

THE FINANCIAL SITUATION.

It is difficult to determine the precise significance that should be attached to Mr. McAdoo's move of this week in relieving the chief executives of the railroads of the United States from control or direction over the operating functions of the railroads. To remove at one stroke every railroad President in the country from connection with the carriers' operations is a bold move, yet characteristic of Mr. McAdoo, who is never lacking in originality and possesses unbounded confidence in the wisdom of his own judgment. It is also a step, however, attended with some risk, even when qualified by the statement that most of the railroad Presidents will be re-engaged by the Government in the capacity of Federal managers (at lower salaries) provided they sever their official connection with the roads. The risk consists in parting with the services of many men who have had a leading part in the growth and development of the great railroad systems for which the United States is distinguished and which have no parallel in any other country in the world.

Mr. McAdoo will be able to avail of the organizations which these railroad heads have created, but in ousting them from their old positions of control he in effect announces his purpose to dispense with their experience and ripe judgment in handling the many new problems which the war has thrown upon the carriers, and in going to that length we cannot help feeling the Government and the Director-General will be the loser, forceful and resourceful man though he be. Mr. McAdoo assigns as a reason for his action that he wants some one in charge of each railroad system directly responsible to the Government, which means to himself, and such responsibility, he opines, can be obtained only through Federal Managers acting as "exclusive representatives of the United States Railroad Administration." It does not seem strange that the Director-General of the Railroads should want and desire such direct responsibility to himself, and yet it is open to question whether this responsibility could not have been obtained by some less drastic procedure than the use of the executioner's knife. Mr. McAdoo has chosen decapitation as the swiftest if not the surest way of attaining his end.

All these railroad executives have long since become imbued and impressed with the public character of the transportation services and in the new state of things upon which the railroads have now entered with the advent of Government control the loyal and whole-souled co-operation of these railroad executives we are confident could have been absolutely depended upon. Some one or two railroad Presidents might, out of perverseness, have proven obstreperous and these could in due time have been severely dealt with, each according to his deserts; but to question the allegiance of the whole body of men betrays what looks like deep-rooted distrust for which there is no warrant but which constitutes an affront to railroad men which they might well have been spared.

From the stress that is being laid upon the salaries that many of these railroad presidents receive it is possible that one object in view on the part of the Railroad Administration is to relieve the Government from the necessity of paying these salaries as part of the running expenses of the roads. These salaries are treated as a species of loot. The truth is,

the services of the particular Presidents who are getting the biggest salaries have been in such demand that there has been active bidding for them. One road might be paying a railroad President \$40,000 a year, when another road, seeing what he had accomplished, as the head of that property, and being in need of the same talent, would offer \$60,000 and a third road, also desirous of the same talent, would bid \$75,000.

Mr. McAdoo's announcement indicates that the boards of directors of the roads are free to continue the Presidents in their capacity as representatives of the security holders, but in that case the salaries must not be charged to the operating expenses and paid by the Government, but instead be taken out of the rentals which the roads receive from the Government. The boards of directors of the different properties should promptly accept the challenge. The security holders cannot afford to lose the services of these men—their intimate knowledge and long experience and sound judgment, especially having in mind the fact that the roads are to revert back to the owners—even if the Government feels that it can.

Of the other important move of the week, namely the approval of the making of large capital expenditures in the immediate future upon the leading systems of the country, it is possible to speak only in praise and in the highest terms. The Railroad Administration has approved total capital expenditures aggregating almost an even billion dollars—in exact figures \$937,961,318. Of this sum \$440,071,013 represents contemplated outlays for additions and betterments, such as stations and other property improvements, while \$479,686,531 is intended for equipment (cars and locomotives already ordered through the Railroad Administration) and \$18,203,774 is to be for track extensions.

The approval of such large amounts of expenditures evidences broad-minded and far-sighted Government administration of the properties. It indicates that the roads are at last coming into their own again. It is a development affording the highest degree of encouragement. For years the Inter-State Commerce Commission, by its narrow and stunted policy, deprived the carriers of the means so badly needed for their development. It was opposed to letting the roads have any surplus earnings that could be used in this way, and it vetoed rate advances that might have restored the credit of the carriers and thus enabled them to borrow on advantageous terms. Now, with the Government in control, the roads are assured an adequate allowance—whether, in any given case, this capital is to be obtained through direct flotation of new securities by the carrier with the investing public, or with and through the aid of the Government, is immaterial. The important point is that the different properties will be properly developed and will be effective agencies of transportation when they come back to their owners. At the same time it is pretty well established that adequate rates for their transportation services are to be allowed them. Thus their future is assured. The properties will not be returned in an impoverished state as was at one time feared, but will be going concerns in paying condition.

It is to be noted that the money is to be spent mainly upon the leading systems and that all of these have fared well in the general allotment. The East, the South and the West are all dealt

with in generous fashion. Thus the New Haven is allowed \$24,315,929, the Boston & Maine \$22,308,409, the Baltimore & Ohio \$43,808,303, the Erie \$24,593,440, the Pennsylvania \$112,656,652 (\$64,388,743 on the Eastern lines and \$48,267,909 on the Western), the New York Central \$70,672,087, with large additional amounts on the auxiliary roads, as the Michigan Central, the Big Four, the Pittsburgh & Lake Erie, the Lake Erie & Western, &c.; the Milwaukee & St. Paul \$23,126,653, the Illinois Central \$26,705,648, the Great Northern \$14,582,988, the Northern Pacific \$14,059,880, the Union Pacific \$25,439,047, the Southern Railway \$29,113,511, the Louisville & Nashville \$12,688,273, &c., &c.—all of which is full of hope and encouragement for the future.

The foreign trade of the United States, at least as represented by the aggregate values of the commodities exported or imported, continues of relatively full volume, notwithstanding the various restrictions placed by this and Allied Governments on the movement of some important articles—the inflow or outflow of certain of them being banned entirely, while others are subjected to vexatious delays through licensing provisions or lack of transportation facilities. Naturally, under such conditions new high records are not being made, but the falling off from the previous maximums is rather less than might have been expected, even with rising prices still a factor in swelling the current year's total. We pass any further reference to prices, as that phase of the foreign trade situation has been quite fully gone into by us in the recent past.

Our foreign exports for April last year, it will doubtless be remembered, established a new high record for the particular period covered, their value very greatly exceeding the total for the like month of 1916; those for 1918 exhibit a drop of only 29 $\frac{1}{8}$ million dollars, or less than 6%, despite the hampering factors injected into the situation by Government action. With the United States in the war the sending of troops and supplies therefor is the paramount consideration and, consequently, with tonnage limited ordinary commerce must stand aside for the time being when required. If the situation demanded it, a complete cessation of all shipments except those for our men abroad or of goods essential to the maintenance of our European allies and their troops would be justified. In the movement of merchandise hitherward there are no such great difficulties to be met, and as a result the value of the merchandise inflow is affected in the main merely to the extent that the outflow of commodities is interdicted by Great Britain, France, &c. Accordingly, we find that the April imports this year were heavier than those of March and virtually second only to those of June 1917.

The total value of the merchandise exported in April this year was \$500,118,062, against \$529,927,815 for the period a year ago and 398 $\frac{1}{2}$ million in 1916. For the ten months of the fiscal year (July 1 1917 to April 30 1918, inclusive) the export aggregate at \$4,893,676,259, while 273 million dollars under the high record mark of last year, contrast being with \$5,166,907,060, shows a gain of nearly 1,500 millions over 1915-16. Merchandise imports in April, as intimated above, were of exceptional magnitude. They aggregate \$279,008,927, the heaviest of any month since June 1917, against \$253,935,966 in

April 1917 and \$218,236,397 in 1916. For the ten months since July 1 1917 the imports at \$2,362,480,034, compare with \$2,072,005,082 in 1916-17 and exceed 1915-16 by 639 $\frac{1}{2}$ millions. The export balance for April reached \$221,109,135, this contrasting with \$275,991,849 a year ago and \$180,332,135 in 1916, while for the ten months of 1917-18 exports run ahead of imports by \$2,531,196,225, though in 1916-17 the excess was \$3,094,901,978. For 1915-16 the balance was only 1,671 millions, and for the several preceding years it averaged around 500 millions.

Gold exports during April were of very moderate volume, reaching only \$3,560,084. Imports were of even smaller total, aggregating but \$2,745,727. The net efflux for the month at \$814,357 increases to \$98,648,230 the export balance for the 10 months ended April 30 1918, this contrasting with import balances of \$660,515,347 in the period in 1916-17 and \$273,933,691 in 1915-16.

The official statement of the British Admiralty, giving the losses of British Allied and neutral nation tonnage due to enemy action and marine risk in April, included 220,709 tons British and 84,393 tons Allied and neutral, making a total of 305,102 tons. Clearances in and out of port amounted to 7,040,309 gross tons. This represents a substantial contraction and is more or less in line with predictions of the showing to be made. "The recent fine weather," says a recent statement issued by the British Admiralty, "has enabled constant reconnoissances over Bruges and the Zeebrugge-Bruges Canal to be made and photographs to be taken. The result shows no change has taken place since April 23 and that a greater part of the enemy submarines and torpedo craft based on the Flanders coast has been immobilized at Bruges since the Zeebrugge blocking operation. In April, a year ago, the destruction by the enemy of Allied and neutral tonnage amounted to 893,877 tons, that being the largest month of the year. The figure just reported is the lowest monthly loss since the inauguration of unrestricted submarine warfare in February 1917. Archibald Hurd, naval expert of the London "Daily Telegraph," argues that the April figures are very favorable. He expects to see the deliveries of new vessels overtake the depredations of the submarines and mines within a few weeks at the most. As a result of the elaborate preparations made by the Admiralty last year the sea, he says, is becoming an inferno for the submarine pirates and the morale of the officers and men employed in the enemy submarine service is steadily declining.

Holland has filed another protest against the action of the American Government in seizing Dutch ships in our ports, some of which are now in the American transport service. In a lengthy communication to the State Department replying to the original explanation made by the United States affirming its rights to make the seizures under international law, Holland has taken the position that the reasons set forth therein were not sufficient to justify this action and specifically points out wherein it believes that the United States is in the wrong. It is understood, however, that the reply leaves the way open for a continuation of the negotiations and it does not appear improbable that the protest is more or less of a formal one

designed to establish a record to meet German criticism. According to the Rotterdam correspondent of the London "Daily Telegraph," all Dutch ships have been prohibited from sailing from Dutch ports. This action, the correspondent learns, is connected with the new move by Berlin to compel Holland to sign on German terms the long pending economic agreement. Berlin has refused a safe conduct to Dutch shipping and has seized the SS. Megrez which Holland chartered to carry a cargo of wood from Sweden. The seizure was a direct challenge to Holland and the prohibition of further sailings is the sequel. Nothing of an official nature has reached Washington in confirmation of the report that the Netherlands Government has decreed that Dutch ships shall not sail from Holland. It is not believed that the action will affect the departure from Holland of three vessels to replace the steamers Java, Stella and Hollandia, the latter from an Argentine port taking on cargo in the United States under an agreement entered into between the two Governments. As soon as these vessels sail from America three of equivalent tonnage are to be released in Holland. Our War Board has refused the request of the Dutch Government that three additional Dutch-owned ships in the United States be permitted to sail with foodstuffs for Holland, the Dutch position being that if three additional vessels are released in Holland at the same time, as required by the War Trade Board, they would have to leave in ballast. The American position is that Holland must send for the grain she needs and our Government promises that the grain will be ready when the ships arrive to take it. Our Government has promised Holland 100,000 tons of which 50,000 tons will be obtained in the United States and the remainder in the Argentine.

The week has witnessed a distinct increase in activity in air warfare after a period of comparative quiet. London was visited by a squadron of enemy planes on Sunday last and 44 were killed and 179 injured. German airmen also bombed heavily British hospitals in the area behind the lines in France and killed and wounded some hundreds among the personnel and patients of many hospitals in the group. Two raids were made on Paris during the week, both achieving only minor results. In the first attack, on Wednesday, the German machines were forced back by a terrific rolling curtain of fire from the French high-angle guns. It lasted two hours and twenty-five minutes, and some of the machines succeeded in penetrating to the outskirts of the city, where bombs were dropped. In the second raid (on Thursday), the alarm was sounded shortly before 1:30 in the morning and the "all clear" signal was not given until 3:30. A certain number of bombs were dropped in the Paris area, though the official accounts do not mention any fatalities.

On the part of the Allies, airmen are remarkably active in various sectors, where a German attack is looked for. This activity is not being restricted to the actual battle area, but far back of each front there have been daring raids. The Rhine cities are being frequently bombed.

The German military machine has not as yet resumed the great offensive along the Western front, although observation by the air scouts of the Allies indicate active preparations for an early drive.

The Allied leaders are confident that the German blow will be struck in a few days and are reported by cable to be awaiting with supreme confidence a trial of strength which may or may not prove decisive. "We are on the eve of a great German attack," said Premier Lloyd George, in an address delivered at Edinburgh yesterday on receiving the freedom of the city. "Those who know best what the prospects are feel most confident about the result." Incessant raids of French, British and American troops as well as air attacks are making the concentration for the enemy offensive a particularly difficult matter. The German official report mentions frequent French infantry attacks on the Western bank of the Avre, but these are probably local operations, having for their object the gaining of better defensive positions or disturbing the enemy with his preparations for the next great battle. The Allied commanders note that the Germans have shown but little of their habitual fighting spirit along the lines in France. They have been thrust back in four sectors and the Allies have succeeded in winning ground which will be of great tactical advantage. The Germans this week have counterattacked in only one instance and this movement, it is said, was carried out so slowly and with such a lack of dash that it was easily broken up before the Teutons reached the new Allied positions. In the Italian theatre of the war fighting in the mountains east of the Brenta River continues without distinct advantage to either side. French troops in Macedonia have taken the offensive near Lake Ochrida and have advanced to a depth of more than 12 miles at some points. The object of this operation appears to be the straightening out of an awkward salient in the line.

Apparently authentic reports indicate that the food situation in Austria is becoming unbearable. A dispatch to the London "Daily Mail" from Annemasse on the French-Swiss frontier intimates that charges of cannibalism by Vienna workmen are being officially hushed up. One issue of the "Arbeiter Zeitung" was confiscated in March for demanding investigation in two horrible cases of murder of prisoners of war by their fellow workmen in gas works in the 16th municipal district of Vienna, and accusing the workmen of eating part of the bodies.

With a somewhat easier money situation at the British centre the security markets of London have ruled firm throughout the week. War loans have been in demand and bank and insurance securities have responded to an improved inquiry. Greek and Brazilian bonds have been leading features in the foreign factions. Shipping shares, although ruling firm, have not been specifically influenced by reports from New York of a sale of all the British tonnage of the International Mercantile Marine Company to a syndicate comprising representatives of all the large British shipping combinations. Among the interests reported by cable to be concerned in the purchase are the Cunard Line, Lord Pirrie, Lord Inchcape and Sir Owen Phillips, the latter the head of the Royal Mail group. Lord Inchcape is Chairman of the British India & P. & O. Steam Navigation Company, while Lord Pirrie is Chairman of the great British shipbuilding firm of Harlan & Wolff. He has extensive shipping interests besides, and has recently been made Controller General of British shipbuild-

ing. It is understood that negotiations for the sale of the British ships has been proceeding favorably and have the indorsement of the British Government. The sale will of course include all the White Star boats. The White Star balance sheet for the year 1917 which was published on Wednesday in London showed a profit for the year of £1,435,000, after paying excess profits tax, against £2,403,000 for 1916. A sum of £200,000 was allocated by the line to reserve against £100,000 for the preceding year, while a dividend of 20%, unchanged from 1916, was declared. The fleet of the White Star Line is listed in its annual report as comprising 34 vessels having an aggregate tonnage of 400,000.

An indication of the firmness which pervades investment circles in London is the closing price of Consols, which closed yesterday at $56\frac{1}{2}$, against $56\frac{1}{4}$ a week ago. There is very little speculation passing. Large numbers of men in their early forties are now being called for medical examination as a preliminary to their enlistment, but fears that were entertained a few weeks ago that the extension of the military age would mean extensive business disorganizations are no longer widely held. Industrial affairs are coming more and more under complete Government control. The British Cotton Control Board, for instance, announced on Saturday that beginning June 10 no spindles or looms shall be run without a license from the Board.

The long awaited report of the British Treasury Committee, which was appointed some weeks ago to inquire into the widespread movement toward bank amalgamations, has been completed and was promulgated on Monday. It recommends that legislation be enacted providing that the approval of the Government must first be obtained for any future mergers among banks and that such approval shall be refused unless the amalgamation promises to give positive advantages to the public. The banks which already have amalgamated will congratulate themselves for having been able to take action so far in advance. The committee observes that while at present there is nothing resembling a money trust, it is not impossible that circumstances might produce something approaching one at a comparatively early date. Possible dangers in further amalgamations are regarded as material enough to outweigh considerations against Governmental interference. The Committee also recommends that the Treasury and the Board of Trade shall jointly be responsible for the decisions on amalgamation applications and that these two departments shall create a special statutory committee of three (including one commercial and one financial representative) to advise them. The Committee said it would have preferred to avoid the necessity of Governmental interference. Any approach to a banking combine or a money trust, the report points out, would cause grave apprehension to all classes, and give rise to a demand for the nationalization of the banking business. Moreover, the position of the Bank of England would be undermined seriously by so overwhelming a combination movement and might find it extremely difficult to carry out its important duties as a supporter and regulator of the money market. Any such result would be a grave menace to the public interest.

British war bond sales through the banks for the week ending May 18 totaled £9,439,000, which compares with £9,214,000 the week preceding, making the aggregate of the sales £697,909,000. The post offices for the week ending May 11 report sales of £109,000, bringing their total to £28,545,000. The total for the preceding week was £448,000. Sales of war certificates during the week were £3,122,000, making the aggregate indebtedness under this head £194,921,000. To-day (Saturday) £52,000,000 of dividends on war bonds became due and special appeals are being made to induce holders to reinvest these dividends in war bonds. A general discussion of future financing of the war between bankers and Chancellor of the Exchequer Andrew Bonar Law is impending, according to cablegrams from London.

British Treasury returns for the week ending May 18 indicated an increase of more than £600,000 in the Treasury balance for the week. A substantial increase in the Treasury bills outstanding is also shown. Sales of Treasury bills continue to exceed those repaid, while only slight changes in the revenue and expense items were recorded. Expenditures for the week totaled £57,879,000 (against £57,460,000 for the week ended May 11), while the total outflow, including repayment of Treasury bills, and other items, was £122,955,000, against £121,244,000 last week. Repayments of Treasury bills amounted to £52,038,000, against £57,320,000 the week before. Receipts from all sources totaled £123,558,000, as compared with £120,696,000. Of this total, revenues contributed £8,003,000, which contrasts with £9,276,000 last week. Treasury bills sold were £66,151,000. A week ago the total was £72,099,000; war savings certificates were £1,800,000, against £1,400,000, and other debts incurred £20,579,000, compared with £16,789,000. Advances were £18,000,000, as against £7,982,000. Treasury bills outstanding aggregate £986,893,000, in comparison with £972,850,000 last week. The Treasury balances now stand at £14,908,000. This compares with £14,304,000 a week ago.

The monthly statement of the British Board of Trade for April indicated an increase in both imports and exports, i. e., of £35,300,000 and £4,272,000, respectively. The comparisons for the month and for the four months of the calendar year that have thus far elapsed follow:

	April		Since January 1	
	1918.	1917.	1918.	1917.
Imports.....	£119,885,000	£84,585,218	£425,202,945	£327,239,916
Exports.....	40,071,000	35,799,466	156,838,731	164,058,625
Excess of imports....	£79,814,000	£48,785,752	£268,364,214	£163,181,291

In Paris trading on the Bourse has ruled intermittently active with prices as a rule well maintained. Crop and food prospects generally are declared to be much more encouraging than at this season a year ago. Victor Boret, the French Food Controller, announced early in the week that the food outlook had so greatly improved that the end of food restrictions was in sight. The drastic measure of instituting three meatless days a week had, he said, already produced such excellent results that it would be necessary to enforce it only for a short period and that no alternative system of meat card would be required. Harvest prospects were more favorable than in any year since 1898. Unless conditions unforeseen arose before the gathering of the crops it would no longer

be necessary to continue the restrictions. "I may even say," he said, "that we are approaching the end of the era of restriction and that the restrictions at present in force gradually will be eliminated. But I want men for the harvest. If they can be found I can promise that I will diminish the importation of cereals and release the important tonnage." As July approaches, holders in France of Russian Government and other Russian securities are expressing keen anxiety as to whether they will receive their interest. France is claimed by French dispatches to be a creditor of Russia to the extent of about \$4,000,000,000. French investors, it is said, to-day hold \$2,800,000,000 of Russian Government bonds while they have at least another \$200,000,000 invested in Russian industrial properties. Besides this, France also is a creditor in the sum of between \$700,000,000 and \$1,000,000,000 for advances made in the form of materials supplied to Russia since the war began. Up to April the French Government assumed the payment of the Russian interest but there have been semi-official intimations that no further payments on Russian account will be made. It is reported from Paris that pressure is being brought on the French Government to continue interest on Russian bonds. No notice has been given of an intention to bring up the subject in the Senate but thus far Finance Minister Klotz has refused to fix a date for debate.

Germany is taking advantage of the demoralization in Russia to obtain control over Russian industrial and financial institutions. Advices by way of Stockholm declare that Russian capitalists and corporations, threatened with ruin, see no escape except to sell their property to Germans. Transactions of this nature are being carried through systematically by M. Furstenberg, who is known also as M. Genetsky, foreign financial adviser of the Bolsheviki Government, who is in Stockholm with various associates. From Stockholm special messengers are dispatched to Russia under German protection in furtherance of this work. These messengers bring back the actual stock certificates and other securities, it is asserted. The main object of the German effort, it is said, is to obtain control of the Russian mines and metal industry and of leather and of Russian banks. Russians are selling out, it is said, at panic prices. It is understood that Austria will issue its eighth war loan in a short time at a net price of 93 and carrying an interest rate of $5\frac{1}{2}\%$.

Official discount rates at leading European centres continue to be quoted at 5% in London, Paris, Berlin, Vienna and Copenhagen; 6% in Petrograd and Norway; $6\frac{1}{2}\%$ in Sweden, and $4\frac{1}{2}\%$ in Switzerland, Holland and Spain. In London the private bank rate has not been changed from $3\frac{1}{2}\%$ for sixty days and 3 9-16% for ninety days. Money on call in London is still reported at $2\frac{1}{2}\%$. No reports have been received by cable of open market rates at other European centres, as far as we have been able to discover.

A further substantial addition to its gold on hand was shown by this week's statement of the Bank of England, the amount being no less than £924,859. Other striking changes in the principal accounts were heavy declines in the deposit accounts and in the loan item. The first named reduction brought about an increase in the proportion of reserve to liabilities

to 18.57%, as compared with 17.22% a week ago and 19.48% last year. Total reserves were expanded £655,000, there having been a gain in note circulation of £270,000. The reduction in public deposits totaled £3,023,000 and in other deposits £6,220,000, while Government securities decreased £1,736,000. Loans (other securities) were contracted £8,218,000. Threadneedle Street's stock of gold on hand aggregates £62,633,046, as against £55,076,420 a year ago and £60,032,286 in 1916. Reserves total £30,836,000, which contrasts with £34,830,445 and £43,738,926 one and two years ago, respectively. Loans now stand at £97,304,000. This compares with £116,610,607 in 1917 and £76,446,807 the year before. Clearings through the London banks for the week were £293,590,000, against £392,970,000 last week. 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.	1917.	1916.	1915.	1914.
	May 23.	May 23.	May 24.	May 26.	May 27.
	£	£	£	£	£
Circulation	50,246,000	38,695,975	34,743,360	32,947,290	25,933,380
Public deposits.....	38,433,000	47,119,602	54,260,998	132,088,558	19,014,809
Other deposits.....	127,600,000	131,604,304	81,405,160	87,742,135	41,248,064
Govt. securities.....	55,580,000	45,044,406	33,187,474	51,043,491	11,046,570
Other securities.....	97,304,000	116,610,607	76,446,807	139,290,022	41,461,280
Reserve notes & coin	30,836,000	34,830,445	43,738,926	47,240,524	25,463,980
Coin and bullion....	62,633,046	55,076,420	60,032,286	61,737,814	35,947,360
Proportion of reserve to liabilities, ...	18.60%	19.48%	32.24%	21.50%	42.24%
Bank rate.....	5%	5%	5%	5%	3%

The Bank of France in its statement this week reports another gain in its gold item, namely 756,775 francs. Total gold holdings (including 2,037,108,484 francs held abroad) now amount to 5,381,736,475 francs, as compared with 5,269,155,524 francs (including 2,033,740,406 francs held abroad) in 1917 and 4,731,513,396 francs (all in vault) the year previous. During the week silver increased 738,000 francs and general deposits advanced 44,184,000 francs. Bills discounted were contracted by 12,577,000 francs, advances declined 5,525,000 francs and Treasury deposits fell off 24,063,000 francs. Notes in circulation were expanded to the extent of 69,110,000 francs, bringing the total amount up to 26,417,417,600 francs. This compares with 19,394,509,255 francs last year and 15,434,971,165 francs in 1916. On July 30 1914 the period just preceding the outbreak of the war, the amount was 6,683,184,785 francs. Comparisons of the various items with the statement of last week and corresponding dates in 1917 and 1916 are as follows:

BANK OF FRANCE'S COMPARATIVE STATEMENT.

	Changes for Week.	Status as of		
		May 23 1918.	May 24 1917.	May 25 1916.
	Francs.	Francs.	Francs.	Francs.
In France.....Inc.	756,775	3,344,027,991	3,235,415,117	4,731,513,396
Abroad.....No change		2,037,108,484	2,033,740,406	-----
Total.....Inc.	756,775	5,381,736,475	5,269,155,524	4,731,513,396
Silver.....Inc.	738,000	256,982,000	257,492,638	353,435,611
Bills discounted Dec.	12,577,000	1,043,122,851	462,395,252	421,811,165
Advances.....Dec.	5,525,000	1,009,278,615	1,141,326,841	1,211,839,597
Note circulation.....Inc.	69,110,000	26,417,417,600	19,394,509,255	15,434,971,165
Treasury deposits Dec.	24,063,000	65,496,000	81,204,759	105,705,665
General deposits.....Inc.	44,184,000	3,103,439,000	2,629,813,712	2,109,144,167

The Imperial Bank of Germany in its statement for the week ending May 15, shows the following changes: Total coin and bullion increased 864,000 marks; gold increased 201,000 marks; Treasury notes were expanded 5,301,000 marks; notes of other banks gained 460,000 marks; bills discounted registered the large increase of 968,621,000 marks. Advances

were reduced 14,000 marks; investments were increased 1,073,000 marks; other securities declined 28,945,000 marks. Note circulation showed an expansion of 1,538,000 marks; deposits expanded 894,326,000 marks, while total liabilities gained 51,496,000 marks. The Bank's stock of gold on hand is reported at 2,345,393,000 marks. At the corresponding date in 1917 the amount was 2,533,097,000 marks, and the year preceding 2,462,284,000 marks.

Saturday's bank statement of New York Clearing House members, which will be found in more complete form on a later page of this issue of the "Chronicle," reflected heavy withdrawals of funds from the banks, substantial declines being shown in the various reserve accounts. The loan item was reduced \$19,295,000. There was an increase in net demand deposits of \$6,980,000, to \$3,650,458,000 (Government deposits of \$514,178,000 deducted), though net time deposits declined \$7,040,000. Cash in own vaults (members of the Federal Reserve Bank) decreased \$3,251,000, to \$104,790,000 (not counted as reserve). Reserves in the Federal Reserve Bank of member banks were reduced \$55,197,000, to \$506,915,000. Reserves in own vaults (State banks and trust companies) declined \$1,190,000, to \$16,356,000, while reserves in other depositories (State banks and trust companies) were decreased \$342,000, to \$8,233,000. The aggregate reserve this week registered a loss of \$56,045,000, which brought the total to \$531,504,000, as against \$770,451,000 last year. Surplus reserve was contracted \$56,608,190, thus reducing the amount of excess reserves on hand to \$46,199,540, on the basis of only 13% reserves for member banks of the Federal Reserve system (but not counting \$104,790,000 cash in vaults held by these banks.) At the corresponding date in 1917 surplus reserves amounted to \$146,754,420, on the basis then ruling of 18% reserves, including cash in vault. Circulation increased \$151,000, to \$36,712,000.

In the local money situation a somewhat easier feeling prevails which seems to be based on prospects rather than on any realized increase in the supply of funds. The first regular installment (20%) of the Third Liberty Loan is due on Tuesday. It may be taken for granted that the accumulation of funds already has been made to meet these payments. The total of the subscriptions for the whole country, as we noted last week, was \$4,170,019,650, so that the amount involved in the payment on a 20% basis would require more than \$800,000,000. But, as is well known, a large part of the funds has already been paid in in the form of Treasury certificates of indebtedness, not to mention the general inclination of investors to pay for their bonds in full on the first installment date. The Treasury now is making preparations to facilitate payments of the income and other war taxes which are due in June. These funds will be permitted to remain in the banks for a substantial period, thus permitting these institutions to provide liberal loans to their clients during the period of expected strain. It is understood that the Treasury also is inclined to recommence a periodical issue of short-term Treasury certificates of indebtedness in anticipation of the sale of the next war bonds. It has been found that this method of accumulating funds in advance of the regular issues is extremely

effective in preventing strain. There is some agitation in London among banking interests there to induce the British Chancellor to follow the example of the American Treasury in issuing certificates in anticipation of the issue of long-term war bonds. Very little is to be expected in the form of private capital applications. The Capital Issues Committee of the Federal Reserve Board was superseded on May 17 by the Capital Issues Committee created by the War Finance Corporation Act. The old committee was organized on Feb. 1, and between that date and May 17 it approved issues amounting to \$412,766,720, of which \$258,664,496 were for the purpose of refunding obligations previously incurred. New issues approved, therefore, aggregated \$154,102,224. New issues for the same period last year are said to have been \$504,211,624.

Referring to money rates in detail, loans on call have covered a range this week of 4@6%, against 3@6% a week ago. On Monday the high was 5½%, the low 4½%, with 5% for renewals. Tuesday there was an advance to 6% as the maximum, while the minimum was still at 4½% and renewals at 5%. Wednesday's range was 4½@5½%; renewals were again made at 5%. On Thursday 5½% continued the high; the low declined to 4% and 5% continued the ruling rate. Friday's rates were 4½@6%, with 4½% the renewal basis. This renewal figure in each case applied to mixed collateral, "all-industrials" having been put through ½ of 1% higher. For fixed maturities, loanable funds continue as scarce as ever, and the market is largely a nominal one. The large reduction in surplus shown in last week's bank statement not unnaturally increased lenders' indisposition to putting out funds for long periods, and trades were confined almost wholly to renewals for thirty and sixty days, which were made at 6%. The fact that the initial payment of 20% on the Third Liberty Loan falls due next week was also a factor in the general firmness. Six per cent is still the bid rate for all maturities from thirty days to six months. Last year sixty and ninety days was quoted at 4@4½%, four months at 4½@4½% and five and six months at 4½%.

Mercantile paper was in good demand, but trading was restricted by an inadequate supply of offerings of the best notes. Sixty and ninety days' endorsed bills receivable and six months' names of choice character continue to be quoted at 5¾@6% with names not so well known at 6@6¼%.

Banks' and bankers' acceptances showed a fair degree of activity, though total transactions showed a falling off when compared with those of a week ago. The tone was steady and quotations remained at the levels previously current. Detailed rates follow:

	Spot Delivery			Delivery within 30 Days.
	Ninety Days.	Sixty Days.	Thirty Days.	
Eligible bills of member banks	4¾@4¾	4¾@4¾	4¾@4¾	4¾ bid
Eligible bills of non-member bks.	4¾@4¾	4¾@4¾	4¾@4¾	4¾ bid
Ineligible bills	5¼@4¾	5¼@4¾	5¼@4¾	6 bid

No changes in rates, so far as our knowledge goes, have been made the past week by the Federal Reserve banks. Prevailing rates for various classes of paper at the different Reserve banks remain as shown in our issue May 18.

There are no new features in sterling exchange and no encouragement exists to expect any to develop during the war period. Changes in rates from day to day are without significance. In fact there is no dispo-

sition to enter into negotiation, dealers finding it necessary to operate at the quotations asked. New York exchange in Montreal is still at a high premium and a shipment of \$2,000,000 in gold has come forward from the Dominion in an effort to provide some greater degree of ease. It is not expected that nearly normal conditions will prevail, however, until Canadian grain begins to go forward actively and to be financed through sterling exchange circles in New York.

Dealing with the day-to-day rates, sterling exchange on Saturday last, in comparison with Friday of the week preceding, was quiet, but steady, with demand still ranging at $4\ 75\ 47\ \frac{1}{2}$ @ $4\ 75\ \frac{1}{2}$, cable transfers at $4\ 76\ 45$ @ $4\ 76\ 7-16$ and sixty days at $4\ 72\ \frac{5}{8}$ @ $4\ 72\ \frac{7}{8}$. On Monday, although trading was of small proportions, the tone was firm and demand did not go below $4\ 75\ \frac{1}{2}$; cable transfers and sixty days ruled unchanged at $4\ 76\ 45$ @ $4\ 76\ 7-16$ and $4\ 72\ \frac{5}{8}$ @ $4\ 72\ \frac{7}{8}$, respectively. The situation in sterling showed no perceptible alteration on Tuesday; trading was again dull and rates ruled at the levels of the previous day. In Wednesday's dealings a slightly reactionary trend developed; demand bills were a shade easier, at $4\ 75\ 7-16$ @ $4\ 75\ \frac{1}{2}$; cable transfers, however, continued at $4\ 76\ 45$ @ $4\ 76\ 7-16$ and sixty days at $4\ 72\ \frac{5}{8}$ @ $4\ 72\ \frac{7}{8}$. Extreme dullness was the feature of Thursday's operations, business being at times almost at a standstill; rates, which were largely nominal, showed small variations in some cases; demand declined a fraction to $4\ 75\ 7-16$, while sixty days was a shade higher at $4\ 72\ \frac{3}{4}$ @ $4\ 72\ \frac{7}{8}$; cable transfers remained pegged at $4\ 76\ 45$ @ $4\ 76\ 7-16$; rates for commercial long bills were not changed. On Friday the market was dull but fairly well maintained and still without essential change. Closing quotations were $4\ 72\ \frac{3}{4}$ @ $4\ 72\ \frac{7}{8}$ for sixty days, $4\ 75\ 47\ \frac{1}{2}$ @ $4\ 75\ \frac{1}{2}$ for demand and $4\ 76\ 45$ @ $4\ 76\ 7-16$ for cable transfers. Commercial bills, sight, finished at $4\ 75\ \frac{1}{8}$ @ $4\ 75\ \frac{1}{4}$, sixty days at $4\ 71\ \frac{5}{8}$ @ $4\ 71\ \frac{7}{8}$, ninety days at $4\ 70$ @ $4\ 70\ \frac{1}{2}$, documents for payment (sixty days) at $4\ 71\ \frac{1}{4}$ @ $4\ 71\ \frac{1}{2}$ and seven-day grain bills at $4\ 74\ \frac{1}{4}$ @ $4\ 74\ \frac{3}{8}$. Cotton and grain for payment closed at $4\ 75\ \frac{1}{8}$ @ $4\ 75\ \frac{1}{4}$.

Operations in the Continental exchanges this week have again been upon a restricted scale. During the later part of the week a reactionary trend became evident with fractional declines the rule for nearly all of the belligerent centres. Lire continued heavy, declining to 9.09—a new low record. The explanation most generally accepted for this persistent weakness, despite all efforts to bring about some basis for stabilizing rates, is that the supply of Italian bills offering far exceeds the market's powers of absorption. This, of course, is the inevitable result of Italy's unfavorable trade position, her exports having become almost negligible, while imports have risen to very large proportions. Trading in lire exchange here was not active and fluctuations were largely a reflection of movements on the London and Paris markets. News from the Western battlefront contained no new features of importance. The outlook is regarded as satisfactory, though military authorities now expect a renewal of the Germans' "supreme" drive early in June. Francs were fairly well maintained, with actual quotations only a shade below last week's levels. In the case of rubles the quotation is a purely nominal one, with no business being put through in this class

of exchange. All transactions have of necessity been suspended in German and Austrian exchange and quotations for reichsmarks and kronen are not available. The unofficial check rate at London on Paris closed at $27.15\ \frac{1}{2}$, against 27.15 a week ago. In New York sight bills on the French centre finished at $5\ 71\ \frac{3}{8}$ against $5\ 71\ \frac{1}{8}$; cables at $5\ 69\ \frac{7}{8}$ against $5\ 69\ 31-32$; commercial sight at $5\ 72\ \frac{1}{8}$ against $5\ 71\ \frac{7}{8}$; and commercial sixty days at $5\ 77\ \frac{1}{4}$ against $5\ 77\ \frac{3}{4}$ on Friday of last week. Lire closed at 9.09 for bankers' sight bills and $9\ 07\ \frac{1}{2}$ for cables. A week ago the close was 9.03 and 9.02, respectively. Rubles have not been changed from 14 for checks and 15 for cables. Greek exchange continues to be quoted at $5\ 13\ \frac{3}{4}$ for checks and $5\ 12\ \frac{1}{2}$ for cables.

In the neutral exchanges a more or less natural reaction from the sudden and sharp advances of the previous week has taken place. Irregularity marked dealings, which toward the close of the week developed into distinct weakness. This was especially noticeable in Swiss francs and guilders, the former having suffered a sensational decline on Wednesday to 4.11 for checks—a drop of 16 points from the preceding high point. Guilders also broke severely, though a partial rally took place towards the close, while exchange on Copenhagen, Christiania and Stockholm was materially lower. All of these movements, however, were mainly in response to the action of the European markets and reflect dealings abroad for account of the Allies rather than local transactions. The decline in international shipments is also a factor. Spanish pesetas were easier. Announcement has been received from Madrid of the action of the Finance Ministry which has presented a bill in Parliament, the effect of which is intended to place Spain on a gold basis. The bill provides that silver shall not be legal tender in amounts of more than 50 pesetas, except for payments to the Government. Until proper facilities have been made available for minting the necessary amount of gold, foreign gold coins will have currency value in Spain, their value in pesetas being stamped upon them. It is declared further that bills of the denomination of 25 pesetas will be withdrawn from circulation after Jan. 1. The Government is to be authorized to redeem exterior loans, wholly or in part, if necessary issuing an internal loan to obtain the requisite funds for the operation.

Bankers' sight on Amsterdam finished at 49, against $50\ \frac{1}{2}$; cables at $49\ \frac{1}{2}$, against 51; commercial sight at 48.15-16, against 50.7-16, and commercial sixty days at 48.13-16, against 50.5-16 a week ago. Swiss exchange closed at 4.08 for bankers' sight bills and 4.05 for cables, as compared with 3.95 and 3.90, the previous close. Copenhagen checks finished at $31\ \frac{1}{8}$ and cables at $31\ \frac{3}{8}$, against $31\ \frac{1}{8}$ and $31\ \frac{5}{8}$. Checks on Sweden closed at 34 and cables at $34\ \frac{1}{2}$, against $34\ \frac{1}{2}$ and 35, while checks on Norway finished at $31\ \frac{1}{4}$ and cables at $31\ \frac{5}{8}$, against 31.60 and 31.90 the week previous. Spanish pesetas closed at 28 and cables at $28\ \frac{1}{4}$. This compares with 28 and $28\ \frac{1}{4}$ last week.

Regarding South American quotations, the check rate on Argentina has been advanced to 45.35 and cables to 45.50, as compared with 45.14 and 45.24. For Brazil the rate for checks is now 25.60 and cables 25.75, against 25.48 and 25.56 last week. The Chilean rate continues at $15\ \frac{7}{8}$ and Peru at $55\ \frac{1}{2}$. Far Eastern rates are as follows: Hong Kong, 75.50@75.60 (unchanged); Shanghai, $108\ \frac{1}{2}$ @109 (un-

changed); Yokohama, 52.40@52.50, against 52.20 @52.30; Manila, 49 $\frac{7}{8}$ @50 (unchanged); Singapore, 56 $\frac{1}{4}$ @56 $\frac{1}{2}$ (unchanged), and Bombay, 36 $\frac{3}{4}$ @37 (unchanged).

The New York Clearing House banks, in their operations with interior banking institutions, have gained \$3,226,000 net in cash as a result of the currency movements for the week ending May 24. Their receipts from the interior have aggregated \$8,164,000, while the shipments have reached \$4,938,000. Adding the Sub-Treasury and Federal Reserve operations, which together occasioned a loss of \$69,993,000, 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 \$66,767,000, as follows:

Week ending May 24.	Into Banks.	Out of Banks.	Net Change in Bank Holdings.
Banks' interior movement.....	\$8,164,000	\$4,938,000	Gain \$3,226,000
Sub-Treasury and Federal Reserve operations.....	38,725,000	103,718,000	Loss 69,993,000
Total.....	\$46,889,000	\$113,656,000	Loss \$66,767,000

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

Banks of	May 23 1918.			May 24 1917.		
	Gold.	Silver.	Total.	Gold.	Silver.	Total.
England..	£ 62,633,046	£	£ 62,633,046	£ 55,076,420	£	£ 55,076,420
France..	133,785,119	10,200,000	143,985,119	129,416,605	10,280,000	139,696,605
Germany..	117,269,650	8,662,700	125,932,350	126,668,600	1,420,500	128,070,100
Russia *.	129,650,000	12,375,000	142,025,000	147,659,000	12,109,000	159,768,000
Aus-Hun c.	11,908,000	2,289,000	13,297,000	17,400,000	4,220,000	21,620,000
Spain ..	81,685,000	28,201,000	109,886,000	55,878,000	29,991,000	85,869,000
Italy ..	33,455,000	3,195,000	36,650,000	33,944,000	2,627,000	36,571,000
Netherl'ds	60,161,000	611,000	60,772,000	49,636,000	685,200	50,321,200
Nat. Bel. h.	15,380,000	600,000	15,980,000	15,380,000	600,000	15,980,000
Switzerl'd	15,056,000	-----	15,056,000	13,688,400	-----	13,688,400
Sweden ..	14,321,000	-----	14,321,000	10,792,000	-----	10,792,000
Denmark ..	10,229,000	136,000	10,365,000	9,595,000	131,000	9,726,000
Norway ..	6,733,000	-----	6,733,000	7,165,000	-----	7,165,000
Tot. week.	691,365,815	66,269,700	757,635,515	672,289,025	61,003,700	734,252,725
Prev. week	691,256,885	66,471,400	757,728,285	675,292,667	61,715,400	737,008,067

a Gold holdings of the Bank of France this year are exclusive of £81,484,340 held abroad.

* No figures reported since October 29 1917.
 c Figures for 1918 those given by "British Board of Trade Journal" for Dec. 7 1917; figures for 1917 estimated on the basis of the Dec. 7 1917 totals.
 h August 6 1914 in both years.

THE BRITISH GOVERNMENT AND IRELAND.

The arrest by the British Government, late last week, of some 100 leaders of the Sinn Fein organization in Ireland, and their imprisonment on the charge of treasonable conspiracy with Germany for an uprising against England, has marked a distinctly new turn to the exceedingly complicated Irish question. News of this action has been received with varied emotions and comments, alike by the world at large, by the Irish in Ireland, and by the Irish in the United States. What was at once evident, however, was that judgment was being pretty universally suspended until the evidence should be known.

There has not, so far as we have observed, been a single utterance defending the arrested members of this revolutionary order or denouncing the action of the British Government, while assuming that the charges might be proved. The Lord Lieutenant of Ireland, in his proclamation of Friday of last week, declared explicitly that "it has come to our knowledge that certain subjects of his Majesty, domiciled in Ireland, have conspired to enter, and have entered into treasonable communication with the Germany enemy." The Nationalist organ, the Dublin "Freeman's Journal," after criticizing the Lord Lieutenant's action, was careful to say not only that "the Irish people have never been pro-German and they are not pro-German to-day," but that "it is not impossible that a few foolish men in Ireland may have been interested in a conspiracy to involve German aid."

Its hostile comment was restricted to the assertion that "conscription is to be launched under the cover of revelations connected with an alleged German plot." But even this insinuation was rendered less plausible by the striking paragraph in Lord French's proclamation, in which, after calling on all loyal Irishmen to assist in crushing the conspiracy and prosecuting the war, he added:

"As a means to this end we shall cause still further steps to be taken to facilitate and encourage voluntary enlistment in Ireland in his Majesty's forces, in the hope that, without resort to compulsion, the contribution of Ireland to these forces may be brought up to the proper strength and made to correspond to the contributions of other parts of the Empire."

It is difficult to interpret the language of this paragraph except as meaning that the British Government, in the face of a new emergency, meant to abandon Lloyd George's recent proposal for immediate enforcement of the draft in Ireland, temporarily at any rate and possibly until Home Rule legislation could be put through Parliament.

What then is the situation? John Dillon, the Nationalist leader, himself denounce the Sinn Fein as engaged in a wrong, foolish and disastrous policy. He has declared this week that three years ago Ireland was in the war with as much enthusiasm as any of the allied nations, had sent to the front a full proportion of her people as compared with Great Britain or the dominions of the crown, and that even now his party "still adheres to the declaration of John Redmond at the outbreak of the war, and believes that the cause of the Allies is the cause of freedom throughout the world." It is reasonable to assume that if the British Government has proofs of the treason of the arrested Sinn Feiners, and especially if the crushing of the conspiracy is wholly dissociated from any effort at Irish conscription without Home Rule, then the Irish people as a whole will stand behind the Government. That leaves the question still open as to proofs and as to the publication of the evidence.

The British Government has committed many blunders in its dealings with Ireland in such matters. Even in the episode of Sir Roger Casement's German plot, earlier in the war, though the guilt of Casement himself was unquestionable, the trial of his alleged associates was conducted in so ill-judged a manner and so exclusively under the form of martial law as to alienate even those who denounced the treasonable undertaking. The present occasion, arising as it does at a critical moment in the relations of England and Ireland, is pre-eminently not one in which that mistake should be repeated.

A public trial, with convincing evidence submitted—especially if, as is reported, part of that evidence was procured in the United States by our own Secret Service—would have important effect for the better. That Ireland is not pro-German may be taken for granted. Quite aside from the attitude of Redmond and Dillon toward the war—an attitude first taken at the very moment when the troops had fired on the rioters in Dublin, during the week of the German invasion of Belgium—there has all along been positive assurance that Ireland as a community stands for prosecution of the war. Probably never in history has it taken such a stand so unmistakably. Throughout the Napoleonic wars Irishmen served in the French as well as in the English armies; nothing of the sort has been witnessed

in this war. Even such disloyal demonstrations as have occurred have had little resemblance in their scope to the uprising of 1796, the Emmet Rebellion of 1803 and the plot for invasion of Ireland by the French in 1804—all of which movements had the sympathy of a large part of the Irish people.

There is ground for great reassurance in this fact, and not less in the apparent purpose of the British Government to abandon its plan of Irish conscription until a Home Rule bill can be fairly considered. Beyond this the Irish problem still remains in great perplexity. It has not advanced a step since Sir Horace Plunkett's report of last month, showing the seemingly irreconcilable division of the two factions in the Irish convention appointed to consider the question. The majority of this body had demanded for the new Irish Parliament full powers over internal legislation, administration and direct taxation, with customs and excise imposed for the present by the Imperial Parliament, but with the receipts paid to the Irish Exchequer. Against this proposal the Ulster minority had insisted that Ulster would not participate in any such plan, that any basis of agreement would have to be conditioned on effective and thoroughgoing control by the Imperial Parliament, and that if the Ulster delegates had foreseen the conclusions which the majority of the convention would reach "we would not have agreed to enter the convention."

In these days when old political problems, if not being actually settled in the light of war-time pressure, are at all events passing so universally into a new and altered phase, it is difficult to believe that a solution for the Irish problem will not eventually be found. If so, however, it may involve other parts of the British Empire than Ireland. Not the least difficulty in the way of meeting the Irish demands arises from the fact that Ireland asks for something which no other part of the British domain possesses.

Scotland and Wales are represented in the British Parliament, but neither has asked for Parliamentary Home Rule of its own. Canada and Australia have independent legislatures of their own and manage their own internal affairs, subject to certain restriction and supervision from the Imperial Parliament, but neither asks for representation at Westminster. Ireland asks for both independent parliamentary rule at home and for representation in the Imperial Government. It has often seemed that the logic of the situation must either prescribe that Ireland should get less than her actual demands or that the other parts of the Empire should get more.

MR. HEPBURN'S ANALYSIS OF THE TAXATION PROBLEM.

Mr. A. Barton Hepburn of the Chase National Bank has rendered an important service in his discussion of the country's enormous and vital taxing problem in the address from which we make extensive extracts on another page. Mr. Hepburn is an eminent banker and an authority on finance and has performed many services in the forum of economic discussion in the past. It is our belief that he has never spoken at a more opportune time than now, nor uttered more important truths than those contained in his paper on "Financing the War." Through devoted absorption in the nation's task, and therefore not inexcusably, many of our most compe-

tent men and financiers, it would seem, and we say this reluctantly, have lost sight of the fundamental and eternal principles to which Mr. Hepburn calls attention in his treatise. Loyalty and enthusiasm coupled with active endeavor seem to blind the vision. But in our industrial life the immutable laws of responsibility and endeavor remain.

No matter how fierce the storms beat upon the growing crop, and even though it be blasted to the earth, the silent forces of nature are not impaired, are still operative, and upon the continuing action of these depends the future sustenance of the race. The same is true in the economics of a world's advance. And only by recognition of unchangeable principles may we survive the present cataclysm, and persist into a better day. Emergency we *must* meet. Mistakes we *cannot* avoid. But as we safeguard the business life of the people by wisdom and caution, so shall we enter the new era we fondly hope is to come, equipped with the original impulse and urge, vigorous in the old strength, by the free exercise of which we have attained our present high estate.

Perhaps the chief power of a liberal Government is that of laying taxes upon the people. It is the power of self-preservation. And though the people may order taxation, and do set its limits often by direct vote, the general power, where not specifically denominated in mode and amount, must be conceded to be vested in the general Government, to be exercised by its representative officers. Yet this power in its widest latitude is still a limited power—and its seat is in the activities of a free people. In its exercise and results it cannot be called from the "vasty deep." No incantations by the boiling cauldron of war "eye of newt and toe of frog" can bring it forth into a living reality. It is not woven out of the shadow of fear and the ghost of pale imagining. Taxes are brought forth out of labor in the environment of human life. And Mr. Hepburn undoubtedly stabs a vicious error when he says in his opening: "The Congressional idea and the popular idea that this is a country of unlimited wealth, that we can finance other nations without stint, and spend billions by the score annually and obtain these vast sums at will, by taxation and borrowing, is a mischievous idea." And is it not indisputably true that these new things of war that we need now can only be made with the hands, brains, agencies, earth-materials, we have now; what we have saved and can apply, and what we can produce and save? And what name, under heaven, can we give to all these agencies and activities but the comprehensive one of "business?" And if we preserve not the producing power of that, are we not without the means of carrying on this war? Can taxation be made a benefit, in the concrete, when it is a burden? Can any and every levy be laid upon life and labor without destroying or weakening them? The business integer that dies to-day, as the writer so aptly points out, cannot produce to-morrow. Nor can the energy spent in waste be called back again. Nor, as in the case of Sisiphus and the rolling stone, can all incentive and all reward slip from the grasp at the moment of triumph without making men slaves, without inducing despair and disaster.

Mr. Hepburn says:

"The Government with its taxing power must stop short of impairing business, either by discouraging new enterprise or by the imposition of excessive

burdens; and this is why the *proximate determination of the increment of the nation* is so important. To impose taxes greater than can be paid from current earnings would be to compel the reduction of capital in order to pay the tax. It would be in effect a capital tax. It would force borrowing from banks under circumstances which could have no other effect than to impair credit. The borrowing needs of any business enterprise are greatest when the volume of its business is greatest. With growth in volume of business the capital of the enterprise becomes fully employed and must be supplemented by appeals to the banks."

Let us try to amplify this pregnant statement. Each day, as pointed out, labor and its products, valued at a hundred millions, are devoured in the maw of world war. We need only glance at stricken Europe to see how the burden rolls back upon the United States. Economy is a watchword on every lip. Of actual things we can, in a given year, only give to war over and above consumption and use, what we save in actual things or have already saved. This is true of us, of any people, in a collective capacity. Here is the line where capital, that which we have already saved, *begins to be confiscated*. Here is where the machinery of production begins to break down. And, mark this, here is where *we begin to draw upon the future of savings over subsistence by the use of credit*, of national bonds, that we may not in fact impair or shut down our present national production-mill, commonly named "business." This credit like all other is woven of confidence, and it is interwoven also of two elements of security—a pledge of future toil and of present possession. Every "Liberty bond" is so laid. It is laid on labor and land, on money and trade, on all that we are and expect to be. But in four years the national debts of the nations have increased incredibly, let us say roughly one hundred and twenty-five billions. No vainglorious dreamer over national wealth and power can believe it possible to save above subsistence in actual things currently produced more than a small portion, a tithe as it were, of this stupendous and inconceivable sum.

How then is this almost miraculous feat of credit performed? Are we in error in saying it is by the *transforming power of credit*? We are taking vastly more than we annually produce and can save. There are those who argue we *cannot take* more than we produce. Has the world saved a hundred and twenty-five billions while spending it, over subsistence? But we do. How? By *concentrating the total power of production on war needs*; and by turning the value of actual things not used in war and not consumed in subsistence, into credit to pay for this concentrated productive power, or labor and materials. Thus, we can take all the grain of agriculture, all the lumber of the forests, all the minerals of the earth, all the manufactures of the shops, over and above needs of consumption and use for subsistence, and, according to our capacity as a people and our wealth as a nation, turn them into war munitions. This is the ministration of credit. This is the mission of United States bonds. Yet by taking all from each, we are not taking proportionately *things* in taxes. And we can take all that any one man has by buying and paying for it—as any other buyer would come into possession of it—and we deprive him of nothing, nor do we impair his capital, though it is given another form. And we pay him by credit issues to be paid back to owners

of bonds; when? But if by direct taxation on the possessions and activities of any man, we undertake to take this huge war-cost "half" or any sum, *above a portion of profits that will not impair efficiency of operation*, by that measure we confiscate his property and by the force of government take it from him (for the good of all though alleged) without recompense.

How important then that the *increment* be ascertained, that we do not by this insidious, and often unperceived, process, impair and undermine the going business of the country without which we would all perish, and without which no war, even for the shining purpose of democracy and liberty, can ever be won. And how important, if we be an honest people, that we do not go beyond the limit, for such a form of confiscation, if our analysis be correct, cannot be other than the robbery of those who have for the benefit of those who have not, since we individually all profit equally, as citizens equal before the law in our inalienable rights, through the triumphant prosecution of the war.

It is true, on the other hand, that no discussion of this master-problem can ignore the claim so frequently made that it is as fair to "take" one man's property as it is to take another man's life, and that we draft those who have the most of "life," the greatest expectancy. The parallel is not without significance and truth. But the life that is not *lost* in action is not taken, though its *use* be inadequately paid for in wages and pension disabilities. Whatever may be said of this comparison, however, cannot be laid at the door of absolute justice. The constitutionality of the draft law has been passed by the highest tribunal. All do, or should, accept it unquestioningly. Its comparative justice, therefore, cannot be argued. In any determination of such a contrast we are compelled to fall back upon the utility and feasibility of a system which, if it be true, "takes," confiscates, even though by taxation, wealth, industry, property, "business," by whatever name called, and so doing prevents the *support* of the life dedicated to active warfare, for no man can work behind the lines effectively in production without use and control of the tools of his own trade, the instrumentality and agency of business he has constructed.

If then in taxation injustice is coupled with enervation and the consequent loss of results, it would certainly be unwise to claim that because it is as fair as some other of war's imperious demands it should be practiced. What is far more important is that if a *capital tax is to be laid* it should be done openly, equitably, and under the powers of the Government as declared by the tribunal of justice, and not by a so-called system of taxation fostered by hostility to accumulated wealth and fanned by the passions of socialistic selfishness.

We have wandered somewhat from Mr. Hepburn's admirable and timely address which we commend to our readers and to the country.

THE COMING CONGRESSIONAL ELECTIONS— THE PARAMOUNT CONSIDERATION.

Sixty-two years ago next Wednesday, the first State convention of the Republican Party, then not fully organized and not having received its final name, was held in Bloomington, Ill. Abraham Lincoln making the keynote address, which so captivated his hearers' attention that they forgot to

secure it by verbatim notes. The building in which this gathering was held still stands, and an anniversary celebration is to be held there on Wednesday, with Mr. Taft expected to be the principal speaker; in campaign parlance, the first gun of this year's campaign is to be fired then.

There is to be an election in November, however unimportant or possibly untimely that may seem to some. A House of 435 members and nearly three dozen Senators are to be chosen. This is the beginning of the campaign of 1920, still so far distant that we are permitted to hope the war will end before the two years have passed which will bring us to the next Presidential nominating conventions; but the result in this year will naturally have some relation to the struggle two years hence. Naturally, the Republicans hope to win control of the next Congress.

Originally, the Republican Party was a "G. O. P.," a party of great moral ideas. History will give it place as arising for and pursuing a distinct public policy. How it degraded through consecutive terms need not be urged for any who recall the year 1876, when it became evident that the hold on the offices was not to be relinquished without a desperate struggle. Two terms of Grover Cleveland, separated by another Republican; two more Republican successes, and then, by the strange intervention of an assassin, the country came into the Roosevelt regime and the split which his unrestrained personal ambition precipitated, threw the country again to the Democrats, when no foreboding of worse trouble than that on our own continent had arisen. Then, in 1916, the Roosevelt poison of so-called Progressivism, combined with the selfish unwillingness to be disturbed which moved a country that had not yet comprehended either the scale or the purpose of the war, somewhat narrowly prevented a party change.

The Republican was the anti-slavery party; the Democratic was the Opposition during the Civil War, and so identified with the slaveholding States that to this day we have, most unhappily, a "solid South," in which a habit and a name that long ago lost all significance continue a mechanical and involuntary action. There is no slavery issue. Democracy once meant what was loosely called free trade; there is no such issue now, and no such division. Republican once meant, or came to mean, what was about as loosely called protection; there is no such issue now. Democracy once meant State rights and State sovereignty; whither has that old issue betaken itself? Campaign professions are the humbug they have long been, mere flubdub for catching votes; judging by conduct, the two poles of the globe are not farther apart than the Democracy of 1918 from that of Jefferson; it is all Federalist and centralizing now, and Mr. Wilson himself, greatly concerned, while merely an educator and lecturer, over what seemed to him the usurpation of all powers by Congress, has borne himself so that he has almost put Congress into eclipse.

What is a Democrat; what is a Republican; can anybody draw any clear line of definition? Is the difference other than the old one between Ins and Outs? Is there any issue of a real public and permanent policy which the one supports and the other opposes? On what grounds, then, will Republican conventions and their nominees for Congress ask for votes?

This question was put in 1916, and it was claimed then, in circumstances not like the present, that no

real grounds existed. It was said that to refuse Mr. Wilson a re-election would be to proclaim a want of confidence in him and a feeling of dissatisfaction with his course of neutrality and of keeping us out of war. Europe would surely so interpret it, and the effect would be harmful; further, it was urged, the Republicans had no policy to propose. This attempt to identify the country's position with the men then in control is naturally pushed more earnestly now; it will be represented (and to many thousands it will seem almost axiomatic) that to fail to support Mr. Wilson, politically, will be to proclaim disloyalty to the country and the cause. Indeed, one Washington correspondent tells us that the Congressional election "will furnish the first opportunity for a nation-wide expression of opinion on the management of the affairs of the country by the Democrats."

Without discussing this at length, suffice it to say that while this would ordinarily be a correct statement, it is not such now. On the overwhelming issue of the war there is no party division, and there can be none. When Mr. Hays of Indiana, the new head of the Republican National Committee, was in town, about three months ago, he put the case patly by saying: "I think that to win the war and to prepare sanely for reconstruction is the only real business of this country now; all else is chores."

Very recently, Mr. Elihu Root, speaking at the annual meeting of the National Security League, justly paid tribute to his party associates in Congress for the unwavering support they had given a nominally Democratic Administration, and he said there are many Congressional districts where a disloyal minority might turn the scale in favor of a pro-German if the loyal vote is divided; of this danger, it may be added, we had a reminder not long ago in Wisconsin. Unhappily, State laws are liberal in defining qualifications of voters for the lower branch of Congress; and the first duty is to see that the loyal vote, without regard to party names, is thrown so as to prevent the sending of any men to Congress not in whole souled sympathy with the aims of the war. Our experience has shown that the best and the needed check upon the arrogance and excesses of a party in power rest with an opposition that is not factious, not selfish, not seeking to make capital of the mistakes of the Administration, but only to defend the country from those mistakes. Arguing thus, it would seem that, other things being equal, it will be better for the country and the world if the Republicans can have just that kind of an Opposition in the next Congress.

To win the war; to carry it on to a just peace through victory, and to do it at the minimum of time and waste—this is indeed "the only real business" now, and "all else is chores." Mr. Hays expressed it admirably, but he said "to win the war and prepare sanely for reconstruction"—do not overlook or underrate that. Are we preparing sanely for that by rushing almost gleefully into every hitherto unheard of bypath of national experimenting? Is it enough, and is it sane, to raise the cry of "emergency" and then drive headlong?

To make sure that every Congressman chosen next November shall be a loyal American is therefore the first thing; those who cannot bring themselves to see the distinction between present loyalty and Democracy in the party sense of the word will be constrained to accept loyalty as the great test. And yet there is something else important, and

equally important. We need *men* in Congress now, large men, serious-minded men, men of an uncompromising sense of public duty, men of full size and strength. The Congresses of 1861-68 made their mistakes, but no careful observer would deny that in composition they were clear above these of the present. As the domination of the Executive has grown, the initiative and independence and the serious responsibility in Congress have shrunk. The Government machine is not running as intended, nor as it should; it is out of balance, and needs stabilizing. To say that the President alone knows what he wants and alone is competent; that the responsibility is his; that he must not be questioned and whatever he asks must be voted without inquiry; to accept what is avowedly disapproved—this is to make a "rubber stamp" of what was meant for and should be a co-ordinate branch of government.

The problems in hand and to arise now make even the Civil War era dwindle by comparison. Not marionettes who can respond on roll-call, but *men*, fit to cope with the tasks of men, are needed now. Those chosen in November will probably deal with the finishing of war and with the beginnings of reconstruction. A publicist of some note has actually suggested that we might well, by a sort of general consent, waive elections now and have a hold-over, so as not to distract from war work. No suggestion could be more untimely, for an election is a part of war work. That work now, and the after-war work, demand that the country shall have opportunity for a new selection of Congressmen and shall use the opportunity with very unwonted seriousness. Now is the time when the country needs its largest and its best. Let us give ourselves to getting them, and fling every petty and other consideration to the winds.

THE PRESIDENT AND THE DUTY OF THE CITIZEN.

Marching at the head of the Red Cross parade in this city, on Saturday last, President Wilson presented an engaging and an appealing figure. The act was a graceful tribute to a worthy cause; and carried with it an element of "sacrifice" which few mention, but all appreciate. Personal and official character alike paid tribute to heroic and devoted women whose only insignia of office is a flaming cross on a white robe, which is the mantle of a charity that is love for the whole human race.

The visit of President Wilson extended from Friday afternoon to late Sunday night. There were no public engagements other than the speech opening the Red Cross campaign Saturday night at the Metropolitan Opera House. The highest official of the Government and the man upon whom beats the light of a world, enjoyed, it is believed, three days of rest and relaxation. Responding to an ovation paid him at one of the theatres, Mr. Wilson said: "Ladies and gentlemen, you are laboring under a delusion. You think you see the President of the United States. You are mistaken. Really, you see a tired man having a good time." And in these words the servant of a great people, bound to the treadmill of daily official duty, without doubt expressed the relief he felt in throwing off, for a brief interval, the weight of care and responsibility, and being just a man among men, seeking the blessed

privilege of pleasure and forgetfulness. Unconsciously in this little speech which came spontaneously from his heart, the President uttered an admonition to the people none of us should fail to perceive.

In a democratic republic we are all engaged in the highly pleasurable profession of "running the government." Each of us knows or thinks he knows just how it should be done. Having been instrumental in placing a fellow-countryman in high office we proceed without hesitation to direct him in his duties. That is our part of the great and grave task of maintaining a nation. True, we are eager to obey the laws, but we do not personally make them or suggest them. That responsibility we delegate. It is the key to our governmental system. Nor do we execute the laws after they are made, but each is a watchman on the walls to see that laws are executed and observed—and that no guilty man escapes. It is easy to criticise, hard to construct; and we take the easiest way to vigorous and continuous criticism.

Well, the citizen in a free government *does* have a duty to perform. He *should* interest himself in public affairs. The making and observance of law, within the forms prescribed are part of his task—for himself and for others. But above legislative and executive fields is an exalted domain of constructive thought, of policy, wherein, though he may enter, decisions are finally made by officials of the Government. And at this hour, while the lower world is crowded with terrifying movements and events this upper realm is filled with considerations involving the weal and woe of peoples and nations. The citizen, conscious of his patriotic interest, courageous in his convictions, and self-reliant, mayhap, in his ability, for we are all egotists in some degree, thinks this, that, or the other, should be done. But *he does not have to do it*. That falls upon the shoulders of men chosen from among their fellows for this arduous and final duty. Does the zealous, honest, and interested citizen always put himself in that other fellow's place? Do we as citizens always remember the human side of the man in office?

"Government" is our individual task. We fail, and we of the press signally fail, when we neglect temperately though earnestly to discuss, to express ourselves upon, the issues and measures, which lie in this vast "upper air" of national policy and procedure. And in the doing this it is inescapable that a degree of criticism should seem to direct itself to those incumbents of high office who do act, and whose acts fasten their theories and judgments upon the people, and in these "trying times" upon mankind. But as we do thus our part it is well if we never forget that there is a human equation in all things—that, for example, the President of the United States is also a man.

A writer, attempting an estimate of Mr. Wilson, has drawn the picture of an austere figure sitting alone in the White House study. Twilight is falling. The iron gates close. Armed watchers take up their vigil at the approaches. Throughout the Capital the lights of home flash out their welcome to the simple delights of family communion free from thoughts of the morrow. But to this lone toiler, shut away from his fellows, there comes scant rest, the burden of the responsibilities ever increases, time is never sufficient, and at the last when the final decision is to be made there is no one but himself,

no help can then come. And as the light of his study gleams out the writer sees him turning to his mighty and never ceasing work, more a slave of duty than any one of the hundred millions about him. Yes—citizens of a common country respect the high office of President, but does that respect carry with it an appreciation of labors and difficulties, aye, and doubts, of the man elected to the burden of their own making, and with that appreciation is there a softening of the tone of criticism, a realization of the study, the striving, of the man who *must* make *decisions* all are free to praise or blame?

In "The Bluebird" we are taught that the *quest* of happiness is the only true happiness, that when we shall have found the Bluebird we shall die. And we are taught to search in our own hearts for the joy of the never ending quest. Not so with ambition. Ever the consummation of that desire carries with it a penalty, even the penalty of being forgotten. For there is a saying full of meaning: "It is cold on the heights." And when a man attains the highest office in the land, he may have gratified a noble ambition, but in a republic he can never do so without the permission and the power of the citizen. So that he never passes, among thoughtful feeling men, from the companionship of his kind. And though criticism may be alert and virile as to official acts, let us hope that, in the hearts of his countrymen, criticism does not touch him there. And we believe this is so. And may we not augur the attitude of the whole people from the reception which New York gave the President and the man, alike a pleasure to give and to receive.

It is a glorious privilege of life to look below the surface, to try to see "the soul of things." And how the soul of righteousness should delight us now, that within the turmoil there is a heart of eternal calm, and beyond the war there is peace. The figure of the man of high office seeking a day of rest comes home to us all. Truly, "He giveth his beloved sleep." And from the rest of self-communion, the rest of the appreciation of brotherhood, shall not all arise refreshed, revived, for the wondrous days to come.

THE AIRCRAFT INVESTIGATION—THE PROPER ATTITUDE.

Whatever the combination of motives which prompted the selection of ex-Justice Hughes as investigator of the aircraft situation, it is a selection which should give present satisfaction to the sense that the subject needs investigating from first to last and from top to bottom. No suspicion of incompetency or of bias or of any except public ends to be served can attach to Mr. Hughes. His especial competency as an investigator of involved situations was proved long ago; his integrity is old-fashioned and beyond whisper of doubt; his sense of public duty is profound and unshakable; if any man in the country can be trusted to leave no tangled or suspicious matter in this subject unexplored, to get the truth out of concealments and evasions, and to spare nobody, he is the man.

Because of his peculiar fitness, and notwithstanding he was said to have been authorized only as assistant and advisory, there may be general acquiescence in his direct expression of preference for "a general disposition to permit our investigation to proceed unembarrassed," and in his belief that

another investigation "would tend to make difficult if not impossible the successful prosecution of our own." It is evident, he says, that in order to find whether there is a basis for a civil suit or for a criminal prosecution "it will be necessary for us to make a thorough inquiry into the entire history of aircraft production since the beginning of the war and of all proceedings which have been taken by any person or corporation concerned therewith." We shall not be able "to ascertain whether there has been dishonesty or malversation of any kind unless we go thoroughly into all the transactions which have been had." He promises that civil suits by the Government will be instituted if a basis for them is found, and that indictments will be sought if grounds for a criminal prosecution are discovered. "To go thoroughly into all the transactions" is the one thing demanded. Amid the unfulfilled promises and the disappointed expectations, nothing has been established yet beyond dispute except that an abundant sum (nearly a billion) has been provided for, most of it has disappeared, and there are no results; apart from the vast seriousness of this undeniable failure as a part of the war program, the country needs to know and is entitled to know the facts, the reasons and the fault. Nobody's private interests and nobody's reputation or feelings are of any consequence; let censure and possibly punishment fall where they are deserved. Only by discovering and contemplating our mistakes can we profit by them and retrieve the remaining opportunity.

It is, therefore, probable that the Senate will desist from its own inquiry which did at one time seem needed. The pending proposition to investigate the conduct of military affairs somewhat more generally stands on another footing. The Chamberlain resolution offers opportunity for some change of attitude. The President can afford to retire, and he should retire, from his injudicious declaration that any proposition to inquire into the conduct of the war is tantamount to an expression of lack of confidence in himself. The war is the affair of the country and of the civilized world and of future generations for whom we now on the stage must act; it is not the business of one man or a hundred men or any sect or party; it is too tremendous to be narrowed or made personal. The President has confidence in himself, and it would be very unhappy if, within reasonable limits, he had not. The confidence thus far placed in him has been almost unbounded; with one exception, all he has asked has been granted him, though not with full approval of judgment in every instance. Well-grounded confidence invites rather than deprecates inquiry, and if the inquiry showed signs of partisanship, or of being really obstructive, the country would not tolerate it another day. A pull together, and an admission and recognition of the pull together, is the course for the need. The President has too much sent his requests to Congress, and has not enough consulted Congress. He could not do a more timely and sagacious thing than to frankly acknowledge this mistake; a better augury for the war and a better standing for himself with the country would be the result. On the other hand, Congress should courteously, though firmly, convey that it cannot surrender or materially qualify its constitutional duty as a factor in government and in responsibility for the conduct of the war.

*THE U. S. SUPREME COURT DECISION IN
THE UNITED SHOE MACHINERY CASE.*

On Monday, by a division of four to three, Justices McReynolds and Brandeis refraining from participation because of a previous connection with the case, the Supreme Court decided adversely to the Government contention in the action brought as long ago as 1911 against the United Shoe Machinery Company of Massachusetts, forming, with some subsidiaries, what is known as the shoe machinery trust. The company was attacked as a combination in restraint of trade and its dissolution sought, under the Sherman Act, and its "tying" lease by which it retains control over patented machinery were also attacked.

The majority opinion by Justice McKenna had the concurrence of Chief Justice White and Justices Holmes and Van Deventer; Justice Day presented a dissenting opinion, in which Justices Pitney and Clarke concurred.

Owning certain machines through the patents thereon, this corporation chose to lease rather than sell them, and a condition of the lease bound the lessee not to use other machines. Justice Day declared it finally settled that the Sherman Act "condemns all combinations and contracts the effect of which is to unduly restrain the free and natural flow of inter-State commerce or monopolize or tend to monopolize such trade or commerce in whole or in part," and he considers the lease restrictions as having such a tendency. This, with all respect to the Court, is a matter of opinion. To attach conditions to a lease or a sale of a patented article, or to prefer to lease rather than make an unconditional sale, naturally does tend to restrict transactions in that article, but it does not follow that this tends to restrict production and sale of shoes, especially such production and sale on the terms most advantageous to the consumer, this being the "trade" which should be of chief consequence in the view of law. The majority of the Court regard the leasing as enabling small producers to get the benefit of machines which their smallness of capital would prevent their buying. Patrons of the company get the benefit of all improvements made, and there has also been a saving in the costs of production of footwear; "these are some of the results of the organization of the United company."

The framers of the Constitution empowered Congress to establish, and Congress did establish, a patent and copyright monopoly for a limited term. This is the one monopoly which is openly avowed, and almost universally defended in this country, on the ground that on the whole it makes for the general welfare. It confers a sole right to "make, use and vend." There has been little difficulty in enforcing the first of these words of grant, but in the last twelve years there have been many attempts to limit use and sale. Naturally, ownership implies and includes the right of selling, and that implies and includes the right to make any conditions of sale which the seller exacts and the buyer accepts, conditions which do not stop with the amount to be paid but may include restrictions on use or re-sale. This is the apparent natural right, yet there has been a long struggle and the tendency has been on the whole, although with some concessions in the other direction, to hold that sale of patented articles must be without restrictions. Naturally,

and not unreasonably, owners of such articles have striven to prevent price-cutting. Ten years ago, the Supreme Court held that copyright owners cannot control retail prices of books by printing on them a notice that nobody was authorized to sell under the published figure. In 1912 the omitted question of the power of owners of patented articles to keep some control over use and re-sale came up in the Mimeograph case; a machine had been sold, with a label attached setting forth that it was licensed for use only with ink and other materials supplied by the maker of the machine. The Court, by four against three, decided that sale of non-permitted material constituted a "contributory" infringement of patent. A year later the Court swung over to the opposite ground, in the Sanatogen case, holding, by five to four, that "conditions" printed and attached to an article are ineffective; that when the patent owner has sold an article he has sold it and has no further control. But a remark in this decision hinted that a different view might have been taken had a qualified sale been shown by the evidence.

The Victor company promptly acted upon this hint by attaching to their phonograph records a printed notice that the article was not sold, but merely licensed for use, on a "royalty" which replaced the usual selling price and was put under a list of conditions, the dealer receiving merely power to transfer this qualified right of use to others. Three years ago, Judge Hand of the Federal District Court dismissed the suit of this company against Macy, but early in 1916 the Federal Circuit Court of Appeals sustained it, holding the arrangement not a sale outright or a restricted sale "or any sale at all." Judge Lacombe did not see why a patent owner "may not give to one person a more restricted right to use" than to another, or may not "dispose temporarily of the use and ultimately of the title" of a patented article. A year ago the Supreme Court, with three dissenting, overthrew this device as an attempt "to sell property for its full price and yet to place restrictions upon its further alienation, such as have been hateful from Lord Coke's day to ours," also calling it "in substance and in fact a mere price-fixing enterprise." The attempt, still not abandoned, to maintain retail prices, must therefore follow other methods.

The Shoe Machinery Company, however, did not make any kind of sale, for it retained title and merely leased the article for use, as gas meters and telephones are leased. As there is no field for trading in such articles, leasing meets all commercial need. This case is distinguishable from the latest (and controlling) Macy case, for in that a conditional selling was condemned and in this a conditional leasing is sustained. Justices McKenna, Holmes and Van Deventer, the three dissentients in the Macy-Victor case, are with the majority in this later one.

Upon the attempt to obtain dissolution of the Shoe Machinery Company the Court sustains the lower court in refusing. "The idea is repellent" says Justice McKenna, "that so complete an instrumentality should be dismantled and its concentration and efficiency lost; the company indeed has magnitude, but it is at once the result and cause of efficiency, and the charge that it has been oppressively used is not sustained." As to the agreement

between the company and its constituent companies, the majority are "persuaded that the circular and agreement were not intended or regarded to be the avowal, as contended by the Government, of monopoly achieved or to be achieved, but simply the business expression and foresight of the advantages which would result from the concentration in one management of instrumentalities which, however different, supplement one another in the creation of a shoe."

The sole reason and excuse for the patent monopoly is that the public gains thereby more than it surrenders. There is no room for questioning that, and never less room than to-day. The public interest clearly lies "in the creation of a shoe." The lessee of machinery for its production will not assent to conditions unprofitable to himself, and the lessor will not stand in his own light by demanding more than the other party can afford; the public welfare may safely be left to be cared for by these two negotiators who think only about their own.

Even better is the disposition shown by the highest Court to react from the old folly that size and success are prima facie evidence of wrong intent and wrongful acts; they are presumptive evidence of wise planning and moving towards a lawful result in which the consumer necessarily shares. Taxes and purchases of bonds and donations to the Red Cross and like organizations are not drawn from failure. Quarrels and attacks and jealousies and forced shattering of combinations which have industrially proved themselves do not support a Government in time of peace, and can but hinder it in time of war. It will be fortunate if we can finally abandon the idea of hostility to "big business" without being driven to do so by severe disciplining.

CONSTRUCTION OF WOODEN SHIPS IN CANADA TO BE DISCONTINUED.

Ottawa, Canada, May 24 1918.

The Dominion Government has announced that it will no longer foster or encourage the construction of wooden ships, thus bringing to a standstill within a few months a rapidly developing industry in the Province of British Columbia. This means that the Government will concentrate its energies upon the building of steel ships as the basis of a public-owned merchant fleet after the war and for immediate service to the British Government through the Imperial Munitions Board. The Government frankly admits that shipbuilding at the present time in Canada is a most costly undertaking that must be viewed from more than a commercial standpoint. Indeed, so extremely high are Canadian figures on a completed steel ship that without Government funds, few companies would have touched contracts for vessels of substantial tonnage.

The average price paid by the United States Emergency Fleet Corporation for steel ships is about \$160 a ton. The Canadian price is understood to be in the neighborhood of \$200 a ton. The tonnage price for steel plates in Canada is about \$85, as against the United States price of \$65. On 250,000 tons of steel ships the order for steel plates and sections would be nearly 80,000 tons, on which the discrepancy as between the two countries would be \$20 a ton or \$1,600,000. Many recent transactions in British ships have occurred on the basis of \$80 a ton, which makes a harsh contrast to the Canadian level of nearly \$200.

Canadian wages for skilled workers in shipyards average from \$3 75 to \$5 50 a day, with unskilled from \$2 75 to \$3 75. These wages are somewhat under the estimate of the President of the American Shipbuilding Company for United States yards: \$5 80 and \$3 20. The cost of labor represents about 50% of the total expenditure on a steel ship.

The Dominion now has fourteen shipyards working on steel vessels. The plan of the Minister of Marine is to continue the building program over a period of several years, devoting \$30,000,000 to \$50,000,000 annually to the project. It is the hope of the Government sponsors that the nation will eventually possess a large fleet of steel ships to be used for Dominion trade, a steel shipbuilding industry of large proportions, and a body of skilled workmen and seamen.

AMERICANS RESIDING IN CANADA MUST PAY INCOME TAX IN BOTH COUNTRIES.

Ottawa, Canada, May 22 1918.

A curious tax condition which does not seem to admit of remedy has been presented to the attention of the Finance Department here, whereby hundreds of prominent residents of Canada, often the heads of big corporations, still retaining their American citizenship, will pay a double income tax this June. From this condition there is no appeal, both Governments insisting upon a full levy. At the same time, it appears equally undesirable to most of the taxpayers affected that they should either quit their business positions or renounce citizenship.

A theoretical case has been suggested where the two national income taxes would leave a citizen in a sorry corner. The Canadian tax exacts from a \$2,000,000 income a sum of \$1,228,157 and the United States tax \$1,130,180. An American residing in Canada having an income of \$2,000,000 could settle his double tax bill by borrowing from his banker \$358,337, in which case he would possibly prefer to stick to the land of his citizenship.

CANADA AND ABROGATION OF FRENCH TREATIES.

Ottawa, Canada, May 22 1918.

Word has reached Ottawa from Paris that the French Government intends to terminate all trade treaties of France for the purpose of arranging new bases of commercial intercourse after the war. According to this important news, on April 1 1919, all of France's fifty-two most favored nation trade agreements with other countries will cease. Canada has profited in a considerable degree by the widening of the avenues to the French market. In 1913 we shipped to France \$2,357,000 worth of home products; this rose in 1914 to \$3,632,000 and with the export of war materials increased to \$64,063,000 in 1917. Imports in the last mentioned year attained \$6,400,000.

The French treaty, however, was not confined to French products but was extended to the like products of twelve other countries accorded most favored nation treatment by Canada, as well as to all British countries. Japan and Switzerland, of the non-British countries, have availed themselves of the closer contact with Canada in the most extensive way. Embroideries, laces, velvets, silk fabrics, ribbons and manufactures of silk have been shipped to Canada in ever increasing quantities,

Japan taking full advantage of shipping conditions to make hay while the sun of luck shone.

Canadian importers have been much exercised by the possible consequences of a treaty abrogation without a full twelve months' notice, but there are more than a few precedents to prove that the Canadian Government would give consideration to importers who in good faith have sold goods for future delivery priced upon present tariff charges.

Current Events and Discussions

"DEMOCRACY'S WORST ENEMY—THE APATHETIC CITIZEN."

In our issue of Dec. 8 1917 (page 2220) we printed an article by Daniel Chauncey Brewer reflecting the views of the Order and Liberty Alliance. The organization is a subsidiary of the North American Civic League for Immigrants, of which Mr. Brewer is President, and which was organized solely for patriotic purposes. It was Mr. Brewer's plan to follow his first article with others, but early in December the Secretary of War called him to Washington, where he has since been at work developing an organization through which the Department can keep in touch with the foreign-speaking soldier and inform him in regard to the cause for which he is fighting. A second article, however, has just been prepared by Mr. Brewer under the caption "Democracy's Worst Enemy—The Apathetic Citizen," and we quote therefrom the following:

It was not Philip who destroyed Greek liberty. It was the superficial observer—the apathetic citizen. It was not Imperialism or the Hun that brought Rome to its knees—it was the citizen with no sense of responsibility.

It will not be Prussianism or the Bolsheviki that will outgeneral the United States in the present era, but the men and women who fail to act, notwithstanding the conviction that God's law is struggling mightily for recognition in this age of ages.

"Though all," said Demosthenes in his Third Philippic, "are ready to acknowledge that we should exert our efforts to chastise the insolence of Philip, yet to such circumstances are you reduced by your supineness that had we all agreed to embrace such measures as would most effectually ruin our affairs, they could not have been more distressed than at present."

Shockingly does history repeat itself. The pity of it is that the nation which falls a victim to its own lassitude watches the approaching doom like one in a nightmare. Athens did not more clearly foresee its ruin unless it shook off its languor than do the people of the United States perceive the imminent loss of their liberties unless the majority of them stir themselves mightily.

This they are commencing to do. Gold is pouring into the Treasury in a shining cascade, and armies are moving across seas. It is a good sign and it stirs the blood of the superficial observer.

If it rouses him to action, the Junkies had better engage. A man-handling autocracy is a prodigious force, but there is no place for it when a free people become so unified under their own laws that they can express their will in action. That is Ordered Liberty. That is God speaking and acting through human institutions.

Before such a demonstration the Bolsheviki will creep into their burrows, and Prussianism will sense the meaning of the ancient phrase: "It is a fearful thing to fall into the hands of the living God."

FRENCH MILITARY APPROPRIATION BILL.

The French Government's appropriation bill for military expenses for the third quarter of the fiscal year and for exceptional requirements for the civil service, was introduced in the Chamber of Deputies on May 17 by Louis Klotz, the Minister of Finance. The bill provides for an appropriation of 10,698,000,000 francs, an increase over the current quarter of 436,000,000. A portion of the increase is due, it is said, to the need for funds for additional pay of soldiers who received an extra allowance for wounds.

YIELD OF FRENCH LUXURY TAX IN FIRST MONTH.

The new 10% tax levied in France on luxuries produced nearly 15,000,000 francs in the first month during which it was in force. The Ministry of Finance was said on May 15 to have expressed satisfaction over this outcome, as it was achieved despite the fact that many persons anticipated payments for goods in order to avoid the tax, while many others postponed payments, hoping that the tax would be repealed, as there has been considerable agitation against it.

RAIL CONSTRUCTION IN FRANCE ACCOMPLISHED BY U. S.

In indicating the work done in France by the United States in the way of railroad construction and warehouse building, Secretary of War Newton D. Baker, in an address at Baltimore on April 29 said:

In addition to dredging, building of great docks and warehouses we have supplied troops as rapidly as possible. One of the objects of my going to

France was to prevent as far as I could the breaking down of our machinery. We have built 600 miles of railroad and 126 miles of switches. We have built warehouses which if a continuous building would be 250 miles long.

I pause for a minute to pay a tribute to Gen. Pershing. He is not only a most capable and efficient soldier, but he too is a gentleman of the highest type. He has organized throughout France schools of instruction for our officers. He has laid the foundation for the victory which must surely come to the Allies. We all look forward with confidence to that victory. Our preparations in France are as complete as human enterprise and industry can make them. Our work in France is a monument to American ingenuity and work.

HOARDING OF SILVER IN IRELAND MADE CRIMINAL OFFENSE.

The issuance of an Order in Council making it a criminal offense under the Defense of the Realm Act to hoard silver in Ireland or to exchange or offer in exchange their face value was announced in Dublin cables of May 21.

BILL DESIGNED TO PLACE SPAIN ON GOLD BASIS.

The presentation of a bill in the Spanish Parliament by the Finance Ministry, the effect of which, it is said, will be to place Spain on a gold basis, was announced in the cables from Madrid on May 22. The provisions of the bill are reported in the cables as follows:

It provides that silver shall not be legal tender in amounts of more than 50 pesetas, except for payments to the Government. Until facilities have been provided for minting the required amount of gold, foreign gold coins will have currency in Spain, their value in pesetas being stamped on them.

The bill provides that paper currency of the denomination of 25 pesetas shall be withdrawn from circulation after Jan. 1 next. The Government will be authorized to redeem exterior loans, wholly or in part, issuing an internal loan, if necessary, to obtain funds for the operation.

CANADIAN "VICTORY LOAN" DEFINITIVE CERTIFICATES BEING EXCHANGED FOR INTERIM CERTIFICATES—JUNE INTEREST PAYMENT.

Definitive certificates are now being exchanged, according to the "Financial Times" of Montreal, for Canadian "Victory Loan" interim certificates. Banks and other institutions which received subscriptions in the campaign are assisting in the work. The first half-yearly interest payment on the loan of 2½%, falls due on June 1, and will represent an important financial transaction. Allowing for the conversion of \$160,000,000 of old bonds, the June coupon payment will, it is said, amount to \$15,400,000.

LOAN ADVANCED TO CHINA BY JAPAN.

On May 9 Associated Press advices were received in the United States from Peking under date of May 3 announcing the closing of a loan of 20,000,000 yen advanced by Japan to China. We quote the dispatch herewith:

A loan of 20,000,000 yen, secured by Chinese telegraph revenues, has been closed with Japanese bankers, and the first installments are arriving. An additional loan of \$20,000,000, secured by the Tsinan-Shunteh Railway, is reported to have been concluded.

The newspapers are full of sensational gossip concerning the Chinese-Japanese negotiations, which are declared openly to be the means of Japanese domination in every sphere and the selling out of China for military and financial assistance. There seems to be an agreement on both sides to guard the negotiations with secrecy. Neither the foreign legations nor the press is able to learn anything definite. The negotiations are being carried on apparently by the military and naval commissions, headed by Generals Sato and Chin Yun-Peng, with the co-operation of the Foreign Office and the Chinese Legation.

The foreign diplomats are said to look unfavorably upon any attempts at secrecy. Chinese public opinion is decidedly opposed to secrecy. Protests by central and southern governors and chambers of commerce are said to have caused a temporary hitch in the pourparlers. This is also said to account for the visit of Baron Hayashi, the Japanese Minister, to the Yangtse provinces.

TEXT OF DECREE NULLIFYING RUSSIA'S DEBTS.

The following text of the decree adopted by the Central Executive Committee of the Soviet repudiating Russia's national debt, recently became available in London through Russian papers arriving there, and is given as follows:

1. All State loans concluded by the Governments of the Russian land lords and Russian bourgeoisie, enumerated in a special list, are hereby repudiated as from Dec. 14 1917. The December coupons of these loans are not paid.
2. In the same way are all the guarantees repudiated which the said governments gave to loans of various concerns and bodies.
3. All foreign loans, without exception, are absolutely repudiated.
4. Short-term liabilities and Treasury bonds remain in force. Interest on them is not paid, but the bonds themselves have a currency along with credit notes.
5. Poorer citizens who hold State bonds of internal loans to an amount of not more than 10,000 rubles nominal receive in exchange certificates made out in their names, of a new loan of the Russian Socialist Federal Soviet Republic to an amount not exceeding 10,000 rubles. The terms of the loan will be fixed later on.
6. Deposits at the State savings banks and interest on them remain intact. All debentures of the annulled loans which belong to the savings banks are replaced by a book debt on the part of the Russian Socialist Federal Soviet Republic.
7. Co-operative organizations, local government bodies, and other democratic institutions of common utility holding debentures of the re-

updated loans are to be given certificates in accordance with rules to be drawn up by the Supreme Economic Council in conjunction with representatives of these bodies, which must prove that the debentures were acquired by them previous to the publication of the present decree. *Note.*—The local organs of the Supreme Economic Council have to determine which of the local bodies can be regarded as democratic or of common utility.

8. The general direction of the liquidation of the State loans is entrusted to the Supreme Economic Council.

9. The work in connection with the liquidation of the loans is entrusted to the State bank, which shall immediately begin the registration of all the debentures of State loans and other interest-bearing papers in the hands of various holders, which may or may not be subject to invalidation.

10. The Soviets, in agreement with the local economic councils, appoint committees to determine what citizens are to be regarded as poor. These committees have the right to annul all savings not acquired by personal labor, even if they do not exceed the sum of 5,000 rubles.

GERMAN INFLUENCE IN RUSSIA CAUSING FORCED SALE OF FINANCIAL AND OTHER PROPERTIES.

The selling of the property of Russian industrial and financial corporations to escape threatened ruin because of German influence and control was reported in the following cablegrams to the press from Stockholm under date of May 16:

The chaotic economic conditions in Russia are being utilized to the full by Germany for increasing German influence and control over Russian industrial and financial institutions. Russian capitalists and corporations, threatened with ruin, see no escape except to sell their property to Germany.

Transactions of this nature are being carried out through M. Furstenberg, known also as M. Genetsky, foreign financial adviser of the Bolshevik Government, who is in Stockholm, with various associates. From Stockholm special messengers are sent into Russia under German protection in furtherance of this work. The messengers bring back the actual stock certificates and other securities.

The main object of the German effort is to obtain control of the Russian mines and metal industry, leather and banks. The Russians are selling out at panic prices.

On May 17 press dispatches from Washington said:

How Germany is pursuing vigorously her policy of commercial penetration in Russia is further described in official dispatches to-day, which say all sorts of financial concerns, banks, corporations and manufacturing enterprises were being bought up.

The dispatches add that many Russians frankly dislike to see German influence developing to such an extent, and would be glad if Allied and American capital could be used to forestall the Prussian aggression.

FINANCING OF IMPERIAL BANK OF GERMANY.

The following with regard to the Imperial Bank of Germany, in which the profits since 1915 are dealt with, was published in the New York "Tribune" of May 14, being credited to its Foreign Press Bureau.

The German Imperial Bank in its annual review of Germany's economic situation, issued a few days ago, asserted that in 1917 there was a considerable betterment in German financial and economic conditions. The finances of the Imperial Bank also are said to have improved. Following are some passages from the statement:

"During the year 1917 Germany's economic life kept pace with the demands of the war, although it must be admitted that there were some difficulties in the production and distribution of goods. The spirit of sacrifice of the German population provided for the navy, army and the Fatherland and made possible the distribution of raw materials and goods. The production of steel and coal rose again. The coal production almost came near to the production of peace times; the production of brown coal rose higher than it had been in 1913. Likewise, the incomes of the railroads from freight transportation increased. The labor conditions have improved again. There are almost no people out of work. The demand for labor can no longer be satisfied even by the employment of women.

"Few changes have taken place in the condition of the German money market and of the Imperial Bank; both have been able to satisfy the needs of the country. The circulation in the money market was greatly aided by the payment of military supplies, the limitation of imports and the consumption of raw materials, which raised the bank investments more than in former years. Under these circumstances the discount rate of the Imperial Bank was unchanged from what it had been on Dec. 23 1914, 5%."

The gross profits of the German Imperial Bank rose to 364,537,300 marks, against 324,609,600 marks in 1916 and 273,144,929 marks in 1915, according to the statement. The net profit for 1917 are given as 97,276,241 marks. The shareholders, it is said, will receive dividends of 8.72% against dividends of 8.63, 8.97, 10.24 and 8.43% in 1913, 1914, 1915 and 1916. The gold reserve of the Imperial Bank amounted at the beginning of 1917 to 2,506,000,000 marks, and in December to 2,460,000,000 marks.

INTERNATIONAL HIGH COMMISSION ON NEED OF CHECK LEGISLATION IN AMERICAN REPUBLICS.

A Treasury Department announcement last week concerning the work of the Central Executive Council of the International High Commission stated that the Council had reached the conclusion that of all the instrumentalities of international commerce the legislation in regard to checks stands in greatest need of revision toward greater uniformity among the American Republics. The statement follows:

The Central Executive Council of the International High Commission, of which Secretary McAdoo is Chairman, has during recent months been devoting special attention to securing greater uniformity in the commercial legislation of the Republics of America. Recent efforts have been concentrated on the law relating to notes and bills of exchange, concerning which an extensive report was published a short time ago. This report is now being made the basis for concrete legislative effort by the several national sections of the International High Commission.

A further step in the same direction has now been taken by the Central Executive Council in the publication of a report on the law and practice

relating to checks. Owing to the wide diversity of practice in different sections of the continent, the difficulty of securing uniformity of legislation relating to checks is considerably greater than in the matter of notes and bills of exchange. The report just issued by the Central Executive Council of the International High Commission is the first step in the difficult process of securing greater uniformity of law and practice.

After a careful analysis of existing legislation, and study of the development of the proposed Hague rules on checks (1912), the Council has come to the conclusion that of all the instrumentalities of international commerce the legislation in regard to checks stands in greatest need of a revision toward greater uniformity among the American Republics.

The report, which is issued in the Spanish language, deals with the following topics:

- I. The theory of the check.
 - II. Material concerning the history and present importance of the check.
 - III. The check at The Hague conference on bills of exchange.
 - IV. The questionnaire circulated by the Government of the Netherlands concerning the check (1912).
 - V. The discussions of the central committee of The Hague conference upon the rules to govern the check.
 - VI. The preliminary resolutions of The Hague conference on the law of checks (1912).
 - VII. The check in the legislation of American Republics.
 - VIII. Appendix:
 - A. The principles of check legislation, by Dr. Octavio Morato.
 - B. Project of a uniform law on checks, by Dr. Octavio Morato.
- An elementary and detailed examination of the history, kinds and present uses of checks was felt to be desirable in Latin America, in view of the slight acquaintance with this negotiable instrument outside of one or two large commercial countries.
- The studies by Dr. Morato, who is professor at the University of Montevideo and an active member of the Commission, were especially prepared for the Council.

The uniformity of law and practice with reference to checks is one of the important questions in the program of the International High Commission, and it is confidently expected that it will soon be possible to record further definite steps toward the attainment of this purpose.

AUSTRIA'S FINANCIAL SITUATION.

The following concerning the apprehension created by Austria's financial situation was received from London on May 10 in Associated Press dispatches:

Vienna newspapers represent the financial as well as the political situation in Austria as being most desperate, say a Zurich dispatch to the "Morning Post." The Reichsrath, just before its adjournment, had its attention called almost peremptorily to the Empire's finances.

The committee for the control of the national debt reported to the lower house that not only the large indebtedness of the States to the Austro-Hungarian Bank, but the frequent use made by the Administration of the note-issuing bank, could not but arouse the gravest apprehension from financial and economic standpoints. The indebtedness to the note bank is now 1,500,000,000 kroner, and the notes in circulation have increased correspondingly.

The committee complained that, despite warnings from Parliament, the military authorities squandered money recklessly.

WAR SERVICE CHECKS FOR SOLDIERS ARRANGED FOR BY NEW YORK TRUST COMPANIES.

A banking arrangement designed for the American forces in France is announced by three trust companies which are depositaries for United States funds in France—the Equitable Trust Co., the Farmers' Loan & Trust Co. and the Guaranty Trust Co. of New York. These companies are also officially designated depositaries for Government funds in the United States and England, and the new service checks issued by these trust companies are, it is stated, the only checks of this nature authorized and approved by the United States Government. They are for the use of the men in the American Expeditionary Force, and will be sold to the men at the concentration camps in this country on the basis of the official rates of exchange agreed upon between the United States and French Governments, no commission being charged. An announcement with regard thereto says:

These service checks can be cashed at the London and Paris offices of the companies mentioned above, and at the London office of the International Banking Corporation, which is also a Government depository in London, and at the numerous branches throughout France of the Bank of France, Credit Lyonnais, the Comptoir National d'Escompte de Paris, and the Societe Generale p. f. The checks will also be payable at conveniently located offices in England. The stamp tax imposed by France will be paid by the trust companies, so that the checks will be cashed at their full face value. The checks are issued in denominations of 50, 100 and 200 francs each.

The present cost of the checks and their corresponding values are as follows:

50 Franc Service Check	.....	38 85
100 " " "	.....	17 60
200 " " "	.....	35 15

The advantages of this service to the soldiers are several. The checks are bought at the most favorable rate of exchange at the time of the purchase, thus protecting the soldier against those who would make a profit, through the difference in exchange rates, in cashing ordinary checks on the other side. The checks are self-identifying, which makes it practically impossible for any but the authorized holder of the check to cash it. The French banks mentioned maintain numerous branches through France, which means that the checks are available at practically any city where the soldier may be stationed or visit. This service enables the soldier to make a convenient and economical financial arrangement, although he may not have sufficient funds to open a bank account for his use abroad.

This arrangement is regarded as a favorable one also from the Government's standpoint, inasmuch as it reduces the amount of actual currency taken abroad, and is a measure of economy and financial protection for the soldiers in France.

The trust companies will maintain representatives at the concentration camps for the convenience of the soldiers. The service has been organized and is furnished to the soldiers at cost, and the expenses of distribution will be borne by the trust companies.

TREASURY DEPARTMENT PLANS TO MAKE NO IMMEDIATE WITHDRAWALS OF INCOME TAXES DEPOSITED WITH BANKS.

The following, in which it is reported that arrangements are under way by the Treasury Department whereby there is to be no immediate withdrawals from the banks of money with the payment of income and excess profits taxes on June 15, appeared in the "Wall Street Journal" of May 23:

Arrangements are being made by the Treasury Department so that when Federal income and excess profit taxes are paid, on June 15 next, no money may be withdrawn immediately from the money market; but, instead, the proceeds of the tax payments will be credited by the banks, through a book-keeping process, to account of the Government.

While this plan will not help the individual directly (since the general demand that income taxes be paid in installments has been definitely turned down by Secretary of the Treasury), the arrangement contemplated will be of immense advantage to the banks and the money market. The prospect of the effect upon the money market, on and after June 15, has been a concern to bankers for some time past. The plan whereby such a large amount of money was to be paid into the Treasury on one day presented a formidable problem. It was recognized that, inevitably, much of the money would remain locked up for a considerable time, that otherwise could be actively employed. Under the circumstances, there would have been drastic contractions in loans.

Where banks or corporations hold a large amount of certificates of indebtedness issued in anticipation of taxes, the payments on June 15 will not cause any great inconvenience. But to the smaller institutions it will make a great deal of difference if the Treasury Department, through the Federal Reserve Bank, immediately redeposits with them the proceeds of the taxes paid by the drafts upon themselves.

It will be exactly the same thing as was done in the case of the Second Liberty Loan and in payments that have been made from time to time by the banks on the purchase of United States certificates of indebtedness. Special depositories have been designated throughout the country, in addition to the national banks, in which the funds obtained from the bond and certificate sales have been placed. To apply this same plan to the redeposit of taxes, the Secretary of the Treasury is invoking the special authority conferred upon him in the Third Liberty Bond Act of April 4, which amended Section 8 of the Act of Sept. 24 1917, by providing that, in addition to the proceeds arising from the sale of bonds, certificates of indebtedness and War Savings Certificates, the Secretary might, in his discretion, deposit in the designated banks and trust companies funds "arising from the payment of income and excess profit taxes."

As regards the banks and the money market, a very important consideration is the fact that several billion dollars, perhaps, of credit deposits will be released from the obligation of a bank reserve, since the banks do not have to carry reserves against Government deposits. In other words, several billion dollars of deposits, now standing to the credit of individuals, which will be used to pay for taxes and against which the banks are now carrying reserves, will automatically become Government deposits free of reserves on June 15. This will tide the banks over, establishing easy money conditions up to the time when the Government withdraws the funds gradually. Then the disbursements will facilitate the liquidation of bank loans made by firms and corporations contracting for the Government on war work. It is this Government distribution which will finally lead to a general ease in the money market.

The only matter the banks have now to concern themselves with is to have on hand sufficient eligible collateral to secure these Government tax deposits on June 15.

SENATE ACTION ON PROPOSED BANKING LEGISLATION.

The "Journal of Commerce" of yesterday had the following to say concerning action by the Senate on May 23 on pending banking legislation:

Senator Owen to-day met with defeat when he again attempted to have the Senate consider the twenty or more amendments to the Banking Act which had been requested of Congress by Comptroller of the Currency Williams. The first of the amendments presented for adoption, although it had been favorably reported to the Senate by the Banking and Currency Committee, was defeated upon a vote. The second was objected to and sent back to the committee for reconsideration. These amendments, it is understood, were drafted to meet situations which the Comptroller wished to cover incident to the noted Rizzo Bank case.

The first of the bills brought to the attention of the Senate proposed to require cashiers and other officers of national banks to give bond. The bill would also prevent the officers and employees of national banks from making cruasos on the books of the Banking Association. The Senate could not be persuaded that any good results would be accomplished by the proposed amendment, and therefore voted it down.

The second of the bills called up by Senator Owen provided a penalty for obtaining loans or credits from a national bank based on false statements. It was pointed out on the floor that the measure was loosely drawn and that it was difficult to devise its real intent. For this reason this bill was sent back to the committee for reconsideration.

Senator Owen has repeatedly tried to get the Senate to consider these measures without success. To-day was the first time that he pressed for a vote on them, and with disastrous results. Members of the Senate are not inclined to consider these measures for various reasons. Chiefly, the House has passed an omnibus bill amending the Banking Act and it is believed that this measure meets all the conditions which are safe to be met at this time.

SHIPMENTS OF CURRENCY TO FEDERAL RESERVE BANK OF RICHMOND.

Advices concerning arrangements made for the shipment of currency to the Richmond Federal Reserve Bank insured under the bank's own policies were issued as follows by the bank under date of May 18:

FEDERAL RESERVE BANK OF RICHMOND.

Currency Shipments.

May 18 1918.

To the Cashier of the Bank Addressed:

This bank has made arrangements by which currency may be sent to us by any bank or banker in this district by registered mail insured under our own policies.

All that is necessary to render the insurance binding from the time of delivery of the package to the post office is to register the package, addressed to this bank, and send us by mail on the same day, under separate cover, advice of shipment, stating the amount and requesting us to insure our policies. No writing should appear on the package indicating its contents.

When making shipments of currency the following rules, for your own protection, should be observed whenever practicable.

1. Have the currency counted when possible by two responsible employees of the bank.

2. Have the currency put up in one or more packages and sealed by or in the presence of the same persons who counted it. In every case request should be made that a return card, showing delivery of the package, be furnished by the post office authorities.

3. Notify us immediately by letter under separate cover that the shipment has been made, stating approximately the time when sent, and the amount and kind of money contained in the package or packages.

4. Enclose with each shipment an advice giving the amount sent, the name of the sending bank, and, when sent for the credit of another bank, the name of that bank also.

5. Address all packages or bags of money as follows: "Federal Reserve Bank of Richmond, Richmond, Va." Mark each package with the name and address of the sending bank.

6. Assort all paper money by kinds and denominations. No package should contain mixed kinds or mixed denominations under one strap.

7. Mark each strap covering a package of paper money with the amount, and the date, and the name of the remitting bank.

Respectfully,

FEDERAL RESERVE BANK OF RICHMOND.

GEORGE J. SEAY, Governor.

BANKS IN RICHMOND FEDERAL RESERVE DISTRICT ASKED TO FORWARD SILVER CERTIFICATES.

Following the enactment of the law providing for the melting of silver dollars the request that banks and trust companies in the Richmond Federal Reserve District forward to the Reserve Bank all certificates which they may have on hand of \$5 and over has been made by Governor George J. Seay. Governor Seay's letter follows:

FEDERAL RESERVE BANK OF RICHMOND.

In Aid of the Country Silver Certificates.

May 18 1918.

To Banks and Trust Companies of the Fifth Federal Reserve District:

Congress recently passed an Act, the purpose of which is:

To conserve the gold supply of the United States.

To permit the settlement in silver of trade balances adverse to the United States.

To provide silver for subsidiary coinage and for commercial use.

To assist foreign governments at war with the enemies of the United States; and for the above purpose, to stabilize the price and encourage the production of silver.

In order to carry out these purposes, the Secretary of the Treasury was authorized from time to time to melt and break up and sell as bullion \$350,000,000 of the silver dollars held in the Treasury against silver certificates in circulation. The silver dollars so held cannot be released and broken up until silver certificates of an equal amount are redeemed and canceled.

The banks of the country are now called upon to aid in gathering in circulating certificates and to send them in for redemption, and take in exchange other forms of currency. To replace the silver certificates so withdrawn from circulation, the Congress authorized the issue of Federal Reserve Bank notes in denominations of \$1, \$2, \$5, and larger. These bank notes will be obligations of the Federal Reserve Bank issuing them, secured by United States certificates of indebtedness, or bonds.

The withdrawal of silver certificates from circulation is not intended to be permanent, since the Act provides that upon the sale of bullion, from time to time, the Secretary of the Treasury shall immediately direct the Director of the Mint to purchase in the United States, of the products of mines situated in the United States, an amount of silver necessary to replace the silver dollars so broken up and sold as bullion.

In order to effect the purpose in view, however, it will be necessary that the silver certificates sent in be canceled and that they be replaced temporarily by Federal Reserve notes or Federal Reserve Bank notes.

We are writing to ask your co-operation, and to that end request that you sort out of your cash and forward to us all silver certificates of the denomination of \$5 and upward which you may have on hand and which you may receive from time to time. We will assume all expenses of transportation, and in return will furnish you with:

1. Other currency, as above described, of the same, or larger, denominations, at our expense, or

2. We will place the amount to your credit in this bank, if desired (in the case of a member bank), or, upon request of either a member or non-member bank, we will deposit the amount to credit in any designated bank in this city; or

3. We will transfer the amount to your credit with any designated correspondent.

All at Our Own Expense.

Until we notify you to that effect, we will not be able to furnish Federal Reserve Bank notes in denominations of \$1 and \$2; but plates are being prepared and arrangements are being made to furnish these denominations, and later a request for the exchange of these denominations will be made.

When you send us silver certificates in this way, kindly observe the rules for putting up currency, set forth on the accompanying sheet; and please be advised that this request is not made to serve any purpose of the Federal Reserve Bank, but to co-operate with the Government in its aims and purposes. Respectfully,

GEORGE J. SEAY, Governor.

The other Federal Reserve banks have made similar announcements.

RICHMOND RESERVE BANK MEMBERS URGED TO CO-OPERATE WITH CAPITAL ISSUES COMMITTEE.

In urging upon the members of the Richmond Federal Reserve District co-operation with the Capital Issues Committee, Caldwell Hardy, Chairman of the Sub-Committee on Capital Issues for the District, has addressed to them the following circular:

FEDERAL RESERVE BANK OF RICHMOND.

Richmond, Va., May 16, 1918.

To All Institutions, Investment Houses and Others of the Fifth Federal Reserve Reserve District:

Information from other Federal Reserve districts indicates everywhere in systematic co-operation with the purpose of the Capital Issues Committee—eliminating unnecessary expenditures and needless issues of new securities.

While bond houses and others interested in the sale of securities have lent their hearty co-operation, they have at the same time pointed out that justice to all requires that a uniform policy should be pursued in all districts. If while the authorities in some districts are aiming to co-operate in securing the postponement of construction of school buildings, roads, bridges, and other improvements, other districts are not pressing the same policy, it will work a manifest injustice in districts in which stringent elimination is being enforced. For instance, if the Richmond District is not living up to the spirit of the movement, and other districts are at the same time pursuing a searching policy and rigid enforcement of restrictions, it would impose an unequal burden upon such other districts.

We are reporting adversely upon many propositions involving school construction in communities which have gotten along satisfactorily up to the present time, even though facilities may be somewhat over-crowded, where the expenditures do not seem to be imperatively necessary to meet a definite and positive menace to the health and welfare of school children.

We are urging upon all communities to reduce proposals to a minimum or eliminate them, unless it can be shown not only that they are desirable from the standpoint of public health and welfare, but that they are absolutely necessary to prevent injurious results.

If such a test cannot be applied, proposals should be judged as to whether the expenditures will contribute definitely and directly to the successful operations of the Government and the winning of the war. Roads which might in a general way help the movement of crops can hardly be included in this category. Crops at present high prices will continue to be moved at no more inconvenience than has attended the movement of them heretofore, and the more economical movement of them by good roads may reasonably wait until the war is over and good roads can be more readily financed.

We must, therefore, urge economy, and co-operation as in other Federal Reserve districts in the elimination of undue expenditures, having proper regard for the maintenance of agricultural and manufacturing production at the highest state of efficiency possible.

We will appreciate information as to building operations and contemplated issues of securities. Very truly yours,

CALDWELL HARDY,

Chairman of Fifth District Sub-Committee Capital Issues.

MILTON W. HARRISON ON OPPORTUNITY FOR INVESTMENT IN LIQUID SECURITIES GIVEN NEW YORK SAVINGS BANKS.

The May issue of the "Journal of the American Bankers' Association", having to do with the investment in liquid securities for savings banks as bearing on the campaign conducted by the Savings Bank Section of the American Bankers' Association to encourage the investment by savings banks in liquid securities. The article has been prepared by Milton W. Harrison, Secretary of the Savings Bank Section, and we quote from it in part herewith.

