begun its work. It has demonstrated ability, not yet measured it. And if we exercise our business imaginations a little we can take encouragement in this time of great trouble, for necessity will continue parent of inventions, asking of us only faith and energy.

FAILURES IN 1917.

The record of mercantile failures for 1917 is a notably favorable one, as would be expected in a year of such activity and high prices. As indicating the satisfactory character of the monthly exhibits all through 1917, it should be sufficient to point out that in every instance the number of insolvents was smaller than for the corresponding periods of either of the three preceding years. The same statement, furthermore, applies quite generally to the comparison with 1913 and 1912 and in several cases the number is even less than in 1911. The volume of liabilities, also, although in one or two periods rising above the totals of a year ago, was as a rule well below 1916, and in the grand aggregate quite a little smaller. Moreover, contrast with 1915, 1914 and 1913 is most favorable to the current exhibit, and in only one year of the preceding decade (1909) did both the number of disasters and the total of debts strike a lower level than is recorded by this latest annual statement. Another encouraging feature of the 1917 exhibit has been the tendency toward contraction in number of insolvencies as the year advanced, the first quarter furnishing the heaviest total and the last the lightest.

Large failures (those for \$100,000 or more) while running ahead of 1916 in most months, were in no important sense a controlling feature of the year. These totaled 250, covering indebtedness of \$81,-\$61,018 against 216 and \$66,507,589 a year earlier, 331 and \$122,739,907 in 1915 and 409 and \$210,715,-947 in 1914. Of the large failures of the year 147 for \$43,435,232 were in the manufacturing section against 116 for \$29,257,548 in 1916 and 163 for \$58,-700,533 in 1915. In the trading division the number in each of the last two years was almost identical—53 comparing with 54—yet the 1917 liabilities, at \$13,678,534, were not only smaller than those for 1916 but well below the average and actually the lightest for the twelve months' period since 1907. On the other hand, however, there were, among brokers, transporters, &c., a number of defaults of unusual size in Illinois, Washington and New York in the first quarter, and in the last named State in July and August, serving to swell liabilities much above normal; and in consequence the result in this group for the full year at 50 and \$24,747,252 is less favorable than in 1916, and as regards amount of indebtedness is found to be only a little more favorable than in 1915. Of notably large failures—those for \$1,000,000 or over—very few have been reported, and the largest of these is a manufacturing concern in Connecticut. Segregating the failures for \$100,000 or over into classes we have the following exhibit for 1917 and 1916:

LARGE FAILURES IN 1917 AND 1916.

	Manufacturing.		Trading.		Brokers, &c.	
	No.	Liabilities.	No.	Liabilities.	No.	Liabilities.
January	13	\$2,598,940	6	\$1,965,663	5	\$2,008,782
February	10	3,570,257	4	1,163,635	6	4,086,733
March	12	4,521,344	4	620,645	8	2,758,667
First quarter 1917	35	\$10,690,541	14	\$3,754,992	19	\$9,754,182
do 1916	33	11,050,739	20	4,866,604	15	3,857,011

	Manufacturing		Trading		Brokers, &c	
	No.	Liabilities.	No.	Liabilities.	No.	Liabilities.
April.....	16	\$3,974,623	4	\$841,865	2	\$630,472
May.....	10	1,625,869	6	900,432	—	—
June.....	11	6,524,910	2	274,504	6	2,281,054
Second quarter 1917.....	37	\$12,125,402	12	\$2,076,801	8	\$2,911,528
do 1916.....	24	\$5,051,752	11	\$4,511,425	11	\$5,933,956
First half-year 1917.....	72	\$22,315,943	26	\$5,831,794	27	\$12,665,701
do 1916.....	57	16,102,491	31	9,478,029	27	10,790,926
July.....	12	\$2,372,457	6	\$1,940,257	3	\$4,381,286
August.....	8	4,357,029	4	1,051,537	7	4,026,879
September.....	10	2,874,517	4	1,161,266	4	901,352
Third quarter 1917.....	30	\$9,604,003	14	\$4,153,090	14	\$9,309,517
do 1916.....	32	8,499,099	12	3,069,462	8	3,022,524
October.....	15	\$3,287,435	5	\$940,000	5	\$1,034,912
November.....	14	4,264,403	6	1,649,006	2	384,656
December.....	16	3,463,388	2	1,104,650	2	1,352,459
Fourth quarter 1917.....	45	\$11,015,286	13	\$3,693,650	9	\$2,772,027
do 1916.....	27	4,655,958	11	1,920,109	11	8,068,991
Second half-year 1917.....	75	\$20,619,289	27	\$7,846,740	23	\$12,081,544
do 1916.....	59	13,155,057	23	4,939,571	19	11,901,515
Total year 1917.....	147	\$43,435,232	53	\$13,678,534	50	\$24,747,252
do 1916.....	116	29,257,548	54	14,467,900	49	22,782,441

The very favorable situation indicated above is found by analysis of the detailed returns to have been more or less of a feature in almost all sections of the country. In practically every group into which the returns are segregated the number of commercial casualties in the year were much less than in 1916, the only exception being the Western division—Montana, Idaho, Colorado, &c.—where 423 concerns succumbed in each year. Incidentally, it is to be noted that decreases were particularly heavy in the Middle Atlantic, South Atlantic and South Central groups of States. In the matter of liabilities, moreover, the South Central section stands out most prominently in the extent of improvement in 1917. That division, made up of the States of Tennessee, Alabama, Kentucky, Mississippi, Arkansas, Oklahoma, Louisiana and Texas, showed a decline from 28 $\frac{5}{8}$ million dollars in 1916 to 13 $\frac{5}{8}$ millions in the late year; in the decrease of 15 millions every State but Kentucky shared, though the two first named in greatest degree. The feature of the returns from New England is a marked increase in liabilities in Connecticut, the outcome of the failure of the manufacturing corporation already referred to. An augmentation of 5 $\frac{1}{2}$ millions in the indebtedness of the Middle Atlantic finds explanation in the result in New York. The showing among traders here is especially good. The South Atlantic division exhibits a moderate drop in the aggregate of liabilities, shared in by most of the States, and the same is true of the Central East and Central West. On the Pacific Coast, on the other hand, due to an unusually heavy volume of debts among brokers, &c., in Washington and Oregon, the liabilities are some 3 $\frac{1}{4}$ millions greater than in 1916. The Western division shows a marked contraction in debts, the total dropping from 8 $\frac{7}{8}$ million dollars to 2 $\frac{5}{8}$ millions, with 4 $\frac{1}{2}$ millions of the decrease in Colorado, the most important State, commercially, in the group.

Messrs. R. G. Dun & Co.'s compilation makes the number of failures in 1917 in the United States 13,855 with indebtedness of \$182,441,371, this contrasting with 16,993 and \$196,212,256 in the preceding year, 22,156 and \$302,286,148 two years earlier, 18,280 and \$357,908,859 in 1914 and 16,037 and \$272,672,288 in 1913. Beside being the most favorable as regards number of defaults since 1911, the current exhibit is the best since 1909 in the matter of indebtedness covered, and on numerous occasions prior thereto the 1917 total was exceeded. The failures situation, quarter by quarter, the last two years is indicated in the following compilation:

	FAILURES BY QUARTERS.					
	1917			1916		
	No.	Liabilities.	Average Liability.	No.	Liabilities.	Average Liability.
First quarter.....	3,937	\$52,307,099	\$13,287	5,387	\$61,492,746	\$11,415
Second quarter.....	3,551	42,414,257	11,944	4,108	49,748,075	12,110
Third quarter.....	3,249	47,228,082	14,536	3,755	43,345,286	11,543
Fourth quarter.....	3,118	40,491,533	12,986	3,743	41,625,549	11,120
Total year.....	13,855	\$182,441,371	\$13,168	16,993	\$196,212,256	\$11,547

The foregoing indicates clearly that as the year advanced the situation, as far as number is concerned, steadily improved, and that the liabilities in the final quarter of the year, at 40 $\frac{1}{2}$ million dollars, were not only much below the average for such a period, but the smallest recorded for any three-month period since July-Sept. 1911. The total for the second half of the year, moreover, was 7 million dollars less than for the first six months. Nor are other facts lacking to accentuate the favorable nature of the 1917 exhibit. In a rapidly growing country like the United States, there is a steady increase in the number of firms in business, consequently the relation the mercantile casualties bear to the total of going concerns is a somewhat important element in the situation. The fact, therefore, that the ratio of failures to number in business in 1917 was represented by only 0.80%—a percentage lower than in a long period of years, except only 1906, comparing with 0.99% the previous year, 1.32% in 1915 and an average of 0.95% for the 20 years, 1897 to 1916 inclusive—simply goes to confirm what has already been said.

Passing to a review of the failures statement, as classified by branches of trade, we would draw attention to the especially good showing made in the closing month of the year. Not only was the number of commercial defaults in December the smallest for that month in over a decade, but the same remark applies with equal force to the sum of the liabilities, and it is interesting to note that the exhibit made in trading lines was distinctly satisfactory. For the full year, also, the trading division furnishes clear evidence that extremely high prices, which under other conditions might have spelled disaster, have caused no weakening of our sound economic condition. Scarcity of some commodities, such as coal, oil and sugar, however, have in sections been the cause of suffering and hardship. Every branch of business but one included in the trading group shows fewer insolvencies in 1917 than in the previous year and diminished liabilities were quite the rule. The aggregate trading liabilities of the year, at \$70,116,669, were 20 $\frac{1}{4}$ millions under those of 1916; compared with 1915 they record a diminution of 80 million dollars.

In the manufacturing section the number of insolvencies was appreciably under 1916 and the smallest since 1911, but, due to an augmentation in the debts in such lines as lumber, machinery and tools and miscellaneous, aggregate indebtedness for the twelve months at \$79,543,507 was over 6 $\frac{1}{2}$ million dollars greater than in the previous year. With that exception, the exhibit is the best since 1909. Brokerage, &c., failures were also much below the preceding year, as regard number, but liabilities showed a slight expansion, explainable by the unusual size of a few disasters in Washington and Oregon. Banking insolvencies, too, were fewer than in 1916, but liabilities were considerably greater. It is to be noted, however, that the closing of financial institutions in Florida, Illinois and Washington accounted for \$14,908,000 of indebtedness or barely 3 $\frac{1}{2}$ millions less than the total reported for the whole country. Failures totals for the last three

years as segregated by Messrs. R. G. Dun & Co. follow:

	TOTAL FAILURES.					
	Number.			Liabilities.		
	1917.	1916.	1915.	1917.	1916.	1915.
Manufacturing	3,091	4,196	5,116	\$79,543,507	\$72,999,580	\$112,026,484
Trading	9,430	11,923	10,630	70,116,669	91,373,828	150,233,647
Other	734	874	1,010	32,781,195	31,838,848	40,026,017
Total	13,255	16,993	22,156	\$182,441,371	\$196,212,256	\$302,286,148
Banking	42	50	133	18,451,004	10,396,779	37,223,235
Total all	13,297	17,043	22,289	\$200,893,375	\$206,609,035	\$339,509,383

The compilation of failures in the Dominion of Canada for 1917 testifies indubitably to the excellent mercantile situation of our northern neighbor. In no year since 1903 has there been so favorable a showing as regards number of defaults, while the total of liabilities fell very materially under the totals for either of the three preceding years. The insolvencies numbered but 1,097 with indebtedness of only \$18,241,465, this comparing with 1,685 and \$25,069,534 in the previous year and 2,661 and \$41,162,321 in 1915. Failures were less numerous in all the provinces except Newfoundland. As regards liabilities the most favorable showing by contrast with a year ago was in Ontario, Manitoba and Alberta. The improvement in 1917, furthermore, extended to each of the three groups into which the failures are segregated. Manufacturing reverses contributed only \$7,455,094 against \$8,796,646 in 1916 and \$13,877,414 in 1915, with lumber interests, cottons and glass especially well situated. Trading insolvencies accounted for only \$8,417,239 against \$12,290,368 and \$21,696,890 respectively in the two preceding years, foodstuffs lines and hotels and restaurants reflecting the greatest measure of improvement. Agents, brokers, &c., defaults covered debts of but \$2,369,132 against \$3,982,520 and \$5,588,017. Not since 1910 have there been any banking insolvencies worthy of mention and in 1917 as in 1916 there was complete freedom therefrom.

RAILROAD GROSS EARNINGS FOR DECEMBER.

From our preliminary tabulation to-day for December, it is evident that the exhibit of railroad earnings for the closing month of 1917 is going to reveal much the same characteristics as have the other months of the year. The ratio of improvement, however, in gross receipts (it is too early yet to have any figures of expenses or net earnings) it seems, will be smaller, and a number of roads will be distinguished for losses. The vast majority of the roads continue to make gains, even though of diminished amount, but there are some instances—not very numerous—where the reverse is true. These exceptions are to be ascribed in the main to the smaller grain movement and the shrinkage in the cotton movement. The falling off in these items of traffic has left its mark in reduced gross earnings in the case of such roads as move a preponderating amount of such traffic and have been unable to offset these losses in their entirety by gains in merchandise and miscellaneous traffic; general trade and business continuing good and active. Thus, the Great Northern falls behind in amount of \$412,716 and the Chicago Great Western in amount of \$119,163; while the Canadian Northern reports a decrease of \$212,200 and the Mobile & Ohio a decrease of \$105,264. It is fair to presume that the first three of these suffered from a diminution in the grain traffic and the latter from a contraction in the cotton movement. On the other hand, such roads as the Southern Railway

indicate by the extent of their gain that activity in industrial progress continues unabated, and is the controlling factor in affecting the course of earnings in all but a limited number of cases.

Our table, as a whole, records a gain over the corresponding month last year of \$2,980,483, or 4.13%. Comparison is, of course, with pretty good figures the previous year. In December 1916 the increase was not large or striking, amounting to only \$3,091,289, or 4.11%; though at that time the amount was somewhat reduced by the circumstance that December 1916 had five Sundays (the same as December 1917) but in December 1915 the improvement was of large proportions, the aggregate increase on the roads then reporting reaching \$20,778,954, or 32.81%. Naturally, after such a splendid showing for 1915 the further improvement in 1916 and 1917 was of only moderate extent. On the other hand the large increase in 1915 followed a heavy reduction in 1914, and also a small decrease in 1913. In December 1914 our early table showed \$14,638,740 decrease, or 17.51%, and the statement for 1913 registered \$3,022,036 decrease, or 3.86%. Prior to 1913 the record was one of continuous improvement, excepting only 1907, when the panic of that year intervened and caused a setback as will appear from the following:

December.	Mileage.			Gross Earnings.		Increase (+) or Decrease (-).
	Year Given.	Year Preced.	In-crease.	Year Given.	Year Preceding.	
Year.	Roads	Miles.	Miles.	%	\$	\$
1896	130	93,075	92,282	0.86	40,895,711	41,791,251
1897	133	99,418	98,122	1.32	50,020,193	44,642,149
1898	129	96,285	95,191	1.15	49,630,312	46,474,701
1899	112	98,508	96,637	1.93	55,557,815	51,001,909
1900	101	96,447	93,062	3.70	59,606,431	54,271,094
1901	99	103,496	100,694	2.78	64,922,983	62,104,946
1902	90	100,638	98,801	1.86	70,709,049	64,416,412
1903	71	89,278	87,067	2.54	61,868,261	59,114,002
1904	67	84,143	82,607	1.86	59,429,650	55,909,547
1905	57	81,238	79,804	1.76	62,469,679	57,027,847
1906	65	95,936	93,553	2.55	83,796,332	79,327,117
1907	61	88,234	87,046	1.27	69,070,466	72,163,205
1908	49	74,744	73,180	2.14	52,154,203	49,474,321
1909	50	86,137	84,391	1.99	67,096,709	65,209,729
1910	49	88,359	85,852	2.90	68,146,996	62,782,122
1911	52	90,576	89,193	1.57	71,109,323	69,326,828
1912	44	87,174	84,845	2.82	75,694,747	69,003,277
1913	44	90,622	88,941	1.88	76,376,380	70,398,416
1914	49	93,050	92,479	1.60	68,986,422	83,625,162
1915	46	91,878	90,037	2.04	84,094,562	63,315,598
1916	43	85,392	83,543	2.21	78,334,012	75,242,723
1917	35	85,618	80,252	0.47	75,144,823	72,164,340

Note.—Neither the earnings of the Mexican roads nor the mining operations of the anthracite coal roads are included in this table.

With reference to the falling off in the Western grain movement the receipt of wheat for the four weeks ending December 29 1917 at the primary markets reached only 15,757,000 bushels, as against 24,952,000 bushels in the corresponding four weeks of 1916, and as against receipts of over three times that amount in 1915, thus indicating apparently that wheat is being held back on a large scale. The receipts of corn for the four weeks were 15,440,000 bushels in 1917, against 21,906,000 bushels in 1916, but the receipts of oats were 20,032,000 bushels, against 15,581,000 bushels and of barley 7,735,000 bushels, against 7,553,000 bushels. Adding rye, aggregate receipts for the five cereals for the four weeks in 1917 were only 61,019,000 bushels, against 96,884,000 bushels in the four weeks of 1916. In the following we show the details of the Western grain movement in our usual form:

WESTERN FLOUR AND GRAIN RECEIPTS.						
Four wks. end Dec. 29.	Flour. (bbls.)	Wheat. (bush.)	Corn. (bush.)	Oats. (bush.)	Barley. (bush.)	Rye. (bush.)
Chicago—						
1917..	772,000	916,000	5,804,000	8,023,000	2,941,000	325,000
1916..	681,000	3,218,000	9,446,000	7,593,000	2,629,000	665,000
Minneapolis—						
1917..	97,000	367,000	938,000	1,915,000	1,613,000	348,000
1916..	98,000	836,000	1,540,000	1,945,000	1,592,000	327,000
St. Louis—						
1917..	256,000	977,000	1,431,000	1,682,000	54,000	56,000
1916..	305,000	2,230,000	1,795,000	1,329,000	125,000	60,000
Toledo—						
1917..	-----	321,000	144,000	343,000	-----	23,000
1916..	-----	139,000	471,000	137,000	-----	-----

warfare. This changed the whole aspect of things and every vision of peace then faded away. The reply of the Entente Powers to the German peace overtures of Dec. 12 1916 had come at the very close of the old year and had embodied what was tantamount to a complete rejection by Great Britain and her allies of the German proposals looking to the opening of peace negotiations. It remained, however, for the joint reply of the Entente Powers to the note of President Wilson of Dec. 18 1916 (suggesting an exchange of views with regard to peace terms) to show how utterly hopeless were the chances of bringing the two sides together. The Entente countries displayed no hesitancy about stating the terms upon which they would be willing to consider peace negotiations, but they were impossible terms, being in effect a consolidation of the separate desires and objects of each of the Entente belligerents. In fact, it looked as if they had been purposely combined to make them more effective as an indication that the Allied Powers were not ready to conclude peace upon any terms that the Central Powers would be willing to accept. The reply of the Entente was amplified in a note addressed by Arthur J. Balfour, the British Foreign Minister, to the British Ambassador to the United States, Cecil Spring-Rice, dated Jan. 13 and delivered to our State Department on Jan. 17.

President Wilson was persistent and would not relax his efforts on behalf of peace. On Jan. 22 1917 he appeared before the U. S. Senate and delivered a message in person in which he indicated conditions upon which he would urge the United States to enter a world federation to guarantee future peace. "I am proposing, as it were," said the President, "that the nations should with one accord adopt the doctrine of President Monroe as the doctrine of the world—that no nation should seek to extend its policy over any other nation or people, but that every people should be left free to determine its own policy, its own way of development unhindered, unthreatened, unafraid, the little along with the great and powerful." In indicating the nature of the future peace that the people of America could join in guaranteeing, the President said it must first of all be a peace without victory. It is well to recall that declaration here, inasmuch as at the end of the year when the United States was a participant in the European conflict, the President seemed to change his position in that respect and to insist that the paramount object of the war was to beat the Germans on the field of battle. Thus in his annual message to Congress on Dec. 4 he declared that "our present and immediate task is to win the war, and nothing shall turn us aside from it until it is accomplished." "Those who desire to bring about peace before that purpose is achieved," he added, "I counsel to carry their advice elsewhere."

The "peace without victory" message of January was not received with unqualified approval nor was there unanimity of opinion as to the wisdom of having the United States participate in an international league for the enforcement of peace. All these matters, however, dropped out of sight when notice was given on Jan. 31 to Secretary Lansing in Washington by Count von Bernstorff, the German Ambassador, and to U. S. Ambassador Gerard in Berlin by the German Foreign Office of a complete change in Germany's submarine policy. In his letter to Secretary Lansing, Count von Bernstorff made the President's message of Jan. 22 the basis

for the seemingly adroit assertion that it was "highly gratifying to the Imperial Government to ascertain that the main tendencies of this important statement correspond largely to the desires and principles professed by Germany. These principles," the Count went on to say, "especially include self-government and equality of rights for all nations. Germany would be sincerely glad if in recognition of this principle countries like Ireland and India, which do not enjoy the benefits of political independence, should now obtain their freedom." But the gist of the letter was that Germany, having failed in her peace overtures, the German Government was now forced to make new decisions. Accordingly it purposed abandoning the rules of cruiser warfare in the use of submarines—these rules requiring that merchant ships shall not be sunk without warning and without assuring the safety of passengers and crew—and would now enter upon a course of unrestricted warfare.

The President acted promptly in response to this challenge. On Feb. 3 he appeared before Congress in joint session and announced that he had directed Secretary of State Lansing to make known to the German Ambassador that in view of Germany's action diplomatic relations between the two countries would be immediately terminated. The President, however, could not get himself to relinquish the hope that Germany would not go to the lengths threatened, but would reconsider her action. This hope found expression in the closing paragraphs of his address, one of which read as follows:

"Notwithstanding this unexpected action of the German Government, this sudden and deeply deplorable renunciation of its assurances, given this Government at one of the most critical moments of tension in the relations of the two Governments, I refuse to believe that it is the intention of the German authorities to do in fact what they have warned us they will feel at liberty to do. I cannot bring myself to believe that they will indeed pay no regard to the ancient friendship between their people and our own, or to the solemn obligations which have been exchanged between them, and destroy American ships and take the lives of American citizens in the wilful prosecution of the ruthless naval program they have announced their intention to adopt. Only actual overt acts on their part can make me believe it even now."

But the President was again disappointed. The rest of the month Germany carried on ceaseless war against merchant ships, sinking one vessel after another and the question anxiously considered was whether any of these constituted such an "overt" act as would make it necessary for the President again to appear before Congress. Finally on Feb. 26 he did again address Congress, this time asking it for authority to use the forces of the United States to protect American ships and lives against attack by German submarines. Two American vessels had been sunk. Even then the President continued to hope against hope, and hesitated about putting the worst construction upon the German acts. With respect to the sinking of one of the American ships he said the case "disclosed a ruthlessness of method which deserves great condemnation, but was accompanied by no circumstances which might not have been expected at any time in connection with the use of the submarine against merchantmen as the German Government has used it." Therefore he thought it could be asserted that the overt act, which he had ventured to hope the Ger-

man Government would in fact avoid, had not occurred. Still he felt that he could not be unmindful of the fact that the expiration of the term of the existing Congress was immediately at hand by constitutional limitation and that it would in all likelihood require an unusual length of time to assemble and organize the Congress which was to succeed it. Accordingly he asked from Congress full and immediate assurance of the authority which he might need at any moment to exercise. Since it had unhappily proved impossible to safeguard the country's neutral rights by diplomatic means, there might be no recourse but to "armed neutrality which we shall know how to maintain and for which there is abundant American precedent." An incident which created a very unfavorable impression came at the end of this month in a revelation by the Associated Press that Germany in planning unrestricted submarine warfare had, the previous month, when relations with the United States were still friendly, proposed an alliance with Mexico and Japan to make war upon the United States in the event that the latter should not maintain its policy of neutrality should Germany practice unrestricted submarine warfare.

The President's policy of "armed neutrality" in dealing with Germany's altered method of submarine warfare did not prove successful. Because of the obstructive tactics of a small minority in the Senate, the President did not get from the old Congress the authority which he had asked, though he undertook to arm outgoing American merchant ships nevertheless, relying for sanction upon a very old statute which had been forgotten until it was resurrected. He now deemed it best to give notice of the convening of the new Congress, and on March 9 issued his proclamation calling an extra session for April 16. But developments came so fast, owing to Germany's operations in the destruction of American and other ships and the loss of American lives, that on March 21 the President felt it incumbent to issue a second proclamation setting forward by two weeks the date originally named for the convening of the new Congress—that is, calling it together now on April 2nd.

In his address at the extra session the President declared that Germany, in its new submarine policy, had swept every restriction aside; "the present German submarine warfare against commerce," he asserted, "is a warfare against mankind. It is war against all nations." "Neutrality," he said, "is no longer feasible or desirable where the peace of the world is involved, and the freedom of its peoples, and the menace to that peace and freedom lies in the existence of autocratic governments, backed by organized force, which is controlled wholly by their will, not by the will of the people." The world, the President said, must be made safe for democracy. "Its peace must be planted upon the tested foundations of political liberty. . . . Right is more precious than peace, and we shall fight for the things which we have always carried nearest our hearts—for democracy, for the right of those who submit to authority to have a voice in their own governments, for the rights and liberties of small nations, for a universal dominion of right by such a concert of free peoples as shall bring peace and safety to all nations and make the world itself at last free." The entry of the United States into the war, the President pointed out, would involve practical co-operation with the Governments now at war with Germany, including

the extension to those Governments of the most liberal financial credits.

Congress was not slow to act upon the suggestion of the President. In the Senate the resolution declaring that a state of war existed was passed on April 4 and in the House it was adopted in the early morning hours of the 6th (Good Friday). The President gave it his approval at 1 p. m. of the latter day. Measures to finance the war quickly followed. On April 11, the House Ways and Means Committee favorably reported a bill embodying the Administration's plans to that end. It provided for the issuance of \$5,000,000,000 of long-term bonds of the United States besides \$2,000,000 of certificates of indebtedness, both bearing not to exceed 3½% interest. Not a solitary vote was cast in either house against the bill. It became a law on April 24. In anticipation of the passage of the bill, \$200,000,000 certificates of indebtedness were informally offered on April 21, and on April 24, when the bill became a law, they had been so heavily oversubscribed that the Secretary of the Treasury decided to raise the offering to \$250,000,000. This early issue of certificates bore 3% interest, and in May another issue was put out at the same rate, but after that there was an advance to 3½% and later to 4%. In March a \$50,000,000 issue of certificates made under another law was put out at 2%. Having the proceeds of the \$250,000,000 issue of certificates, the Secretary immediately began making loans to the Allies, Great Britain getting \$200,000,000 April 25. From this time on the operation of extending credits to the Allies proceeded apace.

The Administration recognized that in engaging in war with Germany (formal declaration of war against Austria did not come until the following December) the country had entered upon no light task. Accordingly, plans for the vigorous prosecution of the war were devised on a comprehensive scale. It was recognized on the one hand that in view of the destruction of ships by the German submarines provision would have to be made for turning out huge numbers of ships in this country with the utmost expedition, so as to create an American merchant fleet of tremendous size. Such a ship-building policy was necessary in order that needed supplies of foodstuffs, munitions and other things could be carried to the Allies and also for the eventual transport across the ocean of our own troops. These merchant ships were apart from the additional vessels that had to be constructed for the navy. It was also recognized that a very large army would have to be created in the United States to prepare against eventualities even though the troops might not all be necessary at the outset.

As an indication of the scale on which things have been planned we may note that Congress, (which adjourned Oct. 6, after having been in session since the previous April 2), authorized appropriations aggregating \$18,879,177,015 in addition to contract authorizations of \$2,511,553,925, making a grand total of appropriations and authorizations of \$21,390,730,940. Among the measures passed were the War Revenue Bill, estimated to raise \$2,524,870,000 and including a drastic scheme of war excess profits taxes and an equally drastic schedule of surtaxes. Another important measure passed was the \$11,538,945,460 War Bond and Certificate Bill. This bill became a law on Sept. 24. The bill authorizes the issuance of \$7,538,945,400 convertible 4%

bonds to replace the \$3,000,000 non-taxable 3½% issue authorized the previous April to cover loans to the Allies (and of which \$2,000,000,000 were sold in June) and to provide for new Allied credits of \$4,000,000,000. The law also provides for the issuance of \$2,000,000,000 each of 1-year Treasury certificates of indebtedness and 5-year War Savings certificates. Legislation for the creation of a large army, to be sent abroad, also constituted an extremely important part of the work of Congress. Registration took place as early as June 5 under the provisions of the new Selective Army law. The law applied to men between the ages of 21 and 31 and the final returns showed a total registration of 9,586,508 men. Military camps were established all over the country for the training of these men, and the first call which came in September sent 687,000 of these men to the camps.

On the battlefields of Europe the developments were highly important. The whole aspect of things was changed by a revolutionary uprising in Russia, which came in March, and which involved the dethronement of the Czar. Complete disorganization of the Russian army resulted, though at first the event was hailed as likely to bring closer co-operation with the Allies, since the Czar's Government had been thought only lukewarm, and fears had existed that it might be inclined to make peace with Germany, a fear for which there was apparently very little substantial basis. But the revolutionists, who were Socialists, permeated with wierd theories, became so intoxicated with their new power that they would recognize no government authority whatever. While Alexander Kerensky remained in control, there was very close harmony with the western Allies, but his Government, because of the opposition of the extreme Socialists, did not prove enduring, and in November Kerensky was overthrown and the Bolsheviks and Maximalists under Nicolai Lenine and Leon Trotzky succeeded in establishing themselves in control. As a result of this counter-revolution, immediate peace negotiations with Germany were begun. Worst of all, civil war broke out all over Russia; much blood was shed and many excesses were committed. As a matter of fact, the country drifted into anarchy. In the peace negotiations, however, with Germany, it developed (after the close of the year) that Germany was not to have its own way after all, and that these Bolsheviks were not yet prepared to accept any terms that the Germans might deign to offer.

In June the Russians, then under the domination of Kerensky, were induced to begin an offensive against the Austro-German armies. The Russians at that time still occupied considerable sections of Galicia and Bukowina, thus holding much enemy territory. In now moving against the enemy they appeared to have abundance of munitions and arms and other supplies gathered during the Czar's regime in preparation for such a forward move. The complete disorganization of the army, however, became quickly apparent, and after a few initial successes (the Austrians and Germans being evidently taken by surprise, not having expected the new Russian Government to engage in active military operations), they were quickly thrown back. In July the Russian campaign came to an inglorious end, the German and Austrian armies having had little difficulty in driving them completely out of the occupied sections, thus freeing Austrian territory of the Russians. In the

autumn the Germans followed up their advantages by occupying Riga and taking possession of important islands in the Gulf of Riga. In October, also, the Germans in conjunction with the Austrians began an invasion of northern Italy. The Italians suffered an overwhelming defeat, the Teutonic forces taking 275,000 Italian prisoners. British and French troops were then rushed into northern Italy to assist the Italians, and the latter, having in the meantime recovered from their demoralization, the German-Austrian army was prevented from taking Venice, which seemed to have been the immediate object of the campaign.

Thus the larger military successes rested with the Central Powers. But in remoter areas the British achieved important military successes. They captured Bagdad in March and took Jerusalem in December. In Flanders and in France they gained important successes. In November the British achieved on the Western war front one of the most brilliant successes of the war. Without preliminary bombardment or artillery prelude an offensive against the famous Hindenburg defense line, which had been deemed impregnable, was begun, and the Germans being taken completely by surprise, the move yielded important results. In the region of Cambrai the wedge was driven in more than 6½ miles, numerous towns and villages falling into the hands of the British. Sir Julian Byng was in command of the British troops and seems to have been more venturesome than circumstances warranted, with the result that later he had to yield up again a part of the conquered area. A statement issued by the War Office at London after the close of 1917 demonstrates very clearly that the British military operations of the year were attended by no small measure of success. The London statement reports the captures on all fronts as numbering 114,544 prisoners and 781 guns. The British losses numbered 28,879 prisoners and 166 guns. In the Western theatre 73,131 prisoners and 531 guns were captured and 27,200 prisoners and 166 guns lost. In Palestine 17,646 prisoners and 108 guns were captured, in Mesopotamia 15,940 prisoners and 124 guns.

There was much talk of impending peace moves all through the year and in August the Pope of Rome undertook to initiate a movement of that kind. But while the Central Powers showed eagerness to embrace the Pope's peace propositions the tender met with rather a frigid reception on the part of the Entente Powers and the United States. President Wilson's answer was cabled on Aug. 27 and was an emphatic refusal to accept the proposition, the President saying:

To deal with such a power by way of peace upon the plan proposed by His Holiness the Pope would, so far as we can see, involve a recuperation of its strength and a renewal of its policy; would make it necessary to create a permanent hostile combination of nations against the German people, who are its instruments; and would result in abandoning the newborn Russia to the intrigue, the manifold subtle interference, and the certain counter-revolution which would be attempted by all the malign influences to which the German Government has of late accustomed the world.

We cannot take the word of the present rulers of Germany as a guarantee of anything that is to endure unless explicitly supported by such conclusive evidence of the will and purpose of the German people themselves as the other peoples of the world would be justified in accepting. Without such guarantees,

treaties of settlement, agreements for disarmament, covenants to set up arbitration in the place of force, territorial adjustments, reconstitutions of small nations, if made with the German Government, no man, no nation, could now depend on.

We must await some new evidence of the purposes of the great peoples of the Central Powers. God grant it may be given soon and in a way to restore the confidence of all peoples everywhere in the faith of nations and the possibility of a covenanted peace.

Trade and business continued active and good throughout the year, though the inability to obtain adequate supplies of fuel and sufficient labor, together with the freight congestion on the railroads, which grew increasingly serious towards the end of the year, operated to prevent production to full capacity in many industries—the production of iron, for instance, not quite equaling that for 1916. After the entrance of the United States into the war, prices manifested a runaway tendency, particularly in the case of iron and steel. It was then that the Government stepped in with its price-fixing policy and arbitrarily intervened to reduce prices. In the cases where this was done prices at the close of the year were considerably down from the extreme high figures, but were nevertheless away above the normal and higher than at the beginning of the year.

The country's foreign trade after the huge increases of the two previous years assumed still larger dimensions, notwithstanding the embargoes placed upon both exports and imports. The further expansion, however, in all probability was due more to the further rise in prices than to added growth in volume. The exports for the twelve months ending Nov. 30 1917 aggregated \$6,162,063,491, against \$5,318,713,683 in the same period of 1916, \$3,440,997,043 for 1915 and no more than \$2,101,187,120 in 1914. The imports were \$2,929,401,671 in the twelve months ending Nov. 30 1917, \$2,358,633,652 in 1916, \$1,721,420,735 in 1915 and \$1,858,645,027 in 1914.

The country's agricultural harvests were bounteous, except in the case of wheat, but it was here that an abundant yield was especially desired on account of the great need of wheat by the Entente Powers. The wheat crop of the United States proved only very little larger than the short yield of 1916, the comparison being 650,828,000 bushels with 636,318,000 bushels; the 1915 wheat crop was 1,025,801,000 bushels. The corn crop of 1917, however, turned out to be the largest on record, reaching 3,159,494,000 bushels, against 2,566,927,000 bushels in 1916, and the oats crop also exceeded all previous figures, reaching 1,587,286,000 bushels, against 1,251,837,000 bushels in 1916. Farmers were able to get extremely high prices for their products, raising them to a plane of great prosperity. Wage-earners, too, were able to command high figures for their services, Government construction work having greatly increased the demand for both skilled and unskilled labor, while the drafting of so many young men for the army further increased the demand for labor, while curtailing the supply. Thus, it happened that the two main classes of the population, the wage-earners and the farmers, were able to derive important advantages from the war, notwithstanding the high cost of living. The buying power of these two classes was correspondingly enhanced, giving sustained strength to trade and business.

[The remainder of this article will be given next week.]

Current Events and Discussions

PAYMENT OF INTEREST ON RUSSIAN GOVERNMENT CREDIT.

The National City Bank announced on Jan. 9 that it had been directed by the representatives of the Imperial Russian Government in Washington, to pay the semi-annual interest due Jan. 10 on the \$50,000,000 three-year 6½% credit dated June 18 1916. The amount paid was \$1,625,000.

The above credit, extended reference to which was made in these columns on June 17 1916, was arranged for in this country during June 1916 by a group of bankers consisting of J. P. Morgan & Co., the National City Bank, the Guaranty Trust Co., Lee, Higginson & Co., and Kidder, Peabody & Co.

PROTEST BY QUEBEC AGAINST CANADIAN RESTRICTIONS AGAINST SECURITY ISSUES.

Protest against the action taken by the Canadian Government in passing on Dec. 22 an Order-in-Council prohibiting the sale of security issues—provincial, municipal or private—unless approved by the Minister of Munitions, has been made by the Province of Quebec in an Order-in-Council passed by the Executive Council of the Province. The Quebec Order-in-Council informs the Government of Canada that it is the intention of the Quebec Government to consider the regulations as illegal, unconstitutional and in no wise binding upon the Province of Quebec. The Quebec Order-in-Council, which was passed at the instance of Sir Lomer Gouin, the Attorney-General, says in part:

That in the opinion of the Honorable, the Attorney-General, these regulations are beyond the powers of the Federal Parliament, which could neither adopt them directly nor delegate the powers to enact them to the Government of Canada.

That the effect of the said regulations is to restrict the rights, powers and prerogatives of Provincial Governments and, in particular, of the Government of this Province in so far as regards the matters which the constitution governing us confers exclusively upon them, and that nothing in the British North America Act, 1867, permits such an encroachment; that the Order-in-Council in question was passed without the Government of this Province having been informed thereof, and that the knowledge it acquired of it was so acquired through the press; that it is of importance to strongly protest against this manner of interpreting our constitution by the central Government and against this attempt to do away with a right exclusively belonging to the Province; for the above reasons, the Honorable the Attorney-General recommends:

1. That the Government of Canada be informed that it is the intention of the Government of this Province to consider these regulations as illegal, unconstitutional and in no wise binding upon this Province;
2. That a notice be published in the Quebec "Official Gazette" informing the public that, in the opinion of this Government, the said Order-in-Council dated the 22d December 1917, concerning the issue of bonds and debentures in Canada, is illegal and unconstitutional as far as this Province is concerned.

The Dominion's Order-in-Council restricting security issues was published in the "Chronicle" of Dec. 29, page 2494.

PROCLAMATION CALLING FOR RETURNS OF BRITISH PROPERTY IN HOSTILE OCCUPATION.

The text of a proclamation issued by the British Government requiring returns to be made of British property in territory in hostile occupation and claims by British subjects against persons, firms, companies and corporations residing or carrying on business in such territory was published as follows in the London Stock Exchange "Weekly Official Intelligence" of Dec. 15:

Whereas, by our proclamation dated the 7th day of September 1916, we strictly commanded and enjoined our subjects within the United Kingdom, the Channel Islands and the Isle of Man, or within any country or place outside our dominions and protectorates, who were entitled to property of any description whatsoever in enemy territory, or to any interest in such property, or had claims against enemy persons, to make returns of their said property or claims to the public trustee, Kingsway, London, W. C. 2:

And whereas, in the interests of our realm, it is of great importance that full information shall be obtained with regard to property belonging to our subjects which is situate in territory in hostile occupation, and also with regard to claims of our subjects against persons, firms, companies and corporations residing or carrying on business in such territory.

Now, therefore, we strictly command and enjoin our subjects within the United Kingdom, the Channel Islands and the Isle of Man, or within any country or place outside our dominions and protectorates, who are entitled to property of any description whatsoever which is situate in territory in hostile occupation, or to any interest in such property, or have claims against persons, firms, companies and corporations residing or carrying on business in such territory, forthwith to make returns of their said property or claims to the Public Trustee, Kingsway, London, W. C. 2, in such form and with such particulars as he may require, provided that it shall not be necessary to make such returns respecting property or claims whereof returns have, before the date of this proclamation, been already made to the Public Trustee.

The expression "territory in hostile occupation" means any territory forming part of our territory or of that of an allied or neutral State which is or may be in the effective military occupation of a State at war with us.

ENGLAND'S PROCLAMATION FORBIDDING IMPORTS OF SECURITIES OR EXPORTS OF CAPITAL.

Information relative to the edicts of the British Government prohibiting the importation of securities or the exporting of capital by any resident of the United Kingdom without permission from the Treasury (referred to in these columns Dec. 29) is contained in a cablegram received at Washington from the American Consul-General at London under date of Dec. 22, and printed as follows in Commerce Reports of Dec. 28:

A proclamation, dated Dec. 21, prohibits the importation of "all bonds, debentures, stock or share certificates, scrip, and other documents of title relating to any stocks, shares, or other securities with the exception of matured bonds redeemable in the United Kingdom, and coupons falling due for payment in the United Kingdom; provided always, and it is hereby declared, that this prohibition shall not apply to any such goods which are imported under a license given by or on behalf of the Treasury and subject to the provisions and conditions of such license. This proclamation may be cited as the Prohibition of Import Proclamation, No. 21, 1917."

A further proclamation, dated Nov. 27 and promulgated Dec. 21, amends Defense of the Realm regulations by providing as follows: "A person resident in the United Kingdom, shall not, without permission from the Treasury, directly or indirectly, either on his own behalf or on behalf of any other resident in the United Kingdom, send any remittance out of the United Kingdom for the purpose of (a) making or subscribing to any loan or subscribing to any issue of capital outside of the United Kingdom; or (b) purchasing any stock shares or other securities or any property other than merchandise if securities or properties are not in the United Kingdom; or (c) purchasing any foreign currency to be held with a view to appreciation in value or as an investment; or take part in or agree or offer to take part in any of the above-mentioned transactions if such transaction involves the sending of any remittance out of the United Kingdom. Any banker or person acting in any similar capacity shall, as a condition of sending out of the United Kingdom any remittance on behalf of any person resident in the United Kingdom, require the person resident in the United Kingdom to make a declaration in writing as to the purpose for which the remittance is proposed to be sent."

PROPOSED NEW LOAN OF CITY OF PARIS.

The following regarding a proposed new Paris loan, received from Commercial Attache C. W. A. Veditz, at Paris, France, under date of Nov. 24, appeared in Commerce Reports, published by the Bureau of Foreign and Domestic Commerce, on Dec. 28:

The Budget Committee of the Paris Municipal Council has presented to the Council a bill relating to the consolidation of the floating debt of the city of Paris, through the emission of a loan of 810,000,000 francs, which may be increased to 850,000,000, to be contracted in 1918, with lottery features. This loan, guaranteed by the general resources of the budget, will be applied to the amortization of the floating debt, of quinquennial bonds, and of municipal bonds for one year or for six months. The Budget Committee points out the necessity, on the other hand, for new revenues from industrial sources, or increases in the transportation rates of common carriers, and particularly for increased charges for gas and electricity.

MORE BRITISH TREASURY BILLS SOLD BY J. P. MORGAN & CO.

An additional offering of \$15,000,000 of ninety-day British Treasury bills was placed upon the market during the past week by J. P. Morgan & Co. The notes, which were sold on a discount basis of 6%, were, it is understood, fully taken up. The total of the bills outstanding continues at approximately \$100,000,000.

ARRANGEMENTS BETWEEN UNITED STATES AND ARGENTINA TO STABILIZE EXCHANGE.

An arrangement intended to stabilize exchange between the United States and Argentina has been concluded between Secretary of the Treasurer McAdoo and the Argentine Government. The Treasury Department on the 7th inst. made the following statement concerning the arrangement:

Secretary McAdoo has concluded through the State Department an arrangement with the Argentine Government to stabilize exchange between the two countries and to check the depreciation of the American dollar on the Argentine market, which has threatened to become a serious obstacle to trade between the two countries.

Under the arrangement the Argentine Government revives a law which was passed immediately after the outbreak of the European war, under which American business men owing money to Argentine merchants may deposit such amounts with the Argentine Ambassador, who in turn deposits these amounts in current account with the Federal Reserve Bank of New York. The Argentine Government agrees that the balance of this account will not be shipped in gold until after the ratification of the treaty of peace ending the present war, and the American Government agrees that no obstacles will at that time be interposed to the shipment of the said balance in gold.

Payments to the Argentine Ambassador are to be on the basis of the relative gold value of the two currencies plus a charge of 3% to cover transportation, insurance and other charges.

The arrangement with the Argentine Government permits such deposits up to \$40,000,000 with the Argentine Ambassador, but it is confidently expected that if this amount proves inadequate arrangements for increasing the limit can be made with the Argentine Government.

NEGOTIATIONS CONCLUDED FOR LOAN TO CHINA BY JAPAN.

The signing of the agreement by Japanese financiers, in the name of the international group of bankers, whereby a gold loan of 10,000,000 yen will be extended to China, was

announced in Peking dispatches of Jan. 8. It is stated that the terms of the loan are that it shall run one year with interest at 7% and a banking commission of 1%. The security given is the surplus of the salt revenue. The proceeds of the loan will be used to increase the value of the notes of the Bank of China. We referred last week to the Peking dispatch of Dec. 31 stating that Japan was negotiating an advance to China of £10,000,000 for improving the status of the Bank of China. The negotiations, the dispatch said, were being carried out with the knowledge of the American, British, French and Russian groups formed before the war to finance China.

CANCELLATION OF JAPANESE BONDS.

The New York agency of the Yokohama Specie Bank, Ltd., was advised this week by its London office that Imperial Japanese Government 4½% sterling loan bonds amounting to £338,000 of the first series and £162,000 of the second series had been purchased on account of the Imperial Japanese Government for cancellation, and that the bonds are now cancelled. The numbers of the bonds cancelled were printed in London, it is said, on the 8th inst.

REPORTS OF PENDING CREDIT TO ARGENTINA BY GREAT BRITAIN.

With regard to reported negotiations for a British credit of \$200,000,000 to Argentina the New York "Tribune" of the 8th inst. said:

Negotiations for the extension of a £40,000,000 (\$200,000,000) credit to Great Britain by the Government of Argentina have reached a stage where only the approval of the Argentine Congress and the British Treasury is needed to close the transaction.

Cable advices which New York bankers received yesterday from Buenos Ayres were to the effect that the prospects of the loan being successfully consummated were favorable. It is known that the financial authorities of Great Britain and Argentina have been negotiating for some time.

Information received here so far regarding the character of the loan is very meagre, and nothing is known as to the maturity of the credit arrangement and the rate of interest. It is believed in banking circles that Great Britain is obtaining the credit to draw against in paying for wheat and meat bought in large quantities in the South American republic.

Within the last fortnight arrangements were concluded between the Allies and Argentina for the release of 2,500,000 tons of wheat. Much of this wheat will be brought to the United States to be milled, and will then be transported to France and England in British vessels.

Establishment of a £40,000,000 credit in Argentina in the name of Great Britain will, it is asserted, help to stabilize exchange, which has been running strongly against all of the Allies and the United States, as a result of their heavy purchases in Argentina.

In another item we make mention of arrangements for the sale by Argentina of wheat to the Allies.

CONSOLIDATION OF GERMAN BANKS.

The following advices concerning the tendency of German banks to combine, received from Commercial Attache Erwin W. Thompson, at Copenhagen, Denmark, under date of Nov. 16, appears in "Commerce Reports" for Dec. 31:

In common with other German organizations, the banks, especially the large ones, are tending to combine. In the early part of this year the Deutsche Bank absorbed the Schlesische Bank Verein and the Norddeutsche-Gesellschaft, thus increasing its capital from 250 to 275 million marks; the Dresdner Bank recently absorbed the Rheinisch-Westfälische Disconto Gesellschaft, increasing its capital from 200 to 260 million marks, and latterly the Disconto-Gesellschaft has absorbed the Magdeburger Bank Verein and four other provincial banks, increasing its capital from 300 to 310 million marks.

German newspapers uniformly report great prosperity among the banks. They appear to think the bank business has been considerably simplified by consolidation of transactions which are mostly with the Government or Government committees. Notwithstanding larger actual profits the banks appear to keep their dividends about the same as before the war, the Deutsche Bank paying 12½%, the Disconto-Gesellschaft 10%, and the Dresdner Bank 8½%.

GERMANY'S REQUIREMENTS FOR REGISTRATION OF PROPERTY HELD BY AMERICANS IN EMPIRE.

Through Associated Press dispatches from Berlin on Nov. 21 via London, it is learned that announcement is made by the official "Reichs Anzeiger" that the ordinances dated Oct. 7 1915, governing compulsory notification to the authorities of foreign property in Germany, have been extended, together with the penalties in cases of non-compliance, to property owned by citizens of the United States as from Nov. 20. The press dispatches further state:

The term property includes shares in German enterprises within the Empire and legal claims upon persons domiciled within the Empire. Transfers of such property or claims is permissible only by the Chancellor's express sanction.

The ordinance has a retroactive force if it can be shown that the transfer was made earlier with the purpose of evading the new regulation. It does not apply to property owned by citizens of the United States residing in the Empire.

The immediate purpose of the compulsory registration is to prevent the illegal transfer or liquidation of American property held within the limits

of the German Empire for the purpose of removing the same from official control and conveying its proceeds abroad. Such transfer or liquidation is allowed only when specific permission is granted.

These restrictions do not apply to such disposition as Americans may desire to make of their property within Germany. They, however, are not permitted to sell their holdings to a resident member of a firm in this country without specific permission. American manufacturing plants are not molested and Americans resident in Germany may also continue freely to dispose of their private means within the confines of the country.

The official announcement states that the compulsory liquidation or the administration of the property of American firms is not contemplated, as it is presumed the provisions of the "Trading with the Enemy Act" do not purpose the sequestration or confiscation by the American Government of German property held in the United States.

Press dispatches from Copenhagen in the matter state:

The provisions of the German regulation requiring a report on all properties in Germany belonging to enemy citizens has now been extended to American citizens. The reports are of such nature that they can be used as a basis for financial reprisals.

REPORTS OF INTENTION TO REPUDIATE RUSSIAN DEBTS BY BOLSHEVIK GOVERNMENT.

Announcement that the Bolshevik Government intended to publish a decree within a few days cancelling the Russian national debt was reported in the London cables of Jan. 10 which credited the information to telegraphic advices from the Petrograd correspondent of the "Manchester Guardian." The cables said:

The correspondent understands the decree will contain these provisions:

First. All loans and Treasury bonds held by foreign subjects abroad or in Russia are repudiated.

Second. Loans and Treasury bonds held by Russian subjects possessing more than 10,000 rubles in capital are repudiated.

Third. Loans and Treasury bonds held by Russian subjects possessing capital in loan scrip or deposits not exceeding 1,000 rubles are to receive 5% interest on the nominal value of the loan, and those possessing 10,000 rubles are to receive 3%.

Fourth. Workmen and peasants holding 100 rubles worth of loans or bonds may sell their holding to the State at 75% of its nominal value. Those holding 600 rubles worth may sell it at 70% of its nominal value.

Concerning the suspension of dividends an Associated Press cable from London Jan. 10 said:

A Reuter dispatch says that the Bolshevik Government has issued a decree suspending all payments of dividends by private companies. The Government also has forbidden transactions in stocks pending the issuance of ordinances relating to the further nationalization of production and determining the amount of interest payable by private companies.

STOCK EXCHANGE GOVERNORS TAKE STEPS SIMPLIFY STOCK TRANSACTIONS.

The Governors of the New York Stock Exchange, in order to simplify Stock Exchange transactions for the purposes of taxation and to prevent confusion by the intervention of another party after the closing of the contract for the sale or purchase of stock, on Jan. 9 adopted the following resolution:

The reopening of contracts in securities by a member of the Exchange or by his firm for the purpose of allowing others to intervene in such transactions, is an act detrimental to the interest or welfare of the Exchange.

BANKERS AND BUSINESS MEN URGE INVESTMENT IN U. S. TREASURY CERTIFICATES OFFERING.

Investment in the Secretary of the Treasury's latest offering of 4% Treasury certificates of indebtedness as a means of avoiding a financial strain when tax payments are due next June, is being urged by many prominent bankers and business men. Martin Vogel, Assistant Treasurer of the United States at New York, and a member of the local Liberty Loan Committee, on Dec. 29 pointed out some of the advantages which purchasers of the certificates will obtain. He said:

The offering of United States certificates is, in my opinion, a happy solution for avoiding the financial strain which would otherwise be caused by the required payment within a short period of the huge sum of money for taxes that would be due and payable June 15 1918, estimated to be in excess of \$2,000,000,000. I call it happy because it is of benefit to the Government, as it may in this manner borrow money in advance of the tax day for needed war expenditures, and at the same time it avoids the strain on the financial world, and therefore on industries of all kinds, both large and small, and furthermore gives the taxpayer a safe and secure medium in which he can temporarily invest the funds which he is accumulating for payment of taxes, bearing interest meanwhile at 4% per annum. In addition to these benefits, any investment in these certificates made by a corporation or partnership out of capital, surplus or undivided profits can be counted in as invested capital in figuring the deduction and rate of taxation under the excess profits tax law (not earned during the taxable year). Thus the certificates of indebtedness carry substantial inducement to business men in addition to the 4% interest which they earn. These certificates are exempt from taxation to the same extent as bonds of the Second Liberty Loan.

Frederick D. Underwood, President of the Erie Railroad, on Dec. 28, in advocating the purchase of the certificates, had the following to say:

The new issue of certificates of indebtedness by the United States Treasury meets a pressing need at an opportune moment. There have been frequent warnings against financial steps, which might result in congestion of funds, and the Treasury's announcement of the proposed sale is a very important move to avert an undesirable financial situation next June.

Under the present arrangement, corporations and business concerns which have to make large tax payments within six months, may do so at any time by buying the certificates of indebtedness. No loss of income can result, as the certificates draw interest at the rate of 4%, consequently the taxpayer is enabled to regard his purchase of the certificates in advance of the date of tax payment as a satisfactory temporary investment.

NEW YORK BANKS AID IN SALE OF WAR SAVINGS CERTIFICATES.

Assistant Cashier Joseph D. Higgins of the Federal Reserve Bank of New York, is authority for the statement that all the national banks, State banks, savings banks and trust companies of New York City have on sale War Savings certificates and stamps, and also Thrift stamps.

FEDERAL FARM LOAN BOARD EXPLAINS INCREASE IN INTEREST RATE TO FARMERS TO 5½%.

The Federal Farm Loan Board has taken occasion to issue a statement in explanation of the recent increase made by it in the interest rate on farm mortgages from 5 to 5½%. The advance in the rate was referred to in our issue of Dec. 15. It is not possible, say the Board, to establish or maintain a rate in defiance of conditions existing in all the markets of the world. It is hoped, it adds, that it may soon be possible to lower the loaning rate to 5%, but whether or not this can be done depends upon conditions which are beyond the control of the banks or of the Farm Loan Board. As to the reasons prompting its action, the Board says, "the situation will be plain to every farmer who remembers first that the banks must borrow the money before they can loan it to the farmers; second, that money in the hands of investors has become so scarce that higher rates have to be paid than formerly. The banks cannot yet borrow at a rate quite as low as that paid by the Government. After the system has been established for a while and investors become familiar with our bonds we hope that the rates on farm loan bonds will sink to a point almost as low as that paid on Government bonds." The Board's statement, as given in the "Official Bulletin" of Jan. 5 follows:

The Federal land banks on Dec. 7 advanced the interest rate on farm mortgages from 5% to 5½%. All farmers understand that the banks are not loaning Government money, but are obliged to get money for the farmers by selling Federal Farm Loan bonds. The Government did advance to the banks, without interest, \$9,000,000 of the capital of the banks, which the farmers now have the use of at 5% interest. But this \$9,000,000 was loaned to the farmers long ago, and now the only way in which money can be provided for loans to the farmers is by selling bonds to investors.

The law gives to the banks the right to charge 6% interest, but the Federal Farm Loan Board, after looking the country over, decided that Federal Farm Loan bonds could be sold to investors at 4½%. By charging the farmers 5% the banks would have one-half of 1% to pay their expenses. Up to Nov. 1 these 4½% bonds were bought readily by investors at a small premium, and as a matter of fact about 5,000 investors did buy them and are now holding them. The amount of money raised by the sale of these bonds at 4½% interest is nearly \$30,000,000. The small premium which the banks were able to make on these bonds helped to some extent to pay the expenses of the banks.

Effect of the War.

About Nov. 1 the Federal Farm Loan Board and the banks were unable to sell the 4½% bonds any longer at any considerable premium. The war emergency has called for such enormous investments of money that interest rates have risen to borrowers everywhere.

Federal Farm Loan bonds are exempt from taxation of all sorts, but even tax-exempt bonds now have to be sold at a higher rate of interest than the market called for three or four months ago. The increase in this interest rate has been from one-half of 1% on the choicest State and municipal bonds to rates exceeding 7 and 8% for large industrial and transportation corporations. The farmers of the United States are now borrowing money at a lower rate of interest through the Federal Farm Loan System than any other class of borrowers in the country. This is the first time in our history that the farmers as a class have been able to do this, but it is no longer possible for them to obtain quite as low rates as have recently obtained.

Time Believed Opportune.

The Farm Loan Board and the land banks believe that it is infinitely better to advance the interest rate to the farmers now than to fail to meet the needs of the farmers by sticking to an interest rate so low that while it met the conditions of six months ago, it does not meet the conditions of to-day.

Through the Federal Farm Loan System the farmers, as borrowers, are in the market for large sums of money on a long-time bond, permanent investment basis, and they must become used to the rise and fall of money rates according to the fluctuations of the market. It has been, is now, and always will be the desire of the Farm Loan Board and the officers of the Federal land banks to get money to the farmers of the country at the lowest possible rate, and no effort will be spared to bring that condition about at all times. It is not possible, however, to establish or maintain a rate in defiance of conditions existing in all the markets of the world. It is hoped that it may soon be possible to lower the loaning rate to 5%, but whether or not this can be done depends upon conditions which are beyond the control of the banks or of the Farm Loan Board.

Enables Equitable Adjustment.

By establishing a difference of 1% between the rate paid on the bonds and the rate charged by the banks a situation is created which will enable the banks to adjust the price of their bonds to the prevailing money rates.

The situation will be plain to every farmer who remembers, first, that the banks must borrow the money before they can loan it to the farmers; second, that money in the hands of investors has become so scarce that higher rates have to be paid than formerly. The banks can not yet borrow money at a rate quite as low as that paid by the Government. After the system has been established for a while and investors become familiar with

our bonds we hope that the rates on Farm Loan bonds will sink to a point almost as low as that paid on Government bonds. This has been the experience in other countries. We may, however, congratulate ourselves on the fact that the Federal Farm Loan System has reduced interest rates to farmers very materially and will always stand between the farmer and the excessive charges which he has had to pay in the past as compared with rates given to other borrowers.

SIX FEDERAL RESERVE BANKS MAKE PAYMENT TO GOVERNMENT AFTER MEETING DIVIDENDS.

The accumulation of a surplus by six Federal Reserve banks was made known by the Federal Reserve Board on the 4th inst. As a result a franchise tax of \$1,134,234 has been paid into the Treasury of the United States as follows:

Boston.....	\$75,100 00	Atlanta.....	\$40,000 00
New York.....	649,363 57	Richmond.....	116,471 73
Chicago.....	215,799 18	Minneapolis.....	37,500 00

The banks have established on their books a surplus fund in amounts equal to the sums paid the Government.

As noted last week, when we referred to the payment made to the Government by the Chicago Federal Reserve Bank the return to the U. S. Treasury is in accordance with the provisions of the Federal Reserve Act, which stipulates that after the payment of cumulative dividends at the rate of 6% per annum, all net earnings of the Reserve banks shall be paid to the United States Government as a franchise tax, excepting that one-half of such net earnings shall be paid into a surplus fund until it shall amount to 40% of the paid-in capital of the bank. The money paid to the Government from earnings of the Federal Reserve banks may, in the discretion of the Secretary of the Treasury, be applied either to the reduction of the outstanding bonded indebtedness of the United States, or be used to supplement the gold reserve held against outstanding United States notes. All of the six banks named above have paid all necessary expenses and dividends to stockholders.

CHECKS ON NEW YORK BANKS NOT IMMEDIATELY AVAILABLE BY RICHMOND RESERVE BANK MEMBERS.

Members of the Federal Reserve Bank of Richmond were recently advised by the Bank that beginning Jan. 2 checks and drafts on New York City banks received for accounts of member banks would not become available as reserve until one day after receipt, and hence must not be included among cash items immediately available. The following is the circular issued by the Bank:

FEDERAL RESERVE BANK OF RICHMOND, FIFTH DISTRICT.
December 20 1917.

Revision of Time Schedule.

To the Members of the Federal Reserve Bank of Richmond:
This is to advise you that on and after Jan. 2 1918 checks and drafts on New York City banks received for the accounts of member banks will not become available as reserve until one day after receipt.
Please take notice that such checks mailed to reach us on and after Jan. 2 must not be included among your cash items for immediate availability.

From the beginning of operation of the new collection system, which was put into effect on July 15 1916, we have received from all member banks outside of the city of Richmond checks and drafts on New York City banks for immediate availability at par. This exception to the general rule of deferred availability applied to all items in process of collection was made for the purpose of enabling such member banks to use to the fullest advantage their balances with New York correspondents, which then counted as reserve, pending the transfer of all legal required reserves to the Federal Reserve Bank. This having been long since accomplished, checks and drafts on New York City banks will be received on and after Jan. 2 1918 as other out-of-town checks and drafts are received, and will be available as reserve only after the lapse of the time required to reach their destination when forwarded by this Bank.

With this exception, the time schedule heretofore in effect will remain in operation until further notice.

Respectfully,
GEORGE J. SEAY, Governor.

STAMP TAX ON DRAFTS.

Attention to the following statement of the Richmond Collector of Internal Revenue with reference to the stamp tax on drafts is called by the Federal Reserve Bank of Richmond under date of Dec. 26:

In regard to your inquiry arising under the Act of Oct. 3 1917 relative to the Stamp Tax on drafts, you are advised that a draft dated prior to Dec. 1 1917, and accepted on or after that date is subject to tax under Schedule A, Act of Oct. 3 1917, if acceptance is necessary to complete the issue of such draft. Drafts drawn payable on "arrival of shipment" are subject to tax.

Drafts drawn at sight, or on demand, with instructions on bill of lading or other instrument attached to the draft to hold until "arrival of shipment" are not taxable.

J. E. FISHBURN ELECTED AS CLASS A DIRECTOR OF SAN FRANCISCO FEDERAL RESERVE BANK.

J. E. Fishburn, President of the Merchants National Bank of Los Angeles, Cal., has been elected a Class A director of

the Federal Reserve Bank of San Francisco for a three-year term, beginning Jan. 1 1918. A. B. C. Dohrmann has been re-elected for three years as Class B director.

NET EARNINGS OF FEDERAL RESERVE BANK OF NEW YORK FOR HALF-YEAR.

Estimated net earnings of \$2,980,000 from July 1 1917 to Dec. 1 1917 are reported by the Federal Reserve Bank of New York. With its profit and loss account of \$340,000 and a profit of \$11,000 realized through the sale of rupees, the Bank had an aggregate of \$3,332,000 out of which to meet disbursements. After the various deductions totaling \$994,000 it had available for distribution \$2,338,000. The dividend declared on Dec. 27 at the rate of 6% for the two-year period from Jan. 1 1916 to Dec. 31 1917 absorbed \$1,460,000, leaving an excess over requirements of \$878,000. The six months' profits just reported compare with a profit and loss account for the year to Jan. 1 1917 of \$163,063 and a deficit on Jan. 1 1916 of \$111 22. The following is the statement made public by the Bank on Jan. 4:

<i>Estimated Net Earnings to December 31 1917.</i>	
Gross earnings from July 1 1917 to close Dec. 10 1917.....	\$3,000,000
Average daily gross earnings estimated—21 days at \$35,000....	735,000
Total gross earnings.....	\$3,735,000
<i>Deduct—</i>	
Current expense to close Dec. 10 1917.....	\$564,000
Estimated expense Dec. 11 to Dec. 31 1917.....	125,000
Net loss on transit operation for year.....	65,000
	754,000
Estimated net earnings to Dec. 31 1917.....	\$2,981,000
<i>Add—</i>	
Profit and loss account.....	\$340,000
Our share of profit on sale rupees, 40% of \$27,580....	11,000
	351,000
	\$3,332,000
<i>Deduct—</i>	
Reserve for cost of destruction Federal Reserve notes..	\$15,000
Reserve for depreciation of bonds—16% on 3% United States bonds.....	208,000
Reserve for liability to purchase U. S. 1-year notes....	7
Reserve for lease cancellation.....	5,000
Reserve for cost of unissued Federal Reserve notes....	666,000
Reserve for contingent losses.....	100,000
	994,000
Available for distribution.....	\$2,338,000
Dividend requirements to Jan. 1 1918.....	1,460,000
Excess over requirements.....	\$878,000

REAPPOINTMENTS IN FEDERAL RESERVE BANK OF CHICAGO—NEW DIRECTOR.

William A. Heath has been redesignated as Chairman of the board and Federal Reserve Agent for the year 1918, and James B. Forgan, Chairman of the board of the First National Bank of Chicago, has been reappointed a member of the Federal Advisory Council, an honor he has held since the bank's organization in 1914. The Federal Reserve Board has announced the appointment of James Simpson of Marshall Field & Co. of Chicago as a Class C director for a term of three years of the Chicago Federal Reserve Bank. Mr. Simpson succeeds W. F. McLallen, who remains as Secretary and Assistant Federal Reserve Agent.

R. P. SHERER VICE-DIRECTOR MINNESOTA WAR SAVINGS COMMITTEE.

R. P. Sherer, Vice-President of the Northwestern Trust Co. of St. Paul has resigned to accept the position of Vice-Director Minnesota War Savings Committee. He has volunteered his services to assist in the organization of the State for War Savings.

LEVI L. RUE RE-ELECTED MEMBER OF THE ADVISORY COUNCIL OF FEDERAL RESERVE BOARD.

Levi L. Rue, President of the Philadelphia (Pa.) National Bank, has been re-elected a member of the Federal Advisory Council of the Federal Reserve Board to represent the Federal Reserve Bank of Philadelphia.

NEW ASSISTANT CASHIER OF FEDERAL RESERVE BANK OF PHILADELPHIA.

W. J. Davis has been appointed an Assistant Cashier of the Federal Reserve Bank of Philadelphia, Pa. Mr. Davis, whose appointment has been made because of the rapid growth in the bank's business, has been connected with the Philadelphia Reserve Bank's Liberty Loan Department.

**OHIO BANK HEAD REQUESTS STATE BANKS TO
CONSIDER ENTRANCE TO RESERVE SYSTEM
AT ANNUAL MEETING.**

The Ohio State banking institutions are again urged by the State Superintendent of Banks, Philip C. Berg, to become members of the Federal Reserve system; in his latest communication (dated Jan. 2) to the banks under his supervision, in which he sought to impress upon them the desirability of entering the Federal Reserve system, Mr. Berg requested that the subject be brought up at their annual meetings. In his previous circular, issued under date of Oct. 19, Superintendent Berg called attention to President Wilson's desire that all banks eligible should affiliate themselves with the Federal Reserve system, and pointed out that under the provisions of the Ohio law, a bank or trust company becoming a member of the Reserve system "can comply with the provisions of the Federal Reserve Act, and the maintenance of the reserve required under the Federal Reserve Act by such member banks is accepted in lieu of the State requirements." Mr. Berg furthermore stated that "the Federal Reserve Board has ruled that the examinations made by the State Banking Department of Ohio will be accepted by the Federal Reserve Bank in lieu of examinations made by direction of the Federal authorities. His circular of Jan. 2 follows:

STATE OF OHIO,
Department of Banks and Banking,
Columbus, Jan. 2 1918.

To the Bank Addressed:

The question of membership in the Federal Reserve system is again directed to your attention; and it is requested that this subject be brought up for consideration at the annual meeting.

State banks entering the system have all the rights and privileges they now enjoy under the State laws in addition to the right and power to do everything required of or granted by Federal Reserve Act to member banks which are organized under State laws. Compliance with the reserve requirements of the Federal Reserve Act is accepted in lieu of the requirements of the State laws. Examinations made by the State Banking Department are accepted by the Federal Reserve authorities. State banks effecting memberships do not surrender their statutory rights.

The financial resources of the country must be mobilized and conserved in order that the monetary system may be adequate to meet all the requirements of the Government in conducting the war and be responsive to all conditions that may arise from time to time during the war and in the period of readjustment which will follow. This necessary condition can be best accomplished through membership of State banks in the Federal Reserve system, and the resultant pooling of the greater part of the gold holdings of the country in the Federal Reserve banks.

We strongly urge all eligible banks to become members of the Federal Reserve system. Such membership will strengthen the financial position of your institution and at the same time aid in perfecting the financial system of the country.

Respectfully,
PHILIP C. BERG, Superintendent of Banks.

RESOURCES OF NATIONAL BANKS NOV. 20 SURPASSED ALL PREVIOUS RECORDS.

In making known that the national banks under the call of Nov. 20 had surpassed all previous records with resources of eighteen and a half billion dollars, Comptroller of the Currency John Skelton Williams issued the following statement on Jan. 9:

The resources of the national banks of the United States have risen to new high levels and have again broken all previous records.

The reports of the 7,556 national banks as of Nov. 20 1917, the compilation of which has just been completed, show total resources of 18,553 million dollars.

This is an increase over the figures of Nov. 17 1916 of 3,033 million dollars, and an increase over Sept. 11 1917—the greatest which had been reported up to that time—of 2,009 million dollars.

These resources exceed by more than 500 million dollars the total resources of all State banks (doing a commercial business), all private banks and all trust companies in the United States as of June 20 1917—the latest date for which State bank returns have been compiled—including also the total resources at that time of the twelve Federal Reserve banks.

Total deposits on Nov. 20 1917 amounted to 14,798 million dollars. This was an increase over Nov. 17 1916 of 2,309 million dollars, and an increase as compared with Sept. 11 1917 of 1,564 million dollars.

Of the 1,564 millions increase in deposits since Sept. 11 1917, 641 millions was with the national banks of the Central Reserve cities; 446 millions with the national banks in other Reserve cities, and 477 millions with the country banks.

The only States whose banks showed no increase between the September and November calls were Maine, Illinois, Michigan, Iowa and Nebraska.

The State in which the banks outside the Reserve cities showed the largest increase was Texas, whose increase was 83 million dollars. The next largest increase was in Oklahoma of 45 million dollars. The country banks in New York State increased 40 million dollars. The next largest increases were in New Jersey and North Carolina of 22 millions each, followed by Arkansas with 19 millions; South Carolina and California with 18 millions each, and Massachusetts and Pennsylvania with 17 millions each. These figures indicate that the growth in deposits in our national banks is wide and general, and not confined to any particular section or locality.

Loans and discounts on Nov. 20 1917, amounted to 9,535 million dollars.

This was an increase of 1,189 million dollars as compared with Nov. 17, the previous year, and an increase as compared with Sept. 11 1917 of 480 million dollars.

The proportion of loans and discounts to total deposits on Nov. 20 1917, was only 64.43%, as against the proportion of loans and discounts to deposits on Nov. 17 1916 of 66.83%, and as compared with 68.42% on Sept. 11 1917.

Cash in vaults and due from Federal Reserve banks, including items in process of collection, on Nov. 20 1917 amounted to 1,759 million dollars, as compared with 1,507 million dollars on Nov. 17 1916 and as compared with 1,666 millions on Sept. 11 1917.

United States bonds and certificates of indebtedness, including Liberty Bonds held by national banks Nov. 20 1917, amounted to 2,345 million dollars, an increase as compared with Sept. 11 1917 of 1,195 million dollars. The increase was very largely represented by Government short term certificates of indebtedness—a large proportion of which have been paid off since Nov. 20 1917.

Bills payable and rediscounts Nov. 20 1917, amounted to 600 million dollars, an increase over Nov. 17 1916 of 526 million dollars, and an increase over Sept. 11 1917 of 314 million dollars. This increase is mainly explained by temporary loans made with Federal Reserve banks in connection with the Second Liberty Loan, which since Nov. 20 have been largely paid.

Bonds, securities, &c., other than Government bonds amounted Nov. 20 1917 to 1,906 million dollars, an increase since Nov. 17 1916 of 996 million dollars and an increase over Sept. 11 1917 of 43 million dollars.

Capital, surplus and undivided profits on Nov. 20 1917 amounted to 2,236 million dollars, an increase over Nov. 17 1916 of 93 million dollars.

**DETAILS RELATING TO DEPOSITS CARRIED BY
RAILROADS CALLED FOR UNDER NATIONAL
BANK CALL OF DEC. 31.**

Under the call issued this week by Comptroller of the Currency Williams for figures of condition from the National banks under date of Dec. 31, itemized reports on deposits carried by railroads, street or electric railways and steamboat companies are required. These items, included in the report form for the first time, are intended, it is said, to furnish valuable information to the Government Railroad Administration and to Treasury officials in determining the financial needs of the national in preparation for the next Liberty Loan. Another new feature of the reports will be figures on amount of Liberty bonds held by the banks, loans made on security of the bonds and interest rates on these loans. This, also, will assist officials in arranging for the next loan. In calling attention to the changes in the report Comptroller Williams has addressed the following circular to the banks. Schedule 31 above calls for the following details respecting Deposit Balances of Railroad and Street Railway Companies:

Comptroller of the Currency.

TREASURY DEPARTMENT.

Washington, Jan. 3 1918.

There are enclosed three blank reports of condition and two publishers certificates to be used at the time of the next call for a statement of the condition of your bank.

Your attention is called to the following changes in this report, and you are requested to use special care to see that the items mentioned are properly reported.

ON FACE OF REPORT.

Liabilities.

Item No. 45b. "United States Deposits, War Savings Certificate and Thrift Stamp Deposit Account." In this item should be entered the proceeds of sale of War Savings certificate stamps and Thrift stamps, held for account of the Federal Reserve Bank of the District in which the reporting bank is located.

SCHEDULES.

Nos. 10 and 12 are optional with the bank on this call.

No. 28. Special attention is directed to this schedule. Please enter under the various headings in the schedule all borrowings to which reference is made.

No. 30. This schedule is self-explanatory.

No. 31. "Deposit Balances of Railroad and Street Railway Companies." Please read this schedule carefully and furnish the information, as called for therein, accurately. Item C calls for balances of steamship and steamboat companies, although the heading speaks only of railroad and street railway companies.

Respectfully,

JNO. SKELTON WILLIAMS, Comptroller.

Schedule 31 above calls for the following details respecting deposit balances of Railroad and Street Railway Companies:

(a) Deposit balances carried with this bank by railroad companies (steam) on the date for which this report is made.

(b) Deposit balances carried with this bank by street or electric railway companies (including balances carried by public utility corporations which control or operate street railways) on the date for which this report is made.

(c) Deposit balances carried with this bank by steamship and steamboat companies, and transportation companies other than those covered "a" and "b" on the date for which this report is made (exclusive, however, of taxicab and local parcel delivery and drayage concerns).

Schedule 30 deals with Liberty Loan bonds and calls for the following information:

(a) Net amount of 3½% Liberty bonds owned by this bank on this date.

(b) Net amount of 4% Liberty bonds owned by this bank on this date.

(c) Amount of 3½% and 4% Liberty bonds held by this bank as collateral for loans.

(d) Amount of money loaned by this bank on the security of 3½% and 4% Liberty bonds.

(e) What is the highest rate of interest this bank is charging, either as discount or interest, on any loan secured by 3½% or 4% Liberty bonds.

(f) What approximately is the average rate of interest or discount this bank is charging on such loans?

Schedule 28 concerns obligations representing money borrowed by the bank and the points on which information is asked are:

1. Bills payable, to whom issued.
2. Amount.
3. Amount of certificates of deposit issued for money borrowed.
4. Amount borrowed by officer or directors of banks on their personal obligations secured by assets of this bank, or upon which loans this bank pays interest.
5. Amount of bills receivable rediscounted for bank's benefit without recourse on bank but with indorsement or other guarantee of officer or director of bank.
6. Amount of notes or securities pledged, or sold with agreement to repurchase.
7. Rate of interest.

Schedule No. 10 calls for the number of loans and discounts since the last statement and Schedule 12 deals with paper eligible for rediscount with Federal Reserve banks. A notice at the foot of the blank reads as follows with regard to reporting item No. 21 in the return (interest earned but not collected—approximate—on notes and bills receivable not past due) and item No. 26 (interest and discount collected or credited in advance of maturity and not earned—approximate):

As it has been the custom of many national banks to credit discounts as collected directly to profits, and to credit profits with accruing interest only after actual collection, it has been thought proper to give the banks a reasonable time to make the adjustments which will be required in order to report accurately. Items 21 and 26. Therefore, national banks may exercise their discretion on this call as to including these items in this report of condition. Banks will, however, be required to report these items correctly later on, when they shall have had a reasonable opportunity to adjust their books to show these items accurately, and shall receive more explicit directions to this end."

CHANGES IN NATIONAL BANK RETURN UNDER CALL OF NOVEMBER 20.

We referred in our issue of Dec. 1 to the permission given by Comptroller of the Currency John Skelton Williams to omit certain items in the making of returns by national banks under the call of Nov. 20. The items (numbered 21 and 26 in the blank form on which the banks report) were the same items which it is left optional with the banks to report under the call of Dec. 31, namely: "interest earned but not collected—approximate" and "interest and discount collected but not earned—approximate." With the issuance of the Nov. 20 call the Comptroller sent the following letter to the banks calling attention to the changes in the form of that report:

Comptroller of the Currency.

TREASURY DEPARTMENT
Washington

November 18 1917.

To the Cashier:

There are enclosed three blank reports of condition and two publisher's certificates to be used at the time of the next call for a statement of the condition of your bank.

Your attention is called to the following changes in this report, and you are requested to use special care to see that the items mentioned are properly reported.

ON FACE OF REPORT.
Resources.

Item No. 6. Liberty Loan bonds of the 3½% and 4% issues are combined, those pledged to secure United States and other deposits and those unpledged being shown in separate items. In filling in this item payments made on account of the bank's subscription to bonds of the Second Liberty Loan should be included.

Item No. 21. "Interest earned but not collected—approximate." In this item should be shown the approximate amount of interest accrued upon loans up to the date for which report is rendered, but not yet collected by the bank.

Liabilities.

Item No. 26. "Interest and discount collected but not earned—approximate." In this item should be shown the approximate amount of interest or discount which has been collected by the bank upon loans and credited to profit account, but which had not actually accrued upon such loans and investments at the time of the report.

Item No. 45. Under United States deposits the "War Loan Deposit Account" has been separated from other Government deposits, only the total of the two, however, being extended. The War Loan Deposit Account represents deposits made through the Federal Reserve banks, as fiscal agents of the United States, of the proceeds of bonds of the Second Liberty Loan and of Certificates of Indebtedness of the United States issued under the Act of Congress approved September 24 1917.

SCHEDULES.

No. 9. To this schedule has been added an item calling for the amount of money loaned on the security of warehouse and terminal receipts for wheat and other grains.

Nos. 10 and 12. The filling in of which has been optional on several previous reports are obligatory in the case of this report.

No. 22. Relating to foreign business, is self-explanatory.

No. 30. "Subscription to bonds of the Second Liberty Loan," is self-explanatory, as is, also,

No. 31. "Loans made on security of Liberty Loan Bonds." It should be noted that in this schedule a distinction is made between the amount of money loaned on the security of Liberty bonds and the face value of the bonds upon the security of which the loans are made.

Schedules Nos. 30 and 31 should be read with particular care and the information called for prepared accurately.

Respectfully,
JNO. SKELTON WILLIAMS, Comptroller.

The items 10 and 12 referred to in the above under "Schedules" related respectively to the "number of loans and discounts made since last statement," and "eligible paper-loans eligible for rediscount with Federal Reserve Bank—

approximate." Under No. 22, concerning "Foreign Business," information was called for on the questions (a) Does your bank maintain and operate a foreign department? and (b) "In what foreign countries, if any, have you direct banking connections upon whom you draw drafts or bills of exchange or who draw upon you"? Under items Nos. 30 and 31, dealing with "Subscriptions to Bonds of the Second Liberty Loan," and "Loans Made on Security of Liberty Loan Bonds," the banks were required to furnish information as follows:

(30) SUBSCRIPTIONS TO BONDS OF THE SECOND LIBERTY LOAN.

	Number of Subscribers.	Amount.
a Liberty 4% Bond subscriptions received by or through this bank (including this bank's own subscription), which subscriptions were all forwarded by this bank to the Federal Reserve bank of this district.....	\$-----	\$-----
b Amount allotted by the Treasury to subscribers referred to in above item "A".....	\$-----	\$-----
c Liberty 4% Bond subscriptions which were received by or through this bank, but which were not sent by this bank directly to the Federal Reserve bank, but were forwarded through some other bank or intermediary.....	\$-----	\$-----
d Amount allotted by the Treasury to subscribers referred to in above item "C".....	\$-----	\$-----
e Subscriptions for Liberty 4% Bonds which were received by or through this bank and which were not forwarded by this bank, but were kept for the purpose of reducing the subscription made by this bank in its own name, or for the purpose of reducing other subscriptions sent forward by this bank.....	\$-----	\$-----
f Subscription to Liberty 4% Bonds made by this bank for its own account after deducting from the amount of subscription made in this bank's name the amount of subscriptions received by this bank from its customers or the public, which were not forwarded, but were kept by this bank for the purpose of reducing its liability on the bank's own subscription.....	\$-----	\$-----
g Net amount of allotted Liberty 4% Bonds retained by this bank for its own account over and above all bonds which it may have disposed of or made agreements to dispose of on partial payment plan or otherwise.....	\$-----	\$-----
h Resources of this bank on date of this call, as shown on face of this report.....	\$-----	\$-----
i Percentage to total resources of all subscriptions received and forwarded by this bank for itself, its customers, and the public (Items "A" and "C").....	\$-----	\$-----

(31) LOANS MADE ON SECURITY OF LIBERTY LOAN BONDS.

a What amount of 3½% Liberty Bonds is this bank now lending money on?.....	\$-----
b What amount of money is this bank now lending on the security of 3½% Liberty Bonds?.....	\$-----
c What is the amount, approximately, of 4% Liberty Bonds upon which this bank has agreed to lend additional money?.....	\$-----
d What amount of money, approximately, has this bank agreed to lend on the security of 4% Liberty Bonds beyond January 1 1918?.....	\$-----
e What is the highest rate of interest this bank is charging, either as discount or interest, on any loan secured by 3½% or 4% Liberty Bonds?.....	%-----
f What is the average rate of interest or discount this bank is charging on such loans?.....	%-----

ROBERT R. FORGAN TO ASSIST WAR CREDITS BOARD.

Robert R. Forgan, Vice-President of the National City Bank of Chicago, Ill., is another of the many prominent bankers of the country who have entered the service of the Government. Mr. Forgan has been granted a leave of absence from the National City Bank, to go to Washington, where he will assist in the work of the War Credits Board.

ILLINOIS "BLUE SKY" LAW RULING.

Louis L. Emmerson, Secretary of State of Illinois, approved on Dec. 10 all securities listed or dealt in upon organized stock exchanges in Boston, New York and Chicago and the organized curbs in connection with these exchanges. This action was made necessary under the "blue sky" law enacted in 1917 by the Illinois Legislature, and which became effective on Jan. 1, intended to prevent fraudulent dealings in securities by requiring the seller of securities, whether he be dealer or issuer, to procure a license and furnish the information concerning the issuer which is usually required in such laws. This ruling of the Secretary of State has the

effect of exempting from the operation of the Act all persons dealing *exclusively* in securities listed or dealt in upon the exchanges mentioned above. The ruling follows:

By virtue of the power invested in me by Paragraph (d) of Section 3 of "An Act to prevent fraud in the sale and disposition of stocks, bonds, or other securities, sold or offered for sale within the State of Illinois, by any dealer, firm, company, association or corporation, foreign or domestic, by requiring an inspection of such stocks, bonds, or other securities and an inspection of the business of such persons, firms, companies, associations or corporations, including dealers and agents, and such regulation and supervision of the business of said persons, firms, companies, associations, or corporations, including dealers and agents, as may be necessary to prevent fraud in the sale within the State, of any stocks, bonds, or other securities, and providing penalties for the violation thereof," (filed June 29 1917), I have this day approved the Chicago Stock Exchange, the New York Stock Exchange, the Boston Stock Exchange, and the organized Curbs in connection with each of said exchanges.

Given under my hand this 10th day of December, A. D., 1917.

LOUIS L. EMMERSON,
Secretary of State.

In these columns on Dec. 8 last we published an article by Lester H. Washburn of Reed, McCook & Hoyt, attorneys, of New York, commenting upon Illinois's new law.

SMOOT BILL REVISING WAR REVENUE ACT.

A bill materially amending the existing War Revenue Act and intended to make clearer the income tax requirements was introduced in the Senate by Senator Reed Smoot (Republican and member of the Senate Committee on Finance) on Jan. 5. The confusion created by the taxing system carried in the Act of Sept. 8 1916, that of March 7 1917 and Oct. 3 1917 prompted the drafting of the proposed legislation by Senator Smoot; the new bill would repeal Title I of the Act of Sept. 8 1916, the income tax; Title III of the same Act, munition manufacturers' tax; Title II of the Act of March 3 1917, the excess profits tax; Title I of the Act of Oct. 3 1917, the war income tax; Title II of the same Act, the war excess profits tax; Title XII of the same Act, the income tax amendments, and sections 1101 to 1106, inclusive, of the same Act, the provisions creating a zone system and increasing postal rates on second class mail matter. The bill apparently imposes only one normal tax of 2% on individuals instead of the present two separate normal taxes of 2% each. It consolidates, however, the surtaxes imposed under the Acts of Sept. 8 1916 and Oct. 3 1917. Instead of the different normal taxes imposed under the existing Acts amounting to 6% upon the total net income of all corporations, the Smoot bill evies a straight tax of 8% upon the net income of all corporations except those whose net income is less than \$2,000. "This tax," says Senator Smoot, "is not imposed upon individuals or partnerships, thus equalizing the income tax required to be paid by an individual or an individual partner engaged in business as compared with the income tax imposed upon the stockholder of the corporation." The greatest change in the proposed legislation relates to the war excess profits tax provisions carried in the Act of Oct. 3 1917. Mr. Smoot would levy graduated taxes calculated on a five-year pre-war period instead of the three-year pre-war period provided for in existing law, and would have graded rates of taxes based upon the excess profits themselves instead of graded according to the rate of return upon the capital invested. Senator Smoot's statement explaining the provisions of his bill follows:

I have yet to discuss the Revenue Act of Oct. 3 1917, with a person who understands just what the Act means, and taken in connection with the Act of Sept. 8 1916 and the Act of March 3 1917, it is useless to think that a uniform tax return by individuals, partnerships or corporations can be made. I have yet to find any two persons, professionally or otherwise, who interpret the revenue Acts alike. A sin positive there are but few who will not freely admit that the Act of Oct. 3 1917 should be amended. Not only is it unworkable but the taxes imposed are unscientific and discriminatory.

My proposed amendment repeals Title I of the Act of Sept. 8 1916, the income tax; Title 3 of the same Act, munition manufacturers' tax; Title 2 of the Act of March 3 1917, the excess profits tax; Title 1 of the Act of Oct. 3 1917 the war income tax; Title 2 of the same Act, the war excess profits tax; Title 12 of the same Act, the income tax amendments; and Sections 1101 to 1106, inclusive, of the same Act, the provisions creating a zone system and increasing postal rates on second class mail matter.

The amendment provides a taxing system that any ordinary business man or individual can understand and will have no trouble in making out a tax return. Every individual, whether in business as such or as a member of a partnership, is treated alike. Every corporation is taxed upon the same basis, and the questions of capital invested, watered stock, and bonded indebtedness do not enter into the question of the amount of tax to be imposed. Subnormal business during the pre-war period are treated on the same basis as normal businesses of like and similar character.

If the amendment becomes a law there will be no need of an advisory board to prepare Treasury decisions, such as is the case to-day in the Treasury Department, nine of such decisions having already been rendered and approved by the Secretary of the Treasury. Treasury Decision 2602 shows the treatment under Section 201 of the Act of Oct. 3 1917 of the deductions authorized by Sections 203, 204, 205 or 210. Such a decision is nothing more or less than legislating by interpretation by an advisory board

appointed by the Secretary of the Treasury and instructing the Commissioner of Internal Revenue to enforce the interpretation given by the board as against the law passed by Congress. In this I am not finding fault with the wisdom of the advisory board's conclusions, but I call attention to this new form of legislation, which I consider a very unwise procedure. What the courts will have to say regarding this administrative legislation I have no doubt, but I do know that there will follow endless litigation for the Government and the people.

The amendment makes no change in the normal rate of 2% upon all net incomes of individuals, but it consolidates the surtax rates imposed by the Acts of Sept. 8 1916 and Oct. 3 1917. It does away with the two different amounts of exemptions on individual net incomes, as provided under existing laws, and allows the sum of \$1,000 exemption plus \$1,000 additional if the person making the return be the head of a family or a married man with a wife living with him, or plus the sum of \$1,000 additional if the person making the return be a married woman with a husband living with her, and also provides that if the person making the return is the head of a family there shall be an additional exemption of \$200 for each child dependent upon such person if under 18 years of age or if incapable of self-support because mentally or physically defective, but this provision shall operate only in the case of one parent in the same family. It also adds a provision allowing a deduction for amounts paid to individual partners as reasonable salaries or compensation for personal services actually rendered during the taxable year, but in no case shall such salaries or compensation be in excess of the salaries or compensation customarily paid for similar services under like responsibilities by corporations engaged in like or similar trades or businesses. It does not provide a higher rate of taxation upon unearned incomes than upon earned incomes, as I do not think it wise to inject this question in to the legislation at this time, as the amendment ought to be passed at as early a date as possible and could be passed before the end of this month if the administration would approve it. I believe in the principle of taxing unearned incomes at a higher rate than earned incomes.

Instead of the different normal taxes imposed under existing revenue Acts amounting to 6% upon the total net income of all corporations, the amendment levies a straight tax of 8% upon the net income of all corporations except those whose net income is less than \$2,000. This 8% tax is not imposed upon individuals or partnerships, thus equalizing the income tax required to be paid by an individual or an individual partner engaged in business as compared with the income tax imposed upon the stockholders of a corporation. This 8% rate on corporations will raise \$130,000,000 over and above the amount that the 6% rate under existing laws will yield; or, in other words, the amendment will provide a revenue to the Government of \$715,000,000 on corporation incomes in place of \$535,000,000 under existing laws.

The greater changes provided for in the amendment to the existing laws will be found in Title 2, designated in the Act of Oct. 3 1917, as "war excess profits tax" and in my amendment as "war profits tax." Under this title the amendment only taxes the war profits and at graduated rates that I will hereafter name. Under this title the pre-war period means the three years of the calendar years 1909, 1910, 1911, 1912 and 1913 remaining after the exclusion of the two calendar years in which the net income of the trade or business was, respectively, the greatest and the least. These five years taken as the pre-war period will result in a much fairer normal income of all classes of business than the three years—1911, 1912 and 1913—provided in existing laws. Taking the five years as provided in the amendment will eliminate practically all, if not all, claims of discrimination against subnormal businesses, and it certainly will prevent a just claim of discrimination being made that the income from any one class of business during the five years was subnormal as proved to be the case in a few classes of business taking the normal earnings of the three years periods provided in the Act of Oct. 3 1917.

Again, if a corporation or partnership was not in existence or an individual was not engaged in trade or business during the whole of each of such five calendar years, but was in existence or engaged in trade or business during the whole of four of such calendar years, the term means the two of such four years remaining after a like exclusion; and if a corporation or partnership was not in existence or an individual was not engaged in trade or business during the whole of each of four of such calendar years, the term means as many of such calendar years during the whole of which the corporation or partnership was in existence or the individual was engaged in trade or business.

The war profits tax as provided in the amendment does not apply to corporations which are exempt from income taxes. These are—

- First. Labor, agricultural, or horticultural organizations;
- Second. Mutual savings bank not having a capital stock represented by shares;
- Third. Fraternal beneficiary society, order, or association, operating under the lodge system or for the exclusive benefit of the members of a fraternity itself operating under the lodge system, and providing for the payment of life, sick, accident, or other benefits to the members of such society, order, or association or their dependents;
- Fourth. Domestic building and loan association and co-operative banks without capital stock organized and operated for mutual purposes and without profit;
- Fifth. Cemetery company owned and operated exclusively for the benefit of its members;
- Sixth. Corporation or association organized and operated exclusively for religious, charitable, scientific, or educational purposes, no part of the net income of which inures to the benefit of any private stockholder or individual;
- Seventh. Business league, chamber of commerce, or board of trade, not organized for profit and no part of the net income of which inures to the benefit of any private stockholder or individual;
- Eighth. Civic league or organization not organized for profit but operated exclusively for the promotion of social welfare;
- Ninth. Club organized and operated exclusively for pleasure, recreation, and other non-profitable purposes, no part of the net income of which inures to the benefit of any private stockholder or member;
- Tenth. Farmers' or other mutual hall, cyclone, or fire insurance company, mutual ditch or irrigation company, mutual or co-operative telephone company, or like organization of a purely local character, the income of which consists solely of assessments, dues and fees collected from members for the sole purpose of meeting its expenses;
- Eleventh. Farmers', fruit growers', or like association, organized and operated as a sales agent for the purpose of marketing the products of its members and turning back to them the proceeds of sales less the necessary selling expenses, on the basis of the quantity of produce furnished by them;
- Twelfth. Corporation or association organized for the exclusive purpose of holding title to property, collecting income therefrom, and turning over the entire amount thereof, less expenses, to an organization which itself is exempt from the tax imposed by this title; or
- Thirteenth. Federal land banks and national farm loan associations as provided in Section 26 of the Act approved July 17 1916, entitled "An Act

to provide capital for agricultural development, to create standard forms of investment based upon farm mortgage, to equalize rates of interest upon farm loans, to furnish a market for United States bonds, to create Government depositaries and financial agents for the United States, and for other purposes."

Fourteenth. Joint stock land banks as to income derived from bonds or debentures of other joint-stock banks land or any Federal land bank belonging to such joint-stock land bank.

(b) There shall not be taxed under this title any income derived from any public utility or from the exercise of any essential governmental function accruing to any State, Territory or the District of Columbia, or any political subdivision of a State or Territory, nor any income accruing to the government of the Philippine Islands or Porto Rico, or of any political subdivision of the Philippine Islands or Porto Rico: *Provided*, That whenever any State, Territory or the District of Columbia, or any political subdivision of a State or Territory, has, prior to the passage of this title, entered in good faith into a contract with any person or corporation, the object and purpose of which is to acquire, construct, operate, or maintain a public utility, no tax shall be levied under the provisions of this title upon the income derived from the operation of such public utility, so far as the payment thereof will impose a loss or burden upon such State, Territory or the District of Columbia, or a political subdivision of a State or Territory; but this provision is not intended to confer upon such person or corporation any financial gain or exemption or to relieve such person or corporation from the payment of a tax as provided for in this title upon the part or portion of the said income to which such person or corporation shall be entitled under such contract.

Fifteenth. Corporations, partnerships, or individuals the net income of whose trade or business for the taxable year is less than \$2,000.

Nor does it apply to—

- (1) An office or employment.
- (2) Agriculture.
- (3) A trade or business substantially all the net income of which is derived from personal services and in which capital is not a material income-producing factor.
- (4) The business of life, health and accident insurance combined in one policy issued on the weekly premium payment plan.

Section 202 of the amendment provides an additional tax to the taxation under existing law and under this Act to be paid for each taxable year upon the income of every corporation, partnership or individual engaged in trade or business equal to the following percentages of the war profits of such trade or business:

- 10% of the amount of such war profits not in excess of 10% of the pre-war profits of such trade or business (determined as hereinafter provided);
- 12½% of the amount by which such war profits exceed 10% of such pre-war profits and do not exceed 20% thereof;
- 15% of the amount by which such war profits exceed 20% of such pre-war profits and do not exceed 30% thereof;
- 20% of the amount by which such war profits exceed 30% of such pre-war profits and do not exceed 40% thereof;
- 25% of the amount by which such war profits exceed 40% of such pre-war profits and do not exceed 50% thereof;
- 30% of the amount by which such war profits exceed 50% of such pre-war profits and do not exceed 60% thereof;
- 40% of the amount by which such war profits exceed 60% of such pre-war profits and do not exceed 70% thereof;
- 50% of the amount by which such war profits exceed 70% of such pre-war profits and do not exceed 80% thereof;
- 60% of the amount by which such war profits exceed 80% of such pre-war profits and do not exceed 90% thereof;
- 70% of the amount by which such war profits exceed 90% of such pre-war profits and do not exceed 100% thereof; and
- 80% of the amount by which such war profits exceed 100% of such pre-war profits.

War profits are ascertained by deducting the pre-war profits from the net income of the trade or business for the taxable year and pre-war profits are the average annual amount of the net income of the trade or business during the pre-war period, plus 8% of the amount of new capital and minus 8% of the amount of capital withdrawn.

The estimated revenue to be derived from this tax will amount to \$1,351,050,000, based upon a war profit of \$3,300,000,000 for the year 1917. The amount raised under each bracket is estimated as follows:

First bracket, 10%	\$59,500,000
Second bracket, 12½%	56,250,000
Third bracket, 15%	33,000,000
Fourth bracket, 20%	42,000,000
Fifth bracket, 25%	47,500,000
Sixth bracket, 30%	45,000,000
Seventh bracket, 40%	55,200,000
Eighth bracket, 50%	62,500,000
Ninth bracket, 60%	60,000,000
Tenth bracket, 70%	52,500,000
Eleventh bracket, 80%	837,600,000

Total.....\$1,351,050,000

This is an increase of revenue over the excess profits tax as provided in the Act of Oct. 3 1917 of \$125,050,000.

New capital is designated as the amount of cash actually paid into the trade or business since Dec. 31 1913, if employed in the trade or business during the taxable year; the amount of the surplus and undivided profits accumulated since Dec. 31 1913, if employed in the trade or business during the taxable year; and tangible property paid into the trade or business since Dec. 31 1913, valued as of the time of such payment, if employed in the trade or business during the taxable year.

With regard to the chances for the enactment of the Smoot bill the New York "Evening Post" of Jan. 7 said:

A leading banker, who has taken an active interest in tax legislation does not think that the Smoot bill has any chance of enactment in the present session. The session is short. Senator Smoot is a Republican. Even if Congress intended or could be persuaded eventually to alter its tax bill, the banker does not think that the Democrats would allow a Republican to get the credit for it. The banker approves the principle of the bill. Its corporation tax is a tax on actual excess profits arising out of the war, not a tax on earnings on "invested capital," a mere additional income tax. The base of normal profits is five years, much broader than the three-year base in the old Senate bill. The Smoot bill is understandable, and would not require thousands of lawyers to interpret. The tax rate extends from 10 to 80%, but the banker does not think it too high. Yet he thinks that the Democrats botched the present tax law; know they have botched it; do not want to admit it; are sick of tax legislation; consider it out of the way and if they made any changes, they would be merely changes of detail.

GOVERNMENT'S DEPARTMENTS COUNSELED TO ELIMINATE RED TAPE.

Copies of a letter containing an injunction to "eliminate red tape," addressed by Secretary of Commerce Redfield to his Bureau chiefs, have, according to the daily papers, been sent to all executive departments by President Wilson in furtherance of effecting war time efficiency. The letter said:

"Forget how things were done before the war eliminate red tape. We must learn with the Germans that 'the war won't wait.' Delay is the Kaiser's ally."

Secretary Redfield is said to have instructed all his bureaus to install machines for stamping on papers the day and hour of receipt so that delay in action may be traced to personal responsibility. He is refusing to sign documents not so stamped.

LABOR CALLED UPON BY SAMUEL GOMPERS TO CELEBRATE LINCOLN WEEK AS "LABOR LOYALTY WEEK."

A call to labor to celebrate the week beginning Feb. 10 (the week during which the anniversary of Abraham Lincoln occurs) as "Labor Loyalty Week" was issued by Samuel Gompers as President of the American Alliance for Labor and Democracy on Jan. 4. Mr. Gompers requests that the week be devoted to mass meetings and demonstrations for the purpose of demonstrating labor's intense loyalty to America and increasing and intensifying that loyalty. Mr. Gompers's call was made in the following:

January 4 1918.

To the Members and Local Branches of the American Alliance for Labor and Democracy and to the American Trade Union Movement:

It is fitting that upon every proper occasion the loyalty of Americans to our country and our Government should be made manifest, not as a matter of empty show, but as a recurring demonstration of the solidarity of the people of our nation in this great war.

The anniversary of the birth of Abraham Lincoln, the Great Emancipator, will be made the occasion of nationwide demonstrations of patriotic unity and earnestness. This is fitting.

Because the American Alliance for Labor and Democracy was brought into being to completely unite the workers of our country in our country's cause and whose patriotic work was indorsed by the American Federation of Labor, it is proper that all join heartily in partaking of the national spirit and enthusiasm of that day.

That we may the more thoroughly and effectively demonstrate our solidarity and our unity in behalf of our Republic, the executive council of the American Alliance for Labor and Democracy has directed that the week of Lincoln's birthday be observed as a Loyalty Week and it is in pursuance of this wise decision that I hereby call upon the working people of America to participate in the observance of the week beginning Sunday, Feb. 10, as Labor Loyalty Week, for the purpose of demonstrating labor's intense loyalty to America, for the purpose of increasing and intensifying that loyalty.

It is requested that all local branches of the American Alliance for Labor and Democracy in co-operation with all local bodies of organized labor, arrange and hold mass meetings and demonstrations on Lincoln's Birthday, Tuesday, Feb. 12 1918, and that they distribute patriotic literature and make use of every opportunity to spread the inspiring message of America's aims and ideals among their fellow workers and other fellow citizens.

Organized workers in communities where there is no local branch of the American Alliance for Labor and Democracy should take upon themselves the duty of arranging mass meetings and demonstrations for Loyalty Week, and particularly on Lincoln's Birthday, to the end that the workers in such communities may not be deprived of the inspiration of such demonstrations, and to the further end that branches of the Alliance may be organized for the permanent work of combatting the insidious forces of pro-German and anti-American propaganda.

Let us on the anniversary of the birth of this great and noble American—the Great Liberator, Lincoln—rally the forces of freedom that they may do their full part for the triumphant world struggle of to-day, so that justice, freedom and democracy shall survive and become worldwide as guiding rules of all peoples and all nations as well as in international relations. And thus making for a permanent peace and for universal brotherhood.

JUDGE GARY ON AMERICA'S PART IN WAR AND LABOR SHORTAGE PROBLEM.

"Business Problems Before and After the War" were discussed by Elbert H. Gary, Chairman of the Board of the United States Steel Corporation, before the Commercial Club of Chicago on Jan. 5. With reference to the present conditions confronting us Judge Gary stated that "our country as a whole, including the several branches of Government, does not yet appear to appreciate that in order to win in this war it is necessary to appropriate every ounce of energy, every dollar of wealth, and every atom of skill within reach, to be drawn against when needed; and to offer every sacrifice, even of personal opinion or pride or desire for advancement of the interests of individuals or political parties." The weakest spot in our situation, said Mr. Gary, is lack of sufficient production of the things that are vital to the life and strength of the armies, which might be obtained except for the scarcity of labor. To the extent that workmen are lacking in number, he continued, to a corresponding degree are wealth and raw materials without value. He also said:

Now it is manifest that in order to render the assistance that is asked of us and which seems to be imperative, we must have more and more men, for soldiers and workmen, skilled and unskilled. We cannot produce the quantities or amounts demanded unless the number of men is materially increased, nor unless all who are willing to work are permitted to do so to the extent of their reasonable capability and desire. There is a shortage of labor in this country at the present time on the farms, the railroads, the ships, in the shops, the factories, the mines, the offices. Production even up to the present capacity cannot be secured unless more workmen are employed. And for the building of increased productive capacity and for the operation of the same, additional men must be procured.

To the extent needed for the purposes named, the United States should immediately, under proper conditions and reasonable restrictions, draw from the islands of the sea and from oriental countries, enough men including soldiers and sailors to meet every emergency. There would be no difficulty in obtaining within a short period large numbers of strong, healthy, intelligent, loyal men for civil or even military duty, and the number could be increased from time to time as required. All who are acquainted with the facts know that we need more men and that we can get them if we are so disposed. If legislation is requisite, Congress should act without delay.

There may be, there already have been, objections to the admission of certain nationalities, even temporarily and under carefully considered restrictions. These have been persistent, especially by foreigners who heretofore have settled in this country.

But the thing to do first is to win the war; to stop the spilling of blood, the destruction of the lives and health of our noble and loyal men and the unjustified depletion of our resources. We can discuss and properly decide other questions later. If we now delay we may not have the opportunity to consider the other matters.

And still, if objections are raised and discussed, they can be fairly met and with good reasons, in addition to the one of war's necessity, which is undebatable. At any rate they are not fundamental nor of much consequence by comparison.

Declaring that "Germany is more virile, more efficient, more determined and aggressive than she was at the beginning of the war," he also said: "A war policy which recognizes no God, except by pretense, no law, no justice, no mercy—nothing but the right which brute force commands—has a decided advantage, physically, over those whose principles are humane, honorable, Christian." "Against our desire," he said, "we were finally forced to become a party to the war, and now we shall be compelled to carry a very large part of the war burden." That this country has enough money or its equivalent, to cover all requirements," he set out, "there is no question. The approximate figures have often been published. We have one-half of the gold and two-fifths of the wealth of all the nations. Our productive capacity is far in the lead of all others. Our credit is unlimited and always will be if we triumph in this war and if we make the most of our opportunities. Plenty of money can be secured by taxation and by the sale of Government securities at reasonable rates, if good and discriminating judgment is used after consulting competent bankers and other business men." The following is also taken from Judge Gary's remarks:

Conservation and proper application of our resources, with discrimination and wisdom, are of immediate concern. For instance, it would be a grave error to deprive our citizens of enough fuel to keep them alive, or our manufactories from raw or semi-finished materials indispensable for the full production of the things required for war purposes, while, at the same time, permitting public places such as theatres and other buildings devoted to amusement and even churches and schools, to remain open by the use of these things which produce heat and light. There are hundreds of cases where this argument would be pertinent.

If we conclude that the means of victory within a comparatively short time are within reach, then there is no ground for pessimism as to the long future. If we prepare, even over-prepare, for a long and desperate war, we shall only have done what ordinary prudence requires. It is to be sincerely hoped that the war will end suddenly, as it may for reasons we do not see, and that hundreds of millions will eventually prove to have been unnecessarily expended; that in acting on the safe side we have gone further than we would if the future had been known.

We believe the war will end victoriously for the Allied forces within two or three years; we hope in a much shorter time. It could not terminate in favor of the other side within a decade, for, with all the means at our command we would fight for that period or longer before we would submit to the despotic rule of an autocratic tyrant.

I believe all things requisite will be demanded by the people of the United States for its and their protection and advancement, during and after the war, and that the demand will be crystallized into a Governmental policy; that it is generally realized we have reached a crisis in our history; that disaster threatens; that it may be averted if we do not hesitate or quibble over non-essentials; that America for Americans will also be our national watchword; that laws will be passed, or repealed, whenever necessary to aid in securing peace and to give every interest, big or little, and every individual, full opportunity to live, to progress and to prosper.

Therefore I am an optimist, even in these times. There is, as always, a silver lining to the clouds which now obscure our vision. We need not despair. We have reason to be hopeful. There is sunlight beyond. Right will prevail over might; and reason will overcome madness. We shall be victors in the mortal combat that rages, and afterwards our country will make longer and faster strides in the struggle to maintain a deserved and satisfactory position in the ranks of nations. The business men of the United States, in the management of their affairs, have reached a high level of efficiency and moral excellence. They are at present of incalculable assistance to the Government and they may be depended upon to do their part in restoring the world's equilibrium after peace shall be proclaimed. We are proud of our country. Let us continue to give our country reason to be proud of us.

CHICAGO BOARD OF TRADE DECIDES TO RETAIN MAXIMUM OF \$1 28 ON CORN FUTURES.

The directors of the Chicago Board of Trade, at a meeting on Jan. 5, unanimously decided to make no change in trading

conditions in corn for future delivery; therefore, trading in futures is to be under the same restrictions as of late. The present legal maximum price of corn for future delivery is \$1 28 a bushel. Farmers are said to have protested that present conditions discriminate against them in favor of consumers and exporters. The action of the Board of Trade directors in deciding not to disturb the maximum price on corn futures at the present time is said to have been taken at the suggestion of the United States Food Administration.

ARRANGEMENTS FOR SALE OF WHEAT TO ALLIES BY ARGENTINA.

A Buenos Aires dispatch of Dec. 31 stated that announcement had been made by the Argentine Government that arrangements had been nearly completed for selling 2,500,000 tons of wheat to the Allies. The dispatch said:

Dissatisfaction is being expressed in the Uruguayan newspapers on the ground that Uruguay, having broken relations with Germany, should receive preference over Argentina in the selling of crops, because no action against Germany has been taken by Argentina. These newspapers say no attempt has been made to solve Uruguay's shipping problems, although Argentina's are being settled.

Concerning the Argentine wheat shipments to the Allies a Washington dispatch printed in the New York "Tribune" of the 5th inst. said:

Much of the 2,500,000 tons of wheat to be released by Argentina to the Allies will be transported by way of the United States for milling here. It will be brought up in neutral ships and after milling will be taken across in British vessels. This will keep the neutral ships out of the danger zone, will keep American mills busy and will give to the United States the bran for cattle feed.

Officials here have been expecting an announcement of completion of arrangements between Argentina and the Allies for sale of the grain. Details of the negotiations have not been made public, but it is considered likely that England in exchange for the grain will permit the shipment to Argentina of large quantities of coal. No secret is made of the fact that one reason the Allies have been particularly anxious to get this grain, aside from their urgent need of it, is that they feared it might go to the northern European neutral countries and thence find its way to Germany.

SECRETARY OF AGRICULTURE HOUSTON ASKS FOR \$6,000,000 TO BUY AND SELL SEED.

An appropriation of \$6,000,000 to enable the Department of Agriculture to buy and sell seeds to farmers for cash at a reasonable price has been asked for by Secretary of Agriculture D. F. Houston. In a letter to the Secretary of the Treasury pointing out the necessity for the appropriation Secretary Houston says in part:

It is suggested that the following language will accomplish the purposes which the Department has in mind:

"To enable the Secretary of Agriculture to meet the emergency caused by the need for food and feed crops by purchasing, or contracting with persons to grow, seeds suitable for the production of food or feed crops, and to store, transport, and furnish such seeds to farmers for cash at a reasonable price, \$6,000,000; and this fund may be used as a revolving fund until the Secretary of Agriculture determines that no such emergency exists; and the Secretary of Agriculture is authorized to pay all such expenses, including rent, and to employ such persons and means, in the District of Columbia and elsewhere, and to co-operate with such State authorities, local organizations, or individuals as he may deem necessary to accomplish such purpose."

The seed situation has presented, and continues to present, many difficulties. Under the provision of the food-production act, which made available \$2,500,000 for the purchase and sale of seed to farmers in restricted areas for cash, at cost, it has been possible for the Department to furnish some relief.

It is clear, however, that the funds now at the command of the Department are wholly insufficient to enable it to meet the situation properly. If production is to be maintained or increased next year, it is essential that prompt and adequate action be taken to safeguard the seed supplies of the nation. There is urgent and immediate need for at least \$6,000,000 and it is probable that an additional sum will be required in the near future.

It is the purpose of the Department, if the sum suggested is made available, to take immediate steps to secure, test, and store at least a portion of the supply of these seeds that will be needed for next season. In this connection, it should be borne in mind that, under the language of the item, the seed will be sold to farmers only for cash at a reasonable price, and it is provided that the fund may be used as a revolving fund until the Secretary of Agriculture determines that the emergency contemplated by the appropriation no longer exists. In the circumstances, it is believed that it will be possible to return to the Treasury the entire amount appropriated, or at least the greater portion of it.

NITRATE SODA PURCHASED IN CHILE BY U. S. FOR FARMERS.

With regard to the completion of arrangements for the purchase by the War Industries Board of 100,000 tons of nitrate soda in Chile, which is to be sold to farmers at cost for fertilizer use, under the provisions of the Food Control Act Secretary of Agriculture D. F. Houston has made the following announcement:

I have been giving a great deal of thought and attention to the nitrate question. I have been in daily touch with the War Industries Board, which was to purchase and deliver the material at the seaboard, and also with the Shipping Board.

Arrangements were completed several weeks ago, through the War Industries Board under the immediate supervision of Mr. Baruch, to purchase approximately 100,000 tons of nitrate of soda in Chile in accordance with the authorization for such purpose in the food control act. Because of disturbed shipping conditions it has been impossible until recently definitely to secure facilities for transporting the nitrate in whole or in part. Within the last few days preparations have been completed for the

delivery at the seaboard during January of 18,000 tons, and every reasonable assurance has been given that supplies, up to the 100,000 tons, for the ensuing months will be delivered. Every possible effort will be made to make certain these deliveries, but it should be understood that, on account of existing situations, circumstances over which there is no control might intervene.

I cannot state to-day exactly what the price will be, but it will be approximately \$75 on board cars at the seaboard. Farmers will have to pay freight charges to their local stations, the State fertilizer tag fee, which varies in different States but will probably not average more than 25 cents a ton, and any other local charges.

The nitrate secured under the appropriation will be sold only to farmers for their own use during the coming season, and generally not in excess of the amounts used by them heretofore. The Department is now arranging machinery for the distribution of the material and will give full publicity concerning the details of the matter.

CONFECTIONERS TO RECEIVE LARGER ALLOWANCE OF SUGAR.

Refiners and distributors of sugar, the U. S. Food Administration has announced, have been instructed that they may furnish to confectioners and manufacturers of non-essential food products containing sugar, 80% of their normal requirements. Since last October, when the sugar shortage became acute, the confectioners and other manufacturers have at the request of the Food Administration been supplied with only 50% of their normal requirements. The "Official Bulletin" of Washington for Jan. 5 regarding the prospect for a larger sugar supply to confectioners said:

Confectioners and manufacturers of non-essential food products containing sugar can look forward to the prospect of an increase in their allotment, according to an announcement from the United States Food Administration.

In October, when the sugar shortage was most acute, the United States Food Administration requested the sugar refiners to limit sales to confectioners to 50% of normal requirements, and they complied with fine spirit.

Now the Food Administration has telegraphed to the refiners and distributors proposing to increase the allowance to 80% as soon as the normal supply of sugar is assured, and it is not likely that this will be long deferred. But the continuance of this ratio after supplies are available will depend upon the efforts of manufacturers and others to reduce the sugar content of confectionery and soft drinks and the substitution of other sweetening materials.

According to the officials in Washington, the 50% limit has worked but little hardship on the manufacturers of confectionery and sweet drinks, as they had on hand supplies sufficient to keep their plants working at almost normal capacity for several months. It did, however, benefit the sugar supply in general by preventing the possible accumulation of larger quantities than were necessary for immediate use.

GREATER USE OF POTATOES TO BE URGED BY FOOD ADMINISTRATION.

The United States Food Administration, according to the Washington "Official Bulletin" of Jan. 4, is planning a consistent campaign to increase the use of Irish potatoes. Grocers will be urged to inaugurate a "potato day" each week, selecting whatever day is slack in deliveries and making a special price for potatoes delivered on that day. Housewives will be asked to buy potatoes, a week's supply, on each potato day. The Administration wishes to place the Irish potato, every day in the year, on every table in America.

EXPORTATION OF FOOD AND OTHER ARTICLES TO ENEMIES OF UNITED STATES FORBIDDEN BY HAITI.

The President of the Haitian Government has recently issued a decree placing a ban on the exportation of foods from Haiti to countries at war against the United States, and its allies. The decree also prohibits the reexportation to the enemies of the Entente of all other articles imported from the United States, except in instances where the goods will not reach the Central Powers. The Washington "Official Bulletin" in announcing the receipt of advices regarding Haiti's action, said:

A telegram from the American Minister at Port au Prince states that the official publication of the Haitian Government on Dec. 26 published a presidential decree prohibiting the exportation of foodstuffs to countries at war with the United States and countries associated in the war and the reexportation of foodstuffs imported from the United States except to the United States.

The decree states that the exportation or reexportation of articles other than foodstuffs is also prohibited, with the exception of instances where the destination is such that enemies of the United States can not be benefited thereby.

Articles comprising metal and coal when imported from the United States may not be reexported. Only ships clearing for ports under the jurisdiction of the United States will be supplied with coal, gasoline, and oil fuel.

Sailing vessels will not be cleared for Mediterranean or European ports.

U. S. TO SEND 1,500 AMERICA'S FARM TRACTORS TO FRANCE TO INCREASE CROP PRODUCTION.

In order to increase the French food crops and to lighten as much as possible the task of farm labor now imposed on the old men and women and children of that Republic, the United States Food Administration has arranged to send

fifteen hundred farm tractors to France, and has actually shipped one hundred of the machines. By increasing the amount of food produced in France, the tractors, it is expected, will thus release much tonnage to the Allies which would be needed to carry food from America to France. It is estimated that the American tractors will reduce by 1,950,000 tons the amount of foodstuffs which it was thought the United States would have to ship to France during the fall and winter of 1918. The plan for sending the American tractors to France was conceived by former Ambassador to Turkey, Henry Morgenthau, and his son, Henry Morgenthau, Jr. The younger Morgenthau will go to France, to supervise the delivery of the tractors and to establish schools to train the French farm workers to use them. The tractors will be distributed by the French Minister of Agriculture. They have been accepted on behalf of the French Government by Andre Tardieu, French High Commissioner to the United States.

The following regarding the plan is taken from the "Official Bulletin" of Washington for Jan. 2:

To increase France's crops and to lighten the burden of toil on her old men, women, and children, the United States Food Administration will ship 1,500 farm tractors to that country. The first hundred are already on the way, and the whole number will be in France by March, in time for the spring plowing. They are expected not only to be of immense service to France, but to release added tonnage for the Allies and American troops by increasing the amount of food produced there, thus decreasing the amount of food that must be shipped from America.

The idea originated with former American Ambassador to Turkey Henry Morgenthau and his son, Henry Morgenthau, Jr. The Food Administrator approved the idea. Deck space was provided for the first shipment of tractors aboard a naval transport through the efforts of Assistant Secretary of the Navy Franklin Roosevelt and Paymaster-General McGowan. The Food Administrator designated Henry Morgenthau, Jr., to follow the machines to France and put them in operation. He will organize schools of instruction for French operators and will assist the French Minister of Agriculture in distributing the tractors and operating them economically.

French High Commissioner M. Tardieu approved the idea on behalf of the French Government and a committee of the National Implement and Vehicle Association assured Mr. Morgenthau that the tractors can be furnished and that with the shipment made now, the manufacturers will not be embarrassed in taking care of the American farmer, since they will have time to manufacture an additional number to meet the home demand when it comes. The need for these tractors is shown by this comparison of the present and prewar acreage of crops in France:

The acreage sown to crops in the uninvaded portion of France in 1917 was 30,742,157 acres, compared with 40,657,293 acres in 1913. This is a decrease of 9,915,136 acres, or 24.4%.

The total crop production in France in 1917 is officially given as 22,200,000 metric tons (24,581,290 short tons), compared with 35,800,000 metric tons (29,462,340 short tons) in 1913, a decrease of 13,600,000 metric tons (14,881,050 short tons), or 61.8%, or a decrease of 38.7%.

The following figures give an idea of why it is good tactics to send tractors to France now, as tractors can plough 500,000 acres this spring and another million acres for planting fall wheat. Half a million acres in potatoes would produce 1,500,000 tons of potatoes. One million acres in fall wheat would produce 450,000 tons of wheat. This increased production in France would greatly relieve the food situation in that country, leaving, moreover, 1,950,000 tons of shipping in 1918 available for other purposes.

SHIPMENTS OF FERTILIZER TO CANADA UNDER LICENSE.

The shipment of fertilizers, not containing sulphate of ammonia, to Canada is permitted under special license, according to an announcement on Jan. 4 by the Committee on Fertilizers of the Chemical Alliance at Washington, which is arranging for exportations under a form of general license. The Committee's announcement said:

Fertilizers can be shipped to Canada under individual licenses as heretofore, provided such fertilizers do not contain sulphate of ammonia. We are endeavoring, however, and have reason to believe that in the very near future we will obtain a ruling from the War Trade Board which will permit exportations under a form of general license and do away with the necessity for individual licenses. We are also inclined to believe that we will be permitted to issue, under certain qualifications, such fertilizer as has already been made up which contains sulphate of ammonia.

Individual license applications (Form A-2) can be obtained from the War Trade Board, Bureau of Exports, 1435 K Street N. W., Washington, D. C., upon application.

WAR TRADE BOARD ALTERS RULE PROHIBITING ENEMY TRADING.

The War Trade Board at Washington on Jan. 4 announced a modification of the regulations prohibiting American business concerns from trading with the enemy. Under the new ruling branch houses of American concerns in neutral countries may do business with the enemy when a refusal to do so would constitute a violation of a law or of a commercial obligation enforceable in the country in which the branch is located. Each transaction must be reported to the War Trade. No house, however, taking advantage of the ruling will be permitted to enter into new transactions with the enemy.

The following is the announcement of the War Trade Board in the matter:

The War Trade Board has authorized branches of American corporations and other American houses established and engaged in business in neutral countries and in countries associated with the United States in the war to accept and pay drafts, to deliver goods, warehoused or otherwise stored, and to perform other similar acts, notwithstanding such acts may involve trading with "enemies" or "allies of enemies" when such acts are necessary to prevent a breach or violation of a law or commercial obligation enforceable in the courts of the country in which such branch is established, provided, however, (1) That nothing herein contained shall be held or construed to authorize said corporations, houses or their branches, to hereafter undertake or enter into contracts or business or commercial transactions which will involve trading with "enemies" or "enemy allies" in order to carry out or perform the same; and (2) That every case involving transactions of trading with the "enemy" or "enemy allies" be reported to the War Trade Board within 30 days after the occurrence thereof, upon a form to be furnished by the War Trade Board.

SUSPENSION BY WAR TRADE BOARD OF REQUIREMENTS FOR LICENSES FOR EXPORT COTTON.

The suspension by the War Trade Board of the regulation requiring individual licenses for the exportation of raw cotton so far as it relates to shipments destined for the United Kingdom, France, Italy and Japan, or their colonies, was announced on Jan. 8. An exception was made in the case of Egyptian and Sea Island cotton, for the exportation of which to these countries licenses will be required as in the past. The following is the Board's announcement:

On Jan. 8 and thereafter, until further action is taken by the Board, no individual licenses shall be required for the exportation of raw cotton to the United Kingdom, France, Italy or Japan, or their colonies, possessions or protectorates, with the exception of Egyptian and Sea Island cotton, the exportation of which to any country of the world will, on and after that date, Jan. 8, require an individual license. It is necessary, therefore, that shippers' declarations, covering shipments of raw cotton destined to either Great Britain, France, Italy or Japan, state clearly thereon the exact type of raw cotton to be shipped.

NEW REGULATIONS GOVERNING WOOL IMPORTS.

On Jan. 10 the War Trade Board issued new regulations affecting the importation of wool and dealings in foreign and domestic wools. It is stated that these regulations will supersede those issued on Dec. 14, which were given in these columns Dec. 22. The new rules provide:

First.—All importers of wool will sign before the delivery or release of any imported wool to them, an agreement or guarantee containing, among other things, provisions in substantially the following form:

That the United States Government shall have, and is hereby granted, an option to purchase at the price and on the terms hereinafter set forth all or any part of the wool covered by this guarantee for ten days after custom house entry thereof; and thereafter to purchase such portion thereof as shall be at any time unsold by the importer until the whole amount thereof has been sold. In the event of the exercise of such option, the basis of price to be paid for the wool shall be equivalent to 5% less than the basis of price of July 30 1917, for similar wool as established by the valuation committee of the Boston Wool Trade Association, the actual price of each lot to be determined by a committee appointed jointly by the wool trade and the United States Government. This option shall not apply to any wool purchased abroad before Dec. 15 1917.

That the importer will not sell to any person or persons in the United States any merchandise in Class A of domestic or foreign origin as hereinafter described without first obtaining the purchasers' agreement, in form satisfactory to the War Trade Board, and the consent thereon of the War Trade Board, which consent is to be applied for through the Textile Alliance, Inc.

That the importer will not sell or deliver to any person or persons in the United States any merchandise in Class B of domestic or foreign origin as hereinafter described, without rendering to the purchaser at or prior to the time of merchandise is shipped or delivered, a written invoice thereon containing the following conditions to be fulfilled by such purchaser.

That the purchaser will neither export such merchandise nor transfer ownership or control thereof to or for the benefit of any person or persons outside the United States without first obtaining an export license from, or the consent of, the War Trade Board.

That the purchaser will report through the Textile Alliance, Inc., to the War Trade Board at the end of each month all sales of such merchandise.

That the purchaser will not resell such merchandise to purchasers in the United States, excepting under the same conditions.

LICENSES FOR FRUIT AND VEGETABLE DEALERS IN CANADA REQUIRED BEGINNING FEB. 1.

The following requirements for the licensing under orders of the Food Controller of Canada of fruit and vegetable dealers, beginning Feb. 1, are published in the Canada "Gazette":

That on and after Feb. 1 1918 no person shall deal wholesale in fresh fruits or fresh vegetables without having first obtained a license from the Food Controller. That all licenses shall expire on Dec. 31 in each year. That the classes of licenses for wholesale handling or dealing in fresh fruits and fresh vegetables shall be the following:

Class 1. Growers organizations, whose chief business is marketing, on a co-operative basis, members crops only. Commission packers, packing and selling for growers account on a commission basis only. Buying packers, buying from growers, packing and selling on their own account.

Class 2. Wholesale jobbers, selling to wholesale dealers, and through wholesale commission merchants, doing chiefly an interprovincial and international business. Wholesale dealers, selling to retailers and wholesale peddlers. Wholesale commission merchants, selling to retailers and wholesale peddlers on commission only. Wholesale peddlers, selling and delivering to retailers from wagon, truck, or other vehicle. Brokers, selling on brokerage basis only. Auctioneers, selling at auction only.

That all licenses shall be issued subject to the following rules and regulations:

No license holder shall charge more than a reasonable profit or commission, or make any contract for future delivery or store in order to acquire speculative profits from a rising market.

No license holder shall sell to any other license holder of a like class or division except on a split profit or split commission, and only one such sale of the same goods may be made.

No holder of a broker's license shall charge any brokerage or commission on goods shipped to him for sale, if such goods are transferred by him to any wholesale merchant to be sold on commission.

No holder of a commission packer's or of a wholesale commission merchant's license shall sell to himself any goods received by him to be sold on commission.

Every license holder shall keep such books, invoices, vouchers, and other papers and records as will enable the Food Controller or any person by him thereto authorized to verify any report or statement that such license holder is required to make to the Food Controller.

RULES RESTRICTING SALE OF CEREALS AND OTHER FOOD PRODUCTS IN CANADA.

The regulations which were used to carry into effect on Jan. 1, the Order-in-Council, signed on Oct. 19, restricting the sale of cereals and other food products in Canada were issued by W. J. Hanna, Canadian Food Controller on Dec. 14, and were published in the official "Canada Gazette" on Dec. 22. The Order-in-Council was originally to have gone into effect on Nov. 1 as effecting manufacturers and wholesalers and on Dec. 1 as effecting retailers, but its operation was postponed by the Food Controller so that now the regulations governing wholesalers and manufacturers become effective on Jan. 1, and as regards retailers on Jan. 31. The regulations follow:

OFFICE OF THE FOOD CONTROLLER, OTTAWA.

Whereas by Order-in-Council dated the 19th day of October, 1917, it was among other things provided that the Food Controller shall have the power to grant licenses in such form and upon such terms and conditions as he may prescribe, for the sale of any foods known as breakfast foods or cereals in original packages of such lesser weight or size than twenty pounds as he may deem expedient, and may by written order exempt from the provisions of this ordinance any particular class or classes of persons, communities or places during such period or periods as may be described in such order, and may from time to time revoke or change any such order;

And whereas it is advisable in the public interests to make the following order:—

Therefore, I do hereby order:—

1. That on and after the first day of January, 1918, no manufacturer of breakfast foods or cereals shall manufacture for sale in the Dominion of Canada, such breakfast foods or cereals in original packages of less than twenty pounds without first obtaining a license from the Food Controller for each kind of breakfast food or cereal manufactured.

2. That there shall be printed or marked on each package, in such clear and legible manner that it may be easily read by the consumer, the name of the article, the name and address of the manufacturer, the net weight of the contents of such package (such weight being given in pounds and ounces avoirdupois), and the number of the license held by the manufacturer.

3. That no coupons, premiums, prizes, presents or other similar inducements to purchase shall be enclosed, given away or sold with any such breakfast food or cereal.

4. That the prices at which breakfast foods or cereals are sold to the public in packages shall not exceed such an amount as will pay for the cost of the containers and allow a reasonable profit on the contents of the package. The containers shall in all cases be inexpensive.

5. That all licenses issued under these regulations for the manufacture of any breakfast food or cereal which is composed in whole or in part of wheat flour or any product of wheat shall be subject to cancellation by the Food Controller upon one month's notice, if in the opinion of the Food Controller it is desirable to conserve the wheat or product of wheat so used, and the Food Controller may, if he considers it in the public interest, permit such manufacturer of substitute any other flour or material in the manufacture of such breakfast food or cereal in place of such wheat flour or product of wheat.

6. That in every application for a license under these regulations the applicant shall state the cost per pound or per package to the manufacturer, of the container, and of advertising and selling such breakfast food or cereal, and if in the opinion of the Food Controller such cost is excessive, he may refuse to issue a license.

7. The wholesale dealers and retail dealers shall not require a license to sell any breakfast food or cereal in original packages of less than twenty pounds when such breakfast food or cereal has been manufactured under a license issued by the Food Controller.

8. That the following shall be the fees chargeable for a license to manufacture a breakfast food or cereal:—

When the value sold does not exceed \$100,000 per annum, \$10 00.
When the value sold does not exceed \$200,000 per annum, \$20 00.
When the value sold does not exceed \$300,000 per annum, \$30 00.
When the value sold does not exceed \$400,000 per annum, \$40 00.
When the value sold does not exceed \$500,000 per annum, \$50 00.
and when the value so sold exceeds \$500,000 per annum, then the license fee shall be \$50 00 and in addition \$5 00 for each \$100,000 or fraction thereof sold in excess of \$500,000. Such value shall in each case be the value of the previous year's business for goods manufactured or sold in Canada. If the cereal has not been previously manufactured or sold for a year before the application is made for a license, the fee for the license shall be \$10 00. A sworn statement of the facts upon which the amount of the license fee depends shall be attached to the application.

9. That applications for licenses shall be made in form A of the Schedule hereto.

Dated at Ottawa, this 14th day of December, A. D. 1917.

W. J. HANNA, Food Controller.

COPPER PRICE TO CONTINUE AT 23½ CENTS.

The decision to continue the price of copper for the next four months at 23½ cents a pound was reached at the Government conference with copper producers yesterday. An agreement fixing the price at the figure named was approved by President Wilson on Sept. 20 last; it was stated at that time that the price was subject to revision after four months.

THE COAL SITUATION—NEW YORK CITY SUFFERING FROM CONTINUED SCARCITY.

The severe shortage of coal in New York City, despite the milder weather now prevailing, which has considerably lessened the suffering among the many who find themselves without fuel, continues unabated. An incident in the efforts of the State and city officials to relieve the city's shortage was the refusal on Jan. 9 of United States Fuel Administrator Garfield to grant the appeal of Mayor Hylan and State Fuel Administrator Wiggin that priority orders be issued assuring New York City 1,500 cars of coal each day, and that he rescind the priority order giving Boston 500 carloads of coal a day (referred to in another item), which, it is alleged, is being filled at New York's expense. The reason assigned for the decision of Dr. Garfield to continue the extra shipments to the New England district was that so large a part of the country's war industrial plants is located there. Grave doubts have been expressed, however, by the local Fuel Administrator, as to the ability of New York to maintain its local manufactories with the present available daily supply of coal. Dr. Garfield, while refusing to abolish the priority order, appointed J. W. Searles, Deputy Commissioner of the Tidewater Coal Exchange, his representative in New York, with authority to investigate and to divert coal to New York from New England if in his (Mr. Searles's) opinion New York's need is the greater.

Mayor Hylan's appeal to Dr. Garfield was made on Jan. 9 in the form of a telegram, which said that the coal bunkers of the city departments held little fuel and that the municipal and industrial life, as well as the social life, of the city faced grave danger unless there was a better fuel supply. He asked that New York be protected against the conditions that would threaten with another spell of bad weather. The following is the Mayor's appeal:

The continued crisis in coal shortage compels me to make this urgent appeal for additional relief for the City of New York. The bunkers of the Fire Department, hospitals, schools, correctional institutions and public buildings are practically empty, besides which many factories and apartment houses have but a few hours' supply of coal on hand.

At to-day's meeting of the committee composed of department heads appointed by me, who are working in co-operation with your administrators, it developed that from six to eight cars out of every ten which reach New York are diverted elsewhere under priority orders, yet no priority can be obtained for the institutions above enumerated. In the event of another snowstorm, which is not unlikely, the City of New York would be entirely cut off, causing untold suffering and financial disaster.

Will you not provide against such a contingency by issuing priority orders for at least 1,500 cars of anthracite and bituminous coal?

After sending his appeal to Washington on the 9th inst., Mayor Hylan issued a statement in which he said:

First—I have sent a telegram to the Fuel Administrator at Washington setting forth the gravity of the situation in New York and urging that a special allotment of coal be given to this city. Dock Commissioner Hulbert is Chairman of the sub-committee conferring with the Federal Administrators on additional supply of coal.

Second—The Fuel Administrator agreed to make special provision for unusual cases that are to be reported daily by the police to the Mayor's Committee of Commissioners. Arrangements have been made to receive these complaints at every police station and to forward them to the executive committee of the Mayor's Committee of Commissioners.

Third—Arrangements were made for the organization of a force of city inspectors to provide the machinery for the enforcement of the Fuel Administrator's orders against the unnecessary use of light and steam.

The question of conservation of fuel is the most important that confronts the people of this city. There is no relief in sight except through conservation. On the other hand, if the people will not use light and heat unnecessarily, coal enough can be supplied for all the needs of the city. The big office buildings, hotels and apartment houses are the worst offenders against the improper use of light. The myriad of lights left burning after 7 o'clock in the downtown section alone means thousands of tons of coal daily. It is coal that is uselessly consumed and should be saved. The company that supplies city lights is also a grievous offender. It has been reported that lights are turned on in some parts of the city long before dark and are often left burning at 8 o'clock in the morning. The ordinary man has no conception of what electric light costs in coal. I had not until Commissioner Hayes of the Department of Water Supply, Gas and Electricity to-day reported the following figures:

Every 100-watt lamp burning one hour consumes one-fifth of a pound of coal.

Every 60-watt lamp burning one hour consumes one-eighth of a pound of coal.

Every 25-watt lamp burning one hour consumes one-sixteenth of a pound of coal.

The Federal Fuel Administrator has already issued an order against the improper use of light. I repeat the terms of that order now, because the city inspection force will start out at 8 o'clock to-morrow night to procure evidence of violations all over the city and these violations will be dealt with severely. The order provides:

First—That on all nights except Saturday, all signs of every kind, including merchants' signs, signs for theatres and all other places of entertainment, display signs, lighting on buildings and elsewhere, hotels and advertising signs are ordered discontinued.

Second—Stores and offices and commercial buildings not open for business shall not use inside lights more than absolutely necessary for safety. Cluster lights and illumination generally must be reduced to only so much lighting as is necessary for safety. No more outdoor lighting shall be used than is absolutely necessary for safety of streets, passages, dangerous places and protection of the public.

These are the essential orders of the United States Fuel Administration which the conference of the Mayor's Commissioners has undertaken to enforce. The following plan has been worked out:

A force of 300 city employees, who have volunteered their services after 5 o'clock, has been organized by James E. MacBride, President of the Civil Service Commission. These men will be assigned to inspection districts, and will report buildings in which light and heat are being used unnecessarily in violation of the Federal order. The reports of this inspection force will be transmitted the following morning to Commissioner of Plant and Structures Delaney, who is Chairman of the executive committee of the Mayor's Conference of Commissioners. Commissioner Delaney's committee will immediately issue a warning to all violators of the Federal order. The same buildings will be inspected on the following evening, and if the offense is repeated, after receipt of the warning from the Mayor's Conference of Commissioners, the Fuel Administrator will issue an order summarily cutting off light and coal from the offenders.

The Mayor's Commissioners are in daily conference with the Federal authorities. The city and Federal Governments are working in complete harmony. The Federal Administrators told us that while they had the authority, they had not the machinery with which to enforce their orders and bring relief to the city. We have agreed to furnish the machinery.

State Fuel Administrator Wiggin in his appeal for the revocation of the New England priority order said:

Situation continues serious. Many sections of the State are suffering acutely. Many complaints have been received regarding the priority order given to New England, which interferes with contracts and deliveries in this section. Situation in Greater New York continues most desperate. Searles gives me the following figures on bituminous: One hundred and fifty cars less received than has been dumped in last 24 hours; total dumped yesterday, 32,000 tons. This is about one-half the needs of this port. Anthracite figures show from Jan. 3 to Jan. 8, inclusive, 727 cars per day dumped. One-fourth of this is for New England ports. This is giving Greater New York only 21,000 tons a day, less than one-half its requirements.

An illustration of the effect of the New England priority order on shipments of coal destined for New York was given on Jan. 9 by Reeve Schley, Fuel Administrator for New York County, who reported that eight cars of soft coal consigned to Burns Brothers, coal dealers of this city, had been seized at West Morrisville, Pa., by the United States Fuel Administration and reconsigned to the Tidewater Coal Exchange, to the account of J. J. Storrow, the New England Fuel Administrator. Mr. Schley was also quoted as having said that he had further reports showing that 1,200 carloads of coal had been seized in Pennsylvania in the same way.

The police of this city have been making a house-to-house canvas, soliciting coal from householders who were fortunate enough to have their winter supply of coal delivered before the coal shortage developed. Several hundred tons of coal were collected by the policemen in this way and the coal was later distributed where the greatest scarcity prevailed. The coal supply in the New York schools, which is growing more serious each day, was given attention at a conference of Greater New York Fuel Administrators on Jan. 9. A detailed report on the heating problem in the schools, especially in Brooklyn, where all of the schools are threatened, was made to F. E. Gunnison, Brooklyn Fuel Administrator, by Arthur J. Somers, President of the Board of Education. In his report Mr. Somers said:

I have refrained from writing you regarding the schools in the Borough of Brooklyn in the hope that conditions might improve. A report was made to me yesterday showing that forty schools in the Borough of Brooklyn were closed for the lack of coal. I requested the Superintendent of School Supplies to prepare data showing the exact condition, and from the figures I have before me indications are that practically all the schools, with the exception of about twenty, in the Borough of Brooklyn will close in the very near future because of lack of fuel. An estimate on hand shows that fifty-two schools have no coal at the present time, seventy-five schools have less than one day's coal, and approximately 120 schools have less than two days' supply.

I think it will only be necessary to bring this condition to your personal notice in order to have prompt steps taken to furnish the schools with all necessary coal at once. Of course you realize that furnishing coal to schools will conserve coal in the home; the health of the pupils will be benefited because of the surroundings in schools. Their education will not be neglected and it will save hundreds of thousands of dollars in repairs.

The indications are that unless the schools are properly supplied with coal before the expiration of the present week between 200,000 and 300,000 children will be on the streets of Brooklyn next Monday, if not before.

I would feel obliged if you would let me know at your earliest convenience what quantity of coal you have released to each of the coal men handling coal for the Department of Education, so that we may take such steps as may be necessary to see that all the coal released by you is put into our schools.

Albert H. Wiggin, State Fuel Administrator, on Jan. 10 made known that he had curtailment plans under consideration which would result in the elimination of all consumers in this district whose business was non-essential. Mr. Wiggin intimated, it is said, that the first to feel the pressure of the drastic steps to be taken in an effort to relieve the coal situation would be cabarets and all-night restaurants. It is his plan, it is stated, to close all restaurants at 9 p. m. and not to let them open until 6 in the morning. Mr. Wiggin on Jan. 10 dispatched another telegram to Fuel Administrator Garfield at Washington appealing for the withdrawal of the priority order granting the delivery of 500 carloads of coal each day to Boston. Mr. Wiggin's telegram of the 10th inst. read:

Situation continues just as serious. Searles gives me the following figures on bituminous. Twenty-one cars less received than have been dumped during the last twenty hours; total dumped yesterday, 30,000 tons. This is about one-half of the needs of this port. Anthracite figures for the last

twenty-four hours show 35,000 tons dumped. One-quarter of this is for New England ports. This gave New York only 26,000 tons. Its requirements are 45,000 tons per day. We are reliably informed shipments of anthracite to Canada are continuing in amounts equivalent to last year's tonnage, with percentage for increased production. We are not informed that the situation in Canada is as desperate as it is here. While we have great sympathy with our Canadian neighbors, we do not think New York should be discriminated against. If shipments to Canada could be curtailed it would greatly relieve the situation here.

State Fuel Administrator Wiggin yesterday (Friday) gave further intimation that he may order the closing of restaurants and cabarets at 9 p. m. as a fuel conservation measure. Mr. Wiggin also has in view the closing of all theatres at 10 p. m., the same as has been ordered (as noted below) throughout the State of Massachusetts. Regarding the closing of both theatres and restaurants he was quoted in last night's "Sun" as having said:

We are seriously considering closing such places. If necessary it's got to be done. In fact, action may be taken to-day. I realize that the people need to be cheered in war times, but we must look at this situation from a business and commercial standpoint and with a view to the city's needs.

James J. Storrow, Fuel Administrator for New England, on Jan. 9 issued an order placing drastic restrictions on the use of light and fuel. The order is to take effect on Monday, Jan. 14, and is applicable throughout the whole of Massachusetts. The restrictions include the opening of business houses at 9 a. m. and the closing at 5 p. m., and the closing of theatres, bars, and all places of amusement at 10 p. m. A storm of protest has arisen throughout Massachusetts against the enforcement of the order, many business men claiming that their business will be ruined if the order is carried into effect. The regulations provide:

1. Office, banking and other business buildings shall not be heated on Sundays and holidays or on Saturdays after 12 noon, or on other days after 5 p. m., except sufficiently to prevent freezing. No elevator service shall be given on Sundays, holidays, or between 6 p. m. and 7 a. m. on other days.

2. All wholesale, retail and other business houses and stores shall open at 9 a. m. and close at 5 p. m. for doing business with the public, with the following exceptions: (a) Dry goods, department, clothing and variety stores, whose regular practice has been to remain open after 7 p. m., one or more evenings a week, may remain open until 10 p. m. on Wednesdays and Saturdays. Other retail businesses whose regular practice has been to remain open evenings after 7 p. m. shall close not later than 10 p. m. (b) Pharmacies may remain open after 10 p. m. but shall not use electric light exceeding a total of 100 watts after 10 p. m. (c) Markets and grocery stores may remain open until 10 p. m. on Saturdays, and until 6 p. m. on other days.

3. Theatres, moving-picture houses, bars, bowling alleys, billiard halls, public and private dance halls, and all places of amusement shall close at 10 p. m. Theatres and dance halls may open earlier than usual.

3. Every night except Saturday shall be a "lightless night" as defined by the United States Fuel Administrator's order of Dec. 15.

These orders shall not apply to Government work, and further exceptions to them may be granted in cases of public necessity. It is also recommended that:

1. The business for the day end at 5 p. m.
2. Evening activities end at 10 p. m.
3. Many public institutions desirable under ordinary conditions should be closed and others curtailed.
4. Schools should be put on a one-session basis as far as practicable.
5. Churches, forums, night schools, clubs and other religious, educational, and social organizations consolidate their activities.
6. All inside and outside lighting and all heating not covered by specific orders be reduced to the minimum, so that more drastic orders may not be necessary.
7. Factories should arrange their hours to save daylight and to relieve peak load.
8. Salaries and wages should not be reduced on account of these orders and recommendations.

FUEL ADMINISTRATOR ORDERS EASTERN BITUMINOUS MINES TO SHIP 500 ADDITIONAL CARS OF COAL DAILY TO NEW ENGLAND.

Steps to relieve the fuel shortage in New England were taken by Fuel Administrator Garfield on Jan. 5, when he issued an order directing 102 mines in the Eastern bituminous fields to furnish 500 additional carloads of coal to be shipped under consignment to J. J. Storrow, Fuel Administrator for New England, every day until further notice. The 500 carloads will be in addition to the usual output of these mines, and the Fuel Administration, it is stated, expects that the order will result in an increased production of 500 cars, or 25,000 tons, of bituminous coal each day while the order is in force. The Director-General of the Railways, in co-operation with the Fuel Administration, has undertaken to supply the necessary transportation facilities for making the Fuel Administrator's order effective. The Fuel Administration, it is said, finds that the present volume of shipment to New England by all-rail routes is not adequate, and that the further supply is absolutely necessary for purposes connected with the war emergency. In the schedule attached to the Fuel Administrator's order, four mines on the Cambria & Indiana RR. are designated to furnish 26 cars of coal a day. On the New York Central are 23 mines, which will have to furnish 74 cars daily. On the Western Maryland RR. there are three mines whose contribution must be 20 cars a day. On the Baltimore & Ohio are 11 mines that will

furnish 50 cars a day. On the Pittsburgh Shawmut & Northern RR. are only three mines that will furnish 10 cars; the Buffalo Rochester & Pittsburgh RR. serves 25 mines that will furnish 130 cars a day. On the Pennsylvania are 28 mines that will be required to furnish 150 cars a day, and 2 mines on the Buffalo & Susquehanna will furnish 28 cars a day. Thus, from a total of 102 mines will come, by the order, 500 cars a day.

The following is the text of the Fuel Administrator's order:

UNITED STATES FUEL ADMINISTRATION.

Washington, D. C., Jan. 3 1918.

Order Relative to an Emergency Supply of Bituminous Coal for Use in the New England States.

It appearing to the United States Fuel Administrator that the amount of free or spot bituminous coal presently available in New England for the use of various consumers engaged in the production of munitions and other supplies for the United States Government, or conducting activities, especially public utilities, the uninterrupted operation of which is essential to the necessary efficiency of various industrial plants engaged in such production for the United States Government, and that there is danger of interruption or curtailment in the operations of such industrial plants and public utilities unless an additional supply of bituminous coal can be immediately furnished for New England use, and that for the efficient prosecution of the war it is necessary at this time to regulate the production, sale, shipment, distribution, and apportionment of coal in the method and manner and to the extent hereinafter indicated;

The United States Fuel Administrator, acting under authority of an Executive order of the President of the United States, dated Aug. 23 1917, appointing said Administrator, and in furtherance of the purpose of said Executive order and of the Act of Congress therein referred to and approved Aug. 10 1917:

Hereby orders and directs that until further, or other, order of the United States Fuel Administrator, and subject to modification hereafter by him:

Prompt Loading Demanded.

(1) Every operator of a bituminous coal mine and every producer of bituminous coal named in the schedule hereto annexed and marked Exhibit A, shall on each work day, to the extent that cars are placed at this mine or operation, promptly load and fill the number of cars indicated against such operator's or producer's name in said schedule, with bituminous coal of the usual quality produced at such mine and to the full capacity of such cars, and consign the same to James J. Storrow, Fuel Administrator for New England, or to his order, leaving the routing of such cars to the determination of the Director-General of Railroads or to the carrier upon whose lines such mine is located, acting under authority and direction of the Director-General. Such coal shall be supplied, billed, and shipped at the price in force on the date of shipment as fixed therefor by or under authority of the President of the United States, and all such shipments shall be irrevocable and in addition to and shall not affect any existing contract obligation of such producer or operator to supply, ship, or deliver coal to any consumer, except in so far as compliance with this order may reduce the amount of coal produced by such operator or shipped available for shipment to such other contract consumers or customers.

(2) Said New England Fuel Administrator is hereby authorized to direct the resale and distribution of all coal consigned to and received by him under the provisions of this order to and among such consumers and users of bituminous coal in the New England States as, in his judgment, may from time to time be in need thereof, and occupied in the conduct of such industrial activities or of such public utilities as are essential to the national security and defense, for the successful prosecution of the war, and for the maintenance of the efficiency of the people in any of such New England States or any part thereof, in performing their part in the conduct of the war. In connection with such distribution said New England Fuel Administrator is authorized to use and employ the services of such persons and agents as he may, from time to time, select and to make or authorize to be made in the resale and distribution of such coal a charge of 15 cents per ton for the compensation and expenses of the persons and agents so selected by him.

(3) This order shall become effective Jan. 8 1918.

(Signed) H. A. GARFIELD,

United States Fuel Administrator.

NEW COAL PRICES FIXED FOR FOUR COUNTIES IN TEXAS.

Dr. Harry Garfield, United States Fuel Administrator, at the recommendation of the State Fuel Administrator for Texas, on Jan. 4 announced new prices for coal mined in the north Texas field, i. e., the counties of Young, Erath, Palo Pinto and Wise. The new prices for coal mined in Young Erath and Palo Pinto counties are: Run of mine, \$3 60; prepared sizes, \$4 40, and slack or screenings, \$2 25. For Wise County the new prices are: Run of mine, \$4 25; prepared sizes, \$5 05, and slack or screenings, \$2 25. To the new prices may be added 45 cents by all operators who comply with the President's order of Oct. 27 regarding the wages to be paid mine workers. The new prices are to be effective as of Nov. 16 last, and apply only to coal shipped to points within the State of Texas.

FOOD ADMINISTRATION TO SELL CARGOES OF DUTCH SHIPS HELD IN AMERICAN PORTS.

Food Administrator Hoover on Jan. 1 announced that the United States Food Administration at the request of the Dutch consignees would immediately sell in this country 50,000 tons of linseed cake, which will be unloaded from the Dutch grain ships now tied up in American harbors, pending the conclusion of negotiations now being conducted between the United States and the Netherlands Government for their release. The linseed cakes the exportation of which is, prohibited, will be sold through the Food Administration for distribution in New York, Pennsylvania and New England.

The Washington "Official Bulletin" of Jan. 3 said regarding the Food Administration's action:

The Food Administration will handle for the Holland concern bids from grinding mills or dairy and feed concerns, either for the consignment as a whole or for specified parts. Officials in Washington are anxious to have it absorbed by concerns in the Northeastern States, in order that it may not long require the use of transportation facilities and may be readily distributed. New York, New England and near-by States normally afford a large market for concentrated stock and dairy feeds.

If this amount of linseed cake is utilized near its present point of storage it will supply a large portion of the concentrated feeds needed this winter and spring in that part of the country, releasing the rolling stock and motive power which is normally required to transport the cottonseed meal and other concentrates used in that section.

MARK L. REQUA MADE HEAD OF OIL DIVISION OF FUEL ADMINISTRATION.

Mark L. Requa of San Francisco has been named as head of the Oil Division created by Dr. Harry A. Garfield of the Fuel Administration on Jan. 10. Mr. Requa has been an assistant to Herbert C. Hoover, Food Administrator. He is a consulting engineer at the Bureau of Mines on Petroleum, is Vice-President of the American Institute of Mining Engineers, and a member of the Council of the Mining and Metallurgical Society of America. He was formerly connected with the Independent Oil Producing Agency and also formerly President of the Nevada Petroleum Co. of California. In announcing the appointment, Dr. Garfield said:

The first act of the new Oil Division will be to undertake an investigation of the entire petroleum situation and to recommend to the Fuel Administration such action as may be necessary to handle petroleum matters.

It is stated that the new Oil Administrator will have the active co-operation of the Federal Trade Commission.

PETROLEUM WAR SERVICE COMMITTEE REPORTS NO SHORTAGE OF GASOLINE—URGES NO RELAXATION OF PRODUCTION OF FUEL OIL.

In stating that there is no shortage of gasoline for use in this country, and that "the petroleum industry in America can and will supply all the increased demand for oil products for the war," A. C. Bedford, Chairman of the Petroleum War Service Committee, in a statement issued on the 3d inst., pointed out that "the need of immediate importance is that there be no relaxation in the production of fuel oil." Mr. Bedford states that it is estimated that in 1917 not over 25% of the gasoline produced in this country was exported. His statement in full follows:

It is important that the American people understand fully the factors governing the supply of petroleum products in this country. The Chairman of the Petroleum Committee of the Council of National Defense some months ago pointed out the importance of conservation of gasoline. The situation at present may be summarized as follows:

There is no shortage of gasoline for use in this country. As a matter of fact, as a result of the light domestic demand incident to the winter weather, the stocks of gasoline are increasing and will further increase before the heavy summer demand is encountered.

While there is an increasing demand abroad for gasoline for use by our own army and navy, as well as by our allies, the limiting factor there is shipping tonnage. All the gasoline is now being forwarded for which ships are available. Experience and inquiry make it clear that the petroleum industry in America can and will supply all the increased demand for oil products for the war, provided sufficient tank steamers can be obtained. It is estimated that in 1917 not over 25% of the gasoline produced in this country was exported. That fact should be reassuring to any one who doubts this country's ability to supply the war requirements of our own and our allied Governments for this important product.

The need of immediate importance is that there be no relaxation in the production of fuel oil. This material, "liquid fuel," as it is often called, is used by the oil-burning vessels of the navies, by practically every industrial plant engaged in the manufacture of munitions, shipyards, gas plants, and even by some of the railroads. The consumption of fuel oil is much greater than the consumption of any other of the various products obtained from crude petroleum.

Crude oil, as it comes from the ground, is a mixture of light and heavy hydrocarbons, which in the still vaporize at different degrees of heat. The light hydrocarbons (those which distill at comparatively low temperatures) are known as gasoline. The heavier hydrocarbons (which remain after the distillation of the lighter fractions) can all be utilized for fuel purposes. Most of the crude oils produced in the United States are not satisfactory for fuel purposes until after the lighter fractions have been removed.

There are two reasons for this: (1) Crude oil has no flash—that is, one cannot specify the definite point at which it will always ignite; it is dangerous to handle or burn in its natural state owing to the lighter hydrocarbons evaporating as gas at ordinary temperatures. This is why Lloyd's and other authorities insist that fuel oil must have a flash test of 150 degrees Fahrenheit, which means that at temperatures below 150 degrees Fahrenheit no gas will be given off and the fluid will not ignite. (2) Fuel oil of 150 Fahrenheit flash test has a greater value than crude oil in its natural state, owing to the presence in the crude of the lighter hydrocarbons.

From the foregoing it must be evident that the war requirements demand that the refining of crude must be based upon the principle of obtaining the necessary quantity of fuel oil. Fuel oil is, therefore, the starting point. The fuel oil requirements must be first supplied and it naturally follows that, under ordinary circumstances, in rushing increased quantities of crude to meet the growing demand for fuel oil, increased quantities of gasoline will be produced. By means of the "cracking process," or the breaking up of the heavier hydrocarbons into lighter hydrocarbons, fuel oil can be further refined to yield additional gasoline.

It is indeed most fortunate for the petroleum industry in this country that there is a ready market for both products, for if the demand for one was out of proportion to the demand for the other, such a condition would materially reduce the total quantity of crude which would be refined. It is, likewise,

important that as long as it is impossible to ship more gasoline than is now being forwarded to Europe, the broadest possible market can be afforded for gasoline which is available for use in this country. Unfortunately, gasoline cannot be stored in large quantities for lack of storage facilities, which cannot now be built. It is, however, important, as the Chairman of the Petroleum Committee some time ago emphasized, that there be no wasteful use of gasoline. In wartime it is unnecessary to point out the advantages that accrue to any nation from husbanding all of her resources. Conservation of food, fuel and all other like products is essential to the successful prosecution of the war.

Gasoline is the only derivative of petroleum which is not to-day utilized so as to reduce waste to the minimum. The oil lamp—the light of the rural and farming communities—is a necessity, not a luxury. The manufacturer who burns fuel oil and uses lubricating oil to run his machinery naturally strives to economize and use the minimum quantity required to produce the desired results. But with gasoline the situation is different. Gasoline is a product which, while essential to the waging of the war, has been used not merely as a necessity, but in part, at least, as a medium of convenience or pleasure. This refers particularly to the consumption of gasoline in pleasure cars. If there should be a material decline in the production of crude, or if the increased demand for fuel oil because of the war should make it necessary to divert to fuel oil that part of the crude which to-day is being "cracked" into gasoline, then and only then would it be necessary to curtail the deliveries of gasoline.

WORK ON PUBLIC BUILDINGS ORDERED CURTAILED BY SECRETARY McADOO.

Under an order issued by Secretary of the Treasury McAdoo to the Supervising Architect at Washington, no new public buildings are to be constructed during the war unless urgently needed; only those buildings and extensions now under construction may be completed. It is stated that approximately 154 public buildings have been authorized by Congress but not contracted for, and it is estimated that some \$15,000,000 will be saved by the curtailment of construction. The appropriations made for the work will be carried along, but no money will be spent unless it is shown that the buildings are actually needed. Mr. McAdoo's order to the Supervising Architect sets out:

All extensions of buildings the urgency of which is established to the satisfaction of the Assistant Secretary of the Treasury in charge of public buildings, are to be placed on the market for bids at as early a date as practicable and carried to completion.

All buildings and extensions of buildings now under construction are to be completed.

No additional sites are to be selected or purchased. Marine hospitals, quarantine and immigration stations, being convertible into army and navy hospitals or other war uses, construction work and improvements thereon or in contemplation in connection therewith are to be carried on as rapidly as possible.

In all other cases, where sites have been acquired or contracted for the work of the supervising architect's office in preparing designs, plans, specifications, etc., is to be carried out to the point of readiness to advertise for bids for construction. In these cases, however, no bids are to be solicited without orders.

In a letter to a Member of Congress indicating his opposition to expenditures for new Federal buildings, Secretary of the Treasury McAdoo is quoted in the "Herald" as saying:

No new buildings are to be placed under contract unless their urgency is established to the satisfaction of the Assistant Secretary of the Treasury.

Because of the unprecedented demands which the war is making upon the national resources, the policy should be observed of curtailing expenditures for other purposes as far as possible without detriment to the public interest.

BRITISH LEAD STOCKS TAKEN OVER BY MUNITIONS MINISTRY.

A cablegram from the Consul General at London announcing the taking over on Sept. 1 of lead stocks by Great Britain's Ministry of Munitions was published as follows in the Official Bulletin (the United States Government's daily paper) of Sept. 13:

Ministry of Munitions from Sept. 1 takes possession of all pig lead, virgin remelted, old scrap, and residues in United Kingdom except such lead as may be in possession of manufacturer for use in his own works or specially excepted under written authority.

Lead of which possession taken will be paid for on delivery at following maximum prices: Virgin pig, £20 per ton c. i. f., £30 ex store; sheet lead, £39 10s. delivered United Kingdom, less 2½% monthly account; lead pipe, £40 per ton delivered United Kingdom, less 2½% monthly account; dry white lead, £45 per ton, less 5% monthly account; white lead in oil, £53 per ton, less 5% monthly account; in packages of 5 hundredweights and over, £55 per ton for lots of less than 5 hundredweight.

These prices for white lead in oil are based on price of £50 per ton as spot price for raw linseed oil in barrels, if average daily spot raw linseed oil during preceding month rises or falls by multiples of 26 then above maximum price of white lead in oil shall rise or fall by 10s. per ton for every 26 change in price of linseed oil. Red lead and litharge, £42 per ton, less 2½% monthly account in 5 hundredweight casks.

LICENSE REQUIRED FOR SHIPMENTS OF WIRE ROPE, WHETHER GALVANIZED OR NOT.

In cautioning exporters against the shipment of wire rope by calling it galvanized wire, without an export license, the Bureau of Exports at Washington on Jan. 3 made the following statement:

The attention of the Bureau of Exports has been called to the fact that attempts have been made to export wire rope, classified as galvanized wire, without an export license. The attention of shippers is called to the fact that export licenses are required for all shipments of iron and steel wire rope, cable, and strands consisting of six or more wires, whether or not the wires

are painted, galvanized, or coated in any way, and that it is necessary to obtain an export license for every shipment of this material. It should also be noted that the act of improperly classifying material in order that it may be exported without a license subjects the exporter to the penalty of the law.

FORMATION OF ITALIAN ASSOCIATION FOR PURCHASE OF FOREIGN RAW HIDES.

Information regarding the formation in Italy of an association for the purchase of foreign raw hides has been conveyed to the State Department by Vice-Consul Roberts at Genoa, Italy, as follows:

Il Sole, published at Milan, contains an article on the formation of an association for the purchase of foreign raw hides. The directing committee it states, met at Rome and nominated as President Commendatore Genaro Maffei, of Naples. The seat of the association in Rome was fixed at the Hotel Splendid, where the wool association is installed. It has been possible to enable the office to begin without delay the admission of associates, and the organization of purchases, finances, insurance, freights, &c.

Details of the work as given by Il Sole are: About 100 of the principal national tanneries and other minor ones already belong to the association, and new applications for membership arrive daily. Since Sept. 1 the firms that are members have been invited to send in their orders, and the directing committee has at once proceeded to make the purchases. On Sept. 18 these firms were informed of the respective assignments of hides from China and Montevideo. Orders have thus been covered for about 60,000 hides from China for soles and uppers, and for about 22,000 hides from Montevideo, principally for soles. On Sept. 22 the assignments were announced of 25,000 more hides from Montevideo, all for soles. Within a few days will be announced the assignments of 30,000 additional hides from China, 20,000 from Montevideo, and 50,000 from India.

The orders received by the association during this first month of activity amount to more than 250,000 hides. Four-fifths of them already have been covered by the purchase and assignment of about 210,000 hides, as here shown.

Given the continual increase in the number of members, it is to be foreseen that the orders will reach greater amounts in the successive months, but it is probable that the purchases will be delayed, the season coming on in which the chartering of vessels becomes always more difficult, as the greater part of the tonnage is absorbed by the transportation of grain and cereals from South America and Australia.

CONTROL OF BINDER TWINE OUTPUT BY GOVERNMENT.

Announcement that the Federal Food Administration had arranged to control the binder twine output of the country during 1918 was made on the 7th inst. Control, it is announced, will be effected through voluntary agreements made by the binder twine makers with the Food Administration, which will centralize buying and eliminate competition. The statement made by the Food Administration in the matter says that as a consequence of war activities, high freights and similar causes the price will not be as low as in past years, but will be a reasonable price based on the cost of raw material. Henry Wolfer, formerly Warden of the Minnesota Penitentiary, where, it is stated, he built up the third largest binder twine plant in the world, has been placed in charge of the binder twine section of the Food Administration. The following is the latter's announcement:

The United States Food Administration has arranged to control the binder twine output of this country during the 1918 season. Voluntary agreements have been entered into between the binder twine manufacturers and the Food Administration centralizing the buying and eliminating competition.

This industry comes under the food bill because binder twine is necessary equipment in the production of food. As a consequence of war activities, high freights and similar causes, the price will not be as low as in past years, but will be a reasonable price based upon the cost of the raw material, over which the United States Food Administration has no control, plus reasonable differentials for manufacturing.

It is unquestionably a fact that the price of binder twine would have been much higher than it will be but for this control. Dealing as a Government department for the entire binder twine industry with the company supplying sisal, the Food Administration has made advantageous arrangements tending to stabilize prices, prevent undue advances and eliminate speculation, waste and hoarding; giving the product to the ultimate consumer at lowest possible price, all things considered. Henry Wolfer, formerly Warden of the Minnesota Penitentiary, where he built up the third largest binder twine plant in the world, is in charge of the binder twine section of the Food Administration.

Concerning the action taken by the Government for the regulation of the binder twine industry, the "Journal of Commerce" on Jan. 8 in a Washington dispatch said:

The Food Administration failed to make it clear to-day in what manner it hopes to cope with the Mexican sisal combination. It is believed, however, that negotiations in this regard will be conducted through the State Department and, being of a diplomatic nature, will be kept secret. Some time ago the question of sugar prices was negotiated in a similar manner with Cuba. Ambassador Fletcher, who recently returned from Mexico City, it is now understood, was instrumental in effecting the agreement with the Yucatan sisal producers. As a matter of fact, the matter was treated as negotiations between the United States and the Government of Mexico.

The United States agreed to lift the embargo on gold to Mexico. The oil companies there needed gold to pay their employees and asked for permission to export \$5,000,000 of gold. The United States lifted this embargo to the extent of \$10,000,000. It was learned to-day. In addition, the United States agreed to sell about 4,000,000 bushels of corn to Mexico, which is considered sufficient to tide that country over until their next harvest. Corn, it was said to-day, is going into Mexico at the rate of twenty cars per day.

In return for these concessions, it is believed, the Mexicans have consented to the regulation of the binder twine industry in the United States, which undoubtedly has in mind the practical fixing of the price of sisal.

LICENSES REQUIRED FOR IMPORTATION, MANUFACTURE, STORAGE, &c., OF AMMONIA.

Licenses for the importation, manufacture, storage and distribution of ammonia, ammoniacal liquors and ammonium sulphate are required beginning Jan. 21 under a proclamation issued by President Wilson on Jan. 3. Applications for licenses must be made to the law department, license division, of the United States Food Administration, Washington, D. C., upon forms prepared for that purpose. Mention was made in these columns last week of the taking over by the Government of all the ammonia in sight and the concern felt by the trade with regard to the supply. We give below the President's proclamation calling for licenses for ammonia imports, manufacture, &c., as published in the "Official Bulletin" for Jan. 4:

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA. A PROCLAMATION.

Whereas, under and by virtue of an Act of Congress entitled "An Act to provide further for the national security and defense by encouraging the production, conserving the supply, and controlling the distribution of food products and fuel," approved by the President on the 10th day of August, 1917, it is provided, among other things, as follows:

That by reason of the existence of a state of war, it is essential to the national security and defense, for the successful prosecution of the war, and for the support and maintenance of the Army and Navy, to assure an adequate supply and equitable distribution, and to facilitate the movement of foods, feeds, fuel (including fuel oil and natural gas), and fertilizer and fertilizer ingredients, tools, utensils, implements, machinery, and equipment required for the actual production of foods, feeds, and fuel, hereafter in this Act called necessities; to prevent, locally or generally, scarcity, monopolization, hoarding, injurious speculation, manipulations, and private controls affecting such supply, distribution, and movement; and to establish and maintain Governmental control of such necessities during the war. For such purposes the instrumentalities, means, methods, powers, authorities, duties, obligations, and prohibitions hereinafter set forth are created, established, conferred, and prescribed. The President is authorized to make such regulations and to issue such orders as are essential effectively to carry out the provisions of this Act.

And, whereas, it is further provided in said Act as follows:

That, from time to time, whenever the President shall find it essential to license the importation, manufacture, storage, mining or distribution of any necessities, in order to carry into effect any of the purposes of this Act, and shall, after a date fixed in the announcement, engage in or carry on any such business specified in the announcement of importation, manufacture, storage, mining, or distribution of any necessities as set forth in such announcement, unless he shall secure and hold a license issued pursuant to this section. The President is authorized to issue such licenses and to prescribe regulations for the issuance of license and requirements for systems of accounts and auditing of accounts to be kept by licensees, submission of reports by them, with or without oath or affirmation, and the entry and inspection by the President's duly authorized agents of the places of business of licensees.

And whereas it is essential in order to carry into effect the provisions of the said Act, and in order to secure an adequate supply and equitable distribution, and to facilitate the movement of certain necessities hereafter in this proclamation specified, that the license powers conferred upon the President by said Act be at this time exercised to the extent hereinafter set forth:

Now, therefore, I, Woodrow Wilson, President of the United States of America, by virtue of the powers conferred on me by said Act of Congress, hereby find and determine and by this proclamation do announce that it is essential, in order to carry into effect the purposes of said Act, to license the importation, manufacture, storage, and distribution of the following necessities: Ammonia, ammoniacal liquors, and ammonium sulphate, from whatever source produced.

All persons, firms, corporations, and associations (except those specifically exempted by said Act of Congress) engaged in the business of importing, manufacturing, storing or distributing ammonia, ammoniacal liquors, or ammonium sulphate from whatever source produced are hereby required to secure a license on or before Jan. 21 1918, which will be issued under such rules and regulations governing the conduct of the business as may be prescribed.

The Secretary of Agriculture shall supervise, direct, and carry into effect the provisions of said Act and the powers and authority thereby given to the President as far as the same apply to ammonia, ammoniacal liquors, and ammonium sulphate from whatever source produced, and to any and all practices, procedure, and regulations applicable thereto, authorized or required under the provisions of said Act, and in this behalf he shall do and perform such acts and things as may be authorized or required of him from time to time by direction of the President, and under such rules and regulations as may be prescribed by the President from time to time. All departments and agencies of the Government are hereby directed to co-operate with the Secretary of Agriculture in the performance of the duties herebefore set forth.

Applications for licenses must be made to the law department, license division, United States Food Administration, Washington, D. C., upon forms prepared for that purpose.

Any person, firm, corporation, or association, other than those hereinbefore excepted, who shall engage in the business of importing, manufacturing, storing, or distributing ammonia, ammoniacal liquors, or ammonium sulphate from whatever source produced after the date aforesaid, without first securing such license, will be liable to the penalties prescribed by said Act of Congress.

In witness whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

Done in the District of Columbia, this 3d day of January, in the year of our Lord 1918, and of the independence of the United States of America the one hundred and forty-second.

WOODROW WILSON.

By the President:

ROBERT LANSING, *Secretary of State.*

According to a statement issued by the Department of Agriculture, the enforcement of the regulations will be in charge of an inter-department committee, including representatives of the Council of National Defense, U. S. Food Administration, the Department of Agriculture and the War, Navy and Interior departments. This committee consists of:

U. S. Food Administration, Charles W. Merrill.

Department of Agriculture, M. L. Wilkinson and Carl L. Alsberg.

War Department, Major Backus, Ordnance Division.

War Department, Colonel W. H. Walker, Chief of Chemicals Service Section.

War Department, Major M. J. Whitson, Cantonment Division, Quartermaster-General's Office.
 Navy Department, Admiral Ralph Earl.
 Interior Department, Major J. T. Crabbs.
 Council of National Defense, L. L. Summers.

**REORGANIZATION OF ORDNANCE BUREAU OF ARMY
 —SAMUEL McROBERTS HEAD OF NEW
 PROCUREMENT DIVISION.**

Secretary of war Baker on Jan. 2 announced a complete reorganization of the Ordnance Bureau of the War Department. Under the new plan four divisions, with civilians at their head, will be charged with the principal functions of the Bureau. These departments will be known as the divisions of procurement, production, inspection and supply. Heretofore the work of these departments has been handled by five more or less independent units in the Bureau. Colonel Samuel McRoberts, formerly Executive Manager of the National City Bank of New York, has been placed in charge of the new procurement division. No announcement of the names of the business men to be put in charge of the other three new divisions has to our knowledge as yet been made. Secretary Baker in announcing the reorganization of the Ordnance Bureau of the Army defined the duties of the four newly-created divisions as follows:

- (A) The Procurement Division will negotiate all orders and contracts for artillery, small arms, ammunition, and other articles heretofore purchased by the various divisions of the Ordnance Department.
- (B) The Production Division will have general charge of production. It will follow up, supervise, and stimulate the production of all articles contracted for by the Procurement Division.
- (C) The Inspection Division will inspect and accept or reject all munitions of war contracted for by the Procurement Division.
- (D) The Supply Division will receive and distribute all ordnance and ordnance stores, operate all storehouses, and have charge of matters pertaining to transportation.

**ARMY ORDNANCE BASE LOCATED AT METUCHEN,
 N. J.—SOLDIERS SENT ASTRAY
 THROUGH ERROR.**

Through an error by an official in the Ordnance Bureau of the War Department at Washington, fourteen soldiers drafted for military service in the Army arrived at Raritan, N. J., on Dec. 27, expecting to find there an ordnance base. Inhabitants of the town having no knowledge of such a base were nonplussed at the arrival of the soldiers, who were an advance guard of hundreds of others who had been assigned for service at the Raritan base. Realizing that a mistake had been made, Raritan people gladly accommodated the men in their homes until the authorities at Washington could arrange for the transfer of the men. Mayor Gallagher of Raritan on Dec. 29 telegraphed to Ordnance Bureau at Washington calling its attention to the mistake. The Mayor received a reply from General Crowder, who advised that the soldiers would be sent to Camp Upton, Yaphank, L. I., but, added that there "must" be an ordnance base in Raritan, as the War Department had received a report that it had been established. An investigation into the matter was later made by the War Department and it was discovered, says the New York "Times," that the true destination of the men was the Raritan Ordnance Depot, a supply base at Metuchen, N. J., in process of construction. The depot is situated on the Raritan River, and, it is stated, will accommodate several thousand men when completed. In explanation of the error in sending the soldiers to Raritan, N. J., General Crozier on Dec. 31, according to the "Times," declared that the mistake had been made by "one of 700 of the younger ordnance officers," who did not distinguish between "Metuchen" on the Raritan River, where the base is located, and the town of Raritan itself. Secretary of War Baker on Dec. 31, according to the "Times," authorized the following statement explaining the circumstances which led to the mistake:

By arrangements made with the Provost Marshal General, men volunteering for service in the Ordnance Supply Service, or selected for that service out of the drafted men, were to report at Raritan where additional facilities for their accommodation were under contract and in process of construction. These additional facilities were rendered necessary by the large number of volunteers for this service, which outran the anticipated number.

The Ordnance Department in Washington, relying upon the reports from the contractor for barracks at Raritan, assumed that they would be ready for the reception of the men. The cold weather delayed the work, and the barracks were not ready. When the first two men reported at Raritan the Ordnance Department was notified, and sent an officer there to take charge of the two who had already reported, and furnish accommodations to them and transportation to Camp Upton, where they and others subsequently reporting have been provided for.

The barracks at Raritan will be completed as soon as possible. In the meantime, the men who have reported, and those who subsequently report, will be provided for at Camp Upton. Instructions were issued some days ago to all district boards suspending the dispatch of further men.

The proposed barracks are near Raritan, but, not having been formally opened, the Postmaster and people of that place had not had their attention called to them so as to be able to advise the men who came of their exact location.

**NAVY DEPARTMENT REQUIRES CONTRACTORS TO
 PROVIDE MEANS FOR SAFEGUARDING
 PLANTS AGAINST ENEMY
 SYMPATHIZERS.**

Having found that manufacturers holding contracts with the Navy Department have not been taking proper precautions to guard their plants against danger from espionage, acts of war and enemy sympathizers, Secretary of the Navy Daniels has ordered that there be inserted in all contracts already made and in contracts to be made in the future provisions requiring contractors to furnish adequate protection for their plant and work, and when required by the Secretary of the Navy to furnish to the Navy Department a list showing the citizenship, country of birth, or alien status of any and all of their employees. Contractors must also discharge and refuse employment to any person or persons whom the Secretary of the Navy has cause to believe undesirable for work on contracts for the Navy Department.

All persons or firms holding Navy Department contracts have, according to the "Official Bulletin," been sent the following circular letter from the Bureau of Supplies and Accounts of the Navy Department:

The following letter has been received in this office:
 NAVY DEPARTMENT.

Washington, D. C., Oct. 16 1917.

From Secretary of the Navy:

To Chief of Bureau of Supplies and Accounts.

Subject: Adequate guarding of plants and surveillance of employees of plants having contracts with the Navy Department during the war.

1. In view of the fact that the conditions in regard to the guarding of the plants and the surveillance of the employees of a number of companies having manufacturing-contracts with the various bureaus of the Navy Department have been found to be most unsatisfactory, it is directed that you address a letter to all companies having contracts with your bureau, requiring them to insert the following provisions in all contracts already made and to have inserted the following provisions in all contracts to be made by your bureau for the duration of the war.

2. The following is a copy of the provisions above referred to:

"In addition to the ordinary precautions heretofore adopted by the contractor for the guarding and protection of its plants and work, the contractor shall provide such additional watchmen and devices for protection of its plant and property and the work in process for the Navy Department against espionage, acts of war, and of enemy aliens as may be required by the Secretary of the Navy. The contractor shall, when required, report to the Secretary of the Navy the citizenship, country of birth, or alien status of any and all of his employees. When required by the Secretary of the Navy he shall refuse to employ, or, if already employed, forthwith discharge from employment and exclude from his works any person or persons designated by the Secretary of the Navy for cause as undesirable for employment on work for the Navy Department."

(Signed)

JOSEPHUS DANIELS.

In case the Navy Department directs the contractor to provide additional watchmen and devices for the protection of his plant and property, special arrangements will be made in each case to make a suitable modification in existing contracts so as to provide for such expense. In each such case, contractors will be consulted with by the Director of Naval Intelligence and mutual satisfactory arrangements perfected.

All contracts, bureau orders, and Navy orders issued to you by Supplies and Accounts are, therefore, modified in accordance with the provisions stated above. A copy of this letter is made a part of the record pertaining to each contract, bureau order, and Navy order on file in this office.

Very respectfully,

SAMUEL McGOWAN,

Paymaster-General of the Navy.

**PRESIDENT WILSON OPPOSED TO RELAXATION OF
 CHILD LABOR LAWS AS WAR TIME NECESSITY.**

Commendation of the efforts of the National Child Labor Committee to prevent the relaxation of child labor laws on the plea of war time necessity is given by President Wilson in a letter to Dr. McKelway of the committee in which he says:

My Dear Dr. McKelway:

As the labor situation by the war develops, I am more interested than ever, if that were possible, in throwing all the safeguards possible around the labor of women and children in order that no intolerable or injurious burden may be placed upon them. I am, therefore, very glad, indeed, that the National Child Labor Committee is diligently continuing its labors and extending its vigilance in this important matter. By doing so it is contributing to efficiency and economy of production, as well as to the preservation of life and health. Cordially and sincerely yours,

WOODROW WILSON.

With regard to President Wilson's letter Owen R. Lovejoy of the National Child Labor Committee was quoted to the following effect in the New York "Times" of Dec. 31:

Dr. A. J. McKelway, National Child Labor Committee.

We expect that President Wilson's letter will be one of the greatest factors in preventing further relaxation of child labor laws. Last spring, before the Administration had time to state its position on the question of labor standards a number of States authorized the suspension of their laws. Since then there has been constant pressure in other States on officials charged with the enforcement of labor laws to permit violations of the labor laws on the ground of war necessity. But the President's letter, and a similar one received by the National Child Labor Committee from Secretary of War Baker, shows clearly what the attitude of these officials and the public at large should be toward any proposals that would "place intolerable or injurious burdens" upon the women and children.

**GENERAL SIBERT RELIEVED FROM DUTY IN FRANCE
—OTHER CHANGES IN ARMY DEPARTMENTS.**

A reassignment of several of the officers commanding the various branches of the United States Army at home and abroad was announced by Secretary of War Baker on Jan. 2. Perhaps the most important of the transfers was that of Major-General William L. Sibert of the regular army who has been relieved as commanding officer of the First Division of American troops in France under General Pershing, and assigned to the command of the Department of the Southeast. General Sibert has been succeeded as Commander of the First Division in France by Major-General Robert L. Bullard. Major-Generals William A. Mann and R. M. Blatchford have also been relieved from active duty in France, and they, together with, General Sibert, have returned to this country. Major-General Mann, who commanded the Rainbow Division of the National Guard in France, has been designated to head the Eastern Department of the army, with headquarters at Governors' Island, to relieve Major-General Eli D. Hoyle, a retired officer, who has been at the head of the Eastern Department since Major-General Franklin J. Bell was assigned for other work. General Mann has, it is stated, been succeeded by Major-General Charles T. Meachem, as commanding officer of the Rainbow Division in France. General Mann, it is said, was found physically unable to stand the strain of campaigning after the arrival in France, and was ordered home on that account. The recall from France of General Sibert, however, is not explained, however. Washington dispatches suggest it may have been due to a recommendation by General Pershing, with whom, it is said, General Sibert had not been wholly in accord on important military questions. The statement lacks confirmation. Major-General Sibert is said to be seven years short of the retirement age of 64.

INQUIRY INTO GOVERNMENT SHIPBUILDING SITUATION BY SENATE COMMERCE COMMITTEE.

The investigation by the Senate Committee on Commerce into the delay in the Government's shipbuilding program, the workings of the Federal Shipping Board and its Emergency Fleet Corporation, as ordered in the resolution (given in these columns on Dec. 29), unanimously adopted by the Senate on Dec. 18, was begun on Dec. 21, with Edward N. Hurley, Chairman of the Shipping Board, as the first witness. The investigation is being made by the full Committee on Commerce, of which Senator Duncan U. Fletcher, of Florida, is Chairman. The Committee met on Dec. 20 and made its plans for conducting the investigation. The committee adopted resolutions calling on the Shipping Board to furnish it with a complete list of all contracts for ship construction let up to that time, the name and address of each individual contractor and other similar information. The purpose of this report was to disclose at a glance just what had been accomplished by the Shipping Board in the war emergency, and to reveal what could be expected of America in the line of ship production during 1918. In compliance with the committee's request, Chairman Hurley on Dec. 21 submitted a great mass of data relating to contracts and construction and the other information desired. The contents of these documents Chairman Hurley summed up in a statement which he read before beginning his testimony. Chairman Hurley's statement said in part:

At the outset of this inquiry I would like to say that the Shipping Board, appreciating the fact that the Senate's desire is to be of national service, welcomes a thorough investigation of its activities and accomplishments. I am especially glad of the opportunity which this investigation affords to disclose the actual facts in the situation.

When Admiral Capps and I joined the Emergency Fleet Corporation on July 27 1917, there were under contract 840,900 tons of wooden ships, 207,000 tons of composite ships and 587,000 tons of steel ships. Since then additional contracts amounting to 3,378,200 tons of steel ships and 504,000 tons of wooden ships have been placed.

In addition, the Fleet Corporation has rendered financial aid to and is directing the work of extension and development in forty-two yards. The remaining new yards are being constructed by private capital. A portion of the contracts placed since July 27 were prepared and practically closed by our predecessors.

It must be borne in mind that this vast program of construction undertaken in the last nine months was superimposed on a navy program which was the equivalent in dollars, and therefore in shipbuilding effort, of the construction of 2,500,000 tons of merchant shipping. The navy program absorbed practically 70% of the eighteen prominent yards in existence at the beginning of the war with Germany, the remaining 30% of these yards being taken up with construction of merchant shipping for both foreign and American account, which was requisitioned under the order of Aug. 3. This tonnage is now being completed under the supervision and control of the Emergency Fleet Corporation.

When we compare the total tonnage under construction for both the Navy and the Shipping Board with the greatest annual output of American yards prior to the war, which Homer Ferguson in a recent article puts at 615,000 tons, some conception of the magnitude of our undertaking will be had.

The contracts of the Emergency Fleet Corporation have been let to 110 shipyards, of which 36 existed Jan. 1 and 74 have been created since. In addition, the Emergency Fleet Corporation has requisitioned the vessels which are building in 22 yards in addition to the above, so that the Fleet Corporation is at present controlling work in 132 yards, of which 58 are old and 74 are new.

The great and constant increase in new yards to be constructed and tonnage awarded has required a constant expansion of our organization, and has compelled us to make changes which the proper carrying out of this vastly expanded program has made imperative.

The organization has been expanded not only with the idea of checking up and safeguarding the expenditure of the vast sum entrusted to our care, but with the idea of infusing both into the shipbuilders and the workmen engaged in the art that degree of enthusiasm for the work and interest in it that is absolutely essential.

We have recognized that it was necessary not only vastly to increase the number of men, and therefore to evolve a method of getting an adequate supply of labor and training it, if necessary, but we also have been convinced of the necessity that we must spend more time training the executive and technical organization in those plants which have undertaken contracts for which their experience did not particularly fit them. The big problem is to secure an adequate supply of experienced labor and competent shipyard organizations to direct it.

The first contract was let on April 27. During that and successive months, contracts were let as follows: April, 1 contract for 12 vessels, totaling 42,000 tons; May, 9 contracts for 76 vessels, totaling 854,000 tons; June, 20 contracts for 137 vessels, totaling 646,000 tons; July, 24 contracts for 138 ships, 591,800 tons; August, 25 contracts, 110 vessels, 424,000 tons; September, 12 contracts, 185 vessels, 1,142,500 tons; October, 6 contracts, 114 vessels, 934,200 tons; November, 46 contracts, 192 vessels, 1,054,400 tons; December, 4 contracts, 35 vessels, 326,800 tons. Total, 146 contracts, for 996 vessels, totaling 5,517,100 tons.

The plan developed by our predecessors to standardize ship design and to build these standard ships in large numbers in specially equipped yards, in which the assembly of material fabricated in structural steel and machine shops could be carried on, is sound, and will give a tremendously increased ship production at relatively small expense for new construction, and without carrying with it excessive labor congestion at the yards.

A considerable portion of the effort thus far has been toward completion of these fabricated and other newly organized plants, the sum expended for this purpose up to Dec. 1 being \$9,651,000. I am happy to say the first three keels in these plants will be laid this month, and progress of yard construction is such that we can promise fairly full operation during the spring of 1918. The fact that hulls have actually been completed within sixty-four days on the Pacific Coast gives bright promise of the large capacity which these fabricated yards are bound to turn out.

I am mentioning this largely to indicate that the work thus far has in many cases been preparatory, and has carried the usual amount of annoyances and disappointments, but this period of preparation is getting rapidly behind us, and the period of actual ship construction in full accordance with our plans is immediately before us.

As an indication of the progress being made in explaining the shipbuilding capacity of the country, permit me to say that reports from various shipbuilding concerns for nine weeks beginning Oct. 6 show that out of 109 plants reporting, the total number of employees for the week ending Oct. 13 was 102,769; for the week ended Dec. 8 149,270, an increase of 45.2% during the nine weeks.

It must be borne in mind that all shipbuilding effort is not confined to shipyards, but that a large portion of propelling machinery, winches, steering gears and other accessories are built in manufacturing establishments, and these contribute thousands of operatives to the very respectable totals above. This increase in labor indicates the success we are having in adding a second and even a third shift to existing shipyards formerly running on a single turn.

Time is necessary in the case of any organization for gathering the necessary experience and development of team spirit, so essential to successful operation, and it is hardly fair, therefore, to say that the newly created facilities shall from the day they are put in operation produce ships at the maximum capacity. According to the figures of the construction department of the Fleet Corporation, 1,427 ships of 8,573,108 deadweight tons are under construction or contract. Of these, 431 ships of 3,056,000 tons were already under construction or order by private or foreign owners when the commandeering order went into effect Aug. 3. The new tonnage of steel ships ordered is represented by 559 ships of 3,905,200 deadweight tons. The wooden ships contracted for represent 379 bottoms of 1,344,900 deadweight tons, and there are in addition 58 composite ships of 207 deadweight tons. The output of various yards will increase progressively as experience grows and man power is increased.