Of course, it is entirely a matter of theory as to what should be the actual percentage of assets invested in bankers' acceptances. N. F. Hawley, Treasurer of the Farmers & Mechanics Savings Bank of Minneapolis, recently stated:

"In reference to the subject of greater liquidity of assets of mutual savings banks, I think that necessity is going to be the greater instructor to the officers of such banks. I have long favored the policy on the part of mutual banks that would add short time securities to their resources."

Although State legislatures may pass laws, the difficulty presented in extending the policy of investing a certain proportion of the funds in liquid securities is one that should be brought to the attention of the banker as an individual. Again Mr. Hawley refers to such a plan: "I think that a plan of education should be adopted. I think before doing so, however, a definite agreement should be had as to just what kind of paper and what percentage of such paper you would seek to have mutual savings banks purchase and what is the proper legislation to be enacted. On the one hand it should be liberal enough not only to enable mutual savings banks to comply with the Federal Reserve Act, but also to greatly improve the liquidity of their assets, whether they take advantage of the Federal Reserve Act or not.

"Most mutual savings banks are not at all familiar with short time paper. It will be necessary in each bank that some one be familiarized with such paper and how, where and when to purchase it, &c. I therefore think that in addition to the mere matter of legislation definite and concrete suggestions should be made to mutual savings banks as to how they could safely start upon the new enterprise. Commercial banks with their experience and methods should be able to give suggestions readily, but their methods must be tempered to harmonize with the conditions of mutual savings banks."

It is sometimes difficult to successfully urge savings, bankers as a class to invest in a new character of security, particularly when for years past their method of investment has met with no change. Conviction created by custom stands as a barrier. Take the two States of Massachusetts and New York for example, which are the leading mutual savings bank States, Massachusetts having had in 1895, 41.45% of its assets in mortgage loans, while the percentage of New York was 42.17%, and in 1916 the mortgage loans in Massachusetts totaled 48.53%, while those in New York totaled 51%. On the other hand, the bond investments of Massachusetts banks totaled 33.68% in 1895 and in 1916, 34.23%, while those in New York in 1895 totaled 48.16%, and in 1916 dropped to 39.22%. Of course the Massachusetts banks had a fair proportion of their assets in personal security loans which insured a degree of cash availability.

Between 1895 and 1917 more than 9% of the bond investments of New York banks was shifted into the mortgage loan account, while in the case of Massachusetts but 6% of the funds in personal security loans were shifted into mortgage loans, and approximately 1% of the bond investment account was shifted into the mortgage loan account. The obvious reason for this was the greater return and more income. While this is advantageous, yet the present condition of the country as it affects savings banks may emphasize the need for an investment security that is readily liquidated. Of the total amount of \$4,500,000,000 of the assets of 622 savings banks, 49% is in mortgage loans and personal security loans, while 43% is in stocks and bonds. There is no desire to depreciate the mortgage loan or

bond investment. It is necessary, but there is a certain proportion that may be deducted from either one of these two investments, or both, which is valuable for reinvestment in bankers' acceptances, and even commercial paper of the kind and character acceptable for rediscount at the Federal Reserve bank. A study of these figures, taken with the necessity arising under the present condition of the country, will give evidence of the problem and its probable solution.

MASSACHUSETTS SAVINGS BANKS AUTHORIZED TO INVEST IN BANKERS' ACCEPTANCES—CORRECTION.

In referring in these columns last week to the new law passed by the 1918 Massachusetts Legislature amending the savings bank investment law of that State by adding a new section permitting savings institutions to invest in bankers' acceptances, or bills of exchange, we stated (our information being derived from local newspapers) that such investments would be permitted to the extent of 30% of their deposits. We now learn that before the bill was finally passed by the Senate that that body amended the same by granting savings institutions permission to invest only 10% of their deposits instead of 30%, as was originally planned. The bill, which has been signed by the Governor, becomes effective June 15 1918. As stated by us last week the new Massachusetts law is practically the same as the one enacted by New York's Legislature this year and approved by Governor Whitman on April 22 (see full text in our issue of April 27, page 1738), except that the New York law fixes the limitation at 20%. Both States restrict their savings banks to the purchase of acceptances of the banks of their own State with the further restriction that the acceptances must be of the character approved by the Federal Reserve Board and hence eligible for sale or rediscount with any Federal Reserve bank. The text of the new law in Massachusetts follows:

AN ACT, Relative to the Investment by Savings Banks in Bankers' Acceptances.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

Section 68 of Chapter 590 of the Acts of 1908, as amended by Section 8 of Chapter 491 of the Acts of 1909, by Section 10 of Chapter 622 of the Acts of 1910, by Chapter 580 of the Acts of 1912, by Chapter 291 of the Acts of 1913, and by Chapter 223 of the general Acts of 1915, is hereby further amended by inserting after the clause entitled "seventh," the following: *Seventh (a)* In bankers' acceptances and bills of exchange of the kinds and maturities made eligible by law for re-discount with Federal Reserve banks, provided the same are accepted by a bank, banking association or trust company incorporated under the laws of the United States or of this commonwealth, and having its principal place of business within the commonwealth. Not more than 10% of the deposits and of the income derived therefrom shall be invested by any savings bank in bankers' acceptances or bills of exchange, nor shall any savings bank invest in the acceptances and bills of exchange eligible by law for rediscount with Federal Reserve banks of any one accepting bank or trust company to an amount in excess of 5% of its deposits and of the income derived therefrom. The aggregate amount of bankers' acceptances and bills of exchange of any bank, banking association or trust company held by any savings bank shall not exceed 20% of the paid up capital and surplus of such bank, banking association or trust company.

MEETING OF NEW JERSEY BANKERS' ASSOCIATION.

State banks and trust companies were urged to avail themselves of the benefits of the Federal Reserve system in a report of a special committee of the New Jersey Bankers' Association, presented at the closing session of the annual convention of the Association at Atlantic City, on May 18. Uzal H. McCarter, President of the Fidelity Trust Co. of Newark, was Chairman of the committee, which reported that there has been a tendency to co-operate with the Government upon four of the five basic principles, the exception being affiliation with the Federal Reserve system. The four points of general adoption were the acquisition of certificates of indebtedness, transmitting gold and gold certificates to the Federal Reserve banks, employing gold currency so far as possible and discouraging loans for non-essentials and stock market operations. For the first time in its history the Association was addressed at its convention last week by a woman banker, Miss Adele H. Kirby, Assistant Treasurer of the Plainfield Trust Co. of Plainfield, N. J. Miss Kirby's speech, which impressed her hearers with her capabilities, dealt with "Woman's Function in the Banking World." She made the interesting statement that there are more than 1,700 women bankers in the country to-day, most of them in the South and West; in her advice to the bankers she said: "If you are to have the full benefit of what women have to give, you must be ready to accept woman's judgment as well as her work. The right balance cannot be maintained if we are to have a business world of masculine judgment and feminine labor. If there is to be a proper relationship between you and your women helpers, you must try to realize that we women want to supplement and not supplant you." At the conclusion of Miss Kirby's address,

she was presented with a large bouquet of American Beauty roses, as a tribute of the masculine element to the feminine.

Frank H. Smith, New Jersey Commissioner of Banking and Insurance, who likewise addressed the meeting, stated that no charters for banks or trust companies would be issued during the war unless the strongest reasons were presented to him showing them to be needed. Mr. Smith contended that there should be consolidation rather than an extension of the numbers of banking institutions. According to the Philadelphia "Press," Mr. Smith also stated that he had in mind appointing junior examiners of banks in the State who would live in the districts in which they worked, and thus save a great deal to the State in the matter of traveling expenses. An address at the convention by J. Herbert Case, Deputy Governor of the Federal Reserve Bank of New York, is referred to in another item. F. B. Francis, New York Agent of the Canadian Bank of Commerce, spoke in favor of the adoption of "trade acceptances."

THORNTON COOKE ON PRACTICAL WAR-TIME BUSINESS.

"Practical War-Time Business" was discussed by Thornton Cooke, President of the Midwest National Bank of Kansas City, Mo., before the Kansas Bankers' Association at Hutchinson, Kan., on May 22. Stating that "our problems are agricultural, commercial and financial, fully as much as they are military," Mr. Cooke pointed out that "whether or not we grant or refuse a particular loan should be determined by a reasoned policy, a practical policy. To make a loan just because it is, by our standards, good," he said, "without regard to its purposes or to the effect of many such loans on the volume of credits and the price level, is not, in 1918, a practical thing to do." Declaring that there is no financial danger in America now, Mr. Cooke asserted that "there is a limit, however, to the expansion of credit and the practical banker will not hasten its approach." Mr. Cooke also had the following to say:

It is sometimes said that inflation is desirable so that the Government can borrow at moderate rates. Perhaps, however, inflation costs the Government as much in high prices as it saves in interest. There are those who think that the Federal Reserve banks ought now to raise the discount rate, and thus avoid further inflation as far as possible. Future Government borrowings would indeed have to be at higher rates, but the bonds could be issued for short terms, and army supplies would cost less than if rates were kept down and inflation kept up. Some inflation is, of course, inevitable in fighting a war. Price fixing also is necessary to a degree that would be inconceivable in peace. The practical banker in such times is one who accepts those things as necessary evils. He co-operates with his Government, but does not drift. He knows the fundamental principles of business and finance. He has indeed the courage to depart from them when needs must, but also the judgment not to turn from them too far.

This competition of our Government with its own citizens for goods is a continuance of the bidding of England, Italy and France in our market since 1914. Prices have been rising ever since, 47% in wholesale trade to the end of 1916 and 24% more in 1917. It takes more money, or, practically speaking, more bank credit, to handle business on higher price levels. From June 30 1914 to March 4 1918, the loans of national banks increased from \$6,430,000,000 to \$9,560,000,000, about 50%. Cash in vault declined from \$1,022,000,000 to \$450,000,000, largely because of the wise provision for accumulating gold in the Federal Reserve banks and making those banks the depositories of all the national bank reserves. Our golden eggs are all in one basket now. This arrangement makes it possible to sustain a much larger volume of credits with the same gold supply, and that is what we have all wished. We ought, however, to realize just how this is working out in wartime. Ordinarily the gold accumulation would serve to make possible a reasonable expansion of credits at the crop moving time, and a seasonal contraction would follow. In wartime, however, because of Government requirements, and because of rising prices, the seasonal contraction is scarcely observed at all, and our immense stock of gold becomes one of the means of a continuing expansion of credits and a cause of advancing prices. As practical bankers, we need to think what might happen if we pushed expansion and prices up to the limit the gold could support. As a matter of fact the advances of the Federal Reserve banks to its members have risen from \$28,000,000 to \$939,000,000, in about sixteen months. The percentage of gold reserves to notes and deposits has fallen from 79 to 58. 58% would be a strong reserve in peace times. The Bank of England used to maintain about 50%. In wartime 58% is unusual. The reserve of the Bank of England runs now under 20%. Practical men will not forget, however, that the American financial situation rests now on a single golden arch, and they will not overload that arch.

How shall we keep from it? By remembering that, as Mr. McAdoo says, it is just as necessary to economize credit as to economize goods. Is some one asking you for money to make an investment, for instance, to buy land? If you are a practical banker, you won't make that loan. If you have the money you will take a cattle note or some other business paper off a fellow banker's hands and not swell the rising tide of inflation. Will you lend on Liberty bonds? Yes, if the borrower can save the money to pay for them. I question whether it does the nation much good to carry a man indefinitely on his bonds. It lessens what you can do for productive industry. But if you are asked to lend to a good cattleman or a good storekeeper, to further useful production or necessary merchandising, then you should lend fearlessly. Here is the practical test for every loan; will making it help win the war? If it won't—don't make it; there are plenty of loans that will.

The test of the American bankers is yet to come. So far as we can see we face years of war. Some trades are already in decline, others must efface themselves for the war if we are to have men, munitions and ships to carry them. As the markets of peace disappear, our customers must take up the great business of war if they are to save themselves and do their utmost for the nation. Harold G. Moulton tells us a bit of contemporary business practice, that in England "instead of motor cars, the motor-

car maker makes shells; watchmakers adjust fuses; jewelry houses make periscopes."

To be a practical banker in these years of war means then to study individual and collective efficiency; it means to use your resources and the credit of your good name only for those things that will serve our country's need. We sail a stormy sea, and there will be much buffeting about but we have the logs of the old mariners, some whose ships went down, and some who brought theirs safely through. The old charts will guide us into the harbor of peace.

CHARLES H. SABIN ON GOVERNMENT PRICE REGULATION.

Charles H. Sabin, President of the Guaranty Trust Co. of New York, in addressing the Convention of the National Association of Cotton Manufacturers in this city on May 3, made some interesting remarks on the subject of Government price regulation which we quote below:

While the winning of the war may make it imperative for us to use autocracy's weapons in fighting autocracy, we must take every precaution to preserve as much as possible of the machinery and spirit of democracy. In order to accomplish that there should be as little Governmental interference and regulation as the exigencies of the present crisis permit.

For more than a decade the attitude of the Government toward business has been that business is something merely to be regulated and harnessed. There has been little effort on the part of the Government to stimulate and foster business. It has been destructive and not constructive. The inevitable result of this mistaken policy was strikingly exemplified last winter by the deplorable transportation situation. The plight of the carriers was largely the direct result of years of inequitable and inefficient Government regulation of various sorts. Our entrance into the war merely accelerated the consequence of this folly.

Interruption of economic law is always dangerous and the question may reasonably be raised to-day whether the policy of price regulation does not do more harm than good. When values rise the tendency is for consumption to be checked and existing stocks to be more economically utilized. The danger of an arbitrary price-fixing program during the war is that it may tend to check necessary production and fall to check unnecessary consumption. The fixing of the price of coal was undoubtedly an important factor in the coal shortage that we experienced during last winter, and that reduced our production of steel, now of the most vital importance. The productive energy of society can yield only a definite number of units of commodities. In order that the Government may get a larger proportion of those commodities, individuals must reduce their consumption. When a commodity is sold for whatever price it will bring in free, open market, each person buys as much of it as he wants at that price and there is enough to go around; when it is sold by compulsion for something below that price, people will want more than there is available and there is no longer enough to go around in the sense of each person getting as much as he asked for. The distribution resulting from the ordinary working of unrestricted prices is undoubtedly bad in enabling those with means to buy more than the less fortunate, but the higher price tends to cut off waste and, in part, the least necessary consumption. It thereby releases more productive energy for war purposes.

During the upward movement of prices the manufacturer is benefited because of certain of his costs do not rise as rapidly as his selling price, and, therefore, he gets larger profits. It will enable him to extend his plants so that his production can be increased. It must be recognized that this is a temporary situation, but that it will give a certain stimulus to industry, which is one of the advantages of price freedom.

The problem of fixation of prices involves other difficulties. Just as soon as the price of one commodity is established it becomes imperative that prices of many other commodities also should be fixed. There is no end to the vicious circle. It is questionable whether it would not be better to allow prices to take their course and to have the Government apply a tax on excess profits arising during the period of the war as a counter restraint in the public interest.

The policy of the Government in the regulation of business is an important one in its influence upon business confidence. What is needed is a more constructive attitude toward business on the part of the Government if our productive capacity is to be increased to its maximum and the general spirit and confidence of industry improved. If the Government maintains a policy of regulation of commodity prices and direct management of certain important industries, it will be necessary for the Government to reassure leaders of industry and the creditors of industry, by making reasonable allowances in the way of margins of profits.

On the subject of re-adjustment after the war, Mr. Sabin had the following to say:

After the war will come the more serious period of adjustment, and on the way in which our financial and industrial leaders handle this problem will depend the successful liquidating of our present credit extensions. The position of the country, however, should be materially improved at the close of the war. We have become a creditor nation and will continue to be. At the outbreak of the war, we were debtors to the extent of \$5,000,000,000 or \$6,000,000,000. Since then we have received over \$1,000,000,000 of gold from abroad. We have bought abroad probably \$2,500,000,000 of our securities, and we have loaned through private channels approximately \$2,000,000,000 to foreign countries, and in addition our own Government has given credits in the way of advances to the Allies of approximately \$5,000,000,000. How much further this process will go, no one can estimate at this time, but it is certain that the declaration of peace will leave us in a strong position as a creditor nation. We will have abundant natural resources and such a productive capacity that the various nations of the world will continue to come here to borrow. The countries that are on a depreciated paper basis to-day will not be in a hurry to resume specie payments, consequently they will not be borrowing our gold. They will prefer to borrow commodities which will be used for the development of their natural resources, and to restore normal conditions. Our large stock of gold which is now in excess of \$3,000,000,000 will, on the liquidation of our present war credit structure, in the main, remain with us, and will be used as the basis for the extension of credit.

But it will be necessary for us to conserve our strength by every wise precaution we can devise. Chief among these measures is likely to be that of an adequate protective tariff. I have always been theoretically a "free-trader," but the competitive conditions which peace is certain to bring will be so different from those that exist in ordinary peace times that I am convinced we shall have to put up protective bars, as will every other belligerent nation, rather than lower them, in international trade. So, the tariff is bound to be one of the big issues after the war.

We will never again be able, however, to rely upon the tariff, as have we in the past, for the bulk of our revenue. It is considered doubtful if we shall

be able to raise by this means more than a fifth of the money we shall need to run the Government economically. The unprecedented costs of this war will extend over a protracted period and our expenditures will doubtless be two or three times as large as they were in anti-bellum days and heavy tax burdens must be borne.

Obviously, therefore, we shall have to revise our tariff schedules in many respects not only for protective reasons but to increase our means for meeting the bills of war and the prospective greatly increased expenditures of peace.

OFFERING OF FEDERAL LAND BANK FARM LOAN BONDS.

An offering of Federal Farm Loan bonds, bearing 5% interest, dated May 1 1918 and due May 1 1938 was made this week by a syndicate composed of Alexander Browns & Sons; Brown Bros. & Co.; Harris, Forbes & Co.; Lee Higginson & Co., and the National City Company. The syndicate arranged with the Farm Loan Board to sell \$15,000,000 of the bonds, with an option of disposing of another block of \$15,000,000. On the 21st, it was stated that more than \$16,000,000 of the bonds had been sold. The bonds have been offered at 101 and interest netting over 4.75% to the redeemable date (1923) and 5% thereafter up to redemption on maturity. The interest is payable May 1 and Nov. 1 at any Federal Land Bank or Federal Reserve Bank, while the principal is payable at the bank of issue. The bonds are coupon and registered form (interchangeable) and in denominations of \$25, \$50, \$100, \$500 and \$1,000. They are exempt from Federal, State, Municipal and local taxation. Federal Land Bank bonds have been declared by Congress to be instrumentalities of the Government of the United States, and as such, exempt from Federal, State, municipal and local taxation. It is pointed out that these bonds, therefore, have complete exemption from taxation as the First Liberty Loan 3½% bonds. The U. S. Attorney-General and Charles E. Hughes have approved the constitutionality of the Act and the validity of the provisions exempting the bonds from taxation. The first offering of Farm Loan bonds was made about a year ago. At that time it was arranged by a group of investment houses (Alexander Brown & Sons, Brown Bros. & Co., Harris Forbes & Co., and Lee, Higginson & Co.) to market approximately half of the bonds issued by the banks during the succeeding six months up to a total of \$30,000,000.

The bonds in the original offering bore 4½% interest, were dated May 1 1917 and are due May 1 1937. They are redeemable at par and accrued interest on any interest date after five years from the date of issue. Reference to the offering of a year ago was made in the "Chronicle" of June 30 and July 7. The present offering says:

The twelve Federal Land Banks were organized by the United States Government which purchased and still holds about 97% of their original \$9,000,000 capital stock; the aggregate capital has since been increased to over \$13,000,000. They were created to meet agricultural needs of the United States as the Federal Reserve Banks were designed to meet the mercantile and manufacturing needs.

All twelve Federal Land Banks are liable for the ultimate payment of all bonds issued by each and every Federal Land Bank.

The bonds are acceptable by the United States Treasury at par as security for Government deposits, including postal savings funds. They are lawful investments for all fiduciary and trust funds under the jurisdiction and control of the Federal Government. They are eligible under the laws of many of the States for investment of all public and private funds, and are eligible for investment by savings banks in the following States:

Arkansas	Idaho	Massachusetts	Oregon	Utah
California	Louisiana	Mississippi	Pennsylvania	Virginia
Colorado	Maine	Nebraska	South Dakota	West Virginia
Delaware	Maryland	New Hampshire	Tennessee	Wisconsin
Florida	Minnesota	Ohio	Texas	Wyoming

RESULTS OF FIRST YEAR'S OPERATION OF FEDERAL LAND BANKS.

In accordance with the provision of the Farm Loan Act requiring that the Farm Loan Board "shall from time to time require examinations and reports of condition of all Land banks established under the provisions of this Act, and shall publish consolidated statements of the results thereof," the Farm Loan Board on May 24 made public the first consolidated statement of the condition of the twelve Federal Land Banks as of April 30 1918. Because of the fact that this date marked practically the close of the first year's business of these banks, the Board supplements the statement of condition with a statement of income account. The statement of condition shows that the banks have made loans to farmers to the amount of \$91,865,586 20. Their capital stock has increased from \$9,000,000 to \$13,594,895. They have issued Farm Loan bonds to the amount of \$83,750,000. Their excess of expenses and interest charges over earnings is \$411,954 24, which is almost exactly 3% of their capital. It is officially stated that the excess of expenses and charges over earnings represented at one time about 7% of the capital stock, and has been rapidly reduced during

the last four months, as the volume of business on the banks' books increased. These figures represent practically twelve months expenses and six months receipts, and it was not until after the banks' books increased. These figures represent practically twelve months expenses and six months receipts, as it was not until after the banks had been in operation for six months that they had any appreciable amount of receipts. The expenses include the costs of appraisal, and part of the costs of determination of title, on additional loans to the amount of about \$83,000,000 which have been approved but not yet closed. These expenses incurred on future business represent about 60% of the apparent deficit to date. The \$91,865,586 loans closed include \$68,675,561 at 5% and \$23,190,025 at 5½%. Two of the banks already show an actual surplus, and before the end of the present calendar year it is probable that a majority of them will be in the same position. One bank has doubled its capital stock from subscriptions by farm loan associations, and will from now on be re-paying semi-annually, in accordance with the provisions of the Act, the capital originally subscribed by the Government and individuals. The total payments by borrowers overdue on April 30 amounted to less than \$14,000, which is less than 2% of the total amount due, and more than half of this is only 30 days overdue, the amount 90 days overdue being only \$2,503, or 35-100ths of 1%.

CONSOLIDATED BALANCE SHEET OF THE TWELVE FEDERAL LAND BANKS.

As at Close of Business April 30 1918.

Assets—	
Mortgage Loans	91,865,586 20
Accrued interest	994,713 87
Total	\$92,860,300 07
Less—Amortization payments	126,846 79
Net total	\$92,733,453 28
U. S. Government bonds and certificates	1,350,030 54
Securities pledged as security for deposit of Government funds:	
Farm loan bonds	3,820,000 00
U. S. Government bonds	430,000 00
	\$4,250,000 00
Cash on hand and in banks	5,057,743 76
Accounts receivable	16,260 80
Furniture and fixtures	147,823 13
Other assets	202,158 35
Total assets	\$104,357,469 86
Excess of expenses and interest charges over earnings	411,954 24
Total	\$104,769,424 10
Liabilities—	
Capital stock:	
U. S. Government	\$8,392,130 00
National farm loan associations	4,584,655 00
Borrowers through agents	10,240 00
Individual subscribers	107,570 00
Total	\$13,594,895 00
Farm loan bonds:	
Total issued	\$83,750,000 00
Less—Bonds on hand not sold or pledged	359,675 00
Total farm loan bonds outstanding	\$83,390,325 00
Accrued interest on farm loan bonds	950,444 94
Total	\$84,340,769 94
U. S. Government deposits	4,250,000 00
Bills payable (money and bonds borrowed)	580,000 00
Accounts payable (due to borrowers, deferred payments on loans in process of closing)	1,597,340 38
Other liabilities	406,418 78
Total liabilities	\$104,769,424 10

CONSOLIDATED STATEMENT OF INCOME ACCOUNT OF THE TWELVE FEDERAL LAND BANKS.

As at Close of Business April 30 1918.

Earnings—	
Interest accrued on mortgage loans	\$1,573,344 26
Interest received on bank balances and bonds and securities and premiums received on farm loan bonds sold	301,433 62
Fees for appraisal and determination of title and other miscellaneous earnings	207,534 80
Total earnings	\$2,172,312 68
Less—Deductions (interest charges):	
Interest accrued on farm loan bonds	\$2,097,245 76
Less—Accrued interest collected on bonds sold	1,064,422 73
Net deduction	\$1,032,823 03
Interest accrued on borrowed money, &c.	40,070 60
Interest accrued on U. S. Govt. deposits	35,216 78
Total deductions	\$1,108,110 41
Balance	\$1,064,202 27
Expenses—	
Administrative	\$563,005 40
Appraisal department	479,574 72
Legal department	237,589 77
Bond department	20,594 16
Extension and publicity department	18,754 47
General	156,637 99
Total expenses	\$1,476,156 51
Excess of expenses and interest charges over earnings	\$411,954 24

J. HERBERT CASE IN PRAISE OF THE FEDERAL RESERVE SYSTEM.

"The Effectiveness of Our Banking System" was the theme of an address delivered by J. Herbert Case, Deputy Governor of the Federal Reserve Bank of New York at the annual convention of the New Jersey Bankers' Association at Atlantic City on May 17. Mr. Case discussed, among other things, the underlying purpose of the system, how it is made effective, the advantages of membership &c., with a view to impressing upon the State institutions the desirability of joining the system. We quote in part from his remarks as follows:

Compare this (the old system) with the system of to-day. Think of existing conditions and then recall that in one single day the New York member of this system, we are discussing, enabled member banks in this district, by means of advances and rediscounts, to increase their cash reserves over \$300,000,000. This without even a ripple on the surface of things—just a part of the ordinary day's business.

Gentlemen, this system we enjoy to-day is a real, tangible, well-defined thing. It has resources exceeding \$3,500,000,000. Nearly \$2,000,000,000 of this is in gold, thus constituting a sound base for its operations; moreover, the balance of its resources are of a liquid character and "turn over" rapidly, thereby enabling the system to meet the huge demands upon it, from time to time, without difficulty.

This system, acting as fiscal agent for the Government, has been the selling and distributing medium for more than \$5,000,000,000 of short term certificates of indebtedness and for nearly \$10,000,000,000 of Liberty Loan bonds. I leave to your imagination the attempt to distribute this vast amount of Government obligations through any other medium.

The New York unit of this system, during April, extended 980 loans to member banks in the form of rediscounts and 15-day advances, against certificates of indebtedness, Liberty Loan bonds, bankers' and trade acceptances, commercial paper, &c., to a total exceeding \$2,800,000,000. Yet let me tell you these big things were done with earnings—assets—that averaged less than \$600,000,000 from day to day.

In addition to the foregoing advances this bank purchased for its own account nearly \$60,000,000 in bankers' acceptances, besides substantial amounts purchased for the account of other Federal Reserve banks.

Surely a system that can do these things is a real, tangible system.

What is this system. In brief, our present banking system is a mobilization of the nation's liquid resources. Not complete by any means, because we have in it only 70% of the banking resources of the country; but notwithstanding this fact, it does afford very notable and effective assistance to the whole commercial and financial structure of the country, and its facilities and service are being enlarged and extended from day to day.

The system was conceived, after a long campaign for banking reform, by the Finance Committee of Congress with the assistance and co-operation of the ablest bankers of the country.

It was further developed and reduced to a practical working proposition during numerous and exhaustive hearings in Congress and it was, eventually, definitely established by a Federal Act passed in December 1913.

The system, so enacted, was, from time to time, improved by subsequent enactments until to-day, it stands perfected and is recognized as the greatest piece of financial legislation in our history, giving, as we have come to appreciate, that confidence which is absolutely necessary for the financial stability of our country.

By this Federal enactment the banks of the country were, in part, required—and I refer here to the national banks—and, in other parts, authorized to combine and to enter into an arrangement for their mutual protection, and, as a natural corollary thereto, for the protection of the entire commercial and financial resources of the country.

What is the great purpose of this system? The main, underlying purpose of the Federal Reserve system is to maintain a great reserve of liquid capital, not alone for everyday requirements but also and chiefly against emergency demand, and thereby conserve and preserve the nation's credit and resources unimpaired.

This important end is accomplished by accumulating, in part, in this one great system of the reserves of the 28,000 banks of the country heretofore carried individually by the many unrelated institutions.

The resources of these 28,000 banks is somewhat in excess of \$30,000,000,000 and they were formerly required by law—and are yet if not a part of this system—to carry approximately 10% of these or \$3,000,000,000 either as "cash in vault" or with their "reserve correspondent." This is a goodly sum, but it was so scattered in the past that, time and time again, it proved ineffective, of little avail and of mean value in an emergency.

By concentrating this, however, in one system—that is in the Federal Reserve—this system has then, as working capital, not only these reserves but also the capital stock subscriptions of the member banks.

Now then, the whole effectiveness of this system depends, in the main upon one single principle, and that is the maintenance of this fund in an absolutely liquid form.

Therefore all direct advances from this fund to member banks are made on a short term basis, that is for periods not exceeding 15 days.

Other advances are made for periods not exceeding 90 days in the form of rediscounts of bankers' acceptances, domestic and foreign trade acceptances and commercial paper, all of which are, as you quite appreciate of a self-liquidating nature.

No advances, exceeding this 90-day period, are at any time made with the single exception of agricultural paper which may run for a period not exceeding 6 months.

To sum up the system, my foregoing brief statement of its great purpose and the means enforced for its fulfillment, embodies "in a nut-shell" the whole story of the Federal Reserve.

Let me reiterate and emphasize it:

The purpose and effect of the Federal Reserve system is to concentrate in "one head" the reserves of our banks; to maintain them, ever and always, in a liquid form and to employ, without any motive of profit, in accordance with the requirements of the nation's current business as the several member banks may demand. In other words, the Federal Reserve system eliminates all selfish interest and, by it and through it, our country is assured that its cash reserves are employed solely and always for our country's good.

The "Federal Reserve" during the critical period of the past three years has, I think, you will all admit, been true to "its trust" and rendered a very great national service.

Those of you who have co-operated with us, and availed yourselves of the privileges accorded by the system, quite thoroughly appreciate its workings and the fact that the Federal Reserve has, among other things,

developed and encouraged—in this critical period—several new forms of banking instruments which are daily proving their worth.

I refer particularly to those instruments known as bankers' acceptances, trade acceptances and foreign trade acceptances which represent actual sales of commodities—be it one produce or other merchandise—and, therefore, aid so materially in the financing of commerce and industry and which, because of their nature, afford the maximum of security and short-term "turn over."

In addition to the development of these instruments the Federal Reserve has endeavored to impress upon its associated members the great advantages of commercial paper of the ordinary type, and by that I mean the value and utility of notes representing the simple, every-day commercial transactions in one's own community.

You who have "been with us" throughout the past three years know how materially these things have contributed to the general welfare and thereby reacted to their own peace of mind; but there are some of our New Jersey bankers who are still "going it" alone and, uneasily, because they have failed to grasp the great possibilities of this system for the general good and do not yet understand all it may mean to them personally and to the individual institutions whose safety lies in their charge. To these I would inject here, an explanatory word:

You have, let me assume, a trust company with \$1,000,000 deposits repayable on demand. Under the New Jersey State law you are required to carry against this a 15% reserve or \$150,000 12% or \$120,000 of this reserve may be deposited with your correspondent, subject to 2% interest and therefore yielding you a net return of \$2,400 per annum.

Upon joining the system the reserve requirement of the Federal Act becomes operative with you; that is your reserve is dropped to 7% or \$70,000, all of which must be on deposit with the Federal Reserve Bank and of course without interest.

Assuming that you will still carry say 3% or \$30,000 as "till" money, this would release to you 5% or the sum of \$50,000 which you would have available for reinvestment, and this, invested in say bankers' acceptances, at but 4%, would return you \$2,000 per year, so that the net cost to you of all the privileges and advantages of the Federal Reserve system would then be but \$400 per year; the cheapest insurance you ever bought.

Yet—wait a moment—all this isn't really going to cost you \$400. In fact, it will not only cost you not a cent but will return you a profit, because of the savings effected by your taking advantage and making use of other facilities of the system. I refer to such advantages as those of its transit department, wherein practically all your "out-of-town" check may be collected at par. Again, should your reserve become depleted or at any time impaired, you may at once manufacture additional reserve by rediscounting, at a low rate of interest, the aforesaid \$50,000 of bankers' acceptances, the purchase of which I recommended, or you may turn in the commercial paper in your portfolio, for rediscount.

Permit me a final word. The critical situation of to-day demands it.

I will be very brief. It is this:

You know what the Federal Reserve system is; what it has done and is doing at this time when business conditions are abnormal; when some lines of business are at a standstill and still others have increased their activities by unprecedented leaps and bounds, and when of necessity many new industries are daily being established and quickly developed to enormous proportions. You know also that the demands of both our Government and our Allies for necessary supplies will continue and that these have and will require money, and still more money. I think you realize that in all this our Federal Reserve system has, up to the present time, taken care of these demands in such a way that our financial position to-day is as sound and as comfortable as need be.

But, do you know that we have accomplished all of this with the co-operation and support of but 70% of the banking resources of the country. What position do you think the controllers of the other 30% will occupy in the future? Do not mistake me; we do not at this time propose to criticize; we rather assume that the fault is largely our own in that we have been so pressed by the demands of every-day business that it has been impossible for us to take the time to make clear to those who are still outside of the system, just what the Federal Reserve system has done and is doing for the nation's finances.

Bankers and financiers who have a big, broad grasp of our banking industry and of the war situation and its enormous demands, realize fully the financial burden which is being added daily by the war, and these men, who are accustomed to look ahead, discern in the future, one succession of loans after another looming up in the distance; and, with them, ever recurring tax payments and Red Cross subscriptions.

There is, however, no need of my going into further detail with you in regard to the future money requirements of our commercial and industrial activities, or those of our Government and our Allies. You and I know that we will be called upon to make, and will gladly make, our financial contributions to the Government in the way of increased taxes and in the way of contributions to the Red Cross and those other agencies which minister to the welfare and comfort of our boys "over there." You and I fully believe that all of our money requirements will be successfully met because we all believe—yes, in fact, we know—that the answer to all our future money problems is summed up in just one thing—the Federal Reserve system.

Gentlemen, I speak frankly to you, because I believe in the Federal Reserve system and want you to. This is a time for all of us to stand together and I want you to become so thoroughly acquainted with the effectiveness of our system, with its many advantages, both individual and national, that you, in your enthusiasm, will do for the system what we, who are directing its affairs, cannot do at this time because of the many present overburdening demands upon us. In other words, you must help us impress upon all our financial institutions throughout the State, the fact that we want and need their co-operation and help—100% of it; and we want, as well as that, the hearty co-operation of 100% of the banking interests everywhere.

There is, perhaps, no better way to bring this need to your attention than to quote from President Wilson's message to the banks of the country in this regard:

"It is manifestly imperative that there should be a complete mobilization of the banking reserves of the United States. (Again) * * * The banking problem involved is one that concerns all banks alike. Its solution does not depend upon the national banks alone, nor upon the State banks. The burden and the privilege must be shared by every banking institution in the country (And again) * * * I believe the co-operation on the part of the banks is a patriotic duty at this time and that membership in the Federal Reserve system is a distinct and significant evidence of patriotism."

This, then, is a time when we must stand and work together, shoulder to shoulder. Our motto well may be "Each for all and all for each." War is a primitive thing and calls for a complete union of affairs in dealing with it. Kipling, in his bit of verse, "The Law of the Jungle," shows the value of this. You recall how it runs: Now 'tis the Law of the Jungle—as old and as true as the sky; And the Wolf that shall keep it may prosper, but the Wolf that shall break it must die.

As the creeper that girdles the tree-trunk, the Law runneth forward and
and back—
For the strength of the Pack is the Wolf, and the strength of the Wolf is
the Pack.

Gentlemen, the strength of the system is the bank, and the strength of
the bank is the system.

B. F. HARRIS ON THE ATTITUDE OF LABOR.

Under the caption of "The Business Man and Some of the Problems of To-day and To-morrow," Benjamin F. Harris, President of the First National Bank of Champaign, Ill., delivered an address at the annual meeting of the National Association of Cotton Manufacturers in New York on May 3. Declaring that "for the very safety and life of the nation, public opinion must be directed to the fundamentals involved now and hereafter." Mr. Harris further said:

There are ruthless groups among employers as well as among employees, and it is time to spot them, for they represent neither their class nor the cause. Every strike on war work is a crime and henceforth such traitors should be brought to book—likewise all profiteers.

Three months after declaring war the British Government brought representatives of the federated employers and the labor unions together into one room and they reached a "treasury agreement," later embodied in the Munitions of War Act. In the main the points of agreement were four. First, the Minister of Munitions was given power to take the employers' profits in excess of 20% beyond the average net of the pre-war period. There are in England to-day more than five thousand such "controlled" plants, the owners as free as before the war, only labor and profits controlled.

Second, the trade unions agreed to accept the existent wages and to submit any future demands for wage increases to a committee on production. Third, strikes and lockouts became illegal, and arbitration became compulsory. It became unlawful for one employer to steal labor from another, and this prevented the sort of dislocation of working organizations which we have experienced. Fourth, the trade unions agreed to waive all of their practices and customs which tended to restrict either employment or output, and they agreed to accept a dilution of labor during the period of the war.

By contrast, the President's labor commission, reporting after we were eleven months at war, stated: "We have failed in the full and wise use and wise direction of our labor supply, falsely called labor shortage," because we have failed to establish a vigorous and competent system of labor distribution. Who is the responsible 'we' that has failed?"

The report urges "unionism and collective bargaining as a necessary prerequisite to efficiency." Did our boys, who offered their lives, ask or "bargain" as a "necessary prerequisite"?

That labor report continues: "When assured of sound labor conditions and effective means for the just redress of grievances that may arise, labor in its turn should surrender all practices which tend to restrict maximum efficiency." There you have it; labor first—the Government afterward, though democracy calls for the first "turn" from the citizen.

Mr. Gompers makes a poor return to the public for the President's great friendship. If he believes, as he says, that "Labor has most at stake in this war" (though that very phrase makes the impossible separation of union labor from all the rest of us, for "all," not part of us, have all as well as "most at stake"), then he should realize and act on the fact that the salvation of organized labor, of corporate or private interest is absolutely swallowed up and lost sight of in the salvation of the nation.

If, properly, your son and my son, or we ourselves can be drafted to death's trenches at \$30 a month, it is amazing that others qualified to go, or the Government fails to see that they go to the shipyards at world's record wages.

I believe the rank and file of labor and our citizenship generally has the patriotism and fortitude to go farther and faster, in effort and sacrifice to speed up and win this war, than our political and labor leaders have the moral and political courage and sagacity to direct.

I am not speaking of, but rather for, the large percentage of patriotic labor union individuals, for the average is as patriotic as any of us.

The President of the National Boiler Makers' Union, James McConnell, urged his men not to stand behind the President but to "stand behind themselves," by demanding wage increases, not of "cents" but of dollars. And this is in line with similar statements from several labor leaders.

By contrast, John H. Walker, President of the Illinois Federation of Labor, says: "This is the biggest thing that has ever come into the lives of the human race and we cannot afford to temporize. You'd better look at the thing clear-eyed and do your full duty."

The Taft-Walsh board has just reported in effect an "industrial truce," more an arbitration plan, a fundamental first step, than a great comprehensive, administrative, result-getting scheme on the English basis. The National Chamber of Commerce Industrial Relations Committee of Labor experts and employers took a longer step when they said that "the two points of highest importance in labor administration are limits to profits of employers and to the living expenses of employees." That everything in excess of a reasonable, stimulating profit should either be prevented or taken by the Government, otherwise it was futile to regulate wages and that all the prestige and authority of the Government is essential for the success of this control of the labor situation.

The Secretary of War—the right man in the wrong place—was probably first to start and widely use the vicious "cost-plus" system. This, directly and indirectly, is widely responsible for many of our labor and cost troubles. With Government haste and the contractor's "plus" labor had an easy task in getting any price it wanted, aided by competitive offers between various departments and individuals to get the same men, with a 300% labor turnover in many cases and greatly decreased efficiency.

We must not forget, however, to charge labor difficulties with the effect of the Adamson law passed as "The Survey" says: "Under the influence of a controversy which, for magnitude and potential danger to the public, exceeded anything previously known in the history of the country."

The fact that England has relatively ten times as many trade unions as we have does not lead me to believe that that explains why such excellent and efficient results are had there and relatively little here—where strike records are broken.

In spite of some of the impossible things in the proposed reconstruction program of the British Labor Party, recently offered by the sub-committee of their executive committee, they cannot go far wrong if they adhere to their text, "law and science." They do not propose to "build society anew in a feverish year or two," but "to satisfy themselves that each brick they help to lay shall go to erect the structure they intend and no other."

Those who work "by hand or brain" are asked to co-operate "with no hope of maintaining its position, unless its proposals are in fact the out-

come of the best political science of its time." They close with the belief that "if law is the mother of freedom, science, to the labor party, must be the parent of law."

After hearing the I. W. W. outfit and reading the platform of the Socialists, all in direct violation of the Espionage Act, it is a relief to read in this vein.

I do not believe we are getting at this vital and insistent question from the right direction. It is futile to organize thrift without organizing employment, and every dollar saved or skimmed is not necessarily added to war resources, for some dollars withdrawn harm more than they help. Thrift does not mean "stop spending," for one stop here means many stops some other place.

The only solution is for the Government not to shirk this responsibility and put these things up to the impossible and haphazard decision of individuals—to guess what are essentials and non-essentials. The Government should have an economic and financial strategy board that should tell us immediately exactly to what extent they demand production in different plants and industries; the increased working hours, shifts and men they must have in those industries, and then see that the men are put into those industries, and to what extent and in what direction it needs any or all classes of help and supply. If Government contracts were more widely distributed, they could be used to reduce competition and less essential work with a more even or normal distribution of man power, expenditure and effort and less economic disturbance. That widely advertised "card index" of industries doesn't seem to be utilized.

When this is done the Government will be getting first choice and first service and 100% efficiency in supply, in so far as it is possible, and we individual citizens will gladly take what is left for us—and we will do without what we can't get, whether it happens to be an essential or a so-called non-essential. How can we delay what we must come to?

Production and time is not alone money but "life" now, and the days and nights are all too short—except to our boys in the trenches, if we but knew or thought.

The failure of the Government authorities to take such a position gives an unnecessary and dangerous impetus to the natural inflation and high prices that come with war. Such a situation will cause a greater train of complications and ills during and in the readjustments that must come after the war than almost any one economic oversight; for inflation is the highest tax we can possibly pay and failure of governmental action is adding daily to that tax.

RESULTS OF THIRD LIBERTY LOAN CAMPAIGN.

Secretary McAdoo's statement indicating the results of the Third Liberty Loan offering shows that every Federal Reserve District oversubscribed its quota. The total subscriptions received, as announced in these columns last week, aggregated \$4,170,019,650. The Minneapolis Federal Reserve District stands at the head of the list, having subscribed to the extent of 172% of its allotment. In the case of the New York Federal Reserve District, while the amount of the subscriptions (\$1,114,930,700) is greater than that of any other district, the district is at the bottom of the list so far as the amount realized compares with its quota. The New York "Evening Post" of May 18, in commenting upon the New York figures, said:

The position of the New York Federal Reserve District in percentage of oversubscription to the Liberty Loan will prove a source of disappointment and perhaps even of occasional bitter feeling here. It may be charged in private conversation that the quotas were not made up fairly, and that Washington took out its historic spite and envy on New York. It will be remarked that it is hardly likely there should be such a reversal of patriotic feeling as to set a district from first place in the First and Second loans to last place in the Third. Explanations, aside from this, are without end. One is that the reversal of position was due, not so much to the fact that New York subscribed less, as that all the other districts subscribed more. Another reason, related to this, is that the basis of district competition, upon which the loan was based, led Liberty Loan committees throughout the country to bring corporations having plants or other assets in their districts to place a proportional amount of their subscription through that district instead, as in the two previous loans, of putting in their total subscription through their New York office; and as nearly every large corporation has a New York office, this became a considerable factor. Individuals residing in other districts, but having their offices in New York, were persuaded to change to a similar course.

The agricultural districts, untouched in other loan campaigns, were thoroughly canvassed in this. The corporations could less afford to buy bonds in this loan because of the heavy excess-profit taxes to be met in June and the need of a cash reserve, and the proportion of corporation subscriptions had been larger in New York than in any other district. The individual income tax also helped to determine the result. New York is the mecca of the very rich, and the very rich have lost a far higher proportion of their incomes through income taxes than any other class. Finally, subscriptions by banks for their own account, because of the inflation they create, were discouraged in the last loan; the large banks of the country are in New York, and the severe cutting down of these subscriptions meant a great deal. Were the figures compiled, it would doubtless be found that the number of individual subscriptions in the New York district in the last loan bore favorable comparison, in proportion to the total population, with any other of the twelve districts in the country.

Secretary McAdoo's announcement giving the results of the campaign was made as follows on May 17:

In response to the Treasury's invitation for subscriptions to \$3,000,000,000 United States of America 4½% gold bonds of 1928 of the Third Liberty Loan, there have been received subscriptions to the amount of \$4,170,019,650 from about 17 million subscribers. This is the most successful loan the United States has offered both in number of subscribers and in the amount realized. Every subscription was made with full knowledge that allotment in full was to be expected, unlike the first loan, when allotments were limited to \$2,000,000,000, and the second loan, when allotments were limited to one-half the oversubscription.

This great result was achieved, notwithstanding the fact that the country has been called upon to pay since the Second Liberty Loan and to and including the month of June income and excess-profits taxes to the amount of approximately \$3,000,000,000, which will make a total amount turned into the Treasury of the United States from such taxes and the Third Liberty Loan of about \$7,000,000,000.

In the first campaign, which started just one year ago, bonds were sold to approximately 4,500,000 people, and the country was amazed at this wonderful evidence of public interest. In October about 9,500,000 people bought Liberty bonds, and now, with an even more effective organization and an intense spirit of patriotism throughout the country, approximately 17,000,000 people purchased bonds of the Third Liberty Loan. This equals approximately one-sixth of our total population.

The report by districts, arranged in order of their percentage of over-subscription, is as follows:

District—	Quota.	Subscriptions.	Percentage of Quota.
Minneapolis.....	\$105,000,000	\$180,826,350	172
Kansas City.....	130,000,000	202,301,050	156
St. Louis.....	130,000,000	199,085,900	153
Atlanta.....	90,000,000	136,653,350	151
Philadelphia.....	250,000,000	361,063,500	144
Dallas.....	80,000,000	116,395,200	144
Chicago.....	425,000,000	608,878,600	143
Richmond.....	130,000,000	185,966,950	143
Boston.....	250,000,000	354,537,250	142
San Francisco.....	210,000,000	286,577,450	136
Cleveland.....	300,000,000	404,988,200	135
New York.....	900,000,000	1,114,930,700	124
United States Treasury.....	-----	17,915,150	---
Total.....	\$3,000,000,000	\$4,170,019,650	

The foregoing figures are subject to slight modifications upon receipt of final audited figures from the several districts. Any such adjustment will not materially affect the total.

I congratulate the country on this wonderful result which is irrefutable evidence of the strength, patriotism and determination of the American people.

The subscriptions of \$17,915,150 credited to the United States Treasury were those sent direct to Washington.

Receipts from payments on Third Liberty Loan bonds were reported on May 18 as amounting to \$1,571,407,000, although only 5% of the total, or \$208,000,000, was due. Twenty per cent of subscriptions is due May 28, 35% July 18 and 40% Aug. 15.

PAYMENTS ON THIRD LIBERTY LOAN BONDS IN NEW YORK FEDERAL RESERVE DISTRICT.

Of the \$1,114,930,700 subscriptions to the Third Liberty Loan credited to the Federal Reserve District of New York, the payments thus far aggregate \$812,489,904, while the deliveries total \$438,353,150. The following statement showing the subscriptions, payments and deliveries has been issued by the New York Federal Reserve Bank:

REPORT ON THIRD LIBERTY LOAN. May 17 1918.

Subscriptions.		
Banks.....	Full paid.....\$650,896,350	\$967,237,150
	5%.....316,340,800	
Individuals.....	Full paid.....\$1,523,750	3,541,700
	5%.....2,017,950	
Cash subscriptions.....	Banks.....\$142,225,550	144,151,850
	Individuals.....1,926,300	
Total.....		\$1,114,930,700

Payments.		
Certificates of indebtedness.....		\$180,297,000 00
Advice of credit.....		545,746,980 50
Check or draft.....		86,445,923 52
Total.....		\$812,489,904 02

Deliveries.		
1,079,309 pieces at \$50.....		\$53,965,450
606,977 " " 100.....		60,897,700
73,946 " " 500.....		36,973,000
217,942 " " 1,000.....		217,942,000
3,945 " " 5,000.....		19,725,000
4,905 " " 10,000.....		49,050,000
1,987,024 Grand total.....		\$438,353,150

COMPARISON OF SUBSCRIPTIONS IN NEW YORK FEDERAL RESERVE DISTRICT WITH THREE LIBERTY LOAN ISSUES.

A comparative statement of subscriptions in the New York Federal Reserve District to the three Liberty Loan issues was made public by the Federal Reserve Bank of New York on May 21. The statement reveals the fact that subscribers to amounts ranging from \$50 to \$10,000 numbered 3,336,980 in the last campaign, comparing with 2,173,884 in the Second Liberty Loan drive and 973,614 in the First Liberty Loan. It is also shown that subscriptions of \$345,850,500 were received from 430 subscribers taking more than \$200,000 individually of bonds of the Third issue, whereas in this class in the Second Liberty Loan there were 755 subscribers whose subscriptions aggregated \$772,136,750, and in the First Liberty Loan 700 subscribers to subscriptions totaling \$693,025,650. We give below the tabulation presented by the Reserve Bank:

FEDERAL RESERVE BANK OF NEW YORK. Comparative Statement of Subscriptions.

May 21 1918.

	First Liberty Loan.		Second Liberty Loan.		Third Liberty Loan.	
	No. of Subscr.	Amount.	No. of Subscr.	Amount.	No. of Subscr.	Amount.
Class A. \$50-\$10,000.....	973,614	\$ 274,019,550	2,173,884	\$ 441,101,150	3,336,980	\$522,915,700
Class B. \$10.-050-\$50,000.....	3,582	101,423,100	5,868	168,326,200	4,628	127,456,850
Class C. \$50.-050-\$100,000.....	778	71,270,900	1,097	100,722,650	763	65,562,600
Class D. \$100.-050-\$200,000.....	255	47,049,500	413	68,166,700	322	50,145,050
Class E. Over \$200,000.....	700	693,025,650	755	772,136,750	430	345,850,500
Total.....	978,959	1,186,788,400	2,182,017	1,550,453,450	*3343,123	1,114,930,700

*Note.—This figure will be subject to readjustment when final tabulation is completed.

SUBSCRIPTIONS IN SUBDIVISIONS OF NEW YORK FEDERAL RESERVE DISTRICT TO THIRD LIBERTY LOAN.

The following figures showing the subscriptions to the Third Liberty Loan in the New York Federal Reserve District by subdivisions was issued by the Federal Reserve Bank on May 22:

FEDERAL RESERVE BANK OF NEW YORK. Third Liberty Loan Subscriptions by States.

New York—	Number of Subscribers.	Amount.
Class A.....	*2,750,845	\$427,833,300
Class B.....	4,086	113,270,100
Class C.....	707	63,434,350
Class D.....	301	46,551,900
Class E.....	410	334,197,250
Total.....	*2,756,349	\$985,286,900
New Jersey—		
Class A.....	493,487	\$84,201,200
Class B.....	469	12,022,350
Class C.....	50	4,538,250
Class D.....	16	2,773,150
Class E.....	19	11,353,250
Total.....	494,041	\$114,888,200
Connecticut—		
Class A.....	92,648	\$10,881,200
Class B.....	73	2,164,400
Class C.....	6	590,000
Class D.....	5	820,000
Class E.....	1	300,000
Total.....	92,733	\$14,755,600
Summary—		
New York.....	*2,756,349	\$985,286,900
New Jersey.....	494,041	114,888,200
Connecticut.....	92,733	14,755,600
Total.....	*3,343,123	\$1,114,930,700

*Note.—This figure will be subject to readjustment when final tabulation is completed.

Recapitulation—		
Bronx.....		\$5,112,350
Brooklyn.....		52,427,600
Manhattan.....		702,577,750
Queens.....		10,137,350
Richmond.....		3,386,800
Total.....		\$773,641,850

J. I. CLARKE LEAVES PUBLICITY DEPARTMENT OF LIBERTY LOAN COMMITTEE.

The Publicity Department of the Liberty Loan Committee has given out the following interesting statement:

After having established an international record as manager of the advertising bureau of the Liberty Loan during two campaigns, James I. Clarke to-day (May 23) resumed his duties as advertising manager of the National Bank of Commerce.

The bureau which Mr. Clarke headed has the distinction of placing more advertising within a given length of time than any agency in the country. Mr. Clarke was manager of the press bureau during the First Liberty Loan drive.

During March and April of this year he directed the active canvassing of industries represented in the Rainbow Division of Allied Trades in this city, and was largely responsible for the large advertising subscription fund obtained.

Benjamin Strong, who as Governor of the Federal Reserve Bank, directed the Liberty Loan campaign in the Second District, has addressed a letter to James S. Alexander, President of the National Bank of Commerce, in which he states that Mr. Clarke has built up an advertising bureau in the last two loans which has won the praise of advertising men throughout the country.

NEW REVENUE LEGISLATION AT THE PRESENT SESSION OF CONGRESS.

Last night's advices from Washington indicated that Secretary McAdoo's insistence for new revenue legislation at the present session of Congress had resulted in the Congressional leaders yielding to the pressure brought to bear, although some, it is stated, are still unconvinced as to the necessity for action at this time.

The matter had been the subject of conferences practically all week between Administration heads and Congressional

committeemen. On the 23rd Congressional leaders reached the conclusion to let the President decide the matter, the President in turn leaving the decision to Secretary of the Treasury McAdoo, who yesterday informed the Congressional leaders that the legislation was imperative. The leaders are said to have promised to pass a bill, if it is shown to be necessary; one of these, Representative Kitchin announced that arrangements would be made immediately for open hearings, and that probably six weeks' consideration in committee would be given the matter. It is expected that from three to four billion dollars, in addition to the \$4,000,000,000 derived from the present tax laws, will be provided if new legislation is authorized, making a total revenue yield for next year somewhere between 7 and 8 billion dollars.

OPENING OF RED CROSS CAMPAIGN BY PRESIDENT WILSON—THE PRESIDENT'S SPEECH.

Of all the demonstrations which have marked the course of the present war none perhaps have been more inspiring than those attending the opening of the campaign last Saturday for the raising of the second \$100,000,000 for the American Red Cross War Fund. The drive was opened in New York by President Wilson, and instead of taking his place on the reviewing stand with the start of the parade the country's Chief Executive joined the marchers at 67th Street and remained at the head of the procession, numbering some 70,000 or more men and women, until the grand stand at 23rd Street was reached, when he entered the box reserved for him. Along the two miles of his march the President received a rousing ovation. He had arrived in New York the day before the parade and on Friday night attended a performance of "Jack O'Lantern" at the Globe Theatre. There he was given an enthusiastic greeting, to which he was finally compelled to respond. In the few brief words in which he acknowledged the welcome accorded him he said:

Ladies and Gentlemen: You are laboring under a delusion. You think you see the President of the United States. You are mistaken. Really you see a tired man having a good time.

On Saturday night, when the drive was officially gotten under way at a mass meeting at the Metropolitan Opera House President Wilson made the speech which signaled the start of the campaign. In this address, appealing for the support of the Red Cross, the President stated that "there are two duties with which we are face to face. The first duty is to win the war. And the second duty which goes hand in hand with it, is to win it greatly and worthily showing the real quality of our power not only, but the real quality of our purpose and of ourselves." Referring to the statement that had been made to the effect that we must get an army of 5,000,000 men ready, the President stated that he had asked Congress to name no limit, because of the intention to have every ship that can carry men or supplies go forward with all she can carry. The President declared that he intends to stand by Russia as well as France, adding "the helpless and friendless are the very ones that need friends and succor, and if any man in Germany thinks we are going to sacrifice anybody for our own sake, I tell them now they are mistaken." The "intimate contact of the Great Red Cross with peoples who are suffering the terrors and deprivations of this war the President declared, "is going to be one of the greatest instrumentalities of friendship the world ever knew." In urging that the people give absolutely all they can spare the President pointed out that "if you give until it hurts then your heart blood goes into it," and he summoned them "to say how much and how sincerely and unanimously you sustain the heart of the world." Below is the President's speech in full:

Mr. Chairman and Fellow Countrymen: I should be very sorry to think that Mr. Davison in any degree curtailed his exceedingly interesting speech for fear that he was postponing mine, because I am sure you listened with the same intent and intimate interest with which I listened to the extraordinarily vivid account he gave of the things which he had realized because he had come in contact with them on the other side of the waters.

We compass them with our imagination; he compassed them in his personal experience, and I am not come here to-night to review for you the work of the Red Cross. I am not competent to do so, because I have not had the time nor the opportunity to follow it in detail. I have come here simply to say a few words to you as to what it all seems to me to mean, and it means a great deal.

There are two duties with which we are face to face. The first duty is to win the war. And the second duty, that goes hand and hand with it, is to win it greatly and worthily, showing the real quality of our power not only, but the real quality of our purpose and of ourselves. Of course, the first duty, the duty that we must keep in the foreground of our thoughts until it is accomplished, is to win the war, I have heard gentlemen recently say that we must get five million men ready. Why limit it to five million?

I have asked the Congress of the United States to name no limit, because the Congress intends, I am sure, as we all intend, that every ship that can

carry men or supplies shall go laden upon every voyage with every man and every supply she can carry. And we are not to be diverted from the grim purpose of winning the war by any insincere approaches upon the subject of peace.

I can say with a clear conscience that I have tested those intimations, and have found them insincere. I now recognize them for what they are, an opportunity to have a free hand, particularly in the East, to carry out purposes of conquest and exploitation.

Every proposal with regard to accommodation in the West involves a reservation with regard to the East. Now, so far as I am concerned, I intend to stand by Russia as well as France.

The helpless and the friendless are the very ones that need friends and succor, and if any man in Germany thinks we are going to sacrifice anybody for our own sake, I tell them now they are mistaken. For the glory of this war, my fellow-citizens, so far as we are concerned, is that it is, perhaps for the first time in history an unselfish war. I could not be proud to fight for a selfish purpose, but I can be proud to fight for mankind. If they wish peace let them come forward through accredited representatives and lay their terms on the table. We have laid ours, and they know what they are.

But behind all this grim purpose, my friends, lies the opportunity to demonstrate not only force, which will be demonstrated to the utmost, but the opportunity to demonstrate character, and it is that opportunity that we have most conspicuously in the work of the Red Cross. Not that our men in arms do not represent our character, for they do, and it is a character which those who see and realize appreciate and admire; but their duty is the duty of force. The duty of the Red Cross is the duty of mercy and succor and friendship.

Have you formed a picture in your imagination of what this war is doing for us and for the world? In my own mind I am convinced that not a hundred years of peace could have knitted this nation together as this single year of war has knitted it together, and better even than that, if possible it is knitting the world together. Look at the picture. In the centre of the scene, four nations engaged against the world, and at every point of vantage, showing that they are seeking selfish aggrandizement; and, against them, twenty-three Governments representing the greater part of the population of the world, drawn together into a new sense of community of interest, a new sense of community of purpose, a new sense of unity of life. The Secretary of War told me an interesting incident the other day. He said when he was in Italy a member of the Italian Government was explaining to him the many reasons why Italy felt near to the United States.

He said, "If you want to try an interesting experiment go up to any one of these troop trains and ask in English how many of them have been in America, and see what happens." He tried the experiment. He went up to a troop train and he said, "How many of you boys have been in America?" and he said it seemed to him as if half of them sprang up. "Me from San Francisco; 'Me from New York;" all over. There was part of the heart of America in the Italian Army. People that had been knitted to us by association, who knew us, who had lived among us, who had worked shoulder to shoulder with us, and now friends of America, were fighting for their native Italy.

Friendship is the only cement that will ever hold the world together. And this intimate contact of the great Red Cross with the peoples who are suffering the terrors and deprivations of this war is going to be one of the greatest instrumentalities of friendship that the world ever knew, and the centre of the heart of it all, if we sustain it properly, will be this land that we so dearly love.

My friends, a great day of duty has come, and duty finds a man's soul as no kind of work can ever find it. May I say this? The duty that faces us all now is to serve one another, and no man can afford to make a fortune out of this war. There are men among us who have forgotten that, if they ever saw it. Some of you are old enough—I am old enough—so remember men who made fortunes out of the Civil War, and you know how they were regarded by their fellow-citizens. That was a war to save one country—this is a war to save the world. And your relation to the Red Cross is one of the relations which will relieve you of the stigma. You can't give anything to the Government of the United States; it won't accept it. There is a law of Congress against accepting even services without pay. The only thing that the Government will accept is a loan, and duties performed; but it is a great deal better to give than to lend or to pay, and your great channel for giving is the American Red Cross.

Down in your hearts you can't take very much satisfaction in the last analysis in lending money to the Government of the United States, because the interest which you draw will burn your pockets. It is a commercial transaction, and some men have even dared to cavil at the rate of interest, not knowing the incidental commentary that constitutes upon their attitude.

But when you give, something of your heart, something of your soul, something of yourself goes with the gift, particularly when it is given in such form that it never can come back by way of direct benefit to yourself. You know there is the old cynical definition of gratitude "as the lively expectation of favors to come." Well, there is no expectation of favors to come in this kind of giving. These things are bestowed in order that the world may be a fitter place to live in, that men may be succored, that homes may be restored, that suffering may be relieved, that the face of the earth may have the blight of destruction taken away from it, and that wherever force goes there shall go mercy and helpfulness.

And when you give, give absolutely all that you can spare, and don't consider yourself liberal in the giving. If you give with self-adulation, you are not giving at all, you are giving to your own vanity; but if you give until it hurts, then your heart-blood goes with it.

And think what we have here. We call it the American Red Cross, but it is merely a branch of a great international organization, which is not only recognized by the statutes of each of the civilized Governments of the world, but it is recognized by international agreement and treaty, as the recognized and accepted instrumentality of mercy and succor. And one of the deepest stains that rests upon the reputation of the German Army is that they have not respected the Red Cross.

That goes to the root of the matter. They have not respected the instrumentality they themselves participated in setting up as the thing which no man was to touch, because it was the expression of common humanity. We are members, by being members of the American Red Cross, of a great fraternity and comradeship which extends all over the world, and this cross which these ladies bore to-day is an emblem of Christianity itself.

It fills my imagination, ladies and gentlemen, to think of the women all over this country who are busy to-night and are busy every night and every day doing the work of the Red Cross, busy with a forgetfulness of all the old frivolities of their social relationships, ready to curtail the duties of the household in order that they may contribute to this common work that all their hearts are engaged in, and in doing which their hearts become acquainted with each other.

When you think of this, you realize how the people of the United States are being drawn together into a great intimate family whose heart is being

used for the service of the soldiers not only, but for the service of civilians where they suffer and are lost in a maze of distresses and distractions. And you have, then, this noble picture of justice and mercy as the two servants of liberty. For only where men are free do they think the thoughts of comradeship; only where they are free do they think the thoughts of sympathy; only where they are free are they mutually helpful; only where they are free do they realize their dependence upon one another and their comradeship in a common interest and common necessity.

I heard a story told the other day that was ridiculous, but it is worth repeating, because it contains the germ of truth. An Indian was enlisted in the Army. He returned to the reservation on a furlough. He was asked what he thought of it. He said: "No much good; too much salute; not much shoot." Then he was asked, "Are you going back?" "Yes." "Well, do you know what you are fighting for?" "Yes, me know; fight to make whole damn world Democratic Party." He had evidently misunderstood some innocent sentence of my own.

But, after all, although there is no party purpose in it, he got it right as far as the word "party"—to make the whole world democratic in the sense of community of interest and of purpose; and if you ladies and gentlemen could read some of the touching dispatches which come through official channels, for even through those channels there come voices of humanity that are infinitely pathetic; if you could catch some of those voices that speak the utter longing of oppressed and helpless peoples all over the world, to hear something like the "Battle Hymn of the Republic," to hear the feet of the great hosts of liberty going to set them free, to set their minds free, set their lives free, set their children free, you would know what comes into the heart of those who are trying to contribute all the brains and power they have to this great enterprise of liberty.

I summon you to the comradeship. I summon you in this next week to say how much and how sincerely and how unanimously you sustain the heart of the world.

Before his departure for Washington on Sunday night the President unexpectedly visited the naval training station at Pelham Bay. Henry P. Davison, Chairman of the War Council of the American Red Cross, who only last week returned from a tour abroad, also addressed the meeting, saying in part:

My observations in Italy, in France, in Belgium and in England convinced me that at last all forces of the Entente, military and civilian, have learned how to get peace, which they so much desired, and they are all in accord not only as to how to get it, but in their determination that it shall be had.

They are convinced that there is one and only one method—and they have approved and adopted that method—and that is to fight, fight, fight and fight until the military power of Germany is crushed.

There are two battles being waged to-day by the Germans in Europe. One against the soldiers in the front line trenches and the other against the civilian population back of the line. The one is as well defined and planned as the other. The purpose of the fight behind the line is to break down the morale of the civilian population to such a point that they will importune their governments for peace. To-day, from the English Channel to the Swiss border, and from the Swiss border to the Adriatic, behind the lines the American Red Cross is organized to carry on this fight against the Boche as no other agency in the world. It is doing it under the highest type of American men and women in the field, working day and night, and is realizing a success in its undertaking which has surpassed the hope of the most optimistic.

If you could have seen during the recent offensive the rushing by night of Red Cross caissons loaded with food to meet the thousands of men, women, and children being bombarded out of their homes without notice; if you could have seen them receiving the hot food and drink given to them by the American people as they are on their way, they know not where; and if, later, you could see the thousands and thousands of them who have been helped by the American people to secure lodging, food, and clothing, you would then understand the look of gratitude upon their faces—gratitude to the American people.

If you could go throughout those countries into the buildings where thousands of children are being cared for, maternity homes where mothers and their babies are attended, of workshops where thousands of people are given employment to make materials necessary for the destitute of those countries, in the dispensaries and countless villages where, with the aid of the Rockefeller Foundation, the greatest war is being carried on against tuberculosis; if you could visit with the Red Cross representatives the families of the soldiers whose names are given by the military authorities, to whom direct relief is extended; and could go with the Red Cross representatives in the front line trenches to see them give articles of comfort and serve hot drinks to the soldiers of our Allies; if you could go into the Red Cross rest rooms and canteens and see them care for and feed over 3,000,000 men a month; if you could visit the many hospitals in Europe organized and being run by the Red Cross, and know that, in addition, supplies are contributed to more than 5,000 military hospitals in France and Italy; if you could go through the factories where artificial limbs are being made for our own boys and those of our Allies, through the factory where splints are being so scientifically made that they have been put upon the wounded men before they have been moved from No Man's Land, thus saving many lives and limbs which otherwise would have been lost—you would then not fully cover the field of Red Cross operations, for there is to-day practically no breach into which the Red Cross does not rush. It is in this way that the American people are giving courage not only to the soldiers of our Allies, but to their families, and assuring them that they must keep heart whatever happens, as the American forces will soon be there in number and quality to fight with them until the war is won.

On Thursday, May 17, with his arrival from abroad Mr. Davison was quoted as saying:

This war is still in a very serious stage, and the demands upon our people for sacrifice and support of it are greater than ever before. There is no occasion for anything but confidence, but that confidence must be based upon determined effort and willingness on the part of every man and woman to do his or her part. Our boys, as they arrive in France, are showing the most wonderful spirit. They go into action with dash and bravery which is the talk of all Europe. But the price that will have to be paid for victory will be very heavy, and it will be some time before our boys can be come as effective as they must be to help England, France, Italy, and Belgium with the victory that must be won.

"Parades of Mercy" in preparation for the Red Cross drive were held throughout the United States last Saturday.

The following message from King George to President Wilson, bespeaking the success of the new Red Cross campaign, was made public on May 19:

To the President of the United States of America:

On the eve of the second appeal which the American Red Cross is about to make for funds with which to carry on its work of mercy, I thank you in the name of my people for the assistance already offered the sick and wounded of the Allied countries.

My heartfelt wish is that the results of this new appeal may enable the Red Cross of America, side by side with our own organization and those of the Allied countries, successfully to carry out the great humane mission imposed upon us by the gigantic war such as the world has never known.

The unexampled munificence of America's first response provided a noble record in charitable effort, and I feel sure her generous-hearted people will again respond to the extent that the resources of your great country alone can command.

(Signed.)

GEORGE REX.

General Foch, in a cable to the Red Cross headquarters at Washington on May 19 said:

America has come into the war with the Allies. She has generously brought the aid of her Army, of her resources, of all her industrial and commercial power. These are sure pledges of victory.

But she had already done still more by her beneficence. The American Red Cross has from the beginning of the war rendered great service to our country, whose people and whose prosperity have suffered so much. Her active and fruitful work has dressed many wounds. Her discreet activity has been felt in the two great spheres of suffering.

France will keep the never-to-be-forgotten memory of the impulse which has brought Americans to the bedside of her wounded.

A bill authorizing national banks to contribute, out of any net profits otherwise available under the law for the declaration of dividends, toward the American Red Cross, was signed by President Wilson on May 22. It was passed by the House (after having already passed the Senate) on May 20 under a suspension of the rules.

CHICAGO BOARD OF TRADE DISCONTINUES TRADING IN MAY CORN.

On May 21 the directors of the Chicago Board of Trade decided upon the discontinuance of trading in May corn, effective May 22. A committee consisting of Lowell Holt, George T. Carhart and John A. Rodgers fixed the settling price at \$1.28, the maximum. The closing figure on the 21st was \$1.27½.

HOUSE OF REPRESENTATIVES APPROVES FOOD STIMULATION BILL WITH PROHIBITION AMENDMENT.

The Administration Food Stimulation Bill authorizing the Department of Agriculture to spend \$10,864,000 to increase production was passed by the House, 231 to 64, on May 23, after an amendment to the bill had been adopted by a vote of 178 to 137, stipulating that the principal appropriation of \$6,100,000 for increasing food production, eliminating waste and promoting conservation by educational and demonstrational methods through county districts and urban agents, shall not be available unless the President issues a proclamation prohibiting the use of food-stuffs and fruits in the production of malt or vinous liquors for beverage purposes. The bill now goes to the Senate, where, it is said, the "wet" forces will attempt to defeat the prohibition amendment, which was fathered by Representative Randall of California, and reads:

No part of this appropriation shall be available for any purpose unless there shall have been previously issued the proclamation authorized by Section 15 of the Act of Aug. 10 1917, entitled, "An Act to Provide Further for the National Security and Defense by Stimulating Agriculture and Facilitating the Transportation of Agricultural Products," such proclamation being the prohibition of the use of foods, fruits, food materials, or feeds in the production of malt or vinous liquors for beverage purposes.

Other items included in the Food Stimulation Bill are: For the prevention and eradication of diseases of livestock, \$1,058,975; for procuring seeds to sell to farmers at cost, \$2,500,000; and for the prevention and eradication of plant disease, \$811,300.

Another amendment to the bill prohibits the use of the funds to pay salaries of men of draft age who have been given deferred military classification, where exemption is based solely on the ground that they are employed in the Department of Agriculture in indispensable work.

PRESIDENT EXTENDS LICENSING POWER OF FOOD ADMINISTRATION TO TUNA FISH, NEAR-BEER, COTTON SEED DEALERS, &C.

A proclamation extending the licensing authority of the Food Administration so as to give wider latitude in the control of food distribution was issued by President Wilson on May 14. Under the proclamation, effective June 1, all manufacturers of near-beer or other fermented beverages containing less than one-half of 1% of alcohol are brought under license. Others affected include packers of canned

tuna fish, packers of any form of preserved salmon, operators of poultry and egg-packing plants not already under license; ginners, buyers, agents, dealers or other handlers of cottonseed not already licensed who handle more than twenty tons of cottonseed a year; importers, manufacturers or distributors of cottonseed hull, and owners of elevators, warehouses or other places in which they are stored.

The proclamation does not apply to retailers doing a business of less than \$100,000 a year; common carriers as to operations necessary to the business of common carriage, farmers, gardeners, associations or others with respect to the products of any farm, garden or land owned, leased or cultivated by them. The Food Administration's announcement concerning the proclamation said:

Wider latitude in the control of distribution was given the Food Administration yesterday when the President issued a proclamation extending its license authority. All manufacturers of near-beer or other fermented beverages containing less than 1/2% alcohol are brought under license. Brewers of beer have been restricted directly by an earlier proclamation. Others who are brought in include packers of canned tuna fish; packers of mild and hard cured, salted, dried, smoked, or otherwise preserved salmon; operators of poultry and egg packing plants not already licensed; ginners, buyers, agents, dealers, or other handlers of cottonseed not already licensed who handle more than 20 tons of cottonseed per year; importers, manufacturers or distributors of cottonseed hull, and owners of elevators, warehouses, or other places in which they are stored.

The proclamation does not cover retailers doing a business of less than \$100,000 per year; common carriers as to operation necessary to carriage, farmers, gardeners, associations, or others with respect to the product of any farm, garden or land owned, leased, or cultivated by them.

All applications for licenses required under this proclamation must be filed with the License Division of the Food Administration by June 1 1918.

Both tuna and salmon are brought under license in order to stabilize the industry and to put it on the same basis with the canners, who are already operating under license.

Poultry and egg-packing plants doing an annual business of \$50,000 or more are already licensed. The new proclamation brings all others into the same class.

At present only handlers of cottonseed whose annual business exceeds 150 tons are under license. This is now changed to bring in all who handle more than 20 tons per year. Those who handle cottonseed hulls are brought under license in order to stabilize the business and eliminate any advantage they might have had over those who handled licensed cotton by-products.

The following is the text of the President's proclamation:

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

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 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 fertilizers 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 speculations, 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 publicly so announce, no person 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 licenses and requirements for systems of accounts and audit 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, that the 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 upon me by said Act of Congress, hereby find and determine and by this proclamation do announce that it be essential, in order to carry into effect the purposes of said Act, to license the importation, manufacture, storage, and distribution of necessities to the extent hereinafter specified.

All persons, firms, corporations, and associations engaged in business as:

- (1) Packers of canned tuna.
- (2) Packers of mild cured, hard cured, salted, dried, smoked, pickled, or otherwise preserved salmon.
- (3) Operators of poultry and egg-packing plants not already licensed by the United States Food Administration.
- (4) Ginners, buyers, agents, dealers, or other handlers of cottonseed not already licensed by the United States Food Administration, who handle yearly, between Sept. 1 and Aug. 31, more than twenty (20) tons of cottonseed.
- (5) Importers, manufacturers, or distributors of cottonseed hulls, and owners of elevators, warehouses, or other places, for the storage of cottonseed hulls.
- (6) Manufacturers of fermented beverages containing less than 1/2% of alcohol.

Excepting, however:

- (1) Retailers whose gross sales of food commodities do not exceed one hundred thousand dollars (\$100,000) per annum.
- (2) Common carriers as to operations necessary to the business of common carriage.
- (3) Farmers, gardeners, co-operative associations of farmers or gardeners, including live stock farmers, and other persons with respect to the

products of any farm, garden, or other land owned, leased, or cultivated by them, are hereby required to secure on or before June 1 1918, license, which license will be issued under such rules and regulations governing the conduct of the business as may be prescribed.

Application for license must be made to the United States Food Administration, Washington, D. C., License Division, on forms prepared by it for that purpose, which may be secured on request.

Any person, firm, corporation, or association who shall carry on any business hereinbefore specified after June 1 1918, without first securing such license, will be liable to the penalty 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 14th day of May 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.

SHIPMENTS OF RAW COTTON SUBJECT TO INDIVIDUAL LICENSES BEGINNING JULY 1.

A statement issued by the War Trade Board on May 14 announces that the special license for shipments of raw cotton issued through the Customs Service will expire on June 30, and that beginning July 1 individual licenses will be required. The following is the statement:

The War Trade Board announces that the special license issued through the Customs Service, under which shipments of raw cotton, excepting sea-island and Egyptian cotton, have been proceeding to the United Kingdom, France, Italy and Japan, will expire on June 30 1918. For shipments which leave the United States on and after July 1 1918, individual licenses will be required, and should be applied for in accordance with the procedure covering all other commodities, which was given publicly through the press on May 13 1918. (War Trade Board report, No. 104.)

This procedure provides that applicants should forward their applications, duly executed, in triplicate, with Supplemental Sheet X-II or X-12 attached, to the mission in the United States of the country to which the exportation is to be made.

The original of the approved application will be forwarded by the mission directly to the War Trade Board, Bureau of Exports, Washington, D. C., one copy will be retained by the mission, and one copy returned to applicant for his convenience in keeping a record.

Heretofore shipments of raw cotton to Japan, and to the colonies, possessions, and protectorates of Great Britain, France, Italy and Japan, have also been covered by special license issued through the Customs Service. Individual licenses will be required for shipments to these last-named destinations on and after July 1 1918, although in the case of such shipments the endorsement of the mission in the United States of the country to which the exportation is to be made will not be required, and applicants should file their applications for export license on regular Form X.

The period of six weeks between May 15 and July 1 has been allowed by the War Trade Board, in order that there be no confusion with respect to securing licenses for shipments of cotton. Exporters are cautioned to safeguard themselves by applying now for export licenses to cover shipments described above, which may not actually clear on or before June 30 1918.

INDIVIDUAL LICENSES FOR SHIPMENTS UNDER \$100 TO ALLIES.

The following announcement with reference to the requirement for individual licenses for shipments for export to Great Britain, France, Italy and Belgium valued at less than \$100 has been issued by the War Trade Board:

The War Trade Board announces that the authority of branch offices and collectors of customs to license shipments of commodities not on the export conservation list of a value of less than \$100, for export to Great Britain, France, Italy and Belgium, will be withdrawn on July 1 1918. Individual licenses will be required for such small shipments to the above-named countries which have not left the country on or before June 30 1918, and should be applied for in accordance with the procedure which was given publicly through the press on May 13 1918 (W. T. B. R., 104).

This procedure does not apply to the colonies, possessions and protectorates of these countries.

The War Trade Board's regulation 104, referred to in the above, was published in our issue of May 18, page 2077.

WAR TRADE BOARD REQUIRES IMPORTERS TO FURNISH CONSULS WITH NUMBERS OF LICENSES.

Notice of the issuance by the War Trade Board through its Bureau of Imports of a ruling to United States Consular agents that, beginning May 27, no consular invoices for any commodity would be consulated unless the shipper furnished the Consul with the number of the license covering the shipment, was made as follows by the Board on May 14:

The War Trade Board, through its Bureau of Imports, has issued a ruling to United States consular agents throughout the world, that on and after May 27 1918 no consular invoices for any commodity are to be consulated unless the shipper furnishes the consul the number of the United States import license covering the shipment. The only exception to this rule is the case of shipments covered by general import licenses.

Already it is necessary for importers to communicate to their shippers abroad the number of the United States import licenses for articles on the restricted lists before consular invoices can be obtained and shipments started from abroad. The present ruling extends this regulation to all articles, both restricted and unrestricted, except such as are covered by general import licenses. This means that import licenses must be obtained for the importation of all commodities before they leave foreign ports. It is believed that this will avoid much uncertainty in the minds of both importers here and consular agents abroad as to what import license numbers must be communicated abroad. It will also give the War Trade Board an opportunity of passing upon all importations from a standpoint of enemy trade connection before shipments are put in transit.

The Bureau of Imports will pass promptly on all applications for import licenses, so that, if the license is granted, the importer may be informed immediately of his license number and send it by mail or cable to his shipper abroad.

As intimated above, certain classes of importations are permitted to enter under general import licenses; and where these licenses exist it is unnecessary for importers to apply for individual import licenses. These general licenses are designated as "PBF Licenses." The principal ones now in effect are the following:

"PBF 1."—Covering the importation of all commodities not on the restricted lists where the value does not exceed one hundred dollars (\$100).

"PBF 2."—Covering all importations into Alaska, Canal Zone, Philippine Islands, Hawaii, Guam, Tutuila, Porto Rico, Virgin Islands, when they are for consumption in those countries and not for transshipment.

"PBF 3."—Covering the importation of all commodities from Canada and Newfoundland, except those mentioned in the President's import proclamation of Nov. 28 1917. Where such commodities are on the restricted lists, this general license covers them only when shipped by rail or lake, and when they originate in Canada or Newfoundland or in a country from which they would be licensed for importation directly.

"PBF 4."—Covering the importation of fresh fruits and fresh vegetables, when transported overland from Mexico, or overland or by Great Lakes from Canada, or by rail from Cuba.

"PBF 5."—Covering the importation of goods previously exported from the United States, when the value thereof does not exceed five hundred dollars (\$500).

"PBF 6."—Covering the importation of personal baggage accompanying a passenger when containing only articles necessary for personal use on journey.

"PBF 7."—Covering the importation of fresh vegetables from Bermuda when shipped on vessels approved by the War Trade Board.

"PBF 8."—Covering the importation of fresh fruit and vegetables from Cuba when shipped on vessels approved by the War Trade Board.

"PBF 9."—Covering importations of all empty drums, cylinders, and containers, American owned, which have been used in the exportation of commodities from the United States.

"PBF 10."—Covering the importation of tobacco from Cuba and the West Indies.

"PBF 11."—Covering the importation of cotton from Mexico.

Consuls abroad have been informed of the existence of these general import licenses, and they will certify consular invoices for shipments coming under them without requiring the number of the individual import license.

COMMANDEERING OF GREEN COFFEE POSSIBLE WITH FAILURE OF ARRANGEMENTS FOR GOVERNMENT PURCHASES.

At a meeting of green coffee interests at the New York Coffee Exchange on May 14 E. F. Holbrook, who has charge of the purchasing of coffee for the U. S. Government, requested members of the trade to submit samples of their grades of coffee, with a view to purchases by the Government. The prices to be paid for the coffee were given as approximately 10½¢ net cash, with delivery by the seller to the roasting plants, which Mr. Holbrook stated, would soon be working under the direct supervision of the Coffee Division of the Food Administration. The grade of coffee, solicited, he said, would approximate the Santos No. 4, although, he added, that other grades would be purchased. The "Journal of Commerce" of May 15, in detailing Mr. Holbrook's remarks at the meeting, said:

Mr. Holbrook's talk touched on practically every phase of the needs of the army for an adequate grade and an adequate supply of coffee. According to Mr. Holbrook, the chief need at present is for the change of the formula for the making of the coffee in the army cantonments.

Mr. Holbrook stressed the fact that the 1916 Army Cook Manual directs that five ounces of coffee be used to every gallon of water. This, Mr. Holbrook said, was inadequate to provide the necessary stimulant for the men at breakfast. He pledged himself to do everything in his power to have this formula changed so that the minimum allotment would be at least eight ounces per gallon of water. Following up this point, Mr. Holbrook pointed out that the directions provided that the grounds for this coffee should be left in the large square coffee pots until lunch time, when water was added with an additional three ounces of coffee to a gallon of water. Mr. Holbrook branded this as a pernicious practice and one that denied to the men the necessary stimulant, with the added danger of allowing tannin to form.

The policy of sending the coffee overseas ground and roasted was scored by Mr. Holbrook in the course of his talk. He cited the fact that since bread and coffee were both of vital necessity to the soldiers "over there," the same care should be taken with the coffee as with the bread. Bread is made "over there" and in Mr. Holbrook's estimation, it was just as necessary that the coffee should be shipped overseas as green coffee and roasted on the spot, as needed. This brought him to a discussion as to the exact needs of the Government for this grade of the article.

In concluding his remarks, Mr. Holbrook asserted that there should be a spirit of co-operation between the green coffee men and the Food Administration officials since the men at Washington were not in the game to enforce arbitrary regulations harmful to any particular branch of the industry. The controlling factor at the present time, he said, was not ambition on the part of Government officials, but rather the war. All steps which have been taken so far and which present events have for casted, have been and will be, he said, governed solely by consideration for the common good of all and with the aim of bringing the war to a successful conclusion.

As a last resort, Mr. Holbrook intimated that the commandeering of all the coffee needed might follow a failure on the part of the coffee division to arrange satisfactorily for the purchase of the different grades. Merchants will be allowed to submit samples through coffee brokerage houses if they are certain that the grade had not been duplicated by other applicants. In case the coffee is commandeered by the Government it was pointed out that a reasonable profit will be allowed the seller.

With regard to the licensing of green coffee dealers the Federal Food Administration on May 5 said:

Failure of many coffee dealers who applied for Food Administration licenses within the specified time was apparently due to a misunderstanding of the classes of dealers who were brought under control, some of the

delinquents have informed the Food Administration. All persons, firms, corporations or associations who import and all who buy, roast, or otherwise deal in or handle green coffee except retailers whose gross sales of food commodities do not exceed \$100,000 a year, were required by the President's proclamation of Jan. 30 1918, to obtain a green coffee license in addition to any other license they might have.

This embraces all who import green coffee, whether or not they roast it before disposing of it, wholesalers, jobbers, roasters, and all other who buy or otherwise deal in green coffee, whether or not it is roasted before they dispose of it—retailers, who buy or otherwise deal in green coffee, whether or not they roast it before disposing of it, if their gross sales exceed \$100,000 a year. This brings under license all merchants who handle green coffee in any form, except small retailers.

WAR PURCHASE BOARD TO DIRECT PURCHASES OF BUTTER FOR ARMY AND NAVY AND EXPORT.

The War Trade Board, in announcing on May 19, that the War Purchase Board had taken over the direction of the purchases of butter for the army and navy and for export to Europe, said:

The War Purchase Board, composed of representatives of the Army, the Navy, the Allies, the neutral nations, the Federal Trade Commission and the Food Administration, has recently taken over the direction of the purchases of butter for the army, the navy and for export to Europe.

Until recently such purchases of butter have been negligible, but within the last week they have increased to a size to make such control desirable.

The amount of butter purchased for the army and the navy and for export is not likely at any time to amount to more than a very small percentage of the total, but if these purchases are not spread over the various markets there is always a possibility that price changes in the particular markets affected may be utilized for speculative and profiteering purposes.

In the War Purchase Board the function of the Federal Trade Board is to determine the price and that of the Food Administration to allocate the purchases. The army and the navy and the allied purchasing agents then complete the transaction with the interests concerned.

U. S. FOOD ADMINISTRATION PROHIBITS INCREASE BY PACKING HOUSE LICENSEES IN PRICES PREVAILING MAY 1.

Notice to packing house licensees that the Federal Food Administration would discountenance any price increase in pork products over the price charged on May 1, was made public on May 14 as follows:

To Packing House Licensees:

The packing houses engaged in export business have now accumulated substantial quantities of cured pork products and the cost of placing these products on the market should not now be subject to any further substantial change. Under these circumstances the Food Administration, until further notice, will regard any increase by a packing house licensee which has during 1918 been allotted orders for pork products from any of the Allied nations, of the price of cured pork products to retailers in the United States over the price charged by such licensee on May 1 as exorbitant and unreasonable and a violation of General Rule 5, unless such increase is justifiable and is first submitted to the United States Food Administration, with an explanation of the reasons therefor. Each such licensee shall report to the meat division, Washington, on or before May 20 1918, its scale of prices now charged to retailers for the following commodities, such report to be on packing-house basis unless otherwise specifically shown: Fancy brand hams, breakfast bacon, standard brand hams and bacon, also differential on sliced hams, pure refined lard.

The licensee shall not on any day sell nor offer cured pork products at higher levels of price at one branch house in the United States than in another, proper allowance being made for difference in cost of transportation and service.

HERBERT HOOVER.

RURAL MOTOR EXPRESS SERVICE APPROVED BY FOOD ADMINISTRATOR HOOVER.

The extension of the rural motor express as an aid to food production and distribution has been endorsed by Federal Food Administrator Hoover. In a letter to the Highways Transport Committee of the Council of National Defense he says:

The development of the rural motor express idea, in my opinion, is in line of progress and should redound to the benefit of the producer, the consumer and the railroads. This means of transportation should facilitate delivery, conserve labor, conserve foodstuffs and should effect delivery of foods in better condition.

The organization of new rural express lines in the vicinity of cities is being urged through the State Councils of Defense, co-operating at the National Council. It is stated that surveys of existing lines show that in nearly every instance there has been a marked increase in the production of perishable foodstuffs as soon as a line is established. The heavy load on local shipping facilities has made it difficult for farmers to get supplies, machinery and repairs promptly this spring, and where regular motor express lines were available they have greatly aided farmers in the food campaign. The labor shortage is so acute that every farmer is needed in the fields.

ESTABLISHMENT OF ZONE SYSTEM BY WAR DEPARTMENT FOR QUARTERMASTER'S PURCHASES.

Announcement of the establishment of a zone system for the purchase of quartermaster's supplies, was made on May 15 by Acting Quartermaster-General Goethals. Thirteen general supply depots have been chosen under the arrange-

ments perfected, which are designed to make possible a more equitable apportionment of purchases. The following is the announcement made:

Establishment of a zone system designed to make possible a more equitable apportionment of purchases throughout the United States and to facilitate distribution is announced by the Acting Quartermaster-General.

Territory has been allotted to each of 13 general supply depots located at various points. The general supply depot quartermasters are charged with the duty of ascertaining the manufacturing possibilities of the different zones. On the basis of reports along this line forwarded to the Acting Quartermaster-General at Washington an equitable allocation of purchases will be made. So far as possible, clothing, food, and equipment for troops at the different camps will be purchased within the zone in which the camp is located.

Formerly nearly all of a particular class of supplies was purchased through a single general supply depot, the geographical location of that depot being considered most favorable for this special article. Other articles were obtained through other supply depots. Manufacturers located in sections far distant from the particular supply depot buying their goods were at a disadvantage and were unable to compete with rivals nearer the point. Under the new system most classes of supplies will be purchased through each of the 13 depots. Manufacturers will be able to transact their business through the depot nearest them.

The zones of operations apply to procurement, production, inspection, manufacture, storage, and distribution of quartermaster supplies.

The States included in the zones assigned to the 13 supply depots follow:

Boston General Supply Depot.—Maine, New Hampshire, Vermont, Massachusetts and Rhode Island.

New York Depot.—New York, Connecticut and New Jersey, Trenton and north.

Philadelphia Depot.—New Jersey south of Trenton and Pennsylvania.

Baltimore Depot.—Maryland, Virginia and Delaware.

Atlanta Depot.—North Carolina, South Carolina, Georgia, Florida and Alabama.

Jeffersonville, Ind., Depot.—Ohio, West Virginia, Indiana, Indianapolis and south, Kentucky and Tennessee.

Chicago Depot.—Indiana, north of Indianapolis, Michigan, Wisconsin, Minnesota, North Dakota, South Dakota, Illinois, except territory south of Jacksonville, Springfield and Decatur and Iowa, East Des Moines and Fort Dodge.

St. Louis Depot.—Missouri, Illinois, south of Jacksonville, Springfield, and Decatur, Kansas, Oklahoma and Arkansas.

New Orleans Depot.—Louisiana and Mississippi.

Fort Sam Houston Depot.—Texas.

Omaha Depot.—Iowa, Des Moines, Fort Dodge and West Nebraska, Colorado, Utah and Wyoming.

El Paso Depot.—New Mexico and Arizona.

San Francisco Depot.—California, Oregon, Washington, Idaho and Montana.

Each general supply depot quartermaster besides ascertaining production facilities within his zone is instructed to recommend to the proper central organization of the Quartermaster-General's office the employment of such producers as are in his judgment qualified to fulfill contracts. Each depot is expected to keep informed as to market conditions and spot goods located in that zone, and when shortages occur shall submit recommendations for purchase of articles which may be obtained within the zone.

The central organizations are to make an effort to promote the industry of each zone by a proper allocation of purchases. Matters of price, quality, reliability, delivery, ultimate destination, and the sanitary conditions surrounding the production will have a bearing upon the allocation.

Purchases shall be made after advertisement by open competitive bidding when time will permit. In emergency cases competition is desired whenever possible. The record of bids received and awards made will be open to public inspection.

PRESIDENT WILSON PLACES FARM IMPLEMENT INDUSTRY UNDER LICENSE.

A proclamation issued by President Wilson under date of May 14 and made public on the 16th places under license by June 20 all persons engaged in the importation, manufacture, storage and distribution of tools, utensils, implements, machinery and certain other farm equipment, except those specifically exempt under the Food Control Act. The Secretary of Agriculture is delegated to carry out the provisions of the proclamation and the regulations issued thereunder. Failure on the part of dealers in the commodities to obey the regulations will not only render them liable to forfeiture of license to do business, but a fine of \$5,000, imprisonment for not more than two years, or both. To assist in the enforcement of the regulations, Secretary Houston announced on the 16th the appointment of Junius F. Cook, of New York, as assistant to the Secretary. Mr. Cook is to act as the immediate representative of the Secretary in carrying into effect the powers conferred on the Secretary of Agriculture under the President's proclamation. The President's action is regarded by him as necessary to assure an adequate food supply and is expected to meet the complaint of farmers that the prices of their products were being regulated, but that there was no regulation of the implements they had to buy. Unjust profits, re-sales within the trade without reasonable justification, attempts to monopolize, unreasonable increases in prices or restrictions of supplies and wilful waste of farm equipment are prohibited under regulations issued as follows:

Regulation 1. The term "farm equipment" whenever mentioned in these regulations shall be deemed to mean certain necessities, including attachments and repair parts thereof, required for farm use in the actual production of foods and feeds, as follows: Binders, bolters, brooders, bunchers, carriers, carts, cleaners, covers, crushers, cultivators, diggers, distributors,

drills, elevators, evaporators, fencing, forges, forks, fountains, gates, graders, grinders, grindstones, harrows, harvesters, headers, hillers, hitchers, hullers, huskers, incubators, jacks, lists, loaders, markers, milkers, mills, mowers, pens, pickers, planters, plows, powers, presses, putters, pulleys, pulverizers, pumps, racks, rakes, rollers, scales, seeders, separators, shellers, shredders, silos, sleds, slings, sorters, sprayers, spreaders, stalls, stanchions, tanks, tedders, testers, threshers, towers, tractors, trailers, troughs, trucks, wagons, weeders, weighers, windmills and all other tools, utensils, implements and machinery, required for farm use in the actual production of food and feeds.

Regulation 2. Licenses required, pursuant to the proclamation of the President of May 14 1918, to engage in or carry on any business of importation, manufacture, storage, or distribution of any farm equipment, shall be prepared by the law department license division United States Food Administration shall have the signature of the Secretary of Agriculture affixed and shall not be transferable.

Regulation 3. Each licensee shall give to any representative designated for the purpose by the Secretary of Agriculture, whenever the said representative shall so require, any information concerning the business of the licensee. Such information shall be in writing or otherwise, and with or without oath of affirmation, as the said representative may require. Written reports, when requested by said representative, shall be made on blanks furnished by the Department of Agriculture, giving complete information regarding or affecting transactions in any farm equipment, which is imported, manufactured, packed, purchased, contracted for, received, sold, stored, shipped, or otherwise handled, distributed or dealt with by the licensee, or which is on hand in the possession, or under the control of the licensee, and any other information concerning the business of the licensee that such representative may require from time to time.

Regulation 4. Each licensee shall, during ordinary business hours, permit any representative of the Secretary of Agriculture, designated by him for the purpose, to enter the place of business of such licensee and inspect any and all property stored or held in possession or under the control of the licensee and all records of the licensee. All necessary facilities for such inspection shall be extended to the said representative by the licensee and his agents and servants. Said representative shall be the President's duly authorized agent for the purposes of this regulation.

Regulation 5. Each licensee shall keep such records of his business as shall make practicable the verification of all information given by him under these regulations.

Regulation 6. No agent or employee of the United States shall, without the consent of the licensee concerned, divulge or make known in any manner, while he is such agent or employee, or thereafter, except to such other agents or employees of the United States as may be required to have such knowledge in the regular course of their official duties, or except in so far as he may be directed by the Secretary of Agriculture or by a court of competent jurisdiction, any facts or information regarding the business of any licensee which may come to the knowledge of such agent or employee through any examination or inspection of the business or accounts of the licensee, or through any information by the licensee pursuant to these regulations.

Regulation 7. A licensee shall not import, manufacture, store, distribute, sell, or otherwise handle any farm equipment on any unjust, exorbitant, unreasonable, or discriminatory and unfair commission, profit, or storage charges.

Regulation 8. Licensee shall not resell any farm equipment, within the same trade, without reasonable justification. Any such resale without reasonable justification, especially if tending to result in a higher market price to the retailer or consumer, will be deemed to be a wasteful practice.

Regulation 9. A licensee shall not buy, contract for, sell, store, or otherwise handle or deal in any farm equipment for the purpose of unreasonably increasing the price or restricting the supply of any such commodity, or of monopolizing, or attempting to monopolize, either locally or generally, any such commodity.

Regulation 10. A licensee shall not knowingly commit waste or willfully permit preventable deterioration in connection with the production, importation, manufacture, storage, distribution, or sale of any farm equipment.

Regulation 11. Each licensee shall report in writing to the Secretary of Agriculture, within ten days thereafter, any change of address, or any change in the management, control, ownership, or character of the business of the licensee.

Regulation 12. A licensee shall not, without the express sanction of the Secretary of Agriculture, sell any farm equipment to any person engaged in the business of selling or utilizing such commodity or any derivative therefrom if the licensee has knowledge that such person, after this regulation has become effective, has violated the provisions of the aforesaid act of Congress, approved Aug. 10 1917, by making an unjust or unreasonable rate or charge in selling or otherwise handling or dealing in such commodity or by holding, contracting for, or arranging for a quantity thereof in excess of the reasonable requirements of his business for use or sale by him for a reasonable time.

Regulation 13. A licensee shall not make any misleading representation which tends to enhance the price of any farm equipment. The issuing or making public of market quotations, or any statement to any person regarding the price at which any farm equipment is being sold, such quotations or statement cannot be verified either from the records of such licensee or from the records of other licensees, shall be considered as making such a misleading representation.

Regulation 14. The words used in these regulations shall be construed to import the singular or the plural, as the case demands. The word "person," wherever used in these regulations, shall include individuals, partnerships, associations and corporations.

Regulation 15. The general rules and regulations as to food commodities, effective Nov. 1 1917, as amended, under the Food Control Act, shall not apply to farm equipment.

In accordance with my proclamation of May 14 1918, and pursuant to the authority conferred on me by the Act of Congress, approved Aug. 10 1917, 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," the foregoing regulations are hereby prescribed and promulgated to govern persons licensed to engage in and carry on any business of importation, manufacture, storage, or distribution of farm equipment.

Done in the District of Columbia this 14th day of May 1918.

WOODROW WILSON, President.

According to an announcement of the U. S. Department of Agriculture on May 23, retailers of farm implements are not required to secure licenses, but they must not profiteer.

RETAIL SHOE ASSOCIATION DENIES CHARGES OF PROFITEERING.

Exception to "extravagant statements" that "have been made about great profits being made by the shoe men and that the high prices are the result of profiteering," is taken by the National Shoe Retailers' Association of America in the following statement issued at the conclusion of a meeting of its executive committee held at the Hotel Astor on May 20:

The executive committee meeting of the National Shoe Retailers' Association was held to organize and constitute itself as a committee of advice with the contemplated Government regulation of the industry.

We invited leading manufacturers to join us as our interests are identical.

The first purpose the Government has in mind (and we are aiding it to our utmost), is to save man-power. The second is to conserve leather by utilizing every known material and by adopting lasts and patterns such as will advance these ideas.

One of the keenest disappointments of the retail shoe dealers is that they are misunderstood, and that despite the fact that they are doing more than ever before to assist the Government in all its aims they are accused of profiteering.

Extravagant statements have been made about great profits being made by the shoe men, and that the high prices are the result of profiteering. This, when analyzed, was proven untrue.

The Harvard School of Business Research recently issued an annual report on a thousand retailers, in which it showed that the net profit of the shoe retailers does not exceed 6%.

We brought out at our meeting that the actual increase in the price of shoes was about 65%.

The luxurious shoes are sold at high prices because of the art, luxuriousness and beauty they have, due to the high class workmanship.

This has made this kind of shoe very expensive, just as all other luxuries are expensive, but may be avoided.

Plenty of shoes can be bought at moderate prices if women would be willing to buy the plainer styles which prevailed before the war period.

GOVERNMENT REGULATIONS FOR HANDLING 1918 WOOL CLIP.

The Government regulations for handling the wool clip of 1918 were made public by the War Industries Board on May 20. The Board has fixed the price of the 1918 wool clip at the prices established July 30 1917 at Atlantic seaboard markets on the scoured basis. In our issue of Apr. 27 we referred to the fact that the entire output of the wool growers of the United States was to be turned over to the Government at the prices based on the July 30 price for washed wool. The War Trade Board states that the Government is to have prior right to acquire all the 1918 wool clip it may need at those prices and the remainder is subject to allocation for civilian purposes under the direction of the Board. As the needs of the Government require concentration of wool close to points of consumption, distributing centres have been approved and all wool must be distributed through approved dealers in these centres. For fleece wool the centres will be Boston, New York, Philadelphia, Chicago, St. Louis, Detroit, Louisville, Baltimore and Wheeling, W. Va. For territory wool the centres will be Portland, Ore., Chicago, New York, Boston and Philadelphia. The only exception is that clips of 1,000 pounds or under may be sold by the owner. Approved dealers will be entitled to a gross profit in no case to exceed one and one-half cents per pound on the total season's business, this profit to cover all expenses from grower to loading wool on board cars. The grower is to receive fair prices for his wool based on the Atlantic seaboard price as established on July 30 1917 less the profit to the dealer as stated above and less freight to seaboard, moisture shrinkage and interest. In no case, says the Board, shall this be construed to mean that there shall be more than one and one-half cents gross profits made from the time wool leaves grower's hands until it arrives at the distributing centre. In addition to the prices fixed the Government is to pay a sum equal to 4% of the selling prices to cover compensation or commission to approved dealers for their services in collecting and distributing wool. On wool not taken by the Government for its own use and which may be allocated for other uses, prices will also be fixed in accordance with July 30 1917, values at Atlantic seaboard markets and on such wool approved dealers will be entitled to a commission or compensation of a sum equal to 4% of the selling price, to be collected from the manufacturer to whom said wool is allocated. As a guard against profiteering the books of approved dealers in distributing centres must be open to Government inspection, and if it be found that their gross profits, including the commission of 4%, are in excess of 5% on the season's business, such profits are to be disposed of as the Government decides. The books of the country dealers must likewise be open to Government inspection. The grower is entitled to receive an advance up to but not exceeding 75% of the

fair estimated market value of his wool. The following are the regulations in full:

GOVERNMENT REGULATIONS FOR HANDLING WOOL CLIP OF 1918.

The War Industries Board has fixed the prices of the 1918 clip of wool as established by valuation committees and approved by the Government as those established on July 30 1917 at Atlantic seaboard markets. The values are figured on scoured basis. (See table below.)

Rights of the Government.

The Government shall have a prior right to acquire all of the 1918 wool clip or any portion thereof which it may require at the prices fixed by the War Industries Board. The remainder will be subject to allocation for civilian purposes under the direction of the War Industries Board.

A very large portion of the wool manufacturing machinery working on Government contracts is located close to the Atlantic seaboard, and in order to avoid the possibility of railroad delay and congestion late in the season when the crops are moving, it is desirable and necessary that the wool clip shall be collected as soon as possible at points near to the manufacturing centres. For these reasons it has been considered advisable to designate as distributing centres these centres which are close to points of consumption and which have the necessary facilities for handling wool.

Necessity for Concentration.

The necessities of the Government at this time are such as to require the use of all existing agencies for concentrating the wool near the centres of consumption. Therefore, all the wool of the 1918 clip must be distributed through approved dealers in approved centres of distribution.

Approved Dealers Defined.

Approved dealers shall be those dealers authorized by the War Industries Board to handle wool who are located in the distributing centres and who buy from growers direct, through agents, or from country merchants; and also those dealers authorized by the War Industries Board who are located in wool-growing districts, and who buy direct from growers and re-sell, or consign to the dealers in distributing centres.

Approved distributing centres are the usual well-recognized points of distribution.

Classes of Wool.

In a general way, the clip may be divided into fleece wool and territory wool.

Fleece wool shall be considered as that which is grown in the States east of the Mississippi River, and also the States of Minnesota, Iowa, Missouri, Arkansas and Louisiana, and also those parts of Kansas, Nebraska, North Dakota and South Dakota, and other localities, where the same general conditions prevail. All wool not listed as fleece wool shall be considered territory wool.

In order that the collection of the clip may proceed in a rapid and orderly manner, the following regulations are promulgated by the Wool Division of the War Industries Board:

FLEECE WOOL REGULATIONS.

Compensation of Grower and Dealer.

Approved dealers shall be entitled to a gross profit in no case to exceed 1½ cents per pound on the total season's business, this profit to cover all expenses from grower to loading wool on board cars.

The grower shall receive fair prices for his wool, based on the Atlantic seaboard price as established on July 30 1917, less the profit to the dealer as stated above and less freight to seaboard, moisture shrinkage and interest.

In no case shall this be construed to mean that there shall be more than 1½ cents gross profits made from time wool leaves growers' hands until it arrives at the distributing centre.

On consignments forwarded to distributing centres the prices to be paid for the wool to the approved dealers therein shall be those established by the valuation committee on Atlantic seaboard values of July 30 1917, to which shall be added a commission of 4% to be paid by the Government, if bought by the Government, or by the manufacturer to whom the wool is allotted for other than Government purposes. This commission is to include grading and other expenses of handling. The consignor shall be charged with the freight on his shipment, and interest on all advances made for his account to the date of the arrival of his wool at a distributing centre as shown by the railroad receipt.

On any lot remaining unsold in his possession for a longer period than six months, the dealer shall be entitled to charge storage and insurance at the market rate, and this additional charge shall be added to the price of the wool.

Growers, who desire to do so, will be allowed to pool their clips in quantities of not less than minimum carloads of 16,000 pounds and consign the wools so pooled as one account to any approved dealer in any approved distributing centre. Growers are urged to adopt this latter course through county agents or others, thus eliminating the profits of one middleman.

Government Price.

Approved dealers in approved distributing centres will be required to open and grade all their purchases or consignments as rapidly as possible after the arrival of wool at point of distribution. Prices on all wools, as soon as graded, will be fixed by a Government valuation committee appointed for that purpose in the different distributing centres. Prices to be paid by the Government at distributing centres for such wool as it may require are to be those established as of July 30 1917 at the Atlantic seaboard markets. In addition to said prices, the Government is to pay a further sum equal to 4% of the selling prices to cover compensation or commission to approved dealers for their services in collecting and distributing wool. On wool not taken by the Government for its own use, and which may be allocated for other uses, prices will also be fixed in accordance with July 30 1917 values at Atlantic seaboard markets, and on such wool approved dealers shall be entitled to a commission or compensation of a sum equal to 4% of the selling price, and this commission or compensation shall be a charge against said wool, and shall be collected from the manufacturer to whom said wool is allocated.

Profiteering Prohibited.

As a guard against profiteering the books of all approved dealers in distributing centres shall be at all times open to Government inspection, and if it be found that their gross profits, including the aforesaid commission of 4%, are in excess of 5% on the season's business then such gross profits shall be disposed of as the Government decides.

The books of the country dealers shall, likewise, be open to Government inspection. If it be found that their gross profit for the season's business is in excess of 1½ cents per pound, then such excess profits shall be disposed of as the Government may decide.

Distributing Centres.

The approved distributing centres for fleeces wools are: Boston, Mass.; New York, N. Y.; Philadelphia, Pa.; Chicago, Ill.; St. Louis, Mo.; Detroit, Mich.; Louisville, Ky.; Baltimore, Md.; Wheeling, W. Va.

TERRITORY WOOL REGULATIONS.*Exceptions.*

In the Willamette Valley, Ore., and the Puget Sound district of the State of Washington the regulations in regard to fleeces wools shall apply.

Distributing Centres.

For the reasons before stated, in order that the 1918 wool clip may be promptly concentrated near the manufacturing centres and to make use of every available agency for storing and grading, all territory wools must be consigned to one of the designated distributing centres, which are as follows: Portland, Ore.; Chicago, Ill.; New York City, N. Y.; St. Louis, Mo.; Boston, Mass.; and Philadelphia, Pa.

The only exception is that clips of under 1,000 pounds may be sold by the owner. In buying these small clips, the buyer must recognize that he is entitled to only a small profit, which must not exceed 2 cents per pound. Growers if they desire for any reason to consign their wool through their banker, country merchants, or others may do so, and said bank, country merchant, or others may receive a commission or compensation for handling said growers' wool (in no case to exceed one-half cent per pound); such commission or compensation to be paid by grower. Growers are, however, urged to consign their own wool and get the full price.

As soon as possible after wool reaches the railroad the owner should load it and consign it to any approved dealer he may select in one of the designated distributing centres, who will there deliver the wool to the Government or to some manufacturer to whom the Government may allot the wool. These approved dealers will store, insure and deliver the wool under Government regulation. The grower should procure two copies of the shipping invoice and of the railroad bill of lading, and forward the original invoice and bill of lading to the dealer whom he has selected to handle his wool, retaining the duplicate in his own possession.

The grower shall be entitled to receive an advance up to but not exceeding 75% of the fair estimated market value of his wool. He shall pay interest on this advance at the rate of 6% per annum from the date he receives such advance until his wool arrives at the distributing centre, as shown by the railroad receipt. It is not intended that the grower shall pay interest on advances after the date of arrival as shown by the railroad receipt, and he shall be entitled to receive interest on the selling value of his wool after freight has been deducted from date of arrival. The Government is fixing the price of the 1918 clip on a basis delivered at Atlantic seaboard points. It is, therefore, incumbent on the grower to deliver his wool at the designated distributing centres, and the expense of delivering the wool at such centres will be charged against the wool on a basis of the freight rate from point of origin to the Atlantic seaboard.

Valuing and Grading.

As soon as possible after the arrival of the wool at a distributing centre, if the wool is to be taken in the original bags, it shall be valued by the Government Valuation Committee. If the wool is to be graded, it shall be valued in the piles by the Government Valuation Committee as soon as the piles are graded and ready for delivery. All grading will be conducted under Government supervision. The grades out of each clip will be weighed separately, and the books of the dealer, as far as they pertain to any grower's wool, shall be open to him. Tags, bucks, black and other recognized discount fleeces will be paid for at prices fixed by the Government. Bags will be paid for in the same manner.

Payments to Growers.

Growers shall be entitled to payment on a basis of the date of the arrival of the wool, as shown by the railroad receipt. However, as it would be impossible for obvious reasons to make settlement on each clip on the date of its arrival, in order that the grower may lose nothing by any delay in settlement he shall be entitled to draw interest on the selling price of his wool, less freight, from the date of the wool's arrival until the date of final settlement.