As a record of accomplishment, let me add that since the commandeering order went into effect, 49 vessels of a total of 300,865 deadweight tons have been completed and put into service.

Chairman Hurley, in his testimony before the Committee, declared that despite the numerous obstacles hampering it from without and the dissensions within the Fleet Corporation, which, it is believed, are now at an end, America's mammoth shipbuilding program is being smoothly and rapidly brought to a successful completion. Some of the reasons for the delay in the building of the ships, Mr. Hurley said, were labor strikes, the fact that bidders had bid against each other and had purchased labor from each other, transportation difficulties and delays in getting material delivered. Chairman Hurley acknowledged that some contracts had not proven satisfactory to the Government, and that several contracts with private individuals were "dead ones." From Mr. Hurley and John A. Donald, a member of the Shipping Board, who also took the witness stand on Dec. 21, the Committee drew a long story of the troubles of the Shipping Board and the Fleet Corporation, starting with the row at the outset between William Denman, first Chairman of the Shipping Board, and Major-General Goethals, first General Manager of the Fleet Corporation. Mr. Donald described the reorganization of the Fleet Corporation, which stripped Rear Admiral Capps, General Goethals's successor, of much of his authority, and led to the former's resignation. The recent resignation of Rear Admiral Harris, who succeeded Rear Admiral Capps, was due. Mr. Donald said, to

Harris's taking measures without first consulting the Shipping Board. Admiral Harris has been succeeded by Charles Piez, whose office as Vice-President of the Corporation in charge of production has been combined with that of General Manager. The trouble between Mr. Denman and General Goethals, Mr. Donald said, appeared to be a difference in temperament and the question as to who was in supreme charge of the shipbuilding program. The controversy, he stated, had delayed the shipbuilding program and permitted more than a dozen ships to get away from the United States which might have been retained if the Board's commanding order had been issued earlier.

Mr. Hurley in his testimony gave an explanation for putting the ban on private contracts by shipbuilders. He said this action was taken because of the labor shortage, lack of materials, and the fact that the Shipping Board and the Emergency Fleet Corporation did not want foreign buyers bidding against the United States, paying a premium for material and labor, and otherwise preventing American yards from building American ships. The testimony offered on Dec. 22 disclosed that the beginning of the construction of fabricated steel ships was delayed two months by the refusal of Rear Admiral Capps, former General Manager of the Fleet Corporation, to close contracts negotiated by his predecessor, Major-General Goethals, until many alterations in them were made. Chairman Hurley, in testifying on this point, according to the New York "Times," said:

"General Goethals laid upon my desk contracts calling for tonnage of about 100,000," said Mr. Hurley. "I asked Admiral Capps to review the same before I actually awarded them. I thought that they should have his approval as well as that of General Goethals. He delayed several weeks in approving some of the contracts, and there was a delay from the last week of July until late in September in getting the approval of the larger part of the contracts."

"Did he make any changes in the specifications?"

"Yes. He reduced the number and changed the manner of making payments to the fabrication plants," replied Mr. Hurley.

General Manager Piez, in his testimony on Dec. 22, declared that the wooden shipbuilding program was held back largely by the inability of Southern pine producers to deliver timber. It was testified that the changed specifications required heavier timbers and that these timbers had been promised the shipbuilders by the Southern Pine Association. This organization, Mr. Piez testified, had delayed deliveries, and, in consequence, construction had been retarded in yards depending on the timber from the South. Many contracts already let for wooden ships in the East will have to be transferred to the West, Mr. Piez added, because of this state of affairs, in order to get the vessels completed.

The part which labor troubles have played in the delay in the shipbuilding program was discussed at length by R. B. Stevens, Vice-Chairman of the Shipping Board, and its representative in all labor problems, in his testimony before the investigating committee on Dec. 26. Since the United States went to war, Mr. Stevens said, shipyards have lost a total of 536,992 working days by strikes and other disputes. This, he figured, represents the work of 20,000 men for a month. Happily, said Mr. Stevens, the situation is improving by reason of measures taken by the Shipping Board to adjust differences wherever they arise. Mr. Stevens estimated that probably 150,000 men are now engaged on ships for the Government, but that at least 300,000, and perhaps 400,000, will be needed before the ships are all in service. Mr. Stevens also declared that, in order to keep men working on the Government's fleet of merchant vessels, the Shipping Board had adopted a plan granting a 10% wage bonus for a six-day week. This bonus will become part of the regular wage scale on Feb. 1. Senator Harding of the investigating committee asked why it was necessary to give this bonus to get men to work a full six-day week, and Mr. Stevens said that a great many men obtained sufficient money for their needs by working four days a week and refused to work the other two without extra compensation. Mr. Stevens, upon being questioned, estimated that the 10% bonus system would cost the Government about \$65,000,000.

Rear Admiral F. T. Bowles, who has charge of steel construction for the Fleet Corporation, testified before the investigating committee on Dec. 27. He declared that the maximum capacity of the United States for the building of steel merchant ships during 1918 is 7,100,000 tons deadweight, making allowances for the requirements of the navy, but diverting all available steel plates from other uses, such as building and car construction, to the shipyards. Admiral Bowles based his estimate on the grounds that the total capacity of steel plates would not exceed 2,864,000 tons in

1918, and that of this amount not more than 1,790,000 tons would be available for naval and merchant shipbuilding. He testified that there had been some slight delays in steel shipbuilding because of a lack of materials, but attributed this to delay in transportation. Admiral Bowles in his testimony, according to Washington news advices, frankly admitted the failure of the wooden ship plans, stating that he would discourage wooden shipbuilding wherever there was a possibility for further development of steel ship construction. Admiral Bowles disclaimed responsibility for the placing of contracts for wooden vessels, but took the blame for part of the delay in their construction. He explained that he had been dissatisfied with the original specifications for the ships, and had changed them because they did not provide sufficiently against hard usage and were otherwise poor. Rear Admiral Bowles was again before the investigating committee on Dec. 28, and asked that Congress exempt shipbuilding concerns from the operations of the excess profits tax in the war revenue bill in order that ships can be built for the war emergency. "We are finding it impossible to place new contracts because of the fear among shipbuilders of the excess profits tax," he said. "Several shipbuilders have appealed to me for protection, pointing out that with only 10% profit they would have little left after paying the tax." He said the fear of this tax was not incident to any particular locality, but was general among shipbuilders throughout the country. To illustrate what he meant, Admiral Bowles, according to the New York "Sun," cited the profit of the American International Corporation, which, he said, apparently would be in the vicinity of \$6,000,000, but which the profits tax would cut down to \$2,400,000, and which other taxes and charges would reduce to less than \$700,000. Admiral Bowles made the following requests for legislation of Congress to aid in building the war-time merchant fleet:

1. That the Fleet Corporation be empowered to commandeer houses for the benefit of shipyard workers. (He mentioned a building in the vicinity of a shipyard capable of housing 6,000 workers, presumably a summer resort hotel.)
2. That the Corporation be empowered to requisition street car lines and ferry boats to provide special transportation for the workers.
3. That the Fleet Corporation be empowered to declare a war zone around shipyards.
4. That shipbuilders be exempted through special legislation by Congress from the excess profits provisions of the War Revenue Law.
5. That Congress grant special appropriations to the Corporation for the purpose of providing housing facilities at the shipyards.

According to an estimate submitted on Dec. 30 by Chairman Hurley of the Shipping Board to Chairman Fletcher of the Senate Commerce Committee, approximately \$35,000,000 will be needed to provide housing facilities for shipyard workers, in addition to such amounts as will be required for army and navy use. Plans have been made for the erection of, at fewest, 40,000 houses by the Government, and as soon as Congress provides the money, homes for the shipyard workers will be constructed as rapidly as were the army cantonments. As soon as sufficient homes are erected work will be pushed at the maximum speed. Mr. Hurley's letter to Senator Fletcher follows:

One of the most perplexing problems of the war to the United States Shipping Board, the Army and the Navy has been the lack of housing facilities for the enormously increased army of labor. The War Industries Board appointed a committee on housing, with Mr. Otto M. Eidlitz of New York as Chairman, to investigate and advise on this situation. This committee has investigated and advised on the immediate necessity of increased housing facilities, but owing to the fact that this problem had not yet reached a critical stage at the time Congress adjourned at its last session, and that no request had been made to Congress for an appropriation to provide necessary housing, Mr. Eidlitz was unable to do more than suggest. The Shipping Board also had appointed an advisory committee which thoroughly investigated housing conditions at the shipyards and recommended some action toward relieving the situation, but all committees were more or less handicapped by no special financial provisions for taking care of this unlooked-for situation.

In November I appointed Mr. J. Rogers Flannery to see what could be done to help the housing troubles at the shipyards. The demand for immediate action became so apparent when the situation was thoroughly investigated that the Shipping Board decided to start construction at once at the most critical points. Hog Island will be the largest operation, and \$10,000,000 has been set aside for the erection of thousands of houses to be erected in the vicinity of Hog Island shipyard. Bristol, Pa., has also been assisted, and a large community site is being constructed.

Sparrows Point, Md., has been in need of housing facilities, and the Shipping Board is helping the Bethlehem Shipbuilding Corporation, Ltd., to purchase about four hundred 5 and 6 room brick houses to care for the shipyard employees. Baltimore, which is about 10 miles from the shipyards, is co-operating with the United States Shipping Board to the fullest extent and is giving invaluable assistance in helping to place the shipyard employees in homes, rooms and apartments.

Chester, Pa., Wilmington, Del., Newport News, Va., Newburgh, N. Y., and many other shipbuilding points are being investigated and plans are under consideration for alleviating the housing situation.

We are treating the housing proposition from a very broad viewpoint, and in all cases where community sites are being planned are providing all the social, moral, and artistic features that will add to the social, moral and physical well-being of the shipbuilding employees who will live in these communities. While protecting the investment of the Government, we

are also adjusting the rents, purchase terms, &c., on such a basis that they will be within normal reach of the men who will occupy the houses.

The shipping Board has invited the committee on housing to act as its advisory committee, has provided quarters for and is paying all salaries and clerical expenses of this committee and is attempting to work out this housing problem along the very broad lines that it deserves, hoping that eventually Congress will realize the necessity of providing the necessary appropriation with which to take care of the housing necessities of all branches of the Government. The Shipping Board is building up this housing organization in conjunction with the committee on housing so that no time may be lost, and when Congress decides to appoint an independent housing commission with the necessary appropriation to take hold and construct the necessary housing for all branches of the Government, standard town plans will have been laid out and standard types of houses that will permit of standard dimension parts and standard materials will have been decided upon. Everything will be ready. All preliminary foundation work will have been completed. Immediate action can be assured.

About \$35,000,000 will be required to carry out the contemplated housing program of the United States Shipping Board. A very considerable amount will also be required by the Army and the Navy. A bill is being prepared by the housing committee of the Council of National Defense, and I hope that it will be favorably acted upon by Congress, providing finances for the necessary housing. Housing facilities must be obtained for the large army of labor that must live where the Government's operations are being conducted upon such an enormous scale, and should be co-ordinated and standardized in one commission for all branches of the Government.

Admiral Bowles, head of the construction division of the Emergency Fleet Corporation, continued his testimony before the Senate Committee on Jan. 2, and furnished some interesting information regarding contracts for ship construction. The Admiral cited the Sloan Shipbuilding Corporation, of Seattle, Wash., as an instance where the Government had taken complete control of affairs. His testimony on the Sloan contracts was as follows, according to a dispatch to the New York "Times":

This contract, the Admiral said, was let May 18. It called for sixteen wooden ships, costing \$7,840,000, under a lump sum basis for each ship, and was negotiated by Major-Gen. Goethals and his counsel, J. P. Cotton. Admiral Bowles stated that, although \$1,724,000 had been advanced to the company within sixty days after the contract was let, none of the ships was more than 3% completed at the present time.

How investigation of "disquieting rumors" about the Sloan corporation had led to an investigation of that concern was explained by Admiral Bowles. In August last, he said, the Fleet Corporation ordered an audit of the Sloan Company's books, although in so doing it really exceeded its legal authority. It was discovered, according to the witness, that of the \$1,724,000 advanced in two 11% payments under contractual stipulations, the Sloan Company actually had spent \$539,000 on its ship work, \$237,000 indirectly on this work, and \$509,000 for private purposes.

Of the \$509,000, the Admiral continued, \$400,000 was paid to the Clinchfield Navigation Co., New York, for brokerage fees in landing the shipping contract. Parts of the \$237,000, he said, went to the Capital City Iron Works and the Anacortes Steel Co., both owned by the Sloan Company, and to the Wisconsin Lumber Co., which was to furnish material for the ships at a figure under the market price, he asserted.

"What did you do when you found that out?" Admiral Bowles was asked. "We took over complete control of the Sloan Company, shut off the Clinchfield Company from collecting any more money, took a \$750,000 mortgage of the Sloan plant, and took over bonds of the two subsidiary concerns," he said. "President Sloan of the corporation was drawing \$25,000 a year salary. We cut him down to \$10,000."

Asked what Mr. Sloan did to earn that amount, the Admiral replied: "He gets that for keeping quiet and helping us keep things moving. I admit that it looks like a good bit of money, but we did the best we could under the circumstances."

George S. Radford, Manager of the contract division of the Emergency Fleet Corporation, took the witness stand on Jan. 2 and in his testimony advised the construction of steel in preference to wooden ships. He told the Committee the cost of the wooden ships in the Fleet Corporation's program approximates \$140 a ton, and of steel ships \$160 a ton or higher on the East coast and \$170 on the West coast. He said the Fleet Corporation was planning to place contracts for a few wooden vessels on the Pacific Coast, utilizing only existing shipyards, and would not encourage the creation of additional yards for that purpose. Mr. Radford said the Fleet Corporation would not be warranted in building many more wooden ships on the Atlantic Coast because of transportation and labor problems.

Meyer Bloomfield, in charge of the industrial service department of the Fleet Corporation, also gave testimony on Jan. 2. He told of his department's work in recruiting men for the shipyards. He said labor had assumed its share of responsibility and he thought there had been no organized efforts of labor to profiteer. Replying to questions, Mr. Bloomfield stated that he had seen no evidence of enemy activity in the ranks of labor. Mr. Bloomfield continued his testimony on Jan. 3. This related to the housing and transportation situations at shipbuilding plants. Mr. Bloomfield declared that real estate profiteers were keeping workmen away from the shipbuilding centres by charging extortionate rents. He urged that authority be given the Shipping Board to commandeer houses to shelter shipyard workers and their families and to enforce better trolley and train service in connection with shipbuilding plants.

Theodore E. Ferris, chief constructor for the Emergency Fleet Corporation, was a witness before the Senate Committee on Jan. 3, and told the Committee that a slow start

in construction of the fabrication steel shipyard at Hog Island, Pa., owned by the American International Corporation, will make it impossible for that yard to deliver on time its first twenty-five, and probably its first fifty ships, although he expected that subsequently it would catch up, so that the entire number, 120, called for by the contract, would be delivered almost on time. He estimated Sept. 1 next as the earliest possible date for that yard to deliver a completed vessel, and said that the situation at Hog Island would be even worse if either labor or materials should not be available in the required amounts. The Submarine Boat Corporation will, in his opinion, be able to turn out some ships this year, having made the greatest progress of the three fabricated plants. He ranked these plants according to their preparedness to build ships as follows: Submarine Boat Corporation, Merchants' Shipbuilding Co. and American International Corporation. Questioning of Chief Constructor Ferris continued on Jan. 4, and F. A. Brown, general purchasing officer of the Fleet Corporation, also took the stand on that day. He outlined some of the conditions affecting the construction of wooden ships.

The Senate Commerce Committee, which, as heretofore stated, is conducting the investigation, shortly before adjournment on Jan. 4, adopted a resolution authorizing the Shipping Board to commandeer such ferryboats and trolley lines as may be necessary to convey workmen in shipbuilding plants in the New York district if other means are not sufficient. The committee's action followed testimony showing the difficulties confronting the yards on Staten Island and the exorbitant charges for ferry service asked by owners of boats.

Chairman Fletcher of the Senate Commerce Committee on Jan. 5 introduced several bills in the Senate which are expected, if passed, to speed up ship construction. One measure appropriates \$50,000,000 for the commandeering, leasing, or construction of houses to shelter shipyard workers and their families, and another empowers the Shipping Board to requisition ferries or trolley lines or other means of transportation to carry workmen to and from their work in the shipbuilding yards. Another provision, intended to protect shipbuilding yards from danger of spies, creates a military zone around all yards where Government ships are being built.

Homer L. Ferguson, for seventeen years a naval constructor, and now President and General Manager of the Newport News (Va.) Shipbuilding Co., testified at the hearings on Jan. 8. He declared that the probable output of merchant ships in the United States during 1918 would be only about 3,000,000 tons. Estimates frequently made of from 5,000,000 to 8,000,000, he declared, were misleading to the public and should not be permitted to go unchallenged. The greatest obstacle now in the way of rapid construction, Mr. Ferguson said, was poor housing facilities for shipyard workers. His recital of housing conditions at Newport News made a deep impression on the investigating committee, and at the end of the day's hearings, on motion of Senator Martin, of Virginia, Chairman Fletcher designated himself and Senator Harding, of Ohio, as a committee to wait on the proper officials of the executive branch of the Government with a view to obtaining immediate relief there and elsewhere and to ascertain the specific legislation needed to meet existing delinquencies. Mr. Ferguson, regarding housing conditions at Newport News, was quoted in Washington dispatches as having said:

The housing problem is one of the most vital facing the Government in the conduct of the war. You cannot get the ships unless houses are provided for workmen. We want to add 5,000 men to our force and there is nowhere in Newport News for them to live. I understand that conditions elsewhere are equally as bad.

There is no limit to the amount of ships this country can build if it really sets itself to the task. The shipyards already built and those building can turn out 5,000,000 tons of ships annually under proper conditions, and the country could, if put to it, add still other yards and produce 10,000,000 tons a year. But it cannot be done without man power and man power cannot be obtained unless housing is provided.

It is just as necessary for the Government to build houses for shipyard workers as it is for soldiers. It must do it if it gets ships. If I had the power I would commandeer houses and I think the Government should do this. There is talk of working men two and three shifts. In our yard we have not enough men to work one shift, and in one house I know of eighteen persons are living in five rooms. We have not the money to build houses and it is the duty of the Government to put them up. We are ready to furnish the land.

Mr. Ferguson, questioned as to the cause for the delay in the Government's providing housing facilities for shipyards, stated that he thought it was due to a lack of co-ordination by the War and Navy Departments, the Shipping Board and the Council of National Defense. In Newport News, he said, the growth of the military establishment had

absorbed all available housing. Mr. Ferguson criticised the concentration of shipyards in the Philadelphia district as likely to increase housing difficulties and to add to railroad congestion. The industry, he said, should have been scattered more along the coasts. According to Mr. Ferguson, the Fleet Corporation's commandeering order, hampered instead of expediting shipbuilding in established yards. Until December, he declared, the Fleet Corporation was unwilling to pay additional costs for speeding up building operations, although the private owners of ships under construction always were ready to pay for speed. Mr. Ferguson voiced the opinion that the delay in wooden construction was due to the fact that the Fleet Corporation attempted too ambitious a program at the start. Changes in specifications caused delays, he said, when, if the corporation had started with a few ships and developed the type it wanted, few vessels would have had to be changed. Chairman Fletcher and Senator Harding, of Ohio, who, as stated above, were appointed as a special sub-committee of the Commerce Committee to confer with the officials of the Fleet Corporation for the purpose of obtaining immediate relief for the shipbuilders, on Jan. 9 called on the executives of the Fleet Corporation to extend all the aid they possibly could in the way of providing for increased transportation facilities and better housing conditions. The results of the sub-committee's action were stated in a special dispatch to the New York "Sun," as follows:

The result was immediate authorization of an advance to the Newport News Shipbuilding & Drydock Co. for expenditure in the construction of 500 dwellings for operatives on the company's own property at the mouth of the James River.

Homer Ferguson, President of the Shipbuilding Company, whose testimony before the committee yesterday caused this action, remained in Washington to watch for results. He left for home to-night assured that the \$1,200,000 apportioned to him for the work would be at his disposal at once.

Another result was the immediate taking up of the question of Federal aid to the New York Shipbuilding Co. of Camden, N. J., and Philadelphia in the matter of both transportation and housing.

Chairman Hurley of the Shipping Board on Jan. 10 issued an order to shipbuilders to immediately formulate plans for putting all shipyards on a three-shift basis. At the same time Mr. Hurley arranged with Secretary McAdoo for the appointment of a special transportation representative of the railroad administration to be assigned to cooperate with the Shipping Board in expediting the movement of ship materials to the yards. Mr. Hurley on Jan. 10 also took occasion to answer the assertion of Homer L. Ferguson, of the Newport News Shipbuilding Co., before the Senate Commerce Committee, to the effect that American yards would turn out only 3,000,000 tons of shipping in 1918. Mr. Hurley stated that this estimate was far below the figures supplied by Lloyds, following an investigation of the progress of construction in American yards. Lloyds estimates, according to Mr. Hurley, were a production of from 4,500,000 to 5,000,000 tons, including both steel and wood. These estimates, it was stated, moreover, were conservative, taking into consideration none of the speeding-up plans now well under way.

HOUSE OF REPRESENTATIVES ADOPTS NATIONAL SUFFRAGE RESOLUTION.

Following President Wilson's action in coming out in support of the national suffrage amendment, the House of Representatives on Jan. 10 by a vote of 274 to 136 adopted the so-called Susan B. Anthony resolution to submit the woman suffrage amendment to the Federal Constitution, to the State Legislatures for ratification. Speaker Champ Clark, although favorable to the resolution, did not vote.

The resolution, contended for by the advocates of suffrage for seventy years, required two-thirds of all the members of the House present and voting, to carry. It required, therefore, 273 1-3 votes to pass the amendment, but the House parliamentarian ruled that you "can not split a man" into one-third or any fraction.

Analyzed on political lines the vote on the resolution was as follows: for—Democrats, 104; Republicans, 165; Independents, 2; Socialist, 1; Prohibitionist, 1, and Progressive, 1; total, 274. Against—Democrats, 102; Republicans, 33, and Progressives, 1; total, 136.

An indication, it is said, of how closely the lines were drawn was afforded when four men really to ill to take any part in the suffrage fight put in appearances on the floor and voted. Representative Mann of Illinois, the Republican leader, left the Johns Hopkins Hospital in Baltimore to come to Washington and cast his vote for woman suffrage. Representative Tinkham of Massachusetts, with his right

arm in a sling, appeared for the first time too. He cast his vote against the amendment. Representative Sims of Tennessee, with a broken shoulder, remained at the House until he voted in the affirmative. Representative Barnhart of Indiana was brought from his bed in a local hospital to vote. He voted for the amendment.

Efforts were made to amend the resolution, but failed. Representative Moore of Indiana offered an amendment providing that the people of the States must ratify the suffrage amendment to the Constitution instead of the Legislatures. The roll-call on this vote showed 131 "for" to 272 "against." Another attempt to amend the resolution proposed to limit the time for action by the States to seven years. This was defeated, 159 to 246. This amendment was offered by Representative Gard of Ohio, who urged that the same restriction should be placed on this resolution as had been carried by the prohibition amendment.

The resolution, which we publish in full below, now goes to the Senate, where early action is looked for:

Resolved, By the Senate and House of Representatives of the United States of America, in Congress assembled (two thirds of each house concurring therein), that the following article be proposed to the Legislatures of the several States as an amendment to the Constitution of the United States, which, when ratified by three-fourths of said Legislatures, shall be valid as part of said Constitution, namely:

"Article —
"Section 1. The right of citizens of the United States to vote shall not be denied or abridged by the United States or by any State on account of sex.

"Section 2. Congress shall have power, by appropriate legislation, to enforce the provisions of this article."

MISSISSIPPI LEGISLATURE RATIFIES NATIONAL PROHIBITION AMENDMENT.

The Mississippi Legislature is the first, it is said, to act upon the proposed national prohibition amendment. Within fifteen minutes after the subject was presented to the State Legislature on Jan. 8 in Governor Bilbo's message, both branches ratified the proposed amendment. The vote in the lower House is reported as 93 to 3 and in the Senate, 32 to 5.

THE NATIONAL PROHIBITION AMENDMENT TO FEDERAL CONSTITUTION—CORRECTION.

The following letter is self explanatory:
STATE TAX COMMISSION OF MARYLAND.
Baltimore, Dec. 31, 1917.

William B. Dana Company, New York:
Gentlemen: The statement in your issue of Dec. 22d (page 2421) that the Prohibition Amendment was passed by the House by "25 more than required," is incorrect. The vote you properly state as 282 for, and 128 against, the resolution. The total number voting was 410; the total qualified membership of the House on that day was 434. The affirmative vote was therefore only 8 more than the required two-thirds of those voting (a quorum being present).

Incidentally I may add that 8 less than two-thirds of the full membership voted affirmatively. My reason for referring to this fact that the vote was 8 less than two-thirds of the full membership, is to correct the prevailing impression that it requires the assent of two-thirds of the full membership of each House to propose a Constitutional amendment. It requires in fact only two-thirds of those voting, a quorum being present. The amendment in its final form was passed by the Senate by a vote of 47 to 8, that is to say, it received the approval of less than a bare majority of the full membership. Let us keep the record straight.

Truly yours, OSCAR LESER.

CONSTITUTIONALITY OF SELECTIVE DRAFT LAW UPHELD BY U. S. SUPREME COURT.

The constitutionality of the Selective Draft Law was upheld on Jan. 7 by the United States Supreme Court. The Court sustained the Government's contentions that the power given to Congress to declare war includes power to compel citizens to render military service both at home and abroad. The opinion of the Court was unanimous; it was delivered by Chief Justice White, who in a brief statement declared that after considering the various contentions the conclusion had been reached that most of them were imaginary rather than real. The Court gave no ruling in the several pending cases involving charges of conspiracy to prevent the carrying out the purpose of the law. It is understood that these cases, which include the appeals of Alexander Berkman and Emma Goldman, convicted in New York, may later be made the subject of a separate opinion. The two named were found guilty on July 9 last of conspiring to obstruct the operation of the law, and sentenced to a term of two years imprisonment and to pay a fine of \$10,000 each. The Supreme Court's decision resulted from the appeals of 13 cases growing out of convictions under the Selective Service Act, five coming from New York, three from Ohio, four from Minnesota and one from Georgia. The Georgia decision was referred to in our issue of Aug. 25. Constitutionality of the Act was made the basis for all of the appeals. Chief Justice White, in the Supreme Court opinion, said:

The law, as its title declares, was intended to supply temporarily the increased military force which was required by the existing emergency, the war, then and now flagrant.

The possession of authority to enact the statute must be found in the found in the Constitution giving Congress power to declare war: * * * to raise and support armies, but no appropriation of money to that use shall be for a longer term than two years; * * * to make rules for the Government and regulation of the land and naval forces.

As the mind cannot conceive of an army without the men to compose it, on the face of the Constitution the objection that it does not give power to provide for such men would seem to be too frivolous for further notice. It is said, however, that since, under the Constitution as originally framed, State citizenship was primary, and United States citizenship but derivative and dependent thereon, therefore the power conferred upon Congress to raise armies was only coterminous with United States citizenship and could not be exerted so as to cause that citizenship to lose its dependent character and dominate State citizenship.

But the proposition simply denies to Congress the power to raise armies which the Constitution gives. That power by the very terms of the Constitution, being delegated, is supreme. In truth, the contention simply assails the wisdom of the framers of the Constitution in conferring authority on Congress and in not retaining it as it was under the confederation in the several States. Further, it is said, the right to provide is not denied by calling for volunteer enlistments, but it does not and cannot include the power to exact enforced military duty by the citizen. This, however, but challenges the existence of all power, for a Governmental power which has no sanction to it and which therefore can only be exercised provided the citizen consents to its exertion, is in no substantial sense a power.

It is argued, however, that although this is abstractly true, it is not concretely so, because as compelled military service is repugnant to a free Government and in conflict with all the great guarantees of the Constitution as to individual liberty, it must be assumed that the authority to raise armies was intended to be limited to the right to call an army into existence counting alone upon the willingness of the citizen to do his duty in time of public need, that is, in time of war. But the premise of this proposition is so devoid of foundation that it leaves not even a shadow of ground upon which to base the conclusion. * * *

It remains only to consider contention which, while not disputing power, challenges the Act because of the repugnancy to the Constitution supposed to result from some of its provisions.

First, we are of opinion that the contention that the Act is void as a delegation of Federal power to state officials, because of some of its administrative features, is too wanting in merit to require further notice.

Second, we think that the contention that the Statute is void because vesting administrative officers with legislative discretion has been so completely adversely settled as to require reference only to some of the decided cases. A like conclusion also adversely disposes of similar claim concerning the conferring of judicial power. And we pass without anything but statement the proposition that an establishment of a religion or an interference with the free exercise thereof repugnant to the first amendment resulted from the exemption clauses of the Act to which we at the outset referred, because we think its unsoundness too apparent to require us to do more.

Finally, as we are unable to conceive upon what theory the exaction by Government from the citizen of the performance of his supreme and noble duty of contributing to the defense of the rights and honor of the nation as the result of a war declared by the great representative body of the people can be said to be the imposition of involuntary servitude in violation of the prohibitions of the Thirteenth Amendment, we are constrained to the conclusion that the contention to that effect is refuted by its mere statement.

RESULT OF CHRISTMAS CAMPAIGN FOR 10,000,000 NEW RED CROSS MEMBERS.

The Christmas campaign for 10,000,000 new members of the American Red Cross resulted in an enrollment of 16,000,000 new names, bringing the total membership up to 22,000,000. Announcement of this was made by H. P. Davison, Chairman of the War Council of the American Red Cross, in the following New Year's message to the division managers throughout the country:

The latest reports available indicate that the Christmas drive for 10,000,000 new members for the American Red Cross has resulted in the addition of fully 16,000,000 names to its rolls. This number added to the more than 6,000,000 members before the Christmas campaign makes the total present enrollment fully 22,000,000. This is a magnificent fact—an expression not alone of the patriotism, but of the fine sympathy and idealism of the whole American people.

The Red Cross War Council congratulates and welcomes every new member of the American Red Cross; likewise it congratulates the officers and old members of the organization who have given unstintingly of their time and effort to make the membership campaign a success.

But the wonderful achievement of enrolling one-fifth of the entire population of the United States as members of the American Red Cross is less a triumph than it is a call to greater service. The Red Cross is not merely a humanitarian organization separate and distinct from others, but it is the mobilized heart and spirit of the whole American people. The American Red Cross is carrying a message of love and sympathy to American soldiers and sailors and to the troops and civilian population of our allies in all parts of the world. It is seeking to shorten the war and it is seeking to lay a foundation for a more enduring peace when the war is over. As we stand on the threshold of a new year in this hour of the world's tragedy there can be but one thought in the minds of the 22,000,000 members of the American Red Cross, and that is to serve and sacrifice as never before.

RESIGNATION OF GRAYSON M. P. MURPHY AS HEAD OF RED CROSS MISSION IN EUROPE.

A Paris dispatch of Jan. 5 announced the resignation of Major Grayson M. P. Murphy of New York as head of the American Red Cross mission to Europe. It is said that Major Murphy, after a visit to the United States to confer with Mr. Davison, will return to service in the American army. Elliott Wadsworth, Vice-Chairman of the Red Cross Central Committee at Washington on the 5th inst. stated that it had been agreed when Major Murphy took up the commission's work in France that he would be relieved

at his pleasure to join the American army. He is a graduate of West Point, and has served in the army. Major James H. Perkins, Vice-President of the National City Bank of New York and now in France with the American Red Cross Commission, will take up the direction of the work. Major Perkins went to Europe with the commission last June, and has actively assisted Major Murphy.

SURETY BONDS OF \$500,000 OBTAINED FOR RED CROSS TREASURERS.

A fidelity bond, covering the Treasurers of 3,300 Red Cross Chapters for an amount approximately \$4,500,000 has been obtained by the American Red Cross through the National Surety Company. The Red Cross makes the following announcement in the matter:

The American Red Cross has obtained, through the generosity of the National Surety Co., a fidelity bond covering the respective treasurers of 3,300 chapters throughout America. The bond is said to be one of the largest ever issued to a benevolent organization.

The total amount specified in the schedule is approximately \$4,500,000, and the bond runs in favor of the American Red Cross and of the chapters. If the Federal anti-rebate law permits the National Surety Co. has agreed to contribute to the Red Cross the amount of the premium, so that the bond will eventually cost the Red Cross nothing. The bond is issued for an indefinite period, and is without regard as to what individuals may be holding the position of treasurer at the present time.

The surety company does not require the Red Cross to notify it of any change of treasurers, and no investigation by the company's agents has been or will be made with respect to the local treasurers.

Two other large schedule fidelity bonds, under the same conditions, have also been issued by the National Surety Co. to the American Red Cross, as follows:

One, for \$1,500,000, protects the American Red Cross with respect to money-handling officials and employees in the main office at Washington and also at the divisional headquarters in various States.

The other, for \$141,000, protects the Red Cross with respect to Red Cross officials in Europe.

JOHN D. ROCKEFELLER'S GIFT OF \$5,500,000 TO ROCKEFELLER FOUNDATION.

A gift of \$5,500,000 to the Rockefeller Foundation by John D. Rockefeller was announced on Jan. 7. As a result, it is hoped, according to George R. Vincent, President of the Foundation, that no further call upon the principal of the Foundation's funds will be made. Last year, in addition to the expenditure of the income, \$5,000,000 of the principal, was used in war relief work. The Trustees also authorized the use of \$5,000,000 more of the principal if required. In making his gift, Mr. Rockefeller said:

Dec. 29 1917.

The Rockefeller Foundation:

Gentlemen—In view of the increasing demands upon the funds of the Foundation arising in connection with the war, and having in mind particularly the large contributions made to the American Red Cross war fund and the war work of the Young Men's Christian Association, I inclose herewith my check for \$5,500,000, to be used as the foundation may see fit for furthering its corporate purposes. Very truly yours,

JOHN D. ROCKEFELLER.

PRESIDENT WILSON'S RESTATEMENT OF WAR AIMS AND PEACE CONDITIONS.

Without any previous heralding of his intentions, President Wilson, on Tuesday last, the 8th inst., delivered before Congress an address restating the aims of the United States in the war and outlining the conditions going to make up the world's peace program. Even Congress, until an hour or two before the presentation to it of the President's speech, was unaware of his plans to present anew the demands of the United States for effecting an enduring peace. The address to Congress of the President's purpose to appear before it were made known by the President's Secretary, J. P. Tumulty, in the following statement issued shortly after 11 a. m.:

The President will address Congress at 12:30 o'clock to-day on the subject of our international relations.

The war declarations of David Lloyd George, Great Britain's Prime Minister, last Saturday (given elsewhere in to-day's issue of our paper), coupled with the peace proposals of Germany and Russia, doubtless had a bearing on the President's action in giving utterance at this time to America's war aims, and there is seen in the two addresses more or less similarity as to what must constitute a basis for peace. In his address the President states that "we have no jealousy of German greatness and there is nothing in this program that impairs it." "We wish her only to accept," he says, "a place of equality among the peoples of the world in which we now live, instead of a place of mastery." The President enunciates fourteen conditions on which a world peace may be established, these in brief calling for:

1. Open covenants of peace without private international understandings.
2. Absolute freedom of the seas in peace or war, except as they may be closed by international action.

3. Removal as far as possible of all economic barriers and establishment of equality of trade conditions among nations consenting to peace and associating themselves for its maintenance.

4. Guarantees for the reduction of national armaments to the lowest point consistent with domestic safety.

5. Impartial adjustment of all colonial claims based upon the principle that the peoples concerned must have equal weight with the claims of the Government.

6. Evacuation of all Russian territory and opportunity for Russia's political development.

7. Evacuation of Belgium without any attempt to limit her sovereignty.

8. All French territory to be freed and restored, and reparation for the taking by Prussia in 1871 of Alsace-Lorraine.

9. Readjustment of Italy's frontiers along clearly recognizable lines of nationality.

10. Freest opportunity for autonomous development of the peoples of Austria-Hungary.

11. Evacuation of Rumania, Serbia and Montenegro, with free access to the sea for Serbia, and international guarantees of political and economic independence and territorial integrity of the Balkan States.

12. Secure sovereignty for Turkey's portions of the Ottoman Empire, with assurances to other nationalities under Turkish rule of security of life and opportunity for autonomous development, and the Dardanelles being permanently opened to all nations under international guarantees.

13. Establishment of an independent Polish State, including territories inhabited by indisputably Polish populations, assured of free access to the sea and political and economic independence and territorial integrity guaranteed by international covenant.

14. General association of nations formed under specific covenants for purpose of mutual guarantees of political independence and territorial integrity to large and small States alike.

"An evident principle," says the President, "runs through the whole program I have outlined. It is the principle of justice to all peoples and nationalities, and their right to live on equal terms of liberty and safety with one another, whether they be strong or weak. Unless this principle be made its foundation no part of the structure of international justice can stand. The people of the United States could act upon no other principle, and to the vindication of this principle they are ready to devote their lives, their honor, and everything that they possess." In full the President's message to Congress was as follows:

Gentlemen of the Congress:

Once more, as repeatedly before, the spokesmen of the Central Empires have indicated their desire to discuss the objects of the war and the possible bases of a general peace. Parleys have been in progress at Brest-Litovsk between Russian representatives and representatives of the Central Powers, to which the attention of all the belligerents has been invited, for the purpose of ascertaining whether it may be possible to extend these parleys into a general conference with regard to terms of peace and settlement. The Russian representatives presented not only a perfectly definite statement of the principles upon which they would be willing to conclude peace, but also an equally definite program of the concrete application of those principles. The representatives of the Central Powers, on their part, presented an outline of settlement which, if much less definite, seemed susceptible of liberal interpretation until their specific program of practical terms was added. That program proposed no concessions at all, either to the sovereignty of Russia or to the preferences of the populations with whose fortunes it dealt, but meant, in a word, that the Central Empires were to keep every foot of territory their armed forces had occupied—every province, every city, every point of vantage—as a permanent addition to their territories and their power. It is a reasonable conjecture that the general principles of settlement which they at first suggested originated with the more liberal statesmen of Germany and Austria, the men who have begun to feel the force of their own peoples' thought and purpose, while the concrete terms of actual settlement came from the military leaders who have no thought but to keep what they have got. The negotiations have been broken off. The Russian representatives were sincere and in earnest. They cannot entertain such proposals of conquest and domination.

The whole incident is full of significance. It is also full of perplexity. With whom are the Russian representatives dealing? For whom are the representatives of the Central Empires speaking? Are they speaking for the majorities of their respective Parliaments or for the minority parties, that military and imperialistic minority which has so far dominated their whole policy and controlled the affairs of Turkey and of the Balkan States which have felt obliged to become their associates in this war? The Russian representatives have insisted, very justly, very wisely, and in the true spirit of modern democracy, that the conferences they have been holding with the Teutonic and Turkish statesmen should be held with open doors, and all the world has been audience, as was desired. To whom have we been listening, then? To those who speak the spirit and intention of the resolutions of the German Reichstag of the 9th of July last, the spirit and intention of the liberal leaders and parties of Germany or to those who resist and defy that spirit and intention and insist upon conquest and subjugation? Or are we listening, in fact, to both, unreconciled and in open and hopeless contradiction? These are very serious and pregnant questions. Upon the answer to them depends the peace of the world.

But whatever the results of the parleys at Brest-Litovsk, whatever the confusions of counsel and of purpose in the utterances of the spokesmen of the Central Empires, they have again attempted to acquaint the world with their objects in the war and have again challenged their adversaries to say what their objects are and what sort of settlement they would deem just and satisfactory. There is no good reason why that challenge should not be responded to, and responded to with the utmost candor. We did not wait for it. Not once, but again and again, we have laid our whole thought and purpose before the world, not in general terms only, but each time with sufficient definition to make it clear what sort of definitive terms of settlement must necessarily spring out of them. Within the last week Mr. Lloyd George has spoken with admirable candor and in admirable spirit for the people and Government of Great Britain. There is no confusion of counsel among the adversaries of the Central Powers, no uncertainty of principle, no vagueness of detail. The only secrecy of counsel, the only lack of fearless frankness, the only failure to make definite statements of the objects of the war, lies with Germany and her allies. The issues of life and death hang upon these definitions. No statesman who has the least conception of his responsibility ought for a moment to permit himself to continue this tragical and appalling outpouring of blood and treasure unless he is sure beyond a peradventure that the objects of the

vital sacrifice are part and parcel of the very life of society and that the people for whom he speaks think them right and imperative as he does.

There is, moreover, a voice calling for these definitions of principle and of purpose which is, it seems to me, more thrilling and more compelling than any of the many moving voices with which the troubled air of the world is filled. It is the voice of the Russian people. They are prostrate and all but helpless, it would seem, before the grim power of Germany, which has hitherto known no relenting and no pity. Their power apparently is shattered. And yet their soul is not subservient. They will not yield either in principle or in action. Their conception of what is right, of what it is humane and honorable for them to accept, has been stated with a frankness, a largeness of view, a generosity of spirit, and a universal human sympathy which must challenge the admiration of every friend of mankind; and they have refused to compound their ideals or desert others that they themselves may be safe. They call to us to say what it is that we desire, in what, if in anything, our purpose and our spirit differ from theirs; and I believe that the people of the United States would wish me to respond with utter simplicity and frankness. Whether their present leaders believe it or not, it is our heart-felt desire and hope that some way may be opened whereby we may be privileged to assist the people of Russia to attain their utmost hope of liberty and ordered peace.

It will be our wish and purpose that the processes of peace, when they are begun, shall be absolutely open, and that they shall involve and permit henceforth no secret understandings of any kind. The day of conquest and aggrandizement is gone by; so is also the day of secret covenants entered into in the interest of particular Governments and likely at some unlooked-for moment to upset the peace of the world. It is this happy fact, now clear to the view of every public man whose thoughts do not still linger in an age that is dead and gone, which makes it possible for every nation whose purposes are consistent with justice and the peace of the world to avow now or at any other time the objects it has in view.

We entered this war because violations of right had occurred which touched us to the quick and made the life of our own people impossible unless they were corrected and the world secured once for all against their recurrence. What we demand in this war, therefore, is nothing peculiar to ourselves. It is that the world be made fit and safe to live in; and particularly that it be made safe for every peace-loving nation which, like our own, wishes to live its own life, determine its own institutions, be assured of justice and fair dealings by the other peoples of the world, as against force and selfish aggression. All the peoples of the world are in effect partners in this interest, and for our own part we see very clearly that unless justice be done to others it will not be done to us.

The program of the world's peace, therefore, is our program, and that program, the only possible program, as we see it, is this:

I. Open covenants of peace, openly arrived at, after which there shall be no private international understandings of any kind, but diplomacy shall proceed always frankly and in the public view.

II. Absolute freedom of navigation upon the seas, outside territorial waters, alike in peace and in war, except as the seas may be closed in whole or in part by international action for the enforcement of international covenants.

III. The removal, so far as possible, of all economic barriers and the establishment of an equality of trade conditions among all the nations consenting to the peace and associating themselves for its maintenance.

IV. Adequate guarantees given and taken that national armaments will be reduced to the lowest point consistent with domestic safety.

V. A free, open-minded and absolutely impartial adjustment of all colonial claims, based upon a strict observance of the principle that in determining all such questions of sovereignty the interests of the populations concerned must have equal weight with the equitable claims of the Government whose title is to be determined.

VI. The evacuation of all Russian territory and such a settlement of all questions affecting Russia as will secure the best and freest co-operation of the other nations of the world in obtaining for her an unhampered and unembarrassed opportunity for the independent determination of her own political development and national policy, and assure her of a sincere welcome into the society of free nations under institutions of her own choosing; and, more than a welcome, assistance also of every kind that she may need and may herself desire. The treatment accorded Russia by her sister nations in the months to come will be the acid test of their good will, of their comprehension of her needs as distinguished from their own interests, and of their intelligent and unselfish sympathy.

VII. Belgium, the whole world will agree, must be evacuated and restored, without any attempt to limit the sovereignty which she enjoys in common with all other free nations. No other single act will serve as this will serve to restore confidence among the nations in the laws which they have themselves set and determined for the government of their relations with one another. Without this healing act the whole structure and validity of international law is forever impaired.

VIII. All French territory should be freed and the invaded portions restored, and the wrong done to France by Prussia in 1871 in the matter of Alsace-Lorraine, which has unsettled the peace of the world for nearly fifty years, should be righted, in order that peace may once more be made secure in the interest of all.

IX. A readjustment of the frontiers of Italy should be effected along clearly recognizable lines of nationality.

X. The peoples of Austria-Hungary, whose place among the nations we wish to see safeguarded and assured, should be accorded the freest opportunity of autonomous development.

XI. Rumania, Serbia and Montenegro should be evacuated; occupied territories restored; Serbia accorded free and secure access to the sea; and the relations of the several Balkan States to one another determined by friendly counsel along historically established lines of allegiance and nationality; and international guarantees of the political and economic independence and territorial integrity of the several Balkan States should be entered into.

XII. The Turkish portions of the present Ottoman Empire should be assured a secure sovereignty, but the other nationalities which are now under Turkish rule should be assured an undoubted security of life and an absolutely unmolested opportunity of autonomous development, and the Dardanelles should be permanently opened as a free passage to the ships and commerce of all nations under international guarantees.

XIII. An independent Polish State should be erected which should include the territories inhabited by indisputably Polish populations, which should be assured a free and secure access to the sea, and whose political and economic independence and territorial integrity should be guaranteed by international covenant.

XIV. A general association of nations must be formed under specific covenants for the purpose of affording mutual guarantees of political independence and territorial integrity to great and small States alike.

In regard to these essential rectifications of wrong and assertions of right, we feel ourselves to be intimate partners of all the Governments and peoples associated together against the imperialists. We cannot be

separated in interest or divided in purpose. We stand together until the end.

For such arrangements and covenants we are willing to fight and to continue to fight until they are achieved; but only because we wish the right to prevail and desire a just and stable peace, such as can be secured only by removing the chief provocations to war, which this program does remove. We have no jealousy of German greatness, and there is nothing in this program that impairs it. We grudge her no achievement or distinction of learning or of pacific enterprise such as have made her record very bright and very enviable. We do not wish to injure her or to block in any way her legitimate influence or power. We do not wish to fight her either with arms or with hostile arrangements of trade, if she is willing to associate herself with us and the other peace-loving nations of the world in covenants of justice and law and fair dealing. We wish her only to accept a place of equality among the peoples of the world—the new world in which we now live—instead of a place of mastery.

Neither do we presume to suggest to her any alteration or modification of her institutions. But it is necessary, we must frankly say, and necessary as a preliminary to any intelligent dealings with her on our part, that we should know whom her spokesmen speak for when they speak to us, whether for the Reichstag majority or for the military party and the men whose creed is imperial domination.

We have spoken now, surely in terms too concrete to admit of any further doubt or question. An evident principle runs through the whole program I have outlined. It is the principle of justice to all peoples and nationalities, and their right to live on equal terms of liberty and safety with one another, whether they be strong or weak. Unless this principle be made its foundation, no part of the structure of international justice can stand. The people of the United States could act upon no other principle, and to the vindication of this principle they are ready to devote their lives, their honor and everything that they possess. The moral climax of this, the culminating and final war for human liberty, has come, and they are ready to put their own strength, their own highest purpose, their own integrity and devotion to the test.

The President's message to Congress this week was distributed to every news centre in the civilized world through essentially the same publicity machinery which was utilized in sending broadcast the President's address at the opening of Congress Dec. 4. The Committee on Public Information and the various governmental and commercial news agencies operating in North and South America, Europe, Africa, Australia and the Far East co-operated in publishing the address. One hour and forty-five minutes after he began speaking, word was received at the press censor's office in New York that the entire address had been delivered to all news centres in South America. Similar advices were received at intervals of a few minutes after this hour telling of receipt of the address in other foreign capitals and news centres. Walter S. Rogers, Director of the Division of Foreign Press Service of the Committee on Public Information, estimated that the achievement would cost the Government approximately \$7,000.

CONGRESSMEN'S VIEWS ON PRESIDENT'S MESSAGE.

The comment made by Congress leaders on President Wilson's message on the nation's war aims has been almost without exception unqualified approval, which finds perhaps best expression in the views of Senator Chamberlain of Oregon, who was quoted in the New York "Times" as saying:

It is one of the greatest State papers that the President has ever delivered. It states the reasons why we are at war and the purposes of the American Government in language that cannot be mistaken. Our own people as well as the people of the world will understand this statement of the terms and conditions of peace.

Senator France of Maryland thought Mr. Wilson had gone a trifle too far, saying:

In principle the President's message to Congress was inspiring, but I fear that he has covered a little too much ground. I fear, for instance, that he has included a little too much detail in his program, and that it may embarrass us when the final issues are settled. However, that is not the important thing. The principles enunciated are the outstanding phases of the message, and I endorse them all.

In so far as the third paragraph in the President's message, calling for the removal of economic barriers and the establishment of trade conditions among nations consenting to peace, is concerned, the "Times" notes that more than one Senator suggested that if this meant that the United States intended lowering the tariff bars so as to admit German and other products in profuse quantities after the war it would be opposed as detrimental to American interests. Others assumed that the President merely meant to suggest the opening of trade among all nations, with no hint of free trade. The following are some of the Senators quoted on that point:

Senator Smoot of Utah—What else can it mean than an elimination of all tariffs? If that is what the President means, this country will never be committed to such a policy in any treaty of peace.

Senator Curtis of Kansas—The United States will not have economic free trade fastened upon it at any peace conference. If the President means by removal of economic barriers the establishment of world free trade, I cannot agree with him. If the President had talked about the removal of political barriers or diplomatic discriminations, that would have been a different thing.

Representative Gillett, Republican Acting Floor Leader—I am in hearty accord with the President's address, unless he meant universal free trade by his allusion to economic freedom, and I do not believe that could have been his intention. I question the wisdom of specifying so exactly the territorial limitations which the war should effect.

Representative McEnroe of Texas—It carried more significance than any speech the President ever delivered. I regret he failed to mention Ireland among those countries to be given liberty and autonomy.

WHAT PRESIDENT WILSON'S PEACE TERMS REQUIRE.

Frank H. Simonds in New York Tribune Jan. 9, 1918.

The President's peace terms require three stupendous concessions on the part of Germany. They demand that she shall consent to the destruction of her great scheme of Mitteleuropa; that she and her allies shall surrender 210,000 square miles of conquered territory, inhabited by 40,000,000, an area greater than that of Germany before the war and a population in excess of that of France in 1911, and, finally, that Germany, Austria and Turkey shall cede territory in their possession when the war broke out. Actually the President asks greater sacrifices of Germany than victorious Europe asked and France had to make after Waterloo and at the Congress of Vienna.

Looked at the point of view of the Mitteleuropa scheme, the President's terms cuts this grandiose creation by restoring Rumania and Serbia and bestowing upon the latter a seacoast, obviously in Albania. It was to break down such a barrier that Austria, at Germany's direction, assailed Serbia in July, 1914, and produced the World War. When Serbia and Rumania have been restored Bulgaria and Turkey will be cut off from Austria and Germany.

But the amputation at the waist, if one may use this figure, is accompanied by similar operations on all four limbs. Of the two arms of Mitteleuropa, that extending westward through Belgium to the coast is eliminated by the restoration of Belgium, that which extends eastward to Riga is cut off by the creation of a free Poland, having Danzig as a seaport, and by the restoration to Russia of the remainder of Russian lands conquered by the Germans and the Austrians. In the same way, by depriving the Turk of his Mesopotamian and Syrian lands, as well as his Armenian provinces, President Wilson takes off both legs.

But the President does not stop there. He not only insists upon the restitution by Germany and Austria of all the lands taken in the present war; he demands that Germany shall cede Alsace-Lorraine to France and the Polish districts of Prussia to the new Poland. By these two cessions Germany would lose more than 12,000 square miles and between 5,000,000 6,000,000 of people which were hers before the present war. Austria would, in the same fashion, have to give up Trieste and the Trentino with nearly a million people and four or five thousand square miles, as well as Polish half of Silesia, containing 6,000,000 people.

Finally, Turkey under the President's proposal would lose Arabia, Armenia, Syria, Palestine and Mesopotamia. That is about one-half of the Turkish Empire and no less than 7,000,000 people—a full third of the population of the empire. The Turk would be restricted to the Anatolian district, in which the Osmanli element predominates, and he would lose his hold upon the holy cities of Mecca, Medina and Jerusalem.

President Wilson has gone far beyond Lloyd George in the matter of Poland, Russia and Austria-Hungary. He has re-echoed the British Prime Minister's terms in the Balkans, in Asiatic Turkey, in Belgium and in the matter of Alsace-Lorraine and the Italian Irredenta.

A BANKER'S VIEW OF PRESIDENT WILSON'S STATEMENT OF WAR AIMS.

The following in which a leading banker was shown to be opposed to the President's proposal for the absolute freedom of the seas and the removal of trade barriers was printed in the New York "Times" of the 9th inst.:

Although discussions regarding the intent and probable effect of the President's statement of war aims were eagerly joined in by bankers and brokers, following the receipt of the first extracts yesterday afternoon, there was a general refusal on the part of prominent men downtown to express their views of the message for publication.

A banker whose name is so familiar to every one as to be a household word expressed privately opinions which were fairly representative of the attitude taken by a number of financial leaders. After giving his warm approval to several of the fourteen articles in the President's program, and particularly those calling for the restoration of Alsace-Lorraine and Belgium, he voiced vigorous opposition to the proposal that absolute freedom of the seas and removal of trade barriers should be guaranteed to the Central Powers.

"In the first place," he said, "we must realize that Germany has been working five months to secure just such a state of mind in this country toward peace as now seems to be shaping. It is hard to keep your heart in the work of preparing for war when you are carrying in the back of your mind the thought that peace may be a matter of the next few weeks.

"The world cannot afford to end now a struggle which has proved so costly in precious blood, unless it is made certain that the peace obtained is not a peace which will last ten or twenty years, but one which will last forever. Is Germany to be allowed to resume her preparations for another great attempt against her neighbors as she prepared for generations before launching this war? Does freedom of the seas mean that she can secretly accumulate vast stores of foods, copper, cotton, and steel? If it means that, then we should continue fighting until we can force a peace that will need no written guarantee.

"To my mind we should not think of making a settlement until we are in a position to say to the German authorities: 'You can trade in the world's markets so long as you honestly believe in the preservation of peace, but just as soon as you begin to build up your reserves for the contingencies of war you shall be shut off from supplies that are essential to a repetition of the attack on the peace of Europe launched in 1914.'

BRITISH LABOR'S MANIFESTO ENDORSING PRESIDENT WILSON'S WAR AIMS.

A manifesto endorsing the war aims of President Wilson was issued on the 9th inst. by representatives of British labor. It was adopted at a joint meeting of the Parliamentary Committee of the Trades Union Congress and the National Executive Committee of the Labor Party. It was signed by C. W. Bowerman, Arthur Henderson and Henry J. May, respectively representing the Parliamentary Committee of the Trade Union Congress, the National Executive Committee of the Labor Party and the Co-operative Parliamentary Representation Committee. The manifesto declares that "President Wilson's program is in essential respects so similar to that which British labor has put forward that we need not discuss any point of difference in detail." The

manifesto was given as follows in the New York "Times" of the 10th inst.:

We warmly welcome President Wilson's authoritative declaration of Allied war aims. Within the last few days the whole international situation has been transformed, first by the speech of the Prime Minister to the conference of labor delegates, and second by the great pronouncement of President Wilson. The moral energy and breadth of vision exhibited in the latter's address to Congress is particularly evident in his declaration that the peace negotiations when they begin must be absolutely open and that they shall involve or sanction no secret understandings. This is the only kind of diplomacy that the democracies of the world can tolerate. Humanity has had to pay dearly for secret covenants entered into by governments, and we rejoice that Mr. Wilson has so decisively proclaimed the democratic doctrine of open diplomacy.

The leaders of revolutionary Russia, as Mr. Wilson recognizes, have initiated a new method of diplomacy, the results of which are apparent not only in the knowledge we have of the negotiations at Brest-Litovsk, but in Mr. Wilson's frank approval of the claim that the Russian representatives have acted justly and wisely in insisting on the conference being held with open doors and with the whole world as an audience.

British labor will also welcome very heartily Mr. Wilson's expressions of sympathy with Russia's agonized efforts to achieve full freedom. He has responded, as we believed he would, to Russia's appeal for countenance and support by an earnest affirmation of the heartfelt desire and hope that some way may be opened by which we may be privileged to assist the people of Russia to obtain their utmost hope of liberty and ordered peace.

Let us take care that this message reaches the ears of Russia. The British democracy desires nothing more earnestly than that the Russian democracy shall be convinced that the whole of the Allies are with them in their struggle for peace and freedom and in their effort to preserve the beneficent fruits of the revolution.

In our judgment these two declarations of President Wilson in favor of open diplomacy and in support of revolutionary Russia will make his Congress speech one of the classic utterances of Allied statesmanship during the war.

In the detailed program of world peace outlined by Mr. Wilson we find no point upon which there is likely to be any disagreement among the Allied democracies. His reference to "freedom of the seas" is to be welcomed on the ground of its lucidity and breadth of definition. It embodies the doctrine of freedom of navigation both in peace and war, except in so far as it may be necessary to close the seas in whole or in part by international action for the purpose of enforcing international obligations violated by any nation.

With that interpretation of the doctrine of the freedom of the seas to which the Central Powers attach such importance we are all free to agree, and the Central Powers cannot challenge it, if indeed they are sincere in their repudiation of aggressive intentions.

No other formula that we have seen meets so fully the stipulations that an island Power like Great Britain is bound to make to insure its own safety and that of the Empire in time of war. It seems to be a natural corollary of a League of Nations that freedom of navigation must be denied to any nation that violates international covenants for the maintenance of peace.

We welcome President Wilson's assertion of the moral issues involved in the claim that Belgium must be evacuated and restored. No other single act, as he justly said, will do more to restore confidence among the nations in the integrity and sanctity of treaties and the obligations resting upon all nations, individually and severally, to maintain inviolate the principles of international law.

Mr. Wilson's pronouncement in favor of equality of trade conditions among all nations consenting to peace is a step in the direction of universal free trade, which, as Cobden insisted, is a necessary condition to universal peace.

Russia, in the midst of the negotiations which at the moment seem to menace her natural patrimony, will be strengthened by Mr. Wilson's demands that Russian territory must be evacuated and that all questions affecting her must be settled in a manner that will assure her an unhampered and unembarrassed opportunity to determine her own political development and a sincere welcome into the society of free nations.

This is a test of the faith of peoples and governments in democratic principles, that they will be willing to agree to recognize fact and effect of Russia's revolution, and be ready to give her every kind of help she needs to consolidate the revolution and to establish true democratic self-government in accordance with her own peculiar genius for freedom.

Finally, we may say in a sentence, President Wilson's program is in essential respects so similar to that which British labor has put forward that we need not discuss any point of difference in detail. The spirit of this historic utterance is the spirit to which democracy all over the world can respond, and if it reaches the people of the Central Powers, we believe it will reinvigorate the popular movements toward peace in those countries, now under the yoke of the Prussian militarist autocracy, and give their demand for peace a weight and authority that cannot be denied.

In fact, we may say that peace negotiations have begun and that the world awaits proof that the Central Powers are sincere in their desire to carry them to a conclusion which will be acceptable to the peoples of the world.

VIEWES OF BRITISH PAPERS ON PRESIDENT'S MESSAGE.

The British papers in commenting on President Wilson's address endorse almost without exception the principles enunciated, but, according to a cable to the New York "Times" on the 10th inst., reservations here and there are made respecting such points as "freedom of navigation alike in peace and in war," and "removal so far as possible of all economic barriers." Even in these instances, however, the "Times" says, it is recognized that the President's program of world peace is a structure based on the formation of a league of nations. It also says:

Misgivings regarding the limitation of armaments, in so far as that implies reduction of the British fleet, are corrected by the assurance that President Wilson does not contemplate admittance to the league of nations of a Germany still controlled by that military and imperialistic minority which has so far dominated Germany's whole policy and which rendered nugatory Britain's overtures to Germany for the restriction of naval armaments.

In such a world as Wilson foresees, the reduction of armaments will not be merely a possibility, but a necessity which the democracies of the world will insist upon. On this point the "Westminster Gazette" says:

"Until we know whether at the end of this struggle we shall be living in a world dedicated to war and warlike preparations or in a world which is

honestly seeking peace and civilized progress, we shall not reach permanent or acceptable settlement of the tangle of territorial questions which now confronts us. One kind of settlement belongs to an assumed peaceful world and quite another to a world preparing for the next war.

"Here is our fundamental difference with Prussian militarism. We have no reason as yet to believe that the ruling class in Germany are at all disposed to abandon the system which has made war the chief of their national industries, and until we have such reason we are bound in any settlement to regard insurance against their designs as vital to our safety.

"We can test this in the concrete case of President Wilson's own demand for absolute freedom of navigation alike in peace and in war, except as the seas may be closed in whole or in part by international action for the enforcement of international covenants. In the world to which the President looks forward, combined in an association of nations affording guarantees of political and territorial independence of all States, a world governed by open covenants, disarmed by mutual consent and freed as far as possible from economic barriers, this aspiration could have no terrors for us; but in the fighting world of to-day it would mean the disarming of sea power without any corresponding diminution of military power on land, to the great advantage of the militarist land Powers and the great disadvantage of all others, America included.

"Let us be careful to understand, and to make the enemy understand, that Wilson's proposal depends on an association of nations, which alone gives us a guarantee of peace, and that it would involve the abolition of the submarine, as of all other forms of attack on commerce."

J. PEASE NORTON ON SOME POSSIBILITIES OF A PERMANENT INTERNATIONAL POLITICAL ORGANIZATION.

In an address on "Some Possibilities of a Permanent International Political Organization," J. Pease Norton, Ph.D., proposes a "constructive solution of war." He regards the solution as feasible during the progress of the war without waiting for the eventual peace negotiations. Mr. Norton, who is Assistant Professor on Railroads at Yale University, submitted his ideas before the Economic Section of the American Association for the Advancement of Science at Pittsburgh on Dec. 28. An abstract of the paper follows:

All nations apparently desire reductions of armament under a plan. A league of nations as a federation of the world is deemed by the writer less practicable than a new organization, called for convenience the International Maritime and Aerial Union, which should have absolute jurisdiction over the seas outside the three-mile limit and over the air above a one-mile limit. To this government, all nations would cede all jurisdiction claimed and receive divided control of the new government through appointing senators and electing delegates to the two houses of parliament. The site for the capital is the Hawaiian Islands, to be sold to this government by the United States. The international government might also be granted permanent or temporary jurisdiction over the Panama and Suez canal zones and the so-called "free ports"; all navies and munition plants might be pooled under the international government and international corporations developed.

Among other things Mr. Norton suggests that the International Maritime and Aerial Union become the clearing house of the world in all matters international. He says:

Now fifty-seven varieties of nations treat one with another; very considerable savings would result if each nation dealt simply with the clearing house. All international trade could be conducted in the international system of weights and measures. In an international monetary system, using international uniform bills of lading and exchange, in accordance with international law, then enforceable, and under the protection of international courts.

LLOYD GEORGE RESTATES ANEW GREAT BRITAIN'S WAR AIMS.

Great Britain's war aims were set forth more specifically and at greater length than ever before in a speech delivered at London by David Lloyd George, England's Prime Minister, on Jan. 5, before the Trade Union Conference. Again asserting that the Allies were not engaged in a war of aggression against Germany or the German people, or were seeking to alter or destroy the Imperial constitution of Germany, he referred to the futility of a permanent peace founded on the proposals of the Central Powers. He reiterated that the first requirement always put forward by the British Government and its allies has been the complete restoration of Belgium and reparation for the devastation of its towns and provinces. Next, he says, in his speech of the 5th, comes the restoration of Serbia, Montenegro and the occupied parts of France, Italy and Rumania. As to the demands of France for the return of Alsace-Lorraine, he declared that "we mean to stand by the French democracy to the death." Referring to Russia, he stated that Great Britain as well as America, France and Italy would have been proud to have stood side by side by the new democracy of Russia, but he added "if the present rulers of Russia take action which is independent of their allies, we have no means of intervening to arrest the catastrophe which is assuredly befalling their country. Russia can only be saved by her own people." As to Poland, he set out that "we believe that an independent Poland, comprising all those genuinely Polish elements who desire to form a part of it, is an urgent necessity for the stability of Western Europe." He also declared that "we regard as vital the satisfaction of the legitimate claims of the Italians," and "we also mean to

press that justice be done to the men of Rumanian blood and speech." Concerning Turkey, he said:

Outside of Europe we believe that the same principles should be applied. While we do not challenge the maintenance of the Turkish Empire in the homelands of the Turkish race, with its capital at Constantinople, the passage between the Mediterranean and the Black Sea being internationalized and neutralized, Arabia, Armenia, Mesopotamia, Syria and Palestine are, in our judgment, entitled to a recognition of their separate national conditions.

The Premier expressed himself in agreement with President Wilson that "a break-up of Austria is no part of our war aims," but he said, "we feel that unless genuine self-government on true democratic principles is granted to those Austro-Hungarian nationalities who have so long desired it, it is impossible to hope for a removal of those causes of unrest in that part of Europe which have so long threatened the general peace." With regard to the German colonies, he said: "I have repeatedly declared that they are held at the disposal of a conference whose decision must have primary regard to the wishes and interests of the native inhabitants of such colonies." In conclusion, the Premier declared "we are fighting for a just and lasting peace, and we believe that before permanent peace can be hoped for three conditions must be fulfilled, first, the sanctity of treaties must be re-established; secondly, a territorial settlement must be secured based on the right of self-determination or the consent of the governed, and lastly, the creation of some international organization to limit the burden of armaments and diminish the probability of war."

The following is the full text of the speech as furnished in a special cable to the "New York Times" published in its issue of Jan. 6:

When the Government invite organized labor in this country to assist them to maintain the might of their armies in the field, its representatives are entitled to ask that any misgivings and doubts which any of them may have about the purpose to which this precious strength is to be applied should be definitely cleared. And what is true of organized labor is equally true of all citizens in this country, without regard to grade or avocation.

When men by the million are being called upon to suffer and die, and vast populations are being subjected to sufferings and privations of war on a scale unprecedented in the history of the world, they are entitled to know for what cause or causes they are making the sacrifice.

It is only the clearest, greatest and justest of causes that can justify the continuance, even for one day, of this unspeakable agony of the nation, and we ought to be able to state clearly and definitely not only the principles for which we are fighting, but also their definite and concrete application to the war map of the world.

We have arrived at the most critical hour in this terrible conflict, and before any Government takes a fateful decision as to the conditions under which it ought either to terminate or to continue the struggle, it ought to be satisfied that the conscience of the nation is behind these conditions, for nothing else can sustain the effort which is necessary to achieve a righteous end to this war.

Consulted Many Leaders.

I have, therefore, during the last few days, taken special pains to ascertain the view and attitude of representative men of all sections of thought and opinion in the country.

Last week I had the privilege not merely of perusing the declared war aims of the Labor Party, but also of discussing in detail with labor leaders the meaning and intention of that declaration.

I have also had opportunity of discussing this same momentous question with Mr. Asquith and Viscount Grey. Had it not been that the Nationalist leaders are in Ireland, engaged in endeavoring to solve the tangled problem of Irish self-government, I should have been happy to exchange views with them, but Mr. Redmond, speaking on their behalf, has, with his usual lucidity and force, in many of his speeches made clear what his ideas are as to the object and purpose of the war. I have also had an opportunity of consulting certain representatives of the great dominions overseas.

I am glad to be able to say, as a result of all these discussions, that, although the Government are alone responsible for the actual language I purpose using, there is a national agreement as to the character and purpose of our war aims and peace conditions, and in what I say to you today, and through you to the world, I can venture to claim that I am speaking not merely the mind of the Government, but of the nation and of the empire as a whole.

Entered War in Self-Defense.

We may begin by clearing away some misunderstandings and stating what we are not fighting for.

We are not fighting a war of aggression against the German people. Their leaders have persuaded them that they are fighting a war of self-defense against a league of rival nations, bent on the destruction of Germany. That is not so. The destruction or disruption of Germany or the German people has never been a war aim with us from the first day of this war to this day.

Most reluctantly, and, indeed, quite unprepared for the dreadful ordeal, we were forced to join in this war in self-defense of the violated public law of Europe and in vindication of the most solemn treaty obligations on which the public system of Europe rested and on which Germany had ruthlessly trampled in her invasion of Belgium.

We had to join in the struggle or stand aside and see Europe go under and brute force triumph over public right and international justice.

As to Democracy in Germany.

It was only the realization of that dreadful alternative that forced the British people into the war, and from that original attitude they have never swerved. They have never aimed at a break-up of the German people or the disintegration of their State or country. Germany has occupied a great position in the world. It is not our wish or intention to question or destroy that position for the future, but rather to turn her aside from hopes and schemes of military domination.

Nor did we enter this war merely to alter or destroy the imperial constitution of Germany, much as we consider that military and autocratic constitution a dangerous anachronism in the twentieth century. Our point of view is that the adoption of a really democratic constitution by Germany would be the most convincing evidence that her old spirit of military domi-

nation has, indeed, died in this war and would make it much easier for us to conclude a broad, democratic peace with her. But, after all, that is a question for the German people to decide.

We are not fighting to destroy Austria-Hungary or to deprive Turkey of its capital or the rich lands of Asia Minor and Thrace which are predominantly Turkish.

It is now more than a year since the President of the United States, then neutral, addressed to the belligerents a suggestion that each side should state clearly the aims for which they were fighting.

We and our allies responded by the note of Jan. 10 1917. To the President's appeal the Central Empires made no reply, and in spite of many adjurations, both from their opponents and from neutrals, they have maintained complete silence as to the objects for which they are fighting. Even on so crucial a matter as their intention with regard to Belgium they have uniformly declined to give any trustworthy indication.

Teuton Terms Vague.

On Dec. 25 last, however, Count Czernin, speaking on behalf of Austria-Hungary and her allies, did make a pronouncement of a kind. It is, indeed, deplorably vague.

We are told that it is not the intention of the Central Powers to appropriate forcibly any occupied territories or to rob of its independence any nation which has lost its political independence during the war.

It is obvious that almost any scheme of conquest and annexation could be perpetrated within the literal interpretation of such a pledge. Does it mean that Belgium, Serbia, Montenegro and Rumania will be as independent and as free to direct their own destinies as Germany or any other nation? Or does it mean that all manner of interferences and restrictions, political and economical, incompatible with the status and dignity of free and self-respecting people, are to be imposed? If this is the intention, then there will be one kind of independence for the great nation and an inferior kind of independence for the small nation.

We must know what is meant, for equality of right among the nations, small as well as great, is one of the fundamental issues this country and her allies are fighting to establish in this war.

Reparation for the wanton damage inflicted on Belgian towns and villages and their inhabitants is emphatically repudiated. The rest of the so-called offer of the Central Powers is almost entirely a refusal of all concessions. All suggestions about the autonomy of subject nationalities are ruled out of the peace terms altogether. The question whether any form of self-government is to be given to the Arabs, Armenians or Syrians is declared to be entirely a matter for the Sublime Porte. A pious wish for the protection of minorities, "in so far as it is practically realizable," is the nearest approach to liberty which the Central statesmen venture to make.

On one point only are they perfectly clear and definite. Under no circumstances will the German demand for the restoration of the whole of Germany's colonies be departed from. All principles of self-determination, or, as our earlier phrase goes, government by the consent of governed, here vanish into thin air.

Not a Foundation for Peace.

It is impossible to believe that any edifice of permanent peace could be erected on such a foundation as this. Mere lip-service to the formula of no annexations and no indemnities or the right of self-determination is useless. Before any negotiations can even be begun, the Central Powers must realize the essential facts of the situation.

The days of the treaty of Vienna are long past. We can no longer submit the future of European civilization to the arbitrary decisions of a few negotiators, trying to secure by chicanery or persuasion the interests of this or that dynasty or nation.

The settlement of the new Europe must be based on such grounds of reason and justice as will give some promise of stability. Therefore it is that we feel that government with the consent of the governed must be the basis of any territorial settlement in this war. For that reason, also, unless treaties be upheld, unless every nation is prepared, at whatever sacrifices, to honor the national signature, it is obvious that no treaty of peace can be worth the paper on which it is written.

Belgian Restoration First.

The first requirement, therefore, always put forward by the British Government and their allies, has been the complete restoration, political, territorial and economic, of independence of Belgium and such reparation as can be made for the devastation of its towns and provinces.

This is no demand for a war indemnity, such as that imposed on France by Germany in 1871. It is not an attempt to shift the cost of warlike operations from one belligerent to another, which may or may not be defensible. It is no more and no less than an insistence that before there can be any hope for stable peace, this great breach of the public law of Europe must be repudiated and so far as possible repaired.

Reparation means recognition. Unless international right is recognized by insistence on payment for injury done in defiance of its canons, it can never be a reality.

Next comes the restoration of Serbia, Montenegro and the occupied parts of France, Italy and Rumania. The complete withdrawal of the allied (Teutonic) armies, and the reparation for injustice done is a fundamental condition of permanent peace.

Must Reconsider Wrong of '71.

We mean to stand by the French democracy to the death in the demand they make for a reconsideration of the great wrong of 1871, when, without any regard to the wishes of the population, two French provinces were torn from the side of France and incorporated in the German Empire.

This sore has poisoned the peace of Europe for half a century, and, until it is cured, healthy conditions will not have been restored. There can be no better illustration of the folly and wickedness of using a transient military success to violate national right.

I will not attempt to deal with the question of the Russian territories, now in German occupation. The Russian policy since the revolution has passed so rapidly through so many phases that it is difficult to speak without some suspension of judgment as to what the situation will be when the final terms of European peace come to be discussed.

Russia accepted war with all its horrors because, true to her traditional guardianship of the weaker communities of her race, she stepped in to protect Serbia from a plot against her independence. It is this honorable sacrifice which not merely brought Russia into the war, but France as well.

France, true to the conditions of her treaty with Russia, stood by her ally in a quarrel which was not her own. Her chivalrous respect for her treaty led to the wanton invasion of Belgium, and the treaty obligations of Great Britain to that little land brought us into the war.

The present rulers of Russia are now engaged, without any reference to the countries whom Russia brought into the war, in separate negotiations with their common enemy. I am indulging in no reproaches. I am merely stating the facts with a view to making it clear why Great Britain cannot be held accountable for decisions, taken in her absence, and concerning which she has not been consulted or her aid invoked.

Prussian Designs upon Russia.

No one who knows Prussia and her designs upon Russia can for a moment doubt her ultimate intention. Whatever phrases she may use to delude Russia, she does not mean to surrender one of the fair provinces or cities of Russia now occupied by her forces. Under one name or another (and the name hardly matters), those Russian provinces will henceforth be in reality a part of the dominions of Prussia. They will be ruled by the Prussian sword in the interests of the Prussian autocracy, and the rest of the people of Russia will be partly enticed by specious phrases and partly bullied by the threat of continued war against an impotent army into a condition of complete economic and ultimate political enslavement to Germany.

We all deplore the prospect. The democracy of this country means to stand to the last by the democracies of France and Italy and all our other allies. We shall be proud to stand side by side by the new democracy of Russia. So will America and so will France and Italy. But if the present rulers of Russia take action which is independent of their allies, we have no means of intervening to arrest the catastrophe which is assuredly befalling their country. Russia can only be saved by her own people.

We believe, however, that an independent Poland, comprising all those genuinely Polish elements who desire to form a part of it, is an urgent necessity for the stability of Western Europe.

Similarly, though we agree with President Wilson that a break-up of Austria-Hungary is no part of our war aims, we feel that unless genuine self-government on true democratic principles is granted to those Austro-Hungarian nationalities who have long desired it, it is impossible to hope for a removal of those causes of unrest in that part of Europe which have so long threatened the general peace.

Turks May Keep Constantinople.

On the same grounds we regard as vital the satisfaction of the legitimate claims of the Italians for union with those of their own race and tongue. We also mean to press that justice be done to the men of Rumanian blood and speech in their legitimate aspirations. If these conditions are fulfilled, Austria-Hungary would become a Power whose strength would conduce to the permanent peace and freedom of Europe, instead of being merely an instrument to the pernicious military autocracy of Prussia, that uses the resources of its allies for the furtherance of its own sinister purposes.

Outside of Europe we believe that the same principles should be applied. While we do not challenge the maintenance of the Turkish Empire in the homelands of the Turkish race, with its capital at Constantinople, the passage between the Mediterranean and the Black Sea being internationalized, and neutralized, Arabia, Armenia, Mesopotamia, Syria and Palestine are, in our judgment, entitled to a recognition of their separate national conditions.

What the exact form of that recognition in each particular case should be need not here be discussed beyond stating that it would be impossible to restore to their former sovereignty the territories to which I have already referred.

Much has been said about the arrangements we have entered into with our allies on this and on other subjects. I can only say that as the new circumstances, like the Russian collapse and the separate negotiations, have changed the conditions under which those arrangements were made, we are, and always have been, perfectly ready to discuss them with our allies.

Colonies to Settle Own Future.

With regard to the German colonies, I have repeatedly declared that they are held at the disposal of a conference whose decision must have primary regard to the wishes and interests of the native inhabitants of such colonies. None of those territories are inhabited by Europeans. The governing consideration, therefore, must be that the inhabitants should be placed under the control of an administration acceptable to themselves, one of whose main purposes will be to prevent their exploitation for the benefit of European capitalists or Governments.

The natives live in their various tribal organizations under chiefs and councils who are competent to consult and speak for their tribes and members and thus to represent their wishes and interests in regard to their disposal. The general principle of national self-determination is, therefore, as applicable in their cases as in those of the occupied European territories.

The German declaration that the natives of the German colonies have through their military fidelity in war shown their attachment and resolve under all circumstances to remain with Germany is applicable, not to the German colonies generally, but only to one of them, and in that case, German East Africa, the German authorities secured the attachment, not of the native population as a whole, which is and remains profoundly anti-German, but only of a small warlike class, from whom their askaris, or soldiers, were selected. These they attached to themselves by conferring on them a highly privileged position, as against the bulk of the native population, which enabled these askaris to assume a lordly and oppressive superiority over the rest of the natives.

By this and other means they secured the attachment of a very small and insignificant minority, whose interests were directly opposed to those of the rest of the population and for whom they have no right to speak. The German treatment of the native populations in their colonies has been such as amply to justify their fear of submitting the future of those colonies to the wishes of the natives themselves.

Finally, there must be reparation for the injuries done in violation of international law. The peace conference must not forget our seamen and the services they have rendered to and the outrages they have suffered for the common cause of freedom.

Must Have Permanent Settlement.

One omission we notice in the proposal of the Central Powers which seems to us especially regrettable. It is desirable and essential that the settlement after this war shall be one which does not in itself bear the seed of future war. But that is not enough. However wisely and well we may make territorial and other arrangements, there will still be many subjects of international controversy. Some, indeed, are inevitable.

Economic conditions at the end of the war will be in the highest degree difficult, owing to the diversion of human effort to warlike pursuits. There must follow a world shortage of raw materials, which will increase the longer the war lasts, and it is inevitable that those countries which have control of raw materials will desire to help themselves and their friends first. Apart from this, whatever settlement is made will be suitable only to the circumstances under which it is made, and as those circumstances change, changes in the settlement will be called for.

So long as the possibility of a dispute between nations continues—that is to say, so long as men and women are dominated by impassioned ambition and war is the only means of settling a dispute—all nations must live under a burden, not only of having from time to time to engage in it, but of being compelled to prepare for its possible outbreak.

The crushing weight of modern armaments, the increasing evils of compulsory military service, the vast waste of wealth and effort involved in warlike preparation—these are blots on our civilization, of which every

thinking individual must be ashamed. For these and other similar reasons, we are confident that a great attempt must be made to establish, by some international organization, an alternative to war as a means of settling international disputes.

After all, war is a relic of barbarism, and, just as law has succeeded violence as a means of settling disputes between individuals, so we believe that it is destined ultimately to take the place of war in the settlement of controversies between nations.

If, then, we are asked what we are fighting for, we reply, as we have often replied: We are fighting for a just and a lasting peace, and we believe that before permanent peace can be hoped for, three conditions must be fulfilled: First, the sanctity of treaties must be re-established; secondly, a territorial settlement must be secured, based on the right of self-determination or the consent of the governed, and, lastly, we must seek, by the creation of some international organization, to limit the burden of armaments and diminish the probability of war. On these conditions its peoples are prepared to make even greater sacrifices than those they have yet endured.

GERMAN PAPERS DENUNCIATION OF LLOYD GEORGE'S TERMS.

A denunciation of the peace terms of England's Premier, David Lloyd George, was contained in the press comments made by the newspapers of Germany. Some of these comments, as reported in Amsterdam dispatches of the 7th, 8th and 9th inst., follow:

The Berliner "Tagblatt": Everybody will have expected in the speech a definite reply to the question whether the present British intentions will bring us nearer to peace. We are unable to find a single word in this long statement of very calm tone and, for the speaker, very moderate and pertinent character, which justifies an affirmative reply. Lloyd George admitted that the ideals and aims which have been placed in the foreground up to the present are not for the Entente policy the main thing, but territorial questions are.

In brief, he says clearly that all alterations of the map by the war in favor of the Central Powers shall be annulled and that all in favor of Great Britain and her allies and also those which are still mere demands shall be maintained.

The "Morgen Post":—The sense of Lloyd George's statement may be summarized in the short formula that Great Britain wants to retain whatever it attaches value to in the interest of its world position. On the other hand, the Quadruple Alliance must not only roundly renounce all their victorious arms have brought them but voluntarily surrender portions of their territory or suffer interference in their internal political affairs.

Lloyd George's terms therefore are such as only a victor dare offer the vanquished. We must show Great Britain by deeds that we are the victors, not the vanquished.

The "Rheinische Westfaelische Zeitung" of Essen says:

When Lloyd George and British labor demand Alsace for France and the German colonies, Arabia, Syria and Palestine for England and speak of the war indemnity we will have to pay, the answer, in view of the actual war situation, is, "It is too much."

The newspaper thinks, however, that the calmer tone in which Lloyd George spoke is worth noting, and adds:

Well, Lloyd George, too, will one day become reasonable. Until then, the U-boats and Hindenburg's sword will help.

The Berline "Vossischezeitung": This, the first tangible British peace offer, is a fresh indication of our strength and a proof of England's weakness. Peace conditions at the expense of our allies are unacceptable to us; likewise, peace terms offering the return of our colonies in exchange for reinforcement of the British position in Asia. Lloyd George has made it clear to our allies that the German armies are fighting in the West at least as much for them as for Germany.

The "Volkszeitung": Lloyd George's declarations show a tone in regard to us which is indeed changed, but the old imperialistic aims are wholly maintained. The British Premier belies his first declaration that he does not desire the destruction of Germany by his subsequent statement that he wishes to detach Alsace-Lorraine and give to Poland portions of Prussian territory in the east. Despite assurances to the contrary, he also wishes to rob Austria-Hungary and Turkey.

The "Lokalanzeiger": Under a flow of phrase is apparent the old desire to smash Germany's power forever, and safeguard England's power forever. The answer to this will be spoken by our armies in the west and by our U-boats.

The "Frankfurter Zeitung" says: Only a defeated Germany could think of negotiating on the terms laid down by Lloyd George. It is a new war speech and a way to terminate the war will only be open when the movement which has begun in England and other Entente countries is strong enough to replace Lloyd George, Clemenceau and Baron Sonnin by men who recognize the impossible nature of such speeches and draw consequences from such recognition.

How far we are from that time, it is hard to say.

The "Nachrichten of Dusseldorf" says: The main point of the speech is that Lloyd George binds Great Britain to fight to the last breath for Alsace-Lorraine. We do not believe, however, that the British people will fight to the last breath for this war aim.

There is no Alsace-Lorraine question for us, and the speech cannot, therefore, aim at promoting peace with us. It was intended to throw suspicion on the negotiations at Brest-Litovsk. The sword alone can convince this enemy and make him ready for peace.

The "Boerschen-Courier" of Berlin regards Lloyd George's speech as an attempt to isolate Germany by intimidating her allies.

The "Boerschen-Zeitung" says that an important point in connection with the speech is that there is a material difference between the present British war aims and those known to have been held recently. This newspaper believes the reason may be found in England's present position, which it describes as difficult.

The "Tages-Zeitung" makes the statement that a peace assuring to the people of the German Empire a safe and free future can be attained only by victory over England.

The "Kreuz-Zeitung" declares that Lloyd George's program can be carried through only after the complete defeat of Germany.

The Austrian press comments in similar vein. The "Neue Freie Presse" of Vienna says: Lloyd George's peace terms are nothing else than the ruthless idea, clad in many words, that force shall decide, that the war shall continue until it has been established unquestionably who is the strongest. Lloyd George announces freedom for all peoples, with the exception of those under his own yoke.

The "Neues Wiener Tagblatt" of Vienna: Lloyd George recognizes the principle of self-determination and of the rights of peoples only where he believes this principle could be put into effect in favor of the Entente. He preaches economic war and renounces only with the greatest precau-

tions, England's newly established militarism. Thus in the same breath he promises and refuses a lasting peace.

King Ludwig of Bavaria is quoted in a Munich dispatch as having said yesterday, at a reception on his birthday, that the terms of Germany's enemies were exorbitant.

"Not an inch of German territory will be given up," he declared. "We must try to safeguard our frontiers."

Asserting that the Bavarians, like the other Germans, were victorious everywhere, the King added: "May we succeed also in defeating our latest enemies, the Americans."

The "Norddeutsche Allgemeine Zeitung," the semi-official German organ, says:

Even if David Lloyd George now, for obvious reasons, renounces the talk about all kinds of crushing aims with which he formerly was wont to make an impression on the masses of his own people and the Allies, and if those points in which Russia had the greatest interest were erased from the general program of the Entente, there nevertheless has been virtually no change in England's own war aims. They are, as before, the result of the will for unrestricted world power.

Mr. Lloyd George knows to-day, as when he made his first war speech, that the territorial integrity of the Austro-Hungarian monarchy, as well as that of the other allies of Germany, must form the cornerstone in the building of a new peace. Nevertheless, he adheres to his imperialistic war aims with their unmeasured demands, and only by a change in tone tries to give the impression that he takes into account the alteration of the military and political situation. It is characteristic of him and his allies.

"Vorwärts," the principal organ of the Socialists, in commenting on the war aims speech of Premier Lloyd George declares the Premier masqueraded in a carefully selected disguise. It says the speech was framed in some parts so as to meet the approval of the German workmen.

The newspaper adds that the Premier's abandonment of the attempt to interfere in Germany's internal affairs is gratifying, and that his demand that the States which have been overrun in the course of the war be restored to complete independence will not call forth contradiction.

Referring to Alsace-Lorraine, the newspaper says the inhabitants of these districts are not foreign or alien peoples within the German State.

"If the natives of the German colonies are to be protected from exploitation by European capitalists, why not also those of the British colonies?" it asks. "It would be underestimating the good sense of the British workmen if one assumed that these contradictions escaped their discernment."

The following is from the New York "Times" of the 9th inst. in copyrighted advices from George Renwick:

The Pan-German "Deutsche-Zeitung" believes that Lloyd George is endeavoring to drive a wedge between Germany and her allies by making a peace offer to the latter. Only victory over England can bring real peace, it adds.

The Cologne "Volkszeitung" wonders if a new Lloyd George is coming on the scene and it says that it will await with interest and see if he really intends to improve his manners and follow in Lansdowne's footsteps. It lays no real importance, it says, on his statement regarding reconsideration of the great crime of 1871, with reference to Alsace-Lorraine, for the matter is one in which the main consideration is what France desires. On that point Germany harbors no illusions.

TEXT OF BILL PROVIDING FOR COMPENSATION TO RAILROADS DURING FEDERAL CONTROL.

We made mention last week of the Administration bill introduced in Congress on the 4th inst. aimed to carry out the recommendations made by President Wilson in his message of that date with regard to the compensation to be paid to the railroads during Federal control. In the House the measure was introduced by Chairman Sims of the House Committee on Inter-State and Foreign Commerce and in the Senate by Acting Chairman E. D. Smith of the Senate Committee on Inter-State Commerce. It is said to be understood that the legislation was drafted by George W. Anderson of the Inter-State Commerce Commission. As we reported last week, in giving some of the essential features of the bill, the proposed legislation calls for an appropriation of \$500,000,000, which, together with any funds available from any excess of earnings of the roads, is to be used as a "revolving fund" for the purpose of paying the expenses of Federal control. The bill, as also noted in these columns last week, proposes that the Government shall pay compensation at an annual rate as near as possible to the net operating income for the three years ended June 30 1917. The following is the complete text of the bill as introduced on the 4th inst.

A BILL

To provide for the operation of transportation systems while under Federal control, for the just compensation of their owners, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the President, having in a time of war taken over the possession, use, and control (called herein Federal control) of certain systems of transportation (called herein carriers) is hereby authorized to agree with and to guarantee to any such carrier that during the period of such Federal control it shall receive as its just compensation an income at an annual rate equivalent as nearly as may be to its average net railway operating income for the three years ending June thirtieth, nineteen hundred and seventeen (called herein standard return); said net railway operating income for the purposes of this Act shall, as to carriers making returns to the Inter-State Commerce Commission, be computed from such returns, excluding, however, debits and credits arising from the accounts called in the monthly returns leased road rents and miscellaneous rents; *Provided, however,* That no Federal taxes in excess of taxes assessed during the year ending June thirtieth, nineteen hundred and seventeen, shall be charged against revenue in computing such standard return. Any net railway operating income in excess of such standard return shall be the property of the United States. The amount of such standard return as accruing during said period of three years shall be determined by the Inter-State Commerce Commission, and the certificate of said commission as to the amount of said net railway operating income

shall, for the purpose of such agreement and guaranty, be taken as final and conclusive.

During the period of such Federal control adequate depreciation and maintenance of the properties of the carriers shall be included as a part of the operating expenses or provided through a reserve fund, in accordance with such principles and rules as shall be determined by the President.

Sec. 2. That if no such agreement is made, the President may nevertheless pay or cause to be paid to any carrier while under Federal control an amount not exceeding ninety per centum of such standard return, remitting such carrier to its legal rights in the Court of Claims for any balance claimed; and any amount thereafter found due above the amount paid shall bear interest at the rate of six per centum per annum; and any excess amount paid hereunder shall be recoverable by the United States, with interest at the rate of six per centum per annum.

Sec. 3. That any claim for just compensation not adjusted as provided in section one shall be submitted to a board of three auditors appointed by the Inter-State Commerce Commission, members of which and of the official force thereof being eligible for service as such auditors, but without additional compensation therefor. Said auditors shall give a full hearing to such carrier and to the United States, and shall report to the President the amount due such carrier as just compensation; a sum not exceeding the amount so reported may be agreed upon by the President and such carrier. Failing such an agreement, either the United States or such carrier may file a petition in the Court of Claims for the purpose of final ascertainment of the amount of such just compensation, and in the proceedings in said court the report of said auditors shall be prima facie evidence of the facts therein stated. The just compensation of any carrier under Federal control not making returns to the Inter-State Commerce Commission shall be determined in accordance with the provisions of this section.

Sec. 4. That the return of any carrier shall be increased by an amount reckoned at a rate per centum to be fixed by the President upon the cost of any additions and improvements made while under Federal control with the approval of the President to the property of any carrier and paid for by such carrier from its own capital or surplus; and by an amount equal to the rate accruing to the United States upon any advances made to such carrier for the cost of such additions and improvements as provided in section six hereof.

Sec. 5. That no carrier while under Federal control shall, without the prior approval of the President, declare or pay any dividend in excess of its regular rate of dividends during the three years ending June thirtieth, nineteen hundred and seventeen; *Provided, however,* That such carriers as have paid no regular dividends or no dividends during said period, may, with the prior approval of the President, pay dividends at such rate as the President may determine.

Sec. 6. That the sum of \$500,000,000 is hereby appropriated out of the public treasury from any funds not otherwise appropriated, which, together with any funds available from any excess earnings of said carriers, may be used by the President as a revolving fund for the purpose of paying the expenses of the Federal control, and any deficit of any carrier below such standard or ascertained return, and to provide terminals, improvements, engines, rolling stock, and other necessary equipment, such terminals, improvements, and equipment to be used and accounted for as the President may direct, and to be disposed of as Congress may hereafter by law provide.

The President may also, on or in connection with the property of any carrier, make or order any carrier, to make any additions and improvements necessary or desirable for war purposes or in the public interest. He may from said revolving fund advance to such carrier all or any part of the expense of such additions and improvements so ordered and constructed by such carrier or by the President, such advances to be charged against such carrier and to bear interest at such rate and be payable on such terms as may be determined by the President, to the end that the United States may be fully reimbursed for any sums so advanced.

Any loss claimed to accrue to any carrier by reason of any such additions or improvements so ordered and constructed may be determined by agreement between the President and such carrier; failing such agreement the amount of such loss shall be ascertained as provided in section three hereof.

From said revolving fund the President may expend such an amount as he may deem necessary or desirable for the purchase, construction or utilization, and operation of boats, barges, tugs, and other transportation facilities on the inland and coastwise waterways, and may in the acquisition, operation, and use of such facilities create or employ such agencies and enter into such contracts and agreements as he shall deem in the public interest.

Sec. 7. That for the purpose of providing funds requisite for maturing obligations or for other legal and proper expenditures, or for reorganizing railroads in receivership, carriers may, during the period of Federal control, issue such bonds, notes, equipment trust certificates, stock and other forms of securities, secured or unsecured by mortgage, as the President may approve as consistent with the public interest. The President may purchase for the United States all or any part of such securities at prices not exceeding par, and may sell such securities whenever in his judgment it is desirable at prices not less than the cost thereof; any sums available from the revolving fund provided in section six may be used for such purchases.

Sec. 8. That the President may execute any of the powers herein and heretofore granted him with relation to Federal control through such agencies as he may determine, and may fix the reasonable compensation for the performance of services in connection therewith; and may utilize the personnel and facilities of the Inter-State Commerce Commission and call upon members of such commission, or any of its employees, or employees of any department of the Government for such services as he may deem expedient. No such Federal official or employee shall receive any additional compensation for such services.

Sec. 9. That the President is hereby authorized while carriers are under Federal control, to direct that the Federal workmen's compensation Act of September, nineteen hundred and sixteen, shall be extended so as to apply to carrier employees, on such terms and conditions as will give due consideration to remedies available under State compensation laws or otherwise.

Sec. 10. That nothing herein contained shall be construed as modifying or restricting the powers heretofore conferred upon the President to take possession and assume control of any or all systems of transportation; and the President, in addition to the powers conferred by this Act, shall have, and is hereby given, such other and further powers necessary or appropriate to give effect to the powers herein and heretofore conferred.

Sec. 11. That carriers while under Federal control shall, in so far as is not inconsistent therewith, or with the provisions of this Act, or any other Act applicable to such Federal control, or with any order of the President, be subject to all laws and liabilities as common carriers; and suits may be brought by and against such carriers and judgments rendered as now provided by law; *Provided, however,* That except with the written assent of the President no attachment shall be levied by moine process or on execution on or against any of the property used by any such carrier in the performance of its duties as a common carrier.

Sec. 12. That every person or corporation whether carrier or shipper, or any receiver, trustee, lessee, agent, or person acting for or employed

by a carrier or shipper, or other person, who shall knowingly violate or fail to observe any of the provisions of this Act, or shall knowingly interfere with or impede the possession, use, operation, or control of any railroad property, railroad, or transportation system hitherto or hereafter taken over by the President, or shall violate any of the provisions of any order or regulation made in pursuance of this Act, or of any other Act concerning such possession, use, operation or control, shall be guilty of a misdemeanor, and shall, upon conviction, be punished by a fine of not more than \$5,000, or, if a person, by imprisonment for not more than two years, or both. Each independent transaction constituting a violation of, or a failure to observe, any of the provisions of this Act, or any order entered in pursuance hereof, shall constitute a separate offense. For the taking or conversion to his own use or the embezzlement of money or property derived from or used in connection with the possession, use, or operation of said railroads or transportation systems, the criminal statutes of the United States, as well as the criminal statutes of the various States where applicable, shall apply to all officers, agents, and employees engaged in said railroad and transportation service while the same is under Federal control, to the same extent as to persons employed in the regular service of the United States. Prosecutions for violations of this Act or of any order entered hereunder, shall be in the District Courts of the United States, under the direction of the Attorney General, in accordance with the procedure for the collection and imposing of fines and penalties now existing in said courts.

Sec. 13. That the Federal control of transportation systems herein and heretofore provided for shall continue for and during the period of the war and until Congress shall thereafter order otherwise.

FINANCIAL STATEMENTS REQUIRED OF RAILROADS BY INTER-STATE COMMERCE COMMISSION.

As a preliminary step looking toward the financing of the railroads by the Government, the Presidents of the companies were asked this week by Inter-State Commerce Commissioner Daniels, at the instance of Director-General of Railroads McAdoo, to furnish by Jan. 9 a statement of their financial obligations for bond payment and road improvements. The call for this information was issued as follows by Commissioner Daniels on Jan. 7:

Dear Sir: By direction of the Director-General of Railroads, you will let me have by not later than Jan. 9, and by wire if necessary, the following information:

First. A statement showing the amount of capital your company will require to raise during the calendar year 1918, and also separately for the first six months of that calendar year.

1. To meet all maturing bonds and note issues which have not already been provided for, or which are not to be paid out of the cash resources of your company, showing dates of such maturities;
2. To pay for improvement, betterment and construction work already contracted for and partially finished (this statement should show what portion, if any, of such work can be stopped now without detriment);
3. An approximate estimate of the capital which may be imperatively important to provide for other construction work, improvements and betterments, including additional terminals and new equipment (showing equipment separately);
4. An approximate estimate of the capital which, in the judgment of the management of your company, it is desirable to provide for the above purposes, but for which the demand is not absolutely necessary for the protection of the property or for the maintenance of its earnings.

Second. A statement as to the character of stocks, bonds or notes with which your company expects to be able to raise the capital so required.

The above information is to be immediately transmitted and may be supplemented later with such additions as become only later available.

Very truly, yours,

W. M. DANIELS, Commissioner.

Similarly at the request of Mr. McAdoo, the Inter-State Commerce Commission on Jan. 5 issued an order asking the railroads to furnish to it by Jan. 25 details concerning their operating revenues, expenses, income account, profit and loss account, general balance sheet and trackage as of date June 30 1917. The Commission's order in this case was as follows:

It is ordered, That all common carriers by steam railroad subject to the provisions of the Act to Regulate Commerce, as amended, and the owners of all railroads engaged in Inter-State commerce as therein defined, be and they are hereby, severally required to submit to the Inter-State Commerce Commission the statements specified hereunder, prepared by primary and general accounts or other indicated detail for the designated year only, in accordance with the itemization and forms of statements of like character included in the forms respectively prescribed for the annual reports of steam railway companies to the said Commission for the year ending June 30 1916, suitably modified as to dates:

- (1) A statement of operating revenues for the year ending June 30 1917.
- (2) A statement of operating expenses for the year ending June 30 1917.
- (3) A statement of income account for the year ending June 30 1917.
- (4) A statement of profit and loss account for the year ending June 30 1917.
- (5) A statement of general balance sheet as of June 30 1917.
- (6) A statement of the following items of railway mileage (single track):
 - (a) Number of miles of road owned on June 30 1917.
 - (b) Number of miles of road operated on June 30 1917.
 - (c) Average number of miles of road operated during year ending June 30 1917.

It is further ordered, That if the entries appearing upon the books of a respondent do not fully show the transactions for the period of the report herein required, appropriate explanation shall be made in said report.

It is further ordered, That the aforesaid report shall be mailed in duplicate to the Bureau of Statistics, Inter-State Commerce Commission, Washington, D. C., by Jan. 25 1918, and shall be attested under oath after the following form:

OATH.

State of _____, County of _____, ss.:
 _____ makes oath and says that he is _____ of _____ and that he has carefully examined the annexed report, and to the best of his knowledge and belief the entries contained in the said report have, so far as they relate to matters of account, been accurately taken from the said books of accounts and are in exact accordance therewith; that he believes that all other statements of fact contained in the said report are true; and that the said report is a correct and complete statement of the business and

affairs of the above-named respondent in relation to the matters and things therein set forth.

(Signature of affiant.)

Subscribed and sworn to before me, a _____ in and for the State and county above named, this _____ day of _____, 1918.

My commission expires _____

By the Commission:

[Seal.]

GEORGE B. MCGINTY, Secretary.

MEASURES ADOPTED BY DIRECTOR-GENERAL OF RAILROADS McADOO TO REMEDY FREIGHT CONGESTION.

Some of the measures taken during the past week by Director-General of Railroads W. G. McAdoo to overcome the badly congested freight situation, are referred to elsewhere in to-day's issue of our paper. These steps include the increased demurrage rates which are to go into effect Jan. 21 and which are established in Mr. McAdoo's General Order No. 3. His two previous orders were given in our issue of Saturday last. Another measure designed to facilitate freight transportation, put into force this week, consists in a material reduction in passenger train service. In his further efforts to remedy the situation, Director-General McAdoo has designated the coming week as "Freight Moving Week," during which he calls upon the whole nation to "unite in a supreme effort to clear up the congestion at terminals before the demurrage order goes into effect, and to keep it cleared up thereafter." The following is his appeal:

The movement of fuel, food and other vital necessities is being seriously hampered by the congestion of loaded freight cars at important cities and terminals throughout the country. The congestion is particularly serious in the railroad terminals at the Port of New York. Unless freight is promptly removed by consignees from cars at terminals and from railroad stations it will be impossible to relieve the present situation.

Railroad cars cannot be used for warehouse purposes without grave injury to the American people. Railroad cars must be kept moving, and they must be utilized to their maximum capacity if the demands of the people for the necessities of life and of the army and navy for essential munitions and supplies are to be met. It is an imperative duty of the hour for every citizen to do his utmost to move freight from cars and from railroad stations immediately upon its arrival.

Under the new demurrage order just issued, heavy charges for detention of freight cars will go into effect on and after Jan. 21. The whole nation should unite in a supreme effort to clear up the congestion at terminals before the demurrage order goes into effect and to keep it cleared up thereafter.

I wish to appeal to the people of the United States to observe the week beginning Jan. 14 and ending Jan. 21 as "Freight Moving Week," and I earnestly request the Governors of the various States, the Public Utilities Commissioners, the Mayors of cities and towns, the State Councils of National Defense, the Federal and State Food and Fuel Administrators, the Chambers of Commerce and other business organizations, business men and shippers generally, trucking companies and all railroad employees concerned, to organize locally and to make a supreme effort during this week to unload freight cars, to remove freight from railroad stations, and to clear the decks for a more efficient operation of the railroads of the country.

An earnest and united pull all along the line will achieve wonders in this direction. We can help ourselves and relieve an immense amount of suffering if we attack the problem vigorously and in the true spirit of co-operation.

W. G. McADOO, Director-General of Railroads.

In a report of the 6th inst., made to Director-General McAdoo, Alfred H. Smith, Assistant in the Eastern Territory to Mr. McAdoo, announced increased accumulation as follows:

Accumulation is increasing at points east of Pittsburgh and Buffalo, but this is due to the extreme cold weather. Trainmen and engineers have reported sick in large numbers, which has necessitated curtailment of train service. The passenger service is being reduced wherever possible, but as a great many people are returning home after the holidays considerable service is required. A shortage of labor at engine-house terminals is preventing engines from being turned out promptly and getting back into service.

The tonnage rating of trains has been reduced on account of cold, to expedite transportation of coal and foodstuffs. Embargoes and diversions are being employed wherever necessary and possible. A heavy fog through the Pittsburgh district, accompanied by a low temperature, is greatly interfering with switching operations and train movements, which, with the shortage of labor, causes loss of ground there. The labor situation in the Pittsburgh district is acute.

There is plenty of coal at Hampton Roads, but ships are slow in unloading, due to the severe weather and the frozen condition of the coal. Shortage of water at Jersey City is affecting the operation of railroads in that district. Temperature in the coal region is five below zero, resulting in water mains freezing and hampering operations. In Indiana and Michigan there is no serious difficulty. There is a heavy accumulation of freight at tidewater ports. Ships are available, but labor for loading them is very scarce, as also is labor for coaling.

Under date of the 7th inst. a census of all freight cars was called for by the Inter-State Commerce Commission, Bureau of Car Service, in the following order:

Washington, January 5 1918.

To All Railroads and Private Car Lines:

The Commission desires to determine accurately what freight-loading equipment is actually available for service throughout the country; also that not available for service. To this end you are directed to fill in the information called for by blank space below as of Dec. 31 1917, and to return this report to the Inter-State Commerce Commission, Bureau of Car Service, on or before Jan. 25 1918.

Private car lines which have leased cars to other carriers which operate same should show such cars separately, as to individual lessees, as "cars

leased by reporting carrier," reducing by such number of cars the total number in operation.

Three copies of this blank are inclosed, one to be returned not later than date mentioned.

By the Commission:

GEORGE B. MCGINTY, Secretary.

The form, which applies to common box and furniture, ventilated, refrigerator, stock, single and double deck, flat, drop-bottom gondola, automobile, solid-bottom gondola, hopper-bottom, tank and all other freight equipment cars is to be filled out as follows:

Name of carrier.....
 Number owned.....
 Number leased to reporting carrier.....
 Total number in operation.....
 Number in actual service.....
 Number in bad order, divided—
 (a) Not to be repaired.....
 (b) Heavy repair cars which will not be repaired within 30 days.....
 (c) Heavy repair cars which will be repaired and in service within 30 days.....
 (d) Light repair cars.....
 Total number bad-order cars.....

Total number in operation.....
 Define carefully the basis which determines whether bad-order cars are classified as heavy or light repair cars.

A report concerning congestion on various railroad lines was made on the 5th inst. by Inter-State Commerce Commissioner McChord, in charge of inspectors. It is said to have shown a serious condition on the New Haven lines, which had made necessary the elimination on the Waterbury & Hartford division of no less than 82 passenger trains. Conditions west of Pittsburgh were generally favorable, the main trouble of the lines of the West being centred in inability to get cars moved Eastward. Elsewhere we refer to the financial statements called for from the railroads by the Inter-State Commerce Commission. With regard to the confusion existing as to priority orders, the Fuel Administration has issued the following:

Despite the fact that formal announcement was made that all priority orders in connection with freight shipments were suspended at midnight, Dec. 31, considerable confusion apparently exists in many quarters as evidenced by many telegrams to the United States Fuel Administration, inquiring as to the status concerning priorities.

The following typical answer is being sent out by the Fuel Administration: "By direction of Director-General McAdoo, all priority orders heretofore issued with respect to transportation have been suspended and no further priorities may be claimed thereunder. Future orders for priorities will be issued in emergencies under Mr. McAdoo's direction as occasion may require."

In stating on the 6th inst. that greater use of inland waterways for hauling heavy freight would begin as soon as possible, especially with respect to the Erie Canal and the Mississippi River, Mr. McAdoo said:

I am very much pleased that provision is made in the pending railroad bill for the use of the inland waterways of the United States in connection with the railroad systems now under Government control. The proper use of these waterways will largely increase the transportation facilities of the country, and if the pending bill is passed, giving authority to the President to expend money for the development of transportation facilities on the inland waterways, every effort will be made to utilize them to the full extent of their capacity.

Mr. Smith, Assistant to the Director-General of Railroads, sent a telegram on the 7th inst. to the heads of all railroads in the Eastern district urging that every available box car be sent to the lines west of Chicago and St. Louis to move grain to the primary elevators. The telegram said:

Imperative that immediate steps be taken to deliver box cars to lines west of Chicago and St. Louis to move grain from country to primary elevators to meet an international necessity which, taken with congestion of eastbound freight on various lines adjacent to Atlantic seaboard, justified adoption of a drastic order restricting further loading of box car equipment East for present except such loading as is absolutely necessary to take care of foodstuffs for human consumption, export shipments permitted by Geo. D. Ogden, Chairman Export Division, and Government freight covered by Section 3 of Priority Order No. 5. Please issue instructions that eastbound box car loading is to be regulated accordingly until such time as present congestion in East is cleared, rushing every available box car to Western lines.

Mr. Smith reported that the recent order for the reduction in passenger service for the release of trackage and equipment for freight traffic had been complied with by every railroad in the district.

On the 10th inst. press dispatches from Washington stated that freight conditions throughout the East were reported slightly improved, although serious congestion and lack of locomotives was apparent at a number of centres. The "Evening Sun" of last night had the following to say concerning the situation:

More than 40,000 carloads of freight are tied up at the six terminals of New York, Philadelphia, Baltimore, Boston, Newport News and Norfolk. Of this amount 30,000 carloads are for the Allied Governments, while the remainder is for commercial purposes. The amount of freight is sufficient to load 240 ships of an average capacity of 5,000 tons. Munitions form a great part of the congested freight.

Of the freight congested at the six important Eastern ports, 3,369 cars are for the United States, 4,683 for the British, 13,615 for France, 4,823 for Russia and 4,093 for Italy. Commercial freight amounts to 10,519 carloads.

DIRECTOR-GENERAL McADOO REFERS TRAINMEN'S DEMANDS TO COMMITTEE.

As indicated in our issue of Saturday last, the decision to appoint a committee to report their conclusions with regard to the wage demands of the trainmen was reached by Director-General McAdoo on Jan. 4, following a conference with representatives of the Brotherhoods. The statement issued by Mr. McAdoo announcing this said:

I have had a gratifying conference with William G. Lee, President, and W. N. Doak, Vice-President, Brotherhood of Railroad Trainmen; A. B. Garretson, President, and W. H. Clark, Vice-President, Order of Railway Conductors; W. S. Carter, President, and P. J. McNamara, Vice-President, National Brotherhood of Locomotive Firemen, and H. E. Wells, Assistant Grand Chief, Brotherhood of Locomotive Engineers, as to the relations of the employees to the railroads while under Government control and the demands which have heretofore been presented by some of the brotherhoods to the railroad companies. I have been impressed with the spirit of co-operation and fairness shown by the brotherhood chiefs in their discussions with me and feel confident that an adjustment fair to the men as well as to the country will be reached.

As a result of the discussion, I have determined to appoint a committee of four representative men, whose reputations will be a guaranty of fair dealing to all, to make a full investigation of the whole matter and report their findings and conclusions to me at the earliest possible moment. The names of the members of this committee will be announced in a few days.

As soon as the committee makes a report the Director-General will render a decision which will be effective as to wages from Jan. 1 1918. Every employee affected by this inquiry may, therefore, devote himself unreservedly and patriotically to his work with the assurance that his rights and interests will be justly dealt with.

This is a time of great stress, and the attitude of every employee should be determined by the supreme need of the hour—duty to his country first of all. I can not state too strongly the necessity for devoted and loyal service by every man in this emergency. Every railroad employee is now in effect a Government employee, and as much in duty bound to give his best service to his country as if he wore the uniform of the United States Army and occupied the trenches at the front. Every unnecessary delay in a train movement vitally affects our soldiers and sailors and seriously impairs our ability to defend our rights and our liberties. Every man whose neglect or indifference causes such delays may be responsible for the loss of the son of some noble American mother or father. It is as serious to the country for an employee to be a slacker in his work as for a man to be a slacker in the army.

The present serious congestion and actual suffering for the want of coal and other supplies will be greatly improved and may be entirely remedied if every employee will do his utmost in his individual task. In the name of patriotism, therefore, for the protection of our sons abroad, and for the safety of the nation, I hope that every man, wherever placed, will do his level best. Let us who stay at home be ashamed not to be willing to make sacrifices as great as those our gallant sons are already making for us on the bloody fields of France.

Mr. McAdoo is said to have explained that although no general provision can be made under the law for exempting railroad employees from the draft, he will not hesitate to appeal to local exemption boards to defer the calling of those workers if the boards of their own volition do not display a tendency to regard the railroads as an essential industry, from which employees should not be taken for military service. On the 5th inst. Mr. McAdoo took further steps to prevent friction in the Government's dealings with railroad labor by arranging with William H. Johnson, President of the International Association of Machinists, to call off several minor strikes of machinists until the railroad administration can formulate a definite wage and labor policy.

JUDGE LOVETT DECLARES "TAG" SYSTEM AS RESPONSIBLE FOR FREIGHT CONGESTION.

In a statement issued on Jan. 4, Judge Robert S. Lovett, Director of Priority, took exception to the impression which has gained ground that the congestion of the railroads had been due to priority orders issued by him. Judge Lovett places the blame for conditions on the "tag" system adopted by the Railroads' War Board last July. His statement follows:

It is being reiterated before committees and in various reports, and repeated from day to day in newspapers, that the present congestion in railroad transportation is due in large measure to numerous and unwise "priority orders," and it is well known and is generally published that I am in charge of priorities. The obvious inference, therefore, is that such ill-advised priority orders were issued by me. Nothing could be further from the truth.

No one knows better than I have known all along that reckless and indiscriminate issue of priority orders would add enormously to the transportation difficulties, and that the greatest caution should be observed in issuing such orders. The result is that since my appointment by the President, in August last, I have issued but five orders awarding priority in transportation, to wit: Order No. 1, issued Aug. 20, directing the movement of coal to the Northwestern States via the Lakes; Order No. 2, issued Oct. 27, restricting the use of open-top cars; Order No. 3, issued Nov. 2, giving preference to certain coal shipments from Utah and Wyoming mines; Order No. 4, issued Nov. 29, according priority in the shipment of certain cattle foodstuffs to the drought-stricken sections of Texas and New Mexico; and Order No. 5, issued Dec. 7, according priority to perishable freight, foodstuffs and certain military supplies, and to coal, coke and certain war materials.

No railroad man or other person with knowledge of the facts has claimed or will claim that any of these orders has caused congestion or seriously hampered transportation.

The fact is that the so-called priority orders, which are more or less responsible for traffic congestion and of which complaint is made, are the result of an arrangement made by the railroads themselves and the supply departments of the Army, Navy and Shipping Board, with which I had nothing whatever to do. That arrangement was embodied in Bulletin

No. 22, issued by the so-called "Railroad War Board" in July last, and is commonly referred to as the "tag" system. It prescribed a form of placard or tag which when tacked on a car entitled that car without further orders or instructions to preferred movement to destination. Large quantities of these placards were printed and distributed throughout the United States in the hands of quartermasters, agents, contractors and others getting material for the Government, and naturally one was tacked to every shipment made, whether urgent or not.

Consequently, everything bought was rushed to destination, with the inevitable result that terminals were crowded with materials before they were needed or could be unloaded. No complaint of this system was made or reported to me until late in November, and priority Order No. 5 issued by me Dec. 7, made provision for restricting and regulating the evil.

However indifferent one may be personally to misrepresentations, yet, where the performance of public duty is involved, the facts as they are ought to be stated. Of course, I know the misrepresentation was not intentional, and the unusual circumstances were such as to make it almost unavoidable, but because of the public interest concerned I think it should be corrected.

F. A. VANDERLIP DECLARES BREAKDOWN OF TRANSPORTATION DUE TO UNFAIR TREATMENT OF RAILROADS.

In stating before the Rubber Association, Inc., on Jan. 7 that the breakdown of transportation is not to be regarded as an indictment of private ownership of railroads, but has been due to the unfair treatment of the roads, F. A. Vanderlip, President of the National City Bank, and Chairman of the National War Savings Committee, said:

This breakdown of transportation has been in large part a result of our very prosperity, in large part the result of the enormous amount of shipments that have been made possible, made necessary, by the prosperity of the country and the demand that people have made for things of unusual comfort and luxury. I do not regard the breakdown of the railroads as an indictment of private ownership of railroads. Rather than that, it is an indictment of Government control of railroads in the form that we have had it. The breakdown did not come on the 28th of December; it started far back of that, in the unfair treatment that railroads have had.

It lies in the impossible situation in which the railroads were placed, with increasing costs of operation, rapidly increasing wages, higher cost of living in every particular, without any adequate increase in their income. It looks as if the railroads have passed permanently from private control in the form that we have known it. Whether or not that is a good thing must now remain to be seen. The great thing that has been accomplished up to this moment is to wipe out the prohibitions that have been laid upon the railroads. These prohibitions, compelling competition, preventing co-operation, made them less efficient than they otherwise would have been, probably very much less efficient. We shall see how much more efficient they are with those prohibitions removed. If they were such that the railroads could not properly perform their duty to the public, that is not an indictment of the railroads, rather it is an indictment of the way the prohibitions were laid upon them. We have come into a new world, absolutely a new world, in which we have cut loose from experience, from all lessons of precedents. We are seeing the development of a type of State Socialism the world over. We see now not only our railroad control, but price-fixing, and fuel administration, the hand of the Government reaching into business in innumerable novel ways, the outcome of which no man can tell. But certainly this new world, these new conditions, impose upon us new responsibilities, new responsibilities for creating sound public opinion on these matters.

Mr. Vanderlip's address was delivered before the eighteenth annual banquet of the Rubber Association at the Waldorf. His remarks were chiefly concerned with the promulgation of the Administration's war savings propaganda, on which point he had the following to say in part:

We are only just coming to understand what an enormous task we have entered on. We have seen it measured in dollars; we have seen appropriations aggregating nearly twenty billions, appropriations that are expected to be spent, or were expected to be spent when they were made. We have seen contracts made for these huge amounts; and we are beginning to discover that appropriations, that treasury credits will not successfully fight a war. We are waking up to the character of this war—that it is a war of equipment, a war of the workshops, a war in which men are, of course, essential—soldiers of valor; but without the equipment, without the enormous amount of things that are needed, these soldiers cannot face Prussian militarism. And we are just beginning to recognize how vast a task the workshops, the man-power of the country, is facing.

It is possible to make contracts, it is possible to provide the funds to pay, but we have so far found it impossible to provide the things with the rapidity with which we need them, with the rapidity with which the world needs us to have them, and there is disappointment.

Now, what is the matter? The trouble is that as we come to see how great the task is, we have not yet seen our individual relation to it. We are only just beginning to wake up to the fact that the man power and the shop capacity of this country is not equal to this task, if there is to be laid on it also the task of providing us with all the things of comfort and luxury that we have been used to having. We are coming to see that we have got to measure our individual conduct, our individual expenditures, in an entirely new light; that it is no longer a question of what a man can afford to buy, it has come to be a question of what the nation can afford to have us buy.

The Government expected to expend a billion dollars in October, one billion one hundred million in November, and as much or more than that in December. As a matter of fact, in those three months they have averaged to spend only half that amount, not because they have not let the contracts, not because they did not have the money to pay for it, but because the man power in the shops of the country could not produce things at the rate that was anticipated, and kept on producing the things that you and I have demanded.

Now, there are men who are afraid that we are going to disorganize business if we preach economy. The tragedy of it is going to be that we are not going to disorganize certain kinds of business enough. In a period of such tremendous prosperity, in a time when the wage fund is so great, when the profits of agriculture are so tremendous, it is going to be impossible to take this lesson of economy with one hundred per cent efficiency to one hundred million people. What I fear is, that we will have the greatest business in luxuries we have ever known, that people will unconsciously exercise their command over labor, over material, over shoproom and transportation, and will interfere with outfitting this army.

You no longer can devote yourselves properly solely to your business. There is before you a larger duty, a duty to think clearly on these great national questions, novel in character, that are crowding upon us. Nothing but a sound public opinion is going to guide this country through these novel and dangerous courses that it must travel; and never before was there such need of men thinking broadly, giving their minds not only to their business, but to these subjects of government, of government relation to business, and helping to form a sound public opinion that will guide the handling of affairs in these times into which we can look with so little certainty.

READJUSTMENT OF RECONSIGNMENT CHARGES BY RAILROADS.

A general readjustment of reconsignment and diversion charges by railroads, involving a number of increases, decided by the Inter-State Commerce Commission on Dec. 24 was announced on Jan. 10. The rulings are summarized by the Commission as follows:

Upon consideration of increased charges and changes in regulations affecting the diversion or reconsignment of carload shipments, proposed by practically all of the carriers of the country; held:

1. Proposed charges of \$2 and \$5 per car for exchange in name of consignor justified to the extent that they do not exceed \$1 per car.
2. Rule providing that if request is made for the diversion or reconsignment of freight in carloads the carrier will make diligent effort to locate the shipment and effect the desired service, but will not be responsible for failure to do so unless such failure is due to negligence of its employees justified as a continuation of the rule now in effect.
3. Proposed charge of \$2 per car for diversion or reconsignment in transit prior to arrival of shipment at original destination or terminal yard serving that destination justified.
4. Proposed charge of \$2 per car for diversion or reconsignment when order for that service is placed at billed destination in time to permit instructions to be given to the yard employees prior to the arrival of the car justified.
5. Proposed charge of \$2 per car for stopping car prior to arrival at billed destination to be held for orders justified.
6. Proposed charge of \$5 per car for diversion or reconsignment at original destination to a point outside the switching limits, on orders received by the carrier after arrival, or too late to permit instructions to be given to yard employees before arrival, justified; but held that the same charge proposed for reforwarding for a similar point cars which have been placed for unloading but have not been unloaded has been justified only in so far as such charge will be lawful under the fourth section when considered in connection with charges approved in rule 7.
7. Proposed charge of local tariff rates for reforwarding to a point within the switching limits cars which have been placed for unloading but have not been unloaded found justified.
8. Proposed rule found justified providing that:
 - (A) A single change in the name of the consignee at first destination, and (or) a single change in the destination of his place of delivery at first destination, will be allowed without charge if order is received in time to permit instructions to be given to yard employees prior to arrival of car at first destination or at the terminal yard serving such destination.
 - (B) If such orders are received in time to permit instructions to be given to yard employees within 24 hours after arrival of car at terminal yard a charge of \$2 per car will be made.
 - (C) If such orders are received subsequent to 24 hours after arrival of car at terminal yard a charge of \$5 per car will be made.
9. Proposed application of charges for reconsignment regardless of the method of freight rate construction justified.
10. Proposed regulation prohibiting reconsignment to an embargoed joint justified in part.

With respect to certain provisions not included in the general rules, held: Increased charges for diversion and reconsignment proposed by certain New England carriers not justified.

Charges proposed by some respondents for transferring the contents of certain reconsigned cars not justified.

Charges proposed for diversion or reconsignment of grain and certain other commodities at Pittsburg, Pa. and other points not found to be unreasonable in so far as they do not exceed the charges proposed in the general rules herein approved, but not approved because unjust discrimination would result from their application.

HEARINGS ON ADMINISTRATION BILL PROVIDING FOR COMPENSATION TO RAILROADS DURING FEDERAL CONTROL.

Hearings on the Administration bill to carry out Government operation of the railroads have been held this week by both the Senate and House Committees on Inter-State Commerce. The text of the bill is given elsewhere in to-day's issue of the "Chronicle." In the Senate on the 7th inst. resolutions were introduced seeking to amend the section calling for indefinite continuance of Government control by providing for automatic return of the roads to private control after the war. Senator Gallinger, of New Hampshire, and Senator Watson, of Indiana, representing the conservative Republicans, introduced the amendments. One would end the control immediately after the cessation of hostilities, while the other would end the control six months thereafter. The basis of compensation on the earnings of the three years ending June 30 last was criticised in a hearing before the Senate Inter-State Commerce Committee on the 7th inst. by Julius Kruttschnitt, Chairman of the Executive Committee of the Southern Pacific, who suggested instead the two and a half year period between July 1 1915 and Dec. 31 1917, arguing that earnings for 1915 were below normal.

His testimony as set out in the New York "Times" follows: "The year 1915 was the worst the railroads have had in ten years. To be fair, the Government ought to take the year—or the two years—immediately preceding the war as the basis of compensation. The railroads

merely want to protect their huge investment and to obtain an adequate return on it. We have no desire to oppose the Government's scheme of control."

Senator Cummins brought out that the average net operating income of the railroads from 1915 to 1917, inclusive, was approximately \$960,000,000, and asked Mr. Kruttschnitt if he did not consider that ample.

"It is not when the losses to the railroads in income in 1915 are taken into account," was the reply. Mr. Kruttschnitt spoke of capital put into the railroads in 1917, and remarked that no allowance had been made in the bill for any return on that.

"That is one of the chief objections we have to the bill as drawn," he said. "Didn't you talk with the President on Government control before he issued his proclamation?" asked Senator Cummins.

"I did, but the talk was general and the three-year basis of compensation was not mentioned," replied the witness. "The uppermost thought in the President's mind was the necessity of reassuring the holders of railroad securities to prevent any uneasiness on their part."

"The railroad men regard as quite fair the basic principle of Government control as enunciated by the President. But when it comes to details, we find that the roads are not to be treated fairly. I am speaking of taking the three-year period of average profit as a basis."

A. P. Thom, General Counsel for the Railroads' Executive Council, also appeared before the Senate Committee on the 7th inst. and urged that whatever action was taken should be taken quickly. In urging that care should be taken in determining the compensation, the "Times" quotes him as saying:

If the Government operates the railroads under a wise policy, the stockholders will not suffer. If the Government makes a mistake in computing the basis of compensation, the stockholders will suffer greatly.

In expressing doubt that Congress had authority to fix compensation to the railroads, Mr. Thom said:

Congress has the right to appoint a tribunal to fix the compensation, but when it comes to fixing the compensation itself, I believe Congress is overstepping its power. But the railroads do not come in a fault-finding spirit. They merely want to be sure that their property is not injured.

The matter could be settled by litigation if the railroads were not satisfied with the compensation given by Congress, but that would take a long time, and we are not disposed to cause delay. We would prefer that Congress act, and at once. Litigation would involve chaos in the handling of the railroad situation, and that we want to avoid.

On the 8th inst. Mr. Kruttschnitt praised the work of the Railroads War Board, now dissolved, in eliminating much competition and pooling railroad facilities to a great extent under private control. He said the results, and the necessity of Government control, showed emphatically that anti-trust and anti-pooling laws will have to be repealed. Indiscriminate issuance of preferential and priority orders he blamed largely for the failure of roads to prevent congestion under private management. Another difficulty was the shortage of labor. In many cases, he said, one-eighth of a railroad's employees were taken by the draft or by industries paying higher wages. Senator Cummins asked Mr. Kruttschnitt about the advisability of basing the railroads' compensation on the market value of the stocks, which opened a lengthy discussion of the value of securities. Mr. Kruttschnitt said the value of the stock of the Southern Pacific had fallen 55 points in the last ten years and in that period the company put \$400,000,000 into the property, showing that the market quotations have little or nothing to do with the intrinsic value of the property. Grain men of the country, Mr. Kruttschnitt says, were the slowest to comply with the War Board's recommendations providing for the heavier loading of cars. It was only after Food Administrator Hoover, who had the power when the railroads did not, issued an order providing that no cars of grain be handled unless fully loaded, he added, that a change was brought about.

Mr. Kruttschnitt on the 9th inst. endorsed President Wilson action in taking over the railroads and asserted the railroads were going to be "good soldiers" and continue to work loyally. He is also quoted as saying:

We consider that what has been done has been done because it was the opinion of the Commander-in-Chief, the President, as necessary, and we are going to work as loyally as in the past. We think the President must have had good reasons for his action and we are going to support his policies to the best of our ability.

I think the railroads could have done more by voluntary agreement with their own organization if there had been greater Government support in many directions. There is certain assistance, however, that probably could not have been given under private ownership. All the railroads, however, have accepted the situation, and we have no criticism to make.

Testifying before the Senate Committee on the 9th inst. George M. Shriver, Vice-President of the Baltimore & Ohio, suggested that compensation should be based on property investments as of Dec. 31 1917, rather than June 30 1917, as proposed in the bill. The average return on investment of the thirty-eight principal Eastern systems for the three-year average suggested by the President was 5.54%, he said. He argued that the Eastern railroads had added \$110,000,000 to their property investment in the last half of 1917. Consequently if provisions of the bill are carried out, he said, the Eastern roads' return on property investment really would be 5.33%.

Frank Trumbull, Chairman of the Railway Executives' Advisory Committee, testifying before the Senate Com-

mittee on the 10th, urged that the railway bill be so amended as to limit definitely the duration of Government control. Mr. Trumbull maintained that not only was the future credit of the railroads at stake, but Government finance as well, and that whatever computation is made should be on the basis of property taken over at the time it was taken. He said the railroads of the country had invested \$934,000,000 in their properties from June 30 1915 to Dec. 31 1917 and should be compensated for that expenditure.

George W. Anderson, a member of the Inter-State Commerce Commission, and who is said to have drafted the pending legislation, was heard by the House Committee on Inter-State Commerce on the opening of hearings before that body Jan. 8. Mr. Anderson explained that it is not intended that there shall be any interference with State taxation of railroad property by Government operation. The Government compensation to all roads on the basis of the standard return proposed, he said, would be \$935,000,000 a year, the average net railway operating income for the three years ending last June 30. This compensation basis is permissive, not mandatory, and any railroad may enter suit for a higher rate if it chooses. Opposition to the three-year period suggested as the basis for compensation developed among the members, who demanded to know why this period had been selected. Mr. Anderson informed them that other bases for compensation had been considered, but the one in the bill, the average annual net income of the last three years, seemed to be the fairest to all concerned.

In reply to a question by Representative Esch as to why these years had been selected, the "Times" reports Mr. Anderson as saying:

Because, on the whole, that period seemed the most practical of application, though I will admit that it was not settled upon without first considering other bases. The financial situation has to be considered as a part of the railroad problem, and financial conditions must be sound if the war program is to be pursued most satisfactorily.

I considered whether we could arrive at a basis by considering the question of the value of railroad securities and other property. I found that led into a blind alley and dropped it. I finally decided that the average of the years 1915, 1916 and 1917 would be fair both to the Government and the railroad owners.

On the 9th inst. Commissioner Anderson reiterated that it seemed impracticable to change the bill to provide for termination of Government control at a specific time after the war. This would create chaos in railroad affairs, he said, and the proper procedure should be to leave the question of return of the roads to private control to future determination by Congress. Mr. Anderson on the 9th inst., according to the "Times," declared firmly that the section of the bill which provides that the railroads shall not revert to their owners until Congress shall so provide must not be amended. Commissioner Anderson appeared as a witness before the House Inter-State Commerce Committee. We also take the following from the "Times":

Representative Montague of Virginia, objecting to the provision of indefinite control after the war, asked if it were not an implied promise to the people that Government operation or ownership would continue indefinitely. Mr. Anderson admitted this might be true. But, he declared, to create a situation where a bill must pass, say a year after the war closed, returning the roads to their owners or failing to return them, would open an unheard-of opportunity for stock market manipulators and speculators.

"We have taken over," said Mr. Anderson, "the largest business ever assumed by any Government. We have taken a larger property than when annexed the Philippines. We are operating the roads with an entire disregard for private competitive rights. If we were to turn back the roads after the war is finished, with traffic conditions and habits confused and disarranged, it would mean injustice to many roads and destruction to some. It would mean chaos to the holders of securities."

"This is a war measure; what is the difficulty of setting a definite date for its automatic repeal?" asked Representative Montague.

"In the first place," answered Mr. Anderson, "this Congress cannot bind the course of future Congresses. Admitted that we need some legislation, we cannot fix the date when any Congress shall desire to effect that legislation. Then, in my opinion, the Congress will not want to have a stop-watch held on it while it deliberates such great questions."

Government ownership members of the committee asked questions which plainly showed their intention of using Government operation as an argument for further control. Although denying that he was an ownership advocate, Mr. Anderson made these two answers to separate questions.

"Oh, of course, the fact that the Government was forced to take railroads over in the stress of war will be used as an argument, and a rightful argument, by those who favor national control permanently."

"Certainly the old status ought never to be re-established."

He was referring in his last answer to the control of property by what he called irresponsible directorates. It was such as they, he said, who had wrecked the New Haven. Never again, he predicted, would investors put their money into railroad enterprises in a large way unless the Government in some way protected them against such boards.

Mr. Anderson is reported to have submitted an amendment to the Administration bill to determine depreciation and maintenance "by the respective average rates charged on such classes of property during the three years ended June 30 1917."

Representative Moore of Pennsylvania on the 9th inst. asked the committee to amend the bill to provide specific-

cally for Government control of canal transportation facilities. Members of the United States Employees' Compensation Commission advocated that railroad men should be regarded as Government employees.

The proposal to pay a compensation based on net railway operating incomes the past three years would mean about \$950,000,000 annually. It was stated yesterday that Senator Cummins, ranking Republican of the Senate Inter-State Commerce Committee, believes this to be too much by \$200,000,000. He is quoted as saying:

I am opposed to the people guaranteeing the railroads any surplus which shall be added to the property, and the people forced to pay income on it.

Senator Cummins, it is said, proposes that the Government guarantee the railroads the interest on their bonded debt and the dividends according to the three-year average. He is unwilling to leave entirely in the Director-General's hands the right to fix passenger and freight rates and would have a provision inserted whereby the rate-fixing power would remain in the Inter-State Commerce Commission.

Officials in close touch with the railroad situation in its new aspects were credited with stating on the 9th inst. that many rate revisions would become necessary now that Government operation has removed competition on which rates heretofore have been largely based. The Inter-State Commerce Commission is expected to undertake within a few weeks a special study of rate readjustments for presentation to the Director-General.

INCREASED DEMURRAGE CHARGES TO OVERCOME FREIGHT CONGESTION.

Drastic measures to bring about the prompt loading and unloading of freight cars were taken on Jan. 6, when at the instance of Director-General of Railroads W. G. McAdoo, the Inter-State Commerce Commission issued orders establishing increased demurrage charges for domestic traffic beginning Jan. 21. The new demurrage rates continue the present two days' free time, but provide for increases ranging from 50 to 100% in charges thereafter. Under the order just issued, a charge of \$3 a day is made for the first day after the two free days, \$4 for the second day and \$1 additional for each succeeding day until the charge reaches \$10 a day. This maximum will be charged for every day or fraction thereafter. Existing demurrage rates in most sections of the country are \$1 for the first day after the two days' free time, \$2 for the second day, \$3 for the third day, \$5 for the fourth day and for each day thereafter. These rates were promulgated in Nov. 1916 to relieve the freight car shortage; previously a flat rate of \$1 a day prevailed. Much higher rates, it is stated, are charged on the Pacific Coast and in several other districts. Announcement of the increased charges was made as follows by Director-General McAdoo:

An imperative necessity exists for releasing freight cars for further service and for relieving terminals which are now badly congested. These unfavorable conditions are injuriously affecting in vital ways the Government's conduct of the war, its aid to the Allies and the supplying of fuel, food and necessities to our own people.

On these accounts I have felt compelled to issue an order which will take effect throughout the United States on the 21st of January, 1918, providing for heavy increase in demurrage charges unless cars are loaded and unloaded with promptness. In making this order I have fully considered the embarrassments of shippers and consignees on account of the scarcity of labor, the inevitable weather, the irregularity of transportation and the consequent frequent bunching of cars. Nevertheless, I am convinced that the total inconvenience and hardship on these accounts will be far smaller than the inconvenience and hardship which our people as a whole are suffering on account of the undue tying up of railroad equipment, and will be very small indeed compared with the menace which the widespread tying up of equipment causes to the health and comfort of the people and the successful conduct of our war operations.

I therefore appeal to every citizen to accept in a spirit of hearty co-operation the increased charges which will be imposed, and I especially appeal to every shipper or consignee as a patriotic duty to employ every possible effort and expedient (even though it involves unusual and special arrangements and additional cost) to load and unload freight cars with the least possible delay, in order that the existing congestion may be cleared up before the new demurrage rule goes into effect.

The following is the text of Director-General McAdoo's order establishing the increased charges:

All carriers by railroad, subject to the jurisdiction of the undersigned, are hereby ordered and directed forthwith to publish and file, and to continue in effect until further order, tariffs effective Jan. 21 1918, wherein demurrage rules, regulations and charges shall be changed so as to provide:

"A. (1) Forty-eight hours' (two days) free time for loading or unloading on all commodities.

"(2) Twenty-four hours' (one day) free time on cars held for any other purpose permitted by tariff.

"B. Demurrage charges per car per day or fraction of a day until car is released, as follows: \$3 for the first day, \$4 for the second day, and for each succeeding additional day the charge to be increased \$1 in excess of that for the preceding day until a maximum of \$10 per car per day shall be reached on the eighth day of detention beyond free time, the charge thereafter to be \$10 per car per day or fraction thereof. These charges will supersede all those named in existing tariffs applicable to domestic freight,

and specifically contemplate the cancellation of all average agreement provisions of existing tariffs.

"No change is authorized hereby to be made in demurrage rules, regulations and charges applying to foreign export freight awaiting ships at export points.

"Upon my request the Inter-State Commerce Commission has issued 15th Section Order No. 225, authorizing the filing of tariffs to accord with this order, to become effective Jan. 21 1918, on one day's notice. Carriers shall immediately file said tariffs with appropriate State commissions or other State authorities."

The Inter-State Commerce Commission's order (designated Fifteenth Section, Order No. 225), signed by Commissioners Clark, Daniels and Woolley, quotes the above order and continues:

It is ordered, That the rules, regulations, and charges hereinabove set forth be, and they are hereby, approved for filing, without formal hearing, which approval shall not affect any subsequent proceeding relative thereto:

It is further ordered, That said tariffs may be filed, effective Jan. 21 1918, upon not less than one (1) day's notice to the Commission and to the general public in the manner prescribed in Section 6 of the Act to Regulate Commerce.

And it is further ordered, That the tariffs filed under authority of this order shall bear on title pages thereof the following notation:

Increased demurrage rules, regulations, and charges in this tariff are filed on one day's notice under authority of the Inter-State Commerce Commission's 15th Section Order No. 225 of Jan. 5 1918, without formal hearing, which approval shall not affect any subsequent proceeding relative thereto.

By the Commission, Division 2.

GEORGE B. MCGINTY, Secretary.

CUT IN PASSENGER SERVICE TO FACILITATE FREIGHT TRANSPORTATION.

With a view to freeing locomotives and crews to facilitate freight transportation a reduction in through passenger trains on Eastern railroads (said to amount to 20%) was put into effect on the 6th inst. with the approval of Director-General McAdoo. At the same time the running schedule of other trains was reduced to lower speed to facilitate the movement of trains. It was furthermore stated that this policy would be gradually extended to affect train service throughout the country. Individual railroads will take the initiative in suggesting curtailments, but these will be approved by the Director-General in most cases. In approving the new passenger schedules of the Pennsylvania and Baltimore & Ohio, which went into effect on the 6th, and of the New Haven, which becomes effective to-day, Jan. 12, Mr. McAdoo ordered a number of modifications resulting in retention of more parlor cars than the railroads had planned. An appeal to the public to refrain from all unnecessary travel at this time was made by Mr. McAdoo in the following statement issued on the 5th inst.:

An important change in the passenger train service on the Eastern roads went into effect Sunday, Jan. 6. I have consented to this change because it is imperatively necessary that passenger travel shall be reduced as much as possible during the present serious emergency which confronts the people in the eastern section of the country.

By elimination of unnecessary passenger train service, much motive power, skilled labor, track and terminal facilities are released for the handling of coal and food and other supplies essential to the life of the people as well as to the successful prosecution of the war. Every patriotic citizen can directly help the Government in clearing up the present unsatisfactory situation on the railroads by refraining from all unnecessary travel at this time.

The breakdown in passenger service of the various railroads in the East has not made a pleasant impression on the public, but it must be borne in mind that the railroad companies in the East are still seriously congested with an unusual amount of freight traffic the movement of which is more vital to the country than the movement of passengers, and that the weather conditions for the past two weeks have seriously impeded railroad operations.

In still another statement on the same date Director-General McAdoo sought to dispel the impression said to have been created in California that any radical changes in passenger travel to the coast had been contemplated. This statement follows:

A wholly erroneous impression seems to have been created in some parts of the United States, especially in California, as to the policy of the Director-General concerning passenger train service to the Pacific coast. Comparatively few reductions have been made or are in contemplation in passenger train service in California or in the West. No changes have been made or will be made unless they are necessary to enable the Government to deal more effectively with war needs and war problems, which are, of course, of paramount importance. Such inconveniences as may result from changes imperatively needed for the prosecution of the war to a swift and victorious conclusion must and will be, I am sure, cheerfully endured by the patriotic people of America. Local interests and individual interests must not be permitted to stand in the way of the supreme need of the nation, and the supreme need of the nation is to use all the facilities and resources of the country to win the war.

DIRECTOR-GENERAL McADOO'S APPEAL TO RAILROAD MEN TO KEEP TRAINS MOVING.

An appeal to all railroad officers and employees to apply themselves with new devotion and energy to their work "to keep trains moving on schedule time, and to meet the demands upon the transportation lines so that our soldiers and sailors may want for nothing which will enable them to fight the enemy to a standstill and win a glorious victory for

United America," was made by Director-General of Railroads McAdoo on the 8th inst. In his statement Mr. McAdoo took occasion to say "I am giving careful consideration to the problems of railroad employees, and every effort will be made to deal with these problems justly and fairly and at the earliest possible moment." His statement in full follows:

DIRECTOR-GENERAL OF RAILROADS.
Inter-State Commerce Commission Building,
Washington, January 8 1918.

To All Railroad Officers and Employees:

The Government of the United States having assumed possession and control of the railroads for the period of the present war with Germany, it becomes more than ever obligatory upon every officer and employee of the railroads to apply himself with unreserved energy and unquestioned loyalty to his work.

The supreme interests of the nation have compelled the drafting of a great army of our best young men and sending them to the bloody fields of France to fight for the lives and liberties of those who stay at home. The sacrifices we are exacting of these noble American boys call to us who stay at home with an irresistible appeal to support them with our most unselfish labor and effort in the work we must do at home, if our armies are to save America from the serious dangers that confront her. Upon the railroads rests a grave responsibility for the success of the war. The railroads cannot be efficiently operated with out the whole-hearted and loyal support of every one in the service from the highest to the lowest.

I earnestly appeal to you to apply yourselves with new devotion and energy to your work, to keep trains moving on schedule time, and to meet the demands upon the transportation lines, so that our soldiers and sailors may want for nothing which will enable them to fight the enemy to a standstill and win a glorious victory for United America.

Every railroad officer and employee is now in effect, in the service of the United States, and every officer and employee is just as important a factor in winning the war as the men in uniform, who are fighting in the trenches.

I am giving careful consideration to the problems of railroad employees, and every effort will be made to deal with these problems justly and fairly and at the earliest possible moment. There should be a new incentive to every one in railroad service while under Government direction to acquit himself with honor and credit to himself and to the country.

W. G. McADOO,
Director-General of Railroads.

N. B.—The Director-General of Railroads requests that the above statement be posted by all railroads.

STEEL INDUSTRIES ASKED TO INDICATE TRANSPORTATION NEEDS.

A request that the steel industries take up the question of organizing a committee to report on their needs so far as railroad transportation is concerned was made on the 9th inst. to J. A. Farrell, President of the United States Steel Corporation by A. H. Smith, assistant to Director-General of Railroads McAdoo. Mr. Smith's request was embodied in the following letter:

Office of Assistant to the Director-General of Railroads, Room 3627 Grand Central Terminal.

New York, Jan. 9 1918.

J. A. Farrell, President United States Steel Corporation, New York, N. Y.

Will you take up with the steel industries the organizing of such committee or committees as will gather information and furnish me with reliable statistics from day to day or two or three times a week as to what the situation is as concrete as possible at all mills and furnaces on all districts of the eastern territory so that we can convey it to the railroads for co-ordinated effort to serve what, in their opinion, is most essential? If the information to be furnished us can be put in order as to what is most crucial it would be helpful, assuming that the last on the list is the least essential. Please answer.

A. H. SMITH.

At the same time Mr. Smith advised Mr. McAdoo of his action in the following communication:

W. G. McAdoo, Director-General of Railroads, Washington, D. C.:

I have asked the steel industries to join in an organization that will designate one man who will speak to us for all of them and who will gather reliable information as to the steel manufacturing situation throughout the Eastern territory and to give us in a concrete form from day to day, or periodically, what the situation is and their recommendation as to what is least required so that the railroads can do the most possible for them in the interests of what is required.

A. H. SMITH.

15% INCREASE IN COMMODITY RAIL-AND-WATER RATES SOUGHT BY EASTERN ROADS.

An increase of approximately 15% in commodity applying via rail-and-water, rail-water-and-rail, and all rail between Boston, Mass., and related points, and via all water, rail and water, rail, water-and-rail, and all rail between New York City, Philadelphia, Baltimore and related points and Washington, D. C., Richmond, Norfolk, Newport News, Old Point Comfort, Portsmouth, Pinner's Point, Suffolk, Petersburg and other Southern points and points on rail lines south of these gateways, were applied for by Eastern railroads to the Inter-State Commerce Commission on the 9th inst.

SUPREME COURT DECISION REVERSES LOWER COURT AS TO TAXABILITY OF STOCK DIVIDENDS UNDER 1913 INCOME TAX LAW.

The United States Supreme Court in a decision handed down on Jan. 7 set aside Federal decrees sustaining the stock taxing powers of the 1913 income tax law and holding that stock dividends on profits earned prior to the enactment of the constitutional amendment permitting direct taxation of incomes are incomes and as such taxable. This week's

findings grew out of the proceedings brought by Henry R. Towne, of Yale & Towne, lock manufacturers, to recover \$20,208 paid as income tax on stock received by him as a result or readjustment of capitalization of a corporation. The lower court denied contentions that stock dividends are not incomes, but a mere readjustment of the form of capital obligation already owned. The decision of the Supreme Court reversing the opinion of the District Court of New York was read by Justice Holmes; it said:

The defendant compelled the plaintiff to pay an income tax upon his stock as equivalent to \$417,450 income in cash. The District Court held that the stock was income within the meaning of the income capital tax act of Oct. 3 1915, Section 11; (a), subdivisions 1 and 2; and (b) 38 Statute 114, 166, 167. It also held that the Act so construed was constitutional, whereas the declaration set up that so far as the Act purported to confer power to make this levy it was unconstitutional and void.

The Government, in the first place, moved to dismiss the case for want of jurisdiction, on the ground that the only question here is the construction of the statute, not its constitutionality. It argues that if such a stock dividend is not income within the meaning of the Constitution it is not income within the intent of the statute, and hence that the meaning of the Sixteenth Amendment is not an immediate issue, and is important only as throwing light on the construction of the Act.

But it is not necessarily true that income means the same thing in the Constitution and the Act. A word is not a crystal, transparent and unchanged. It is the skin of a living thought and may vary greatly in color and content according to the circumstances and the time in which it is used. Whatever the meaning of the Constitution, the Government has applied its force to the plaintiff, on the assertion that the statute authorized it to do so, before the suit was brought, and the court below has sanctioned its course.

The plaintiff says that the statute as it is construed and administered is unconstitutional. He is not to be defeated by the reply that the Government does not adhere to the construction by virtue of which alone it has taken and keeps the plaintiff's money. If this court should think that the construction would make the Act unconstitutional. While it keeps the money it opens the question whether the Act construed as it has construed it can be maintained. The motion to dismiss is overruled.

The case being properly here, however, the construction of the Act is open, as well as its constitutionality if construed as the Government has construed it by its conduct. Notwithstanding the thoughtful discussion that the case received below we cannot doubt that the dividend was capital as well for the purposes of the income tax law as for the distribution between tenant for life and remainderman. What was said by this court upon the latter question is equally true for the former. "A stock dividend really takes nothing from the property of the corporation, and adds nothing to the interest of the shareholders. Its property is not diminished and their interests are not increased. * * * The proportional interest of each shareholder remains the same. The only change is in the evidence which represents that interest, the new shares and the original shares together representing the same proportional interest that the original shares before the issue of the new ones."

In short, the corporation is no poorer and the stockholder is no richer than they were before. If the plaintiff gained any small advantage by the change, it certainly was not an advantage of \$417,450, the sum upon which he was taxed. It is alleged and admitted that he received no more in the way of dividends, and that his old and new certificates together are worth only what the old ones were worth before. If the sum had been carried from surplus to capital account without a corresponding issue of nature of things to prevent, we do not suppose that anyone would contend that the plaintiff had received an accession to his income. Presumably his certificate would have the same value as before. Again, if certificates for \$1,000 par were split up in ten certificates each for \$100, we presume that no one would call the new certificates income. What has happened is that the plaintiff's old certificates have been split up in effect and have diminished in value to the extent of the value of the new.

In announcing on the 10th inst. that in the absence of a specific ruling the Supreme Court decision would not be held as applying to Acts of Sept. 18 1916 and Oct. 3 1917 Daniel C. Roper, Commissioner of Internal Revenue, said:

Misapprehension exists as to the effect of the decision of the Supreme Court in the case of Towne vs. Elsner, handed down Jan. 7 1918. In this opinion it was held that under the Act of Oct. 3 1913 a stock dividend declared by a corporation Jan. 2 1914, was not properly regarded as income. It does not necessarily follow, however, that no stock dividends are to be held taxable under the provisions of the acts of Sept. 18 1916 and Oct. 3 1917.

The Act of Oct. 3 1913, which was the only Act before the court in the case, contained no provision expressly providing for treating stock dividends as income, and the decision of the court was to the effect that the Act was not to be construed as taxing such dividends. The court did not decide that such dividends cannot be income within the meaning of the Sixteenth Amendment, but expressly recognized that the word "income" may have a different meaning in the statute from the meaning in the Constitution.

The Act of Sept. 8 1916, contains an express provision taxing stock dividends declared and paid out of earnings accrued since March 1 1913. In the absence of a decision as to the legal effect of the express provisions contained in the later acts, the Bureau of Internal Revenue naturally will continue to be governed by the express provisions of the later acts in reference to stock dividends.

With regard to Commissioner Roper's statement the "Wall Street Journal" of yesterday printed the following:

Commenting on the announcement of Daniel C. Roper, Commissioner of Internal Revenue, that the Government will continue to tax dividends paid out of earnings accrued since March 1 1913, a lawyer says:

"What the United States Supreme Court decided in the stock dividend case was strictly that stock dividends were not income within the meaning of the income tax Act of Oct. 3 1913, which Act did not specifically enumerate stock dividends as income subject to the tax.

"The Act of Sept. 18 1916 for the first time contained a clause expressly taxing such dividends. The Supreme Court did not expressly decide that Congress had no power to tax stock dividends, but did intimate very strongly that such action would be unconstitutional.

"If the Commissioner of Internal Revenue adheres to his announced intention of continuing to tax stock dividends the question cannot be settled until a new suit is carried to the Supreme Court by some one who pays such a tax levy this year."

INCOME TAX—CORPORATIONS SHOULD NOTIFY STOCKHOLDERS REGARDING DIVIDENDS.

On account of many requests coming from banking houses, Collector Edwards makes public the following statement:

Subdivision B, Section 31, of the Income Tax Law, as amended under date of Oct. 3 1917, provides that distributions made to shareholders or members of a corporation shall constitute a part of the annual income of the distributee for the year in which received, and should be taxed to the distributee at the rates prescribed by law for the years in which such profits or surplus were accumulated by the corporation. This provision makes it necessary for the different banking houses to ascertain from the various companies which dividends were declared from earnings prior to the year 1917 before it is possible for them to analyze income for the purpose of making income tax returns for either themselves or their clients. Undoubtedly all dividends payable Jan. 1 are from earnings of the previous year, but only the corporations paying the dividends can tell exactly what distribution was made from profits accrued prior to 1917. If every stockholder had to communicate with each corporation, it would make an immense amount of unnecessary work and cause a great deal of delay.

SCHOOL OF INSTRUCTION ON INCOME TAX.

A class in income tax instruction is held daily by William H. Edwards, Collector of Internal Revenue for the Second District of New York, in the Custom House, Room 638, from 2 to 4 o'clock. Collector Edwards announces that he would be glad to have presidents of corporations, companies, trade associations, commercial clubs, labor unions, farmers' associations, granges, co-operative societies, &c., attend the school in order that they may take advantage of the opportunity of learning how to make out proper income tax returns. Those who take advantage of this opportunity must do so on condition that they will not use the school for personal financial gain. By Feb. 15 all officers working on the income tax returns will be placed in various banks, postal stations and other points of easy contact with the public.

BRITISH CAPTURES AND LOSSES DURING 1917.

The following summary of British captures and losses in the war during 1917 was issued by the War Office at London according to the cables of Jan. 7:

The captures on all fronts numbered 114,544 prisoners and 781 guns. The losses numbered 28,379 prisoners and 166 guns. Totals by areas are: Western Theatre—73,131 prisoners, 531 guns captured, and 27,200 prisoners and 186 guns lost. Palestine—17,646 prisoners and 108 guns captured. Mesopotamia—15,940 prisoners and 124 guns captured.

BANKING AND FINANCIAL NEWS.

Forty-two shares of National Bank of Commerce stock were sold at the Stock Exchange this week at prices advancing from 170½ to 179. The last sale was at 178, as against 165 last week. No other bank stocks were sold at the Exchange nor were any bank or trust company stocks sold at auction.

Shares.	BANKS—New York.	Low.	High.	Close.	Last Previous Sale.
42	National Bank of Commerce	170½	179	178	Jan. 1918—165

Three New York Stock Exchange memberships were reported sold this week, two for \$55,000 each and the other for \$50,000.

The suspension from business of the Stock Exchange firm of Kerr & Co. of 71 Broadway, this city, was announced from the rostrum of the Exchange on Jan. 9. The firm was organized in December 1893, and consists of Robert B. Kerr and Louis S. Kerr, the latter being the Exchange member. Thomas G. Smith, of 71 Broadway, was made assignee, and the lawyers for the creditors are Whitridge, Butler & Rice. An involuntary petition in bankruptcy was filed in the U. S. District Court in this city, on Jan. 10, against Robert B. Kerr, and Louis S. Kerr, individually, and as co-partners. The petitioners in the bankruptcy proceedings were Ralph E. Woodward, Charles W. Yates and Johnathan Moore, Judge Manton, in the U. S. District Court yesterday (Jan. 11) appointed Senator James A. Foley as receiver for the firm, under bond of \$60,000.

The 142d annual meeting of the Bankers' Club of Chicago will be held at the Congress Hotel to-day (Jan. 12). Otto H. Kahn will be the guest of honor and only speaker of the evening. A number of prominent bankers of New York and the Middle West are expected to be in attendance.

President Lewis L. Clarke of the American Exchange National Bank, gave a dinner on Jan. 8 at the Metropolitan Club to the staff of the New Business Department of the bank. The officers of the bank were present in a body, and following the dinner there was a general discussion of plans for the future. The American Exchange National Bank has

inaugurated an annual meeting for those connected with the New Business Department. This affords an opportunity for the out-of-town men to meet yearly at the home office. During the dinner, President Clarke reminded those present that six years had passed since the great fire which destroyed the Equitable Building and which made it necessary for the bank to reconstruct its offices.

"Opportunities for foreign banking were never so great as they are to-day for Americans," said Albert Breton, Vice-President of the Guaranty Trust Co. of New York, in the course of an address before the Trust Company Forum of the New York Chapter of the American Institute of Banking at No. 138 East 35th Street, on the evening of January 9. Mr. Breton continued:

"These opportunities have arisen out of the war. It is only since this country has accumulated such a vast store of wealth and has spread its activities into foreign countries that these opportunities for financial expansion have become practically unlimited. They will be even greater after the war. The United States is becoming the leading nation of the world, not only commercially, but financially. This country has given a striking evidence of its monetary strength and of its financial ability in the financing of all its Allies, without exception.

"Two things are absolutely essential in foreign banking—capital and trained men. We have plenty of capital, but we are short of experienced men. One of the principal needs of the moment is that men shall be trained and prepared for the tremendous expansion in American foreign banking which is now taking place and will continue.

"These men can best be trained by actual banking experience, and by becoming more familiar with commercial geography and with the fundamental principles of commercial law of the foreign countries with which they intend to deal. Knowledge of languages is no less essential. English, of course, is the great commercial language of the world, but Spanish, French and Portuguese will be more than ever desirable to those engaged in foreign trade and foreign banking. Finally, these men should spend some time in foreign countries in order to absorb the mentality of the people as well as their language and business customs."

In addition to the changes in the executive staffs of the New York banking institutions noted elsewhere in these columns to-day, the following are among the local board changes made at the annual meetings this week:

Atlantic National Bank.—Bert Forsdike and F. E. Andrews, Cashier of the bank, elected to the board.

Bank of the United States.—Henry W. Pollock and Bernard K. Marcus elected additional directors.

Coal & Iron National Bank.—Benjamin D. Riegal added to the board.

Fifth Avenue Bank.—Francis L. Hine, President of the First National Bank of New York, elected to the board.

Garfield National Bank.—Samuel Adams retired as a director.

Harriman National Bank.—All the retiring directors were re-elected.

Hanover National Bank.—John P. Stevens, of J. P. Stevens & Co., was elected a new director.

Iring National Bank.—S. F. Taylor and W. H. Barnard retired from the board and Arthur W. Milburn, President of Borden's Condensed Milk Co., was elected a new director.

Liberty National Bank.—Henry J. Fuller, Vice-President of Fairbanks, Morse Co., added to the board.

Market & Fulton National Bank.—G. M. Olcott, Alden S. Swan and Frederick B. Fiske were retired as directors.

National Butchers & Drovers Bank.—W. H. Chase, Cashier of the bank, has been elected to the board.

National Park Bank.—John C. Van Cleaf and Sylvester W. Labrot, Vice-Presidents of the bank, added to the board.

New York County National Bank.—Only three members of the old board were retained, namely: James C. Brower, W. H. Noyes and Lewis L. Pierce. The new directors elected are Oscar Cooper, recently chosen President; Guy Cary, Owen B. Huntsman, Robert Morrison Jr., Richard C. Storey, and George R. Walker. The retiring directors are F. R. Leland, O. G. Smith, G. L. Shearer, Jesse I. Straus, and C. F. Tietjen.

Public National Bank.—Jacob Sperber elected a director and member of the Executive Committee.

Seaboard National Bank.—D. H. E. Jones of J. W. Elwell & Co., was elected a director to succeed Stuart G. Nelson, retired.

A number of important changes in and additions to the executive staff of the National City Bank, of this city, were made at the annual meeting on the 8th inst. James A. Stillman, son of James Stillman, Chairman of the Board, was designated General Executive Manager, succeeding William A. Simonson. Mr. Stillman, in the absence of the President, Frank A. Vanderlip, who is serving as Chairman of the National War Savings Committee, will act as chief executive officer of the bank. John A. Fulton, a Vice-President, was appointed an additional Executive Manager, and Thomas A. Reynolds, heretofore Cashier, James H. Carter, formerly Assistant Cashier, and Joseph T. Cosby, Manager of the Foreign Department, were elected new Vice-Presidents. Stephen E. Albeck, heretofore Assistant Cashier, and Harry E. Pollard, formerly Vice-President of the Manufacturers National Bank, of Troy, N. Y., were elected to the newly created offices of Assistant Vice-Presidents. Walter H. Tappan, lately Assistant Cashier, has been chosen Cashier, succeeding Mr. Reynolds. The following new Assistant Cashiers were also appointed on the 8th inst.: Leo J. Burnes, John C. Emison, George A. Kurz, Robert Forgan, formerly President of the West Town State Bank of Chicago, Frank C. Mortimer, of San

Francisco, E. E. Ling, Ambrose V. Edwards, James C. Martine and John A. Myers. James Addison was appointed Comptroller, and B. A. Duis was chosen Manager of Foreign Exchange. It was further announced on the 8th inst. that William S. Kies, a Vice-President, had resigned in order to give his entire time to the affairs of the International Banking Corporation and the American International Corporation.

Horace C. Sylvester, Jr., has been elected Vice-President of the National City Company of this city. He will continue in charge of the purchase and sale of State and municipal bonds for the company. Mr. Sylvester was for sixteen years associated with N. W. Halsey & Co., and when that concern was taken over by the National City Company in September 1916 he was placed at the head of the State and municipal department.

Edmund D. Fisher, Deputy Comptroller of the City of New York from 1909 to 1917, has been elected Vice-President and Executive Officer of the Highland Park State Bank of Detroit, Mich. He assumed his new duties on Jan. 5. Mr. Fisher, previous to becoming Deputy Comptroller of New York City, was Secretary and Executive Officer of the Flatbush Trust Co. of Brooklyn, N. Y., which position he had held since the bank's organization. He was also for ten years connected with the Brooklyn Trust Company.

Charles D. Norton has resigned as Vice-President of the First National Bank of this city to accept the Presidency of the First Security Company, an affiliated institution. Mr. Norton succeeds as President of the First Security Company, George F. Baker, who becomes Chairman of the Board. Mr. Norton remains as a director of the First National.

Edwin B. Day, heretofore Cashier of the Battery Park National Bank of this city, has been elected a Vice-President of the institution. Mr. Day has been succeeded as Cashier by Arthur H. Merry, formerly Assistant Cashier. Welding Ring has been elected a director of the Battery Park National to succeed Arthur W. Hildebrand, resigned.

William F. Fitzsimmons, for the past three years Assistant Cashier of the Atlantic National Bank of this city has been elected a Vice-President. Mr. Fitzsimmons, who went into the banking business from the textile trade, was for a number of years connected with the Irving National Bank, and the old Broadway Trust Co. (now the Irving) of this city.

Announcement has been made by the Columbia Trust Co. of this city of the appointment of Carroll Ragan as publicity manager. Mr. Ragan is a former newspaper man, and until Jan. 1 was manager of the publicity department of the United States Mortgage & Trust Co. of this city.

Kelly Graham has been appointed an Assistant Cashier of the Irving National Bank of this city. Mr. Graham, who has been with the Irving during the past year, was formerly with the Citizens National Bank of Louisville, Kentucky, and has a wide acquaintance throughout the Southern States.

Frank L. Hilton, heretofore Assistant Cashier of the Merchants National Bank of this city, has been elected a Vice-President.

The directorate of the Chase National Bank of this city has been enlarged by the election of Andrew Fletcher, President of the American Locomotive Co., and Carl J. Schmidlapp and Gerhard M. Dahl, Vice-Presidents of the Bank. Leon H. Johnson has been appointed an Assistant Cashier.

Samuel M. Schafer, senior member of the Stock Exchange firm of Schafer Bros., and Treasurer of Temple Emanuel, died on the 10th inst. at his home in West 46th Street, this city, where he had lived for fifty years. Mr. Schafer was one of the original members of the "Coal Holes," so called because they traded many years ago in a basement at 23 William Street. He was also one of the oldest members of the New York Stock Exchange, to which he and his brother, the late Simon Schafer, were admitted after they had formed

the firm in 1860. Mr. Schafer was born in this city in 1840. He entered a brokerage house as a young man. Following the Civil War he became prominent as a gold broker. At the time of his death he was Vice-President and a director of the German-American Bank. He had been re-elected to both these offices at the annual meeting on Wednesday.

The German Exchange Bank of this city announces that it will shortly change its name to the Commercial Exchange Bank. The change in title will be made, it is expected, on or about Jan. 21. The German Exchange Bank began business in 1872, and is a strictly American institution, but on account of the feeling engendered by the war, it has been thought best to change its name to the Commercial Exchange Bank.

Joseph M. Adrian, heretofore President of the German Exchange Bank, has been elected to the office of Chairman of the Board. He has been succeeded in the Presidency by Louis A. Fahs, previously Vice-President. George Kern, Cashier of the bank, has been elected a member of the board.

The Public National Bank of this city, of which E. S. Rothschild is President, has announced that in April it will open another branch in the Bronx at 3718 Third Avenue. The bank already has a branch in the Bronx, located at Claremont Parkway and Bathgate Avenue.

Gilbert Motier Plympton, a member of the banking firm of Plympton, Gardiner & Co., of 26 Exchange Place, this city, died on Jan. 10 at his home in Garden City, L. I., in his eighty-third year. Mr. Plympton was born in New York City and graduated from the New York University Law School in 1863. He founded the firm of Redmond, Kerr & Co., and later the firm with which he was associated at the time of his death.

Henry C. Bohack has been elected Vice-President of the Peoples National Bank of Brooklyn, to succeed the late Adolphus Gload.

The Franklin Trust Co. of Brooklyn announces that Clinton W. Ludlum, who has been connected with the company for over twenty-seven years, resigned as Secretary on January 1st, and that the trustees, at a meeting on Jan. 10, elected William J. Montgomery, heretofore Treasurer, a Vice-President, and Clarence M. Fineke, formerly Assistant Secretary, Vice-President and Secretary. Charles A. Dana, President of the Spicer Manufacturing Co., Archibald Douglas, Treasurer of the United Verde Extension Mining Co., and Franklin D. Asche, Vice-President of the Standard Oil Co. of New Jersey, were elected trustees of the Franklin to fill vacancies in the board caused by enlistments in the military service.

The following were among other Brooklyn changes:

Bank of Coney Island, Brooklyn.—George H. Malley, Cashier of the bank, was elected a director to succeed Richard Darm, resigned.

Hamilton Trust Company of Brooklyn.—L. W. Lafrontz, President of the American Surety Co., was elected a trustee to fill a vacancy, for a term of three years.

National City Bank of Brooklyn.—Phillip H. Gill Jr., was elected to the board to fill the vacancy caused by the death of William Berri and Charles T. Young was elected to succeed E. B. Jordan.

Peoples National Bank of Brooklyn.—F. L. Mills was elected a director to succeed the late Adolphus Gload.

The amalgamation of the National Newark Banking Co. and the Essex County National Bank of Newark, N. J., was effected on Jan. 2, when the enlarged institution, the National Newark & Essex Banking Co., opened for business in the banking rooms of the old National Newark Banking Co. at 750 Broad Street. The new banking institution has a capital of \$2,000,000, surplus and undivided profits of \$2,000,000, and deposits of \$30,000,000. Total assets aggregate \$36,000,000. C. L. Farrell, President of Essex County National, is President of the new National Newark & Essex Banking Co., while David H. Merritt, President of the old National Newark Banking Co., is a Vice-President of the continuing institution. Other Vice-Presidents are: Albert H. Baldwin, Frank B. Adams, Geo. F. Reese, Benjamin Atha and A. F. R. Martin. Spencer S. Marsh is Cashier, and the following are Assistant Cashiers: Courtland G. Hemingway, James W. Pittinger and Frederick L. Cobb. The directorate of the enlarged bank is composed of the boards of the consolidating banks.

A new banking institution, the Parkside Trust Company, opens for business in Camden, N. J. to-day, Jan. 12th. The new company has a capital of \$100,000 and surplus of \$50,000. It is located at Haddon and Kaighn avenues. Alfred Sayers is President. Other officers are: William C. Coles and Leon A. Goff, Vice-Presidents, and J. Hartley Bowen, Secretary and Treasurer.

At the annual meeting of the Exchange Trust Co. of Boston, Mass., on Jan. 8, a number of changes were made in the executive staff of the institution. Robert E. Fay, heretofore Treasurer, and G. Wallace Tibbetts, Secretary, were elected Vice-Presidents and directors of the company. Johnson L. Walker, a director, was also elected a Vice-President. Francis H. Benson, formerly Assistant Secretary, was promoted to the office of Secretary to succeed Mr. Tibbetts, and Frederick T. Monroe, heretofore Assistant Treasurer, was elected Treasurer. John E. Gilcrest, Manager of the Bond Department, was chosen Assistant Secretary and Trust Officer. Other appointments made on the 8th inst. were: Myron W. Tewksbury and Fred. J. Hallenbrook, Assistant Secretaries; Rudolph T. Wennstroem, Orin E. Wilkins and Walter E. Burbank, Assistant Treasurers; Henry V. Kieth, Auditor; C. Frederick MacGill and William H. Powers Jr., Assistant Trust Officers; George H. Cummings, Commercial Cashier, and Jerome T. Crowley and Charles L. Turdill, Savings Cashiers.

Edward Brinton Smith, head of the firm of Edward B. Smith & Co., bankers and brokers, of New York and Philadelphia, and a member of the Philadelphia Stock Exchange since 1888, died at his home in Philadelphia on Jan. 7. His death was due to pneumonia, which developed from a cold contracted shortly before Christmas. Mr. Smith, one of Philadelphia's most prominent financiers, was born in that city on Sept. 23 1861. He was educated at the William Penn Charter School and the University of Pennsylvania, graduating from the latter in 1882. He began his business career as a clerk in the banking house of William G. Hopper & Co. With two years' experience he went to Baltimore and formed the banking firm of Smith & Hopkins. In 1886 Mr. Smith returned to Philadelphia to become a member of the banking house of Koons, Tunis & Co., which two years later became Tunis & Smith. With the dissolution of the firm in 1892, Mr. Smith organized the firm of Edward B. Smith & Co. Mr. Smith had been connected with many large business organizations. He was a director of the Franklin National Bank of Philadelphia, the Girard Fire & Marine Insurance Co., the Lehigh Valley Railroad Co., the Lehigh Valley Transit Co., the Philadelphia & Western Railroad Co., the Buffalo & Susquehanna Railroad Corporation, the Girard Water Co. and the Giant Portland Cement Co. Mr. Smith was also a member of the Philadelphia Board of City Trusts.

Vincent R. Tilden, who has been connected with the Philadelphia Trust Co. of Philadelphia, Pa., for a number of years in various capacities, has recently been elected an Assistant Secretary of the institution.

The stock of the Eighth National Bank of Philadelphia, Pa., has been placed on a 20% per annum basis, the directors of the institution at a meeting on Jan. 3 having declared a semi-annual dividend of 10%, payable on demand, as a regular disbursement. The bank has for some time paid 8% regular and 2% extra at each semi-annual period. The Eighth National Bank has a capital of \$275,000, and surplus and undivided profits of \$1,500,000.

L. A. Bassett has been elected President of the Carbondale (Pa.) Miners & Mechanics Savings Bank to fill the vacancy caused by the death of Alfred Pascoe, and James H. Paul, heretofore Assistant Cashier of the bank, has been elected Vice-President, Cashier and director, to succeed C. E. Spencer, who has retired. George H. Paul has been appointed an Assistant Cashier of the institution.

Oliver C. White has been appointed an Assistant Cashier of the Drivers & Mechanics Bank, of Baltimore, Md. Mr. White, who has been in the bank's employ for a number of years, has heretofore been manager of its transit department.

At the annual meeting of the stockholders of the First National Bank of Chicago held Jan. 8, the following directors were re-elected:

Benjamin Allen, A. C. Bartlett, Emile K. Bolsot, William L. Brown, Augustus A. Carpenter, D. Mark Cummings, James B. Forgan, H. H. Hitchcock, E. T. Jeffery, Robert P. Lamont, William J. Louderback, Harold F. McCormick, Nelson Morris, Charles H. Morse, Joseph D. Oliver, Henry H. Porter, Clive Runnells, John A. Spoor, Silas H. Strawn, Bernard E. Sunny, Wm. J. Watson, Frank O. Wetmore, Thomas E. Wilson, Clarence M. Woolley, William Wrigley Jr.

At the meeting of the board of directors immediately following, R. F. Newhall was elected Cashier, succeeding H. A. Howland, who retires. Mr. Newhall retains his connection with Division "F" which handles the accounts of banks and bankers. A. N. Cordell was elected Assistant Cashier to fill the vacancy in Division "C" created by Mr. Howland's retirement. F. F. Danks was elected Manager of the Discount and Collateral Department, succeeding Charles M. Walworth, retired.

Tom Randolph, Chairman of the board of the National Bank of Commerce, in St. Louis, Mo., and one of the most widely known bankers and philanthropists of the Middle and Southwest, died on Monday, Jan. 7, as the result of a stroke of apoplexy suffered the previous day. Mr. Randolph was born in Rome, Tenn., on Nov. 13 1854, and had had a spectacular career as a banker and financier. At the time of his death he had amassed a large fortune and was affiliated with a number of banking institutions and other business organizations. Mr. Randolph from 1859 to 1903 made his home in Sherman, Texas, and it was there that he started on his financial career. He began as a messenger for the Merchants & Planters National Bank of Sherman, and at the age of eighteen was made its Cashier. In 1886, when 32 years old, he was elected to the Presidency of the bank, which position he continued to hold at the time of his death. He became connected with banking affairs in St. Louis in 1903, when he was elected President of the Commonwealth Trust Co. of that city. When the National Bank of Commerce took over the Commonwealth Trust in 1909, Mr. Randolph was chosen Vice-President of the bank. In April 1913, after the resignation of B. F. Edwards, as President, Mr. Randolph was unanimously elected to succeed him. Two years later, in 1915, with the election of John G. Lonsdale to the Presidency of the National Bank of Commerce, Mr. Randolph became Chairman of the board, the position which he had since retained. Mr. Randolph at the time of his death was a director of the Equitable Life Assurance Society and the Cotton Belt Railroad. For several years he was a member of the Executive Committee of the American Bankers' Association.

The directors of the Citizens National Bank of Louisville, Ky., have declared a special dividend of \$2 a share out of the earnings of the past year, this being in addition to the regular quarterly dividend of \$3 a share, and making altogether \$14 a share for the year 1917. Just before the holidays the bank presented its employees with a month's salary as a bonus for the year. The Citizens National Bank, of which S. B. Lynd is President, has a capital of \$500,000, surplus and undivided profits of \$525,000 and deposits of \$7,500,000.

Thomas J. Harper, for the past two years Cashier of the West Town State Bank, of Chicago, Ill., has been elected to the Presidency of the institution to succeed Robert Forgan, who, as heretofore stated in these columns, has resigned to become an Assistant Cashier of the National City Bank of New York.

Alexander C. Long has resigned as Trust Officer of the Union Trust Company, of Detroit, Mich., and has been succeeded by Joel H. Prescott, heretofore Assistant Trust Officer. J. Monroe Roney has been appointed an Assistant Trust Officer.

The First Trust & Savings Co. of Cleveland announces that during the two years closing Dec. 31 1917, it has opened new savings accounts at the rate of one each five minutes of the banking day. The total number of new accounts opened in 1917 was 22,213—all of these new accounts having been opened in one banking room. The rapid growth of this institution and the affiliated First National Bank has carried the combined resources to more than \$107,000,000.

FOREIGN TRADE MOVEMENT OF THE UNITED STATES.

(In the following tables three cipher (000) are in all cases omitted.)

MERCHANDISE.

Table with columns for Exports and Imports, and sub-columns for 1917, 1916, and 1915. Rows list months from January to December and a Total row.

GOLD.

Table with columns for Exports and Imports, and sub-columns for 1917, 1916, and 1915. Rows list months from January to December and a Total row.

SILVER.

Table with columns for Exports and Imports, and sub-columns for 1917, 1916, and 1915. Rows list months from January to December and a Total row.

EXCESS OF EXPORTS OR IMPORTS.

Table with columns for Merchandise, Gold, and Silver, and sub-columns for 1917, 1916, and 1915. Rows list months from January to December and a Total row.

Totals for merchandise, gold and silver for eleven months: Similar totals for the five months since July 1 for six years make the following exhibit:

Table with columns for Merchandise, Gold, and Silver, and sub-columns for Exports, Imports, and Excess of Exports. Rows list months from 1917 to 1912.

f Excess of imports.

Similar totals for the five months since July 1 for six years make the following exhibit:

Table with columns for Merchandise, Gold, and Silver, and sub-columns for Exports, Imports, and Excess of Exports. Rows list months from 1917 to 1912.

f Excess of imports.

TRADE AND TRAFFIC MOVEMENT.

UNFILLED ORDERS OF STEEL CORPORATION.—The United States Steel Corporation on Thursday, Jan. 10, issued its regular monthly statement showing unfilled orders on the books of the subsidiary corporations as of Dec. 31 last, amounting to 9,381,718 tons, an increase of 484,612 tons over the amount on hand at the end of the previous month, but 2,801,365 tons short of the maximum of unfilled orders reached on April 30 last, when the amount on hand aggregated 12,183,083 tons. The current figures are the first to show an upward trend since last April.

In the following we give the comparisons with the previous months:

Table comparing monthly trade movements from Dec 31 1917 to Dec 31 1910, with sub-columns for Tons. Rows list months and years.

The figures prior to July 31 1910 were issued quarterly only. These, extending back to 1901, were given in the "Chronicle" of March 13 1915, page 876.

LAKE SUPERIOR IRON ORE SHIPMENTS.—The shipments of iron ore from the Lake Superior docks during the season recently closed aggregated 62,498,901 tons, a decrease of 2,235,297 tons, as compared with the record year 1916. The showing for 1917, however, says the "Iron Trade Review," "in many ways afforded a better index to the capacity of the Lake fleet than did the heavier movement of 1916. The unusual severity of ice conditions in the early spring cut off practically one month of the season of navigation, it being early in June before the full fleet began to approximate its greatest efficiency."

The all-rail movement is estimated to have run well over 2,000,000 tons, making a total movement for the season of over 64,500,000 tons. The shipments for the month of December 1917 totaled 911,475 tons, against 1,085,900 tons in 1916, 57,236 tons in 1915 and 1,411 tons in 1914.

Below we compare the shipments from the various ports for the last five seasons:

Table with columns for Port, 1917, 1916, 1915, 1914, and 1913. Rows list ports like Escanaba, Marquette, Ashland, Superior, Duluth, and Two Harbors, plus a Total row.

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.

Table with columns for Gold coin and bullion, Gold certificates, Standard silver dollars, Silver certificates, Subsidiary silver, Treasury notes, United States notes, Federal Reserve notes, Federal Reserve bank notes, and National bank notes. Rows list these categories and a Total row.

Total: 6,026,127,909 248,167,148 5,035,370,352 4,303,995,234

Population of Continental United States estimated at 104,563,000. Circulation per capita, \$48.50.

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 banks and special depositaries to the credit of the Treasurer of the United States, amounting to \$1,866,240,255 71.

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.

c Includes \$387,195,110 Federal Reserve Gold Settlement Fund deposited with Treasurer United States.

d Includes own Federal Reserve notes held by Federal Reserve banks.

Note.—On Dec. 1 1917 Federal Reserve banks and Federal Reserve agents held against Federal Reserve notes \$389,210,005 gold coin and bullion and \$238,899,950 gold certificates, a total of \$628,109,955, against \$243,254,628 on Dec. 1 1916.

Auction Sales.—Among other securities, the following not usually dealt in at the Stock Exchange, were recently sold at auction in New York, Boston and Philadelphia: By Messrs. Adrian H. Muller & Sons, New York:

Table with columns for Shares, Stocks, and Per cent. Rows list companies like 100 Scripps-Booth Corporation, 50 Chevrolet Motor, 30 Aetna Explosives, etc.

By Messrs. R. L. Day & Co., Boston:

Table listing shares and stocks for R. L. Day & Co. with columns for Shares, Stocks, and prices per share.

Table listing shares and stocks for R. L. Day & Co. with columns for Shares, Stocks, and prices per share.

By Messrs. Millett, Roe & Hagen, Boston:

Table listing shares and stocks for Millett, Roe & Hagen with columns for Shares, Stocks, and prices per share.

Table listing shares and stocks for Millett, Roe & Hagen with columns for Shares, Stocks, and prices per share.

By Messrs. Barnes & Lofland, Philadelphia:

Table listing shares and stocks for Barnes & Lofland with columns for Shares, Stocks, and prices per share.

Table listing shares and stocks for Barnes & Lofland with columns for Shares, Stocks, and prices per share.

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

Original organizations: The Farmers' National Bank of Liberty, Pa. Capital \$25,000

CHARTERS EXTENDED. The First National Bank of Leonard, Texas. Charter extended until close of business Jan. 2 1938.

INCREASES OF CAPITAL APPROVED. The National Newark Banking Co., Newark, N. J. Capital increased from \$1,000,000 to \$2,000,000. Increase \$1,000,000

CHANGES OF TITLE. The National Banking Co., Newark, N. J., to "The National Newark & Essex Banking Co. of Newark."

VOLUNTARY LIQUIDATIONS. Consolidations with other national banks: The Essex County National Bank of Newark, N. J. Capital \$1,000,000

Liquidating committee: C. L. Farrell, F. B. Adams and John R. Hardin, Newark. Consolidated with the National Newark Banking Co., which has changed its title to "The National Newark & Essex Banking Co. of Newark."

The American National Bank of San Diego, Cal. Capital 200,000 Liquidating agent: C. L. Williams, San Diego. Business taken over by the First National Bank of San Diego.

Total capital \$1,200,000 Other liquidations: The First National Bank of Bryant, So. Dak. Capital \$25,000

Liquidating agent: H. G. Temte, Bryant. To be succeeded by the Merchants' State Bank of Bryant.

DIVIDENDS.

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

Large table listing dividends for various companies, including Railroads (Steam), Street & Electric Railways, and Banks. Columns include Name of Company, Per Cent, When Payable, and Books Closed.

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 thereto:

Table showing circulation of bonds and legal tenders on deposit for 1916-17. Columns include Bonds and Legal Tenders on Deposit for, and Circulation Afloat Under.

\$12,605,163 Federal Reserve bank notes outstanding Jan. 1, of which \$10,732,400 covered by bonds and \$1,872,765 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 Dec. 31

Table showing U. S. Bonds Held Dec. 31 to Secure. Columns include Bonds on Deposit Dec. 31 1917, On deposit to secure Federal Reserve Bank Notes, On deposit to secure National Bank Notes, and Total Held.

The following shows the amount of national bank notes afloat and the amount of legal-tender deposits Dec. 1 and Jan. 1 and their inc. or dec. during the month of December:

Table showing National Bank Notes—Total Afloat and Legal Tender Notes. Columns include Amount afloat Dec. 1 1917, Net amount issued during December, Amount of bank notes afloat Jan. 1 1918, Amount on deposit to redeem national bank notes Dec. 1 1917, and Amount on deposit to redeem national bank notes Jan. 1 1918.

Canadian Bank Clearings.—The clearings for the week ending Jan. 3 at Canadian cities, in comparison with the same week in 1917, show an increase in the aggregate of 1.3%.

Table showing Canadian Bank Clearings for the week ending Jan. 3, 1918, compared to 1917. Columns include City, 1918, 1917, Inc. or Dec., and 1916, 1915.

Table with columns: Name of Company, Per Cent., When Payable, Books Closed, Days Inclusive. Includes entries like Amer. Malt, Amer. Rolling Mill, Amer. Seedling Machine, etc.

Table with columns: Name of Company, Per Cent., When Payable, Books Closed, Days Inclusive. Includes entries like Massachusetts Gas Co., Massachusetts Lighting Co., Mexican Telegraph, etc.

a Transfer books not closed for this dividend. b Less British income tax. c Correction. d Payable in stock. e Payable in common stock. f Payable in scrip. g Payable in scrip. h On account of accumulated dividends. i Payable in Liberty Loan bonds. j Payable in 4% Liberty Loan bonds at par, with all coupons attached. k Payable in Victory Loan (Canadian Govt.) bonds. m Less 5 cents per share war income tax. n Declared 5%, payable in quarterly installments beginning with March 15 1918. o Declared 2%, payable in quarterly installments. p Being on account of accumulated dividends and in full of all such accumulations. q Declared 7% on pref. payable in quarterly Second Liberty Loan 4% bonds. r Declared 7% on pref. payable in quarterly installments as follows: 1 1/2% as above, 1 1/2% July 1 to holders of rec. June 14; 1 1/2% Oct. 15 to holders of rec. Sept. 14 and 1 1/2% payable Jan. 2 1919 to holders of rec. Dec. 14 1918. s Equal to 7 1/4% cis. per share. t Declared dividends on pref. payable 1 1/2% as above, 1 1/2% on May 1 1918 to holders of rec. April 15 1918, 1 1/2% on Aug. 1 1918 to holders of rec. July 15. u Declared 8% payable 4% in March 1918 and 4% to Sept. 1918. v Transfers received in order in London up to Jan. 14 will be in time to be passed for payment of dividends to transferees.

Member Banks of the Federal Reserve System.—Following is the third of a new series of weekly statements issued by the Federal Reserve Board giving the principal items of the resources and liabilities of the Member Banks and dated Dec. 23. Definitions of the different items contained in the statement were given in the weekly statement issued under date of Dec. 14 1917 and which was published in the "Chronicle" of Dec. 29 1917, page 2523

STATEMENT SHOWING PRINCIPAL RESOURCE AND LIABILITY ITEMS OF MEMBER BANKS LOCATED IN CENTRAL RESERVE, RESERVE AND OTHER SELECTED CITIES AS AT CLOSE OF BUSINESS DECEMBER 23, 1917.

Further reduction in the amounts of U. S. securities on hand and of special Government deposits is shown by the comparative statement of condition of member banks in 96 principal cities of the United States. Since Dec. 7 the banks decreased their aggregate holdings of U. S. securities from 1,760 to 892 millions, or by almost 50%. For the same period, member banks in New York City show a decrease in U. S. security holdings from 1,120 to 390 millions; Chicago members a decrease from 53.1 to 25.5 millions and members in reserve cities from 462.8 to 359.5 millions. But little change is shown in the amounts of loans protected by U. S. securities, the total of 373 millions for the 630 member banks reporting on Dec. 23 being slightly in excess of the total for the 607 banks reporting on Dec. 7. For the New York City banks the total of these loans fluctuates slightly around 200 millions.

During the same period, the amounts of member banks' collateral notes secured by U. S. obligations discounted with the Federal Reserve banks declined from 283.7 to 144.5 millions, while the amount of customers' paper similarly secured on hand at the Federal Reserve banks increased from 126.1 to 138.9 millions.

Net demand deposits of reporting banks show an increase for the week of about 276 millions, time deposits—an increase of 90 millions, special Government (war loan) deposits a decrease of about 94 millions, and total deposits—an increase of about 272 millions. New York City banks show increases for the week of 131 millions in net demand deposits, and of 20 millions in time deposits, as against a decrease of 109 millions in Government deposits, advances to the allied Governments deposited by the latter with the larger New York City banks accounting chiefly for the increase in demand deposits and the decrease in Government deposits shown for these banks.

Corresponding increases are shown for reserves held with the Federal Reserve bank, the figures reported by the member banks agreeing fairly well with corresponding figures shown the week before in the Board's Federal Reserve bank statement. Cash in vault, including Federal Reserve notes, show a gain for the week of 48 millions, largely outside of New York City.

On the whole the reserve position of all reporting banks, as measured by the ratio of combined reserve and cash in vault to total, including Government, deposits shows an improvement from 14.4% for Dec. 21 to 15.2% for Dec. 23, while for the New York City banks this ratio shows an increase from 15.6 to 16.2%.