Final returns will be made as promptly as possible in all cases.

Commissions.

The grower does not pay the commission or compensation for handling wools in the designated distributing centres. This commission or compensation for handling will be added to selling price of the wool and paid by the buyer.

If sold in the original bags the commission or compensation shall be 3% of the selling price. If the wool is graded the commission or compensation shall be 3½% of the selling price. This commission or compensation includes drayage, storage and insurance for a period not exceeding on any lot six months after arrival. On any lot remaining unsold in his possession for a longer period than six months the dealer shall be entitled to charge storage and insurance at the market rate, and this additional charge shall be added to the price of the wool.

Mills Located in Wool Growing Districts.

In order that the Government may have full control of the wool situation with a view to conserving, as far as may be necessary, the wool supply for military purposes, it is considered necessary to prohibit manufacturers from buying wool except in the designated distributing centres, and then only with the permission and consent of the Government under such regulations as the Government may hereafter make.

However, mills located in wool-growing districts not near to the designated centres of distribution, and which are working on Government orders, will be given permits through the Wool Division of the War Industries Board to buy certain amounts of wool in their immediate neighborhood. In making applications for such permits, the manufacturer applying should state the number of his Government order, the amount of goods yet to be delivered against such order, the amount of his wool stock on hand, and the amount and class of wool required to complete said order. The manufacturer, receiving such a permit will be required to report to the Wool Division of the War Industries Board all purchases made against permit issued to him.

Permits to Dealers.

All dealers in approved centres desiring a permit to operate should apply to the Wool Division of the War Industries Board, stating their capacity for storing and grading.

All country dealers should apply for a permit to operate by writing to the Wool Division of the War Industries Board, giving name and address.

In order to expedite movement of wool, dealers in country districts and distributing centres may operate immediately in accordance with the above regulations, pending application for and granting of permit.

LEWIS PENWELL,
Chief of Wool Division,
War Industries Board,
Washington, D. C.

Valuations as of July 30 1917.

[Basis clean scoured.]

Ohio and similar, including New England States, New York, Pennsylvania, West Virginia, Kentucky, Virginia, Michigan, New Jersey, Delaware and Maryland.

	Choice.	Average.
Fine delaine.....		\$1 85
Fine clothing.....	\$1 75	1 70
Half-blood staple.....		1 68
		{ 1 60
Half-blood clothing.....		{ to
		{ 1 62
Three-eighths staple.....		1 45
Three-eighths clothing.....		1 42
Quarter-blood staple.....		1 32
Quarter-blood clothing.....		1 30
Low quarter-blood.....		1 17
Common and braid.....		1 07

Missouri, Indiana, Illinois and similar, including Iowa, Wisconsin, Minnesota, Kansas, Nebraska and Arkansas.

Fine delaine.....		\$1 80
Fine clothing.....	\$1 70	1 65
Half-blood staple.....	1 63	1 60
Half-blood clothing.....	1 60	1 57
Three-eighths staple.....	1 40	1 37
Three-eighths cloth.....	1 37	1 34
Quarter-blood staple.....	1 28	1 26
Quarter-blood cloth.....	1 26	1 24
Low quarter-blood.....	1 17	1 15
Common and braid.....		1 07

Georgia and Lake Wools and Other Southern Wools.

Average lots, largely three-eighths.....		\$1 25
Average lots, largely quarter-blood.....		1 20

Territory.

	Choice.	Average.	Inferior.
Fine staple.....	\$1 80	\$1 75	\$1 70
Fine clothing.....	1 70	1 65	1 62
Half-blood staple.....	1 68	1 63	1 60
	{ 1 60		
Half-blood clothing.....	{ to	1 58	1 53
	{ 1 62		
High three-eighths staple 56-58's.....	1 45	1 42	1 40
High three-eighths clothing 56-58's.....	1 42	1 39	1 37
Three-eighths staple 56's.....	1 40	1 37	1 35
Three-eighths clothing 56's.....	1 37	1 34	1 32
Low three-eighths staple 50-56's.....	1 35	1 32	1 30
Low three-eighths clothing 50-56's.....	1 32	1 29	1 27
High quarter-blood staple 48-50's.....	1 32	1 29	1 27
High quarter-blood clothing 48-50's.....	1 30	1 27	1 25
Quarter-blood staple 46-48's.....	1 28	1 26	1 24
Quarter-blood clothing 46-48's.....	1 26	1 24	1 22
Low quarter-blood staple 44's.....	1 17	1 15	1 13
Common and braid 40's.....	1 07	1 05	1 03

Texas.

Twelve months.....	\$1 75	\$1 70	\$1 65
Good eight months.....	1 55	1 50	1 45
Good six months.....	1 50	1 45	1 40

California.

Twelve months.....	\$1 70	\$1 65	\$1 60
Eight months.....	1 50	1 45	1 40

OTHER DEVELOPMENTS IN CONTROL OF WOOL BY GOVERNMENT.

The appointment of Nathaniel Stevens of North Andover, Mass., by the wool producers, dealers and manufacturers, to act in an advisory capacity to Chairman Penwell of the Wool Division of the War Industries Board, was announced on May 13. Other members of the committee are Ludwig Eiseman of Boston, representing the dealers, and J. H. Moyle, Assistant Secretary of the Treasury, representing the producers.

According to the New York "Times" of May 16 it was made plain at the annual meeting of the Woolen Goods Exchange in this city on May 15th that the Government does not intend to overlook the requirements of the civilian population for woolen clothing, in its anxiety to adequately care for the needs of the armies. The "Times" added:

The fact that the Government proposed, to the best of its ability, to safeguard civilian needs in making allotments of raw wool, was announced by Frederic S. Clark of North Billerica, Mass., Chairman of the War Service Committee of the Wool Manufacturing Industry. Mr. Clark said the War Industries Board would, as soon as practicable, send circular letters of information to all manufacturers with blanks on which they could indicate their needs for wool for commercial purposes.

In its New England letter of May 15 the First National Bank of Boston had the following to say on the developments with regard to the wool industry:

During the past month the wool dealers of the country have been practically forced out of business so far as the regular methods of doing business are concerned, and have become hardly more than an adjunct of the Quartermaster-General's Department. Upon all foreign wool imported, the Government holds an option at prices 5% under the values of July 30 1917. The Government has also assumed control of the new domestic clip and has ruled against buying on the part of dealers, favoring the movement of wool to the mills on a strict consignment basis. The dealers are desired to act as the channel for the movement of this wool, since they know the requirements peculiar to the various mills, as well as the art of grading the wools to meet these requirements. The Government has agreed to a fixed maximum price to the growers for wool delivered at seaboard markets, based on values ruling July 30th last in the Boston market, and has thus safeguarded the grower. It asks the dealer, how-

ever, to do his part of the "marketing" for 3% if the wool is ungraded, and 3½% if graded; this commission to include storage, cartage and insurance (including marine.) Inasmuch as the average overhead expense of the dealers is 2 to 3%, with no prospect of any reduction, this proposition is hardly satisfactory to the dealers.

It is hoped that the Government will modify its position in this respect, thus facilitating the movement of the clip to the mills, which are in sore need of wool. The civilian needs of the country will have to wait, since, according to the statement of the Government Yarn Administrator all spindles are likely to be kept employed on military work until about Sept. 1, and weaving machinery until a somewhat later date. Tonnage for the importation of foreign wools is hard to obtain at the moment, and considerable wool is awaiting shipment from South Africa to this country for lack of shipping space. At the River Plate as high as eight cents a pound has been paid for steamer freight, and is difficult to get even at that price. Obstacles against the transportation of the raw material, especially by water, have been heavy of late, and economies must be practiced in every direction if our troops are to be promptly equipped. Meantime, English mills are receiving larger wool rations.

LIKELIHOOD OF WOOL SHORTAGE REFUTED BY SECRETARY OF NATIONAL WOOL GROWERS' ASSOCIATION.

In refuting reports of the likelihood of a wool shortage, S. W. McClure, Secretary of the National Wool Growers' Association, was quoted as follows at Salt Lake City on May 13:

I see no reason why the American people should be unduly alarmed about a famine in wool, or why they should cease to wear all wool clothing, if they desire to do so. Agitators have been shouting wool famine, but the facts do not bear them out. Here are the facts:

The total amount of wool consumed in the United States averaged 410,000,000 pounds per year in 1912-13-14. Then came the European war and we began exporting some woolen goods to foreign countries and domestic consumption increased also. In 1917 we made large quantities of woolen goods for our army and navy. The result is that in 1915-16-17 the average annual consumption of wool in this country was 600,000,000 pounds. Of this amount probably 100,000,000 pounds went to clothe the army and navy. Thus, it is fair to assume that our average annual consumption of wool is approximately 500,000,000 pounds, exclusive of army needs.

The Government estimates that it requires 100 pounds of wool per year to clothe each soldier, so that any army of 2,000,000 men would require 200,000,000 pounds of wool per annum. Adding this to our annual normal consumption, we will require a total supply of wool for all purposes in 1918 of 700,000,000 pounds.

On Jan. 1 1918 the Government took a census of the wool in the United States on that date, and reported on hand 435,000,000 pounds of clothing wool. The domestic clip of 1918 will total 300,000,000 pounds. The Government of Great Britain has released to the United States for army purposes 70,000,000 pounds of wool. In addition to this, the imports of clothing wool for 1918 will amount to about 350,000,000 pounds. Therefore, we have a grand total supply of wool in sight for 1918 of 1,155,000,000 pounds. Our consumption should be around 700,000,000 pounds, so that on Jan. 1 1919 we should have a balance on hand of 450,000,000 pounds, or about the same as was on hand in January 1918.

Naturally, wool is high in price and it must remain so during the war. The cost of producing wool has increased by leaps and bounds in the past two years, so that wool growers are in no better position than before the war. The advance in the price of wool has not been as great as in most other commodities. The average price of the best fine, second wool in Boston for 1916 and the eleven years that preceded was 69c. a pound; the average price of the same grade of wool in 1917 was \$1.70. Wool has, therefore, a little more than doubled in price. It will probably remain on the present basis throughout the war. But an advance in the price of wool hurts the consumer less than in almost any other commodity.

Taking the wool at the present price, an all wool suit of clothes would contain only from \$4 to \$6 worth of wool. Take a suit retailing from \$30 to \$35, and if it is made of all new wool the wool in it would only cost from \$4 to \$6. Advance in the price of wool affects the consumer in but a small degree. But the important fact is that we have an adequate wool supply and no famine in sight, and an increased use of shoddy is unnecessary.

WOOL FROM WHITE HOUSE SHEEP TO BE AUCTIONED FOR BENEFIT OF RED CROSS.

Notice that President Wilson and Mrs. Wilson had proposed that the wool clipped from the White House sheep be disposed at auction for the benefit of the American Red Cross was sent to the Governors of each State by Chairman H. P. Davison of War Council of the Red Cross on May 19. Approximately 90 pounds of wool were made available in the shearing and the President suggested that it be divided in packages of about two pounds, to be auctioned in each State. In telegraphic advices to the Governors Mr. Davison said:

President and Mrs. Wilson have presented to the American Red Cross the shearing from the White House sheep with the request that this wool be auctioned in each State during the Red Cross War Fund campaign week for the benefit of the fund. They have suggested that we ask you as Governor to receive mail and telegraphic bids from your entire State during this week. Each State will receive approximately two pounds of wool, to be known as White House wool. In order to stimulate activity in the bidding you will please arrange for the publication in your State papers each morning of the bids received during the preceding day, with the names of the bidders.

We are asking the Chairman of the Red Cross chapter in your capital city to place the Red Cross organization at your service in any way you may desire. Wool will be sent special delivery, and we hope will arrive before the close of campaign. The total amount secured from all States will be turned into the War Fund as the President's fund.

Similar messages were sent by cable to the Governors of Porto Rico, Hawaii, and the Philippines and to the Governor of Alaska.

PULLED WOOL REGULATIONS ANNOUNCED BY WAR INDUSTRIES BOARD.

The following regulations for pulled wool, the price of which has been fixed on the basis of prices established July 30 at the Eastern seaboard market, were announced on May 21:

1. The price of pulled wool has been fixed by the War Industries Board on the basis of prices established as of July 30 1917 at the Eastern seaboard markets.

2. For purposes of valuation and distribution each puller of wool shall consign his pullings to a commission house or dealer in some one of the designated distributing centres, who shall act as the pullers' agent in delivering the wool to the Government if bought by the Government, or if not bought by the Government, then to act in transferring said wool to such manufacturers as may be designated by the Government to receive it.

3. Consignees of pulled wool shall be entitled to receive a commission or sum equal to 2½% on the selling price, this compensation to be paid by the Government on any wool the Government may buy, or if not bought by the Government then said commission or compensation shall be added to the selling price of the wool, and shall be paid by the manufacturer to whom such wool is allotted. This commission shall cover all handling charges at the centre of distribution, including drayage, storage, and insurance; but in case any lot shall remain in the hands of the consignee for a period longer than six months after the date of its arrival at the distributing centre (as shown by the railroad receipts), then such consignee shall be entitled to storage and insurance at market rates for such further period.

4. It is incumbent for the pullers to deliver their wool at distributing centres, and as the prices fixed are on a basis of Atlantic seaboard prices, the freight on the wool from point of origin to the Atlantic seaboard markets will be a charge against the wool and will be paid by the owner of the wool.

5. After the wool has been valued and approved, payment will be made net cash in 10 days from receipt of bills, invoices and warehouse receipt, or else order bill of lading as may be required. The commission house or dealer shall make returns to the consignee as soon as possible thereafter.

6. Pullers are required to send each month not later than the 10th day of the following month a detailed statement of each month's pulling. These returns must be made out in duplicate, and one copy sent to the Wool Administrator, 273 Summer Street, Boston, and the other to the Chief of the Wool Division, War Industries Board, Washington, D. C.

Prices on pulled wool produced up to April 25 1918 taken over under the direction of the War Industries Board:

All wool pulled up to and including April 25 1918, suitable for Government requirements, will be taken at prices as of July 30 1917, for wool costing July 30 prices or less.

For all pulled wool which can be shown to cost the owner prices in excess of July 30 prices, the Government will pay on account of overhead and recognized excess value of spot wool an amount of 5% above cost on all grades. Cost to be composed of out-of-pocket cost, consisting of first cost, transportation, marine and war insurance (if any), and interest at 6%, but this total in no case is to exceed April 5 prices, as per list, submitted by the valuation committees.

LEWIS PENWELL,
Chief of Wool Division,
War Industries Board.

Washington, D. C., May 21 1918.

VOLUNTARY CUT IN COMMISSION ON GOVERNMENT CONTRACT BY ALLIED SILK TRADING CORPORATION.

The fact that the Allied Silk Trading Corporation of New York had decided to reduce from 7½% to 3% its commission on a contract made with the Ordnance Department for the manufacture of 7,000,000 yards of cartridge cloth was made known on May 21. The action which, it is said, will result in a gain to the Government of between \$200,000 and \$300,000, was announced in the following letter addressed by the Corporation to the War Department:

1. When the Allied Silk Trading Corporation undertook to assist the Ordnance Department in the manufacture of seven million yards of cartridge cloth, and formed a corporation of \$500,000, cash paid in, for the purpose there was no desire on their part to undertake this work particularly for profit. The 7½% commission arranged for at the time the contract was placed was based upon and accepted with the idea of safeguarding the company from any possible loss that might occur in the execution of the contract, the company being uncertain at the time as to prompt payments by the Government, requirements and possible contingencies.

2. It gives us great pleasure, therefore, to inform you that, owing to the fact that payments have been prompt, requirements have been within the bounds of reason, and prompt and ready assistance rendered by the Ordnance Department, the Allied Silk Trading Corporation has decided to reduce their commission on this contract from 7½% to 3% (and possibly less, at their discretion) on the entire amount of the contract, making a gain of between \$200,000 and \$300,000 for the Government.

3. This is based on the assumption that payments will be made to the company promptly, as heretofore, for money expended, and that the company will suffer no monetary losses in the execution of the work involved up to the time of the conclusion of the entire contract, which latter contingency seems unlikely at present.

4. We therefore propose to arrange with the Auditing Department for the payment to the Allied Silk Trading Corporation of 3% instead of 7½%, as the contract calls for, leaving the balance of 4½% as a contingent fund in the hands of the Government, and which the company will not collect excepting as per paragraph No. 3. It is understood that we are not to be relieved of any responsibility in our work under this contract because of this change; in other words, the Allied Silk Corporation will be satisfied with 3% (or less, at their discretion) as a commission instead of 7½%, if no losses to them are involved. The spirit we are endeavoring to display, we hope, will be emulated in others.

\$60,000,000 APPROPRIATED TO PROVIDE HOUSING FOR WAR WORKERS.

The conference report on the Housing Bill, which had already been accepted by the House, was adopted by the Senate on May 13 and the measure sent to the President for his signature. The bill appropriates \$60,000,000 to provide living accommodations for war workers, and is additional to the

\$50,000,000 recently appropriated to build homes for shipyard workers. Of the sum now appropriated, \$10,000,000 is to be expended in the District of Columbia, where the enormous expansion of Government activities has created conditions as to living accommodations which were described as "little short of a national scandal." The remainder of the money is to be expended under direction of the President to provide homes for munitions workers in the neighborhood of plants which have been or are to be enlarged to meet Government necessities.

The measure was discussed at intervals for several weeks. As originally introduced, its terms were very broad. The money was to be expended under the direction of the Secretary of Labor, who was empowered to buy or build houses or commandeer houses already built. A provision inserted by the House, but subsequently eliminated, authorized the taking over of local traction lines, or the extension over them of Federal control.

The measure was opposed in the Senate as a "Socialistic experiment," and a series of amendments added intended to limit and define its scope. An amendment by Senator Brandegee of Connecticut provided that property acquired by the Government shall be disposed of as soon as possible after the war. Other amendments prohibited the commandeering of citizens' homes except by contract and after a "certificate of necessity" is made by a Federal Judge, and unless the property is needed for the extension of Government construction. "Cost plus" contracts are forbidden, and bids are required from not less than three contractors. The Senate also changed the bill so as to confer the authority granted on the President instead of the Secretary of Labor.

The necessity for such an appropriation was summed up as follows by Representative Clark, Chairman of the House Committee on Public Buildings, in reporting the bill to the House:

The necessity for this legislation arises from the fact that all of the manufacturing and industrial plants existing in this country at the time of the declaration of war with Germany which could be useful for war purposes have been enormously expanded, and in addition very many more such plants have been established, and this expansion and growth have made it necessary that many, very many, thousands of additional workmen should be employed, and, of course, these workmen and their families must be housed. The Administration, realizing and appreciating the fact that it was of the very highest importance that every plant engaged in the manufacture of arms and munitions and other war essentials should be expanded to the utmost and should be kept constantly running at its highest productive capacity, and that this necessity would require a tremendous increase in the number of industrial workers, caused the Committee on Labor of the Council of National Defense to make a survey of the problem in order to determine what could be done in the premises. This investigation disclosed an alarming condition. It was ascertained that good, skilled, competent workers could be had, but that in many cases houses could not be had, and therefore this vitally necessary work could not be performed as speedily as the exigencies of the situation demanded. Private capital could not, or would not, build on a scale to meet the demand, and therefore it became a Governmental problem to house the labor which is absolutely necessary for the full development of our resources to successfully deal with the emergency confronting us.

PRESIDENT WILSON WAIVES EIGHT-HOUR LAW IN CONSTRUCTION OF WATER MAINS IN DISTRICT OF COLUMBIA.

An Executive order declaring the construction of certain water mains in the District of Columbia to be an emergency measure, relating to the conduct of the war and excepting from the provisions of the eight-hour law, laborers and mechanics employed in connection therewith, was published as follows in the "Official Bulletin" of May 14:

EXECUTIVE ORDER.

Whereas the urgent deficiency bill, H. R. 9867, approved March 28 1918, authorized the Commissioners of the District of Columbia to construct 24-inch water mains along certain streets, to wit:

"For constructing 24-inch water mains in Twenty-First Street, from L Street to Virginia Avenue; in Virginia Avenue to New York Avenue; in New York Avenue between Virginia Avenue and Nineteenth and E Streets; in E Street between Seventeenth and Nineteenth Streets; and in Seventeenth Street between E Street and New York Avenue, \$70,000 to continue available during the fiscal year 1919.

"For constructing 24-inch water main in Twenty-First Street from Virginia Avenue to B Street, and in B Street between Seventeenth and Twenty-First Streets, \$39,600; and for constructing 16-inch water mains in B Street between Twenty-First and Twenty-Sixth Streets and in Twenty-Sixth Street between B and D Streets, \$18,700; and for constructing 20-inch water main in Missouri Avenue between Four-and-a-half and Sixth Streets N. W., \$6,000; and for constructing 12-inch water main in the Mall between Seventh and Ninth Streets and B Street N. and B. Street S., \$2,400; in all \$66,700, to continue available during the fiscal year 1919."

Whereas these water mains are to be constructed for the convenience of office buildings erected by the United States Government in this vicinity in connection with work relating to the present war, and

Whereas the Commissioners of the District of Columbia have requested that this be declared an emergency matter, and have asked that the eight-hour law relating to the employment of laborers and mechanics in the District of Columbia be waived in connection with the construction of these water mains:

Therefore, be it ordered, that I, Woodrow Wilson, President of the United States, do hereby declare that the construction of the said water mains is an emergency measure relating to the conduct of the present war, and it is

hereby excepted from the provisions of the eight-hour law governing the hours of laborers and mechanics in connection therewith.

Provided, however, that pay be allowed to those entitled thereto in the construction of said water mains with compensation of time and a half for overtime work spent upon said construction.

WOODROW WILSON.

The White House, April 20 1918.

GOVERNMENT PRICE FOR GRADE A ZINC (TO BE CONTINUED).

A recommendation that President Wilson continue the price of Grade "A" zinc at 12 cents per pound was made by the Price Fixing Committee of the War Industries Board on May 23. The price of 12 cents had been approved by President Wilson on Feb. 14 to continue in effect until June 1. Conferences to decide whether a revision in price was necessary were held at Washington on May 16 and 17 between representatives of the country's principal zinc products and the Price Fixing Committee of the War Industries Board, the Committee making its recommendations to the President following the conferences.

GOVERNMENT'S PRICE ON COPPER REPORTED AS CONTINUING AT 23½ CENTS.

Following conferences at Washington on May 22 between representatives of the copper producers and refiners and the War Industries Board, it was reported on May 23 that recommendations were made to President Wilson by the Board that the maximum price of copper previously fixed by the Government at 23½ cents a pound at Eastern refineries be continued for 75 days beginning June 1. No official announcement as to the Board's recommendation or the President's conclusions has yet been made. It had confidently been expected that an increase would be granted by the Government, since it had been pointed out at this week's conference and at the conference with the Price Fixing Committee of the War Industries Board on May 1 that with the high cost of labor and material the trade was losing money on present contracts under which the price is fixed at 23½ cents to June 1. Early in the month representatives of the refining companies were reported to have said that an increase of 1½ cents a pound, making the new price 25 cents a pound, would enable producers to meet the increased cost of refining the metal. The Washington dispatches of May 22 stated that the representatives of the copper industry had asked the Price Fixing Committee to fix the price at 30 cents a pound for the three months beginning June 1. The smaller producers are said to have stated that many of them would probably have to discontinue business unless the price was fixed at the figure named. Arizona copper miners are reported to have asked Secretary of Labor Wilson on May 23 to assist them in obtaining \$1 a day increase in wages. They are credited with stating that the claim is made by producers that an increase cannot be paid unless copper prices are raised. Commenting on the copper price reputed to have been recommended by the War Industries Board, the "Wall Street Journal" of May 23 said:

This decision, which came in the nature of a surprise to copper producers, was made, it is understood, before the conference between producers and the Board had taken place. More than 30 representatives of copper producing and refining companies spent eight hours in presenting arguments why the price should be raised in order to offset constantly advancing cost of production only to be informed at the conclusion of their efforts that the price had actually been decided on the preceding day.

From 10:30 Wednesday morning until 7:15 at night with short intermissions the producers sat with the Board in severe Washington heat in a low-studded room and gave facts and figures concerning their operations and the extent to which costs had mounted against them while the price of copper had remained stationary.

It was also intimated that consideration might be given later on to some classification of producers so that the high-cost mines would be shown preference in the matter of price that they might show some profit on present operations. Between 250,000,000 and 300,000,000 pounds of copper cost over 20 cents a pound to produce, it is estimated by copper authorities, and to speed up to new efforts and enable present tonnages to be turned out to market at a profit, the suggestion has been advanced that several cents a pound over the stipulated price be granted these concerns.

Just what should enter into the cost of producing copper came up for consideration and a considerable difference of opinion evidently exists between the Board and producers as to the inclusion of certain items f.o.b. refinery, with the elimination of all freight and other charges in connection with delivery of the marketable product to consumers. These cannot be regarded as a proper item to enter into costs, according to the belief here with which contention the producers cannot agree.

Furthermore, taxes, always considered a proper charge, cannot be included in cost when being considered as a basis for arguing copper prices. Nor can depletion be regarded, it appears from what was heard from the Board's side. That all the copper which can possibly be turned out by the mines of the country will be needed is recognized by the Government and a shortage may develop unless further speeding up can be accomplished. Some increase was practically assured by the high-cost representatives, should the price be increased so as to permit them a fair profit for depleting their mines, but with that possibility passed, through extending the present price for a 75-day period, the incentive for the companies

showing little or no profit to drain their physical assets has disappeared, although from a purely patriotic viewpoint they will do the best they can in maintaining and increasing output where possible.

The fact that Anaconda Copper Co. made profits during 1917 of about \$34,300,000 seemed to have made an impression upon the Board. It was commented on unofficially among other copper producers that the form of annual report submitted by Anaconda left room for much speculation as to just how much came from actual copper sales, the amount from investments in other companies and the revenue derived from sub-company operations. Upon the question of costs the annual report has always been painfully silent.

A case was presented for Utah Copper Co., in which it was stated that costs which this company had been able to secure were due in large part to the large amounts of money that had been put back into the property and to the vast expenditures for improvements and additions.

POSSIBILITY OF USE OF COAL AND OIL BEING DENIED YACHTS DURING WAR.

In announcing the possibility of the issuance of an order prohibiting the use of coal and fuel oil by yachts during the continuance of the war, the Federal Fuel Administration on May 21, said:

The United States Fuel Administration has under consideration the issuance of an order prohibiting the use of coal and fuel oil by private yachts during the present war emergency. The words "private yacht" used in this connection mean any vessel operated not for profit.

For some months the conservation division of the Fuel Administration has been investigating the conditions under which private yachts are operated in American waters, the number in commission, the number of men employed, and the average coal and oil consumption. Incomplete figures now in hand show an average in commission for the last three years of 282 private yachts driven by steam and more than 1,000 driven by gasoline.

The total fuel used in these vessels has been deemed worthy of consideration at a time when a shortage of fuel is inevitable. The elimination of these craft would also release a considerable number of men for work in the war industries.

The statistics gathered by the conservation division show that hundreds of vessels formerly operated as private yachts in this country have been turned over to the Government for use in the war.

OIL AND COAL PRODUCTS FOR ROAD WORK LIMITED.

It was announced on May 19 that the use of oil and coal products in public road work will be limited for the period of the war. Petroleum, asphalt or tar products wanted for building or repairing roads will be delivered only after approval of the application by a committee representing the Fuel Administration and the office of Public Roads of the Department of Agriculture. The following is the announcement made by the Department of Agriculture:

Petroleum, asphalt or tar products wanted for the construction, maintenance or reconstruction of roads will be delivered only after approval of the application by a committee representing the United States Fuel Administration and the office of Public Roads of the United States Department of Agriculture. This announcement was made by officials of the two Federal agencies.

State highway departments, to which notices of the restrictions have been sent, are required to pass upon all applications for highway work in their territories involving the use of these materials. Applications are then to be sent to L. W. Page, Director of the Office of Public Roads, Washington, D. C. Mr. Page is Chairman of the committee which will consider the necessity of the material being supplied and will make recommendations to the oil division of the Fuel Administration, which will issue permits in accordance with the recommendation when the materials is available.

CEMENT PRICE FIXING BY GOVERNMENT.

New cement prices fixed by the Price Fixing Committee of the War Industries Board for the four months from May 1 to Sept. 1 were made known on May 12; the new prices represent increases ranging from 15 to 30 cents over prices previously in force. Richard L. Humphrey, representing the cement producers on the War Industries Board, in outlining the new prices, is reported as stating that the prices fixed for Government purchases aggregate from 15 to 30 cents a barrel below the costs to commercial consumers. The agreement between the Government and the Portland Cement Co., composed of representatives of the cement manufacturers throughout the country, for deliveries during the four months ending Aug. 31 1918 is as follows:

Hudson, N. Y.	\$1 85	Houston, Tex.	\$1 80
Northampton, Pa.	1 75	El Paso, Tex.	1 95
Universal, Pa.	1 75	San Antonio, Tex.	1 95
Fordwick, Va.	1 70	Trident, Mont.	1 90
Bellevue, Mich.	1 80	Portland, Colo.	1 75
Mitchell, Ind.	1 70	Devils Slide, Utah.	1 90
Hannibal, Mo.	1 70	Brigham, Utah.	1 90
Buffington, Ind.	1 60	Salt Lake City, Utah.	1 90
La Salle, Ill.	1 70	Irvin, Wash.	1 95
Mason, City, Iowa.	1 70	Concrete, Wash.	1 95
Iola, Kan.	1 75	Oswego, Ore.	2 00
Steeleton, Minn.	1 70	Cement, Cal.	1 95
Kingsport, Tenn.	1 65	Davenport, Cal.	1 95
Richard City, Tenn.	1 65	Crest-More, Cal.	1 95
Harris, Tex.	1 70		

Shipments in bulk, 15 cents per barrel less.
Shipments in paper bags, 10 cents per barrel additional.
Shipments in cloth bags, 40 cents per barrel additional.

Cement companies will issue credit to the department or contractor to whom the cement has been sold or shipped in cloth bags at the rate of 10 cents each for the company's empty cloth bags bearing its brand, upon receipt in serviceable condition at its mill, freight prepaid, subject to the

company's inspection and count; such bags to be returned within sixty days from date of receipt of shipment. Cloth bags are the property of the cement companies and are not to be used by the Government departments or their contractors for other purposes, and while in their possession are to be properly cared for and special attention given to their prompt return to the shipping mill.

On the above basis, with freight added, prices will be named f.o.b. cars at destination based upon present rates of freight and war tax on this freight, subject to increase in destination prices in accordance with any increases which may be made in freight rates and the war tax on same. Shipments to be made freight collect, deducting from invoice the amount of the freight from mill to destination. In special and exceptional instances where shipments are desired freight prepaid, invoices will be rendered at destination prices without freight deduction.

Terms of payment will be thirty days net cash or five cents per barrel discount if invoices are remitted for within ten days from date of shipment.

Notice has also been given of the adoption by the price-fixing committee at a meeting on May 11 of the following resolution:

Whereas, The unknown quantities influencing the probable cost of cement during the four months ending Aug. 31 are so numerous as to make it difficult to fix a maximum price which will secure to the manufacturers what the Government considers a fair profit it is understood and agreed that if at any time during said period for which maximum price has been fixed the manufacturers can submit convincing proof to the Price Fixing Committee that the price agreed upon is unfair to them the committee will receive such evidence and readjust prices from date of said submission of evidence on what the Government, following its usual policy, conceives to be fair and just to the manufacturer. While the maximum price agreed upon is understood to be for the Government only, the manufacturers have assured the Government that the maximum price they are charging the general trade is the list submitted to the Government on April 22, with the exceptions noted on attached list. The Government serves notice upon the manufacturers, however, that if there is any disposition to advance this price to the general trade, the Government will enforce the established policy of the Government where it fixes a price for the Government and the public for the general public to pay the same price which the Government pays.

Allen E. Beals of the Allen E. Beals Corporation, publishers of the Dow Service Daily Building Reports, had the following to say on May 13 regarding the new prices:

Sharp wrenching of building material price tables in favor of both the consumer and the building material distributor are reported to-day.

Perhaps the most dominant feature is the announcement of the final arrival at a price adjustment between the Government and the Portland cement manufacturers of the Lehigh Valley and Hudson district(s). This quotation has been placed at \$1 75 for Lehigh Valley, or zone 1, production and \$1 85 for Hudson Valley cement. These levels represent an advance of 45 cents a barrel over the quotations formerly made on Government orders, base Lehigh, prior to the development of higher cost of manufacture since this country went to war a little over a year ago. The new prices are 15 cents below the mill quotation for commercial business.

Simultaneous with this announcement comes word out of both districts that the coal situation is becoming easier and the threatened restriction of output does not now promise to be quite so acute. The larger construction programs outlined by the Government and by the United States Steel Corporation have injected new factors into all classes of building materials, especially with relation to supply and it is not at all improbable, in the minds of some interests, that a construction program running into the billions of dollars will draw so heavily upon the limited supplies of building materials on hand in the eastern part of the country that orders recently promulgated may have to be revised to permit husbanding of reserves adequate for immediate future requirements.

What was considered a forerunner of a plan to conserve basic building materials developed in the cut-stone trade when it was revealed that farsighted distributors, anticipating just such an emergency, had been systematically bringing to this market large quantities of building stone so as to insure operators on institutional alteration work or high-grade private work that could go ahead on private capital of an abundance of practically normal-priced building material. To-day there is piled up in this city and still coming in large quantities of ordinary building stone, there being probably more free material of this character on hand here than there has been at any time in recent years. The railroads are co-operating in rushing stone here, but are not now handling the lighterage. So a 10-cent advance is noted.

Another department that has begun to feel some of the pressure of Government business is lime, an increasing quantity of it now being called for in Southern ports from Eastern sources. This is being used partly in the housing developments in Maryland, Philadelphia and southern New Jersey.

Composition roofing, in one section of the market, shows a notable price shrinkage this week. Material of 35-45 and 55-pound grades are off 20 cents and the same applies to insulating paper. At the same time it was announced that flux that is used with asphaltum substitute has been advanced \$4 and is now quoted at Maurer, N. J., at \$34 and \$36, depending upon whether carload lots are called for or less.

Notable price changes became effective last week in hollow tile fire-proofing, base, Perth Amboy, N. J. Exterior is now quoted as follows: 4x12x12, \$105 per 1,000; 6x12x12, \$147; 8x12x12, \$178 50; 10x12x12, \$210; 12x12x12, \$262 50. Interior, 2x12x12, \$80; 3x12x12, \$80; 4x12x12, \$90, and 6x12x12, \$120.

Price advances are reported in Newark in almost every commodity. Portland cement at Newark yard is now \$3 a barrel and \$3 15 delivered; Rosendale, \$2, as against former price of \$1 60 and a delivery price of \$2 15. Lime has advanced from \$1 90 to \$2 60 yard and \$2 75 delivered. Plaster that was formerly quoted at \$2 80 is now quoted at yard at \$3 60 and delivered \$3 75. Hudson and Raritan brick at Newark yard are \$12 25 a thousand.

DEPENDENCE OF UNITED STATES ON BRITISH FOR CLAY.

In a statement with regard to the dependence of America on British imports of clay, the United States Shipping Board says:

Most of us think clay is something as common and abundant as sand or gravel. Consequently it comes as a surprise to be told by the Shipping Board committee on mineral imports and exports in Washington that even in this day of great shortage of ocean-going ships we have to import from England every year 200,000 to 250,000 long tons of clay. Last year we imported more than 250,000 tons over the ocean.

Furthermore, a great part of this clay comes over in steamers loaded full and the rest in big steamers loaded with clay up to 50% and more of their maximum carrying capacity. These ships put into Fowey, England, for their freight. To get this clay on and off the boats requires 10 days on each cargo. An insignificant percentage of the clay is shipped as ballast. This represents small lots loaded into big liners at Liverpool. But it will be seen that the importation of English clay consumes an important amount of ship tonnage measured in days time lost because of natural delays incident to the transport of this freight.

Why do our manufacturers pay the high freight rates now necessary in order to obtain an article like clay from England? There is, as we all know, an abundance of clay in this country. A great deal of high-grade clay is produced here and of a character suitable for pottery, porcelains and other articles which require clays of special excellence in their manufacture. But not much over half of the clay of this grade that our industries require is domestic. When war broke out in 1914 only a third of it was domestic. We have not been able to develop and equip our deposits fast enough to make these English clay imports unnecessary. In fact, it is doubtful whether we will produce as much high-grade clay in 1918 as we did in 1917. Our manufacturers want the clay but they cannot get anywhere near as much as they want. The reduced output is due to railroad and operating conditions and is not related to the character or size of the deposits, which are capable of large production.

Domestic producers do not mine their clay quite as cleanly as their English competitors. Nor is the domestic clay as uniform in character. It will not bring the high prices paid for English clay, but more could be sold if it could be produced and carried to its market. Still more could be marketed if cleaner, more uniform clay were produced, for in that event the consumers would use a greater percentage of domestic and correspondingly less English clay in their mixtures.

However, our complete dependence upon English clay continues. We must rely on English clay as a chief ingredient of the dishes we eat from, the paper in our books and magazines, the porcelain in our electric-light sockets and half a dozen other articles of less general use.

NATIONAL RESEARCH COUNCIL PERPETUATED IN ORDER OF PRESIDENT WILSON.

An Executive Order making permanent the National Research Council was issued by President Wilson on May 11. The order states that the work in securing co-operation of military and civilian agencies accomplished by the Council, which was organized in 1916 at the request of the President by the National Academy of Sciences, demonstrates its capacity for larger service. The duties of the Council outlined by the President include the promotion by it of co-operation in research, at home and abroad, in order to secure concentration of effort, minimize duplication and stimulate progress. The following is the President's order:

EXECUTIVE ORDER.

The National Research Council was organized in 1916 at the request of the President by the National Academy of Sciences, under its congressional charter, as a measure of national preparedness. The work accomplished by the Council in organizing research and in securing co-operation of military and civilian agencies in the solution of military problems demonstrates its capacity for larger service. The National Academy of Sciences is therefore requested to perpetuate the National Research Council, the duties of which shall be as follows:

1. In general, to stimulate research in the mathematical, physical, and biological sciences, and in the application of these sciences to engineering, agriculture, medicine, and other useful arts, with the object of increasing knowledge, of strengthening the national defense, and of contributing in other ways to the public welfare.
 2. To survey the larger possibilities of science, to formulate comprehensive projects of research, and to develop effective means of utilizing the scientific and technical resources of the country for dealing with these projects.
 3. To promote co-operation in research, at home and abroad, in order to secure concentration of effort, minimize duplication, and stimulate progress; but in all co-operative undertakings to give encouragement to individual initiative as fundamentally important to the advancement of science.
 4. To serve as a means of bringing American and foreign investigators into active co-operation with the scientific and technical services of the War and Navy Departments and with those of the civil branches of the Government.
 5. To direct the attention of scientific and technical investigators to the present importance of military and industrial problems in connection with the war, and to aid in the solution of these problems by organizing specific researches.
 6. To gather and collate scientific and technical information, at home and abroad, in co-operation with Governmental and other agencies, and to render such information available to duly accredited persons.
- Effective prosecution of the Council's work requires the cordial collaboration of the scientific and technical branches of the Government, both military and civil. To this end representatives of the Government, upon the nomination of the National Academy of Sciences will be designated by the President as members of the Council as heretofore, and the heads of the departments immediately concerned will continue to co-operate in every way that may be required.

WOODROW WILSON.

The White House, May 11 1918.

J. A. FARRELL DENIES OFFER OF POST AS DIRECTOR OF OPERATIONS OF U. S. SHIPPING BOARD.

With regard to reports that he had been offered the position of Director of Operations of the U. S. Shipping Board, James A. Farrell, President of the United States Steel Corporation, made the following statement on May 21:

I have received no such offer, and believe there is no intention on the part of the Shipping Board to make it. The directors of the Emergency Fleet Corporation know that if the position was tendered to me I would be obliged to decline for patriotic reasons, if for no other. My whole time and energy are devoted to the work of assisting, to the utmost of my ability, the production and delivery of steel for the Emergency Fleet and for other Government needs. In my opinion there is nothing at the present time more important to the military necessities of the Government than the production and delivery of steel.

THE OVERMAN BILL BECOMES A LAW.

The Overman Co-ordination Bill became a law on May 20 with the signature of President Wilson. After the long struggle in the Senate, the measure went through the House in a few days and was finally adopted, without amendment, by the overwhelming vote of 295 to 2. It is significant that the measure in its final form is practically the same as when first introduced in the Senate at the request of the President. Representatives Gillette of Massachusetts and Sterling of Illinois, both Republicans, were the only opponents who voted no on the final roll call. The House like the Senate rejected by large majorities amendments to exempt from the operation of the bill the Inter-State Commerce Commission and the Federal Reserve Board. Chairman Webb of the Judiciary Committee told the House, however, that the President did not intend to transfer any of the jurisdiction of the Inter-State Commerce Commission.

Opposition to the bill in the House was mainly on the ground that the President had not taken Congress sufficiently into his confidence as to the changes to be made under the proposed legislation.

The President is now free to go ahead with the reorganization of the departments and the speeding up of the war machine. As his first move under the new act, President Wilson on May 20, as noted in another article, took production of aircraft from the Army Signal Corps and established as a separate organization the Air Production Board, headed by John D. Ryan, of New York.

President Wilson also signed an executive order establishing as a distinct and separate bureau, the Bureau of Military Aeronautics. This takes the production of aircraft entirely out of the Signal Corps of the Army, which remains itself a separate organization.

Many other important changes are known to be in contemplation, the effect of which, it is hoped, will be to eliminate friction and red tape and unite power and responsibility in the hands of qualified individuals rather than in slow-moving boards and commissions. Instances of what is contemplated along these lines is seen in the enormous power now lodged in the hands of Charles M. Schwab, in charge of shipbuilding; John D. Ryan, in charge of aircraft production; Bernard M. Baruch of the War Industries Board, and Secretary William G. McAdoo, Director-General of Railroads. In some cases President Wilson had anticipated the powers conferred upon him by the Overman Bill, setting up agencies which exercised power for which there was no specific authority. He is now enabled to clothe his appointees with legal authority, and assign to them such tasks as the exigencies of the war demand.

A definite and powerful Ministry of Munitions is expected to take shape out of the many bureaus and officials now loosely grouped together for this work. In this new organization Edward R. Stettinius, Second Assistant Secretary of War; Colonel Samuel McRoberts, Chief of the Procurement Division of the Ordnance Department; Major-General Goethals, in charge of storage and traffic for the Quartermaster's Department, and Major-General Williams, the new acting Chief of Ordnance, are expected to be the dominating heads.

It is also predicted that as the reorganization proceeds, more men of the type of Schwab and Ryan will be called into the Government service and put in charge of work commensurate with their abilities. There is also likely to be much shifting around, it is believed, of bureaus and officials to suit new conditions. It is also thought that some of the work devolving upon the Inter-State Commerce Commission will be absorbed by the Railroad Administration, under Director-General McAdoo, and that some of the Commission's corps of experts may be taken over. Likewise experts of the Federal Reserve Board may be absorbed by the war work of the Treasury Department. In a similar manner, it has been anticipated that many administrative bureaus might be absorbed by the Shipping Board. The Bureau of Navigation, the Lighthouse Bureau and the Steamboat Inspection Service, all in the Department of Commerce, could, it is said, be used to advantage by the Shipping Board, and especially now that the Emergency Fleet Corporation is becoming such an important factor as a subordinate organization of the Board.

In all these changes the guiding principle, it is declared, will be to gain force and speed through simplicity and directness, to the end that the resources of the United States may be brought to bear in the most effective way for winning the war.

A full review of the earlier stages in the passage of the Overman Bill will be found in our issue of May 4, page 1857.

PRESIDENT ISSUES ORDER FOR REORGANIZATION OF ARMY AIR SERVICE

The first use made by President Wilson of the new powers conferred upon him by the Overman Bill was to reorganize the air service of the army and give formal legal sanction to the separation of aircraft production from the Signal Corps. An order issued by the President on May 20 creates a Bureau of Aircraft Production described as an executive agency, which "shall exercise full, complete and exclusive jurisdiction and control over the production of airplanes, airplane engines and aircraft equipment for the use of the army," under a Director of Aircraft Production who shall also be Chairman of the Aircraft Board. This gives full legal status and power to John D. Ryan, recently appointed Director of Aircraft Production and Chairman of the Aircraft Board, and the order transfers to him all funds, lands, buildings and personnel of the Signal Corps having to do with aircraft production.

Similarly, the position of Director of Military Aeronautics now held by Major General William L. Kenly is formally established, and all funds, duties, equipment and personnel of the Signal Corps connected with the operation of aircraft and balloons and with the training of aviators placed under his direction. The Signal Corps reverts to its old functions having to do only with army signalling and the transmission of military information.

Major-General George O. Squier, Chief Signal Officer, remains in that post but without connection with the air service, except that by law, as Chief Signal Officer, he continues as an ex-officio member of the Aircraft Board.

The following is the Presidential order:

By virtue of the authority in me vested as Commander-in-Chief of the Army and by virtue of further authority upon me specifically conferred by "An Act authorizing the President to co-ordinate or consolidate executive bureaus, agencies, and offices, and for other purposes, in the interest of economy and the more efficient concentration of the Government," approved May 20 1918, I do hereby make and publish the following order:

I.

The powers heretofore conferred by law or by Executive order upon, and the duties and functions heretofore performed by, the Chief Signal Officer of the Army are hereby redistributed as follows:

(1) The Chief Signal Officer of the Army shall have charge, under the direction of the Secretary of War, of all military signal duties, and of books, papers, and devices connected therewith, including telegraph and telephone apparatus and the necessary meteorological instruments for use on target ranges, and other military uses; the construction, repair, and operation of military telegraph lines, and the duty of collecting and transmitting information for the Army by telegraph or otherwise and all other duties usually pertaining to military signalling; and shall perform such other duties as now are or shall hereafter be devolved by law or by Executive order upon said Chief Signal Officer, which are not connected with the Aviation Section of the Signal Corps or with the purchase, manufacture, maintenance, and production of aircraft, and which are not hereinafter conferred, in special or general terms, upon other officers or agencies.

(2) A Director of Military Aeronautics, selected and designated by the Commander-in-Chief of the Army, shall hereafter have charge, under the direction of the Secretary of War, of the Aviation Section of the Signal Corps of the Army, and as such shall be, and he hereby is, charged with the duty of operating and maintaining or supervising the operation and maintenance of all military aircraft, including balloons and airplanes, all appliances pertaining to said aircraft and signaling apparatus of any kind when installed on said aircraft, and of training officers, enlisted men, and candidates for aviation service in matters pertaining to military aviation, and shall hereafter perform each and every function heretofore imposed upon and performed by the Chief Signal Officer of the Army in, or in connection with, the Aviation Section of the Signal Corps, except such as pertain to the purchase, manufacture, and production of aircraft and aircraft equipment and as is not hereinafter conferred, in special or general terms, upon the Bureau of Aircraft Production; and all airplanes now in use or completed and on hand and all material and parts, and all machinery, tools, appliances, and equipment held for use for the maintenance thereof; all lands, buildings, repair shops, warehouses, and all other property, real, personal, or mixed, heretofore used by the Signal Corps in, or in connection with, the operation and maintenance of aircraft and the training of officers, enlisted men, and candidates for aviation service, or procured and now held for such use by or under the jurisdiction and control of the Signal Corps of the Army; all books, records, files, and office equipment heretofore used by the Signal Corps in, or in connection with, such operation, maintenance, and training; and the entire personnel of the Signal Corps as at present assigned to, or engaged upon, work in, or in connection with, such operation, maintenance, and training, is hereby transferred from the jurisdiction of the Chief Signal Officer and placed under the jurisdiction of the Director of Military Aeronautics; it being the intent hereof to transfer from the jurisdiction of the Chief Signal Officer to the jurisdiction of the said Director of Military Aeronautics every function, power and duty conferred and imposed upon said Director of Military Aeronautics by sub-paragraph (2) of paragraph 1 hereof, all property of every sort or nature used or procured for use in, or in connection with, the functions of the Aviation Section of the Signal Corps placed in charge of the Director of Military Aeronautics by sub-paragraph (2) of paragraph 1 hereof, and the entire personnel of the Signal Corps as at present assigned to, or engaged upon, work in, or in connection with, the performance of the functions and duties of the Aviation Section of the Signal Corps placed in charge of the Director of Military Aeronautics by sub-paragraph (2) of paragraph 1 hereof.

(3) An executive agency, to be known as the Bureau of Aircraft Production, is hereby established, and said agency shall exercise full, complete, and exclusive jurisdiction and control over the production of airplanes, airplane engines, and aircraft equipment for the use of the Army, and to that

end shall forthwith assume control and jurisdiction over all pending Government projects having to do or connected with the production of airplanes, airplane engines, and aircraft equipment for the Army and heretofore conducted by the Signal Corps of the Army, under the jurisdiction of the Chief Signal Officer; and all material on hand for such production, all unfinished airplanes and airplane engines, and all unfinished, unattached, or unassembled aircraft equipment; all lands, buildings, factories, warehouses, machinery, tools, and appliances, and all other property, real, personal, or mixed, heretofore used in or in connection with such production, or procured and now held for such use, by or under the jurisdiction and control of the Signal Corps of the Army; all books, records, files, and office equipment used by the said Signal Corps in or in connection with such production; all rights under contracts made by the Signal Corps in or in connection with such production, and the entire personnel of the Signal Corps as at present assigned to, or engaged upon, work in or in connection with such production are hereby transferred from the jurisdiction of the Signal Corps and placed upon the jurisdiction of the Bureau of Aircraft Production, it being the intent hereof to transfer from the jurisdiction of the Signal Corps to the jurisdiction of the said Bureau of Aircraft Production every function, power and duty connected with said production, all property of every sort or nature used or procured for use in or in connection with said production, and the entire personnel of the Signal Corps, as at present assigned to or engaged upon work in or in connection with such production.

Such person as shall at the time be Chairman of the Aircraft Board created by the Act of Congress approved Oct. 11 1917 shall also be the executive officer of said Bureau of Aircraft Production, and he shall be, and he hereby is, designated as Director of Aircraft Production, and he shall, under the direction of the Secretary of War, have charge of the activities, personnel, and the properties of said bureau.

II.

All unexpended funds of appropriations heretofore made for the Signal Corps of the Army and already specifically allotted for use in connection with the functions of the Signal Service as defined and limited by sub-paragraph (1) of paragraph 1 hereof shall be and remain under the jurisdiction of the Chief Signal Officer; all such funds already specifically allotted for use in connection with the functions of the Aviation Section of the Signal Corps as defined and limited by sub-paragraph (2) of paragraph 1 hereof are hereby transferred to, and placed under the jurisdiction of, the Director of Military Aeronautics for the purpose of meeting the obligations and expenditures authorized by said section; all such funds already specially allotted for use in connection with the functions hereby bestowed upon the Bureau of Aircraft Production, as defined and limited by sub-paragraph (3) of paragraph 1 hereof, are hereby transferred to, and placed under the jurisdiction of, said Director of Aircraft Production for the purpose of meeting the obligations and expenditures authorized by said bureau in carrying out the duties and functions hereby transferred to, and bestowed upon, said bureau; and in so far as such funds have not been already specifically allotted to the different fields of activity, of the Signal Corps as heretofore existing, they shall now be allotted by the Secretary of War in such proportions as shall to him seem best intended to meet the requirements of the respective fields of former activity of the Signal Corps and the intention of Congress when making said appropriations; and the funds so allotted by the Secretary of War to meet expenditures in the field of activity of the Aviation Section of the Signal Corps are hereby transferred to, and placed under the jurisdiction of, the Director of Military Aeronautics for the purpose of meeting the obligations and expenditures authorized by said section; and the funds so allotted by the Secretary of War to meet the expenditures in that part of the field of activity of the Signal Corps, which includes the functions hereby transferred to the Bureau of Aircraft Production, are hereby transferred to, and placed under the jurisdiction of, the Director of Aircraft Production for the purpose of meeting the obligations and expenditures authorized by said bureau.

III.

This order shall be and remain in full force and effect during the continuance of the present war and for six months after the termination thereof by the proclamation of the treaty of peace, or until theretofore amended, modified, or rescinded.

WOODROW WILSON,
President of the United States.

The White House, May 20 1918.

ARCHER A. LANDON NAMED AS DIRECTOR OF PRODUCTION DIVISION OF AIRCRAFT BOARD.

The appointment of Archer A. Landon as Director of the Division of Production of the Aircraft Board was announced on May 14 by John D. Ryan, Director of Aircraft Production, in the following statement:

Mr. Archer A. Landon of Buffalo, N. Y., Vice-President of the American Radiator Co., has accepted an appointment to have charge of the production division.

Mr. Landon has had wide experience in directing production on a large scale. For many years he has been entrusted with that responsibility at home and abroad for the American Radiator Co., which operates a large number of plants in this country, and before the war was one of the largest American manufacturers in Europe.

It is felt that Mr. Landon's wide experience and great ability will materially advance the production of aircraft. He has already entered upon his work.

CHARLES E. HUGHES SUGGESTS THAT SENATE DO NOT DUPLICATE AIRCRAFT INVESTIGATION.

The threatened breach between President Wilson and the Senate in regard to the airplane investigation seems in a fair way to be amicably adjusted as a result of the developments of the past week. The Chamberlain resolution for a sweeping investigation by the Committee on Military Affairs, to which the President had taken exception, was dropped, and in its place the Senate on Wednesday adopted as a substitute an amendment to Resolution 48, under which the committee had conducted its drastic investigation last winter, authorizing the payment of the committee's expenses, including traveling expenses and the hiring of assistants, out of the contingent fund of the Senate. At the same time Senator Chamberlain made public a letter he had received from Attorney-General Gregory, enclosing one from Charles E. Hughes, in which Mr. Hughes practically asked the Senate Committee

to keep hands off while he conducted the inquiry in the name of the Department of Justice.

Resolution 48, as amended on Wednesday, while less specific in terms than the one to which President Wilson objected, in reality confers upon the committee at least as wide powers of inquiry; so that the advocates of the Chamberlain resolution were able to claim a victory. At the same time, the Military Committee was able to retire gracefully from a position which threatened an open break with the President by pointing to the Hughes letter as a reason for not going on with an investigation, even though it had now full power to do so. Senator Chamberlain himself was understood to favor the idea that the committee ought to respect Mr. Hughes's request, at least so far as aircraft were concerned. However, the Military Committee held a meeting to decide what to do, and while not arriving at any definite conclusion, Senator Chamberlain, as Chairman, appointed four sub-committees to cover the different branches of an inquiry, in case one were decided upon. These sub-committees were:

Aircraft—Senators Thomas, Reed, Smith of Georgia, New, and Frelinghuysen.

Ordnance—Hitchcock, Fletcher, Beckham, Weeks and Wadsworth.

Quartermaster-General's Department—McKellar, Beckham, Kirby, Sutherland and Johnson of California.

Cross License—Fletcher, Meyers, Sheppard, Warren and Knox.

There was said to be some chance that, while avoiding the subject of aircraft proper, out of respect to the wishes of Mr. Hughes, the committee might decide to go ahead with an investigation of the other subjects. But as the contemplated inquiries would all go into matters which it would not be desirable to make public, it was thought they would be held behind closed doors, in any event, and only the conclusions reported to the Senate. Resolution 48, under which the investigation will be held, if at all, authorizes the committee "to hold hearings in connection with any subject that may be pending," and to sit during any recess of Congress. The amendment adopted on Wednesday adds to this blanket authority a provision that the committee may pay its expenses out of the contingent fund of the Senate. The amendment was offered by Senator Thompson, as Chairman, with the unanimous approval of the Committee on Audit and Control, and reads as follows:

Resolved, That any expenses incurred by the Committee on Military Affairs under the provisions of Senate Resolution 48, heretofore adopted, including the expense of employing assistants and traveling expenses, shall be paid out of the contingent fund of the Senate.

The letter from Attorney-General Gregory, enclosing the letter from Mr. Hughes, was addressed to Senator Chamberlain as follows:

Washington, May 21 1918.

Hon. George E. Chamberlain, United States Senate:

My Dear Senator: At an interview between you, Judge Hughes and myself on last Saturday you asked what would be the scope of our pending inquiry into the aircraft problem, and also indicated that you would like to know what we thought might be the effect upon our work of an investigation by a committee of the Senate into the aircraft program. Subsequently I suggested that Judge Hughes write me a letter embodying his ideas on the two points involved. I herewith inclose copy of his letter, and will state that I agree with the views therein expressed.

Respectfully yours,
T. M. GREGORY, Attorney-General.

Mr. Hughes, in his letter setting forth the scope of his proposed inquiry, makes it plain that he intends to go into every detail of the aircraft situation. He will not confine himself merely to a search for dishonesty, waste or inefficiency, but will undertake to lay bare all the facts, so as to furnish the basis for whatever conclusions may be reached. "If it is understood that we contemplate this course of action," his letter states, "I should suppose that there would be a general disposition to permit our investigation to proceed unembarrassed by any other parallel course of action" which "would tend to make difficult if not impossible the successful prosecution of our own." The letter in full was as follows:

Washington, May 18 1918.

My Dear Mr. Attorney-General: In accordance with your request, I shall attempt to summarize briefly some of the points discussed in our conference to-day, particularly with respect to the scope of our inquiry.

It is quite evident, from the material you have already gathered and from the matters discussed with you and Mr. Frerison, that it would be necessary for us carefully to examine all the activities relating to aircraft production. It is easy, of course, theoretically to distinguish between an inquiry within the province of the Department of Justice and one which is aimed merely at alleged waste or neglect or mismanagement or inefficiency apart from any appropriate basis for a civil suit to recover misappropriated moneys or a criminal prosecution. As a practical matter, however, it is evident that in the endeavor to determine whether there is a basis for a civil suit by the Government or a criminal prosecution, it will be necessary for us to make a thorough inquiry into the entire history of aircraft production since the beginning of the war and of all proceedings which have been taken by any persons or corporations concerned therewith. We shall not be able to ascertain whether there has been dishonesty or malversation of any kind unless we go thoroughly into all the transactions which have been had.

If we discover a basis for civil suits by the Government, they will be instituted. If we find grounds for a criminal prosecution, it will be in order to go before the Grand Jury to obtain indictments. If we find no sufficient

basis for such proceedings, our conclusion, to be convincing to the country, could not well be stated as a mere negative conclusion in general terms, but should be accompanied by a fair, candid and adequate statement of the facts which our investigation has disclosed. We should, of course, in no case make any statement which, from a military point of view, should not be made, and, if we had a basis for civil or criminal proceedings, we should properly reserve the evidence, so far as it would be appropriately disclosed upon the trial and previously withheld.

But I am very sure that the country would not be content with our inquiry, and particularly if we discover no ground for further proceedings, unless we showed the basis for our conclusion in an adequate report of the facts we have ascertained. This certainly should be dispassionate and impartial and be confined to the facts.

When we are in a position to make such a report, of our inquiry, we shall know the facts, and it will be reassuring to the country and support our inquiry and its reputation for integrity, if we state concisely, but fairly and completely, the results of our investigation.

If it is understood that we contemplate this course of action, I should suppose there would be a general disposition to permit our investigation to proceed unembarrassed by any other parallel course of action. Clearly as we may recognize the authority to conduct another official inquiry, at the same time, we cannot doubt that any official inquiry into the same course of conduct, although with another aim, would tend to make difficult, if not impossible, the successful prosecution of our own. Either nothing of importance would be elicited, which would make such an inquiry needless, or points would be brought out which would at once suggest to the guilty, if there be such, where effort should be made to block successful prosecution. Even with the best intention in the world, it would be almost impossible to know in advance what should be gone into, and what should be left untouched. We might be following a promising clue, only to find our efforts unintentionally thwarted.

We are instructed to have a prompt and thorough investigation, and my desire is that we should have the fullest opportunity to make such an investigation, and in order that we may have this opportunity it is desirable that it should be generally understood that when we are through we shall state the facts we have ascertained in the manner I have suggested above, to the end that all may be satisfied to await the result of our investigation. When we have reached that result I should suppose that our report would have such thoroughness that it would be accepted as the final statement in the matter, unless, of course, some new evidence not discovered by us should thereafter come to light.

Very sincerely yours,
CHARLES E. HUGHES.

REPORTS OF HOLDING BACK OF U. S. ARMY AND DENIALS.

A statement in explanation of the erroneous report which reached the United States by way of Ottawa on May 12 that the American Army would be held back until it became "a complete and powerful force" was made by Premier Robert Borden in the House of Commons on May 15. The May 12 press dispatch from Ottawa relative to the American Army had said in part:

So confident is the Entente of its ability to withstand any drive the Germans can launch that it has been decided not to use the American Army until it becomes a complete and powerful force, according to a cable summary of operations on the Western front received here to-night from the War Committee of the British Cabinet.

"The position now is," says the summary, "that the Germans, determined to concentrate every available unit on one enormous offensive, are draining their country dry to force a decision before it is too late, while the Entente are so confident that, having been given the choice of a small immediate American army for defense or of waiting until they are reinforced by a complete, powerful, self-supporting American army, they have chosen the latter.

The report caused the issuance of a statement by Secretary of War Baker on May 13 in which he declared that the facts were exactly other wise. His statement follows:

The statement made in the morning papers purporting to come from Ottawa seems to say that American forces in France will not be used actively for the present, but will be conserved until they constitute a larger and independent American army.

The facts are exactly otherwise. American troops in France are being used actively in battle and in the trenches, and while all of the plans of the War Department look to the development of the American army as such, and to the creation of a distinctly American army, yet the various elements of it now in France are being used freely in the general cause and in such ways as are deemed most effective in accordance with General Pershing's action in placing all of our forces at the disposal of the British and French commanders and of the supreme commander.

Lord Reading, the British Ambassador, likewise gave out a statement on May 13, in which he said the report was "diametrically opposed to all information received by me." We quote his statement below:

The statement attributed to the British War Cabinet to the effect that the Allies "are so confident that, having been given the choice of a small immediate army for defense or waiting until they are reinforced by a complete powerful self-supporting American army, they have chosen the latter" is diametrically opposed to all information received by me from the British War Cabinet, and to all requests which I have been asked by them to make to the United States Administration.

I am quite in the dark as to the origin of the statement. At present, all I can say is that I am convinced that the document has not been issued with the knowledge of the Prime Minister or the British War Cabinet.

On the 13th Prime Minister Borden issued a statement saying:

The story reached Ottawa through ordinary channels and as it was not marked confidential it was given to the press.

An Ottawa dispatch of May 14 in announcing that the statement was incorrect and was "due to an error in compilation," said:

The statement that it had been decided not to use American forces in France until they had become a "complete, powerful, self-supporting American army" was incorrect and "due to an error in compilation," according to a statement received from the British Government and made

public to-day as "official news." The statement from the British office follows:

"War Office summary. A correction should be made in the weekly circular telegram, dated May 10, summarizing operations to May 9, the text of which reads, 'Entente so confident that, given choice of small immediate American army for defence or waiting till reinforced by complete, powerful, self-supporting army, have chosen latter.' Owing to an error in compilation it was not made clear that this related to the period when America first joined the war and had no relation to present events whereby the American army is being brigaded with the Entente armies."

Premier Borden in his statement to the House of Commons on the 15th said that the dispatch of the 12th concerning the announcement of the American troops was signed by the British Secretary of State for the Colonies, the Right Hon. Walter Long. The subsequent correction of the announcement he said also came from the same source. If any mistake had been made, he said, it had not occurred in Ottawa. He stated that the dispatch was one of the weekly war summaries received from the Secretary of State for the Colonies by the Governor-General of Canada, and given to the press in the ordinary course. Sir Robert further stated:

On Saturday last a news dispatch of this character was received in the ordinary course from the Governor-General, signed, as all these dispatches are signed, by the Secretary of State for the Colonies, the Right Hon. Walter Long. It was handed out to the press and published in the ordinary course. Yesterday a further dispatch, correcting it, was received in the same manner, from the same source, and signed in the same way. That also has been given to the press. In communicating with the British Government in January we asked that these dispatches might be sent out to us under the authority of the War Cabinet. I do not know, of course, whether this particular dispatch was sent out by the War Cabinet, and I am content to accept the statement of Lord Reading in that behalf. He perhaps has more information on the subject than I have.

What I desire to make clear to the House and the country is that that particular dispatch was received in the ordinary course under the arrangement reached and purporting to be sent by the Secretary of State for the Colonies. It was received in the ordinary course from the Governor-General, and the dispatch which corrected it was received in the same manner, through the same source, and signed in the same way. My purpose in making this statement is to indicate to this House and to this country that if there has been any mistake or misapprehension with regard to the matter it has not occurred at Ottawa. It has occurred somewhere else.

ACHIEVEMENTS OF THE WAR DEPARTMENT DEFENDED BY REPRESENTATIVE CALDWELL.

An encouraging report on the program and achievements of the War Department in the first year of the war was contained in an address made in the House on May 22 by Representative Caldwell of New York, a member of the House Committee on Military Affairs. Mr. Caldwell's address was prepared after consultation with Secretary Baker, and approved as to its data by the War Department, and so was looked upon as a semi-official pronouncement on War Department affairs. He said that in a year, the American Army would be 4,000,000 or 5,000,000 strong. He declared there were at present 2,078,223 officers and men under arms, of whom more than 500,000 were in France, and 1,000,000 additional were amply trained to be sent to France as fast as shipping space could be provided. During the first ten days of May, the Representative said, the United States sent 90,000 men to Europe.

Mr. Caldwell went into a detailed comparison of the man-power strength of the Central Powers and the Allied nations, estimating that the maximum total of men available to the enemy for service was 18,360,000, and the number for the Allies was 68,879,500. He said that the United States itself could raise 5,000,000 men this year without going outside Class 1 of the draft.

At the outset of his remarks Mr. Caldwell read the following letter from Secretary Baker:

Washington, D. C., May 3 1918.

My Dear Mr. Caldwell: I have read with interest and appreciation your speech in the House on the subject of aircraft, and am writing this note to thank you for taking the trouble to look into the situation and speak so sympathetically and helpfully. On this and all other parts of the program which the War Department is carrying out, we are, of course, anxious to have real facts carefully investigated and frankly stated, and I know of no more useful service than so candid a statement as you have made on the subject.

The country would be helped if you can find it possible from time to time to get into the "Congressional Record" the result of similar inquiries in other parts of the world, and as you are a member of the Committee on Military Affairs and, therefore, have constant contact with the subject, it may be that you will find it possible to do this.

In the meantime, I am sure that you will feel at liberty to call on me for any information I can secure for you on any subject that you feel inclined to investigate. Cordially,

NEWTON D. BAKER,
Secretary of War.

Mr. Caldwell's address was summarized as follows in a special dispatch from Washington to the New York "Times" on May 22:

"While I have found it impossible to agree with Mr. Baker on many details," said Mr. Caldwell, "I must say that I have found him to have the keenest mind of any man in public life that it has ever been my pleasure to come into intimate association with. I have never yet cross-examined a man who was more thoroughly familiar with his subject, more exact in his choice of words, to differentiate and shade his meaning, quicker in his

responses, or who had a better poise than displayed by Secretary Baker when under fire in the House and Senate Military Committees.

"At the outset let me say frankly that we have made mistakes, yes, grievous mistakes, and had our foresight been as good as the foresight of our critics we might have accomplished more. But notwithstanding these mistakes and omissions America has done her share—indeed, more than her share, for she has done many times more than any of our Allies suspected that she was capable of doing and more than the greatest enthusiast in America hoped she could do.

"America has raised and equipped a bigger army in a shorter time and now holds a greater section of the fighting front, transporting her troops 3,000 miles across an infested sea in ten months, than England was capable of doing in twelve months across the English Channel of less than thirty miles.

"When war was declared in April 1917 the standing army of the United States consisted of 136,000 officers and men, many of whom were in the foreign service, and the National Guard consisted of 164,000 officers and men, many of whom were too old for active service and a large part of them physically unfit for the work for which they had volunteered.

"Our experts told us it would take two years to raise an army of 1,000,000 men and five years to train the commissioned personnel. It has now been about one year since the first legislation was passed authorizing the increase of our army for war purposes.

"The strength of our military forces is now as follows:

	Officers.	Men.
Regular Army.....	10,295	504,677
Reserve Corps.....	79,038	78,560
National Guard.....	16,906	411,952
National Army.....	33,894	510,963
Special and technical duty.....	8,195	.....
Drafted in April.....	.....	150,000
Drafted in May.....	.....	273,742
Total.....	148,328	1,929,894
Grand total.....	2,078,223"	

"So we have to-day," continued Mr. Caldwell, "an army of more than 2,000,000, of which more than 500,000 have already been shipped to France, and 1,000,000 more have the necessary training to fit them for foreign service. They are now waiting for the ships to carry them over.

"Our critics now complain that we have not done more, yet we have done in one year twice as much as they thought we could do in two years."

Mr. Caldwell recalled to the attention of Congress statements by various allied commissions which, he said, had advised America to send materials, not men. He continued:

"Under the legislation that Congress passed in spite of the recommendations from the Allies, we have already raised more than 2,000,000 men and early in the year 1919 will have 3,000,000 in the army. We have now taken the 'he off' so that President Wilson may have as great an army as necessity requires and our manpower permits. Notwithstanding the fact that the appropriation measure now pending is drawn with the view of supporting an army of only 3,000,000, I am confident that before many months, deficiency appropriations may be necessary. We will probably have 4,000,000 or 5,000,000 men before the end of the next fiscal year."

Mr. Caldwell's estimate of man-power in America was: Two million men now in the Army; 2,000,000 more in Class 1 waiting to be called, and 1,000,000 additional in the class of men who have become 21 this year. Classes 2, 3, 4 and 5, he said, had 6,000,000 other men, and there were 3,000,000 boys between 18 and 21. He estimated, therefore, that if the war lasted until 1924, there would be 6,000,000 more men, all of Class 1. He said the total number of men of military age in 1924 would be 20,000,000, out of a total population of 125,000,000.

Mr. Caldwell said that the building of thirty-two cantonments, made necessary because there was not enough cloth in the world to shelter the army planned, used in ten weeks more human labor than went into the building of the Panama Canal. Clothing had been supplied, he said, by taking over carpet, ducking, and similar factories, so that "we have now an ample reserve of every kind of clothing for our soldiers."

"England," declared Mr. Caldwell, "trained her first million men in citizens' clothes and top hats, with walking sticks for guns, but notwithstanding our difficulties, our first million men were clothed in uniforms and were drilled in the manual of arms with a rifle."

The delay of the United States for experimenting so that it might get the best possible rifle was now vindicated, said Mr. Caldwell, for "production is now ample" and the rifle is of the highest quality.

"When General Joffe requested a small expeditionary force," he concluded, "the critics of the Administration demanded what they thought was impossible, that we ship to France in the first year 50,000 to 100,000 men.

"In the first ten days of May we shipped 90,000. Within a year after the first shipment America will have 1,000,000 of the best fed, best clothed, and best paid soldiers in France that the world has ever known. It will have been trained under the modern conditions, surrounded by the best moral influences, with the lowest percentage of disease, and will be served by the highest motives that actuate men."

ATTORNEY-GENERAL GREGORY SAYS REPORTS OF ENEMY ACTIVITIES ARE GREATLY EXAGGERATED.

Replying to a letter from Representative Currie of Michigan, to the effect that the impression is widespread throughout the country that the Government is dealing too leniently with spies and dangerous enemy aliens, Attorney-General Gregory in April stated that the reports of enemy activities in the United States had been grossly exaggerated. Mr. Gregory's letter was given as follows in the Philadelphia "Record" of April 16:

"The public assumes that there is a great deal of enemy activity going on in this country, and it is but natural that vague rumors are magnified into definite and sensational stories. The talk of damage done by enemy aliens in causing incendiary fires is an illustration of this. Repeatedly, both in reputable newspapers and in publications gotten out by citizen societies, exaggerated statements are made as to the amount of damage.

"Statistics show that considering the vastly increased value of merchandise and plants, the actual fire loss to property of all descriptions in 1917 was not appreciably larger than that of the year of 1913. Likewise, the report recently made by the National Board of Fire Underwriters shows, in substance, that during the past year not one fire has been clearly proven to be the work of alien enemies, and at a recent conference in the Treasury Department of all of the men in all departments charged with protection of

plants and supplies, it was stated without dissent that no instance was known of a fire caused within the past year by alien enemies."

The Attorney-General suggested that "the very necessity for keeping secret many of the activities of the department undoubtedly contributes to the impression of which you have complained," and added:

"It would be absurd to say that every hostile act has been successfully run down and the offender brought to punishment, or that every enemy agent or propagandist at work in this country has been discovered. I do, however, assert that every possible effort is being made to ferret out and punish activities of this character, and that this work in other departments as well as my own, is being done, from day to day, with constantly increasing efficiency.

"Long before we entered the war this department recognized the necessity of an efficient system for the prevention, as well as the detection, of enemy activities, and began at that time to strengthen and build up its bureau of investigation, which now for a long time has been operated on a war basis. In addition to this, the department has accepted the services, and to a great extent supervises, the activities of more than 200,000 citizens of proven loyalty, systematically organized throughout the country as an auxiliary to the work of the department. It is a fair statement to say that the country has never been so thoroughly policed in its history by the Federal authorities as it is to-day.

"In connection with enemy alien activities, you will recall that under the most conservative estimate there are in this country to-day more than 450,000 Germans, 600,000 Austrians and 400,000 Hungarian enemy aliens; that is, unnaturalized males upward of 14 years of age, and estimating three to a family there would be within the United States about 4,000,000 persons who are either male enemy aliens or members of their families. If you will bear in mind that we have quite as much, if not more, trouble with native and naturalized Americans as we have with enemy aliens, you will get some idea of the magnitude of the work which daily confronts this department. * * *

GEORGE EHRET'S PROPERTY TAKEN OVER BY ALIEN PROPERTY CUSTODIAN.

The turning over to the Alien Property Custodian of the property of George Ehret, the New York brewer, was made known on May 3, when the following official announcement was given out concerning the action:

A. Mitchell Palmer, Alien Property Custodian, announces that George Ehret, Jr., of New York City, upon receiving information through the State Department that his father George Ehret, Sr., had been living in Berlin since the declaration of war, had reported to Francis P. Garvan, Director of the Bureau of Investigation, all of his father's property as of enemy character and had announced his readiness to turn over to the custody of the Government real estate amounting to \$24,000,000 and personal property amounting to \$16,000,000, or \$40,000,000 in all.

Mr. Palmer stated that no change in the management of this property was contemplated. George Ehret, Jr., and the Central Trust Co. had been named as depositories for the Alien Property Custodian, and the rents and other incomes would be collected by George Ehret, Jr., as usual, who would make periodical accounting to the Alien Property Custodian.

This property, Mr. Palmer further stated, became of enemy character through the residence of the owner under the Trading-With-the-Enemy Act, although the owner was an American citizen. If Mr. Ehret, Sr., should return to America and thus lose his enemy character, the Department of Justice would entertain jurisdiction of any claim which he might make under section 9 to have his property returned to him. Under section 9 the President may return the property to him if satisfied of his return to this country and of his American citizenship.

George Ehret, Sr., was born in Hofweier, Germany, in 1835. After serving an apprenticeship in German breweries, he came to New York in 1857. He worked for a time in the brewery of A. Hupfel, and in 1866 started a brewery of his own. Mr. Ehret went to Germany just before the war and, it was reported, had intended to return with Ambassador Gerard; it was on his physician's advice, it is said, that he decided to remain abroad.

PLAN OF PROCEDURE OF NATIONAL WAR LABOR BOARD IN SETTLING DISPUTES.

The adoption by the National War Labor Board of a plan of procedure and method to be followed in the settlement of controversies was announced by the Board on May 13. The plan provides for the appointment of local arbitration committees in industrial cities and districts and of two-member sub-committees of the Board itself to act in controversies which the local Committee cannot settle. These committees will be assisted by trained field agents sent out from Washington to investigate each dispute. The Board's announcement said:

After thorough consideration of the problems to be met in the operation of the National War Labor Board's machinery for the adjudication of industrial controversies, the Board to-day finally agreed upon a plan of procedure and method to be followed in all cases. This plan provides for the appointment of sub-committees composed of two members to act for the Board in every local controversy, and the appointment of permanent local committees in cities and districts to act in cases therein arising, an also comprehends a method of investigating industrial disputes by trained field agents sent into territories by the Board from Washington. It lays down the method to be followed by persons desiring to bring a condition to the attention of the Board.

Under the form of procedure established to-day, the Board itself will sit in hearing upon cases only when its sections, or sub-committees, or local committees find it impossible to settle a controversy. In such cases the Board will sit as a board of arbitration, decide the controversy and make an award.

The following is the form of procedure:

Procedure.

1. Any person desiring to bring before the National War Labor Board an issue between employer and employees, of which the Board has cognizance, shall deliver to the Secretary of the Board a written statement,

signed by him, with his proper post office address at his home and in Washington. The statement shall contain a brief description of the grievance and the names of the persons or corporations against whom he complains, with their post office address.

2. Where an employer and employees both desire to submit a controversy to the Board, they shall sign a short joint statement of the issue between them, with their respective post office addresses, and request the action of the Board. They shall deliver this signed statement to the Secretary of the Board.

3. Controversies in which the Secretary of Labor invokes the action of the Board, together with the documents transmitted by him, shall be delivered to the Secretary of the Board.

4. Such complaints, submissions, and references by the Secretary of Labor shall be received by the Secretary of the Board and filed in his office and indorsed with the date of filing.

5. The Secretary of the Board shall keep one docket for the filing of all complaints, submissions, and references, and shall number them on the docket in the order in which they are received and filed. Thereafter the cases shall be referred to by such number.

6. Where the complaint or submission filed shall show clearly that another board than this has primary jurisdiction therein, the Secretary is authorized to direct the proper reference, and to advise the party or parties initiating the proceeding of such reference. At the next session of the Board the Secretary shall advise the Board of his disposition thereof.

7. The Secretary of the Board shall digest all cases presented and bring them to the prompt attention of the Board for its action.

Organization of the Board for Hearings and Adjustment.

1. Two members of the Board, one from the employers' side and one from the employees' side, shall be appointed to act for the Board in respect to every local controversy, the members to be named by the joint chairmen at the instance of the respective groups of the Board. These members shall be called a section of the Board, and shall hear and adjust cases assigned to them. If they can not effect any adjustment, they shall summarize and analyze the facts and present the same to the Board with their recommendations.

2. The Secretary shall select trained and experienced men of neutral attitude to act as examiners, to accompany the sections, and to assist them in the discharge of their duty by investigation, digest of evidence and in other proper ways.

3. The National Board may appoint permanent local committees in any city or district to act in cases therein arising. In the selection of such local committees, recommendations will be received by the National Board from associations of employers and from the central labor body of the city or district and other properly interested groups. Sections of the Board are authorized to appoint temporary local committees where permanent local committees have not been appointed by the Board.

4. Two special field representatives may be selected by the Secretary from names submitted by the joint chairmen to make a joint investigation of any complaint for the purpose of ascertaining the complete facts without the intervention of sections.

Arbitration.

1. When the Board, after due effort of its own, through sections, local committees, or otherwise, finds it impossible to settle a controversy, the Board shall then sit as a board of arbitration, decide the controversy, and make an award, if it can reach a unanimous conclusion. If it can not do this, then it shall select an umpire, as provided, who shall sit with the Board, review the issues, and render his award.

Co-ordination of the Work of Existing Boards.

1. To comply with the direction of the President in his proclamation of April 8 1918 constituting this National War Labor Board, it will hear appeals in the following cases:

1. Where the principles established by him in such proclamation have been violated.

2. Where an award made by a board has not been put into effect by employers or where the employees have refused to accept or abide by such award.

3. To determine questions of jurisdiction as between Government boards.

Appeals will not be heard by the National War Labor Board from the decisions of regularly constituted boards of appeal, nor from any other board to revise findings of fact.

THE TELEGRAPHERS' CONTROVERSY AND THE WESTERN UNION.

Last week, page 2090, we referred to the controversy which had arisen between the members of the Commercial Telegraphers' Union of America and the Western Union and Postal Telegraph companies and the appointment by the National War Labor Board of former President William H. Taft and Frank P. Walsh as mediators. We are glad to-day to make room for the following communication regarding the matter which we have received from Newcomb Carlton, President of the Western Union Telegraph Company, setting out the company's side of the controversy:

THE WESTERN UNION TELEGRAPH COMPANY,
195 Broadway.

New York, May 21 1918.

Jacob Seibert, Jr., Esq., Editor, *The Commercial and Financial Chronicle*,
Front and Pine Streets, New York.

Dear Sir: In your issue of May 18, you have inadvertently mis-stated the action of the National War Labor Board with respect to the telegraph companies. The only resolution that we have received from the National War Labor Board is the following:

"Mr. Taft and Mr. Walsh have been directed by the Board to take up the mediation of the differences between the Western Union and Postal Telegraph companies and the telegraph operators with a view to an amicable adjustment of their differences. The Board takes this occasion earnestly to request all persons faithfully to abide by its declaration of principles to govern the relations between workers and employers, of date Mar. 29 1918, and proclaimed by the President in his proclamation of the 8th of April 1918, to the end that all employees shall be retained and continue in their respective employments and the maximum of production thus maintained."

Nor has there been any likelihood of a strike among the commercial telegraphers as you state.

The policy of this company has always been to oppose the unionization of its essential employees (it has associated with it many non-essential

employees who are members of various unions), since it holds that its obligation to the public and the Government is to maintain a continuous and competent service. To ensure the former, the national as well as foreign post offices and Government telegraph services forbid their forces to join any organizations that employ the strike either for their own benefit or that of others.

The Western Union employs less than 20% of the total telegraphers in the United States. According to our information, the Commercial Telegraphers' Union of America has a total membership in the United States and Canada of about 2,500—principally resident in Canada. This union sought to extend its membership among approximately 40,000 of our employees, of whom about one-half are directly engaged in working the wires, using the present emergency as a means to that end. Meetings for this purpose were held throughout the country by the C. T. U. A. on April 28, but notwithstanding promises of higher wages, better working conditions and guarantees against loss of position made by the organizers, only 140 Western Union employees responded. This small number understood perfectly well that the company was opposed to membership in the C. T. U. A. and that they were making a choice between employment with the Western Union, and membership in that organization with employment in some other of the fifty odd thousand telegraph positions open to operators. Faithfully yours,

NEWCOMB CARLTON,
President.

PRESIDENT SIGNS LAW REQUIRING REGISTRATION OF MEN ATTAINING 21 AND SETS JUNE 5 AS REGISTRATION DAY—OTHER DRAFT CHANGES.

President Wilson on May 20 signed the new Selective Draft Law and issued the necessary proclamation setting June 5 as the day on which all young men who have attained the age of 21 years since June 5 1917 must register for military service. According to plans announced by Provost Marshal General Crowder, registrations will be held quarterly from that date on to register youths becoming 21 during the intervening three months. It is expected that at least 750,000 men will be enrolled on June 5.

As finally passed by Congress, the Draft Law amendments provide for the exemption of theological and medical students who were actually enrolled and attending school when the law was signed. Students subsequently enrolled, however, are to be subject to draft. The bill also provides that the new registrants are to be put at the bottom of the respective classes to which they shall be assigned. In explanation of this feature of the law, Secretary of War Baker was quoted in press dispatches on the 20th as saying:

All the men who registered on June 5 last year have now been segregated into five classes in the relative order of their availability for military service. The new law provides that the 21-year-old men registered on June 5 of this year shall be placed at the bottom of the list in the several classes to which they are assigned, and as a result none of the new registrants will be called for military service until the list of Class 1 men who registered on June 5 of last year is exhausted. It will mean, however, that the men registered this year who are placed in Class 1 will be called before any men in Class 2 are called, regardless of the date of registration.

Instead of using the election machinery, as was done last year, General Crowder, it is said, will call on the local draft boards to conduct the registration. He believes that their experience during the last year has qualified them to handle the registration economically and effectively. Under the new law it will be necessary that on June 5 every young man in the United States who has reached the age of 21 since June 5 1917, or who will reach that age on or before June 5 1918, shall register. Exceptions are made in the cases of men already in the naval or military service.

The bill changing the basis of draft quotas from State populations to the number of men in Class 1 has also been approved, and the extensive new drafts now being made are on the new basis. The change was made desirable owing to the inequalities developed by the original draft, due to the unequal distribution of alien population. An attempt to amend the law, so as to give credit in the draft for voluntary enlistments, was defeated at the request of the War Department, backed up by a personal letter from President Wilson to Chairman Dent of the House Military Committee. Advocates of this amendment had argued that not to give credit for voluntary enlistments would penalize enthusiastic patriotism and discourage volunteering. On the other hand, it was pointed out that the States indirectly had already been given credit for their volunteers, inasmuch as Class 1 in the various States would be greatly augmented if the men who had volunteered had been classified.

President Wilson on May 11 signed a measure providing for the conferring of citizenship on a large number of aliens now in the National Army, as well as other thousands in civil life. Through neglect or ignorance of the terms of the old naturalization law, many aliens now classed as enemies failed to complete applications before the United States courts closed the doors to further proceedings under that law. Now those who meet the tests of the Government will be permitted to acquire their citizenship papers.

Provost Marshal General Crowder's figures are said to show that in the first draft 457,703 aliens were called, and of

these 76,545 were certified for service. There were 180,461 persons among the total called who had declared their intention to become American citizens and 46,732 of these were certified for service.

Notices of the signing of the new law, it is said, have been sent to the commanding officers of all army cantonments and camps, requesting their assistance in locating the men made eligible for citizenship and affording them the opportunity to complete their naturalization. Trained examiners are being sent from the Bureau of Naturalization to cantonments and camps to examine the candidates. Arrangements also have been made with the Department of Justice for the holding of special terms of court adjacent to the camps and cantonments, before which the army candidates can appear without loss of time.

Civilians eligible for citizenship under the new Act are expected to make application to the clerks of courts to complete their papers. The Bureau of Naturalization is allowed ninety days to examine each case before the courts act.

The text of the new Act is embodied in the following proclamation issued by President Wilson on May 20 fixing June 5 as the date for the registration of youths who have reached the age of 21 years since June 5 1917:

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

Whereas, Congress has enacted and the President has, on the 20th day of May 1918 approved the following public resolution:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That during the present emergency all male persons, citizens of the United States, and all male persons residing in the United States, who have, since the 5th day of June 1917, and on or before the age of 21 years, shall be subject to registration in accordance with regulations to be prescribed by the President, and that upon proclamation by the President, stating the time and place of such registration, it shall be the duty of all such persons, except such persons as are exempt from registration under the Act of May 18 1917, and any Act or Acts amendatory thereof, to present themselves for and submit to registration under the provisions of said Act approved May 18 1917, and they shall be registered in the same manner and subject to the same requirements and liabilities as those previously registered under the terms of said Act: *Provided,* That those persons registered under the provisions of this Act shall be placed at the bottom of the list of those liable for military service, in the several classes to which they are assigned, under such rules and regulations as the President may prescribe.

Sec. 2. That after the day set under Section 1 hereof for the registration proclamation by the President at such intervals as the President may from time to time prescribe, the President may require that all male persons, citizens of the United States, and all male persons residing in the United States, who have attained the age of 21 years since the last preceding date of registration, and on or before the next day set for the registration by proclamation by the President, except such persons as are exempt from registration under the Act of May 18 1917, and any Act or Acts amendatory thereof, shall be registered in the same manner and subject to the same requirements and liabilities as those previously registered under the terms of said Act: *Provided,* that students who are preparing for the ministry in recognized theological or divinity schools, and students who are preparing for the practice of medicine and surgery in recognized medical schools, at the time of the approval of this Act shall be exempt from the selective draft prescribed in the Act of May 18 1917.

Sec. 3. That all such persons when registered shall be liable to military service and to draft under the terms of said Act approved May 18 1917 under such regulations as the President may prescribe not inconsistent with the terms of said Act.

Sec. 4. That all such persons shall be subject to the terms and provisions and liabilities of said Act approved May 18 1917 in all respects as if they had been registered under the terms of said Act, and every such person shall be deemed to have notice of the requirements of said Act and of this joint resolution upon the publication of any such proclamation by the President.

And whereas the Act of Congress approved May 18 1917, entitled "An Act to authorize the President to increase temporarily the Military Establishment of the United States," contains the following provisions:

Sec. 5. * * * And any person who shall wilfully fail or refuse to present himself for registration or to submit thereto as herein provided, shall be guilty of a misdemeanor and shall, upon conviction in the district court of the United States having jurisdiction thereof, be punished by imprisonment for not more than one year, and shall thereupon be duly registered: *Provided,* That in the call of the docket precedence shall be given, in courts trying the same, to the trial of criminal proceedings under this Act.

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

Now, therefore, I, Woodrow Wilson, President of the United States, do call upon the Governor of each of the several States, the Board of Commissioners of the District of Columbia, and all members of local boards and agents thereof appointed under the provisions of said Act of Congress, approved May 18 1917, to perform certain duties in the execution of the foregoing law, which duties will be communicated to them directly in the regulations prescribed under the terms of said public resolution.

And I do further proclaim and give notice to every person subject to registration in the several States, and in the District of Columbia in ac-

cordance with the above law, that the time and place of such registration shall be between 7 a. m. and 9 p. m. on the 5th day of June 1918, at the office of the local board having jurisdiction of the area wherein he permanently resides, or at such other place as shall be designated by public notice by such local board.

All male persons, either citizens of the United States or residing in the several States, or in the District of Columbia who have, since the 5th day of June 1917 and on or before the 5th day of June 1918 attained their twenty-first birthday, are required to register in accordance with the above law and the regulations prescribed thereunder: Provided, however, That the following persons are hereby exempted from registration: Officers and enlisted men of the Regular Army, the Navy, the Marine Corps, and the National Guard and Naval Militia while in the service of the United States, and officers in the Officers' Reserve Corps and enlisted men in the Enlisted Reserve Corps while in active service.

A day for registration in the Territories of Alaska, Hawaii, and Porto Rico will be named in a letter proclamation.

As required by the regulations, every local board having jurisdiction in a city of 30,000 population or over will promptly cause the Mayor thereof to be notified of the place or places designated for registration; every local board having jurisdiction in a county, parish, or similar unit will promptly cause the clerk thereof to be notified of the place or places designated for registration, and every local board having jurisdiction in a State or Territory the area of which is divided into divisions for the administration of the Act approved May 18 1917, will promptly cause the clerks of the townships within its divisions to be notified of the place or places designated for registration.

And I do call upon every mayor, county clerk, or township clerk receiving such notification to have a list of said places of registration posted, and do charge him with the duty of having all persons making inquiry informed of the place or places at which they may register.

Any person who, on account of sickness, will be unable to present himself for registration may apply on or before the day of registration at the office of any local board for instructions as to how he may register by agent.

Any person who expects to be absent on the day designated for registration from the jurisdiction of the board in which he permanently resides may register by mail, but his registration card must reach the local board having jurisdiction of the area wherein he permanently resides by the day herein named for registration. Any such person should apply as soon as practicable at the office of a local board for instructions as to how he may register by mail.

Any person who has no permanent residence must register at the place designated for registration by the local board having jurisdiction of the area wherein he may be on the day herein named for registration.

Any person who, on account of absence at sea, or on account of absence without the territorial limits of the United States, may be unable to comply with the regulations pertaining to absentees, shall, within five days after reaching the first United States port, register with his proper local board or as provided in the regulations for other absentees.

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 20th day of May in the year of our Lord one thousand nine hundred and eighteen 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.

DIVINITY AND MEDICAL STUDENTS MUST REGISTER UNDER NEW DRAFT LAW.

To clear up misunderstanding caused by the publication of reports that medical and divinity students need not register, General Crowder has issued the following statement:

Divinity students and students of medicine must register. Under the terms of the law signed by President Wilson on Monday, students who were preparing for the ministry in recognized theological or divinity schools and students who were preparing for the practice of medicine and surgery in recognized medical schools on May 20 1918, are exempt from the draft. The law does not relieve such students from the duty of registering on Wednesday, June 5. Registration comes first, exemption afterwards. It is absolutely necessary that these students register.

The only young men not affected by the new law are those now actually in military or naval service. All male persons, citizens or aliens, born between June 6 1896 and June 5 1897, inclusive, except officers and enlisted men of the Regular Army, Navy and Marine Corps, and the National Guard and Naval Militia, while in Federal service, and officers in the Officers' Reserve Corps and enlisted men in the Enlisted Reserve Corps, while in active service, must register.

ESTIMATED REGISTRATION UNDER NEW ACT.

Secretary of War Baker in a statement issued on May 20 announced that it was estimated that the new registration would add 750,000 men to the army. The only persons exempt, it is pointed out, are officers and enlisted men of the Regular Army, Navy and Marine Corps, and the National Guard and Naval Militia, while in Federal service, and officers of the Officers' Reserve Corps and enlisted men in the Enlisted Corps, while in active service. The following is the announcement in part:

Probably three-quarters of a million men will be added to the American Army, in the making, by the registration, on June 5 next, of boys who have reached the age of 21 since June 5 1917, or who will be 21 on or before June 5 1918. This estimate was made to-day by Provost Marshal Gen. E. H. Crowder, who will direct the registration.

Gen. Crowder's estimate was based on the fact that almost 10,000,000 men registered last year. This number included all between 21 and 31. Statistics collected by Gen. Crowder's office show that a little more than 10% of these men were 21 years old. On that basis, it is estimated by draft officials working under Gen. Crowder, that this year's registration will exceed 1,000,000.

Of this number, Gen. Crowder estimates that three-quarters, or about 750,000, will be available for military service. This makes proper allowances for physical defects, exemptions because of dependents, and other bars to military service.

SLACKERS LEAVING U. S. TO BE PROSECUTED.

In making known on May 23 that slackers who leave the United States to escape the draft will be prosecuted under the Selective Draft Act, Attorney-General Gregory said:

It has been brought to my attention that a number of men of conscription age have left, and that even now, occasionally, others are leaving the country to evade military service.

Slackers are presumably laboring under the delusion that by securing a temporary residence in another country for the duration of the war they may escape their military obligations, and upon the termination of the war may return here to enjoy the fruits of sacrifice in which they had no part.

When this struggle is completed, however, such men, on seeking admission to the United States, will find that it will be necessary for them to stand trial on indictments charging them with violation of the selective service Act. These trials will be vigorously prosecuted, and the maximum penalty provided by the Act will be urged upon conviction.

The passage of time will not prevent the bringing of prosecutions. Such non-registrants and delinquents either must return for military service or become permanent expatriates and have all rights of United States citizenship denied them. The Government at no time hereafter will be inclined to grant any general amnesty to such men.

It should also be clearly understood by the general public that whoever assists another to escape from this country to evade military service, or whoever assists to maintain in a foreign country one who has fled there to escape military service, is guilty of a violation of the espionage Act, and upon conviction becomes liable to the full penalties imposed thereby.

ALL MEN SUBJECT TO DRAFT MUST WORK OR FIGHT —AN ARMY WITHOUT LIMIT.

An amendment to the Selective Service Regulations requiring every man of selective draft age to "fight or work" was announced by Provost Marshal General Crowder on May 23. Following this announcement, Secretary Baker appeared before the House Military Committee with the request that President Wilson be authorized to call to the colors all men of draft age who can be equipped and trained. The committee unanimously voted the authority into the Army Appropriation bill. The following is the text of the provision adopted by the committee:

Provided, That the authority conferred upon the President by the Act approved May 18 1917, entitled "An Act to authorize the President to increase temporarily the military establishment of the United States" is hereby extended so as to authorize him during each fiscal year to raise by draft, as provided in said Act and Acts amendatory thereof, the maximum number of men which may be organized, equipped, trained and used during such year for the prosecution of the present war until it has been brought to a successful conclusion.

The regulation announced by General Crowder, which becomes effective July 1, will affect, it is said, racetrack men, waiters, bartenders, club, hotel and apartment attendants, persons engaged or occupied in games, sports and amusements, except actual performers in concerts, operas or theatrical performances, domestic servants, sales and other clerks of department stores and other mercantile establishments. The following is General Crowder's announcement:

WAR DEPARTMENT.

Office of the Provost Marshal General, Washington.

Provost Marshal General Crowder to-day announced an amendment to the Selective Service Regulations which deals with the great question of compelling men not engaged in a useful occupation immediately to apply themselves to some form of labor, contributing to the general good. The idler, too, will find himself confronted with the alternative of finding suitable employment or entering the army.

This regulation provides that after July 1 any registrant who is found by a local board to be a habitual idler or not engaged in some useful occupation shall be summoned before the board, given a chance to explain, and, in the absence of a satisfactory explanation, to be inducted into the military service of the United States.

Any local board will be authorized to take action, whether it has original jurisdiction of the registrant or not; in other words, any man loafing around a poolroom in Chicago may be held to answer to a Chicago board, even though he may have registered in New York and lived there most of his life.

The regulations which apply to idle registrants will be deemed to apply also to gamblers and employees and attendants of bucket shops and racetracks, fortune tellers, clairvoyants, palmists and the like, who for the purposes of the regulations shall be considered as idlers.

The new regulations will also affect the following classes:

- (a) Persons engaged in the serving of food and drink, or either, in public places, including hotels and social clubs.
- (b) Passenger elevator operators and attendants, doormen, footmen and other attendants of clubs, hotels, stores, apartment houses, office buildings and bathhouses.
- (c) Persons, including ushers and other attendants, engaged and occupied in, and in connection with, games, sports and amusements, excepting actual performers in legitimate concerts, operas or theatrical performances.
- (d) Persons employed in domestic service.
- (e) Sales clerks and other clerks employed in stores and other mercantile establishments.

Men who are engaged as above or who are idlers will not be permitted to seek relief because of the fact that they have drawn a late order number or because they have been placed in class II, III, or IV, on the grounds of dependency. The fact that he is not usefully employed will outweigh both of the above conditions.

It is expected that the list of non-useful occupations will be extended from time to time as necessity will require, so as to include persons in other employments.

Temporary absences from regular employment not to exceed one week, unless such temporary absences are habitual and frequent, shall not be considered as idleness. Regular vacations will not be considered as absences in this connection.

The regulation throws a further safeguard around men not usefully employed by providing that where there are compelling domestic circumstances that would not permit change of employment by the registrant

without disproportionate hardship to his dependents, or where a change from non-useful to useful employment or occupation would necessitate a removal of the registrant or his family, local boards may give consideration to the circumstances. The regulation further provides that where such a change of employment would compel the night employment of women under circumstances which a board might deem unsuitable for such employment of women, the board may take such circumstances into consideration in making its decision.

In explanation of the new regulation General Crowder said:

The war has so far disorganized the normal adjustment of industrial man-power as to prevent the enormous industrial output and national organization necessary to success. There is a popular demand for organization of man-power, but no direct draft could be imposed at present. Steps to prohibit idleness and non-effective occupation will be welcomed by our people. We shall give the idlers and men not effectively employed the choice between military service and effective employment. Every man in the draft age, at least, must work or fight.

This is not alone a war of military manuevres. It is a deadly contest of industries and mechanics. Germany must not be thought of as merely possessing an army; we must think of her as being an army—an army in which every factory and loom in the Empire is a recognized part in a complete machine running night and day at terrific speed. We must make of ourselves the same sort of effective machine.

It is enough to ask what would happen if every man in the nation turned his hand to effective work. We must make ourselves effective. We must organize for the future. We must make vast withdrawals for the army and immediately close up the ranks of industry behind the gap with an accelerating production of every useful thing in necessary measure. How is this to be done?

The answer is plain. The first step toward the solution of the difficulty is to prohibit engagement by able-bodied men in the field of hurtful employment, idleness, or ineffectual employment, and thus induce and persuade the vast wasted excess into useful fields.

The very situation we are now considering, however, offers great possibilities in improvement of the draft as well as great possibilities for the composition of the labor situation by effective administration of the draft. Considering the selective service law, we see two principal causes of deferment of the call to military service—exemption and the order numbers assigned by lot. The exemptions themselves fall into two conspicuous categories—dependency and industrial employment. One protects domestic relations, the other the economic interests of the nation. Between the two there is an inevitable hiatus, for it is demonstrably true that thousands, if not millions, of dependency exemptions have no effect on industrial production whatever. One of the unanswerable criticisms of the draft has been that it takes men from the farms and from all useful employments and marches them past crowds of idlers and loafers away to the army. The remedy is simple—to couple the industrial basis with other grounds for exemption and to require that any man pleading exemption on any ground shall also show that he is contributing effectively to the industrial welfare of the nation.

The regulation itself makes plain the determination of the War Department. The great organization of local and district boards which has already accomplished notable work, may be relied upon to catch the spirit of the movement and sorely needed man-power will soon be flowing into the fields of useful endeavor or into the other direction of military strength.

NEW DRAFT CAUSES ALARM TO ANTHRACITE INDUSTRY.

According to the "Anthracite News," several hundred mine workers left the coal regions this week under the draft and as volunteers. It says:

This further depletion of the supply of labor is a serious matter. It closely affects the amount of coal that can be mined. Under the new, general State draft call, Pennsylvania must furnish 3,750 more soldiers. The anthracite industry is alarmed over what proportion of this quota will be taken from it.

Every miner taken away for military duty means that it will take two years for another man to take his place; for two years' experience must first be had before a man is granted an anthracite miner's license or certificate to work under the State law. As it is now, every man lost to the industry works to curtail the production of coal, the output of which is even now limited by the labor supply.

The present army of mine workers is barely sufficient to maintain the present maximum output of 275,000 tons daily. There are now 153,000 mine workers, or 24,000 fewer men than before the war. Should the draft, voluntary enlistments and other causes take men away from the region in large numbers, the inevitable result will be a big anthracite shortage.

A miner and his laborer, with effort, can get out eight tons of anthracite daily. A miner being taken away, the laborer cannot work and the resultant loss in output would mean 208 tons for 25 working days, or 2,500 tons a year for 312 working days. Allowing 10 tons of anthracite for winter consumption, this would also mean that 250 families would be deprived of coal, for every registered miner lost to the industry.

From patriotic reasons the mine workers are doing their utmost and the anthracite industry praises their efforts. It is urging the men to work on Decoration Day, and, from a consensus of replies taken from the army of workers, it is very likely that they will do so.

SUPREME COURT UPHOLDS RIGHT TO DRAFT MEN FOR FOREIGN SERVICE.

In a decision which upholds the constitutionality of the Selective Draft Act in every particular, the United States Supreme Court on May 6 specifically asserted the right of the Government to send drafted men outside the country to fight. The Court held that under the 12th clause of the 8th Section of Article 2 of the Constitution, Congress may raise and support armies by drafting the militia of the country into the Regular Army, which may be ordered anywhere in the world. Chief Justice White in rendering the Court's decision said:

Congress is not restrained, either directly or indirectly, in raising men by qualifications as to where they shall fight. The authority for conscription does not rest on the militia clause of the Constitution or the old militia laws, but on the broad ground of powers the States delegated to the Federal Government by approving the Constitution.

The case (Robert Cox vs. Leonard Wood) came up to the Supreme Court from the United States District Court of

Kansas. The plaintiff, Robert Cox of Missouri, attacked the right of Congress to conscript men for foreign service, and applied for a writ of habeas corpus directing Major-General Leonard Wood, in command of Camp Funston, to release him from service on the ground that there was no constitutional right to compel him to fight in foreign lands. The application was denied by Judge Pollock in the District Court, whose decision has been sustained by the Supreme Court.

Chief Justice White, in announcing the decision, also denied the motion to hold General Wood in contempt for sending Cox to France while his case was pending. The Court censured Cox's attorneys for their briefs in the case, which the Government charged were "scandalous and seditious." It was also asked that the briefs be stricken from the Court files, but as to this the Court said:

We find that the briefs were amenable to the Government's characterization, and the attorneys should be severely censured, but believe this can be done better by leaving them with the Court. Instead of tending to cause repetition of such statements, their very unwarranted character would tend to the contrary.

WORK OF THE ORIGINAL CAPITAL ISSUES COMMITTEE.

Following the swearing in on May 17 of the directors of the War Finance Corporation, the latter was authorized by President Wilson on May 20 to exercise the powers conferred on it under the Act creating the directors. The latter held their first meeting on May 21.

Applications numbering several hundred were classified and the directors set about the work of getting full information on cases which appeared meritorious. Applicants who did not present sufficient claims to justify immediate consideration will be told to examine their cases in the light of the War Finance Corporation Act, and to re-file them if further evidence of need can be presented.

With the taking of office on May 17 by the Capital Issues Committee, which was created under the same Act as the War Finance Corporation, the old Capital Issues Committee of the Federal Reserve Board ceased to exist. A final report of its activities during the four months it was in existence was issued on the 21st; it showed that the committee considered applications for the investment of capital to the amount of \$478,458,386, of which \$412,766,721 was approved. Of applications considered, 192 were from municipalities, 62 from public utilities corporations, and 107 from industrial concerns. Of these the committee gave its approval to 140 municipal, 60 public utility, and 78 industrial corporations. Thirty-four municipal applications were disapproved and 18 curtailed, 24 industrial applications were disapproved and 5 curtailed. The following are the figures made public by the Committee:

	Municipal.	Public Utility.	Industrial.	Total.
Number considered....	192	62	107	361
Number approved.....	140	60	78	278
Number disapproved....	34	2	24	60
Number curtailed.....	18	0	5	23
	\$	\$	\$	\$
Amount considered....	86,378,512	172,069,605	219,510,260	478,458,386
Amount disapproved....	19,791,665	6,000,000	39,900,000	65,691,665
Aggregate approved....	69,086,847	166,069,605	179,610,260	258,666,496
Loss refunding.....	21,392,312	125,860,284	111,411,900	154,102,224
Aggregate new issues..	45,694,534	40,209,321	68,198,369	504,211,624
New Issues last year same period.....	108,952,865	107,504,075	287,754,684	219,793,889
Analysis of new issues approved—				
Amount original applications.....	65,486,199	46,209,321	108,098,369	154,102,224
Amount approved....	45,694,534	40,209,321	68,198,369	154,102,224
Curtailed.....	19,791,665	6,000,000	39,900,000	65,691,665
Analysis of applications informally discouraged:				
Number.....	8	3	6	17
Amount.....	\$8,915,000	\$7,360,000	\$3,590,000	\$19,865,000

A request to the public utility commissions, asking that the commissions "give prompt consideration to applications made by public utilities for permission to increase rates," was made by the War Finance Corporation in a statement issued on May 23. The statement said:

The directors of the Corporation feel that the localities served by these various public utility enterprises should not expect the War Finance Corporation to make advances to any utility company whose statement shows that it is in actual need of increased revenue. It is a matter for the local authorities to determine whether or not an increase in rates sufficient to maintain the enterprise as a going concern should be granted. It is urged, therefore, that the proper authorities give prompt consideration to applications made by public utilities for permission to increase rates in order that the directors of the War Finance Corporation may know when applications for loans are presented by public utility corporations whether or not they will be able to give adequate security.

George S. Franklin of New York and Samuel W. Fordyce Jr. of St. Louis have been named joint counsel of the Corporation.

FEDERAL MANAGERS TO TAKE PLACE OF OPERATING HEADS OF RAILROADS.

One of the most important developments growing out of the Federal operation of the railroads was last Tuesday's announcement by Director-General McAdoo that he had decided to place in direct charge of each railway property a Federal Manager, who will as far as practicable be chosen from the operating officers of the particular property and who will be required to sever official relations with the carriers and become exclusive representatives of the Federal Railroad Administration; responsibility for the operation of the property Mr. McAdoo announces, will be directly to the Regional Directors and not to the Boards of Directors. The Director-General also made known the creation of two new operating regions—the Allegheny region, consisting of the principal trunk lines east of Pittsburgh, excluding the New York Central, managed by C. H. Markham, now Regional Director for the South, and the Pocahontas region, consisting of the east and west trunk lines terminating at Hampton Roads. With the exception of the Allegheny and the Pocahontas regions, Mr. McAdoo said, the Eastern region will remain as originally defined, with A. H. Smith as Regional Director. The following is his announcement.

In view of the direct responsibility for the operation of the railroads of the country placed upon Director-General McAdoo by the Act of Congress and by the proclamations of the President, he has been unable to escape the conclusion that it will be advisable to place in direct charge of each property for operating purposes a representative, to be known as the Federal Manager, who will report to the Regional Director. As far as practicable, this Federal Manager will be chosen from the operating officers of the particular property, who are therefore entirely familiar with its employees and with its conditions.

Except so far as may be necessary to meet the emergency conditions which compel the Government to take control of the railroads, the Federal Manager of each railroad will endeavor to avail himself to the fullest extent of the advantages incident to the operation of the particular railroad as a unit and the preservation of its identity. This is believed to be of essential importance, not only to secure the best results during the period of Government control, but also to give the greatest degree of reassurance to the officers and employees that the railroad careers upon which they have entered will not be narrowed, but, if anything, will be broadened, and to give the greatest possible reassurance to the stockholders that their just interests in the properties will be respected and that nothing will be needlessly done to have even the appearance of impairing their just rights.

While in this way the responsibility for the operation of the property will be directly to the Regional Directors, and not to the Boards of Directors, it is the purpose of the Director-General to accord to the Boards of Directors and their representatives the fullest opportunity to keep advised as to the operation and improvement of the properties and to maintain with the Director-General and the Regional Directors the fullest interchange of views as to what is in the best interest of the Government and of the stockholders.

In the development of this policy the Regional Directors, and also the Federal Managers, will be required to sever their official relations with the particular companies and to become exclusive representatives of the United States Railroad Administration.

The first moves in the inauguration of this policy will be through the creation of two new regions, to be known as the "Allegheny region" and the "Pocahontas region."

The Allegheny region will consist, broadly, of the Pennsylvania lines east of and including Pittsburgh and Erie; Baltimore & Ohio, east of Pittsburgh and the Ohio River, including Pittsburgh terminals; Bessemer & Lake Erie Railroad, Cumberland Valley Railroad, Central Railroad of New Jersey; Coal & Coke Railroad, Philadelphia & Reading Railway, Western Maryland Railway, Cumberland & Pennsylvania, and Pittsburgh & Lake Erie. This region will be placed in charge of C. H. Markham as Regional Director (who has resigned his connections with the Illinois Central and other companies) who will have offices in Philadelphia.

The Pocahontas region will consist of the Chesapeake & Ohio Railway east of Columbus, Cincinnati, and Louisville; the Norfolk & Western Railway, and the Virginian Railway, including the terminals of all lines at Hampton Roads. With the exception of the Allegheny and the Pocahontas regions, the Eastern region will remain as originally defined, with A. H. Smith as Regional Director, and District Directors under Regional Director Smith will be appointed for New England and for that portion of the Eastern region west of Pittsburgh and the Ohio River and south of the Erie main line. The selection of the Regional Directors for the Pocahontas region and for the Southern region, succeeding Mr. Markham, as well as of the two new District Directors under Regional Director Smith, will be announced later.

The same policy will be applied from time to time, as rapidly as may be convenient, in other parts of the country, always with the greatest possible regard for all the interests affected and with a view to preserving intact, as far as reasonably practicable, the operating organizations of the companies.