The ratio of loans and investments to total deposits, including Government deposits, of all reporting member banks, which the week before was 108.9, has gone down to 104.5. For the member banks in New York City this ratio declined during the week from 100.2 to 99.8%.

1. Data for all reporting banks in each district. Two ciphers (00) omitted.

Table with 14 columns for Member Banks (Boston, New York, Phila., Cleveland, Richmond, Atlanta, Chicago, St. Louis, Minneap., Kan. City, Dallas, San Fran., Total) and rows for various financial metrics like U. S. securities owned, Loans sec. by U. S. bonds & cff., All other loans & investments, Reserve with Fed. Res. Bank, Cash in vault, Net demand deposits on which reserve is computed, Time deposits, Government deposits.

2. Data for banks in each Central Reserve city, banks in all other Reserve cities and other reporting banks.

Table with multiple columns for cities (New York, Chicago, St. Louis, Total Central Res. Cities, Other Reserve Cities, Country Banks, Total) and rows for various financial metrics similar to Table 1. Includes a note 'Armeded figures' at the bottom.

The Federal Reserve Banks.—Following is the weekly statement issued by the Federal Reserve Board on Jan. 5.

The Federal Reserve Board made public to-day its weekly bank statement showing condition of the Reserve banks as at close of business on Jan. 4 1918. Attention is called to certain changes in the form of the statement. Item "Municipal Warrants" has been replaced by "All Other Earning Assets," the new item including, besides small amounts of warrants, also "bill of lading drafts," reported by the Southern and Western Reserve banks, and formerly included among "All Other Assets" of the banks. Item "Surplus" appears for the first time, the total \$1,134,000 representing 50% of excess profits of the Federal Reserve banks of Boston, New York, Richmond, Atlanta, Chicago and Minneapolis, the other 50% going to the Government as a franchise tax in accordance with Section 7 of the Act.

The former practice of calculating reserve percentages separately against net deposits and against F. R. notes in circulation has been discontinued. Instead, the statement shows the per cent ratios which gold reserves and total reserves bear to the combined net deposit and Federal Reserve note liabilities of all the Reserve banks. It is believed that these ratios will enable the reader to trace more readily weekly changes in the reserve position of the system than was possible under the former method of presentation.

The statement indicates an increase of 16.5 millions in gold reserves. Large gains of gold are reported by the Cleveland and Chicago banks, the gain of the former bank being due mainly to the collection through the Gold Settlement Fund of outstanding balances in account with other Federal Reserve banks, while the gain in gold reserve reported by the Chicago bank is due primarily to liquidation of discounted paper. New York reports a decrease of 23.2 millions in total reserves, accompanied by an increase of 19.4 millions in total earning assets, largely Treasury certificates of indebtedness. On the whole, the week witnessed considerable liquidation of discounted paper, mainly member banks' collateral notes, all the banks except those at Kansas City and Dallas reporting substantial reductions in the amounts of discounted paper on hand. Over 45% of the total discounts held is represented by paper secured by Liberty bonds and Treasury certificates of indebtedness. Only 4% of the total discounts is represented by collateral notes thus secured has declined somewhat, the present holdings being 140.7 millions as against 155.5 millions on Dec. 21. On the other hand, the holdings of customers' paper secured by Government obligations show a slight increase to 145 millions from 142.6 millions on Dec. 21. Net liquidation of acceptances in some volume is shown for the Cleveland and San Francisco banks, as against an increase in holdings of 4.3 millions for the New York bank, while total acceptances on hand show an increase for the week of about 4 millions. Government securities increased about 37 millions, mainly the result of temporary investments in certificates of indebtedness by the New York and Kansas City banks. Item "All Other Earning Assets" is composed of \$1,120,000 of municipal warrants and \$4,047,000 of bill of lading drafts. Total earning assets, 1,045.5 millions, are 22.9 millions less than the week before. Of the total, 59.8% is represented by discounts; 26% by acceptances; 13.7% by U. S. Securities, and 0.5% by warrants and bill of lading drafts.

As the result of payments for F. R. stock by newly admitted members in six Reserve districts, the capital account shows an increase for the week of \$383,000. For the year the increase in capital amounts to \$15,130,000, or about 27% of the paid-in capital reported at the beginning of 1917. Government deposits show an increase for the week of 22.8 millions, while members' reserve deposits show a decline of 3.9 millions.

Federal Reserve Agents report a total of \$1,356,335,000 of Reserve notes outstanding, an increase of \$24,583,000 for the week. The banks report an outstanding circulation of \$1,251,205,000, or an addition for the week to the total Federal Reserve circulation of \$4,717,000, as against a weekly average addition of over 45 millions for November and December of the past year.

COMBINED RESOURCES AND LIABILITIES OF THE FEDERAL RESERVE BANKS AT THE CLOSE OF BUSINESS DECEMBER 28 1917.

Large table with 11 columns for dates (Jan. 4 1918, Dec. 28 1917, Dec. 21 1917, Dec. 14 1917, Dec. 7 1917, Nov. 30 1917, Nov. 23 1917, Nov. 16 1917, Jan. 5 1918) and rows for RESOURCES (Gold coin and certificates in vault, Gold settlement fund, Gold with foreign agencies, Total gold held by banks, Gold with Federal Reserve Agent, Gold redemption fund, Total gold reserves, Legal tender notes, silver, &c., Total reserves, Bills discounted—members, Bills bought in open market, Total bills on hand, U. S. Government long-term securities, U. S. Government short-term securities, All other earning assets, Total earning assets, Due from other F. R. banks—net, Uncollected items, Total deduct'ns from gross deposits, 6% redemp. fund agst. F. R. bank notes, All other resources, Total resources).

Statement of New York City Clearing House Banks and Trust Companies.—The following detailed statement shows the condition of the New York City Clearing House members for the week ending Jan. 5. The figures for the separate banks are the averages of the daily results. In the case of totals, actual figures at end of the week are also given:

NEW YORK WEEKLY CLEARING HOUSE RETURN.

Main table with columns: CLEARING HOUSE MEMBERS, Week Ending Jan. 5 1918, Capital, Net Profits, Loans, Discounts, Investments, etc., Gold, Legal Tenders, Silver, National Bank and Federal Reserve Notes, Reserve with Legal Depositaries, Additional Deposits with Legal Depositaries, Net Demand Deposits, Net Time Deposits, National Bank Circulation. Includes sub-sections for State Banks and Trust Companies.

a U. S. deposits deducted, \$283,289,000. b U. S. deposits deducted, \$211,469,000. c Includes capital set aside for foreign branches, \$6,000,000. Note.—There has been no change in the formation of this statement for the past three weeks, but on Dec. 15 the aggregates of the German-American Bank, which were formerly included in the State Bank group, were transferred to the group composed of members of the Federal Reserve Bank.

STATEMENTS OF RESERVE POSITION.

Table with columns: Averages, Actual Figures. Sub-columns include Cash Reserve in Vault, Reserve in Depositaries, Total Reserve, Reserve Required, Surplus Reserve, Inc. or Dec. from Previous Week.

* Not members of Federal Reserve Bank. a This is the reserve required on net demand deposits in the case of State banks and trust companies, but in the case of members of the Federal Reserve Bank includes also amount of reserve required on net time deposits, which was as follows: Jan. 5, \$5,650,920; Dec. 29, \$5,676,060; Dec. 22, \$5,530,900; Dec. 15, \$6,619,090. b This is the reserve required on net demand deposits in the case of State banks and trust companies, but in the case of members of the Federal Reserve Bank includes also amount of reserve required on net time deposits, which was as follows: Jan. 5, \$5,631,610; Dec. 29, \$5,836,350; Dec. 22, \$5,458,830; Dec. 15, \$5,641,830. c Amount of cash in vault, which is no longer counted as reserve for members of the Federal Reserve Bank, was as follows: Jan. 5, \$112,331,000; Dec. 29, \$109,232,000; Dec. 22, \$108,578,000; Dec. 15, \$110,456,000; Dec. 8, \$110,027,000. d Amount of cash in vaults, which is no longer counted as reserve for members of the Federal Reserve Bank, was as follows: Jan. 5, \$113,243,000; Dec. 29, \$113,906,000; Dec. 22, \$106,951,000; Dec. 15, \$107,564,000; Dec. 8, \$109,949,000.

Bankers' Gazette.

Wall Street, Friday Night, Jan. 11 1918.

The Money Market and Financial Situation.—The impetus given to business in Wall Street by Government control of the railways continued in force at the opening of this week, and perhaps had been added to by the international situation abroad. It received a "cold douche", however, on Tuesday, when the President's message to Congress was delivered, setting forth in clear, concise terms the grounds upon which this country will discuss terms of peace. The speech has been characterized by those best qualified to judge as the ablest state paper which this war has inspired, but no one saw in it a reason for hoping that the end of the war is near. That such a hope had been more or less generally indulged in, however, and had been a factor in Stock Exchange operations for some time previous to this week, is a well-known fact. Indeed, this hope still exists, but its life depends chiefly upon the internal conditions of the Central Powers, about which very little is known.

Practically all domestic affairs are adversely affected by the shortage of coal for all purposes and by the generally demoralized conditions of transportation facilities. Ships in United States ports have been held weeks waiting a supply of coal, and the congestion of freight at seaboard terminals and elsewhere is unprecedented. The U. S. Steel Corporation, for the first time since last spring, reports an increase of unfilled orders on its books, a fact which may be due in part at least, to the shortage of fuel and of shipping facilities. It is a well known fact, also, that the output of pig iron has been restricted by lack of coal, and it is reported that the finished production of the steel industry is for the same reason only from 50 to 75 per cent of capacity.

Foreign Exchange.—Sterling exchange was reported firm. Lira and francs have been firm. Rubles, despite the Russian uncertainties, closed firm. Neutral exchanges were somewhat weaker.

To-day's (Friday's) actual rates for sterling exchange were 4 7 1/2 @ 4 7 2 for sixty days, 4 7 5/8 @ 4 7 3/4 for checks and 4 7 6/8-7-16 for cables. Commercial on banks, sight, 4 7 5/8 @ 4 7 5/8; sixty days, 4 7 1 @ 4 7 1 1/2; ninety days, 4 6 9/8 @ 4 6 9/8; and documents for payment (sixty days), 4 7 1 @ 4 7 1 1/2. Cotton for payment, 4 7 5 @ 4 7 5/8 and grain for payment, 4 7 5 @ 4 7 5/8.

To-day's (Friday's) actual rates for Paris bankers' francs were 5 70 1/2 @ 5 79 1/2 for long and 5 73 1/2 @ 5 73 3/4 for short. Germany bankers' marks were not quoted for sight, nominal for long and nominal for short. Amsterdam bankers' guilders were 42 9-16 for long and 42 11-16 for short.

Exchange at Paris on London, 27.18 fr.; week's range, 27.18 fr. high and 27.22 fr. low.

Exchange at Berlin on London, not quotable. The rate for foreign exchange for the week follows:

Sterling Actual—Sixty Days.	Checks.	Cables.
High for the week... 4 7 2	4 7 53 0	4 7 6 7-16
Low for the week... 4 7 1 1/2	4 7 5 3-16	4 7 6 7-16
Paris Bankers' Francs—		
High for the week... 5 79 1/2	5 73 1/2	5 70 3/4
Low for the week... 5 80 1/2	5 73 1/2	5 71 3/4
Germany Bankers' Marks—		
High for the week.....	-----	-----
Low for the week.....	-----	-----
Amsterdam Bankers' Guilders—		
High for the week... 43 5-16	43 1/2	44
Low for the week... 42 9-16	42 3/4	43 3/4

Domestic Exchange.—Chicago, no market. Boston, par. St. Louis, 10c. per \$1,000 discount bid and par asked. San Francisco, par. Montreal, \$9 85 1/2 per \$1,000 premium. Minneapolis, 10c. per \$1,000 premium. Cincinnati, par.

State and Railroad Bonds.—Sales of State bonds at the Board are limited to \$3,000 New York 4 1/2s at 104 1/2, \$1,000 New York 4 1/2s reg. at 104 and \$4,000 N. Y. Canal 4 1/2s at 105.

The market for railway and industrial bonds has been dull and price fluctuations narrow. Of a list of 12 prominent issues, 5 have advanced and 6 declined. Balt. & Ohio, Ches. & Ohio and B. R. T's are among the relatively strong issues, and Rock Island, Mo. Pac., So. Ry. and St. L. San Francisco have declined a point or more.

United States Bonds.—In addition to liberal transactions in L. L. 3 1/2s at 98.60 to 98.88, L. L. 1st conv. 4s at 97.40 to 98.10 and L. L. 2d 4s at 96.26 to 96.94, sales at the Board are limited to \$4,000 4s coup. at 104. *For to-day's prices for all the different issues and for week's range, see third page following.*

Railroad and Miscellaneous Stocks.—Under more or less conflicting influences and the absence of outside interest, the stock market has been dull and irregular throughout the week. On Monday a fair degree of strength was displayed with industrial stocks leading. On Tuesday, after a strong opening, trading practically ceased, while the President's message was coming over the wires—after which there was a reactionary tendency and prices declined moderately on the theory that the message did not presage an early end of the war. Since Tuesday the tone of the market has remained practically unchanged and fluctuations have generally been narrow.

Nearly all the active railway stocks are lower. Delaware & Hudson, New York Central, New Haven, Union Pacific and Nor. Pac. are down between 2 and 3 points, and Atchison, Balt. & Ohio, Lehigh Valley, Reading and Southern

Pacific are between 1 and 2 points lower. On the other hand, Canadian Pacific has advanced nearly 2 points and Pennsylvania is fractionally higher.

Some of the industrials have been erratic. Am. Tobacco has covered a range of 24 1/4 points and closes with a net gain of 16. Am. Tel. & Tel., Inter. Mer. Marine pref. and Mex. Pet. are about 3 points higher than last week, while Beth. Steel B shares are over three points lower. U. S. Steel, which sold at 97 1/2 on Tuesday, closes at 93 1/2, and other stocks in this group are an average of 2 points lower.

For daily volume of business see page 181.
The following sales have occurred this week of shares not represented in our detailed list on the pages which follow:

STOCKS, Week ending Jan. 11.	Sales for Week.	Range for Week.		Range for Year 1917.	
		Lowest.	Highest.	Lowest.	Highest.
Adams Express....100	100	80	Jan 11	80	Jan 11
American Bank Note..50	100	32	Jan 8	32	Jan 8
Am Brake S & P, pf.100	100	175	Jan 5	175	Jan 5
Am Sumatra Tob. pf.100	400	87	Jan 9	88	Jan 8
Am Tel. & Cable....100	230	53 1/2	Jan 10	53 1/2	Jan 10
Associated Oil.....100	400	57	Jan 5	59 1/2	Jan 8
Barratt, pref.....100	300	100	Jan 7	100	Jan 7
Batoplas Mining.....20	100	1	Jan 7	1	Jan 7
Brown Shoe, Inc.....100	100	62 1/2	Jan 7	62 1/2	Jan 7
Brunswick Terminal..100	100	6 1/2	Jan 7	6 1/2	Jan 7
Buff Roch & P, pref.100	10	110	Jan 9	110	Jan 9
Calif Packing.....no par	200	38	Jan 9	39	Jan 9
Case J D, pref.....100	800	75	Jan 8	75	Jan 7
Central Foundry.....100	400	45	Jan 9	46	Jan 7
Preferred.....100	400	45	Jan 9	46	Jan 7
Cle & E. Ellis pref tr cfs. 100	5	Jan 11	5	Jan 11	5
Cniert, Peabody, pf.100	100	95	Jan 5	95	Jan 5
Computing-Tab-Rec 100	100	30	Jan 11	30	Jan 11
Cons G, EL & P (Balt) 100	100	98	Jan 10	98	Jan 10
Cons Interstate Call..10	100	8	Jan 5	8	Jan 5
Continental Insur....25	100	45	Jan 10	45	Jan 10
Idle Horn Coal.....50	1,700	22	Jan 7	24 1/2	Jan 8
Federal Min & Smelt...100	200	9 1/2	Jan 10	12 1/2	Jan 5
Preferred.....100	900	27	Jan 10	34 1/2	Jan 5
General Chemical....100	220	175	Jan 9	175	Jan 9
Preferred.....100	35	103 1/2	Jan 8	104	Jan 5
General Electric rights..100	3,300	2 1/2	Jan 7	2 1/2	Jan 7
Hask & Bark Co, no par	2,800	34	Jan 5	35 1/2	Jan 7
Homestake Mining...100	100	89	Jan 8	89	Jan 8
Int Harvester Corp...100	200	65	Jan 11	65	Jan 11
Int Harv N J, pref..100	200	106 1/2	Jan 7	106 1/2	Jan 7
Iowa Central.....100	200	2 1/2	Jan 5	4	Jan 7
Kelsey Wheel, pref..100	100	81	Jan 5	81	Jan 5
Kings Co El L & P 100	5	95	Jan 5	95	Jan 5
Laclede Gas.....100	100	85	Jan 11	85	Jan 11
Liggett & Myers.....100	100	185	Jan 11	185	Jan 11
Preferred.....100	100	103	Jan 8	103	Jan 8
Loose-Wiles Bleuit...100	400	17 1/2	Jan 8	19 1/2	Jan 10
Preferred.....100	200	83	Jan 5	83	Jan 5
Manhattan (St) Ry...100	320	97	Jan 9	97	Jan 9
May Dept Stores....100	100	7	Jan 7	47 1/2	Jan 7
National Acme.....50	1,500	26 1/2	Jan 9	26 1/2	Jan 5
Nat Cloak & Suit, pf.100	250	100	Jan 10	100	Jan 10
N O Tex & Mex v te.100	300	20	Jan 7	21	Jan 5
New York Doek.....100	100	18 1/2	Jan 9	19 1/2	Jan 5
Preferred.....100	14	38	Jan 11	38	Jan 11
Ohio Fuel Supply....25	5,800	42 1/2	Jan 9	44 1/2	Jan 11
Owens Bottle Mach..25	400	57	Jan 8	60	Jan 10
Pan-Am Pet & T, pf.100	600	86	Jan 8	88	Jan 10
Peoria & Eastern.....100	100	5	Jan 10	5	Jan 10
Pettibone-Mulken....100	100	32	Jan 10	32	Jan 10
Pierce-Arr Motor, no par	100	34 1/2	Jan 11	34 1/2	Jan 11
Preferred.....100	300	94	Jan 7	92	Jan 5
Pitts Steel, pref.....100	200	94 1/2	Jan 7	98	Jan 10
St L-S F pref A.....100	100	28	Jan 7	28	Jan 7
Savage Arms Corp...100	600	53 1/2	Jan 7	56	Jan 9
Sears-Roebuck, pref.100	20	117	Jan 10	117	Jan 10
So Porto Rico Sugar.100	270	158	Jan 10	162	Jan 10
Standard Milling....100	100	84	Jan 9	84	Jan 9
Suittz Motor Car, no par	600	39 1/2	Jan 9	40 1/2	Jan 9
United Drug.....100	300	69 1/2	Jan 7	70	Jan 10
Wells, Fargo Express 100	500	75	Jan 9	81	Jan 11
Western Pacific.....100	1,500	13 1/2	Jan 8	15	Jan 5
Preferred.....100	500	47 1/2	Jan 8	50	Jan 8

Outside Market.—Trading on the "curb" this week was on the whole fairly active but decidedly irregular. Strength and weakness followed each other throughout, though the close shows prices somewhat higher. There was a broader market for motor shares, with marked price changes in some instances. United Motors from 21 ran up to 25 1/2 and down to 21 1/2, with the close to-day at 22 1/2. Chevrolet Motor opened the week at 115, fluctuated irregularly, touching 120 and going down to 110. The close was at 113. Chalmers Motor was fairly active and advanced from 4 1/2 to 4 3/4, reacting finally to 4 1/2. National Motors gained 7 points to 14 but sank to 10 1/4, with transactions to-day at 12. Standard Motor Construction, on announcement of an extra dividend of 20%, advanced from 9 1/2 to 11 1/2, sold to 8 1/2, ex-div. and up again to 10, with a final reaction to 9 3/4. Cities Service com. sold up from 213 to 219 1/2 and back to 213, with the final figure 215. The preferred after early weakness from 71 3/8 to 70 1/4, recovered to 74. Submarine Boat weakened at first from 13 1/4 to 11 3/4, advanced to 14 and ends the week at 13 3/4. Wright-Martin Aircraft improved over 1 1/2 points to 73 1/4 and finished to-day at 7 1/4. Among oil shares, Houston Oil com. was again prominent, advancing some 4 points to 45, and closed to-day at 44 1/4. Merritt Oil eased off from 23 3/4 to 22 1/4, recovered to 24 1/2, with the final figure to-day 23. Midwest Refining dropped from 110 to 105, advanced to 115, but reacted finally to 109. Some sharp advances took place in Standard Oil issues. Standard Oil of N. Y. moved up 32 points to 284, with final transactions at 260. Standard Oil of N. J. from 540 fell to 520, moved up to 562, and down finally to 545. Mining stocks without special feature. In bonds, the new Am. Tel. & Tel. 1-yr. 6% notes were traded in down from 99 3/4 to 99 1/4, and up finally to 99 1/4. Heavy losses occurred in Russian Gov't bonds to-day. The 6 1/8s after an advance of 12 points to 58 during the week, broke to 48 to-day, closing at 50. The 5 1/8s advanced 7 points to 52 and to-day dropped to 43.

A complete record of "curb" market transactions for the week will be found on page 181.

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Federal Reserve Bank of St. Louis

New York Stock Exchange—Stock Record, Daily, Weekly and Yearly 173

OCCUPYING TWO PAGES.

For record of sales during the week of stocks usually inactive, see preceding page.

HIGH AND LOW SALE PRICES—PER SHARE, NOT PER CENT.

Saturday Jan. 6.	Monday Jan. 7.	Tuesday Jan. 8.	Wednesday Jan. 9.	Thursday Jan. 10.	Friday Jan. 11.
\$ 80 1/2	\$ 81 1/2	\$ 82 1/2	\$ 83 1/2	\$ 84 1/2	\$ 85 1/2
81 1/2	82 1/2	83 1/2	84 1/2	85 1/2	86 1/2
82 1/2	83 1/2	84 1/2	85 1/2	86 1/2	87 1/2
83 1/2	84 1/2	85 1/2	86 1/2	87 1/2	88 1/2
84 1/2	85 1/2	86 1/2	87 1/2	88 1/2	89 1/2
85 1/2	86 1/2	87 1/2	88 1/2	89 1/2	90 1/2
86 1/2	87 1/2	88 1/2	89 1/2	90 1/2	91 1/2
87 1/2	88 1/2	89 1/2	90 1/2	91 1/2	92 1/2
88 1/2	89 1/2	90 1/2	91 1/2	92 1/2	93 1/2
89 1/2	90 1/2	91 1/2	92 1/2	93 1/2	94 1/2
90 1/2	91 1/2	92 1/2	93 1/2	94 1/2	95 1/2

Sales for the Week Shares	STOCKS NEW YORK STOCK EXCHANGE	PER SHARE Range for Year 1917, On basis of 100-share lots		PER SHARE Range for Previous Year 1916	
		Lowest	Highest	Lowest	Highest
3,700	Atch Topoka & Santa Fe.....	75	100	100 1/2	107 1/2
1,275	Do pref.....	75	100	100 1/2	107 1/2
2,400	Atlantic Coast Line RR.....	119	120	106 1/2	126
10,500	Baltimore & Ohio.....	35 1/2	52	35	52
800	Do pref.....	48 1/2	50	48 1/2	50
3,000	Brooklyn Rapid Transit.....	36	52	32	52
23,300	Canadian Pacific.....	125	167 1/2	162 1/2	183 1/2
12,600	Chesapeake & Ohio.....	42	53	42	53
7	Chicago Great Western.....	6	20	6	20
900	Do pref.....	17 1/2	20	17 1/2	20
6,420	Chicago Milw & St Paul.....	35	45	35	45
4,450	Do pref.....	64	78 1/2	64	78 1/2
1,100	Chicago & Northwestern.....	85	100	85	100
15,100	Chile Rock Oil & Pac temp etfs.....	16	20	16	20
9,900	7% preferred temp etfs.....	44	49	44	49
5,400	6% preferred temp etfs.....	35 1/2	40	35 1/2	40
400	City Chin chie & St Louis.....	61 1/2	70	61 1/2	70
150	Do pref.....	51	51	51	51
---	Colorado & Southern.....	18	20	18	20
---	Do 1st pref.....	44 1/2	50	44 1/2	50
---	Do 2d pref.....	41	45	41	45
3,500	Delaware & Hudson.....	87	109 1/2	87	109 1/2
400	Delaware Lack & Western.....	167 1/2	238	167 1/2	238
---	Denver & Rio Grande.....	5	26	5	26
2,000	Do pref.....	9 1/2	10	9 1/2	10
16,100	Erie.....	13 1/2	20	13 1/2	20
4,200	Do 1st pref.....	18 1/2	20	18 1/2	20
500	Do 2d pref.....	15 1/2	20	15 1/2	20
3,900	Great Northern pref.....	79 1/2	90	79 1/2	90
7,000	Iron Ore Properties, No par	70	80	70	80
1,100	Illinois Central.....	55 1/2	62 1/2	55 1/2	62 1/2
1,000	Interior Con Corp, No par	5 1/2	10	5 1/2	10
400	Do pref.....	39 1/2	45	39 1/2	45
1,000	Kansas City Southern.....	13 1/2	17	13 1/2	17
400	Do pref.....	40	48	40	48
600	Lake Erie & Western.....	8 1/2	10	8 1/2	10
---	Do pref.....	23	26	23	26
2,700	Lehigh Valley.....	50	58 1/2	50	58 1/2
800	Louisville & Nashville.....	103	133	103	133
300	Minneapolis & St L (new).....	65	72	65	72
100	Missouri Pacific.....	75 1/2	90	75 1/2	90
800	Missouri Kansas & Texas.....	3 1/2	127	3 1/2	127
400	Do pref.....	7	10 1/2	7	10 1/2
9,600	Missouri Pacific pref etfs.....	19 1/2	24	19 1/2	24
1,300	Do pref etfs.....	37 1/2	41	37 1/2	41
14,300	New York Central.....	62 1/2	103 1/2	62 1/2	103 1/2
4,300	N Y N H & Hartford.....	21 1/2	30	21 1/2	30
1,350	N Y Ontario & Western.....	17	20	17	20
2,800	Norfolk & Western.....	92 1/2	104 1/2	92 1/2	104 1/2
---	Do adjustment pref.....	71	75	71	75
5,015	Northern Pacific.....	75	110 1/2	75	110 1/2
10,010	Pennsylvania.....	40 1/2	58 1/2	40 1/2	58 1/2
500	Pere Marquette v r c.....	12	18	12	18
700	Do prior pref v r c.....	45	55	45	55
350	Do pref.....	37	40	37	40
11,800	Pittah & W Va Interim etfs 100	14	17 1/2	14	17 1/2
1,600	Preferred Intern etfs.....	53 1/2	68	53 1/2	68
100	Reading.....	60 1/2	70	60 1/2	70
---	Do 1st pref.....	34	40	34	40
---	Do 2d pref.....	33 1/2	40	33 1/2	40
1,600	St Louis-San Fran tr etfs 100	12	16 1/2	12	16 1/2
100	St Louis Southwestern.....	22	26	22	26
---	Do pref.....	34	40	34	40
900	Seaboard Air Line.....	7 1/2	18 1/2	7 1/2	18 1/2
1,200	Do pref.....	16 1/2	20	16 1/2	20
3,000	Southern Railway.....	56 1/2	70 1/2	56 1/2	70 1/2
14,800	Southern Railway.....	21 1/2	30	21 1/2	30
650	Do pref.....	51 1/2	60	51 1/2	60
---	Texas & Pacific.....	11 1/2	16 1/2	11 1/2	16 1/2
300	Third Avenue (New York).....	14	19	14	19
100	Twin City Rapid Transit.....	62	75	62	75
35,500	Union Pacific.....	101 1/2	149 1/2	101 1/2	149 1/2
1,000	Do pref.....	69 1/2	85	69 1/2	85
200	United Railways Invest.....	4 1/2	11 1/2	4 1/2	11 1/2
600	Do pref.....	11 1/2	15	11 1/2	15
600	Wabash.....	7 1/2	10 1/2	7 1/2	10 1/2
5,500	Do pref A.....	36 1/2	45	36 1/2	45
1,950	Do pref B.....	18	20	18	20
1,100	Western Maryland (now).....	12	13	12	13
---	Do 2d pref.....	20	25	20	25
1,050	Whaling & Lake E Ry.....	72 1/2	90	72 1/2	90
400	Do preferred.....	16 1/2	20	16 1/2	20
500	Wisconsin Central.....	33	40	33	40

* Bid and asked prices; no sales on this day. † Ex-rights. ‡ Less than 100 shares. § Ex-div. and rights. ¶ Ex-dividend. ♢ Before payment of first installment.

BONDS
N. Y. STOCK EXCHANGE
Week ending Jan. 11.

Table of bonds listed on the New York Stock Exchange, week ending Jan. 11. Columns include Bond Name, Interest Period, Price Friday Jan. 11, Week's Range or Last Sale, Range Year 1917, and Bond Sold.

BONDS
N. Y. STOCK EXCHANGE
Week ending Jan. 11.

Table of bonds listed on the New York Stock Exchange, week ending Jan. 11. Columns include Bond Name, Interest Period, Price Friday Jan. 11, Week's Range or Last Sale, Range Year 1917, and Bond Sold.

* No price Friday; latest bid and asked this week. a Due Jan. b Due Feb. c Due June. d Due July. e Due Oct. f Option sale.

SHARE PRICES—NOT PER CENTUM PRICES.

Table with columns for days of the week (Saturday Jan. 5 to Friday Jan. 11) and stock prices. Includes various stock symbols and prices.

Sales of the Week Shares

Table listing sales of shares for various stocks, including company names and share counts.

STOCKS BOSTON STOCK EXCHANGE

Table listing various stocks and their current prices, including Railroads, American Chemical, and others.

Range for Year 1917. Lowest Highest

Table showing price ranges for the year 1917 for various stocks, with columns for lowest and highest prices.

Range for Previous Year 1916. Lowest Highest

Table showing price ranges for the previous year 1916 for various stocks, with columns for lowest and highest prices.

* 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 Boston Stock Exchange Jan. 5 to Jan. 11, both inclusive:

Table with columns: Bonds, Friday Last Sale Price, Week's Range of Prices (Low, High), Sales for Week, Range for Year 1917 (Low, High). Includes entries like U S Lib Loan 3 1/2's, 1st Lib Loan 4's, etc.

Chicago Stock Exchange.—The complete record of transactions at the Chicago Stock Exchange from Jan. 5 to Jan. 11, both inclusive, compiled from the official sales lists, is given below. Prices for stocks are all dollars per share, not per cent. For bonds the quotations are per cent of par value.

Table with columns: Stocks, Par, Friday Last Sale Price, Week's Range of Prices (Low, High), Sales for Week, Range for Year 1917 (Low, High). Includes entries like American Radiator, American Shipbuilding, Booth Fisheries, etc.

f Ex-dividend. b Ex-50 stock div. c Ex-25% stock div. d Ex-div., 1 1/2 %.

Pittsburgh Stock Exchange.—The complete record of transactions at the Pittsburgh Stock Exchange from Jan. 5 to Jan. 11, both inclusive, compiled from the official sales lists, is given below. Prices for stocks are all dollars per share, not per cent. For bonds the quotations are per cent of par value.

Table with columns: Stocks, Par, Friday Last Sale Price, Week's Range of Prices (Low, High), Sales for Week, Range for Year 1917 (Low, High). Includes entries like Amer Sewer Pipe, Am Wind Glass Mach, etc.

Baltimore Stock Exchange.—Complete record of the transactions at the Baltimore Stock Exchange from Jan. 5

to Jan. 11, both inclusive, compiled from the official sales lists, is given below. Prices for stocks are all dollars per share, not per cent. For bonds the quotations are per cent of par value.

Table with columns: Stocks, Par, Friday Last Sale Price, Week's Range of Prices (Low, High), Sales for Week, Range for Year 1917 (Low, High). Includes entries like Alabama Co., Armetel Sand & Gravel, Atlantic Petroleum, etc.

Philadelphia Stock Exchange.—The complete record of transactions at the Philadelphia Stock Exchange from Jan. 5 to Jan. 11, both inclusive, compiled from the official sales lists, is given below. Prices for stocks are all dollars per share, not per cent. For bonds the quotations are per cent of par value.

Table with columns: Stocks, Par, Friday Last Sale Price, Week's Range of Prices (Low, High), Sales for Week, Range for Year 1917 (Low, High). Includes entries like Alliance Insurance, American Gas of N. J., Baldwin Locomotive, etc.

Volume of Business at Stock Exchanges

TRANSACTIONS AT THE NEW YORK STOCK EXCHANGE DAILY, WEEKLY AND YEARLY.

Table showing volume of business at the New York Stock Exchange, including weekly and yearly transactions for stocks, railroad bonds, state and municipal bonds, and United States bonds.

DAILY TRANSACTIONS AT THE BOSTON, PHILADELPHIA AND BALTIMORE STOCK EXCHANGES.

Table showing daily transactions at the Boston, Philadelphia, and Baltimore stock exchanges, including weekly and yearly transactions for stocks and bonds.

New York "Curb" Market.—Below we give a record of the transactions in the outside security market from Jan. 5 to Jan. 11, both inclusive. It covers the week ending Friday afternoon:

It should be understood that no such reliability attaches to transactions on the "Curb" as to those on the regularly organized stock exchanges.

On the New York Stock Exchange, for instance, only members of the Exchange can engage in business, and they are permitted to deal only in securities regularly listed—that is, securities where the companies responsible for them have complied with certain stringent requirements before being admitted to dealings.

On the "Curb," on the other hand, there are no restrictions whatever. Any security may be dealt in and any one can meet there and make prices and have them included in the lists of those who make it a business to furnish daily records of the transactions.

Table showing daily transactions at the New York "Curb" market, including weekly and yearly transactions for various stocks and bonds.

Large table showing weekly and yearly transactions for various stocks and bonds, including former standard oil subsidiaries and other oil stocks.

Table with columns: Mining—(Concl.), Friday Last Sale, Price, Week's Range of Prices, Loc., High, Sales for Week, Range for Year 1917, Low, High. Lists various mining stocks like Provincial Mining, Rawley, Ray Hercules Mining, etc.

* Odd lots, † No par value, ‡ Listed as a prospect, § Listed on the Stock Exchange this week, where additional transactions will be found, ¶ New stock, r Unlisted, u Ex-cash and stock dividends, w When issued, x Ex-dividend, y Ex-rights, z Ex-stock dividend.

CURRENT NOTICE

—William Morris Imbrie & Co. announce that Charles A. Dana has been elected to general partnership. Mr. Dana is President of the Spicer Manufacturing Corporation, Plainfield, N. J., makers of automobile parts, and Vice-President of New York & New Jersey Water Co., New Jersey Suburban Water Co. and Essex Pumping Co. He is a graduate of Columbia University Law School and for three years was a member of New York Assembly.

—On the advertising page opposite our weekly statement of clearings to-day, the bond department of the Equitable Trust Co. of this city has outlined a new method of distributing securities and asks bond dealers and banks interested to write for booklet "A." The plan, it is said, provides for the elimination of a great deal of the local machinery now necessary in the distribution of securities. It will furnish service to local dealers and banks through a central organization. Many dealers and banks throughout the country have already become participants in the plan, which is designed to meet the necessity for "shortening sail" due to war conditions and the lack of trained bond men.

—John Muir, 61 Broadway, New York, has favored us with advance proofs of "The Spread of American Thrift." This study, which is based on reports from about 400 corporations with regard to the participation of their employees in the Second Liberty Loan, will be generally released on Jan. 14.

—All the notes having been sold, Bonbright & Company, Inc., are advertising \$1,500,000 United Light & Railways Co. 6% bond secured notes, Series "A," due May 1 1920, as a matter of record only, in this issue of the "Chronicle." Price 98½ and interest yielding 7½%.

—Hayden, Stone & Co. have issued a circular regarding the American Cotton Oil Co.

New York City Banks and Trust Companies

Table listing various banks and trust companies in New York City, including their assets, liabilities, and other financial details. Columns include Bank Name, Assets, Liabilities, etc.

* Banks marked with a (*) are State banks, † Sale at auction or at Stock Exchange this week, ‡ New stock, § Ex-rights, ¶ Last sale.

New York City Realty and Surety Companies

Table listing various realty and surety companies, including Alliance Realty, Amer Surety, Bond & M G, etc., with their respective assets and liabilities.

Quotations for Sundry Securities

All bond prices are "and interest" except where marked "y"

Large table containing various financial securities, including Standard Oil Stocks, RR. Equipments, Bonds, Ordnance Stocks, Public Utilities, and various other stocks and bonds. Columns include company names, prices, and other details.

* Per share, † Basis, ‡ Purchaser also pays accrued dividend, § New stock, ¶ Flat price, ** Nominal, †† Ex-dividend, ††† Ex-rights.

Investment and Railroad Intelligence.

RAILROAD GROSS EARNINGS.

The following table shows the gross earnings of various STEAM roads from which regular weekly or monthly returns can be obtained. The first two columns of figures give the gross earnings for the latest week or month, and the last two columns the earnings for the period from Jan. 1 to and including the latest week or month. We add a supplementary statement to show fiscal year totals of those roads whose fiscal year does not begin with January, but covers some other period.

It should be noted that our running totals (or year-to-date figures) are now all made to begin with the first of January instead of with the 1st of July. This is because the Inter-State Commerce Commission, which previously required returns for the 12 months ending June 30, now requires reports for the calendar year. In accordance with this new order of the Commission, practically all the leading steam roads have changed their fiscal year to correspond with the calendar year. Our own totals have accordingly also been altered to conform to the new practice. The returns of the electric railways are brought together separately on a subsequent page.

Table with columns: ROADS, Latest Gross Earnings (Current Year, Previous Year), Jan. 1 to Latest Date (Current Year, Previous Year). Rows include various railroad lines like Ala N O & Tex Pac, Ann Arbor, Atch Topelca & S Fe, etc.

AGGREGATES OF GROSS EARNINGS—Weekly and Monthly.

Table with columns: Weekly Summaries (Current Year, Previous Year, Increase or Decrease, %), Monthly Summaries (Current Year, Previous Year, Increase or Decrease, %). Rows include Mileage, Cur. Yr. Prec. Yr., etc.

a Includes Cleveland Lorain & Wheeling Ry. and Cincinnati Hamilton & Dayton. b Includes Evansville & Terre Haute. c Includes Mason City & Fort Dodge and the Wisconsin Minnesota & Pacific. d Includes not only operating revenue, but also all other receipts. e Does not include earnings of Colorado Springs & Cripple Creek District Ry. f Includes Louisville & Atlantic and the Frankfort & Cincinnati. g Includes the Texas Central and the Wichita Falls lines. h Includes the St. Louis Iron Mountain & Southern. i Includes the Lake Shore & Michigan Southern Ry., Chicago Indiana & Southern RR, and Dunkirk Allegheny Valley & Pittsburgh RR. j Includes the Alabama Great Southern, Cincinnati New Orleans & Texas Pacific, New Orleans & Northeastern and the Northern Alabama. k Includes Vandalia RR. n Includes Northern Ohio RR. p 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 fourth week of December. The table covers 27 roads and shows 15.01% increase in the aggregate over the same week last year.

Fourth week of December.	1917. 1916. Increase. Decrease.			
	\$	\$	\$	\$
Ann Arbor.....	73,477	75,060		1,583
Buffalo Rochester & Pittsburgh	444,448	378,112	66,336	
Canadian Northern.....	865,100	869,200		4,100
Canadian Pacific.....	3,673,000	3,065,000	614,000	
Chicago Great Western.....	400,839	396,862	3,977	
Chicago Ind & Louisville.....	232,321	222,654	9,667	
Colorado & Southern.....	517,564	549,775		32,211
Denver & Rio Grande.....	714,200	634,100	80,100	
Detroit & Mackinac.....	33,368	32,803	565	
Duluth South Shore & Atlantic	85,647	96,004		10,357
Georgia Southern & Florida	105,367	94,118	11,249	
Grand Trunk of Canada				
Grand Trunk Western.....	2,040,966	1,760,109	280,857	
Detroit Gr Hay & Milw				
Canada Atlantic.....				
Mineral Range.....	21,355	28,855		7,500
Minneapolis & St Louis.....	240,350	204,872	41,508	
Iowa Central.....				
Minneap St Paul & S S M.....	703,915	596,490	107,425	
Missouri Kansas & Texas.....	1,424,023	1,181,186	242,837	
Mobile & Ohio.....	326,506	333,514		7,008
Nevada-California-Oregon	7,253	10,156		2,903
Rio Grande Southern.....	18,885	15,933	2,952	
Southern Southwestern.....	592,000	468,000	124,000	
Southern Railway System.....	3,405,205	2,887,074	518,131	
Texas & Pacific.....	766,505	664,509	101,996	
Toledo St Louis & Western.....	117,606	115,889	1,717	
Western Maryland.....	343,408	293,630	49,768	
Total (27 roads).....	17,165,428	14,973,905	2,221,523	65,662
Net increase (15.01%).....			2,191,523	

Net Earnings Monthly to Latest Dates.—The table following shows the gross and net earnings with charges and surplus of STEAM railroads reported this week:

Roads.	Gross Earnings		Net Earnings	
	Current Year.	Previous Year.	Current Year.	Previous Year.
Chic Burl & Quincy b. Nov	10,380,641	9,886,661	2,890,493	4,070,618
Jan 1 to Nov 30	111,954,304	99,441,789	38,651,585	39,534,418
Chicago & East Ill. b. Nov	1,864,414	1,514,467	375,548	370,712
Jan 1 to Nov 30	19,329,842	15,289,651	4,333,377	3,410,523
Chic Ind & Louisv. b. Nov	800,038	711,758	179,002	246,669
Jan 1 to Nov 30	8,411,663	7,406,960	2,549,589	2,615,792
Chic Rock Isl & Gulf. b. Nov	383,851	321,546	161,849	123,538
Jan 1 to Nov 30	3,500,979	3,062,433	1,215,437	965,486
Great Northern b. Nov	8,054,624	8,217,518	2,640,295	4,077,893
Jan 1 to Nov 30	81,649,320	76,151,725	27,343,437	31,528,196
Internat & Grt Nor. b. Nov	1,240,476	1,121,954	438,117	433,415
Jan 1 to Nov 30	11,327,359	9,712,933	3,511,162	2,698,012
Kansas City South b. Nov	1,280,989	1,074,251	532,569	467,215
Jan 1 to Nov 30	12,360,253	10,285,446	4,919,254	4,124,234
Louisville & Nashv. b. Nov	7,287,165	6,933,296	2,509,336	2,278,591
Jan 1 to Nov 30	70,040,802	58,971,086	21,935,164	20,612,777
St Louis-San Fran. a. Nov	5,280,712	4,855,394	1,304,248	1,057,421
July 1 to Nov 30	26,858,542	23,987,381	8,565,748	7,475,421
Seaboard Air Line a. Nov	2,727,568	2,477,315	594,587	850,379
Jan 1 to Nov 30	27,507,652	23,513,174	6,707,747	6,065,592
Tol St Louis & West. a. Nov	642,940	535,260	112,790	8143,592
Jan 1 to Nov 30	6,525,550	5,466,214	1,655,433	1,742,263
Virginian a. Nov	934,439	809,668	329,451	371,526
Jan 1 to Nov 30	10,079,179	8,143,005	4,379,266	3,926,694
Western Pacific b. Nov	797,157	823,323	217,881	428,482
Jan 1 to Nov 30	9,019,646	7,554,292	3,384,726	3,029,057
Wheeling & L Erie b. Nov	1,040,170	785,688	359,240	249,170
Jan 1 to Nov 30	10,285,124	9,330,739	3,436,876	3,575,053

a Net earnings here given are after deducting taxes.
 b Net earnings here given are before deducting taxes.
 c After allowing for miscellaneous changes to income for the month of Nov. 1917, total net earnings were \$57,794, against \$105,156 last year, and for the period from Jan. 1 to Nov. 30 were \$1,235,818 this year against \$1,376,751.

Reading Company—	Gross Receipts		Profit in Operating		Rent, Int., Taxes, &c.	Balance, Surplus.
	1917.	1916.	1917.	1916.		
Philadelphia & Reading Nov '17	5,934,063	1,064,213	872,500			191,713
" " " " " " " "	5,521,568	2,263,415	799,500			1,463,915
11 mos '17	62,474,397	14,876,713	9,357,500			5,519,213
" " " " " " " "	56,194,011	21,503,038	8,875,490			12,627,578
Coal & Iron Co Nov '17	4,577,812	661,481	200,000			461,481
" " " " " " " "	4,877,019	666,600	9,000			657,600
11 mos '17	45,291,358	6,194,246	925,000			5,269,246
" " " " " " " "	38,561,863	2,546,789	96,175			2,450,614
Total both companies Nov '17	10,511,875	1,725,694	1,072,500			653,194
" " " " " " " "	10,398,587	2,930,015	808,500			2,121,515
11 mos '17	107,765,755	21,070,959	10,282,500			10,788,459
" " " " " " " "	94,755,875	24,049,828	8,971,635			15,078,193
Reading Company Nov '17	—	577,033	493,000			84,033
" " " " " " " "	—	571,207	456,309			114,397
11 mos '17	—	9,806,001	5,423,000			4,383,001
" " " " " " " "	—	9,593,140	4,995,719			4,597,421
Total all companies Nov '17	—	2,802,727	1,565,500			737,227
" " " " " " " "	—	3,501,222	1,265,309			2,235,912
11 mos '17	—	30,876,900	15,705,500			15,171,460
" " " " " " " "	—	33,642,968	13,907,354			19,675,614

Total Oper. Total Oper. Net Res. Net Inc. Revenue. Expenses. from Oper. after Chgs.

Chicago Great Western Nov '17	1,399,272	1,105,103	294,169			97,722
" " " " " " " "	1,435,270	981,703	463,565			228,275
11 mos '17	14,991,897	11,504,319	3,487,578			1,129,421
" " " " " " " "	14,674,695	10,192,188	4,482,507			2,134,220
Cuba RR— Nov '17	646,826	102,232	1,448	103,730	93,483	10,247
" " " " " " " "	501,175	79,568	678	80,231	95,216	def14,985
5 mos '17	3,608,430	773,557	6,617	780,174	469,267	310,907
" " " " " " " "	2,067,774	930,956	4,153	935,109	443,840	491,269
Denver & Rio Grande— Nov '17	2,624,939	572,032	151,698	723,730	699,293	24,437
" " " " " " " "	2,411,846	992,082	124,224	1,116,306	607,742	508,564
11 mos '17	26,038,789	7,152,093	2,302,192	9,654,285	7,392,024	2,262,261
" " " " " " " "	23,254,528	8,691,065	1,921,150	10,612,215	6,541,313	4,070,902
N Y Chic & St Louis— Nov '17	1,403,156	184,059	13,673	197,732	193,521	4,211
" " " " " " " "	1,300,267	68,462	11,118	79,580	179,323	def90,743
11 mos '17	15,607,415	2,887,665	324,394	3,212,059	2,229,948	982,111
" " " " " " " "	14,128,333	3,008,631	183,394	3,282,025	1,716,313	1,565,712
St Louis Southwestern— Nov '17	1,641,676	530,990	133,440	664,430	274,820	389,610
" " " " " " " "	1,426,930	468,932	136,395	605,347	270,088	335,262
11 mos '17	15,666,488	4,719,893	1,676,278	6,396,171	2,991,502	3,404,661
" " " " " " " "	12,381,481	3,397,915	1,412,118	4,810,033	3,948,170	1,861,869

Chicago & North Western	Nov '17	Gross Earnings.		Net after Taxes.	Fixed Charges.	Balance, Surplus.
		\$	\$			
Nov '17	9,717,297	2,288,952		867,634	1,421,318	
" " " " " " " "	8,922,667	2,824,890		924,302	1,900,588	
11 mos '17	101,985,776	24,642,728		9,355,038	15,289,690	
" " " " " " " "	92,283,082	28,128,882		9,681,304	18,447,678	
Louisiana & Arkansas Nov '17	152,350	42,057		26,993	15,064	
" " " " " " " "	123,321	21,343		21,833	def490	
11 mos '17	1,502,284	376,784		288,664	88,120	
" " " " " " " "	1,444,470	399,556		276,846	122,710	
Bangor & Aroostook— Nov '17	345,390	114,538		32,563	147,101	
" " " " " " " "	308,415	144,478		28,249	172,727	
11 mos '17	4,045,182	1,354,299		374,262	1,246,391	
" " " " " " " "	3,675,194	1,413,558		298,042	1,293,088	
Central of New Jersey— Nov '17	3,254,539	873,518	*2,399,161	3,272,679	653,276	2,619,403
" " " " " " " "	2,922,954	1,031,828	136,009	1,107,837	663,676	504,161
11 mos '17	34,323,286	10,581,935	*3,807,935	14,389,870	7,296,335	7,093,535
" " " " " " " "	31,539,190	11,441,102	-287,864	11,153,243	5,526,634	5,627,614
* Includes dividends on Lehigh & Wilkes-Barre Coal Co. stock accrued pursuant to 1917, amounting to \$2,237,784, which, though received in this year, should for purposes of comparison be included in the non-operating income of previous years.						
Chesapeake & Ohio— Nov '17	4,924,537	1,517,724	110,302	1,637,026	1,123,420	513,606
" " " " " " " "	4,289,055	1,550,684	180,692	1,731,376	926,424	804,952
11 mos '17	49,902,850	14,982,496	2,517,559	17,500,055	11,033,324	6,466,731
" " " " " " " "	45,683,793	15,800,549	1,439,641	17,240,310	10,184,936	7,055,374
Duluth So Sh & Atlantic— Nov '17	345,078	69,402	4,190	73,592	102,873	def29,281
" " " " " " " "	306,410	79,136	5,342	84,478	101,314	def16,836
5 mos '17	1,032,023	441,153	21,065	462,218	560,881	def88,663
" " " " " " " "	1,708,240	527,717	25,241	552,958	516,140	36,818
Mineral Range— Nov '17	99,778	14,087	1,642	16,629	12,714	3,915
" " " " " " " "	93,491	24,913	1,703	20,615	13,297	13,588
5 mos '17	510,621	70,129	5,307	75,430	63,402	12,034
" " " " " " " "	482,321	113,183	3,313	116,496	68,183	48,313
Toledo Peoria & Western— Nov '17	107,508	1,446	17,345	18,701	8,307	10,394
" " " " " " " "	101,629	8,743	11,790	30,538	26,504	95,966
11 mos '17	1,181,950	106,863	201,396	308,259	205,359	102,900
" " " " " " " "	1,112,211	155,174	136,930	292,104	293,414	def13,10

New York New Haven & Hartford Railroad and Subsidiary Companies.

Roads.	Gross Earnings		Net Earnings		Balance, Surplus.
	1917.	1916.	1917.	1916.	
Chic Burl & Quincy b. Nov	10,380,641	9,886,661	2,890,493	4,070,618	
Jan 1 to Nov 30	111,954,304	99,441,789	38,651,585	39,534,418	
Chicago & East Ill. b. Nov	1,864,414	1,514,467	375,548	370,712	
Jan 1 to Nov 30	19,329,842	15,289,651	4,333,377	3,410,523	
Chic Ind & Louisv. b. Nov	800,038	711,758	179,002	246,669	
Jan 1 to Nov 30	8,411,663	7,406,960	2,549,589	2,615,792	
Chic Rock Isl & Gulf. b. Nov	383,851	321,546	161,849	123,538	
Jan 1 to Nov 30	3,500,979	3,062,433	1,215,437	965,486	
Great Northern b. Nov	8,054,624	8,217,518	2,640,295	4,077,893	
Jan 1 to Nov 30	81,649,320	76,151,725	27,343,437	31,528,196	
Internat & Grt Nor. b. Nov	1,240,476	1,121,954	438,117	433,415	
Jan 1 to Nov 30	11,327,359	9,712,933	3,511,162	2,698,012	
Kansas City South b. Nov	1,280,989	1,074,251	532,569	467,215	
Jan 1 to Nov 30	12,360,253	10,285,446	4,919,254	4,124,234	
Louisville & Nashv. b. Nov	7,287,165	6,933,296	2,509,336	2,278,591	
Jan 1 to Nov 30	70,040,802	58,971,086	21,935,164	20,612,777	
St Louis-San Fran. a. Nov	5,280,712	4,855,394	1,304,248	1,057,421	
July 1 to Nov 30					

EXPRESS COMPANIES.

Table with columns for Company Name, Month of September 1917, 1916, Jan. 1 to Sept. 30 1917, 1916. Includes Great Northern Express Co., Northern Express Co., Southern Express Co., Western Express Co.

Table with columns for Name of Road or Company, Latest Gross Earnings (Week or Month, Current Year, Previous Year), Jan. 1 to Latest Date (Current Year, Previous Year). Includes Pacific Gas & Elec., Paducah Tr & Lt Co, Pensacola Electric Co, etc.

b Represents income from all sources. c These figures are for consolidated company. f Earnings now given in milreis. g Includes constituent companies.

Electric Railway and Other Public Utility Net Earnings.—The following table gives the returns of ELECTRIC railway and other public utility gross and net earnings with charges and surplus reported this week:

Table with columns for Companies, Gross Earnings (Current Year, Previous Year), Net Earnings (Current Year, Previous Year). Includes American Power & Lt, Brazilian Tract Lt & P, Cleveland Tel Co, etc.

ELECTRIC RAILWAY AND PUBLIC UTILITY COS.

Table with columns for Name of Road or Company, Latest Gross Earnings (Week or Month, Current Year, Previous Year), Jan. 1 to Latest Date (Current Year, Previous Year). Includes Adirondic El Pow Corp, Atlantic Shore Ry, Aurora Elgin & Chic, etc.

Table with columns for Name of Road or Company, Gross Earnings (Current Year, Previous Year), Net after Taxes, Fixed Charges, Balance Surplus. Includes Ashville Pow & Lt, Aurora Elgin & Chic, Bangor Ry & Elec, etc.

		Gross Earnings.	Net after Taxes.	Fixed Charges.	Balance, Surplus.
Keystone Teleph.	Dec '17	143,628	67,943	28,115	39,828
	'16	152,991	68,284	27,870	40,414
	12 mos	1,587,213	717,449	335,271	412,173
	'16	1,470,143	729,923	330,100	399,823
Lewiston Augusta	Nov '17	71,307	13,980	15,457	def1,477
& Waterv St Ry.	'16	61,871	14,211	15,246	def835
	11 mos	836,042	213,982	171,022	42,960
	'16	740,390	237,805	172,371	65,454
Milw Elect Ry &	Nov '17	737,569	216,106	88,245	±139,504
Light	'16	614,072	154,944	85,651	±98,625
	11 mos	7,180,220	1,799,991	905,816	±991,931
	'16	6,287,876	1,675,254	721,903	±1,021,246
Milw Light Heat	Nov '17	193,081	36,226	42,252	±50,619
& Traction	'16	160,800	41,487	56,193	±30,356
	11 mos	2,024,402	463,345	436,147	±27,094
	'16	1,681,719	488,331	625,985	±358,215
Nashville Ry & Lt.	Nov '17	212,264	78,170	40,828	±7,542
	'16	199,981	79,461	42,314	±7,137
	11 mos	2,235,205	783,188	449,932	±32,256
	'16	2,166,127	837,101	466,843	±370,258
New York Rys.	Nov '17	998,423	252,708	281,410	±19,691
	'16	837,383	139,978	278,825	±def76,272
	5 mos	5,387,330	1,452,221	1,408,748	±292,486
	'16	4,447,489	1,000,982	1,410,886	±def80,416
Portland (Ore) Ry	Nov '17	525,811	201,211	102,612	±23,699
	'16	479,367	236,804	182,116	±54,889
	11 mos	5,429,490	2,332,780	1,973,015	±359,765
	'16	4,970,515	2,189,963	1,995,173	±194,790
Tennessee Pow Co	Nov '17	186,650	49,951	52,942	±def239
	'16	159,380	24,780	39,575	±def11,720
	11 mos	1,748,941	620,996	552,333	±121,700
	'16	1,516,668	656,153	414,454	±298,727
Texas Pow & Lt.	Nov '17	274,932	108,324	52,372	±58,952
	'16	220,848	109,422	39,765	±69,657
	12 mos	2,553,558	1,018,361	537,529	±480,832
	'16	2,220,860	993,147	424,491	±568,566
Utah Power & Lt	Nov '17	482,004	246,081	96,382	±96,282
(incl West'n Colo	'16	403,197	217,810	102,713	±115,097
Power Co)	12 mos	5,108,001	2,640,203	1,391,354	±1,278,939
	'16	4,247,303	2,194,163	1,108,204	±1,025,959
West Penn Power	Nov '17	365,238	110,313	47,418	±62,899
	'16	297,012	129,828	38,399	±91,429
	11 mos	3,576,572	1,160,186	457,791	±702,395
	'16	2,706,802	1,219,131	418,349	±800,782
West Penn Rys.	Nov '17	672,612	235,941	156,943	±62,899
	'16	668,381	252,188	173,108	±79,080
	11 mos	6,984,869	2,766,545	1,780,372	±986,173
	'16	5,703,741	2,699,043	1,875,793	±333,250
Western Union Tel	(Dec 1917, partly estimated)				
3 mos Dec 31	'17	78,400,187	15,098,800	1,331,850	±13,766,950
	'16	63,621,600	13,727,255	1,331,850	±12,395,405
Yadkin River	Nov '17	45,408	31,471	14,311	±17,160
Power Co	'16	41,673	32,762	15,406	±17,296
	12 mos	476,674	304,925	166,067	±174,858
	'16	417,793	306,677	186,887	±119,790

± After allowing for other income received.

The General Gas & Electric Company.
Estimated Gross Revenue for December.

Company	1917.	1916.	Increase.
Rutland System	\$43,205	\$38,240	\$4,965
Northwestern Ohio System	25,000	24,436	564
Sandusky System	59,511	44,818	14,693
Binghamton System	34,620	30,574	4,046
Sayre System	16,190	10,033	6,157
New Jersey System	20,169	18,263	1,906
Interurban Gas System	850	817	33
Totals	\$199,545	\$167,214	\$32,331

Eastern Power & Light Corporation.
Estimated Gross Revenue for December.

Company	1917.	1916.	Increase.
Reading System	\$282,572	\$242,453	\$40,119
Pennsylvania Utilities System	130,000	96,137	33,863
West Virginia System	99,155	95,310	3,845
Charmont System	29,521	27,042	2,479
Totals	\$541,248	\$460,977	\$80,271
Vincennes System		\$13,048	

ANNUAL REPORTS.

Annual Reports.—An index to annual reports of steam railroads, street railways and miscellaneous companies which have been published during the preceding month will be given on the last Saturday of each month. This index will not include reports in the issue of the "Chronicle" in which it is published. The latest index will be found in the issue of Dec. 29. The next will appear in that of Jan. 26.

Swift & Co., Packers, Chicago.

(Report for Fiscal Year ending Sept. 30 1917.)

V.-Pres. Edward Swift at the annual meeting said in subst.:

The year 1917 has been a year of abnormally high prices in general, and, although the prices of livestock and meats have not risen as much as those of many other important commodities, record prices have been the rule in the livestock market.

The highest prices paid for livestock in Chicago, together with the dates on which they were paid, were: For cattle, \$17.00 per cwt. on Sept. 10 1917; for hogs, \$20 per cwt. on Aug. 21 1917; for sheep, \$16 per cwt. on May 12 1917, and \$20.80 per cwt. for lambs on May 17 1917. These prices, however, were for choice lots that topped the market on the respective dates.

Company's Average Payments for Livestock per Cwt. at All Plants During Year.

	Cattle.	Hogs.	Sheep & Lambs.
1917	\$8.66	\$12.89	\$12.79
1916	7.21	8.49	9.16
1915	7.10	7.09	7.85

As a result of these high prices of 1917, we paid over \$455,000,000 to livestock raisers during the year, an increase of \$141,000,000 over 1916.

Average Prices in December 1917 and 1916 Paid by Swift & Co.

December	Cattle.	Hogs.	Sheep.	Average.
1917	\$8.81	\$16.67	\$15.06	\$11.70
1916	7.10	9.78	11.58	8.69
Increase	24.1%	70.3%	30.1%	34.8%

The price of meat was also high, but did not advance as rapidly as the price of livestock, because of the higher values realized for by-products.

The year was also marked by record receipts of cattle, which were the largest in the history of the country. When the 1916 marketings of cattle showed such an increase over previous years, it was commonly believed that this was done at the expense of the number of cattle remaining on farms, but the Secretary of Agriculture stated in his annual report that the number of live cattle on farms in Jan. 1917 had increased in spite of the greater slaughtering of the previous year.

We learn from the recently issued annual report of the Secretary of Agriculture that the record-breaking marketings of 1917 have again been accompanied by an increase in the number of cattle on farms, and that Jan. 1918 finds more than there were a year ago.

The number of hogs received at the central markets showed a slight decrease, as compared with 1916. The need for hog products on the part of our Allies will no doubt act as a stimulant for greater hog production in the near future. The number of sheep marketed also showed a decline as compared with 1916.

The Federal Trade Commission has been investigating all phases of the meat year examining our books. We have given these accountants every facility, and believe that the investigation will be of value in helping to set at rest some of the unfortunated statements that are commonly made to the effect that packers' profits are unreasonably high.

We feel sure that the result of the Federal Trade Commission investigation will substantiate the statements previously made by Swift & Co. that their profits are very reasonable, and, while the profit is very small per dollar of sales, on the large volume of business transacted it has yielded a satisfactory return to the stockholders on their investment.

The Government has deemed it advisable to control by license the operation of all food distributing activities and in its control over the packing industry the Food Administration has limited our profits on slaughtering and meat packing to 9% on the money employed. This will not affect our dividend payments unfavorably.

Our profits during 1917 have been due in large degree to the continuous rise in values. Prices have advanced so rapidly and steadily that between the time of the slaughter of animals and the time of the sales of the resulting meats and by-products, the enhancement of values has been much greater than we anticipated. The total distributive sales for the year exceeded \$875,000,000 (against \$675,000,000 in 1916-17).

Higher prices have been paid for fuel, supplies and labor. We have voluntarily increased the wages of employees twice during the year and three times since Feb. 1916. We are now paying common labor wages 57.1% higher than two years ago. The average pay of women employed in our plants is \$12.20 per week with a guaranteed minimum of \$9 per week. The average wages paid to our plant employees have been increased over 40% in the last two years.

OPERATIONS FISCAL YEARS END. ON OR ABOUT SEPT. 25 AND 30.

	1916-17.	1915-16.	1914-15.	1913-14.
Business done exceeded	\$75,000,000	575,000,000	500,000,000	425,000,000
Net earnings	42,318,331	20,465,000	14,087,500	3,450,000
Dividends	(10)9,500,000	(8)6,000,000	(7)5,437,500	(7)5,250,000

Balance, surplus, 32,818,331 14,465,000 8,650,000 4,200,000
On Nov. 25 1916 there was paid to shareholders of record a cash dividend of 33 1/3% in order to distribute \$25,000,000 of accumulated earnings. V. 103, p. 1416.

BALANCE SHEET, SEPT. 26 TO 30.

Assets—	1917.	1916.	1915.	1914.
Real estate, improve'ts, including branches	55,170,507	50,692,781	50,539,839	50,434,307
Stocks and bonds	39,716,467	37,644,283	38,355,803	35,462,091
Cash	8,292,656	6,963,254	8,946,755	8,479,190
Accounts receivable	82,265,715	60,564,607	61,622,455	47,329,777
Live cattle, sheep, hogs, dressed beef, etc., on hand	120,935,778	74,888,318	47,901,889	45,899,008
Total assets	306,380,523	230,753,243	207,366,440	187,604,373
Liabilities—				
Capital stock paid in	100,000,000	75,000,000	75,000,000	75,000,000
Bonds	31,593,500	31,311,000	24,500,000	10,000,000
Accr. bond int. & divs.	4,394,910	1,891,387	1,806,250	1,437,500
Bills payable	70,211,560	38,373,500	32,933,550	39,538,850
Accounts payable	23,757,003	17,072,194	17,375,756	18,619,001
Reserves	16,458,541	6,290,163	5,900,884	5,500,022
Surplus	59,965,000	60,315,000	45,850,000	37,200,000
Total liabilities	306,380,523	230,753,243	207,366,440	187,604,373

V. 105, p. 2190, 2005.

(The) Texas Company, Houston, Tex.

(Financial Statement of Jan. 3 1918—Earnings, &c., for Five Months to Nov. 30 1917.)

The official statement submitted to the New York Stock Exchange as of Jan. 3 regarding the listing of \$13,875,000 additional capital stock (see a subsequent page) says in subst.

The proceeds of the sale of said 138,750 shares will be applied to the purchase of crude supplies and increasing the manufacturing and distributing facilities of the company.

Since March 20 1917 this company has amended its charter and made certain changes in its corporate organization and in the form of some of its holdings. Prior to June 19 1917, such corporation, though empowered to buy, store, pipe, transport, refine and market petroleum and to own and operate equipment and plants for these purposes, had no direct charter power to engage in the producing business, and under the laws of Texas the power to prospect for and produce oil and to hold lands and leases for these purposes could not be conferred upon corporations of this kind, according to the opinion of counsel. But on the date last mentioned, there became effective an Act of the Texas Legislature, approved Feb. 20 1917, under which this company has acquired the lacking powers, as voted by the stockholders June 22 1917.

At the meeting on June 22 1917 the stockholders of the company also authorized a conveyance of its oil pipe line system, the lines in Texas and Louisiana to a Texas pipe line corporation, and the lines in Oklahoma to an Oklahoma pipe line corporation. In exchange for the stock of these two corporations, all of which was provided for in the Act of the Legislature. On June 26 1917 the Texas Pipe Line Co., with capital stock of \$14,000,000, shares \$100 each, was incorporated under the laws of Texas, and on June 27 1917 the Texas Pipe Line Co. of Oklahoma, with capital stock of \$6,000,000, shares \$100 each, was incorporated under the laws of Oklahoma. The oil pipe lines in Texas and Louisiana were conveyed to the former, and those in Oklahoma were conveyed to the latter, the parent company taking the \$20,000,000 stock of the new companies in payment for these properties, which stood on its books at \$18,517,749.41. And on June 27 1917 the charter of the Texas Co. was formally amended, as authorized by the Act of the Legislature, and in accordance with a vote of the stockholders. These new pipe line companies began business on July 1 1917, and they operate solely as carriers.

The Texas Co. has since acquired the producing properties formerly owned by Producers Oil Co., which company has been dissolved, so that the business of this company now, in short, is that of producing, buying, storing, refining, shipping and marketing petroleum. Its producing properties are located in the States of Texas, Oklahoma, Louisiana, Kansas and Wyoming, and in the Republic of Mexico, and their daily production is upwards of 40,000 bbls., of which about three-fourths is in Texas and Oklahoma. The approximate acreage held is as follows: Fee ownership in Texas, 36,000 acres; in Oklahoma, 3,000 acres; in Louisiana, 11,000 acres. Under lease: in Texas 1,100,000 acres; in Oklahoma 214,000 acres; in Louisiana 262,000 acres; in Kansas 27,000 acres; in Wyoming 10,000 acres; and in other territory 45,000 acres. Its steel tankage, located principally in Texas, Oklahoma and Louisiana, amounts to 28,000,000 bbls. and its emergency storage to 3,000,000 bbls.

The refineries of the Texas Co., located at Port Arthur, Port Neches, Dallas, Tulsa and Lockport, have a combined daily still capacity of 70,000 bbls. Its fleet, including vessels requisitioned or in the Government service on account of the war, and including regular cargo boats as well as tankers, has a carrying capacity of 122,800 tons deadweight, the ocean-going vessels being of 102,500 tons and other vessels of 20,300 tons capacity; also 35 tugboats, towboats, launches and delivery boats; and material has been ordered for approximately 80,000 tons additional, some of which is under construction and at least half should be completed during the calendar year, but it is all subject to the general requisition order of the Government. Its tank cars owned and leased number 2,070. It owns 14 ocean terminals and has 679 sales stations, exclusive of gasoline filling stations, in the U. S. And it owns or controls terminals, stations and marketing equipment in various foreign countries. The Texas Co. and its subsidiaries employ over 16,000 persons.

The Texas Pipe Line Co. owns and operates 829 miles of 8-inch, 536 miles of 6-inch, and 56 miles of less than 6-inch pipe lines, making a total of 1,451 miles; and The Texas Pipe Line Co. of Oklahoma owns and operates 270 miles

of 8-inch, 141 miles of 6-inch, and 84 miles of less than 6-inch pipe lines, making a total of 495 miles. Included in each instance are the necessary pumping stations with their tankage and equipment. The companies also own and operate connecting branches and gathering systems in the various fields. The receiving points on the lines are: (a) in Texas include Burkburnett, Electra, Goose Creek, Humble, Marikham, Moran, Petrolia and Sour Lake. (b) in Oklahoma include Artesian, Avant, Bald Hill, Bartlesville, Bird Creek, Bixby, Boynton, Collinsville, Copan, Cushing, Dewey, Flat Rock, Glenn, Grayson, Hamilton, Healdton, Henryetta, Hogshooter, Hominy, Lost City, Morris, Okmulgee, Owasso, Red Fork, Stone Bluff and Turley. (c) in Louisiana include Crichton, Evangeline, Naborton, Oil City, and Victoria. Port Arthur, Tex., is the ultimate terminal of all the lines. From initial terminals they merge at the junctions of West Tulsa, Sherman, Dallas, Humble, Logansport and Garrison, and reach the Gulf at Port Arthur.

The company has issued new stock at par proratably to stockholders to the amount of the following percentages on their holdings: In 1915 20%; in 1916, two issues, 45%; in 1917, 25%. And since the date of its last application the company has paid quarterly dividends regularly at the rate of 2 1/2%, or 10% per annum.

INCOME ACCOUNT OF TEXAS CO.

	5 Mos. to Nov. 30 '17	1916-17	1915-16	1914-15
Gross earnings	\$30,848,982	\$34,339,050	\$37,708,382	\$26,391,745
Oper. exp., taxes, &c.	14,488,060	14,341,126	11,961,649	18,267,953
Net earnings	\$16,360,922	\$22,997,924	\$15,746,733	\$8,123,692
Deduct—				
Sink fund & deprec'n.	\$678,571	\$2,047,217	\$1,647,315	\$1,338,900
Prov. for bad &c. acc'ts.		136,180	200,557	292,465
Provision for taxes	4,143,127	1,000,000		
Dividends	1,887,506	4,532,500	3,350,000	3,000,000
Per cent of dividends	(2 1/2%)	(10%)	(10%)	(10%)
Total deductions	\$6,209,198	\$7,715,898	\$5,197,871	\$4,631,365
Balance to surplus	\$10,151,724	\$15,192,026	\$10,548,862	\$3,393,327

* Includes \$5,113,694 earnings of the Producers Oil Co., of which \$2,389,362 were earned prior to March 1 1913.

RESULTS OF PIPE LINES FOR FIVE MONTHS ENDING NOV. 30. (Showing results of Texas Pipe Line Co. (of Tex.) and of Texas Pipe Line Co. of Oklahoma.)

	Co. of Tex. Co. of Okla.	Deprec'n reserve.	Co. of Tex. Co. of Okla.
Gross earnings	\$2,594,052 \$1,425,445	\$418,920	\$173,540
Net, aft. taxes, &c.	\$1,553,625 \$837,204	\$1,139,705	\$557,664

THE TEXAS CO. BALANCE SHEET.

Assets—		Liabilities—	
Nov. 30 '17	June 30 '17	Nov. 30 '17	June 30 '17
Plant account*	65,472,945	Capital stock	55,500,000
Other investments	2,466,879	6% debentures	10,055,000
Storehouse supp.	6,291,790	Stock subser'n.	
Stocks of oil		new issue	11,929,710
Unexpired insur.	45,316,049	Accts payable	4,538,553
Sub. co. stocks	18,517,749	Bills payable	4,485,341
Liberty 48	840,000	Prov. for doubtful accts	204,445
Other bonds and mortgages	292,657	Insur. res'v' f'd	500,000
Bills & accounts receivable	15,697,665	Prov. for taxes	3,500,000
Adv. to sub. cos.	9,659,184	Do int. on debts	401,450
Contract advan.	1,293,725	Res. for sink fund and deprec'n.	24,626,412
Cash on hand	8,447,841	Surplus	50,421,913
Total	174,265,627	Total	174,265,627

* Investments in real estate, leases, oil wells, tankage, refineries, ships, cars, terminals, distributing stations, natural gas wells and equipment. x Stocks of oil and refined and in process of manufacture (at June 30 1917 inventories, subsequent purchases at cost, subsequent production at market prices current at date of production, total substantially less than present market value.) y Includes as of Nov. 30 1917 \$13,073,402 stocks of the Texas Pipe Line Co. (of Texas) and \$5,444,347 stock of the Texas Pipe Line Co. of Okla.

BALANCE SHEETS NOV. 30 1917 OF PIPE LINE COMPANIES. (Texas Pipe Line Co. (of Texas) and the Texas Pipe Line Co. of Oklahoma.)

Assets—		Liabilities—	
Co. of Tex.	Co. of Okla.	Co. of Tex.	Co. of Okla.
Plant account*	\$13,074,374	Capital stock	\$14,000,000
Storehouse supp.	515,329	Accounts pay'le	77,691
Cash	58,457	Prov. for taxes	24,236
Accounts receiv.	1,411,293	Deprec'n reserve	418,920
Unexpired insur.	1,216	Surplus	1,139,705
Total	\$15,060,463	Total	\$15,660,463

—V. 105, p. 1904, 1715.

Superior California Farm Lands Co., Detroit. (Interim Report Covering 10 Months ended Oct. 31 1917.)

Pres. Merle B. Moon, Detroit, Nov. 15, wrote in subst: Results.—The company has made considerable progress as to its complicated problems, and the outlook in this respect is more encouraging than at any time since organization. We are hopeful of having the title situation in excellent form within the next few months.

While the Sacramento Valley West Side Canal Co. has not yet been able to supply water sufficient to irrigate all of the lands within the Central Irrigation District, the receiver was able to operate the Canal at some profit, and he proposes to make extensions and improvements which will enable it to supply considerably more water next season. To the north the Jacinto Irrigation District and on the east the Princeton-Codora-Glenn Irrigation District will, when wholly organized, relieve the canal system of considerable of its burden.

The farming operations have been unusually prosperous this year, and we have been able to dispose of some of our lowest grade lands, mostly for rice, outside of the present irrigation system, the purchasers developing their own water system.

From estimates at hand we are hopeful that the farm operations for the year 1917 will pay operating expenses, taxes, &c. Inasmuch as the rice is not all harvested or sold, these estimates will be more or less affected by general market conditions.

The President is now devoting his time entirely to the affairs of the company (under contract attached to the report).

Financial.—The company has received and canceled to Nov. 1 1917 \$421,403 Adjustment Mortgage bonds in part payment for lands purchased from this company, or from its predecessor, including \$14,229 canceled prior to Jan. 1 1917. This reduces the bonded debt to \$6,779,797.

From Jan. 1 to Nov. 1 1917, the cash receipts on account of land sales, contracts, notes, &c., and land paid for in full, amounted to \$292,751 principal and \$20,657 interest, or a total of \$313,408. Cash on hand or in banks increased from \$53,034 on Jan. 1 1917 to \$327,727 on Nov. 1 1917.

Owing to the cancellation of a large number of contracts of the predecessor company, placing the lands covered thereby back on sale and owing to payments on land purchases in cash and bonds, the accounts receivable from land sales accounts has been materially reduced, amounting on Nov. 1 1917 to about \$647,000 (complete figures not being available).

Land Sales.—The demand for lands has considerably improved. Sales closed since Jan. 1 1917 total \$485,787, comprising 15,767 acres, the prices varying from \$13 per acre to \$150 per acre, with the average price of between \$30 and \$31 per acre. In most instances water supply will eventually be furnished from sources independent of the present canal system, and at the expense of the purchaser.

There remains unsold lands approximating 64,800 acres. Farming Operations.—The unsold lands were leased for the cultivation of rice, barley, wheat, hay, alfalfa, &c., or for pasturing, on a crop share basis or at a fixed rental, the labor situation militating against our extensively farming except at the Monroeville orchard. The acreage leased this year amounts to 66,663 acres, including certain acreage since sold, comparing with 56,892 acres leased in 1916. The estimated returns for 1917, based on prevailing prices, aggregated \$214,367, principally: Rice, \$100,000; barley, \$67,348; wheat, \$18,626, and corn, \$21,374. Very large crops have been secured, and our share has been larger than last year, with better prices.

Monroeville Orchard.—This property is making splendid growth, notwithstanding the late frost last spring. While the damage to the trees was mostly temporary, it is estimated that about half of the peach crop was killed and considerable harm was done to the prunes, pears and figs. The estimated returns, using the prevailing prices, are: for peaches, pears, prunes, figs, corn, alfalfa and beans, \$9,264. During the spring we planted 1,156 additional olive trees, and 940 other trees, making a total of 43,228 now planted, viz.: Olive, 2,414; peach, 8,284; prune, 14,115; pear, 9,315; and fig, 8,458; almond, 2 1/2; walnut, 360; miscellaneous, 34.

Appraisal of Lands.—The Jacinto Irrigation District has been formed and considerable progress has been made in carrying forward the plans of the Princeton-Codora-Glenn Irrigation District, for watering the lands tributary to the present River Branch Canal. These districts have yet to vote their bond issues and do the physical work necessary to place them in a position to operate with an independent water supply. While little progress has been made in the forming of a mutual company to take over the Canal Company, the management believes that the water situation is sufficiently clarified to permit of the company's lands being accurately appraised, and recently arranged with independent appraisers to prepare reports covering all of the unsold lands as a guide for future sales.

Sacramento Valley West Side Canal Co.—The operations of this Canal Company were conducted by the receiver with very satisfactory results, with regard to the acreage irrigated, which increased from 18,227 acres in 1916 to 29,313 acres during the season just ended. The acreage devoted to the cultivation of rice increased from 8,805 to 16,556 acres, and that used for the raising of general crops from 9,422 to 12,757 acres.

During July the Sacramento River reached the lowest stage in many years, and this fact, combined with the unprecedented hot spell during the same month, creating unusual demands for water from the rice growers, found the Canal Co. facing a serious water shortage, due also in part to improper methods of irrigation on the part of certain water users. An additional pump and motor relieved the situation, and it is expected that before the season of 1918 all steps will have been taken to avoid the possibility of any further water shortage.

The gross earnings for 1917 of the Canal Co. will show an increase over 1916 of probably over \$60,000. A large part of the increase has been absorbed by additional operating and maintenance expenses, due in part to the increased cost of labor and material and supplies. It is estimated, however, that the Canal Co. should have surplus earnings of about \$25,000 over and above the cost of operation and maintenance, the cost of improving and enlargement of the canal system and some additional pumping equipment purchased last summer, but without taking into consideration any interest on outstanding receiver's certificates, and also without provision for attorney's fees and expenses of receivership.

From Nov. 1 to the opening of the irrigating season in 1918, it is proposed to expend additional working capital of \$30,000 and \$40,000 to bring the canal capacity up to 650 second feet, or approximately 150 second feet greater than the capacity during the past season, which will make it possible to irrigate approximately 4,000 additional acres of rice. It is estimated that the income for 1918, after the improvements contemplated are made, should be about \$165,000. Provision has been made for the issuance under order of the U. S. Court of \$40,000 receiver's certificates in addition to the \$25,000 already outstanding.—V. 103, p. 417.

Firestone Tire & Rubber Co. and Proprietary Companies, Akron, Ohio. (Report for Fiscal Year ending Oct. 31 1917.)

President H. S. Firestone says in substance:

Sales for the year ending Oct. 31 1917 were \$61,687,219, compared with previous year, \$36,001,770, an increase of \$25,685,449 or 71%. Profits after liberal allowances for depreciation, losses on account of bad debts, and a reserve for Federal income and war excess profit taxes, were \$5,051,798, out of which dividends were paid during the year of \$1,735,403, leaving a surplus or additional capital of \$3,316,395.

To provide additional working capital the stockholders last year authorized an issue of \$10,000,000 6% cumulative preferred stock, of which amount \$8,500,000 was sold during the year at par and above. At the annual meeting a year ago, 20,000 shares of the common capital stock was authorized to be sold to employees; 90% or 11,300 out of approximately 13,000 employees subscribed for their full allotment.

The company found it necessary to build houses to relieve the housing situation in Akron and organized the Coventry Land & Improvement Co. with a capital stock of \$500,000. This entire capital stock is owned by the Firestone Tire & Rubber Co., and it was necessary for the company to make further advances during the past year to carry out the allotment of some 400 acres of land and to construct approximately 600 houses. The land company has since financed itself and is not indebted to the Firestone Tire & Rubber Co.

Outlook.—It is my opinion that in these troublesome times your company has never been so well organized as it is to-day, and we anticipate for the coming year, if not hampered by transportation or unforeseen difficulties, operating our factory steadily and at full production.

INCOME ACCOUNT FOR YEAR ENDING OCT. 31. 1915-16. 1916-17.

Sales for years ending Oct. 31	\$36,001,770	\$61,687,219
Net profits for 1916-17 after liberal allowances for depreciation, losses on account of bad debts and a reserve for Federal income and war excess profits taxes	\$5,051,798	
Dividends paid during the year ended Oct. 31 1917	1,735,403	

Surplus or additional capital for year ended Oct. 31 1917—\$3,316,395 CONSOLIDATED BALANCE SHEET OCT. 31.

Assets—		Liabilities—	
1917.	1916.	1917.	1916.
Land, bldgs., machinery & equip.	10,597,362	6% cum. pref. stk. (with \$10,000,000)	5,500,000
Investments		Com. stk. (with \$9,500,000)	3,600,000
U. S. Liberty Loan bonds	500,000	Notes pay. for borrowed money	2,715,000
Misc. stks. & bds.	1,200,848	Accts payable	838,067
Inventories (net)	14,634,626	Accrued salaries, taxes, &c.	314,231
Cash	2,432,340	Subser'p. to U. S. "Lib. L'n" bds.	490,000
Notes & bills from suppliers	11,517,422	Reserves for welfare work & pensions	1,100,000
Acct. com. stock purchases and sundry advances	4,335,155	Insurance losses	234,996
Stock subser'n. (net)	5,008,775	Fed. income and war excess profits taxes	767,928
Expend. appl. to future opera's.	195,665	Surplus	26,122,825
Total	51,633,697	Total	51,633,697

x In accordance with a resolution adopted on Nov. 2 1916, 50,000 shares of common capital stock was offered to employees; subscription books closed on March 8 1917, 90% or 11,300 out of approximately 13,000 employees having become stockholders. The capital stock purchases are secured by deposit of stock as collateral. y Includes goods finished and in process, and materials and supplies inventoried at cost.

Note.—The company had a contingent liability with a corresponding asset as endorser on \$187,496 of notes receivable discounted. Directors (and officers)—H. S. Firestone (Pres.), R. J. Firestone (Vice-Pres.), A. C. Miller (Vice-Pres.), J. W. Thomas, J. G. Robertson (Treas.), S. G. Caridhuff (Sec.) and L. E. Sisler.—V. 105, p. 2459.

Wagansett Electric Lighting Co., Providence, R. I. (Report for Fiscal Year ending Dec. 31 1916.)

President Edwin A. Barrows says in substance:

Results.—The gross earnings for 1916 amounted to \$1,986,695, an increase of \$215,094, or 12.14%. The total sales of current amounted to 61,893,000 k. w. h., an increase of 35.39% over 1915. Debentures Converted, &c.—On July 1 1916 the outstanding issue of \$1,000,000 convertible debentures was converted into stock; and on Nov. 25 1916 an addition to capital stock of \$1,000,000 was authorized, to be issued Jan. 2 1917. [V. 105, p. 1892. As to increase in auth. capital stock, new securities proposed in July 1917, see V. 105, p. 393.]

New Station Completed, &c.—The North End substation on Admiral St. was put in service in March 1916. This station was built for the distribution of power from the northerly part of the city and also for the exchange of current between the Rhode Island Power Transmission Co. and this company.

The new high tension transmission line between Warren and Bristol was completed and put in service Feb. 15 1916.

Additions.—During the year foundations and preparations have been made for the installation of a new 45,000 k. w. turbine, which will cost, when completed and installed, about \$450,000.

On March 16 1916 the company began exchanging current with the Rhode Island Power Transmission Co., the latter company supplying current for large power customers in Providence, as provided for in our contract with the city. (V. 101, p. 776.)

The total additions to property and plant cost \$595,654. An additional 2,500 k. w. rotary converter was installed, in December, in the Dyer St. substation, at a cost of \$33,900. This is used for converting alternating to direct current and brings the total capacity of this substation up to 10,000 k. w.

Contract has recently been made with the Providence Gas Co. to supply gas for use by our customers in the towns of Bristol and Warren.

New Contract.—Contract has been entered into with the Rhode Island Co. for a supply of power at Exmouth, R. I., and a high tension transmission line is being built to supply this current.

Acquisitions.—The Westerly Light & Power Co. and the Mystic Power Co. were purchased in July through an acquisition of the stock of these companies. A transmission line is planned to serve this district and will be constructed in the near future (V. 102, p. 2171).

Rates, &c.—On July 1 we reduced our retail lighting rate from 10c. to 9c. and discontinued free renewals of carbon lamps, making an estimated saving to customers of about \$33,000. Rates were also reduced in Narragansett Pier, Wickford, Westerly and Mystic, to 12c., the above reductions making an estimated saving to customers in these districts of about \$10,400.

In accordance with our contract with the city of Providence, an adjustment of prices for street lighting was agreed upon, which became effective July 1 1916. This adjustment resulted in a substantial reduction of prices for street lighting and a saving to the city of about \$15,000 per year. (V. 101, p. 770.)

INCOME ACCOUNT FOR YEARS ENDED DEC. 31.

	1916.	1915.	1914.	1913.
Gross earnings (from sale of electricity and gas).....	\$1,986,695	\$1,771,601	\$1,670,654	\$1,494,554
Operating expenses.....	\$1,110,550	\$937,770	\$954,775	\$882,281
Reserv. for renewals and conting., sink. fds., &c.	270,072	199,692	166,266	159,987
Int. on debts, and bonds of subsidiary company.....	26,000	40,000	55,456	52,500
Net earnings.....	\$580,073	\$594,138	\$494,157	\$399,785
Other income (net).....	44,056	deb12,661	6,134	deb2,883
Net income.....	\$624,129	\$581,478	\$500,291	\$396,902
Dividends.....	500,000	486,667	480,000	360,000
Balance, surplus.....	\$64,129	\$94,811	\$20,291	\$36,902

BALANCE SHEET DECEMBER 31.

	1916.	1915.	1916.	1915.
Assets—				
Prop. & plant, less depreciation.....	8,008,898	7,621,866	7,500,000	6,500,000
Material & supp.....	394,929	253,755	1,000,000	1,000,000
Securities owned.....	1,046,603	378,730	1,335,000	431,886
Depos. in banks & cash in office.....	226,139	170,858	123,459	263,333
Due from sub. cos.....	42,407	50,800	243,333	263,333
Notes receivable.....	87,260	9,667	323,400	24,493
Accts. receivable.....	344,888	226,726	24,039	24,493
Prepaid taxes, int., &c.....	63,293	75,353	150,000	126,007
			88,636	79,545
			406,950	342,821
Total.....	10,213,807	8,768,749	10,213,807	8,768,749

* Of this amount, \$1,000,000 was retired by an issue of stock as of Jan. 2 1917.—V. 105, p. 393, 503.

Consumers' Gas Co. of Toronto.

(69th Annual Report—Fiscal Year ending Sept. 30 1917.)

President A. W. Austin says in substance:

There has been an unprecedented demand for gas during the year, and notwithstanding the many difficulties which have arisen because of labor shortage, transportation complications, the high cost of raw materials, increased taxation, and other unusual conditions, the extraordinary demand for gas has been fully met, and this without any large capital expenditures having been undertaken.

The increase from the sale of gas was \$519,750, and operating expenses show a very closely corresponding increase; the cost of coal, oil, and other raw materials, and labor, having been very much higher than in the preceding year.

A gratifying feature of the year's operations, has been the development of the sale of gas, in large quantities, for industrial purposes. The higher prices of coal and oil have resulted in the very general adoption of gas as fuel, by industrial concerns, and there is good prospect of this branch of the company's business being still further extended.

The company has also been called upon to supply very large quantities of gas to the military hospitals, camps and depots, and the service which the company has been able to render, has proved most satisfactory to the military authorities.

On May 21 9,573 shares of new capital stock, having a par value of \$478,700 were allotted and accepted at a premium of 50%, the amount realized amounting to \$713,050. Up to Sept. 30 \$466,035 had been paid in. The balance outstanding \$252,015 will fall due for payment at intervals during the current financial year (V. 104, p. 2555, 2120).

For the year ending Sept. 30 1917 there were 108,719 meters, an increase of 4,178 meters over 1916; gas sales for 1917 aggregated \$3,007,424, an increase of \$519,750.

OPERATIONS AND FISCAL RESULTS FOR YEARS ENDING SEPT. 30.

	1916-17.	1915-16.	1914-15.	1913-14.
Meters, No.....	108,719	104,541	102,548	99,648
Receipts from gas sales.....	\$3,007,424	\$2,487,074	\$2,423,221	\$2,433,418
Residuals, coke, tar, &c.	897,498	851,119	787,500	818,516
Merch. sold, piping and burner, rentals, &c.....	391,427	299,013	278,587	306,048
Total income.....	\$4,296,349	\$3,637,806	\$3,440,008	\$3,577,982
Oper. expenses & taxes.....	3,343,042	2,718,229	2,574,619	2,633,033
Net earnings.....	\$953,307	\$919,577	\$865,389	\$944,949
Deduct—				
Interest.....	\$46,271	\$50,998	\$47,380	\$32,079
Dividends (10%).....	495,741	488,200	488,200	483,337
Renewal fund.....	436,295	478,170	480,065	429,533
Received for damage of Bathurst St. property.....	Cr25,000			
Balance, sur. or def.....	None.	def.\$97,792	def.\$150,256	None

BALANCE SHEET SEPTEMBER 30.

	1917.	1916.	1917.	1916.
Assets—				
Plant, &c.....	10,132,847	10,013,915	5,300,700	4,882,000
Other investments.....	205,950	205,950	684,956	684,956
Materials, &c.....	632,825	416,960	1,608,313	1,486,180
Cash.....	135,991	128,335	243,389	161,088
Accts. receivable.....	310,383	289,630	129,591	122,050
Unpaid cap. stock subscription.....	252,015		787,682	1,025,242
Miscellaneous.....	2,273		2,840,377	2,601,517
			36,775	38,797
Total.....	11,672,283	11,001,790	11,672,283	11,001,790

—V. 105, p. 1806.

GENERAL INVESTMENT NEWS.

RAILROADS, INCLUDING ELECTRIC ROADS.

Government Operation of Railroads.—Control Bill, &c.
See general news on a preceding page.—V. 105, p. 2542.

Auburn & Syracuse Elec. RR.—Notes Called.—Forty (\$40,000) 5-year 6% gold notes dated Feb. 1 1916 (outstanding \$377,000) have been called for payment Feb. 1 at par and int. at the Trust Deposit Co. of Onondaga, Syracuse, N. Y.—V. 105, p. 1308, 605.

Bay State Street Ry.—Time Limited.—The committee of holders of Lynn & Boston 1st Mtge, 5s has limited to Feb. 1 1918 the time within which bonds of said issue may be deposited with the First Nat. Bank of Boston as depository. Chester B. Humphrey, Vice-President of the Old Colony Trust Co., Boston, has been added to the committee. Compare V. 106, p. 85.—V. 105, p. 2455.

Interest Payments Delayed by Disagreement Regarding Receiver's Certificates.—

The payment of interest due Jan. 1 on the \$8,075,000 Boston & Northern and the \$6,667,000 Old Colony Street Ry. refunding issues is delayed by the difference of opinion between the bondholders' committee representing these bonds and the Attorney-General. Receiver Donham had arranged with the bankers to sell receiver's certificates for the purpose of paying the semi-annual interest and the taxes due the State, but the consummation of the sale was blocked by the aforesaid disagreement. See V. 106, p. 85.

Beech Grove (Ind.) Traction Co.—Receiver.—

The Circuit Court at Indianapolis recently appointed a receiver for this 4-mile line extending from Beech Grove to Indianapolis, Ind. Two suits were filed, it is stated, one by the Marion Trust Co., Indianapolis, representing holders of \$100,000 of bonds upon which interest is in default since Oct. 1 1916, the second by Christian F. Schmidt of Beech Grove, previously Secretary and now spoken of as President of the railway co., on an overdue note of \$1,000. The assets, it is said, about equal the bonds outstanding and the current obligations. No dividends have ever been paid on the \$100,000 of common stock and \$50,000 of pref. stock. The road was built in 1911 and embraces in all 6.3 miles of track operated with power purchased from Indianapolis Lt. & Ht. Co.

Boston Elevated Ry.—Progress in Subway.—

In its number of Dec. 29 1917 the "Railway Review" publishes a comprehensive illustrated article describing the progress of the construction of the Boston subway.—V. 105, p. 2542.