The appointment of two more regional directors was announced by Mr. McAdoo on May 24. B. L. Winchell, Director of Traffic of the Union Pacific R.R., was appointed Regional Director of the Southern District with headquarters at Atlanta, Ga. The appointment is effective June 1. Mr. Winchell will succeed C. H. Markham, who has been placed in charge of the Allegheny region, located at Philadelphia. E. D. Maher, President of the Norfolk & Western Ry., has been named Regional Director of the Pocahontas region, with headquarters at Roanoke, Va.

It was intimated on May 22 that, although the salaries of the Federal Managers would not be gauged according to usual Government standards by which Cabinet members receive only \$12,000 a year, the present salaries of many railway heads, ranging upward of \$50,000, would not be

duplicated by the railroad administration. The salaries would be "adequate," it was stated, and would be of varying amounts comparable to each man's ability and duties.

REMOVAL BY DIRECTOR-GENERAL OF RAILROADS OF PRESIDENT C. W. HUNTINGTON.

Announcement that C. W. Huntington had been retired as President of the Virginian Railway by Director-General of Railroads McAdoo and that Joseph H. Young had been appointed Federal Manager was made almost co-incident with the issuance of Mr. McAdoo's statement concerning his plans for placing the railroads under Federal Managers. Newspaper reports have stated that Mr. Huntington's removal was due to the failure to carry out promptly the Railroad Administration's instructions, regarding the repair and maintenance of his road. The following statement was issued at Mr. Huntington's office in New York on Tuesday:

President Huntington, when seen at the office of the Virginian Railway Company, said that he had been "retired as the Chief Operating Officer" of the Virginian Railway Company by a telegram sent from Washington at 9:55 p. m. Saturday, May 18, and received by his Secretary Sunday morning, which read as follows:

C. W. Huntington, President, Virginian RR. Co., 60 Wall St., New York. It is hereby ordered, effective at 12:01 a. m., Tuesday, May 21 1918, that C. W. Huntington, President of the Virginian Railway Company, be retired as the Chief Operating Officer of the railroad of that company, and that thereafter his compensation be paid by the corporation so long as the corporation desires to utilize his services, and that Joseph H. Young be and he is hereby appointed Federal Manager of the Virginian Railway and placed in charge of operations thereof, with office at the Norfolk Terminal Station Building, Norfolk, Va., with full power to do and perform any and all acts which may be necessary or appropriate in the efficient operation of said railroad, and in the making of all improvements and betterments which may be necessary or appropriate to enable said railroad adequately to serve the public needs.

All officials, agents, and employees of said road are required to obey orders issued by or under the authority of said Federal Manager, W. G. McADOO, Director-General of Railroads.

Mr. Huntington said that no reason had been assigned for the action of the Director-General and that he had no information on the subject except a news report that his retirement as Chief Operating Officer of the Virginian Railway was because of his failure to obey an order of the Director-General to make certain improvements on the railway. He added that the statement about failure to make ordered improvements was false, as no such order had ever been issued.

ACTION OF PENNSYLVANIA AND B. & O. HEADS.

It was reported on May 23 that Samuel Rea, President of the Pennsylvania R.R., and Daniel Willard, President of the Baltimore & Ohio, have elected to remain with the railroad corporate organization rather than to become "Federal Managers."

FORTHCOMING WAGE INCREASE FOR RAILROAD EMPLOYEES.

According to press dispatches from Washington on May 23 orders raising the wages of 2,000,000 railway employees and giving them back pay to Jan. 1 at the new rates has been prepared by Director-General of Railroads McAdoo and will be issued shortly. The dispatches state:

Mr. McAdoo based his decisions largely on recommendations of the Railroad Wage Commission, which proposed increases aggregating about \$300,000,000, but it is understood he made many modifications which will result in even higher increases for some classes. At Railroad Administration headquarters it was intimated that the total pay increases would amount to more than \$300,000,000.

In working out the new schedules Mr. McAdoo and his advisers paid special attention to complaints of thousands of railroad men given raises in the last two years, that on the Wage Commission's basis they would get not a cent of increase this year. Clerks and office employees, most of whom are unorganized, probably will be given substantial increases. Liberal treatment also is expected for track employees and other low-paid laborers.

DIRECTOR-GENERAL McADOO DIRECTS POSTPONEMENT OF CERTAIN RAILROAD DAMAGE SUITS.

An order issued to the railroads under Federal Control by Director-General McAdoo directs that suits against a railroad for personal injuries, freight and damage claims, &c., far removed from the scene where the cause of action arose, shall not be tried during the period of Federal control. One of the reasons for the order, it is said, is to prevent the loss of the services of operating officials who would have to travel hundred of miles to testify and who would thus be away from their duties for days.

The order of the Director-General, which was issued on May 23, follows:

It is therefore ordered that upon a showing by the defendant carrier that the just interests of the Government would be prejudiced by a present trial of any suit against any carrier under Federal control, which suit is not covered by general order No. 18 and which is now pending in any county or district other than where the cause of action arose or other than that in which the person alleged to have been injured or damaged at that time resided, the suit shall not be tried during the period of Federal control; provided, if no suit on the same cause of action is now pending in the county or district where the cause of action arose, or where the person injured or damaged at that time resided, a new suit may, upon proper service, be instituted therein; and if such suit is now barred by the statute of limitations, or will be barred before Oct. 1 1918, then the stay directed by this order

shall not apply unless the defendant carrier shall stipulate in open court to waive the defense of the statute of limitations in any such suit which may be brought before Oct. 1 1918.

This order is declared to be necessary in the present war emergency. In the event of unnecessary hardship in any case either party may apply to the Director-General for relief, and he will make such order therein as the circumstances may require consistent with the public interest.

This order is not intended in any way to impair or affect general order No. 18, as amended by general order No. 18-A.

ADMINISTRATION PROPOSALS WITH REGARD TO SHORT LINE RAILROADS.

It was disclosed on May 20 that the Railroad Administration, instead of taking over the so-called short line railroads was considering plans to insure them a fair division of joint rates, local rate increases by State commissions, adequate car supplies and assurance against discriminate routing. A letter proposing this plan was submitted to Senator Overman by John Barton Payne, General Counsel of the Division of Law of the Railroad Administration. In his letter Mr. Payne said:

I call your attention to the very great difficulties which the Railroad Administration confronts with reference to the short-line roads. You know that many people believe that the Government should take these roads and operate them. Many of them are not necessary for any Government purpose, but it is a matter of profound interest that they be continued in operation, because they serve the highest need of many local communities. What is best has been given the Director-General and his staff great anxiety. I submit the following suggestions as a solution of the problem:

(a) If the roads are taken over by the Government there will be an immediate raise in wages of all employees in keeping with the wage adjustment which has just been made with the trunk lines, and there will be a demand for an improvement in service and an improvement in general conditions on the line so as to bring the roads up to the standard of the trunk lines. This will be due to the fact that they are under Government control and that the Government should treat everybody alike.

(b) It seems to me that the roads themselves, the communities, and the Government will be benefited if the following happens:

(1) That the Government see that the short-line roads have a fair division of the joint rates; in many cases heretofore they have not enjoyed a fair division.

(2) Also an increase in rates—this must be by the State Commissions—so as to keep them on a parity with the rates on the trunk lines which must be raised to meet existing conditions; also the Government will see that the roads are furnished so far as is possible with an adequate supply of cars, so that they may serve the public, and that the freight shall not be so routed as to discriminate against these lines.

Please advise me whether, in your opinion, if the Administration adopts such a policy as is here outlined, it will not best serve the public and the Government.

The letter has been referred to the Senate Committee on Railroads.

DIRECTOR-GENERAL McADOO PLACES ALL RAILROAD TRANSPORTATION CHARGES ON CASH BASIS.

Announcement of the proposal of Director-General McAdoo to issue an order placing the payment of all transportation charges of the railroads on a cash basis was made on May 23 on behalf of Mr. McAdoo by C. A. Prouty, Director of the Division of Public Service and Accounting of the Railroad Administration. The order, which goes into effect on July 1, was made public at the same time. Mr. Prouty stated that the reason for its promulgation was to prevent discrimination between shippers and consignees. His announcement follows:

The Director-General is about issuing an order putting the payment of all transportation charges upon a cash basis, and is especially desirous that this shall result in as little inconvenience as possible to the public. The rule should be interpreted in a practical business way. If, for example the consignee who is financially responsible is accustomed to send for his freight in the morning and the collection of the freight charges is effected in the afternoon, that should be treated as a cash transaction so long as the consignee continues to pay its freight charge promptly upon presentation of the freight bill. Similar application of the rule should be made in the collection of a prepaid charge from a shipper. That is to say, payment of such a charge if made on the day the shipment is forwarded will be treated as a cash transaction.

The enforcement of the cash rule will require payment by the shipper and consignee, for the most part, without opportunity for the correction of errors in the freight bill, but in all cases where a mistake is obvious or where it is plainly indicated upon the face of the bill, the agent should make the correction before exacting payment.

The Director-General is also anxious that the public shall understand that the reason for the promulgation of this order is to prevent discrimination between shippers and consignees. The extending of credit in the payment of transportation charges to one person while it is denied to another results in a preference in favor of the person to whom credit is given. While repeated attempts have been made in the past to check this evil, competitive conditions have rendered it impossible to do so. At the present time many shippers and consignees, especially large ones, enjoy with respect to many of their freight bills a credit not only of days but of weeks, and sometimes of months. There seems to be no way of dealing with this except to enforce the cash rule.

The Director-General further instructs me to say that he has under consideration rules which will be promulgated in the near future touching upon the settlement of overcharges and claims for loss and damage, which he believes will result in the prompt and fair disposition of such matters with a minimum of inconvenience to the public.

The following is the order of the Director-General:

Effective July 1 1918, the collection of transportation charges by carriers under Federal control, for services rendered, shall be on a cash basis, and, effective as of that date, credit accommodations then in existence which may be in conflict with the following regulations shall be canceled.

Tickets shall be sold only for cash in advance of service. Baggage charges are subject to the same rule as tickets, except C. O. D. baggage and storage charges, which must be paid in cash before delivery.

In cases where the enforcement of this rule with respect to freight will retard prompt forwarding or delivery of the freight or the prompt release of equipment or station facilities, carriers will be permitted to extend credit for a period of not exceeding forty-eight hours after receipt for shipment of a consignment if it be prepaid, or after delivery at destination if it be a collect consignment, provided the consignor, if it be prepaid consignment, or the consignee, if it be collect, file a surety bond either individual or corporate, in an amount satisfactory to the treasurer of the carrier. The form of such bond shall be prescribed by the chief legal office of the individual carrier, conditioned upon and providing for payment of all charges within forty-eight hours after forwarding or delivery of the freight. Upon receipt and acceptance of such bond a carrier may accept and forward prepaid consignments or may deliver collect consignments in advance of payment of all charges thereon to the amount covered by the bond. Failure to pay such charges within the time prescribed will automatically cancel such credit.

Treasurers of individual carriers are required to arrange and conduct all matters relating to such credits. They shall designate the amount, and accept or reject the surety offered. Bonds may be required and accepted for individual consignments or blanket bonds may be accepted from individual shippers or consignees to cover all of their consignments for a given period; the period of the credit in such cases shall, however, be limited to forty-eight hours on each shipment as prescribed in the preceding paragraph.

In case of any question as to the accuracy of charges, bills must be paid as rendered and claims presented for alleged errors. This will not prevent adjustments by agents of obvious errors.

Freight consigned to order or to "order notify" shall be delivered only upon surrender to the agent of the carrier of the original bills of lading for such freight, and the payment of the freight charges thereon as herein provided. Provided, however, if such bill of lading be lost or delayed the freight may be delivered in advance of surrender of the bill of lading upon receipt by the carrier's agent of a certified check for an amount equal to 110% of the invoice, or upon receipt of a surety bond either individual or corporate, acceptable to the Treasurer of the carrier in an amount for twice the amount of invoice.

Payment of transportation charges by check will be considered as a payment in cash if the person, firm or company signing or endorsing it, is known to the agent to be fully reliable. Checks are not to be taken or cashed by agents under any circumstances, except for transportation charges.

Until otherwise ordered, the foregoing rules will not apply to transportation service rendered other departments of the Federal Government.

CHANGES IN RAILWAY EXECUTIVES' ADVISORY COMMITTEE.

It has been made known that T. De Witt Cuyler has been elected Chairman of the Railway Executives' Advisory Committee to succeed Frank Trumbull, who continues, however, as a member of the Committee. C. B. Seger, acting Chairman of the Union Pacific, succeeded Judge Robert S. Lovett as a member of the Committee; S. T. Bledsoe, General Counsel of the Atchison, Topeka & Santa Fe, takes the place of Walker D. Hines; A. H. Harris, of the New York Central, replaces A. H. Smith, and E. M. Hyzer, Vice-President of the Chicago & North Western, succeeded R. H. Ashton. The Committee now consists of the foregoing and the following:

B. F. Bush, President of the Missouri Pacific; A. J. Earling, Chairman of the Chicago, Milwaukee & St. Paul; Howard Elliott, Chairman of the Northern Pacific; W. J. Harahan, President of the Seaboard Air Line Railway; Hale Holden, President of the Chicago, Burlington & Quincy; Julius Krutchschmitt, Chairman of the Southern Pacific; L. F. Loree, President of the Delaware & Hudson; Samuel Rea, President of the Pennsylvania system; W. L. Ross, of the Toledo, St. Louis & Western; F. D. Underwood, President of the Erie; Henry Walters, President of the Atlantic Coast Line, and Daniel Willard, President of the Baltimore & Ohio.

In noting the changes the New York "Tribune" of May 18 said:

The significance of the changes that have been made in the Railway Executives' Advisory Committee lies in the fact that, since the railroads passed under the control of the Government, officials have had to make a choice between serving the stockholders to the exclusion of all other interests and acting entirely according to the viewpoint of the Director-General of Railroads, it is said. The men who have resigned from the Railway Executives' Advisory Committee have thrown their lot in with the Government and as a consequence felt that they could not serve two masters.

UNIFORMITY IN ACCOUNTING OF RAILROAD EXPENDITURES REQUIRED BY RAILROAD ADMINISTRATION.

In advising the railroads that uniformity in accounting for expenditures for additions and betterments must be attained, C. A. Prouty, Director of the Public Service and Accounting Division of the Railroad Administration, in a circular under date of May 15 said:

Washington, D. C., May 15 1918,
Circular No. 3.

From advices received there appears to be a lack of uniformity among accounting officers of steam railroad carriers in accounting for expenditures for additions and betterments incurred in connection with property (excluding land and equipment) retired and replaced.

Uniformity in accounting for expenditures for additions and betterments must be attained, and to that end accounting officers of steam railroad carriers are hereby instructed to take such steps as will result in accounting for these expenditures in accordance with the accounting rules of the Interstate Commerce Commission.

The attention of all concerned is directed to the general instructions of the Commission's classification of investment in road and equipment, and particularly sections 7 and 12 thereof.

A copy of all inquiries addressed to the Inter-State Commerce Commission requesting an interpretation of the rules referred to should be forwarded to Mr. A. H. Plant, Chairman of the Accounting Committee.

G. A. PROUTY, Director.

RAILROADS INSTRUCTED NOT TO RENEW EXPIRING FIRE INSURANCE OR TAKE OUT NEW POLICIES.

In an order issued under date of May 16 W. G. McAdoo, Director-General of Railroads, instructed carriers not to renew any expiring insurance of any character covering property under Federal control or take out any new fire insurance policies. The order follows:

UNITED STATES RAILROAD ADMINISTRATION,
Office of the Director-General.
Washington, D. C., May 16 1918.
General Order No. 24.

On April 30 a telegram was sent to carriers instructing them not to renew any expiring fire insurance policies on property in Federal control, and not to take out any new fire insurance policies upon such property. It was provided that carriers might call attention to cases calling for exceptional treatment. A letter was sent to the carriers confirming this telegram, and the letter suggested care for fire prevention in terms similar to the last paragraph of this order.

It is desired to extend the instructions to other insurance than fire insurance, excepting only bonds or policies insuring fidelity of employees in handling funds.

Carriers, therefore, are now instructed not to renew any expiring insurance of any character, covering property in Federal control, or any liability in connection with the operation or use of any such property, or liability for property transported or stored by carriers under Federal control, and not to take out any new policies, or place any additional or new risks under existing policies, of such insurance, except that this order shall not relate to bonds or policies insuring the fidelity of employees in handling funds. Such fidelity bonds or policies shall be continued, and proper provision made for any necessary changes, as heretofore. Carriers may present to the Director-General any special circumstances which they believe call for exceptional treatment.

If the termination of insurance in accordance with this order results, as to any particular property, in the discontinuance by the insurance company of inspection or other measures for prevention of loss, it will be desirable to adopt proper substitute therefor, and the carrier shall make reasonable and proper temporary provision for such inspection or other preventive measures, reporting its action to this office.

W. G. McADOO, Director-General of Railroads.

MODIFICATION OF WAY BILLS REGULATION TO EXPEDITE MEAT SHIPMENTS.

With a view to expediting meat shipments from Chicago to the East an order providing that cars containing meats and packing house products of a perishable nature might be forwarded in advance of way bills was issued as follows under date of May 7 by C. A. Prouty, Director of Public Service and Accounting, Division of the United States Railroad Administration:

Washington, D. C., May 7 1918,
Circular No. 2.

Paragraph (3) of General Order 11 provides:

"Way bills for carload freight must move with the cars. Way bills for less carload freight must be moved with the cars when practicable; otherwise so as to reach the transfer point or destination with or in advance of the cars * * *"

In order to expedite the moving of meats and packing-house products from Chicago and other points from which these commodities are shipped, the following telegram was addressed to Regional Director Alshon:

"Am advised car service committee at Missouri River and other packing-house shipping points decline to move cars without copy bill of lading. Please advise all concerned that they may disregard first sentence paragraph three, General Order 11, on eastbound packers' traffic from Chicago, applying merchandise car practice there outlined to packers' cars, pending further consideration here. See no reason why card way bills cannot be used, mailing way bills to destination or division points as heretofore."

C. A. PROUTY, Director.

The rule announced in this telegram cannot be said to be in conflict with the principles contained in paragraph 3 of General Order No. 11. It provides that the cars containing meats and packing-house products of a perishable nature may be forwarded in advance of the way bills therefor, and such way bills will be sent forward as quickly as possible so as to catch the cars before their arrival at destination or to reach destination in advance of the cars. Commodities shipped by packing interests other than those named herein and which are not of a perishable nature, shall be way-billed as provided in General Order No. 11.

C. A. PROUTY, Director.

CAPITAL EXPENDITURES APPROVED BY RAILROAD ADMINISTRATION.

The Railroad Administration announced on May 19 that a total capital expenditure of \$937,961,318 by the railroads under Government control had been approved. Of this, \$440,071,013 is for additions and betterments; \$479,686,531 for equipment and \$18,203,774 for extensions. A statement accompanying the figures said:

UNITED STATES RAILROAD ADMINISTRATION;

W. G. McAdoo, Director-General of Railroads.

The attached budgets were made up by the carriers in response to a letter of instructions issued by Director-General McAdoo, which contained the following:

"In determining what additions and betterments, including equipment, and what road extensions should be treated as necessary, and what work already entered upon should be suspended, please be guided by the following general principles:

From the financial standpoint it is highly important to avoid the necessity for raising any new capital which is not absolutely necessary for the protection and development of the required transportation facilities to meet the present and prospective needs of the country's business under war conditions. From the standpoint of the available supply of labor and material, it is likewise highly important that this supply shall not be

absorbed except for the necessary purpose mentioned in the preceding sentence.

Please also bear in mind that it may frequently happen that projects which might be regarded as highly meritorious and necessary when viewed from the separate standpoint of a particular company, may not be equally meritorious or necessary under existing conditions when the Government has possession and control of railroads generally and therefore when facilities heretofore subject to the exclusive control of the separate companies are now available for common use whenever such common use will promote the movement of traffic."

If these instructions were followed, the estimates should be conservative. Nevertheless they were carefully revised and further reduced, as shown by this statement.

The approval of these budgets is necessarily tentative. It was necessary to ascertain as speedily as possible what improvements were required and the probable cost and grant authority to proceed with those most urgent so that the work could be done promptly and before next winter. The subject is still under careful study, with a view to postponing or canceling any work which can reasonably be deferred; and the financial condition of the carriers and their ability to repay the money borrowed will require curtailment in many cases. On the other hand, it is certain that there will be considerable additions from time to time to the amounts required for particular improvements which were not foreseen when the budgets were prepared. But, on the whole, the figures given in the statement are as definite and accurate as it is possible for any estimates for such vast and varied work to be.

The following is the table as printed in the New York "Times" of May 20:

Names of Railroads.	Total Capital Expenditures Approved			Eliminations.
	Additions and Betterments.	Equip-ment.	Exten-sions.	
	\$	\$	\$	\$
Akron & Barb Bell.	29,870	-----	-----	-----
Akron Union Pass Depot Co.	-----	-----	-----	534,000
Ala & Vicksburg.	210,768	439,625	-----	650,293
Ala Great Southern.	1,063,092	-----	-----	1,062,092
Ann Arbor.	195,684	1,955,285	-----	2,150,969
Ark & Memphis Ry.	-----	-----	-----	-----
Br & Tr Co.	67,500	-----	-----	67,500
Arizona & New Mex	59,250	-----	-----	59,250
Atech Topeka & S Fe	17,757,647	28,007,137	701,000	41,465,784
Atlanta & West P.	318,526	189,944	-----	508,270
Atl Birm & Atlantic	354,396	1,010,500	-----	1,364,896
Atlanta Term'l Co.	74,000	-----	-----	74,000
Atlantic Coast Line	2,823,959	7,328,177	143,656	10,295,792
Balto & Ohio.	16,022,171	27,336,132	450,000	43,808,303
B & O Chicago Term	274,775	8,850	-----	283,625
Balt Ches & Atlantic	14,500	24,700	-----	39,200
Bangor & Aroostook	207,773	889,715	-----	1,097,488
Boston & L Erie.	550,074	138,654	121,525	1,110,253
Boston & Albany.	2,199,400	1,687,679	-----	3,786,979
Boston & Maine.	8,948,648	13,359,761	-----	22,308,409
Buff Roch & Pittsb.	1,738,047	2,418,612	-----	4,156,659
Caro Clinch & Ohio	398,475	4,492,750	-----	4,891,225
Central of Georgia.	1,514,678	1,636,200	-----	3,150,878
Central of New Eng.	864,305	24,600	-----	888,905
Central RR of N J.	7,457,647	8,768,800	-----	16,226,447
Central Vermont.	474,382	268,473	-----	742,855
Charles & W Caro.	275,000	-----	-----	275,000
Ches & Ohio.	7,028,994	10,877,996	500,631	18,407,621
Chicago & L Erie.	1,060,543	978,793	-----	2,039,336
Chicago & East Ill.	2,185,488	2,123,200	-----	4,308,687
Chicago & N W.	7,570,832	3,640,520	-----	11,211,352
Chic & West Ind RR	-----	390,688	-----	390,688
Chic & West Ind RR	-----	390,688	-----	390,688
Chic Burl & Quincy	6,246,638	6,599,200	-----	12,845,838
Chicago Grt West'n	755,571	230,710	-----	1,086,281
Chicago Junction.	60,000	31,815	-----	91,815
Chic Milw & St P.	12,036,650	9,848,003	642,000	23,126,653
Ch Peor & St Louis.	37,314	11,595	-----	48,909
Chicago R I & Pac.	8,248,605	9,950,431	-----	18,199,036
Chic St P Minn & Co.	986,324	1,310,333	-----	2,296,657
Chic Union Sta & O.	1,655,293	-----	-----	1,655,293
Cine Ind & West.	335,331	338,225	40,165	704,571
Cin N O & Tex P.	5,415,994	619,750	-----	6,035,744
Cincinnati Northern	319,800	69,545	-----	389,345
Clev Cine Ch & St L	10,117,796	12,044,211	-----	22,162,007
Colorado & South.	256,370	1,614,648	-----	1,871,018
Colorado & Wyo.	167,000	200,000	-----	367,000
Cumberland Valley	1,280,061	670,272	-----	1,950,333
Davep't R I & Nor	3,300	-----	-----	3,300
Dayton Union.	3,000	-----	-----	3,000
Delaware & Hudson	1,196,659	1,961,954	-----	3,158,613
Del Laek & West.	1,835,118	1,597,692	-----	3,432,810
Denver & Rio Gr.	2,422,068	363,694	62,179	2,848,541
Denver Union Term	6,002	-----	-----	6,002
Det & Tol Shore L.	70,306	2,008,500	-----	2,078,806
Detroit Terminal.	216,332	140,000	-----	356,332
Dul & Iron Range.	437,090	789,316	6,734	1,233,140
Dul Missabe & Nor	2,120,218	917,855	-----	3,038,073
Dul South Sh & Atl.	74,885	-----	-----	74,885
East St L Connect'g	225,737	2,625	-----	228,362
Elgin Joliet & East.	606,960	1,033,532	-----	1,750,012
El Paso & S W.	860,816	2,445,556	23,259	3,329,631
Erie RR.	9,799,262	14,794,178	-----	24,593,440
Florida East Coast.	999,367	742,590	-----	1,741,957
Fl Worth & Den C.	260,138	444,415	-----	704,553
Georgia R Lessee	-----	-----	-----	-----
Georgia R Lessee	168,017	898,750	-----	1,066,767
Georgia R Lessee	45,505	11,750	-----	57,255
Granet Rapids & Ind	130,912	1,331,100	-----	1,462,012
Great Northern.	9,510,600	4,622,388	450,000	14,582,988
Gulf & Ship Island.	106,000	389,820	154,406	650,226
Gulf & Coast Lines.	194,308	35,200	27,800	257,308
Gulf Colo & S Fe.	2,469,408	6,865	-----	2,476,273
Gulf Mobile & Nor.	957,374	40,000	911,024	1,908,398
Hocking Valley.	3,622,043	2,046,998	-----	5,669,041
Hud Riv Connect'g	2,000,000	-----	-----	2,000,000
Illinois Central.	10,669,251	15,720,397	325,000	26,714,648
Indiana Harbor Belt	513,300	1,550,547	-----	2,063,847
Indianapolis Indom.	1,198,174	160,000	-----	1,358,174
Interstat & Gra Sot.	507,520	489,047	-----	996,567
Kansas City South.	1,204,279	1,029,899	-----	2,234,178
Kansas City Term'l	1,669,150	4,300	-----	1,673,450
Ky & Ind Terminal.	655,900	326,000	-----	981,900
Lake Erie & West.	1,133,690	2,237,250	-----	3,370,940
Lehigh & New Eng.	223,270	636,671	424,100	1,284,041
Lehigh & Hud River	59,306	202,610	-----	261,916
Lehigh Valley.	5,773,247	4,210,661	5,000	9,988,908
Long Island.	1,193,990	1,076,773	-----	2,270,763
Los Ang & Salt Lake	735,758	1,034,996	-----	1,770,754
Louisiana & Ark.	4,493	3,400	-----	7,893
Lou & Jeff Br & RR	95,000	60,000	-----	155,000
Louis & Nashville.	5,044,013	5,763,223	976,035	12,688,273
Lou West & St. L.	128,913	259,690	-----	388,603
Mahoning Coal.	1,301,275	-----	-----	1,301,275
Maine Central.	460,122	2,011,900	-----	2,472,022
Main Un Station Co	5,000	-----	-----	5,000
Michigan Central.	4,426,225	15,601,332	-----	20,027,557
Midland Valley.	150,000	70,000	-----	220,000
Minneapolis & St Louis	413,625	378,638	-----	792,263
Miss St P & S S M	1,111,166	137,034	-----	1,248,200
Missouri & No Ark.	73,114	9,733	-----	82,847
Mo Kan & Texas.	1,453,327	2,339,498	-----	3,792,825
Mo K & T of Texas	895,378	48,575	-----	943,953
Mo Okla & Gulf.	61,443	-----	-----	61,443
Missouri Pacific.	2,394,509	7,517,050	15,000	9,926,559
Mobile & Ohio.	352,914	400,000	-----	752,914
Nash Chatt & St L	1,272,338	1,441,067	559,141	3,272,546

Names of Railroads.	Total Capital Expenditures Approved				Eliminations.
	Additions & Betterments.	Equip-ment.	Exten-sions.	Total.	
Natchez & Southern	9,842			9,842	
New Orleans & N E	515,923	487,650		1,003,573	1,990,000
New Orleans Gt Nor	15,645	5,192		21,837	17,000
New York Central	32,425,683	38,168,394	75,000	70,672,087	41,000
N Y Chicago & St L	1,362,538	2,601,120	628,200	4,591,858	1,355,551
N Y Connecting	1,217,767			1,217,767	
N Y N R & Hartf.	14,713,919	9,602,010		24,315,929	4,248,052
N Y Ontario & West	140,448	72,931		213,379	18,800
Norfolk & Western	292,500	212,282	180,000	684,782	
Norfolk Southern	8,888,167	14,039,057	135,000	23,062,224	20,755,200
Norfolk Pacific	690,000	569,334	77,000	1,336,334	677,000
No Pac Ter co of Ore	5,146,123	8,678,737	235,000	14,059,880	6,068,778
Northwestern Pac	501			501	
Northwestern Pac	416,320	553,095		969,415	
Panhandle & San Fe	501,125			501,125	19,019
Pennsylvania					
Lines East	37,658,917	21,198,116	5,531,710	64,388,743	14,258,469
Lines West	27,966,754	19,057,655	1,243,600	48,267,909	22,356,128
Pennsylvania Term	150,000			150,000	
Peru Marquette	3,972,759	4,441,782		8,414,541	134,170
Phila & Reading Sys	13,386,387	11,532,276		24,918,663	9,670,741
Pittsburgh & L Erie	4,587,700	4,120,497		8,708,197	
Pittsburgh & Shaw	430,939	116,914		547,853	337,162
Portland Terminal	297,544	75,140		372,684	
Richmond Fr & Po	782,292	1,183,920		1,966,212	101,000
Rutland	439,250	439,168		878,418	55,000
St Jo & Grand Isl'd	318,841	17,163		336,004	29,736
St Louis-San Fran	5,709,397	1,661,833		7,371,230	126,000
St Louis South-west	630,105	1,401,325		2,031,430	408,431
St Louis S W of Tex	644,472			644,472	584,360
St Paul Union Depot	1,400,000			1,400,000	
San Ant&Arat Pass	79,900	8,852		88,752	3,978,048
Seaboard Air Line	2,961,101	5,596,622	153,000	8,710,723	4,694,000
Stour City Term'l	174,082			174,082	
Spokane & Int Emp	64,116			64,116	
Spokane Internat'l	77,050	3,511		80,561	
Spokane Port & S	380,543	102,299		482,842	26,840
Staten Island R T	651,632			651,632	
Southern Pac Sys					
Arizona Eastern	258,070	281,370		539,440	28,480
Gat Harriet & S	1,498,608	1,969,760	426,798	4,095,166	
Hous & Tex Cent	311,766	714,779	899,866	1,926,411	502,400
Hous E&W Texas	11,622	1,255		12,877	
Hous & Shreveport					
Louisiana West	155,477	5,660		161,137	
Morgan's La & Tex RR & SS	240,539	209,977		450,536	
So Pac Co-Pac Sys	7,051,671	14,477,718	287,667	21,847,056	2,893,978
Texas & New Or	392,222	7,991		400,213	73,400
Southern	11,636,684	17,476,827		29,113,511	46,016,930
So Ry Co of Miss	29,631			29,631	
Tennessee Central	80,770			80,770	240,000
Terminal Assn St L	47,490	1,386,847		1,434,337	
Texas & Pacific	3,117,559	3,037,852		6,155,411	569,653
Toledo & Ohio Cent	1,308,141	4,480,111	737,775	6,526,027	
Toledo Peoria & W	15,000			15,000	933,633
Toledo St L & W	714,134	3,767,500		4,481,634	
Toledo Terminal	57,564	116,400		173,964	
Trans-Mississ Term	206,934			206,934	
Ulster & Delaware	52,073			52,073	
Union Pacific Sys					
Oregon Short L	1,422,756	940,700	361,283	2,724,739	918,856
Ore-Wash RR&N	1,347,162	507,734	378,468	2,233,364	420,108
Union Pacific	13,320,690	12,040,949	77,403	25,439,047	3,058,529
Utah	18,000	275,000		293,000	
Vicks Shreve & Pac	154,988	284,500		439,488	
Virginian	4,386,150	4,007,693	237,444	8,631,287	13,100,000
Washington South	39,232	370,650		409,882	21,000
Western Pacific	977,024	4,149,133		5,126,157	1,297,675
Western Ry of Ala	55,000	257,870		312,870	177,816
Wheeling & L Erie	634,872	8,595,546		9,230,418	126,000
Wichita Valley	31,155	1,172		32,327	29,400
Yazoo & Miss Valley	3,166,844	16,513		3,183,357	
Miscellaneous					
Buff & Susquehanna	18,213			18,213	
Buffalo Creek	34,836			34,836	
Charleston U Sta	25,000			25,000	
Chattanooga Station	20,000			20,000	
Dallas Ter & Un De	2,323			2,323	
Fort Worth Belt	24,000			24,000	
St Louis Transfer		1,750		1,750	
Union Terminal	17,080			17,080	
Wichita Falls & NW					39,218
Wilkes-Barre Conn	13,367			13,367	91,281
Total (182)	440,071,013	479,686,531	18,203,774	937,961,318	349,247,828

INSTRUCTIONS TO REGIONAL RAILROAD DIRECTORS CONCERNING INFORMATION ON RATES AND ROUTINGS.

Advices concerning measures for improving the service to shippers so far as supplying information concerning rates and routings is concerned, were transmitted to the three regional directors of the Railroad Administration by Edward Chambers, Director of Traffic, on May 7. The instructions were made public on May 15 to allay shippers' anxiety lest they get unsatisfactory service as a result of the closing of many traffic offices in accordance with orders by Director-General McAdoo as an economy measure, printed in our issue of April 13. Reports reaching the railroad administration are said to indicate that some companies went too far in eliminating offices. Mr. Chambers suggests that sufficient information can be furnished through the joint tariff bureaus maintained by railroads in the principal commercial centres, including New York, Chicago, St. Louis, Atlanta and San Francisco, with sub-bureaus in the most important shipping regions. His instructions follow:

UNITED STATES RAILROAD ADMINISTRATION.

Washington, D. C., May 7 1918.
 MESSRS. A. H. SMITH, Regional Director, New York.
 O. H. MARKHAM, Regional Director, Atlanta.
 R. H. AISHTON, Regional Director, Chicago.

Gentlemen: Referring to my letter of April 3 in connection with Director-General's letter governing changes in traffic forces:

There seems to be some alarm on the part of the shipping public that they are not going to receive from the existing traffic organizations as complete and satisfactory service as heretofore given in the larger cities together by the home railroad offices and foreign-line offices, the changed conditions now placing the responsibility for the entire service upon the home-line office. It was suggested in my letter above that the latter equip itself so as to be in position to render service completely.

In the principal commercial centres railroads have joint tariff bureaus fully equipped with expert tariff men. The tariff files in these bureaus can be readily adjusted to contain all the rate information which the business interests in the particular city or territory may need. They are the very best source for proper and correct tariff information. For example, either Central Freight Association or Western Trunk Line office in Chicago could readily and with very little additional expense carry a complete set of the principal tariffs of all railroads, placing itself in position to answer all inquiries promptly. This, in addition to the tariff files in the general offices of individual lines, would, I am sure, fully satisfy the need of shipping public. The principal tariff bureaus are located at New York, Chicago, St. Louis, Atlanta, and San Francisco, with sub-bureaus in most of the larger shipping sections. The sub-bureau could also be equipped with such tariffs as necessary in the section of country it covered.

As to passing reports on high-class non-perishable traffic, this is a service the responsibility for which is largely upon the individual line and is a necessary service to the shipper, but not to the extent, however, that it has been given in the past under competitive conditions. Traffic officers of railroads should be instructed to confer with interested shippers for the purpose of determining the information of passings needed by the shippers. It should be a mail service. I do not anticipate any difficulty in shippers and carriers agreeing upon a plan satisfactory to both interests. The point at which the passing report should be made in the different sections of the country are well established by the practice of the past.

As to the passing reports on live stock and perishable traffic, this is largely a telegraphic service. The points at which these reports should be made have been established by long practice. The shippers' marketing plans are based upon them as well as the railroads' diversion arrangements. As to this service it is not necessary to continue the amount of telegraphing which has been done in the past, and shippers do not now expect it. The responsibility for this work is also largely upon the individual carrier. I am sure from my discussion of the subject with representatives of shippers' organizations that no difficulty will arise to prevent a plan being adopted satisfactory to shippers and carriers alike with a minimum amount of telegraphic service. Some consideration, I understand, has already been given this subject by carriers and shippers, and it may be that arrangements have already been completed. I suggest in this connection that it is very desirable the routing through to destination so far as possible be shown on the way bills at the shipping point, so as to have minimum of rerouting in transit of perishable traffic. This may be accomplished by traffic officials at point of origin keeping in close touch with the transportation conditions on railroads, particularly east of Chicago and Mississippi River, and advising shippers.

As to tracing delayed freight, passing reports would save a vast amount of telegraphic inquiry for goods delayed in transit, but where evidence of unreasonable delay is presented to representatives of any carrier in the through route of the freight, such representatives should take whatever action might be necessary, either using wire or mail to secure prompt information. For service of this character between agents of carriers no charge should be made to the shipper, but where inquiry is made by a shipper which requires answer by commercial telegram, such answer should be sent at the expense of the applicant. There may be some objection by the shippers to this rule, but unless there is a check of this kind, many duplications and unnecessary telegraphing will take place. Railroads should give special attention to this character of service. This rule should be uniform on all railroads.

Many inquiries have been received as to where shippers, particularly in New York, would go to secure through bills of lading on export traffic via the Pacific ports after foreign line offices in New York City are closed, it having been the practice for many years for the representative in New York City of the Pacific coast terminal line delivering the traffic to the water carrier at the port to take up the railroad shipping receipt and issue in its place a through export bill of lading. These bills of lading are generally negotiated through New York banks. Through rail and water bills of lading on export traffic to-day are practically confined to New York and to the routes via Pacific ports. I suggest Pacific coast terminal railroads' authority, Mr. C. O. McCain, Secretary of Eastern Freight Committee, to act as their agent in issuing these through export bills of lading. Mr. McCain's committee has taken the place of Eastern Trunk Line Association. He is, therefore, equipped with a large office space and an organization which can properly supervise issuance of bills of lading. With comparatively little additional expense, he can add to his present force if necessary, a sufficient number of clerks experienced in this work who are now employed in the New York offices of the Pacific coast terminal lines and who will shortly be released.

I would like for you to get these matters shaped up as soon as possible because shippers are concerned regarding this service. It may, however, occur to either of you that a somewhat different plan would better serve the shipping interests in your section, in which event it will be satisfactory to me to have you work it out in your own way, but the tracing rules should be uniform. Yours truly,

EDWARD CHAMBERS,
 Director of Traffic.

NEW YORK STATE'S REVENUES MAKE A SHARP INCREASE.

It was announced by State Comptroller Travis on May 23 that the State has been enriched by approximately \$25,378,000 more revenue so far this year than during the preceding one. The Comptroller shows that the largest amount of this comes from the 3% corporation income tax law enacted in 1917 and amended in 1918, which, with other corporation taxes, has returned more than \$19,328,000. In addition, substantial increases, aggregating \$4,636,307 46, have been collected from other sources, totaling nearly \$54,000,000.

There are two forms of taxation in the State of which comparatively few taxpayers have knowledge, namely, the mortgage recording and the investment tax laws. These two, according to the Comptroller's statement, have netted the State up to April 30 of this year \$2,282,737.

LOUISIANA SENATE DEFEATS RESOLUTION TO RATIFY NATIONAL PROHIBITION AMENDMENT.

The Louisiana State Senate by a vote of 20 to 20 on May 23 defeated a resolution adopted a few hours previously by the House, 70 to 44, to ratify the national prohibition amendment.

*INCOME TAX FOR NEW YORK STATE ADVOCATED
BY ADVISORY COUNCIL OF REAL ESTATE
INTERESTS.*

Albert G. Milbank, Chairman of the Committee on Taxation of the Advisory Council of Real Estate Interests of New York City, recently stated that the financial needs of the city and State governments were being compiled; that the tax burden of the community is being investigated according to present plans of administration; that the steps for providing additional revenue and generally revising the tax law are being considered both for the city and for the State at large. The attitude of this tax committee, and also of the Council, on the question of new sources of revenue is indicated by the following memorandum just submitted by Mr. Milbank:

Aside from real estate taxation, it is assumed that there are only three other general sources of revenue: (1) personal property; (2) a State income tax; and (3) the so-called abilities tax. For the reason that experience in New York and elsewhere has repeatedly shown the futility of the personal property tax it was decided to eliminate this possible source of revenue from the proposed scheme of taxation. Every attempt at personal property taxation has either defeated its own purpose by driving this form of property out of the tax jurisdiction or has been allowed to become wholly ineffective through non-enforcement. Also there is such a widespread objection to the listing feature that there is no likelihood that the New York Legislature would adopt it.

A State income tax on general lines indicated in the bill prepared but not introduced by Senator Mills would effectively reach the income from personal property and in a much fairer way. The chief objection to a State income tax is based on the idea that no State should under existing conditions interfere with the Federal Government's dependence upon this source of revenue. In view of the relation of real property to city credit and in view of the fact that the constitutional limit on real estate taxes will shortly be reached, and in view of the further fact that the income tax rate under the Mills plan is so low as to be almost negligible as contrasted with the Federal rates, it would seem as if this idea should be favorably considered.

The remaining major source of revenue, the Abilities Tax, was tentatively approved on the basis outlined in the report of the Marling Committee as a measure peculiarly adapted to conditions existing in New York City.

We do not propose to overlook the fact that our lawmaking bodies must be given sufficient income to cover necessary expenses. We hope to evolve a program which will include a proper limitation of the tax rate on realty, believing that the public interest will be served thereby. To meet these two points and yet to compel the utmost economy on the part of public officers presents an intricate problem for which the answer must be found.

Owners and lenders, both individuals and corporations, must take a new and deep interest in these questions of government and of public finance. Placemal legislation can no longer be tolerated and the Advisory Council has undertaken to frame a revenue plan which will be both reasonable, adequate and equitable as to all citizens and property interests, and which will warrant their hearty support.

Other members of the Committee on Taxation, of which Mr. Milbank is Chairman, are: Alfred E. Marling, President of the Chamber of Commerce, and Chairman of the Advisory Council, also Chairman of the Mayor's Committee on Taxation; John J. Pulleyn, President of the Emigrant Industrial Savings Bank; Robert E. Simon, President of the Henry Morgenthau Co.; Robert Walton Goelet, Walter Linde, counsel of the Title Guarantee & Trust Co., and Leo Day Woodworth, Secretary of the Advisory Council.

ARREST OF SINN FEIN LEADERS IN IRELAND.

A large number of prominent Irishmen, including most of the active leaders of the Sinn Fein movement, were taken into custody on May 18, following the posting on the previous day of a proclamation by the Lord-Lieutenant announcing that certain persons had been in treasonable communication with the enemy and calling upon all loyal citizens to defeat the conspiracy. Among those arrested, according to the press dispatches, were Professor Edward de Valera, President of the Sinn Fein; Arthur Griffith, founder of the Sinn Fein; Countess Markievicz, Dr. Thomas Dillon, William Cosgrave, Sinn Fein M. P. for Killarney; Dr. Richard Hayes, Sarril Figgis, Sean Milroy, defeated Sinn Fein candidate at the recent election in East Tyrone for the House of Commons; Sean McGarry, Thomas Keefe, H. Mellows, Thomas Hunter, Joseph McGrath and Patrick O'Keefe. Four of the six Sinn Fein members of Parliament were arrested. Of the other two, Dr. McCartan is in Washington and Laurence Ginnell is already serving a six months' sentence in jail.

In spite of the number and prominence of those arrested and the tense situation existing on account of the conscription issue, there has been a surprising lack of excitement as a result of the Government's action. Irish leaders deny that there has been any plotting with German agents, and accuse the Government of making false charges in order to discredit the Irish cause in the eyes of the United States and disrupt the united Irish resistance to conscription.

The evidence on which the British Government acted in making the arrests has not been made public, but is said to have been furnished in part by our Government. Press

dispatches from Washington on May 21 reported that for many months United States Government agents have been inside the councils of the Irish in this country, who plotted armed insurrection against British rule, and have discovered conclusive evidence that German money and promises of aid stimulated the conspiracies as a means of diverting the British Government from its war task in France. Direct action to stop the intrigue was not considered advisable, as the Government did not wish to meddle in domestic problems of the British Empire, but the information gathered, it is said, was turned over in some cases to British representatives. The dispatch quoted further stated:

The story of how the intrigue in this country was discovered, it was said, if published fully, would tell of many communications brought surreptitiously into the United States in violation of regulations. Many of these were written with invisible ink and in code, and when deciphered furnished clues leading to the detection of many ramifications of the plot. The men responsible for the agitation were supplied with funds from deposits in banks where German representatives formerly kept their accounts, or from other mysterious sources.

The Irish radicals in their correspondence referred frequently to the promise of German aid in an uprising, which was to be called for this month or next, when the Germans had expected to reach the Channel ports in their big drive. The Germans then were to send arms and ammunition, and possibly troops, to the Irish coast to participate in the rebellion.

Many of the Irish plans were melodramatic in the extreme, it is stated, and involved all the elements of dramatic fiction. They were so radical that Government agents felt safe for a long while in permitting the scheming to continue in the hope of detecting others involved. The series of sudden arrests of Irish by the British Government may have been made when it finally became evident that the rebellion actually was about to be started.

The secret system of negotiations by Sinn Feiners had been in progress for several months, it is understood. This tends to confirm the statement from London that the series of arrests several days ago had no direct connection with plans to conscript the Irish. Some information was obtained from Germans now held in internment camps in this country. There is indication also that the seat of the German-Irish negotiations was transferred at times to other American republics.

It was made plain here that the United States Government's interest in the Irish plots is solely to prevent Germany from attacking by this method co-belligerents of the United States, and that this Government is not seeking to meddle in the Irish situation except for this reason.

A majority of those arrested were taken to England aboard a warship and sent to an internment camp. No direct charges have been brought against them, and it has been intimated in some English papers that the prisoners would simply be held "at the King's pleasure" as a war measure. On that point a Dublin dispatch to the London "Daily News" on May 20 said:

Comment here is apt to centre on the fact that the prisoners—if such they can be called, for it is believed internees would be a more accurate word—have not been called to answer to any charge. I have the best reason for stating they will not be brought before any tribunal, civil or military. The Government intend to exercise fully their unlimited, undefined powers under the Defense of the Realm Act, which apparently will allow them to keep the arrestees in custody upon suspicion "during the King's pleasure," according to the legal phrase.

If this should prove to be the Cabinet's intention, there will, of course, be vigorous protests, but it is recognized frankly here that the plea of national necessity would not be difficult to urge in Britain, and possibly even in America, under the present critical conditions.

The effect of the recent developments upon the Home Rule and Conscription measures, now pending, remains to be seen. So far no further attempts have been made to carry out conscription. Large sums have been raised in Ireland to fight against conscription, and apparently the stage is all set for forcible resistance if it is attempted. The Home Rule measure also remains in abeyance and reports from London are to the effect that the Government is inclining toward the view that only a Federal Home Rule scheme, applicable to Scotland, Wales and England, as well as Ireland, has any chance of success. Treating of that aspect of the matter a dispatch from London on May 14 said:

The lobby correspondent of the "Daily News" says that he learns that the Government, although still divided on the subject of Home Rule, are more and more inclining to the view that only a federal scheme has any chance of obtaining the adhesion of Ulster. The speech of Barnes, Labor member of the War Cabinet, on Sunday favoring this solution was intended as a test of Irish opinion on the subject. The correspondent goes on:

"The Cabinet believes strongly that there is a greater swing toward federalism in Parliament and the country than ever before and that the best policy would be to frame an Irish Home Rule bill which is general in its structure and could be fitted into a subsequent Act which should establish similar federal parliaments in England, Scotland and Wales, with the present Imperial Parliament over all to deal with Imperial matters.

"They have temporarily, at all events, abandoned the notion of confining federalism to a pious aspiration in the preamble of the Irish bill. The Government believes that at the moment the best course would be to introduce a Federal Irish bill and pledge itself to introduce either as its next important act, or in the next session the federal bill for the rest of the Kingdom, so that the Irish Unionists might commend the Home Rule bill to the Ulstermen as part of an Imperial scheme."

The following is the proclamation referred to of Viscount French, the Lord-Lieutenant of Ireland. It was issued in Dublin on the night of May 17 and signed by Edward Shortt, Chief Secretary for Ireland, in the name of the Lord-Lieutenant.

Whereas, It has come to our knowledge that certain subjects of his Majesty, the King, domiciled in Ireland, have conspired to enter, and have engaged, into treasonable communication with the German enemy; and

Whereas, such treachery is a menace to the fair name of Ireland and its glorious military record, a record which is a source of intense pride to a country whose sons have always distinguished themselves and fought with valor; and

Whereas, drastic measures must be taken to put down this German plot, which means will be solely directed against that plot; now, therefore, we, the Lord-Lieutenant of Ireland and Governor-General of Ireland, have thought fit to issue this proclamation, as follows:

That it is the duty of all loyal subjects of his Majesty to assist in every way his Majesty's Government in Ireland to suppress this treasonable conspiracy and to defeat the treacherous attempt of Germany to defame the honor of Irishmen for their own ends.

That we hereby call upon all loyal subjects of his Majesty in Ireland to aid in crushing such conspiracy, and so far as in them lies to assist in securing an effective prosecution of the war and the welfare and safety of the Empire.

That as a means to this end we shall cause still further steps to be taken to facilitate and encourage voluntary enlistment in Ireland in his Majesty's forces, in the hope that, without resort to compulsion, the contribution to Ireland to these forces may be brought up to the proper strength and made to correspond to the contributions of other parts of the Empire.

"BONNET ROUGE" TRIAL ENDS IN DEATH SENTENCE FOR DUVAL ON TREASON CHARGES.

The second chapter in the series of French treason trials was concluded at Paris on May 15, when M. Duval, manager of the suppressed pro-German newspaper "Bonnet Rouge," was sentenced to be shot, and six other defendants were sentenced to terms of imprisonment ranging from two to ten years. Those convicted along with M. Duval were:

M. Marion, assistant manager of "Bonnet Rouge," who received ten years' imprisonment at hard labor.

Jacques Landau, a reporter on the newspaper, who was condemned to eight years at hard labor.

M. Goldsky, who was sentenced to eight years at hard labor and military degradation.

M. Joucla, a reporter on the "Bonnet Rouge," who received five years at hard labor.

M. Vercasson, who was sentenced to two years in prison and fined 5,000 francs, with sentence suspended.

Jean Leymarie, former Director of the Ministry of the Interior, who was sentenced to two years in prison and fined 1,000 francs.

Duval, Marion and Goldsky signed requests to be permitted to appeal from the judgment of the Court. All protested their innocence of treasonable motives. According to Paris cables, Duval, who had expected the verdict, heard with great fortitude, it is stated, Colonel Voyer read the death sentence. He then said: "The judgment of man often is erroneous. Posterity will judge whether I am guilty of treason." Before the verdict was reached Duval in an impassioned speech declared that none of the accused was in any way an accomplice of his. He declared he was ready to face any verdict serenely. Landau and Joucla collapsed completely, and M. Leymarie, addressing the Court, said he had been sufficiently punished for any lack of foresight he had shown. "I am a ruined man," he added. In pleading for him, Attorney Guillaïn contended that the former Director of the Ministry of the Interior and later head of the Secret Service, was blameless. Addressing the Court, the lawyer said: "We ask no mercy. Apply the law without fear and without weakness." Leymarie's condemnation aroused greater public interest and discussion than did the death sentence of Duval, as the public connected his sentence with the forthcoming trial of Malvy.

The "Bonnet Rouge" trial was intimately connected with that of Bolo Pasha, recently shot for treason, and with the charges at present resting against Louis J. Malvy, ex-Minister of Interior; Joseph Caillaux, ex-Premier, and Senator Charles Humbert, all of whom are charged with having had treasonable relations with the enemy. Together they symbolize the failure of Germany's persistent efforts to break down the morale of the French people by a paid press propaganda.

The "Bonnet Rouge," an evening paper started shortly before the war, under the editorship of a former Anarchist known as Almercyda, speedily became notorious for its advocacy of what has since become known as "Boloism," or "Defeatism." The actual purpose of this policy was to weaken the determination of the French people by convincing them that Germany was sure to be victorious and that the best interests of France lay in the direction of making peace and arriving at an understanding with Germany, rather than with England and Russia. It was impossible, of course, to advocate such a policy openly, so recourse was had to all sorts of devious and underground methods. Full proofs of articles cut out by the censor were sent to subscribers by mail, and when other articles, attacking the French high command, were censored, a duly emasculated edition of the paper was circulated in Paris, while a very much larger edition, containing the forbidden articles, was circulated by underground methods among the troops at the front.

The boldness of the "Bonnet Rouge" in these tactics was subsequently explained when a close connection was revealed

between the management of the paper and certain influential persons connected with the French Government. It was proven during the trial that Duval had received some \$200,000 of German money through the instrumentality of a banker named Marx, to receive which Duval made many trips to Switzerland. It was also proven, however, that during this very period the "Bonnet Rouge" was actually receiving a subvention of \$5,000 a month from the secret service funds of the French Government. This money was paid through the instrumentality of Louis J. Malvy, who until less than a year ago was Minister of the Interior, in which capacity he had charge of the police and secret service. Malvy, who is now under charges of having revealed important military secrets to the enemy, in turn owed his position to the political influence of Joseph Caillaux, a former Premier of France. In this way the names and fortunes of Caillaux and Malvy, for years prominent and influential French politicians, have become linked with those of Bolo Pasha and "Bonnet Rouge," so that the trials finished and those yet to come form a series constituting one of the most dramatic episodes of the war.

During the course of the trial the name of M. Caillaux was constantly mentioned, so much so that at one time the prosecutor was led to remark: "We are not trying M. Caillaux yet, but I am compelled to pronounce his name every time I deal with a case of treason." Attempts to call Caillaux as a witness for one of the defendants were denied by the Court on the ground that Caillaux himself was to be tried for treason. A preliminary hearing in his case was held on May 3, and the trial, shortly to begin, is expected to overshadow in sensational developments either of the trials already held.

A full review of the "Affaire Bolo" will be found in the "Chronicle" for Feb. 9, page 579.

LITHUANIA TO "PARTICIPATE IN WAR BURDENS OF GERMANY."

Germany is preparing not only to saddle part of her war debt on Lithuania, but to levy soldiers from among her people, according to the general interpretation placed upon a proclamation issued by Emperor William. The proclamation recognizes the "independence" of Lithuania "allied to the German Empire." The Emperor's proclamation, according to the "Reinische Westfälische Zeitung," carries the following preamble:

We, Wilhelm, by God's grace German Emperor, King of Prussia, &c., hereby make known that whereas the Lithuanian Landsrat, as the recognized representatives of the Lithuanian people, on Dec. 12 announced the restoration of Lithuania as an independent State allied to the German Empire by an eternal, steadfast alliance, and by conventions chiefly regarding military matters, traffic, customs and coinage, and solicited the help of the German Empire; and

Whereas further previous political connections in Lithuania are dissolved, we command our Imperial Chancellor to declare Lithuania on the basis of the aforementioned declarations of the Lithuanian Landsrat, in the name of the German Empire, as a free and independent State, and we are prepared to accord the Lithuanian State the solicited help and assistance in its restoration.

We assume the conventions to be concluded will take the interests of the German Empire to account equally with those of Lithuania and that Lithuania will participate in the war burdens which secured her liberation.

A dispatch from Washington on the 14th quoted officers of the Lithuanian National Council, now in Washington, as saying:

The assumption that Lithuania "will participate in the war burden of Germany" means a contribution of three things: Money, munitions, and men. The first we have not, as Germany has already impoverished us; the second, we have no means of supplying, because we lack the first. Therefore, Germany can have reference only to men. Men from a self-declared democracy to fight in the ranks of autocracy? Unthinkable. Lithuania would not consent. Are her citizens to be dragged into the ranks of the Kaiser? This would be an abridgment of the sovereignty which Germany has already recognized, for Chancellor von Hertling's reply stated, "We hereby recognize Lithuania as free and independent."

Germany knows that ultimate defeat is unavoidable, but she would compensate losses in the west with gains in the east, among which Lithuania is gambled on as an asset. No recognition of Lithuanian independence can be sincere when coupled with the von Hertling terms, but if this sop will add to Prussian man-power, it may postpone somewhat the inevitable day of reckoning and give her more time to Germanize in the east with a view of confederating the new republics under Junker rule.

German newspapers are quoted in London dispatches of May 15 as stating that the Teutonic Emperors at their recent conference agreed on a sovereign for Lithuania, as well as for Poland, Esthonia and Livonia.

LIEUT. GUSTAV H. KISSEL MISSING.

Lieut. Gustav H. Kissel, the son of Rudolph H. Kissel, senior member of Kissel, Kinnicutt & Co., 14 Wall Street, was reported missing since April 12 in one of the casualty lists, recently received from Gen. Pershing. Lieut. Kissel enlisted as a private in the Signal Corps one week after Congress

declared war against Germany. He is twenty-three years old a graduate of Harvard and after preliminary training was commissioned an officer of the Aviation Section of the regular army. Lieut. Kissel was one of the American aviators ordered to service with the British Royal Flying Corps when the Germans began their drive in Picardy. Lieut. Kissel was considered a fine pilot and was last seen fighting over the German lines. It is supposed that he became separated from the American patrol and was compelled to land in German boundaries and there made a prisoner. Capt. James Ely Miller, U. S. A., killed in France on March 9 and Capt. Henry T. Eaton, U. S. A., in France with Gen. Pershing are brothers-in-law of Lieut. Kissel, whose brother Rudolph H. Kissel, Jr., is a Lieutenant in the Navy.

ROBERT H. MONTGOMERY.

Robert H. Montgomery, author, lawyer and certified public accountant, was recently commissioned a Lieutenant-Colonel in the National Army, with a special assignment to the War Department Board of Appraisers. For several months Mr. Montgomery has been doing war work in Washington. Mr. Montgomery is senior member of the firm of Lybrand, Ross Bros. & Montgomery, certified public accountants, of this city.

LAFAYETTE FLYING CORPS—DIPLOMA FOR BONBRIGHT & CO.

Bonbright & Co., Inc., of this city, have been informed that the Paris office of the firm has received from the Lafayette Flying Corps a diploma reading:

In recognition of the services rendered to France and her Allies for the cause of humanity this certificate has been issued to Bonbright & Co., who served during the European war in the capacity of bankers to the Lafayette Flying Corps, thereby in a measure repaying the great debt which America owes to France and contributing to the victory of Liberty and Civilization over Military Autocracy and Barbarism.

The certificate bears the seal of the Lafayette Flying Corps and is signed by W. K. Vanderbilt, as Honorary President; M. de Sillac, as President, and Edmund L. Gros, as Vice-President. It is engraved from a dry point etching by Frank Armington, is ornamented with photographs of Washington and Lafayette, reproductions of the badges worn by pilots and observers of the French Army, the badges distributed by the Lafayette Flying Corps and the Indian head which appears on the bodies of the squadrilla's aeroplanes. An eagle holding the flags of France and the United States surmounts the inscription.

BANKING AND FINANCIAL NEWS.

No sales of bank stocks were made at the Stock Exchange this week and only five shares were sold at auction. No trust company stocks were sold.

Shares. BANK—New York. Low. High. Close. Last previous Sale.
5 Merchants Nat. Bank.----- 201 201 201 Sept. 1916—231

At a meeting of the Executive Committee of the Guaranty Trust Co. of New York on May 23, William George Avery, Assistant Manager of the Foreign Department, was appointed an Assistant Treasurer of the Company. Mr. Avery has been associated with the company since April 1 1916. He was appointed Assistant Manager of the Foreign Department in July 1917. The following were appointed Assistant Managers of the Bond Department: Harold F. Greene, Harold D. Bentley, Alden S. Blodget, Charles F. Batchelder, George L. Burr, and Gilbert E. Jones. Mr. Greene entered the Guaranty Trust Co. as General Sales Manager in November 1917. Mr. Bentley in 1913 became the Guaranty Trust Co.'s representative in the western part of New York State with headquarters at Rochester, where he established the present office of the company. He came to New York in January 1917, as head of the correspondence division of the Bond Department. Mr. Blodget has been with the Guaranty Trust Co. since 1908. Mr. Batchelder since going with the Guaranty Trust Co. in December 1917 has devoted particular attention to municipal bonds and other public credit securities in the United States and Canada. Mr. Burr entered the Bond Department of the Guaranty Trust Co. in October 1916 and has since been engaged in work in connection with the purchase of securities. Mr. Jones entered the service of the company as head of the trading division of the Bond Department in 1917. Appointments are also announced of R. E. Whittlesey as Chief Statistician of the Bond Department, and of Hamilton Candee as New York City Sales Manager of the Bond Department. Mr. Whittlesey took charge of the Statistical

Department in November 1914. Mr. Candee has been with the Guaranty Trust Co. since December 1917.

The following resolution, expressing appreciation of the action of H. G. S. Noble in consenting to serve again as President of the New York Stock Exchange, was adopted by the Governing Committee on May 22.

Whereas, Henry G. S. Noble, twenty years a Governor and four years President of the New York Stock Exchange, mindful of his responsibilities to the nation and regardless of the personal sacrifice involved, has consented after the most urgent demand to serve again as President of the Stock Exchange, an office which requires continuous labor.

Be it Resolved, That the members of the Governing Committee of the Stock Exchange hereby record their sense of gratitude to President Noble for this act of unselfishness, which secures again to our institution (an integral part of our nation's economic system) that tireless devotion, sure knowledge and unerring vision, with which he has guided its affairs during the past four momentous years.

Also be it Resolved, That a copy of these resolutions be spread upon the minutes of this meeting of the Governing Committee, and

Be it further Resolved, That a copy of this minute be engrossed and sent to President Noble.

At the same time announcement was made as follows of those named as Chairman and Vice-Chairman of the standing committees of the Exchange:

Chairmen.	STANDING COMMITTEES.	Vice-Chairmen.
Blair S. Williams,	Committee of Arrangements.	Erastus T. Tefft.
Henry K. Pomroy,	Committee on Admissions.	Charles M. Newcombe.
Winthrop Burr.	Arbitration Committee.	Samuel F. Streit.
Winthrop Burr.	Committee on Business Conduct.	E. V. D. Cox.
Samuel F. Streit.	Committee on Clearing House.	E. V. D. Cox.
William H. Remick,	Committee on Commissions.	Erastus T. Tefft.
R. T. H. Halsey.	Committee on Constitution. Newton E. Stout. Finance Committee.	Wm. T. Floyd.
Henry K. Pomroy,	Committee on Insolvencies. William H. Remick. Law Committee.	James B. Mabon.
Erastus T. Tefft,	Committee on Quotations.	R. T. H. Halsey.
E. V. D. Cox,	Committee on Securities.	W. W. Heaton.
	Committee on Stock List. W. W. Heaton.	

W. Clifford Fay, heretofore receiving teller of the Fifth Avenue branch of the Union Trust Co. of this city, has been made Assistant Manager of the branch.

David Nevius, Vice-President and Cashier of the Union Exchange National Bank of this city, has resigned owing to continued ill health. George B. Connley has been appointed Cashier and William Minton and Morton Freidenrich, Assistant Cashiers of the institution.

The stockholders of the Yorkville Bank of this city have been called to meet on June 6 to vote on the question of increasing the capital from \$100,000 to \$200,000. The new stock will be issued to the present stockholders at par. The action of the directors in authorizing the application of the bank to become a member of the Federal Reserve bank is also to be ratified at the meeting.

At a meeting of the trustees of the Germania Savings Bank of Brooklyn on May 14 it was unanimously decided to drop the present title of the institution and substitute in its place the Fulton Savings Bank, King's County. The change will be effective as soon as the consent of the State Banking Department and the Supreme Court of the State of New York is obtained.

James R. Trowbridge, Assistant Secretary of the Bankers Trust Co., of this city, was this week elected Comptroller of the Franklin Savings Bank of this city, succeeding H. W. Nordell, resigned. Mr. Trowbridge will enter upon his new duties on June 1.

The stockholders of the National State Bank of Newark, N. J., will hold a special meeting on June 19 to vote on a proposed amendment of its articles of association to increase the par value of the shares of its capital stock from \$50 to \$100 per share, dividing its capital stock of \$500,000 into 5,000 shares of \$100 each instead of 10,000 shares of \$50 each.

The annual meeting of Albany Chapter of the American Institute of Banking was held May 16 in the National Commercial Bank and the following new officers were elected:

President, Frank H. Williams; First Vice-President, H. W. Snow Jr.; Second Vice-President, Winfield S. Teater; Treasurer, George O. Kugler; Secretary, Edward M. Boice; Board of Governors for three years, Gardner B. Perry and Rollin S. Polk; Board of Governors for one year, to fill unexpired term of F. H. Williams, Ralph T. Simmons.

Mr. Williams is Treasurer of the Albany City Savings Institution and has been active in the affairs of Albany Chapter during the past three years.

At a meeting of the stockholders of the East Hartford Trust Co., East Hartford, Conn., held on May 15, it was voted to increase the capital stock from \$25,000 to \$50,000. Edward E. King is President of the company; E. S. Goodwin, Vice-President; Frederick E. Fuller, Secretary, and Charles A. Renner, Treasurer.

Stanton D. Bullock, formerly Auditor of the First National Bank of Boston, has been appointed Assistant Cashier, and John H. Casey has been made Auditor.

Thomas P. Beal Jr., Vice-President of the Second National Bank of Boston, has gone to Washington as assistant to Howard Coonley, recently made Second Vice-President of the Emergency Fleet Corporation.

Frederick Taylor Chandler, senior member of the New York Stock Exchange house of Chandler Brothers & Co. of Philadelphia and President of the Philadelphia Stock Exchange, died at his home in Overbrook, Pa., on May 17, after a prolonged illness. Mr. Chandler, who was of Quaker stock, was born in Hamorton, Pa., in 1863 and educated in the Friends' School. In 1878 he began his business career in the brokerage house of Thomas L. Lawson & Sons of Philadelphia; five years later he entered the firm of L. H. Taylor & Co. In 1896 he organized the firm of Chandler Brothers & Co. Mr. Chandler became a member of the Philadelphia Stock Exchange in 1892. On March 4 of this year he was elected President for the third time, his terms of office not, however, being consecutive. Mr. Chandler was a member of the New York and Chicago Stock Exchanges and of the New York Cotton, Coffee and Sugar Exchanges and the Chicago Board of Trade. As a special mark of respect to the memory of Mr. Chandler, the Philadelphia Stock Exchange closed at 2 o'clock p. m. on May 21, the day of the funeral.

The South Chicago Savings Bank recently purchased property on the southwest corner of 92d Street and Commercial Avenue, Chicago, for \$150,000, and will erect a four-story building to cost approximately \$200,000.

W. J. Jackson was on May 7 elected a director of the National City Bank of Chicago. Mr. Jackson is President of the Chicago & Eastern Illinois RR.

The Comptroller of the Currency has granted permission to the German-American National Bank of Lincoln, Ill., to change its title to the American National Bank of Lincoln.

An increase of \$100,000 in the capital of the United States National Bank of Omaha, Neb., whereby it is raised from \$1,000,000 to \$1,100,000, has been approved by the Comptroller of the Currency.

John R. Mulvane, for forty years President of the Bank of Topeka and one of the most prominent financiers of that city and the Middle West, died May 9. Mr. Mulvane, who was in his eighty-third year, was born in Newcomers-town, Ohio, in 1835. He went to Kansas fifty years ago. His banking career began in 1870 when he became Cashier in the Topeka Bank & Savings Institution. Upon the reorganization of that institution in 1878, when its name was changed to the Bank of Topeka, Mr. Mulvane was elected President, a position he held until his death. Mr. Mulvane was the organizer and closely connected with numerous large business enterprises of Topeka and the Middle West.

The Manchester National Bank of Richmond, Va. (capital \$150,000), has gone into voluntary liquidation, following its absorption by the Bank of Commerce and Trusts of Richmond.

The half-yearly statement of the Bank of Montreal, made public this week, reflects the very considerable assistance

the Bank has extended to the Imperial and Dominion Governments since Canada was thrown on her own resources. The examination of the accounts shows that the Bank has been able to draw on its first line reserves and place them at the disposal of the Government at a time when they could, perhaps, be of the greatest assistance. In addition, the Bank, by gradually drawing on its reserves in outside centres, has been able to render still greater assistance to the Government, Canadian cities and towns, and at the same time take care of a substantial portion of the increased business offering in the country. At the outbreak of war the Bank was regarded as a bulwark of strength in the financial structure of the Dominion, but the continued assistance it has been in a position to afford attracts attention to the satisfactory manner in which it is guiding the country through difficult situations. Notwithstanding the records established through the past few years marked expansion is reported for the six months ending April 30. Total assets not only reached a new high level but again constituted a record for Canadian banks. The assets at the end of the six months period totaled \$426,322,096 as compared with \$386,806,887 at the end of the same period a year ago, a gain of close to \$40,000,000. The call and short loans in Great Britain and the United States and balances due by banks and banking correspondents elsewhere than in Canada has been reduced to \$112,264,006 down from \$137,346,807. At the same time Canadian municipal securities and British, foreign and Colonial public securities other than Canadian have increased to \$45,280,436 from \$28,090,026 a year ago, and the deposit in the central gold reserves now stands at \$13,500,000, compared with \$7,000,000. The principal accounts of the Bank compared with those of a year ago, and the net changes in them, are as follows:

	Apr. 30 '18.	Apr. 30 '17	Net change.
Assets.....	\$426,322,096	\$386,806,887	\$39,515,209
Liquid assets.....	291,624,073	270,004,422	21,619,651
Current loans & disc'ts in Canada.....	100,294,678	91,733,075	8,561,603
Loans to cities, municipalities, &c.....	18,136,406	11,380,184	6,756,222
Can. municipal & British, foreign and colonial public securities.....	45,280,436	28,090,026	17,190,410
Deposit in Central Gold Reserves.....	13,500,000	7,000,000	6,500,000
Deposits not bearing interest.....	109,851,949	91,512,284	18,439,665
Deposits bearing interest.....	247,904,855	232,731,994	15,172,861

The semi-annual report of the Yokohama Specie Bank, Ltd. (head office, Yokohama), for the half-year ended Dec. 31 1917, submitted to the shareholders on March 9 1918 by Junnosuke Inouye, Chairman of the Board, shows gross profits, including yen 2,226,757 brought forward from the preceding half-year period, of yen 51,964,743. From this sum yen 46,084,294 were deducted for interest, taxes, current expenses, rebates on bills current, bad and doubtful debts, bonus for officers and employees, &c., leaving a balance of yen 5,880,448 for appropriation. Out of this balance, the report states, it is proposed to appropriate the sum of yen 2,160,000 to pay a dividend of 12% per annum and to set aside a further sum of yen 1,000,000 for the reserve fund, leaving a balance of yen 2,720,448 to be carried forward.

THE ENGLISH GOLD AND SILVER MARKETS.

We reprint the following from the weekly circular of Samuel Montagu & Co. of London, written under date of May 2 1918:

GOLD.

The Bank of England gold reserve against its note issue shows an increase of £38,445 as compared with last week's return. Like all other industries, that of gold has been affected greatly by the rise in the cost of material, such as cyanide, &c., and by the increase in wages, following the higher cost of living during the war. The agent of the Geological Survey for California estimates that the cost of mining gold was 18% higher in 1917 than in 1916; the cost of working ore rose 8% in the Transvaal during the same period. As an instance of the indirect influence of gold mining industry upon the prosperity of a country, it is interesting to learn that, owing to the recent shutting down of the Great Fingall Mine in West Australia, a town created by the industry, and of sufficient importance to own seven hotels and four churches, is being evacuated by its inhabitants. During the eighteen years of its existence, the mine produced £4,952,050 worth of gold—no inconsiderable addition to the world's production.

SILVER.

As we indicated last week, the price is now practically stabilized, and the quotation has only moved once and that merely to the extent of ¼d. The Shanghai exchange has eased somewhat, and is much below the parity with silver. The return of the German Reichsbank for April 23, while recording a loss of about £9,425,400 in gold during the last year, shows a large increase in the amount of silver. Although the latter was given a year ago as only £841,200, it is now returned as £6,046,250.

Indian Currency Returns (in Lacs of Rupees):	April 7.	April 15.	April 22.
Notes in circulation.....	9,745	10,183	10,198
Reserve in silver coin and bullion.....	1,044	1,259	1,169
Gold coin and bullion in India.....	2,486	2,330	2,300
Gold out of India.....	67	45	45

The silver holding on April 15 and 22, included silver belonging to the Indian Treasury which was either in the United States or in transit therefrom. The stock in Shanghai on April 27 consisted of about 32,600,000

ounces in sycee and 14,700,000 dollars, the same as held on April 20 Statistics for the month of April are appended:

Table with 2 columns: Highest price for cash (49 3/4 d.), Lowest price for cash (45 3/4 d.), Average (47.2154 d.). Includes cash quotations for bar silver per ounce standard from April 26 to May 1.

ENGLISH FINANCIAL MARKETS—PER CABLE.

The daily closing quotations for securities, &c., at London, as reported by cable, have been as follows the past week:

Table showing weekly closing quotations for London securities from May 18 to May 24. Columns include dates and various security types like Silver, Consols, British, French Rentes, and French War Loan.

The price of silver in New York on the same days has been: Silver in N. Y., per oz., 99 1/4, 99 1/2, 99 3/4, 99 1/2, 99 1/4, 99 1/2.

Commercial and Miscellaneous News

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

Table titled 'APPLICATIONS FOR CHARTER' showing details for various banks such as The First National Bank of Chagrin Falls, Ohio, and The First National Bank of Underwood, N. Dak.

Table titled 'CHARTERS ISSUED' listing original organizations like The Farmers National Bank of St. Marys, Kans., and conversions of existing banks.

Table titled 'INCREASES OF CAPITAL APPROVED' detailing capital increases for banks such as The Smith National Bank of Saint Edward, Neb., and The United States National Bank of Omaha, Neb.

Table titled 'CHARTERS EXTENDED' showing extensions for The First National Bank of Checotah, Okla.

Table titled 'CHANGES OF TITLE APPROVED' listing title changes for The Commercial German National Bank of Peoria, Ill., and The German American National Bank of Lincoln, Ill.

Table titled 'VOLUNTARY LIQUIDATIONS' detailing liquidations for The Mercantile National Bank of Memphis, Tenn., and The Manchester National Bank of Richmond, Va.

Canadian Bank Clearings.—The clearings for the week ending May 16 at Canadian cities, in comparison with the same week in 1917, show an increase in the aggregate of 0.3%.

Large table titled 'Canadian Bank Clearings' comparing 1918 and 1917 data for various Canadian cities like Montreal, Toronto, Winnipeg, Vancouver, Ottawa, Victoria, Calgary, Hamilton, Edmonton, Quebec, St. John, Halifax, London, Regina, Saskatoon, Moose Jaw, Lethbridge, Brantford, Brandon, Fort William, New Westminster, Medicine Hat, Peterborough, Sherbrooke, and Kitchener.

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:

Table of auction sales for securities by Messrs. Adrian H. Muller & Sons, New York, listing items like 800 Horn Silver Mines, 40 A. T. De La Mare, Inc., etc.

Table of auction sales for securities by Messrs. R. L. Day & Co., Boston, listing items like 5 Fourth Atlantic Nat. Bank, 20 Old Colony Trust, etc.

Table of auction sales for securities by Messrs. Millett, Roe & Hagen, Boston, listing items like 10 U. S. Worsted, 1st pref., 25 Continental Mills, etc.

Table of auction sales for securities by Messrs. Barnes & Lofland, Philadelphia, listing items like 12 1st Nat. Bank Woodbury, N. J., 40 American Bank, etc.

Table of auction sales for securities by Messrs. Barnes & Lofland, Philadelphia, listing items like 55 Peoples Nat. F. Ins., 147 Coosa Port. Cement, etc.

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 of dividends listing Name of Company, Per Cent., When Payable, and Books Closed. Includes sections for Railroads (Steam), Street & Electric Railways, and Miscellaneous.

Table with columns: Name of Company, Per Cent., When Payable, Books Closed, Days Inclusive. The table is divided into two main sections: Miscellaneous (Continued) and Miscellaneous (Concluded). Each entry lists a company name, its percentage, the date it is payable, and the date the books are closed for that period.

* From unofficial sources. † Transfer books not closed for this dividend. ‡ Less British Income tax. § Correction. ¶ Payable in stock. // Payable in common stock. * Payable in scrip. A On account of accumulated dividends. † Payable in Liberty Loan bonds. & Payable in first preferred 6% dividend certificates due July 1 1920. I Red Cross dividend. ‡ Declared four extra dividends payable 1/4% as above, 1/4% Oct. 2 to holders of record Sept. 3, 1/4% Jan. 2 1919 to holders of record Dec. 2 1918, and 1/4% payable April 2 1919 to holders of record March 1 1919. ¶ Payable in 6% dividend certificates due May 31 1919. † Payable in ten-year 6% dividend certificates. ‡ Declared also regular quarterly dividend No. 108 on com. and No. 107 on pref., 1 1/2% each, payable Oct. 2 to holders of record Sept. 3. § Payable one-half in cash and one-half in 2d Liberty Loan bonds. † Transfers received in order in London on or before June 10 will be in time to be passed for payment of dividend to transferees.

Member Banks of the Federal Reserve System.—Following is the weekly statement issued by the Federal Reserve Board giving the principal items of the resources and liabilities of the Member Banks and dated May 18. Because of the large number of banks for which returns are furnished the statement is not issued until a week later than that for the Federal Reserve banks of the same date.

STATEMENT SHOWING PRINCIPAL RESOURCE AND LIABILITY ITEMS OF MEMBER BANKS LOCATED IN CENTRAL RESERVE, RESERVE AND OTHER SELECTED CITIES AS AT CLOSE OF BUSINESS MAY 10 1918.

Some indication of the character and volume of investment and loan operations of 693 member banks in about 100 leading cities in connection with the consummation of the Third Liberty Loan is afforded by the weekly statement showing condition of these banks as at close of business on May 10.

Total United States securities on hand show a net decrease for the week of almost 50 millions, an increase of 309 millions in the aggregate holdings of United States bonds, other than circulation bonds, being more than offset by net liquidation of 361.1 millions of certificates of indebtedness.

Aggregate reserves of reporting banks show a gain of 60.6 millions and cash in vault a gain of 3.8 millions. For the banks in the central reserve cities corresponding gains of 49.5 and 3 millions are shown.

Net demand deposits and time deposits declined over 534 millions and time deposits 20.8 millions, while Government deposits show a gain of 221 millions, largely with banks outside the three Central Reserve cities.

1. Data for all reporting banks in each district. Two ciphers (00) omitted.

Table with 13 columns: Member Banks (Boston, New York, Philadel., Cleveland, Richm'd., Atlanta, Chicago, St. Louis, Minneap., Kan. City, Dallas, San Fran., Total) and 18 rows of financial items.

2. Data for banks in each Central Reserve city, banks in all other Reserve cities and other reporting banks.

Table with 13 columns: Two ciphers omitted., New York, Chicago, St. Louis, Total Central Res. Cities., Other Reserve Cities., Country Banks., Total. Sub-headers for May 10 and May 3.

*Amended figures

The Federal Reserve Banks.—Following is the weekly statement issued by the Federal Reserve Board on May 18:

Liquidation on a large scale of discounted bills and United States Certificates of Indebtedness following the consummation of the Third Liberty Loan, accompanied by considerable net withdrawals of Government and member bank deposits, is indicated by the General Reserve Board's weekly statement issued as at close of business on May 17 1918.

RESERVES.—Total gold reserves show a gain of 11.3 millions. Substantial gains in gold reserves are reported by the Boston, Cleveland, Chicago and St. Louis banks, largely the result of shifting of credits in the Gold Settlement Fund in connection with Liberty Loan operations.

INVESTMENTS.—A decrease of 96.8 millions is indicated in the total holdings of discounted bills, the Boston, New York and St. Louis banks reporting substantial liquidation of this class of paper during the week.

DEPOSITS.—Net withdrawals of 89.8 millions of Government deposits and of 87 millions of members' reserve deposits for the week are shown, all the banks except Kansas City reporting smaller bank deposits than the week before.

FEDERAL RESERVE NOTES.—Net issues for the week of Federal Reserve notes amounted to 2.7 millions. Federal Reserve notes in actual circulation are given as 1,569.4 millions and for the first time since January 25 show a slight decline as compared with the total of the week before.

The figures of the consolidated statement for the system as a whole are given in the following table, and in addition we present the results for each of the seven preceding weeks, together with those of the corresponding week of last year, thus furnishing a useful comparison.

COMBINED RESOURCES AND LIABILITIES OF THE FEDERAL RESERVE BANKS AT THE CLOSE OF BUSINESS MAY 10 1918.

Large table with columns for dates from May 17 1918 to May 18 1917, and rows for various resource and liability categories.

Main financial table with columns for dates from May 17 1918 to May 18 1917. Rows include LIABILITIES, Distribution by Maturities, Federal Reserve Notes, and Eligible paper delivered to F. R. Agent.

* Net amount due to other Federal Reserve banks. † This item includes foreign Government credits. ‡ Revised figures.

WEEKLY STATEMENT of RESOURCES and LIABILITIES of EACH of the 12 FEDERAL RESERVE BANKS at CLOSE of BUSINESS MAY 17 1918.

Table showing resources and liabilities for 12 Federal Reserve Banks: Boston, New York, Philadel., Cleveland, Richm'd., Atlanta, Chicago, St. Louis, Minneap., Kan. City, Dallas, San Fran., Total.

* Difference between net amounts due from and net amounts due to other Federal Reserve banks. ‡ Net amount due to other Federal Reserve banks.

STATEMENT OF FEDERAL RESERVE AGENTS' ACCOUNTS at CLOSE of BUSINESS MAY 17 1918.

Table showing Federal Reserve Agents' Accounts for 12 Federal Reserve Banks: Boston, New York, Philadel., Cleveland, Richm'd., Atlanta, Chicago, St. Louis, Minneap., Kan. City, Dallas, San Fran., Total.

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 May 18. 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.

CLEARING HOUSE MEMBERS.	Net Profits.		Loans, Discounts, Investments, etc.	Gold.	Legal Tenders.	Silver.	National Bank and Federal Reserve Notes.	Reserve with Legal Depositories.	Additional Deposits with Legal Depositories.	Net Demand Deposits.	Net Time Deposits.	National Bank Circulation.
	Capital.	(Nat. Banks Mar. 4) (State Banks Mar. 14) (Trust Co's Mar. 14)										
Week Ending May 18 1918.	Average.	Average.	Average.	Average.	Average.	Average.	Average.	Average.	Average.	Average.	Average.	Average.
Members of Federal Reserve Bank.												
Bank of N Y, N B A.	2,000,000	5,263,300	46,961,000	29,000	108,000	109,000	101,000	4,756,000	33,070,000	2,046,000	788,000	
Bank of Manhattan Co.	2,341,800	6,619,400	58,572,000	1,408,000	347,000	508,000	1,633,000	10,194,000	54,299,000	1,000,000		
Mercantile National.	2,000,000	2,481,000	27,356,000	129,000	150,000	420,000	115,000	2,745,000	20,146,000	308,000	1,844,000	
Meeh & Metals Nat.	6,000,000	10,356,600	159,304,000	8,270,000	200,000	2,528,000	326,000	21,668,000	139,758,000	18,986,000	3,777,000	
Bank of America.	1,500,000	6,572,500	32,996,000	3,450,000	207,000	373,000	334,000	3,300,000	25,030,000			
National City.	25,000,000	48,917,000	548,659,000	8,417,000	3,022,000	1,262,000	1,405,000	84,508,000	541,873,000	8,814,000	1,748,000	
Chemical National.	3,000,000	8,874,600	74,774,000	216,000	322,000	537,000	827,000	9,165,000	59,948,000	2,902,000	443,000	
Atlantic National.	1,000,000	839,500	15,944,000	50,000	105,000	177,000	119,000	1,843,000	13,343,000	522,000	149,000	
Nat Bitch & Drivers.	300,000	90,100	2,778,000	32,000	47,000	60,000	9,000	349,000	2,307,000		300,000	
American Exch Nat.	5,000,000	5,730,800	116,257,000	585,000	217,000	725,000	839,000	11,627,000	85,843,000	5,709,000	4,910,000	
Nat Bank of Comm.	25,000,000	21,269,300	408,081,000	113,000	256,000	669,000	1,632,000	35,752,000	270,168,000	5,784,000		
Pacific Bank.	500,000	1,002,900	12,228,000	45,000	140,000	318,000	516,000	1,660,000	12,169,000	50,000		
Chath & Phenix Nat.	3,500,000	2,501,400	90,924,000	657,000	589,000	1,345,000	1,702,000	10,639,000	73,442,000	7,046,000	1,901,000	
Hanover National.	3,000,000	16,856,000	138,005,000	5,185,000	400,000	1,090,000	821,000	17,909,000	125,476,000		370,000	
Citizens National.	2,550,000	2,825,400	42,521,000	96,000	30,000	650,000	305,000	4,710,000	31,580,000	368,000	1,021,000	
Metropolitan Bank.	2,000,000	2,128,600	21,750,000	698,000	250,000	672,000	518,000	3,721,000	22,375,000			
Corn Exchange Bank.	3,500,000	7,510,200	120,642,000	431,000	252,000	2,152,000	4,061,000	16,673,000	106,210,000			
Importers & Trad Nat.	1,500,000	7,659,600	36,205,000	70,000	423,000	36,000	193,000	3,749,000	26,055,000	310,000	61,000	
National Park Bank.	5,000,000	17,028,500	197,487,000	64,000	430,000	474,000	762,000	19,134,000	146,501,000	3,676,000	4,401,000	
East River National.	250,000	75,100	3,911,000	2,000	15,000	116,000	39,000	593,000	3,663,000		50,000	
Second National.	1,000,000	3,816,700	19,941,000	52,000	61,000	317,000	427,000	2,233,000	14,970,000		940,000	
First National.	10,000,000	29,732,800	317,872,000	17,000	439,000	751,000	629,000	21,954,000	146,440,000	4,800,000	8,234,000	
Irving National.	4,500,000	5,386,600	95,627,000	1,050,000	452,000	1,990,000	1,050,000	13,887,000	91,950,000	896,000	640,000	
N Y County National.	1,000,000	298,200	10,674,000	45,000	35,000	185,000	447,000	1,581,000	10,965,000		199,000	
German-American.	750,000	885,900	5,884,000	16,000	21,000	19,000	78,000	834,000	5,118,000			
Chase National.	10,000,000	11,966,900	297,903,000	3,034,000	2,466,000	2,143,000	968,000	35,781,000	248,732,000	12,928,000	1,300,000	
Germania Bank.	400,000	816,400	6,511,000	42,000	31,000	201,000	110,000	1,050,000	6,742,000			
Lincoln National.	1,000,000	2,908,500	18,180,000	150,000	356,000	214,000	517,000	2,561,000	16,901,000	100,000	896,000	
Garfield National.	1,000,000	1,352,300	12,319,000	11,000	35,000	231,000	106,000	1,636,000	10,470,000	57,000	399,000	
Fifth National.	250,000	405,200	7,022,000	40,000	38,000	308,000	54,000	611,000	6,172,000	260,000	249,000	
Seaboard National.	1,000,000	3,578,700	46,185,000	365,000	302,000	331,000	243,000	7,872,000	44,071,030		70,000	
Liberty National.	3,000,000	4,039,000	80,116,000	130,000	26,000	83,000	354,000	8,993,000	62,225,000	2,566,000	995,000	
Coal & Iron National.	1,000,000	884,800	12,555,000	6,000	46,000	139,000	437,000	1,288,000	10,618,000		504,000	
Union Exch National.	1,000,000	1,241,100	13,667,000	15,000	35,000	262,000	331,000	1,895,000	14,166,000		420,000	
Brooklyn Trust Co.	1,500,000	2,155,400	33,533,000	86,000	69,000	186,000	443,000	3,254,000	24,235,000		5,192,000	
Bankers Trust Co.	11,250,000	12,980,400	263,427,000	429,000	125,000	203,000	904,000	24,699,000	197,801,000	21,429,000		
U S Mtge & Tr Co.	2,000,000	4,691,500	61,155,000	344,000	105,000	115,000	259,000	6,271,000	43,547,000	4,280,000		
Guaranty Trust Co.	25,000,000	36,125,400	459,414,000	2,812,000	170,000	618,000	1,723,000	56,560,000	364,840,000	28,328,000		
Fidelity Trust Co.	1,000,000	1,213,200	11,449,000	90,000	38,000	63,000	100,000	1,222,000	8,026,000		470,000	
Columbia Trust Co.	5,000,000	6,210,700	91,438,000	43,000	121,000	471,000	438,000	8,668,000	63,001,000	12,350,000		
Peoples Trust Co.	1,000,000	1,331,800	26,946,000	68,000	99,000	265,000	471,000	2,136,000	21,490,000	1,651,000		
New York Trust Co.	3,000,000	11,032,700	84,955,000	30,000	15,000	17,000	272,000	6,941,000	50,307,000	4,167,000		
Franklin Trust Co.	1,000,000	1,168,700	29,928,000	88,000	59,000	153,000	217,000	2,044,000	14,793,000	1,663,000		
Lincoln Trust.	1,000,000	568,200	14,496,000	7,000	23,000	106,000	278,000	2,059,000	12,501,000	1,811,000		
Metropolitan Tr Co.	2,000,000	4,070,800	52,236,000	300,000	47,000	89,000	400,000	4,724,000	36,473,000	1,838,000		
Nassau Nat, Bklyn.	1,000,000	1,148,000	15,172,000	10,000	107,000	105,000	89,000	1,325,000	9,744,000		504,000	
Irving Trust Co.	1,500,000	1,892,200	42,993,000	179,000	296,000	755,000	1,563,000	4,332,000	34,266,000	1,081,000		60,000
Farmers Loan & Tr Co.	5,000,000	10,625,000	141,815,000	3,824,000	24,000	61,000	272,000	10,445,000	117,727,000	10,812,000		
Average for week.	192,091,800	326,395,600	4,427,898,000	40,165,000	13,167,000	24,629,000	29,437,000	507,355,000	3,480,042,000	176,568,000	36,636,000	
Totals, actual condition on May 18.		4,413,251,000	39,725,000	12,780,000	23,731,000	28,554,000	506,915,000		3,514,369,000	169,475,000	36,712,000	
Totals, actual condition on May 11.		4,429,784,000	40,305,000	13,529,000	25,347,000	28,860,000	562,112,000		3,503,722,000	176,468,000	36,561,000	
Totals, actual condition on May 4.		4,336,507,000	39,932,000	12,932,000	25,273,000	27,429,000	515,642,000		3,646,237,000	181,407,000	36,221,000	
Totals, actual condition on April 27.		4,351,607,000	39,862,000	13,075,000	24,910,000	28,405,000	541,926,000		3,589,141,000	180,616,000	36,074,000	
Waste Banks.												
Greenwich.	500,000	1,433,100	14,823,000	830,000	180,000	375,000	807,000	772,000	44,000	14,830,000		
People's.	200,000	502,100	3,490,000	39,000	32,000	84,000	313,000	204,000	195,000	3,401,000		5,000
Bowery.	250,000	816,900	4,747,000	275,000	13,000	36,000	215,000	254,000	117,000	4,231,000		
Fifth Avenue.	100,000	2,392,100	17,170,000	862,000	109,000	1,132,000	597,000	938,000		18,025,000		
German Exchange.	200,000	868,700	6,181,000	413,000	60,000	159,000	137,000	298,000		5,981,000		
West Side.	326,600	56,600	4,083,000	220,000	125,000	113,000	50,000	250,000	164,000	4,146,000		
N Y Produce Exch.	1,000,000	1,116,700	21,522,000	831,000	564,000	530,000	510,000	1,180,000	382,000	19,465,000		
State.	1,500,000	520,400	27,810,000	2,519,000	387,000	387,000	581,000	1,363,000		28,613,000		42,000
Totals, avge for wk.	4,076,600	7,706,600	99,826,000	5,989,000	1,470,000	2,816,000	3,210,000	5,259,000	902,000	98,592,000	47,000	
Totals, actual condition on May 18.		99,000,000	5,961,000	1,348,000	2,974,000	3,078,000	5,561,000	1,170,000	97,963,000	36,000		
Totals, actual condition on May 11.		100,601,000	6,044,000	1,417,000	2,918,000	3,418,000	5,405,000	621,000	99,900,000	53,000		
Totals, actual condition on May 4.		99,458,000	6,095,000	1,497,000	3,001,000	3,220,000	5,016,000	1,589,000	101,510,000	8		

The State Banking Department reports weekly figures showing the condition of State banks and trust companies in New York City *not in the Clearing House*, as follows:

SUMMARY OF STATE BANKS AND TRUST COMPANIES IN GREATER NEW YORK, NOT INCLUDED IN CLEARING HOUSE STATEMENT.

	(Figures Furnished by State Banking Department.)	Differences from
	May 18, 1918.	previous week.
Loans and investments	\$773,842,300	Inc. \$864,000
Specie	13,291,800	Dec. 96,300
Currency and bank notes	13,063,500	Dec. 907,500
Deposits with the F. R. Bank of New York	51,202,900	Dec. 770,900
Total deposits	816,142,100	Inc. 6,149,100
Deposits, eliminating amounts due from reserve depositories and from other banks and trust companies in N. Y. City, exchanges and U. S. depositories	676,067,700	Dec. 22,574,800
Reserve on deposits	130,573,300	Dec. 2,450,000
Percentage of reserve, 21.3%		

RESERVE.

	State Banks	Trust Companies
Cash in vaults	\$14,032,500	11.03%
Deposits in banks and trust cos.	16,734,700	13.16%
Total	\$30,767,500	24.19%

The averages of the New York City Clearing House banks and trust companies combined with those for the State banks and trust companies in Greater New York City outside of the Clearing House are as follows:

COMBINED RESULTS OF BANKS AND TRUST COMPANIES IN GREATER NEW YORK. (Two cities omitted.)

Week Ended—	Loans and Investments	Demand Deposits	Specie	* Legal Tenders	Total Cash in Vault	Reserve in Depositories
Jan. 19	4,892,797.1	4,578,900.7	104,875.7	88,375.5	203,054.2	612,272.4
Jan. 26	4,899,129.5	4,470,558.0	101,471.0	97,599.0	199,070.0	619,095.8
Feb. 2	5,006,037.0	4,486,506.5	97,829.7	95,280.8	193,110.5	627,476.3
Feb. 9	5,038,372.7	4,517,827.5	96,292.1	93,282.0	189,574.1	649,103.3
Feb. 16	5,049,992.0	4,501,204.7	95,857.3	101,927.9	197,785.2	698,152.4
Feb. 23	5,116,615.8	4,428,375.5	93,416.1	101,803.0	195,279.1	567,432.0
Mar. 2	5,150,846.2	4,433,289.6	92,655.7	102,961.4	195,617.1	570,836.9
Mar. 9	5,127,304.4	4,319,035.1	90,537.4	83,762.6	174,300.0	550,387.6
Mar. 16	5,061,380.8	4,369,257.5	90,131.4	81,255.4	171,386.8	574,445.1
Mar. 23	5,034,741.0	4,400,316.1	90,664.8	84,264.8	174,929.0	569,773.5
Mar. 30	5,089,258.3	4,446,491.7	91,076.7	86,187.0	177,263.7	578,017.3
April 6	5,055,925.8	4,468,927.4	91,749.8	86,601.6	178,351.4	603,729.1
April 13	5,126,263.6	4,469,133.2	92,493.5	85,430.6	177,924.1	591,421.2
April 20	5,263,096.6	4,487,819.0	92,069.3	83,894.0	175,964.2	594,991.3
April 27	5,276,947.7	4,454,199.8	92,079.0	86,019.3	178,098.3	592,019.7
May 4	5,286,693.4	4,482,747.3	90,948.5	85,057.7	176,006.2	588,899.3
May 11	5,306,256.9	4,415,207.5	91,076.0	85,279.8	176,355.8	573,373.4
May 18	5,368,727.8	4,302,189.7	89,363.8	83,001.4	172,365.2	567,941.1

* Included with "Legal Tenders" are national bank notes and Fed. Reserve notes held by State banks and trust cos., but not those held by Fed. Reserve members.

In addition to the returns of "State banks and trust companies in New York City not in the Clearing House," furnished by the State Banking Department, the Department also presents a statement covering all the institutions of this class in the City of New York:

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

The provisions of the law governing the reserve requirements of State banking institutions as amended May 22 1917 were published in the "Chronicle" May 19 1917 (V. 104, p. 1975). The regulations relating to calculating the amount of deposits and what deductions are permitted in the computation of the reserves were given in the "Chronicle" April 4 1914 (V. 98, p. 1045).

Non-Member Banks and Trust Companies.—Following is the report made to the Clearing House by clearing non-member institutions which are not included in the "Clearing House return" on the preceding page:

RETURN OF NON-MEMBER INSTITUTIONS OF NEW YORK CLEARING HOUSE.

CLEARING NON-MEMBERS.	Net Profits.		Loans, Discounts, Investments, &c.	Gold.	Legal Tenders.	Silver.	National Bank & Federal Reserve Notes.	Reserve with Legal Depositories.	Additional Deposits with Legal Depositories.	Net Demand Deposits.	Net Time Deposits.	National Bank Circulation.
	Capital.	(State banks Mar. 4) (Nat. banks Mar. 14)										
Members of Federal Reserve Bank			<i>Average.</i>	<i>Average.</i>	<i>Average.</i>	<i>Average.</i>	<i>Average.</i>	<i>Average.</i>	<i>Average.</i>	<i>Average.</i>	<i>Average.</i>	<i>Average.</i>
Battery Park Nat. Bank	400,000	462,900	8,028,000	74,000	12,000	37,000	132,000	983,000	297,000	6,185,000	125,000	191,000
W. R. Grace & Co.'s Bank	500,000	642,400	4,892,000	3,000	-----	-----	2,000	743,000	-----	2,864,000	1,250,000	-----
First Nat. Bank, Brooklyn	300,000	555,500	7,276,000	12,000	10,000	112,000	73,000	592,000	499,000	5,331,000	556,000	290,000
Nat. City Bank, Brooklyn	300,000	594,400	6,542,000	6,000	30,000	78,000	119,000	542,000	694,000	5,083,000	414,000	120,000
First Nat. Bank, Jersey City	400,000	1,310,000	7,568,000	206,000	215,000	147,000	190,000	1,000,000	3,640,000	7,123,000	-----	397,000
Hudson Co. Nat., Jersey City	250,000	787,300	5,112,000	54,000	8,000	80,000	120,000	308,000	714,000	4,191,000	512,000	194,000
First Nat. Bank, Hoboken	220,000	632,500	8,193,000	8,000	4,000	44,000	164,000	324,000	1,144,000	2,705,000	3,499,000	218,000
Second Nat. Bank, Hoboken	125,000	275,800	5,992,000	6,000	43,000	85,000	21,000	285,000	722,000	2,722,000	2,563,000	99,000
Total	2,495,000	5,369,800	53,407,000	369,000	322,000	683,000	831,000	4,747,000	7,630,000	36,264,000	8,920,000	1,512,000
State Banks, Not Members of the Federal Reserve Bank.												
Bank of Washington Heights	100,000	430,300	2,510,000	71,000	6,000	58,000	145,000	136,000	33,000	2,268,000	-----	-----
Colonial Bank	500,000	1,093,400	10,549,000	933,000	157,000	421,000	148,000	693,000	295,000	11,388,000	-----	-----
Columbia Bank	1,000,000	620,300	13,419,000	653,000	-----	377,000	600,000	780,000	291,000	13,092,000	-----	-----
International Bank	500,000	140,900	6,385,000	150,000	13,000	60,000	286,000	266,000	63,000	4,706,000	-----	331,000
Mutual Bank	200,000	523,000	3,849,000	502,000	65,000	189,000	402,000	529,000	219,000	8,541,000	160,000	-----
New Netherland Bank	200,000	213,700	4,080,000	10,000	110,000	265,000	151,000	268,000	32,000	5,131,000	-----	45,000
Yorkville Bank	100,000	663,400	7,419,000	366,000	80,000	407,000	129,000	431,000	456,000	7,517,000	109,000	-----
Mechanics' Bank, Brooklyn	1,600,000	798,700	24,332,000	116,000	357,000	684,000	1,034,000	1,408,000	981,000	23,426,000	64,000	-----
North Side Bank, Brooklyn	200,000	174,800	5,633,000	154,000	25,000	118,000	250,000	295,000	441,000	4,869,000	400,000	-----
Total	4,400,000	4,025,000	83,178,000	2,714,000	813,000	2,579,000	3,145,000	4,784,000	2,811,000	50,848,000	1,129,000	-----
Trust Companies, Not Members of the Federal Reserve Bank.												
Hamilton Trust Co., Brooklyn	500,000	1,097,300	8,354,000	334,000	31,000	24,000	114,000	297,000	367,000	5,954,000	1,060,000	-----
Mechanics' Tr. Co., Bayonne	200,000	344,000	8,484,000	19,000	26,000	104,000	185,000	559,000	207,000	5,888,000	3,087,000	-----
Total	700,000	1,441,300	17,438,000	403,000	57,000	128,000	299,000	856,000	574,000	11,842,000	4,147,000	-----
Grand Aggregate	7,595,000	11,346,000	154,113,000	3,403,000	1,192,000	3,290,000	4,275,000	10,387,000	11,085,000	52,854,000	14,198,000	1,512,000
Comparison previous week.	-----	+31,000	-122,000	-----	-199,000	-63,000	-144,000	-170,000	+1163,000	-1,211,000	-41,000	+6,000
Excess reserve.	\$322,300	Decrease										
Grand aggregate May 11.	7,595,000	11,346,000	154,082,000	3,603,000	1,391,000	3,353,000	4,419,000	10,557,000	9,902,000	52,865,000	14,237,000	1,507,000
Grand aggregate May 3.	7,595,000	11,346,000	151,942,000	3,530,000	1,261,000	3,431,000	4,158,000	10,902,000	10,765,000	50,712,000	13,975,000	1,510,000
Grand aggregate Apr. 27.	6,936,000	11,442,000	151,357,000	3,879,000	1,373,000	3,494,000	3,593,000	10,851,000	9,220,000	49,307,000	13,723,000	1,513,000
Grand aggregate Apr. 20.	6,895,000	11,442,000	150,745,000	4,083,000	1,355,000	3,476,000	3,568,000	10,839,000	10,718,000	48,835,000	13,727,000	1,510,000
Grand aggregate Apr. 13.	6,895,000	11,616,700	148,143,000	3,986,000	1,248,000	3,631,000	3,326,000	10,807,000	10,505,000	48,801,000	13,681,000	1,521,000

a U. S. deposits deducted, \$17,565,000.

STATE BANKS AND TRUST COMPANIES IN NEW YORK CITY.

Week ended May 18.	State Banks.		Trust Companies.	
	May 18 1918.	Differences from previous week.	May 18 1918.	Differences from previous week.
Capital as of Mar. 14	23,615,400		95,050,000	
Surplus as of Mar. 14	41,225,300		163,861,000	
Loans and investments	480,861,200	Inc. 9,146,200	1,999,957,100	Dec. 7,267,000
Specie	15,694,400	Dec. 493,400	19,490,700	Dec. 542,200
Currency & bk. notes	26,744,200	Dec. 1,029,300	15,462,400	Dec. 997,600
Deposits with the F. R. Bank of N. Y.	39,223,800	Dec. 1,187,500	190,319,600	Dec. 6,492,800
Deposits	617,414,300	Inc. 17,716,100	2,042,063,000	Inc. 3,875,400
Reserve on deposits.	106,884,300	Dec. 3,010,000	299,642,800	Dec. 10,206,000
P. C. reserve to dep.	23.3%	Dec. 0.3%	19.4%	

Boston Clearing House Banks.—We give below a summary showing the totals for all the items in the Boston Clearing House weekly statement for a series of weeks:

BOSTON CLEARING HOUSE MEMBERS.

	May 18 1918.	Change from previous week.	May 11 1918.	May 4 1918.
Circulation	4,966,000	Dec. 11,000	4,979,000	\$4,974,000
Loans, disc'ts & investments	593,733,000	Inc. 14,860,000	488,873,000	482,430,000
Individual deposits, incl. U.S.	464,336,000	Inc. 29,584,000	434,752,000	411,258,000
Due to banks	129,075,000	Dec. 2,421,000	131,499,000	135,123,000
Time deposits	16,179,000	Dec. 1,187,000	17,360,000	18,808,000
Exchanges for Clear. House	18,434,000	Dec. 573,000	19,007,000	16,814,000
Due from other banks	86,649,000	Dec. 2,791,000	89,440,000	87,691,000
Cash in bank & in F.R. Bank	61,622,000	Inc. 103,000	60,914,000	61,429,000
Reserve excess in bank and Federal Reserve Bank	11,704,000	Dec. 2,909,000	14,613,000	16,677,000

Philadelphia Banks.—The Philadelphia Clearing House statement for the week ending May 18, with comparative figures for the two weeks preceding, is as follows. Reserve requirements for members of the Federal Reserve system are 10% on demand deposits and 3% on time deposits, all to be kept with the Federal Reserve Bank. "Cash in vaults" in not a part of legal reserve. For trust companies not members of the Federal Reserve system the reserve required is 15% on demand deposits and includes "Reserve with legal depositories" and "Cash in vaults."

	Week ending May 18 1918.			May 11 1918.	May 4 1918.
Two cities (00) omitted.	Members of F. R. Syst.	Trust Cos.	Total.		
Capital	\$25,975.0	\$5,500.0	\$31,475.0	\$31,475.0	\$31,475.0
Surplus and profits	67,810.0	13,908.0	81,718.0	81,169.0	81,173.0
Loans, disc'ts & investm'ts	578,626.0				

Bankers' Gazette.

Wall Street, Friday Night, May 24 1918.

The Money Market and Financial Situation.—As was to be expected after the spectacular movement of the last two weeks or more, the security markets are gradually settling down into normal conditions. That the latter process has thus far been gradual is not only unusual, after such a sudden and rapid advance, but also surprising in view of other developments of the week. These developments were not unexpected, it is true, and perhaps not especially unfavorable, but they are certainly not all of a kind to inspire confidence or hopefulness.

Of this class was the pronouncement of Director-General McAdoo, removing all railway presidents from former operating relations with their roads; action of the War Industries Board in deciding that the price of copper metal shall remain as heretofore, notwithstanding the increased cost of production; and last, but perhaps not least, the discussion at Washington of new and presumably more drastic and more sweeping tax laws.

On the other hand, the weekly weather and crop bulletin showed exceptionally favorable conditions affecting crops in all parts of the country and from the iron and steel industry reports of increased production with the practical assurance that this will continue throughout the year and probably longer. No one can say with certainty that news from the seat of war has had an appreciable effect on security values this week, notwithstanding general expectation that a new German offensive may be launched at any moment.

The money market has been relatively steady throughout the week with call loan rates covering a range from 4 to 6%.

Foreign Exchange.—Sterling exchange remained without feature. In the Continental exchanges further weakness developed in lire, but otherwise the changes were not important.

To-day's (Friday's) actual rates for sterling exchange were 4 72 3/4 @ 4 72 1/2 for sixty days, 4 75 1/2 @ 4 75 1/4 for checks and 4 76 45 @ 4 76 7-16 for cables. Commercial on banks, sight, 4 75 1/2 @ 4 75 1/4; sixty days, 4 71 1/2 @ 4 71 1/4; ninety days, 4 70 @ 4 70 1/2, and documents for payment (sixty days), 4 71 1/4 @ 4 71 1/2. Cotton for payment, 4 75 1/2 @ 4 75 1/4, and grain for payment, 4 75 1/2 @ 4 75 1/4.

To-day's (Friday's) actual rates for Paris bankers' francs were 5 77 3/4 for long and 5 72 1/2 for short. German bankers' marks were not quoted. Amsterdam bankers' guilders were 48 13-16 @ 49 13-16 for long and 48 15-16 @ 49 15-16 for short.

Exchange at Paris on London, 27.15 1/2 fr.; week's range, 25.15 1/2 fr. high and 27.16 fr. low.

The range for foreign exchange for the week follows:

Sterling Actual—Sixty Days.			
	Checks.	Cables.	
High for the week...	4 72 3/4	4 76 7-16	4 76 7-16
Low for the week...	4 72 1/2	4 75 7-16	4 76 45
Paris Bankers' Francs—			
High for the week...	5 77 3/4	5 71 1/4	5 89 1/4
Low for the week...	5 77 1/4	5 71 1/4	5 70
Amsterdam Bankers' Guilders—			
High for the week...	50 5-16	50 1/4	51
Low for the week...	48 1-16	48 1/4	48 1/4

Domestic Exchange.—Chicago, par. Boston, par. St. Louis, 15c. per \$1,000 discount bid. San Francisco, par. Montreal, \$11.25 per \$1,000 premium. Minneapolis, 10c. per \$1,000 discount. Cincinnati, par.

State and Railroad Bonds.—Sales of State bonds at the Board are limited to \$3,000 New York Canal 4 1/2s at 106 and \$40,000 Virginia 6s deferred trust receipts at 49 to 50.

The market for railway and industrial bonds has been less active than of late and prices have generally dropped to a lower level. Of a list of 20 representative issues only 4 have advanced and 4 are unchanged, thus reversing last week's record.

St. Paul conv. 4 1/2s are unique in a net gain of 3 1/2 points and Inter. Mer. Mar. 6s and N. Y. Rys. adj. 5s are 1 1/4 and 1 1/2 points higher, respectively.

On the other hand, Am. Tel. & Tel. 5s lost 2 1/2 points, Inter-Met. col. trust 4 1/2s, 2, Ches. & Ohio 4 1/2s and No. Pac. 4s, 1 1/4. Other declines are fractional.

In addition to the above the active list includes Atchison, Balt. & Ohio, Ches. & Ohio, Hudson & Manhattan, New York Central, U. S. Rubber, U. S. Steel and Central Leather issues.

United States Bonds.—Sales of Government bonds at the Board include \$1,500 Pan. Canal 3s, reg., at 83; \$1,000 2s, reg., at 97 1/2; \$1,000 3s, reg., at 99 1/2; \$1,000 4s, reg., at 105 3/4; \$1,000 4s, coup., at 105 1/2; Liberty Loan 3 1/2 at 98.94 to 99; L. L. 1st 4s at 94.80 to 95.08; L. L. 2d 4s at 94.66 to 95, and L. L. 4 1/2s at 97.38 to 97.90. For to-day's prices of all the different issues and for the week's range see third page following.

Railroad and Miscellaneous Stocks.—As suggested in this column last week, the stock market then reached the zenith of an upward swing of prices covering a period of nearly three weeks and which in extent has rarely been equalled in recent years. There was a slight recovery on Monday, presumably on the execution of buying orders which had accumulated over the week-end, but otherwise the tendency of prices has been steadily downward throughout the week. The latter movement has not, however,

brought prices down to the level prevailing earlier in the month and in a few exceptional cases to-day's quotations are substantially above those of a week ago. Of the railway list only New Haven is in the latter class. When at the highest on Tuesday it had added 3 3/4 to its 8 1/2-point advance of last week. It closes, however, 2 3/4 points below the highest, with a net gain of 1. Otherwise the railway list shows a decline averaging nearly 2 points.

Miscellaneous stocks show a more variable record. Am. Sum. Tobacco has been a spectacular feature. It advanced 18 points in a declining market, lost nearly 12 when the market was firmer and closes with a net gain of 6 1/4 points. Am. Smelt. & Ref. has lost 4 3/4, Beth. Steel 4 3/4, Crucible Steel 2 1/2 and U. S. Steel 3 points.

For daily volume of business see page 2215. The following sales have occurred this week of shares not represented in our detailed list on the pages which follow:

STOCKS. Week ending May 24.	Sole for Week.	Range for Week.		Range since Jan. 1.	
		Lowest.	Highest.	Lowest.	Highest.
Par Shares		\$ per share.	\$ per share.	\$ per share.	\$ per share.
Adams Express.....	213	59 1/2 May 22	183 1/2 May 22	183 1/2 May 22	184 1/2 May
Albany & Susq.....	100	10 1/2 May 22	35 1/2 May 22	31 1/4 Mar 22	35 1/2 May
American Bank Note..	100	35 1/2 May 22	35 1/2 May 22	80 Feb 85	80 Apr
American Express.....	100	85 May 21	85 May 21	81 Jan 100	81 May
Am Sumatra Tob pf..	100	750 99 May 22	100 May 18	81 Jan 100	81 May
Asso Dry Goods Ltd pf	100	51 May 22	61 May 22	51 May 51	51 May
Associated Oil.....	100	60 1/2 May 22	60 1/2 May 22	54 Apr 61	61 May
Batopilas Mining.....	20	1,300 1 May 20	1 1/2 May 18	1 Jan 1 1/2	1 1/2 Mar
Brunswick Term'l.....	1,900	8 May 23	9 1/2 May 18	6 1/4 Jan 9 1/2	9 1/2 May
Buffalo Rock & Pitts	40	75 May 20	75 May 22	75 May 80	80 Jan
Butterick.....	300	7 1/2 May 21	8 1/2 May 18	7 1/2 May 11 1/2	11 1/2 Feb
Calumet & Arizona.....	10	100 71 May 21	71 May 21	63 1/2 Jan 71	71 May
Central Foundry.....	100	400 38 May 21	40 May 24	26 Mar 41	41 Apr
Preferred.....	100	47 May 22	47 1/2 May 18	41 Jan 53	53 Apr
Chicago & Alton.....	100	80 7 1/2 May 23	7 1/2 May 23	7 Apr 10	10 May
Computing-Tab-Rec	200	37 1/2 May 20	37 1/2 May 20	30 Jan 37 1/2	37 1/2 May
Cons Interstate Call..	10	300 8 1/2 May 23	9 May 23	7 1/4 Apr 10	10 Jan
Continental Insur.....	25	100 50 May 23	50 May 23	44 Feb 50	50 May
Elk Horn Coal.....	50	500 25 1/2 May 22	26 1/2 May 24	22 Jan 23 1/2	23 1/2 Mar
Federal M & S.....	100	100 10 1/2 May 23	10 1/2 May 23	9 1/4 Apr 13 1/2	13 1/2 Jan
Preferred.....	100	700 32 May 24	35 1/2 May 24	27 Jan 36 1/2	36 1/2 Feb
Fisher Body Corp. no par	200	35 May 24	35 May 24	26 Jan 35 1/2	35 1/2 Mar
General Clearing.....	100	400 42 May 18	43 May 21	34 Jan 45	45 Mar
Gulf Mob & Nor oifs.	100	8 1/2 May 20	8 1/2 May 20	8 Mar 9 1/2	9 1/2 Feb
Int Harvest N J pref..	100	200 100 3/4 May 21	110 May 18	106 1/4 Jan 110 1/2	110 1/2 Feb
Int Harvest Corp.....	100	500 6 1/2 May 20	6 1/2 May 22	5 1/2 Mar 5 1/2	5 1/2 Feb
Preferred.....	100	185 95 1/2 May 21	95 1/2 May 21	83 Mar 92	92 Feb
Kelsey Wheel In.....	100	100 8 1/2 May 23	8 1/2 May 23	8 1/2 Mar 8 1/2	8 1/2 Mar
Krepps (S S) Co.....	100	100 8 1/2 May 23	8 1/2 May 23	8 1/2 Mar 8 1/2	8 1/2 Mar
Kress (S B) & Co.....	100	100 8 1/2 May 23	8 1/2 May 23	8 1/2 Mar 8 1/2	8 1/2 Mar
Liggett & Myers pref	100	600 102 May 23	103 May 20	101 1/4 Jan 107 1/2	107 1/2 Mar
Lorillard (P).....	100	60 175 May 21	175 May 21	160 Jan 200	200 Mar
Manhat Elec Supply	100	100 49 May 20	49 May 20	46 May 49	49 May
Manhattan (Elev) Ry	100	125 100 May 20	100 May 20	94 Mar 100	100 May
May Dept Stores.....	100	100 54 May 18	54 May 18	47 Jan 54 1/2	54 1/2 Apr
M S P & S Ste Marie..	100	136 89 May 20	89 May 20	80 1/2 Jan 90	90 Mar
National Acme.....	50	600 32 1/2 May 21	33 May 18	26 1/4 Jan 33	33 May
N O Tex & Mex v t c..	100	600 21 1/2 May 24	23 May 20	17 Apr 24 1/2	24 1/2 May
New York Dock.....	100	2,100 2 1/2 May 20	2 1/2 May 20	93 1/4 Mar 102 1/2	102 1/2 May
Preferred.....	100	400 16 1/2 May 24	16 1/2 May 21	42 Jan 48	48 May
Nova Scotia S & G.....	100	200 60 May 24	61 May 21	50 Apr 60	60 Jan
Owens Bot Mach pf..	100	100 107 May 23	107 May 23	107 May 107	107 Jan
Pacific Mail pref.....	100	100 101 1/4 May 20	101 1/4 May 20	101 1/4 Feb 101 1/4	101 1/4 May
Pacific Tel & Tel.....	100	500 24 May 24	24 1/2 May 24	18 1/4 Feb 26	26 Feb
St L S Fran pref A.....	100	1,800 24 1/2 May 24	29 May 18	21 Apr 30	30 Jan
Save Arms Corp.....	100	500 70 May 23	70 1/2 May 21	33 Jan 80 1/2	80 1/2 May
Sloss-Sheff S & I pref	100	350 92 May 20	93 May 24	81 Feb 93	93 May
So Porto Rleo Sugar..	100	100 60 May 23	160 May 23	158 Jan 162	162 Jan
Standard Milling.....	100	400 98 1/2 May 22	102 1/2 May 18	84 Jan 102 1/2	102 1/2 May
Preferred.....	100	100 81 May 20	81 May 20	80 1/2 May 89	89 Jan
Stutz Motor Car. no par	100	100 45 May 21	45 May 21	38 1/2 Jan 47 1/2	47 1/2 Feb
Tol Se L & West tr rec..	100	800 5 1/2 May 22	6 1/2 May 22	5 1/4 May 5 1/4	5 1/4 May
Preferred tr rec.....	1,300	9 May 20	10 1/2 May 22	8 1/2 Mar 12 1/2	12 1/2 Jan
Tranac & Wms. no par	100	300 39 May 24	39 1/2 May 23	39 May 42	42 May
United Drug.....	100	100 71 May 21	71 May 21	69 1/2 Jan 71	71 May
First preferred.....	50	100 48 1/2 May 21	48 1/2 May 24	46 Jan 50	50 Mar
United Drywood.....	100	100 61 May 18	61 May 18	61 May 61	61 May
U S Express.....	100	100 15 1/2 May 20	15 1/2 May 20	14 1/4 Apr 16 1/4	16 1/4 Mar
U S Realty & Impt..	1,100	13 May 21	14 1/4 May 24	8 Mar 17	17 Apr
Wells, Fargo Express	100	30 70 May 19	70 May 18	70 1/2 May 83 1/2	83 1/2 Jan
Wilson & Co pref.....	200	95 May 20	95 1/2 May 20	95 May 98 1/2	98 1/2 Mar

Outside Market.—"Curb" market trading this week was without definite trend, an upward movement of prices being usually followed by a reaction which left prices, except in a few instances, without material change. Houston Oil com. was the principal feature, the stock advancing on heavy trading from 55 3/4 to 67 1/2, the close to-day being at 65. Cosden & Co. com. also displayed considerable activity and gained almost a point to 7 5/8 with the final figure to-day 7 3/8. Sapulpa, another active feature, was up from 8 3/4 to 10 1/4 and ends the week at 9 3/4. Midwest Oil com. improved from 1.02 to 1.12 but reacted finally to 1.08. Merritt Oil sold down about a point to 22 1/2. In the Standard Oil issues Prairie Oil & Gas registered a substantial gain, moving up over 30 points to 524 and reacting finally to 517. Aetna Explosives com. dropped from 15 3/4 to 12 3/4, recovered to 15 1/4 and finished to-day at 15 1/4. Submarine Boat after early weakness, from 17 5/8 to 16 1/4, advanced to 18 3/4 and ends the week at 18. Lake Torpedo Boat fell from 5 3/4 to 5, the final transaction to-day being at 5 1/4. Motor stocks extremely quiet. United Motors fluctuated between 23 1/2 and 24 3/4 during the week until to-day, when it sold up to 25 1/4 and rested finally at 24 1/2. Keystone Tire & Rubber com. reached 20 to-day, a new high point and a gain of over a point during the week. The close was at 19 3/4. Aeroplane issues were more prominent at the close. Curtiss Aeropl. & M. com. after a recession in the early part of the week from 35 1/4 to 34 3/4, to-day sold up to 38 1/4, closing at 36. Wright-Martin Aire. com. eased off from 11 1/4 to 10 1/2 and closed to-day at 10 1/4. Lima Locomotive was active and gained 5 points to 50 1/2 but reacted and rested finally at 46 1/2. Mining stocks generally quiet. In bonds Canadian Govt. 5s declined from 97 1/8 to 95 7/8 with considerable activity toward the close of the week. Russian Govt. 6 1/2s sold up from 39 to 42 and down to 40, the 5 1/2s gaining 4 points to 40.

A complete record of "curb" market transactions for the week will be found on page 2215.

New York Stock Exchange—Stock Record, Daily, Weekly and Yearly 2207

For record of sales during the week of stocks usually inactive, see preceding page.

HIGH AND LOW SALES PRICES—PER SHARE, NOT PER CENT.						Sales for the Week Shares	STOCKS NEW YORK STOCK EXCHANGE		PER SHARE Range Since Jan. 1. On basis of 100-share lots.		PER SHARE Range for Previous Year 1917	
Saturday May 19	Monday May 20	Tuesday May 21	Wednesday May 22	Thursday May 23	Friday May 24		Lowest.	Highest.	Lowest	Highest		
\$ per share	\$ per share	\$ per share	\$ per share	\$ per share	\$ per share			\$ per share.	\$ per share.	\$ per share	\$ per share	
3400	3400	3400	3400	3400	3400	3,400	Atch Topeka & Santa Fe.....	81 Mar 23	88 May 15	75 Dec 10	107 1/2 Jan 2	
400	400	400	400	400	400	400	Do pref.....	82 1/2 Jan 2	82 1/2 Jan 2	75 Dec 10	100 1/2 Feb 19	
13,400	13,400	13,400	13,400	13,400	13,400	13,400	Atlantic Coast Line RR.....	89 1/2 Apr 22	94 1/2 May 21	70 1/2 Dec 8	119 Jan 5	
600	600	600	600	600	600	600	Baltimore & Ohio.....	49 Jan 24	57 May 20	48 1/2 Dec 5	70 1/2 Jan 2	
800	800	800	800	800	800	800	Do pref.....	63 Apr 25	57 1/2 Jan 5	48 1/2 Dec 5	70 1/2 Jan 2	
7,800	7,800	7,800	7,800	7,800	7,800	7,800	Brooklyn Rapid Transit.....	38 1/2 Feb 26	48 1/2 Jan 2	36 Dec 8	82 Jan 2	
4,000	4,000	4,000	4,000	4,000	4,000	4,000	Canadian Pacific.....	135 Mar 25	150 May 16	126 Dec 10	167 1/2 Mar 15	
1,000	1,000	1,000	1,000	1,000	1,000	1,000	Cheapeake & Ohio.....	49 1/2 Jan 15	65 Mar 14	42 Nov 5	58 Jan 2	
23,900	23,900	23,900	23,900	23,900	23,900	23,900	Chicago Great Western.....	6 Apr 9	84 Jan 2	6 Dec 10	148 Jan 2	
17,230	17,230	17,230	17,230	17,230	17,230	17,230	Do pref.....	18 1/2 Apr 9	25 Jan 3	17 1/2 Dec 10	41 1/2 Jan 2	
300	300	300	300	300	300	300	Chicago Milw & St Paul.....	37 1/2 Apr 22	47 1/2 Jan 2	35 Nov 9	92 Jan 2	
11,400	11,400	11,400	11,400	11,400	11,400	11,400	Chicago & Northwestern.....	60 1/2 Apr 11	79 1/2 Jan 5	62 1/2 Dec 10	125 1/2 Jan 2	
2,300	2,300	2,300	2,300	2,300	2,300	2,300	Chicago Rock Isl & Pac temp etfs.....	137 Jan 29	137 Jan 29	137 Dec 10	172 1/2 Feb 1	
2,100	2,100	2,100	2,100	2,100	2,100	2,100	Do pref.....	15 Apr 22	24 1/2 May 15	16 Dec 10	38 1/2 June 1	
200	200	200	200	200	200	200	7 1/2 preferred temp etfs.....	59 1/2 Jan 15	71 1/2 May 15	44 Dec 8	84 1/2 Apr 1	
3,275	3,275	3,275	3,275	3,275	3,275	3,275	5 1/2 preferred temp etfs.....	46 Jan 15	61 May 14	35 1/2 Dec 10	71 Apr 1	
700	700	700	700	700	700	700	Clay Cia Chlo & St Louis.....	28 Feb 22	35 May 14	24 Nov 8	80 Jan 2	
400	400	400	400	400	400	400	Do pref.....	55 1/2 May 7	64 1/2 May 17	61 1/2 Dec 10	80 Jan 2	
800	800	800	800	800	800	800	Colorado & Southern.....	17 Apr 22	23 Jan 2	18 Nov 30	80 Jan 2	
100	100	100	100	100	100	100	Do 1st pref.....	47 Apr 3	50 1/2 Jan 4	44 1/2 Nov 5	57 1/2 Jan 2	
100	100	100	100	100	100	100	Do 2d pref.....	40 Apr 4	45 Mar 14	41 Sept 4	45 Mar 14	
400	400	400	400	400	400	400	Delaware & Hudson.....	100 1/2 Apr 11	115 1/2 Feb 1	87 Nov 15	151 1/2 Jan 2	
100	100	100	100	100	100	100	Delaware Lack & Western.....	160 Apr 17	180 Jan 4	167 1/2 Dec 10	238 Mar 15	
100	100	100	100	100	100	100	Denver & Rio Grande.....	2 1/2 Jan 4	6 Jan 3	5 Dec 17	17 Jan 2	
10,900	10,900	10,900	10,900	10,900	10,900	10,900	Do pref.....	6 Apr 23	13 1/2 Jan 2	9 1/2 Dec 10	41 Jan 2	
10,200	10,200	10,200	10,200	10,200	10,200	10,200	Erie.....	14 Apr 17	17 1/2 May 15	13 Dec 10	34 1/2 Jan 2	
2,000	2,000	2,000	2,000	2,000	2,000	2,000	Do 2d pref.....	23 1/2 Apr 16	35 May 14	18 1/2 Dec 10	49 1/2 Jan 2	
5,200	5,200	5,200	5,200	5,200	5,200	5,200	Great Northern pref.....	18 1/2 Jan 25	24 1/2 May 14	15 1/2 Dec 10	39 1/2 Jan 2	
23,100	23,100	23,100	23,100	23,100	23,100	23,100	Iron Ore properties.....No par	88 Jan 15	93 1/2 May 14	79 Dec 10	118 Jan 2	
150	150	150	150	150	150	150	Illinois Central.....	25 1/2 Jan 15	34 1/2 May 16	22 1/2 Nov 8	38 1/2 Mar 14	
2,700	2,700	2,700	2,700	2,700	2,700	2,700	Interboro Cons Corp.....No par	92 Jan 7	97 1/2 May 14	85 1/2 Dec 10	106 1/2 Jan 2	
2,900	2,900	2,900	2,900	2,900	2,900	2,900	Do pref.....	6 1/2 Mar 25	9 1/2 Jan 3	5 1/2 Dec 10	17 1/2 Jan 2	
100	100	100	100	100	100	100	Kansas City Southern.....	39 1/2 May 2	47 1/2 Jan 2	39 1/2 Dec 10	72 1/2 Jan 2	
100	100	100	100	100	100	100	Lake Erie & Western.....	15 1/2 Apr 17	20 May 16	13 1/2 Nov 8	25 1/2 Jan 2	
1,800	1,800	1,800	1,800	1,800	1,800	1,800	Lehigh Valley.....	45 Jan 6	63 May 20	40 Nov 8	58 1/2 Jan 2	
100	100	100	100	100	100	100	Louisville & Nashville.....	8 1/2 May 1	10 1/2 Feb 19	8 1/2 Dec 10	25 1/2 Jan 2	
100	100	100	100	100	100	100	Missouri & Texas.....	11 Jan 2	11 1/2 May 15	10 1/2 Dec 10	13 1/2 Jan 2	
11,300	11,300	11,300	11,300	11,300	11,300	11,300	Mt Vernon & Kansas.....	7 1/2 Jan 29	9 1/2 Jan 7	7 Nov 20	20 1/2 Jan 2	
900	900	900	900	900	900	900	Mt Vernon & Kansas & Texas.....	20 Jan 15	24 1/2 Jan 2	10 1/2 Nov 34	34 Jan 2	
12,800	12,800	12,800	12,800	12,800	12,800	12,800	Missouri Pacific tr etfs.....	41 Jan 15	55 1/2 May 14	37 1/2 Dec 10	61 Jan 2	
135,500	135,500	135,500	135,500	135,500	135,500	135,500	New York Central.....	0 1/2 Jan 15	75 1/2 May 14	62 1/2 Dec 10	103 1/2 Jan 2	
1,400	1,400	1,400	1,400	1,400	1,400	1,400	N Y N H & Hartford.....	27 Apr 11	44 1/2 May 22	21 1/2 Sept 5	52 1/2 Jan 2	
2,200	2,200	2,200	2,200	2,200	2,200	2,200	N Y Ontario & Western.....	18 1/2 Jan 22	21 1/2 May 15	17 Nov 29	29 1/2 Jan 2	
4,700	4,700	4,700	4,700	4,700	4,700	4,700	Norfolk & Western.....	102 Jan 24	108 1/2 May 14	92 1/2 Dec 10	128 1/2 Jan 2	
9,300	9,300	9,300	9,300	9,300	9,300	9,300	Northern Pacific.....	81 1/2 Jan 24	89 May 14	75 Dec 10	110 Jan 2	
1,500	1,500	1,500	1,500	1,500	1,500	1,500	Pennsylvania.....	24 1/2 May 1	47 1/2 Jan 2	40 1/2 Dec 10	57 1/2 Jan 2	
300	300	300	300	300	300	300	Pere Marquette v t o.....	5 1/2 May 1	14 Jan 4	12 Dec 10	36 1/2 Jan 2	
4,700	4,700	4,700	4,700	4,700	4,700	4,700	Do pref.....	52 1/2 Apr 3	58 1/2 Feb 19	45 Nov 7	73 1/2 Jan 2	
202,500	202,500	202,500	202,500	202,500	202,500	202,500	Pittsburgh & West Va.....	30 Apr 6	37 Jan 11	27 Oct 5	57 Jun 1	
3,200	3,200	3,200	3,200	3,200	3,200	3,200	Do preferred.....	22 1/2 Jan 10	31 May 15	18 1/2 Dec 10	35 1/2 Jan 2	
300	300	300	300	300	300	300	Reading.....	70 1/2 Jan 15	90 1/2 May 10	60 1/2 Nov 10	104 1/2 Jan 2	
300	300	300	300	300	300	300	Do 1st pref.....	35 Jan 12	39 May 16	31 Nov 4	45 Jan 2	
400	400	400	400	400	400	400	Do 2d pref.....	35 Mar 30	38 1/2 Mar 10	33 1/2 Dec 10	45 1/2 Jan 2	
1,200	1,200	1,200	1,200	1,200	1,200	1,200	St Louis-San Fran tr etfs.....	9 1/2 Apr 3	14 Jan 2	13 Dec 26	26 1/2 June 1	
1,000	1,000	1,000	1,000	1,000	1,000	1,000	St Louis Southwestern.....	19 1/2 Mar 19	23 1/2 May 15	22 Dec 10	32 Jan 2	
400	400	400	400	400	400	400	Do pref.....	34 1/2 Feb 13	40 1/2 Jan 3	34 Dec 5	53 Jan 2	
20,500	20,500	20,500	20,500	20,500	20,500	20,500	Seaboard Air Line.....	7 Apr 17	8 1/2 Jan 4	7 1/2 Dec 18	18 Jan 2	
7,900	7,900	7,900	7,900	7,900	7,900	7,900	Southern Railway.....	15 1/2 Apr 19	19 1/2 Jan 3	16 1/2 Dec 30	39 1/2 Jan 2	
400	400	400	400	400	400	400	Southern Pacific Co.....	80 1/2 Jan 21	83 1/2 Feb 27	75 1/2 Dec 10	98 1/2 Mar 14	
300	300	300	300	300	300	300	Do pref.....	20 1/2 Apr 30	23 May 15	21 1/2 Dec 10	33 1/2 Jan 2	
100	100	100	100	100	100	100	Texas & Pacific.....	57 Jan 22	63 May 15	51 1/2 Dec 10	79 1/2 Jan 2	
33,100	33,100	33,100	33,100	33,100	33,100	33,100	Twin City Rapid Transit.....	14 May 4	19 1/2 Feb 20	11 1/2 Nov 19	19 1/2 Jan 2	
200	200	200	200	200	200	200	Union Pacific.....	42 1/2 May 9	65 1/2 Jan 31	62 Dec 9	95 Jan 2	
1,500	1,500	1,500	1,500	1,500	1,500	1,500	United Railway Invest.....	10 1/2 Jan 15	12 1/2 May 14	10 1/2 Dec 10	14 1/2 Jan 2	
1,800	1,800	1,800	1,800	1,800	1,800	1,800	Do pref.....	69 Jan 3	74 1/2 Mar 11	60 1/2 Dec 10	85 Jan 2	
400	400	400	400	400	400	400	Wabash.....	7 Apr 26	9 1/2 May 15	7 Nov 15	15 1/2 Jan 2	
1,300	1,300	1,300	1,300	1,300	1,300	1,300	Do pref A.....	39 1/2 Apr 12	44 1/2 Jan 2	36 1/2 Dec 10	58 Jan 2	
400	400	400	400	400	400	400	Do pref B.....	20 1/2 Jan 15	25 1/2 May 15	18 Dec 10	30 1/2 Jan 2	
500	500	500	500	500	500	500	Western Maryland (new).....	15 Jan 15	17 1/2 Feb 15	12 Dec 2	23 Apr 1	
2,100	2,100	2,100	2,100	2,100	2,100	2,100	Western Pacific.....	12 Jan 29	15 1/2 Feb 15	20 Dec 4	41 Mar 1	
1,200	1,200	1,200	1,200	1,200	1,200	1,200	Do preferred.....	48 Jan 3	55 Feb 2	48 Dec 10	58 1/2 July 1	
400	400	400	400	400	400	400	Wheeling & Lake Erie.....	8 Apr 22	10 1/2 Jan 2	7 Dec 22	23 Jan 2	
100	100	100	100	100	100	100	Do preferred.....	17 1/2 Apr 17	22 1/2 Feb 15	16 1/2 Nov 8	50 1/2 Jan 2	
11,000	11,000	11,000	11,000	11,000	11,000	11,000	Wisconsin Central.....	34 May 2	39 1/2 Jan 3	33 Dec 10	54 1/2 Jan 2	
200	200	200	200	200	200	200	Advance Rumely.....	11 Jan 19	16 1/2 May 9	7 1/2 Nov 15	18 1/2 Jan 2	
1,400	1,400	1,400	1,400	1,400	1,400	1,400	Do pref.....	25 1/2 Jan 15	36 1/2 May 20	19 Oct 37	37 1/2 Jan 2	
600	600	600	600	600	600	600	Alax Rubber Inc.....	49 Jan 2	60 1/2 May 17	45 1/2 Dec 10	80 Jan 2	
600	600	600	600	600	600	600	Ataska Gold Mines.....	11 Apr 27	27 Jan 12	1 Dec 11	11 1/2 Jan 2	
3,400	3,400	3,400	3,400	3,400	3,400	3,400	Ataska-Jumeau Gold M'n g.....	13 Apr 1	31 Jan 21	1 1/2 Dec 8	8 1/2 Mar 14	
78,400	78,400	78,400	78,400	78,400	78,400	78,400	Aills-Chalmers Mfg v t o.....	17 1/2 Jan 15	37 May 24	15 Dec 32	32 1/2 Mar 14	
1,500	1,500	1,500	1,500	1,500	1,500	1,500	Do preferred v t o.....	70 1/2 Jan 4	86 1/2 May 24	65 Dec 80	89 1/2 Mar 14	
800	800	800	800	800	800	800	Amer Agricultural Chem.....	78 Jan 2	90 Feb			

For record of sales during the week of stocks usually inactive, see second page preceding

Main table with columns: HIGH AND LOW SALES PRICES—PER SHARE, NOT PER CENT. (Saturday May 18 to Friday May 24), Sales for Week Shares, STOCKS NEW YORK STOCK EXCHANGE, PER SHARE Range Since Jan. 1, On basis of 100-share lots, and PER SHARE Range for Previous Year 1917. Lists various stocks like Industrial & Misc., Par, Burns Bros., Butte Copper & Zinc, etc.

* Bid and asked prices; no sales on this day. † Less than 100 shares. ‡ Ex-rights. § Ex-div. and rights. ¶ \$10 per share. ** Par \$100 per share. *** Certificate of deposit. **** Ex-dividend.

New York Stock Exchange—Bond Record, Friday, Weekly and Yearly 2209

In Jan. 1909 the Exchange method of quoting bonds was changed and prices are now—"and interest"—except for interest and defaulted bonds

BONDS N. Y. STOCK EXCHANGE Week ending May 24		Interest Percentage		Price Friday May 24		Week's Range or Last Sale		Bonds Sold	Range Since Jan. 1.	
		Bid	Ask	Low	High	No.	Low		High	
U. S. Government.										
U S 3 1/2% Liberty Loan 1932-47	J-D	98.98	Sale	98.94	99.00	3340	97.20	99.30		
U S 4s converted from 1st Liberty Loan	J-D	94.82	Sale	94.80	95.08	374	94.60	98.40		
U S 4s 2d Liberty Loan 1927-42	M-N	94.66	Sale	94.68	95.00	6514	94.00	97.98		
U S 4 1/4s converted from 1st Liberty Loan	J-D	-----	-----	-----	-----	-----	-----	-----		
U S 4 1/4s converted from 2d Liberty Loan	J-D	97.35	Sale	97.33	97.90	11174	97.33	99.10		
U S 4 1/2% Liberty Loan 1927-42	M-N	97 1/2	98 1/2	97 1/2	97 1/2	-----	97 1/2	97 1/2		
U S 4s consol registered 1913-30	Q-J	97 1/2	-----	97 1/2	Apr '18	-----	97 1/2	97 1/2		
U S 4s consol coupon 1913-30	Q-J	99	100	99 1/2	99 1/2	-----	98 3/4	99 1/2		
U S 4s registered 1913-30	Q-F	99 1/2	-----	99 1/2	May '18	-----	98 3/4	99 1/2		
U S 4s coupon 1913-30	Q-F	105	103	105 1/2	105 1/2	-----	105	105 1/2		
U S 4s registered 1913-30	Q-F	105	-----	105 1/2	105 1/2	-----	105	105 1/2		
U S Pan Canal 10-30-yr 2a 1913-30	Q-F	97	-----	97 1/2	Oct '17	-----	97 1/2	97 1/2		
U S Pan Canal 10-30-yr 2a Reg '38	Q-N	97	-----	97 1/2	Feb '18	-----	97 1/2	97 1/2		
U S Panama Canal 3a 1913-30	Q-M	85	-----	83	Dec '17	-----	83	84		
Registered 1913-30	Q-M	-----	-----	-----	-----	-----	83	84		
U S Philippine Island 4s 1914-34	Q-F	-----	-----	100	Feb '16	-----	-----	-----		
Foreign Government.										
Amer Foreign Secur 5s 1910	F-A	96 1/2	Sale	96 1/2	97	78	94 1/2	97 1/2		
Anglo-French 5-yr 6s Exter loan	A-O	92 1/2	Sale	92 1/2	92 1/2	733	88 1/2	93		
Argentine—Internal 5s of 1909	M-N	81 1/2	84	83 1/2	Apr '18	-----	78 1/2	83 1/2		
Bordeaux (City of) 3-yr 6s 1910	M-N	89 1/2	Sale	89 1/2	89 1/2	98	84	90 1/2		
Chinese (Hukwang Ry) 5s of 1914	J-D	92	-----	90	Apr '18	-----	83 1/2	90 1/2		
China—External debt 5s of 1914	M-N	97 1/2	93 1/2	98 1/2	98 1/2	11	90 1/2	98 1/2		
Exter of 5s of '14 ser A	F-A	94 1/2	93	93 1/2	94 1/2	11	90 1/2	94 1/2		
Exter of 5s of '14 ser B	F-A	80 1/2	83 1/2	81	Apr '18	-----	80 1/2	83 1/2		
Exter of 5s of '14 ser C	F-A	96 1/2	97	96 1/2	96 1/2	1	93 1/2	96 1/2		
Exter of 5s of '14 ser D	F-A	90 1/2	93	92 1/2	92 1/2	3	90 1/2	93 1/2		
Exter of 5s of '14 ser E	F-A	92	Sale	91 1/2	92	40	87 1/2	94		
Exter of 5s of '14 ser F	F-A	97 1/2	Sale	97 1/2	98 1/2	537	94	98 1/2		
Japanese Gov't loan 4 1/2s 1923	F-A	83 1/2	87 1/2	83 1/2	May '18	-----	80 1/2	92 1/2		
Second series 4 1/2s	J-D	83 1/2	87 1/2	83 1/2	May '18	-----	83 1/2	92 1/2		
Do do "German stamp"	J-D	72	74	74 1/2	Mar '18	-----	74 1/2	76		
Do do "German stamp"	J-D	72	74	74 1/2	Mar '18	-----	74 1/2	76		
Do do "German stamp"	J-D	72	74	74 1/2	Mar '18	-----	74 1/2	76		
Lyons (City of) 3-yr 6s	M-N	89 1/2	Sale	89 1/2	89 1/2	129	84	90		
Marseilles (City of) 3-yr 6s	M-N	89 1/2	Sale	89 1/2	89 1/2	72	84	90		
Mexico—Exter loan 2 5/8s of 1899	Q-J	40 1/2	45	40 1/2	May '18	-----	40	42 1/2		
Gold debt 4s of 1898	J-D	31	40	33 1/2	Dec '17	-----	31	40		
Tokyo, City of, 6-yr 6s	M-N	87 1/2	91 1/2	87 1/2	91 1/2	60	81 1/2	89 1/2		
U S of Gt Brit & I 2-yr 5s 1918	M-N	99 1/2	Sale	99 1/2	99 1/2	325	97	99 1/2		
3-yr 5 1/2% notes 1919	F-A	97 1/2	Sale	97 1/2	97 1/2	265	95 1/2	98		
5-yr 5 1/2% notes 1919	M-N	94 1/2	Sale	94 1/2	95 1/2	184	91 1/2	95 1/2		
Convertible 5 1/2% notes 1919	F-A	99 1/2	Sale	99	99 1/2	330	91 1/2	100		
*These are prices on the basis of \$100.										
State and City Securities.										
N Y City—4 1/2% Corp stock	M-N	92 1/2	93	93	93	1	87 1/2	93		
4 1/2% Corporate stock	M-N	92 1/2	-----	92	92	5	87 1/2	92		
4 1/2% Corporate stock	M-N	92 1/2	93	91 1/2	91 1/2	-----	87 1/2	92		
4 1/2% Corporate stock	M-N	92 1/2	93	91 1/2	91 1/2	27	83 1/2	90 1/2		
4 1/2% Corporate stock	M-N	88	Sale	87 1/2	89	10	85	89		
4% Corporate stock	M-N	88	-----	87 1/2	87 1/2	5	85	87 1/2		
4% Corporate stock	M-N	88	88 1/2	87 1/2	87 1/2	5	85	87 1/2		
4% Corporate stock reg	M-N	80 1/2	88	85 1/2	Mar '18	-----	85	86		
New 4 1/2s	M-N	98 1/2	99 1/2	95	Apr '18	-----	93 1/2	98 1/2		
4 1/2% Corporate stock	M-N	99 1/2	99 1/2	97 1/2	98 1/2	3	93 1/2	98 1/2		
3 1/2% Corporate stock	M-N	78 1/2	80	78 1/2	78 1/2	3	76	78 1/2		
N Y State—4s	M-N	93 1/2	-----	101	July '17	-----	94 1/2	97 1/2		
Canal Improvement 4s 1902	F-A	95 1/2	-----	94 1/2	Apr '18	-----	94 1/2	97 1/2		
Canal Improvement 4s 1903	F-A	95 1/2	-----	95	May '18	-----	94 1/2	96 1/2		
Canal Improvement 4 1/2s 1904	J-D	106	107 1/2	106	106	3	104 1/2	108 1/2		
Canal Improvement 4 1/2s 1905	J-D	100 1/2	104 1/2	103	Sept '17	-----	104 1/2	107 1/2		
Highway Improv't 4 1/2s 1903	M-N	105 1/2	106 1/2	105	Apr '18	-----	104 1/2	107 1/2		
Highway Improv't 4 1/2s 1905	M-N	100 1/2	104 1/2	100 1/2	Apr '18	-----	100 1/2	104 1/2		
Virginia funded debt 2-3s	J-D	-----	-----	79	Dec '17	-----	79	80		
4s deferred Brown Bros et al	J-D	49	Sale	49	50	40	44	52		
Railroad.										
Ann Arbor 1st g 4s	Q-J	53	56	55	Mar '18	-----	55	59		
Aetahison Topeka & Santa Fe gen g 4s	A-O	81 1/2	82 1/2	82	82 1/2	30	80	85 1/2		
Registered 1902	A-O	70	80 1/2	80	Apr '18	-----	80	80		
Adjusted gold 4s	A-O	-----	-----	73 1/2	73 1/2	1	71 1/2	76		
Registered Nov	M-N	74 1/2	Sale	74 1/2	74 1/2	6	71 1/2	78		
Stamp 1902	M-N	85	-----	85 1/2	85 1/2	3	81 1/2	87		
Conv 4s issue of 1910	J-D	84 1/2	87	86	87	5	82	87 1/2		
East Okla Div 1st g 4s	M-N	86 1/2	91 1/2	91 1/2	Oct '17	-----	-----	-----		
Rocky Mtn Div 1st g 4s	J-D	88	80	78	Aug '17	-----	77	80 1/2		
Trans Con Short L 1st g 4s	Q-J	77 1/2	79 1/2	77	Apr '18	-----	77	80 1/2		
Cal-Aris 1st g ref 4 1/2s A	M-N	85	Sale	85	85	2	79	85		
St Fe Pres & P 1st g 4s	M-N	88	100	99 1/2	July '17	-----	83 1/2	93 1/2		
St Coast L 1st g 4s	M-N	82 1/2	83 1/2	83 1/2	83 1/2	12	81	84 1/2		
Gen unfin'd 4 1/2s	J-D	77	79 1/2	79 1/2	May '18	-----	75	82 1/2		
Ala Mid 1st g gold 5s	M-N	95 1/2	-----	99 1/2	Oct '17	-----	-----	-----		
Bruna & W 1st g gold 5s	M-N	93 1/2	-----	95	Sept '17	-----	-----	-----		
Charles & Bay 1st g gold 7s	J-D	107 1/2	-----	120 1/2	Aug '15	-----	70	75 1/2		
L & N coll gold 4s	M-N	72 1/2	72 1/2	73 1/2	73 1/2	1	70	73 1/2		
Bay F & W 1st g gold 6s	A-O	107 1/2	-----	115	July '17	-----	-----	-----		
1st g gold 6s	A-O	95 1/2	-----	106	July '15	-----	-----	-----		
Ill Sp Oca & G 1st g 4s	J-D	98 1/2	-----	99 1/2	May '18	-----	99	99 1/2		
Matt & Oca prior 3 1/2s	J-D	88	88 1/2	88 1/2	May '18	-----	85 1/2	89 1/2		
Registered	Q-J	87 1/2	-----	90 1/2	Sept '17	-----	76	78 1/2		
1st 50-year gold 4s	M-N	75	Sale	78	78 1/2	27	76	78 1/2		
20-yr conv 4 1/2s	Q-J	79 1/2	-----	92 1/2	Mar '17	-----	88	91 1/2		
Refund & gen 5s Serles A	J-D	80 1/2	81 1/2	80 1/2	81 1/2	4	80	83 1/2		
Fltts June 1st gold 6s	J-D	99	-----	112	Jan '18	-----	82	93 1/2		
Ettuce & M Div 1st g 3 1/2s 1925	M-N	82 1/2	86 1/2	83 1/2	May '18	-----	82	83 1/2		
P L E & W Va Svs 1st g 4s	J-D	74 1/2	70	74 1/2	74 1/2	2	72	70		
South Div 1st g 3 1/2s 1925	J-D	83	84 1/2	83	83 1/2	5	81	85 1/2		
Cent Ohio R 1st g 4 1/2s 1930	M-N	83 1/2	-----	100	Apr '17	-----	-----	-----		
Cl Lor & W con 1st g 5s	M-N	93	-----	95 1/2	Apr '18	-----	95 1/2	95 1/2		
Monon River 1st g 5s	M-N	95 1/2	-----	101 1/2	Nov '16	-----	-----	-----		
Ohio River RR 1st g 5s	M-N	91 1/2	-----	99 1/2	Oct '17	-----	88	88		
General gold 5s	A-O	85	-----	88	Mar '18	-----	99 1/2	99 1/2		
Pitts Cleve & Tol 1st g 6s	M-N	99 1/2	107	99	Mar '18	-----	99	99 1/2		
Buffalo R & P gen g 5s	M-N	85 1/2	99 1/2	99 1/2	Oct '17	-----	99	99 1/2		
Consol 4 1/2s	A-O	75	-----	97	Nov '17	-----	101	103		
Air & West 1st g 4s 50	J-D	85	-----	103 1/2	Feb '18	-----	99 1/2	103 1/2		
Clear Mah 1st g 5s	J-D	100 1/2	102	101	May '18	-----	101	103		
Rock & Pitts 1st g 5s	F-A	101	107	103 1/2	Apr '18	-----	80 1/2	91 1/2		
Consol 1st g 5s	J-D	101	107	103 1/2	Apr '18	-----	96 1/2	97 1/2		
Canada Svs cons g 4s	M-N	91	92	91	May '18	-----	87 1/2	90		
Car Clinch & Ohio 1st 30-yr 5s	J-D	75 1/2	84	84	Dec '17	-----	87 1/2	90		
Central of Ga 1st g 5s	F-A	97	-----	97 1/2	7 1/2	90	87 1/2	90		
Consol gold 6s	M-N	72	79	78	Aug '17	-----	90	90		
Chatt Div pur money g 4s 190										

Table with columns for BONDS N. Y. STOCK EXCHANGE (Week ending May 24), Interest Percent, Price (Friday May 24), Week's Range or Last Sale (Low, High), Bonds Sold, Range Since Jan. 1 (Low, High), and another set of columns for BONDS N. Y. STOCK EXCHANGE (Week ending May 24), Interest Percent, Price (Friday May 24), Week's Range or Last Sale (Low, High), Bonds Sold, Range Since Jan. 1 (Low, High).

* No price Friday; latest bid and asked this week. † Due Jan. ‡ Due Feb. § Due June. ¶ Due July. ** Due Oct. †† Option date.

Table with columns for Bond Type, Price, Week's Range, and Range Since Jan. 1. Includes sections for N.Y. Stock Exchange and Bonds.

* No price Friday; latest bid and asked, # Due Jan, # Due Feb, # Due May, # Due June, # Due July, # Due Aug, # Due Oct, # Due Nov, # Due Dec, # Option sale

BONDS					BONDS							
N. Y. STOCK EXCHANGE					N. Y. STOCK EXCHANGE							
Week ending May 24					Week ending May 24							
Interest	Period	Price		No.	Range	Interest	Period	Price		No.	Range	
		Friday	Week's					Friday	Week's			
		May 24	Range or		Since			May 24	Range or		Since	
			Last Sale		Jan. 1.				Last Sale		Jan. 1.	
		Bid	Ask	Low	High	Bid	Ask	Low	High	No.	Low	High
Vera Cruz & P 1st 4 1/4%	1934	J-J	90 1/2	90 3/4	35	88 1/2	90 3/4	90	91	5	88 1/2	90 3/4
Virginia 1st 5 1/2 Series A	1932	M-N	94 1/2	94 3/4	91	92 1/4	94 1/2	94 1/2	94 3/4	13	92 1/4	94 3/4
Washington 1st 5 1/2	1930	M-N	84 1/2	85 1/4	84 1/2	84 1/2	85 1/4	85 1/4	85 3/4		84 1/2	85 3/4
2d gold 5 1/2	1930	F-A	90 1/2	91 1/4	90 1/2	90 1/2	91 1/4	91 1/4	91 1/4		90 1/2	91 1/4
Debuture Series B	1939	J-J	99	100 1/4	99	99	100 1/4	100 1/4	100 1/4		99	100 1/4
1st lien equip s d f g 5 1/2	1921	M-N	97	99	100 1/4	97	99	100 1/4	100 1/4		97	99
2d lien 30-yr f term 5 1/2	1924	J-J	92 1/2	93 1/4	92 1/2	92 1/2	93 1/4	93 1/4	93 1/4		92 1/2	93 1/4
Debt & Ch Ext 1st g 5 1/2	1941	J-J	92 1/2	93 1/4	92 1/2	92 1/2	93 1/4	93 1/4	93 1/4		92 1/2	93 1/4
Debt & Ch Ext 2d g 5 1/2	1939	J-J	97	98 1/4	97	97	98 1/4	98 1/4	98 1/4		97	98 1/4
Ona Div lat g 3 1/2 4 1/4	1941	A-O	77	78 1/2	77	77	78 1/2	78 1/2	78 1/2		77	78 1/2
Ona Div lat g 3 1/2 5 1/4	1941	A-O	77	78 1/2	77	77	78 1/2	78 1/2	78 1/2		77	78 1/2
Total & Ch Div lat g 4 1/2	1941	M-N	80	81 1/4	80	80	81 1/4	81 1/4	81 1/4		80	81 1/4
Wash Term 1st g 5 1/2	1916	F-A	65 1/2	66 1/4	65 1/2	65 1/2	66 1/4	66 1/4	66 1/4		65 1/2	66 1/4
1st 40-yr guar 4 1/2	1945	F-A	80	81 1/4	80	80	81 1/4	81 1/4	81 1/4		80	81 1/4
West Maryland 1st g 5 1/2	1952	A-O	59 1/2	60 1/4	59 1/2	59 1/2	60 1/4	60 1/4	60 1/4		59 1/2	60 1/4
West N Y & Pa 1st g 5 1/2	1937	J-J	95 1/2	96 1/4	95 1/2	95 1/2	96 1/4	96 1/4	96 1/4		95 1/2	96 1/4
Gen gold 4 1/2	1943	A-O	88 1/2	89 1/4	88 1/2	88 1/2	89 1/4	89 1/4	89 1/4		88 1/2	89 1/4
Income 5 1/2	1918	Nov	40	41 1/4	40	40	41 1/4	41 1/4	41 1/4		40	41 1/4
Western Pac 1st ser A 5 1/2	1940	M-N	83 1/2	84 1/4	83 1/2	83 1/2	84 1/4	84 1/4	84 1/4		83 1/2	84 1/4
Wheeling & L E 1st g 5 1/2	1929	A-O	92 1/2	93 1/4	92 1/2	92 1/2	93 1/4	93 1/4	93 1/4		92 1/2	93 1/4
Wheel Div 1st g 5 1/2	1928	J-J	95	96 1/4	95	95	96 1/4	96 1/4	96 1/4		95	96 1/4
Gen & Imp't gold 5 1/2	1930	M-N	95	96 1/4	95	95	96 1/4	96 1/4	96 1/4		95	96 1/4
Refunding gold series A	1940	M-N	90	91 1/4	90	90	91 1/4	91 1/4	91 1/4		90	91 1/4
RR 1st consol 4 1/2	1940	M-N	60	61 1/4	60	60	61 1/4	61 1/4	61 1/4		60	61 1/4
RR 1st consol 4 1/2 S 1st	1940	M-N	56 1/2	57 1/4	56 1/2	56 1/2	57 1/4	57 1/4	57 1/4		56 1/2	57 1/4
Winona-Salem S B 1st 4 1/2	1900	J-J	65 1/2	66 1/4	65 1/2	65 1/2	66 1/4	66 1/4	66 1/4		65 1/2	66 1/4
Wis Cent 50-yr 1st gen 4 1/2	1949	J-J	73	74 1/4	73	73	74 1/4	74 1/4	74 1/4		73	74 1/4
Sup & Dul div & term 1st 4 1/2	1936	M-N	76	77 1/4	76	76	77 1/4	77 1/4	77 1/4		76	77 1/4

* No price Friday; latest bid and asked. a Due Jan. d Due April s Due May. g Due June. A Due July. z Due Aug. o Due Oct. p Due Nov. q Due Dec. # Option sale.

SHARE PRICES—NOT PER CENTUM PRICES.

Sales of the Week Shares.

STOCKS BOSTON STOCK EXCHANGE

Range Since Jan. 1.

Range for Previous Year 1917

Main table containing stock prices for various companies, organized by date (Saturday May 18 to Friday May 24) and categorized by industry (Railroads, Miscellaneous, etc.).

* Bid and asked prices. a Ex-dividend and rights. e Assessment paid. b Ex-stock dividend. A Ex-rights. z Ex-dividend. w Half-paid.

Outside Stock Exchanges

Boston Bond Record.—Transactions in bonds at Boston Stock Exchange May 18 to May 24, both inclusive:

Table with columns: Bonds, Friday Last Sale Price, Week's Range of Prices (Low, High), Sales for Week, Range since Jan. 1. (Low, High). Includes entries like U S Lib Loan 3 1/2's, 1932-47.

Baltimore Stock Exchange.—Complete record of the transactions at the Baltimore Stock Exchange from May 18 to May 24, both inclusive, compiled from the official sales lists, is given below.

Table with columns: Stocks, Par, Friday Last Sale Price, Week's Range of Prices (Low, High), Sales for Week, Range since Jan. 1. (Low, High). Includes entries like Alabama Co, Atlantic Petroleum, and various bond issues.

Philadelphia Stock Exchange.—The complete record of transactions at the Philadelphia Stock Exchange from May 18 to May 24, both inclusive, compiled from the official sales lists, is given below.

Table with columns: Stocks, Par, Friday Last Sale Price, Week's Range of Prices (Low, High), Sales for Week, Range since Jan. 1. (Low, High). Includes entries like Amer Railways, Baldwin Locomotive, and various industrial stocks.

Table with columns: Stocks (Concluded), Friday Last Sale Price, Week's Range of Prices (Low, High), Sales for Week, Range since Jan. 1. (Low, High). Includes entries like U S Steel Corp, West Jers & Sea Shore, and various bond issues.

Chicago Stock Exchange.—The complete record of transactions at the Chicago Stock Exchange from May 18 to May 24, both inclusive, compiled from the official sales lists, is given below.

Table with columns: Stocks, Par, Friday Last Sale Price, Week's Range of Prices (Low, High), Sales for Week, Range since Jan. 1. (Low, High). Includes entries like American Radiator, Amer Shipbuilding, and various industrial stocks.

Pittsburgh Stock Exchange.—The complete record of transactions at the Pittsburgh Stock Exchange from May 18 to May 24, both inclusive, compiled from the official sales lists, is given below.

Table with columns: Stocks, Par, Friday Last Sale Price, Week's Range of Prices (Low, High), Sales for Week, Range since Jan. 1. (Low, High). Includes entries like American Rolling Mill, American Sewer Pipe, and various industrial stocks.

Volume of Business at Stock Exchanges

TRANSACTIONS AT THE NEW YORK STOCK EXCHANGE DAILY, WEEKLY AND YEARLY.

Table showing weekly transactions at the New York Stock Exchange from Saturday to Friday, including shares and par value.

Table comparing sales at the New York Stock Exchange for 1918 and 1917, categorized by stocks, bonds, and government securities.

DAILY TRANSACTIONS AT THE BOSTON, PHILADELPHIA AND BALTIMORE EXCHANGES.

Table showing daily transactions at the Boston, Philadelphia, and Baltimore exchanges, including shares and bond sales.

New York "Curb" Market.—Below we give a record of the transactions in the outside security market from May 18 to May 24, 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.

Large table listing various stocks and bonds with columns for Friday Last Sale, Week's Range of Prices, Sales for Week, and Range since Jan. 1.

Large table listing various stocks and bonds with columns for Friday Last Sale, Week's Range of Prices, Sales for Week, and Range since Jan. 1.

Bonds (Concl.)—	Friday Last Sale Price.	Week's Range of Prices.			Sales for Week Shares.	Range since Jan. 1.		
		Low.	Hgh.	Low.		Hgh.		
Russian Govt 6 1/2% r. 1919	39	42	55,000	33	Mar	52	Jan
5 1/2% r. 1921	36	40	28,000	33	Apr	52	Jan
West-house Elec & Mfg 1-year 6% notes	99 1/4	99 1/4	16,000	98 3/4	Mar	99 3/4	Apr

* Odd lots. † No par value. ‡ Listed as a prospect. † Listed on the Stock Exchange this week, where additional transactions will be found. ‡ New stock. † Unlisted. ‡ Ex-cash and stock dividends. † When issued. ‡ Ex-dividend. † Ex-rights. ‡ Ex-stock dividend.

CURRENT NOTICE

—A. B. Leach & Co., Inc., of this city, were the successful bidders for \$500,000 City of Memphis, Tenn., 5% River Terminal bonds. These bonds are a direct obligation of the city and in addition are secured by a trust deed on properties of the terminal to be erected. A public offering of the bonds will be made shortly. The \$150,000 city of Cincinnati deficiency bonds dated Feb. 1 1918, due Feb. 1 1938, offered by A. B. Leach & Co., Inc., have all been sold. The offering was at 103.18 and interest, yielding about 4.75%.

—The new issue of Federal Land Bank 5% Farm Loan bonds are offered by advertisement in to-day's "Chronicle" at 101 and interest, netting over 4.75% to the redeemable date (1923) and 5% thereafter up to redemption or maturity. The syndicate offering these bonds, which are exempt from Federal, State, municipal and local taxation, includes: Alex. Brown & Sons, Harris, Forbes & Co., Brown Brothers & Co., Lee, Higginson & Co. and the National City Co. Full details appear in the advertisement, and in another item in the front part of to-day's issue of the "Chronicle."

—Poor's Manual of Industrials for 1918 has just been issued. The general information, the publishers state, has been revised to April 18. This volume of 2736 pages is designed to present the latest income accounts and balance sheets of all industrial companies in which there is a public interest. It states whether the companies assume a 4% income tax or only a 2% tax or no tax at all. Poor's Manual Co., 80 Lafayette St., New York. Price, \$10 a copy.

—Bonbright & Co., 25 Nassau St., this city, are advertising an attractive list of bonds, notes, debentures and preferred stocks in this week's issue of the "Chronicle." The interest yields range from 5.55% to 9.50% at present market prices. These securities are offered subject to sale and change in market price. See to-day's advertisement for details. The firm will supply a descriptive circular of any investment in list on request.

—A. Archibald, Director of Revenue and Finance of Newark, New Jersey, will receive bids for \$3,000,000 Tax Anticipation bonds of 1918, until 11 a. m. Tuesday, May 28, at the City Hall, Newark. Full details of the proposals are given in the advertisement appearing to-day under our "State & City News Department."

—A. B. Leach & Co., Inc., are offering \$150,000 City of Cincinnati deficiency 5% bonds, dated Feb. 1 1918, due Feb. 1 1938, at 103.18 and interest, yielding about 4.75%. The offering has been passed by the Capital Issues Committee of the Federal Reserve Board.

—Harris, Forbes & Co. of this city own and offer a comprehensive list of carefully selected Government, Municipal, railroad and public utility bonds which are described in "General Circular 90 F. C." Copy of this circular will be mailed to investors on request.

—Thomas McG. Leaver, special partner of Baker, Ayling & Young of Boston, in charge of their Chicago office, died on the 17th inst. at his home in Concord, N. H. He was a member of the Bond Men's Club and Bob o' Link Golf Club.

—All the notes having been sold, the National City Company, of this city, are advertising as a matter of record only, their recent offering of \$2,000,000 Timken-Detroit Axle Co. 7% serial notes.

—The firm of C. B. Van Nostrand, 66 Broadway, this city, announces that it will negotiate time loans in excess of \$10,000 on Standard Oil stocks and other seasoned collateral. Telephone 6080.

—M. A. Alexander, of Schenectady, N. Y., for the past three years with A. B. Bickmore & Co., has become associated with E. H. Rollins & Sons, representing them in the Mohawk Valley.

—Timney, Ladd & Co., 45 Exchange Place, this city, are offering and advertising in this issue \$1,000,000 Northern Pacific-Great Northern Joint C. B. & Q. Collateral Trust 4% bonds, due July 1 1921, at 93 1/4 and interest, yielding 6.20%.

—James S. McConnell Jr. has been elected to membership on the Chicago Stock Exchange and has acquired the membership of the late F. W. Von Franziskus.

—A. B. Leach & Co., Inc., announces that the entire issue of \$1,500,000 State of South Carolina 5% ten-months notes purchased jointly by themselves and the Guaranty Trust Co. have been sold.

New York City Banks and Trust Companies

Banks—N.Y.	Bid.	Ask.	Banks.	Bid.	Ask.	Trust Co.'s.	Bid.	Ask.
Amer Bank	485	500	Lincoln	230	300	Banks Trust	355	370
Amer Exch	220	235	Manhattan	345	345	Central Trust	375	385
Atlantic	170	180	Market & Bul	300	310	Columbia	337	355
Battery Park	200	215	Mech & Met	320	310	Commercial	100	100
Bowery	400	400	Merchants	100	100	Empire	290	300
Bronx Boro	150	200	Metropolitan	165	175	Equitable Tr.	337	342
Bronx Nat.	160	175	Mutual	375	375	Farm L. & Tr.	380	390
Bryant Park	145	155	New Neth	200	215	Fidelity	290	210
Butch & Drov	80	95	New York Co	140	150	Fulton	240	255
Chase	345	360	New York	415	415	Guaranty Tr.	332	337
Chat & Phen	233	242	Pacific	270	270	Hudson	135	145
Chelsea Ex	100	110	Park	500	515	Irving Trust	See Irving	See Irving
Chemical	335	335	People's	200	220	Law Tit & Tr	95	100
Citizens	208	215	Prod Exch	200	215	Law Trust	97	105
City	378	353	Public	200	215	Mechanics Tr	190	200
Coal & Iron	205	215	Seaboard	450	470	Mutual (West-	300	310
Colonial	400	400	Second	400	425	chester)	105	125
Columbia	4150	160	Sherman	125	135	N Y Life Ins	875	900
Commerce	175	178	State	110	115	& Trust	590	610
Comm'l Ex	390	410	23d Ward	115	130	N Y Trust	290	270
Common-	180	190	Union Exch.	150	160	Scandinavian	235	245
wealth	135	145	United States	500	500	Title Gu & Tr	260	275
Corn Exch	318	318	Wash H'rs	275	275	Transatlantic	175	175
Cosmopolitan	85	95	Westch Ave	160	175	Union Trust	337	358
Cuba (Bk of)	175	180	West Side	125	150	U S Mfg & Tr	335	405
East River	60	70	Yorkville	525	575	United States	910	930
Fifth Ave	3500	1000	Brooklyn	140	155	Westchester	130	140
Fifth	215	230	Coney Island	25	270	Brooklyn Tr.	510	540
First	860	860	Flatbush	125	135	Franklin	230	240
Garfield	170	185	Greenpoint	150	165	Hamilton	255	275
Gotham	200	200	Hillside	110	120	Kings County	620	650
Greenwich	335	350	Homestead	110	120	Manufacturers	125	145
Hanover	650	660	Mechanics	110	120	People's	265	275
Harriman	230	245	Montauk	95	95	Queens Co.	70	80
Imp & Trd	480	500	Nassau	200	207			
Irving Tr	See Irving	See Irving	National City	295	275			
certificates)	275	350	North Side	175	200			
Liberty	385	390	People's	130	140			

* Banks marked with a (*) are State banks. † Sale at auction or at Stock Exchange this week. ‡ Includes one-third share Irving Trust Co. † New stock. ‡ Ex-rights.

New York City Realty and Surety Companies

	Bid	Ask		Bid	Ask		Bid	Ask
Alliance R'ty	58	68	Lawyers Mtge	90	95	Realty Assoc	67	75
Amer Surety	108	115	Mtge Bond	82	87	(Brooklyn)	175	190
Bond & M G	180	190	Nat Surety	165	169	U S Casualty	60	60
Casualty Co.	14	19	N Y Title &	50	60	U S Title Guar	160	175
City Investing	60	67	Mtge	50	60	West & Bronx		
Preferred						Title & M G		

Quotations for Sundry Securities

All bond prices are "and interest" except where marked "f".

Standard Oil Stocks	Per Share	Bid	Ask	RR. Equipments—Per Cent	Bid	Ask
Anglo-American Oil new	21	11 1/4	12 1/4	Baltimore & Ohio 4 1/2%	6.25	6.25
Atlantic Refining	100	910	925	Buff Roch & Pittsburgh 4 1/2%	6.00	6.00
Borne-Seymour Co.	100	440	465	Equipment 4 1/2%	6.00	6.00
Buekoye Pipe Line Co.	60	*94	96	Canadian Pacific 4 1/2%	6.60	6.00
Cheesebrough Mfg new	100	315	330	Caro Clinefield & Ohio 5 1/2%	7.00	6.00
Colonial Oil	100	10	40	Central of Georgia 5 1/2%	6.00	5.50
Continental Oil	100	*425	450	Equipment 4 1/2%	6.00	5.50
Crescent Pipe Line Co.	60	*35	38	Chicago & Alton 4 1/2%	6.75	6.00
Cumberland Pipe Line	100	150	160	Chicago & Eastern Ill 6 1/2%	7.50	6.50
Eureka Pipe Line Co.	100	295	215	Equipment 4 1/2%	7.00	6.00
Galena-Signal Oil com.	100	128	133	Chie Ind & Louisa 4 1/2%	6.35	6.00
Preferred	100	120	128	Chie St Louis & N O 5 1/2%	5.90	5.50
Illinois Pipe Line	100	183	187	Chicago & N W 4 1/2%	5.75	5.25
Indiana Pipe Line Co.	50	*95	100	Chicago R I & Pac 4 1/2%	6.50	6.00
International Petroleum	21	*13	13 1/2	Colorado & Southern 5 1/2%	6.50	6.00
National Transit Co.	12.50	*13 1/2	14 1/2	Equip 5 1/2%	6.25	5.75
New York Transit Co.	100	210	220	Equipment 4 1/2%	6.25	5.75
Northern Pipe Line Co.	100	110	115	Equipment 5 1/2%	6.25	5.75
Ohio Oil Co.	25	330	335	Hooking Valley 4 1/2%	6.10	5.70
Penn-Max Fuel Co.	25	*32	35	Equipment 5 1/2%	6.10	5.70
Pierce Oil Corporation	25	*10	10 1/2	Illinois Central 5 1/2%	6.00	5.75
Prarie Oil & Gas	100	515	525	Equipment 4 1/2%	6.00	5.75
Prarie Pipe Line	100	270	275	Kanawha & Michigan 4 1/2%	6.50	6.00
Solar Refining	100	305	315	Louisville & Nashville 6 1/2%	5.00	5.40
Standard Oil Co.	100	186	190	Michigan Central 5 1/2%	6.10	5.60
Standard Oil (Indiana)	100	280	285	Missouri Pacific 4 1/2%	6.00	5.60
Standard Oil (Kentucky)	100	330	340	Missouri Pacific & Texas 5 1/2%	7.00	6.00
Standard Oil (Nebraska)	100	460	480	Missouri Pacific 5 1/2%	7.00	6.00
Standard Oil of New Jer	100	550	555	Mobile & Ohio 5 1/2%	6.50	6.00
Standard Oil of New Y'k	100	274	278	Equipment 4 1/2%	6.50	6.00
Standard Oil (Ohio)	100	400	410	New York Central Lines 5 1/2%	6.20	5.90
Swan & Finch	100	93	99	Equipment 4 1/2%	6.20	5.90
Union Tank Line Co.	100	98	101	N Y Ontario & West 4 1/2%	6.25	6.00
Vanguard Oil	100	355	365	Norfolk & Western 4 1/2%	5.75	5.50
Washington Oil	10	*27	32	Equipment 4 1/2%	5.75	5.50
Bonds	Per Cent			Pennsylvania RR 4 1/2%	5.75	5.25
Pierce Oil Corp conv 6 1/2% 1924	74	77		Equipment 4 1/2%	5.75	5.25
Ordinance Stocks—Per Share				Equipment 4 1/2%	5.75	5.25
Aetna Explosives pref.	100	70	75	St Louis Iron Mt & Sou 5 1/2%	7.00	6.00
American & British Mfg	100	4	6	St Louis & San Francisco 5 1/2%	6.75	6.00
Preferred	100	15	25	Seaboard Air Line 5 1/2%	6.90	6.00
Atlas Powder common	100	180	183	Equipment 4 1/2%	6.90	6.00
Preferred	100	90	92	Southern Pacific Co 4 1/2%	5.90	5.50
Babcock & Wilcox	100	113	115	Southern Railway 4 1/2%	6.00	5.75
Biles (E W) Co common	20	*325	400	Toledo & Ohio Central 4 1/2%	6.50	6.00
Preferred	50	*65	75			
Canada Fdys & Forgings	100	140	160			
Carbon Steel common	100	113	116			
1st preferred	100	90	100			
2d preferred	100	88	72			
Cold's Patent Fire Arms Mfg	25	*68	70			
duPont (E I) de Nemours & Co common	100	303	310			
Debiture stock	100	91	93			
Eastern Steel	100	90	95			
Empire Steel & Iron com	100	43	48			
Preferred	100	78	83			
Ercules Powder com	100	248	253			
Preferred	100	111	113			
Niles-Bement-Pond com	100	129	133			
Preferred	100	96	101 1/2			
Penn Seaboard Steel (no par)	100	*46	48			
Phoenix Dodge Corp	100	268	278			
Reovill Manufacturing	100	495	510			
Thomas Iron	50	*25	30			
Winchester Repeat Arms	100	700	825			
Woodward Iron	100	45	50			
Public Utilities						
Amer Gas & Elec com	50	*85	87			
Preferred	50	*41	42			
Amer Lt & Trac com	100	194	196			
Preferred	100	94	98			
Amer Power & Lt com	100	38	42			
Preferred	100	68	71			
Amer Public Utilities com	100	20	20			
Preferred	100	50	50			
Cities Service Co com	100	211	213			
Preferred	100	75 1/2	76			
Com'with Pow Ry & L	100	20	25			
Preferred	100	47	50			
Elec Bond & Share pref.	100	490	93			
Federal Light & Traction	100	6	8			

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. The returns of the electric railroads are brought together separately on a subsequent page.

Main 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 & Vicksburg, Ann Arbor, Aitch Topeka & S Fe, etc.

AGGREGATES OF GROSS EARNINGS—Weekly and Monthly.

Summary table with columns: Weekly Summaries (Current Year, Previous Year, Increase or Decrease, %), Monthly Summaries (Cur. Yr, Prev. Yr, Current Year, Previous Year, Increase or Decrease, %). Rows include 4th week Feb, 1st week Mar, etc.

Latest Gross Earnings by Weeks.—In the table which follows we sum up separately the earnings for the second week of May. The table covers 15 roads and shows 6.10% increase in the aggregate over the same week last year.

Table with columns: Second Week of May, 1918, 1917, Increase, Decrease. Lists various roads and their earnings for the week of May 6-12, 1918, compared to the same week in 1917.

Net Earnings Monthly to Latest Dates.—The table following shows the gross and net earnings with charges and surplus of STEAM railroad and industrial companies reported last week:

Table with columns: Roads, Gross Earnings (Current Year, Previous Year), Net Earnings (Current Year, Previous Year). Lists monthly earnings for various roads from January to April.

a Net earnings here given are after deducting taxes. b Net earnings here given are before deducting taxes.

Table with columns: Roads, Gross Earnings, Net Earnings, Other Income, Total Income, Charges & Taxes, Balance, Surplus. Shows monthly earnings and financial results for various roads.

EXPRESS COMPANIES.

Table with columns: Adams Express Co., Great Northern Co., Month of January, Total from transportation, Express privileges, Revenue from transport'n, Oper. other than transport'n, Total operating revenues, Operating expenses, Net operating revenue, Uncollect. rev. from transp'n, Express taxes, Operating income. Includes sub-sections for Northern Express Co. and Electric Railway and Public Utility Cos.

ELECTRIC RAILWAY AND PUBLIC UTILITY COS.

Table with columns: Name of Road or Company, Latest Gross Earnings (Current Year, Previous Year), Jan. 1 to Latest Date (Current Year, Previous Year). Lists earnings for various electric railway and public utility companies.

Table with columns: Name of Road or Company, Latest Gross Earnings (Current Year, Previous Year), Jan. 1 to Latest Date (Current Year, Previous Year). Lists earnings for various electric railway and public utility companies, including Hudson & Manhattan, Illinois Traction, Interboro Rap Tran, etc.

a Represents income from all sources. b These figures are for consolidated company. c Earnings now given in millions. d 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: Companies, Gross Earnings (Current Year, Previous Year), Net Earnings (Current Year, Previous Year), Fixed Chgs. & Taxes, Balance, Surplus. Lists net earnings and financial results for various electric railway and public utility companies.

a Net earnings here given are after deducting taxes. b Net earnings here given are before deducting taxes.

	Gross Earnings.	Net after Taxes.	Fleed Charges.	Balance, Surplus.
Milw Lt Ht & Trac Apr '18	216,564	45,785	44,445	1,452
Apr '17	167,274	38,332	38,649	150
4 mos '18	833,927	121,946	174,689	245,229
4 mos '17	666,753	139,291	164,385	114,919
Newport News & Hampton R Gt E Apr '18	156,294	44,731	20,506	234,327
Apr '17	92,873	36,370	20,636	116,832
4 mos '18	565,171	160,544	81,424	280,975
Apr '17	348,906	123,195	82,493	241,331
Phila Rapid Trans Apr '18	2,642,000	1,007,588	814,126	193,462
Apr '17	2,456,300	1,073,352	813,746	259,606
10 mos '18	25,060,549	9,927,933	8,125,650	1,802,283
Apr '17	23,457,395	10,295,123	8,142,214	2,152,909
Puget Sound Tr L& P Mar '18	965,911	384,404	207,665	176,739
Mar '17	768,419	289,789	191,723	98,066
3 mos '18	2,845,290	1,107,412	618,376	489,036
Mar '17	2,276,467	886,208	572,790	313,418

ANNUAL REPORTS.

Annual, &c., Reports.—The following is an index to all annual and other reports of steam railroads, street railways and miscellaneous companies published since April 27 1918. This index, which is given monthly, does not include reports in to-day's "Chronicle."
Full-face figures indicate reports published at length.

Steam Roads—	Page.	Industrial (Cont'd)—	Page.
Aetelson Topeka & Santa Fe Ry.	2143	Butterworth-Judson Corp.	1798
Baer & Aroostook RR.	1798	California Petroleum Co.	1795
Boston & Albany RR.	2019	Canadian Car & Foundry Co.	1794
Buffalo & Susquehanna RR.	2084	Canadian Cottons, Ltd.	2124
Carolina Clinchfield & Ohio RR.	2006	Carbon Steel Co. (3 mos.)	1798
Central RR. of New Jersey.	1787	Carolina Power & Light Co.	2122
Chesapeake & Ohio Ry.	1892, 2094	Central Leather Co. (3 mos.)	1798
Chicago Burlington & Quincy RR.	2114	Cerro de Pasco Copper Co.	1792
Chicago & Eastern Illinois RR.	2007	Chesapeake Iron Co. (3 mos.)	2012
Chicago Great Western RR.	2007	China Copper Co., 1792 (3 mos.)	2013
Chicago Indianapolis & Louisville Ry.	2089	Coastwise Transportation Co.	2125
Chicago Milwaukee & St. Paul Ry.	2085	Colorado Fuel & Iron Co. (3 mos.)	1798
Cincinnati Northern RR.	2010	Colorado Power Co.	1799
Clev. Chic. & St. Louis RR.	2093	Copper Range Co.	1798
Cleveland Palmyer & Ashabula RR.	2019	Corn Products Refining Co. (3 mos.)	1798
Cleveland Palmyer & Eastern RR.	2010	Curtis Aeroplane & Motor Corp.	2043
Cripple Creek Central Ry.	1893	Dennison Mfg. Co. (balance sheet)	1903
Delaware & Hudson Co.	1593, 2092	Electric Bond & Share Co.	1903
Delaware Lackaw. & Western RR.	1900	Elk Horn Coal Corp.	2043
Denver & Rio Grande RR.	2010	Fort Worth Power & Light Co.	1798
Duluth South Shore & Atlantic Ry.	1893	General Asphalt Co. (11 mos.)	2013
Erie RR.	1796	General Electric Co.	1799
Fonda Johnstown & Cloverdy. RR.	2122	Grand Atlantic & Pacific Tea Co.	2043
Grand Trunk Ry.	2115	Hercules Powder Co. (3 mos.)	1994
Hocking Valley Ry.	2004	Holly Sugar Corp.	2013
Indiana Harbor Belt RR.	2123	International Cotton Mills	1899
International & Great Northern Ry.	2088	Internat. Harvester Co. of N. J.	1894
Kanawha & Michigan Ry.	2123	International Harvester Corp.	1895
Kanawha Valley Southern Ry.	1892, 2095	Ipsaw Creek Coal Co. (3 mos.)	2125
Lake Erie & Western RR.	2099	Kansas Gas & Electric Co.	1799
Lehigh & Hudson River Ry.	2011	Kennecott Copper Corporation	2120
Lehigh & New England RR.	2011	Lake Superior Corp.	2120
Louisiana & Arkansas Ry.	2099	Lanston Monotype Machine Co.	2125
Manitowish & North Eastern RR.	2011	MacAndrews & Forbes Co.	2014
Michigan Central RR.	2002	Magna Copper Co.	1799
Missouri Pacific RR.	1892	Magnolia Petroleum Co. (bal. sheet)	2014
Nashville Chatt. & St. Louis Ry.	1788	Manhattan Elec. Supply Co.	2126
New Orleans Texas & Mexico Ry.	2114	Manufact. Light & Heat Co. (3 mos)	2126
New York Central RR.	2002	Middvale Steel and Ordnance Co.	1904
New York Chicago & St. Louis RR.	2007	Milw. Roofing Co.	1795
New York Phila. & Norfolk RR.	1901	Molitor Hotel Co.	2126
Northern Pacific Ry.	2095	Montana Power Co. (3 mos.)	1799
Philadelphia & Reading Ry.	1786	Motor Products Corp.	1799
Pittsburgh & Lake Erie RR.	2093	Mt. Vernon Woodberry Mills, Inc.	1794
Pittsburgh & West Va. Ry.	2011	National Acme Co. (3 mos.)	1799
Reading Company	1786	National Fuel Gas Co.	1799
Railroad RR.	1789	Nebraska Power Co.	1800
St. Louis-Han Francisco Ry.	2096	Nevada Consolidated Copper Co., 1896 (3 mos.)	2126
Seaboard Air Line Ry.	2113	New England Co. Power System.	1800
Spokane & Inland Empire RR.	2118	New Jersey Zinc Co. (3 mos.)	1904
Toledo & Ohio Central Ry.	2124	New York Dock Co.	1794
Wabash Ry.	2124	Niagara Falls Power Co. (3 mos.)	1904
Western Pacific RR.	1787, 1892	North American Mines Co.	1904
Electric Roads—		Nova Scotia Steel & Paper Co.	2126
American Cities Co.	2012	Owens Bottle Machine Co.	1799
Augusta-Alton Ry. & Elec. Corp.	2117	Pacific Power & Light Co.	1800
Cape Breton Electric Co.	1900	Phila. & Reading Coal & Iron Co.	1787
Capital Traction Co.	2118	Pierce Arrow Motor Car Co. (3 mos)	2126
Federal Light & Traction Co.	1900	Pleasant Oil Corp.	2120
Havana Elec. Ry., Light & Pow. Co.	2011	Portland Gas & Coke Co.	1800
Lake Shore Electric Ry.	2116	Prairie Oil & Gas Co. (bal. sheet)	1800
Monongahela Valley Traction Co.	2123	Ray Cons. Cop. Co., 1791 (3 mos.)	2126
Newport News & Hampton Ry., Gas & Electric Co.	2117	Safety Car Heating & Lighting Co.	1791
Northern Ohio Traction & Lt. Co.	2117	Savage Arms Corp. (3 mos.)	1905
Ottawa Traction Co.	1799	Shattuck-Rice Copper Co. (3 mos.)	1905
Porto Rico Railway	1901	Singer Cutlery Corp.	2119
United Gas & Electric Corp.	2111	Singlet Oil & Refining Co. (3 mos.)	2014
United Light & Railways	1789	South Western Power & Light Co.	1800
Washington Ry. & Electric Co.	2012	Standard Oil Co. of N. Y.	1809
Industrials—		Standard Serey Co.	2014
Aetna Explosives Co. (3 mos.)	1902	Submarine Signal Co.	2015
Alaska Gold Mines Co.	1797	Tennessee Copper Co.	1905
Allis-Chalmers Mfg. Co. (3 mos.)	1797	Texas Power & Light Co.	1809
American Beet Sugar Co.	2119	Tidewater Oil Co.	2118
American Glue Co.	2124	Toupsch Belmont Development Co.	2127
Am. Hides & Leather Co. (3 & 9 mos)	1797	United Drug Co. (3 mos.)	2015
American Paper & Light Co.	1897	United Gas Improvement Co.	1792
American Beet Formidies (3 mos.)	1902	United States Gypsum Co.	1793
American Water Works & Electric Co. (6 mos.), 1798 (9 mos.)	2124	U. S. Smelting, Ref. & Mining Co.	1791
American Writing Paper Co.	1793	United States Steel Corp.	1894
Anaconda Copper Mining Co.	1895	Utah Copper Co., 1809 (3 mos.)	2015
Appalachian Power Co.	1902	Vacuum Oil Co.	2121
Braiden Copper Mines Co.	2121	Victor Talking Machine Co.	1894
Bush Terminal Co.	1897	Washington Water Power Co.	1789
Burns Bros., N. J. & N. Y.	2120	Westinghouse, Church, Kerr & Co.	1809
Butte & Superior Mining Co., 1798 (3 mos.)	2124	Worthington Pump & Mach. Co.	1905

Atlantic Coast Line Railroad.

(Report for Fiscal Year ending Dec. 31 1917.)

The report signed by Chairman Henry Walters and President J. R. Kenly, together with the comparative balance sheet, will be found on subsequent pages.

GENERAL STATISTICS FOR CALENDAR YEARS.

Operations—	1917.	1916.	1915.
Total miles operated.	4,787	4,774	4,700
Passengers carried (No.)	9,658,140	8,115,053	7,455,106
Passengers carried one mile.	517,787,140	407,150,991	351,625,303
Average rate per passenger per mile.	2.236 cts.	2.203 cts.	2.182 cts.
Freight (revenue tonnage)	15,393,652	13,446,781	11,011,514
Tons one mile (revenue)	3,001,835,390	2,614,243,295	1,832,455,465
Average rate per ton per mile.	0.965 cts.	1.002 cts.	1.180 cts.
Passenger earnings per train mile.	\$1.21	\$1.96	\$0.86
Freight earnings per train mile.	\$3.34	\$3.08	\$2.92
Gross earnings per mile.	\$9.217	\$7.895	\$8.795

INCOME ACCOUNT FOR CALENDAR YEARS.

	1917.	1916.	1915.
Operating Revenues—			
Freight	\$28,960,413	\$25,184,952	\$21,630,841
Passenger	11,576,866	8,970,879	7,673,555
Mail, express, &c.	2,744,355	2,505,600	2,139,984
Incidental	781,697	660,654	495,582
Total operating revenue	\$44,063,331	\$37,322,085	\$31,936,962
Operating Expenses—			
Maintenance of way, &c.	\$4,801,462	\$4,443,559	\$4,322,124
Maintenance of equipment	7,002,226	5,991,657	5,287,959
Traffic expenses	752,670	723,802	646,822
Transportation	15,982,771	11,879,430	10,921,138
General expenses	994,587	913,673	849,782
Miscellaneous	178,739	135,500	111,192
Transportation for investment	Cr. 28,460	Cr. 27,017	Cr. 25,840
Total operating expenses	\$29,773,995	\$24,600,605	\$22,113,177
Net earnings	\$14,289,336	\$13,261,480	\$9,823,785
Taxes	2,204,000	1,843,410	1,618,157
Uncollectibles	11,594	11,833	20,122
Operating income	\$12,013,742	\$11,406,237	\$8,185,506
Dividends on L. & N. stock	(7%) 2,570,400	(7.2%) 2,670,400	(5.1%) 1,830,000
Other dividends, &c., received	458,550	340,744	348,501
Other interest, rents, &c.	775,558	676,099	521,633
Joint facilities	258,580	257,358	255,701
Hire of equipment	1,116,230	722,266	422,651
Gross income	\$17,192,960	\$15,973,105	\$11,569,992
Deduct—			
*Interest on funded debt	\$6,050,657	\$5,812,267	\$5,656,779
Interest on cts. of indebtedness, &c.	6,196	6,406	7,006
Interest on equipment trusts	59,387	80,170	109,420
Rentals of leased lines	43,475	43,668	43,278
Joint facilities	148,560	126,174	124,556
Miscellaneous	55,903	36,697	184,666
Approp. for invest. in physical prop'y	113,923	179,104	—
Sinking, &c., funds	18,874	16,903	15,521
Dividends on common stock	(7%) 4,729,109	(6.4%) 5,033,480	(5.3%) 3,777,900
Dividends on R. & P. "A" stock	(7%) 770,000	(6%) 600,000	(5%) 500,000
Dividends on preferred stock (5%)	9,835	9,835	9,835
Total deductions	\$11,309,610	\$10,424,793	\$9,679,360
Balance, surplus	\$5,892,350	\$5,548,312	\$1,990,632

* Does not include Int. on co.'s bonds held in treasury.—V. 106, p. 601.

Chicago Rock Island & Pacific Railway.

(Report for Fiscal Year ending Dec. 31 1917.)

The report of President J. E. Gorman for the calendar year 1917 was cited at much length in the "Chronicle" of May 11, page 2025, in connection with comparative tables of income account and balance sheet for two years past, and the profit and loss account of Dec. 31 1917.

The company, after a successful reorganization, emerged from receivership at midnight June 24 1917, having escaped the necessity for a foreclosure sale through the co-operation of the stockholders and the replacement of the \$20,000,000 debenture bonds with 6% preferred stock. On July 1 1917 also the \$12,500,000 1st M. 6s of 1877 matured and were paid. During the year there was a total reduction of \$44,096,967 in the amount of funded debt in the hands of the public, while the receivers' certificates (\$6,588,000) and the loans and bills payable (\$4,100,000) were paid off and a profit and loss deficit of \$5,024,423 became a surplus of \$9,938,379. For further particulars see the aforesaid report in V. 106, p. 2025, 1678.—V. 106, p. 2010.

Carolina Clinchfield & Ohio Ry.

(7th Annual Report—Year ended Dec. 31 1917.)

Pres. Mark W. Potter, N. Y., Feb. 1 written in substance (compare map on p. 22 of "Railway & Industrial" Section):

Results.—The fiscal year having been changed to end Dec. 31, a summary of the results of 1917 shows: Operating revenue increased \$1,008,903, or 30.79%, but operating expenses increased \$708,051, or 40.64%, so that net operating revenue increased \$300,852, or 19.61%. Taxes increased \$71,697, or 46.11%, while miscellaneous income increased \$177,394, or 39.78%, and interest, rentals and other fixed charges increased \$94,694, or 7.65%. Income carried to profit and loss, therefore, amounted to \$899,794, being an increase of \$312,076, or 53.10% over 1916.

The revenue from merchandise freight amounted to \$1,639,311, being an increase of \$491,395. The number of tons carried one mile amounted to 149,058,595, an increase of 65.41%, and the average haul increased from 76.27 to 96.40 miles, an increase of 20.13 miles. Proportion of gross revenue derived from merchandise freight, 38.25%, an increase of 3.21%. From transportation of coal there was derived \$2,317,195, an increase of \$433,459. The number of tons of coal carried one mile shows an increase of \$2,889,098 ton miles, or 21.02%. Proportion of gross revenue derived from coal freight 51.74%, a decrease of 2.70%.

The expenditure for maintenance of way and structures averaged \$1,464 per mile operated, as compared with \$996 67 per mile in 1916, an increase of 47.10%. The expenses for maintenance of equipment increased \$188,162, or 42.06%.

The total cost of transportation was \$986,370, an increase of \$339,345, or 52.44%; the increase in the revenue ton miles was 29.28%.

Funded Debt.—First mortgage bonds of \$200,000 were sold on Nov. 23 '16. On Jan. 1 1917 there were purchased 500 50-ton all-steel hopper cars and 5 steel underground caboose cars, at a cost of \$903,114, \$143,114 being paid in cash and an issue made of \$760,000 5% equipment trusts, Series F, payable in 20 semi-annual installments of \$38,000 each, commencing July 1 1917 and ending Jan. 1 1927.

On April 2 1917 an agreement was executed for the lease of 7 Mallet type locomotive engines and 9 Mikado type locomotive engines, and the creation thereon of \$840,000 5% equipment trusts, Series G, following a cash payment of \$252,950. The certificates are payable \$42,000 each April 1 and Oct. 1 till April 1 1927 (V. 104, p. 2235). The first deliveries of these locomotives will be made in April 1918.

On Feb. 1 1917 there were issued (V. 104, p. 1044, 1144) \$6,000,000 of Elkhorn Extension First Mtno. 5% gold notes, maturing Feb. 1 1920, and secured by first mortgage on the railway and other property from Virginia Kentucky State line to Dante, Va., 32 miles, and by \$500,000 First Mortgage 5% gold notes of Clinchfield Northern Ry. of Kentucky. The proceeds were used to retire \$5,500,000 Elkhorn Extension 5% gold notes of 1912, maturing May 1 1917, and for improvements on the Elkhorn Extension.

On May 18 1917 \$475,000 First Mtno. 5% gold bonds, \$50,000 6% Convertible First Income debentures and \$250,000 6% Second Income debentures of Black Mountain Ry. Co. were purchased for \$475,000, payable in our 6% promissory notes dated May 15 1917, redeemable from time to time with a final maturity date not later than Jan. 1 1920. An option to purchase the entire \$50,000 capital stock was also obtained.

Payments during the year on account of principal of equipment trust notes aggregated \$766,000. Of the \$7,362,950 equipment trust obligations issued the co. has paid \$4,291,000, leaving outstanding \$3,191,950.

Industrial Development.—Satisfactory progress has been made in securing the location of new industries along the line. A list of these is appended to the report.

Damage by Storm.—In July 1916 a storm of unprecedented violence occurred in western North Carolina, through which the railway extends. At Altapass 22.22 inches of rain fell in 24 hours, a record for the United States. Through traffic was interrupted for five weeks, with the estimated cost of restoring the roadbed and track \$325,000, of which there had been expended to Dec. 31 1917 \$247,909. The loss of revenue was estimated at \$350,000.

CLASSIFICATION OF TONNAGE FOR YEARS ENDING DEC. 31.

Table with 5 columns: Products, Agricul., Animals, Mines, Forests, Manufac., Mds. Rows include 1917 (tons), 1916 (tons), 1915 (tons).

TRAFFIC STATISTICS.

Table with 5 columns: Years end. Dec. 31, 1916, 1915, June 30, 1915. Rows include Aver. miles operated, Passengers carried, Pass. carried 1 mile, etc.

INCOME ACCOUNT.

Table with 5 columns: Years end. Dec. 31, 1916, 1915, June 30, 1915. Rows include Freight revenue, Passenger, Mail, express, &c., Total oper. revenue, etc.

BALANCE SHEETS.

Table with 5 columns: Car. Cl. & O. of S. C., Dec. 31 '17, June 30 '16, Dec. 31 '17, June 30 '16. Rows include Assets, Property owned, Securities owned, etc.

* Includes as of Dec. 31 1917 cash in bank, \$138,704, and cash deposit for principal and interest of obligations matured, \$195,58. —V. 106, p. 2006, 1036.

Wabash Railway Company.

(Second Annual Report—Year ended Dec. 31 1917.)

President Edward F. Kearney says in substance:

Annual Meeting.—The fiscal year having been changed to the calendar year, the annual meeting will hereafter be held the third Monday in May.

Funded Debt.—The reduction of \$163,000 included Gold Equipment bonds of 1901, \$144,000; Detroit & Chicago Extension bonds, \$19,000.

Road and Equipment.—The expenditures on this account in 1917, aggregating \$3,418,536, included \$693,331 on road and \$3,326,046 gross (\$2,471,630 net) on equipment, notably: 25 new Santa Fe type locomotives, \$1,150,783; 1,000 new box cars, \$796,192; 300 new stock cars, \$189,518.

Results.—The operating revenues were \$40,471,999, an increase of \$2,750,894, or 7.29%, and the largest during the history of the property. Revenue from freight traffic increased \$1,733,114, or 6.28%. Tons carried one mile increased 344,613,307, or 7.76%; average revenue per ton mile was 6.13 mills, a decrease of .09 mill. Revenue from passenger traffic increased \$649,582, or 9.25%; average revenue per passenger mile, \$0.1975; increase \$0.0049. Revenue from express increased \$203,676, or 18.99%.

Operating expenses show an increase of \$3,594,479, or 12.63%, the ratio of expenses to revenues being 70.34%, compared with 65.94% for 1917, due principally to increases in rates of wages and prices of fuel, materials and supplies. For the year 1917 they were approximately \$3,216,000 greater than they would have been at the rates and prices prevailing in 1916; of this aggregate, \$1,736,000 was due to increases in rates of wages and \$1,480,000 to increases in prices of fuel, materials and supplies, and there is a continued upward tendency in the cost of labor and materials.

Extraordinary repairs and renewals, amounting to \$706,893, were included in operating expenses, the largest item being freight-train cars rebuilt, renewed and repaired, \$301,375. Maintenance of way and structures increased \$164,273, or 4.33%; the principal increase was in cross ties, there being an increase in the number laid in track of 99,110 as compared with 1915. Maintenance of equipment expenses decreased \$196,789, or 3.48%, due principally to the large expenditure made during 1916 in reconstructing freight cars.

Traffic expenses show a decrease of \$70,721, or 6.37%, but transportation expenses increased \$3,523,555, or 26.36%. The average number of tons of all freight per train mile was 609.91, an increase of 50.74 tons, or 9.09%, over the heavy loading of last year. Taxes increased \$284,213, or 19.55%, due chiefly to increase in the Federal income tax on account of increase in rate from 2% to 6%.

The income account for the year shows a net corporate gain of \$4,172,045, as compared with \$5,306,498 for the preceding year, a decrease of \$1,134,453. This decrease is due to the increase in operating expenses caused principally by increases in rate of wages and prices of fuel and supplies.

Four dividends of 1%, Nos. 2 to 5, inclusive, of \$462,000 each, were declared upon the outstanding \$46,200,000 of 5% profit-sharing preferred stock A, during the year, payable quarterly April 30 1917 to Jan. 31 1918, calling for \$1,848,000.

GENERAL STATISTICS FOR YEARS ENDING DEC. 31.

Table with 4 columns: 1917, 1916, 1915. Rows include Average miles operated, Passengers carried, Passengers carried 1 mile, Average revenue per pass. per mile, Revenue tons carried, Revenue tons carried 1 mile, Average revenue per ton per mile, Revenue per mile of road.

INCOME ACCOUNT FOR CALENDAR YEARS.

Table with 4 columns: 1917, 1916, 1915, 1914. Rows include Freight revenues, Passenger revenues, Miscellaneous revenues, Total oper. revenues, Maint. of way & struc., Traffic, Transportation, Miscellaneous operations, General, &c., Total oper. expenses, Net earnings, Taxes, Operating income, Int. & inc. from invest., Rentals received, &c., Total income, Deductions, Rentals paid, Hire of equipment, Miscellaneous, Int. on bds. & eq. obli., Int. on receivers' cdfs., Disc't on receiver's cdfs., Int. on 4% gold notes, Sinking, &c., funds, Invest. in physical prop., Prof. "A" dividends, Total deductions, Balance, sur. or def., sur.

GENERAL BALANCE SHEET DEC. 31.

Table with 4 columns: 1917, 1916, 1917, 1916. Rows include Assets, Road & equip't, Banking funds, Dep'dits in lieu of mtgd. prop., Misc. phy. prop., Inv. in affil. cos., Other invest'mts., Cash, Spec. depos., &c., Traffic, &c., bal., Agents and conductors, Mater. & suppl., Miscellaneous, Prep'd rents, &c., Oth. unadj. deb., Securs. issued or assumed, (unpledged), Liabilities, Profit shar. prof., A's stock, Convertible pref. "B" stock, Common stock, Funded debt, Loans & bills pay, Traffic, &c., bal., Acc'ts & wages, Int. &c., matur., Unmatured divs. declared, Acc'd int., &c., Miscellaneous, Tax liability, Opera'te reserves, Accrued deprec., Unadj. acc'ts items, Approp. surplus, Profit and loss.

Total 224,074,034 220,038,581 Total 224,074,034 220,038,581 n After deducting miscellaneous items (net) aggregating \$36,385. V. 106, p. 2124, 2012.

Toledo & Ohio Central Railway.

(Report for Fiscal Year ending Dec. 31 1917.)

President Alfred H. Smith says in substance:

Funded Debt.—Equipment trust certificates of 1917, \$1,200,000 were issued (V. 104, p. 1265) and there were retired during the year: equipment trust certificates of 1907, \$28,000; of 1910, \$120,000; of 1913, \$213,323; of 1917, \$120,000.

Results.—Railway operating revenue increased \$1,884,694 and (net) railway operating income increased \$309,153; but non-operating income decreased \$223,914 (wholly due to decrease in hire of equipment credit item); "deductions" from gross income decreased \$85,150, the loss from the separately operated Zanesville & Western Ry. alone having decreased from \$239,426 to \$111,045. The result for the year was: net income, \$914,690, against \$744,301 in 1916. In 1916, \$5,088,632 to the balance to credit of profit and loss Dec. 31 1916, \$5,088,632 to the debit of \$914,690 makes a total of \$6,003,322, against which was charged "loss on sale Sunday Creek Co. bonds", \$230,625; and sundry adjustments, \$17,350; leaving balance to credit of profit and loss Dec. 31 1917, \$5,755,347.

Operations.—Coal Traffic.—Freight revenue increased \$1,606,065, as the result of a gain of \$1,508,817 in coal revenue, and \$187,248 in revenue from other freight handled. The large number of new mines opened during the year, and the increased demand for Ohio coal, produced local coal traffic of 2,891,056 tons, an increase over 1916 of 1,362,986 tons, or 88%. The coal received from connecting lines amounted to 4,834,832 tons, a decrease of 342,792 tons, or 6%, as compared with the previous year. There were largely increased shipments of coke, iron, ore, lumber, grain, hay and miscellaneous manufactures, and some falling off in the movement of brick, stone and other building and road making materials. The total freight handled amounted to 10,785,418 tons, a net gain of 1,308,256 tons, or 14%. The receipts per ton per train mile were 4.47 mills, as compared with 4.03 mills in 1916, the increase being mainly due to the larger volume of local coal traffic.

There was an increase of 14% in total tonnage, and 20% in ton mileage and there was an increase of only 12% in the train miles. The average number of tons of freight per train mile was 855, a gain of 55 tons, or 7%, as compared with the previous year, attributable to the use of heavier power. Passenger revenue increased \$73,624, with an increase of 6% in the number of passengers carried and average receipts per passenger per mile, 1.86 cents, as compared with 1.78 cents for 1916.

The operating expenses show increases aggregating \$1,503,469, occasioned largely by the greater volume of traffic handled, together with much higher prices for material and greatly increased labor costs. Maintenance, Improvements, &c.—There were 2,078 tons of new open hearth steel rails weighing 90 pounds per yard laid in 13.5 miles of main track. There were used in renewals 140,631 main track ties, of which 34,976 were cross-ties. Stone ballast was applied to 59.7 miles of track. A new standard steel truss bridge, 135 feet long was erected over Alum Creek near Bannon, and standard steel deck girder viaduct 322 feet long over Poplar Creek near Harley, replacing steel structures too light for heavy power, which cannot be operated between Columbus and Thurston until two other bridges received since the close of the year have been erected. The expenditures for investment in road aggregated (net), \$263,070.

There were 10 heavy consolidation freight and 5 passenger engines purchased during the year. During June, July and August 1,000 new steel hopper cars were received under the equipment trust of 1917. There were retired from service 1 passenger and 6 freight locomotives, and 687 freight, 15 caboose and 75 service cars. Net increase equipment \$1,473,793. Zanesville & Western Ry.—Statements showing data concerning the Zanesville & Western Railway Co., including results of operation of its road for the year 1917, will be found appended below, and it will be noted that the miles served by its line produced more than 1,600,000 tons of coal, an increase of 750,000 tons, or 87% over the previous year.

TRAFFIC STATISTICS FOR CALENDAR YEARS.

Table with 4 columns: 1917, 1916, 1915, 1914. Rows include Miles operated, Operations, Pass. passengers carried, Pass. carried one mile, Rev. per pass. per mile, Tons moved (revenue), Tons moved 1 m. (rev.), Rev. per ton per mile, Ayrge. train-load (tons), Equip. per pass. train m., Equip. per freight-train mile, Gross earnings per mile.

INCOME ACCOUNT YEARS ENDING DEC. 31.

	1917.	1916.	1915.	1914.
Freight revenue	\$6,868,760	\$5,172,703	\$3,852,759	\$4,013,876
Passenger revenue	691,119	617,494	577,483	614,239
Mail, express, &c.	250,201	225,404	185,020	174,873
Incidentals	278,453	187,246	107,090	127,638
Total operating revs.	\$8,088,541	\$6,203,847	\$4,722,352	\$4,930,626
Maint. of way, &c.	\$1,035,569	\$786,127	\$667,883	\$809,405
Maint. of equipment	1,508,629	1,355,068	961,640	997,534
Traffic expenses	99,451	87,707	84,477	91,703
Transportation	3,356,445	2,197,850	1,755,415	1,982,043
General & miscellaneous	154,160	144,084	140,381	146,758
Total	\$6,114,305	\$4,610,835	\$3,009,794	\$4,027,503
Net operating revenue	\$1,974,236	\$1,593,012	\$1,112,558	\$903,123
Taxes accrued, &c.	271,913	299,841	276,917	267,428
Operating income	\$1,602,324	\$1,293,171	\$835,641	\$635,695
Other Income—				
Hire of equipment	42,812	267,896		
Dividends received	447,390	447,390	447,390	226,928
Miscellaneous	201,947	200,777	194,853	186,998
Gross corp. income	\$2,294,473	\$2,209,234	\$1,477,884	\$1,049,621
Deduct—				
Hire of equipment			\$11,250	\$236,189
Miscel. interest, &c.	\$541,052	\$543,700	556,354	496,240
Interest on funded debt	568,629	544,006	547,893	263,483
Joint facility rents	154,968	128,164	92,476	91,703
Other rents, &c.	6,788	6,637	6,347	5,078
Deficit of Z. & W. Ry.	111,045	239,426	220,271	254,499
Total deductions	\$1,379,783	\$1,464,033	\$1,434,771	\$1,356,237
Balance, surplus or def. sur.	\$914,690 sur.	\$744,301 sur.	\$43,113 sur.	\$306,616 def.

Zanesville & Western Ry.—Results for Calendar Years.

Calendar Years—	Gross Earnings.	Net (after Taxes).	Other Income.	Interest, Rents, &c.	Balance, Deficit.
1917	\$613,347	\$31,941	\$8,442	\$151,429	\$111,045
1916	391,535	loss 121,041	7,585	125,970	239,426

BALANCE SHEET DEC. 31.

	1917.	1916.	1917.	1916.
Assets—				
Road & equip't	28,787,943	27,051,181	5,840,300	5,840,300
Inv. in affil. cos.			3,701,400	3,701,400
Stock	8,362,215	8,368,297		
Bonds	2,000,000	2,000,000		
Notes	330,000	330,000		
Advances	293,752	259,010		
Other investments	151,026	151,351		
Misc. phys. prop.	1,345,070	524,513		
Materials & supp.	591,442	662,703		
Cash	83,245	80,415		
Special deposits	317,371	224,191		
Agents & condue.	77,459	180,132		
Traffic, &c., bals.	955,863	845,457		
Miscell. accounts	1,053,333	973,333		
Interest, &c., rec.	304,462	163,872		
Unadj. debits, &c.				
Total	44,653,182	42,061,736	44,653,182	42,061,736
Liabilities—				
Stock, common a.	5,840,300	5,840,300		
Stock, preferred a.	3,701,400	3,701,400		
Bonds (see "Ry. & Ind." Section)	2,272,000	2,272,000		
Equip'm't oblig'ns	3,453,230	2,734,533		
Non-mortg. debt			256,483	169,452
To affiliated cos.			110,545,199	10,569,012
Notes, &c.			1,039,794	498,596
Accounts & wages			274,189	191,693
Traffic, &c., bals.			84,850	81,705
Mat'd int. unpaid			1,882,354	1,729,340
Miscell. accounts			121,121	57,107
Accr. int. divs., &c.			193,411	131,882
Unadj. &c. items			1,805,615	1,634,475
Accrued deprec'n			1,334,889	1,332,532
Add'ns to property thro. inc. & surp.			5,755,347	5,088,633
Profit and loss				
Total	44,653,182	42,061,736	44,653,182	42,061,736

* After deducting \$17,350 for sundry adjustments (net). a After deducting \$653,700 common stock, \$5,600 pref. stock and \$228,000 income bonds. St. Mary's division, held by or for carrier. b Non-negotiable debt to affiliated companies (notes) in 1917, against loans and bills payable in 1916.—V. 106, p. 2124.

Kanawha & Michigan Railway.

(Report for Fiscal Year ended Dec. 31 1917.)

President Alfred H. Smith says in substance:

Equipment Trusts Retired.—Issue of 1912, \$120,000; of 1914, \$120,000. **Results.**—Freight revenue increased \$6,300. There was a gain of \$117,626 in coke traffic, and \$202,569 in other freight handled, which more than offset a decrease of \$313,895 in coal revenue. There was a decrease of \$965,291 tons in coal traffic handled, due to shortage of cars for the first three months of the year, shortage of miners for the next three months, and inability of connecting lines to receive and transport the traffic to the markets during the remainder of the year. There was an increase of 134,189 tons in coke traffic, and 242,277 tons in other freight handled, making a net decrease in total tonnage of 591,825 tons. The receipts per ton per mile were 4.43 mills, as compared with 3.93 mills for the previous year. With a decrease of 11.93% in ton mileage, there was a decrease of 12.62% in the freight train mileage, resulting in a slight gain in the trainload. The average number of tons of revenue freight per train mile was 1,186, an increase of 9 tons over the previous year.

Passenger revenue increased \$37,842; average receipts per passenger per mile 2.03 cents, an increase of 0.05 cents. Operating expenses show a net increase of \$164,339. Non-operating income increased \$135,738, due almost entirely to hire of equipment earnings.

Maintenance, &c.—New open hearth steel rails, weighing 90 pounds per yard, were laid in 18.3 miles of main track; also 4,436 white oak ties. Stone ballast was applied to 6.2 miles of main track. A new standard steel girder bridge 34 feet long was erected at Rockville, replacing one too light for heavy power; and a reinforced concrete bridge was erected over Florida St. in Charleston, the city bearing 35% of the cost of eliminating the former grade crossing.

The expenditures for investment in road during the year aggregated net \$57,616; for equipment a net reduction of \$93,886.

Subsidiaries.—To Dec. 31 1917 capital stock of the Kanawha & West Virginia RR. Co. to the amount of 13,403 shares out of the total issue of 13,506 shares outstanding had been delivered to this company, leaving due only 103 shares, the delivery of which is secured by \$10,000 of first mortgage bonds of the company held in escrow. The same causes which brought about the decrease in coal traffic of the Kanawha & Michigan Ry., as already stated, served as a bar to any increase in coal production from the mines served by the Kanawha & West Virginia RR.; but notwithstanding these adverse conditions, the earnings for the year were sufficient to meet all expenses and taxes, but after payment of interest on the bonds there was a resulting deficit of \$18,557. During the year \$10,000 of car trust bonds were retired.

On June 12 1917, the Directors authorized a loan of \$300,000 to the Gauley & Eastern Ry. Co., a subsidiary of this company, to meet the cost of constructing 5 1/2 miles of line up the Gauley River from the present terminus of the Kanawha & Michigan Ry. at Gauley Bridge to a connection at Belva with the Kanawha & West Virginia RR., which extends from that point eastward up the river 4 miles to Swiss. To Dec. 31 1917, \$120,000 has been advanced, all of the right-of-way had been purchased, and about 2 miles of the grading, which involves some heavy rock work, has been completed. The line will probably be operated by Dec. 31.

TRAFFIC STATISTICS FOR CALENDAR YEARS.

	1917.	1916.	1915.	1914.
Average miles operated	177	177	177	177
Operations—				
Passengers (number)	1,132,515	1,099,689	1,008,549	
Pav. carried one mile	20,675,622	19,272,795	17,587,615	
Av. receipt per passenger per mile	2.03 cts.	1.98 cts.	1.96 cts.	
Tons (revenue) freight	5,544,333	6,136,158	5,538,239	
Tons (revenue) freight one mile	682,492,107	774,943,134	701,726,024	
Average receipts per ton per mile	0.448 cts.	0.393 cts.	0.385 cts.	
Average tons per train mile	1,206	1,194	1,093	
Earnings per passenger tr. mile	\$1.29	\$1.06	\$0.96	
Earnings per freight tr. mile	\$5.31	\$4.63	\$4.15	
Gross earnings per mile	\$20,425	\$19,977	\$17,775	

INCOME ACCOUNT FOR CALENDAR YEARS.

	1917.	1916.	1915.
Earnings—			
Passenger	\$319,191	\$381,348	\$350,880
Freight	3,055,085	3,048,785	2,703,198
Mail, express, &c.	132,715	97,727	85,026
Total operating revenue	\$3,606,991	\$3,527,861	\$3,139,104
Expenses—			
Maintenance of way and structures	\$421,511	\$446,284	\$415,163
Maintenance of equipment	895,700	917,624	672,873
Transportation	1,002,140	897,011	856,936
Traffic	41,147	35,178	85,016
General expenses, &c.	92,628	82,690	77,631
Total	\$2,543,126	\$2,378,787	\$2,060,619
Net operating revenue	\$1,063,865	\$1,149,074	\$1,078,486
Hire of equipment	654,640	520,730	200,138
Rents & miscellaneous	33,260	31,632	22,611
Total income	\$1,761,765	\$1,701,236	\$1,301,235
Deduct—			
Interest on funded debt	\$291,260	\$303,589	\$318,106
Other interest		10,155	10,525
Taxes, &c.	280,408	168,216	146,808
Rents paid, &c.	21,320	20,881	20,718
Dividends (5%)	450,000	450,000	450,000
Total	\$1,042,988	\$953,871	\$946,158
Balance, surplus	\$708,777	\$747,365	\$355,077

BALANCE SHEET DEC. 31.

	1917.	1916.	1917.	1916.
Assets—				
Road & equip't	18,062,631	18,098,901	9,000,000	9,000,000
Inv. in affil. cos.			4,969,000	4,969,000
Stocks	1,000,000	1,000,000		
Other investments	101,505	45,505		
Cash	146,937	103,329		
Special deposits	218,333	222,755		
Bills receivable	172,676	52,600		
Traffic, &c., bals.	138,795	272,575		
Agents & condue.	33,289	15,295		
Miscellaneous	210,798	89,461		
Material & suppl's	783,188	358,464		
Deferred assets	137,887	51,501		
Unadjusted debits	47,027	38,440		
Total	22,033,065	21,349,136	22,033,065	21,349,136
Liabilities—				
Common stock			9,000,000	9,000,000
Mortgage bonds			4,969,000	4,969,000
Equip. trust oblig.			1,440,000	1,630,000
Traffic, &c., bals.			40,246	32,814
Accounts & wages			372,621	244,272
Miscellaneous			8,214	4,927
Matured int., &c.			100,658	104,770
Accrued interest			24,690	24,690
Accrued taxes			90,570	65,227
Accrued deprec'n			816,071	734,530
Unadj. credits, &c.			36,334	6,980
Add'ns to property thro. inc. & surp.			1,069,156	1,063,676
Profit and loss			4,035,406	3,410,250
Total	22,033,065	21,349,136	22,033,065	21,349,136

* After deducting sundry net items, \$33,622.—V. 106, p. 2123, 601.

Colorado & Southern Railway.

(19th Annual Report—Year ended Dec. 31 1917.)

Pres. Hale Holden, Chicago, Jan. 1, wrote in substance:

Results.—The total operating revenues show an increase of \$2,216,532, or 13.46%; operating expenses an increase of \$1,510,969, or 14.98%, and the net operating revenue an increase of \$705,563, or 11.05%. Tax accruals increased \$348,860, due chiefly to increases in the Federal income and war tax. Operating income shows an increase of \$356,023, or 6.33%.

Losses Charged Off.—In June 1916 there was appropriated from surplus the sum of \$1,000,000, and in June 1916 a further \$500,000, to establish a reserve to provide for possible losses arising out of the depreciation in value of the securities of certain railroads owned by the company. During the current year there has been charged against this appropriation losses determined as follows: Book value of capital stock of the Colorado Midland Ry. Co. (1st M. foreclosed), \$1,021,557; book value of capital stock of the Ghippin RR. Co. (1st M. foreclosed), \$63,307.

Obligations Retired.—During the year the following long-term debt obligations aggregating \$247,000 have been retired: 1st M. bonds of the Colo. Springs & Cripple Creek District Ry. Co., through sinking fund, \$64,000; deferred rentals under equipment leases, \$183,000.

Capital Account.—There were charges to capital account aggregating \$104,139 for additions and betterments. Due to abandonment of road and removal of track therefrom, also equipment destroyed, total credits were passed to capital account amounting to \$226,328, leaving a net credit during the year of \$122,188.

Improvements, &c.—In pursuance of our improvement policy we have constructed new industry tracks and extensions aggregating 87,863 track feet, and have laid in main line track 1 1/2 track miles of new 85-lb. steel (replacing rail of lighter weights); also 44,566 rail anchors and 265,719 tie plates. Cross-tie renewals were 571,578, being 8.3% of cross ties in track. Main line track ballasted with gravel, 7.97 miles; with cinders, 10.73 miles. Ballast renewals, 16.2 miles, with cinders and coke breeze. We built 178 freight cars at the Denver shops and purchased 53 second-hand box cars, in addition to doing a large amount of improvement work on cars and locomotives.

Industrial, &c., Developments.—Twenty-five new industries were located on the line, including one coal mine, six ore mines, six oil-loading stations, two grain elevators, two manufactories, seven wholesale dealers and one U. S. G. experimental station. New settlers have been aided in taking up dry lands in Colorado. Dairying has been encouraged, also the planting of pinto beans on dry land. The planting of peanuts has been encouraged and developed, so that there is now a large acreage devoted to this crop.

Traffic.—The establishment of a National Guard divisional training camp at Ft. Worth, aviation training camps at Hicks and Wichita Falls, and the enlargement of the regular army increment camp at Ft. D. A. Russell have produced a considerable amount of additional business for our lines. The opening up of large bodies of low-grade molybdenum ore on our narrow-gauge line in Summit County, Colo., will result in increased tonnage and revenue during the period of the war.

Line Abandoned.—The line which was originally constructed by the Denver & New Orleans RR. Co. in 1883 has not been used by the Colo. & South. Ry. Co. for the operation of its trains for a number of years. The line abandoned is in an unproductive territory where there are no towns or stations requiring transportation facilities, and during the past year portions of the rail and other property in that territory have been removed.

In August 1900 the Colo. & South. Ry. Co. entered into a joint operation contract and lease agreement with the Atch. Topcka & Santa Fe Ry. Co., and has since that time under a long-term contract used the A. T. & S. Fe leased mileage between Denver and Pueblo for the operation of their through business.

Although there was a greater acreage of cotton along our Texas lines in 1917 than in previous years, the yield per acre, owing to the protracted drought, was the lowest in a period of 13 years.

On the other hand, on account of drought conditions, there was an unusual movement of live stock, the movement being principally out of west Texas. This company handled over 21,000 cars of stock out of this territory during the year. It will take a number of years fully to recover and restock the pastures abandoned.

Trinity and Brazos Valley Ry.—The receiver of the T. & B. V. Ry. Co. reports a deficit in

COLORADO & SOUTHERN LINES—RESULTS FOR CALENDAR YEARS.