Boston & Providence RR.—Refunding.—

The shareholders will vote Jan. 23 on issuing \$2,170,000 debenture notes or bonds for the purpose of extending or refunding the \$2,170,000 4% bonds, due July 1 1918, in accordance with the 11th paragraph of the lease of the property to the Old Colony RR. (N. Y. N. H. & H. RR. system).—V. 95, p. 1039, 817.

Brooklyn Heights RR.—Notice—To Guarantee Bonds.—

Brooklyn Union Elevated 4-5% bonds and Kings County Elevated 4% bonds will be guaranteed on two days of each month in 1918 by Brooklyn Heights RR. at 85 Clinton St., Brooklyn, N. Y., between 9 a. m. and 12 m., viz:
Jan. 15 and 30 | April 15 and 30 | July 15 and 30 | Oct. 15 and 30
Feb. 15 and 28 | May 15 and 31 | Aug. 15 and 30 | Nov. 15 and 30
Mar. 15 and 29 | June 14 and 28 | Sept. 16 and 30 | Dec. 16 and 30
—V. 104, p. 162.

Brooklyn Rapid Transit Co.—New Operations—Guar'ty.—

See Rapid Transit in N. Y. below.
See Brooklyn Heights RR. above.—V. 106, p. 85.

Canadian Northern Ry.—Payment of Notes.—

The \$1-,250,000 6% Secured Gold notes issued by Wm. A. Read & Co. a year ago were paid at maturity, Jan. 10, at Central Trust Co., N. Y., on presentation.

Including equipment trusts redeemed, this payment, it is stated, makes a total reduction in the outstanding obligations within the last 12 months of over \$6,000,000. Practically all outstanding stock is now owned by Dominion of Canada.—V. 105, p. 2364.

Chesapeake & Ohio Ry.—Line Purchased—New V-Pres.

See New River Co. under "Industrials" below.
G. B. Wall has been appointed a Vice-President.—V. 105, p. 2183, 1998.

Chesapeake & Ohio Ry. of Indiana.—Bonds.—

The Ohio P. U. Commission has sanctioned the issue of \$401,000 additional First Mtge. 5% 20-year gold bonds, on account of improvements already made.—V. 97, p. 49.

Chicago City & Connecting Rys.—Earnings.—

With a request for proxies for use at the annual meeting of certificate holders a letter issued by Harrison B. Rife, Chairman, says: "Last year the gross earnings of the Chicago surface lines showed an increase of about 10% over the previous year. This year the gross receipts of the surface lines show an increase of about 2% over last year. Operating material and supplies have shown an average advance in cost of 40%, while our fare remains the same. The inevitable result is a decrease in net." (Chicago "Herald," Jan. 5.)—V. 105, p. 2455.

Cities Service Co.—Sub. Co. Bonds Offered.—

See Toledo Traction, Light & Power Co. below.—V. 105, p. 2455.

Copper Range RR.—Line Taken Over.—

On Dec. 15 1917 the Mohawk RR., formerly operated by the Mineral Range RR. Co. under lease expiring on that day, was taken over and is now operated by the Copper Range Co., thereby extending this line from Calumet to Gay, Mich., 20 miles. The Mohawk RR. is owned by the Mohawk Mining Co. and it extends from Mohawk Mine to Gay, 15.84 m., with branches to Traverse Bay dock, &c., 1.66 m.—V. 78, p. 228.

Dayton Toledo & Chicago Ry.—New Control Operating.

The new management of this road (formerly the Delphos Division of the Cincinnati Hamilton & Dayton RR.) began the operation of the line on Jan. 4 the formal transfer having been effected at Cincinnati Jan. 3 by W. J. Bohan, General Manager. Further particulars regarding the incorporation of the new company were given in V. 105, p. 2272.

Denver & Rio Grande RR.—No Immediate Application

for Receiver Necessary.—Following a conference in Washington on Jan. 8 with representatives of this company and the Western Pacific and Missouri Pacific railroads, Horace Payne, counsel for the Director-General of Railroads, said:

The Equitable Trust Co. had obtained a judgment in New York and another in Denver based on that in New York, for about \$38,000,000 against the roads. Attachments had been levied on approximately \$2,000,000 of cash in New York and Chicago. It was feared that an interruption in the operation of the roads would result because of a failure to meet pay-rolls and other pressing obligations. Counsel representing these interests had been here and I invited them all to come here together today for this conference.

Counsel representing the Equitable Trust Co. indicated they were willing to release enough of the funds levied upon them to give the roads a sufficient working capital, but wanted a lien upon about \$3,000,000 of free assets in the treasury of the company in Denver, consisting of Liberty bonds and other assets, and also expressed the desire that the interest maturing Jan. 1, partly paid, be fully paid, and that the interest on bonds and interest maturing Feb. 1 should be paid. They insisted that monies advanced for improvements or, indeed, any substantial sums of money if not secured by the free assets should be secured by receiver's certificates or other arrangements ahead of the bonds except the underlying issue.

It was plain that this could be done only by a receivership. After much discussion, the parties indicated a willingness to come together on some arrangement, the effect of which would probably be to make an immediate application for a receiver unnecessary, but falling in this, a receivership would be arranged for and application made to the Director-General for his consent to the appointment of a receiver with his approval and his approval of the person to be named as receiver. Compare V. 106, p. 85.

Decision—Judgment a Lien on Property Inferior to Lien of Mortgage Bonds.—The opinion of the Circuit Court of Appeals by Hon. Charles M. Hough, Circuit Judge, in the guaranty case in which Murray, Prentice & Howland acted as Solicitors for the complainant-appellee, forms a 27-page pamphlet. A much condensed abstract of the conclusions reached in the opinion, prepared by the "Chronicle," follows:

(1) For these reasons we regard contract B as plainly, though by a most circuitous and indirect method, imposing a direct duty on Denver companies to pay to or through the trustee, whatever part of each semi-annual interest installment Pacific Co. did not timely provide, and charge such payment or payments to a sort of note account they were to keep with said company. This is our interpretation of the words of the contract, without any reference to the occurrences preceding this suit.

(2) The contention that whatever may have been the Denver companies' obligations under contract B, they were terminated by the act of plaintiff, or of some person or entity for whose action plaintiff is responsible, or must suffer, is another matter. * * * It is not, as apprehending, the amount realized by sale, but the fact that there was a sale, which is relied on to terminate liability.

But upon the whole scheme of financial assistance, as elaborated through contracts and mortgages, it is confidently asserted (on behalf of the defendant) that, since wherever it is definitely and clearly said that Denver companies were to be forever tied to a financial corpse; since they nowhere agreed to do more than help a fellow corporation by loaning it money for certain purposes—even if they also promised to see to the application of said money to those purposes;—such an obligation and liability must terminate when the person to be aided is to all intents and purposes dead and the conditions assumed as the basis of and reasons for the obligors' liability no longer exist.

The contention at once suggests one retort, or reply, which will be considered when treating of damages, namely was the pecuniary death of Pacific Co. caused by any of the acts complained of, or was defendant itself the proximate cause of decrease?

But, still considering only the language of contract, we are of opinion that, amazing as is the machinery of words employed, it was within the expressed contemplation of the parties that default, foreclosure and sale might ensue, and yet Denver companies agreed to keep on paying interest, and hopefully looking to Pacific Co., by suit, perhaps, to furnish the notes, out of which the interest was theoretically to flow. Nothing better illustrates this than the singular provision that the obligations of the contract are to follow lines of rail, like covenants running with land.

We therefore conclude that none of the acts or facts in question operated to release defendant from whatever measure of liability contract B imposes.

(3) Since the power to guarantee the latter's bonds, either as to principal or interest; but the (Rio Grande) Western did so connect, and the present defendant is as much and as fully the successor in interest and obligation of the Western as of the Old Denver; the covenants of contract B are several as well as joint on the part of the two corporations now merged or united in this defendant. Therefore it would be of no avail to urge that the contract is an illegal guarantee; for the New Denvers as the inheritor of the Western would be liable, and does physically connect with the Pacific by virtue of the Western's connection.

We have already found in the language of the parties, plain and definite statements of purpose to do the very things now said to be against the statute properly construed, and we think it quite as plain that such purpose aimed at giving a security that was just as good as a guaranty. The result aimed at is shown by numerous minutes of directors' and shareholders' meetings, and is also proven by the direct guarantee endorsed by the New Denver on all bonds offered as soon as statutory authority was conferred. That act perfectly expressed original desire.

An agreement valid when made is unaffected by the subsequent insolvency of one party, and that there was apparent advantage and legal "value" in the consideration of contract B needs no more than mention. It follows that we do not regard the liability imposed on defendant as forbidden by statute.

(4) By the foregoing discussion it is shown that we think contract B an obligation to buy at par enough Pacific notes to pay interest on a certain debt B. e., interest on the 1st Mtge. bonds of 1903—Ed.] until that debt should be discharged; also an obligation within statutory authority, made on valuable consideration and enforceable by the trustee under the pledge of the mortgage, but wholly independent of said mortgage, and unaffected by any act done pursuant to the terms of mortgage.

This action is to recover damages for breach of such a contract. * * * It is to us plain that defendant committed breach of contract by (pursuant to threat of Sept. 1914) refusing "to continue financial support" of Pacific Co. on March 1 1915. If thereafter that company financially died, defendant inflicted the blow proximately causing decrease; however moribund Pacific Co. may then have been.

The reasons for such action are illuminating as to the intended extent of breach. By 1915 Pacific owed Denver over \$50,000,000, practically unsecured, and was doing a business poor and apparently getting worse under the rivalry of the Panama Canal. Denver Co. could be no worse off by meeting its fate at once, than by being bled for decades. Therefore it refused longer to observe its contract, and invited suit to ascertain the nature of its agreement and extent of liability.

It is now held that its agreement was to pay all the semi-annual mortgage interest (if necessary) until some one paid the principal. The present value of an agreement to secure the payment of 5% a year on a given sum for nearly 30 years is greater than the sum itself, but since the obligation was terminable before maturity the principal debt was the limit of liability, and that was discharged by what plaintiff's bondholders got in foreclosure (namely \$354 55 on each \$1,000 bond—Ed.). The damages below (\$38,370,343 17 with interest at 6% from date of original decree—Ed.) were assessed substantially on this principle, and as we find correctly on reason and authority.

Plaintiff's pleading * * * asserted a lien upon the defendant's property or a priority amounting to a lien over certain obligations created by defendant. No such lien or priority was found by the trial court because none was proven, and it is plain to us from the record that none existed or exists. * * * Plaintiff has a money judgment for breach of contract and that is all. It is entitled to no further or greater priority than any other owner of a judgment on contract of the date of the entry of the so-called decree.

Order.—That this cause be remanded, with directions to the District Court to transfer the same to the law side of the Court, and as so transferred, that the judgment entered herein on June 14 1917 be affirmed without costs.

This decision makes it clear that the judgment so entered ranks in lien subsequent to the 7% Adjustment and other mortgage bonds, and merely ranks ahead of the stock as would any judgment resulting from the enforcement of ordinary unsecured debt. Hence the lien thus exists for the belief that the plaintiffs would be willing to accept a settlement rather than force the D. & R. G. into bankruptcy.—Ed.]—V. 106, p. 85.

Denver & Salt Lake RR.—Estate of Promoter.—Reports from Denver state that the estate of David H. Moffat, the original promoter of this road, who died six years ago, was found to include assets of \$7,147,006, as against liabilities of \$8,899,084. The amount of securities of the present company, the Denver & Salt Lake RR. (see Northwestern Terminal Ry. in V. 106, p. 86) held by the deceased builder is not made public.—V. 106, p. 85.

Duluth South Shore & Atlantic RR.—Fare Decision.—Judge Clarence Sessions in the United States Court at Grand Rapids, Mich., has handed down a decision in favor of the company in the suit between it and the State of Michigan testing the validity of the 2-cent passenger fare law enacted in 1911. The company sought a 2½-cent rate but the Court did not rule on this point. The decision, it is stated, means a gain of \$750,000 per year to the company.—V. 105, p. 1305.

Durham & South Carolina RR.—Rumored Sale.—An unconfirmed press dispatch states that the property of this company has been sold to interests affiliated with the American Tobacco Co.—V. 181, p. 840.

Empire State RR. Corp.—Fare Increase.—This company, successor to the Empire United Rys. (V. 105, p. 1801), has announced a new fare schedule between Syracuse and Oswego by which the round trip fare is advanced from \$1 25 to \$1 35. Other fare changes are also announced.—V. 105, p. 1801.

Fort Wayne & Northern Indiana Traction Co.—Sale of Collateral Securing Note Issue—Deposits.—

Special Master George C. Holt will sell at public auction in N. Y. City on Jan. 28, in one lot, \$1,941,000 of the company's First & Refunding Mtge. 5% gold bonds dated Sept. 1 1912, pledged as security for the issue of \$1,146,000 6% 5-year collateral gold notes of 1914, Central Tr. Co., trustee. "The property shall not be sold for less than an amount sufficient to satisfy the principal of all of 1,164 gold notes, \$1,164,000, with accrued interest, after payment of all costs and expenses."

The reorganization committee is still receiving deposits of stock and bonds under the agreement, subject to termination at any time. The plan is not yet ready.—V. 105, p. 2272, 1998.

Fredericksburg & Northern Ry.—Successor Company.—This company was incorporated in Texas Dec. 28 1917 with nominal capital stock of \$25,000 as successor to San Antonio Fredericksburg & Northern RR., sold under foreclosure last May (V. 104, p. 1146). The line operated extends from Fredericksburg to Fredericksburg Junction, 23.9 miles. Among the incorporators are: R. R. Russell, J. L. Browne, I. H. Browne, W. W. Collier, Cyrus B. Lucas and J. W. Dobie.

Gulf Florida & Alabama Ry.—New Receiver.—John T. Steele has been appointed receiver succeeding F. E. Dewey, resigned. J. H. Fraser is General Manager. The reorganization plan of this company was given in V. 105, p. 2094.

Illinois Central RR.—New Equipment Trust.—

The equipment trust agreement dated Nov. 1 1917 is made to the Commercial Trust Co. of Philadelphia, and calls for the leasing to the railroad of the following, which has or is to cost the vendors (Harry E. Richter and A. S. Hannum) about \$7,500,000, viz., 20 switching locomotives, 500 auto-furniture cars; 500 refrigerator cars; 1,000 gondola cars (all the aforesaid cars to have steel underframes); 106 cars for passenger service and 10 postal storage cars. The rental for the use of this equipment is to cover the cost of maintaining the same and pay the maturing installments of principal and interest on an issue of \$5,500,000 5% \$1,000 gold equipment trusts, due \$275,000 semi-annually from May 1 1918 to Nov. 1 1927, both inclusive. Interest M. & N. in N. Y., without deduction for any tax (except Federal income tax). Principal subject to call on or after Nov. 1 1922 at 102½% and div. The railroad guarantees by endorsement the unconditional payment of the principal of the certificates and the dividends thereon.—V. 106, p. 85.

Illinois Traction Co.—Rates Increased.—

The Illinois P. S. Commission has permitted Illinois traction companies to charge 2 cents a mile for passenger service instead of the fixed rates within zones as heretofore.—V. 106, p. 86.

Indianapolis Traction & Terminal Co.—Fare Decision.

Judge Louis B. Ewbank of the Marion County (Ind.) Circuit Court on Jan. 2 handed down an opinion holding that the franchise contract between the City of Indianapolis and the company is binding and therefore the Indiana P. S. Commission has no jurisdiction to increase or otherwise modify the rates of street car fare for the duration of the contract. Judge Ewbank sustained the demurrer of the Commission to the petition of the company to compel the Commission to investigate the merits of its request for an increase of street car fares to 5 cents straight.—V. 105, p. 2272.

Inter-State Railways Co., Phila.—Dividend Omitted.—

The directors have deferred payment of the usual semi-annual dividend of 3% on the \$1,000,000 6% cumulative pref. stock due at this time.

It is explained that this action was the result of failure of certain of the leased properties to pay their rentals, such failure being due to increased operating expenses. The leased companies are given till Apr. 1 to make up the rental before action is to be taken respecting the leases. An officer of the company is quoted as saying that there is every expectation that the Feb. 1 coupon of the Collateral Trust 4s, \$10,778,600 outstanding, will be paid when due. The company's properties are leased as follows [compare V. 91, p. 1512]: (a) The Wilkes-Barre properties to the Wilkes-Barre Rys. Co. for 800 years from Jan. 1 1910 at an annual rental now amounting to \$400,000 per ann. (b) The Reading properties in April 1910 to the Reading Traction & Lt. Co. (a subsidiary of the Eastern Power & Lt. Corp.) at an annual rental now amounting to \$300,000 per ann. (c) The Trenton properties to Trenton & Mercer County Traction Corp. on Oct. 15 1910 for 990 years at a rental now \$111,041 per ann. (d) The Wilmington & Chester Traction Co. lines to Wilmington and Chester Traction interests from July 1 1910 at sums now aggregating \$192,500 per ann. Also see "Electric Railway Section," page 94.—V. 106, p. 86.

Lake Superior & Ishpeming Ry.—New Officers.—

C. D. Mason has been elected Secretary to succeed J. H. Hoyt. R. C. Mann succeeds Wm. G. Pollock as Treasurer. These officers have also been elected to similar positions with the Munising Marquette & South-eastern Ry.—V. 96, p. 700.

Lehigh & Hudson River Ry.—New Secretary-Treasurer.

William H. Sayer has been elected Sec.-Treas., with office at Warwick, N. Y., succeeding John Sayer, resigned.—V. 105, p. 1708, 716.

Little Schuylkill Nav., RR. & Coal Co.—New Director.

W. P. Gest, Pres. of the Fidelity Trust Co. of Phila., has been elected a director, succeeding C. E. Ingersoll, resigned.—V. 98, p. 1845.

Los Angeles & Salt Lake RR.—Acquisition.—

The sale and transfer of the property of the Riverside Rialto & Pacific RR. to the Los Angeles company has been sanctioned by the California RR. Commission. Compare V. 105, p. 2456, 957.

Lynn & Boston RR.—Time Limited.—

See Bay State Street Ry. above.—V. 59, p. 1007.

Michigan East & West RR.—Receiver.—

Eugene Ford has been appointed receiver for the property of this company, which extends 72 miles from Manistee to Marion, Mich.—V. 105, p. 2272.

Mineral Range RR.—Lease of Branch Expires.—

See Copper Range RR. above.—V. 97, p. 176.

Missouri Pacific RR.—Application to Acquire Dela. Co.—

This company, a Missouri corporation, has filed a petition with the Illinois P. U. Commission asking for authority to purchase the line of the Missouri Pacific RR., a Dela. corporation, and has asked for a certificate of convenience and necessity to operate the road in Illinois and for permission to extend a lien of First Refunding Mortgage bonds of the Missouri Pacific RR. Co., a Missouri corporation over the Delaware corporation.—V. 104, p. 2366, 1802.

Munising Marquette & Southeast'n Ry.—New Officers.

See Lake Superior & Ishpeming Ry. above.—V. 93, p. 164.

Nevada Central RR.—Interest on 5% Incomes.—The

directors on Dec. 27 declared a distribution of 4% on the \$750,000 1st Mtge. 5% non-cumulative income bonds, contrasting as follows:

Full Record, July '03.	Jan. '08.	Feb. '09.	July '11.	Aug. '14.	Mar. '16.	Dec. '17.
Int. paid.	4%	2½%	1¾%	3½%	1%	4%

—V. 106, p. 86.

New Mexico Central Ry.—New Company.—

This company was incorp. Jan. 3 1918 in Delaware with capital stock of \$500,000 to operate railroads outside of Delaware, and is presumably successor to New Mexico Central RR., recently sold to the Federal Export Corp. of N. Y. Compare V. 105, p. 1708.

New York New Haven & Hartford RR.—Status.—

President Pearson on Jan. 6, speaking of the situation on the road at that time, said:

The severe weather of the last ten days has operated rapidly against the New Haven and has greatly increased the difficulties of operation. At the present time the New Haven is short of employees in its engine terminals, also in the train, engine and yard service. Shortage of water transportation makes it necessary to haul an increased tonnage of coal by all-rail and thus to perform roughly from 50% to 100% more transportation service.

The storage supply of fuel obtained by the road during the summer for the purpose of insuring continued operation in case of emergencies is being cut down rapidly by reason of small deliveries under the co.'s contracts.

Because of the extreme cold weather freight engines are from 20% to 30% less efficient. These several causes, together with the necessity of giving preference for the urgent demands of freight, particularly fuel, Government shipments and food stuffs, has required the taking off of passenger trains. Compare V. 106, p. 86.

Norfolk & Western Ry.—Orders.—

The railway has placed orders with the American Locomotive Co. and the Baldwin Locomotive Works for 40 engines, each boiler to take half the contract, which calls for an expenditure of about \$2,000,000. This is the first order of any size given for domestic roads since November.—V. 105, p. 2543, 73.

Northern Pacific Ry.—Terminals Completed.—

The freight and passenger terminals of the company at Vancouver, B. C., having been completed, the road was to begin running its own trains to Vancouver and New Westminster, B. C., Jan. 1 1918.—V. 105, p. 2366, 2273.

Oakland Antioch & Eastern Ry.—Plan.—The "San Francisco Chronicle" of Dec. 30 says:

After many months of deliberation on the part of the bondholders' committee, a plan for the permanent financing of the Oakland & Antioch Ry., the Oakland Antioch & Eastern Ry. and the San Ramon Valley RR. has been adopted and is about to be submitted to security holders. The submission of the plan at this time is pursuant to the order of the Railroad Commission made in Nov. 1915, providing that one be submitted to the Commission on or before Jan. 1 1918.

The plan proposes to extinguish all of the old authorized bond issues of the three companies and to cut down the funded debt of the three roads, operating as one, more than 50%. A new company will be organized to take over the properties. For the time being the name will be *Oakland & Sacramento Ry.* has been tentatively adopted.

The new company will be authorized to issue the following securities:

1. \$3,000,000 20-year First Mtge. 5½% gold bonds;
- (a) To be issued or set aside for carrying out the reorg., not over \$1,950,000
- (b) To remain in treasury for issuance only under stringent restrictions.....\$1,050,000
2. \$1,500,000 6% preferred stock, in shares of \$100 each, non-assessable and callable at any time at 110. To be issued for reorganization purposes, no over.....1,330,000
- The balance, to remain in the treasury.....\$170,000
3. \$4,000,000 of common stock, in shares of \$100 each, non-assessable, all to be issued in the reorganization.

These securities are to be distributed among the bondholders of the companies and among persons holding bonds in pledge, so that they will receive securities of a par value equal to the par value of the securities now held by them upon the following basis: 20% bonds, 20% preferred stock and 60% common stock.

Secured creditors are to be treated in accordance with the securities held by them and common stock remaining in the treasury after distribution to bondholders and holders of bonds in pledge is to be divided among unsecured creditors.

Reorganization committee: S. Bachman, Fred. H. Beaver, A. Christenson, C. Osgood Hooker, John Lawson, Jesse W. Lillenthal, Paul A. Sinsheimer and Sydney M. Van Wyck Jr.

The old bond issues affected are Oakland Antioch & Eastern Ry., about \$4,574,000 1st Mtge. bonds, of which \$2,500,000 are outstanding and some \$2,074,000 pledged as collateral; Oakland & Antioch Ry. Co., \$2,000,000 1st Mtge. bonds, and the San Ramon Valley RR. Co., \$100,000 1st Mtge. bonds.—V. 105, p. 1105, 819.

Ogden Logan & Idaho Ry.—New Name.—

An official circular dated at Ogden, Utah, Dec. 20 1917, announced that, effective Jan. 1 1918, the company would be operated under the name of the Utah-Idaho Central RR.—V. 102, p. 2167.

Pacific Gas & Electric Co., San Francisco.—Reasons for Omission of Dividend on Common Stock.—

"In the present circumstances of decreased net earnings and the necessity of conserving the company's cash resources," the board of directors, at a meeting held Dec. 31 1917, "decided to omit the payment of any dividend on the common stock for the last quarter of the year 1917."

Further Statement by Pres. Drum in Circular dated at San Fr., Jan. 3.

During the past year our business has grown rapidly. Perhaps the best measure of this is the net addition of 26,699 customers to our lines in the eleven months to Nov. 30 1917, as compared with a net addition of 16,147 in the first eleven months of the preceding year. Every new customer represents the investment of a certain amount of new capital. The average new investment per customer has been steadily increasing since 1914, and is now greater than it ever has been, owing to higher labor costs and the practical doubling of the cost of materials.

Public utilities are under certain obligations to serve the public, and this fact partially limits the discretion which they might otherwise exercise in the expenditure of new capital. Worsened air conditions which, on the one hand, have stimulated our growth and increased the necessity for new capital expenditures have, on the other hand, made it practically impossible for corporations generally to secure new money except at prohibitive rates, and under these circumstances it seemed wise to your board to conserve the cash resources of the company and to do everything possible to avoid entering the money market for new funds at this time.

In the eleven months to Nov. 30 1917, compared with the same period of the preceding year, gross operating revenues increased \$1,098,617; expenses increased \$1,661,813, and net operating revenues decreased \$563,196.

The cost of substantially everything entering into the manufacture and distribution of the company's products has advanced tremendously. In the single item of oil alone advancing prices added \$1,171,232 to our operating expenses. Taxes increased \$292,687. The remainder of the increased expenses, amounting to \$227,874, represents added costs in many other directions, including the expense of doing more than \$1,000,000 worth of additional business, and would have been considerably greater except for the economies introduced wherever possible.

In the 23 months covered by the foregoing comparison 43,949 additional customers have been connected to the company's lines. During the same period \$5,267,893 of additional cash has been invested, substantially all in productive investments, including new hydro-electric installations. That this large additional investment, and the increased number of customers, the larger gross earnings, and the losses affected in the conduct of the business have not added to our net income but have served merely to diminish the loss is due to the fact that notwithstanding the extraordinary increases in the cost of our products the selling prices of these products have, at best, remained stationary, and are still established on conditions that existed prior to the war.

It is our confident expectation that such relief from this condition as circumstances may warrant will be obtained in the near future.—V. 106, p. 86.

Peekskill Lighting & RR.—Fares Increased.—

The New York P. S. Commission has granted conditional fare increases of five to seven cents to the company and the Putnam & Westchester Traction Co. The increases were granted subject to the abrogation of a contract between the two companies which provides the issuance of transfers from either line for continuous rides over the entire systems of the two companies.—V. 85, p. 103.

Pennsylvania RR.—Official Notice Dated Jan. 1 1918.—

The railroad lines heretofore operated by the Pennsylvania Co., embracing the Northwest and Central Systems of the Pennsylvania Lines west of Pittsburgh, having been taken over this day by The Pennsylvania RR. Co., will be operated under the title of "The Pennsylvania RR. Co., Western Lines." Compare V. 106, p. 86.

Acquisitions.—

At the annual meeting on March 12 1918, shareholders of the company will vote on a proposition (a) for the acquisition of the franchises, property, &c., of the Cornwall & Lebanon RR. and of the Susquehanna Bloomsburg & Berwick RR. Co.; and (b) an increase of the indebtedness of this company.—V. 106, p. 86.

Pittsburgh Rys.—Fare Decision.—

The company has issued the following statement in substance in regard to the decision of the Pennsylvania Supreme Court handed down in Philadelphia on Jan. 7:

We understand the report is correct that the Supreme Court of Pennsylvania has rendered its decision against the 10-cent night fare in the City of Pittsburgh. The decision was not based upon the reasonableness of the 10-cent night fare, but was predicated entirely on the technical question whether sufficient public notice of the increase had been given under the rules of the P. S. Commission. Notice has been issued to all conductors to restore as of Jan. 7 1918 the former 5-cent fare on all night cars operated in Pittsburgh. This will continue until the new tariff goes into effect, Jan. 22 1918, after which the night fare will be 10 cents. The night fare in the boroughs and townships will continue to be 10 cents, the rate of fare which has been in effect for many years.

Receivership Rumor Denied—Action of Commission Awaited.

Regarding rumors that a receiver would be asked for at an early date, J. H. Reed, President of the Philadelphia Co., on Jan. 10 said: "There is no intention of applying for a receiver for the Pittsburgh Railways Co. in the immediate future. At present we are merely waiting for the action of the Public Service Commission." Compare V. 106, p. 87.

Petition Denied.—City Council Resolution.—

The Pennsylvania Supreme Court has denied the petitions for injunctions against company's increase in fare schedule brought by the boroughs of Bellevue and Millvale and the city of McKeesport.

The Pittsburgh City Council on Jan. 9 passed a resolution asking the courts not to appoint a receiver without giving the city an opportunity to be heard.

Recommendations of Commission.—

The Pennsylvania P. S. Commission on Jan. 9 issued five orders and five recommendations for improvement of street railway service in Pittsburgh. Unused tracks on certain streets are to be removed until repairs are completed, certain streets used for one way traffic, making of new loops and re-routing. It is recommended that the city enforce regulations as to parking of vehicles and extension of such rules to eight additional streets. It is recommended that interurban lines carrying freight units in one station instead of each maintaining one and that a central station be established. The Commission has adopted a standard for heating, ventilating lighting and cleaning cars.—V. 106, p. 87.

Pittsburgh Shawmut & Northern RR.—Litigation.—

Recently the Pacific Improvement Co. (of California), which owns \$650,000 of the bonds of the old Central New York & Western RR. Co., laid claim to the priority of the lien of said bonds, or of the mortgage securing the same, or of the judgment or decree of foreclosure of the latter, to the lien of the certificates of indebtedness of the receiver issued and outstanding, and undertook to foreclose on the 7½ miles of road between Olean and Wayland.

Justice Taylor in Special Term of the Supreme Court at Buffalo on Jan. 8 restrained the Improvement Co. from prosecuting the foreclosure action, but required that the railroad co. (or its receiver) give bonds for \$100,000 to protect the Improvement Co. against loss through the postponement of its right to foreclose, and also pay \$1,500 into court to cover the cost of readvertising the sale. The bond issue in question originally amounted to \$950,000, but \$217,000 of the bonds were bought in (and it is understood cancelled) and \$83,000 are held by Receiver Frank Sullivan Smith personally. The bondholders of the Pittsburgh Shawmut & Northern have been appealing against the proposal of the receiver to issue receiver's certificates to retire the debt to the Improvement Co. Compare V. 105, p. 812, 820, 359.

Portland Ry., Light & Power Co.—Fare Increase.—

The Oregon P. S. Commission has granted this company's application for an increase of fares from 5 to 6 cents, effective Jan. 15. Tickets will be sold at the rate of five for 30 cents and 50 for \$2.75.—V. 105, p. 1709.

Public Service Corporation of N. J.—Coal Shortage.—

The Public Service Electric Co., a subsidiary, owing to the shortage of coal has curtailed the use of electric power for industrial purposes in the counties of Hudson, Passaic, Union and Somerset to three days a week—Tuesday, Thursday and Saturday. Essex and Bergen counties will have the power on the other days. Preference is being given to the operation of surface cars. The company announced on Jan. 9 that the supply of coal on hand was only 8,400 tons in the entire State and that the normal requirements were 3,000 tons daily.—V. 106, p. 87.

Puget Sound Traction, Light & Power Co., Seattle, Wash.—No Dividend Declared, Heavy War Business Necessitating Large Capital Expenditures.—

At a meeting of the directors held on Jan. 3 no dividend was declared on the \$14,793,667 6% cumulative pref. stock normally payable Jan. 15. In a circular dated at Boston, Jan. 4, Chairman Frederick S. Pratt says:

Business conditions on Puget Sound are extremely active, due largely to shipbuilding and the cantonment outside of Tacoma. This has affected every department of the company's business resulting in the largest gross earnings in its history and substantial increases in net earnings. The twelve months' figures show an increase in gross earnings of \$1,254,418. The city lines in Seattle and Tacoma are doing a third more business than a year ago and through passenger business between Seattle and Tacoma has doubled. Power demands have also shown large increases, the peak load in December approximating about 30,000 horsepower in excess of the peak load two years ago.

These large increases in business have called for substantial capital expenditures for power facilities and rolling stock. These demands have had to be satisfied as shipbuilding in the Puget Sound district depends largely upon the company for power and for the transportation of its large forces of labor. The cantonment at American Lake, with its 40,000 troops, has also increased the demands of the company. Both are distinctly war requirements.

Under these circumstances, increases in plant have been made at a time when it has been impossible, owing to prevailing investment market conditions, to finance them permanently on a reasonable basis. The result is a floating debt now amounting to \$1,605,000.

The directors, anticipating further expenditures for increases in plant which cannot be refused, believe that the wisest course at the present time is to keep the floating debt of the company within reasonable limits and, with this end in view, to make no distribution to stockholders.

The preferred stock is cumulative and, therefore, any deferred payments must be made up before any dividends are paid on the common stock.

DIVIDEND RECORD STOCK COMPILED BY "CHRONICLE."

Apr. '12 to July '14 Dec '14 '15 '16 '17 Jan. Apr. July Oct. Jan. '18.
Pref. ————6% per annum 1½% 4½% 3% 3% 3½ 3½ 3½
Common 4% per annum—None paid on comm on stock since July 1914—
—V. 105, p. 2185.

Putnam & Westchester Traction Co.—Fare Advanced.

See Peekskill Lighting & RR. above.

Railroad Construction, &c.—New Mileage, &c., in 1917.

—The "Railway Age" of New York reports in substance:

In 1917 979 miles of new construction was reported in the United States, against 1,098 miles in 1916 and 933 miles in 1915 (the lowest figure since 1864), and 1,532 miles in 1914. In 1917 California leads with 108.89 miles and Montana follows with 94.40 miles, Utah with 67.20 miles, Texas with 63.50 miles and Pennsylvania with 61.89 miles. The longest continuous line built in 1917 was from Hetch Hetchy Junction to Hetch Hetchy Dam site (in Montana), 32 miles; and the next longest is the Deep Creek RR. (in Utah), from Wendover to Gold Hill, 44 miles.

In Canada there were 206.95 miles of first track completed in 1917, as compared with 200.04 miles in 1916 and 718.37 miles in 1915.

In Alaska the U. S. Government Ry. in 1917 completed 108 miles of road and has under construction 261 miles principally 191 miles from Moun-

tana Creek to Clear Creek.
New Construction of First Track in United States by Calendar Years (Miles).

1917 -- 979 1913 -- 3,071 1909 -- 3,748 1905 -- 4,388 1901 -- 5,368
1916 -- 1,098 1912 -- 2,997 1908 -- 3,214 1904 -- 3,832 1900 -- 4,894
1915 -- 933 1911 -- 3,066 1907 -- 5,212 1903 -- 5,652 1899 -- 4,569
1914 -- 1,532 1910 -- 4,122 1906 -- 5,623 1902 -- 6,026 1898 -- 3,265

The number of locomotives ordered in 1917 was the largest for the last 17 years, 7,642 locomotives, of all sorts and kinds, for foreign or domestic use, having been placed on the books between Jan. 1 and Dec. 31, including domestic, 2,704; for the U. S. Government for service in France, 2,057, and for foreign countries, 2,881, viz.: 2,196 for Russia (including orders for 1,500 locomotives now held in abeyance, 275 for England, 270 for other foreign nations and 140 for France. The output of locomotives, as distinguished from orders placed, during the same period, namely 5,446, was not similarly a record output, but it represented a production that has been exceeded but three times since 1890 -- in 1905, in 1906 and in 1907.

The passenger cars ordered total 1,167, including 1,124 for domestic uses, this figure being one of the smallest since the "Railway Age" began its compilations in 1901.

Of freight cars ordered this year, about 43% are for foreign delivery either for the U. S. Government or for its allies. The orders for 79,367 cars ordered by the railways in this country for domestic use is the smallest number ordered since these records were first kept, with the exception of 1908, at which time 62,669 cars were ordered. Of this 79,367, there were about 21,000, or 27%, ordered to be built by the railways. Of the nearly 80,000 cars ordered only about 5,000, or 6.2%, were all-wood cars.

Equipment built in railroad shops and in Canada included.
The freight car situation during the year has not been exactly favorable either with the railways or the builders. The prices have been so high that the railways have not dared to come into the markets. As a result the builders have been operating in some cases at as low as 50 or even 25% of capacity and as one manufacturer has put it, "when there were orders there was a shortage of labor and material, or when there was material, a shortage of labor." The U. S. Government orders for the forces in France have helped the situation considerably.

Total Number of Cars Ordered in 1917, 164,058 Freight and 1,167 Pass. Cars.
Car Orders -- Freight, Pass. Car Orders -- Freight, Pass.

Domestic -- From builders -- 58,443 1,005 From co. shops -- 20,924 119
Foreign countries -- France -- 21,700 Russia -- 42,500 37 Other foreign countries -- 1,467

U. S. Govt. -- Services overseas -- 18,844 6 Use in U. S. -- 180
* Including the 20,500 Russian cars, orders for which are held in abeyance.

The following tables are compiled by the "Chronicle" from detailed list in "Railway Age" of Jan. 4 1918.

Locomotive Orders Placed in 1917 with Leading Companies.
Locomotives (No.) Orders from -- Baldwin Amer. Lima Canadian U. S. and Canadian companies -- 856 706 228 80 U. S. War Department for France -- 1,834 150 -- -- European railways -- Russia -- 1,139 1,068 -- -- France -- 91 90 -- -- Great Britain -- 278 -- -- -- Japan -- 2 -- -- -- Other countries -- 155 104 -- --

Freight Car Orders Placed during 1917 with Leading Companies.
Freight Car (No.) Orders with -- U. S. & U.S. Govt. -- Other Countries -- Pullman Co. -- 2,899 1,850 -- 100 Amer. Car & Foundry Co. -- 11,688 4,018 16,500 1,850 75 Pressed Steel Car Co. -- 5,124 2,900 7,500 100 420 National Steel Car Co., Ltd. -- 1,000 -- -- -- Haskell & Barber Car Co. -- 2,900 1,400 -- -- -- Standard Steel Car Co. -- 1,385 2,931 13,500 10,000 400 Can. Car & Fdy., Co., Ltd. -- 8,098 -- -- 850 -- Eastern Car Co., Ltd. -- 1,000 -- -- -- --

Passenger Car Orders Placed During 1917 with Leading Companies.
Pullman Co. -- 657 Pressed Steel Car Co. -- 35 American Car & Foundry Co. -- 186 Standard Steel Car Co. -- 36

"While 1917 may not have been exceedingly bright from the standpoint of freight car orders, the situation as to the immediate future is exactly the opposite. The opportunities for the railways to obtain cars were never better than at present. With the material situation much better than it was last year at this time and with a smaller number of orders on their books, the car builders are in a position to give from three to four months' delivery, which is the condition in normal times. With a plant capacity of about 25,000 cars per month and with current orders to absorb this capacity for the next three months, one-fourth of which is for foreign delivery, the car companies could, if sufficient orders were placed, organize their forces for maximum full production and provide over 100,000 cars within the next six months. This would assist materially in relieving the car shortage. They have been handicapped throughout the year by the scarcity of labor and the delayed receipt of material." -- V. 104, p. 73.

Rapid Transit in New York. -- New Subway Open.
On Jan. 5 1918 the Broadway subway in Manhattan was opened for operation by the New York Municipal Ry. The new operation consists of local service between Rector St. on the south and 42d St. or Times Square on the north. For some time past the Broadway subway has been in operation between Canal and 14th Sts. In connection with trains from the Sea Beach line in Brooklyn, the trains passing over the Manhattan Bridge and the Canal St. subway to the Broadway line. The new service extends the 5-cent zone for Brooklyn travelers northward from 14th St., therefore, to Times Square, but for a while it will be necessary to change cars at 14th St.

Eventually both local and express trains will traverse the whole length of the line. When the line is placed in operation in its entirety it will run from the Battery northward through Church St., Broadway and Seventh Ave. to 59th St., thence easterly under 39th St. and the East River to a connection with the new rapid transit line in Queens Borough. On the southern end there will be a tunnel to Brooklyn connecting with the Fourth Ave. subway, and connection is also made with that line through Canal St. and over the Manhattan Bridge. Compare V. 106, p. 87.

Richmond & Chesapeake Bay Ry. -- Operations Cease.
The Virginia Corporation Commission on Dec. 21 granted this company permission to dissolve, and operations on the line, Richmond, Va., to Ashland, ceased forthwith.

Pres. George H. Taylor is quoted in substance as follows: "The charter of the company was obtained in 1905, and immediately thereafter construction work was commenced. The total cost of acquisition of property and the construction of the road and equipment was approximately \$904,000. The work was completed in 1907, since which time service has been continued from Richmond to Ashland upon substantially hourly schedules. During the ten years of operation, however, the money invested has received no return, but the accumulated interest charges have amounted to \$500,000."

The company at organization made a mortgage for \$1,000,000, but no interest, it is said, was ever paid on the bonds. Its officers are: George H. Taylor, Pres., N. Y.; Arthur W. Kelly, V.-Pres., N. Y.; and G. B. Williams of Richmond, Sec. & Treas. -- V. 80, p. 713.

Richmond (Va.) & Rappahannock River (Elec.) Ry.
Shareholders of this company, whose 16 miles between Richmond and Pamunkey is operated by receiver T. B. Love, will vote in the near future on the dissolution of the company. The matter was to be heard by the (Maryland) Corporation Commission Dec. 25.

Of the aforesaid line road an electric road from Richmond to Seven Pines, about 15 miles, is operated and a steam line to Pamunkey. Subsequent to the receivership of the company, Joseph E. Willard purchased for \$150,000

the Seven Pines line, and on Dec. 7 a charter was granted the Richmond & Seven Pines Ry., which will operate separately the electric section of the line, but the disposition of the remaining part is not yet made clear.

All the outstanding bonds of the Richmond & Rappahannock River Ry., aggregating \$490,000, are owned by Mr. Willard, who also controls 2,700 of the 3,000 shares of pref. stock and 1,955 shares of the 2,000 of com. stock. -- V. 105, p. 1802.

Richmond (Va.) & Seven Pines Ry. -- Charter Granted.
See "Richmond & Rappahannock River Ry." above.

Riverside Rialto & Pacific RR. -- Sold.
See Los Angeles & Salt Lake RR. above. -- V. 105, p. 998.

Rutland RR. -- Preferred Dividend.
A dividend of 2% has been declared on the \$9,057,600 7% cumulative pref. stock, payable Jan. 23 to holders of record Jan. 11. A like amount was paid in April last. Dividend record (since 1898):

98. 99. 00. 01. 02. '03. '04. '05. 1906-08. 1909-15. 1917. 1918.
2 2 3 4 3 1 0 0 1908 (July) 0 Apr. 2 Jan. 2
Accumulated pref. divs. said to aggregate about 239%. -- V. 105, p. 2457.

St. Joseph Valley Ry. -- Receiver.
Herbert E. Bucklen, previously Chief Executive Officer, was on Dec. 19 appointed receiver, with offices at Elkhart and LaGrange, Ind. W. H. Ogborn has been appointed General Manager for the receiver, with office at LaGrange.

The company was incorp. in Ind. in July 1905 with auth. capital stock of \$400,000 (par \$100), outstanding \$74,450. No bonded debt. The line extends from Elkhart to Columbia, 69.5 miles. -- V. 64, p. 1042.

St. Louis Kennett & Southeastern RR. -- New Officer.
R. R. Pankey has been elected Sec. & Treas., with office at Kennett, Mo., to succeed Gus Lasswell, resigned. -- V. 62, p. 1179.

San Antonio Fredericksburg & Northern RR.
See Fredericksburg & Northern Ry. above. -- V. 104, p. 1146.

San Antonio (Tex.) Public Service Co.
The capital stock both of the San Antonio (Tex.) Gas & Electric Co. (\$2,200,000) and the San Antonio (Tex.) Traction Co. (\$2,500,000) has been reduced to \$300, all the assets of these two companies having been transferred, Sept. 1 1917, to the San Antonio (Tex.) Public Service Co.

San Joaquin Light & Pow. Corp., Fresno, Cal. -- Earns.
-- Month of November -- 12 Mos. ending Mos. 30.

Table with 4 columns: Item, 1917, 1916, 1917, 1916. Rows include Gross earnings, Net earnings, Other income, Gross income, Bond interest, Balance, surplus.

Texas State RR. -- Sale Postponed.
Sale of this company's property extending from Rusik to Palestine, Tex., 32 1/2 miles, has been postponed until Feb. 1. -- V. 105, p. 2367.

Toledo Traction, Light & Power Co. -- Offering of New First Lien Two-Year Bonds Issued for Refunding and Part Cost of New Power Station.
Harris, Forbes & Co. and the National City Co. are offering at 93 1/2 and int., yielding 7.82%, \$10,500,000 First Lien 7% Two-Year gold bonds, dated Jan. 1 1918, due Jan. 1 1920, but callable on four weeks' notice at 101 and interest prior to Jan. 1 1919 and thereafter at 100 1/2 and int. Int. J. & J. in N. Y.

Denom. \$1,000 e*. Trustee, the New York Trust Co. The company agrees to pay any normal Federal income tax which it may lawfully pay at the source to an amount not exceeding 4%. The company also agrees to refund, through the Pennsylvania Co. for Insurances on Lives & Granting Annuities, Phila., the Pennsylvania four mills tax to Penna. holders. -- V. 105, p. 181.

United Light & Rys. Co. -- Announcement of Sale of Bond-Secured Notes.
Boubricht & Co., announce, by advertisement on another page, the sale of the issue of \$1,500,000 6% Bond-Secured gold notes, Series "A," dated Nov. 1 1917, due May 1 1920. The subscription price at which the notes were offered was 96 3/4 and int., yielding 7 1/2%. See offering, &c., V. 105, p. 2185, 2095.

United RR.'s of San Francisco. -- Extension.
This company is planning to operate surface cars on Ocean Ave. to the beach in conjunction with the Municipal Railways which will begin new service on Jan. 15 through the Twin Peaks tunnel, the cars running to Sloat and Junipers Boulevards. -- V. 105, p. 2544, 2186.

United Rys. St. Louis. -- Application for Receiver.
Application was made Jan. 7 in the United States District Court at St. Louis for the appointment of a receiver on behalf of John W. Seaman of N. Y. as a shareholder. The petition asks the appointment of an interlocutory receiver to forestall the application for a "friendly receivership" in the interest of the present management.

The petition asks that the company and its directors be compelled to make restitution of large sums alleged to have been squandered in contracts for power from the Keokuk dam and in resistance to the municipal mill tax.

Hearings in the case were indefinitely postponed, owing to the illness of United States Judge Dyer of St. Louis.

Pres. James P. Mortimer of the North American Co. has issued the following in the above regard: "Judge Dyer of the U. S. District Court (at St. Louis) Jan. 10 refused to issue a temporary order appointing a receiver for the United Railways Co. of St. Louis and made subpoena returnable in ten days; at that time the railways company can either file an answer or a motion to dismiss the proceedings."

"From a reading of the complaint, it does not appear to disclose a cause of action. The matters complained of by Mr. Caplan (attorney for the petitioner) are well known to the St. Louis public and have been explained at considerable length, so that they now know all the essential facts, but Mr. Caplan evidently remains unconvinced that the contracts under which the railways company is purchasing electric power for the operation of a portion of its system are advantageous to that company. Without the power so purchased the railways company could operate only one-third of the cars it now runs regularly during rush hours; and it could not engage a new power supply at rates so low as those now paid. The accomplishment of Mr. Caplan's purpose would be most disadvantageous to the company and the public it serves." -- V. 105, p. 1899, 1803.

Utah-Idaho Central RR. -- New Name.
See Ogden Logan & Idaho Ry. above.

Virginia Railway & Power Co. -- Note Issue.
The stockholders have approved the proposed issue of \$950,000 6% collateral trust notes. No further details are available at present. -- V. 105, p. 2373, 2186.

Virginian Ry. -- Line Purchased.
See New River Co. under "Industrials" below. -- V. 105, p. 2186.

Wages. -- Proposed Board to Settle Wages of Trainmen.
See page 38 in last week's issue. -- V. 105, p. 2456.

War Regulations. -- Government Operations of Roads.
Demurrage Rates. -- Railroad Control Bill in Congress.
See previous pages in this issue. -- V. 105, p. 2457.

Western Pacific RR.—Initial Dividend of Operating Co.—It is learned officially that the directors of the Western Pacific Railroad Co. of Calif. (the operating company) late last month declared an initial dividend of 1 1/4% on the \$27,500,000 pref. stock of the operating company, payable for the quarter ending Dec. 1916, and four additional dividends of 1 1/4% each on the preferred payable during the year 1917 in quarterly installments, amounting to 6% for that year, thus making a total of 7 1/4%.

While these payments to the holding corporation, owner of the aforesaid stock, are generally supposed to foreshadow similar payments by the latter company on its own \$27,500,000 6% con-cum. preferred stock, no definite action, we understand, has as yet been taken authorizing such further distribution.

Decision Regarding Guaranty of Predecessor Company Bonds—Negotiations.—See Denver & Rio Grande RR. above.—V. 106, p. 88.

INDUSTRIAL AND MISCELLANEOUS.

American Can Co., N. Y.—Sale of Notes.—The company has sold to the First National Bank of New York \$12,000,000 serial notes, to be dated Jan. 21, and which will mature in equal installments in seven, eight, nine, and ten months. The notes were offered on a 7% discount basis, and have all been disposed of. An approved statement says:

The proceeds will be used chiefly to pay for tin plate which will be converted into finished products to meet the requirements of the company's customers for the coming season, and hence the notes will be self-liquidating in character. These obligations are especially attractive by reason of the fact that they are eligible for rediscount at the Federal Reserve banks when they mature in not more than ninety days. The only requirement is that the company's financial statement must show a reasonable excess of quick assets over liabilities, a condition which the American Can Co. can readily comply with. It is expected that banks investing in the notes will keep them in their portfolios until the due date is within ninety days, when they will offer them for rediscount in the event that they have occasion to resort to rediscounting.

The company is capitalized at \$88,000,000, and it has outstanding \$11,872,500 of 5% bonds. Last month the company wiped out the accumulated dividends on its 7% preferred stock. It is stated that the Can company established new records in 1917 both for volume of business and profits.

Letter from President F. S. Wheeler, New York, Jan. 9 1918. Referring to the issue by this company of \$12,000,000 serial notes, the proceeds will be used for the purchase of tin plate and other materials which will be converted into the company's products, which in turn, will go into consumption during the packing season, so that the notes will be self liquidating.

The current assets and liabilities of the company as of Nov. 30 1917, were as follows:

Assets.—Cash	\$4,332,785
Inventory	24,138,338
Accounts and bills receivable	11,858,661
Liabilities.—Accounts and bills payable	\$40,329,774
	\$8,496,765

Excess of assets over liabilities

Based upon returns for eleven months of 1917 and estimated returns for December, the company's profits for the fiscal year, after deducting all charges, except depreciation, and setting aside an amount calculated to meet the excess profits tax, will exceed the profits for the calendar year 1916, which were \$10,462,932.

[The company on Jan. 2 put into effect a new schedule of prices for its products which press reports say are from 11% to 15% higher than those announced a year ago and 74% to 100% higher than prices Jan. 2 1916.—Ed.]—V. 106, p. 88.

American Car & Foundry Co.—Orders in 1917.—See "Railroad Construction" under RR's above.—V. 105, p. 2367.

American Gas Co.—New Issue of Bonds.—Bloren & Co., Bonbright & Co. and Edward B. Smith & Co., as bankers for the company, have issued a circular regarding the company's new issue of 7% 10-year convertible gold bonds, the particulars of which were given in our issue of last week. See V. 106, p. 88.

American Gas & Electric Co.—Offering of Notes.—William A. Read & Co. are offering on a basis to yield about 7 1/2% \$3,000,000 Two and Three Year 6% gold notes, dated Jan. 1 1918, due Jan. 1 1920 and 1921, but callable in lots of \$500,000 at 100 1/2 and int. on 60 days' notice. Int. J. & J. Denom. \$1,000 e*. Of the total issue \$2,500,000 are due 1920 and the balance of \$500,000 due 1921.

The notes are secured by \$3,063,000 First & Refunding Mts. bonds of the Central Power Co., the entire common stock of which is owned by the American company. Net income over all charges in 1917 was equivalent to 4 1/4 times the annual interest on the notes.—V. 105, p. 2367.

American-Hawaiian SS. Co. (of N. J.), N. Y.—Divs.—The table published last week purporting to show the company's dividend record for each month of the years 1917 and 1918 included as stated by the authority quoted only the special dividends paid during these years. To these payments must be added the regular quarterly disbursements of 2 1/4% each (on Jan. 15, etc.) making the total dividends, regular and special, 405% for the year 1917 and 210% for the year 1918.—V. 106, p. 86.

American Locomotive Co.—Orders in 1917.—See "Railroad Construction" under RR's above.—V. 105, p. 2544.

American Milling Co., Philadelphia.—Dividend.—A dividend of 12% has been declared on the stock, payable Jan. 15 to holders of record Dec. 31. Dividends have been paid semi-annually as follows: 3% each in Jan. and July 1916; 7% in Jan. 1917 and 5% in July 1917.—V. 104, p. 1389.

American Pipe Mfg. Co., Phila.—Committee.—The following committee of holders of Collateral Trust certificates, Series B, due Feb. 1 1929, secured by trust agreement dated Feb. 1 1909, invites the holders of said certificates to deposit them on or before Feb. 15 1918 with the Land Title & Trust Co., Broad and Chestnut streets, Philadelphia, Pa. The right of deposit will expire on Feb. 15 1918 unless extended as provided in the agreement.
Committee: William H. Haines, Lincoln K. Passmore, R. M. Stinson, Samuel J. Steele and Claude A. Simpler (Chairman), with Pritchard, Saul, Bayard & Evans as counsel.—V. 105, p. 1803.

American Sewer Pipe Co., Akron, O.—Earnings.—
Period Covered—
Year ending
Gross Net, after Bond Depre- Dividends Balance
Earnings, Taxes, Interest, ctation. Paid. Surplus.
Dec. 1 1917 .. 828,229 618,878 74,497 183,486 (1 1/4) 105,000 255,894
Cal. year 1916 .. 534,466 281,587 74,603 .. (1 1/4) 70,000 136,984
President George R. Hill is quoted as saying: "During the year dividends have been paid quarterly and it is our intention to continue the disbursement of dividends unless unforeseen conditions arise. For the better distribution of our product we have established branch offices and supply yards in Boston, Pittsburgh, Philadelphia, Columbus, Jackson (Mich.) New York City, Cleveland and Detroit, and we expect to open branches in other cities. The volume of business is very satisfactory, and our only

handicap in the more successful conduct of the affairs of this company has been inability to obtain sufficient coal for full operation of our plants and shortage of cars for shipment of our products.—V. 104, p. 258.

American Sugar Refining Co.—Litigation.—The action against this company by the Cunningham Sugar Co., a predecessor of the Imperial Sugar Co. of Sugarlands, Tex., begun in Dec. 1913 in the United States District Court for the Eastern District of Louisiana, has been settled. The plaintiff company, it is said, demanded damages of \$6,000,000.

Company's Explanation of the Sugar Shortage.—The company has issued an 80-page pamphlet entitled "Conditions in the Sugar Market January-October, 1917." The subjects discussed are:
(1) "The world's sugar supply," output estimated at only 16,535,778 long tons for the year 1916-17, against 18,738,326 tons for the year 1913-14.
(2) "The effect of the war" (a) reducing the beet sugar output from 8,346,269 tons in the year 1913-14 to 5,302,454 tons in 1916-17, and (b) causing the United Kingdom and continental Europe to buy 750,993 tons of sugar from Cuba in the year 1915-16, as against only 304,565 tons in 1913-14, when German beet sugar was available.
(3) "Conditions affecting the market the first half of the year 1917" (a) Strikes in Eastern refineries; (b) "sugar famine" stories; (c) U. S. beet sugar supply; (d) Cuban insurrection, which reduced Cuba's output for the year 1916-17 from the original estimate of 3,400,000 tons to a little over 3,000,000 tons.
(4) "Efforts of the company to meet the situation."
(5) "Increased consumption in the United States."
(6) "Action of the Senate Finance Committee in recommending the repeal of the drawback."
(7) "The passage of the Food Control bill and the plans of the Food Administration for supervision of the sugar industry."—V. 105, p. 2544, 2457.

American Telephone & Telegraph Co.—Oversubscription of Offering of \$40,000,000 One-Year 6% Notes.—The offering at 99.05 and int., to yield about 7%, of the issue of \$40,000,000 One-Year 6% notes of associated companies, endorsed by the American Telephone & Telegraph Co., made last Monday, was promptly oversubscribed. The subscription books were opened at 10 a. m. and closed at 10:15, the applications having exceeded the amount offered.

The bankers associated in the offering were J. P. Morgan & Co., Kuhn, Loeb & Co., Kidder, Peabody & Co., First National Bank, New York, National City Company, New York, Harris, Forbes & Co. and Lee, Higginson & Co.
The notes are dated Feb. 1 1918, due Feb. 1 1919. Interest payable Aug. 1 and Feb. 1. Coupon notes in denominations of \$1,000.

Data from Letters of U. N. Bethell, Senior Vice President of Company.—The company will need for the payment of such of its notes and the notes of associated companies (endorsed by it) due on Feb. 1 1918 as have not already been anticipated approximately \$18,500,000. The company and its associated companies have expended to meet war requirements approximately \$25,000,000, and in order to provide needed funds the company plans to sell \$40,000,000 One-Year 6% notes of associated companies, endorsed by it, approximately as follows:
Cumberland T. & T. Co. — \$6,000,000 Nor. West. Tel. Ex. Co. — \$10,000,000
Iowa Telephone Co. — 4,000,000 Sou. West. Bell Tel. Co. — 15,000,000
Nebraska Telephone Co. — 5,000,000

Statistics Showing Growth of Bell Telephone System in U. S. Since 1908.

At end of Year—	Bell Stations.	Bell Owned & Connected Stations.	Total Gross Revenues.	Amer. T. & T. Co.—Net Earnings.	Interest Charges.
1908 ..	3,176,394	4,364,629	\$138,144,300	\$25,895,014	\$7,773,307
1917 ..	7,035,000	10,484,000	302,000,000	48,733,000	9,281,000

* Partly estimated.

Net Earns. & Int. Charges of Parent Co.—Net Earns. Times Int. Charges.

Year.	1908.	1912.	1916.	1917.*	
Net earn.	\$25,895,014	\$37,907,844	\$40,557,977	\$44,743,376	
Int. charges	\$7,773,307	\$5,844,699	\$8,223,103	\$6,730,099	
Net earn.	times int.	3.33	6.49	4.93	6.65

* 1 month estimated. a Does not include \$1,188,000 paid as interest on obligations for which capital stock has since been issued.

Since Dec. 31 1908 the company's funded debt has decreased, the amount outstanding at the present time being about \$191,000,000, as compared with \$211,000,000 at the end of 1908. In the same period the company's capital stock outstanding has risen from about \$168,500,000 to slightly over \$435,500,000, an increase of about 175%. In other words, the company's funded debt, which at the end of 1908 represented over one-half of the company's capitalization, to-day represents less than one-third of its capitalization.—V. 106, p. 89.

American Tobacco Co.—Payment of Dividends on Common Stock, 20% in 1918, in "B" Common Shares—\$25,000,000 Borrowed—Large Increase in Business.—The shareholders voted on Jan. 7 to give the directors authority to issue, if, when and as required, \$50,000,000 of the authorized but unissued common stock as non-voting class "B" common shares. None of this class "B" stock will, it is stated, be sold at present. The official statement says in subst:

This company now has outstanding \$52,699,700 of 6% pref. stock and \$40,242,400 of common stock. An additional \$69,757,600 of common stock was long since authorized but has never been issued.
The proposition before this meeting was that \$50,000,000 of this unissued common stock be made common stock "B" entitled to the same dividends and with all the other rights as the issued common stock except that of voting, the elimination of voting rights being in order not to disturb the present proportionate voting power as between the pref. & common stocks.
The enormous increase in cost of materials, particularly leaf tobacco, and great increase in volume of business which amounted in 1917 to more than 27%, or more than \$19,000,000, over the business of 1916, have made necessary the employment of much greater working capital and to meet this need the company has borrowed \$25,000,000.

In order to provide for this obligation the directors proposed to utilize cash which would otherwise be paid out in dividends on the common stock. They believe that the present earnings of the company fully justified the present rate of 20% dividends on the common stock.
They propose that beginning with the dividend of 1918 the dividend upon the common stock should be paid in scrip, bearing interest at rate of 6% per annum, interest payable semi-annually and maturing in 3 years from March 1 1918 and redeemable at maturity at option of the holder, either in cash or common stock "B" at par.
Having fully considered the situation, the directors are of the opinion that this policy will result in meeting the financial requirements of the company; that it will conserve the interests of the stockholder; that it is prudent and conservative, and unhesitatingly favored its adoption.
It may be added that the suggestion that the amount of the common stock to be changed to common stock "B" be fixed at \$50,000,000 does not mean that anything approaching that amount is to be in any way issued in connection with the present or contemplated financing or otherwise.
The amount is fixed at \$50,000,000 in order that the whole amount of authorized common stock, to wit, \$100,000,000, be divided equally into two classes, common stock with voting rights and common stock "B" without voting rights, of \$50,000,000 each. See also V. 105, p. 2544, 2367.

American Window Glass Machine Co.—Accum. Divs.—A dividend of 14 3/4% has been declared on the \$6,998,644 7% cum. pref. stock (par \$100), payable Jan. 10 to holders of record Jan. 11. The company in 1917 paid 22% on accumulated dividends, and with this payment all arrears will have been paid up.—V. 105, p. 1705, 1619.

American Woolen Co.—War Orders.—An exchange journal has compiled the following data regarding the war orders placed by the United States through the examination by the Senate

military committee of Charles Eisenman, Vice-Chairman of Contracting Committee of the Council of National Defense.

	To Company.	Total Allotted.
American Woolen Co.	\$92,755,000	\$338,692,000
Wellington, Sears & Co.	5,675,000	101,372,000
William Iselin & Co.	1,029,000	74,827,000
J. Spencer Turner	8,437,000	101,372,000
Turner, Halsey Co.	5,239,000	102,370,000
U. S. Rubber Co.	3,762,000	28,879,000
W. H. McElwain Co.	6,330,000	99,556,000
U. S. Bunting Co.	1,546,000	90,319,000
Cleveland Worsted Co.	4,057,000	149,338,000

Anaconda Copper Mining Co.—Price for Copper.—Yesterday at the Government conference with the leading copper producers, copper prices for the next four months were fixed at 23 1/2c., being the same price as established last September (V. 105, p. 1165, 1311). Compare general news on a preceding page.—V. 106, p. 89.

Arizona Copper Co.—Redemption.—The company gives notice that under its option to redeem the 5% Terminal debentures, the principal of these bonds will be repaid on March 25 1918 at 102%. Holders who desire to realize prior to that date can obtain repayment at 102%. The debentures should be forwarded to the company in London, duly discharged, not later than March 1 1918.—V. 105, p. 1804, 2000.

Armour & Co., Chicago.—New Secretary, &c.—G. M. Willets has been elected Secretary to succeed C. W. Comes, resigned. L. H. Armour has resigned as Vice-President and director to become a lieutenant in the U. S. Army.

20% Interest in Chicago Stock Yards Co.—See that company below.—V. 105, p. 2458, 2186.

Atlas Powder Co.—Sub. Co. Bonds Called.—All the outstanding (\$17,500) 6% bonds of the Celluloid Zapon Co. (see V. 105, p. 2545) dated Jan. 1 1900, were called for payment Jan. 1 at par and int. at Bloomfield (N. J.) Nat. Bank. The Atlas Powder Co. owns the entire capital stock of said company. See "Ry. & Indus." Section, page 148.—V. 105, p. 2368, 2096.

Baldwin Locomotive Works.—Orders in 1917.—See "Railroad Construction" under RR's above.—V. 106, p. 89.

Bessemer Coke Co.—Duquesne Plant—Bonds Called.—All the outstanding (\$44,000) Duquesne Plant First Mtge. 5% sinking fund bonds, dated Aug. 1 1911 (Nos. 101, 105 and 109 to 150 incl.), have been called for payment Feb. 1 at 102 1/2% and int. at Peoples Savings & Trust Co. of Pittsburgh. The Duquesne plant was sold in Jan. 1915 to the Bradenville Coal & Coke Co.—V. 105, p. 2274.

Bishop-Babcock-Becker Co., Cleveland.—Acquisition.—This company has acquired control of the Consolidated Engineering Co., manufacturer of heating specialties and industrial fans, with plants in Chicago, Ill., and Watertown, Mass. It is stated that the acquisition will make the company the largest manufacturer of heating specialties in the world.—V. 105, p. 2545.

(E. W.) Bliss Co., Brooklyn, N. Y.—Plans for New Plant.—This company has filed plans for the erection of a large factory building to be constructed by this company at 57th St., near First Ave., Brooklyn. The structure will be seven stories in height, 330 ft. in length and 200 ft. in width. It is stated that the building will cost \$1,300,000.—V. 105, p. 2545.

Borden's Condensed Milk Co.—Federal Milk Commission Allows Increase in Milk Prices for January.—See general news in last week's issue, page 24.

Acquisition of Rushmore Company.—The Borden's Farm Products Co., subsidiary of the Borden's Condensed Milk Co., has taken over the routes and purchased the entire equipment of the (Isaac W.) Rushmore Co. of Brooklyn.

Indictment of Members of Dairymen's League.—Judge Mulqueen in General Sessions on Jan. 7 returned indictments against seven members and officers of the Dairymen's League, an organization of milk producers who supply New York City, charging violation of the Donnelly Anti-Trust Law. It is alleged that the accused conspired to fix prices.—V. 105, p. 2000.

Braden Copper Mines Co.—Production (in lbs.).—See Kennecott Copper Corp. below.—V. 105, p. 1900, 1524.

Bradenville Coal & Coke Co.—Sub. Co. Bonds Called.—See Bessemer Coke Co. above.

British-American Tobacco Co., Ltd., London.—Divs.—The company has declared a final quarterly dividend of 6% free of British tax for 1917 on the outstanding £6,254,320 ordinary stock, and will also pay simultaneously on Jan. 31 1918 an interim dividend of 6% for the current year 1918 on the ordinary shares, free of British tax.

An advertisement says: "Net profits for the year (1917) after deducting all charges and expenses for management, &c., and providing for (English) income tax for the year and excess profits duty for year ended Sept. 30 1916, are £3,105,002, as against £2,733,361 for the previous year. After paying final dividend of 6% and transferring £275,228 to special reserve, carry forward will be £2,526,699 subject to excess profits duty for the year."—V. 105, p. 2458, 1804.

Brompton Pulp & Paper Co., Ltd., East Angus, Que.—Earnings for Year ending Oct. 31 1917.

Net earnings, after deducting business profits taxes	\$1,073,532
Deduct—Depreciation, \$176,670; bond int., \$87,066; total	\$263,736
Dividends—Preferred (7%), \$140,000; common (5%), \$350,000	490,000
Balance, surplus, for year ending Oct. 31 1917	\$319,826

—V. 105, p. 2545.

Brown Shoe Co.—Status of Orders.—A press dispatch from St. Louis states that because of unsettled conditions in Russia, contracts for 1,950,000 pairs of shoes, valued at more than \$6,000,000, have been held up for an indefinite period. Vice-President McCarthy, however, is quoted as saying that the company has no contracts with the Russian Government.—V. 105, p. 2361.

Bush Terminal Co., New York.—Stock Listed.—The N. Y. Stock Exchange has authorized that on and after Jan. 15 1918 \$138,000 common stock be added to the list on official notice of issuance as a stock dividend (2 1/2% payable Jan. 15 1918), making the total amount authorized to be listed \$5,057,000. Compare V. 106, p. 89.

Earnings of the Bush Terminal Co. (proper) for 10 Months to Oct. 31 1917.

	10 mos. to Oct. 31 1917.	Full Calendar Years		
		1916.	1915.	1914.
Gross earn. from storage, &c., and net income from railroad dept.	\$1,770,036	\$1,955,237	\$1,632,107	\$1,350,161
Operating expense	436,540	453,729	286,929	341,397
Net earnings	\$1,333,496	\$1,501,508	\$1,345,177	\$1,008,764
Other income	106,377	183,294	198,958	196,673
Total net income	\$1,439,874	\$1,684,802	\$1,544,135	\$1,205,437
Deduct—				
Interest on bonds	\$376,610	\$453,097	\$454,437	\$455,823
Taxes	251,372	292,081	257,287	234,413
Sinking fund	25,055	30,412	30,690	31,035
Surplus	\$786,838	\$909,212	\$801,721	\$484,166

The Bush Terminal Buildings Co. for the ten months ending Oct. 31 1917 show gross rentals, \$1,041,034, against \$1,230,931 for the entire calendar year 1916. The surplus after deducting interest, taxes and sinking fund

for the period in 1917 was \$145,758. The Bush Terminal Co. (1) owns the entire \$1,000,000 common stock and \$1,144,800 of the total issue of \$2,500,000 7% pref. stock of the Building Company, and (2) includes in its own "other income" \$79,643 as accrued dividends. V. 106, p. 89.

Burns Bros., N. Y.—Stock Dividend, &c.—A dividend of 1% has been declared on the \$7,073,300 common shares in stock (or common stock scrip), along with the regular quarterly 1 1/2% bond payable Feb. 15 to holders of record Feb. 1. The regular quarterly 1 1/2% on the \$1,688,400 preferred stock will be paid Feb. 1 to holders of record Jan. 20.—V. 105, p. 2186, 1805.

Canadian Car & Foundry, Ltd.—Orders in 1917.—See "Railroad Construction" under RR's above.—V. 106, p. 89.

Canadian Locomotive Co., Ltd., Kingston, Ont.—Orders in 1917.—See "Railroad Construction" under RR's above.—V. 105, p. 1311.

Cerro de Pasco Copper Corp.—Output (in Pounds).—
Copper output (in pounds)-----
Dec. 1917, 12 Mos. '17. 6,308,000 72,650,000
—V. 105, p. 2368, 2001.

Certain-teed Products Corp.—Initial Dividend.—An initial dividend of \$4 has been declared on the 60,000 shares of common stock, payable Jan. 28 to holders of record Jan. 17.—V. 105, p. 718.

Chicago Stock Yards Co.—Armour Interest.—J. Ogden Armour, President Armour & Co., on Dec. 22 issued a statement denying that any effort had been made to "cover up" information sought by the Federal Trade Commission in their pending investigation of the packing business, and detailing his part in the purchase of the common stock of the Chicago Junction Railways & Union Stock Yards companies and the formation of the Chicago Stock Yards Co. The statement follows:

Agents and examiners of the Federal Trade Commission have been given full access, and have been diligently at work for the last two months going over the books and records of Armour & Co., in addition to which we furnished, some six weeks ago, answers to questions prepared by the Commission setting forth in detail full information of our corporate organization and business and our interests in subsidiary and auxiliary corporations, including the Chicago Stock Yards Co.

Mr. F. H. Prince of Boston, who for many years had been the controlling force in the Chicago stock yards, visited Chicago in 1910 and asked me if I would join him in a syndicate of capitalists, in which I was to have a one-fifth interest, which was to acquire by purchase the common stock of the Chicago Junction Railway & Union Stock Yards companies.

I agreed to take and pay for such an interest, and did so in my individual capacity, in the same manner as I have taken other interests in banking and investment syndicates during the last 25 years, and as any investor in the country would do, having belief in Chicago as a livestock centre and the national increment in value that would accrue with its development. I acted in conjunction with no other packer.

This syndicate, under Mr. Prince's direction, subsequently resulted in the formation of the Chicago Stock Yards Co., in which I acquired a one-fifth stock interest, and promptly transferred the same to Armour & Co. No other packer ever acquired, or had, or now has, any stock in the Chicago Stock Yards Co. As should be judged from the relative size of that one-fifth interest, Armour & Co. have not and cannot control the company, have had no voice in its management, nor have been consulted in directing its policy.

For the information of the public, let me add that a stock yards company is not engaged in the purchase or slaughter of livestock, but simply in operating a public market place where buyer and seller may meet and transact business, and renders a distinct service for which a nominal charge is made.

In the matter of bonus paid, or to be paid us in connection with the construction of our packing plant at St. Paul, last year we were waited on by a citizens' committee, urging us to build a plant there and volunteering to raise a bonus to induce us to do so. We accepted the proposition made, purchased the necessary real estate for location, and the buildings are now under way. The suggestion that we divided, or agreed to pay any part to any other packing concern or any one else is absolutely untrue.—V. 94, p. 210.

Columbia Sugar Co., Bay City, Mich.—Extra Div.—An extra dividend of 1% has been declared in addition to the regular quarterly dividend of 2% both payable Jan. 2 to holders of record Dec. 20.—V. 104, p. 1804.

Computing-Tabulating-Recording Co., N. Y.—See International Business Machines Co., Ltd., below.—V. 105, p. 1805.

Consolidation Coal Co.—Extra Dividend.—An extra dividend of 3% has been declared on the \$35,121,303 stock, payable Feb. 11 to holders of record Feb. 1.

The regular quarterly dividend of 1 1/2% will be paid Jan. 31 to holders of record Jan. 22.

Directors will vote on the question of a stock div. at the next meeting.

Coal Situation.—See general news on a previous page.—V. 105, p. 2545, 2001.

Crocker-Wheeler Co., Amper, N. J.—Sub. Co. Div.—See Canadian Crocker-Wheeler Co., Ltd., in V. 105, p. 2458.—V. 104, p. 2555.

Crucible Steel Co. of America.—Bonds Paid.—The Crucible Steel Co. of America has called and paid off on Jan. 1 1918 all the outstanding bonds of the Crucible Coal Co. All the Crucible Fuel Co. bonds and Halcomb Steel Co. First Mortgage Bonds were paid off out of profits in 1917. [Official.]—V. 105, p. 2545.

Detroit Twist Drill Co.—Extra Dividend.—The directors are reported to have declared a dividend of 17% and 2% extra, making 50% paid in 1917.

Dodge Bros. Realty Co., Detroit.—Incorporated.—A company having the above title has filed articles of incorporation under the laws of Mich. with \$2,500,000 authorized capital stock, par \$100; stock paid in cash, \$250,000. Shareholders are named as follows: John F. Dodge, Horace F. Dodge, Alfred L. McMeans.

Eastern Car Co., Ltd.—Orders in 1917.—See "Railroad Construction" under RR's above.—V. 102, p. 611.

Easton (Md.) Light & Fuel Co.—Sold.—This property, owned by Philadelphia capitalists and recently in the hands of W. Mason Shehan and G. Elbert Marshall, as receivers, was sold Jan. 4 to New York parties for \$8,800. Annual sale at last reports, about 6,000,000 cubic feet.

Empire Gas & Electric Co., Geneva, N. Y.—Extension.—Stockholders of this company will vote Jan. 15 on altering the certificate of incorporation so that it will cover the company's operations in territory not included in the original certificate. The new territory comprises Palmyra, Arcadia, Newark, Lyons, Galen, Clrds, in Wayne County, Manchester, Shortsville, Clifton Springs, Phelps, Seneca, in Ontario County; Ovid, Tioga, and the counties of Cayuga, Seneca, Wayne, Ontario and Tioga, State of New York.

Joint Petition to Issue Bonds.—The Empire Gas & Electric Co. and the Empire Coke Co. have filed a joint petition with the New York P. & C. Commission for authority to issue \$100,000 in Joint First & Refunding Mtge. bonds.—V. 103, p. 940.

Empire Oil & Gas Co. (N. Y.).—Stock Increase.—This company has increased its stock from \$3,000,000 to \$10,000,000.

Equitable Life Assurance Society.—Hearing on Plan.—J. S. Phillips, Superintendent of Insurance, will hold a public hearing Jan. 16 on the plan of mutualization which has been approved by the directors, stockholders and policy holders. If the Superintendent approves the plan, it will become effective. Compare V. 105, p. 2546, 1901, 61, 349.

Fellsmere Farms Co., Florida.—New Plan Effective.—The Reorganization Committee, George T. Ordway, Chairman, has adopted the plan dated Dec. 14, 1917, which therefore became operative Jan. 2, 1918. Compare V. 105, p. 2459.

First National Copper Co.—Dividend Reduced.—A dividend of 15 cents a share has been declared on the stock, payable Feb. 25 to holders of record Feb. 5. On Aug. 15 last a dividend of 40 cents was paid, and in Aug. 1916 25 cents was paid.—V. 105, p. 183.

General Electric Co. New York.—Listing.—The New York Stock Exchange has authorized the listing on and after Jan. 15 of an additional \$2,030,300 capital stock on official notice of issuance, in payment of the stock dividend of 2%, payable Jan. 15, 1918, making the total authorized to be listed, \$103,542,800. Compare V. 105, p. 2187.

Earnings.—For 6 mos. to June 30 1917 and cal. years:

Table with columns for 6 Mos. to June 30 '17, 1916, 1915, 1914. Rows include Income, Sales billed, Cost of sales, Profit from sales, Interest and discount & sundry profits, Income from securities, Total, Deduct, Interest on debentures, Dividends (8% p. a.), Red Cr. div. pd. Aug. 17 (1910-15), Balance, surplus.

CONSOLIDATED BALANCE SHEET.

Table with columns for June 30 '17, Dec. 31 '16, June 30 '17, Dec. 31 '16. Rows include Assets (Particulars, Land, Real estate, Stocks & bonds, Cash, Notes & accounts receivable, Work in progress, Due from affiliated companies, Inventories) and Liabilities (Common stock, 3 1/2% coup. deb., 5% coup. deb., Accrued interest, Acc'ts payable, Accrued taxes, Adv. payments on contracts, Divs. pay. Jan., Surplus).

Total 178,673,484 163,622,115. See partly estimated results for the cal. year 1917 and the remarks of the President in V. 105, p. 2187.

On account of the great increase in business and also in inventories, the company sold in July 1917 \$15,000,000 6% 3-year notes, and in December last an additional \$10,000,000 6% 2-year notes. As to offering of \$10,000,000 capital stock, see above.—V. 106, p. 90.

Gillette Safety Razor Co.—New Plant.—Vice-President Frank J. Fahy announces that a seven-story building is to be constructed adjoining the present Gillette plant in South Boston at an estimated cost of \$800,000. The additional floor space to be obtained will allow a 60% increase in the output and 1,000 more employees are to be taken in. The executives expect that the building will be ready for occupancy late in the fall. The addition will allow the installation of enough machinery to bring the daily output up to 15,000 razors, 1,200,000 dozen blades. There will be approximately 2,400 workers in the two factories.—Boston Financial News.—V. 105, p. 2369.

Haskell & Barker Car Co., Inc.—Orders in 1917.—See "Railroad Construction" under RRs, above.—V. 104, p. 2644.

Humble Oil & Refining Co. (Texas).—Dividend.—This company, it is announced, will pay a dividend of 6% on the \$4,000,000 capital stock, payable Jan. 21 to holders of record Jan. 15. Payment will be made one-half in Liberty bonds, at par, and one-half in cash.—V. 105, p. 1902.

Internat. Business Machines Co., Ltd.—Further Data.—This company was incorp. Nov. 29, 1917 in Ottawa, Canada, with an auth. capital stock of \$2,000,000 (par \$100), consisting of \$1,250,000 common and \$750,000 7% pref., of which \$1,000,000 common and about \$500,000 pref. has been issued. The pref. is subject to call at 105 upon confirmation by supplementary letters patent, but is non-convertible. Both classes of stock vote equally.

The company has been formed as a consolidation of the International Time Recording Co. of Canada, Ltd., the Computing Scale Co. of Canada, Ltd., and the Canadian Tabulating Machine Co., Ltd. The property consists of factory premises at Toronto owned in fee. A large percentage of the stock is owned by the Computing-Tabulating-Recording Co.

Officers: Pres., Thos. J. Watson; Treas., Frank E. Mutton, and Sec., James S. Osbury (who is also Sec. of the Computing-Tabulating-Recording Co.). Office of company, 270 Dundas St., Toronto. Compare V. 105, p. 90.

International Nickel Co., N. Y.—Divs., When Earned.—This company is advised by counsel and by its accountants, Price, Waterhouse & Co., that the pref. stock dividend paid Feb. 1, 1917, and the common stock dividend paid Mar. 1, 1917, were paid from net profits accumulated in the calendar year 1916 (which were the most recently accumulated undivided profits and surplus); and that all other dividends paid during the year 1917 were paid from net profits accumulated in the calendar year 1917.—V. 105, p. 1902, 1713.

International Paper Co.—Demurrer Withdrawn.—Rudolph Fagensteecher, a director, has withdrawn his demurrer to the amended complaint in the action of Frederick E. Hastings against the company and the directors of the company, in which he is a defendant. The demurrer alleged that the facts as stated in the complaint did not set forth sufficient grounds on which to base an action. See complaint, V. 105, p. 2460.—V. 106, p. 90.

Ironton Solvay Coke Co., Syracuse, N. Y.—Subscriptions for the remaining \$100,000 capital stock offered to shareholders at par are payable 50% Jan. 15 and 50% Feb. 15.—V. 106, p. 91.

Island Oil & Transport Co.—Sale of Collateral Notes.—A. B. Leach & Co. have sold at 99 and int., yielding over 7%, the unsold portion of \$3,000,000 First Lien Collateral 7% gold notes dated Sept. 1, 1917, due Sept. 1, 1920, but callable as a whole or any part on sixty days' published notice, at 105 and accrued interest. Auth. issue, \$3,000,000.

Interest M. & S. in New York. Denom. \$1,000 and \$500 e*. Trustee, the New York Trust Co. The corporation, incorporated under the laws of Virginia, was formed for the purpose of producing and transporting oil from the fields bordering on the Caribbean Sea and in Mexico. Through stock ownership it owns and controls large acreages in Mexico, Colombia and Cuba.—V. 105, p. 1424, 1313.

Jewel Tea Co., Inc.—Sales for 4 & 52 Weeks end. Dec. 29, 1917—4 Weeks—1918. Increase. 1917—52 Weeks—1916. Increase. \$1,198,748 \$1,181,502 \$37,246 \$15,309,408 \$12,441,321 \$2,868,087.—V. 105, p. 2460, 2098.

Kaministiquia Power Co., Ltd.—Dividend Increased.—A quarterly dividend of 2% on the capital stock has been declared, payable Feb. 15 to holders of record Jan. 31. This action, it is said, indicates an increase in the dividend rate to 8%. The rate has been 7% per ann. from July 1916, prior to which dividends were paid at a rate showing a 1% advance over each preceding year (except 1915), dating from 1911, being 3% for that year. In 1910, 2 1/4% was paid.—V. 104, p. 1493.

Kansas City Breweries Co.—Bondholders' Committee.—Receivers having been appointed for the Kansas City Breweries Co. and default having been made in the payment of interest on Jan. 1, 1918, the following have agreed to act as a bondholders' committee to protect the interests of the holders of the First Mtge. 6% bonds. Holders are asked to deposit their bonds with the Cleveland Trust Co. of Cleveland, as depository, on or before Jan. 25, 1918. Bondholders' committee: George W. York, of Otis & Co.; Henry G. Oppmann, E. M. Baker and Edward E. Newman, all of Cleveland, and Ferdinand Heim, Kansas City, Mo., with Richard Inglis, Esq., as counsel.—V. 106, p. 91.

Table for Kennecott Copper Corp., N. Y.—Production (in lbs.)—December 1917, 1916, 1917, 1916. Rows include Kennecott Copper Corp., Alaska property, Braden Copper Co., So. American property, Total (both Cos.).

Keokuk (Ia.) Gas Light & Coke Co.—Bonds.—The \$150,000 1st Mtge. 5% bonds, due Jan. 15, 1918, will be paid at maturity at the Mechanics & Metals National Bank, N. Y. In connection with this payment the company will issue \$150,000 5-year 6% 1st Mtge. bonds maturing Jan. 15, 1923.—V. 78, p. 290.

Keystone Telephone Co.—Special Dividend.—A special dividend of \$1.25 has been declared on account of accumulated dividends on the \$1,936,850 6% preferred stock, payable Feb. 1 to holders of record Jan. 31. On Aug. 1 last a like amount was paid. There is still 50% due on back dividends.—V. 105, p. 285, 184.

Knit Goods Merger.—Plans Indefinite.—An exchange journal says in brief, "Renewed talk of a merger of the knitting mills of the East in a large corporation brought forth from an officer of one of the leading mills to-day the remark that the thing can't be put over now and probably not for four or five years after the war." The general impression in the knit goods trade, this man asserted, was that the promoters of the plan could not make good on their proposition. He expressed serious doubts of the plan's going through even after the war. The merger proposal has been put before practically every knitting mill in the East, and a great number throughout the entire country, in the last 12 months. The plan talked of was for a corporation with a capitalization of about \$30,000,000, and the demands such financing would make on the money market are considered sufficient obstacle to its ultimate success so long as the war lasts. Louis Steinfeld is one of the promoters of the scheme." Compare V. 106, p. 91.

Kerr Lake Mining Co.—Silver Production (in Oz.).—1917—Dec.—1916. Increase. 1917—12 Mos.—1916. Increase. 203,400 190,150 13,240 2,599,345 2,535,724 63,621.—V. 105, p. 2188, 2098.

(S. S.) Kresge Co.—Sales for Dec. and 12 Months.—1917—Dec.—1916. Increase. 1917—12 Mos.—1916. Increase. \$4,725,835 \$4,258,333 \$467,502 \$30,090,700 \$26,306,542 \$3,694,158.—V. 105, p. 2369, 1902.

(S. H.) Kress & Co.—Sales for Dec. and 12 Months.—1917—Dec.—1916. Increase. 1917—12 Mos.—1916. Increase. \$2,993,075 \$2,633,561 \$359,515 \$17,611,340 \$15,115,179 \$2,496,170.—V. 105, p. 2369, 1902.

Lansing (Mich.) Fuel & Gas Co.—Gas Rate Unchanged.—This company has notified the Lansing City Council that the decrease in the gas rate called for in the franchise held by the company to become effective Jan. 1 will not be granted. The standing rate of \$1 per 1,000 cu. ft. will remain.—V. 105, p. 2188.

Lima (O.) Locomotive Works, Inc.—1917 Orders.—See "Railroad Construction" under RRs, above.—V. 105, p. 1714.

Lindsay Light Co.—Extra Dividend.—An extra dividend of 15% has been declared on the common stock in addition to the regular quarterly 5% on the common stock, or 1 1/4% on the preferred stock, all payable Feb. 28 to holders of record Feb. 1. An extra of 17% was paid in Nov. and Aug. last.—V. 105, p. 2460.

Lukens Steel Co.—Redemption of Preferred Stock.—This company has called for payment at any time between Jan. 15 and Feb. 4, 17,506 shares (par \$100) of 7% cum. first pref. stock (outstanding \$2,000,000), at \$103 per share and div., thus retiring \$1,750,600. Payment will be made at Commercial Trust Co., Phila.—V. 105, p. 2369, 2277.

Magnolia Petroleum Co.—Stock Increase—Output.—Shareholders will vote Jan. 14 on increasing the auth. capital stock from \$30,000,000 to \$60,000,000 (par \$100), and on determining how the stock now in the treasury (\$8,000,000 of the present \$30,000,000 capital has not been issued) and that authorized by the increase shall be disposed of. The stock was increased from \$20,000,000 to \$30,000,000 a year ago. Compare V. 104, p. 76. The company's production of light crude oil is stated to exceed 30,000 bbls daily and its refining capacity is in excess of 50,000 bbls daily. Crude oil runs for the month of October by the Magnolia Petroleum Co. totaled 1,177,861.19 bbls., divided as follows: From Bealdron, Okla., 501,971.94 bbls.; from Cushing, Okla., 160,528.56 bbls.; from Yale, Okla., 90,410.90 bbls.; from Electra, Tex., 384,561.39 bbls.; from Henrietta (Petrolia), Tex., 8,540.71 bbls.; from Corsicana, 15,980.61 bbls. of heavy and 15,867.08 bbls. of light oil. The daily average for October was 37,995 bbls., compared with 37,625 bbls. in September. ("Oil Trade," Dec. 10, 1917.) Compare V. 105, p. 2369, 1807.

Marconi Wireless Telegraph Co. of America.—Earnings—Increased Business—New Facilities.—Earnings for Calendar Years (December 1917 Estimated).

Table with columns for Calendar Years—1917, 1916, 1915, 1914. Rows include Gross earnings, Other income, Total income, Net income after taxes, Depreciation, &c., Balance, surplus.

The company, we learn, has recently received from the U. S. Government additional orders for wireless equipment aggregating about \$1,500,000. The profits on these Government orders, although, comparatively speaking, small, in accordance with agreements made with the U. S. Government and the Navy Department, will, we are informed, together with the large amounts received for rentals of apparatus installed on nearly 800 vessels and the rentals paid by the Government for the use and occupancy of land stations during the war, far more than make up for any loss which may have occurred by reason of decrease in the company's message business. Sales of wireless equipment for the calendar year 1917 amounted to between five and six million dollars.

The following from a broker's circular has been confirmed for the "Chronicle": "In order to take care of its increasing manufacturing business the company recently completed a new factory at Aldens, N. J., which has a capacity four times as great as the old factory. The new plant covers 30,000 sq. ft., compared with 10,000 sq. ft. occupied by the old building. The general design and construction of the new building are modern in every detail."

When diplomatic relations between the U. S. and Germany were severed on Feb. 3 1917 the company offered its entire organization and personnel to the U. S. Government.

Owing to the increase in messages expected after the war, when there will be no censorship, and the increased profits from the news service under company operation, as well as extension in service which will be carried out, Marconi may be regarded as a peace stock.

Pan-American Wireless Tel. & Tel. Co.—New Sub. Co.—See that company below. The question of a dividend on the stock will probably be considered at the directors' meeting in April.—V. 105, p. 70.

Massachusetts Gas Companies.—Earnings, &c.—

Table with 4 columns: Company Name, November 1917, November 1916, 5 Mos. to Nov. 30 1917, and 5 Mos. to Nov. 30 1916. Rows include Boston Consol. Gas Co., East Boston Gas Co., Citizens' Co. of Quincy, etc.

On June 30 1917 the New England Fuel & Transportation Co. (of Mass.), whose capital stock is all owned by the Massachusetts Gas Cos., acquired all the property of the New England Gas & Coke Co., Boston.

Dividends.—The following quarterly dividends of the subsidiary companies have been declared payable Dec. 31 to holders of record Dec. 28 1917: Companies Controlled—Outstanding. Owned. Dividends Paid.

Metropolitan Edison Co.—Supplement to Rate Schedule.—Further supplements to the schedule of rates recently filed with the Penn. P. S. Commission, went into effect Jan. 1, and provide for an increase of 15% in all classes of service except house lighting.

Mount Vernon-Woodberry Cotton Mills.—Syndicate.—The syndicate formed by the Mercantile Trust & Deposit Co. to underwrite the one-year 6% notes has been dissolved.

Narragansett Electric Lighting Co.—Rates—Report.—The Rhode Island P. U. Commission has authorized the company to put into effect as of Jan. 1 its new rates for electricity to continue for the duration of the war.

Increased Facilities.—The Narragansett company is increasing its capacity by the installation of a 45,000 h. p. steam turbine. (See New England Power Co. below.)

Nash Motors Co.—Initial Common Dividend.—An initial dividend of \$6 has been declared on the 50,000 shares of common stock, together with regular quarterly dividend of \$1.75 on the preferred, both payable Feb. 1 to holders of record Jan. 19.—V. 105, p. 1511.

National Steel Car Co., Ltd., Montreal.—Orders in 1917 See "Railroad Construction" under RRs. above.—V. 104, p. 2347.

Naumkeag Steam Cotton Co.—Stock Increase.—Shareholders will vote Jan. 16 on increasing the capital stock from \$2,250,000 (auth. and outstanding) to \$3,000,000.—V. 105, p. 2480.

Nevada-California Electric Corp.—Offering of Secured Gold Notes.—Boettcher, Porter & Co., Denver, Colo., are offering at 97 1/4 and int., yielding about 7 1/2%, a new issue of \$1,000,000 Two-Year 6% Secured gold notes, collateralized secured by deposit of \$1,250,000 6% First Lien gold bonds, Series A.

Niagara Falls Power Co.—Congressman Waldow, N. Y. State, on Jan. 10 introduced a bill in the House of Representatives at Washington authorizing the President and the Secretary of War to take over the hydro-electric plants along the Niagara River for the war period.

North American Co.—Subsidiary R. Co. Receiver Sought.—See United Rys. of St. Louis under "RR's" above.—V. 105, p. 1807, 1109.

Northwestern Electric Corp.—New Power Plant.—Wilber E. Coman, Vice-Pres. & Gen. Mgr., has announced that a new plant is under construction in Portland, Ore., which will increase the company's capacity for supplying electrical power 50%.

Capitalization Outstanding in Hands of Public.

Table listing capitalization of various companies: Nevada-Cal. Power Co. First (closed) Mtge. 6% \$2,023,000; Southern Sierras Power Co. First (closed) Mtge. 6% \$2,012,500; Nevada-Cal. Elec. Corp. 6% First Lien gold bonds, series "A" (authorized, \$15,000,000) 5,071,500; Nevada-Cal. Elec. Corp. 2-Year 6% Secured gold notes (authorized, \$2,000,000), presently to be outstanding 1,000,000.