	1917.	1916.	1915.
Operating Revenues—			
Freight	\$13,560,637	\$11,951,001	\$10,560,926
Passenger	4,123,348	3,522,955	3,260,469
Mail, express, &c.	1,211,835	995,323	924,270
Total operating revenues	\$18,685,810	\$16,469,279	\$14,745,665
Operating Expenses—			
Maintenance of way and structures	\$1,783,054	\$1,881,738	\$1,944,310
Maintenance of equipment	3,104,424	2,821,307	2,769,214
Traffic	225,061	213,672	202,160
Transportation	5,828,334	4,611,103	4,604,377
Miscellaneous, &c.	102,198	77,751	76,300
General	553,290	479,700	475,085
Total operating expenses	\$11,996,301	\$10,085,333	\$10,071,277
Net earnings	\$7,089,509	\$6,383,947	\$4,674,388
Railway tax accruals	1,106,472	757,611	666,183
Uncollectibles	1,395	717	299
Operating income	\$5,981,642	\$5,625,619	\$4,007,906
Add—Rents	667,057	631,546	500,968
Miscellaneous interest	193,233	90,615	58,101
Gross income	\$6,841,932	\$6,347,780	\$4,575,975
Deductions—			
Rents, &c.	\$299,234	\$333,734	\$491,009
Interest on funded debt	2,844,871	2,860,329	2,859,257
Miscellaneous	90,554	142,490	117,500
Sinking funds	36,457	67,432	68,301
1st preferred dividend (4%)	340,000	(2)170,000	---
2d preferred dividend (4%)	340,000	---	---
Additions and betterments	250,723	280,220	---
Miscellaneous appropriations of income	---	---	500,000
Total deductions	\$4,201,838	\$4,354,206	\$3,536,127
Balance, surplus	\$2,640,094	\$1,993,574	\$1,039,848

BALANCE SHEET DEC. 31,

	1917.	1916.	1917.	1916.
Assets—				
Road & equip't	\$11,186,486	\$11,308,503	---	---
Inv. in affil. cos.	---	---	---	---
Stocks	337,203	449,710	---	---
Bonds	8,839,252	8,790,000	---	---
Notes	1,690,498	1,440,498	---	---
Advances	30,232	30,232	---	---
Other investm'ts	636,254	1,441,631	---	---
Phys. prop., &c.	219,957	23,575	---	---
Cash	1,806,105	2,632,201	---	---
Time drafts, &c.	2,530,000	2,070,000	---	---
Special deposits	703,878	137,904	---	---
Loans & bills rec.	300	7,550	---	---
Traffic, &c., bal.	564,871	525,693	---	---
Acts. & condue.	443,110	296,492	---	---
Miscellaneous	739,623	475,734	---	---
Material & supp	2,051,081	1,233,456	---	---
Disc. of fund. dt.	253,090	271,154	---	---
Unadjusted, &c. accounts	330,593	151,092	---	---
Total	\$35,362,555	\$32,205,081	---	---
Liabilities—				
1st pref. stock	8,500,000	8,500,000	---	---
2d pref. stock	8,500,000	8,500,000	---	---
Common stock	31,021,484	31,021,484	---	---
Mtge. bonds (see "By & Ind.")	\$61,304,900	\$61,302,900	---	---
Equip. tr. oblig.	840,000	1,023,000	---	---
Traffic, &c., bal.	704,513	573,582	---	---
Acts. & wages	1,352,880	992,929	---	---
Matur. int., &c.	154,705	126,476	---	---
Misc. accounts	345,023	162,850	---	---
Acct. int., &c.	632,333	633,467	---	---
Accrued taxes	736,604	433,726	---	---
Accrued deprec.	5,693,784	5,043,188	---	---
Unadj. &c. accta	207,004	150,562	---	---
Thro. inv. & sur.	---	---	---	---
Add to prop'y	6,601,961	6,498,973	---	---
Fund. dt. retic.	564,000	500,000	---	---
Sink. fd. ret'v'ce	6,107	34,743	---	---
Approp. sur. not spec'ly invest.	915,136	2,000,000	---	---
Profit and loss	\$7,212,446	\$4,618,271	---	---
Total	\$35,362,555	\$32,205,081	---	---

a After adding misc. items aggregating (net) \$261,932, and deducting \$307,850 loss on retired road and equipment.—V. 106, p. 2122, 1126.

Central of Georgia Railway Co.

(23d Annual Report—Year ended Dec. 31 1917.)

C. H. Markham, Chairman of the Board, says in substance:

Results.—There was an increase of \$1,139,570, or 12.72%, in freight revenue, \$936,829, or 23.25%, in pass. revenue, and \$222,988, or 15.35%, in other operating revenues, making a total increase in revenues from operations of \$2,299,394, or 16.75%.

The operating ratio was 68.93, an increase of 1.94%. Maintenance of way and structures increased \$232,936, or 12.19%, and maintenance of equipment, \$351,065, or 15.12%. Charges for depreciation of equipment were \$541,497, an increase of \$18,686, or 3.57%. Transportation expenses increased \$1,146,517, or 27.83%, and accrued taxes \$171,158, or 24.27%.

Funded Debt.—Equipment obligations aggregating \$138,000, and Greenville & Newnan Main Line bonds and Upper Cahaba Branch bonds aggregating \$60,000, matured and were paid. Equipment Trust "K" has been fully paid off. The only equipment obligations now outstanding are \$800,000 under Equipment Trust "L". No general and refunding mtge. bonds have been executed or issued since the date of last annual report. The amount sold and outstanding (\$122,000) and the amount unsold and available for corporate purposes (\$7,800,000) remain unchanged.

Dividends.—During the year pref. div. No. 9 (\$450,000) at the stipulated rate of 5% per annum and com. div. No. 5 (\$125,000) at the rate of 5%, were declared and paid and charged to the reserve set aside in 1916 for the six months ended Dec. 31 1916, and pref. divs. Nos. 10 and 11 (\$900,000) at the stipulated rate of 6% per annum and com. divs. Nos. 6 and 7 (\$250,000) at rate of 5% p. a., were declared and charged in the accounts of 1917.

Road and Equipment.—The expenditures for additions and betterments, &c., including those on leased railway property aggregating (net) \$1,181,469.

There were 29,0534 miles of track relaid with 90-lb. new steel rail, 32 miles with 80-lb. new steel rail; \$126,996 were expended in construction of automatic block signals.

GENERAL TRAFFIC STATISTICS FOR CALENDAR YEARS.

	1917.	1916.	1915.	1914.
Average miles operated	1,918.74	1,921.86	1,924.09	1,924.09
Rev. freight (tons) carr.	6,273,089	5,660,353	5,011,052	5,239,490
Rev. frgt. (tons) carr. 1 m.	105,060,751	90,737,746	786,420,113	781,642,880
Avg. rev. per ton per m.	0.06 cts.	0.09 cts.	1.02 cts.	1.06 cts.
Earns. per frgt. tr. carload	83.50	83.10	83.10	83.01
Avg. rev. (tr. load) tons	370.85	343.19	307.78	307.78
Passengers carried	5,476,758	4,511,520	4,188,644	4,727,066
Passengers carried 1 mile	205,250,088	164,830,331	145,495,911	164,140,032
Av. rev. per pass. per m.	2.07 cts.	2.01 cts.	2.03 cts.	2.07 cts.
Earns. per pass. train m.	\$1.09	\$0.86	\$0.79	\$0.88
Earns. per mile of road	\$8,351.50	\$7,141.59	\$6,368.80	\$6,758.79

INCOME ACCOUNT FOR CALENDAR YEARS.

	1917.	1916.	1915.
Operating Revenues—			
Freight	\$10,007,953	\$8,958,377	\$8,052,424
Passenger	4,253,700	3,316,870	2,956,586
Mail, express, &c.	1,133,101	1,010,425	914,094
Incidental	539,783	439,471	331,049
Total operating revenues	\$16,024,537	\$13,725,141	\$12,254,153
Maintenance of way, &c.	\$2,143,141	\$1,910,204	\$1,831,973
Maintenance of equipment	2,672,947	2,321,382	2,085,593
Traffic	480,492	457,396	409,463
Transportation	5,265,402	4,118,886	4,121,971
Miscellaneous operations	18,477	16,857	17,244
General, &c.	465,390	455,850	438,225
Total operating expenses	\$11,045,849	\$9,281,046	\$8,654,468
Net earnings	\$4,978,688	\$4,444,095	\$3,599,685
Taxes, &c.	887,152	720,412	637,850
Operating income	\$4,091,536	\$3,723,683	\$2,961,835
Hire of equipment	430,341	387,909	210,193
Rents, &c., received	382,079	364,156	345,836
Dividend income	454,540	871,238	868,427
Miscellaneous operations (net)	3,245	---	---
Gross income	\$5,362,241	\$5,346,980	\$4,386,292
Deductions—			
Rent for leased roads	\$369,249	\$368,868	\$369,398
Other rents, &c.	354,954	298,521	286,884
Interest on funded debt	1,997,411	2,029,949	2,035,916
Preferred dividends (6%)	900,000	900,000	900,000
Common dividends (5%)	250,000	250,000	250,000
Total deductions	\$3,871,614	\$3,847,338	\$3,842,168
Balance, surplus	\$1,490,628	\$1,499,651	\$544,124

BALANCE SHEET DECEMBER 31,

	1917.	1916.	1917.	1916.
Assets—				
Road & equip't	\$4,610,638	\$4,610,638	---	---
Improv. on leased	---	---	---	---
Railway property	441,893	257,546	---	---
Deposits in lieu of mtgd. prop. sold	---	30,160	---	---
Miscell. physical property	442,894	427,909	---	---
Inv. in affil. cos.	---	---	---	---
Stocks	4,799,002	4,799,242	---	---
Bonds	650,000	650,000	---	---
Notes & rfts. of int'ellectualness	516,223	543,455	---	---
Advances	881,323	878,033	---	---
Other investm'ts	776,904	644,426	---	---
Cash	1,291,084	1,032,161	---	---
Special deposits	261,739	234,093	---	---
Loans & bills rec.	10,539	2,545	---	---
Traffic, &c., bal.	140,878	187,370	---	---
Agents & condue.	295,925	63,082	---	---
Miscellaneous	1,036,923	546,370	---	---
Material & suppl's	2,046,071	1,413,110	---	---
Deferred assets	18,451	16,390	---	---
Prop'd rents, &c.	14,297	21,030	---	---
Other unadjusted debts	467,352	233,584	---	---
Total	\$78,732,336	\$75,595,250	---	---
Liabilities—				
Common stock	6,000,000	6,000,000	---	---
Preferred stock	15,000,000	15,000,000	---	---
Equip. obligations	800,000	938,000	---	---
Mortgage bonds	31,383,000	31,443,000	---	---
Coll. trust bonds (Cont. RR. & Bkq. Co. of Georgia)	4,840,000	4,840,000	---	---
*Income bonds	288,350	295,350	---	---
Non-negotiable debt to affiliated cos.	3,100,000	3,000,000	---	---
Traffic, &c., bal.	353,338	372,374	---	---
Accounts & wages	1,255,264	1,051,608	---	---
Miscellaneous	241,260	174,746	---	---
Matured interest	211,607	162,318	---	---
Mat'd funded debt	50,900	---	---	---
Unmat'd divs. decl.	575,000	---	---	---
Accrued int., &c.	403,395	386,296	---	---
Tax liability	168,760	61,960	---	---
Insurance reserve	350,532	288,912	---	---
Other reserves, &c.	1,210,437	408,422	---	---
Accrued deprec.	4,548,027	4,136,426	---	---
Add'n to prop'y	3,690,447	3,674,939	---	---
Fund. debt retired	239,213	229,213	---	---
Approp. sur. not spec'ly invest.	---	---	---	275,000
Profit and loss	\$5,020,700	\$3,560,631	---	---
Total	\$78,732,336	\$75,595,250	---	---

Securities issued or assumed—unpledged, \$6,627,950.
* Actually outstanding, a Through income and surplus since June 30 1907. b After deducting sundry items (net) aggregating \$26,558.—V. 106, p. 1125, 606.

Long Island Railroad.

(36th Annual Report—Year ended Dec. 31 1917.)

President Ralph Peters says in substance: Results.—Total operating revenues increased \$2,314,340, or 15.46%; passenger revenue increased \$2,102,215, or 24.70%, and freight revenue increased \$226,363, or 5.15%. The number of passengers carried one mile increased 17.50%; passenger-train mileage increased 1.95%.

The passenger business created by the new route to the Pennsylvania Station continues to increase, the total number handled being 14,459,259, an increase of 1,235,001 over 1916. Much additional passenger business was created by the local army camps; troops handled amounted to 751,215 passengers. An increase in passenger mileage book rates and also in trip ticket rates early in the year increased the general revenue. Commutation travel increased 7.3%, notwithstanding a small loss on the North Shore and Atlantic divisions, where certain city rapid transit extensions drew traffic from your lines.

The operating expenses show an increase of \$2,033,327, due to increased cost of wages, materials, supplies, fuel, &c., and increased service to army camps. Taxes increased \$66,246, or 7.42%.

Income from other sources decreased \$30,722, due to decrease in dividend income of \$48,610, from failure of N. Y. & Rockaway Beach Ry. to earn dividend, in combination with other items, credit and debit.

Interest on funded debt shows a decrease of \$217,323, and on unfunded debt a decrease of \$224,676, reflecting the readjustment of the co.'s debt. After deducting interest on funded and other debt, the result for the year shows a surplus of \$869,301.

Profit and Loss.—This account, after taking credit for the 1917 net income, shows a decrease to the debit of that account of \$705,774. The charge to the account for the year aggregated \$454,794, and included the yearly charge of \$150,000 on account of writing off Atlantic Ave. leasehold estate, \$254,395 on account of road and equipment, and \$50,399 miscellaneous. The account was credited with \$291,268, besides the net income, being credits on property and equipment changes during the year.

Road and Equipment.—The expenditures account of road and equipment aggregated \$2,634,497 gross (\$2,176,408 net), including chiefly: Bay Ridge Impt. and Brooklyn grade-crossing impt., \$735,525; real estate, \$191,696; Camp Upton, \$219,063; equipment, \$976,782; facilities account passenger and freight service, \$257,160; Oakdale to east of Sayville, second track, \$116,702.

Bay Ridge Improvement.—The total expenditures aggregated \$735,525. Float bridges and yard at Bay Ridge were practically completed and connecting system installed. The New York Connecting R.R. has been completed to the connection with the division at Fresh Pond Junction, and the direct through route for freight traffic between the New Haven and Pennsylvania systems is now completed and in operation. Your company will now receive a return upon its large investment, started in 1903, and the new route to New England will give your company increased tonnage to and from its own terminals and delivery yards along its belt line through the Borough of Brooklyn.

During 1917 your company was able to play a considerable part in relieving the freight congestion in the New York terminals, through the use of its facilities for export tonnage, and naturally profited thereby. There were 61 vessels handled at your Bay Ridge pier, resulting in giving us 1,811 cars of freight. There were 6,810 cars handled over float bridges at Bay Ridge at various times during the year, thus helping out the bridges at Long Island City, where 295,

INCOME ACCOUNT FOR CALENDAR YEARS.

Table with 4 columns: 1917, 1916, 1915, 1914. Rows include Revenues (Freight, Passenger, Mail, express, &c.), Operating Expenses (Maint. of way & struc., Maint. of equipment, Traffic expenses, Transportation, Misc. operations, &c., General), Operating expenses, Net earnings, Uncollectible revenues, Taxes, Operating income, Other Income (Joint facil., rents, &c., Unfd. secur., &c., acct's.), Gross Income, Deduct (Losses of other roads, Hire of equipment, Joint facilities rents, &c., Miscellaneous rents, &c., Bond interest, Other interest, Miscellaneous), Total deductions, Balance, sur. or deficit, sur.

BALANCE SHEET DEC. 31.

Table with 4 columns: 1917, 1916, 1917, 1916. Rows include Assets (Road & equip't, Imp't. on leased rail property, In mt. cons., Stocks, Bonds, Notes, Advances, Other Investments, Misc. prop., Deposits in list of mtal. prop. sold, Cash, Special depos., &c., Traffic, &c., bal., Agents & cond'rs, Int. divs., &c. rev., Materials & sup., Miscellaneous) and Liabilities (Capital stock, Funded debt, Equip. trust obli., Real estate mtges., Loans & bills pay., Traffic, &c., bal., Accounts & wages, Matured interest, Funded debt matured, unadju., Accrued interest & rents, Miscellaneous, Taxes, Accrued deprec'n., Other unadjusted accounts).

A After adding \$163,526 sundry net debits and crediting \$292,177 appropriated surplus.—V. 106, p. 2011, 1689.

Canadian Northern Railway.

(Financial Statement—Earnings, 1916-17—Bal. Sh. Sept. 30 1917)

Third Vice-President D. B. Hanna in a letter of May 9 1918, presenting the results for the nine months ending March 31 1918, says in substance:

Table with 4 columns: 9 Mos. to March 31—, 1917-18., 1916-17., Inc. or Dec. Total gross earnings, Operating expenses, Net earnings.

It will be seen that gross earnings increased by \$803,505 over the same period of 1917, so that if normal conditions had continued, the net earnings for the nine months ended March 31 1918 would have been approximately \$7,675,000. Unfortunately, however, conditions did not remain normal, winter weather of unprecedented severity as well as increases in fuel cost, higher wages in every department, coupled with increased prices for all materials and supplies used in operation of the railway, the operating expenses were increased by \$5,618,007, resulting in a decrease in net earnings of \$5,014,503, a decrease of 66.82%.

The increases in operating expenses summarized in round figures are as follows: Fuel, \$2,370,000; maintenance of way expenses, \$940,000; maintenance of equipment, \$1,222,000; transportation expenses, \$1,228,000; total, \$5,760,000.

Not only are we paying an excessively high price for our fuel, but due to restrictions in supply from the United States, this company has had to take freight cars out of revenue service and use them in the haulage of locomotive coal for very long distances, and this condition, absolutely beyond our control, reduces our revenue as well as increases our operating expenses. The average cost per ton of coal used by locomotives for the year 1918 is estimated at \$5.70, against an actual cost of \$3.76 per ton in 1917, \$3.57 per ton in 1916 and \$3.34 per ton in 1915.

As the freight and passenger rate increases went into effect on March 15—except the increase in grain rates, which is not effective until June 1 next—practically no benefit is reflected in the gross earnings for the nine months.

Gross earnings, however, for April show an increase of \$642,600, reflecting, to some extent, the benefits which may be expected from the rate increases. The comparative figures are as follows: April 1918, \$3,958,100; April 1917, \$3,315,500; increase, \$642,600.

It is impossible to say how far the increase in gross earnings will go towards meeting the increased cost of operating, as the conditions affecting the expenses are altogether unusual. The best that can be said is that the same close scrutiny which has obtained in the past by the management in respect of costs will continue in the future.

Hon. A. K. Maclean, Acting Minister of Finance, on May 10 in the Canadian House of Commons reported in brief:

It may be of interest to the House to give an estimate of the requirements of the Canadian Northern Railway for this year. Hon. gentlemen will remember that the estimates in the Budget for 1918 contain an item for \$25,000,000 for the Canadian Northern Railway, composed of the following amounts:

Table with 2 columns: Description, Amount. Rows include Canadian Northern Ry. Estimate of \$25,000,000 Requirements for Year 1918, 1. Balance required for interest on securities, loans, &c., outstanding, 2. Payment of principal of equip. bond maturing during year, 3. Estimated amount required to pay in reduction of existing collateral loan in connection with renewal, 4. Estimated amount required for improvements, additions and betterments, as per detailed statement, 5. Construction, completion of Western Branch lines already graded, terminals, &c., as per statement.

This is merely an estimate, and it will be seen that it is anticipated that there will be a deficit in operation of over \$5,000,000 for the year 1918. The amount of \$1,400,922 for imp't., additions and betterments is allocated as follows: For the Western lines, \$2,148,589; for Eastern lines, \$1,252,333. The amount required for construction, namely \$7,185,300, will be expended in the completion of Western branch lines well along in construction, it being very desirable that they be completed if possible.

Estimates of Cost to Complete Lines and Terminals under Construction Sept. 30 1917 (Total \$20,958,142).

Table with 4 columns: Name of Lines, Mileage, Complete, Cost to 1917, Name of Lines, Mileage, Complete, Cost to 1917. Rows include Prairie Lines (Stank.), Swift Current, C.N. Stank. (Elrose Extn.), Vandeover Island Division, Thunderbolt, Luck Lake Branch, No. Battistoford-Turleford, Prairie Lines (Alberta), Hanna-Medicine Hat, Calgary-MacLeod, Strathcona-Calgary, Rose River, Oliver North, MacLeod-Pinchier Ck.

Short Term Loans of Company Mar. 1 1918. Total, \$55,437,274.

Table with 3 columns: No., Maturity, Amount. Rows include 1. Demand, Dominion Government, Canada, 2. Demand, Can. Bank of Commerce, Canada, 3. Demand, Can. Bank of Commerce, London, 4. Demand, Can. Bank of Commerce, Canada, 5. Demand, National Trust Co., Ltd., Canada, 6. Demand, Dominion Securities Corp., Ltd., Canada, 7. Mar. 31 1918, British Empire Trust Co., London, 8. April 9 1918, Lazard Bros., London, 9. April 15 1918, Lazard Bros., London, 10. April 15 1918, Lloyd's Bank, London, 11. June 9 1918, Nat. Bank Scotland, London, 12. July 10 1918, Wm. A. Read & Co., New York, 13. July 10 1918, Wm. A. Read & Co., New York, 14. Sept. 1 1918, Wm. A. Read & Co., New York, 15. Jan. 1 1919, Wm. A. Read & Co., New York.

All securities maturing to date this year have been renewed in full. In addition to the maturities above mentioned there are the following securities maturing in August and January next: (a) Aug. 12 1918, London (\$2,000,000), \$9,733,333; (b) June 1 1919, London (\$450,000), \$2,100,000. The total maturities for the year therefore amount to \$7,360,607. (The bill authorizing the Dominion Government to take up the maturing obligations of the system passed the third reading in the House of Commons at Ottawa on May 17—Ed.)

INCOME ACCOUNT FOR YEARS ENDING JUNE 30.

Table with 4 columns: 1916-17., 1915-16., 1914-15. Rows include Operating Revenues (Passenger, Freight, Mail, Express, Miscellaneous), Total operating revenues, Operating Expenses (incl. Taxes, &c.), Maintenance of way and structures, Maintenance of equipment, Traffic expenses, Transportation expenses, Taxes, rentals, joint facilities, &c., General expenses, Miscellaneous expenses, Total operating exp., incl. taxes, Net earnings, Deductions (Fixed charges of Canadian Nor. Ry., Fixed charges of affiliated cos., Int. at 5% p. a. on income charge convertible deb. stock in respect of sur. extra for 6 mos. md. June 30 1914, Int. on demand and short-term loans, \$3,720,269, less \$1,043,095 chargeable to capital on constr. acct.; bal., Balance transferred to debit of profit and loss June 30).

BALANCE SHEET SEPT. 30 1917 AND JUNE 30 1916.

Table with 4 columns: Sept. 30 '17., June 30 '16., \$, \$. Rows include Assets (Property investment—Railway & equip't at cost to the system, Acquired securities, Cash, National Trust Co. etfs., Re Land Grant bonds of 1899, held as collateral to loans, Terminal and other properties, Deferred payments and accrued interest on sales, Cash held on account of Dom. Govt., Provinces of Manitoba, \$45,921; Saskatchewan, \$1,202,825; Alberta, \$2,691,131; Ontario, \$419,804; and British Columbia, \$3,772,964; and Nat. Trust Co., \$2,092,933; sinking funds, \$76,765; British Empire Trust Co. trustees account, \$20,621; Central Trust Co. of N. Y., \$38,902; Cash on hand, \$2,331,861; misc. acct's. receivable, Value of materials and supplies on hand, Due from agents, station balances, &c., British Admiralty, Insurance paid in advance, Advances by Can. Nor. Ry. Co. to affiliated cos., Deferred charges, unadjusted debits, balance, Total assets), Liabilities (Common stock, \$100,000,000; capital stock affiliated cos., \$75,429,500; less \$69,452,400 held in treasury, balance, \$5,977,100 on Sept. 30 1917, 5% Income Charge Convertible Debenture stock, Funded debt (incl. short term notes)—Canadian Nor., \$100,566,542; affiliated cos., \$125,228,878, 285,795,421, Equipment trust obligations, Demand and short-term loans secured by collateral, Temporary loans against deposit as collateral of Inter alia Govt.—guaranteed securities, the value of which at current prices exceeds amt. borrowed, Due to other cos. on construction acct. (secured), Pay-rolls, \$2,129,912; audited vouchers and other floating liabilities, \$17,278,584 (all of Sept. 1917), Coupon and dividends, \$1,077,860; accrued int. on bonds, loans and equipment securities, operating, \$2,746,424; construction, \$305,786, Reserves—Equip. replacement reserve, \$1,693,229; Insur. acct., \$745,038; accr. taxes, \$500,000; steamship replacement fund (all of Sept. 1917), \$2,047,060, Affiliated companies, advances account, Surplus, Total liabilities).

Westinghouse Electric & Mfg. Co., Pittsburgh.

(Report for Fiscal Year ending March 31 1918.)

In our advertising columns on a previous page will be found the remarks of Chairman Guy E. Tripp, the balance sheet as of March 31 1918, and the profit and loss account. The report of Mr. Tripp says in brief:

Sales.—The gross earnings (sales billed) for the year include shipments since June 15 1917 from the Machine Works (formerly Westinghouse Machine Co.) also \$4,536,000 for munitions. The volume of sales billed for the regular products of your company was greatly in excess of any previous year.

Unfilled Orders.—As of April 1 1918 the value of unfilled orders in hand was \$147,857,580, of which \$110,185,007 was for the regular products of your company. No facilities heretofore employed on regular products are engaged on munition work.

New Plants.—The property and plant account includes expenditures during the year in connection with the new Essington Works, located near Philadelphia, Pa. This plant, which is now completed and nearly equipped, is operating with a force of about 3,000 men, which it is expected will be increased to approximately 5,000 during the year. Contracts with the U. S. Government for equipment for cargo ships will occupy the capacity of this plant for approximately two years.

Another important improvement completed during the year is a factory at Trenton, N. J., for the manufacture of incandescent lamps. This factory has been in operation for some months.

U. S. Browning Gun Contract Replaces Rifle Order for Russia.—When slightly more than 1,000,000 rifles had been delivered and probably because of the conditions in Russia and in the withdrawal of that country from the war, the British Government in Dec. 1917 exercised its privilege of cancellation of the undelivered part of its contracts. However, almost simultaneously, inquiries were received from the United States Government as to the manufacture by the New England Westinghouse Co. of heavy Browning machine guns. Negotiations resulted in the receipt of orders from the U. S. Government for these machine guns. Deliveries began in April, and are in accordance with the schedule fixed by the contract.

The cancellation of the Russian rifle contracts resulted in your company sustaining the full loss of \$5,000,000, against which a reserve in that amount was set aside last year. Your directors therefore authorized the absorption of this amount in said reserve. The necessary entries were made as of Dec. 31 1917, so that the books of your company as of March 31 1918 include no accounts relating to the contracts for Russian rifles.

CONSOLIDATED RESULTS FOR YEARS ENDING MARCH 31.
[Including Westinghouse Machine Works since merger June 15 1917.]

	1917-18.	1916-17.	1915-16.	1914-15.
Sales billed	\$95,735,407	\$89,539,442	\$50,269,240	\$33,671,485
Cost of sales	80,235,937	72,077,751	40,839,344	31,109,074
Net earnings	\$15,509,470	\$17,461,691	\$9,429,896	\$2,562,412
Other Income				
Interest and discount	308,835	298,086	400,066	447,178
Int. and div. received	903,559	1,027,808	669,243	686,239
Misc., royalties, &c.	12,870	60,652	37,420	25,110
Total Income	\$16,834,733	\$18,848,237	\$10,536,626	\$3,720,939
Deductions from Income				
Int. on bonds and debts	\$303,917	\$89,333	\$718,477	\$1,023,801
Int. on collateral notes		136,000	135,999	200,866
Int. on notes payable	1,108,045	529,115		
Miscellaneous interest	17,089	13,900	15,361	44,251
Prop. exp. bd. & note issue	Included	In cost of sales above.		85,208
Misc. & extraord. exp.				357,009
Prof. dividends (7%)	279,909	279,909	279,909	279,909
Prof. divs. for Red Cross (1/4%)	19,994			
Common dividends	4,956,876	3,750,000	2,526,95	1,427,350
Common dividend rate	(7%)	(6 1/4%)	(5 1/4%)	(4%)
Com. div. for Red Cross (1/4%)	354,070			
Total deductions	\$7,039,900	\$4,798,257	\$3,676,697	\$3,418,454
Balance, surplus	\$9,794,833	\$14,049,980	\$6,859,929	\$302,485

a Includes factory cost, embracing all expenditures for patterns, dies, new small tools and other betterments and extensions, depreciations of property and plant, inventory adjustments and all selling, administration, general and development expenses, and also in 1917-18, all taxes.

CONSOL. BAL. SHEET MARCH 31 (EXCEPT NEW ENG. WEST. CO.)
[For details of March 31 1918 balance sheet see advertising pages.]

	1918.	1917.	1918.	1917.
Assets				
Prop'y & plant	41,167,874	22,701,110		
Sinking fund	34,177			
Investments	19,212,072	18,156,577		
Cash	8,918,556	12,476,320		
Cash for redemp. of matur. deb. etc., bonds, notes & for int. & divs. (contra)	92,256	149,254		
Notes receivable	29,150,336	4,935,511		
Assets receivable		32,757,932		
Working & trading assets	60,548,533	31,934,595		
Other assets	5,590,075	4,431,811		
Total (each side)	164,714,378	127,542,811		
Liabilities				
Preferred stock	3,993,700	3,993,700		
Common stock	70,813,950	70,813,950		
x After deducting \$1,360,036 appropriation to reserve accounts and \$135,401 miscellaneous (net).—V. 106, p. 1809, 1040.				

United Shoe Machinery Corporation, Boston.
(Report for Fiscal Year ending Feb. 28 1918.)

Pres. Edwin P. Brown, Paterson, N. J., May 18, wrote in substance:

Results.—The volume of our business has never before been so great as now; but, while our charges to customers were not changed, the expense of carrying on the business was considerably higher. The latest returns show a gratifying advance in receipts, indicating that improvement has now set in. The civilian demand for high-grade Goodyear welt shoes was somewhat less active during the year. There are indications, however, that surplus stocks in the hands of retailers are becoming depleted. Manufacturers are getting larger orders for Goodyear welts. Though there was a decrease in the returns from royalties, as compared with the record set a year ago, they were larger than the returns for any year previous to 1917, and the domestic and foreign sales of machines, parts and supplies were larger last year than ever before.

The net operating revenue is gratifying. From this revenue we have reserved \$750,000 as a reserve fund for the payment of taxes and to meet other unusual expenses which may be incurred under present conditions.

U. S. Army-Navy Needs.—When war was declared against Germany the Corporation made it possible for American shoe manufacturers to respond immediately to the imperative demands of the army and navy for established types of shoes, and with the award of contracts for the new "Pershing shoe" we anticipated and through our manufacturing and service departments prepared for shipment and installed the necessary equipment which included many types of machines not needed in the manufacture of the regular field shoe.

Foreign Business.—We have been able to continue the assistance rendered the Allies through our European factories and our affiliated companies abroad in furnishing machinery, service and supplies. In England, France and Italy, in spite of difficulties in shipping goods, the business of our affiliated companies has been satisfactory. Revenues have been larger than prior to the war, but the net income has of course been affected by increased taxes. There has been no improvement in the conditions which caused a falling off in our Scandinavian and Russian business as indicated in the last annual report. The Mexican business, considering conditions, is fairly satisfactory and our South American business shows improvement.

We have been embarrassed in our shipments abroad by the scarcity of cargo space, resulting in an enormous increase in ocean freight rates, and by abnormally high rates for war risk insurance.

In our shipments to affiliated companies in Allied countries we have had the benefit of recognition by the Government authorities in England, France and Italy that our business is necessary to their military establishments. The French Ministry of Commerce has appointed a commission to examine our factory near Paris and obtain lists of workmen previously employed there and now serving in the army with a view to having these men returned to the factory.

Merger.—The merger of the United Shoe Machinery Co. with the United Shoe Machinery Corporation, which was first proposed in Feb. 1915 but was delayed by a stockholder's suit, is now effective, the operating company being now the United Shoe Machinery Corporation—a move for simplicity and economy.

Suit Under the Clayton Act.—The United States was forced in May 1916 to abandon the preliminary injunction obtained in Missouri. Judge Trieber, before whom the case was assigned for trial, appointed Frank R. Hanna of New York as Special Examiner. Since Aug. 29 1917 hearings have been held by the Examiner in Boston, New York, &c., and nearly 100 days have already been occupied in taking evidence. The Government has completed the taking of its evidence in chief before the Examiner, and the corporation is now presenting its evidence.

Dissolution Suit Under the Sherman Act Begun in 1911.—On March 18 1915 the Federal Court handed down a unanimous decision dismissing the Government's petition and sustaining in every particular the legality of the company's business methods. From this unanimous decision the Government appealed. The case was argued before the U. S. Supreme Court on March 16, 19, 20 and 21 1917, and under order of Court was again argued on Jan. 11, 14 and 15 1918. [As to favorable decision handed down this week see "Investment News Department."]

Employees—Stockholders.—The average number of employees in the Boverly factory during the year was 4,745, among them over 500 women who replaced young men called to military duty. There were 10,348 stockholders of record on March 1, our record number, 5,543 holding common stock only, 3,113 holding preferred only and 1,692 holding both preferred and common.

Death of President.—Sidney W. Winslow, President, died on June 18 1917

INCOME ACCOUNT.

	Feb. 28 '18.	Feb. 28 '17.	Feb. 29 '16.
Combined earnings of United Shoe Mach. Corp. (of N. J. and Maine)	\$6,137,323	\$8,174,453	\$6,138,433
War reserve	750,000		
Cash dividends paid	3,233,285	4,996,360	5,853,658
Rate on common	(8%)	(14%)	(18%)
Balance, surplus, for year	\$2,154,038	\$3,178,093	\$284,775
Previous surplus	27,109,966	14,919,050	17,497,773
Total	\$29,264,004	\$18,097,143	\$17,782,548
Dividends paid on stocks (10%)	3,149,858	1,889,782	2,863,498
Dividends paid in Liberty bonds (1%)	1,259,943		
Balance	\$24,854,203	\$16,207,361	\$14,919,050
Add—Reval. of stock of sub. eos.		b10,902,605	
Total surplus March 1	\$24,854,203	\$27,109,966	\$14,919,050

a After deducting proportion applicable to outstanding stock of the United Shoe Machinery Co. not held by the United Shoe Machinery Corp.

b Stocks and bonds of sub-corporations have been carried on the books previous to Feb. 28 1917 at a figure which, in the opinion of the directors, was less than their actual value. This item has then increased by a re-appraisal to an amount not exceeding their actual tangible asset value on March 1 1916.

BALANCE SHEET MARCH 1.

	1918.	1917.	1918.	1917.
Assets				
Real estate	2,176,260	2,171,839		
Machinery	1,532,460	1,403,802		
Patent rights	400,000	400,000		
Securs. other eos.				
& leased mach'y	40,036,149	17,992,360		
Cash & receivables	19,937,551	20,927,834		
Inventories	9,893,427	8,476,419		
Miscellaneous	35,921	27,249		
Total	74,111,768	71,399,502		
x See footnote "b" above.—V. 106, p. 1143, 404.				
Liabilities				
Preferred stock			9,818,775	9,786,975
Common stock			34,656,839	31,506,981
Accounts payable			1,918,363	860,722
War reserve			750,000	
Other Reserves			1,947,066	1,919,484
United Shoe Mach. Co. stock not held by corp'n.			166,223	215,374
Surplus			24,854,203	27,109,966
Total	74,111,768	71,399,502		

Ohio Cities Company, Columbus, O.
(Report for Fiscal Year ended March 31 1918.)

On subsequent pages of this issue of the "Chronicle" will be found the report of President B. G. Dawes, dated May 20, covering the operations of the late fiscal year, together with the consolidated balance sheet of March 31 and the consolidated statement of income and surplus for the year 1917-18. There are also included a list of the subsidiary companies controlled, with the amount of stock held by the parent company in each of them, and their officers and directors and the certificate of the public accountants who examined the company's accounts.

The year has been one of much importance in the history of the company, and the reader may therefore be interested to supplement the concise statement made in the report by referring to the "Chronicle," where the stock increase was mentioned quite fully (V. 104, p. 1049, 1149, 1805; V. 105, p. 76, 204; V. 106, p. 402), as were also the acquisition of the Pure Oil Co. and other properties (V. 104, p. 2645; V. 105, p. 76)—V. 106, p. 719, 602.

California Packing Corporation.

(Second Annual Report—Year ending Feb. 28 1918.)

Pres. J. K. Armsby, San Fran., May 3, wrote in substance:

Results.—The profit from operations for the year ending Feb. 28 1918 after deducting all expenses, taxes and provision for income and excess profits taxes, was \$3,614,531, with income from investments [including undistributed earnings thereon—see below], \$2,533,409, making total of \$6,147,940. After deducting (1) four quarterly dividends paid on pref. stock aggregating \$592,268; (2) four quarterly dividends each of 50 cts. per share declared on common stock (the initial distribution on this stock having been made June 15 1917 and dividend No. 4 being payable March 15 1918), \$677,801; (3) also a further 1 1/4% dividend, No. 6, on pref. shares, payable March 31 1918, \$148,159, there remained a balance, surplus, of \$4,729,712, making profit and loss surplus Feb. 28 1918 \$5,705,145.

"Income from Investments."—This item of \$2,533,409 includes \$2,449,215 representing the proportion of the profits of the Alaska Packers' Association applicable to the 45,471 shares of stock owned by the California Packing Corp. Of this amount \$1,363,850 has been received in dividends during the year, and the balance of \$1,085,565 remains invested in the properties of that company. The profits of the Alaska Packers Association for the year ending Dec. 31 1917, after setting aside \$2,200,000 for income and excess profits taxes, amounted to \$3,097,528.

Sales.—The sales of the California Packing Corporation during the past year amounted to \$55,678,613, against \$37,693,759 for the year 1916, or an increase of \$17,984,854.

Additions, &c.—Expenditures of \$1,570,245 were made during the year for additional properties and depreciation of \$440,667 was written off. All the properties were maintained in good condition and \$434,468 was expended for this purpose.

Balance Sheet.—As the result of the delay in transportation during the fiscal year the corporation carried forward an inventory of \$5,927,431, and accounts receivable of \$6,266,935. Consequently, it was unable to repay all of the outstanding notes which at Feb. 28 1918 amounted to \$4,371,350. Since that date, however, the notes payable have been reduced to \$3,644,000 and the contingent liability on drafts discounted to \$1,922,982.

During the past year 2,261 shares of pref. stock were acquired on account of the sinking fund installment due Sept. 30 1918, and good-will of \$306,116 on properties acquired has been charged against book value of com. stock.

CONSOL. RESULTS—YEAR END, FEB. 28 1918 AND FROM NOV. 8 1916 TO FEB. 28 1917.

	1917-18.	Per '16-'17.	1917-18.	Per '16-'17.
Profit*	\$3,614,531	\$1,086,522	Total Income	\$6,147,940
*Income from investments	\$2,533,409		Preferred divs. (7%)	592,268
			Common divs. (32)	677,802
Total Income	\$6,147,940	\$1,086,522	Surplus	\$4,877,869

*After deducting all expenses and taxes and also in 1917-18 provision for income and excess profits taxes. y This item includes in addition to

dividends actually received (see text above). \$1,085,365 earned but left invested in properties of Alaska Packers Association.

CALIFORNIA PACKING CORP.—CONSOL. BALANCE SHEET FEB. 28, 1918. Assets: Land, buildings, machinery, etc. \$7,438,461. Liabilities: 7% cum. conv. pref. stock (par \$100) \$8,240,100.

Total \$3,708,878. Includes in 1918 land and buildings, \$4,323,784; machinery and equipment, \$3,327,169, and ranches, \$1,241,052.

ALASKA PACKERS' ASSOCIATION BALANCE SHEET DEC. 31, 1917. Assets: Canneries, fleet, etc. \$1,162,009. Liabilities: Capital stock \$5,750,800.

Total \$16,002,682. Includes in 1918 land and buildings, \$4,323,784; machinery and equipment, \$3,327,169, and ranches, \$1,241,052.

International Salt Co., Scranton, Pa. (Report for Fiscal Year ending Feb. 28 1918.) Pres. Mortimer B. Fuller, Scranton, Pa., May 5, wrote in substance:

Results.—After deducting all operating, maintenance and administration expenses, depletion and depreciation charges, insurance and taxes (including reserve of \$204,712 for estimated Federal income and war taxes), the combined gross earnings were \$1,231,546.

Quick Assets.—On Feb. 28 1918 the net quick assets of the company and subsidiaries—consisting of cash, bills and accounts receivable, and inventories—amounted to \$582,444, after providing reserve for Federal taxes and deducting all current and floating obligations other than bonded debt.

Annual Meeting.—The date for annual meetings has been changed to the third Monday in May of each year.

Stock Listed—New Stock.—The capital stock having been listed Sept. 26 1917 on the N. Y. Stock Exchange, new stock certificates to meet the requirements of the Exchange are being issued in place of the old certificates which should be sent promptly to the Corporation Trust Co., 37 Wall St., N. Y. City, for exchange.

INTERNAT. SALT CO. INCOME ACCOUNT FEB. 28 YEARS. 1917-18. 1916-17. Divs. from sub. cos. \$1,027,500 \$675,000.

CONSOL. RESULTS OF SUB. COS. FOR YEAR ENDING FEB. 28 1918. Gross earnings of subsidiary companies \$1,206,132. Bond interest—Retaof Min. Co., \$125,000; Detroit Rock Salt Co., \$60,000.

INTERNATIONAL SALT CO. BALANCE SHEET. Feb. 28 '18. July 31 '17. Assets—Investment acct: 36,000 shs. Retaof stock \$5,328,870.

COMBINED BALANCE SHEET OF SUB. COS. FEB. 28 1918. Plant and property \$11,573,438. Cash 125,636. Liabilities—Capital stock \$6,190,000.

Total each side \$12,726,702. —V. 106, p. 604.

Eastman Kodak Co. (of N. J.), Rochester, N. Y.

(Report for Fiscal Year ending Dec. 31 1917.) COMBINED INCOME ACCOUNT FOR CALENDAR YEARS.

Net profits \$19,292,567. Divs. paid and accrued 369,942. On pref. stock (6%) 369,942. On common stock 5,861,520.

* After providing for possible war losses in 1914.

COMBINED BALANCE SHEET DEC. 31 (INCLUDING SUB. COS.)

Assets—Real estate, build- ings, etc. \$20,413,393. Liabilities—Common stock \$19,538,400. Preferred stock \$6,165,700.

Total \$63,906,105. Includes real estate, buildings, plant, machinery and capital investments at cost less depreciation reserve.

Copper Range Co. of Michigan, Boston.

(17th Annual Report—Year ended Dec. 31 1917.)

Pres. Wm. A. Paine, Boston, April 15, wrote in substance:

Although our copper was sold for a price nearly 2 1/4 c. per lb. higher than in 1916, yet, owing to the reduced production and increased cost, the balance of \$1,022,912 added to the surplus from the year's operation was less by more than \$1,000,000 than the amount added in 1916.

The total production of copper from which this company's profits are derived, that is, Baltic, Trimountain and one-half of Champlain, was 31,268,130 lbs., a decrease of 6,678,800 lbs. under 1916.

Costs and Profits—(Lbs.) per lb. Profits. Price Received. Baltic \$11,214,861 13.769c. \$1,678,323 28.735c.

The reduced production is due to the scarcity and inefficiency of labor. The loss of men was not felt severely until after the draft went into effect.

Stamp mill costs are now more than 100% higher than formerly, and at the present time the costs in all departments of the operation will average about 75% above normal times.

Tonnage Mined and Average Yield of Copper per Ton of Rock. 1917. 1916. 1914. 1912. 1910. 1908.

While the production shows a decline of about 18% from the previous year, when it reached high-water mark, still it was greater than in any previous year except 1915 and 1916.

The average price of 28.735c. obtained for the year's production marks the highest price that the company has ever received. This average price covers the full year's production, including all the copper that had not been delivered on Dec. 31 1917.

The Trimountain Mining Co. was ordered dissolved by the Circuit Court for the County of Houghton, Mich., in Jan., 1916.

Copper Range RR.—The gross earnings of \$960,275 are the largest ever reached. Operating expenses, however, absorbed 76.2%, so that the income balance, after payment of interest charges, was less by \$52,925 than in 1916.

Lands Purchased.—The company has purchased for about \$50,000 5,050 acres of surface and mineral rights in Houghton and Ontonagon counties, Michigan, and the mineral rights on an additional 2,000 acres, practically all in the Mineral Range.

CONSOLIDATED STATEMENT OF THE OPERATING COMPANIES.

(Without Allowance for the Excess Profits Tax in 1917.)

For Calendar Years—1917. 1916. 1915. Rock stamped (tons) 1,366,033 1,655,447 1,651,870.

Total net income \$7,491,911. Deduct—Net balance of general expenses, &c. \$17,775.

Total deductions \$6,468,999. Balance, surplus \$1,022,912.

* Before deducting taxes in 1917 and 1916 and after in previous years. Includes only taxes due and payable in the calendar year 1917; does not include Federal income tax against the operations of 1917, nor the undetermined excess profits tax, both of which are payable in June 1918.

COPPER PRODUCTION, RECEIPTS, NET PROFITS AND DIVIDENDS OF INDIVIDUAL MINES.

Copper Produced (lbs.)—	1917.	1916.	1915.	1914.
Baltic.....	11,214,861	12,425,804	12,028,947	7,001,945
Champion.....	27,550,543	33,601,136	33,407,599	15,807,206
Trimountain.....	6,298,097	8,720,558	8,302,596	5,048,306
Receipts—				
Baltic.....	Not reported	\$3,172,611	\$2,101,244	\$936,627
Champion.....	\$7,927,291	8,508,801	5,822,760	2,114,665
Trimountain.....	1,852,658	2,228,624	1,449,116	675,294
Net Profits—				
Baltic.....	\$1,678,323	\$1,792,668	\$949,965	\$154,233
Champion (one-half).....	2,525,085	2,935,303	1,854,525	329,088
Trimountain.....	848,241	1,333,944	654,747	58,640
Dividends Paid—				
Champion (one-half).....	\$2,240,000	\$3,007,271	\$1,550,000	

COPPER RANGE RR.—RESULTS FOR CALENDAR YEARS.

Calendar Years—	Gross Earnings.	Net (after Taxes).	Other Income.	Bond Interest.	Rental, &c. Charges.	Balance, Surplus
1917.....	\$960,275	\$186,675	\$6,813	\$114,000	\$12,012	\$47,481
1916.....	930,608	222,000	5,673	114,000	13,266	100,403

CURRENT ASSETS AND LIABILITIES DEC. 31 (INCLUDING SUBSIDIARY MINING COMPANIES).

Assets—	1917.	1916.	Liabilities—	1917.	1916.
Cash.....	\$803,958	\$2,647,943	Current indebtedness at mines.....	\$310,610	\$194,319
do and supplies at mines.....	1,100,541	813,945	Accounts payable.....	247,963	226,818
U. S. Lib. Loan bds. & pts of ind	3,167,500		Champion (half).....	1,121,933	855,966
Copper on hand.....	1,717,533	2,053,759	Net excess of assets over liabilities.....	6,218,092	5,568,400
C. R. RR. bonds.....	870,000	870,000			
Accts. receivable.....	33,101	89,918			
Mech. Sm. Co. stock	340,000	340,000			
Total.....	\$7,837,753	\$6,815,564	Total.....	\$7,837,753	\$6,815,564

The authorized capital stock of the Copper Range Co. on Dec. 31 1917 was \$10,000,000, of which \$9,854,150 has been issued (par value \$25). The Copper Range Co. holds in its treasury the following: 99,690 shares Trimountain Mining Co. stock; 97,001 shares Atlantic Mining Co. stock; 42,443 shares Copper Range RR. Co. stock, and 50,000 shares of Champion Copper Co. stock.—V. 105, p. 2125, 1798.

Tennessee Copper & Chemical Corp., New York.

(Report for Fiscal Year ending Dec. 31 1917.)

President Adolph Lewisohn, New York, April 5 1918, wrote in substance:

The production of sulphuric acid was much the largest in the history of the company, and amounted to 262,853 tons, of 80-degree acid, as compared with a production for 1916 of 151,637 tons. The production of acid for the three months of Jan., Feb., and March, 1918, amounted to 75,705 tons, the production for March being larger than for any previous month.

The production of copper, which amounted to 10,547,708 lbs. from company ore, as compared with 9,404,295 lbs. in 1916, was interfered with somewhat due to the necessity of entirely rebuilding the Burra Burra mining plant in order to sink the shaft to lower levels. The Burra Burra mine is now equipped with a first-class steel headframe and ore bins, and drifting has been in progress for some time on the 1,000-foot level.

The costs for the year 1917 were largely increased because of the excessive prices for coal and coke which prevailed part of the year, and because of increases in the wage scale.

An arrangement has been entered into with the International Agricultural Corporation increasing under certain conditions the price paid for acid, which is hoped will somewhat overcome the enhanced costs at the plant. (V. 106, p. 934.)

Data from Report of General Manager Tennessee Copper Co.

Burra Burra Mine.—The operation of the new equipment since the changes were completed has shown very satisfactory results. The 5th level has been entirely opened up and a considerable percentage of the output of the mine now comes from this level. Diamond drilling on this level to the north, together with the mining work done, has enabled us to add 498,702 tons to the ore reserves of the mine. This tonnage is a little more than the total production from all mines for the year. The cross-cut on the 10th level has been driven; ore was encountered in the 10th level north drift.

London Mine.—The shaft was completed to the 7th level and the cross-cut has been driven and the ore cut on this level. However, there was not sufficient work done on the ore to warrant figuring any new ore tonnage.

Polk County Mine.—Several diamond drill holes were put down in the floor of the 4th level, which is the bottom level in this mine, to prospect at a greater depth. Although some ore was encountered, the results were not very promising.

Eureka Mine.—No work was done at this mine during the year.

Tonnage produced.....	311,902	83,391	60,841	455,937
Cost per ton of mining.....	\$1,01307	\$1,37103	\$1,80492	\$1,16550
" " " " development.....	\$0,13121	\$0,21471	\$0,07768	\$0,13937
Total cost per ton.....	\$1,14428	\$1,48574	\$1,88260	\$1,30493
Ore reserves, tons (est.).....	3,214,346	182,805	88,562	3,485,713

* Exclusive of Eureka Mine.

Smelting.—The coke situation was bad throughout the year. The average price of the 37,798 tons of coke used during the year was \$9 93 per ton (maximum \$15), against a price of \$4 50 per ton during normal times. With the price fixed by the Government we shall have less costly fuel during 1918. The material smelted during 1917 aggregated 671,015 tons, viz.: Tennessee copper ore in blast furnaces, 436,009 tons, and in converters, 13,125 tons; custom ore (all), 39,290; remainder, slag, matte, &c. Converter costs were \$0,00585 per lb. of fine copper.

The 457,902 tons of Tennessee Copper Co. ore smelted yielded 10,547,708 lbs. of fine copper, or an extraction of 23,035 lbs. of copper per ton of ore smelted; and the total cost per ton was \$3,43275 (exclusive of N. Y. charges), equal to 14,902 cents per pound of fine copper produced, subdivided as follows: Mining, .603 cts.; railway, .290 cts.; smelting, 7.902 cts.; converter, .585 cts.; Polk County slag, .051 cts.; general, 1.330 cts.; leaching, .0041 cts.

Data from Report of Treasurer E. H. Westlake, N. Y., April 5 1918.

The corporation has during the year 1917 advanced monies to the Tennessee Copper Co. as required and has taken in return from that company its notes, part of which are secured by the bonds of the Tennessee Copper Co. During 1917 the Tennessee Copper Co. purchased for the sinking fund \$145,000 of its own First Mortgage 6% gold bonds, thus reducing the outstanding bonded debt on Dec. 31 1917 to \$1,855,000.

The production of fine copper for 1917 from ore out of the company's mines amounted to 10,547,708 lbs., as compared with 9,404,295 lbs. during the year 1916. There was recovered in addition 59,049 ounces of silver and 197 ounces of gold. There was also produced 930,601 lbs. of fine copper from custom ore. The cost of fine copper in pig, including freight, commission, taxes, legal and admin. expenses, &c., was 16.6 cts. per lb.

TENN. COPPER & CHEM. CORP.—RESULTS FOR CAL. YEAR 1917.

Income—Interest on securities and bank deposits.....	\$128,533
Deduct—General exp., \$1,971; taxes, \$1,598; new properties, \$764.....	\$14,333
Amount written off organization expenses (10%).....	45,222
Balance—being excess of income over expenditures.....	\$68,978

TENNESSEE COPPER CO.—RESULTS FOR CALENDAR YEARS.

	1917.	1916.	Deduct. (Cont'd.)—	1917.	1916.
Net profits.....	\$1,346,982	\$334,571	Depreciation.....	\$200,000	\$200,000
Deduct—Bond int.....	113,826	120,000	Dividends.....	(3)150,000	
Other interest, &c.....	115,796	41,648	Surplus.....	\$911,150	\$237,568
Miscellaneous.....	5,310	85,267	Total surplus.....	\$1,895,403	\$1,717,834

* After deducting \$733,631 charges against surplus covering settlement of sundry claims and losses.

CONSOLIDATED BALANCE SHEET DEC. 31 1917.

(Incl. Tennessee Copper & Chemical Corp. and Tenn. Copper Co.)	
Current assets: Cash, \$499,808; acc'ts & notes rec., \$360,763.....	\$860,571
Finished copper on hand, in transit and at refinery, \$773,001;	
inventories of copper in process, ore, acid and other chemicals, materials and supplies, \$783,170.....	1,556,171
Liberty bonds and bond subscriptions of employees and New York City warrants.....	672,008
Railroad claims, \$46,903; prepaid insurance and other expenses, \$7,997.....	54,900
Total current assets.....	\$3,143,650
Deduct: Acc'ts payable, \$173,944; acc'r'd exp., taxes, int., &c., \$123,592; acc'r'd sinking fund, \$184,901.....	482,437
Net current assets.....	\$2,661,213
Add: Other assets—Special deposits, cash and securities.....	232,391
Stock of other companies, net book value.....	173,250
Organization expense and unamortized bond expense.....	493,118
Book value of mining property, plant and equipment of Tennessee Copper Co. as carried on books of that co.....	9,243,600
Total net current assets.....	\$12,803,662

Less: M. bonds issued, \$2,855,000; less bonds owned by Tenn. C. & O. Corp., \$200,000; pledged as collateral, \$1,000,000, and sinking fund accrued, \$184,901; balance..... 1,470,099

Deferred credit for discount on bonds redeemed..... 29,183

Reserve for possible liability under Russian contract in dispute..... 1,140,000

Net combined assets..... \$10,164,381

x Represented by stock of Tennessee Copper Co. issued, 200,000 shares (par \$25), less 192,441 shares owned by Tennessee Copper & Chemical Corp.; balance outstanding, 7,559 shares (par \$25), and (2) stock of Tennessee Copper & Chemical Corp., 400,000 shares (no par value).

TENNESSEE COPPER & CHEMICAL CORP. BALANCE SHEET.

Assets—	Dec. 31 '17.	Jan. 3 '17
Tennessee Copper Co. share account—192,441 shares stated on books at a nominal value of.....	\$1,000	\$1,000
Loans to Tennessee Copper Co.....	1,620,000	
U. S. 4% Liberty bonds, \$189,945; 3 1/2%, \$435,284.....	625,229	
N. Y. City 4-80% warrants.....	25,479	
Tenn. Copper Co. 6% bonds, par val. \$200,000; cost.....	185,852	
Miscellaneous.....	8,808	20,109
Organization expense (less 10% written off).....	407,000	
Cash in bank.....	396,610	2,779,801
Paid to bankers for underwriting sale of stock.....		400,000
Total.....	\$3,269,978	\$3,201,000

Liabilities—

Stated capital, representing 400,000 shares, the full number of shares authorized, fully paid..... \$2,000,000 \$2,000,000

Capital surplus, being amount in excess of the stated capital received for 200,000 shares @ \$16 a share, \$1,200,000; nominal amount entered on books for 192,441 shares of Tennessee Copper Co., \$1,000..... 1,201,000 1,201,000

Balance of income over expenditures to Dec. 31 1917..... 68,978

Total..... \$3,269,978 \$3,201,000

No reserves are stated for income and excess profits taxes to be paid in 1918 on the basis of the 1917 income, the amount of such taxes not having yet been definitely determined.

TENNESSEE COPPER CO. BALANCE SHEET DEC. 31.

Assets—	1917.	1916.	Liabilities—	1917.	1916.
Mine property, &c. 3,407,400.....	3,407,400	3,407,400	Capital stock.....	5,000,000	5,000,000
Development, &c. 25,836,290.....	5,772,863	5,772,863	First M. 6% bond pay 1,670,099.....	1,894,486	1,894,486
Cash.....	103,198	125,252	Notes payable.....	4,620,000	792,850
Cash, acc., held in special deposits.....	232,391	154,253	Accts. &c. pay'd 173,944.....	610,030	610,030
Notes & accounts rec'd., less res'va.....	351,955	509,302	Acc'r'd int. tax &c. 123,592.....	82,190	82,190
Inventories.....	783,170	888,565	Discount on bonds.....	184,901	103,514
Copper on hand, in transit, &c.....	773,001	204,735	Reserves.....	15,035	4,998
Stocks owned.....	173,250	173,250	Surplus.....	1,895,401	1,717,884
Liberty bonds.....	221,300		*Conting. Liab'l's.....	1,140,000	1,140,000
Unamortized bond expenses.....	89,118	95,194			
Miscellaneous.....	54,900	46,047			
Total.....	11,822,974	11,377,871	Total.....	11,822,974	11,377,871

x After deducting in 1916 \$1,638,308 reserve for depreciation, against \$821,780 in 1915. y After deducting \$1,000,000 treasury bonds pledged as collateral and \$184,901 sinking fund accrued. z Liberty bond subscriptions of employees, amount advanced by company on subscriptions to \$42,700 of bonds, 60% paid (net), \$21,350.

* Contingent Liabilities.—Reserve for possible liability under Russian contract, which liability is disputed, \$1,140,000.

Note.—The balance sheet and profit and loss statement are made up on the same basis as heretofore. However, in order to comply with the Federal Government income tax requirements for the purpose of computing depletion, an additional valuation of mining property as of March 1 1913 has been recorded upon the books of the company, and the figure of net profits as shown in the profit and loss statement above necessarily include the proceeds of depletion as understood by the Government. For the sake of uniformity with previous annual reports, the result of those entries has been omitted from the current statements of account.—V. 106, p. 1965.

Lanston Monotype Machine Co., Philadelphia.

(Report for Fiscal Year ending Feb. 28 1918.)

President J. Maury Dove, May 2 1918, wrote in substance:

The business for the past year, owing to war conditions and our inability to make shipments, showed a falling off in the sale of monotype machines and in orders for munitions from abroad.

During the year large purchases of stock and machinery were made in order to protect ourselves as far as possible against unusual advances in materials of all kinds. The prices for materials were 10% to 25% greater than we ever paid, and the increase in labor ranged from 5% to 40%. We were also subject the past year to unusual payments to meet taxes. These increases were due to war conditions and also tended to materially reduce our profits which were \$502,033, or a little over 3% on our stock.

The business of the English corporation showed such a decided improvement that they were enabled to increase their dividend from 5% to 7%. The improvement in their business was due in part to the fact that the English Government commandeered their works and allowed them to make a reasonable profit on work for the Government, furnishing increased building and machinery facilities and at the same time permitting them to meet their ordinary monotype demands.

March and April of this year show quite a noticeable improvement in our monotype business and the present outlook is that the current year will show much better results than the past year.

A large amount has been written off, which was mainly due to the heavy depreciation in munition machinery purchased for contracts that were completed during the year. It was believed that no further orders requiring the use of this class of machinery would be forthcoming, but in April 1918 we received new orders from the English Government for the manufacture of munitions which will again make a large part of this machinery available. An eight story addition to the factory is being built at a cost of about \$125,000, as we understand that large orders for munition work will be placed with us very shortly. The addition to our factory should be completed within the next 30 days.

RESULTS FOR YEARS ENDING FEBRUARY 28.

	1917-18.	1916-17.	1915-16.	1914-15.
Net profit after deprec'n.....	\$502,033	\$822,518	\$429,995	\$381,297
Deduct—Divs on stock (6%).....	360,000			(3)180,000
Balance, surplus.....	\$142,033	\$462,518	\$429,995	\$201,297

BALANCE SHEET MARCH 1.

Assets—	1918.	1917.	Liabilities—	1918.	1917.
Cash	\$83,770	\$122,272	Capital stock (au-		
Real estate	450,000	360,143	thorized, \$10,-		
Bills receivable	964,673	982,896	000,000), issued	\$6,000,000	\$6,000,000
Accts receivable	703,109	829,346	Accounts payable	167,632	167,632
Stocks and bonds	731,613	741,913	Bills receivable dis-	1,006,976	1,006,976
Inventory (cost)	1,061,845	\$15,231	counted	600,000	600,000
Machinery, &c.	1,049,488	996,675	Profit and loss (see		
Miscellaneous	36,240	34,167	* below)	2,542,774	2,563,658
Rts., fran. & impts.	4,515,894	4,448,841			
Total assets	\$9,639,750	\$9,321,190	Total liabilities	\$9,639,750	\$9,321,190

* After deducting \$120,023 for amortization of machinery account discarded obsolete machine parts, &c., written off for the year end. Feb. 28 1918 and \$32,796 for the preceding fiscal year.—V. 106, p. 2125, 504.

Chicago Junction Railways & Union Stock Yards Co. (of New Jersey), New York.

(27th Annual Report—Year ending Dec. 31 1917.)

Pres. Frederick H. Prince, March 12, wrote in substance:

Results.—The gross earnings of the Union Stock Yard & Transit Co., the Chicago Junction Ry. Co. and the Chicago Junction Railways & Union Stock Yard Co. in 1917 were \$7,726,132, contrasting with \$7,208,313 in 1916, while the net income, after deducting taxes, interest and operating expenses was \$1,405,563, against \$1,693,204. The operating expenses in 1917 included \$400,000 expended in the erection of the new electric light and power plant leased to the Produce Terminal Corporation.

The following is a comparative statement of live stock and car receipts:

Cal. Year—	Cattle.	Calves.	Hogs.	Sheep.	Horses.	Cars.
1917	3,209,427	610,844	7,168,852	3,595,228	107,311	255,093
1916	2,730,176	519,624	9,188,224	4,291,024	205,449	270,521
Inc. or Dec.	+479,251	+91,220	-2,019,372	-695,796	-98,138	-15,428

The live stock receipts for 1917 show large increases in cattle and calves. Previous records were broken as to the receipt of cattle for any single month, the receipt of cattle and of calves for any single week, and largest receipt of calves for any year. The total value of all receipts of live stock for the year 1917 was \$630,612,550, the largest in the history of the yards.

Note Issue.—Guaranteed Bonds of Central Manufacturing District.—Under the mortgage of the Central Manufacturing District, there are at present outstanding \$4,000,000 in bonds which are not the direct obligations of this company, but are guaranteed by it.

It was the intention to issue an additional \$1,000,000 of Central Manufacturing District bonds to complete the construction of the new buildings contracted for in the district on Junction tracks, but on account of the condition of the bond market it was decided to borrow temporarily from the First Trust & Savings Bank of Chicago \$500,000, and deposit as security the bonds of the Central Manufacturing District, authorized as above. These notes will be paid from the sale of the bonds when conditions are favorable or from the sales of land now pending. Income to the trustees of the district is at present more than sufficient to take care of interest and sinking fund requirements on bonds and notes now outstanding.

Central Manufacturing District.—In 1917 the District completed the buildings contracted for during 1916, namely, the Central Union Freight Station and Montgomery Ward & Co. building, the Cross, Roy & Saunders building, the Central Power station and sprinkler plant, and, in addition leased to the U. S. Government certain land in the District on which we are now constructing for the Government warehouses to be used for the Quartermaster-General's Department.

The tonnage to be derived from these various industries will be large. During the year the Chicago Junction Ry. handled from the District approximately 90,000 full carloads of freight, an increase of 20% over the previous year. It also handled, through its freight station and direct to trunk line stations, approximately the same volume of less than carload freight from the district as last year.

(Since this report went to press the trustees of the Central Mfg. District have sold to the Government a further unit of 300,000 sq. ft. of land and have entered into a contract to construct a permanent building containing 1,200,000 sq. ft. of floor space at a cost of \$2,300,000.)

COMBINED EARNINGS OF THE COMPANY AND THE CONTROLLED STOCK YARDS CO. AND CHICAGO JUNCTION RY.

	1917.	1916.	1915.	1914.
Gross earnings	*\$7,726,132	*\$7,208,314	\$6,566,836	\$5,982,368
Taxes, int. & oper. exp.	30,320,559	5,515,110	4,943,324	4,384,898
Surplus after int., &c.	\$1,405,563	\$1,693,204	\$1,623,512	\$1,597,470

* Exclusive of earnings from real estate investments. x Includes in 1917 \$400,000 expended in the erection of the new electric light and power plant leased to the Produce Terminal Corporation.

BALANCE SHEET DECEMBER 31.

Assets—	1917.	1916.	Liabilities	1917.	1916.
Inv.—Cap. stock			Stock, common	6,500,000	6,500,000
132,000 sh. of			Stock, preferred	6,500,000	6,500,000
The Stk. Yds.			Bonds	14,000,000	14,004,000
& Trans. Co.			Notes payable	600,000	600,000
54,991 sh. of	30,255,879	30,255,806	Accrued interest	165,000	165,000
Chic. Jct. Ry.,			Accounts, pay	16,809	7,171
&c., Invest.			Miscellaneous	15,929	11,242
Cash	148,020	197,259	Surplus	3,415,186	3,477,749
Interest, &c., Res.	202,501	202,501			
Coupon account	5,223	9,598			
Cent'l Mfg. Dist.	500,000	500,000			
Total	\$31,112,923	\$30,665,163	Total	\$31,112,923	\$30,665,163

The company guarantees both principal and interest, \$765,000 Chicago River & Indiana RR. 5s, due Oct. 1 1925; \$2,327,000 Chicago Junction RR. 4s, due March 1 1945; and \$4,000,000 Central Mfg. District 5s, due March 1 1941.—V. 106, p. 1129.

GENERAL INVESTMENT NEWS.

RAILROADS, INCLUDING ELECTRIC ROADS.

"Note."—Government Funds for Railroads—New Officers under Government Regime.—The United States Railroad Administration has authorized the expenditure of sums tentatively aggregating \$937,961,318, by 183 companies, for additions, betterments and extensions. The tabular statement giving the names of the companies and the amount of expenditures of each class as aforesaid will be found on a preceding page.

See also previous pages for facts regarding operating officials and position of Presidents under Government regime.

American Railways Co., Phila.—Com. Div. Omitted.

The directors took no action on the common dividend at the meeting yesterday. On Dec. 15 last 2% was paid.—V. 106, p. 1343.

Ach. Topeka & Santa Fe Ry.—New Capital—Officers.

The U. S. Railroad Administration has sanctioned improvement outlays of \$17,757,647; equipment, \$23,007,137; extensions, \$701,000. See "Note" above. In addition to the foregoing similar expenditures, aggregating \$2,476,263, has been authorized on the subsidiary property, Gulf Colorado & Santa Fe RR.—V. 106, p. 2128, 2113.

Atlantic Coast Line RR.—New Capital—Officers.

The U. S. Railroad Administration has sanctioned improvement outlays of \$7,028,094; equipment, \$7,328,177; extensions, \$143,656. See "Note" above.

New Director—Report.

Frank K. Borden succeeds the late E. B. Borden as director. The annual report is cited on a previous page.—V. 106, p. 601.

Auburn & Syracuse Electric Ry.—Wages.

This company has increased the wages of its employees from 26 1/2 cts. per hour, minimum, and 30 1/2 cts., maximum, to 31 cts. and 40 1/2 cts., respectively.—V. 106, p. 188.

Baltimore & Ohio RR.—New Capital—Officers.

The U. S. Railroad Administration has sanctioned improvement outlays of \$16,022,171; equip., \$27,335,132; extens., \$450,000. See "Note" above. Director-General McAdoo, it is reported, contemplates appointing his own nominee as Federal Manager to direct the operations of the property. President Daniel Willard of the B. & O. (like Pres. Res. of the Pennsylvania RR.) is said to have been called to Washington to receive notification that his services would not be required by the Government in the capacity of Manager. Whether he will continue in office in the interest of the shareholders is not stated.—V. 106, p. 2010, 1795.

Bay State Street Ry.—Public Control Bill.

The House Committee on Street Railways in the Massachusetts Legislature has reported a bill for public operation of the company's properties for 10 years under the service-at-cost plan. The provisions of this measure are similar in certain particulars to the bill for public control of the Boston Elevated Ry. (see caption of that company below) as regards control by a board of trustees, &c.—V. 106, p. 1795, 1688.

Boston & Maine RR.—New Capital—Officers.

The U. S. Railroad Administration has sanctioned improvement outlays of \$8,948,648; equipment, \$13,359,761. See "Note" above. About half of the sum allowed by the Government, it is stated, will be used for equipment, including switching locomotives, coal cars, box cars, stock cars, cabooses, refrigerator cars, baggage cars, postal cars and milk cars. The other half will be expended in enlarging freight yards, laying new tracks, strengthening the lines and expanding the repair shops.

Interest on Notes—Dividends.—J. H. Hustis, Temporary Receiver, as of May 18 writes:

The matured interest on Connecticut River RR. 4s of 1893, due March 1918 (\$1,000,000 outstanding), Connecticut River 3 1/2s of 1901 and 1903, due Jan. 1918 (\$290,000 and \$969,000, respectively, outstanding), Vermont Valley \$2,300,000 notes, and the dividend on (the \$3,233,300) Connecticut River stock, due Jan. 1918, have all been paid. The interest on \$2,000,000 Connecticut River notes was paid to Aug. 31 1917. (V. 106, p. 1998.)

There has been no change in the general situation. Dividends and interest payments on issued lines securities have been paid on maturity with the exception of interest on the Connecticut River notes above referred to.

Earnings as Reported to P. S. Comm.

3 Months	Gross Earnings	Net (after Taxes)	Other Income	Interest, Rents, &c.	Balance, Deficit.
March 31.					
1918	\$13,217,506	loss \$814,597	\$222,723	\$2,855,411	\$3,447,286
1917	13,254,745	prof. 1,612,498	285,693	3,099,691	1,201,501

—V. 106, p. 1676, 1576.

Boston Elevated Ry.—Public Control Bill Signed.

The bill providing for the public control of this company's properties has been signed by the Governor of Massachusetts. Chief provisions of the bill are summarized as follows:

- (1) Road to be managed by 5 trustees, appointed by the Governor.
- (2) Period of public control, 10 years or longer, at option of Commonwealth.
- (3) Trustees have power to regulate fares and transfer privileges, and determine character and extent of service.
- (4) Co. shall raise \$3,000,000 by sale of pref. stock at not less than par, \$1,000,000 to be used as a reserve fund and \$2,000,000 for addns. & impts.
- (5) Fares must be sufficient to meet cost of service, pref. dividends and common dividends at rate of \$5 a share for first two years, \$5 50 for next two years and \$6 during balance of period of public operation.
- (6) Trustees shall adopt a schedule of eight different grades of fares, of which four shall be below and four above rate of fare first established. Schedule shall be increased when fare is changed, so that there shall always be not less than four above and four below the existing fare.
- (7) Whenever income is insufficient to meet cost of service, the reserve fund shall be drawn upon; if more than sufficient, excess shall be transferred to the reserve fund.
- (8) When reserve fund exceeds by 30% or more original amount, and income during preceding three months exceeded cost of service, next lower grade of fare shall be adopted; when reserve fund is less than 70% of original amount, and during preceding three months income was less than cost of service, next higher grade of fare shall be adopted. Fare shall continue to be decreased or increased if reserve fund is above or below said limits.
- (9) If reserve fund is insufficient to meet deficiency in cost of service, State shall make up the deficit and assess same upon cities and towns in which the company operates.
- (10) At end of period of public control, road reverts to board of directors, who may continue to operate same on service-at-cost plan, and pay \$6 a share common dividends.
- (11) State has option of taking over the road by assuming liabilities, and paying in cash an amount equal to that paid in by the stockholders; also State may take over West End St. Ry. if latter has already been merged into Boston Elevated. West End purchase price to be an amount in cash equal to amount paid in by common stockholders of West End plus par value of the preferred.

The shareholders will vote June 3 on accepting the Act to provide for the public operation of the company and on authorizing the issue of \$3,000,000 par value of pref. stock for the purposes specified in the Act.—V. 106, p. 1688, 1569.

Brooklyn Rapid Transit Co.—Migs. Approved—Notes.

The shareholders on May 23 approved the recommendation of the directors and ratified the creation of the \$150,000,000 mortgage (for which see V. 106, p. 1900).

A hearing will be held May 28 in Washington before the War Finance Board with respect to the company's application for Government assistance in meeting the \$57,735,000 notes maturing in July. Compare V. 106, p. 2122, 2010, 1900.

Caro, Clinch, & Ohio Ry.—New Capital, &c.—Report.

The U. S. Railroad Administration has sanctioned improvement outlays of \$398,475; equipment, \$4,492,750. See "Note" above. For annual report see "Reports" above.—V. 106, p. 2006, 1036.

Central Crosstown RR. (New York)—Sale.

Justice Greenbaum in the New York Supreme Court on May 17 appointed Lytleton Fox as referee to sell the rights, franchises, &c., of this company. This action is the result of a suit brought last December by the Guaranty Trust Co., as trustee, against the company and others to foreclose a mortgage of \$3,000,000 executed on May 1 1912, to secure an issue of First Consolidated Migs. 4% gold bonds, on which there is due \$3,645,434. The company operates the surface lines, commencing at 23d St. and the East River and running to the North River, and returning from foot of Christopher St.—V. 101, p. 1369.

Central Illinois Public Service Co.—Acquisition.

Pres. Marshall E. Sampson on May 21 1918 wrote: "The company was authorized by the State P. U. Commission of Illinois to purchase the entire outstanding capital stock, preferred and common, of the Southern Illinois Ry. & Power Co. and the Central Illinois P. S. Co., pursuant to its authority, have actually acquired all said stock."—V. 106, p. 1036, 931, 497.

Central RR. of New Jersey.—New Capital—Officers.

The U. S. Railroad Administration has sanctioned improvement outlays of \$7,467,647; equip., \$8,768,500. See "Note" above.—V. 106, p. 2010.

Charleston (S. C.) Consolidated Ry.—No Fare Raise.

The Charleston City Council on May 14 rejected this company's petition for an increase in street car fares from 5 cts. to 6 cts.—V. 105, p. 2093.

Chesapeake & Ohio Ry.—New Capital—Officers.

The U. S. Railroad Administration has sanctioned improvement outlays of \$7,028,094; equipment, \$10,877,996; extensions, \$500,631. See "Note" above.

Dividend of 2%.

The Executive Committee yesterday declared the customary semi-annual dividend of 2%, payable on June 29 1918 to stockholders of record June 7 1918. The action was taken with the approval of the Federal Administration of Railways and Chairman Frank Trumbull speaks in high praise of the celerity with which the matter was handled in different offices in Washington, as soon as an understanding was had as to 1918. Declaration of the dividend had been delayed somewhat pending this action.—V. 106, p. 2122, 2004, 1911.

Chicago & Alton RR.—New Capital—Officers.

The U. S. Railroad Administration has sanctioned improvement outlays of \$1,000,542; equipment, \$578,793. See "Note" above.—V. 105, p. 1522.

Chicago & Eastern Illinois RR.—New Capital—Officers.

The U. S. Railroad Administration has sanctioned improvement outlays of \$2,185,488; equipment, \$2,123,209. See "Note" above.—V. 106, p. 2010, 2007.

Chicago & North Western Ry.—New Capital—Officers.

The U. S. Railroad Administration has sanctioned improvement outlays of \$7,570,832; equipment, \$3,640,620. See "Note" above.—V. 106, p. 2122, 1688.

Chic. Burlington & Quincy RR.—New Capital—Officers.

The U. S. Railroad Administration has sanctioned improvement outlays of \$6,246,638; equipment, \$8,599,200. See "Note" above.—V. 106, p. 2114, 2010.

Chicago Great Western RR.—New Capital—Officers.

The U. S. Railroad Administration has sanctioned improvement outlays of \$755,571; equip., \$330,710. See "Note" above.—V. 106, p. 2007.

Chicago Milw. & St. Paul Ry.—New Capital—Officers.

The U. S. Railroad Administration has sanctioned improvement outlays of \$12,639,650; equipment, \$9,848,003; extensions, \$642,000. See "Note" above.

New Director.

Edward S. Harkness has been elected a member of the executive committee to succeed John D. Ryan. Mr. Ryan continues as director of the road.—V. 106, p. 2005.

Chicago R. I. & Pacific Co.—New Capital—Officers.

The U. S. Railroad Administration has sanctioned improvement outlays of \$8,248,605; equipment, \$5,950,431. See "Note" above.—V. 106, p. 2010, 2025.

Chicago & Western Ind. RR.—New Capital—Officers.

The U. S. RR. Administration has sanctioned improvement outlays of \$621,000; equipment, \$390,688. This includes the Belt Ry. of Chicago. See "Note" above.—V. 106, p. 715.

Cincinnati Dayton & Toledo Traction Co.—Default—Committee.

Default having occurred in the payment of the May 1 1918 interest on the \$1,350,000 outstanding First Consolidated Mtge. 5% bonds, due May 1 1920, of the Southern Ohio Traction Co., the committee named below has consented to act as a protective committee under an agreement now in course of preparation.

Bondholders are requested to deposit their bonds immediately with the Cleveland Trust Co., depository (also trustee), or the Girard Trust Co., sub-depository.

Committee.—R. M. Stinson, Chairman, R. M. Stinson & Co., Philadelphia; Livingston E. Jones, Pres. Savings Fund Society of Germantown, Philadelphia; Edward E. Newman, Sec. the Cleveland Trust Co., Cleveland.—V. 106, p. 1461, 295.

Cincinnati Findlay & Ft. Wayne RR.—Abandoned.

A press dispatch from Toledo states that operations on this company's 94-mile line were abandoned May 18 under Govt. order. The company was scheduled to cease business on Mar. 15, but was kept in operation by the Government until the above date.

It is stated that the Government order to cease operations has been suspended so far as the branch between Delphos and Ft. Wayne is concerned to see if some arrangements can be made for the operation of that branch by the Dayton Toledo & Chicago Ry.—V. 106, p. 1344, 929.

Cincinnati New Ori. & Tex. Pac. Ry.—New Capital.

The U. S. RR. Administration has sanctioned improvement outlays of \$5,415,994; equipment, \$619,750. See "Note" above.—V. 106, p. 709.

Clev. Cin. Chi. & St. L. Ry.—New Capital—Officers.

The U. S. RR. Administration has sanctioned improvement outlays of \$10,117,796; equip., \$12,044,211. See "Note" above.—V. 106, p. 2020, 2003.

Connecticut River RR.—Interest—Dividends.

See Boston & Maine RR. above.—V. 105, p. 1998.

Cripple Creek & Colorado Springs RR.—Lease.

We learn that the Midland Terminal Ry. Co.'s property is at present under lease to the Cripple Creek & Colorado Springs RR. Co. on a rental basis of \$6,500 per month.—V. 105, p. 997.

Delaware & Hudson Co.—New Capital—Officers.

The U. S. RR. Administration has sanctioned improvement outlays of \$1,196,659; equip., \$1,961,954. See "Note" above.—V. 106, p. 2022, 2002.

Delaware Lack. & Western RR.—New Capital—Officers.

The U. S. RR. Administration has sanctioned impt. outlays of \$1,835,118; equipment, \$1,597,992. See "Note" above.—V. 106, p. 1900, 1344.

Delaware River RR. & Bridge Co.—Lease to Penn. RR.

See Pennsylvania RR. below.—V. 102, p. 1540.

Denver & Rio Grande RR.—Prepared to Pay Overdue

Coupons, &c.—Under order of the U. S. District Court for the District of Colorado, the receiver, Alexander R. Baldwin, has deposited with trustees or paying agencies herein-after named, funds to pay the following mentioned interest upon mortgage bonds of the company, or its constituents, and the bondholders are accordingly receiving the money due them as announced by adv. on another page:

D. & R. G. RR. Co. First Consol. 4s and 4½s. Interest maturing on or prior to Jan. 1 1918, at National Park Bank, N. Y. [This refers only to coupons not presented prior to the appointment of the receivers on or about Jan. 26. All coupons presented before that event were paid promptly.—Ed.]

D. & R. G. RR. Co. Improvement 5s. Interest maturing on or prior to June 1 1918, at National Park Bank, N. Y.

Rio Grande Western Ry. Co. First Trust 4s. Interest maturing on or prior to Jan. 1 1918, at Guaranty Trust Co. of N. Y. [This refers only to coupons not presented prior to the appointment of the receivers on or about Jan. 26. All coupons presented before that event were paid promptly.—Ed.]

Rio Grande Western Ry. Co. First Consolidated 4s. Interest maturing on or prior to April 1 1918, at Guaranty Trust Co. of N. Y.

D. & R. G. RR. Co. First and Refunding 5s. Interest maturing on or prior to Feb. 1 1918, at Bankers Trust Co., N. Y.

D. & R. G. RR. Co. Adjustment 7s. Interest maturing on or prior to April 1 1918, at New York Trust Co., N. Y.

All claims for materials, supplies, &c., represented by vouchers of the company for Dec. 1917 or preceding months will be paid through the treasurer for the receiver, Equitable Building, Denver.

[These payments have been made possible by an advance of \$1,500,000 allowed to the receiver by the Railroad Administration on account of accrued rental under the proposed contract for the operation of system by the U. S. Government, this money being available in conjunction with other funds already in his hands.—Ed.]

Notices from Both Bondholders' Committees.—The committee of holders of First & Ref. Mtge. 5% bonds of the D. & R. G. announce by adv. on a preceding page the success of their efforts to obtain the payment of the coupons on this issue and urge holders of undeposited First & Ref. Mtge. 5s to deposit these bonds promptly in order that the ability of the committee to act for the protection of the bondholders may be made still more potent. The interest on the bonds now deposited will be paid through the several depositories of the committee.

The committee representing the 7% Cumulative Adjustment Mtge. gold bonds likewise announce that they have concluded arrangements with the receiver for the payment of the interest due April 1 on these bonds, payment to be made through the N. Y. Trust Co., the depository. Holders of undeposited Adjustment bonds are asked to deposit the same promptly with said depository, or with the First Trust & Savings Bank, agent of the depository, 68 West Monroe St., Chicago, in exchange for transferable certificates of deposit.

New Capital—Officers.

The U. S. RR. Administration has sanctioned impt. outlays of \$2,422,668; equipment, \$363,694; extensions, \$62,179. See "Note" above.—V. 106, p. 2122, 2010.

Detroit & Mackinac Ry.—Earnings.

Cal. Years.	Gross Earnings.	Net after Taxes.	Other Income, Rents, &c.	Interest, Pfd. Divs.	Com. Divs.	Balance.
1917.	\$1,350,450	\$178,696	\$108,954	\$92,300	\$47,500 (2½%)	\$80,000 \$97,850
1916.	1,254,102	316,488	86,625	199,036	47,500 (5%)	100,000 56,877

—V. 106, p. 817, 715.

Erie RR.—New Capital Expenditures—Officers.

The U. S. RR. Administration has sanctioned impt. outlays of \$9,799,262; equipment, \$14,794,178. See "Note" above.—V. 106, p. 1900, 1796.

Freight Rates.—Supr. Court Decision—25% Inc. Urged.

The U. S. Supreme Court on May 20 in effect sustained Federal decrees upholding I.-S. C. Commission orders adjusting freight rates between Shreveport, La., and Texas points and enjoining the Texas RR. Commission from interfering with the fixing of intra-State rates in compliance with the order.

See page 2087 in last week's issue.—V. 106, p. 2122, 1900.

Gauley & Eastern Ry.—Loan.

See Kanawha & Michigan Ry. under "Reports" above.

Great Northern Ry.—New Capital—Officers.

The U. S. Railroad Administration has sanctioned improvement outlays of \$9,510,600; equipment, \$4,622,388; extensions, \$450,000. See "Note" above.—V. 106, p. 1577, 817.

Hocking Valley RR.—New Capital—Officers, &c.

The U. S. Railroad Administration has sanctioned improvement outlays of \$3,622,043; equipment, \$2,046,998. See "Note" above, also Sunday Creek Co. under "Industrials" below.

Common Dividend Reduced.

A semi-annual dividend of 2% has been declared on the common stock, payable June 29 to holders of record June 14. The last semi-annual payment on Dec. 31 1917 was 3¼%.—V. 106, p. 2028, 2004.

Houston (Tex.) Belt & Terminal Co.—Lease, &c.

See International & Great Northern RR. below.—V. 106, p. 1796.

Illinois Central RR.—New Capital—Officers.

The U. S. Railroad Administration has sanctioned improvement outlays of \$10,660,251; equipment, \$15,720,397; extensions, \$325,000. See "Note" above. In addition to the foregoing, similar expenditures, aggregating \$3,182,997, have been authorized on the subsidiary property, Yazoo & Mississippi Valley RR.—V. 106, p. 2123, 1693.

Illinois Traction Co.—Dividends on Common Stock Suspended.

A circular dated at Champaign, Ill., May 10, and signed by President W. B. McKinley and Secretary T. B. Macauley, says in substance:

Owing to the great increase in operating expenses due to war conditions the directors have decided to suspend the payment of dividends on the common stock. The increase in expenses is due to the great advance in cost of labor and materials required in operating the properties, the largest single item, aside from labor, being the increased cost of coal.

The company has been granted by the Missouri Commission an increase in the price of gas supplied at Jefferson City, Mo. We also during February applied to the Illinois Commission for increases in street railway fares, gas and electric rates in practically all of the towns in Illinois in which the company operates. Hearings were held by the Commission in Feb. and March and a decision in the near future is hoped for.

While we expect to be granted considerable increases in our street railway fares and gas and electric rates the directors consider that the company should even then conserve its resources and not pay dividends on the common stock until war conditions are passed.

Our interurban lines are also suffering from high expenses without compensating increases in rates. Inasmuch as the Government-operated railroads throughout the country are showing large decreases in net earnings, possibly some relief from this situation may come through the efforts of the Railroad Administration.

Subsidiary Co. Fares—Rates.

The Illinois P. U. Commission has authorized the following rate and fare revisions in the below-named cities where subsidiaries of the company operate:

A 6-cent street car fare at Jacksonville and Cairo. A straight 5-cent fare at Danville, Decatur, Champaign, Urbana, Bloomington, Quincy and Galesburg. At both Jacksonville and Cairo an arrangement was approved whereby 20 tickets will be sold for \$1.

Increases of from 10 cents to 25 cents per 1,000 cu. ft. for the first 5,000 cu. ft. of gas consumed monthly were allowed as follows: Decatur, 10 cents; Danville, 20 cents; Champaign and Urbana and Galesburg, 25 cents.—V. 106, p. 1231, 1126.

Internat. & Grt. Northern Ry.—Lease of City Trackage.

The Houston City Council on May 8 authorized Mayor Pro Tem. Moody to execute a contract with this company and the Houston Belt & Terminal Co., leasing to them for one year the city's trackage for operation and maintenance (V. 106, p. 1796). The Houston "Post" of May 9 says: "By this move the city will be relieved of the financial burden of getting the Municipal Belt Ry. & Terminal line into service during the first year of its existence, saving a large sum of money." The lease contract covers the present trackage of the city, which is about nine miles, and the tracks to be constructed, which include the extension of the city tracks to the Sinclair Oil & Refining Co., the Texas Portland Cement Co., the Texas Chemical Co. and the Magnolia Petroleum Co.

"The contract provides for the payment to the city by the railroads of 50 cents a load for each loaded car moved to or from the industries which the line will serve. The roads will be permitted to charge not more than \$5 per car for switching between the industries and the connecting tracks with other tracks. The rate for deliveries of shipments to any part of the belt line will be the same as in Houston." Compare V. 106, p. 2008, 1797.

Connection.

See Mo. Kan. & Texas Ry. below.—V. 106, p. 2008, 1797.

Kanawha & West Virginia RR.—Sale—Earnings.

See Kanawha & Michigan Ry. under "Reports" above.—V. 104, p. 2010.

Kan. City Ft. Scott & Memphis Ry.—Sub. Co. Coupons.

See Kansas City Memphis & Birmingham RR. below.—V. 106, p. 1227.

Kansas City Memphis & Birm. RR.—Coupons Paid.—Notice is given that on and after May 20 the company will pay at the Old Colony Trust Co., Boston, coupons bearing serial numbers 21, 22 and 23, matured Sept. 1 1915, 1916 and 1917, respectively, pertaining to its 5% income bonds of 1894. This is equal to 6.198% of the par value (\$500, &c.), being at the rate of 1.198% in respect of coupon matured Sept. 1 1916, and at the rate of 5% in respect of coupon matured Sept. 1 1917.—V. 75, p. 1147.

Kansas City Southern Ry.—New Capital—Officers.—The U. S. Railroad Administration has sanctioned improvement outlays of \$1,204,279; equipment, \$1,026,899. See "Note" above.—V. 106, p. 2123, 2005.

Lake Erie & Western RR.—New Capital—Officers.—The U. S. Railroad Administration has sanctioned improvement outlays of \$1,133,600; equip., \$2,237,260. See "Note" above.—V. 106, p. 2009.

Lehigh & Hudson River Ry.—New Capital—Officers.—The U. S. Railroad Administration has sanctioned improvement outlays of \$59,306; equipment, \$202,640. See "Note" above.—V. 106, p. 189.

London & Lake Erie RR.—Valuation.—This property, offered to the city of London, Ont., for \$420,000, has been appraised, according to an announcement by Sir Adam Beck to the Board of Control, at a total of \$262,164. See V. 106, p. 1344.

Louisville & Nashville RR.—New Capital—Officers.—The U. S. Railroad Administration has sanctioned improvement outlays of \$5,944,013; equipment, \$5,768,225; extensions, \$976,035. See "Note" above.—V. 106, p. 1684, 1567.

Mahoning & Shenango Ry. & Light.—Offering of Bonds.—Lee, Higginson & Co., Drexel & Co., Reilly, Brock & Co., Graham, Parsons & Co. and Montgomery & Co., are offering at 94 and interest, to yield 7.65%, an additional block of \$600,000 First and Consolidated Mtge. 5s, due 1920, making at present outstanding \$10,600,000.—V. 106, p. 2123, 1577.

Manistee Light & Traction Co.—Successor Co. Fares.—See Manistee Railway below.—V. 88, p. 506.

Manistee (Mich.) Railway.—Fare Increase.—This company's fares have been increased to 10 cents, with commutation at 3 tickets for 25 cents and 7 for 50 cents.

Massachusetts Electric Cos.—Sub. Co. Control Bill.—See Bay State Street Ry. above.—V. 106, p. 1036, 499.

Michigan Central RR.—New Capital—Officers.—The U. S. Railroad Administration has sanctioned improvement outlays of \$4,426,225; equipment, \$15,601,332. See "Note" above.—V. 106, p. 2123, 2018.

Milwaukee Electric Ry. & Light Co.—Offering of 2-Year Notes.—The bankers named below are offering at 98½ and interest, yielding over 7.80%, \$2,000,000 2-year 7% secured gold notes dated May 1 1918, due May 1 1920, but callable on four weeks' notice at 101 and interest on Nov. 1 1918 and on any interest payment date thereafter prior to maturity at 100½ and int. Int. M. & N. Denom. \$1,000 and \$500 c*. Trustee, Bankers Trust Co., N. Y.

"Passed as not incompatible with the interest of the United States, but without approval of the merits, security or legality. Opinion No. A. 293. (Signed) Capital Issues Committee of the Federal Reserve Board."

The bankers making the offering are: Spencer Trask & Co., Harris, Forbes & Co., Coffin & Burr, the Wisconsin Trust Co. and the First National Bank of Milwaukee.

Data from Letter of President J. D. Mortimer, Dated May 23 1918.

Company.—Incorporated Jan. 29 1896 in Wis., owns and operates substantially the entire central station electric light and power and street railway business and a steam-heating business in Milwaukee, serving a population now estimated at 450,000.

Capitalization (upon completion of financing)	Authorized	Outstanding
Common stock	\$20,000,000	\$9,850,000
Preferred (6% non-cumulative) stock	4,500,000	4,500,000
Two-year 7% secured gold notes, due May 1 1920 (present issue)	3,500,000	2,000,000
5% Serial notes, due 1918-1926	Closed	1,300,000
Consolidated Mortgage 5s, due 1920	Closed	6,500,000
Refunding & Extension Mtge. 4½s, due 1931	a	46,728,000
General & Refunding Mortgage 6s, due 1951	90,000,000	65,319,000

b \$3,000,000 additional Gen. & Ref. Mtge. 5s will be pledged to secure the \$2,000,000 7% notes. \$1,000,000 further Gen. & Ref. 5s are pledged as security for the \$1,300,000 5% Serial notes due 1918-1926.

a In addition to the Ref. & Ext. 4½s outstanding with the public, \$6,772,000 bonds are pledged securing the Gen. & Ref. 5s. By the terms of the Gen. & Ref. Mtge. no additional Ref. & Ext. 4½s may be issued.

Earnings for the Year ended March 31 1918.

Gross earnings (including non-operating revenue)	\$8,347,618
Net, after taxes and depreciation reserve	\$2,157,860
Annual interest on funded debt, incl. these \$2,000,000 2-yr. notes	1,123,710

Balance \$1,034,150

Security.—In addition to being the direct obligations of the co., will be secured by the pledge of \$3,000,000 Gen. & Ref. 5s. These \$3,000,000 bonds will be pledged by the Wisconsin Edison Co., Inc., which owns the entire common stock (excepting directors' shares) of the Milwaukee Electric Ry. & Light Co. The bonds so to be pledged are a direct lien on the entire electric light and power and street railway property of the Milw. Elec. Ry. & L. Co., subject to the \$6,500,000 Consol. Mtge. 5s and the \$6,728,000 Ref. & Ext. 4½s, and also a first mortgage on the company's steam heating property. The Gen. & Ref. Mtge. bonds are further secured by pledge as collateral of \$6,772,000 Ref. & Ext. Mtge. 4½s.

Remaining \$1,500,000 notes may only be issued as additional Gen. & Ref. 5s (issuable only for 80% of the actual cash cost and fair value of permanent extensions and additions to the property) are pledged in the foregoing ratio of 150%, and provided the net earnings are 1¼ times the annual interest charges on the funded debt then outstanding with the public, together with the notes proposed, or against the deposit of cash equal to the face value of the notes so to be issued.

Equity.—On the basis of the valuation as of Jan. 1 1914, with the addition of construction expenditures during 1914 to 1917, incl., the estimated reproduction cost, now of the property (exclusive of \$2,129,428 of materials and supplies on hand) as of Dec. 31 1917 was \$30,793,240. Total funded debt of the company will, with the present issue of notes, amount to \$22,347,000.—V. 106, p. 1124, 919, 822.

Missouri Kan. & Tex. Ry.—New Capital—Officers.—The U. S. RR. Administration has sanctioned impt. outlays of \$2,348,705; equipment, \$2,588,373. See "Note" above.

Dec. 1 1917 Coupons on 1st M. As to be Paid May 29.—We are advised that the Dec. 1 1917 coupon on the First Mtge. 4% gold bonds will be paid on May 29 at the United States Trust Co., New York. The committee, of which William Church Osborn is Chairman, further advises us that funds have been advanced to pay the June 1 1918 coupon.

New Connection.—This company has been granted authority by the Federal Government to construct a 100-mile connection between Weldon, Tex., on its Trinity division, which is isolated from the main system, and Mart on the International & Great Northern Ry.—V. 106, p. 1901, 1461.

Missouri Pacific Ry.—New Capital—Officers.—The U. S. Railroad Administration has sanctioned improvement outlays of \$2,394,509; equipment, \$7,517,050; extensions, \$15,000. See "Note" above.—V. 106, p. 2123, 1910.

Mobile & Ohio RR.—Extension.—This company's branch, known as the Mobile & Bay Shore RR., from Alabama Port to Cedar Point, 3¼ miles, was completed Apr. 27, giving Mobile another outlet to the Gulf of Mexico.—V. 106, p. 929.

Monongahela Valley Traction Co.—Annual Report.

Calendar Year	Gross Earnings	Net (after Taxes)	Fixed Charges	Prof. Dis.	Common Dis.	Surplus
1917	\$3,046,769	*\$1,407,388	\$454,026	\$159,120	\$444,605	\$349,637

* After deducting income and excess profits taxes. The total surplus Dec. 31 1917 was \$320,964, after deducting \$406,824 6% stock dividend paid Jan. 12 1917, \$160,015 reserve for depreciation and depletion of property and \$3,439 adjustments.—V. 106, p. 2123, 925.

Mt. Washington Ry.—Not to Operate This Year.—This company will not operate trains to the summit of Mt. Washington this year because of the fact that the majority of the specially trained employees have entered war service.—V. 78, p. 283.

New Jersey & Pennsylvania Trac. Co.—Fare Increase.—The New Jersey P. U. Commission has authorized this company to withdraw the sale of commutation tickets and to increase from 6 cts. to 6 cts. the fare in each of the four zones between Trenton and Princeton, N. J.—V. 105, p. 2366, 2377.

New Orleans Ry. & Light Co.—Earnings.—Bertron, Griseom & Co. report for the 3 months ending March 31:

3 Mos. end.	Gross Earnings	Net (after Misc. Bond, &c., Renewal & Balance, Mar. 31—Taxes)	Discount Interest	Replacem't	Surplus
1918	\$2,082,603	\$812,939	\$12,485	\$487,602	Not stated
1917	1,989,000	747,520	10,490	463,919	51,670
					221,441

—V. 106, p. 1680, 1577.

New York Central RR.—New Capital—Officers.—The U. S. Railroad Administration has sanctioned improvement outlays of \$32,428,693; equipment, \$38,168,394; extensions, \$75,000. See "Note" above.

The items of expenditures for improvements on the New York Central property, which the Director-General has approved, include many additional passing tracks and enlargements of yards, additional interchange facilities, increased telephone and telegraph wires, additional signal installation, new or enlarged coaling plants, repair shops.—V. 106, p. 2123, 2016, 2011, 2002.

N. Y. Chicago & St. Louis RR.—New Capital—Officers.—The U. S. Railroad Administration has sanctioned improvement outlays of \$1,362,538; equipment, \$2,801,120; extensions, \$628,200. See "Note" above.—V. 106, p. 2011, 2007.

New York Connecting RR.—New Capital.—The U. S. Railroad Administration has sanctioned improvement outlays of \$1,217,767. See "Note" above.—V. 106, p. 396.

New York & Harlem RR.—New Directors.—Alfred H. Smith and Orden Mills have been elected directors to succeed Charles A. Peabody and Robert S. Lovett.—V. 106, p. 499.

N. Y. N. H. & Hartford RR.—New Capital—Officers.—The U. S. Railroad Administration has sanctioned improvement outlays of \$14,713,919; equip., \$9,602,010. See "Note" above. It is understood that the figure allowed for new equipment of \$9,602,010 does not mean an additional amount of rolling stock to cost this sum, but includes payment for equipment already ordered.—V. 106, p. 1901, 1797.

New York Railways Co.—Operated Co. Sale.—See Central Crosstown RR. above.—V. 106, p. 1901, 929.

Norfolk & Western Ry.—New Capital—Officers.—The U. S. Railroad Administration has sanctioned improvement outlays of \$8,888,167; equip., \$14,639,057; extensions, \$77,000. See "Note" above.

New Officers.—Press reports state that Chairman L. E. Johnson has succeeded N. D. Maher as President, and that Samuel Rea, President of the Penna. RR. Co., has taken Mr. Maher's place as director. Director-General McAdoo has appointed Mr. Maher as Regional Director for the new Pocahontas operating district with headquarters at Roanoke, Va.

New President.—Terminal Extension.—This company, which connects at Bristol, Tenn., with the Southern Ry., is reported to be expending about \$1,000,000 for terminal extensions and improvements at Bristol.—V. 106, p. 1237, 1223.

Northern Cambria (Electric) Ry.—Successor Company.—The above is the new name for the properties of the Northern Cambria Street Ry., recently purchased to satisfy a mortgage, Cambria Title Savings & Trust Co., trustee. The property will be operated as before, with slight changes in management. M. D. Kittel of Ebensburg, Pa., acting for the late A. W. Buck of the same city purchased the property for \$5,000. Officers and directors of the successor company are: Pres., W. H. Denlinger, who was also President of the old corporation; James H. Allport of Barnesboro, Sec.-Treas. Rembrandt Peale, V.-Pres. The directors are F. H. Barker and Attorney P. J. Little of Ebensburg; W. B. Adair of Pittsburgh and William Bister of Clearfield, Pa. Compare V. 106, p. 1231.

Northern Cambria Street Ry.—Name Changed—Sold.—See Northern Cambria Ry. above.—V. 106, p. 1231.

Northern Pacific RR.—New Capital—Officers.—The U. S. Railroad Administration has sanctioned improvement outlays of \$5,146,123; equipment, \$8,678,757; extensions, \$235,000. See "Note" above.—V. 106, p. 500, 190.

Oklahoma Ry.—Valuation.—The Oklahoma State Board of Equalization on May 16 fixed the valuation of this company's property at \$2,800,000.—V. 102, p. 1987.

Omaha & Council Bluffs Street Ry.—Wages.—This company has increased the wages of its employees from 35 cts. to 40 cts. per hour.—V. 106, p. 1345, 710.

Ottawa Electric Ry.—Debentures Called.—Fifteen (\$15,000) 4% debentures due July 5 1922 have been called for payment July 5 at par and int. at the office of the company, Ottawa, Ont.—V. 104, p. 2343.

Passenger Rates.—25% Increase Urged.—See page 2087 in last week's issue.—V. 106, p. 12123.

Pennsylvania RR.—Lease of Delaware Bridge Co.—The following has been officially revised for the "Chronicle":

The P. S. Commission of Pennsylvania and the P. U. Commission of N. J. have approved of the lease of the railroad, bridge, property and franchises of the Delaware River RR. & Bridge Co. to the Pennsylvania RR., and said lease is about to be consummated. By the terms thereof the Pennsylvania RR. Co. will pay as rental a sum equivalent to 6% per annum on the Bridge Co.'s \$1,300,000 outstanding capital stock, and its taxes and fixed charges. When consummated, the lease will be effective as of April 1 1918.

New Capital Expenditures—Officers.—The U. S. Railroad Administration has sanctioned on the company's lines both east and west of Pittsburgh improvement outlays of \$65,775,671; equipment, \$40,255,771; extensions, \$6,775,210. See "Note" above.

New Director.—Clement B. Newbold succeeds the late W. H. Barnes as director. President Samuel Rea, it is said, has been notified that Director-General McAdoo has decided to appoint his own Federal Manager to direct the operations of the property. Mr. Rea will, it is understood, remain at the head of the company to look after the interests of the shareholders.—V. 106, p. 2011, 1901.

Pere Marquette Ry.—New Capital Expenditures—Officers. The U. S. RR. Administration has sanctioned impt. outlays of \$3,972,759; equipment, \$4,441,782. See "Note" above.

Decision as to Switching Case.—The I.-S. C. Commission has handed down a majority decision in a test case in favor of the Huron Milling Co., plaintiff, of Harbor Beach, Mich., requiring the railroad company to make an allowance to the milling company of 75 cents per car for switching inter-State shipments between the railroad yard and the complainant's plant, and of 45 cents per car for switching between loading and unloading points within the plant.—V. 106, p. 1568, 1462.

Philadelphia Company.—Sub. Co. Notes—Director.—See Duquesne Light Co. under "Indus." below. Everett B. Swezey has been elected a director.—V. 106, p. 2123, 1901.

Philadelphia Rapid Transit Co.—Wages—Petition for Six-Cent Fares—Estimate of Earnings for 1917-18 and 1918-19.—The company has presented to the municipal authorities in Philadelphia petitions signed by 9,388 out of 9,714 of its employees asking for a flat increase in wages of 5 cents an hour and requesting that the company petition the city for consent to an increase in fare to 6 cents in order to make possible such advances in wages, as well as necessary additions to rolling stock, &c. President T. E. Mitten on May 16, in letter accompanying the petition, said in subst.:

The company recognizes that the high cost of living makes the present request of the men one which should be granted and the men know that the company cannot meet these demands without a corresponding increase in its revenue. Upon the granting of this increase in wage of 5 cents per hour the company's pay-rolls for the coming year would show an increase of \$1,750,000 over the present very largely increased wage account.

The P. S. Commission recently made a very thorough examination of the service rendered by the company and had ordered additional equipment to be placed upon the lines; but recognizing the inability of the company to furnish it at once postponed the date to Dec. 1919. The company, however, realizes that if the public generally, as well as the war industries located in this district, are to be adequately served during the coming winter at least 100 cars should be at once ordered, these in addition to the 100 now being built for Hog Island service. The cost of these cars under normal times would approximate \$600,000, but now cannot be secured for less than \$1,300,000, this advance representing approximately what the company is obliged to pay in excess of former costs for practically all of the material and supplies used by it in the conduct of its business.

Apart from all other considerations and purely as a war measure, the company, therefore, at the instance of its men and in order to be in position to render more efficient service, asks you to assent under the 1907 contract to an increase in the base fare from 5 cents to 6 cents. It is estimated that this increase, after allowing for a slight falling off in riding, will add \$3,500,000 to \$4,000,000 to the revenues of the coming year, all of which will be expended in the payment of the increased wages and in the purchase of new cars, and other facilities and the improvement of service to the public. The company will immediately, upon assent being granted, place orders for 100 additional cars and believes that it can get the necessary priority orders to have them delivered within a period of six months, so that, if ordered promptly, they will be available for the next winter.

The company pledges that no part of the increased revenue derived from the increase of fare asked for shall be used to pay dividends to the stockholders beyond the 5% rate now established.

The financial results for the year ended June 30 1918 (two months estimated), and an estimate of the results for the year beginning July 1 1918, assuming a 4% increase in gross earnings, an added pay-roll charge of \$1,750,000 on account of a 5-cent per hour increase in wage, and with allowance for increases in the cost of materials and other expenses, follows:

Table with 2 columns: Item and Amount. Rows include Gross earnings, Operation and taxes, Fixed charges and dividends, Surplus or deficit.

Applying this estimate of earnings for the fiscal year beginning July 1 1918 to the estimated working cash balance on hand June 30 1918, and having regard to the fact that all capital expenditures including refunding, must be met out of current cash as it is impossible to issue any new securities during the war period, the financial condition of the company as at June 30 1919 would be as follows, no allowance being made for increase in fare: Estimated cash working balance June 30 1918, \$1,900,000; Year end, June 30 1919, deficit from operation, \$1,551,000, and capital requirements, \$1,800,000; estimated cash deficit June 30 1919, \$1,451,000.

If the fare increase asked for should become effective, say July 1, the estimated increase in gross revenues for the coming year would be \$3,500,000, from which should be deducted the above estimated cash deficit of \$1,451,000, leaving \$2,049,000 cash available for the purchase of 100 new cars and the improved service facilities promised. If the result of the fare increase should be more favorable than the estimates, the additional revenues would also be applied to the extension and betterment of the service.

Section 2 of the proposed ordinance provides that whenever the contract of Feb. 18 1918 is approved by the Commission, then the said contract shall take effect with the base (6-cent) fare, and said fare thereafter shall be subject to adjustments in the manner and subject to the conditions set forth in the said contract. If, on the other hand, the said contract should for any reason not become effective, then the 6-cent fare shall be subject to revision and adjustment at the expiration of one year after the close of the war.—V. 106, p. 2123, 2011.

Pittsburgh (Pa.) Rys. Co.—Fare Changes.—An increase of fares on all the company's lines to 7 cts. was announced May 19, and all night fares to be 10 cts., increases effective June 20. A 5-cent fare is to be charged on the cross-town lines and for transfers from it and from lines to other lines contemplating a ride beyond the 2-mile zone a charge of 2 cents is to be made.—V. 106, p. 2123, 2011.

Pittsburgh & West Virginia Ry.—Earnings for March and 3 Mos. end. Mar. 31 1918.—(Incl. West Side Belt RR.)

Table with 2 columns: Period and Amount. Rows include Gross earnings, Net, after taxes, Other income, Gross income, Deductions, Net income.

Public Service Ry.—Hoboken Fares.—The New Jersey P. U. Commission has dismissed the petition of the City of Hoboken, filed March 26 1913, asking that the fares be reduced in that city from 5 cents to 3 cents.—V. 106, p. 87.

Rapid Transit in New York.—Prospective Operations.—The Lexington and Seventh Avenue subways will be ready for operation about June 15, if an agreement providing for track connections and other work at Times Square and the Grand Central stations is approved in sufficient time by the Board of Estimate and Apportionment. Construction work on both lines is completed, with the exception of a few minor matters now under way at various stations.

Wage Demands of Contractors' Employees.—Employees of the contractors on subway construction have adopted a resolution to strike on June 1 unless increased wages asked for are granted as from May 15.—V. 106, p. 2011, 1901.

Reading Company.—New Capital—Railway Officers.—The U. S. RR. Administration has sanctioned railroad impt. outlays of \$13,386,387; equip., \$11,532,276. See "Note" above.—V. 106, p. 1786.

St. Louis-San Francisco Ry.—New Capital—Officers.—The U. S. RR. Administration has sanctioned impt. outlays of \$5,709,397; equip., \$1,661,533. See "Note" above.—V. 106, p. 2123, 2006.

San Francisco-Oakland Term. Rys.—Coupons.—Coupons due July 7 1917 on the Oakland Transit first Consol. Mtge. 6% bonds are being paid, reports state, at the Wells Fargo Nevada National Bank, San Francisco.—V. 106, p. 1680.

Seaboard Air Line Ry.—New Capital—Officers.—The U. S. RR. Administration has sanctioned impt. outlays of \$2,961,101; equip., \$5,595,622; extens., \$153,000. See "Note" above.—V. 106, p. 2131, 2113.

Sidell & Olney RR.—Abandonment.—This company's patrons have applied to the Illinois P. U. Commission requesting it to deny the company's petition to abandon its service and dismantle its equipment.—V. 104, p. 2553.

Southern Illinois Ry. & Power Co.—Sale.—See Central Illinois Public Service Co. above.—V. 105, p. 910, 717.

Southern New York Power & Ry. Corp.—Mgt., &c.—The New York P. S. Commission has authorized this corporation to execute and deliver to the Equitable Trust Co. of New York, as trustee, a mortgage on its property to secure \$3,000,000 First Mtge. 10-year bonds. An issue of \$1,000,000 in bonds is authorized, of which \$952,000 shall be exchanged for \$1,085,000 First Mtge. bonds of the company issued under its former corporate name, the Otsego & Herkimer RR., and the bonds thus redeemed to be canceled. Bonds for \$48,000 are to be used for the acquiring of a like amount of capital stock of the Southern New York Power Co., formerly the Colliers Light, Heat & Power Co., the order also providing that a like amount of bonds shall be canceled.

The Commission has also canceled authority to execute a mortgage for \$10,000,000 and issue 5% bonds under an order granted Oct. 19 1916. Compare V. 106, p. 1578, 822.

Southern Ohio Traction Co.—Default—Committee.—See Cincinnati Dayton & Toledo Traction Co. above.—V. 74, p. 1039.

Southern Pacific Co.—New Capital—Railway Officers.—The U. S. Railroad Administration has sanctioned improvement outlays on the lines on the company's system to a total of \$10,160,275; for equipment, \$17,668,510, and for extensions, \$1,614,331. See "Note" above.—V. 106, p. 2123, 1462.

Southern Railway.—New Capital—Officers.—The U. S. RR. Administration has sanctioned impt. outlays of \$11,636,684; equipment, \$17,476,827. See "Note" above.—V. 106, p. 1901, 1037.

Tennessee Railway, Light & Power Co.—Loan—Refunding.—Holders of this company's \$2,500,000 2-year 5% gold coupon notes due June 1 next have received the following from Pres. C. N. Clark:

The Tennessee Railway, Light & Power Co. has made application to the War Finance Corporation for a loan of sufficient magnitude to provide for the payment of its \$2,500,000 of 5% gold coupon notes maturing June 1 1918. An effort is being made to secure an early hearing upon the application of this company. Inasmuch, however, as it may be impossible to secure action in time to provide for the payment of these notes at maturity, the holders thereof are requested to withhold presentation for payment until the decision of the War Finance Corporation is reached.

We have communicated with the owners of a large amount of these notes, who have acquiesced in our request, and we trust that the holders of the balance of the notes will feel justified in not presenting their notes for payment as herein suggested. Prompt notice will be given as soon as action is taken by the War Finance Corporation.

Coupons due June 1 1918 will be paid as usual upon presentation, and the notes will of course continue to draw interest until date of payment.—V. 106, p. 1462.

Texas Electric Rys.—Strike Declared Off.—Trainmen who struck March 9 for shorter hours and recognition of the union were refused and have returned to work.—V. 106, p. 397.

Texas & Pacific RR.—New Capital—Officers.—The U. S. RR. Administration has sanctioned impt. outlays of \$3,117,559; equipment, \$3,037,852. See "Note" above.—V. 106, p. 1231.

Toledo & Ohio Central Ry.—New Capital—Officers.—The U. S. RR. Administration has sanctioned impt. outlays of \$1,308,141; equip., \$4,480,111; ext., \$737,775. See "Note" above.—V. 106, p. 2124.

Toledo St. Louis & West. RR.—New Capital—Officers.—The U. S. RR. Administration has sanctioned impt. outlays of \$714,134; equipment, \$3,767,500. See "Note" above.—V. 106, p. 1462.

Trenton Street Ry.—Listing in Philadelphia.—The Phila. Stock Exchange has placed on the regular list an additional \$120,000 of this company's consolidated mortgage 5% bonds due 1938, making total now listed \$1,130,000.—V. 94, p. 828.

Table with 2 columns: Periods and Amounts. Rows include Ending, Gross Earnings, Total Net Income, Int., Pf. Divs., Com. Div., Balance, Sur. or Def.

Tonopah & Goldfield RR.—Annual Report.—Regional Director.—B. L. Winchell, traffic director, it is reported, has been appointed as Regional Director for the Southern District, with headquarters at Atlanta, to succeed C. H. Markham, who has been made director of the new Allegheny region.—V. 106, p. 1578, 1462.

United Power & Transportation Co.—Sub. Co. Listing.—See Trenton Street Ry. above.—V. 106, p. 1462, 925.

Virginian Railway.—New Capital—Officers.—The U. S. RR. Administration sanctioned impt. outlays of \$4,386,150; equip., \$4,007,693; ext., \$237,444. See "Note" above.—V. 106, p. 1902.

Wages.—Table Showing Estimate of Increased Cost Resulting from Railroad Wage Commission Award.—See page 2086 in last week's issue.—V. 106, p. 2124, 2012.

Western Pacific RR.—New Capital—Officers.—The U. S. RR. Administration has sanctioned impt. outlays of \$977,024; equip., \$4,149,133. See "Note" above.—V. 106, p. 1892, 1787.

Wisconsin Central RR.—Bonds.—The Wisconsin RR. Commission has authorized this company to issue about \$1,890,000 First & Refunding Mtge. bonds of the issue of 1909 (\$5,816,000 outstanding at last accounts), to be sold at not less than 75%. The proceeds of the issue are to be used for the retiring of First General Mtge. bonds of the subsidiary Marshfield & Southeastern Ry. and for additional extensions and improvements.—V. 106, p. 818, 500.

Wisconsin & Northern RR.—Proposed Extension.—Subject to the permission of the Director-General of Railroads, this company will construct a 14-mile extension from Black Creek, Wis., to Appleton. Residents of Appleton have subscribed to an issue of \$200,000 of the company's 6% notes, as required in order to bring about the extension.—V. 103, p. 240.

Zanesville & Western Ry.—Earnings, &c.—See Toledo & Ohio Central RR. under "Reports" above.—V. 100, p. 400.

INDUSTRIAL AND MISCELLANEOUS.

Abitibi Power & Paper Co., Ltd.—Offering of Debenture Stock.—Royal Securities Corp., Ltd., Montreal, has offered at 87 and int., yielding over 8½%, the subscription list closing on or before Apr. 30, \$1,000,000 7% Convertible Mortgage debenture stock dated Dec. 1 1917, due Dec. 1 1932, but callable at the company's option at 110% and int. at any time on or before Mar. 1 1921.

Interest J. & D. at Montreal, Toronto, New York and Chicago. Registered certificates in multiples of \$100. Convertible at the holders' option into common stock at par at any time after March 1 1921. Trustee, Montreal Trust Co.

Digest of Letter from Pres. F. H. Anson, Montreal, Apr. 10 1918.
Company.—Incorporated in Canada and manufactures newsprint paper and pulp, with mills at Iroquois Falls on the Abitibi River, Northern Ontario. Controls under lease from the Ontario Govt. over 1,000,000 acres of pulpwood lands and water powers of about 48,000 h. p. Pulp and paper mills of steel and concrete floorproof construction, have a present annual capacity of about 62,000 tons of newsprint, 21,000 surplus sulphite pulp, 22,500 tons surplus mechanical pulp. It is intended to increase capacity to an ultimate production of 130,000 tons of newsprint annually, with developed water powers of 48,000 h. p. Capitalization: Common stock (further \$1,000,000 for conversion of debenture stock) \$5,000,000
 7% cumulative preferred stock 1,000,000
 Funded debt (including this issue) 6,400,700

The company controls through lease from the Govt. of Ontario three water powers, Conchiching Falls, Twin Falls and Iroquois Falls, on the Abitibi River, which is the only outlet of Abitibi Lake, with a combined available capacity of over 48,000 h. p., of which 28,000 h. p. has been developed to date. Under a similar lease approximately 1,000,000 acres of pulpwood lands are controlled, which are estimated to contain over 5,000,000 cords of log-making woods. The Abitibi watershed, above Iroquois Falls, contains over 15,000,000 cords.

The product is principally marketed in the U. S. Statistics of export of pulp and newsprint paper to the U. S. for years ending Mar. 31 follow:

	Chemical Pulp	Mechanical Pulp	Newsprint
1909-1910	\$1,658,846	\$3,545,751	\$2,612,243
1910-1911	1,308,101	4,407,431	3,092,437
1911-1912	1,587,535	3,507,770	3,291,926
1912-1913	2,100,842	3,408,702	5,692,126
1913-1914	2,923,083	3,441,741	11,385,845
1914-1915	4,806,622	4,459,539	14,091,682
1915-1916	6,801,011	3,775,537	17,974,292
1916-1917	14,032,950	6,371,133	23,594,134

Security.—A direct mortgage on present and future fixed assets, subject only to the Serial First Mortgage bonds and other prior securities outstanding aggregating \$5,400,700. Provision for annual redemption of these is provided by sinking fund and serial retirement of bonds annually from 1919 to 1934. A further \$1,000,000 debenture stock may be issued ranking pari passu with this issue if required for further capital expenditure.

Valuation.—An engineers' report dated Oct. 13 1917 stated a conservative estimate of the value of the undertaking might be at least \$13,200,000.

Earnings for Calendar Year 1917.
 Available for interest and depreciation reserves \$1,139,275
 Surplus after interest for year of \$361,411 \$777,864
 On the basis of production and capacity as of Oct. 13 1917, the minimum annual net profits for 1918 and for at least several years following, after depreciation, according to engineers' reports, should be rated at not less than \$1,320,000
 Maximum prior interest charges, to decrease annually 332,634

Directors (and Officers).—F. H. Anson (Pres.) and Shirley Ogilvie (Vice-Pres.), Montreal; E. M. Mills (Vice-Pres.), Chicago; George E. Challes, George H. Kilmer and W. K. George, Toronto; Hon. George Gordon, North Bay, Ont.; Victor E. Mitchell, K.C., and Sir Thos. Tait, Montreal.—V. 103, p. 2157.

Adirondack Electric Power Corp.—Deposits Under Plan.
 About 95% of the \$9,500,000 common stock and an equal proportion of the preferred has been deposited or will be deposited as assenting to the merger plan as given in V. 105, p. 2644.—V. 106, p. 930, 818, 88.

Aetna Explosives Co.—Oakdale Plant Destroyed.
 This company's T.N.T. plant at Oakdale, Pa., was destroyed by explosion May 18. Receiver B. B. Odell, however, has taken up the matter of arranging for the rebuilding of the plant with double the capacity of the old one, an advance from the Government being sought for this purpose.

Order Affirmed.
 The U. S. Circuit Court of Appeals at New York on May 24 handed down a decision affirming the recent order of Judge Julius M. Mayer, in the U. S. District Court, postponing the annual meeting of the stockholders of the company, at which time he announced that he would make additional postponements from time to time until the meeting would finally be permitted 30 days prior to the discharge of the receivers.—V. 106, p. 2012, 1992.

American Can Co.—Federal Trade Commission's Complaint—Official Statement.
 See page 1962 in our issue of May 11.—V. 106, p. 2012, 704.

American Gas Co., Phila.—Dividend Reduced—Rates.
 A quarterly dividend of 1½% has been declared on the stock payable June 1 to holders of record May 22. The last distribution paid Mar. 1 was 2%. Higher operating costs, it is stated, with which the company has had to contend have been conspicuous as to oil and coal supplies. Labor has doubled. Material for improvements has been very expensive and deliveries slow.

Pres. M. W. Stroud is quoted as saying:
 We have made application for advances in rates at various points and thus far none of them have been refused. Quite a number have been granted and are in operation, while others proposed have not yet been filed. It is hoped and expected that the Public Service Commissions will act freely in this matter, as the rates are all justified and if they are all granted will go a long way toward offsetting the increase in operating costs that we, in common with all gas companies, are obliged to meet.

Three new plants now being completed should also help our earnings by increasing operating efficiency. One is located at Cromly near Phoenixville, Pa., operated by the Philadelphia & Suburban Gas Co.; another is at Waterloo, Ia., and the other is our Luzerne County plant at Plymouth, Pa.—V. 106, p. 1676.

American La France Fire Engine Co.—Div. Not Reduced.
 The regular quarterly dividend of 1¼% on the stock was paid May 15. The dividend has not been reduced to 1¼% as was erroneously reported last week.—V. 106, p. 2124.

American Multigraph Co.—Extra Dividend.
 An extra dividend of 5% has been declared on the stock, along with the regular quarterly 2%, both payable June 1 to holders of record May 20.—V. 106, p. 925.

American Sugar Refining Co.—Important Investment Holdings—"Latent Equities and Possibilities."—Lamborn & Co., 7 Wall St., have issued a circular calling attention to the investment possibilities of the common shares, which since the formation of the company have never failed to receive dividends of 7% p. a. The circular says in brief:
 The company refined during 1917 over 29% of all the sugar consumed in the United States and has allocated to it by the U. S. Food Administration for the period of the war slightly over 40% of all raw sugar purchased through the International Sugar Committee for American account. Under the agreement with the Food Administration the refined sugar industry

of the U. S. is allowed a margin of 130 points per 100 lbs. between its cost of raw sugar and its selling price of refined, as against a pre-war margin of 84.7, this margin covering the cost of refining, distribution and profit, and while the increased margin as against the pre-war rate is granted on account of the increased cost of labor, packages, &c., nevertheless the agreement between the U. S. Food Administration and the refiners makes it mandatory upon both sides to decrease or increase the margin below or above 130 points when costs decrease or increase. Contingent risks are therefore practically eliminated. The company has no bonded debt.

We would emphasize that many of the company's investment holdings are carried on its books at far below current market valuations—the present market value \$29,989,282, comparing with \$10,082,710, the company's valuation, as follows:

Beet Sugar Companies—	No. Shrs. Co.'s Val'n.	Present Value.	Increase.	
Alameda Sugar Co. (par \$25)	14,850	\$352,375	\$371,250	\$18,875
Continental Sugar Co.	—	\$505,440	\$505,440	—
Great Western Sugar Co.—				
Preferred (par \$.00)	51,752	\$4,052,287	\$5,485,712	\$12,747,185
Common (par \$100)	36,496	—	\$11,313,760	—
Iowa Sugar Co.	—	\$405,650	\$405,650	—
Michigan Sugar Co.—				
Preferred (par \$100)	20,438	\$2,316,958	\$3,157,470	\$840,512
Common (par \$100)	17,574	—	—	—
Spreckles Sugar Co., com- mon (par \$100)	25,000	\$2,450,000	\$8,750,000	\$6,300,000
Total		\$10,082,710	\$29,989,282	\$19,906,572

*Closely held, valuation based on selling price of beet sugar cos., paying similar dividend.

The entire "investment general" account as itemized for us by the company officials aggregates \$24,782,540, viz.:

Market securities at market price Dec. 31 1917	\$7,912,925
Beet sugar stocks (as above)	10,082,710
National Sugar Refining Co., 24,280 shares (quoted around par, the A. S. R. Co.'s valuation, but earned last year after depreciation and taxes over 30%)	2,425,900
Sundry properties, incl. West St. Bldg. (not sub. to market change)	4,358,005

Moreover, if we add the increased value of the beet stocks to "investment general," the total is swelled to \$44,689,112, or in other words, enough to pay off practically the entire issue of preferred, leaving all the remaining assets for holders of the \$45,000,000 common stock. The sugar investments alone produced in 1917 an income of \$3,896,678, or enough to pay a dividend of 8.65% on \$45,000,000 stock.—V. 106, p. 2124, 2012.

American Tobacco Co.—Notes Extended.
 This company's issue of 90-day 6% discount notes, originally issued in Nov. 1917 to provide for greatly increased business, and which fall due May 27, will be renewed for three months.—V. 106, p. 1902, 1578, 822.

American Window Glass Mach. Co., Pittsb.—Report.
 Results for Years ending April 30.

	1917-18.	1916-17.	1917-18.	1916-17.	
Earnings—Royalty received	\$1,978,278	\$3,572,740	Total income	\$1,979,241	\$3,575,522
Other income	963	2,782	Exp., taxes, &c.	201,384	96,062
			Dividends	1,854,645	3,394,907
			Rate per cent.	(26½%)	(84½%)

Total income, \$1,979,241 \$3,575,522 Balance, def. \$76,740 sur. \$84,553
 Under license agreement of 1903 between this company and the Amer. Window Glass Co., the total amount of royalty which has accrued from the date of the license to April 12 1918 is \$11,117,343 Against which the American Window Glass Co. has paid to this company on account during the year ended April 30 1916 \$2,144,456, and for the year ended April 30 1917, \$3,572,739, and for year ending April 30 1918, \$1,978,278; total 7,695,473

Balance due (not included in the above statement) \$3,421,870

	Balance Sheet April 30.			
	1918.	1917.	1918.	1917.
Assets—			Liabilities—	
Pat. rights in U. S.	6,999,000	6,999,000	Preferred stock	6,998,644
Invest. 129,979½			Common stock	12,997,904
sh. com. stock			Dividends unpaid	7
Am. Window Glass Co.	12,997,988	12,997,288	Acct' payable, &c.	240
Cash	16,132	93,112	Profit and loss	16,125
				92,865
Total	20,013,119	20,089,399	Total	20,013,119

—V. 106, p. 192.

Arizona Gas & Electric Co.—Bonds.
 This company has applied to the Arizona Corporation Commission for authority to issue \$1,000,000 in bonds, proceeds to be used to pay for outstanding indebtedness and an additional generating unit.—V. 104, p. 2120.

Arlington (Mass.) Gas Light Co.—Rates.
 The Massachusetts Board of Gas & Electric Light Commissioners has granted this company authority to increase its rates from \$110 per 1,000 cu. ft. to \$125.—V. 97, p. 1358.

Atlas Powder Co.—Extra Dividend.
 An extra dividend of 3% has been declared on the common stock in addition to the regular quarterly 2%, both payable June 10 to holders of record May 31. An extra dividend of 8% was paid last December on the common and a Red Cross dividend of 1% on May 18.—V. 106, p. 2012.

Baldwin Locomotive Works.—No Common Dividend.
 The directors at the meeting on Thursday took no action on the resumption of common dividends. It had been expected in some quarters that a dividend would be declared, but the only action was the declaration of the regular semi-annual 3¼% on the preferred stock. The last dividend on the common stock of 1% was paid Jan. 1 1915. See V. 106, p. 2124.

Brier Hill Steel Co.—Extra Dividend.
 An extra dividend of 3¼% has been declared on the common stock along with the regular quarterly 1¼% on the common and the regular quarterly 1¼% on the preferred, all payable July 1 to holders of record June 20. Similar amounts were paid April 1 last. Compare V. 106, p. 823.

British-American Tobacco Co., Ltd.—Interim Dividend.
 An interim dividend of 6% (tax-exempt in Great Britain) has been declared on the ordinary shares payable June 29. Coupon 67 must be used for the dividend. All transfers received in order at London on or before June 10 will be in time to be passed for payment of dividend to transferees.—V. 106, p. 2124.

British Westinghouse Electric & Mfg. Co., Ltd.—

Calendar Year—	Gross Profits	Interest Charges	Depre. Reserves	Pf. Dics.	Misc.	Balance.
1917	\$194,403	\$69,654	\$31,361	\$10,000	\$3,265	\$268,625
1916	\$11,199	\$9,654	\$3,132	\$5,000	\$75,000	\$3,310

* After deducting income tax.—V. 104, p. 1901.

Brooklyn Union Gas Co.—Results to P. S. Comm.

Cal. Years—	1917.	1916.	1917.	1916.
Gross earnings	\$12,243,762	\$11,353,594	Bond Int. &c.	\$859,912
Net, aft. tax	\$2,129,430	\$1,996,972	Dividends	(71,260,000)
Other inc.	261,914	239,200	Balance—sur.	\$271,412

 def. \$51,084
 —V. 106, p. 931, 710.

Butte & Superior Mining Co.—Decision—Appeal.
 See Minerals Separation, Ltd., below.—V. 106, p. 1580, 1129, 1124.

Butterworth Judson Corp.—Government Contract, &c.
 This company is reported to have received from the U. S. Government a contract for the manufacture of 72,000,000 pounds of picric acid. A new plant will be constructed to have a capacity of 6,000,000 pounds per month, funds for which will be advanced by the Government.—V. 106, p. 1798.

Calumet & Hecla Mining Co.—Dividend Increased.
 A quarterly dividend of \$15 per share has been declared on the stock, payable June 14 to holders of record May 28. The two last quarterly distributions on Mar. 20 and Dec. 20 were \$10 per share.—V. 106, p. 1690.

Casein Co. of America.—Combined Results.—
Calendar Years—
 Net earnings.....\$388,881 \$425,615 \$140,838 \$109,333
 Depreciation.....\$63,478 \$59,898 \$41,649 \$42,063
 Preferred dividends (Casein Co.) (8%)\$80,000

Balance, surplus.....\$245,405 \$365,717 \$99,180 \$67,270
 The total surplus Dec. 31 1917 of the Casein Co. of America and subsidiaries was \$243,326 after deducting \$2,079 preferred dividends of the Dry Milk Co. and \$850 adjustment.—V. 102, p. 2076.

Central Union (Bell) Telephone Co.—Merger.—
 See Lafayette Telephone Co. below.—V. 105, p. 183.

Century Steel Co. of America, Ltd.—Listed in Boston.—
 The Boston Stock Exchange has placed on the list the 70,000 shares (par \$10) of this company's outstanding capital stock, the remaining 5,000 shares of the total of 75,000 shares authorized being reserved by the company for future use. See offering of stock, description of property, earnings, officers, &c., in V. 106, p. 1580.

Certain-tyed Products Corp.—Capital Stock Listed.—
 The N. Y. Stock Exchange has listed \$3,350,000 7% cum. 1st pref. stock, \$1,925,000 7% cum. convertible 2nd pref. stock and 65,000 shares of common stock without nominal or par value, and has given authority to add 25,667 shares of common stock on official notice of issuance upon conversion of 7% cum. conv. 2d pref. stock, making the total amounts authorized to be listed, \$3,350,000—7% cum. 1st pref. stock, \$1,925,000 7% cum. conv. 2d pref. stock and 90,667 shares without nominal or par value.

Combined Earnings.—For year end, Dec. 31 1917 (excl. General Roofing Co.):

Calendar Year—	Gross Sales	Cost of Goods Sold	Disc'ts & Allowances	Expenses	Net Profit
1917	\$9,375,919	\$6,043,563	\$160,571	\$1,725,221	\$1,446,563
—V. 106, p. 2013, 1463.					

Chino Copper Co.—Production (lbs.).—
 1918—April—1917
 6,290,513 6,368,875
 Decrease 78,362
 1918—4 Mos.—1917
 27,566,392 25,573,956
 Increase 1,992,436
 —V. 106, p. 2013, 1792.

Citizens' Gas Co. (of Indianapolis).—Bonds Authorized.—
 The Indiana P. S. Commission has authorized this company to issue and sell at 90 \$1,500,000 7% bonds dated May 1 1918 and due in from one to five years, the proceeds to be used for the construction of 40 additional by-product coke ovens. The order follows a previous order, in which the Commission granted an increase in gas rate from 55 cents to 60 cents a thousand feet, provided the company made the addition to its plant. Compare V. 106, p. 1903, 601.

Clearfield Bituminous Coal Corp.—Earnings.—
 See Pennsylvania Coal & Coke Corp. below.—V. 103, p. 1794.

Cleveland Telephone Co.—Notes Authorized.—
 The Ohio P. U. Commission has authorized this company to issue \$3,000,000 6% notes at par the proceeds to apply to the retirement of a similar amount of notes due May 10. The company in its application sought permission to issue a further \$1,525,000 in part for installing a measured meter service and \$3,475,000 to take up obligations issued from time to time, but on these latter action was deferred. Compare V. 106, p. 2124, 1580.

Columbia Telephone Co. (Mo.).—Bonds Called.—
 Four (\$2,000) First Mtge. 6% redeemable gold bonds (Nos. 27, 92, 101 and 115), dated Jan. 2 1909, have been called for payment July 1 at par and int. at the Mississippi Valley Trust Co., St. Louis, Mo.—V. 105, p. 2275.

Duquesne Light Co., Pittsburgh, Pa.—Note Issue.—
 "Daily Financial America" on May 21 published the following: "Arrangements are nearing completion for the sale of 10,000,000 of Duquesne Light Co. 6% notes to run for two or three years. The reports that the company was arranging to put out only \$3,000,000 of notes at this time, we are reliably informed, were incorrect. The underwriting syndicate having charge of the matter is composed of the First Nat. Bank, the Chase Nat. Bank, Ladenburg, Thalmann & Co. and Harris, Forbes & Co. It is expected that the issue will be offered at an early date on a basis showing a yield of around 6½%, or perhaps better.
 "Up to the present time the Capital Issues Committee in Washington has not formally approved the issue, but expectations are that that body will soon take the necessary steps to permit the authorization of the new notes. It is pointed out that as the new securities are issued to take place of certain securities now outstanding as well as to reimburse the treasury of the Philadelphia company for moneys now owed to it by the Duquesne company, the new notes will represent only a comparatively small amount of fresh capital."

New Directors.—
 E. V. R. Thayer, Pres. of the Chase Nat. Bank; Everett B. Sweeney, Vice-Pres. of the First Nat. Bank of New York, and Benjamin S. Guinness of Ladenburg, Thalmann & Co., have been added to the board.—V. 106, p. 1903, 818.

Eastern Power & Light Co.—Subsidiary Co. Bonds.—
 See Metropolitan Edison Co. under "Industrial" below.—V. 106, p. 924.

Ebensburg Coal Co.—Bonds Called.—
 Twenty (\$20,000) First Mtge. 20-year 6% gold bonds, dated Jan. 2 1911, have been called for payment July 1 at 102½; and int. at the Commercial Trust Co., Philadelphia.

Electric Bond & Share Co., N. Y.—Annual Report.—

Calendar Years—	1917.	1916.	1915.	1914.
Gross income.....	\$3,140,020	\$2,170,915	\$1,820,337	\$1,558,521
Net income.....	\$2,066,390	\$1,596,932	\$1,401,085	\$1,137,042
Preferred dividends.....	487,710	375,558	344,647	298,392
Common dividends.....	644,889	*458,222	433,778	400,000
Surplus.....	\$933,790	\$733,153	\$622,660	\$438,050

* An additional special dividend of \$1,000,000 was paid in 1916.

Balance Sheet December 31.

1917.		1916.	
Assets—	\$	Liabilities—	\$
Stocks.....	9,747,399	Common stock.....	8,500,000
Bonds & equip. notes.....	5,416,029	Preferred stock.....	8,458,200
Syndicate holdings.....		Synthetic & contingent liabilities.....	535,589
Underwritings & advances.....	641,340	Notes payable.....	3,326,000
Cash.....	2,708,567	Accts. &c. pay'ble.....	30,535
Accts. receiv'ble, &c.....	523,393	Prof. div. payable.....	84,582
Notes receivable.....	6,341,106	Reserves.....	189,000
Int. notes receiv'ble.....	109,741	Surplus.....	21,393,666
Total.....	25,517,571	Total.....	25,517,571

* After deducting \$1,713,825 adjustments in value of securities and accounts.—V. 106, p. 1903, 931.

Erie & New York State Barge Canal System.—Opening.
 See page 2085 in last week's issue.—V. 106, p. 1690.

Galena Signal Oil Co.—Stock Increase, &c.—Dividends.
 The shareholders voted May 21 to increase the authorized common stock from \$12,000,000 to \$20,000,000 and to create \$8,000,000 of 8% cumulative preferred stock, (callable at \$115 and dividends) ranking as to assets and dividends ahead of all other stock except the present \$2,000,000 8% cum. pref. stock. It is understood that the stockholders will shortly be allowed to subscribe to a portion of the new pref. stock.
 The directors have declared the usual dividends to record holders of May 31, payment being deferred to July 31 on account of procedure pending the increased capitalization and the taking over of the Texas properties.—V. 106, p. 1233, 932.

General Motors Corporation.—Erratum.—
 See Perlman Rim Corporation below.—V. 106, p. 2125.

Goldfield Consolidated Mines Co., Nevada.—Decision.
 The Supreme Court of the United States on May 20 decided that this company could not, under the corporation excise tax law, deduct from its gross income the estimated value of its ore deposits in ground. The company sought to deduct the estimated value of the ores as a depreciation of capital.—V. 104, p. 1390.

Granby Mining & Smelting Co.—Bonds Called.—
 One hundred sixteen First Mtge. 5% bonds of 1916 of \$1,000 each and 15 bonds of \$100 each, aggregating \$117,500, have been called for payment June 1 at the Northern Trust Co., Chicago.—V. 106, p. 1904.

Gulf States Steel Co.—Additional Com. Stock Listed.—
 The N. Y. Stock Exchange has authorized the listing on and after June 3 1918 of an additional \$2,250,000 stock trust certificates for common stock on official notice of issuance as a stock dividend of 25% to holders of common stock of record on May 15 making the total amount authorized to be listed, \$12,247,600. Compare V. 106, p. 2013, 1789.

Earnings—Dividend—Red Cross Contribution.—
 The directors on Thursday declared the usual quarterly dividend of 2½% on the common stock, payable July 1 to holders of record June 15. This dividend will also apply to the common stock trust certificates which will be issued to represent the 25% stock distribution to be made in June. The official announcement adds in substance:

There was formerly \$4,000,000 2d pref. stock outstanding. All but \$152,100 has been converted into common stock, which will make a total outstanding common stock as of June 3 \$11,097,900, in addition to the \$2,000,000 first preferred stock.

Net operating income of \$272,524 for April compares with \$259,437 in March, with \$224,544 in Feb. and with \$370,132 in Jan. 1918 and with the record of \$444,747 in Aug. 1917.

The directors have voted a contribution of \$20,000 to the American Red Cross second war fund, to be divided between New York and Birmingham, Ala.—V. 106, p. 2013, 1799.

Haskell & Barker Co.—Dividend Increased.—
 A quarterly dividend of \$1 per share has been declared on the stock, payable July 1 to holders of record June 15. The last quarterly distribution, paid April 1, was 75 cents a share.—V. 106, p. 2013.

Imperial Oil Co. of Canada.—New Director.—
 Edmund S. Osler, Pres. of the Dominion Bank, Toronto, has been appointed a director.—V. 106, p. 1130.

Independent Pneumatic Tool Co.—New Company.—
 This company incorp. in N. J. and the Aurora Automatic Machinery Co., a Del. corp., have been consolidated under the former name with an auth. capital stock of \$3,000,000.
 Directors: John D. Hopkins (Chairman), John D. Hurley (Pres.), Ralph S. Cooper (V.-P.), Fletcher W. Buchanan (Sec.), and Edward G. Gustafson (Treas.); James J. McCarthy, William A. Libkeman, Leonard S. Florsheim, Robert T. Scott, and August Gatzert.—V. 106, p. 1904.

International Mercantile Marine Co.—Progress Being Made in Proposed Transfer of Shipping to British Syndicate.—
 While definite information is not available, with respect to the contemplated sale to a group of English financiers of this company's ships flying the British flag, current reports aver that negotiations are progressing favorably.

It is understood that the tentative plans call for the establishment of a new American corporation, which will be developed, with the American flag steamers as its nucleus.

The terms of the offer of the British interests, it is understood, are likely to prove acceptable. The consideration to be paid for the vessels is said to aggregate \$125,000,000, an amount sufficient to pay off the company's \$39,061,000 6% bonds, due 1911, which are callable at 110, take up the \$51,725,500 preferred stock at par and in addition clear up the back dividends on the preferred, now equal to \$67 a share.

The lines that would be affected by a transfer of ownership to British interests are the Atlantic Transport, the White Star, the Oceanic Steam Navigation Co., Ltd., the British & Oceanic Steamship Co., Ltd., the Atlantic Transport Co., Ltd., and Frederick Leyland & Co., Ltd. Sale of these properties would leave the Atlantic Transport Co. of West Virginia as the nucleus of a new American company. Compare V. 106, p. 2125, 1581.

"Daily Financial America" on May 23 had the following: "The plans now being considered calling for the sale of the British companies provide for the disposition of the stocks of these companies held in the treasury of the International Mercantile Marine Co. Therefore, the sale will carry all of the assets of these companies, including the cash and cash assets now held by them as well as the tonnage owned by the British subsidiaries. According to those best informed this will provide sufficient money to pay off the outstanding bonds, liquidate all of the 63% back dividends on the preferred and retire the preferred stock now outstanding. This, of course, will depend on the amount that the American interests are compelled to pay in income and excess profits taxes. It is possible, however, that the British group may see fit to meet the Americans half-way in the adjustment of this end of the transaction which will make possible its successful conclusion."

While it has been reported that the Cunard S. S. Co. is identified with those now endeavoring to purchase the British subsidiaries of the International Mercantile Marine, there is no confirmation of such statements, those best informed insisting that they do not know who the group of negotiators actually represent.

"In the event of the deal being consummated, sufficient and adequate provision will have been made for the common stockholders. The American boats owned by the corporation as well as the funds in the treasury of the company in this country will be available for this class of security holders, while the possible royalty basis plans that may be arranged also will accrue to them." Compare V. 106, p. 2125, 1581.

Iroquois Iron Co., Chicago.—New Furnace.—
 The "Iron Trade Review" in its issue of May 16 describes with numerous illustrations this company's new 600-ton capacity blast furnace, which was built and put in operation complete, with one dock and ore-handling machinery, within 12 months.—V. 106, p. 1904.

Jefferson & Clearfield Coal & Iron Co.—Bonds Called.
 All the outstanding (\$62,000) First Mtge. 5% 30-year gold bonds due June 1 1926 have been called for payment June 1 at 105 and int. at Guaranty Trust Co. of N. Y.—V. 106, p. 1223, 932.

Jones Brothers Tea Co., Inc., Brooklyn, N. Y.—
Annual Report for Calendar Year 1917.—

CONSOLIDATED INCOME ACCOUNT FOR YEAR END, DEC. 31 1917.
 Net profits.....\$636,146
 Common dividends (1%).....\$100,000
 Reserved for work'g capital.....150,000
 Excess profits & inc. taxes.....57,030
 Preferred dividends (7%).....280,000
 Balance, surplus.....49,116

CONSOLIDATED BALANCE SHEET DECEMBER 31 1917.
Assets (Total, \$15,719,748)
 Plants, machinery and fixtures, less depreciation.....\$958,694
 Good-will and trade-marks.....10,571,516
 Investments in securities.....126,225
 Inventories of merchandise and materials.....3,093,208
 Accts. receiv., less reserve, \$335,874; agents' depos. fds., \$7,524.....343,398
 Cash in bank and on hand.....594,550
 Deferred charges to operations.....62,152
Liabilities (Total, \$15,719,748)
 Preferred 7% cumulative stock (par \$100), \$4,000,000; common stock (par \$100), \$10,000,000.....\$14,000,000
 Notes payable, \$600,000; accts. payable, \$176,250; agents' deposits payable, \$7,959.....784,209
 Accrued excess profits and inc. taxes.....57,030
 Common stock dividends payable Jan. 15 1918.....50,000
 Reserve for unredem'd tickets, \$550,000; for insurance, \$43,208.....593,208
 Appropriated surplus—Provision for working capital.....150,000
 Unappropriated surplus Dec. 31 1917.....85,301
 Price, Waterhouse & Co., accountants, report the sales of the company for the year 1917 as \$13,252,060.

Directors.—Harry L. Jones (Pres.), Gustav E. Kruse (V.-Pres.), S. S. Kresge, Edmund C. Lynch, Chas. E. Merrill, Robert P. Marshall and Wm. R. Simons. A. R. Doerle is Secretary and Frank C. Terhune is Treasurer.—V. 106, p. 2125, 1799.

Keith Ry. Equipment Co.—Equipment Trusts Called.—This company has called for payment June 1 at 103 and div. the following Equipment Trust certificates, dated March 1 1917: M-109 to M-120, incl., of \$1,000 each; and D-55 to D-60, incl., of \$500 each; aggregating \$15,000. Payment will be made at company's office, 112 West Adams St., Chicago.—V. 105, p. 1002.

Kellogg Switchboard & Supply Co.—Bal. Sheet Dec. 31.

Assets—		Liabilities—			
1917.	1916.	1917.	1916.		
\$	\$	\$	\$		
Plant, real estate, machinery, &c.	685,079	530,419	Capital stock	4,000,000	3,000,000
Patents & goodwill	890,103	900,000	Payroll & accr. taxes	157,111	52,803
Inventories	2,913,629	2,232,503	Trade & miscel. accts.		
Notes & accts. receivable	1,284,203	1,436,984	& notes payable	271,521	120,289
Cash and investments	34,848	63,242	Special reserves, reserve for excessive cost of inven'y, &c.	725,000	600,000
Miscellaneous	4,935	5,409	Surplus	658,667	1,300,465
Total	5,812,298	5,163,557	Total	5,812,298	5,163,557

*Includes provisions for war excess profits and income tax. V. 106, p. 301.

(S. S.) Kresge Co.—Capital Stock Listed.—The N. Y. Stock Exchange has listed (a) \$1,840,100 7% cumulative preferred stock; and (b) \$9,920,200 common stock, both in shares of \$100 each; and has given authority (c) to add \$148,400 preferred and \$63,200 common stocks on official notice of issuance in exchange for outstanding preferred and common shares of the par value of \$10 each; (d) \$2,500 pref. and \$7,600 common stock on official notice of issuance in exchange for outstanding pref. and common scrip, making the total amounts authorized to be listed \$2,000,000 7% cum. pref. stock and \$10,000,000 common stock.

Earnings.—For 3 mos. to Mar. 31 1918 (sub. to adjust.)—3 mos. Sales. Gross Profits. Net Prof. Pref. Div. Com. Div. Surplus. 1918—\$7,156,052 \$2,107,568 \$497,870 (1 1/2%) \$35,000 (1) \$100,000 \$363,870—V. 106, p. 2125, 1581, 1345.

(S. H.) Kress Co.—Initial Dividend on Common Stock.—An initial dividend of \$1 a share has been declared on the common stock, payable Aug. 1 to holders of record July 20. The regular quarterly pref. 1 1/2% has been declared payable July 1 to holders of record June 20.—V. 106, p. 1581.

Lackawanna Steel Co.—Extra Dividend of 2 1/2%.—An extra dividend of 2 1/2% has been paid on the common stock along with the usual quarterly 1 1/2%, both payable June 29 to holders of record June 14. On Dec. 31 last an extra 3 1/2% was paid on the common stock.—V. 106, p. 1581, 1228.

Lafayette (Ind.) Telephone Co.—Merger.—According to press dispatches, this company has acquired local properties of the Central Union (Bell) Telephone Co. (V. 105, p. 183), and will merge the latter and operate the toll lines.—V. 80, p. 1733.

Lawrence Mfg. Co., Boston.—Extra Dividend.—An extra dividend of 2% has been declared on the stock, reports state, along with the regular semi-annual 3%, both payable June 1 to holders of record May 23.—V. 106, p. 927.

Lewis Foundry & Machine Co.—Sale.—Judge George W. Ray of the U. S. District Court for the Northern District of New York, has granted an order to this company, the Cayuga Tool Steel Co., Ltd., George C. Pearson of Auburn, N. Y., and George Timmons of Syracuse, as receivers, and all creditors of the steel company, to show cause on May 23 why a final decree of sale of the property shall not be granted.

Liberty Ordinance Corp. (of N. Y.).—Sale of Securities.—Stockholders will vote June 4 on the sale of certain obligations designated Participation Certificates conveying rights in and to a special development fund to be formed from payments on the company's products.—V. 105, p. 1714.

Lone Star Corp. (Motion Pictures).—Redemption.—This company will on May 15 redeem at 110 and divs. 10% of \$400,000 outstanding 7% cumulative pref. stock.

The corporation was organized for the merchandising of the series of twelve comedies featuring Charles Chaplin produced by the Lone Star Corp. and released through the Mutual Film Corporation (V. 106, p. 2014). A large percentage of the original capital represented by the preferred stock has been returned to the stockholders. The company was organized with an authorized and outstanding capitalization of \$1,100,000 common stock and \$400,000 pref. J. R. Freuler, Pres. Office of co., 220 South State St., Chicago, Ill.

Lone Star Gas Co., Ft. Worth, Tex.—Earnings.—

Cal. Years—	1917.	1916.	1917.	1916.	
Gross earnings	\$1,913,503	\$1,519,386	Dep'n & canceled leases	\$525,823	\$592,710
Oper. expens., taxes & int.	610,585	377,961	Dividends	(8)400,000 (6 1/2)325,000	
Misc. charges	4,465	30,996	Bal., surplus	372,630	102,720

—V. 104, p. 2456.

Manati Sugar Company.—Tenders.—The Central Trust Co., N. Y., as trustee, will receive tenders for the sale of \$400,956 First Mfgs. 6% 15-year gold bonds, dated May 1 1914, at not exceeding 110 and interest. Proposals were opened May 17.—V. 106, p. 1228, 605.

Massey-Harris Co., Toronto.—Stock Increase.—This company has increased its authorized capital stock from \$15,000,000 to \$25,000,000, the new stock to consist of 100,000 shares at a par value of \$100.—V. 104, p. 2122.

Maxim Munitions Corp.—New Officers and Directors.—C. K. Thomas has been elected a Vice-President and George T. Rowland Treasurer. Both have also been elected directors to fill vacancies.—V. 106, p. 1131.

Meadow River Lumber Co.—Bonds Called.—Twenty-five (\$25,000) First Mfgs. 6% gold bonds, due Dec. 1 1921 (Nos. 351-375 incl.) and 5 (\$5,000) bonds (No. 376-380 incl.), due Jan. 1 1922, have been called for payment June 1 at 105 and int. at Citizens Trust Co., Clarion, Pa.—V. 105, p. 2003.

Mexican Eagle Oil Co., Ltd.—Extend Conversion Privilege.—Holders of the \$1,500,000 Sterling Convertible 6% 1st Mfgs. bonds have the right of converting same into fully-paid ordinary shares at the rate of one share of \$10 Mexican for every principal sum of 23 (excluding premium) represented by their bonds, such exchange to be made at any time prior to July 1 1918.

Having regard to the fact that many holders will experience difficulty in carrying through the transaction in the present exceptional times, the directors at a general meeting held in Mexico City on April 8 1918 resolved to extend the time for conversion for a further period of two years, to expire on June 30 1920. It was further resolved to suspend until July 1 1920 the company's right to pay off all outstanding bonds at 110%.

The company is, however, unable to suspend the drawing of bonds annually in the last week of May, and therefore any bonds not converted before July 1 1918 will thereafter be subject to redemption by drawings at 105%.—V. 106, p. 402, 333.

Minerals Separation, Ltd.—Decision—Appeal.—Counsel for the company was quoted recently as follows:

In the suit of the Minerals Separation, Ltd., and others against the Butte & Superior Mining Co. (V. 106, p. 1582), the United States Circuit Court of Appeals has entered the judgment of the majority of the Court that the patent is limited to the use of oil in the proportion of 1/2 of 1% or less to the ton of ore and that the defendant has always used more than that amount of oil and therefore has not infringed. Hence the decree was directed that the case be remanded to the court below with directions to dismiss the bill at plaintiff's costs. Judge Ross, the senior Judge, filed his opinion to this effect. Judge Hunt filed a concurring opinion.

Judge Morrow filed an opinion concurring in part with and dissenting in part from the opinions of his colleagues. He finds that the patent is limited to the use of any amount of oil which is a fraction of 1% of the ore and that the disclaimer is valid. All of the Judges give careful consideration to and elaborate quotation from the opinion of the Supreme Court in the case of Minerals Separations, Ltd., against Hyde and the conflict is due to conflict in interpreting that decision in the Supreme Court. There is no breath of suspicion against the validity of the patent.

The difference of opinion as to what the Supreme Court meant furnishes excellent ground for taking the case at once to the Supreme Court of the United States and plaintiffs will promptly apply for a writ of certiorari, judgment being suspended meanwhile. ("Daily Financial America.")

Injunction, &c.—Counsel for this corporation has announced that the company has received a decree from the U. S. Circuit Court of Appeals in San Francisco, granting the company an injunction and accounting against the Butte & Superior Mining Co. on all operations of the latter company covering the use of 1/2 of 1% or less of oil up to and including Jan. 7 1917.—V. 106, p. 2014.

Mutual Film Corporation.—Allied Co. Redemption.—See Lone Star Corp. above.—V. 106, p. 2014, 1235.

Nash Motors Co.—Common Dividend Increased.—A dividend of \$15 per share has been declared on the common stock, payable May 31 to holders of record May 20. The initial dividend on the common of \$6 per share was paid Feb. 1 last.—V. 106, p. 1036, 598.

National Lead Co.—Red Cross Dividend.—A "Red Cross" dividend of 1% has been declared on the common stock, payable July 25 to holders of record July 5. The regular quarterly 1 1/2% on the common will be paid June 29 to holders of record June 14.—V. 106, p. 1691, 1581.

National Transit Co.—Extra Dividend.—An extra dividend of 50 cents per share has been declared on the stock along with the regular quarterly semi-annual 60 cents per share, both payable June 15 to all holders of record May 31.—V. 105, p. 933.

Nevada Consolidated Copper Co.—Production (Lbs.)—

1918—April—1917.	Increase.	1918—4 Mos.—1917.	Increase.
6,900,000	6,727,192	172,808	25,710,000
			25,579,513

—V. 106, p. 2126, 1896.

New England Co. Power System.—Offering of First Mfgs. 5s.—Coffin & Burr, Boston, are offering at 89 and int., to yield 5.75%, an additional block of \$500,000 First Mfgs. Sinking Fund 5% gold bonds due July 1 1951, but callable at 105 and int. on any interest date, making the total at present outstanding \$6,438,000, not including \$62,000 canceled by sinking fund. The bankers report:

Outstanding Capitalization.		
Common stock	.....	\$3,500,000
Preferred 6% cumulative stock	.....	3,432,200
1st M. Sinking Fund 5% bonds (May 16 1918)	.....	6,438,000

"Passed as not incompatible with the interest of the United States, but without approval of the merits, security or legality. Opinion No. 58, (signed) Capital Issues Committee of the Federal Reserve Board."

The New England Power Co. owns and operates five hydro-electric generating stations on the Deerfield River, which at present have a total rated capacity of 48,000 h. p., and also purchases power from its ally, the Connecticut River Power Co. (V. 106, p. 710), which owns a 27,000 h. p. hydro-electric plant on the Connecticut River. The New England Power Co. owns about 250 miles of high-tension transmission lines, which enable it to serve many industries, communities and public service corporations throughout the central and western parts of Mass., the total population directly and indirectly served being estimated at about 1,000,000.

The property of the New England Power Co. now under the mortgage securing these bonds represents an original valuation of \$13,000,000, as compiled by the company.

Earnings for Calendar Year 1917.

Gross earnings	.....	\$2,023,425	Annual bond interest	.....	\$321,900
Net, after taxes	.....	\$775,202	Balance	.....	\$453,302

See map of property on page 182 of the "Railway & Industrial" Section, also review of company's capitalization, bonded debt, properties, &c., Compare V. 103, p. 243; V. 102, p. 1721; V. 98, p. 308.—V. 106, p. 1800.

New York & Queens Gas Co.—Litigation.—Justice Greenbaum in the special term of the Supreme Court, New York County, has granted the application of counsel to the P. S. Commission directing the company forthwith to answer the petition of the commission for a summary writ of mandamus or injunction requiring that company to comply with the commission's order in the Douglaston Gas Mains Case. Compare V. 106, p. 1582, 612.

Ohio Cities Gas Co.—Earnings Year end. Mar. 31 1918.

Gross earnings	.....	\$39,929,134	Depreciation	.....	\$2,208,895
Net earnings	.....	14,787,876	Pref. divs. (O. C. Co.)	.....	473,865
Federal taxes	.....	1,772,639	Common divs. (O. C. Co.)	.....	5,960,611
Bond interest	.....	167,274	Divs. by Pure Oil Co.	.....	468,395
Miscellaneous	.....	310,571	Balance, surplus	.....	\$3,425,618

The above statement includes the earnings of all of the subsidiary corporations for this period, with the exception of the United States Pipe Line Co., of which the Ohio Cities Gas Co. owns 52%. In the case of the other companies the Ohio Cities Gas Co. owns 100%.—V. 106, p. 719, 602.

Old Dominion Co.—Combined Earnings for Year 1917.—

Sales of copper, &c.	.....	\$8,595,444	State and Federal taxes	.....	\$571,517
Other income	.....	39,727	Depreciation & depletion	.....	553,727
			Dividends	.....	2,376,262

Total income.....\$8,635,171
Net earnings.....\$2,376,509
The total surplus Dec. 31 1917 was \$4,820,483, after adding \$5,607,894 net surplus of Old Dominion Copper Mining & Smelting Co. and the United Globe Mines acquired.

Old Dominion Land Co.—Reduction in Capital Stock.—This company, of Newport News, Va., incorporated Oct. 10 1880 under Virginia laws, has filed an amendment to its charter, reducing the authorized capital stock from \$4,000,000 to \$3,500,000. The company was incorporated with a perpetual charter to build the city of Newport News, Va., and to secure profits on the sale of land.

The company has an authorized issue of \$400,000 bonds secured on the Casino water front property only at Newport News, of which \$250,000 bonds have been certified by the trustee, but at last accounts not yet sold.

Peacedale (R. I.) Mfg. Co.—Change of Control.—The following officers have been elected: Pres., J. P. Stevens; Sec.-Treas., Rowland Hazard; Asst. Treas., H. D. Mann. These changes in the management were effected owing to the deaths of R. G. Hazard (former Pres.) and F. R. Hazard. M. T. Stevens & Sons Co. has been appointed to manage the company, which at last accounts had an auth. capital stock of \$2,000,000, of which \$468,500 common and \$1,085,100 preferred was outstanding (par \$100). The company has no bonded debt.

Pennsylvania Coal & Coke Corporation.—Earnings.—

Cal. Years—	1917.	1916.	1917.	1916.	
Gross sales	\$8,811,111	\$4,430,451	Deductions	\$1,035,117	\$78,030
Net earnings	\$2,182,354	\$181,674	Federal taxes	445,196	-----
Other income	91,616	53,092	Dividends	246,781	-----
Gross income	\$2,273,970	\$234,766	Surplus	\$546,874	\$156,738

In 1911 the company took over under lease the developed coal properties of the Clearfield Bituminous Coal Corp. See V. 92, p. 1439; V. 93, p. 1606; V. 98, p. 391, and page 153 of "Ry. & Ind. Section."—V. 106, p. 1800.

People's Gas Light & Coke Co., Chicago.—Loan—Rates—Chairman Samuel Insull on May 23, in his testimony before the Illinois Utilities Commission as to the application for increased rates, is quoted as saying that the company has recently needed more money, and on April 1 last, in order to meet taxes, obtained a loan of \$1,000,000 at 6% from 16 banking institutions in Chicago, secured by the assignment of its accounts receivable and contracts for apparatus sold. Payments on the loan are

now being made to the First Trust & Savings Bank of Chicago, as trustee, daily as money comes in, there having been already paid in \$106,000. If correctly reported, Mr. Insull believes 30% advance in service charges would enable the company to earn \$4,750,000, less bond interest of \$2,375,000. Unless some relief is afforded the company by Aug. 1, Mr. Insull intimates that it might be necessary to put the property under the care of the Federal Court.—V. 106, p. 1905, 1800.

Perlan Rim Corporation.—Sale of Assets.—

Shareholders on May 13 voted to turn over the company's assets to the United (not the General) Motors Corporation, which already owned control. Compare V. 106, p. 1905.

Philadelphia Brewing Co.—Proposed Bond Issue.—

Shareholders will vote June 18 on issuing \$400,000 First Mtge. 6% sinking fund gold bonds, the Continental-Equitable Title & Trust Co. of Philadelphia to be trustee.

Pittsburgh Rolls Corp.—Initial Common Dividend.—

An initial dividend of 1% has been declared on the common stock along with the regular quarterly 1 1/4%, both payable July 1 to holders of record June 20.—V. 105, p. 1903.

Producers & Refiners Corp., Denver, Colo.—Offering of Pref. Stock.—C. W. Anderson & Co., Chicago, are offering at \$100 and dividend 10 shares of this company's cumulative participating convertible 7% pref. (a. & d.) stock and 5 shares of common, par of each class \$10. Divs. Q-F. A circular shows:

The stock has full voting rights, is full paid and non-assessable, and participates with common stock in dividends in excess of 7%. Convertible into common stock at option of holder at any time up to June 1 1922. Red. at 107 1/2% on any dividend date. After June 1 1922 to be retired one-tenth annually out of surplus earnings prior to payment of any dividends on the common stock.

Capitalization (No Bonded Debt)—

	Authorized.	Issued.
7% preferred stock	\$3,000,000	\$2,000,000
Common stock	17,000,000	10,000,000

Organization.—Organized May 14 1917 in Wyoming and is a successful going concern. It owns: (a) Oil leases on 67,615 acres throughout Okla., Kan., Wyo., New Mex., Montana, Colo. and Neb. Upon these it has 28 producing oil wells and 14 producing gas wells. It is now drilling 11 new wells. (b) A well-equipped refinery at Blackwell, Okla., which when acquired in June 1917 had a capacity of 1,400 bbls. per day. This capacity has been increased to 2,600 bbls. per day.

The corporation has 136 steel tank cars in its service. It also owns the main pipe lines from its refinery to the Blackwell field, with gathering lines and pumping stations, and a total storage capacity of 100,000 bbls.

Earnings.—For 7 mos. ending Feb. 28 1918, net earnings from the refinery alone have been \$252,700, and for the year 1918 are estimated at \$600,000. Total net earnings of the corporation for 1918 are estimated at about \$900,000.

Management.—F. E. Kistler is President, Wm. A. Otis of Otis & Co. V.-Pres. and Treasurer, and Frank D. McCaulley, Denver, Secretary.

Rapid City (So. Dak.) Gas Light Co.—Sale.—

A. G. Hunt as trustee has purchased as Sheriff's sale the property of this company for which F. P. Hooper was appointed receiver in 1914. Organized in Mich. June 2 1903. Capital stock auth. and outstanding, \$50,000; par \$100. The bonded debt consisted of \$50,000 First gold \$5 dated May 1 1903, due May 1 1923. Int. M. & N. at the Michigan Trust Co., Grand Rapids, trustee. Denom., \$1,000. Secured by all the property. Annual output of gas, 5,000,000 cu. ft.; five miles of mains.—V. 78, p. 1396.

Ray Consolidated Copper Co.—Production (Lbs.).—

1918—April—1917.	Decrease.	1918—1 Mos.—1917.	Decrease.
7,500,000	7,902,724	552,724	29,366,000
—V. 106, p. 2126, 1791.			30,855,123
			1,489,128

River Farms Company.—Bonds Called.—

Twenty-one First Mtgs. 6% serial gold bonds of \$1,000 each (ranging in number from 121 to 199) and 2 bonds \$500 each aggregating \$22,000, have been called for payment June 1 at 102 1/2% and int. at Anglo-California Trust Co., San Francisco.—V. 105, p. 2099.

St. Louis Car Co.—Strike Adjusted.—

The strike of the employees of this company was adjusted on May 15, the company increasing wages a flat 10%, all striking employees to be taken back whether union members or not.—V. 106, p. 2014, 95.

Smith Motor Truck Corp.—New Control.—The following data has been officially confirmed:

Control of this company has been acquired by a syndicate headed by Richardson, Hill & Co., Boston, through the purchase of shares of capital stock in the market.

The new interests plan to put new capital into the company in order to make it a going concern and bid for Government contracts. A scheme has been promulgated to dispose of the creditors' committee, which has been in charge of the property since Jan. The creditors are being offered 25% of their claims in cash, 25% in 3-year notes and 50% in preferred stock held in the company's treasury.

Richardson, Hill & Co. are prepared, it is said, to put in whatever amount of money is necessary not only to pay the 25% cash to the creditors but to give the company sufficient working capital to carry on their business. The creditors, it is understood, will not even receive the 15% cash offered in this settlement if the company is thrown into bankruptcy.

The creditors' committee consists of David R. Forgan, W. R. Dawes, C. J. Feehling and Peentes L. Conoley of Chicago, C. E. Danforth of New York and P. A. Conley of Cleveland.—V. 106, p. 1040, 403, 303.

Standard Oil Co. of Indiana.—Federal Trade Commission's Complaint.—Official Statement.—

See page 2075 in last week's issue.—V. 106, p. 1905, 1143.

Standard Oil Co. of New Jersey.—Assistant to President.

Victor Ross, for several years financial editor of the Toronto "Globe," has been appointed Assistant to President Walter C. Teagle.—V. 106, p. 1460.

Standard Oil Co. of Ohio.—Extra Dividend.—

An extra dividend of \$1 per share has been declared on the stock, along with the regular quar. \$3 per share, both payable July 1 to holders of record May 31.—V. 106, p. 1466.

Swift & Co.—New Stock—Stock Dividend.—

The authorized capital stock having been increased from \$100,000,000 to \$150,000,000 (V. 106, p. 2127), \$25,000,000 of the new stock is now offered for subscription at par, \$100, to the company's stockholders of record May 18 in the ratio of one new share for each four shares held. Subscriptions must be made and paid at the Secretary's office, Chicago, on or before June 15. The remaining \$25,000,000 stock will be distributed as a stock dividend to holders of record May 18, in the ratio of one new share for each four held, warrants for the new stock to be mailed about June 1. Compare V. 106, p. 2127, 1692, 1583, 1466.

(T. H.) Symington Co., Balto.—Accumulated Dividends.

An extra dividend of 2% declared on the preferred stock in addition to the regular quarterly 2% were both paid on May 15 on account of accumulations. A similar amount was paid Feb. last. Compare V. 106, p. 303.

Timken-Detroit Axle Co.—Sale of 7% Serial Gold Notes.

The National City Co., N. Y., offered during the week at the prices named below, an issue of \$2,000,000 7% serial gold notes of this well-established enterprise, to be dated June 1 1918. Authorized and to be issued, \$2,000,000. Interest J. & D. without deduction for any Federal normal income taxes now or hereafter deductible at the source up to 4%.

It is announced by advertisement on another page that the entire issue has been sold.

"Passed by the Capital Issues Committee as not incompatible with the national interest, but without approval of legality, validity, worth or security. Opinion No. 355."

Principal due in three annual installments as follows: Series A notes, \$675,000, maturing June 1 1919; Series B notes, \$650,000, 1920, and Series C notes, \$675,000, June 1 1921. The notes are redeemable at the option of the company on any interest date upon 30 days' notice, as a whole or in series (in which event it must call for redemption all the notes of one or more of the series last maturing), at 101 1/2% for notes with 2 years or more to run, 101, 1 year or more but less than 2 years to run, and 100 1/2% for notes with less than 1 year to run. Trustee, the Farmers' Loan & Trust Co., N. Y. Offering prices of Series A, 100 and int., to yield 7%; Series B, 99 1/2 and int., to yield over 7 1/2%, and Series C, 99 and int., to yield over 7 3/4%.

Summary of Letter of Chairman H. H. Timken, Detroit, May 21 1918.
The Company.—The largest manufacturer in the world of axles for motor vehicles. 117 manufacturers of motor vehicles in the U. S. are users of these axles.

Security.—The direct obligations of the company and will constitute its only obligations outstanding in the hands of the public. The proceeds of the issue will be used to fund notes payable and to provide additional working capital to take care of increased production. The company will not mortgage or pledge any of its fixed assets without providing for priority of payment of these notes, and will at all times maintain current assets equal to at least twice the amount of all its liabilities, direct or contingent.

Earnings.—Average net income for the last three years, before deducting the 1917 reserve for Federal taxes, amounted to \$2,697,730. From incorporation in 1909 to Dec. 31 1917 earnings available for dividends have amounted to \$12,236,594, of which cash dividends have been declared and paid to the amount of only \$4,428,957, the balance, \$7,807,637, having been retained in the business.

Equity.—Recent quotations indicate an equity for these notes, represented by the preferred and common stock issues, of over \$10,000,000. Further particulars should appear another week.—V. 102, p. 1362.

Tindel-Morris Co., Eddystone, Pa. (Ship Forgings, &c.).—Offering of Notes.—West & Co., Phila., are offering at prices from 96 3/8 to 92 7/8, yielding from 7.25% to 7.75%, according to maturity, an issue of \$600,000 Serial 6% secured gold notes, dated May 1 1918, due \$100,000 on May and Nov. 1 1921; \$150,000 May and Nov. 1 1922 and \$150,000 May 1 1923. Int. M. & N. at Phila. and Pittsburgh.

Passed as not incompatible with the interest of the United States, but without approval of the merits, security or legality. Opinion No. 124. (Signed) Capital Issues Committee of the Federal Reserve Board.

The notes are tax-free in Pennsylvania. Company agrees to pay normal Federal income tax up to 4%. Authorized and issued, \$600,000. Redeemable at 101 and int. on any interest date upon 30 days' notice. Trustee, Union Trust Co. of Pittsburgh, Pa.

Extracts of Letter of Chairman Adam Tindel, Eddystone, May 6.

Organization.—Established in 1862 and incorporated in Pa. in 1901. Present outstanding capital stock is \$590,000. The only indebtedness, outside of current bills and accounts, is this note issue. The company is the oldest concern in the United States making a specialty of ship forgings, and at the present time the plants are largely engaged in Government work, such as steel crank shafts, ship shafting, forgings for submarines and scout cruisers, naval anti-aircraft ordnance, and steel bottles or cylinders of every description.

Security.—A direct obligation and secured by deposit of \$750,000 First Mortgage 6% 20-year gold bonds. These bonds, authorized issue \$1,000,000, are an absolute first mortgage upon the real estate, buildings, machinery, equipment, &c., now owned or hereafter acquired. The remaining bonds cannot be issued while any of the notes remain outstanding.

Property.—The plants are located at Eddystone, Pa., 12 miles south of Phila. on the Delaware River. Property consists of about 64 acres with excellent rail and water facilities; two large machine shops with a third under construction; two steam forge plants, hydraulic presses, machine tool building equipment, traveling cranes, &c.

Appraisal.—The real estate has been appraised at \$270,000; the buildings, machinery and equipment at \$1,108,000. The cost of the new plants, as estimated, is \$607,000.

In order to be independent for its supply, the company has commenced construction of an open hearth steel plant, having a capacity of about 20,000 tons of high-grade steel per year, and a hydraulic forging plant to forge the products of the steel department.

Business.—Orders aggregating at least \$2,000,000 are now on the books. A recent order from the U. S. Government covers 5,000 tons of ship forgings, with an option to increase this 7,500 tons additional. This business will test facilities for about two years to come.

Years ending Nov. 30—	1915-16.	1916-17.
Gross profit	\$408,686	\$448,417
Net, after operating expenses, taxes, interest, &c.	\$318,691	\$296,966
Amount written off agst. patents, tools, materials, &c.	68,963	77,229

Profit on sale of lathes and interest on sinking fund	\$219,737	3,416
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Profit for year (in 1916-17 subject to Federal taxes)	\$249,998	\$233,153
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For the first four months of the 1917-18 fiscal year net earnings were \$145,199. The above earnings will be augmented by the new open hearth plant and hydraulic forging plant, each estimated to show a profit of \$200,000 per year.

Officers.—Adam Tindel, Chairman and Treas., founder and General Manager for 39 years; L. I. Morris, Ch. D., President; H. E. Tindel, V.-Pres. and Gen. Supt.; George N. Crispin, Sec'y; Otto Albrecht, M.E., director and Gen'l Engineer; J. A. Drain, Metallurgical Engineer.

Victor-Monaghan Mills, Greenville, S. C.—Dividend.—

On May 8 a quarterly dividend of \$1 50 per share was declared on the \$4,500,000 common stock, payable June 1, which puts it on a 6% basis.

J. H. Hillsman & Co., investment securities, Atlanta, are advised that the net earnings for the past four weeks were \$290,000, and for the year 1918, they believe, will exceed \$3,000,000. The quotations on common stock are reported as follows: Dec. 1917, 55; Feb. 1918, 63; April 1918, 85; May 1918, 95.—V. 103, p. 1894.

Union Bag & Paper Corp.—Earnings for 3 Mos. to April 30.

Combined Results for April 30 Quar.—	1918.	1917.	Inc. or Dec.
Earnings after repairs and maintenance	\$725,058	\$863,722	—\$137,764
Depreciation	65,500	83,061	—17,562
Interest on bonds	51,504	67,872	—16,468
Reserve for taxes	90,000	90,000	—

Balance for dividends	\$518,945	\$622,689	—\$103,744
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The above earnings do not include the St. Maurice Paper Co., Ltd. The company has declared the regular quarterly dividend of 1 1/2% on the \$10,000,000 capital stock, payable June 15 to holders of record June 5. This disbursement is to be made out of earnings of the quarter ended April 30 last.—V. 106, p. 1340, 1236.

United Motors Corporation.—Acquisition.—

See Perlan Rim Co. above.—V. 106, p. 1809.

United States Steel Corp.—Red Cross Donation.—

Many corporations which declared so-called Red Cross dividends at the time of the raising of the first \$100,000,000 fund for the American Red Cross, have changed their policy, owing to the fact that the passage of laws by several States has made it possible for the corporations to contribute directly rather than to depend upon stockholders forwarding their checks to the Red Cross Treasurer. The U. S. Steel Corporation has made a donation of \$2,000,000, of which \$500,000 is credited to New York, and will not declare a dividend as was done in the case of the first campaign. Stockholders who have delayed making subscriptions, thinking that they would forward dividend checks later, are earnestly requested to enter their subscriptions this week.—("Iron Age," May 22 1918.)—V. 106, p. 2015.

For other Investment News, see page 2333.

Reports and Documents.

ATLANTIC COAST LINE RAILROAD COMPANY

ANNUAL REPORT FOR THE YEAR ENDED DECEMBER 31 1917.

Richmond, Va., May 21 1918.

To the Stockholders of the Atlantic Coast Line Railroad Company:

The Board of Directors of the Atlantic Coast Line Railroad Company respectfully submits the following report for the fiscal year ended December 31 1917:

Miles owned Dec. 31 1916.....	4,684.38
Miles not owned but operated under lease and trackage contracts.....	106.11
Miles owned but not operated by this Company.....	4,790.49
	16.83
Miles operated Dec. 31 1916.....	4,773.66
Miles added during the year:	
Spurs to mills and factories.....	10.89
Total added to operated lines account resurvey.....	0.84
James River Branch, Meadow Junction to Falling Creek, transferred to operated mileage.....	4.48
	16.21
Less:	
Total deducted from operated lines account resurvey, sale and abandonment.....	3.13
	13.08
Total miles operated Dec. 31 1917.....	4,786.74
Average mileage operated during year.....	4,780.64
Mileage owned Dec. 31 1917.....	4,693.05
Double-track mileage Dec. 31 1917.....	332.35

INCOME ACCOUNT.

	1917.	1916.	Increase.
Operating revenues.....	\$44,063,331 25	\$37,322,085 42	\$6,741,245 83
Operating expenses and taxes.....	32,037,994 91	25,904,015 30	6,133,979 61
Net operating revenues, less taxes.....	\$12,025,336 34	\$11,418,070 12	\$607,266 22
Uncollectible railway revenue.....	11,594 39	11,833 06	*238 57
Other income.....	\$12,013,741 95	\$11,406,237 06	\$607,504 89
	5,179,218 14	4,566,867 96	612,350 18
Gross income.....	\$17,192,960 09	\$15,973,105 02	\$1,219,855 07
Interest and rentals.....	6,154,315 40	5,942,598 99	211,716 41
	\$11,038,644 69	\$10,030,506 03	\$1,008,138 66
Miscellaneous deductions from income.....	337,350 38	358,878 78	*21,528 40
Net income.....	\$10,701,294 31	\$9,671,627 25	\$1,029,667 06
* Decrease.			

INTEREST AND RENTALS.

	1917.	1916.
Interest on funded debt.....	\$6,050,656 73	\$5,812,266 99
Interest on certificates of indebtedness.....	5,446 00	5,446 00
Interest on equipment trust bonds of March 1 1907.....	1,486 67	16,420 00
Interest on equipment trust bonds of Dec. 1 1911.....	52,500 00	63,750 00
Interest on Brunswick & Western income bonds.....	750 00	1,050 00
Rentals.....	43,476 00	43,666 00
	\$6,154,315 40	\$5,942,598 99

DIVIDENDS.

Dividends were declared as follows during the year:

To Preferred Stockholders, 5%.....	\$9,835 00
To Common Stockholders, 7%.....	\$4,799,109 00

OPERATING REVENUES.

	1917.	1916.	Increase.	Per Cent.
Freight.....	\$28,900,412 65	\$25,184,952 15	\$3,775,460 50	14.99
Passenger.....	11,576,865 93	8,970,879 17	2,605,986 76	29.05
Excess baggage.....	103,810 32	90,061 19	13,749 13	15.27
Mail.....	806,786 34	716,102 15	90,684 19	12.66
Express.....	1,467,291 31	1,384,823 52	82,467 79	5.96
Miscellaneous.....	1,148,164 70	975,267 24	172,897 46	17.73
	\$44,063,331 25	\$37,322,085 42	\$6,741,245 83	18.06

OPERATING EXPENSES AND TAXES.

	1917.	1916.	Increase.	Per Cent.
Maintenance of way & structures.....	\$4,891,462 26	\$4,443,558 55	\$447,903 71	10.08
Maintenance of equipment.....	7,002,226 19	5,991,667 21	1,010,558 98	16.87
Traffic.....	753,669 54	723,801 97	28,867 57	3.99
Transportation.....	15,982,770 81	11,870,430 43	4,103,340 38	34.54
Miscellaneous operations.....	178,738 80	135,500 33	43,238 47	31.91
General expenses.....	994,587 43	913,673 33	80,914 10	8.86
Transportation for investment—Credit.....	28,460 12	27,016 61	1,443 51	5.34
	\$20,773,994 91	\$24,060,605 21	\$5,713,389 70	23.75
Taxes.....	2,264,000 00	1,843,410 09	420,589 91	22.81
Total.....	\$23,037,994 91	\$25,904,015 30	\$6,133,979 61	23.67
Operating revenues increased.....			\$6,741,245 83,	or 18.06%
Operating expenses increased.....			5,713,389 70,	or 23.75%
Taxes increased.....			420,589 91,	or 22.81%
Net operating revenues, less taxes, increased.....			607,266 22,	or 5.32%

The ratio of operating expenses and taxes to operating revenues was 72.71 per cent, as compared with 69.41 per cent for the previous year.

INDUSTRIAL.

The Agricultural and Immigration Department has continued its usual activity with encouraging results, especially so in view of the disturbed conditions brought about by the war.

It was not thought advisable to send out at this time our customary exhibit of agricultural and horticultural products to the agricultural fairs in the Northern, Eastern and Middle Western States.

There has been a marked development in the live stock industry in Georgia, Florida, Alabama and the Carolinas.

The continued erection and development of packing house plants at points along your lines have stimulated the interest of the farmers in this important industry.

The culture of peanuts and soya beans has been greatly stimulated, especially in the States of Alabama and Georgia, and the crushing of these products has kept a large number of the cotton seed mills in operation throughout the year.

Interest in the ship building industry has continued, and plants have been established at several important ports reached by your lines.

The high prices at which the farmer has continued to be able to dispose of his products have greatly increased the wealth of the territory traversed by your lines, and have given a healthy stimulus to all business activities.

Notwithstanding the abnormal labor conditions in the industrial world, there were 2,544 heads of families engaged in agricultural or industrial pursuits located along your lines during the year, an increase of 540 as compared with last year.

There were 230 new industries, including mills and various manufactories, located on your lines during the year, an increase of 23 as compared with last year.

There were 152 industrial side tracks or extensions constructed during the year to reach new plants or those already in existence.

CAPITAL ACCOUNT.

Common Stock.

Outstanding December 31 1916.....	\$68,558,000 00
Issued between January 1 and December 31 1917 to retire \$1,890 Convertible Debenture 4% Bonds.....	1,400 00
Outstanding December 31 1917.....	\$68,559,400 00

UNIFIED MORTGAGE FOUR PER CENT. BONDS.

Outstanding December 31 1916.....	\$98,000 00
Purchased between January 1 and December 31 1917 and retired by issuance of like amount of General Unified Series "A" 4% bonds.....	\$32,000 00
Received in exchange for \$50,000 00 of First Consolidated 4% Bonds (held in Company's Treasury) and retired by issuance of like amount of General Unified Series "A" 4% Bonds.....	50,000 00
	82,000 00
Outstanding December 31 1917.....	\$16,000 00

GENERAL UNIFIED MORTGAGE BONDS.

Outstanding December 31 1916, Series "A" 4%.....	\$39,157,282 28
Issued between January 1 and December 31 1917 to retire like amount of Unified 4% Bonds.....	82,000 00
Issued between January 1 and December 31 1917 for Additions and Betterments—Road and Equipment.....	1,887,544 52
Outstanding December 31 1917.....	\$41,126,826 80
Outstanding December 31 1917 Series "B" 4%.....	109,000 00
Total outstanding General Unified Bonds, Dec. 31 1917.....	\$41,235,826 80

NEW CONSTRUCTION.

The construction of second track, 6.4 miles long, between Florence and Java, S. C., was practically completed during the year but had not been put in operation on Dec. 31 1917.

EQUIPMENT REPLACEMENT ACCOUNTS.

Credits During the Year:	
From Operating Expenses:	
Depreciation:	
For locomotives.....	\$304,524 40
For passenger train cars.....	94,798 21
For freight train cars.....	745,048 62
For work equipment.....	23,727 82
For floating equipment.....	2,976 68
	\$1,171,075 73
Retirements, equipment destroyed or sold:	
For 40 locomotives.....	\$38,150 24
For 1 passenger train car.....	1,368 15
For 615 freight train cars.....	54,428 60
For 29 work equipment cars.....	2,475 23
	96,422 22
	\$1,267,497 95

Charges During the Year:	
For cost value of equipment retired by destruction, sale or transfer to other classes.....	\$957,280 00
Less value at which equipment was transferred to other classes.....	173,032 90
	\$784,247 10

Cared for as Follows:	
From operating expenses, retirements.....	\$96,422 22
From accrued depreciation.....	521,401 46
From salvage, fire insurance and foreign roads.....	166,423 42
	\$784,247 10

Cost of transferring equipment to other classes..... \$11,653 64

The following table shows the equipment owned or leased under car trusts on hand at the close of each year:

	1909	1910	1911	1912	1913	1914	1915	1916	1917 *
Locomotives.....	669	663	656	719	777	814	811	820	807
Pass. train cars.....	602	605	603	640	671	679	674	678	678
Fr's train cars.....	24,506	24,851	25,472	27,510	29,210	29,533	28,927	28,515	28,994
Work equip'm't.....	657	773	847	946	976	1,079	1,169	1,172	1,227
Floating equip.....	16	17	17	18	20	20	21	21	23

* On hand at close of year ended Dec. 31; the other years in table are for period ended June 30.

GENERAL REMARKS.

Your Company enjoyed the largest volume of business in its history, with Gross Operating Revenues of \$44,063,331 25, an increase of 18.06 per cent over the previous year. Expenses increased 23.75 per cent, and Taxes increased

22.81 per cent, resulting in an increase in Net Operating Revenues of 5.32 per cent.

The large increase in Taxes is due in part to the "War Income Tax" and "War Excess Profits Tax" imposed by Act of Congress approved Oct. 3 1917.

To December 31 1917 there were 760 employees of your Company in some branch of the military service of the United States Government, 37 of whom had received commissions as officers.

The Board of Directors of your Company authorized subscriptions to the First Liberty Loan and the Second Liberty Loan. On account of an over-subscription, there were purchased only \$300,000 of the 3½ per cent bonds, and by allotment \$2,920,000 of the 4 per cent bonds. The Company also purchased for its employees, giving them the privilege of paying for same by monthly deductions from the pay-rolls, \$209,150 of the First Liberty Loan and \$203,600 of the Second Liberty Loan.

The scarcity of labor in all branches of the service has continued and has delayed the completion of all construction work.

Progress has been made in the extension of the Haines City Branch in South Florida from Sebring to Immokalee, and the branch to Moore Haven. It is now expected that the line to Moore Haven will be open for traffic about May 1 1918.

UNITED STATES GOVERNMENT CONTROL.

In accordance with a proclamation issued on Dec. 26 1917 by Hon. Woodrow Wilson, President of the United States, and order dated December 29 1917, signed by Hon. W. G. McAdoo, Director-General of Railroads, your property has, since 12:00 o'clock noon December 28 1917, been operated under the direct supervision and control of the United States Government, and the accounting period as between the Government and the Railroad Company has been made effective as of midnight December 31 1917.

As this may be for several years the last annual report of the operations of the Atlantic Coast Line Railroad Company in which figures will permit comparison of tonnage and earnings with previous years based upon the natural competitive flow of business, we present some figures to record the development during the past fourteen and one-half years:

	Fiscal Years ended June 30.			December 31 1917.
	1904.	1908.	1912.	
Mileage operated during year.....	4,192.26	4,364.72	4,524.71	4,780.64
Gross Revenues.....	\$20,544,975.20	\$26,029,062.40	\$33,463,537.70	\$44,063,331.25
Operating Expenses.....	12,110,464.22	18,971,742.77	22,541,582.95	29,773,994.91
Taxes.....	716,929.32	1,072,051.84	1,399,393.01	2,264,000.00
Operating income.....	\$7,717,881.66	\$5,985,267.79	\$9,522,579.74	\$12,013,741.95
Net Income.....	\$4,233,482.28	\$2,781,147.47	\$7,010,881.76	\$10,701,294.31
Number tons carried one mile.....	1,075,158,408	1,436,141,310	1,825,598,503	3,001,835,300
Number passengers carried one mile.....	174,350,363	261,881,340	376,292,408	517,787,140
Revenue train miles.....	12,310,860	14,244,082	16,789,166	17,570,025
Loaded cars per train mile.....	14.65	14.54	16.48	20.23
Tons of freight per train mile.....	157.09	185.26	210.44	345.82
Tons of freight per loaded car mile.....	10.72	12.74	12.77	17.10
Equipment Owned:				
Locomotives.....	467	572	710	807
Passenger Train Cars.....	503	604	646	698
Freight Train Cars.....	14,433	24,668	27,510	30,377
Work Equipment.....	432	603	946	1,422
Floating Equipment.....	12	16	19	23
Aggregate Tractive Power of all Locomotives, tons.....	8,226,000			18,819,800
Aggregate Capacity of all Freight Train Cars, tons.....	378,270			928,415
Capital Stock.....	\$38,376,700.00	\$50,134,200.00	\$58,943,700.00	\$68,756,100.00
Security Obligations.....	126,713,266.67	137,900,600.00	133,439,040.00	143,193,748.00
* Profit and Loss.....	14,198,734.34	9,338,693.97	29,806,714.44	48,061,525.39
Property and Investments.....	177,402,890.94	193,251,453.34	213,796,667.52	233,856,482.42
Current Assets.....	7,324,742.63	10,953,363.05	23,746,775.28	28,482,051.23
Current Liabilities.....	4,173,384.44	5,250,393.86	6,770,803.05	8,998,460.67
Excess Current Assets over Current Liabilities.....	\$3,151,358.19	\$5,702,969.19	\$16,975,972.23	\$19,483,590.56

	Increase June 30 1904 to December 31 1917.
Excess of Current Assets over Current Liabilities, increase.....	\$16,332,232.32
Property and Investments, increase.....	76,393,591.48
Increase in Assets.....	\$92,725,823.80
Capital Stock, increase.....	\$30,379,400.00
Security Obligations, increase.....	16,480,478.33
Increase in Capital Issues.....	46,859,878.33
Increase in Property and Assets not Capitalized.....	\$45,865,945.47
Increase in Depreciation Accounts.....	\$11,509,363.83

In the above comparison we have readjusted certain assets conservatively, which makes a comparison with the printed balance sheet difficult without greater details. * Includes Profit and Loss, Taxes Accrued, Operating Reserves and Premium on Stock.

We make comparison with the year ending June 30 1904 because that was the first full year of operation after the purchase of the Plant System and of the stock of the Louisville & Nashville Railroad Company.

The Railway Operating Income of the Atlantic Coast Line Railroad Company for January, February and March 1918, the first three months of operation by the Director-General, has netted the United States Government an average per month approximately of \$400,000 above what we estimate will be the Standard Return to be paid the Railroad Corporation under the Act of March 31 1918.

We renew the expression of our appreciation of the intelligent and faithful work done by our officers and employees, and we appeal to them to give to the Director-General, during his temporary control and operation, that same loyalty and personal interest in efficient operation which has been the real cause leading to the successful development of the Atlantic Coast Line Railroad Company and has assisted so largely in aiding the development of the territory which it serves.

J. R. KENLY, *President.*

H. WALTERS, *Chairman.*

COMPARATIVE GENERAL BALANCE SHEET.

	Dec. 31 1916.	Dec. 31 1917.
ASSETS.		
Investments—		
Investment in Road and Equipment.....	\$180,213,413.04	\$184,890,430.81
Improvements on Leased Railway Property.....	54,470.08	54,191.89
Deposits in lieu of Mortgaged Property Sold.....	1,862.95	96,938.95
Miscellaneous Physical Property.....	1,040,060.01	1,071,515.69
Investments in Affiliated Companies:		
Stocks.....	\$55,947,926.99	\$56,825,207.91
Bonds.....	1,878,821.80	3,807,605.76
Notes.....	2,357,331.24	2,433,143.10
Advances.....	423,699.24	414,778.92
Other Investments:	\$60,607,779.27	\$63,480,835.69
Stocks.....	\$228,431.25	\$249,340.50
Bonds.....	1,101,500.00	2,903,500.00
Notes.....	299,807.08	297,387.08
Advances.....	605,264.79	842,341.81
Total.....	\$2,235,003.12	\$4,292,569.39
Current Assets—	\$244,152,588.47	\$253,886,482.42
Cash.....	\$16,312,374.49	\$14,672,692.97
Demand Loans and Deposits.....	450,544.12	456,174.44
Special Deposits:		
Cash for Dividends, Interest and Debts.....	682,684.17	567,531.67
Bonds to Secure Leases.....	590,225.00	590,225.00
Less: This Company's Own Issues.....	575,000.00	575,000.00
Loans and Bills Receivable.....	15,225.00	\$15,225.00
Traffic and Car Service Balances Receivable.....	43,105.97	10,775.34
Net Balance Receivable from Agents and Conductors.....	1,316,446.23	1,525,161.82
Miscellaneous Accts. Receivable.....	558,955.43	1,099,981.51
Materials and Supplies.....	1,198,127.76	1,912,753.35
Interest and Dividends Receivable.....	3,129,862.94	5,532,628.59
Other Current Assets.....	1,406,338.01	1,529,668.99
Total.....	60,667.22	321,975.60
Deferred Assets—	\$25,174,331.34	\$27,644,569.28
Working Fund Advances.....	\$0,488.75	\$6,600.35
Insurance and Other Funds:		
Total Book Assets.....	424,772.45	445,753.52
Less: This Company's Own Issue.....	150,000.00	150,000.00
Total.....	\$274,772.45	\$295,753.52
Unadjusted Debts—	\$281,261.20	\$302,353.87
Rents and Insurance Premiums paid in advance.....	\$82,967.54	
Other Unadjusted Debts.....	616,911.07	\$1,112,499.93
Securities Issued or Assumed:		
Par value of holdings—		
1917, \$18,666,576.80.		
1916, \$22,027,032.28.		
Grand Total.....	\$270,308,059.62	\$282,945,905.50
LIABILITIES.		
Stock—	Dec. 31 1916.	Dec. 31 1917.
Common Stock.....	\$67,558,000.00	\$67,559,400.00
Class "A" Richmond & Petersburg Railroad Co. Stock.....	1,000,000.00	1,000,000.00
Preferred Stock.....	196,700.00	196,700.00
Premiums realized on Capital Stock.....	\$68,754,700.00	\$68,756,100.00
Total.....	4,819,572.50	4,820,062.50
Long Term Debt—	\$73,574,272.50	\$73,576,162.50
Equipment Trust Obligations.....	\$1,473,000.00	\$1,000,000.00
Mortgage Bonds:		
Book Liability.....	\$121,953,476.80	
Held by or for Carrier.....	19,391,676.80	
Collateral Trust Bonds.....	97,314,000.00	102,562,000.00
Income Bonds.....	35,000,000.00	35,000,000.00
Miscellaneous.....	21,000.00	15,000.00
Total.....	4,618,635.00	4,616,745.00
Current Liabilities—	\$138,426,635.00	\$143,193,745.00
Traffic and Car Service Balances Payable.....	\$862,883.18	\$1,000,272.14
Audited Accounts and Wages Payable.....	2,084,821.77	2,669,685.37
Miscellaneous Accounts Payable.....	342,480.78	617,806.59
Interest Matured Unpaid.....	501,090.84	546,938.34
Dividends Matured Unpaid.....	5,850.75	5,850.75
Funded Debt Matured Unpaid.....	14,000.00	3,000.00
Unmatured Dividends Declared.....	2,399,530.00	2,399,579.00
Unmatured Interest Accrued.....	1,162,657.41	1,178,927.91
Unmatured Rents Accrued.....	1,359.25	1,359.25
Total.....	\$7,374,670.98	\$8,423,416.35
Deferred Liabilities—	\$161,248.00	\$131,229.00
Other Deferred Liabilities.....		
Unadjusted Credits—		
Tax Liability.....	\$531,229.03	\$621,865.34
Insurance and Casualty Reserves.....	421,881.69	443,815.23
Operating Reserves.....	1,007,044.44	583,204.72
Accrued Depreciation—Road.....	1,381,960.43	1,665,670.31
Accrued Depreciation—Equipment.....	10,980,457.44	11,630,131.71
Other Unadjusted Credits.....	509,005.06	640,272.42
Total.....	\$14,831,578.09	\$15,584,959.73
Corporate Surplus—		
Additions to Property through Income and Surplus.....	\$295,548.03	\$444,707.56
Profit and Loss, Credit Balance.....	35,644,107.02	41,591,685.27
Total.....	\$35,939,655.05	\$42,036,392.83
Grand Total.....	\$270,308,059.62	\$282,945,905.50

THE OHIO CITIES GAS COMPANY
COLUMBUS, OHIO

FOURTH ANNUAL REPORT—FOR THE YEAR ENDED MARCH 31 1918.

Columbus, Ohio, May 20 1918.

To the Shareholders:

The Directors submit herewith a report of the operations of the Company for the fiscal year ended March 31 last, together with a Consolidated Balance Sheet showing the assets and liabilities of the Company and its subsidiaries, and a Consolidated Statement of Income and Surplus.

On June 5th last by resolution of the stockholders, the authorized common capital stock of the Company was increased from \$10,000,000 to \$100,000,000, consisting of 4,000,000 shares of the par value of \$25 each; the authorized issue of preferred stock of \$10,000,000 remained unchanged.

During the year the outstanding preferred stock was increased by 459 shares, exchanged and appropriated for an equal number of shares of the par value of \$100 each of The Dayton Gas Company and The Columbus Gas & Fuel Company.

At the beginning of the last fiscal year 361,170 shares of common stock of the par value of \$9,029,250 were outstanding, and there were issued and appropriated during the year 1,108,830 shares of the par value of \$27,720,750, making the total outstanding stock at the end of the year 1,470,000 shares of the par value of \$36,750,000. There were exchanged and appropriated for common stock of The Dayton Gas Company and The Columbus Gas & Fuel Company, and to cover outstanding dividend warrants 247 shares of the par value of \$6,175; 70,000 shares of the par value of \$1,750,000 were distributed February 1st, last, as a dividend to the common shareholders, and 1,038,583 shares were sold for cash, yielding \$30,529,555.

The sum of \$31,057,587 06 was invested during the year in the producing, refining and distributing divisions of the Company; the purchase of the Pure Oil Company and its subsidiaries; the acquiring and constructing of casing-head gasoline plants in Oklahoma and West Virginia; the construction and substantial completion of the Cabin Creek Refinery in West Virginia; the purchase of the Cornplanter Refinery at Warren, Pennsylvania; the purchase of tank cars; in producing properties and leaseholds, and in addition, the Company has under construction a modern salt plant near Charleston, West Virginia.

By order of the Board of Directors.
B. G. DAWES, President.

Impartial Audits
Special Investigations
Accounting & Cost Systems

J. D. CLOUD & CO.
Certified Public Accountants
First National Bank Bldg.,
Cincinnati

Telephone Main 825

May 2 1918.

To the President and Board of Directors,
The Ohio Cities Gas Company,
Columbus, Ohio.

Sirs.—We beg to report that we have audited the accounts of The Ohio Cities Gas Company and of its subsidiary companies for the fiscal year ended Mar. 31 1918, and we are submitting herewith a Consolidated Balance Sheet, setting forth the Assets and Liabilities at that date, in which The Ohio Cities Gas Company has practically a full equity, and a Consolidated Statement of Income and Surplus for the year.

The Statement of Income and Surplus includes the earnings of the Pure Oil Company and of its subsidiary companies for the year, less the dividends and other surplus charges pertaining to the former Pure Oil Company stockholders. The earnings of the Cornplanter Refinery are included in this Statement from the time of its acquisition, Aug. 1 1917 and the earnings of the Cabin Creek Refinery from the time it commenced operations, Oct. 1 1917.

The values of the Property, Plant and Equipment are based on the appraised values as established by the authorized appraisal of Mar. 31 1917 to which has been added the cost value of the net additions during the current year.

We have verified the cash and securities by count and inspection, or by reconciliation with the accounts of depositaries. The securities are being carried at fair valuations.

We have inspected the accounts receivable and believe that the loss in collection of same will be negligible.

The inventories of oils and of materials and supplies appear to be correctly stated.

We have examined the liability accounts and found them to be as stated. The management assures us that no other liabilities exist.

We hereby certify that the Statements submitted are in accord with the books, and, in our opinion, correctly show the condition of the affairs of the Company and of its subsidiaries as of Mar. 31 1918, and the combined results from operation for the year ended that date.

Respectfully submitted,

J. D. CLOUD & CO.,
Certified Public Accountants.

THE OHIO CITIES GAS COMPANY AND
SUBSIDIARIES.

CONSOLIDATED BALANCE SHEET
AT MARCH 31 1918

ASSETS		
Property, Plant and Equipment.....	\$101,481,123 48	
Less Reserve for Depreciation.....	5,432,966 61	\$96,048,156 87
Other Investments.....		738,019 43
Current Assets:		
Cash.....	3,421,640 20	
U. S. Government Securities.....	871,707 90	
Accounts Receivable.....	4,219,417 87	
Notes Receivable.....	290,596 77	
Stocks of Finished Oil.....	3,143,500 41	
Stocks of Crude Oil.....	1,641,423 46	
Material and Supplies.....	376,728 25	14,965,044 86
Deferred Charges.....		395,281 38
Total Assets.....		\$112,146,472 54

LIABILITIES, CAPITAL AND SURPLUS.

Capital Stock Outstanding:		
Common.....	\$36,750,000 00	
Preferred.....	9,002,100 00	\$45,752,100 00
Funded Debt:		
Bonds—Columbus Gas Company.....	\$1,371,000 00	
Bonds—Dayton Gas Company.....	1,441,000 00	
Bonds—Springfield Gas Company.....	400,000 00	
Serial Trust Notes.....	3,750,000 00	6,962,000 00
Current Liabilities:		
Accounts Payable.....	\$1,767,072 84	
Notes Payable.....	11,916 14	
Accrued Taxes.....	2,462,356 25	
Accrued Interest.....	88,411 26	
Consumers' Deposits.....	246,955 43	4,576,711 92
Premium and Discount.....		8,690,121 24
Surplus.....		46,165,539 38
Total Liabilities, Capital and Surplus.....		\$112,146,472 54

CONSOLIDATED STATEMENT OF INCOME AND
SURPLUS FOR YEAR ENDED MARCH 31 1918.

Gross Earnings.....	\$39,029,134 41
Costs and Operating Expenses, including ordinary taxes.....	25,141,257 85
Net Operating Earnings.....	\$14,787,876 56
Deduct—	
Federal Income and Excess Profits Taxes.....	\$1,772,639 67
Interest on Serial Notes.....	259,375 00
Interest on Bonds of Subsidiary Companies.....	167,274 97
Amortized Discount on Serial Notes.....	51,200 00
Depreciation.....	2,208,895 82
Total Deductions.....	4,459,385 46
Net Surplus Income.....	\$10,328,491 10
Deduct—	
Preferred Dividends Paid in Cash.....	\$473,865 50
Common Dividends Paid in Cash.....	5,960,611 86
Dividends Paid by Pure Oil Co. to Others.....	468,395 40
Total Cash Dividends.....	6,902,872 76
Balance to Surplus.....	\$3,425,618 34
April 1 1917—Surplus Balance Ohio Cities Gas Company and Subsidiaries.....	\$45,096,308 75
Less Surplus Adjustments.....	105,198 08
	\$44,991,200 67
Less Common Dividend Paid in Stock.....	1,750,000 00
	43,241,200 67
Less Surplus Adjustments of Acquired Companies.....	\$46,666,819 01
	501,279 63
Surplus at March 31 1918, as shown on Balance Sheet.....	\$46,165,539 38

SUBSIDIARY COMPANIES CONTROLLED.

INCLUDED IN CONSOLIDATED STATEMENTS.

Name of Company—	Capital Stock Outstanding.	Holdings of Ohio Cities Gas Company.	Per Cent of Company's Holdings
The Columbus Gas & Fuel Company:			
Preferred Stock.....	\$6,000,000 00	\$5,974,200 00	99.57
Common Stock.....	3,000,000 00	2,999,300 00	99.98
The Federal Gas & Fuel Company.....	1,000,000 00	1,000,000 00	100.00
The Springfield Gas Company.....	610,000 00	610,000 00	100.00
The Dayton Gas Company:			
Preferred Stock.....	1,752,100 00	1,741,500 00	99.39
Common Stock.....	649,400 00	648,100 00	99.80
Mountain State Gas Company.....	57,200 00	57,200 00	100.00
Pure Oil Pipe Line Co. (Ohio).....	1,600,000 00	1,600,000 00	100.00
Pure Oil Pipe Line Co. (Penn'a).....	300,000 00	300,000 00	100.00
Producers & Refiners Pipe Line Co.....	10,000 00	10,000 00	100.00
	\$14,078,700 00	\$14,940,300 00	

INCLUDED IN "OTHER INVESTMENTS" ON CONSOLIDATED
STATEMENTS.

Name of Company—	Capital Stock Outstanding.	Holdings of Ohio Cities Gas Company.	Per Cent of Company's Holdings
United States Pipe Line Co.....	\$1,193,900 00	\$825,700 00	62.41

United Shoe Machinery Co.—Favorable Decision in United States Supreme Court.—The U. S. Supreme Court on May 20 handed down a majority opinion affirming the decision of the U. S. District Court at Boston on Mar. 18 1915, which refused to order the dissolution of the United Shoe Machinery Co. of Mass. and its subsidiaries, constituting the so-called "Shoe Machinery Trust," under the provisions of the Sherman Anti-Trust Law.

The opinion, answering the Government's contention that the company is an organization in restraint of trade and should be broken up as an unlawful trust, declares "the idea is repellent that so complete an instrumentality should be dismantled and its concentration and efficiency lost."

"The company, indeed, has magnitude, but it is at once the result and cause of efficiency, and the charge that it has been oppressively used is not sustained. Patrons are given the benefits of improvements made by the company and new machines are substituted for the old ones with proportionate charge. There has been a saving as well in the cost of manufacture of shoes. These are some of the results of the organization of the United Company."

By controlling the shoe machinery leased to various shoe manufacturers, the company did not unduly make use of its powers, the Court holds. Instead, by leasing these machines, manufacturers of small means were able to procure machinery which they otherwise would be without capital to buy.

In dissenting, Justice Day declared the "tying leases" tend "to prevent the free flow of inter-State commerce and the natural course of its activities, and at least tend to monopolize an important trade." In his opinion he added, "the restrictive and prohibitive clauses of these leases are within the Sherman Act, as they are clearly in restraint of trade."

On Dec. 12 1911 the Government brought suit in the U. S. District Court at Boston against the United Shoe Machinery Corp. and the United Shoe Machinery Co., 18 subsidiary companies and 23 individuals for alleged violation of the Sherman Anti-Trust Law. The Government alleged that the organization of the company was for the purpose of stifling competition and to create a monopoly in the production of machines used in the manufacture of shoes.

The lower Federal Court on March 18 1915 dismissed the dissolution suit brought by the Government. V. 100, p. 985, 1598; V. 93, p. 1672, 230; V. 94, p. 1445; V. 96, p. 1845; New Government suit, V. 101, p. 1374, 2150.

See also "Annual Reports" on a preceding page.—V. 106, p. 1143.

United States Rubber Co.—New Rubber Prices Announced by War Trade Board.

See page 2073 in last week's issue.—V. 106, p. 2015, 1905.

United Steel Companies, Ltd.—Dealings in London.

The British Treasury has approved dealings on the London Stock Exchange in this company's securities, namely, £1,000,000 "A" 6% First Mortgage debentures; 1,330,000 6% preference shares of £1 each, and 6,350,000 ordinary shares of £1 each, after issue of allotment letters.

United Verde Copper Co., N. Y.—Dividends.

The company on May 10 paid a dividend of \$1.50 per share on the stock. No dividend was paid in January, but \$7 per share was paid both in Feb. and March and \$1.50 per share on April 17. Compare V. 106, p. 1692.

United Zinc Smelting Corp.—Bonds.

The shareholders will vote May 25 on issuing \$1,000,000 8% Serial bonds dated May 1 1918 and maturing \$200,000 on Aug. 1 1919, \$250,000 on Aug. 1 1920, \$250,000 on Aug. 1 1921 and \$300,000 on Aug. 1 1922. The bonds are to be secured by a mortgage covering the company's real and personal properties at Moundsville, W. Va.—V. 105, p. 507.

Utah Copper Co.—Production (Lbs.).

1918—April—1917.	Decrease.	1918—4 Mos.—1917.	Decrease.
16,690,833	17,231,512	540,679	58,470,833
		60,117,828	1,646,995

—V. 106, p. 2015, 1905.

Waltham Watch Co.—Annual Report.

Treasurer Harry L. Brown in circular of May 20 says in substance: "The company has just closed the best year in its history. An extraordinary demand for all grades of watches arose during the year and this demand is still increasing. The smaller output of motor cars has decreased the demand for motor timepieces but this has been more than made up by the Government's requirements for airplanes and trucks. The Government is also taking the entire chronometer output. No endeavor has been made to secure more speedometer business on account of the need for this labor in other departments. The clock business continues to grow and we also have Government orders in this Department. The company's sales are to-day limited only by the product and the product limited only by the difficulty in securing labor."

"The following items indicate the distribution of the year's earnings: \$300,000 has been paid in dividends on the preferred stock. \$170,000 depreciation has been taken on plant and machinery, as this is the particular amount permitted by law in our Government returns, although the plant and machinery have in accordance with our regular practice been kept to full efficiency by ample repairs which have been included in operating expense. A liberal depreciation in inventory has also been taken to avoid any possible overvaluation from increased costs. The reserves have been increased to take care of Federal taxes and some risk on our London business. In addition to all this \$478,000 has been added to surplus."

"The company's loan is practically at the figure of a year ago, which is an achievement in view of the greatly increased capital needed to take care of increased cost of manufacture and an increased investment in accounts through greater volume of business. In other words, earnings above the preferred dividend have gone into the business and thereby prevented an increase in the loan which would otherwise have been necessary."

"In view of this fact it seemed to the directors that the cash resources of the co. should be conserved by no payment of div. on the common stock."

Balance Sheet March 31.

1918.		1917.		1918.		1917.	
Assets—		\$		\$		\$	
Real est. & mach'y	3,779,385	3,811,405	Capital stock	12,000,000	12,000,000		
Merchandise	5,940,485	5,671,743	Accounts payable	110,782	158,125		
Trade names, etc.	4,502,000	4,502,000	Notes payable	2,895,500	2,787,000		
Cash	97,071	133,602	Notes pay'le secured				
Accts. & notes recd.	2,149,614	1,794,464	by Liberty bonds	135,000			
Liberty bonds	150,000		Miscell. reserves	221,638	130,400		
Deferred assets	51,554	57,231	Reserve for divs.	150,000	150,000		
			Surplus	1,163,191	694,920		
Total	16,676,111	15,940,445	Total	16,676,111	15,940,445		

—V. 104, p. 770.

Western Union Telegraph Co.—Ticker Decision.

The Supreme Court of the United States on May 20 handed down a decision by which this company is not compelled to furnish a client with ticker service, as ordered by the Massachusetts P. S. Commission. In its opinion the Supreme Court overruled the Mass. Supreme Court, which had ordered the company to furnish service to a client whose application was not approved by the Stock Exchange.

Labor Controversy.

See page 2090 in last week's issue.—V. 106, p. 2127, 1583.

Willys-Overland Co.—Contemplated Merger of Allied Co.

See Electric Auto-Lite Corp. in last week's "Chronicle." The Electric Auto-Lite Co. at organization in July 1917 acquired \$12,500,000 of the common stock of the Willys-Overland Co., \$41,621,825 of which was at last accounts reported outstanding.—V. 106, p. 2127, 1477.

Wright-Martin Aircraft Corp.—Purchase.

This company has purchased, for an amount said to be upwards of \$1,000,000, the plant of the General Vehicle Co. at Long Island City, N. Y. (V. 105, p. 2098), and will shortly enter upon Government work there, employing about 5,000 people.—V. 106, p. 2015.

York Mfg. Co. of Maine, Boston.—Extra Dividend.

An extra dividend of 3% has been declared on the stock along with the regular semi-annual 3%, both payable June 1 to holders of record May 23. On Dec. 1 last an extra dividend of 1% was paid. Compare V. 105, p. 2610.

The Commercial Times.

COMMERCIAL EPITOME.

Friday Night, May 24 1918.

General trade strains a bit at the leash for business is increasingly dominated by Government requirements. Yet somehow quite a large civilian trade is being done. There is no gainsaying the fact, however, that Government needs are turning out to be vastly greater than had been expected and that ordinary transactions are perforce kept within narrower bounds than would otherwise be the case. In casting up the sum of transactions it is still noticed that values make a far more striking total than quantities. Non-essential industries tend to dwindle. The stress is emphatically on essentials always and everywhere. Government deliveries naturally take precedence. Civilian efforts to replenish badly depleted supplies are unavoidably hampered by the supreme needs of the army and navy. Yet as far as may be there is a steady business of suggestive proportions all over the country. Undoubtedly it would be far larger were it not for the war. At the same time, prices on the whole have been declining rather than advancing. The Government has a pretty firm grip on the business of the country. It has largely stabilized prices. Speculation has everywhere been curbed. Cotton has recently declined \$40 to \$50 a bale, though this, it is true, was the result more of the natural working out of economic laws than anything else. Stocks of cotton on this side of the water are large and exports small. Corn has declined and though other grain prices have shown little change, the general tendency is downward. The Government has refused to advance the price of copper from the 23½-cent level and tin, spelter and lead have been somewhat easier. On the other hand, cotton and woolen goods have advanced somewhat. The business in hides and leather has been active. The production of iron and steel is large. The tendency, in fact, is to reach a new high level of output. Most commodities are considerably higher than they were a year ago. Meanwhile the crop outlook in the main is favorable, though a period of warm, dry weather at the West would be beneficial. Indications point to a larger cotton crop. Commercial failures still show a gratifying decrease as compared with former years. Exports of domestic merchandise show some decrease. But on the other hand, it is rumored that the war risk rate will be reduced by the United States Government. The reports in regard to the U-boat warfare are more cheerful. Premier Lloyd George says that submarines are being sunk faster than they can be built and that merchantmen are being built faster than they can be sunk. Vice-Admiral Sims also issued a cheerful statement in regard to this vital matter, although Mr. Lloyd George adds that the danger is still formidable. Meanwhile shipbuilding is being stimulated in every possible way all over the country. There has not yet been, however, sufficient increase in the ship supply to affect rates for ocean freights. And the difficulty in exporting cotton is one of the regrettable features in the business situation. Furthermore, the business world has its eye on the Western front, where another German offensive is believed to be imminent. But taking the situation as a whole it is sound.

LARD lower; prime Western, 24.70@24.80c.; refined to the Continent, 26.75c. South American, 27.15c.; Brazil, 28.15c. Futures advanced at one time and then reacted, with domestic cash trade dull and liquidation very general. There has been a lack of support in spite of advances now and then in hogs. To-day prices declined, with hogs down 15 to 20 cents, or 35 cents lower than earlier in the week. Lard is lower than a week ago.

DAILY CLOSING PRICES OF LARD FUTURES IN CHICAGO.

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
July delivery	cts. 25.00	24.92	24.60	24.65	24.50	24.20
September delivery	25.32	25.22	24.97	24.95	24.82	24.50

PORK lower; mess, \$51@51.50; clear, \$47@52. Beef products firm; mess, \$32@33; extra India mess, \$56@57. Cut meats steady; pickled hams, 10 to 20 lbs., 25½c.; pickled bellies, 33c. To-day July pork ended at \$40.75, although early in the day it was \$41.50. It shows a decline for the week of \$1.30. Butter, creamery, 44½@45c. Cheese, flats, held, colored, specials, 25½@26c. Eggs, fresh, 36@37c.

COFFEE easier; No. 7 Rio, 8½@8¾c.; No. 4 Santos, 10¾c.; fair to good Ceueta, 11½@12½c. Futures have fluctuated within very narrow limits. Prices at times, however, have shown a somewhat easier tendency. New features are lacking. The stock of Brazil coffee at New York is, it is true, about 700,000 bags smaller than a year ago, but on the other hand Santos has a stock over 1,000,000 bags larger than at this time last year and that at Rio is 675,000 bags larger than then. So that there is no lack of coffee. The trouble is to get it from producing to consuming markets. To-day prices advanced slightly, but they are lower for the week.

May	cts. 8.00@8.04	Septem'r	cts. 8.25@8.27	January	cts. 8.49@8.51
June	8.04@8.06	October	8.31@8.33	February	8.56@8.57
July	8.08@8.10	December	8.43@8.45	March	8.63@8.64
August	8.17@8.18			April	8.69@8.71

SUGAR firm; centrifugal, 96-degrees test, 6.005c.; granulated, 7.45c. No striking features have appeared, but it seems that the total purchases of raw sugar for May shipment are not unlikely to reach 400,000 tons. That would be something unprecedented. The International committee

has made further purchases at 4.985c., cost and freight for Cuban raw, 6.005c. c.i.f. for Porto Rico and San Croix, and 4.749c. c.i.f. for Venezuela afloat. Large consumers are now supposed to be pretty well supplied. Refined has therefore been rather quiet.

OILS.—Lined steady; city, raw American seed, \$1 57 @ \$1 58; Calcutta, \$1 50. Lard, prime, \$2 30. Coconut, Cochin, 18 1/4 @ 19c. Ceylon, 16 1/4 @ 17c. Soya bean, 18 3/4 @ 19c. Spirits of turpentine, 52 1/2 @ 53c. Strained rosin, common to good, \$8 25. Cottonseed oil, prime crude, Southeast, 17.50c.

PETROLEUM higher; refined in barrels, \$13 30 @ \$14 30; bulk, \$6 50 @ \$7 50; cases, \$17 @ \$18. Naphtha, 73 to 76 degrees, in 100-gallon drums and over, 55 3/4c. Gasoline firm; motor gasoline, in steel barrels, to garages, 24c.; to consumers, 26c. Gasoline, gas machine, steel, 41c.; 72 to 76 degrees, 33 @ 39c. The heavy consumption of gasoline has stimulated efforts towards increased production. There is little interest, however, in late field advices. Continued difficulty in securing new oil well supplies is experienced. This necessitates the use of second-hand material, which naturally cannot stand the strain and sometimes fail at the most critical time. Average wells are reported in Oklahoma. Considerable work is in progress in the Kentucky fields.

Pennsylvania dark	\$1 00	South Lima	2 38	Illinois, above 30	
Cabell	2 77	Indiana	2 28	degrees	\$2 42
Crichton	1 40	Princeton	2 42	Kansas and Okla-	
Coring	2 85	Somerset, 32 deg.	2 60	homa	2 25
Woolster	2 68	Elberta	1 25	Caddo, La., light	2 25
Thrall	2 25	Rectra	2 25	Caddo, La., heavy	1 25
Strawn	2 25	Moran	2 25	Canada	2 45
De Soto	2 15	Plymouth	2 33	Headton	1 63
North Lima	2 38			Henrietta	2 25

TOBACCO.—Domestic leaf has continued firm with the stock small and the demand uninterrupted. Firm prices also prevail for foreign tobacco, for which there is a good demand. The market as a whole discloses no really new features. Business is restricted in domestic tobacco by the smallness of the supplies. The transplanting of tobacco has begun as far north as Kentucky. The spread of the leaf disease called wild fire was checked somewhat last week in North Carolina by dry weather. This disease, however, is giving considerable trouble in that State. It is something new. It was first definitely recognized in June 1917 during a period of rainy weather, accompanied by nights so cool as to retard the growth of the plant. Many plants perished; replanting had to be done the second or third time. This was followed by a period of relatively dry, warm weather which appeared to check the disease. After about a month, however, there was another rainy season, and that led to a second epidemic. The spread of "wild fire" is greatly facilitated by moisture. When the rains are accompanied by winds the dissemination is especially rapid. The disease appeared so quickly in 1917, a Government report points out, and spread so rapidly, affecting the leaves so seriously, that it has been given the name of wild fire. It is called the most destructive disease that attacks the plant. It was found during the season in 19 counties of North Carolina and 3 of Virginia.

COPPER is unchanged at 23 1/2c. It was announced on the 23d inst. from Washington that the present price of 23 1/2 cents would be continued for at least another three months after May 31. The news, of course, was disappointing. Advice earlier in the week had intimated that a compromise on 25 cents was not unlikely, owing to the increased cost of labor and materials. Higher refining cost was another argument used in favor of an advance. Meanwhile the demand of late has been quiet. Tin is rather easier and quiet. A report from The Hague that the Holland Government had prohibited sailings of all Dutch steamers from Dutch ports attracted some attention, as the stoppage of steamers about to sail from Batavia with tin for this country should have a decidedly bullish effect on this market. Banka tin offered latterly at 93c., and at the coast \$1 02. Small lots of Straits tin on the spot were offered at \$1 10. Chinese tin for May shipments from Hong Kong fell to 92c. and for June shipment to 90c. The spot price is \$1 01. For Chinese at the coast 96 1/2 to 97c. was asked. Total available American stocks, 815 tons; afloat from the East, 5,000 tons. Lead firm at 7 @ 7 3/4c., with little doing outside of Government business. Exports of lead during April amounted to 5,383 tons. Spelter quiet at 7 1/4 @ 7 3/4c. It was announced on the 23d inst. that the fixed price of 12 cents for grade "A" zinc will remain in force for three months beginning June 1.

PIG IRON is in liberal demand and shipments are moving more freely from Virginia and eastern Pennsylvania. Offerings of lower grades of iron are rather free. They are taken readily, however, as consumers are only too glad to get what they can. It is announced that the base price of \$33 per gross ton, f. o. b. at furnace applies from and after April 1 to No. 2 foundry pig iron only. Basic iron is \$1 per gross ton below the base price, Bessemer iron up to 3% silicon is 10% per gross ton above the price of basic. For Bessemer iron over 3% silicon and ranging up to 5% add \$2 to \$5 per gross ton. A long list of other price modifications have been made too numerous to mention here.