Table of Total secured debt: Nev.-Cal. Elec. Corp. Convertible Debentures 6% (closed) \$10,107,000; Cumulative pref. stock (authorized \$10,000,000) \$6,067,900; Common stock (authorized \$20,000,000) \$8,531,900.

Plant—Territory.—The company's system, with a present generating capacity of 53,287 h. p., of which 47,000 h. p. is hydro-electric, serves the rich agricultural and industrial sections of southern and eastern California, and also the great mining districts of central western and southwestern Nevada.

The system also distributes current for light and power purposes in the Coachella Valley and wholesales power to the Holton Power Co., which distributes its current for the same purposes throughout the great Imperial Valley, which is said to be the largest and most productive body of irrigated land under one system in the world.

Earnings for the 12 Months Ending Oct. 31 1917. Total operating earnings \$1,950,305; Miscellaneous Income \$115,007; Net after taxes \$1,086,681; Total net income \$1,201,758.

Balance after present annual int. charges, incl. these notes \$595,338. The earnings have shown a consistent growth since the organization of the system.

During the past ten months contracts have been closed with new large consumers which alone will, when all connected, add 3,327 h. p. of new motors, affording an estimated annual revenue of \$130,000.

Value of Properties.—As of Dec. 31 1914 an independent appraisal reported the then asset value of the present value as \$17,001,803, to which should be added the cash cost of additions, &c., made during 1915, 1916 and nine months to Sept. 30 1917, amounting to \$1,911,163.

New England Power Co.—Power Curtailment Due to Extraordinary Water and Coal Conditions.—"Electrical World" on Dec. 29 said in part: Curtailment of service to industrial power customers has been forced upon the New England Power by the coal shortage combined with unfavorable water supply conditions.

So far no lighting customers have been asked to curtail and service is being furnished to electric railways on the usual basis. Central stations, however, have been asked to investigate the use of power on their systems where such companies purchase energy from the New England organizations.

The New England Power Co. operates under agreements with central stations of its territory whereby power is interchanged as economic conditions require. The largest plant with which the system is thus connected is that of the Narragansett Electric Lighting Co., Providence, R. I.

New River Co.—Railroads Sold for \$750,000 Cash.—The New River Co., after protracted negotiations, has sold its railroad properties, the Piney River & Paint Creek (11 miles of road, including branches and spurs) going to the Chesapeake & Ohio and the White Oak (10.34 miles of main line and branches) to the Virginia Ry.

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North American Co.—Subsidiary R. Co. Receiver Sought.—See United Rys. of St. Louis under "RR's" above.—V. 105, p. 1807, 1109.

Northwestern Electric Corp.—New Power Plant.—Wilber E. Coman, Vice-Pres. & Gen. Mgr., has announced that a new plant is under construction in Portland, Ore., which will increase the company's capacity for supplying electrical power 50%.

Capitalization Outstanding in Hands of Public. Nevada-Cal. Power Co. First (closed) Mtge. 6% \$2,023,000; Southern Sierras Power Co. First (closed) Mtge. 6% \$2,012,500; Nevada-Cal. Elec. Corp. 6% First Lien gold bonds, series "A" (authorized, \$15,000,000) 5,071,500; Nevada-Cal. Elec. Corp. 2-Year 6% Secured gold notes (authorized, \$2,000,000), presently to be outstanding 1,000,000.

Total secured debt. Nev.-Cal. Elec. Corp. Convertible Debentures 6% (closed) \$10,107,000; Cumulative pref. stock (authorized \$10,000,000) \$6,067,900; Common stock (authorized \$20,000,000) \$8,531,900.

Plant—Territory.—The company's system, with a present generating capacity of 53,287 h. p., of which 47,000 h. p. is hydro-electric, serves the rich agricultural and industrial sections of southern and eastern California, and also the great mining districts of central western and southwestern Nevada.

The system also distributes current for light and power purposes in the Coachella Valley and wholesales power to the Holton Power Co., which distributes its current for the same purposes throughout the great Imperial Valley, which is said to be the largest and most productive body of irrigated land under one system in the world.

Earnings for the 12 Months Ending Oct. 31 1917. Total operating earnings \$1,950,305; Miscellaneous Income \$115,007; Net after taxes \$1,086,681; Total net income \$1,201,758.

Balance after present annual int. charges, incl. these notes \$595,338. The earnings have shown a consistent growth since the organization of the system.

During the past ten months contracts have been closed with new large consumers which alone will, when all connected, add 3,327 h. p. of new motors, affording an estimated annual revenue of \$130,000.

Value of Properties.—As of Dec. 31 1914 an independent appraisal reported the then asset value of the present value as \$17,001,803, to which should be added the cash cost of additions, &c., made during 1915, 1916 and nine months to Sept. 30 1917, amounting to \$1,911,163.

A further description of this company's properties and business may be found in V. 102, p. 2171. See also statement with map, page 179 in "Railway and Industrial" Section.—V. 105, p. 1424, 1314, 1202.

New England Power Co.—Power Curtailment Due to Extraordinary Water and Coal Conditions.—"Electrical World" on Dec. 29 said in part: Curtailment of service to industrial power customers has been forced upon the New England Power by the coal shortage combined with unfavorable water supply conditions.

So far no lighting customers have been asked to curtail and service is being furnished to electric railways on the usual basis. Central stations, however, have been asked to investigate the use of power on their systems where such companies purchase energy from the New England organizations.

Mr. Coman is quoted as saying in substance: "Development of the demand for electrical power in Portland vicinity, due to shipbuilding activities and the requirements of other local industries, have made it necessary for us immediately to increase the capacity of our power service. In deciding to construct this additional plant, we have planned not only to take care of present demands, but are also providing for the needs of the future. The plan is being designed so that eventually, as occasion requires, its capacity can be increased to 30,000 k.w., or approximately 40,000 h.p."—V. 105, p. 1314.

Pacific Portland Cement Co.—Extra Dividend.—This company, which has been paying regular monthly dividends of 25 cents per share, has declared an extra dividend of \$1 50 per share, payable immediately. The company paid an extra of \$1 per share some months ago, so that the special bonus just declared brings the total for this year up to \$5 50 per share. Edward Pollitz & Co., San Francisco, are interested.

Pan-American Debenture Corp.—New Officers.—Wallace L. Durant has been elected Sec.-Treas. to succeed G. Kennedy Imbrie, who is engaged in Red Cross service in France. Roswell C. Tripp, of Wm. Morris Imbrie & Co., has been elected a director, succeeding Captain James Imbrie of the same firm, now in the military service.—V. 103, p. 2435, 2347.

Pan-American Wireless Telegraph & Telephone Co.—Announcement is made by the Marconi Wireless Telegraph Co. of America of the formation of the Pan-American Wireless Telegraph & Telephone Co., a subsidiary, for the purpose of extending the activities of the parent organization and for the special purpose of connecting the so-called Pan-American countries with the U. S. by wireless communication. The new company has been incorporated in Delaware with a capital stock of 50,000 shares of no par value.

Officers are: John W. Griggs, Chairman of the board; Edward J. Nally, President; Washington Dodge and David Sarnoff, Vice-Presidents; O. J. Ross, Secretary, and John Bottomley, Treasurer. Directors: Messrs. Griggs, Nally, Dodge, Sarnoff, James R. Sheffield, Edward W. Harden, Frank N. Waterman, Nathan Vidaver and George Pope.

This company was fully organized for business at a meeting of the directors held on the 8th inst., and work of selecting new sites for stations will be started immediately. It is understood that the new company has acquired the right to use the Paulsen patents and improvements, if such are deemed desirable.

Penn Traffic Co., Philadelphia.—Extra Dividend.—An extra dividend of 1% has been declared, in addition to the semi-annual dividend of 3%, both payable Feb. 1 to holders of record Jan. 15.—V. 103, p. 243.

Pierce-Fordyce Oil Association.—Proposed Dissolution.—See Pierce Oil Corporation below.—V. 105, p. 2278.

Pierce Oil Corporation.—Acquisition.—Decision.—This company, which was incorp. in 1913 in Va., has been granted a permit to operate in Texas, and will make its headquarters at Dallas. The company applied for the above permit in order to acquire the properties, business, &c., of the Pierce-Fordyce Oil Association, an allied organization. This acquisition has not yet been completed, but eventually, following the consummation of the merger, the Pierce-Fordyce organization will probably be wound up. It is believed the consolidated corporation will double the capacity of its refinery at Fort Worth and will make additions to the plant at Texas City. A new refinery will probably be constructed at Houston.

Judge Graves of the 26th District Court in Texas recently rendered a decision affirming that Lac corporation is not connected with any trust or monopoly and is independently owned and operated and that it should therefore be allowed to operate in Texas.

The last annual report of both companies was given in V. 104, p. 2114.—V. 105, p. 2461, 2278.

Point Richmond (Cal.) Canal & Land Co.—Foreclosure.—The Anglo California Trust Co. of San Francisco, Cal., has filed foreclosure suits against this company, a realty enterprise. The San Francisco "News Bureau" says: "The company controls several tracts of land in and around Richmond which were mortgaged, the trust company taking \$400,000 worth of the bonds. The suit was instituted to collect the bonds when the concern failed to meet interest payments."

Portage Rubber Co., Barborton, Ohio.—Earnings.—
Nov. 30 Years. 1916-17. 1915-16. 1914-15. 1913-14. 1912-13.
Total sales.—\$3,361,615 \$1,867,854 \$1,067,858 \$601,849 \$482,355
Net profits.—\$854,933 \$232,286 \$129,006 \$88,102 \$61,023
× Before deducting estimated Federal taxes.—V. 105, p. 2190, 1808.

Providence Gas Co.—Notes.—Toluol Plant.—The shareholders on Jan. 3 authorized the issue of \$2,100,000 Five-Year 7% Convertible Gold Notes, described in V. 105, p. 2548.

An exchange journal understands that the Government proposes to build a toluol plant on the company's land at a cost of \$200,000, and that after the war the Providence Gas Co. will have the privilege of buying it at a price fixed by appraisal.—V. 105, p. 2548.

Pressed Steel Car Co.—Orders in 1917.—See "Railroad Construction" under RRs. above.—V. 105, p. 1903.

Public Service Electric Co.—Curtailement of Power.—See Public Service Corp. under "Railroads" above.—V. 105, p. 1314.

Pullman Company.—Orders in 1917.—See "Railroad Construction" under RRs. above.—V. 105, p. 2461.

Rates.—Eastern Roads with Water Connections Apply for Increase.—

Fifteen per cent increase in commodity rates was sought in an application filed with the I.-B. C. Commission Jan. 8 by Eastern trunk line railroads operating in connection with steamship companies from Boston, N. Y., Phila., and Balt. to Washington, Richmond, Norfolk, Newport News and other Virginia points, and points south of these gateways.—V. 105, p. 2543.

Remington Arms-Union Metallic Cartridge Co.—Lay-Off.—Russian Contract Situation.—Regarding the laying off of the night shift of 2,500 men, the company announces:

The conditions in Russia are such that payment on contracts in process of execution in the U. S. are seriously curtailed. This is true with the contracts between this company and the former Russian Government, and the situation has become so acute that a large reduction of daily output of Russian rifles has become imperative.

It is necessary at once to discontinue the night shift heretofore working upon Russian rifles and to dismiss such of the employees of this night shift as cannot be given employment on the day shift.

The company anticipates in the early spring using an even larger number of employees than are engaged at present, after the completion of the special tool equipment necessary to the manufacture of supplies for the United States.—V. 105, p. 2370.

Republic Distilling Co., N. Y.—Dissolution.—See U. S. Industrial Alcohol Co. below.—V. 105, p. 613, 77.

(W. A.) Rogers Co., Ltd., Toronto.—Stock Increase.—This company proposes to increase its authorized capital stock from \$2,400,000 to \$3,000,000 by the issuance of 6,000 shares, par \$100, of 7% cum. pref. stock. Of the proceeds of the new stock, \$222,800 will be used to acquire the business of Simeon and George H. Rogers Co., of Hartford, Conn., the bal. of the new stock not being issued at present.—V. 105, p. 77.

St. Lawrence Flour Mills Co., Ltd.—Extra Dividend.—An extra dividend of 1% has been declared on the \$1,200,000 common stock in addition to the regular quarterly dividend of 1 1/4%, both payable Feb. 1 to holders of record Jan. 20. An initial dividend of 1 1/4% was paid on the common stock in Nov. last.—V. 105, p. 1622.

Sacramento Valley Irrigation Co.—Status of Successor.—See South. Calif. Farm Lands Co. under "Reports" above.—V. 103, p. 412.

Savage Arms Corp.—Orders for Lewis Guns.—The present contracts of the company, including those for the Lewis machine guns, will keep the plants busy all this year," President Borie said, "and we are confident that Government will order more of the Lewis type machine guns from time to time."

Relative to the contract recently let to the New England Westinghouse Co. for 15,000 Browning machine guns, Mr. Borie stated that it demonstrated that there is plenty of business for all concerns of the country capable of manufacturing rapid-fire weapons.

The earnings statement of the Savage Arms Corporation will be issued on Jan. 28 and President Borie stated that he thought the operating results of 1917 would make a very satisfactory showing in comparison with the preceding year.—"Daily Financial America."—V. 105, p. 1808, 1715.

Saxon Motor Car Corporation.—New President.—Benjamin Gottfredson has been elected President, succeeding Harry W. Ford, who recently resigned.—V. 105, p. 2461, 2099.

Scotten-Dillon (Tobacco) Co., Detroit.—Dividends.—The directors have declared the regular quarterly dividend of 2% and an extra dividend of 5% on the \$1,500,000 capital stock (par \$10), both payable on or before Jan. 2 1918 to holders of record Dec. 31 1917. Incorpor. in Mich. in 1901. Manufactures tobacco and snuff in Detroit. Has no bonded debt.—V. 104, p. 77.

Shannon Copper Co.—Output (in Pounds).—
1917—Dec.—1916. Decrease. 1917—12 Mos.—1916. Decrease.
850,000 977,000 327,000 6,231,000 9,659,500 3,428,500
From July 1 to Oct. 31 1917 the company's mine was shut down on account of labor troubles.—V. 105, p. 1808.

Sheffield Farms Co., Inc.—Acquisition.—This company has taken over control of the Diamond Dairy Co., payment being made on the basis of 30 shares of stock of the purchasing company for 100 shares of the Diamond company.—V. 105, p. 2461.

Smith Wheel Co., Inc., Syracuse, N. Y.—Stock Inc.—This company, a manufacturer of automobile wheels, has, it is stated, increased its auth. capital stock from \$100,000 to \$3,000,000.

Sperry Flour Co. of California.—Mortgage.—A trust deed to the Anglo-California Trust Co., San Francisco, as trustee, for \$1,500,000 covering all the company's holdings in Fresno, San Jose and Vallejo has been filed for record.—V. 105, p. 1004.

Springfield (Mass.) Gas Light Co.—Offering of 6% Notes.—Harris, Forbes & Co., N. Y., Harris, Forbes & Co., Inc., Boston, and the Harris Trust & Savings Bank, Chicago, are offering, at 98 and int., yielding about 6 1/2%, \$500,000 6% gold coupon notes, dated Dec. 1 1917, due Dec. 1 1922, but callable at 101 and int. on or after Dec. 1 1918 on six months' notice. Interest J. & D. in Boston. Denom. \$1,000. A circular shows:

Company.—Incorp. in Mass. in 1847. Supplies the cities of Springfield and Chicopee and the towns of West Springfield, Longmeadow, Agawam, East Longmeadow, Ludlow and South Hadley Falls, with gas for lighting, heating and cooking purposes, serving an estimated population of 171,600. Owns 300 miles of mains and the output for the year 1916 was 1,018,501,000 cu. ft. of gas. Present capitalization, including this issue:
Capital stock.....\$1,777,200 5-year 6% notes (this issue).....\$500,000
Premium on capital stock.....1,277,200 Floating debt.....465,000
Total cash paid in on cap. \$3,054,400

Earnings for Year ended Oct. 31 1917.
Gross (incl. non-op. rev.).....\$1,047,950 Int. on notes & float. debt.....\$51,000
Net, after taxes.....\$253,807 Balance.....\$199,807
Notes.—The authorized amount of the 6% gold notes is \$1,000,000, of which \$500,000 are now issued. No mortgage or other prior lien may be placed without either retiring these notes or giving them equal privileges therewith. The floating debt, including the portion now funded by these notes, has been incurred in connection with new construction and extensions
Annual Earnings.— 1908. 1910. 1912. 1914. 1916.
Gross earnings.....\$471,450 \$546,835 \$875,966 \$747,991 \$858,604
Dividends.—Dividends paid on capital stock: 1902 and 1903, 10%; 1905, 1906 and 1907, 10% yearly; 1908 to 1916, incl., 12% yearly.—V. 104, p. 769.

Standard Motor Construction Co.—Extra Dividend.—An extra dividend of 20% has been declared on the \$1,800,000 stock out of 1917 earnings, payable Feb. 7 1918. An extra of 10% was paid Dec. 22 last out of 1916 earnings. Compare V. 105, p. 2280.

Standard Oil Co. of Nebraska.—New Treasurer.—R. C. McIntosh succeeds Geo. M. Smith as Treasurer. Mr. Smith is Vice-President.—V. 105, p. 2371, 185.

Standard Oil Co. (of N. J.).—Oil Administrator Chosen.—See general news on a previous page.—V. 105, p. 2462.

Standard Steel Car Co.—Orders in 1917.—See "Railroad Construction" under RRs. above.—V. 105, p. 2280.

(John B.) Stetson Co., Philadelphia.—New Director.—Thomas S. Gates, Pres. of the Phila. Trust Co., has been elected a director to succeed Albert T. Freeman, deceased.—V. 105, p. 2548.

Texas Company.—Stock Listing.—Financial Data.—The N. Y. Stock Exchange has authorized the listing of \$13,875,000 new capital stock on official notice of issuance in exchange for outstanding full-paid subscription receipts, making the total amount authorized to be listed \$69,375,000. This new stock was offered at par to shareholders of record, subscriptions payable 30% Aug. 15, 30% Oct. 15 1917 and 40% Jan. 5 1918, the new shares participating in dividends from Jan. 1 1918. For financial statement, with earnings, &c., see "Reports" above.—V. 105, p. 1904.

Troy (N. Y.) Gas Co.—New Stock.—Application has been made to the New York P. S. Commission for authority to issue \$700,000 common stock, the proceeds to reimburse the treasury for moneys spent in the past five years.—V. 105, p. 1809, 1626.

Union Bag & Paper Corp.—Extra Dividend.—An extra dividend of 2% has been declared, in Second Liberty Loan 4% bonds, payable Jan. 25 to holders of record Jan. 15. Amounts less than \$50 will be paid in cash.—V. 105, p. 2100.

Union Electric Light & Power Co., St. Louis, Mo.—Proposed Bond and Stock Issue.—An application has been filed with the Missouri P. S. Commission for authority to issue \$1,500,000 in bonds and \$1,000,000 additional preferred stock.—V. 105, p. 1315, 1110.

Union Oil Co. of California.—Earnings—Approximated in 1917 and Actual in Other Years.—

Calendar Years—	1917 (Est.)	1916 (Act.)	1915 (Act.)	1914 (Act.)
Gross sales.....	\$33,850,000	\$27,745,009	\$19,248,143	\$20,096,659
Total profits.....	\$12,060,000	\$11,206,263	\$6,321,045	\$6,085,252
Int., taxes, deprec., &c. \$4,610,000	\$3,829,541	\$3,502,519	\$3,349,728	
Empl. share in profit.....	158,158			
Dividends.....	(9%)\$3,187,793	(6)2,045,532		

Balance, surplus.....\$4,462,207 \$5,179,032 \$2,819,129 \$2,735,524
—V. 106, p. 93.

The production of crude oil by the company and controlled companies in 1917 approximated 7,150,000 net bbls., an increase of 475,000 bbls. over 1916.—V. 105, p. 2372, 2190.

The Commercial Times

COMMERCIAL EPITOME.

Friday Night, Jan. 11 1918.

Trade is brisk at the West and South, but at the East it is hampered by the scarcity of coal and of raw materials, as well as car congestion. In fact, scarcity of raw materials militates against business in particular lines over much of the country. The lack of coal is also interfering with the export trade; so is cold weather. But rumors of peace moves have caused an advance in cotton. Stocks held by retailers are small and trade in many articles is good. Spring goods are wanted from both wholesalers and jobbers. With cotton up to 31 and 32 cents, collections at the South are especially good, but they are more prompt than usual at the West and elsewhere. The demand for textiles for spring delivery is good, despite the high cost of such goods. There is nothing to take their place. One regrettable fact is the large congestion of freight at Atlantic ports, especially at New York. Here a great many ships have been detained for weeks, unable to get a sufficient supply of coal. The single item of fuel is a most important one in summing up the business situation in this country, for almost everywhere it is scarce. The iron and steel trades are hampered by lack of coke. Industries without number are injured by the scarcity of coal. It is a fact, too, of course, that the cost of living is still very high. In not a few items, so far from being mitigated, it grows worse. It is not surprising to note that in some non-essential lines production will be reduced. Everywhere the Government is increasing its hold on business. Supervision of the oil trade is expected to become more strict. The express companies will also, it is said, be regulated from Washington. An event of capital importance was the announcement early in the week that next week will be what Director-General McAdoo designates as "Freight Clearance Week," by which is meant a country-wide campaign to have shippers and consignees unload freight cars as promptly as possible in order to relieve railroad congestion. To this end an appeal will be made to Governors of States, State Railroad Commissions, city officials and others. It is said that demurrage charges are to be doubled with a view of clearing off the wharves at New York and other points. It has been a week of very severe storms. On the 7th inst. the Middle West was struck by the heaviest snowfall on record, reaching 12 to 16 inches in Illinois, Wisconsin, Michigan and northern Indiana, the storm extending eastward from Missouri into Ohio, after centering on the 5th inst. over the lower Mississippi Valley. Chicago reported a practical suspension of business. In Milwaukee the schools had to close for the first time in many years. Here, a storm of sleet and rain, freezing as it fell, occurred, at the same time delaying all local traffic, crippling wire service and imperiling life and limb by glazed and well-nigh impassable thoroughfares, either for pedestrians or horses and trucks, with a long list of persons injured by falls, and some deaths. On the 10th inst. the Southwest was visited by one of the severest blizzards seen for years past, sweeping over Missouri, Kansas, Oklahoma and Arkansas, with temperatures 12 degrees above zero to 18 below, the latter at Concordia, Kans. Now it is announced that New York is to have a heavy snowstorm within 24 hours. The coal scarcity is still so great that the State Fuel Administrator, it is understood, may close up theatres, restaurants and cabarets at 9 or 10 o'clock in the evening for the purpose of conserving the supply. And there is talk of a temporary restoration of something like the curfew in parts of New England, owing to the lack of coal. Some Fall River mills have had to close owing to fuel scarcity. A Washington dispatch, however, is reassuring, taking the ground that the traffic situation has sufficiently improved to guarantee that there will be no further coal famine anywhere this winter, though there may be local shortages. The winter wheat crop prospects have been greatly improved by heavy snows. Taking the country as a whole, trade is in no bad shape, though it could be greatly helped by improvement in the matter of fuel and transportation.

LARD higher; prime Western 24.90@25c.; refined to the Continent 27c.; South America 27.25c.; Brazil 28.25c. Futures declined for a time with receipts of hogs larger than expected. Besides, packers hold large stocks of meats, &c., and exports are curtailed by the scarcity of ocean tonnage, something which offset the rather bullish statement of lard stocks recently given out being about half what they were a year ago. Leading packers have been sellers of provisions. In Liverpool prices are generally firm with arrivals increasing. Later on prices in this country advanced on peace talk, despite continued heavy receipts of hogs. There was a fair cash demand. Shorts have covered freely. To-day prices advanced a little and then reacted on continued large hog receipts and a slowing down of the cash demand. Car scarcity, too, restricted shipments eastward from Chicago. Prices are higher for the week, however.

DAILY CLOSING PRICES OF LARD FUTURES IN CHICAGO

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
January delivery	cts. 23.80	24.00	23.90	24.12	24.35	24.30
May delivery	24.20	24.37	24.25	24.50	24.75	24.77

Union Tank Line Co.—Transfer Agent.—The Equitable Trust Co. of New York has been appointed transfer agent of this company.—V. 105, p. 613, 503.

U. S. Industrial Alcohol Co.—Acquisition.—We are officially advised that this company absorbed on Jan. 1 all of its distillery companies, as follows: Republic Distilling Co., New York. International Distilling Co., New York. Purdy Distilling Co., Boston. Orleans. Columbus Distilling Co., Brooklyn. Louisiana Distilling Co., New Orleans. The parent company has, through the deal, partly lost its identity as a holding company and becomes the operating company of all its chemical plants. There has been no change in the capitalization.—The acquisition of the Clarke Bros. distillery is included in the above.—V. 106, p. 93.

United Shoe Machinery Co.—Gov't Suit.—See United States Steel Corporation below.—V. 106, p. 93.

United States Rubber Co.—Dividends When Earned Within Meaning of Income Tax Law.—Treasurer W. G. Parson announces as of Dec. 31 divs. paid on the pref. stocks Jan. 31 1917, were declared out of earnings for the quarter ended Dec. 31 1916 and are taxable to stockholders of this company under the Federal Income Tax Law at the rates prescribed by the Act of Sept. 8 1916, but not at the rates prescribed by the Act of Oct. 4 1917. Subsequent dividends paid in 1917 on such pref. stocks were declared out of earnings since Jan. 1 1917, and are so taxable to stockholders at the rates prescribed by the Act of Sept. 8 1916, and in addition thereto, at the rates prescribed by the Act of Oct. 4 1917.—V. 106, p. 93.

United States Steel Corporation.—Unfilled Orders.—See "Trade and Traffic Movements" on a preceding page.

Case Goes Over.—The motion of the Government to continue until the next term in October the case of the Steel Corporation was granted by the United States Supreme Court. A similar motion in the United Shoe Machinery case was denied.

Sub. Co. Plant.—The "Engineering News-Record" in its issue of Jan. 3 devoted five pages to a description of the construction in six months of a 110-inch plate mill for this company's subsidiary, the Carnegie Steel Co., at its Homestead works.

Judge Gary Favors Importing Labor to Help Win the War.—See general news on a preceding page.—V. 106 p. 93.

Utah-Idaho Sugar Co.—Extra Dividend.—A press report states that an extra dividend of 1% has been declared on the stock along with the regular quarterly 2%, payable Jan. 1 to holders of record Dec. 18. Compare V. 105, p. 2549.

War Regulations.—Iron, Steel, Coke and Ore Prices to Be Continued until March 31.—See page 25 in last week's issue.—V. 105, p. 2549.

Western Union Telegraph Co.—Earnings.

For Years ending Dec. 31 (Dec. 1917 Est.)	1917.	1916.
Total revenues	\$78,400,187	\$63,621,600
Maintenance, repairs, depreciation, &c.	10,640,449	8,551,505
Other oper. exp., incl. rent of leased lines & taxes.	52,660,938	41,242,840
Balance	\$15,098,800	\$13,727,255
Deduct—Interest on bonded debt	1,331,850	1,331,850
Net income	\$13,766,950	\$12,395,405

—V. 105, p. 2372.

Wharton Steel Co.—Notes Offered—Stock.—Chandler & Co. are offering, it is understood, \$200,000 Two-year 6% notes at 94 and int., the notes being part of an issue of \$1,200,000 created for the purpose of consolidating its floating debt also the mrg. for \$750,000. In respect of the increase in the authorized capital stock from \$3,000,000 to \$10,000,000, we are informed that the directors have not as yet authorized the issue of any of the additional stock.—V. 105, p. 2191.

Wichita (Kan.) Union Stock Yards Co.—Bonds Called.—This company has called for payment Feb. 1 at 102½ and int. at Illinois Trust & Savings Bank, Chicago, the following First Mrg. 6% gold bonds, dated Aug. 1 1914: Nos. 61, 67, 80, 93 at \$100 each; No. 313 at \$500, and No. 402 at \$1,000. The above issue of bonds (\$200,000) was placed by the H. P. Wright Investment Co. of Kansas City. At last accounts, \$188,400 was outstanding. Compare V. 99, p. 1838, 1916.

Wire Wheel Corp. of America.—New Directors.—Reports state that Frank A. Storer and Joseph Musgrove have been elected directors.—V. 105, p. 1216.

(F. W.) Woolworth Co.—Financial Data—Sales.—The figures appearing in the following statement have been confirmed for the "Chronicle":

The sales for the calendar year 1917 were \$98,091,999, the company's record for a single 12 months and a gain of \$11,010,190, or 12.64%, over 1916. Of this total the old stores, those operated a full year, gained \$6,255,010, or 56.80%. The sales for December 1917 created a new high record and show a gain of \$955,789, or 7.01% over December 1916, the old stores contributing about one-third of the total increase. The result attained in December was unexpected, since in the first two weeks the heavy storms hampered business, causing a loss in sales as compared with 1916. The heavy Christmas business, however, overcame the poor showing made earlier in the month. In the seven days before Christmas the sales totaled \$7,259,400, or an average of over \$1,000,000 a day. The year 1917 also established a new high record in the number of stores now operating. On Dec. 31 1917 the company had 998 stores open, an increase of 78 over Jan. 1 1917.

Sales for Month of December and 12 Months ending Dec. 31.

1917—Dec.—1916.	Increase.	1917—12 mos.—1916.	Increase.
\$14,590,024	\$13,635,135	\$955,789	\$98,091,999
\$87,081,809	\$7,134,445	920,1913.	66,228,072
1915—	75,995,774	7,548,210	805,1912.
			60,557,767
			5,414,798
			631

* Estimated before allowing for war taxes. The following is part of an approved statement: "War taxes which the company will have to pay cannot be determined until a full inventory has been made. After paying taxes, the net will be considerably lower than the above estimate. Then, too, the company's profits on each dollar of sales will undoubtedly be smaller than in 1916, when they were the best on record, 10 cents on the dollar, due to higher cost of merchandise and labor. On the whole, it would not be surprising if the final net earnings for 1917 will be less than in 1916."—V. 106, p. 93.

World Film Corp.—Additional Certificates Listed.—Press reports state that an additional amount of 551,375 shares of voting trust certificates has been listed on the New York "Curb," making the total issued and outstanding 1,151,375 shares.

Yale & Towne Mfg. Co.—Supreme Court Decision in Stock Dividend Case.—

U. S. Authority Claims Decision Applies only to Act of 1913—See general news on a previous page.—V. 105, p. 2549.

PORK firm; mess, \$50@51; clear, \$50@56. Beef products steady; mess, \$31@32; extra India mess, \$52@54. Cut meats firm; pickled hams, 10 to 20 lbs., 25c.; pickled bellies, 31@33c. In Liverpool, the general tone has been very firm, with spot offerings light and foreign arrivals moderate. Consumption is necessarily increased by the recent coldness. The American market is firm with holders reserved. Argentine clearances are fair, and other export clearances moderate. There is a small allocation of all grades and an urgent retail trade for bacon. To-day pork advanced. Prices are higher for the week. Butter, creamery, 52@52½c. Cheese, State, 24¼@25c. Eggs, fresh, 67c.

COFFEE higher; No. 7 Rio 8½c.; No. 4 Santos 10½@10¾c.; fair to good Cucuta 11½@12½c. Futures after recent sharp advance reacted on an idea that, after all, peace is not near at hand. Heavy liquidation occurred. Brazil did not respond to the recent advance here. Yet, on the other hand, there has been more or less outside buying of distant months on the chance that peace may come some time this year or, at any rate, be clearly foreshadowed. This buying has caused rallies at times. Ocean freights, moreover, at Brazilian ports still seem to be scarce. To-day prices closed 4 to 25 points lower, with sales stated at 3,260 bags. Rio spot prices dropped 75 reis for the third day in succession. Prices are lower for the week. Prices follow:

January	cts. 7.70@7.80	May	cts. 8.28@8.29	September	cts. 8.67@8.68
February	7.90@7.93	June	8.35@8.39	October	8.74@8.75
March	8.12@8.13	July	8.47@8.49	November	8.81@8.82
April	8.20@8.21	August	8.57@8.58	December	8.87@8.89

SUGAR, centrifugal, 96-degrees test, 6.005c.; granulated, 7.45c. Stocks of raw sugar are increasing in Cuba. Exports, moreover, are also increasing. No doubt they would be larger, but for the scarcity of steamer coal. In other words, the question of tonnage for bringing sugar to this country from Cuban ports is a vital matter. At present the importations are only moderate. Under the circumstances, trade is necessarily restricted. On Thursday, however, 300,000 bags of new crop Cuban sugar sold for prompt and January shipment at 4.985c. The Cuban crop is estimated at 3,500,000 tons, but it is intimated that this estimate may have to be modified unless prompt measures are taken greatly to increase the supply of coal in Cuba. Moreover, economic conditions are said to leave much to be desired. American bankers may finance the Cuban crop. Wool quiet, but firm. The next Colonial wool auctions at Boston will occur on January 24th and 25th.

OILS.—Linseed steady; city, raw American seed, \$1 30@ \$1 31; Calcutta, \$1 40. Lard, prime, \$2 20@2 25. Coconut, Cochin, 21@22c.; Ceylon, 17½@18c. Soya bean, 18@18½c.; Palm, Lagos, 30@31c. Spirits of turpentine, 48@48½c. Strained rosin, common to good, \$7. Cottonseed oil closed lower on the spot at 19.70c. Prime crude Southeast, 17.50 nominal. Closing prices for refined for future delivery are as follows:

January	19.75@20.00	March	19.95@	May	19.90@
February	19.90@	April	19.90@		

PETROLEUM firm; refined in barrels, \$12 50@13 50; bulk, \$6 50 @7 50; cases, \$16 50@17 50. Naphtha, 73 to 76 degrees, in 100-gallon drums and over, 54¾c. Gasoline firm; motor gasoline, in steel barrels, to garages, 24c.; to consumers, 26c.; gasoline gas machine, steel, 41c.; 72 to 76 degrees, 38c. Requirements here for the first time in many years exceed production of refineries. Objection is made to the revocation by Director-General McAdoo of the priority railroad freight order, putting petroleum and its products in fifth classification of commodities to receive preference in cars and in movement. Protests have been made based on the necessity of protecting many industrial plants dependent upon petroleum for fuel, as well as assuring a regular and adequate supply of refined products for war purposes. Oklahoma's production in 1917 dropped to 92,044,190 bbls., against 106,396,834 bbls. in 1916, a decrease for the first time in 10 years. But that of Kansas was 35,017,540 bbls., against 13,961,803 bbls. in 1916. And the Mid-Continent's production in 1917 was 127,061,730 bbls., against 120,358,637 bbls. in 1916 an increase of 7,703,100 bbls. On the 10th instant Mark L. Regua of California was appointed head of the newly created oil department of the Fuel Administration.

Pennsylvania dark	\$3 75	North Lima	\$2 08	Illinois, above 30	
Cabell	2 72	South Lima	2 08	degrees	\$2 12
Mercer black	2 23	Indiana	1 93	Kansas and Okla-	
Crichton	1 50	Princeton	2 12	homa	2 00
Corning	2 80	Somersett, 32 deg.	2 55	Caddo, La., light	2 00
Wooster	2 38	Ragland	1 20	Caddo, La., heavy	1 00
Thrall	2 00	Electra	2 00	Canada	2 45
Strawn	2 00	Moran	2 00	Healdton	1 20
De Soto	1 90	Plymouth	2 03	Henrietta	2 00

TOBACCO has been quiet but firm. Trade is usually quiet at this time, but holders show no inclination whatever to modify prices. Certainly there is no pressure to sell. The Ohio crop of 1917 is estimated at 130,000 to 135,000 cases, of which it seems some 60,000 cases remain in the hands of farmers. Foreign tobacco, like American, is quiet, but prices remain very steady.

COPPER is steady at 23½c. Government purchases have been heavy, but supplies are ample. The Government requirements for January are not fully known. Meanwhile there is some hesitancy in releasing private copper. Lead higher on the spot at 6½@7c. Stocks are not heavy, but sufficient for consuming needs. Traffic congestion at the

West delays shipments. Trading is mostly between dealers. Tin is very scarce and no relief from London is in sight, as all shipments from there are temporarily suspended. London advanced equal to 2 1-3c. The situation is regarded as acute. Spelter firm on the spot at 7¼@8½c. Lately the tone has become stronger. Supplies are ample. The price is down, it is said, near the cost of production.

PIG IRON has been scarce. Furnaces are oversold. A scarcity of coke is still a great drawback and producers are far behind on their contracts. Foundries need iron badly, but as already intimated it is hard to obtain.

STEEL is still in sharp demand. American mills are working at full capacity. Rolling mills are needed to make ship plates. Owing to the scarcity here, Canada will be obliged to establish rolling mills in connection with plans to stimulate shipbuilding by the Canadian Government. Shipbuilding there will consume much raw material. That is clear. Plants to build ships in the United States and Canada have been enlarged to the utmost possible limit. Lord Northcliffe's frequent statements in regard to the crying need of ships is believed to be having effect in Canada, to say nothing of this country, especially as the U-boat menace seems to have by no means disappeared.

COTTON.

Friday Night, Jan. 11 1918.

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 153,526 bales, against 139,274 bales last week and 124,475 bales the previous week, making the total receipts since Aug. 1 1917 3,719,870 bales, against 4,889,793 bales for the same period of 1916-17, showing a decrease since Aug. 1 1917 of 1,169,923 bales.

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.	Total.
Galveston	13,812	9,472	15,835	10,064	5,449	6,157	60,789
Texas City	-----	-----	-----	-----	-----	6,525	6,525
Port Arthur	-----	-----	-----	-----	-----	-----	-----
Aran. Pass. &c.	-----	-----	-----	-----	-----	1,987	1,987
New Orleans	4,567	4,782	11,869	6,238	6,001	6,774	40,231
Mobile	155	189	785	338	310	486	2,263
Pensacola	-----	-----	-----	-----	-----	-----	-----
Jacksonville	-----	-----	-----	-----	-----	2,200	2,200
Savannah	3,323	3,052	4,764	2,991	1,958	3,850	19,958
Brunswick	-----	-----	-----	-----	-----	4,500	4,500
Charleston	455	835	576	557	329	1,738	4,490
Wilmington	67	34	200	36	148	163	648
Norfolk	110	718	1,202	645	478	1,690	4,843
N'port News, &c.	-----	-----	-----	-----	-----	194	194
New York	50	272	1,308	66	131	90	2,007
Boston	-----	183	624	391	760	360	2,327
Baltimore	-----	-----	-----	-----	-----	498	498
Philadelphia	66	-----	-----	-----	-----	-----	66
Totals this week	22,603	19,537	37,273	21,326	15,573	37,212	153,526

The following shows the week's total receipts, the total since Aug. 1 1917 and the stocks to-night, compared with last year:

Receipts to Jan. 11.	1917-18.		1916-17.		Stock.	
	This Week.	Since Aug 1 1917.	This Week.	Since Aug 1 1916.	1918.	1917.
Galveston	60,789	1,189,956	68,469	1,875,234	270,073	360,339
Texas City	6,525	31,756	2,356	224,641	24,209	30,091
Port Arthur	-----	-----	-----	29,850	-----	-----
Aran. Pass. &c.	1,987	5,492	4,209	42,512	-----	-----
New Orleans	40,231	901,499	22,188	1,069,143	381,516	491,917
Mobile	2,263	65,839	1,357	77,537	10,775	9,039
Pensacola	-----	5,725	-----	30,855	-----	-----
Jacksonville	2,200	32,850	219	41,675	14,000	6,036
Savannah	19,958	725,656	7,082	713,993	226,381	189,351
Brunswick	4,500	101,400	2,500	31,000	18,700	8,000
Charleston	4,490	162,636	835	134,946	59,949	62,314
Wilmington	648	63,650	501	78,838	49,927	50,953
Norfolk	4,843	197,102	7,285	367,581	87,199	110,228
N'port News, &c.	194	3,062	436	10,090	-----	-----
New York	2,007	102,305	2,457	27,761	141,301	152,967
Boston	2,327	74,882	2,712	55,090	19,332	10,219
Baltimore	498	57,721	3,142	27,657	29,903	4,840
Philadelphia	66	3,455	-----	1,400	7,843	1,843
Totals	153,526	3,719,870	125,848	4,889,793	1,341,108	1,488,137

In order that comparison may be made with other years, we give below the totals at leading ports for six seasons:

Receipts at—	1918.	1917.	1916.	1915.	1914.	1913.
Galveston	60,789	68,469	59,293	183,843	112,344	58,709
Texas City &c.	8,512	6,565	6,221	65,418	30,470	25,750
New Orleans	40,231	22,188	30,025	75,046	60,552	23,488
Mobile	2,263	1,357	2,969	5,492	6,908	2,086
Savannah	19,958	7,082	35,043	82,314	26,102	18,636
Brunswick	4,500	2,500	2,000	15,000	3,200	1,400
Charleston &c.	4,490	835	5,130	10,510	2,009	2,555
Wilmington	648	501	2,473	9,047	7,711	1,051
Norfolk	4,843	7,285	11,595	25,529	11,097	7,862
N'port N. &c.	194	436	13,987	8,467	1,802	6,005
All others	7,098	8,630	7,541	6,179	3,982	6,178
Total this wk.	153,526	125,848	173,647	488,875	272,157	154,340
Since Aug. 1.	3,719,870	4,889,793	4,376,373	5,439,643	7,678,442	7,632,044

The exports for the week ending this evening reach a total of 96,480 bales, of which 69,640 were to Great Britain, 3,505 to France and 23,335 to other destinations. Exports for the week and since Aug. 1 1917 are as follows:

Exports from—	Week ending Jan. 11 1918. Exported to—				From Aug. 1 1917 to Jan. 11 1918. Exported to—			
	Great Britain.	France.	Other.	Total.	Great Britain.	France.	Other.	Total.
Galveston	24,553	---	---	24,553	394,238	33,255	130,742	558,235
Port Arthur	---	---	---	---	5,492	---	---	5,492
Laredo, &c.	---	---	---	---	---	---	2,117	2,117
New Orleans	7,593	---	100	7,693	248,290	77,146	32,850	358,286
Mobile	---	---	---	---	46,166	---	1,000	47,166
Pensacola	---	---	---	---	6,499	---	---	6,499
Savannah	9,025	---	---	9,025	132,359	79,843	112,945	325,647
Brunswick	9,851	---	---	9,851	88,298	---	---	88,298
Wilmington	---	---	---	---	7,174	28,218	9,450	44,842
Norfolk	---	---	---	---	46,022	21,000	---	67,022
New York	18,618	3,505	10,082	32,205	263,636	81,762	162,479	507,877
Boston	---	---	---	---	67,487	17,756	1,987	87,230
Baltimore	---	---	---	---	65,330	1,367	1,952	68,649
Philadel'a.	---	---	---	---	8,420	---	---	8,420
San Fran.	---	---	---	---	---	---	45,126	45,126
Washington	---	---	13,153	13,153	---	---	152,183	152,183
Detroit	---	---	---	---	1,623	---	---	1,623
Total	69,640	3,505	23,385	96,480	1,381,534	340,347	652,831	2,374,712
Tot. '16-'17	67,020	6,425	62,205	135,650	1,732,654	406,197	1,193,860	3,332,711
Tot. '15-'16	97,439	9,312	52,252	158,993	1,125,820	404,465	1,026,236	2,556,521

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.

Jan. 11 at—	On Shipboard, Not Cleared for—					Leaving Stock.
	Great Britain.	France.	Germany.	Other Cont't.	Coast-wise.	
Galveston	21,734	6,100	---	9,963	9,000	46,797
New Orleans	5,000	20,000	---	5,000	---	30,000
Savannah	---	---	---	---	4,200	4,200
Charleston	---	---	---	---	1,000	1,000
Mobile	4,503	---	---	---	100	4,603
Norfolk	---	---	---	---	200	200
New York	5,000	7,000	---	4,000	---	16,000
Other ports	4,000	6,000	---	---	---	10,000
Total 1918	40,237	39,100	---	18,963	14,500	112,800
Total 1917	69,250	33,175	---	45,310	20,310	168,045
Total 1916	78,767	8,966	100	42,930	33,805	164,568

* Estimated.

Speculation in cotton for future delivery has increased somewhat and prices have moved up to new high levels, the highest since 1869. The stimulus has come from two sources, namely, a persistent and large demand from Liverpool and American trade interests, and the firmness of spot cotton. Back of this is the general belief that the supply will be short. Japanese interests, moreover, have been buying, and the South, with prices here at a discount, has naturally not been hedging much. Therefore at times there has been the old trouble of scarcity of contracts. Bears have been worsted so often that they are timid. They cover on the slightest alarm. Early in the week they were frightened by peace talk. Premier Lloyd George's speech had some effect. Then came the peace speech of President Wilson. Some suspected that both the British Prime Minister and the President of the United States had information of some sort, perhaps pointing to more favorable prospects for peace, which was not open to the general public on either side of the Atlantic. A decline in the stock market seemed to lend a certain color to this view. But at other times the strength in the stock market has helped the prices of cotton. It has caused more or less buying for both sides of the account by Wall Street and the West. Some large operators in Wall Street are said to have covered. The other day a report was circulated that France was in the Southern markets for 200,000 bales of actual cotton, and this had a certain effect on prices. Yet it is hardly to be supposed that if French buyers have entered the market they would tell how much they wanted. That would be a rather naive way of going about it. As regards the ginning report of the 9th inst., though it showed a larger total ginned up to Dec. 31 than had been foreshadowed in previous estimates, it caused only momentary selling. Previous estimates had been anywhere from 10,394,000 to 10,420,000 bales, and the actual figures of the Census Bureau proved to be 10,450,401 bales, against 11,039,491 in 1916 and 10,636,778 in 1915. Another bullish factor was the announcement by the War Trade Board at Washington that on and after Jan. 8 no individual licenses would be required for the export of raw cotton from this country to the United Kingdom, France, Italy, Japan and their colonies, possessions or protectorates, though such licenses would be required in the cases of Egyptian and Sea Island cotton. This, to be sure, does not increase the supply of tonnage available, but it had a certain more or less moral effect. Latterly, too, warehouse space here has become scarcer than ever. It is supposed that cotton stored at the Bush Terminal warehouses, recently taken over by the United States Government, will have to be removed within a reasonable time. Finally, there was the continued dry weather in Texas and the menace of the pink boll weevil in that State. Winter rains in Texas have been far below the normal. That is not disputed. Neither is it disputed that the pink boll weevil has not appeared in the more productive counties of Texas. But there nevertheless is a growing fear that this pest may spread westward through important cotton sections of the State. It came from Mexico. So did the boll weevil. The boll weevil at one time attracted little attention, but now it has overspread something like 75% of the cotton belt. Hence the fear of the pink boll worm. On the other hand, the fact that the ginning was larger than expected caused a certain amount of selling, and of late there has been less peace talk.

The terms laid down by the President in his address to Congress, which has been so widely hailed as a new Magna Charta of the world, it is believed will be bitterly opposed by the military party of Germany. Very many believe that there is nothing for it but a prolongation of hostilities until an unmistakable decision is reached. Latterly, moreover, there have been signs of rain in Texas. A low barometer has been noticeable for some days in that State. And very many are disinclined to buy cotton at the present high price. A scarcity of coal has caused the closing of some Fall River mills. On the 10th inst. publications in the newspapers here gave rise to some new fears of price-fixing by the Government, though there has been nothing in the news from Washington to indicate that such a step is contemplated. But there certainly is more or less persistent argument to the effect that raw and manufactured cotton should take its turn with iron, steel, &c., in coming under the Governmental supervision. And exports have been small. In parts of the South, according to some reports, farmers are more disposed to sell at present high prices. To-day prices were irregular, advancing early and then reacting on heavy liquidation by Southern bull interests and also by Wall Street and the West. And the South of late has shown more disposition to sell the actual cotton. Certainly its sales have been large. And a good many do not like the scarcity of coal in New England. Unless the reports are greatly exaggerated, the scarcity is becoming acute and threatens the closing up of an increasing number of mills at least for the time being. It is natural to suppose, of course, as the Government has big orders for goods with the mills, it will sooner or later see to it that they get all the coal that they need. But for the time being it is a disturbing factor here. Prices, however, end higher for the week. Middling uplands closed at 32.60c., an advance of 25 points for the week.

The official quotation for middling upland cotton in the New York market each day for the past week has been:

Jan. 5 to Jan. 11	Sat	Mon	Tues	Wed	Thurs	Fri
Middling uplands	32.40	32.55	33.05	33.30	33.25	32.60

NEW YORK QUOTATIONS FOR 32 YEARS.

The quotations for middling upland at New York on Jan. 11 for each of the past 32 years have been as follows:

1918 c.	32.60	1910 c.	15.30	1902 c.	8.25	1894 c.	8.25
1917	18.15	1909	9.50	1901	10.12	1893	9.75
1916	12.50	1908	11.55	1900	6.06	1892	7.38
1915	8.05	1907	10.80	1899	6.06	1891	9.35
1914	12.60	1906	11.80	1898	5.94	1890	10.50
1913	13.10	1905	7.15	1897	7.25	1889	9.88
1912	9.65	1904	13.95	1896	8.31	1888	10.44
1911	14.80	1903	8.90	1895	5.75	1887	9.50

MARKET AND SALES AT NEW YORK.

	Spot Market Closed.	Futures Market Closed.	SALES.		
			Spot.	Contract.	Total.
Saturday	Quiet 5 pts adv.	Irregular	---	---	---
Monday	Quiet 15 pts adv.	Steady	---	---	---
Tuesday	Quiet 50 pts adv.	Firm	---	---	---
Wednesday	Quiet 25 pts adv.	Strong	---	100	100
Thursday	Quiet 5 pts dec.	Rasy	---	---	---
Friday	Quiet 65 pts dec.	Steady	---	---	---
Total				100	100

FUTURES.—The highest, lowest and closing prices at New York for the past week have been as follows:

	Saturday, Jan. 5.	Monday, Jan. 7.	Tuesday, Jan. 8.	Wed. day, Jan. 9.	Thurs'd'y, Jan. 10.	Friday, Jan. 11.	Week.
January—							
Range	31.40-59	31.39-56	31.66-10	31.93-44	32.00-40	31.54-05	31.39-74
Closing	31.42-43	31.65-66	32.07-10	32.38-42	31.84-87	31.77	---
February—							
Range	---	---	---	---	---	---	---
Closing	30.99	31.21	31.64	31.06	31.45	31.49	---
March—							
Range	30.93-15	30.90-20	31.18-69	31.40-97	31.40-95	31.18-73	30.90-97
Closing	30.94-96	31.16-17	31.59-62	31.91-94	31.40-45	31.44-45	---
April—							
Range	---	---	---	---	---	---	---
Closing	30.68	30.84	31.25	31.00	31.12	31.14	---
May—							
Range	30.56-78	30.57-84	30.79-30	31.04-58	31.06-59	30.78-45	30.56-159
Closing	30.62-66	30.78-80	31.19-22	31.54-55	31.06-09	31.09-12	---
June—							
Range	---	---	---	---	---	---	---
Closing	30.39	30.68	30.96	31.31	31.84	30.87	---
July—							
Range	30.23-48	30.32-53	30.48-95	30.67-25	30.75-30	30.51-10	30.23-125
Closing	30.30-34	30.40-50	30.87-92	31.22-25	30.75-87	30.82-83	---
August—							
Range	---	---	---	---	---	---	---
Closing	30.10	30.29	30.67	31.02	30.59	30.57	---
October—							
Range	29.25-50	29.41-62	29.58-95	29.75-16	29.60-09	29.30-25	29.25-15
Closing	29.29	29.59-61	29.80-87	30.14-15	29.60-70	29.52-55	---
December—							
Range	---	---	---	---	---	---	---
Closing	---	---	29.70	29.55	29.85-00	---	29.55-00

732c. 131c.

NEW ORLEANS CONTRACT MARKET.—The closing quotations for leading contracts in the New Orleans cotton market for the past week have been as follows:

	Saturday, Jan. 5.	Monday, Jan. 7.	Tuesday, Jan. 8.	Wed. day, Jan. 9.	Thurs'd'y, Jan. 10.	Friday, Jan. 11.
January	32.22	30.43-45	---	31.18-22	40.83-86	30.77
March	29.82-88	29.94-00	---	30.74-78	30.44-49	30.35-40
May	29.54-58	29.68-70	HOLI-DAY.	30.43-45	30.14-16	30.05-07
July	29.41-43	29.53-56	---	30.22-25	29.93-95	29.85-88
October	28.50-56	28.68-69	---	29.24-26	28.75-77	28.50-57
December	28.33	28.51	---	29.00-10	28.50	28.33
Tone	---	---	---	Firm	Steady	Steady
Spot	Steady	Firm	---	Very st'y	Weak	Steady
Options	Steady	Steady	---	---	---	D'y st'y

THE VISIBLE SUPPLY OF COTTON to-night, as made up by cable and telegraph, is as follows. Foreign stocks, as well as the afloat, are this week's returns, and consequently all foreign figures are brought down to Thursday evening. But to make the total the complete figures for to-night (Friday), we add the item of exports from the United States, including in it the exports of Friday only.

Table with columns for Jan. 11, 1918, 1917, 1916, 1915. Rows include Stock at Liverpool, Stock at London, Stock at Manchester, Total Great Britain, Stock at Hamburg, Stock at Bremen, Stock at Havre, Stock at Marseilles, Stock at Barcelona, Stock at Genoa, Stock at Trieste, Total Continental stocks, Total European stocks, India cotton afloat for Europe, Amer. cotton afloat for Europe, Egypt, Brazil, &c. afloat for Europe, Stock in Alexandria, Stock in Bombay, India, U. S. port stocks, Stock in U. S. ports, Stock in U. S. interior towns, U. S. exports to-day, Total visible supply, Of the above, totals of American and other descriptions are as follows American, Liverpool stock, Manchester stock, Continental stock, American afloat for Europe, U. S. port stocks, U. S. interior stocks, U. S. exports to-day, Total American, East Indian, Brazil, &c., Liverpool stock, London stock, Manchester stock, Contine stock, India afloat for Europe, Egypt, Brazil, &c., afloat, Stock in Alexandria, Egypt, Stock in Bombay, India, Total East India, &c., Total American, Total visible supply, Middling Upland, Liverpool, Middling Upland, New York, Egypt, Good Brown, Liverpool, Peruvian, Rough Good, Liverpool, Broach, Fine, Liverpool, Tinnevely, Good, Liverpool.

* Estimated. Continental imports for past week have been 40,000 bales. The above figures for 1918 show an increase over last week of 16,017 bales, a loss of 1,076,231 bales from 1917, a decrease of 1,572,172 bales from 1916 and a decline of 1,678,694 bales from 1915.

AT THE INTERIOR TOWNS the movement—that is, the receipts and for the week since Aug. 1, the shipments for the week and the stocks to-night, and the same items for the corresponding period of the previous year—is set out in detail below.

Table with columns: Movement to Jan. 11 1918, Movement to Jan. 12 1917. Rows: Towns, Receipts (Week, Season), Shipments (Week, 11, 12), Stocks (Week, 11, 12). Includes towns like Ala., Eufaula, Montgomery, Selma, Ark., Helena, Little Rock, Pine Bluff, Ga., Albany, Athens, Atlanta, Augusta, Columbus, Macon, Rome, La., Shreveport, Miss., Columbus, Clarksville, Greenwood, Meridian, Natchez, Vicksburg, Yazoo City, Mo., St. Louis, N. C., Greensboro, Raleigh, O. C., Cincinnati, Okla., Ardmore, Chickasha, Hugo, Oklahoma, S. C., Greenville, Greenwood, Tenn., Memphis, Nashville, Tex., Abilene, Brenham, Clarksville, Dallas, Honey Grove, Houston, Paris, San Antonio.

Total, 41 towns 186,722 6,180,890 192,915 129,727 115,014 6,175,101 164,786 130,2513 * Last year's figures are for Greenville. The above totals show that the interior stocks have decreased during the week 6,193 bales and are to-night 4,586 bales less than at the same time last year. The receipts at all towns have been 71,708 bales more than the same week last year.

OVERLAND MOVEMENT FOR THE WEEK AND SINCE AUG. 1.—We give below a statement showing the overland movement for the week and since Aug. 1, as made up from telegraphic reports Friday night. The results for the week and since Aug. 1 in the last two years are as follows:

Table with columns: 1917-18, 1916-17. Rows: Shipped, Via St. Louis, Via Mounds, &c., Via Rock Island, Via Louisville, Via Cincinnati, Via Virginia points, Via other routes, &c., Total gross overland, Deduct Shipments, Overland to N. Y., Boston, &c., Between interior towns, Inland, &c., from South, Total to be deducted, Leaving total net overland.

* Including movement by rail to Canada. a Revised. The foregoing shows the week's net overland movement has been 40,403 bales, against 51,655 bales for the week last year, and that for the season to date the aggregate net overland exhibits a decrease from a year ago of 387,821 bales.

Table with columns: 1917-18, 1916-17. Rows: In Sight and Spinners' Takings, Receipts at ports to Jan. 11, Net overland to Jan. 11, South'n consumption to Jan. 11, Total marketed, Interior stocks in excess, Came into sight during week, Total in sight Jan. 11, North, spin'n's takings to Jan. 11.

a Decrease during week. * These figures are consumption; takings not available.

Movement into sight in previous years:

Table with columns: Bales, Since Aug. 1. Rows: 1916-Jan. 13, 1915-Jan. 15, 1914-Jan. 16.

QUOTATIONS FOR MIDDLING COTTON AT OTHER MARKETS.—Below are the closing quotations of middling cotton at Southern and other principal cotton markets for each day of the week.

Table with columns: Closing Quotations for Middling Cotton on—, Week ending Jan. 11, Saturday, Monday, Tuesday, Wednesday, Thursday, Friday. Rows: Galveston, New Orleans, Mobile, Savannah, Charleston, Wilmington, Norfolk, Baltimore, Philadelphia, Augusta, Memphis, Dallas, Houston, Little Rock.

WEATHER REPORTS BY TELEGRAPH.—Telegraphic advices to us this evening from the South indicate that the temperature has been lower. Where rain has fallen the rainfall has been light as a rule. Texas reports a cold wave extending over the entire State with snow, sleet and rain falling in many places.

Galveston, Tex.—A cold wave of severe intensity has swept over the entire State with snow, sleet and rain falling at many places. Much benefit is expected to result to the wheat and other grain crops. There has been rain here one day of the week, the rainfall being two hundredths of an inch. Average thermometer 42, highest 66 and lowest 17.

Abilene, Tex.—It has been dry all the week. The thermometer has averaged 41, the highest being 74 and the lowest 8.

Brownsville, Tex.—There has been no rain during the week. The thermometer has averaged 53, ranging from 26 to 83.

Dallas, Tex.—We have had good rain on one day of the week, the rainfall being seventy-eight hundredths of an inch. The thermometer has ranged from 6 to 64, averaging 35.

Fort Worth, Tex.—Rain has fallen on one day during the week, the rainfall reaching twenty-two hundredths of an inch. Average thermometer 34, highest 62, lowest 6.

Palestine, Tex.—It has rained on one day during the week, to the extent of fifty-two hundredths of an inch. The thermometer has averaged 40, the highest being 70, and the lowest 10.

San Antonio, Tex.—There has been no rain during the week. The thermometer has averaged 48, ranging from 22 to 74.

Taylor, Tex.—We have had rain on one day of the week, the rainfall being thirty-six hundredths of an inch. Minimum thermometer 10.

Shreveport, La.—There has been no rain during the week. The thermometer has ranged from 24 to 70.

Vicksburg, Miss.—We have had rain during the week, the rainfall being one inch and ninety-five hundredths. The thermometer has ranged from 28 to 68, averaging 42.

Mobile, Ala.—There has been rain on two days of the week, the rainfall being eighty-three hundredths of an inch. Average thermometer 48, highest 62, and lowest 30.

Selma, Ala.—There has been rain on three days during the week, the precipitation being one inch and eighty-one hundredths. The thermometer has averaged 37.5, ranging from 20 to 52.

Savannah, Ga.—There has been rain on two days of the week, the rainfall being thirty hundredths of an inch. Average thermometer 42, highest 58 and lowest 23.

Charleston, S. C.—We have had rain on two days of the week, the rainfall being fifteen hundredths of an inch. The thermometer has ranged from 28 to 68, averaging 44.

Charlotte, N. C.—There has been rain on one day of the week, the rainfall being twenty hundredths of an inch. Average thermometer 35, highest 48, and lowest 23.

Memphis, Tenn.—There has been rain on three days during the week, to the extent of seventy-six hundredths of an inch and snow is now falling. The thermometer has averaged 35, ranging from 18 to 62.

WORLD'S SUPPLY AND TAKINGS OF COTTON.—The following brief but comprehensive statements indicate at a glance the world's supply of cotton for the week and since Aug. 1 for the last two seasons, from all sources from which statistics are obtainable; also the takings, or amounts gone out of sight, for the like period.

Cotton Takings Week and Season	1917-18.		1916-17.	
	Week.	Season.	Week.	Season.
Visible supply Jan. 4.-----	4,624,565		5,770,123	
Visible supply Aug. 1.-----		2,814,776		3,198,251
American in sight to Jan. 11.-----	268,736	7,433,459	208,732	8,839,997
Bombay receipts to Jan. 10.-----	875,000	500,000	67,000	912,000
Other India ship'ts to Jan. 10.-----	62,000	46,000	6,000	136,000
Alexandria receipts to Jan. 9.-----	660,000	612,000	9,000	525,000
Other supply to Jan. 9 ^a .-----	66,000	66,000	2,000	64,000
Total supply -----	5,036,301	11,472,235	6,062,855	13,725,248
Deduct -----				
Visible supply Jan. 11.-----	4,640,582	4,640,582	5,716,813	5,716,813
Total takings to Jan. 11. a.-----	395,719	6,831,653	346,042	8,008,435
Of which American-----	288,719	5,552,653	305,042	6,443,435
Of which other-----	107,000	1,279,000	41,000	1,565,000

^aEmbraces receipts in Europe from Brazil, Smyrna, West Indies, &c. This total embraces since Aug. 1 the total estimated consumption by Southern mills, 1,978,000 bales in 1917-18 and 1,871,000 bales in 1916-17—takings not being available—and the aggregate amounts taken by Northern and foreign spinners, 4,853,653 bales in 1917-18 and 6,137,435 bales in 1916-17, of which 3,574,653 bales and 4,572,435 bales American.
^b Estimated.

MANCHESTER MARKET.—Our cable from Manchester this evening states that the market is unchanged with the tone quiet but strong. Trade with the East poor but there has been some buying of cloth for the army. We give prices for to-day below and leave those for previous weeks of this and last year for comparison:

	1917-18.						1916-17.					
	32s Cop Twist.		8 1/2 lbs. Shirts ings, common to finest.		Col'n Mid. Up's.		32s Cop Twist.		8 1/2 lbs. Shirts ings, common to finest.		Col'n Mid. Up's.	
	d.	s. d.	d.	s. d.	d.	s. d.	d.	s. d.	d.	s. d.	d.	s. d.
Nov 23	34 1/4	@ 36 1/4	17 0	@ 22 0	22 1/2	18	@ 19 1/4	9 6	@ 11 10 1/2	11 90		
30	36 1/4	@ 38 1/4	17 3	@ 23 0	22 47 1/2	18	@ 19 1/4	9 6	@ 11 10 1/2	12 21		
Dec 7	37	@ 39	17 6	@ 24 0	22 10	18 1/4	@ 19 1/4	9 6	@ 12 1 1/4	12 05		
14	37 1/4	@ 39	17 6	@ 24 0	22 31	17 3/4	@ 18 1/4	9 6	@ 12 1 1/4	11 00		
21	38	@ 39 1/4	17 9	@ 24 0	22 31	18 1/4	@ 17 1/4	9 4 1/2	@ 11 10 1/2	10 09		
28	38 1/4	@ 39 1/4	17 10 1/4	@ 24 0	22 68	16 3/4	@ 17 1/4	9 4 1/2	@ 11 10 1/2	10 63		
Jan 4	39	@ 40 1/4	18 4 1/4	@ 25 0	23 10	16 1/2	@ 17 1/4	9 5 1/2	@ 11 10 1/2	10 96		
11	39	@ 40 1/4	18 4 1/4	@ 25 0	23 53	17 1/4	@ 18 1/4	9 4 1/2	@ 11 10 1/2	11 11		

LIVERPOOL.—By cable from Liverpool we have the following statement of the week's sales, stocks, &c., at that port:

	Dec. 20.	Dec. 27.	Jan. 4.	Jan. 11.
Sales of the week-----	11,000	4,000	13,000	14,000
Of which speculators took-----				
Of which exporters took-----				
Sales, American-----	7,000	3,000	7,000	8,000
Actual export-----				
Forwarded-----	35,000	57,000	62,000	78,000
Total stock-----	430,000	449,000	454,000	471,000
Of which American-----	285,000	281,000	299,000	307,000
Total imports of the week-----	74,000	75,000	66,000	95,000
Of which American-----	55,000	26,000	66,000	62,000
Amount afloat-----	238,000	249,000	265,000	-----
Of which American-----	156,000	155,000	146,000	-----

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.		Quiet.	Quiet.	Quiet.	Quiet.	Quiet.
Mid. Up's Good Mid. Uplands		23.16	23.22	23.31	23.49	23.53
Sales -----	HOLI-DAY	3,000	3,000	3,000	3,000	3,000
Futures, Market opened.		Quiet, 3 6/9 pts. advance.	Steady, 10 6/12 pts. advance.	Steady, 11 6/14 pts. advance.	Steady, 14 6/16 pts. advance.	Barely sty., 1/2 pt. dec.
Market, 4 P. M.		Steady, 8 6/15 pts. adv. on dec. new, 6 pts. new, 6 pts. on old.	Steady, 5 6/8 pts. adv. on old.	Steady, 6 6/9 pts. adv. on old.	Barely sty., 4 pts. adv. on new, 3 pts. new, 2 pts. on old.	Steady, 3 6/8 pts. adv. on new, 34 pts. on old.

The prices of futures at Liverpool for each day are given below.

The prices are given in pence and 100ths. Thus: 23 38 means 23 38-100d.

Jan. 5	Sat	Mon	Tues	Wed	Thurs	Fri
Lo	12 1/4 p.m.	12 1/4 p.m.	12 1/4 p.m.	12 1/4 p.m.	12 1/4 p.m.	12 1/4 p.m.
Jan. 11.	12 1/4 p.m.	12 1/4 p.m.	12 1/4 p.m.	12 1/4 p.m.	12 1/4 p.m.	12 1/4 p.m.
New Contr't	d.	d.	d.	d.	d.	d.
January	23 38	28 38	33 33	50 40	41 41	58 68
February	23 29	20 30	25 25	42 32	42 36	40 55
March	23 11	02 12	08 24	17 24	13 14	24 24
April	23 03	04 04	00 15	08 15	04 10	10 10
May	22 88	79 91	87 00	93 00	87 82	90 90
Old Contract						
January	22 01	01 07	07 16	16 34	14 38	48 48
Jan.-Feb.	21 91	91 97	97 06	06 24	04 28	38 38
Mar.-Apr.	21 73	73 79	79 88	88 06	86 10	20 20
May-June	21 57	57 63	63 72	72 90	70 94	04 04
June-July	21 49	49 55	55 64	64 82	62 86	96 96

BREADSTUFFS.

Friday Night, Jan. 11 1918.

Flour has been quiet, owing to the smallness of receipts and also the smallness of the stocks on hand. Mills are not offering at all freely. Traffic conditions show little or no improvement. This is all the more regrettable because there is a large quantity of flour in transit from the mills to New York and other leading markets. It has been on the way now for some time past, even for eight or ten weeks. It is supposed that the movement of this flour will have to wait upon measures taken to relieve the coal situation. When that is accomplished possibly determined efforts will be made to relieve the acute situation in the flour business. Some think that the Government is absorbing considerable of the output. This might count in a measure for the smallness of mill offerings. In any case the dislocation of the flour trade continues. It is said that mills have been limited in their production to 10% over their three-year average run and that some of the mills have already approached their limit. It all makes for economy in the use of flour. This is supposed to be the Government's object. In any case, during the next six months it is believed that there will be no very great increase in the offerings, or certainly nothing like what might be expected in normal times. In Liverpool prices have been firm with a continued demand for imported flour and native offerings are only moderate. The fact that the weather has been cold there causes an increased consumption. At the same time foreign arrivals are good. Both Canada and the United States are offering to Liverpool. A Washington dispatch says that to supply the needs of the Army and Navy and the nations associated with the United States in the war the Food Administration will purchase from every flour mill in the country not to exceed 30% of its output. Out of the flour purchased, it was explained, the Food Administration will retain at all times a reserve stock and will ship flour to any point where the local supply may be short.

Wheat has been firm with small supplies. Last week the total American visible stocks decreased 5,901,000 bushels, as against a decrease in the same week last year of 3,738,000 bushels. The total is now 71,320,000 bushels, against 163,420,000 bushels a year ago and 178,616,000 bushels at this time in 1916. In Liverpool wheat has been firm, with a good demand. The arrivals there have been only moderate. Argentine offerings, however, have been liberal. Australian crop advices have been very favorable and new wheat is moving there. In Argentina the weather has been bad. Rains have been general and in some parts heavy. This, as a rule, retards the movement of wheat and oats. At Rosario, however, the arrivals have been large. The trouble is that shipping is slow, owing to a scarcity of tonnage. Naturally, freight rates are strong. At Buenos Aires wheat prices have been firm, with only moderate arrivals. In Russia the weather continues very cold and the movement of all grain is light. Railroad traffic is still slow. Internal conditions are adverse to business and prices in the interior remain high. At the ports stocks are small. There are rumors that the Bolsheviki have been offering Russian wheat to Norway, also that they will repudiate Russia's debts. In Italy the weather has been cold with snow in some parts, especially in the mountainous districts. The agricultural outlook is bad. The native movement of wheat is small and foreign arrivals are insufficient. Stocks of both native and foreign wheat are small. On the other hand, consumption has been greatly reduced. It had to be. In France the weather has been wet and cool. In some parts there have been heavy snows. The agricultural outlook is fair on a reduced acreage. Of course France needs to import heavily. Its native movement is slow, but foreign arrivals are increasing. Large purchases have been made for France in Argentina and it is expected that these will come forward during the present month. In the United Kingdom seeding is finished and there is an important increase in the acreage. There is a fair supply as foreign arrivals continue. The floating quantity moreover is maintained. Arrivals from Argentina are increasing and they are expected to be even larger before long. In Spain the seeding prospects are good and the acreage will show a considerable increase. Spain has made fair purchases in Argentina and native wheat is in good supply. The wheat arriving at Winnipeg is of high quality and of fair volume. From India shipments are moderate, as most of the tonnage is utilized for linseed, but crop accounts continue favorable. In the Scandinavian peninsula the weather has been unfavorable, being cold

with some scarcity of snow. The crop outlook in the main is bad. Supplies are scanty but foreign arrivals from Canada and the United States are increasing. In this country the winter wheat belt has had heavy snows. A Chicago dispatch on the 10th inst. said that a heavy snow storm centred over Texas and was due in the Central West and would save millions of dollars worth of winter wheat. The heavy snow not only will protect the wheat from freezing, but is providing needed moisture to many sections of Kansas and Nebraska, where there was reported a seven-inch snowfall. Grain experts following the Government report showing the greatest winter wheat acreage—and the poorest condition—in history, declared that heavy snowfalls probably would give the country a high record winter-wheat crop. But ship losses and crop failures abroad have brought about such a serious food situation in the Allied countries that the United States is planning to release for export an additional 90,000,000 bushels of wheat, although the country's export surplus had been shipped by mid-December. The American people will be asked by the Food Administrator to cut their consumption to make up the amount to be exported. Unless they do, the nation is threatened with a flour shortage in May before the new wheat crop is harvested in June. The Italian Government prohibits the making and sale of cake, pastry and confectionery under whatever shape or form, in a decree just promulgated. To-day, prices were firm, with primary receipts only 412,000 bushels, against 889,000 bushels last year; the seaboard received only 231,000 bushels, against 616,000 bushels a year ago. Drought in the wheat area of the Southwest is reported ended, by heavy snows.

DAILY CLOSING PRICES OF WHEAT IN NEW YORK.

Table with 5 columns: No. 2 red, No. 1 spring, Sat., Mon., Tues., Wed., Thurs., Fri. Prices range from 228 to 236.

Corn has continued to fluctuate within narrow limits. There has been an absence of any very striking features. Trading has been light. Peace talk has had more or less adverse effect on prices. The President's speech was considered for a time as pointing to peace. The Chicago Board of Trade has refused to change trading conditions in corn and the maximum price remains at \$1.28. Early in the week Chicago had the worst blizzard on record and this crippled wire service, making the trading duller than ever. In the main, the car situation is said to be improving, however. Certainly at times the receipts at primary points have shown a suggestive increase. One thing that acts as a damper on trading is the wide difference in the prices of cash and future corn. Country shippers however, have been more disposed to sell cash corn. With better weather the crop movement is expected to increase materially. Stocks are gradually increasing though there is no gainsaying the fact that thus far this season the crop movement has been in the main disappointing. Last week, however, the visible supply increased 271,000 bushels. The trouble, however, is that the total is still very small. It is only 4,087,000 bushels, against 8,317,000 a year ago and 12,822,000 at this time 1916. In Liverpool prices have been steady, but not quite so firm as recently. At the same time the weather continued very cold in England and feeding grain is scarce, though Argentine arrivals are increasing. American clearances, too are larger. It is believed that they will continue to increase. They have a report there that the United States Government is assisting in the shipment of corn from this country. Spot corn in Liverpool is firmly held. In Argentina the weather has been favorable, except where there have been excessive rains. Port arrivals are increasing there and exporters are bidding, though trading is not large; far from it. But the quality of the arrivals is better. It is also said that the outlook is more favorable for ocean tonnage at Argentine ports. Releasements of new bottoms are increasing. On the other hand, early in the week sample prices at Chicago were 5 to 10 cents lower, owing to an increased crop movement and a lessened demand. Last Monday, it is true, railroad traffic in Illinois, Indiana and Ohio was demoralized by a big storm. Omaha receipts, however, have been large. On a single day it received 305,000 bush. as against 231,000 at Chicago. Cars are being furnished more freely by the C. B. & Q. and the Union Pacific roads. At Minneapolis there was a notable increase in consignment notices. To-day prices ended slightly higher after an early decline. The rally was due to a blizzard at the West retarding the crop movement. Prices are a shade higher for the week.

DAILY CLOSING PRICES OF CORN IN NEW YORK

Table with 5 columns: No. 3 yellow, Sat., Mon., Tues., Wed., Thurs., Fri. Prices range from 187 to 198.

DAILY CLOSING PRICES OF CORN FUTURES IN CHICAGO.

Table with 5 columns: January delivery in elevator, May delivery in elevator, Sat., Mon., Tues., Wed., Thurs., Fri. Prices range from 127 1/4 to 125 3/4.

Oats advanced slightly and then declined, after which they rallied again. In other words, it has been an irregular market, within a moderate scope of fluctuations. Interruption to wire service curtailed business early in the week. Export business has been lacking. A period of peace talk has rather adversely affected oats with other grain markets. The President's speech caused selling. Premiums in the sample market have at times declined. A fair number of consignment notices has been reported from Chicago. Kansas City dispatches have reported that a larger number of cars will be furnished to the roads west of the Mississippi for the purpose of moving grain. On the other hand, the North

American supply last week fell off 489,000 bushels, as against an increase in the same week last year of 975,000 bushels. Also it is true that the total supply available is still only 27,289,000 bushels, against 79,508,000 bushels a year ago and 42,278,000 bushels at this time two years ago. Premiums in the sample markets of late have been somewhat higher. Receipts have been far from large. That may be inferred from the decrease in the visible supply of practically half a million bushels in striking contrast with an increase in the same week last year of nearly a million bushels. In general, there has been a reduction in stocks at Atlantic ports which has more than offset any accumulation at Western centres. Country offerings to arrive have latterly been small. Less tendency, moreover, to sell the market, has been noticeable and in the middle of the week there was some renewal of export buying, estimated at about 200,000 bushels. Not a few think that the railroads in moving grain will give the preference to corn. The weather has been against a large movement of the oats crop. Big snowstorms have tied up transportation. In Liverpool prices have been firm, though irregular as between controlled and non-controlled lots. In some cases this has amounted to a difference of 1 shilling a bushel. Argentine offerings are increasing and English oats are rather more freely offered. The point is, however, that there is a good demand and that spot oats in Liverpool are firm. A lot of 100 tons of Chilean tawny delivery was reported sold at 8s. 8 1/2d. per 45 pounds. Also in Liverpool barley and rye have been in good demand, with fair shipments from America. The Argentine crop outlook is good and Indian supplies are fair. To-day prices advanced on a fair export and domestic demand, small receipts and bad weather. But for the week there is a moderate net decline.

DAILY CLOSING PRICES OF OATS IN NEW YORK.

Table with 5 columns: Standards, No. 2 white, Sat., Mon., Tues., Wed., Thurs., Fri. Prices range from 94 1/2 to 95 3/4.

DAILY CLOSING PRICES OF OATS FUTURES IN CHICAGO.

Table with 5 columns: January delivery in elevator, May delivery in elevator, Sat., Mon., Tues., Wed., Thurs., Fri. Prices range from 79 3/4 to 77 3/4.

The following are closing quotations:

Table with 2 columns: Winter, low grades; Winter patents; Winter straights; Winter clears; Spring patents; Spring straights; Spring clears. Prices range from 97 to 102 5/8.

Table with 2 columns: Wheat—per bushel—f. o. b.; Oats, per bushel, new. Prices range from \$2.29 to 97.

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:

Table with 7 columns: Receipts at—Flour, Wheat, Corn, Oats, Barley, Rye. Data for Chicago, Minneapolis, Duluth, Milwaukee, Toledo, Detroit, Cleveland, St. Louis, Peoria, Kansas City, Omaha for years 18, 17, and 16.

Total receipts of flour and grain at the seaboard ports for the week ended Jan. 5 1918 follow:

Table with 7 columns: Receipts at—Flour, Wheat, Corn, Oats, Barley, Rye. Data for New York, Philadelphia, Baltimore, New York News, New Orleans, Boston for years 18, 17, and 16.

*Receipts do not include grain passing through New Orleans for foreign port on through bills of lading.

The exports from the several seaboard ports for the week ending Jan. 5 are shown in the annexed statement:

Table with 7 columns: Wheat, Corn, Flour, Oats, Rye, Barley, Peas. Data for New York, Boston, Baltimore, Newport News for week 1918 and week 1916.

The destination of these exports for the week and since July 1 1917 is as below:

THE DRY GOODS TRADE.

New York, Friday Night, Jan. 11 1918.

Considerable activity developed in markets for drygoods during the past week as there has been a large influx of buyers anxious to secure supplies. They are not only seeking deliveries on old contracts which have been greatly delayed, but are placing additional orders wherever possible. The present congested transportation conditions have created a general disruption of business as it has interfered with both old and new business. As a result of the slow deliveries from the mills, stocks in commission houses are in keen demand and are becoming more valuable. Buyers in most cases appear willing to pay whatever price is asked for goods that can be shipped promptly. The congested transportation situation, in addition to affecting the distribution of goods, is causing great difficulty to manufacturers owing to their inability to secure sufficient fuel and raw material to keep their machinery going. According to recent advices from New England, mills in that section are facing a shortage of both raw cotton and coal with the situation growing worse and further curtailment of production threatened. Mills are unable to maintain full productive capacity despite the fact that labor conditions are improving. As supplies in all localities are small, the decreased production is being more severely felt. A number of Southern mills have also been compelled to reduce operations and in some instances completely shut down as electrical companies who supply them with power have been unable to obtain fuel and water. In addition to the fuel and transportation difficulties, the drygoods trade has had other matters to contend with and consider. The persistent peace talk has caused many to look ahead and endeavor to determine what effect a sudden ending of hostilities would have on the trade in general. It is not likely, however, that there would be any reduction of Government contracts which at present are taxing many mills to the utmost to fill. A more optimistic feeling has developed in export circles, and while business at present is quiet, more activity is looked forward to. Merchants are having less difficulty with the licensing system, and shipments are being made on a fairly liberal scale and would be larger if freight room were available.

An improved demand is noted for all lines of staple cottons, for both immediate and deferred delivery. Buyers are operating more freely, and show readiness to purchase whatever mills have to offer. With manufacturing conditions and distribution checked by the adverse transportation conditions and fuel shortage, buyers realize that the small supply of goods now available will be readily absorbed. Prices continue to advance in sympathy with the strength of raw material and are expected to remain high during the remainder of the season. Mills are still reluctant about selling goods for forward shipment owing to the many uncertainties surrounding the raw material situation and operating conditions. Heavy cottons continue in active demand, especially from bagging interests, and prices are firmly held. The markets for gray goods continue firm as a result of active inquiry for sheetings and other unfinished cloths, but business is held in check by the scarcity of supplies. Demand for dress gingham has been active and new lines for next fall are expected to be placed on sale during the coming week. While bleached goods are showing an upward tendency many branded goods are said to be below a parity with goods in the gray. Print cloths rule firm with demand broadening for all deliveries. Gray goods, 38 1/4-inch standard are quoted at 12 3/4c. to 12 1/2c.

WOOLEN GOODS.—An improved inquiry is noted for woollens and worsteds, but business is not active, as mills are so busily occupied with Government contracts that they are only able to accept limited orders for civilian account. The only new feature in the market has been the organization of a War Service Committee to co-operate with Government officials. In the men's wear division, some improvement is expected in the situation and it is thought that there will be a more plentiful supply of medium and light weight suitings. Manufacturers of women's clothing have been taking men's overcoatings as they fear a shortage of heavy weight goods next season. There has also been a good inquiry for additional goods for Spring wear. Dress goods buyers have likewise been active buyers. Openings for next fall are expected within the next few weeks, and it is believed that there will be fewer lines offered and that only small allotments will be made.

FOREIGN DRY GOODS.—No improvement is noted in the linen market, where supplies continue light and prices high. Moderate arrivals have been reported but as the goods have passed rapidly into consumption, there has been no increase in stocks. Furthermore, advices from abroad are not very favorable regarding the outlook for increased shipments within the near future. As a result of the recent developments in Russia, the flax situation is not very bright, and difficulties in securing raw material are increasing. Many houses have sent their salesmen out on the road, but the majority have only limited samples of pure linens and are showing cottons and other substitutes instead. According to reports the latter are selling well. Burlaps have been more active during the week with prices steady and unchanged. Light weights are quoted at 16.50c. and heavy weights at 20c.

Exports for Week and Since July 1 to—	Flour.		Wheat.		Corn.	
	Week Jan. 5 1918.	Since July 1 1917.	Week Jan. 5 1918.	Since July 1 1917.	Week Jan. 5 1918.	Since July 1 1917.
United Kingdom.....	22,110	1,015,148	213,153	20,155,443	-----	3,821,849
Continental.....	79,062	1,592,560	806,989	21,418,051	159,942	3,690,692
So. & Cent. Amer.....	-----	210,492	-----	19,284	-----	326,224
West Indies.....	-----	280,271	-----	4,234	-----	29,406
Brit. No. Am. Colonies.....	-----	5,260	-----	-----	-----	-----
Other Countries.....	-----	54,129	-----	32,190	-----	4,981
Total.....	101,172	3,172,850	1,019,122	41,629,202	159,942	7,879,212
Total 1916-17.....	151,849	7,835,091	5,494,897	153,962,500	713,244	22,409,639

The world's shipments of wheat and corn for the week ending Jan. 5 1918 and since July 1 1917 and 1916 are shown in the following:

Exports.	Wheat.			Corn.		
	1917-18.		1916-17.	1917-18.		1916-17.
	Week Jan. 5.	Since July 1.	Since July 1.	Week Jan. 5.	Since July 1.	Since July 1.
North Amer ^a	Bushels.	Bushels.	Bushels.	Bushels.	Bushels.	Bushels.
Russia.....	4,017,000	155,007,000	191,845,000	472,000	14,197,000	21,724,000
Danube.....	-----	-----	6,352,000	-----	-----	-----
Argentina.....	520,000	8,420,000	35,576,000	726,000	11,302,000	74,592,000
Australia.....	730,000	25,850,000	22,584,000	-----	-----	-----
India.....	226,000	9,026,000	21,662,000	-----	-----	-----
Oth. countri ^s	79,000	1,317,000	2,452,000	84,000	2,050,000	4,006,000
Total.....	5,553,000	201,186,000	280,474,000	1,282,000	27,549,000	100,332,000

^a North America.—The Canadian Government has officially prohibited the issuance of both manifests and exports until after ten days. That 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 Kingdom.	Continent.	Total.	United Kingdom.	Continent.	Total.
	Bushels.	Bushels.	Bushels.	Bushels.	Bushels.	Bushels.
Jan. 5 1918.....	Not avail.	able.	-----	-----	-----	-----
Dec. 29 1917.....	Not avail.	able.	-----	-----	-----	-----
Jan. 6 1917.....	Not avail.	able.	-----	-----	-----	-----
Jan. 8 1916.....	-----	-----	38,296,000	-----	-----	16,329,000

The visible supply of grain, comprising the stocks in granary at principal points of accumulation at lake and seaboard ports Jan. 5 1918 was as follows:

United States—	GRAIN STOCKS.				
	Wheat.	Corn.	Oats.	Rye.	Barley.
	bush.	bush.	bush.	bush.	bush.
New York.....	580,000	1,000	896,000	236,000	373,000
Boston.....	60,000	11,000	339,000	21,000	-----
Philadelphia.....	417,000	24,000	781,000	34,000	16,000
Baltimore.....	382,000	495,000	308,000	140,000	12,000
Newport News.....	-----	-----	528,000	-----	-----
New Orleans.....	9,000	642,000	1,123,000	42,000	838,000
Galveston.....	38,000	33,000	-----	40,000	54,000
Buffalo.....	9,739,000	9,000	569,000	168,000	604,000
afloat.....	-----	-----	433,000	-----	-----
Toledo.....	640,000	45,000	158,000	6,000	-----
Detroit.....	100,000	20,000	144,000	37,000	-----
Chicago.....	1,983,000	681,000	6,101,000	270,000	506,000
Milwaukee.....	808,000	80,000	649,000	142,000	267,000
Duluth.....	932,000	-----	18,000	49,000	171,000
afloat.....	500,000	78,000	1,192,000	592,000	714,000
Minnesota.....	163,000	78,000	600,000	134,000	1,000
St. Louis.....	1,328,000	440,000	1,121,000	136,000	-----
Kansas City.....	15,000	33,000	646,000	-----	-----
Peoria.....	42,000	167,000	534,000	18,000	-----
Indianapolis.....	619,000	258,000	739,000	34,000	25,000
Total Jan. 5 1918.....	17,571,000	3,155,000	16,873,000	2,097,000	3,581,000
Total Dec. 29 1917.....	18,936,000	3,097,000	17,657,000	2,450,000	3,554,000
Total Jan. 6 1917.....	56,885,000	6,759,000	48,797,000	3,511,000	4,504,000

Note.—Bonded grain not included above: Oats, 24,000 New York, 394,000 Buffalo 1,726,000 Buffalo afloat, 7,000 Duluth; total, 2,001,000 bushels, against 2,179,000 in 1916; and barley, 284,000 in New York, 3,000 Duluth, 132,000 Buffalo; total, 419,000, against 1,133,000 in 1916.

Canadian—	GRAIN STOCKS.				
	Wheat.	Corn.	Oats.	Rye.	Barley.
	bush.	bush.	bush.	bush.	bush.
Montreal.....	4,285,000	12,000	528,000	19,000	69,000
Pl. William & Pl. Arthur.....	5,953,000	-----	3,639,000	-----	-----
afloat.....	2,126,000	-----	80,000	-----	-----
Other Canadian.....	7,088,000	-----	2,132,000	-----	-----
Total Jan. 5 1918.....	19,452,000	12,000	6,429,000	19,000	69,000
Total Dec. 29 1917.....	18,928,000	11,000	5,920,000	19,000	78,000
Total Jan. 6 1917.....	32,830,000	13,000	25,340,000	7,000	136,000

Summary—

	Wheat.	Corn.	Oats.	Rye.	Barley.
	bush.	bush.	bush.	bush.	bush.
American.....	17,571,000	3,155,000	16,873,000	2,097,000	3,581,000
Canadian.....	19,452,000	12,000	6,429,000	19,000	69,000
Total Jan. 5 1918.....	37,023,000	3,167,000	23,302,000	2,116,000	3,650,000
Total Dec. 29 1917.....	37,864,000	3,108,000	23,577,000	2,469,000	3,632,000
Total Jan. 6 1917.....	89,715,000	6,772,000	74,137,000	2,518,000	4,640,000

* Including Canadian wheat, now duty-free.

WEATHER AND CROP BULLETIN FOR DECEMBER.—The weather bulletin for December, issued by the Agricultural Department Jan. 7, refers to winter wheat as follows:

The weather conditions during the month of December were generally favorable for winter wheat from the lower Mississippi Valley northward over the Ohio Valley and Lake region. In the central and northern portions of this area the snow afforded ample covering during some of the cold periods, although it was bare in places during the cold weather of the first part of the last decade. The weather conditions were also favorable for winter wheat in the far Northwest, where it was unusually mild with abundant moisture, and wheat is now up to a good stand and looking well in Oregon; the early sown is heavily seeded. The late sown germinated well in Washington and was in an excellent condition at the close of the month; the early sown had a poor stand at the beginning of the month but improved. This crop is in an excellent condition in Montana also. From Texas northward to Nebraska, however, the weather during December was unfavorable for wheat. Dry weather prevailed, there was little snow covering, and damage was done by low temperatures. In Kansas moisture was badly needed and the crop deteriorated despite the snow early in the month. The usual growth was not made, and the plants did not stool properly. The condition in Kansas at the close of the month was from poor to fair. The crop made no progress in Oklahoma and was damaged by severe weather and insufficient moisture. In the extreme eastern part of the United States the conditions are variable. In some sections there has been sufficient snow covering, while in others damage has resulted. The conditions have been unfavorable in those sections of California where dry weather has been persistent.

STATE AND CITY DEPARTMENT

NEWS ITEMS.

Bozeman, Mont.—Circuit Court of Appeals Decides Against Bond Issue.—The Circuit Court of Appeals on Dec. 2 rendered an opinion in the case of Sweet, Causey, Foster & Co., of Denver, against the city of Bozeman. According to the Helena "Independent," this was an action to compel the city of Bozeman to return to Sweet, Causey, Foster & Co., certified checks deposited upon the purchase in 1916 of water-works bonds of the city of Bozeman issued in excess of the 3% limit of indebtedness fixed by the constitution of the State of Montana. The purchasers refused to accept the bonds because the notice of election submitting the question to the taxpayers did not contain a statement that the issuance of the bonds would incur an indebtedness on the part of the city in excess of the 3% limit as fixed by the constitution. The city, the "Independent" says, refused to return the certified checks and an action was commenced in the United States court for the District of Montana, which directed the return of the checks, and this judgment has been affirmed.

Judge Hunt, writing the opinion for the Circuit Court of Appeals, and construing Montana Revised Codes, 1917, Section 3259, Subdivision 64, says:

The first paragraph of Section 64 is the grant of power to the Councils of cities to contract debt in either of two ways for any of the certain definite purposes named in the statute. Without such grant, of course, the Council could incur no debt.

The second paragraph is really but a substantial reiteration of the words of limitation upon the amount of debt which may be contracted, as imposed by the constitutional clause heretofore quoted.

The third paragraph restricts the powers of the Council as to borrowing money on bonds for construction, by forbidding any money to be borrowed on security of bonds for the specified purposes until the "proposition" has been submitted to a vote of taxpayers. The submission of the "proposition" means laying before the taxpayers the broad basic proposed plan: Shall the city borrow money at all on bonds as proposed to be issued for securing a water supply or plant or system or sewer system? It is this proposed scheme which, if carried out, will affect the taxpayers, and it is for them to say whether they wish the city to proceed to inaugurate the scheme of proposed improvement by issuing obligations to carry it out.

The fourth paragraph reaches out to the matter of incurring additional debt should such action be necessary to execute the proposed scheme to construct or buy. It is easy to understand how, under the limits of usually prescribed rates of taxation, a city ordinarily cannot procure a water system or construct sewerage plants; hence in order that such improvements may be brought within reach, not only may the usually provided limit of debt be incurred, but additional obligations are authorized. subject, however, to this qualification: that in the event of the debt being incurred, the city shall own or control the supply to be acquired and devote the revenue to accrue from such system to the payment of the debt; and, furthermore, never shall the whole debt, additional and that which is unpaid of the debt primarily contracted, exceed 10% over and above the 3% of assessed valuation permitted by the previous paragraph of the statute.

The next paragraph has nothing directly to do with restriction of the power of a city to incur the amount of the debt contemplated as necessary to be incurred, for as we have seen, that has already been granted and circumscribed. But it does prohibit any extension beyond the 3% limit, that is, it does prohibit the incurring of the additional 10% involved in the proposed extension of the limit, unless "the question" shall have been submitted to a vote of the taxpayers and carried as provided for. Now, when we consider that the whole of this last paragraph relates solely to the subject of increasing or assuming possible additional debt, it seems very reasonable to say that it is for the assurance of those vitally interested, the taxpayers, that the city cannot be put under the obligation attending such extension of debt without first having been advised that it is proposed to extend the 3% limit of taxation, and without being asked whether they affirm or disaffirm the plan.

After reviewing the above, the Judge continues:

Without carrying the discussion any further, our judgment is that the principle that statutes authorizing municipalities to incur obligations in excess of those which are ordinarily permitted to be incurred should be strictly construed, and that the intent of the statutes referred to in this opinion was that the taxpayers should be advised that the proposed debt would be in excess of the 3% limit, and that such advice in the form of a question should be specifically and clearly stated. Failure to pursue the requirements of the statute constitutes a ruling against the validity of the bonds.

Canada (Dominion of).—Security Issues to Be Permitted Only with Approval of Minister of Finance.—In our issue of Dec. 29 (pages 2494 and 2495), we published in full an Order-in-Council, passed on Dec. 22 under authority of the Canadian War Measures Act, making it unlawful to issue, or to sell, offer or advertise for sale evidences of indebtedness hereafter issued, such as bonds, debentures or other securities of any provincial, colonial or foreign Government, municipality, commission, local government, institution, corporation or incorporated company, without the approval of the Minister of Finance by his certificate in writing.

Los Angeles County (P. O. Los Angeles), Calif.—State Supreme Court Declares Flood Control Bonds Valid.—The State Supreme Court on Dec. 31 declared valid the \$4,450,000 flood control bonds authorized by the voters on Feb. 20 last.—V. 104, p. 2153.

Maisonneuve, Que.—City to Issue New Bonds in Exchange for Maturing Notes.—"The Financial Times" of Montreal published the following in its issue of Jan. 5 relative to the plan proposed by the City of Maisonneuve to issue new bonds in exchange for maturing notes:

The \$800,000 debentures of the City of Maisonneuve issued Jan. 1 1915 for a term of three years, became due the first of the present month. After a careful review of the situation, the city decided it would not be wise, under the present disturbed condition of the financial market, to attempt to sell a new issue, and has resolved to offer the present holders of the securities a bonus of 2% to exchange the outstanding debentures for a new two-year bond maturing Jan. 1 1920.

This bonus is in the nature of an interest contribution, making the new issue yield a little over 7% to the holders, as the bonds will pay 6% interest in semi-annual installments, payable Jan. 1 and July 1 of each year. The city has been obliged to ask the Legislature for authority to pay the bonus of 2%, and a bill to that effect has been introduced and will without doubt be passed by the Legislature within a few days. In the meantime, the bondholders' assent to the exchange is being sought.

The Bank of Hochelaga will disburse the bonus payments as soon as legal authority has been furnished them, together with the interest. A. P. Frigon of St. Cyr, Gonthier & Frigon has been appointed financial agent of the city for the purpose of effecting the proposed exchange.

This action of the city prevents a depreciation in the securities of the municipality. Had the bonds been offered for sale under present unfavorable

market conditions, and an unreasonably low figure bid for them, the result would have been less satisfactory. The plan adopted preserves the values of the city's securities. The same plan may be adopted in connection with the issue maturing May 1 1918.

Minnesota (State of).—State Supreme Court Ruling Affecting Issuance of School Bonds.—The State Supreme Court on Dec. 28 ruled, according to local papers, that bond issues for the erection of new school buildings must be initiated with the passage of resolutions by boards of education under Minnesota laws, otherwise a vote of a school district to that end is ineffective. It appears that in a project for the issuance of \$15,000 in bonds for a new school at Silver Creek, Wright County, mandamus proceedings were brought by George Sullivan and other voters of the district to compel the school board to sell bonds voted without its sanction. The Wright County District Court, it is said, denied the application and is upheld by the Supreme Court.

Minot, No. Dak.—Court Authorize Issuance of Bonds.—See item on subsequent page of this department.

Newfoundland.—Now a "Dominion."—It is reported that Newfoundland, the oldest British overseas possession, in reward for gallantry displayed by its units contributed to the army and navy during the war, has been officially styled and will hereafter be called the "Dominion of Newfoundland."

Russia.—Payment of Interest on Credit.—We refer to this in our editorial columns in this week's issue of our paper.

Texas.—Condition of State Funds.—On Sept. 1 1917 the State Permanent School Fund of Texas contained \$491,592 67 in cash and \$20,964,038 46 of various investments. In the following table we give the details of the investments held Sept. 1 1917 and of land notes and land owned for the period ending Sept. 1 1916, this latter being the latest date for which a report of these notes has been made:

Cash on hand.....		\$491,592 67
City bonds.....	\$1,355,827 55	
Independent School District bonds.....	5,042,063 62	
County Common School District bonds.....	4,494,938 62	
County bonds.....	5,104,299 00	
		\$15,997,128 79
State Penitentiary Ry. bonds.....	\$100,000 00	
State of Texas bonds.....	2,772,000 00	
H. & T. C. Ry. bonds.....	432,000 00	
G. H. & S. A. Ry. bonds.....	408,000 00	
Washington County Ry. bonds.....	37,017 00	
H. T. & B. V. Ry. bonds.....	295,800 00	
T. & N. O. Ry. bonds.....	430,500 00	
		4,475,317 00
Total cash and bonds owned Sept. 1 1917.....		\$20,964,038 46

Land Account (Sept. 1 1916).

Land notes bearing 3% interest.....	\$45,704,604 64
" " " 4% ".....	83,485 16
" " " 5% ".....	1,922,973 14
" " " 8% ".....	83,000 00
" " " 10% ".....	3,379 69
Unsold land, 1,598,812 acres @ \$1 per acre.....	\$47,797,442 69
	1,598,812 15

Total cash and securities Sept. 1 1916.....\$69,791,759 77

In addition to the Permanent School Fund, which is the largest and most important fund carried by the State of Texas, there are a number of other funds. The condition of these funds (exclusive of land and land leases) on Sept. 1 1917 were as follows:

	Cash.	Bonds.
Cash and bonds.....	Permanent University Fund.....\$4,311 45	\$625,600 00
Cash and bonds.....	Permanent Blind Asylum Fund.....\$6,201 78	137,400 00
Cash and bonds.....	Permanent Deaf & Dumb Asylum Fund.....\$17,351 11	111,790 00
Cash and bonds.....	Permanent Lunatic Asylum Fund.....\$6,970 44	128,300 00
Cash and bonds.....	Permanent State Orphan Asylum Fund.....\$6,920 33	39,550 00
Cash and bonds.....	Agricultural & Mechanics Fund.....\$8,440 30	209,000 00
Cash and bonds.....	University Endowment Fund Medical Branch.....\$851 87	5,000 00

The figures for the fiscal year to Sept. 1 1916 were published in these columns on Nov. 25 1916, page 2005.

United States.—The National Prohibition Amendment to the Federal Constitution—Correction.—See reference in our editorial columns this week.

National Suffrage Amendment Passed by House.—Reference to this is made in our editorial columns this week.

Wayne County (P. O. Greenville), Mo.—Bonds Upheld.—The State Supreme Court on Dec. 22, it is stated, upheld the validity of the road bonds authorized some time ago, and directed State Auditor George E. Hackmann to register \$200,000 of the issue which had been presented to him for registration.

BOND CALLS AND REDEMPTIONS.

Birmingham, Ala.—Bond Call.—The following bonds were called for redemption during the month of December: City Public Improvement bonds, No. 12, of Series 651; No. 12, of Series 706; No. 2, of Series 707; No. 2, of Series 715; Nos. 42 to 45 incl. of Series 447; Nos. 1 and 2, of Series 801; Nos. 7 and 8, of Series 831, at the Dec. 1 1917 int. period.

Havana, Cuba.—Bond Call.—Lawrence Turnure & Co. will pay at their office, 64 Wall St., New York City, the following bonds:

Coupon No. 115 on 1st Mortgage bonds of the Municipality of Havana, Cuba, duly domiciled and payable in New York. Also the principal of the following bonds are called for redemption: 1701 to 1710; 2981 to 2990; 4001 to 6610; 15631 to 15640; 16701 to 16710; 17171 to 17180; 17731 to 17740; 18111 to 18120; 22561 to 22570; 24291 to 24300; 26301 to 26310; 28731 to 28740; 34841 to 34850; 36311 to 36320; 37071 to 37080; 38301 to 38370; 39141 to 39150; 39611 to 39620; 40101 to 40110; 41091 to 41100; 44191 to

44200; 45791 to 45800; 46211 to 46220; 46381 to 46390; 47411 to 47420; 47071 to 47080; 47011 to 47020; 47351 to 47360; 61241 to 61250 65776 to 65780; 67256 to 67260; 67611 to 67615; 68531 to 68535.

Coupons must be numerically arranged and left for examination one clear day prior to payment being made.

BOND PROPOSALS AND NEGOTIATIONS this week have been as follows:

ADEL, Dallas County, Iowa.—ELECTION NOT TO BE HELD.—We are advised by the City Clerk that no election will be held to vote on the question of issuing the opera-house bonds mentioned in V. 105, p. 623.

AITKIN COUNTY (P. O. Aitkin), Minn.—BOND SALE.—An issue of \$65,000 6% State Rural Highway No. 70 bonds dated Sept. 1 1917 and due serially has been awarded to Schanke & Co. of Mason City. Denom. \$1,000. Interest M. & S.

ALCORN COUNTY (P. O. Corinth), Miss.—BOND SALE.—On Dec. 9 John Nuveen & Co. of Chicago were awarded \$100,000 5 1/4% court-house bonds for \$101,730, equal to 101.73. Denom. \$1,000. Date Dec. 1 1917. Int. J. & D. Due \$5,000 yearly from 1922 to 1941, inclusive.

ALVORDTON, Williams County, Ohio.—BONDS NOT SOLD.—No award was made of the \$3,100 6% street-improvement bonds offered on Nov. 20.—V. 105, p. 1912.

AMHERST VILLAGE SCHOOL DISTRICT (P. O. Amherst), Lorain County, Ohio.—BOND OFFERING.—Bids will be received until 1 p. m. Jan. 19 by J. B. Avery, Clerk of Board of Education, for \$9,550 5% school assess. bonds. Denoms. 18 for \$500 and 1 for \$550. Date Jan. 1 1918. Principal and semi-annual interest—J. & J.—payable at the Amherst Park Bank Co. Due \$1,000 yearly on Jan. 1 from 1919 to 1927, incl., and \$550 Jan. 1 1928. Certified check for 2% of the amount of bonds bid for, payable to the above Clerk of Board of Education, required. Bids must be unconditional.

APLINGTON CONSOLIDATED INDEPENDENT SCHOOL DISTRICT (P. O. Aplington), Butler County, Iowa.—BOND OFFERING.—Bids will be received until 2 p. m. to-day (Jan. 12) by Henry Bussos, Secretary of Board of Education, for \$10,000 5% 20-year school bonds. These bonds were voted at the election held Jan. 5.—V. 105, p. 2472.

AUDUBON, Audubon County, Iowa.—BOND SALE.—Schanke & Co. of Mason City have purchased \$5,800 6% funding bonds. Denoms. \$300 and \$500. Date Dec. 1 1917. Int. M. & N. Due May 1 1937.

AUGUSTA, Butler County, Kans.—BOND SALE.—The \$15,000 city-hall-erection, \$10,000 water-works-ext. and \$10,000 electric-light-system-extension bonds voted Sept. 6 1916.—V. 103, p. 2445—have all been disposed of to local investors.

BALTIMORE, Md.—BONDS AND NOTES SOLD DURING 1917.—The following 4% bonds, aggregating \$1,494,000, were purchased by the various Sinking Funds of the city during the calendar year ending Dec. 31 1917:

\$329,000 Annex loan. Due serially from 1918 to 1947 inclusive. 450,000 Conduit loan. Due serially from 1918 to 1942 inclusive. 685,000 Paving notes. Due from 1920 to 1922 inclusive.

SEVENTH ISSUE OF "GENERAL FUND" BONDS.—Pursuant to the Act of 1910, which empowers the Commissioners of Finance to issue \$3,000,000 "general fund" bonds at the rate of \$300,000 yearly for 10 yrs., a block of \$300,000 of these securities maturing Mar. 1 1955 was issued to the Sinking Fund during 1917 and the sum of \$300,000 transferred from that fund to the general treasury. The purpose of the bonds is to relieve the sinking funds, many of which, it is said, are far ahead of the amount required for redemption purposes. This is the seventh issue of "general fund" bonds by this city, \$300,000 having been put out in April 1911 and \$300,000 in March of 1912, 1913, 1914 and 1915, \$300,000 in October 1916 and \$300,000 in 1917.

BATAVIA, Genesee County, N. Y.—BOND SALE.—On Dec. 1 the \$50,000 4 1/2% 1-10-year serial park bonds—V. 105, p. 1330—were awarded to James Brisbane of Batavia. Denom. \$1,000. Date Dec. 1 1917. Interest J. & D.

BAY POINT SCHOOL DISTRICT, Contra Costa County, Calif.—BONDS VOTED.—By a vote of 7 to 1 the question of issuing \$15,000 school-building bonds carried, it is stated, at a recent election.

BEDFORD SCHOOL DISTRICT (P. O. Bedford), Lawrence County, Ind.—BOND SALE.—An issue of \$4,780 4 1/2% 5 1/2-year average school bonds was awarded during December, it is stated, to McKee Anderson at par. Denom. \$239.

BEEVILLE, Bee County, Tex.—WARRANT SALE.—An issue of \$15,500 6% 1-35-year serial electric-light equip. and construction warrants was recently purchased by J. L. Arlitt of Austin.

BERESFORD, Union County, So. Dak.—BOND ELECTION.—A proposition to issue \$25,000 5% water bonds will be submitted to the voters on Jan. 15. Due \$5,000 in 5 years and \$1,000 yearly thereafter.

BETHANY TOWNSHIP (P. O. Bethany), Harrison County, Mo.—BOND ELECTION.—An election will be held Jan. 15 to vote on the question of issuing the \$75,000 hard-surface bonds—V. 105, p. 2561.

BETHESDA, Belmont County, Ohio.—NO ACTION YET TAKEN.—O. A. Vancuren, Village Clerk, advises us that no action has yet been taken looking towards the re-offering of the two issues of 5% assessment bonds, aggregating \$27,583 99, offered without success on Dec. 11 (V. 105, p. 2381).

BIG CREEK DRAINAGE DISTRICT NO. 15 (P. O. Jonesboro), Craighead County, Ark.—BOND SALE.—On Dec. 14 the \$250,000 5 1/2% 5-25-year serial drainage bonds—V. 105, p. 2289—were awarded to the American Trust Co. of Jonesboro. Denom. \$1,000. Date Jan. 2 1918. Interest F. & A.

BIG VALLEY JOINT UNION HIGH SCHOOL DISTRICT, Modoc County, Calif.—BOND SALE.—On Jan. 3 the Alturas State Bank of Alturas was awarded \$15,000 6% 1-5-year serial building bonds. Denom. \$1,000. Date Jan. 1 1918. Interest annually in January.

BINGHAM LAKE SCHOOL DISTRICT (P. O. Bingham Lake), Cottonwood County, Minn.—BOND SALE.—The \$38,000 building bonds recently voted—V. 105, p. 1819—have been purchased by the State of Minnesota.

BIRD ISLAND, Renville County, Minn.—BOND SALE.—The \$7,000 4% funding bonds voted Aug. 13 last—V. 105, p. 834—will be taken by the State of Minnesota. Int. ann. in July. Due serially until July 1932.

BIRMINGHAM VILLAGE SCHOOL DISTRICT (P. O. Birmingham), Oakland County, Mich.—BOND OFFERING.—Bids will be received until 8 p. m. Jan. 15 by C. H. Carter, Secy. Board of Education, for \$30,000 5% 10-year school bonds. Denom. \$1,000. Date Jan. 20 1918. Interest semi-annual. Certified check for \$500 required.

BONESTEEL, Gregory County, So. Dak.—BONDS NOT YET SOLD.—The \$15,000 water-works and \$14,000 electric-light 5% 20-year coupon bonds offered on July 23 last—V. 105, p. 411—have not yet been sold. Denom. \$1,000. Int. semi-ann., payable in Bonesteel. Bonded debt, excluding these bonds, July 16 1917, \$15,500. No floating debt. Sinking fund, \$1,000. Assessed val., \$318,700. C. F. Jewell, City Auditor.

BONNER COUNTY (P. O. Sandpoint), Idaho.—BOND SALE.—R. M. Grant & Co. of Chicago were awarded the \$100,000 10-15-year opt. road and bridge bonds offered on Dec. 20 at 109.780 for 5 1/4%. Denom. \$1,000. Date Jan. 1 1918. Int. J. & J. Due \$10,000 yearly from 1928 to 1937, inclusive, subject to call Jan. 1 1928.

BRATENAVIL, Cuyahoga County, Ohio.—BOND OFFERING.—C. A. Neff, VII, Clerk, will receive bids until 12 m. Jan. 29 for \$20,000 6% 20-year town-hall impt. bonds. Auth. Sec. 3939, Gen. Code. Denom. \$1,000. Date Dec. 24 1917. Int. semi-ann. Cert. check on some solvent bank in Cleveland for 2% of the amount of bonds bid for required. Bonds to be delivered and paid for within 10 days from time of award. Purchaser to pay accrued interest. A similar issue of bonds was offered on Dec. 5.—V. 105, p. 2021.

BRAZORIA COUNTY (P. O. Angleton), Tex.—BONDS NOT SOLD.—No sale was made of the \$100,000 5 1/4% Road Dist. No. 23 road-construction bonds offered on Nov. 12.—V. 105, p. 1913. Due \$5,000 yearly Oct. 10 from 1918 to 1937, inclusive.

BRIDGEPORT IRRIGATION DISTRICT (P. O. Bridgeport), Morrill County, Neb.—BONDS VOTED.—A proposition to issue \$75,000 6% coupon irrigation bonds carried at an election held Dec. 28 by a vote of 20 to 9. Denom. \$250. Prin. and semi-ann. Int.—J. & J.—payable at office of County Treasurer. The bonds are due as follows: \$3,750 in 11 years; \$6,000 in 14 years; \$8,250 in 17 years; \$11,250 in 19 years; 4,500 in 12 years; 6,750 in 15 years; 9,750 in 18 years; 12,000 in 20 years; 4,250 in 13 years; 7,500 in 16 years.

BRIDGETOWN RURAL SCHOOL DISTRICT, Hamilton County, Ohio.—BOND SALE.—An issue of \$5,000 5% school bonds was awarded on Mar. 9 last to Seasongood & Mayer of Cincinnati at 103.02. Denom. \$250. Date Mar. 9 1917. Int. A. & O. Due \$250 yrly. on Apr. 1 from 1918 to 1937 incl.

BRIGHAM, Boxelder County, Utah.—BOND SALE.—The State Industrial Commission of Utah has purchased as 5 1/4% the \$80,000 10-20-year (opt.) coupon water-works ext. bonds authorized at an election held Oct. 18 last. V. 105, p. 2021.

BRILLIANT VILLAGE SCHOOL DISTRICT (P. O. Brilliant), Jefferson County, Ohio.—BOND OFFERING.—Sealed bids will be received until 7 p. m. Jan. 19 by J. E. Seamehorn, Clerk. Bd. of Ed. for \$9,000 6% coupon school bonds. Auth. Secs. 7625 and 7626 Gen. Code. Denom. \$500. Date Jan. 1 1918. Int. M. & S. at the Peoples Nat. Bank, Steubenville. Due \$500 each six months from Mar. 1 1919 to Sept. 1 1917 incl. A good and sufficient bond or certified check for \$100 payable to the above Clerk Bd. of Education required. Purchaser to pay accrued int.

BROCKTON, Plymouth County, Mass.—BONDS AND NOTES ISSUED IN 1917.—In addition to the bonds already reported in these columns as having been sold by this city during 1917, we learn that the following five issues of bonds, aggregating \$168,000, were also floated, making a total of \$341,500 sold during the calendar year ending Dec. 31 1917. The following bonds were all sold to Curtis & Sanger of Boston at 100.125:

\$25,000 4% sewerage bonds. Due \$1,000 yrly. from 1918 to 1942 incl. 15,000 4 1/2% drainage bonds. Due part yrly. from 1918 to 1927 incl. 45,000 4 1/2% street bonds. Due \$9,000 yrly. from 1918 to 1922, incl. 33,000 4 1/2% street bonds. Due part yrly. from 1918 to 1927 incl. 50,000 4 1/2% school bonds. Due part yrly. from 1918 to 1937 incl. Date May 1 1917.

The temporary borrowing during 1917 amounted to \$1,600,000 of which \$900,000 were reported in these columns at the time the loans were negotiated. The remainder, aggregating \$700,000, was negotiated as follows:

Amount. With Whom Negotiated. Discount. Maturity. \$100,000—Blake Bros. & Co., Boston. 3% July 18, 1917 400,000—Estabrook & Co., Boston. 3.00% Nov. 7, 1917 200,000—R. L. Day & Co., Boston. 4.80% Feb. 15 1918

BROOKLINE, Norfolk County, Mass.—LOAN OFFERING.—The City Treasurer will receive bids, it is stated, until 12 m. Jan. 17 for a loan of \$120,000 issued in anticipation of a bond issue and maturing July 15 1918.

BROWNSTOWN, Jackson County, Ind.—BOND SALE.—On Jan. 5 an issue of \$2,259 42 5/8% coupon street-impt. bonds was awarded to the First Nat. Bank of Brownstown at par and int. Denom. 10 for \$200 and 1 for \$259 42. Date Jan. 1 1918. Int. J. & D.

BUCK CREEK SCHOOL TOWNSHIP, Hancock County, Ind.—BOND SALE.—The \$2,020 (unsold portion of an issue of \$9,700) 4 1/2% school bonds were awarded on Dec. 29 to William A. Hough of Greenfield at par and int. V. 105, p. 102.

BUFFALO, N. Y.—BOND SALES.—The following 4% bonds, aggregating \$258,322 84, were purchased at par by the City Comptroller for the account of the various sinking funds during the month of December: \$24,000 00 Law Dept. bonds. Date Dec. 1 1917. Due July 1 1918. 5,000 00 Water Dept. bonds. Date Dec. 1 1917. Due Dec. 1 1942. 2,500 00 Water Dept. bonds. Date Dec. 15 1917. Due Dec. 15 1942. 7,125 00 Law Dept. bonds. Date Dec. 1 1917. Due July 1 1918. 132,150 00 School bonds. Date Dec. 1 1917. Due July 1 1918. 80,000 00 Real estate bonds. Date Dec. 15 1917. Due July 1 1918. 11,584 84 Public works bonds. Date Dec. 15 1917.

CAANAN TOWNSHIP RURAL SCHOOL DISTRICT (P. O. London), Madison County, Ohio.—BOND SALE.—The \$4,500 5 1/2% coupon school bonds offered on June 15 last—V. 104, p. 2154—were awarded on Oct. 10 to Seasongood & Mayer of Cincinnati at 105. Denom. \$500. Date Oct. 10 1917. Int. M. & S. Due \$500 yrly. on Mar. 1 from 1937 to 1945 incl.

CALHOUN COUNTY (P. O. Rockwell City), Iowa.—BOND SALE.—Schanke & Co. of Mason City have purchased \$36,650 5 1/2% drainage bonds. Denoms. \$330 and \$1,000. Date Jan. 1 1918. Int. M. & N. Due serially.

CALDWELL COUNTY (P. O. Lockhart), Tex.—BONDS VOTED.—By a vote of 164 to 38 the question of issuing \$15,000 highway-impt. bonds carried, it is stated, at the election held Dec. 15.—V. 105, p. 2381.

CALWOOD AND WILLIAMSBURG SPECIAL ROAD DISTRICT (P. O. Fulton), Calloway County, Mo.—BOND OFFERING.—Proposals will be received until Jan. 15 at the office of J. R. Baker, Home Bank Building, Fulton, for the \$25,000 6% road-construction bonds recently voted by this district—V. 105, p. 2561. Interest semi-annual. Denom. to suit purchaser. Certified check for \$500 required. Purchaser must pay cost and expense of printing bonds. Bonded debt, this issue only. Assessed value of real estate, \$341,970, and of personal property, \$162,566. Actual value (real and personal), est., \$2,200,000.

CAMAS, Clarke County, Wash.—BONDS OFFERED BY BANKERS.—The Lumbermen's Trust Co. of Portland, Ore., and elsewhere, are offering to investors \$7,503 75 7% Local Impt. Dist. No. 56 bonds. Denom. \$100, except one bond for \$103 75. Date Nov. 3 1917. Prin. and ann. int. (Nov. 3) payable at office of City Treas. Due Nov. 3 1929, subject to call on any int. date.

Financial Statement Local Improvement District No. 56. Actual value (estimated) (Real estate) \$52,000 Improvements 40,000— \$92,000 00 Assessed valuation, 1916, land only 13,960 00 Improvement bonds 7,503 75

Financial Statement, City of Camas. Actual value, estimated \$2,000,000 00 Assessed valuation 1916 803,265 00 Bonded debt None

INCORP. 1910. Population (Census) 1910, 1,600; present est., 2,500.

CANBY CONSOLIDATED SCHOOL DISTRICT NO. 30 (P. O. Canby), Yellow Medicine County, Minn.—BOND SALE.—The State of Minnesota has purchased the \$30,000 4% hdg. bonds voted Dec. 19 1916. V. 104, p. 179.

CAPE MAY COUNTY (P. O. Cape May), N. J.—BOND SALE.—On Jan. 3 the \$55,000 5% tax-free road-impt. bonds (V. 105, p. 2472) were awarded to the First Nat. Bank of Ocean City at 100.625. The Ocean City Title & Trust Co. bid \$56,140.

CARL JUNCTION, Jasper County, Mo.—BOND SALE.—As a matter of record we are reporting the sale to the Citizens' Bank of Carl Junction on Dec. 6 1916 of the \$5,000 5% 5-20-year opt. sewer bonds mentioned in V. 103, p. 2092. Denom. \$500. Date Nov. 1916. Int. ann. in November.

CASS COUNTY (P. O. Walker), Minn.—BOND SALE.—On Oct. 1 last the \$105,000 ditch-construction bonds mentioned in V. 105, p. 1122, were awarded to the Capital Trust & Sav. Bank of St. Paul for \$105,730 (100.695) for 6%. Denom. \$1,000. Due one-fifteenth yearly, beginning 6 years from date of issue. Bonded debt, excluding this issue, Sept. 4 1917, \$694,400. No floating debt. Sinking fund \$53,701 19. Assess. val. 1916, \$6,108,511.

CENTER SCHOOL TOWNSHIP (P. O. Muncie), Delaware County, Ind.—BOND OFFERING.—Bids will be received until 3 p. m. Jan. 25 by William D. Carter, Twp. Trustee, for \$30,000 school-impt. and \$26,000 funding 4 1/2% 15-year coupon bonds. Denom. \$500. Date day of sale. Int. J. & J. Purchaser to pay accrued int.

CHARDON, Dawes County, Neb.—**BOND SALE.**—The \$25,000 city-hall bonds voted in April last—V. 104, p. 2570—have been sold to the Lincoln Trust Co.

CHARDON, Geauga County, Ohio.—**BONDS VOTED.**—By a vote of 229 to 5 the question of issuing \$25,000 electric-light-plant bonds carried, it is stated, at the election held Jan. 2.—V. 105, p. 2111.

CHARLEVOIX COUNTY (P. O. Boyne City), Mich.—**BONDS VOTED.**—The question of issuing \$350,000 5% road bonds carried at an election held Dec. 11. Due Feb. 1 1933. Date of sale not yet determined.

CHARTER OAK, Crawford County, Iowa.—**BOND SALE.**—An issue of \$10,000 6% funding bonds has been awarded to Schanke & Co. of Mason City. Denom. \$500. Date Dec. 1 1917. Int. M. & N. Due serially.

CHATTANOOGA, Hamilton County, Tenn.—**BOND SALE.**—The Volunteer State Life Ins. Co. of Chattanooga was awarded on Dec. 21 \$3,666 72 6% paying ass'n. bonds. Denom. \$916 68. Int. annual on Dec. 1 at Chattanooga Sav. Bank. Due in 1, 2, 3 & 4 years.

CHISAGO COUNTY SCHOOL DISTRICT NO. 19 (P. O. Shafter), Minn.—**BOND SALE.**—The \$2,000 5% 3-17-year (serial) building bonds offered on Aug. 18 last—V. 105, p. 732—were awarded on that day to local investors at par.

CLARK COUNTY (P. O. Jefferson), Ind.—**BONDS NOT SOLD.**—No bids were received. It is stated, for the \$30,000 4½% 6-year aver. road bonds offered on Jan. 3.—V. 105, p. 2591.

CLARKSDALE, Coahoma County, Miss.—**BOND OFFERING.**—Bids will be received until 7:30 p. m. Jan. 22 by R. E. Stratton Jr., City Clerk, for \$95,000 school bonds not to exceed 6% int. Int. semi-annual. Certified check for \$3,500 required.

CLEAR LAKE SCHOOL DISTRICT NO. 1 (P. O. Clear Lake), Minn.—**BOND SALE.**—The \$10,000 4% bldg. bonds voted April 24 last (V. 104, p. 2034) have been purchased by the State of Minnesota.

CLEVELAND, Ohio.—**BOND OFFERING.**—Sealed bids will be received until 12 m. Jan. 31 by G. J. Neal, Director of Finance, for the following coupon or registered (purchaser's option) bonds:
\$200,000 4½% park bonds. Date Oct. 1 1917. Due \$4,000 yearly on Oct. 1 from 1918 to 1967 incl.

\$50,000 5% electric light bonds. Date Nov. 1 1917. Due \$10,000 yearly on Nov. 1 from 1922 to 1956 incl.

500,000 5% water works bonds. Date Dec. 1 1917. Due \$10,000 yearly on Dec. 1 from 1918 to 1967 incl.

500,000 5% city's portion street-impt. bonds. Date Dec. 1 1917. Due \$10,000 yearly on Dec. 1 from 1918 to 1967 incl.

Denom. \$1,000. Int. semi-ann. at the American Exchange Nat. Bank, New York. Cert. or cashier's check on some solvent bank other than the one making the bid, for 3% of the amount of bonds bid for, payable to the City Treas., required. Bids to be made on blank forms furnished by the above Director of Finance. Purchaser to pay accrued int.

CLEVELAND CITY SCHOOL DISTRICT, Cuyahoga County, Ohio.—**BOND OFFERING.**—Further details are at hand relative to the offering on Jan. 14 of the \$1,500,000 5% coupon building bonds (V. 105, p. 2591). Proposals for these bonds will be received until 3 p. m. on that day by Sarah E. Hyre, Clerk Board of Education. Auth., Secs. 7625 to 7628, Inclusive, Gen. Code. Denom. \$1,000. Date, day of sale. Prin. and semi-annual interest payable at the American Exchange Nat. Bank, N. Y. Due \$75,000 yearly on Jan. 14 from 1919 to 1938, inclusive. Certified check on a solvent bank or trust company for 5% of the amount of bonds bid for, payable to the Treasurer of the Board of Education, required. Purchaser to pay accrued interest.

Statistics Jan. 14 1918. Population Cleveland School District (estimated) \$70,000 Tax valuation Cleveland School District \$1,212,817,450 Bonds outstanding 9,800,000 Bonds of this issue purchased by the Board of Commissioners of the Sinking Fund None Bonds of this issue purchased by the Industrial Comm. of Ohio None Building bonds (serial) herein advertised 1,500,000 Par value of Board of Education Sinking Fund Sept. 1 1917 1,563,349 35 No bonds have been issued since Aug. 6 1917. Total tax levy, 5.6385 mills. Tax levy for bonds, interest on sinking fund, .6560 mills. Additional direct annual levy pledged to the payment of interest and principal of building bonds (serial) sold Jan. 14 1918.

CLOVIS, Curry County, N. Mex.—**BOND OFFERING.**—City Clerk B. M. Brizandine will receive sealed bids until Jan. 14 for \$75,000 5% 10-30-year (opt.) school bonds. Interest semi-annual.

COCHISE COUNTY (P. O. Tombstone), Ariz.—**BOND OFFERING.**—Bids will be received, it is stated, until 2 p. m. Feb. 4 by A. C. Karger Clerk Board of Supervisors, for \$1,000,000 1-20-year serial highway bonds at not to exceed 5½% interest. Interest semi-annual. Certified check for 5% of the amount of bonds bid for required.

COLUMBUS, Platte County, Neb.—**BONDS AUTHORIZED.**—On Dec. 21 the Mayor and City Council passed an ordinance authorizing the issuance of \$15,000 5% coupon street-paying intersection bonds. Denom. \$500. Date Dec. 31 1917. Prin. and semi-ann. int. (J. & D.) payable at the State Treasurer's office in Lincoln. Due Dec. 31 1937, subject to call Dec. 31 1922.

CORPUS CHRISTI, Nueces County, Tex.—**BOND OFFERING.**—Bids will be received at once for the \$600,000 5% 15-year sea-wall-construction bonds authorized at the election held Jan. 2.—V. 105, p. 2562. Int. semi-annual.

CORVALLIS, Benton County, Ore.—**BIDS REJECTED.**—All bids received on Dec. 17 for \$3,038 75 5% refunding bonds offered on that day, were rejected.

CRANE, Stone County, Mo.—**BONDS DEFEATED.**—A proposition to issue \$7,500 city-hall bonds recently submitted to the voters was defeated.

CRAWFORD COUNTY (P. O. Denison), Iowa.—**BOND OFFERING.**—Louie Evers, County Treasurer, will receive proposals until 2 p. m. Jan. 16 for \$260,000 funding bonds at not exceeding 5% int. Denom. \$1,000. Date Feb. 1 1918. Int. A. & O. Due in 20 years, optional any time after 12 years. Purchaser to furnish all blanks for printing of bonds and to pay all legal costs in relation thereto. Certified check for \$4,000 payable to the above Treasurer, required.
The official notice of this bond offering will be found among the advertisements elsewhere in this Department.

CROW WING COUNTY SCHOOL DISTRICT NO. 45 (P. O. River-ton), Minn.—**BOND SALE.**—The \$115,000 high and grade-school building and equipment bonds voted at the election held June 16 last (V. 105, p. 93) were purchased by the State of Minnesota.

CURRY SCHOOL DISTRICT (P. O. Curry), Quay County, N. Mex.—**BONDS VOTED.**—On Dec. 24 the voters, according to reports, authorized the issuance of high-school-building bonds.

CUYAHOGA FALLS, Summit County, Ohio.—**BONDS NOT SOLD.**—No bids were received for the \$100,000 5% sewer and sewage-work bonds offered on Jan. 7.—V. 105, p. 2473.

DELPHOS, Allen County, Ohio.—**BOND OFFERING.**—Bids will be received until Jan. 22 by W. H. Shaffer, City Auditor, for \$3,000 5% coupon sewer improvement bonds. Denom. \$1,000. Bonded debt (excluding this issue) Jan. 1 1918, \$133,945. Sinking fund, \$9,655. Assessed valuation 1917, \$5,400,000. Tax rate per \$1,000, \$13 50.

DEPEW, Erie County, N. Y.—**BOND SALE.**—On Jan. 7 the \$29,600 1-10-year serial coupon or registered (purchaser's option) impt. bonds—V. 105, p. 2562—were awarded to Geo. B. Gibbons & Co. of New York at par for 5s.

DETROIT, Becker County, Minn.—**BONDS VOTED.**—The issuance of \$14,000 refunding bonds was authorized at an election held on Dec. 18 by a vote of 36 to 25.

DICKINSON COUNTY (P. O. Abilene), Kan.—**BONDS OFFERED BY BANKERS.**—The Fidelity Trust Co. of Kansas City, Mo., is offering to investors \$147,500 4¼% tax-free refunding bonds. Denoms. \$500 and \$1,000. Date Jan. 1 1918. Principal and semi-ann. int.—J. & J.—

payable at the State Treasury. Due serially from 1919 to 1948, incl. Total bonded debt (incl. this issue), \$147,500. Assessed valuation 1917, \$47,812,277.

DICKINSON (TOWN) SCHOOL DISTRICT, Broome County, N. Y.—**BOND OFFERING.**—Bids will be received until 8 p. m. Jan. 19 by Alfred Wayne (P. O. 716 Chenango St., Port Dickinson), for \$8,000 5% school bonds. Denom. \$1,000. Date Jan. 1 1918. Int. J. & J. Due \$1,000 yearly on July 1 from 1918 to 1923, inclusive, and \$2,000 1924. Certified check or draft for 2% of the amount of bonds bid for required. Purchaser to pay accrued interest. This issue is part of the \$54,000 bonds carried at the election held Dec. 22 by a vote of 319 to 104 (V. 105, p. 2473).

DIXON COUNTY SCHOOL DISTRICT NO. 70 (P. O. Allen), Neb.—**BONDS NOT YET SOLD.**—The \$50,000 5% site-purchase building and equipment bonds, bids for which were rejected on Oct. 3 (V. 105, p. 1547), have not as yet been sold. P. P. Gaughran is Director of Board of Education.

DODGE COUNTY INDEPENDENT SCHOOL DISTRICT NO. 30 (P. O. Kasson), Minn.—**BOND SALE.**—The State of Minnesota on Oct. 27 purchased the \$74,300 4% graded and high-school building bonds (V. 105, p. 835).

DOUGLAS COUNTY (P. O. Omaha), Neb.—**BONDS TAKEN CARE OF.**—In answer to our inquiry as to whether or not the \$100,000 4½% 20-year coupon Trans-Mississippi Exposition refunding bonds which were offered but not sold on Nov. 1 (V. 105, p. 1913), would be again placed upon the market, the County Auditor replies stating that "this matter has been taken care of."

DRAKE, McHenry County, No. Dak.—**BONDS NOT SOLD—NEW OFFERING.**—The \$7,700 sewer and \$10,000 water bonds which were offered for sale on June 18 last—V. 104, p. 2473—have not been sold. Instead, the city is offering \$30,000 refunding bonds, which will take care of indebtedness caused by the installation of sewer and water systems. The sale will be private or open and the bonds will be dated Jan. 1 1918 and bear interest at the rate of 6%, payable semi-annually at a place optional with the purchaser. There will be no priority of payment, all bonds maturing on Jan. 1 1938.

EAST CHESTER, Westchester County, N. Y.—**BOND SALE.**—An issue of \$25,000 5% sewer bonds was recently awarded to Geo. B. Gibbons & Co. of N. Y. at 100.05 and int. Denom. \$1,000. Date Jan. 1 1918. Int. J. & J. Due \$1,000 yearly on Jan. 1 from 1919 to 1943 incl.

EATON RAPIDS, Eaton County, Mich.—**BONDS DEFEATED.**—The question of issuing \$30,000 water bonds failed to carry at an election held Dec. 3. Using newspaper reports we published in V. 105, p. 2382, that these bonds had been voted.

EDGEWATER, Bergen County, N. J.—**NOTE SALE.**—The \$260,000 three-months tax revenue notes offered without success on Dec. 29 (V. 106, p. 103) have been sold to local investors.

ELK HORN SCHOOL DISTRICT (P. O. Elk Horn), Shelby County, Iowa.—**BOND SALE.**—The \$44,000 5% site-purchase and building bonds authorized by the voters on July 27 last (V. 105, p. 723), were awarded on the 30th of that month to the Farmers' Bank of Elk Horn. Denom. \$1,000. Date Aug. 1 1917. Int. F. & A.

ELYRIA, Lorain County, Ohio.—**DESCRIPTION OF BONDS.**—The \$5,000 5% park bonds purchased on Dec. 7 by the Sinking Fund Trustees at par and interest are in denomination of \$1,000 and dated Dec. 1 1917. Int. J. & D. Due \$1,000 yearly from 1920 to 1924, incl.

ERIE, Erie County, Pa.—**BOND SALE.**—On Jan. 3 the \$530,000 4% impt. bonds were awarded to Rudolph Kleybolte & Co. of Cincinnati for \$530,010—100.01—and int. Denom. \$1,000. Date May 1 1917. Int. J. & N. Due serially from 1928 to 1946, incl. This issue was the unsold portion of the \$800,000 impt. bonds offered on April 24.—V. 104, p. 2571.

FALL RIVER, Bristol County, Mass.—**TEMPORARY LOAN.**—A temporary loan of \$200,000, dated Jan. 9 and maturing Nov. 7 1918, has been awarded to the National City Co. of New York at 5% discount plus 35, it is stated.

FALLS CITY, Richardson County, Neb.—**BOND ELECTION.**—An election will be held Jan. 15, it is stated, to vote on the question of issuing \$60,000 electric-light-plant bonds.

FILER, Twin Falls County, Idaho.—**BOND SALE.**—Twenty thousand 6-year gold water bonds were recently purchased by the American Bank & Trust Co. of Denver. Denom. \$1,000. Date Nov. 1 1917. Int. J. & J. Due in 1937. Net debt (excl. water), \$5,000. Assessed valuation of town, \$292,000.

FLAT BAYOU DRAINAGE DISTRICT (P. O. Pine Bluff), Jefferson County, Ark.—**BOND SALE.**—Reports state that an issue of \$90,000 5½% 1-15-year serial drainage bonds was purchased by the First Nat. Bank of Arkansas.

FLOODWOOD, St. Louis County, Minn.—**BONDS NOT YET ISSUED.**—The \$2,000 village-hall bonds voted March 14 1917 (V. 104, p. 2665), have not yet been issued. E. B. Robinson is Village Recorder.

FORT WORTH, Tarrant County, Tex.—**BOND OFFERING.**—Bids will be received until 8 p. m. Jan. 18 by J. C. Griffith, President of School Board, for \$400,000 5% 40-year school bonds. Denom. \$1,000. Int. semi-ann. at the Hanover Nat. Bank, N. Y. Cert. check for \$2,500 required.

FRAMINGHAM, Middlesex County, Mass.—**NOTE OFFERING.**—Reports state that the Town Treasurer will receive bonds until 12 m. Jan. 31 for \$27,800 4½% town notes. Date Feb. 1 1918. Due \$2,000 yrlly. from 1919 to 1926 incl. \$1,000 yrlly. from 1927 to 1937 incl. and \$800 1938.

FREMONT, Dodge County, Neb.—**BONDS NOT YET SOLD.**—The \$250,000 4% 5-20-year (opt.) refunding bonds offered without success on Feb. 21 last (V. 104, p. 307) have not yet been sold. Principal and semi-annual interest payable at the State Treasurer's office. Bonded debt, including this year, \$316,000. Assessed valuation 1916, \$9,536,475. C. R. De La Matry is City Clerk.

FREMONT, Sandusky County, Ohio.—**BOND OFFERING.**—E. G. Klein, City Auditor, will receive bids until 2 p. m. Jan. 28 for \$1,800 5½% coupon city's portion street-impt. bonds. Denom. \$100. Date Oct. 1 1917. Int. A. & O. Due \$100 yearly on April 1 from 1919 to 1936, incl. Certified check on some solvent bank for \$200, payable to the City Treasurer, required. Bonds to be delivered and paid for within 10 days from time of award. Purchaser to pay accrued interest.

GALENA SCHOOL DISTRICT (P. O. Galena), Cherokee County, Kan.—**BONDS VOTED.**—The question of issuing \$25,000 school bonds carried, it is stated, at a recent election.

GARFIELD COUNTY (P. O. Pomeroy), Wash.—**BOND SALE.**—On Jan. 11 1917 Geo. Elsensohn was awarded \$1,700 5% bonds. Denom. \$250. Int. J. & D.

GARRETTSVILLE, Portage County, Ohio.—**BOND SALE.**—On Jan. 2 the \$2,000 5% water-works-system bonds (V. 105, p. 2199) were awarded to the First National Bank of Garrettsville at par and interest.

GARVIN COUNTY (P. O. Pauls Valley), Okla.—**NO BOND ELECTION TO BE HELD.**—The County Clerk advises us that there will be no road bond election in Garvin County, as has been reported.

GILBERT CONSOLIDATED SCHOOL DISTRICT (P. O. Gilbert), Story County, Iowa.—**NO BONDS TO BE ISSUED THIS YEAR.**—The Secretary of the Board of Education advises us that the \$30,000 school bonds awarded some time ago to the Wells-Dickey Co. of Minneapolis, which sale was never consummated because of irregularities in the consolidation proceedings, will not be issued this year.

GRAND FORKS, Grand Forks County, No. Dak.—**BIDS.**—The following bids were received for the \$30,000 5-20-yr. (opt.) water works refunding bonds offered on Jan. 7.—V. 105, p. 2562: Minnesota Loan & Trust Co., Minneapolis. 5½%. Bid par, accrued interest; to furnish bonds for signature. Bid premium of \$50. Harris Trust & Savings Bank, Chicago. 5½%. Bid par, accrued interest; offered premium of \$93. Stearns Bros. & Co., Kansas City, Mo. 5½%. Bid par, accrued interest; and asked a commission and expense allowance of \$659. Seasongood & Mayer, Cincinnati, O. 6%. Bid par, accrued interest; and offered a premium of \$152 50 on optional basis.

Seasongood & Mayer, Cincinnati, O. If bonds mature in 20 years and 1-20th paid off each year, they offered par, accrued interest, premium \$545.

A. J. Hood & Co., Detroit, Mich. 5%. Bid par, accrued interest; and asked a commission and expense allowance of \$2,639. Also bid 5 1/2% par and accrued interest and asked a commission and expense allowance of \$739. Also bid 6% par and accrued interest offering to pay premium of \$61 and also furnish printed bonds for signature. (No certified check filed as required.)

The City Auditor writes us that the above bids were opened at the meeting of the City Council on Jan. 7 and following discussion were on motion referred to the Ways & Means Committee and City Attorney to investigate and report recommendations thereon back to a special meeting of the City Council to be called by the Mayor. He also states: "Am unable to advise that any of the above bids will be accepted, but that in case a bid is accepted, it is very probable that the bid of the Minnesota Loan & Trust Co. will be accepted, and that action will be taken thereon within ten days from date hereof."

GRAND RAPIDS SCHOOL DISTRICT (P. O. Grand Rapids), Kent County, Mich.—**BONDS AWARDED IN PART**—Of the \$137,000 4 1/2% and \$40,000 4% school-building bonds, a bid for which was rejected on Dec. 17—V. 105, p. 2474—\$100,000 of the 4 1/2% issue has been sold, it is stated.

GUTHRIE, Logan County, Okla.—**NO ACTION YET TAKEN**—No action has yet been taken looking towards the holding of an election to vote on the issuance of water bonds, as the city is undecided as to whether it will be a deep-well proposition for \$125,000 bonds or one for a reservoir at from \$200,000 to \$300,000.—V. 105, p. 2562

HAMILTON COUNTY (P. O. Cincinnati), Ohio.—**BOND SALE**—On Jan. 8 the \$850,000 5% 30-year coupon bonds—V. 105, p. 2474—were awarded jointly to the Guaranty Trust Co., New York; the Continental & Commercial Trust & Sav. Bank, Chicago; Seasongood & Mayer, Cincinnati, and the Fifth Third Nat. Bank, also of Cincinnati, at 100.819 and int. The President Sav. Bank & Trust Co. of Cincinnati bid par, accrued int. and \$1,100 premium for \$200,000 of the issue and the Atlas Nat. Bank of Cincinnati bid par and int. for \$50,000.

HARDIN COUNTY (P. O. Elizabethtown), Ky.—**NO BONDS TO BE ISSUED**—We are advised by the County Clerk that there is no truth in reports that \$150,000 railroad aid bonds have been authorized.

HARRISON COUNTY (P. O. Corydon), Ind.—**BOND SALE**—On Jan. 7 an issue of \$9,800 4 1/2% gravel-road bonds was awarded to the Corydon National Bank at par and interest.

HAVELOCK, Lancaster County, Neb.—**BOND SALE**—The Abel Construction Co. was awarded on Jan. 1 at par the \$10,000 5% serial registered intersection paving bonds offered on Sept. 1 last—V. 105, p. 836. Date Sept. 1 1917. Int. ann. on Sept. 1 at Havelock.

HILLSBOROUGH COUNTY (P. O. Tampa), Fla.—**BOND OFFERING**—Additional information is at hand relative to the offering on Jan. 29 of the \$875,000 5% coup. road bonds—V. 105, p. 103. Proposals for these bonds will be received on that day by Jas. G. Yeats, Chairman of Bd. of Co. Commissioners. Denom. \$1,000. Date Jan. 1 1918. Principal and semi-annual int.—J. & J.—payable in New York City. Due \$5,000 on Jan. 1 1919 and \$30,000 yearly on Jan. 1 from 1920 to 1949, incl. Certified check on an incorporated bank for 2% of the amount of bonds bid for required. Bonds will be engraved and certified as to genuineness and the approving opinion of Caldwell & Masslich of N. Y. will be furnished purchaser. Bonded debt (incl. this issue) \$1,201,000. Sinking fund, \$203,217. Assess. val., \$26,203,337.

HOBOKEN, N. J.—**BOND OFFERING**—Bids will be received, it is stated, until 10 a. m. Jan. 23 by Daniel A. Haggerty, City Clerk, for \$525,000 20-23 year aver., \$125,000 17-5-6 year aver. and \$36,001 1-36 year serial 5% school bonds. Int. semi-ann. Certified check for 2% of the amount of bonds bid for required.

HOWELL and MARION FRACTIONAL SCHOOL DISTRICT NO 1 (P. O. Howell), Mich.—**BONDS TO BE RE-OFFERED**—The \$100,000 4 1/2% school bonds offered without success on June 6 last—V. 105, p. 2562—will be re-offered next summer.

HUGHSON SCHOOL DISTRICT, Stanislaus County, Calif.—**BOND ELECTION PROPOSED**—The issuance of \$50,000 school bonds will be submitted to the voters during the latter part of this month, it is stated.

HURON, Beadle County, So. Dak.—**BONDS NOT YET SOLD**—No sale has yet been made of the \$80,000 5% municipal building-erection bonds, bids for which were rejected on April 23 last—V. 104, p. 1724. Date May 1 1917. Int. semi-annual. Due May 1 1937, subject to call \$20,000 in 10 years, and \$20,000 in 15 years. S. S. Oviatt is City Auditor.

INDIANOLA, Red Willow, Neb.—**BOND SALE**—The First Trust Co. of Lincoln was awarded about Nov. 15 last, the \$11,400 5% 5-20-yr. (opt.) electric-light bonds offered without success on June 23—V. 105, p. 1010—for \$11,425, equal to 100.219.

INDIANAPOLIS, Ind.—**BOND OFFERING**—Bids will be received until 2 p. m. Jan. 16 by R. H. Sullivan, City Controller for \$7,000 5% coupon street retaining wall bonds. Denom. \$1,000. Date Jan. 1 1918. Prin. and semi-ann. int. (J. & J.), payable at the Union Trust Co., New York. Due \$2,000 on Jan. 1 1920 and 1921 and \$3,000 Jan. 1 1922. Cert. check for 2 1/2% of the amount of bonds bid for, payable to the City Treas., required. Delivery of bonds to be made within 30 days from Jan. 16. Certified copy of the ordinance and legal opinion of Smith, Remster, Hambrook & Smith on the validity of these bonds will be furnished purchaser.

IOWA CITY, Johnson County, Iowa.—**BONDS AUTHORIZED**—Reports state that the City Council has authorized the issuance of \$8,000 sewer bonds.

JUNEAU COUNTY (P. O. Mauston), Wis.—**BOND OFFERING**—S. E. Phillips, County Clerk, will receive bids until 10 a. m. Jan. 22 for \$26,502 50 5% bridge bonds. Denoms. \$2 for \$500 and 1 for \$502 50. Int. A. & O. Due part each year from 1921 to 1930, inclusive.

KALIDA VILLAGE SCHOOL DISTRICT (P. O. Kalida), Putnam County, Ohio.—**BOND SALE**—Reports state that the First National Bank of Barnesville purchased in December \$3,000 6% 17-year average school bonds at 100.70. Denom. \$500.

KANSAS CITY, Mo.—**BOND SALE**—James L. Marth & Co. were awarded at par on Oct. 15 the \$150,000 4 1/2% levee and drainage bonds offered on Sept. 29, together with three other issues, aggregating \$600,000.—V. 105, p. 1547. Denom. \$1,000. Date March 1 1913. Int. M. & S. Due Mar. 1, 1933.

KASSON SCHOOL DISTRICT (P. O. Kasson), Dodge County, Minn.—**BONDS VOTED**—It is reported that this district has voted to issue \$60,000 school bonds.

KENDALL COUNTY (P. O. Boone), Tex.—**BONDS AWARDED IN PART**—During December \$20,000 of the \$80,000 5% 20-40-year opt. coupon Road Dist. No. 3 road-impnt. bonds which this county has been offering for sale—V. 105, p. 2291—were awarded to local investors at par and int. J. W. Lawhorn is County Judge.

LAC QUI PARLE COUNTY (P. O. Madison), Minn.—**BOND SALE**—On Dec. 11 the Minneapolis Trust Co. of Minneapolis was awarded \$27,500 5% 5-20-year serial coupon drainage bonds. Denom. one for \$500, balance for \$1,000. Date Jan. 1 1918.

LAFORCHE BASIN LEVEE DISTRICT (P. O. Donaldsonville), La.—**BONDS NOT YET SOLD**—No sale has yet been made of the \$150,000 5% 5-10-yr. serial gold bonds offered on Feb. 27 last—V. 104, p. 380. O. C. Weber is Secretary of Board of Commissioners.

LAKE COUNTY (P. O. Painesville), Ohio.—**BOND OFFERING**—Sealed bids will be received until 12 m. Jan. 14 by W. Albert Davis, County Auditor, for \$18,000 5% coupon road-improvement bonds. Auth., Secs. 6932 to 6944. Gen. Code. Denom. \$500. Date Sept. 1 1917. Int. M. & S., payable at the County Treasury. Due \$1,000 each six months from March 1 1918 to Sept. 1 1926, inclusive. Certified check on a solvent bank in Lake County for \$500 required. Bonds to be delivered and paid for within fifteen days from time of award. Official circular states that there is no litigation pending or threatened. Total bonded debt (including this issue) Jan. 14 1918, \$1,026,300. Assessed valuation 1917, \$65,501,860. Total assessed valuation (est.), \$100,000,000. Tax rate per \$1,000, \$2.94. Population in 1910, 22,927. Estimated now 25,000.

LAUDERDALE COUNTY (P. O. Meridian), Miss.—**BONDS PROPOSED**—The issuance of about \$35,000 hospital bonds is being considered, it is stated.

LEMMON, Perkins County, So. Dak.—**BOND ELECTION PROPOSED**—Local papers state that bonds for a new school house and for the installation of a sewerage system are being advocated and probably will be submitted to voters at a special election.

LIBERTY SEPARATE SCHOOL DISTRICT, Delaware County, Ohio.—**BOND SALE**—On Jan. 2 \$2,800 5 1/4% school bonds were awarded to Tillotson & Wolcott Co. of Cleveland at par.

LINCOLN COUNTY INDEPENDENT SCHOOL DISTRICT NO. 1 (P. O. Lake Benton), Minn.—**BOND OFFERING**—Proposals will be received until 8 p. m. Jan. 22 by C. W. Stites, Secy. Bd. of Ed for \$30,000 school bonds not to exceed 5 1/4% int. Denom. \$1,000. Date Feb. 1 1918. Int. F. & A. Due Feb. 1 1928. Cert. check for 4% of the amount of bonds bid for, payable to the Dist. Treas., required.

LINN GROVE, Buena Vista, Iowa.—**BOND SALE**—Recently this place awarded \$2,000 6% water-works extension bonds to Schanke & Co. of Mason City. Denom. \$500. Date Jan. 1 1918. Int. J. & J. Due Jan. 1 1938.

LITTLE FALLS, Herkimer County, N. Y.—**BOND SALE**—On Jan. 8 \$25,000 5% coupon or registered (purchasers option) city hall bonds were awarded to H. A. Kahler & Co. of New York at 100.961 and int. Date Jan. 1 1918. Int. J. & D. Due June 1 1926.

LONG BEACH, Los Angeles County, Calif.—**BOND SALE**—On Dec. 28 an issue of \$25,000 5% 2-1-3 year aver. harbor-impnt. bonds were awarded to J. F. Craig. Int. J. & J.

MADISON, Jefferson County, Ind.—**DESCRIPTION OF BONDS**—The \$3,000 4 1/2% 5-yr. refunding bonds awarded on Nov. 1 to local investors at par—V. 105, p. 2475—are in the denomination of \$500 and dated Nov. 1 1917. Int. M. & N.

MAGNETIC SPRINGS, Union County, Ohio.—**BONDS NOT SOLD**—No award was made of the \$1,000 6% street impnt. bonds offered on Dec. 15—V. 105, p. 2199.

MALDEN, Middlesex County, Mass.—**BOND OFFERING**—Reports state that the City Treas. will receive bids until 8 p. m. Jan. 14 for the following 5% bonds: \$22,000 bonds. Date May 1 1917. Due \$3,000 yrly. from 1918 to 1922 incl., \$2,000 in 1923 and 1924 and \$1,000 yrly. from 1925 to 1927 incl.

29,000 bonds. Date Sept. 1 1917. Due \$5,000 1918 and 1919, \$4,000 yrly. from 1920 to 1922 incl., \$2,000 1923 and 1924 and \$1,000 yrly. from 1924 to 1927 incl.

34,000 bonds. Date Nov. 1 1917. Due \$4,000 yrly. from 1918 to 1921 incl., \$3,000 1922, \$2,000 yrly. from 1923 to 1927 incl. and \$1,000 yrly. from 1918 to 1932 incl.

MANASQUAN, Monmouth County, N. J.—**BOND SALE**—An issue of \$10,000 5% bonds was awarded on Nov. 27 to the First National Bank of Spring Lake at 100.125. Denom. \$500. Date Nov. 1 1917. Int. M. & N. Due \$1,000 yearly.

MARTINEZ, Contra Costa County, Calif.—**BOND ELECTION**—The voters will have submitted to them on Feb. 5, it is stated, propositions to issue \$30,000 sewer and \$170,000 water-system bonds.

MARSHALL, Logan County, Okla.—**BONDS NOT YET OFFERED**—The City Clerk writes us that the \$5,000 6% 30-yr. water supply bonds recently authorized are not in shape to sell and that he can not say just when they will be.

MARSHALL COUNTY (P. O. Marshalltown), Iowa.—**BONDS AUTHORIZED**—On Jan. 3 the Board of Supervisors authorized the issuance of \$78,000 5% 10-yr. refunding bonds; it is stated.

MASSENA, Cass County, Iowa.—**BONDS NOT ISSUED**—The \$17,000 water-works bonds voted April 10 last—V. 105, p. 95—have not yet been issued.

MATAGORDA COUNTY (P. O. Bay City), Tex.—**BOND ELECTION**—Reports state that at a recent meeting of the Commissioners' Court of Matagorda County, a petition duly signed according to law was presented and the court ordered an election to vote on a proposition to issue \$25,000 county-hospital bonds.

MEDFORD, Jackson County, Ore.—**BONDS NOT SOLD—NEW OFFERING**—No bids were received for the \$25,000 5% coupon refunding bonds offered on Dec. 21—V. 105, p. 2383. Proposals are now being asked for these bonds, it is stated, until Jan. 20.

MEDFORD, Middlesex County, Mass.—**TEMPORARY LOAN**—On Jan. 11 a temporary loan of \$100,000 issued in anticipation of revenue due \$50,000 Nov. 8 and \$50,000 Nov. 19 was awarded, it is stated, to R. L. Day & Co. of Boston at 5.19% discount.

MIDVALE, Salt Lake County, Utah.—**BOND SALE**—The \$35,000 water-works-system bonds voted at the election held Nov. 15 1916—V. 103, p. 2094—were awarded to the Lumberman's Trust Co. of Portland, Denom. \$1,000. Date Dec. 1 1916. Int. J. & D. Due Dec. 1 19136.

MILFORD, Clermont County, Ohio.—**BOND OFFERING**—Sealed bids will be received until 12 m. Jan. 15 by H. L. Schroeder, Village Clerk, for \$2,000 5 1/2% coupon deficiency bonds. Denom. \$500. Date Dec. 1 1917. Int. J. & D. at the Milford Nat. Bank. Due \$500 yearly on Dec. 1 from 1918 to 1921, incl. Certified check for \$50, payable to the Village Treasurer, required. Bonds to be delivered and paid for within 10 days from time of award. Purchaser to pay accrued int. Bonded debt Jan. 7 1918, \$30,435. Floating debt, \$2,000. Total debt, \$32,135.

MILFORD, Dickinson County, Iowa.—**BOND SALE**—The following bonds, aggregating \$16,250, have been purchased by Schanke & Co. of Mason City: \$11,500 5 1/2% sewer-outlet and purifying plant bonds. Denom. \$500. Int. M. & N. Due serially. 4,750 6% funding bonds. Denoms. \$250 and \$500. Int. semi-ann. Due Jan. 1 1938.

MINOT, Ward County, No. Dak.—**COURTS AUTHORIZE ISSUANCE OF BONDS**—A. D. Hagenstein, City Auditor, writes us under date of Jan. 5 that the city has just received a decision from the courts authorizing the issuance of the five issues of bonds, aggregating \$186,000, voted on June 25 last—V. 105, p. 304. The bonds are described as follows: \$85,000 reservoir-construction bonds. The vote was 297 to 155. 20,000 water-works-plant-impnt. and equipment bonds. The vote was 302 to 133.

25,000 fire-dept.-equipment-purchase bonds. The vote was 289 to 160. 6,000 street-dept.-equipment bonds. The vote was 286 to 162. 50,000 site-purchase and city-hall bonds. The vote was 253 to 190. Int. annually. Bonded debt, including this issue, \$360,000. Special assessment debt (additional), est., \$650,000. Sinking fund, \$71,200. Assessed val. 1917, \$2,903,738; est. val. all property, \$11,642,952.

MOBERLY, Randolph County, Mo.—**BOND SALE**—On Jan. 7 \$35,000 5% 20-yr. water ext. bonds were awarded to the Mechanics Sav. Bank of Moberly at par. Denom. \$500. Date Jan. 1 1918. Int. J. & J.

MONTPELIER SPECIAL SCHOOL DISTRICT (P. O. Montpelier), Williams County, Ohio.—**BONDS NOT SOLD**—No bids were received for the \$7,500 5 1/2% 5-15-yr. serial funding bonds offered on Dec. 20—V. 105, p. 2200.

MOOREHEAD SCHOOL DISTRICT (P. O. Moorhead), Clay County, Minn.—**NO BONDS TO BE ISSUED AT PRESENT**—J. B. Erickson, Clerk of Board of Education writes us that action looking towards the issuance of the \$150,000 high school bonds has been temporarily deferred, awaiting more favorable conditions.—V. 105, p. 626.

MOSCOW, Latah County, Idaho.—**BOND SALE**—Of an issue of \$14,670 6% paving district bonds, \$10,000 are being offered to investors by the American Bank & Trust Co. of Denver. Denoms. \$200 and \$30. Date Jan. 1 1917. Int. ann. on Jan. 1. Due in 1927. Net debt \$38,000. Assessed valuation of improvement district, \$2,156,800.

NASHUA, Hillsborough County, N. H.—BOND SALE.—On Jan. 8 the \$300,000 4½% gold coupon high school bonds—V. 106, p. 104—were awarded to E. H. Rollins & Sons of Boston at 98.517, it is stated. Denom. \$1,000. Date Jan. 1 1918. Prin. and semi-ann. int. (J. & J.) payable at the office of City Treas. or at purchaser's option at the First Nat. Bank, Boston. Due \$15,000 yrly. on Jan. 1 from 1919 to 1938 inclusive.
Debt Statement as of December 31 1917.

Bonded debt	\$830,500 00
Serial notes	15,000 00
Sinking fund	\$845,500 00
	188,855 08
Net debt	\$656,644 92
Assessed valuation April 1 1917	\$26,241,088 00

NEBRASKA CITY SCHOOL DISTRICT (P. O. Nebraska City), Otoe County, Neb.—BONDS DEFEATED.—At a special election held on Dec. 3 the voters defeated a proposition to issue \$23,000 school-building bonds by a vote of 69 to 28, it is stated.

NEW ALBANY, Floyd County, Ind.—BONDS AUTHORIZED.—The City Council on Dec. 27, according to reports, authorized the issuance of \$20,000 4½% bonds for paying extra expenses caused by the unusual conditions brought about by the cyclone last March.

NEWAYGO COUNTY (P. O. Newaygo), Mich.—BOND ELECTION PROPOSED.—An election will be held in April, it is stated, to vote on the question of issuing \$21,000 county-infirmary bonds.

NEWPORT BEACH, Orange County, Calif.—BONDS VOTED.—The proposition to issue the \$50,000 harbor-impt. bonds submitted to the voters on Dec. 24 carried, it is stated, by a vote of 199 to 3.

NORWALK, Huron County, Ohio.—BOND OFFERING.—Sealed proposals will be received until 12 m. Jan. 28 by L. Snook, City Aud., for \$52,800 North Prospect street-impt. city's portion bonds. Denoms. 52 for \$500 and 1 for \$300. Due \$2,800 Sept. 1 1920 and \$5,000 yrly. on Sept. 1 from 1921 to 1930 inclusive.

5,500 Elm Street assess. bonds. Denom. \$500. Due \$500 yrly. on Sept. 1 from 1919 to 1929 inclusive.

5,300 Elm Street assess. bonds. Denoms. 10 for \$500 and 1 for \$300. Due \$300 Sept. 1 1918 and \$500 yrly. on Sept. 1 from 1919 to 1928 inclusive.

15,000 League Street assess. bonds. Denom. \$500. Due \$1,500 yrly. on Sept. 1 from 1919 to 1928 inclusive.

4,200 Linwood Ave. assess. bonds. Denoms. 8 for \$500 and 1 for \$200. Due \$200 Sept. 1 1918 and \$500 yrly. on Sept. 1 from 1919 to 1926 inclusive.

3,600 Milan Ave. assess. bonds. Denoms. 6 for \$500 and 1 for \$600. Due \$600 Sept. 1 1920 and \$500 yrly. on Sept. 1 from 1921 to 1926 inclusive.

Auth. Sec. 3039, Gen. Code. Date Sept. 1 1917. Prin. and semi-ann. int. (M. & S.) payable at the office of the City Aud. Cert. check on some bank other than the one making the bid for 10% of the amount of bonds bid for, payable to the City Treas., required. Purchaser to pay accrued interest.

ORANGE COUNTY (P. O. Santa Ana), Calif.—BOND ELECTION PROPOSED.—It is stated that an election will probably be held in April to vote on the question of issuing \$500,000 Newport harbor bonds.

OUACHITA COUNTY (P. O. Monroe), La.—BOND ELECTION.—An election will be held Feb. 12 to vote on the proposition to issue \$125,000 5% 30-yr. court-house bonds.

BOND ELECTION POSTPONED.—The election which was to have been held Nov. 20 to vote on the question of issuing the \$400,000 5% 30-yr. drainage-system bonds—V. 105, p. 1915—was indefinitely postponed. W. A. O'Kelly is President of Police Jury.

PALO ALTO, Santa Barbara County, Calif.—BOND ELECTION PROPOSED.—A special election is proposed, it is stated, for the purpose of having the voters pass upon a proposition to issue power-plant-impt bonds.

PANTHER CREEK DRAINAGE DISTRICT, Davies County, Ky.—AMOUNT OF BONDS PURCHASED.—The McWilliams Northern Dredging Co. of Chicago advise us that the amount of 6% bonds of this district recently purchased by it was approximately \$500,000 and the price paid par and accrued int. Using newspaper accounts of the sale we reported the amount in V. 105, p. 2553 as \$625,000. Denom. \$500 and \$1,000. Date Feb. 1 1918. Int. annual on Feb. 1. Due part yearly on Feb. 1 from 1920 to 1929, incl. Bonded debt, this issue only. Real value of property within the district \$4,125,000. Estimated value of land after improvements are made \$5,500,000. Population (est.) 7,500.

PARK COUNTY (P. O. Livingston), Mont.—BOND ELECTION PROPOSED.—Reports state that an election is being urged to vote on the question of issuing \$100,000 road bonds.

PARK TOWNSHIP (P. O. Holland), Ottawa County, Mich.—BOND ELECTION.—An election will be held in April next to vote on the question of issuing \$40,000 5% road bonds—V. 105, p. 1228.

PARKERS PRAIRIE, Ottotail County, Minn.—BOND SALE.—The \$9,000 4% fire-hall-bldg. bonds voted Jan. 16 1917—V. 104, p. 474—have been purchased by the State of Minnesota.

PENNINGTON COUNTY (P. O. Thief River Falls), Minn.—BOND SALE.—On Aug. 3 last the Wells-Dickey Co. of Minneapolis was awarded \$6,900 6% Ditch No. 21 bonds at par. Denoms. one at \$400, balance all \$500. Date Dec. 1 1917. Int. ann. on Dec. 1. Due yearly on Dec. 1 as follows: \$400, 1923; \$500, 1924 to 1929 incl. and \$500, 1931 and 1937 incl.

PENNINGTON COUNTY (P. O. Rapid City), So. Dak.—NO ACTION YET TAKEN.—No action has yet been taken looking towards the issuance of the \$230,000 funding bonds voted on Nov. 7 1916—V. 103, p. 1912.

PERCH LAKE TOWNSHIP (P. O. Cloquet), Carlton County, Minn.—BOND SALE.—The State of Minnesota in October purchased the \$5,000 4% bonds authorized by the voters last summer—V. 105, p. 203. Denom. \$500. Date Dec. 8 1917. Int. ann. in July. Due July 1 1932, subject to call at any time.

PLEASANT PLAIN SCHOOL DISTRICT (P. O. Pleasant Plain), Jefferson County, Iowa.—BOND SALE.—Geo. M. Bechtel & Co. of Davenport were awarded the \$20,000 5% 15-yr. building bonds voted Aug. 21—V. 105, p. 1018. Denom. \$1,000.

PLYMOUTH, Richland County, Ohio.—BONDS DEFEATED.—The question of issuing \$18,000 water filtration bonds failed to carry at the election held Nov. 6—V. 105, p. 1731.

POLK COUNTY (P. O. Balsam Lake), Wisc.—BONDS DEFEATED.—We have just been advised that the issuance of \$400,000 bonds failed to carry at the election held April 4 last—V. 104, p. 482.

PONTOTOC COUNTY (P. O. Ada), Okla.—BOND ELECTION.—An election has been called for Jan. 15, it is stated, to vote on the issuance of road bonds.

POPULAR, Sheridan County, Mont.—BOND ELECTION.—On Jan. 15 the question of issuing \$12,000 5% sewer bonds will be submitted to the voters.

PORTSMOUTH, Scioto County, Ohio.—BID.—The only bid received for the \$15,000 5% 7-9-yr. serial coupon sewer-extension bonds offered on Jan. 3—V. 105, p. 2384—was that of the First Nat. Bank, Portsmouth, which bid par.

PORTSMOUTH, Va.—BONDS PROPOSED.—Reports state that the question of issuing \$75,000 Tanners Creek School Dist. bonds is being considered.

PRAIRIE COUNTY (P. O. Deval Bluff), Ark.—BOND SALE.—Of an issue of \$95,000 5½% Road Impt. Dist. No. 4 \$15,500 are being offered to investors by the Mercantile Trust Co. of St. Louis. Denoms. \$1,000 and \$500. Date June 1 1917. Prin. and semi-ann. int. (P. & A.) payable at the Mississippi Valley Trust Co. of St. Louis. Due on Aug. 1 as fol-

lows: \$1,500, 1930; \$4,000, 1932; \$4,500, 1933; \$4,500, 1934, and \$1,000, 1940.

Financial Statement.

Actual valuation of all property, estimated	\$1,250,000
Assessed valuation of all property in district	322,120
Total assessed benefits for this issue	249,030
Total bonds outstanding	95,000
Population of district, estimated	5,000

PRIMGHAR, O'Brien County, Iowa.—BONDS AUTHORIZED.—The City Council, it is stated, has passed an ordinance providing for the issuance of \$7,500 bonds.

PROSPECT SCHOOL DISTRICT NO. 6, Douglas County, Kans.—BOND ELECTION PROPOSED.—This district, which is located three miles north of Baldwin City, is circulating a petition, it is stated, to call an election to vote on a proposition to issue \$1,500 school-bldg. bonds.

RENVILLE COUNTY (P. O. Olivia), Minn.—BOND SALE.—On Nov. 16 the Board of County Commissioners awarded \$300,000 5% ditch bonds at par and int. Denom. \$1,000. Prin. and semi-ann. int. payable at some bank in St. Paul and Minneapolis.

RICHLAND COUNTY (P. O. Richland Center), Wisc.—BONDS DEFEATED.—The question of issuing \$500,000 road bonds failed to carry at the election held April 4—V. 104, p. 530.

ROANOKE, Roanoke County, Va.—BOND ELECTION.—On Feb. 12 an election will be held to vote on the question of issuing \$175,000 4½% market-building bonds. Due March 1948.

ROCHESTER, N. Y.—NOTE OFFERING.—Sealed bids will be received until 2:30 p. m. Jan. 15 by H. D. Quinby, City Comptroller, for \$100,000 tax notes, payable 4 months from Jan. 18 1918 at the Union Trust Co., N. Y. Notes will be drawn with interest and will be deliverable on Jan. 15. Bids must state rate of interest and designate to whom (not bearer) notes shall be made payable and denoms. desired.

NOTE SALE.—On Jan. 10 the \$100,000 school construction, \$50,000 war emergency and \$480,000 revenue notes were awarded to S. N. Bond & Co. of N. Y. at 4.875%, plus \$13 premium.

Bidder.

Bidder	Amount	Interest	Premium
Equitable Trust Co.	\$150,000	4.90%	\$1.00
National City Co.	480,000	4.95%	5.00
	630,000	5.00%	15.00
	100,000	5.00%	7.00
A. B. Leach & Co.	60,000	5.00%	3.00
	480,000	5.30%	32.00
	50,000	4.90%	2.00
White, Weld & Co.	480,000	5.10%	7.00
	100,000	4.90%	---
Goldman, Sachs & Co.	630,000	5.24%	---
Salomon Bros. & Hutzler	50,000	4.99%	---
	480,000	4.92%	---
Farson, Son & Co.	100,000	5.00%	11.00
	50,000	5.10%	2.00

ROCK PRAIRIE TOWNSHIP (P. O. Everton), Dade County, Mo.—BONDS DEFEATED.—A proposition to issue \$28,000 road bonds was defeated at an election held Nov. 24.

The same proposition was favorably voted Oct. 20, but because of a technical error, it was necessary to re-submit the question—V. 105, p. 1639.

ROGER MILLS COUNTY (P. O. Cheyenne), Okla.—BOND ELECTION PROPOSED.—It is stated that the Good Roads Association of Roger Mills County has petitioned the Commissioners of that county to call an election for the purpose of voting \$75,000 road and bridge bonds.

RUPERT, Minidoka County, Ida.—BOND SALE.—An issue of \$40,000 6% Sewer District No. 1 gold bonds has been awarded to the American Bank & Trust Co. of Denver. Denom. \$500. Date June 1 1917. Int. J. & D. Due in 1927. Net debt \$26,000. Assessed val., \$452,615.

ST. CLOUD SCHOOL DISTRICT (P. O. St. Cloud), Stearns County, Minn.—BOND SALE.—The \$100,000 school-bldg. bonds voted at an election held in Jan.—V. 105, p. 96—have been sold to the State of Minn.

ST. LANDRY PARISH (P. O. Opelousa), La.—BONDS NOT SOLD.—The \$75,000 5% 4-22-yr. serial Second Road District road bonds offered on Dec. 3—V. 105, p. 2113—were not sold. J. J. Healey is Clerk of the Police Jury.

SANGAMON COUNTY (P. O. Springfield), Ill.—BONDS VOTED.—The issuance of \$500,000 road bonds carried at the election held Nov. 6—V. 105, p. 1822.

SANTA BARBARA COUNTY (P. O. Santa Barbara), Calif.—BOND OFFERING.—Proposals will be received by W. B. Metcalf, County Treasurer, until 10 a. m. to-day (Jan. 12) for the \$17,428 6% gold coupon Mesa permanent road division bonds voted Dec. 8—V. 105, p. 2476. Denom. one bond for \$428, balance \$500. Date Dec. 3 1917. Int. ann. on Dec. 3, at County Treasurer's office. Due \$1,000 yearly on Dec. 3 from 1919 to 1935, incl., and \$428 Dec. 3 1936. Certified check for 10% of the amount of bid, payable to the above County Treasurer, required.

SANTA FE SCHOOL DISTRICT (P. O. Santa Fe), Santa Fe County, N. Mex.—BOND SALE.—On Dec. 31 the \$28,000 5% 10-30-yr. (opt.) high-school-bldg. bonds—V. 105, p. 2476—were awarded to the First Nat. Bank of Santa Fe for \$27,400 (97.857) and int. Bosworth, Chanute & Co. and Keeler Bros., both of Denver, offered \$26,804 and \$24,574 50, respectively.

SAWYER, Ward County, No. Dak.—BONDS NOT SOLD—OTHER ARRANGEMENTS MADE.—E. D. Skinner, Village Clerk, writes us that the \$5,000 5% 15-year coupon funding bonds offered on Aug. 6 last were not sold and that the city made other arrangements.

SCIOTOVILLE, Scioto County, Ohio.—BONDS NOT SOLD.—No bids were received for the \$2,000 5% street-impt. and \$2,000 4½% pollution bonds offered on Dec. 27—V. 105, p. 2478.

SCOBEY, Sheridan County, Mont.—BOND ELECTION.—Reports state that an election will be held Jan. 29 to vote on the question of issuing \$35,000 water and sewer-construction bonds.

SEATTLE, Wash.—BOND ELECTION.—According to local papers two bond issues for an aggregate of \$413,713 92. will be submitted to the voters on March 5, in order to provide funds with which to clear up all indebtedness against Shilshole Ave. Impt. District, embracing the mill district of Ballard.

BOND ELECTION PROPOSED.—An ordinance adopting a new plan for the elevated railroad to be constructed along Whatcom Ave. and Spokane St., and providing for submission to the voters of a bond issue for \$350,000 to cover the cost of condemnation and construction, was introduced, it is stated, and referred to the Finance and City Utilities committees.

SHELBYVILLE SCHOOL DISTRICT (P. O. Shelbyville), Shelby County, Ind.—BOND SALE.—Papers state that \$6,000 5% 6-yr. refunding bonds have been awarded to Chas. P. Sindlinger of Shelbyville for \$6,015—100.25—and interest.

SHERIDAN COUNTY SCHOOL DISTRICT NO. 35 (P. O. Culbertson), Mont.—BOND OFFERING.—Mrs. Chas. C. May, Clerk of Trustees, will, it is stated, receive proposals until Jan. 15 for \$3,000 school bonds.

SIBLEY COUNTY (P. O. Henderson), Minn.—BOND SALE.—The Wells-Dickey Co. of Minneapolis was awarded at par in November \$100,000 Ditch No. 11 and \$20,000 Ditch No. 8 5¼% bonds. Denom. \$1,000. Date Jan. 1 1918. Due as follows: \$100,000 Ditch No. 11 bonds yearly on Jan. 1 as follows: \$5,000, 1922 to 1926 incl.; \$7,000, 1927 to 1931 incl., and \$8,000, 1932 to 1936 incl. 20,000 Ditch No. 8 bonds. \$2,000 yrly. on Jan. 1 from 1920 to 1929 incl.

SPRING CITY, Chester County, Pa.—NO ACTION YET TAKEN.—G. B. Thomas, Borough Clerk, advises us that no action has yet been taken looking towards the issuance of the \$50,000 4% street-impt. bonds voted at the election held Nov. 6—V. 105, p. 1916.

SWARTHMORE, Delaware County, Pa.—BOND SALE.—On Dec. 20 the \$2,000 4½% 15-year coupon tax free fire-apparatus bonds—V. 105, p. 2200—were awarded to Warren A. Tyson of Philadelphia.

TEXAS.—BONDS REGISTERED.—The following bonds have been registered by the State Comptroller:

Table with columns: Amount, Place and Purpose of Issue, Rate, Due, Date Reg. Lists various bond issues from different Texas counties and cities with their respective amounts and terms.

TATE COUNTY (P. O. Senatobia), Miss.—BOND SALE.—On Jan. 7 the \$20,000 6% 5-25-yr. (opt.) school bonds—V. 105, p. 2477—were awarded to McColgan Bros. at 104. Denom. \$500. Date Jan. 1 1918. Int. ann. in January.

TAUNTON, Bristol County, Mass.—LOAN OFFERING.—Sealed bids will be received until 6 p. m. Jan. 15 by the City Treas., it is stated, for a loan of \$100,000 issued in anticipation of revenue and maturing Apr. 16 1918.

TEAGUE ROAD DISTRICT NO. 1, Freestone County, Tex.—BONDS VOTED.—By a vote of 676 to 46 the question of issuing \$150,000 road bonds carried, it is stated, at an election held Dec. 31.

TODD COUNTY (P. O. Long Prairie), Minn.—BONDS AUTHORIZED.—The County Commissioners, it is stated, have authorized the issuance of \$30,000 funding bonds.

TOMAHAWK, Lincoln County, Wis.—BONDS NOT YET ISSUED.—The \$10,000 6% coupon water-works ext. bonds authorized in Oct. last (V. 105, p. 1549) have not yet been issued and will not be until spring.

TONGANOXIE, Leavenworth County, Kans.—BOND SALE.—J. R. Sutherland & Co., of Kansas City, Mo., were recently awarded \$40,000 4 1/2% water-works bonds. Denom. \$1,000. Date July 1 1917. Int. J. & J. Due serially from 1925 to 1937 incl.

TRIPP COUNTY (P. O. Winner), So. Dak.—BOND SALE.—Elston & Co. of Chicago were awarded at par and int. on June 20 last the \$200,000 5% 20-year coupon funding bonds offered on the 8th of that month. V. 104, p. 2158. Denom. \$1,000. Date July 1 1917. Int. J. & J. at N. Y. or Chicago. The county has no indebtedness. Assess. val. \$13,635,210. State and county tax rate (per \$1,000), \$6 75.

TROY, N. Y.—NOTE SALE.—On Dec. 31 an issue of \$100,000 5% revenue notes was awarded to the Manufacturers' Nat. Bank of Troy at 100.01. Denom. \$25,000. Date Jan. 2 1918. Due April 18 1918. White, Weld & Co. of N. Y. bid 100.007.

BOND SALE.—An issue of \$14,250 improvement bonds was awarded at private sale on Dec. 13 to the Manufacturers' Bank of Troy.

TUNICA COUNTY (P. O. Tunica), Miss.—BOND SALE.—The \$70,000 Dist. No. 1, \$90,000 Dist. No. 2 and \$66,000 Dist. No. 3 road-impt. bonds offered on July 2 last—V. 104, p. 2575—were awarded to the Bank of Commerce & Trust Co. of Memphis, Tenn., at par. Due \$5,000 annually.

TWIN FALLS, Twin Falls County, Ida.—BOND ELECTION.—An election will be held Jan. 30 to vote on the question of issuing \$375,000 10-20-yr. (opt.) water works impt. bonds at not exceeding 6% int.

UNION, Union County, N. J.—BOND SALE.—On Jan. 7 the three issues of 5 1/2% bonds aggregating \$123,000—V. 106, p. 105—were awarded to the Weehawken Trust Co. at 100.50 and int. Other bidders were: Harris, Forbes & Co., New York, \$123,370 23; R. M. Grant & Co., New York, \$123,332 10.

VAN BUREN COUNTY (P. O. Keosauqua), Iowa.—BONDS DEFEATED.—The proposition to issue the \$40,000 county-home bonds submitted to the voters on Oct. 15 was defeated, we are advised, and not voted as was first reported.—V. 105, p. 1731.

VAN ZANDT COUNTY (P. O. Canton), Tex.—BONDS VOTED.—Papers state that on Dec. 30 an issue of \$300,000 Road District No. 1 bonds were voted.

VICTOR SCHOOL DISTRICT, San Bernardino County, Calif.—BOND ELECTION.—An election will be held Jan. 15 to vote on the question of issuing \$3,500 5% 2-8-yr. serial school site purchase bonds.—V. 105, p. 2293.

VOLUISA COUNTY SPECIAL TAX SCHOOL DISTRICT NO. 23, Fla.—BOND ELECTION PROPOSED.—The voters of this district have asked for an election to vote on the issuance of \$25,000 bonds. O. R. M. Sheppard is Supt. of Board of Public Instruction. P. O. De Land.

NEW LOANS

\$260,000

Crawford County, Iowa, Funding Bonds.

Notice is hereby given that the undersigned County Treasurer of Crawford County, Iowa, will sell at open sale at the office of the County Treasurer of said County, at Denison, Iowa, commencing at TWO (2) O'CLOCK P. M., ON THE 16TH DAY OF JANUARY, 1918, Funding Bonds of said County of the denomination of One Thousand Dollars (\$1,000 00) each, and the aggregate Two Hundred Sixty Thousand Dollars (\$260,000 00). Said Bonds to be dated February 1st, 1918, bearing interest at the rate they will sell for on said date, not to exceed Five (5) per cent per annum, payable semi-annually on the 15th day of April and October of each year.

Optional payments will be paid at any time after Twelve (12) years from the issuance of said bonds, payment to be completed on said bonds at the end of Twenty (20) years.

The purchaser is to furnish all blanks for printing of bonds and to pay all legal costs in relation thereto and deposit with the said County Treasurer his certified check for Four Thousand Dollars (\$4,000 00), payable to the order of the said County Treasurer of said Crawford County. In the event of failure of such purchaser to take such Bonds.

Dated at Denison, Iowa, this 9th day of January, 1918.

LOUIE EVERS, County Treasurer of Crawford County, Iowa.

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VOLUSIA COUNTY SPCIAL TAX SCHOOL DISTRICT NO. 41, Fla.—BONDS VOTED.—An issue of \$12,000 bonds has been voted by this district. O. R. M. Sheppard is Supt. of Public Instruction. P. O. De Land.

WALLACE, Shoshone County, Ida.—BOND ELECTION.—The voters will have submitted to them on Jan. 15 a proposition to issue \$12,000 city-hall-building bonds. It is stated.

WALTHAM, Middlesex County, Mass.—BOND SALE.—On Jan. 11 an issue of \$42,705 5% coupon or registered (purchaser's option) tax free street-paving, surface-drainage, street and school bonds was awarded. It is stated, to the Old Colony Trust Co. of Boston at 100.735. Date Jan. 1, 1918. Principal and semi-ann. int.—J. & J.—at the Boston Safe Deposits & Trust Co., Boston. Due on Jan. 1 as follows: \$9,205 1919, \$8,000 1920 and 1921, \$7,000 1922, \$6,500 1923, \$2,000 1924, \$1,000 1925 and 1926. Total funded indebtedness (incl. these issues), \$430,527. Net debt, \$330,024. Net valuation 1917, \$31,296,315.

WASHINGTON SCHOOL TOWNSHIP, Miami County, Ind.—BOND OFFERING.—Proposals will be received until 10 a. m. Feb. 2 by Arthur Lewis, Twp. Trustee, for \$17,000 4 1/2% school bonds. Denom. \$1,000. Date Feb. 2 1918. Int. P. & A. Due \$1,000 yrly. on Aug. 2 from 1919 to 1925 incl. and \$2,000 yrly. on Aug. 2 from 1926 to 1930 incl.

WAUKON, Allamakee County, Iowa.—BOND SALE.—Geo. M. Bechtel & Co. of Davenport have been awarded \$10,000 5% bonds dated Sept. 1 1917 and maturing Sept. 1 1927. Denom. \$1,000. Int. M. & S.

WAYNE COUNTY (P. O. Greenville), Mo.—BONDS NOT YET SOLD.—No sale has yet been made of the \$200,000 4 1/2% road bonds offered on March 13 last—V. 105, p. 311. Due in 20 yrs., subject to call at any time. V. Y. Ing is Chairman of Bond Committee.

WAYNE TOWNSHIP SCHOOL DISTRICT, Montgomery County, Ohio.—BOND OFFERING.—Sealed proposals will be received until 8 p. m. Jan. 25 by Wm. B. Surrill, Twp. Clerk (P. O. Osborn, RR. No. 1), for \$2,800 5% coupon bldg. bonds. Auth. Secs. 5650 and 7625 to 7627 incl., Gen. Code. Denom. \$280. Date Jan. 1 1918. Int. M. & S. Due \$280 yrly. on March 1 from 1919 to 1928 incl. Cert. check for \$250 required. Bids must be unconditional.

WESTERN, Saline County, Neb.—BOND SALE.—On Nov. 1 the \$10,000 5% 5-20-yr. (opt.) registered electric-light bonds—V. 105, p. 1019—were awarded to the Western State Bank at par. Denom. \$500. Date Sept. 1 1917. Int. M. & S. at the County Treas. office. Bonded debt, including this issue, \$17,500. Floating debt \$800.

WHITE BEAR SCHOOL DISTRICT (P. O. St. Paul), Ramsey County, Minn.—BOND SALE.—The \$85,000 4% high-school-bldg. bonds voted at the election held April 9 last—V. 104, p. 1624—have been sold to the State of Minnesota. Denoms. \$2,000 to \$4,000. Int. ann. in July. Due part each year from 1922 to 1937 incl.

WILLIAMSPORT SCHOOL DISTRICT (P. O. Williamsport), Lycoming County, Pa.—NO ACTION YET TAKEN.—No action has yet been taken looking towards the issuance of the \$300,000 school bonds voted on Nov. 6.—V. 105, p. 2114.

WINN PARISH (P. O. Winfield), La.—CERTIFICATE SALE.—J. L. Arltt of Austin recently purchased \$30,500 5% certificates of indebtedness maturing serially from 1 to 10 yrs. These certificates are issued for the construction of highways.

WINTHROP, Suffolk County, Mass.—TEMPORARY LOAN.—A temporary loan of \$30,000, due Nov. 15 1918, was awarded to the Metropolitan Trust Co. at 5.36% discount. S. N. Bond & Co. bid 5.39%.

WORTH COUNTY (P. O. Northwood), Iowa.—BOND SALE.—The following 5% drainage district bonds, aggregating \$46,262 91, have been purchased by Schanke & Co. of Mason City: \$19,434 94 Drainage District No. 21 bonds. Denoms. \$276 42 and \$500. Date Nov. 1 1917.

13,805 00 Drainage District No. 22 bonds. Denoms. \$435 and \$500. Date Jan. 1 1918.

3,596 00 Drainage District No. 24 bonds. Denoms. \$500 and \$596. Date Nov. 1 1917.

4,638 97 Drainage District No. 25 bonds. Denoms. \$162 71 and \$500. Date Dec. 1 1917.

4,788 00 Drainage District No. 26 bonds. Denoms. \$184 and \$500. Date Jan. 1 1918. Interest M. & N. Due serially.

YOLO COUNTY (P. O. Woodland), Calif.—BOND OFFERING.—Bids will be received until 1 p. m. Jan. 21 by Roy B. Cole, Co. Treas., for \$275,000 6% Reclamation Dist. No. 1600 gold coupon assess. bonds. Denoms. 220 for \$1,000 and 110 for \$500. Date Jan. 1 1918. Int. J. & J. at office of the Co. Treas. Due \$27,500 yrly. on Jan. 1 from 1928 to 1937 inclusive.

CANADA, its Provinces and Municipalities. ANDERSON, Ont.—DEBENTURES PROPOSED.—A by-law to raise \$13,000 for bridge debentures will be submitted to the voters in the near future. It is stated.

COTEAU ST. PIERRE SCHOOL DISTRICT, Que.—DEBENTURES NOT SOLD.—G. E. Paterson, Sec.-Treas. of the Board of School Commrs., advises us that "authority to issue debentures not having been received, it was deemed inadvisable to accept tenders."—V. 105, p. 2386.

GRENFELL, Sask.—DEBENTURE SALE.—An issue of \$7,000 debentures has been purchased. It is stated, by Mrs. Ada H. Fitzgerald.

MONTMAGNY, Que.—DEBENTURE SALE.—On Dec. 10 \$50,000 5 1/2% 10-yr. road-impt. debentures were awarded to local investors. It is stated.

OTTAWA, Ont.—DEBENTURES VOTED.—By a vote of 2,635 to 2,314 the question of issuing \$125,000 bridge bonds carried at the election held Jan. 7.—V. 106, p. 106. At the election held Dec. 1 the \$40,000 soldiers-home bonds were authorized by a vote of 2,841 to 2,217.—V. 105, p. 2565.

Financial

ATLANTIC MUTUAL INSURANCE COMPANY

Table with financial data for Atlantic Mutual Insurance Company, New York, January 25th, 1917. Columns include Premiums on Policies, Total Premiums, Interest on Investments, Losses paid during the year, and Expenses.

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.

- EDMUND L. BAYLIES, JOHN N. BEACH, NICHOLAS BIDDLE, JAMES BROWN, JOHN CLAPLIN, GEORGE C. CLARK, CLEVELAND H. DODGE, CORNELIUS ELBERT, RICHARD H. EWART, G. STANTON FLOYD-JONES, PHILIP A. S. FRANKLIN, HERBERT L. GRIGGS

Table with financial data for Atlantic Mutual Insurance Company, divided into ASSETS and LIABILITIES. Assets include United States and State of New York Bonds, Stock and Warrants, etc. Liabilities include Estimated Losses and Losses Unsettled, Premiums on Unterminated Risks, etc.

Thus leaving a balance of... \$17,458,990.74. Accrued interest on the 31st day of December, 1916, amounted to... \$3,912,502.00.

ENGINEERS.

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