STEEL is of course in big demand, largely on Government orders. A substantial list of changes in prices has been ordered in scrap, forging ingots, bars, plates, tubes, sheets, tinplate, wire and sheet steel, pig, pipe and castings as well as in pig iron. Notable among the price adjustments announced on May 21 was a \$6 per ton advance on east

iron water pipe, a reduction of 25 cents per 100 lbs. for structural and ship rivets and 15 cents for boiler rivets (a differentiation now being made), and a reduction of about 5% on smaller rivets. Appeals are made to steel manufacturers to conserve chrome ores and to limit the consumption to domestic and Canadian output. More and more it becomes apparent that the steel industry is to be thoroughly mobilized to meet the necessities of the United States Government. May shipments of steel will probably be the largest for a year past. The production in other words is at a new high level.

COTTON.

Friday Night, May 24 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 48,856 bales, against 48,490 bales last week and 56,713 bales the previous week, making the total receipts since Aug. 1 1917 5,376,614 bales, against 6,350,376 bales for the same period of 1916-17 showing a decrease since Aug. 1 1917 of 973,762 bales.

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.	Total.
Galveston	1,265	1,505	2,386	346	1,705	2,549	9,756
Texas City	---	---	---	---	---	---	---
Port Arthur	---	---	---	---	---	---	---
Arapas Pass, &c.	---	---	---	---	---	---	---
New Orleans	3,825	2,140	3,458	4,094	3,233	295	17,045
Mobile	813	532	609	147	---	---	2,091
Pensacola	---	---	---	---	---	---	---
Jacksonville	---	---	---	---	---	---	---
Savannah	741	1,358	1,599	2,351	254	2,329	8,632
Brunswick	---	---	---	---	---	---	---
Charleston	107	---	---	4	45	---	608
Wilmington	391	101	180	248	165	290	1,384
Norfolk	119	383	---	72	261	60	895
N'port News, &c.	---	---	---	---	---	---	---
New York	---	130	---	104	204	445	873
Boston	195	311	208	180	183	---	1,376
Baltimore	---	---	---	---	---	598	598
Philadelphia	50	---	227	---	---	135	412
Totals this week	7,505	6,460	8,567	7,546	6,140	12,637	48,856

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 May 24.	1917-18.		1916-17.		Stock.	
	This Week.	Since Aug 1 1917.	This Week.	Since Aug 1 1916.	1918.	1917.
Galveston	9,756	1,533,351	15,995	2,495,286	254,272	195,477
Texas City	---	66,948	---	243,131	41,842	19,281
Port Arthur	---	3,102	---	41,347	---	---
Arapas Pass, &c.	876	34,596	---	49,941	---	---
New Orleans	17,045	1,486,407	8,756	1,420,732	393,486	248,453
Mobile	2,091	94,709	444	96,451	13,142	6,306
Pensacola	---	33,792	---	31,381	---	---
Jacksonville	300	40,886	---	60,081	13,600	8,700
Savannah	8,632	1,060,112	3,156	808,977	197,225	118,314
Brunswick	4,000	128,500	1,500	121,500	19,535	5,100
Charleston	608	200,597	706	164,337	41,760	20,344
Wilmington	1,384	94,634	230	85,786	35,556	53,439
Norfolk	895	287,754	8,970	499,750	77,985	105,225
N'port News, &c.	---	5,420	---	12,075	---	---
New York	972	116,868	91	35,305	158,449	76,333
Boston	1,376	101,626	576	85,238	17,361	12,292
Baltimore	598	77,682	488	92,410	28,327	27,466
Philadelphia	412	4,630	40	6,589	11,368	4,885
Total	48,856	5,376,614	40,952	6,350,376	1,303,888	902,285

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	9,756	15,995	20,916	26,592	15,649	11,020
Texas City, &c.	876	---	1,753	5,997	189	1,391
New Orleans	17,045	8,756	20,201	12,520	16,767	17,466
Mobile	2,091	444	5,318	493	6,509	2,464
Savannah	8,632	3,156	10,060	6,327	12,806	11,374
Brunswick	4,000	1,500	5,000	500	---	1,550
Charleston, &c.	608	706	1,956	1,064	1,822	934
Wilmington	1,384	230	3,359	1,411	119	1,270
Norfolk	895	8,970	8,288	3,221	2,323	2,271
N'port N., &c.	---	---	267	4,714	1,003	---
All others	3,659	1,195	2,222	10,406	3,750	2,938
Total this wk.	48,856	40,952	85,340	73,245	61,037	53,578

Since Aug. 1. 5,376,614 5,350,376 6,605,237 1,007,1945 1,023,810 9,510,842

The exports for the week ending this evening reach a total of 61,397 bales, of which 21,796 were to Great Britain, 24,692 to France and 14,909 to other destinations. Exports for the week and since Aug. 1 1917 are as follows:

Exports from—	Week ending May 24 1918.				From Aug. 1 1917 to May 24 1918.			
	Great Britain.	France.	Other.	Total.	Great Britain.	France.	Other.	Total.
Galveston	5,000	---	---	5,000	449,875	57,780	165,158	672,813
Port Arthur	---	---	---	---	8,102	---	---	8,102
Laredo, &c.	---	---	---	---	---	---	2,657	2,657
New Orleans	16,796	24,692	2,018	43,506	362,972	183,078	53,317	599,367
Mobile	---	---	---	---	67,184	---	1,000	68,184
Pensacola	---	---	---	---	34,566	---	---	34,566
Savannah	---	---	---	---	183,554	132,759	142,337	458,650
Brunswick	---	---	---	---	102,562	---	---	102,562
Wilmington	---	---	---	---	7,174	10,988	24,906	43,068
Norfolk	---	---	---	---	85,800	21,000	2,003	108,803
New York	---	---	---	---	432,763	101,262	185,398	719,423
Boston	---	---	---	---	119,627	25,670	2,782	148,079
Baltimore	---	---	---	---	81,298	1,807	3,666	86,331
Philadelphia	---	---	---	---	28,078	---	473	28,551
Port'd, Mo.	---	---	---	---	1,750	---	---	1,750
Detroit	---	---	---	---	1,623	---	---	1,623
Pacific ports	---	---	12,891	12,891	---	---	519,381	519,381
Total	21,796	24,692	14,909	61,397	1,948,728	558,912	1,103,278	3,610,918
Tot. '16-'17	28,603	9,600	130	38,333	2,410,672	867,363	1,613,938	4,891,973
Tot. '15-'16	51,977	9,299	65,794	126,870	2,298,506	772,324	1,836,163	4,907,333

In addition to above exports, our telegrams to-night also give us the following amounts of cotton on shipboard, not cleared, at the ports named. We add similar figures for New York.

May 24 at—	On Shipboard, Not Cleared for—					Leaving Stock.	
	Great Britain.	France.	Germany.	Other Cont.	Coast-wise.		
Galveston	3,552	---	---	12,962	1,000	17,514	236,758
New Orleans*	2,000	2,000	---	3,000	3,000	11,000	383,486
Savannah	3,300	---	---	---	3,000	6,300	190,925
Charleston	---	---	---	---	500	500	41,260
Mobile	2,200	---	---	---	---	2,200	10,942
Norfolk	---	---	---	---	300	300	77,665
New York*	9,000	2,000	---	2,000	---	13,000	145,449
Other ports*	5,000	1,000	---	1,000	---	7,000	160,589
Total 1918..	25,052	5,000	---	18,962	7,800	56,814	1,247,074
Total 1917..	34,115	4,870	---	36,177	8,428	83,590	818,695
Total 1916..	72,498	7,618	100	49,317	13,523	143,056	983,066

*Estimated.

Speculation in cotton for future delivery has not been active; far from it. And prices have drifted rapidly downward, with only momentary interruptions. New low ground has been reached. The fact that stocks are large in this country and exports small has had a distinctly depressing effect. So has improving weather. Moreover, the crop reports are better. The National Ginners' Association the other day is understood to have issued a report putting the condition of the crop at 82.4%, and pointing to a crop of something like 14,250,000 to 14,500,000 bales, without linters. If we have anything like the carryover generally expected, such a crop would insure a more than ample supply for the season of 1918-19. But many believe that with linters the yield will be over 15,000,000 bales. Of course this is looking a long way ahead. Nobody knows how the plant will weather the chances and changes of the season. Nobody knows anything as to what ravages may be committed by pests like the boll weevil, what the date of killing frost will be, how the problem of cultivating the crops will be met, and how the question of picking it will be solved if, as is so widely predicted, there is to be an increasing and ultimately a serious scarcity of labor at the South. But the general belief is that the crop prospects are far better than they were a year ago. Then the Government put the condition at the unprecedentedly low level of 69.5%. The question of labor, it is believed, will be solved, even if extraordinary measures have to be taken to do it. Cotton is still high. Farmers could pay very high wages. All sorts and conditions of people might at a pinch be induced, from motives of patriotism, if for no other reason, to help garner the crop which means so much, not only to the United States, but to her allies. The Government report will appear on June 4, and the general notion is that it will be somewhere around 80% and above, as against 69.5% last year, 77.5% the year before, and a ten-year average of 78.9%, on an increased acreage this season, and a much larger use of fertilizers of a much better quality than was employed last year. And it is feared that the world's consumption may perhaps be smaller next season than it has been during the present crop year. Certainly the news from Manchester is that the output is restricted there to a 40-hour week on American cotton. The Cotton Control Board of Great Britain has announced that beginning June 10 no spindles or looms shall be run without a license from the Board. Spinning mills engaged entirely on Egyptian cotton, Sea Island, Surat and on waste may run up to 80% of the total spindle week of 55½ hours. On American and other growths the reduction is 50%, with 40% permitted for mixed mills and a 40-hour week, as already intimated, when a mill is exclusively employed on American cotton. Weaving mills, unless engaged entirely on Government work, or entirely on waste cloths, are restricted to a 40-hour week. It is added that the recent census taken by the Cotton Control Board discloses a very poor situation, and unless more tonnage speedily becomes available, a much more serious situation in the near future is inevitable. But in the meantime, with no ships, or very few, all this does not help the American trade, burdened by big stocks and a new season looming ahead with what most people regard as a promise of a good-sized crop. Mindful of this, a significant thing occurred at the South. Norfolk and Savannah in one day abandoned their nominal quotations and reduced them 250 to 300 points. This is not a time when nominal quotations go. It is a time when prices are fixed by actual transactions. Moreover, another significant thing happened during the week. This was the comment on the situation by the Vice-President of the Guaranty Trust Co. He thinks that consideration should be given to the important fact that present indications point to a surplus of cotton in storage 750,000 bales greater than at the same time last year, when the new crop is ready to bale in September. He adds that unless plans are made to relieve this congestion as rapidly as possible, the warehousing of the new crop will present a difficult problem. The question is how the Southern banks are going to regard the holding of cotton. Time, of course, must determine this matter. What is certain is that the exports are very small. Much of the time spot markets have latterly been quiet. On the other hand, the trade in cotton goods is brisk at high prices, the Government is understood to be giving out large orders, an army of 3,000,000 to 5,000,000 men seems to be contemplated, and if that is so, mills, it would seem, must be kept busy for a long time to come. Moreover, shipbuilding is being speeded up. The supply of new tonnage is now being increased week by

week. There is a growing rivalry among the shipyards of the country in the matter of rapidity of building. There are even contests among riveters for the palm in the matter of fast work. Ultimately this must have an effect. Besides, the sinkings by submarines in April showed a sharp falling off. Washington dispatches said that the question is being considered of reducing the war risk rate to 1½%. The Government openly announces the number of troops that have recently been transported and which it is proposed to transport in the near future. That of itself seems to many to be significant of greater safety of the seas. Of course the actual supply of available tonnage is, however, after all, the main question. That is still small. To-day prices advanced 50 to 90 points, but lost most of it before the close on all months except July. More active spot markets had an effect for a time. So did the generally favorable war news and cheerful reports about the submarine warfare. Some stress was laid on the report of a revolt among German regiments in Russia, ordered to the western front. Most of all, however, the over-sold condition of the market told. After the recent big decline a rally in any case was generally considered due. After the shorts covered, however, prices collapsed. That was considered significant. Middling uplands closed at 27.30c., an advance of 65 points for the week, though futures are decidedly lower.

The official quotation for middling upland cotton in the New York market each day for the past week has been:

May 18 to May 24—	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
Middling uplands	26.55	26.25	26.10	25.70	26.45	27.30

NEW YORK QUOTATIONS FOR 32 YEARS.

1918 c.	27.30	1910 c.	15.35	1902 c.	9.56	1894 c.	7.25
1917	21.55	1909	11.65	1901	8.12	1893	7.69
1916	13.05	1908	11.20	1900	9.31	1892	7.38
1915	9.70	1907	12.35	1899	6.25	1891	8.94
1914	13.70	1906	11.90	1898	6.44	1890	12.38
1913	12.10	1905	8.65	1897	7.69	1889	11.12
1912	11.60	1904	13.35	1896	8.12	1888	10.00
1911	16.00	1903	12.00	1895	7.31	1877	11.06

MARKET AND SALES AT NEW YORK.

The total sales of cotton on the spot each day during the week at New York are indicated in the following statement. For the convenience of the reader we also add columns which show at a glance how the market for spot and futures closed on same days.

	Spot Market Closed.	Futures Market Closed.	SALES.		
			Spot.	Contract.	Total.
Saturday	Quiet, 10 pts. dec.	Firm	---	---	---
Monday	Quiet, 30 pts. dec.	Steady	---	1,900	1,900
Tuesday	Quiet, 15 pts. dec.	Very steady	---	300	300
Wednesday	Quiet, 40 pts. dec.	Weak	---	300	300
Thursday	Quiet, 75 pts. adv.	Very steady	---	300	300
Friday	Quiet, 85 pts. adv.	Steady	---	---	---
Total				2,800	2,800

FUTURES.—The highest, lowest and closing prices at New York for the past week have been as follows:

	Saturday, May 18	Monday, May 20	Tuesday, May 21	Wed. day, May 22	Thurs'd'y, May 23	Friday, May 24	Week.
May—							
Range	25.00-05	24.70-25	24.60-00	23.81-25	23.12-80	23.40-07	23.12-08
Closing	25.04-09	24.75-79	24.57	23.60-70	23.35	---	---
June—							
Range	---	24.03	24.60	33.70	23.44	23.70	---
Closing	24.99	---	---	---	---	---	---
July—							
Range	24.65-05	24.45-95	24.36-01	23.70-40	23.05-72	23.53-32	23.05-03
Closing	24.94-95	24.58-59	24.57-61	23.70-73	23.44-48	23.79-81	---
August—							
Range	---	34.30	24.05	---	21.05	23.34	23.05-30
Closing	24.64	24.28	24.20	23.40	23.14	23.44	---
September—							
Range	---	---	---	33.60	---	23.34	23.60
Closing	24.38	23.99	24.00	23.30	23.04	23.34	---
October—							
Range	23.80-21	23.56-94	23.50-15	23.05-50	22.51-10	22.85-44	22.51-21
Closing	24.08-10	23.69-72	23.70-73	23.03-08	22.56-59	22.87-93	---
November—							
Range	---	23.63	23.64	23.03	22.81	23.20	23.20
Closing	24.03	---	---	---	---	22.83	---
December—							
Range	23.70-03	23.45-75	23.44-00	23.00-35	22.44-01	22.80-20	22.44-03
Closing	23.98-00	23.50-60	23.50	22.98-00	22.76-79	22.82-83	---
January—							
Range	23.60-87	23.30-60	23.23-88	22.95-20	22.36-93	22.74-16	22.30-87
Closing	23.86-89	23.45-47	23.49	22.86	22.66-69	22.74-75	---
February—							
Range	---	23.76-78	23.35	23.39	22.80	22.68	---
Closing	---	---	---	---	---	---	---
March—							
Range	23.62-65	23.25-35	23.25-42	23.00-15	22.53-90	22.70-04	22.53-65
Closing	23.66	23.25	23.30	22.80	22.62	22.76	---

f25c. f24c. f23c.

QUOTATIONS FOR MIDDLING COTTON AT OTHER MARKETS.—Below are the closing quotations of middling cotton at Southern and other principal cotton markets for each day of the week.

Week ending May 24.	Closing Quotations for Middling Cotton on—					
	Saturday.	Monday.	Tuesday.	Wed. day.	Thurs'd'y.	Friday.
Galveston	28.00	28.00	28.00	27.70	27.70	28.00
New Orleans	29.25	29.25	29.00	29.00	28.75	28.75
Mobile	29.00	29.00	29.00	28.50	28.00	28.00
Savannah	32.50	32.50	30.00	30.00	30.00	30.00
Charleston	32.50	32.50	32.50	32.50	30.00	30.00
Wilmington	30.00	30.00	30.00	27.00	27.00	28.00
Norfolk	30.00	30.00	27.00	27.00	27.00	28.00
Baltimore	30.00	29.50	29.50	29.00	28.00	27.50
Philadelphia	26.80	26.50	26.35	25.95	26.70	27.50
Augusta	28.25	28.25	27.75	27.75	27.75	27.88
Memphis	30.00	30.00	30.00	30.00	30.00	30.00
Dallas	---	28.85	28.85	28.85	28.85	28.85
Houston	27.75	27.50	27.50	26.85	26.65	28.00
Little Rock	30.00	30.00	30.00	29.50	29.50	29.30

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 it in the exports of Friday only.

	1918.	1917.	1916.	1915.
Stock at Liverpool..... bales.	303,000	541,000	701,000	1,708,000
Stock at London.....	22,000	24,000	40,000	43,000
Stock at Manchester.....	44,000	51,000	64,000	175,000
Total Great Britain.....	369,000	616,000	805,000	1,926,000
Stock at Hamburg.....	1,000	*1,000	*1,000	*12,000
Stock at Bremen.....	1,000	*1,000	*1,000	*322,000
Stock at Havre.....	142,000	220,000	290,000	318,000
Stock at Marseilles.....	1,000	4,000	16,000	12,000
Stock at Barcelona.....	15,000	85,000	95,000	45,000
Stock at Genoa.....	3,000	30,000	118,000	490,000
Stock at Trieste.....	1,000	*1,000	*1,000	3,000
Total Continental stocks.....	161,000	342,000	522,000	1,203,000
Total European stocks.....	530,000	958,000	1,327,000	3,129,000
India cotton afloat for Europe.....	30,000	73,000	54,000	114,000
Amer. cotton afloat for Europe.....	135,000	185,000	328,356	552,073
Egypt, Brazil, &c. afloat for Europe.....	75,000	30,000	24,000	36,000
Stock in Alexandria, Egypt.....	300,000	133,000	69,000	186,000
Stock in Bombay, India.....	660,000	836,000	993,000	980,000
Stock in U. S. ports.....	1,303,888	902,285	1,126,122	1,087,065
Stock in U. S. interior towns.....	984,341	801,750	692,609	635,595
U. S. exports to-day.....	43,338	882	13,780	34,934
Total visible supply.....	4,061,567	3,959,917	4,627,867	6,754,667

Of the above, totals of American and other descriptions are as follows:

	1918.	1917.	1916.	1915.
American:				
Liverpool stock..... bales.	141,000	415,000	558,000	1,419,000
Manchester stock.....	14,000	38,000	52,000	153,000
Continental stock.....	*142,000	*285,000	*416,000	*1,034,000
American afloat for Europe.....	135,000	185,000	328,356	552,073
U. S. port stocks.....	1,303,888	902,285	1,126,122	1,087,065
U. S. interior stocks.....	984,341	801,750	692,609	635,595
U. S. exports to-day.....	43,338	882	13,780	34,934
Total American.....	2,763,567	2,627,917	3,186,867	4,915,667
East Indian, Brazil, &c.:				
Liverpool stock.....	162,000	126,000	143,000	289,000
London stock.....	22,000	24,000	40,000	43,000
Manchester stock.....	30,000	13,000	12,000	22,000
Continental stock.....	*19,000	*67,000	*106,000	*169,000
India afloat for Europe.....	30,000	73,000	54,000	114,000
Egypt, Brazil, &c. afloat.....	75,000	30,000	24,000	36,000
Stock in Alexandria, Egypt.....	300,000	123,000	69,000	186,000
Stock in Bombay, India.....	660,000	886,000	993,000	980,000
Total East India, &c.....	1,298,000	1,332,000	1,441,000	1,839,000
Total American.....	2,763,567	2,627,917	3,186,867	4,915,667

Total visible supply..... 4,061,567 3,959,917 4,627,867 6,754,667

	1918.	1917.	1916.	1915.
Middling upland, Liverpool.....	20,884	13,904	8,474	5,144
Middling upland, New York.....	27,306	21,956	12,906	9,606
Egypt, Good Brown, Liverpool.....	31,494	27,504	11,894	9,104
Peruvian, Rough Good, Liverpool.....	39,004	22,504	13,504	10,504
Braoch, Fine, Liverpool.....	20,794	13,504	8,204	5,004
Tinnevely, Good, Liverpool.....	21,044	13,684	8,224	5,124

* Estimated.

Continental imports for past week have been bales. The above figures for 1918 show a decrease from last week of 58,758 bales, a gain of 101,650 bales over 1917, a decline of 566,300 bales from 1916 and a loss of 2,693,100 bales from 1915.

AT THE INTERIOR TOWNS the movement—that is, the receipts for the week and since Aug. 1, the shipments for the week and the stocks to-night, and the same items for the corresponding period of the previous year—is set out in detail below.

Towns.	Movement to May 24 1918.			Movement to May 25 1917.		
	Receipts.	Shipments.	Stocks May 24.	Receipts.	Shipments.	Stocks May 25.
Ala., Etahaula.....	4,461	2,807	14	9,763	378	7,773
Montgomery.....	21	48,401	183	6,221	249	43,172
Belma.....	3	33,990	1	618	67	21,459
Ark., Helena.....	52	41,428	647	5,618	125	72,948
Pitts. Rock.....	466	228,634	3,038	19,707	1,083	228,259
Little Bluff.....	502	143,205	3,826	35,008	250	150,061
Gal., Albany.....	12,346	1,679	8	19,158	614	31,900
Athens.....	400	121,098	1,300	23,138	130	101,133
Atlanta.....	1,652	320,904	5,063	33,771	2,218	304,952
Augusta.....	839	432,428	5,560	103,645	1,531	305,655
Columbus.....	100	37,364	300	7,150	12	61,462
Macon.....	611	166,207	3,524	17,404	1,842	161,163
Rome.....	179	54,329	775	7,363	243	67,338
La., Shreveport.....	624	195,833	3,208	25,193	1,146	147,012
Miss., Columbus.....	10,096	58	482	1,166	6,059	12
Clarkdale.....	150	109,840	1,630	24,509	29	56,240
Greenwood.....	328	129,302	1,174	30,152	750	11,704
Meridian.....	172	34,981	447	7,566	304	22,372
Natchez.....	12	51,297	4,884	58	34,023	604
Vicksburg.....	30,313	145	3,280	2	16,160	316
Yasoo City.....	38,299	572	11,169	5	19,218	319
Mo., St. Louis.....	22,154	974,823	23,452	18,228	14,461	935,961
N.C., Gr'naboro.....	1,900	58,176	800	12,000	1,400	75,059
Raleigh.....	10,533	237	114	11,423	1,900	91
O., Cincinnati.....	2,419	128,938	4,418	11,799	1,822	174,117
Okl., Ardmore.....	13,750	52,052	59	1,350	52,052	59
Chickasha.....	418	63,785	197	6,221	757	80,476
Hugo.....	509	35,100	809	3,100	29,597	108
Oklahoma.....	150	44,529	203	2,700	50	38,172
S. C., Greenville.....	2,061	134,396	271	21,700	1,323	139,345
Greenwood.....	13,591	5,246	16,432	413	1,923	23,400
Tenn., Memphis.....	25,970	1,311,016	29,908	360,394	13,562	1,247,116
Nashville.....	44	1,867	1,235	63	1,847	428
Tex., Abilene.....	26,992	637	561	60,294	5	1,788
Brenham.....	7	21,174	12	797	72	23,917
Clarksville.....	53,378	100	1,700	1	42,993	187
Dallas.....	538	128,669	988	11,625	510	119,925
Honey Grove.....	62,070	900	4,400	175	39,622	1,101
Houston.....	2,739	1,867,330	13,129	141,660	11,519	2,432,012
Paris.....	700	104,109	2,300	9,000	1,683	137,804
San Antonio.....	30,141	4	5	43,528	24	101
Total, 41 towns.....	64,818	7,324,312	108,694	984,341	56,926	7,709,107

* Last year's figures are for Greenville.

The above totals show that the interior stocks have decreased during the week 43,876 bales and are to-night 182,591 bales more than at the same time last year. The receipts at all towns have been 7,892 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:

May 24.	1917-18		1916-17	
	Week.	Since Aug. 1.	Week.	Since Aug. 1.
Shipments.....	23,452	965,951	21,173	828,231
Via St. Louis.....	13,552	433,101	2,688	253,061
Via Mounds, &c.....	7,676	21,052	65	6,128
Via Rock Island.....	2,226	86,912	995	111,776
Via Louisville.....	385	38,691	73	61,303
Via Cincinnati.....	1,984	194,723	3,864	299,257
Via Virginia points.....	12,586	629,061	7,411	687,858
Via other routes, &c.....				
Total gross overland.....	61,861	2,370,091	33,269	2,345,614
Deduct Shipments:				
Overland to N. Y., Boston, &c.....	3,359	300,806	1,195	218,451
Between interior towns.....	3,416	98,845	2,418	145,661
Inland, &c., from South.....	14,383	780,992	15,640	412,615
Total to be deducted.....	21,158	1,180,643	19,307	776,627
Leaving total net overland *.....	40,703	1,189,448	13,962	1,568,987

* Including movement by rail to Canada. a Revised. The foregoing shows the week's net overland movement has been 40,703 bales, against 13,962 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 379,539 bales.

In Sight and Spinners'	1917-18		1916-17	
	Week.	Since Aug. 1.	Week.	Since Aug. 1.
Receipts at ports to May 24.....	48,856	5,376,614	40,952	6,350,376
Net overland to May 24.....	40,703	1,189,448	13,962	1,568,987
South'n consumption to May 24 a.....	85,000	3,501,000	91,000	3,598,000
Total marketed.....	174,559	10,067,062	145,914	11,427,363
Interior stocks in excess.....	*43,876	629,849	*36,884	448,016
Came into sight during week.....	130,683		109,030	
Total in sight May 24.....	10,696,911		11,875,379	
North. spin'n's takings to May 24.....	75,381	2,133,190	41,970	2,760,491

* Decrease during week. a These figures are consumption; takings not available.

Movement into sight in previous years:

Week—	Bales.	Since Aug. 1—	Bales.
1916—May 26.....	146,960	1915-16—May 26.....	11,416,657
1915—May 23.....	137,311	1914-15—May 28.....	14,483,356
1914—May 29.....	96,272	1913-14—May 29.....	14,219,876

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, May 18.	Monday, May 20.	Tuesday, May 21.	Wednesday, May 22.	Thursday, May 23.	Friday, May 24.
May.....	25.53	25.41	25.76	25.50	27.75	00
June.....	25.53-55	25.41-43	25.76-78	25.50-53	27.75-80	25.75
July.....	24.53-55	24.27-31	24.25-28	23.75-79	23.59-64	24.25-27
August.....	24.43-45	24.16-18	24.15-17	23.65-67	23.49-52	23.95-05
October.....	23.22-25	22.87-92	22.84-89	22.34-37	22.13-15	22.14-18
December.....	22.96-98	22.56-57	22.53-54	22.04-05	21.88-91	21.91-92
January.....	22.86-88	22.50-51	22.43-45	21.92-95	21.79-81	21.82-84
March.....	22.76-78	22.36-38	22.33-35	21.82-84	21.69-70	21.72-74
Tone.....	Steady	Steady	Steady	Dull	Quiet	Steady
Options.....	Steady	Steady	Steady	Steady	Very steady	Steady

WEATHER REPORTS BY TELEGRAPH.—Reports to us by telegraph from the South this evening are on the whole of a satisfactory tenor, the weather having been favorable to growth and development of cotton quite generally. Texas reports steady improvement except in western and north-western counties, where lack of moisture is complained of.

Galveston, Tex.—The weather during the week was favorable for crop development. The plant is in a healthy condition, but is late in western and northwestern counties. Elsewhere steady improvement is noted. There has been no rain during the week. The thermometer has ranged from 74 to 82, averaging 78.

Abilene, Tex.—It has rained on one day of the week, the rainfall reaching one inch and forty-two hundredths. Minimum thermometer 66, maximum 94, mean 80.

Brenham, Tex.—We have had no rain the past week. The thermometer has averaged 79, the highest being 90 and the lowest 68.

Brownsville, Tex.—We have had no rain during the week. The thermometer has averaged 81, ranging from 70 to 92.

Cuero, Tex.—There has been no rain during the week. The thermometer has ranged from 68 to 90, averaging 79.

Dallas, Tex.—The week's rainfall has been two inches and eighteen hundredths, on two days. Average thermometer 77, highest 90, lowest 64.

Henrietta, Tex.—There has been no rain during the week. The thermometer has averaged 77, the highest being 92 and the lowest 62.

Huntsville, Tex.—Dry all the week. The thermometer has averaged 76, ranging from 64 to 88.

Kerrville, Tex.—We have had no rain during the week. The

San Antonio, Tex.—Dry all the week. The thermometer has averaged 78, ranging from 68 to 88.

Taylor, Tex.—There has been no rain during the week. Lowest thermometer 60.

Weatherford, Tex.—We have had a rainfall of one inch and twenty-four hundredths during the week, on one day. Mean thermometer 77, highest 88, lowest 66.

Ardmore, Okla.—We have had rain on one day the past week, the rainfall being fifty-four hundredths of an inch. The thermometer has averaged 78, the highest being 92 and the lowest 63.

Muskogee, Okla.—It has rained on four days of the week, the rainfall reaching three inches and twelve hundredths. The thermometer has averaged 75, ranging from 63 to 87.

Oklahoma, Okla.—We have had rain on one day during the week, the rainfall being one inch and forty-four hundredths. The thermometer has ranged from 61 to 84, averaging 73.

Brinkley, Ark.—Dry all the week. Average thermometer 79, highest 95, lowest 63.

Eldorado, Ark.—We have had rain on one day the past week, the rainfall being twenty hundredths of an inch. The thermometer has averaged 77, the highest being 95 and the lowest 59.

Little Rock, Ark.—We have had rain on two days of the past week, the rainfall being fifty hundredths of an inch. The thermometer has averaged 77, ranging from 66 to 90.

Alexandria, La.—We have had no rain during the week. The thermometer has ranged from 66 to 92, averaging 79.

New Orleans, La.—Dry all the week.

Shreveport, La.—We have had rain on one day the past week to an inappreciable extent. The thermometer has averaged 79, the highest being 92 and the lowest 67.

Columbus, Miss.—It has been dry all the week. The thermometer has averaged 78, ranging from 61 to 95.

Greenwood, Miss.—We have had no rain during the week. The thermometer has ranged from 63 to 98, averaging 80.

Vicksburg, Miss.—Dry all the week. Minimum thermometer 66, maximum 92, mean 77.5.

Mobile, Ala.—The weather continues favorable and the crop is clean. Scattered showers in the interior have promoted growth. We have had rain on two days of the week, the rainfall reaching thirty-one hundredths of an inch. The thermometer has averaged 77, the highest being 89 and the lowest 68.

Montgomery, Ala.—It has rained on one day of the week, the rainfall reaching fourteen hundredths of an inch. The thermometer has averaged 77, ranging from 64 to 90.

Selma, Ala.—There has been rain on two days during the week, to the extent of seventy-six hundredths of an inch. The thermometer has ranged from 63 to 94, averaging 78.

Madison, Fla.—There has been rain on one day during the week, the rainfall reaching three hundredths of an inch. Average thermometer 76, highest 91, lowest 61.

Tallahassee, Fla.—It has been dry all the week. The thermometer has averaged 72, the highest being 93 and the lowest 63.

Atlanta, Ga.—The week's rainfall has been four hundredths of an inch on one day. The thermometer has averaged 74, ranging from 62 to 86.

Augusta, Ga.—Rain has fallen on two days during the week, the precipitation reaching sixteen hundredths of an inch. The thermometer has ranged from 60 to 87 averaging 74.

Savannah, Ga.—The week's rainfall has been thirty-seven hundredths of an inch on one day. Average thermometer 72, highest 82, lowest 62.

Charleston, S. C.—We have had rain on two days the past week, the rainfall being five hundredths of an inch. The thermometer has averaged 72, the highest being 80 and the lowest 64.

Greenwood, S. C.—It has rained on one day of the week, the rainfall reaching seventeen hundredths of an inch. The thermometer has averaged 72, ranging from 60 to 84.

Spartanburg, S. C.—There has been rain on two days during the week, the rainfall being twenty hundredths of an inch. The thermometer has ranged from 58 to 88, averaging 73.

Charlotte, N. C.—It has rained on three days of the week, the rainfall reaching one inch and sixteen hundredths. Minimum thermometer 60, highest 84, average 72.

Weldon, N. C.—We have had rain on two days the past week, the rainfall being one inch and thirty-one hundredths. The thermometer has averaged 74, the highest being 91 and the lowest 58.

Dyersburg, Tenn.—There has been rain on three days of the week, to the extent of one inch and sixteen hundredths. The thermometer has averaged 77, ranging from 64 to 89.

Memphis, Tenn.—Favorable weather for growth of cotton the past week. No rainfall. The thermometer has ranged from 67 to 91, averaging 77.

The following statement we have also received by telegraph, showing the height of the rivers at the points named at 8 a. m. of the dates given:

	May 24 1918.	May 25 1917.
	Fect.	Fect.
New Orleans.....Above zero of gauge.	12.0	13.5
Memphis.....Above zero of gauge.	26.1	17.8
Nashville.....Above zero of gauge.	11.3	8.2
Shreveport.....Above zero of gauge.	1.9	*1.5
Vicksburg.....Above zero of gauge.	33.2	31.4

* Below.

COTTON CONSUMPTION AND OVERLAND MOVEMENT TO MAY 1.—Below we present a synopsis of the crop movement for the month of April and the nine months ended April 30 for three years.

	1917-18.	1916-17.	1915-16.
Gross overland for April.....bales	220,207	178,672	179,589
Gross overland for 9 months.....	2,162,486	2,217,621	1,798,883
Net overland for April.....	106,457	83,567	125,142
Net overland for 9 months.....	1,057,611	1,535,266	1,255,228
Port receipts in April.....	283,961	6,142,795	427,144
Port receipts in 9 months.....	5,197,617	283,728	6,226,587
Exports in April.....	174,544	3,496,481	501,205
Exports in 9 months.....	3,496,481	4,862,340	4,503,230
Port stocks on April 30.....	1,429,320	1,042,686	1,229,648
Northern spinners' takings to May 1.....	1,840,711	2,574,866	2,681,168
Southern consumption to May 1.....	3,203,000	3,176,000	2,897,000
Overland to Canada for 9 months (incl. in net overland).....	180,971	124,373	148,297
Burial North and South in 9 months.....	1,383	1,383	2,522
Stocks at Northern interior markets May 1.....	25,635	17,689	13,103
Came into sight during April.....	605,418	624,765	740,819
Amount of crop in sight May 1.....	10,228,228	11,447,061	10,805,815
Came into sight balance of season.....	1,528,598	2,147,635	1,528,598
Total crop.....	12,975,569	12,975,569	12,953,430
Average gross weight of bales.....	511.73	513.57	512.92
Average net weight of bales.....	486.73	488.57	487.92

Notes.—Exports have been only slightly increased by the addition of March figures for Northern and Pacific ports not available until this week, and consequently moderate revision upward of the Northern spinners' takings has been necessary, as allowance already made therefor was greater than the actual.

OUR COTTON ACREAGE REPORT.—Our cotton acreage report will probably be ready about the 20th of June. Parties desiring the circular in quantities, with their business cards printed thereon, should send in their orders as soon as possible, to ensure early delivery.

EGYPTIAN COTTON CRIP.—The Alexandria Cotton Co., Limited, of Boston, has the following by mail from Alexandria under date of April 12 1918:

The weather has somewhat improved, but the adverse conditions of the past few weeks have considerably retarded the growth of the young plants, with the result that not only has the advance obtained by earlier sowing been entirely lost, but the crop is now late by some 10 days. The White Nile remains above normal and the main Nile is thus abundantly supplied, and it is expected that the cotton plantations will have a plentiful supply of water during the summer.

EXPORTS OF COTTON GOODS FROM GREAT BRITAIN.—Below we give the exports of cotton yarn goods, &c., from Great Britain for the month of March and since Aug. 1 in 1917-18 and 1916-17, as compiled by us from the British Board of Trade returns. It will be noticed that we have reduced the movement all to pounds.

000's omitted.	Yarn & Thread		Cloth.				Total of All.	
	1917-18	1916-17	1917-18.	1916-17.	1917-18.	1916-17.	1917-18.	1916-17.
August.....	18,766	17,750	469,033	424,317	97,679	79,312	106,445	97,062
Sept.....	11,074	16,496	420,448	461,097	78,671	86,298	89,745	102,784
October.....	12,272	15,674	382,821	386,229	71,555	72,102	83,827	87,866
1st quar.....	42,112	49,910	1,272,352	1,272,243	237,905	237,802	280,017	287,712
Nov.....	9,929	14,785	394,487	340,500	73,736	63,645	83,665	78,430
Dec.....	9,541	13,024	352,912	409,361	65,965	93,320	75,500	106,344
Jan.....	10,344	16,424	400,619	499,484	74,381	93,361	85,225	109,785
2d quar.....	29,814	44,233	1,148,011	1,339,345	214,582	250,326	244,306	294,559
Feb.....	7,151	11,975	263,002	330,125	64,251	61,705	71,402	73,650
Mar.....	11,038	12,996	302,975	444,328	56,631	83,052	67,719	96,048
Stockings and socks.....							1,075	1,580
Sundry articles.....							30,154	32,980
Total exports of cotton manufactures.....							694,773	786,56

The foregoing shows that there have been exported from the United Kingdom during the eight months 694,773,000 pounds of manufactured cotton, against 786,568,000 pounds last year, a decrease of 91,795,000 pounds.

DOMESTIC EXPORTS OF COTTON MANUFACTURES.—We give below a statement showing the exports of domestic cotton manufactures for March and for the nine months ended March 31 1918, and for purposes of comparison, like figures for the corresponding periods of the previous year are also presented:

Manufactures of Cotton Exported.	Month ending Mar. 31.		9 Mos. ending Mar. 31.	
	1918.	1917.	1917-18.	1916-17.
Piece goods.....yards	41,137,043	54,321,834	545,626,933	507,439,674
Piece goods.....value	\$7,036,494	\$8,314,282	\$77,733,946	\$51,327,092
Wear & apparel, knit goods.....value	963,599	1,074,712	11,536,462	14,835,626
Wearing apparel, all other.....value	852,755	1,071,977	7,924,616	9,694,790
Waste cotton, &c.....value	507,090	620,493	8,187,023	4,714,763
Yarn.....value	523,302	318,709	5,663,269	3,733,773
All other.....value	1,844,592	1,578,057	15,733,539	16,216,868
Total manufactures of value.....	\$11,737,132	\$10,878,230	\$126,708,875	\$109,172,897

BRITISH COTTON MILL WAGE INCREASE RECOMMENDED.—Cable advices from London of date May 23 are to the effect that an agreement was reached at the cotton trade wages conference on Wednesday to recommend to the respective organizations a 25% advance in wages on the standard piece price list rates beginning with the pay day on June 15, and to continue until Dec. 7. The Control Board's levy scheme is an integral part of the agreement. All branches of the cotton trade are covered, and it is believed that the recommendation will prove acceptable to all concerned.

RECEIPTS FROM THE PLANTATIONS.—The following table indicates the actual movement each week from the plantations. The figures do not include overland receipts

nor Southern consumption; they are simply a statement of the weekly movement from the plantations of that part of the crop which finally reaches the market through the outports:

Week ending	Receipts at Ports.			Stocks at Interior Towns.			Receipts from Plantations		
	1918.	1917.	1916.	1918.	1917.	1916.	1918.	1917.	1916.
April 5--	74,631	75,372	93,455	1,270,758	1,061,258	1,080,178	61,843	61,843	80,989
12--	71,337	64,284	102,550	1,238,522	1,026,113	1,013,861	39,101	29,119	56,233
19--	53,313	71,799	113,603	1,197,106	995,504	966,013	11,897	41,190	65,755
26--	62,068	66,817	99,812	1,154,082	957,000	909,613	19,044	28,403	43,412
May 3--	65,373	60,243	97,583	1,098,016	922,841	852,920	9,307	25,094	40,890
10--	66,713	70,719	83,041	1,065,189	877,537	803,134	23,886	25,416	33,295
17--	48,490	60,116	101,366	1,025,217	838,634	747,540	11,518	21,213	45,772
24--	48,556	40,952	85,340	984,341	801,750	692,609	4,980	4,068	30,409

The above statement shows: 1.—That the total receipts from the plantations since Aug. 1 1917 are 6,006,463 bales; in 1916-17 were 6,798,392 bales, and in 1915-16 were 6,820,669 bales. 2.—That although the receipts at the outports the past week were 48,556 bales, the actual movement from plantations was 4,980 bales, the balance being taken from stocks at interior towns. Last year receipts from the plantations for the week were 4,068 bales and for 1916 they were 30,409 bales.

WORLD'S SUPPLY AND TAKINGS OF COTTON.

Cotton Takings, Week and Season.	1917-18.		1916-17.	
	Week.	Season.	Week.	Season.
Visible supply May 17-----	4,118,325	2,844,776	4,090,430	3,198,251
Visible supply Aug. 1-----	130,683	10,696,911	109,030	11,875,379
American in sight to May 24--	650,000	1,635,000	72,000	2,452,000
Bombay receipts to May 23-----	62,000	75,000	2,000	224,000
Other India shipm'ts to May 23--	612,000	802,000	1,000	671,000
Alexandria receipts to May 22--	66,000	183,000	16,000	1,600
Other supply to May 22*-----				
Total supply-----	4,319,008	16,206,687	4,290,460	18,616,630
Deduct-----				
Visible supply May 24-----	4,061,567	4,061,567	3,959,917	3,959,917
Total takings to May 24-----	257,441	12,145,120	330,543	14,656,713
Of which American-----	169,441	9,453,120	216,543	11,335,713
Of which other-----	88,000	2,692,000	114,000	3,321,000

* Embraces receipts in Europe from Brazil, Smyrna, West Indies, &c.
 a This total embraces the estimated consumption by Southern mills, 3,501,000 bales in 1917-18 and 3,508,000 in 1916-17—takings not being available—and the aggregate amounts taken by Northern and foreign spinners, 8,644,120 bales in 1917-18 and 11,148,713 bales in 1916-17, of which 6,952,120 bales and 7,827,713 bales American.
 b Estimated.

BOMBAY COTTON MOVEMENT.—The receipts of India cotton at Bombay for the week ending May 2 and for the season from Aug. 1 for three years have been as follows:

May 2, Receipts at—	1917-18.		1916-17.		1915-16.	
	Week.	Since Aug. 1.	Week.	Since Aug. 1.	Week.	Since Aug. 1.
Bombay-----	67,000	1,430,000	100,000	2,201,000	68,000	2,715,000

MANCHESTER MARKET.—We give prices for to-day below and leave those for previous weeks of this and last year for comparison:

	1918.						1917.					
	32s Cop Twist.		8 1/2 lbs. Shrt (ngs Common to finest.)		Cot'n Mtd. Upl's		32s Cop Twist.		8 1/2 lbs. Shrt (ngs Common to finest.)		Cot'n Mtd. Upl's	
Mar 5	42 1/4	@ 45 1/4	19 10 1/4	@ 23 1 1/4	24.95	10 1/4	@ 18	9 4	@ 12 4 1/2	12.89		
12 14	@ 46 1/2	20 0 1/4	@ 28 6	24.38	16 1/2	@ 18	9 9	@ 13 0	13.08			
19 14	@ 46	21 6	@ 28 6	22.79	16 1/4	@ 18	9 4 1/2	@ 12 7 1/2	12.26			
26 14	@ 46 1/2	22 0	@ 29 0	21.98	16 1/4	@ 18 1/4	9 4 1/2	@ 12 7 1/2	12.38			
May 3	44 1/4	@ 46 1/2	22 0	@ 29 0	21.40	16 1/4	@ 18 1/4	9 4 1/2	@ 12 9	12.89		
10 14	@ 46 1/2	22 0	@ 29 0	21.55	16 1/2	@ 18	9 4 1/2	@ 12 10 1/2	12.80			
17 14	@ 46 1/2	22 0	@ 28 6	21.55	16 1/2	@ 18 1/4	9 6	@ 13 0	13.26			
24 14	@ 46 1/2	22 0	@ 28 6	20.88	17 1/2	@ 18 1/2	10 0	@ 13 9	13.30			

LIVERPOOL.—By cable from Liverpool we have the following statement of the week's sales, stocks, &c., at that port:

	May 3.	May 10.	May 17.	May 24.
Sales of the week-----	12,000	10,000	8,000	6,000
Of which speculators took-----				
Of which exporters took-----				
Sales, American-----	4,000	3,000	3,000	2,000
Actual export-----				
Forwarded-----	62,000	54,000	38,000	35,000
Total stock-----	339,000	332,000	322,000	303,000
Of which American-----	190,000	189,000	160,000	141,000
Total imports of the week-----	14,000	38,000	24,000	20,000
Of which American-----	4,000	33,000		5,000
Amount afloat-----	136,000	117,000	103,000	105,000
Of which American-----	54,000	55,000	59,000	59,000

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.	Dull.	
Mtd. Upl'd Good Mtd Uplands	HOLI-DAY.	HOLI-DAY.	21.41	20.88	20.88	
Market opened			21.93	21.41	21.41	
Futures, Market opened			Steady at 23 @ 27 pts. dec.	Quiet at 15 @ 45 pts. dec.	Quiet at 3 @ 10 pts. dec.	HOLI-DAY.
Market, closed			Steady, 32 pts. dec. to 5 pts. adv. on new, 43 pts. dec. on old.	Quiet, 38 @ 72 pts. dec. on new, 83 pts. on old.	Quiet, 14 @ 34 pts. dec. on new, 10 pts. adv. on old.	

The prices of futures at Liverpool for each day are given below. Prices are on the basis of good middling upland for new contract and middling upland for old contract, unless otherwise stated.

May 18 to May 24.	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
	12 1/4 p. m.	12 1/2 p. m.	12 3/4 p. m.	1 p. m.	1 1/4 p. m.	1 1/2 p. m.
New Contracts.	d.	d.	d.	d.	d.	d.
May-----						
June-----						
July-----						
August-----						
September-----						
Old Contract.	HOLI-DAY	HOLI-DAY				HOLI-DAY
May-----						
May-June-----						
June-July-----						

BREADSTUFFS.

Friday Night, May 24 1918.

Flour has been quiet. The distribution of substitutes is quietly progressing. Existing stocks will do until the next harvest. That is the general judgment. Last winter it was predicted that by this time there would be a flour famine. Needless to say there is nothing of the kind. But the fear of it brought about one evil. That was the heavy overstocking on substitutes for flour. Now the problem is to get rid of them. Gradually this is being done. A committee is working steadily at the distribution of corn meal, rye flour and barley flour under the direction of the Grain Corporation of the Food Administration. Corn meal is weak and irregular, because it is so plentiful. It furnishes one of the knottiest problems that the Corporation has to handle. But probably it will work out all right in the end. The main trouble is the moisture and fats in the meal. This fact makes it desirable to reduce the supply as rapidly as possible, before the coming of warm weather. Meanwhile the supply of wheat in the country turns out to be larger than many had expected. The stocks of flour in the United States and Canada on May 1, however, were only 949,000 bbls., against 1,065,000 bbls. on April 1 and 2,896,000 bbls. a year ago. Washington says that further restrictions on the amount of wheat flour, placed in bread loaves, are in prospect. At best only one-third of the normal supply of wheat is available this year to last to Aug. 1. There was a report here to-day that shippers to neutral countries, particularly Norway and Sweden, had secured close to 90,000 bbls. of corn meal, rye flour and barley flour, through the special committee of the New York Produce Exchange working in conjunction with the Food Administration.

Wheat has been steady, owing to the smallness of supplies. It is stated, however, that the quantity of wheat in the country for export and carryover on May 1 was 54,000,000 bushels. This is larger than was generally suspected. If it can be moved with a reasonable degree of promptness it may relieve the situation materially. The Chicago "Daily Trade Bulletin" says that after allowing 530,000,000 bushels for bread and seed requirements for the country for the crop year and exports to May 1 of 115,000,000 bushels, there remain 54,000,000 bushels available for export to July 1 and for a carryover into next season. Last year the exports from May 1 to July 1 were 37,000,000 bushels. The general outlook for the crop in this country is favorable. In Canada the acreage will be considerably larger than that of last year. It is a regrettable fact that the winter wheat crop there is not looking well. On the Pacific Coast the weather has been generally good for growing crops, partly owing to beneficial rains. Glowing reports are received as to the wheat outlook there. The condition of winter wheat is good and at least a fair crop is expected. There are some complaints, however, of the scarcity of labor. Mills there are operating actively, mostly on Government orders. Arrivals of Australian wheat continue fair, and some increase is expected in the near future. In Russia conditions are still unsettled and plowing has been greatly delayed. Judging from present appearances no large acreage will be planted to spring crops and the winter crops will be short. In France rains, and even snow, have interrupted spring seeding. Naturally, too, the cold weather checked growth. Conditions are now more favorable, however, and the appearance of all crops is good. At the same time, there has been some increase in supplies. Melbourne, Australia, cables that in response to a request from the United States the Commonwealth has decided to charter American vessels to carry wheat to the United States. In the United Kingdom, the weather has been generally favorable for the crops and seeding has been rapid. In Italy torrential rains caused some damage to the young crops and the wet weather, of course, interfered with field work. But, on the whole, conditions are generally favorable, and the present crop is supposed to equal that of last year. In Argentina plowing and planting are progressing under favorable conditions. It looks as though the acreage will be considerably increased. The stocks at the ports are ample, though receipts of late have been only moderate. The ton-

nage situation there is gradually improving. In Spain the general outlook is good. Rains have helped it. The Scandinavian countries have had fine springlike weather. Beneficial rains have fallen in North Africa. The available stock of North American wheat is 17,707,000 bushels, against 75,667,000 bushels a year ago, and 117,575,000 bushels at this time in 1916. To-day there were renewed favorable reports about the crop. But the smallness of supplies keeps prices firm.

DAILY CLOSING PRICES OF WHEAT IN NEW YORK.

No. 2 red	cts. 226	226	226	226	226
No. 1 spring	229	229	229	229	229

Indian corn has been irregular, advancing at one time and then declining. The weather in the Northwest has been rather cool. Heavy rains in other parts of the belt have delayed planting. Still, on the whole, the sections which had the most rain needed it. And the available stock in North America is 17,301,000 bush. against 6,353,000 a year ago. The shipping demand has been slow. And before long an increase in the crop movement is expected. Planting is nearing the end, somewhat earlier than usual. Early frost may thus be avoided next Fall. That was the misfortune of the last crop. It caused a good deal of low grade corn. On the 22d instant by order of the Chicago Board of Trade Directors trading in May corn was stopped. The settling price was fixed at \$1 28. However, this was largely a matter of form. There had been very little trading in May corn for some months past. There were rumors that corn had recently been bought in Argentina for shipment to Canada. The idea was that some of it might stop here. Naturally this idea did not help the price. From Argentina advices are that harvesting returns are very favorable and that the new offerings are of good quality. It is added that present indications point to a liberal exportable surplus. For a time at least, however, the moderate supply of tonnage will presumably check large clearances. In order to relieve the pressure of supplies in Argentina, industries are burning corn for fuel. The highest quality there is bringing \$15 30 gold per ton as fuel. The tonnage situation, however, is gradually improving. To-day prices advanced, owing to wet weather at the West. Receipts, too, are small. The week's exports from Argentina were smaller than expected. Only a little was sent to America. Prices are lower for the week at Chicago.

DAILY CLOSING PRICES OF CORN IN NEW YORK.

No. 3 yellow	cts. 159	159	150	150	180 3/4	153
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DAILY CLOSING PRICES OF CORN FUTURES IN CHICAGO.

June delivery in elevator (new contract)	cts. 139 3/4	141 1/2	141 1/4	137	138 1/4
July delivery in elevator (new contract)	140 3/4	143 1/4	142 3/4	141 1/4	139 3/4

Oats advanced somewhat, owing partly to a pinch in the May position. Shorts found difficulty in covering. This helped to brace up other deliveries. Winnipeg prices, too, have been firm, owing to cold weather in the Northwest. Besides, receipts at Western points at times have been smaller than on the corresponding days last week and last year. This also had a certain effect. Winnipeg advices say that oats seeding has been completed under fairly favorable conditions and that the acreage will probably be slightly larger than that of last year. At the same time, the weather has been too dry and cold up to the present time. High winds and frosts have done more or less damage in the Canadian Northwest. In Argentina, on the other hand, oats are being freely offered and the outlook for tonnage is gradually improving. In this country the general crop outlook is, on the whole, favorable, and undoubtedly the acreage was very large. Exporters have not been buying at all freely. It was intimated that their June requirements have been provided for. At Buffalo the stock is over 2,000,000 bushels and there is a large quantity in transit. At the same time, however, the North American available supply is only 32,540,000 bushels, against 40,547,000 a year ago. May, however, has latterly declined sharply as the short interest was reduced. Beneficial rains have occurred in Nebraska and Kansas. They put a stop to talk of drought in those States. The Eastern demand at Chicago has latterly been poor. Outside markets have been naming lower prices than those at Chicago. To-day prices were higher. Warmer weather is wanted, although crop reports in the main are favorable. May declined at first 3/4c. on rumors of fairly large deliveries on contracts. Prices are a shade higher, however, for the week on most months.

DAILY CLOSING PRICES OF OATS IN NEW YORK.

Standards	cts. 84 @ 85	84 1/2 @ 85	85 1/2 @ 86	83 @ 83 1/2	81 1/2 @ 82	82 3/4
No. 2 white	84 @ 85	85	86	84	82 1/2	83

DAILY CLOSING PRICES OF OATS FUTURES IN CHICAGO.

June deliv. in elev. (new contract)	71 1/4	73 1/4	74 1/4	73 1/4	71 1/4	71 3/4
July deliv. in elev. (new contract)	66 1/4	68	67 1/4	67	66	66 3/4

The following are closing quotations:

Spring	\$10 75 @ \$11 20	Taploca flour	nom.
Winter	10 85 @ 11 10	Hominy (100-lb. sacks)	\$5 25
Kansas	10 90 @ 11 20	Yellow granulated	4 85
Eye flour	10 40 @ 12 00	Barley goods—Portage barley	8 50
Corn goods, all sacks 100 lbs.		No. 1	\$8 50
White	\$5 25 @ \$5 40	Nos. 2, 3 and 4	8 15
Boiled	4 75	Nos. 2-0 and 3-0	8 50 @ 8 65
Corn flour	5 50	No. 4-0	8 80
Corn starch	per lb. 6 1/4c.	Coarse, Nos. 2, 3 and 4	5 80
Rice flour, spot and to arrive	per lb. 9 1/4 @ 10 1/4c.	Oats good—Carload, spot delivery	9 55

GRAIN.

Wheat—		Oats—	
No. 2 red	\$2 26	Standard	\$2 1/2
No. 1 spring	2 29	No. 2 white	83
No. 1 Northern	2 28	No. 3 white	82
Corn—		No. 4 white	81 1/2
No. 3 mixed	1 53	Barley—	
No. 2 yellow	1 65	Feeding	\$1 35 @ \$1 40
No. 3 yellow	1 53	Malting	1 45 @ 1 50
No. 4 yellow	1 43	Rye—	
Argentine	nom.	Western	2 12

The statements of the movement of breadstuffs to market indicated below are prepared by us from figures collected by the New York Produce Exchange. The receipts at Western lake and river ports for the week ending last Saturday and since Aug. 1 for each of the last three years have been:

Receipts at—	Flour.	Wheat.	Corn.	Oats.	Barley.	Rye.
	50 lb. 100 lbs.	bush. 60 lbs.	bush. 56 lbs.	bush. 32 lbs.	bush. 48 lbs.	bush. 60 lbs.
Chicago	157,000	90,000	1,530,000	1,877,000	334,000	52,000
Minneapolis	1,174,000	219,000	224,000	231,000	75,000	
Duluth	14,000	—	4,000	84,000		
Milwaukee	16,000	18,000	76,000	329,000	103,000	20,000
Toledo	—	17,000	45,000	70,000	2,000	1,000
Detroit	—	1,000	71,000	55,000	—	—
Cleveland	17,000	10,000	35,000	141,000	6,000	1,000
St. Louis	62,000	66,000	392,000	426,000	16,000	—
Peoria	35,000	5,000	27,000	207,000	15,000	5,000
Kansas City	—	73,000	414,000	276,000	—	—
Omaha	—	126,000	557,000	244,000	—	—
Total wk 1918	287,000	1,564,000	3,856,000	3,853,000	791,000	154,000
Same wk 1917	349,000	5,738,000	3,710,000	3,992,000	813,000	223,000
Same wk 1916	297,000	5,294,000	2,933,000	6,542,000	1,416,000	133,000

Since Aug. 1—						
1917-18	13,456,000	154,287,000	204,775,000	282,800,000	48,244,000	22,404,000
1916-17	15,805,000	320,796,000	479,217,000	334,652,000	77,534,000	19,987,000
1915-16	17,178,000	457,833,000	197,715,000	129,832,000	101,850,000	20,770,000

Total receipts of flour and grain at the seaboard ports for the week ended May 18 1918 follow:

Receipts at—	Flour.	Wheat.	Corn.	Oats.	Barley.	Rye.
	Barrels.	Bushels.	Bushels.	Bushels.	Bushels.	Bushels.
New York	170,000	48,000	70,000	572,000	11,000	1,000
Boston	48,000	3,000	27,000	532,000	200,000	—
Philadelphia	40,000	—	168,000	526,000	1,000	10,000
Baltimore	64,000	10,000	94,000	748,000	—	4,000
New Orleans*	60,000	23,000	43,000	105,000	—	—
Montreal	37,000	929,000	—	614,000	146,000	—
Total wk 1918	419,000	1,050,000	402,000	3,097,000	368,000	15,000
Since Jan. 1 '18	9,805,000	12,577,000	10,035,000	43,046,000	3,809,000	2,341,000
Week 1917	399,000	6,898,000	525,000	3,750,000	207,000	390,000
Since Jan. 1 '17	8,188,000	33,035,000	30,236,000	47,223,000	7,130,000	5,132,000

* Receipts do not include grain passing through New Orleans for foreign ports on through bills of lading.

The exports from the several seaboard ports for the week ending May 18 are shown in the annexed statement:

	Wheat.	Corn.	Flour.	Oats.	Rye.	Barley.	Pens.
	Bushels.	Bushels.	Barrels.	Bushels.	Bushels.	Bushels.	Bushels.
New York	128,596	—	80,878	129,981	3,420	10,425	9,858
Boston	—	45,820	—	130,000	—	—	—
Baltimore	—	63,745	—	—	24,363	—	—
Total week	128,596	109,565	80,878	259,981	27,789	10,425	9,858
Week 1917	2,147,297	1,078,564	59,271	2,238,091	60,000	278,343	8,046

The destination of these exports for the week and since July 1 1917 is as below:

Exports for Week and Since	Flour.		Wheat.		Corn.	
	Week May 18 1918.	Since July 1 1917.	Week May 18 1918.	Since July 1 1917.	Week May 18 1918.	Since July 1 1917.
United Kingdom	8,769	2,050,439	38,596	22,776,131	45,820	11,117,589
Continent	72,109	2,819,388	70,000	35,063,729	63,745	6,580,523
So. & Cent. Amer.	—	241,065	—	2,797	—	510,736
West. Indies	—	383,623	—	7,282	—	175,439
Brit. No. Am. Colon.	—	5,250	—	200	—	—
Other countries	—	70,697	—	32,190	—	9,482
Total	80,878	5,570,967	138,596	50,890,320	109,565	18,363,762
Total 1916-17	59,271	11,353,627	2,147,297	220,756,601	1,078,564	147,015,316

The world's shipments of wheat and corn for the week ending May 18 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 May 18.	Since July 1.	Since July 1.	Week May 18.	Since July 1.	Since July 1.
North Amer*	3,551,000	235,207,000	294,024,000	710,000	28,814,000	47,129,000
Russia	—	—	6,352,000	—	—	—
Danube	—	—	—	—	—	—
Argentina	1,592,000	43,916,000	69,922,000	313,000	18,146,000	95,653,000
Australia	620,000	36,261,000	38,424,000	—	—	—
India	280,000	13,822,000	28,398,000	—	—	—
Oth. countries	46,000	2,958,000	3,090,000	70,000	3,419,000	4,806,000
Total	6,089,000	335,864,000	434,100,000	1,093,000	50,379,000	147,678,000

* North America.—The Canadian Government has officially prohibited the issuance of both manifests and exports until after ten days. This is effective during the continuance of the war. A Revised.

The quantity of wheat and corn afloat for Europe on dates mentioned was as follows:

	Wheat.			Corn.		
	United Kingdom.	Continent.	Total.	United Kingdom.	Continent.	Total.
	Bushels.	Bushels.	Bushels.	Bushels.	Bushels.	Bushels.
May 18 1918	Not available	able	—	—	—	—
May 11 1918	Not available	able	—	—	—	—
May 19 1917	Not available	able	—	—	—	—
May 29 1916	—	—	58,968,000	—	—	13,167,000

The visible supply of grain, comprising the stocks in granary at principal points of accumulation at lake and seaboard ports May 18 1918 was as follows:

	GRAIN STOCKS.				
	Wheat. bush.	Corn. bush.	Oats. bush.	Rye. bush.	Barley. bush.
United States—					
New York	59,000	309,000	1,447,000	33,000	563,000
Boston	4,000	191,000	962,000	6,000	130,000
Philadelphia	78,000	404,000	1,817,000	9,000	65,000
Baltimore	22,000	698,000	2,716,000	45,000	2,000
Newport News	—	—	478,000	—	—
New Orleans	5,000	555,000	3,204,000	—	92,000
Galveston	22,000	567,000	2,000	—	46,000
Buffalo	498,000	1,210,000	2,048,000	59,000	233,000
Toledo	39,000	171,000	3,660,000	101,000	397,000
Detroit	74,000	76,000	128,000	28,000	—
Chicago	426,000	4,523,000	2,918,000	489,000	488,000
Milwaukee	1,000	812,000	179,000	44,000	90,000
Duluth	124,000	23,000	39,000	8,000	222,000
afloat	—	—	—	2,000	—
Minnesota	56,000	635,000	865,000	145,000	1,009,000
St. Louis	9,000	438,000	743,000	6,000	53,000
Kansas City	59,000	2,307,000	993,000	10,000	—
Peoria	37,000	152,000	244,000	—	5,000
Indianapolis	39,000	890,000	379,000	1,000	—
Omaha	14,000	1,132,000	1,042,000	11,000	46,000
On Lakes	—	25,000	—	—	91,000
Total May 18 1918	1,566,000	15,118,000	20,514,000	993,000	3,528,000
Total May 11 1918	1,872,000	15,424,000	21,396,000	962,000	4,122,000
Total May 19 1917	30,173,000	3,872,000	22,892,000	1,189,000	2,787,000
Note.—Bonded grain not included above; Oats, — New York total, — bushels, against 3,961,000 in 1917; and barley, 20,000 in New York, 32,000 Duluth; total, 52,000, against 433,000 in 1917.					
Canadian					
Montreal	4,351,000	94,000	2,396,000	—	646,000
Pt. William & Pt. Arthur	848,000	—	4,475,000	—	—
Other Canadian	931,000	—	3,304,000	—	—
Total May 18 1918	6,130,000	94,000	10,175,000	—	646,000
Total May 11 1918	5,990,000	86,000	10,187,000	—	432,000
Total May 19 1917	17,694,000	1,101,000	11,430,000	245,000	139,000
Summary					
American	1,566,000	15,118,000	20,514,000	993,000	3,528,000
Canadian	6,130,000	94,000	10,175,000	—	646,000
Total May 18 1918	7,696,000	15,212,000	30,689,000	993,000	4,174,000
Total May 11 1918	7,862,000	15,510,000	31,583,000	952,000	4,554,000
Total May 19 1917	47,867,000	4,973,000	34,331,000	1,434,000	2,926,000

WEATHER BULLETIN FOR THE WEEK ENDING MAY 21.—The general summary of the weather bulletin issued by the Department of Agriculture, indicating the influences of the weather for the week ending May 21, is as follows:

COTTON.—The weather during the week just closed continued favorable for cotton in most districts of the cotton belt. There was little interruption to work from rainfall, although moderate to fairly heavy rains occurred in the more eastern States and also in northern Texas, portions of Arkansas and Oklahoma. Elsewhere little rain occurred. The temperatures during the week averaged near the normal, except along the Atlantic Coast, where the weekly means were 2 degrees or 3 degrees below the normal. The condition of cotton is reported good in southern Texas, and also in many central counties of that State, but the crop continues late and the stand is poor in the northern portion. Chopping is progressing and planting and replanting are about completed. Good showers in portions of west Texas and ample sunshine in the eastern counties improved prospects. Cotton continues poor in southern Arkansas but fair to good and improving elsewhere in that State. The condition of the crops shows steady improvement east of the Mississippi River and chopping and cultivation are progressing satisfactorily, although there was some delay in South Carolina and Georgia, due to wet soil. Late-planted cotton in northern portions of the belt is coming up with a satisfactory stand.

WINTER WHEAT.—Except in the central plains region, where lack of moisture and hot, dry winds caused some deterioration, the weather of the week just closed continued favorable for the development of the winter-wheat crop in all of the principal areas. Light to moderate showers were general and in local areas the rainfall was fairly heavy, particularly in portions of Arkansas and Missouri and in eastern Nebraska. Temperatures were considerably above the normal throughout the belt. East of the Mississippi River wheat continues to do well in all districts. It is heading satisfactorily as far north as the southern portions of Illinois, Ohio and Pennsylvania. The crop continues in fair condition in Missouri and is good to excellent in Arkansas. It is mostly headed and very promising in Oklahoma. Warm, dry and windy weather, however, caused some deterioration in Kansas and did considerable damage in Nebraska, but good rains at the close of the week brought relief in most of the latter State. Wheat is practically all headed in southeastern Kansas and in the eastern portions heads are showing to the Nebraska line. In South Dakota conditions continue satisfactory. In Washington and Oregon the outlook is excellent, the crop being greatly improved by good rains in Washington. The cool weather in California was beneficial. Harvesting has been begun in the southern portions of the Gulf States at about the normal date, and will advance by June 1 to the central portions of those States and to the south central South Carolina and extreme southeastern counties of North Carolina. Harvest is expected to begin by June 1 as far north as the southeastern portion of Kansas.

SPRING WHEAT.—Spring wheat was unfavorably affected in North Dakota by cold weather during the week just closed and some slight deterioration is reported in Minnesota, where local storm damage on light soil is also indicated. The crop shows some effect of the unfavorable weather that prevailed until near the close of the week in Nebraska, but otherwise conditions continue favorable for this area. Spring wheat continues in excellent condition in Wisconsin and is advancing rapidly in South Dakota. More moisture is needed in portions of Montana, but the rains were highly beneficial in Washington. Seeding is practically completed and on the whole the crop continues in satisfactory condition in the principal producing areas.

CORN.—Light to moderately heavy showers occurred in practically the entire corn belt. There was some flooding of lowlands by heavy local rains in parts of the Ohio Valley. The temperatures averaged considerably above the normal in the main corn growing areas. The weather was favorable for the growth of this crop in the Central and Southern States. Early corn is tasseling in Texas and is being laid by in Louisiana. Corn is coming up well as far north as West Virginia, Illinois, Iowa and Nebraska, and good stands are indicated, except where poor and untested seed was used. It is germinating slowly in California. Late corn is being planted in the South. Planting is general and nearing completion in the Central Valley districts, except where delayed by heavy rains, and is under way nearly to the northern limits of the country.

EXPORTS OF BREADSTUFFS, PROVISIONS, COTTON, PETROLEUM, &c.

Exports from U. S.	1917-18.		1916-17.		1915-16.	
	April.	10 Months.	April.	10 Months.	April.	10 Months.
Quantities						
Wheat, bu	1,024,045	33,298,897	14,233,013	122,668,103	16,505,658	152,798,020
Flour, bbls	2,519,977	17,108,309	949,348	9,628,210	1,315,174	12,778,899
Wheat + bu	12,363,941	110,256,287	18,506,079	165,995,500	32,428,941	210,394,016
Corn, — bu	8,644,588	33,921,341	6,462,802	56,162,960	4,897,816	28,069,881
Total, bu	21,008,529	144,208,225	24,967,881	222,158,010	27,321,757	238,373,897
Values						
Breadstuffs	71,080,061	518,771,129	61,378,662	446,263,021	40,218,692	353,773,260
Provisions	103,482,938	490,166,248	42,833,889	315,946,972	24,111,775	206,139,000
Cotton	34,303,442	573,826,879	23,994,399	77,755,351	34,213,205	302,823,385
Petrol., &c	25,639,393	238,830,694	19,481,890	181,437,482	12,542,130	128,027,439
Corn, &c oil	2,959,848	11,424,433	3,650,746	15,650,227	2,065,531	19,599,032
Total val.	237,515,682	1,833,019,383	151,337,573	1,480,653,056	113,166,329	1,010,962,206

* Including flour reduced to bushels.

THE DRY GOODS TRADE.

New York, Friday Night, May 24 1918.

Markets for dry goods are coming more and more under Government control both directly and indirectly. That is, in certain branches which are not regulated by the Federal authorities, merchants are co-operating as much as possible in looking after Government requirements, and everything possible is being done in a patriotic way for the successful prosecution of the war. Merchants are continually being obliged to face new developments, many of which are detrimental to their business, but as has been the case since the outbreak of the war, they have endeavored to adjust themselves to prevailing conditions the best they could. Many classes of goods have been completely withdrawn from the market for civilian use, and buyers have been compelled to seek substitutes. As more men are called into the Government service, military needs increase, and consequently supplies for ordinary purposes continue to grow smaller as manufacturers are unable to keep pace with the large demands. The trade fully realizes that the situation will grow more acute as the year progresses, and a general scarcity is looked for later on. Deliveries of goods to buyers for civilian account are very uncertain, and in many instances, mills are informing their customers that they will either have to cancel or delay their orders. Factors that ordinarily effect the markets for dry goods are no longer of much consequence as has been evidenced by the failure of the sharp break in raw material prices to result in concessions for the manufactured product. Neither is there any prospect of prices being lowered. During the past week, business has again been comparatively quiet, as attention for the most part has been devoted to the Red Cross drive with dry goods interests liberal subscribers. There has been considerable inquiry for fabrics, however, but actual business is held in check by the reluctance of manufacturers to book additional orders. There has been virtually no selling by second hands, and particularly at concessions. In fact, many who recently sold their forward purchases have been trying to re-buy regretting that they had not retained their original holding. Quite a good inquiry is noted for export and a fair amount of business has been transacted with South American countries. Shipments of goods continue very irregular, and there is still considerable re-selling of goods that have been awaiting cargo space.

DOMESTIC COTTON GOODS.—There continues to be quite an active inquiry for staple cottons which are again showing a much firmer trend with many descriptions advancing to their recent high levels. Lower prices for the raw material have had no effect on the dry goods situation as demand for fabrics continues to exceed supplies, and there are no indications of production increasing to bring about any relief. Demand from the Government continues to expand, and mills are being taxed to the utmost to meet the requirements. There is more or less talk about the Government regulating prices for good for civilian use, although no official action has been taken in this direction as yet. Demand for heavy fabrics is active with buyers finding it more difficult to obtain the goods. Fine cloths rule much firmer, and mills in many cases are unable to accept further orders for colored fabrics. The smallness of available supplies and reluctance of mills to take large forward orders continue to restrict business in gray goods which remain firm. Gray goods, 38½-inch standard are quoted at 19½¢.

WOOLEN GOODS.—Business for civilian account in woollens and worsteds continues to fall off with most of the business now taking place confined to second hands. Jobbers and wholesalers have been picking up dress goods and mens' wear fabrics wherever available, and according to rumors a large part of the buying has been speculative. Requirements of the Government continue to attract the attention of the trade, and consequently little business for ordinary account is being transacted in primary markets. Cutters are reported to have disposed of fair quantities of goods of late, and are said to have realized very handsome profits. Government control of the raw material market is now practically complete, and the War Industries Board has fixed the price of the 1918 domestic clip at prices which prevailed June 30 1917 at Atlantic Seaboard markets on the scoured basis. The Government is to have prior rights for all it needs with the remainder subject to allocation for other uses by the War Trade Board.

FOREIGN DRY GOODS.—Business in linens continues to fall off as stocks of pure linens are becoming smaller and holders less willing to sell except at advancing prices. While this is usually a quiet period of the year, it is more so at present owing to the generally unsatisfactory state of affairs which prevails. A few small arrivals continue to come to hand and are readily absorbed. Some retailers are reported to be moving goods with fair freedom at prices below cost of replenishment in an effort to keep the linen end of their business active, while others are holding on to their small supplies of linens and are pushing substitutes. As a result, the demand for domestic and imported substitutes is continually growing. Advice from Great Britain regarding the flax situation point to a much larger acreage, though the start of the new crop is not entirely satisfactory. Burlap markets have ruled quiet with prices about unchanged. Light weights are quoted at 19.50¢, and heavy weights at 24.00¢.

Reading System.
Philadelphia & Reading RR. 6s, 1933

Union Pacific Railroad.
First Mortgage 4s, 1947
Refunding Mortgage 4s, 2008

Railroad bonds which are at present not legal under the general provisions of the law but which are legal investments under Section 36 (given below) are as follows:

Sec. 36. The provisions of this Act shall not render illegal the investment in nor the investment hereafter in, any bonds or interest-bearing obligations issued or assumed by a railroad corporation, which were a legal investment at the time of the passage of this Act, so long as such bonds or interest-bearing obligations continue to comply with the laws in force prior to the passage of this Act; but no such bond or interest-bearing obligation that falls subsequent to the passage of this Act, to comply with said laws shall again be a legal investment unless such bonds or interest-bearing obligations comply with the provisions of this Act.

Atchafson Topeka & Santa Fe System.
California-Ark Lines 1st & ref. 4 1/2s, 1962

Bos. Rev. Beh. & Lynn RR. 1st 4 1/2s, '27

Bridgeton & Saco Riv. RR. 1st 4s, 1928

Buffalo Rochester & Pittsb. System.
Albany & Western Ry. 1st 4s, 1908
Buff. Roch. & Pitts. Ry. gen. 5s, 1937
" " " cons. 4 1/2s, 1957

Clearfield & Mahoning Ry. 1st 5s, 1943
Lincoln Pk. & Charlotte RR. 1st 5s, 1930
Rochester & Pittsburgh RR. 1st 6s, 1921
" " " cons. 6s, '22

Central Ry. of New Jersey System.
N. Y. & Long Brch. RR. gen. 4s & 5s, '41
Wilkes-Barre & Scrant. Ry. 1st 4 1/2s, 1933

Chicago & North Western System.
Collateral Trust 6s & 6s, 1920

Connecticut Railway & Lighting Co.
First Refunding 4 1/2s, 1951
Bridgeport Traction Co. 1st 5s, 1923
Conn. Lighting & Power Co. 1st 5s, 1939

Chic. & Western Indiana RR. 1st 6s, 1932

Cumb. & Penn. RR. 1st 5s, 1921

Delaware & Hudson System.
Rensselaer & Saratoga RR. 1st 7s, 1921
Ticonderoga RR. 1st 6s, 1921

Delaware Lackaw. & Western System.
N. Y. Lack. & West. Ry. 1st 6s, 1921

Det. & Tol. Shore Line RR. 1st 4s, 1953
Duluth & Iron Range RR. 1st 5s, 1937
Duluth Mesaba & Northern Ry.—
1st 6s, 1923
Cons. 6s, 1923

Eight Joliet & Eastern Ry. 1st 5s, 1941

Erie Railroad System.
Cleve. & Mahoning Val. Ry. 1st 5s, 1938
Goshen & Deerpark RR. 1st 6s, 1923
Montgomery & Erie Ry. 1st 6s, 1926
Sharon Ry. 1st 4 1/2s, 1919

Genesee & Wyoming RR. 1st 5s, 1929

Hocking Valley Railway Co.
First Consolidated 4 1/2s, 1909
Colum. & Hook. Val. RR. 1st ext. 4s, 1948
Columbus & Toledo RR. 1st ext. 4s, 1955

Equipment trust obligations invest not exceeding two per centum of their deposits and surplus therein:

Baltimore & Ohio Railroad.
Equip. trust of 1912 4 1/2s, serially to 1922
Equip. trust of 1913 4 1/2s, serially to 1923

Central Railroad of New Jersey.
Series G 4 1/2s, serially to 1926
Minn. St. Paul & Sault Ste. Marie
Series B 4 1/2s, serially to 1920
Series C 4 1/2s, serially to 1921
Series D 4 1/2s, serially to 1922
Series E 4 1/2s, serially to 1923
Series F 5s, serially to 1923
Series G 4 1/2s, serially to 1926

Other securities in which banks may invest are classified as follows:

Bonds of Street Railways in Conn.
Savings banks may invest not exceeding two per centum of their deposits and surplus therein.
Bristol & Plainv. Tram. Co. 1st 4 1/2s, 1945

Bonds of Water Cos. in Connecticut.
Savings banks may invest not exceeding two per centum of their deposits and surplus therein.
Bridgeport Hydraulic Co. 1st 4s, 1925
" " " notes 6s, 1920
" " " 5s, 1921
New Haven Water Co. deb. 4 1/2s, 1962
" " " 1st 4 1/2s, 1945

Also under Chapter 112 of the Public Acts of 1917 any bonds or interest-bearing obligations of the following water companies:
Ansonia Water Co.
Greenwich Water Co.
Stamford Water Co.
Torrington Water Co.

Bonds of Telephone Cos. in Connecticut.
Savings banks may invest not exceed-

Canada (Dominion of).—Parliament Prorogued.—The first session of the Dominion Parliament under Union government was prorogued shortly after midnight on May 24 by the Governor-General, after having been in session since March 18.

"Victory Loan" Definitive Certificates Being Exchanged for Interim Certificates—June Interest Payment.—See reference in our editorial columns this week.

Georgia (State of).—State Revenues for 1918.—Comptroller-General Wm. A. Wright made public his annual report on May 19 in which he calculates that the total revenue

Southern Pacific System.
Northern Ry. 1st 5s, 1938
Northern California Ry. 1st 5s, 1929
Southern Pacific Branch Ry. 1st 6s, 1937
Southern Pacific RR. cons. 6s, 1937
" " " ref. 4s, 1955

Illinois Central System.
Chic. St. L. & New Or. cons. 5s, 1951
" " " Cons. 3 1/2s, 1951

Louisville & Nashville.
Atlanta Knoxv. & Clin. Div. 1st 4s, 1955

Lake Shore & Mich. South. System.
Kalam. Allegan & G. R. RR. 1st 5s, 1938
Mahoning Coal RR. 1st 5s, 1934
McKeesp. & Belle Vern. RR. 1st 6s, 1918

Minneapolis St. Paul & S. M. System.
Central Terminal Ry. 1st 4s, 1941

Mobile & Ohio RR. 1st ext. 6s, 1927

New York Central System.
N. Y. & Harlem RR. ref. 3 1/2s, 2000
Beech Creek RR. 1st 4s, 1936

Northern Pacific System.
St. Paul & Duluth Division 4s, 1904

Pennsylvania System.
Camden & Burl. Co. RR. 1st 4s, 1927
Delaware RR. gen. 4 1/2s, 1932
Elnira & Williamspt. RR. 1st 4s, 1950
Erie & Pittsburgh RR. gen. 3 1/2s, 1940
Little Miami RR. gen. 4s, 1962
Massillon & Cleveland RR. 1st 5s, 1920
N. Y. Phila. & Norfolk RR. 1st 4s, 1939
Ohio Connecting Ry. 1st 4s, 1943
Pitts. Youngs. & Ash. RR. cons. 5s, 1937
" " " " " 4s, 1948
Pitts. Wheel. & Ky. RR. cons. 6s, 1934
Sham. Val. & Pottsville RR. 1st 3 1/2s, '31
West Jersey & Sea Shore RR.—
Series A, B, C, D, E and F 3 1/2s & 4s, '36

Raritan River RR. 1st 5s, 1939

Reading System.
Del. & Bound Brook RR. cons. 3 1/2s, 1955
East Pennsylvania RR. 1st 4s, 1958
North Pennsylvania RR. 1st 4s, 1936
Phila. Harrisburg & Pitts. RR. 1st 5s, '23
Phila. & Reading RR. Impmt. 4s, 1947
" " " Term. 5s, 1941

Reading Belt RR. 1st 4s, 1950

Sham. Sunb. & Lewisb. RR. 1st 4s, 1926

Southern Pacific System.
San Francisco Terminal 4s, 1950

Terre Haute Railway Assn. of St. Louis.
Consolidated Mortgage 5s, 1944
First Mortgage 4 1/2s, 1939
General Refunding Mortgage 4s, 1953
St. Louis Mer. Bdr. Term. Ry. 1st 5s, '30
St. Louis Mer. Bdr. Co. 1st 6s, 1929

Western Maryland System.
Balt. & Cumb. Val. Ext. 1st 6s, 1931
Balt. & Harrisburg Ry. 1st 5s, 1936

Louisville & Nashville Railroad.
Series A 6s, semi-annually to 1923

New York Central Lines.
Joint Equip. Trust—
5s, serially, 1907 to 1922
4 1/2s, serially, 1910 to 1925
4 1/2s, serially, 1912 to 1927
4 1/2s, serially, 1913 to 1928
4 1/2s, serially, 1918 to 1933.
B. & A. Equip. Trust 4 1/2s, ser. '13 to '27

log two per centum of their deposits and surplus therein.
So. New Eng. Telep. Co. 1st 6s, 1948

Bonds of Telep. Cos. outside of Conn.
Savings banks may invest not exceeding two per centum of their deposits and surplus therein.
Amer. Tel. & Tel. Co. coll. trust 4s, 1929
" " " coll. trust 5s, 1940
N. Y. Telephone Co. 1st 4 1/2s, 1939

Bonds of Gas and Electric Lighting Companies in Connecticut.
Savings banks may invest not exceeding two per centum of their deposits and surplus therein:
Bridgeport Gas Lt. Co. 1st 4s, 1952
Derby Gas Co. 1st 4s, 1921
Hartford City Gas Lt. Co. 1st 4s, '35
New Britain Gas Lt. Co. 1st 5s, 1926
Stamford Gas & Elec. Co. 1st 5s, '29
" " " 2d 4s, 1929
Union Electric Light & Power Co. Unionville 6s, 1944
United Illuminating Co. 1st 4s, 1940
Winsteed Gas Co. 1st M. 4s, 1920

Kansas—Iowa.—Tornadoes Do Considerable Damage in These States.—According to the daily papers, ten persons were killed, two probably fatally injured, and dozens of others less seriously injured in a tornado which swept across northern Ellis and southern Rooks counties (Kan.) on May 21. At the little town of Codell, in Rooks County, all the churches, schools and larger business houses and homes were demolished by the tornado and the debris was swept away. The tornado started 15 miles northwest of Hays and swept a strip a mile wide in a northwesterly direction for 35 miles. Hundreds of horses and cattle were killed and much damage was caused to growing crops by hail, which came after the wind had passed.

Income from ad valorem taxes, and \$2,199,353 from special taxes and other sources. The total revenue of the State is short of the appropriations already made for this year by \$451,575 62. The 1918 appropriations amount to \$7,317,350. An important recommendation made by the Comptroller-General is that railroads which are now exempt from taxation by the State by special Acts of the Legislature of years past, be made hereafter to pay taxes. In his report which was published in the "Macon (Ga.) Daily Telegraph" of May 19 the Comptroller-General says:

Since the date of the last annual report of this department, Jan. 1 1917, to Dec. 31 1917, the State Treasurer has received and certified to this office, and my official vouchers have been duly issued for \$7,599,144 82. Executive and other warrants under the general and several special appropriation acts amounting to \$7,525,949 00 have been audited by me and paid by the Treasurer for the same period and his account credited therewith. The condition of the treasury, therefore, on Jan. 1 1918, was as follows:

Balance in treasury Jan. 1 1917	\$1,386,135 42
Receipts from all sources from Jan. 1 1917 to Jan. 1 1918	7,599,144 82
Total amount to be accounted for	\$8,985,280 24
Executive warrants paid by Treasurer	\$7,438,844 30
Warrants President of Senate and Speaker of House	\$7,104 76
Total payment by Treasurer	7,525,949 06
Balance in the treasury Jan. 1 1918	\$1,459,331 18

It should be stated that in this balance of \$1,459,331 18 is included \$100,000 of the sinking fund, which, by the terms of the constitution, can only be used for retiring the principal of the public debt. The total bonded debt of the State at the time of the adoption of this sinking fund provision of the constitution was \$10,644,500, and annual interest thereon amounted to \$719,135. Under this very wise plan of retiring annually a part of the public debt the aggregate has been reduced to \$6,018,202. This includes the debt due the State University and the land scrip fund. By the funding of most of this debt at much lower rates the interest charge on the bonded debt has been reduced to \$245,187 50, showing a reduction in the principal of the debt of \$4,426,298, and in our annual interest account of \$462,918. It must be stated, however, that the proceeds of the sale of certain property of the State have been applied to the extinguishment of a part of the debt—which is also required by the Constitution of 1877. The balance of this bonded debt is secured by the State's immensely valuable property, the Western & Atlantic RR., estimated to be worth \$20,000,000.

I desire to submit for your information a carefully prepared estimate of the revenue of the State and the appropriations for the fiscal year 1918.

Assessed value property for taxation 1917	\$881,661,616 00
Property on digest, \$833,962,010, tax at 5 m.	\$4,189,810 05
Cost of collection, 7%	291,886 70
Net to State	\$3,877,923 35
Public service corporations, \$157,699,606, tax at 5 mills	788,498 03
Net revenue to State ad valorem tax	4,666,421 38
Income from other sources	2,199,353 00
Total estimated revenue	\$6,865,774 38
Appropriations, 1918	7,317,350 00
Excess of appropriations over estimated revenue	451,575 62

It will be observed that in estimating the revenue for 1918 a tax rate of 5 mills has been used, this being the limit fixed by the constitution. The estimated revenue on this basis amounts to \$6,865,774 38, of which \$4,666,421 38 is raised from ad valorem taxes, and \$2,199,353 00 from special taxes and all other sources.

I desire to call attention to the fact that the estimated revenue for the State for 1918 is based upon valuations of 1917. The appropriations already made for 1918 exceed the estimated revenue \$451,575. Should valuations for 1918 show any material decrease as compared with 1917 valuations, the deficit will be correspondingly increased, and on the other hand if the valuations should be increased the deficit would be decreased in proportion. It should also be borne in mind that in calculating the estimated revenue from ad valorem taxes a tax rate of 5 mills, the limit fixed by the constitution, has been used. I would therefore respectfully suggest that appropriations for 1918 be not increased, and no special appropriations be made at the coming session of the Legislature.

I would further urge that the Legislature should require all revenue of the State, from whatever source derived and collected, paid into the treasury, and all expenses of government, and of every department of the government, paid out of this general fund by warrant of the Governor drawn on appropriations duly made by the Legislature. This will relieve much confusion in the keeping of accounts by the bookkeeping department, and would at a glance show the cost to the people of the State of every branch of the Government maintained by the State. This I consider very desirable, inasmuch as both the revenue of the State and the expense of government are increasing each year, and the people of Georgia should be advised in detail of the cost to them of maintaining the different public institutions and governmental departments.

The valuation of corporate property returned to the Comptroller-General for taxation for the year 1917 does not embrace all of such property in the State. Under charters granted by the State there are three railroads claiming exemptions from ad valorem taxation, the Georgia Railroad & Banking Co., the Southwestern and the Augusta & Savannah. Besides these exempted lines we have the State's road, the Western & Atlantic. Among public service corporations are a large number of very small local telephone properties. Some of them are incorporated, but quite a number of them are unincorporated. Most of them have been cheaply constructed by the co-operation of the farmers in the territory through which they run, solely for their convenience and not for making money, and are therefore of no value except as a convenience to families of the farmers. I would earnestly urge that the law be amended in respect to the return of these properties for taxation so as to require them returned to the tax receivers and taxes paid to the tax collectors, they being purely local in character.

Georgia (State of).—State Revenues for 1918.—Comptroller-General Wm. A. Wright made public his annual report on May 19 in which he calculates that the total revenue

of the State for 1918 on a levy of the full constitutional tax of 5 mills will be \$6,865,774 38, including \$4,666,421 38 raised from ad valorem taxes and \$2,199,353 from special taxes and other sources. The total revenue of the State is short of the appropriations already made for this year by \$451,575 62. The 1918 appropriations amount to \$7,317,350. An important recommendation made by the Comptroller-General is that railroads which are now exempt from taxation by the State by special Acts of the Legislature of years past, be made hereafter to pay taxes. In his report which was published in the "Macon (Ga.) Daily Telegraph" of May 19 the Comptroller-General says:

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Kansas—Iowa.—Tornadoes Do Considerable Damage in These States.—According to the daily papers, ten persons were killed, two probably fatally injured, and dozens of others less seriously injured in a tornado which swept across northern Ellis and southern Rooks counties (Kan.) on May 21. At the little town of Codell, in Rooks County, all the churches, schools and larger business houses and homes were demolished by the tornado and the debris was swept away. The tornado started 15 miles northwest of Hays and swept a strip a mile wide in a northwesterly direction for 35 miles. Hundreds of horses and cattle were killed and much damage was caused to growing crops by hail, which came after the wind had passed.

In Iowa, tornadoes swept the central parts of the State on May 21 and resulted in the death of at least six persons and the injury of scores of others, according to reports received at that time. Property damage is estimated at more than \$1,000,000. It is stated that three of the dead were killed at Boone, 40 miles north of here, and two others at Newton, 35 miles to the east.

Reports from Boone said the tornado swept across the entire county from southwest to northwest, leveling farm

buildings, killing live stock and inflicting heavy damage on growing crops. In the city of Boone 50 houses were razed and the Iowa division shops of the Chicago & Northwestern RR. virtually demolished. The victims met death, for the most part, in the ruins of their homes.

Calls for aid were sent out by railroad officials to virtually all towns in Iowa east and west on the main line of the Northwestern.

Early estimates of the damage in the city of Boone varied from \$200,000 to \$500,000, while fragmentary reports from rural districts placed the damage there at close to \$1,000,000. At Newton two persons were killed and half a dozen injured when the storm wrecked a factory. Trees were uprooted, buildings unroofed, and in rural districts crops were ruined and livestock was killed. Estimates of the damage run into five figures.

One man was killed and two were severely injured near Denison, in the west central portion of the State, according to reports from there.

Half a dozen other tornadoes of no great magnitude were reported.

Louisiana (State of).—House Defeats Resolution to Ratify National Prohibition Amendment.—We refer to this in our editorial columns this week.

Massachusetts (State of).—Savings Banks Permitted to Invest in Bankers' Acceptances and Bills of Exchange—Correction.—See full text of new law in our editorial columns this week, permitting savings institutions in Massachusetts to invest 10% (not 30%, as stated by us last week) of their deposits in bankers' acceptances and bills of exchange.

New York State.—Advisory Council of Real Estate Interests Advocates State Income Tax.—See reference in our editorial columns this week.

Increase in State Revenues.—Reference is made in our editorial columns this week.

United States.—House Adopts Prohibition Amendment to Food Stimulation Bill.—See reference this week in our editorial columns.

BOND PROPOSALS AND NEGOTIATIONS this week have been as follows:

AKRON, Summit County, Ohio.—BONDS AUTHORIZED.—The City Council has authorized the issuance of \$2,000,000 water-works-extension bonds and \$20,000 sewer-improvement bonds, it is stated.

ANDERSON COUNTY (P. O. Clinton), Tenn.—BOND SALE.—On April 27 the \$30,000 5 1/2% road bonds—V. 106, p. 1708—were awarded to the Union Bank of Clinton at par. Denom. \$1,000. Date May 1 1918. Int. M. & N. Due yearly from 1928 to 1932 incl.

ARCHBOLD, Fulton County, Ohio.—BOND OFFERING.—Proposals will be received by R. R. Mull, Village Clerk, until 12 m. June 3 for \$3,300 8-12-year serial time-extension bonds. Denom. 1 for \$3,000 and 6 for \$500. Date June 20 1918. Cert. check for \$100, payable to the Village Treasurer, required. Bonds to be delivered and paid for within 10 days from time of award.

ATTLEBORO, Bristol County, Mass.—TEMPORARY LOAN.—It is reported that F. S. Moseley & Co. of Boston were awarded a temporary loan of \$50,000 in anticipation of taxes for 1918, dated May 23 and due in six months, at a 5.07% discount.

AUSTIN, Travis County, Tex.—BOND ELECTION PROPOSED.—Local papers state that the voters probably will be asked to pass upon a proposition to issue \$100,000 sewage-disposal bonds.

BANGOR, Penobscot County, Me.—TEMPORARY LOAN.—On May 22 the Merrill Trust Co. of Bangor was awarded the temporary loan of \$250,000 dated May 23 and maturing Dec. 23—V. 106, p. 1930—at a discount of 4.60%. Other bidders were:

Table with columns: Bidder Name, Discount, Premium. Includes First National Bank, Bangor; Eastern Trust & Banking Co., Bangor; A. B. Leach & Co., Boston; R. W. Preseprich & Co., New York; S. N. Bond & Co., New York.

BEATRICE, Gage County, Neb.—BOND SALE.—The Bellam Investment Co. of Denver was awarded \$22,000 6% paving bonds at par. Denom. \$500. Date May 1 1918. Int. ann. Due May 1 1927.

BELDEN, Cedar County, Neb.—BONDS VOTED.—On May 4 the question of issuing \$4,000 5 1/2% electric light plant bonds carried by a vote of 28 to 14.

BELLEFONTAINE SCHOOL DISTRICT (P. O. Bellefontaine), Logan County, Ohio.—BOND SALE.—An issue of \$105,000 5% school bonds was recently purchased by the State Industrial Commission of Ohio at par. Denom. \$500. Date May 1 1918. Int. M. & N. Due 1919 to 1941 and 1941 to 1958 incl.

BILLINGS COUNTY (P. O. Medora), No. Dak.—DESCRIPTION OF BONDS.—The \$65,000 6% seed and grain bonds, recently awarded to Sidney Spitzer & Co., and Stacy & Brown, both of Toledo, jointly at par and int. (not 98.18 as we were first advised)—V. 106, p. 1939—are described as follows: Denom. \$500. Date Mar. 1 1918. Int. M. & S. Due Mar. 1 1923.

BLADENSBURG RURAL SCHOOL DISTRICT (P. O. Bladensburg), Knox County, Ohio.—BOND OFFERING.—Proposals will be received by A. J. Bine, Clerk of Bd. of Education, it is stated, until June 1 for \$1,100 6% school-imp. bonds.

BLASDELL, Erie County, N. Y.—BOND SALE.—On May 20 the \$18,000 Lake Ave. paving bonds—V. 106, p. 1930—were awarded to Geo. B. Gibbons & Co. of New York for \$18,175 50 (100:225) and int. for 4.90%. Other bids, all for 5% bonds, were: H. A. Kahler & Co., N. Y., 100.52; Peoples Bank, Hamburg, 100.00; Wm. R. Compton Co., N. Y., 100.129; W. S. Lawton, Lawton, 100.00; I. W. Sherrill, Poughkeepsie, 100.00.

BLOOMVILLE TOWNSHIP (P. O. Bloomville), Seneca County, Ohio.—BOND OFFERING.—Proposals will be received by J. B. Webster, Twp. Clerk, until June 10 for \$2,000 5 1/2% fire-engines bonds, it is stated.

BOSSIER CITY, Bossier Parish, La.—BONDS NOT YET SOLD.—No sale has yet been made of the \$30,000 5% 1-10-year serial water works bonds, dated Dec. 1 1917, offered without success on Apr. 30.—V. 106, p. 2040.

BOWDLEY SCHOOL DISTRICT (P. O. Bowdley), Edmunda County, So. Dak.—BOND SALE.—The \$40,000 school bonds, recently voted—V. 106, p. 1818—have been purchased by the State of South Dakota.

BRADENTOWN, Manatee County, Fla.—BOND SALE.—The \$45,000 6% 20-30-year bridge bonds, voted on Apr. 30—V. 106, p. 2040—have been purchased by the Hanchett Bond Co. of Chicago at par and int.

BROCKTON, Plymouth County, Mass.—LOAN OFFERING.—Bids will be received by John J. O'Reilly, City Treas., until 12 m. May 28 for a temporary loan of \$190,000, issued in anticipation of taxes. Date May 31 1918. Due \$90,000 Feb. 20 1919 and \$10,000 Mar. 20 1919. The notes will be certified to by the First Nat. Bank of Boston and may be made payable at the National Shawmut Bank of that city or the Nat. Park Bank of N. Y., at the option of the purchaser at the time of sale, and made in denominations to suit purchaser.

The above notes are to take the place of nine issues of registered bonds aggregating \$150,000, which were to have been offered May 23, but have been temporarily withdrawn from the market.

CAMPBELL PUBLIC SCHOOL DISTRICT NO. 26, Abbeville County, So. Caro.—BONDS VOTED.—A proposition to issue \$4,000 6% 20-year (opt.) school bldg. bonds submitted to the voters on May 11 carried by a vote of 36 to 0. S. M. Beatty is Trustee (P. O. Abbeville).

CAMBRIDGE, Middlesex County, Mass.—BIDS.—The other bids received for the \$250,000 loan awarded to Blake Bros. & Co. of Boston on May 10—V. 106, p. 2141—were:

Table with columns: Bidder Name, Discount, Premium. Includes S. N. Bond & Co., New York; R. L. Day & Co., Boston; The National City Co., New York; Harvard Trust Co., Boston; Arthur Perry & Co., Boston; Goldman, Sachs & Co., New York; E. H. Rollins & Sons, Boston; Bernhard, Scholle & Co., New York.

CANTON, Stark County, Ohio.—BONDS AUTHORIZED.—An ordinance has been passed authorizing the issuance of \$6,000 5 1/2% 10-yr. coupon auditorium repair bonds. Denom. \$1,000. Date Mar. 1 1918. Prin. and semi-ann. int. payable at the City Treasurer's office. W. E. Jackson is Clerk of Council.

CARROLL COUNTY (P. O. Delphi), Ind.—BOND OFFERING.—D. I. Musselman, County Treasurer, will receive bids until 3 p. m. May 28 for the following 4 1/2% 1-10-year serial highway-imp. bonds, \$800 bearing interest from and after April 6 1918; \$22,400 and \$5,600 bearing interest from and after May 7 1918. Interest semi-annual.

CASCADE COUNTY (P. O. Great Falls), Mont.—BONDS APPROVED BY CAPITAL ISSUE COMMITTEE.—According to reports the Capital Issues Committee of the Federal Reserve Board has approved the issuance of \$467,000 bridge bonds.

CHAGRIN FALLS, Cuyahoga County, Ohio.—BOND SALE.—The State Industrial Commission of Ohio has purchased \$7,500 water-works-improvement bonds.

CINCINNATI, Ohio.—BOND SALE.—A. B. Leach & Co., Inc., have been awarded \$150,000 5% 20-year deficiency bonds, dated Feb. 1 1918.

CLAY COUNTY (P. O. Brazil), Ind.—BOND OFFERING.—Sealed bids will be received until 10 a. m. to-day (May 25) by W. J. Hall, County Treasurer, for \$50,760 6% 1-15-year serial special assess. bonds. Date June 3 1918. Int. semi-ann. Cert. check for \$300 payable to the above Treasurer required.

CLOVIS, Curry County, N. Mex.—BOND OFFERING.—Sealed bids will be received until 8 p. m. June 17 by the City Council for \$75,000 6% 20-30-year opt. water and sewer bonds. Date May 1 1918. Unconditional certified check on a national bank for 10% of the amount of bid required.

COHOES, Albany County, N. Y.—BOND AND CERTIFICATE SALE.—On May 20 the \$45,000 5% 11 1/4-year aver. water-improvement bonds and \$5,000 certificates of indebtedness—V. 106, p. 2144—were awarded to James R. Stevens Jr., of Albany for \$46,035, equal to 102.30. Other bidders were: Remick, Hodges & Co., N. Y., 102.273; J. S. Bacho & Co., N. Y., 101.297; E. H. Rollins & Sons, Boston, 102.21; Isaac W. Sherrill & Co., H. A. Kahler & Co., N. Y., 101.78; Poughkeepsie, 101.24; G. B. Gibbons & Co., N. Y., 101.33; C. W. Whitus, New York, 101.18.

COKE COUNTY (P. O. San Angelo), Texas.—BONDS VOTED.—Reports state that \$60,000 road bonds carried at a recent election.

COMANCHE COUNTY (P. O. Brownwood), Tex.—BOND ELECTIONS.—It is reported that elections will be held in the near future to vote on propositions to issue \$75,000 De Leon District and \$125,000 Comanche District road bonds.

CONCORD SCHOOL DISTRICT, Champaign County, Ohio.—BOND ELECTION.—Reports state that an issue of \$1,500 furnace repair bonds will be voted on at an election May 26.

CYNTHIANA SCHOOL DISTRICT (P. O. Cynthiana), Harrison County, Ky.—BONDS TO BE OFFERED NEXT YEAR.—The \$05,000 5% 20-year school bonds, voted on April 30—V. 106, p. 1931—will not be offered until Jan. 3 1919.

DAKOTA COUNTY SCHOOL DISTRICT NO. 19 (P. O. Rosemount), Minn.—BOND OFFERING.—Additional information is at hand relative to the offering to-day (May 25) of the \$17,000 school bonds, at not exceeding 6% int.—V. 106, p. 2144. Proposals for these bonds will be received until 2 p. m. on that day by J. F. Geraghty, District Treasurer, Denom. \$1,000. Date May 1 1918. Prin. & semi-ann. int. payable at the Wells-Dickey Trust Co., Minneapolis. Due May 1 1933. An unconditional certified check for \$5,000 payable to the above Treasurer, required. The bonds have been approved by Alfred E. Riety, Esq., of Farmington.

DALLAS, Dallas County, Tex.—BONDS DEFEATED.—On Apr. 22 the proposition to issue \$25,000 newboys' home bonds was defeated by a vote of 943 "for" to 2,840 "against."

DARKE COUNTY (P. O. Greenville), Ohio.—BOND SALE.—On May 8 \$30,000 5% county bridge bonds were awarded to the Greenville National, Second National, Farmers' National and Citizens State banks of Greenville at par and int., it is stated.

DAYTONA, Valusia County, Fla.—NO BONDS TO BE ISSUED AT PRESENT.—A. Milligan, City Clerk, advises us that the proposition to issue \$50,000 city hall bonds—V. 106, p. 1709—has been called off for the present.

DEFIANCE COUNTY (P. O. Defiance), Ohio.—BOND SALE.—On May 17 the \$6,700 5% 1-8-year serial coupon highway imp. bonds—V. 106, p. 2041—were awarded at par and int. to the First National Bank of Defiance.

DELAWARE COUNTY (P. O. Muncie), Ind.—BOND OFFERING.—Proposals will be received until 10 a. m. to-day (May 25) by Earle H. Swain, County Treasurer, for the following 4 1/2% bonds: \$15,000 Samual A. Swain et al highway bonds, of Harrison, Hamilton and Center Townships. Denom. \$375. Date Apr. 15 1918. Due \$750 each six months from May 15 1919 to Nov. 15 1929, incl. 0,600 O. C. Wellington et al highway bonds of Mt. Pleasant Township. Denom. \$480. Date Apr. 15 1918. Due \$480 each six months from May 15 1919 to Nov. 15 1929, incl. 5,300 John Stafford et al highway bonds. Denom. \$260. Date Feb. 15 1918. Due \$260 each six months from May 15 1919 to Nov. 15 1929, incl. 7,600 Harry Whitney et al highway bonds of Perry Township. Denom. \$380. Date Apr. 15 1918. Due \$380 each six months from May 15 1919 to Nov. 15 1929, incl. Int. M. & N. Bonds to be delivered and paid for at the office of County Treasurer.

DORMONT BOROUGH SCHOOL DISTRICT (P. O. Pittsburgh), Allegheny County, Pa.—BOND OFFERING.—Proposals will be received by J. C. Downs, Dist. Sec., until 8 p. m. June 3 for \$40,000 4 1/2% coupon school bonds. Denom. \$1,000. Due part yearly from 1923 to 1946, incl. Cert. check for \$500 required.

DOUGLAS SCHOOL DISTRICT (P. O. Douglas), Knox County, Ill.—CORRECTION.—Using newspaper reports, we stated in V. 106, p. 2041, that this district had voted an issue of \$1,800 school bonds. We are now advised that no bonds were voted upon.

DREW, Sunflower County, Miss.—BOND OFFERING.—Proposals will be received until 12 m. June 4 by A. D. M. McFarlane, Mayor, for \$15,000 6% bonds. Denom. \$1,000. Int. semi-ann. Due yearly beginning Jan. 1 1919. Cert. check for \$500 required.

DUBUQUE SCHOOL DISTRICT (P. O. Dubuque), Dubuque County, Iowa.—BONDS APPROVED BY CAPITAL ISSUES COMMITTEE.—Reports state that the issuance of \$150,000 school bonds has been approved by the Capital Issues Committee of Federal Reserve Board.

EAGLE TOWNSHIP SCHOOL DISTRICT (P. O. Zionville), Boone County, Ind.—BOND OFFERING.—Walter Pitzer, Township Trustee, will receive bids until 2 p. m. June 8 for \$7,000 5 1/2% 1-10-year serial school bonds. Denom. \$700. Date July 1 1918. Int. semi-ann. Cert. check for \$100, payable to the above Township Trustee, required. Purchaser to pay accrued interest.

EAST AURORA, Erie County, N. Y.—BONDS AUTHORIZED.—The 1918 Legislature authorized the issuance of \$25,000 Centre Street bonds. Due part yearly beginning 5 years from date of issue.

EDGEWOOD (Town), Ohio County, W. Va.—BOND OFFERING.—Further details are at hand relative to the offering on May 27 of the \$28,000 6% 1-10-year (opt.) tax-free coupon street paving bonds.—V. 106, p. 2145. Proposals for these bonds will be received until 5 p. m. on that day by John L. Dickey and Alexander Glass, Bond Commissioners, care National Exchange Bank Building, Wheeling, Denom. \$500. Date June 1 1918. Int. ann. on June 1 at the Wheeling Bank & Trust Co. Cert. check for 1% of amount of bonds bid for payable to the above Bond Commissioners, required. The issue of these bonds has been approved by the Attorney General of the State of West Virginia, and, when issued, the same become incontestable and binding obligations of the town. Total bonded debt (including this issue), \$91,000. Assess. val. 1917 \$1,893,329. Total tax rate (per \$1,000) \$15.00.

ELK SCHOOL DISTRICT (P. O. Elkview), Kanawha County, W. Va.—BONDS DEFEATED.—On May 7 the proposition to issue \$35,000 5% school bonds was defeated by a vote of 302 "for" to 370 "against."

ERIE COUNTY (P. O. Sandusky), Ohio.—BOND OFFERING.—Proposals will be received by Fred W. Bauer, County Auditor, until 12 m. June 6 for \$70,000 5% road bonds. Denom. \$500. Date June 1 1918. Prin. and semi-annual interest payable at the County Treasurer's office. Due \$4,000 each six months from Dec. 1 1918 to Dec. 1 1927, inclusive, and \$3,000 June 1 1928. Bonds to be delivered at office of the above County Treasurer. Certified check for \$500, payable to the above County Treasurer, required. Bidders will be required to satisfy themselves of the legality of this issue, but full transcript will be furnished purchaser.

ESCAMBIA COUNTY (P. O. Pensacola), Fla.—BOND SALE.—On May 14 the Davies-Berram Co. of Cincinnati was awarded the \$50,000 6 and 6 1/2% bonds offered on that day.—V. 106, p. 2040—for \$50,406, equal to 101.012. Denom. \$500. Date May 15 1918. Int. semi-ann., payable at Pensacola. Due May 15 1938, subject to call \$2,500 beg. May 15 1919.

ESPARTO, Yolo County, Calif.—BONDS VOTED.—Reports state that a proposition to issue \$12,000 Water District No. 1 bonds carried, it is stated, at an election May 7 by a vote of 53 to 2.

ESSEX COUNTY (P. O. Newark), N. J.—TEMPORARY LOAN.—On May 22 the temporary loan of \$1,000,000, dated May 24 and maturing Dec. 23.—V. 106, p. 2145—was awarded to J. S. Rippel & Co. of Newark at 5.14% int. Other bidders were: National City Co., N. Y.—5.50% | A. B. Leach & Co., N. Y.—5.20% | S. N. Bond & Co., N. Y.—5.40%

EUCLID, Cuyahoga County, Ohio.—BONDS AWARDED IN PART.—On May 13, it is stated, Seasongood & Mayer of Cincinnati were awarded 6 of the 8 issues of 6% coupon street and sewer bonds, aggregating \$63,137, for \$64,893, equal to 102.771 (V. 106, p. 1709).

FAIRFAX, Gregory County, So. Dak.—BOND SALE.—Reports state that an issue of \$40,000 5% 20-year water-works bonds was awarded to the Minnesota Loan & Trust Co. of Minneapolis.

FALL RIVER, Bristol County, Mass.—DESCRIPTION OF BONDS.—The three issues of 5% bonds, aggregating \$150,000, awarded to E. H. Rollins & Sons of Boston on May 9 at 102.067—a basis of 4.61%—V. 106, p. 2015—are described as follows: \$40,000 public-impt. bonds. Due \$4,000 yearly on April 1 from 1919 to 1923 incl. \$60,000 highway-loan bonds. Due \$12,000 yearly on Apr. 1 from 1919 to 1923 incl. \$50,000 sewer bonds. Due \$2,000 yearly on Apr. 1 from 1919 to 1938 incl. and \$1,000 yearly on Apr. 1 from 1939 to 1948 incl. Denom. \$1,000 or multiples. Int. semi-ann. (A. & O.).

FLORENCE, Douglas County, Neb.—BONDS VOTED.—On May 7 a proposition to issue \$35,000 fire-house bonds carried, it is stated.

FORT LAUDERDALE, Broward County, Fla.—BOND OFFERING.—G. W. Hall, City Clerk, will receive bids until 7:30 p. m. June 18, it is stated, for \$35,000 6% 20-year park bonds. Date May 1 1918.

FORT WAYNE, Allen County, Ind.—BONDS PROPOSED.—It is stated that \$40,000 4 1/2% park-site purchasing bonds are under consideration.

FREEMONT, Harrison County, Ohio.—BONDS VOTED.—Reports state that a proposition to issue \$13,000 water supply system bonds carried at a recent election by a vote of 108 to 6.

GEAUGA COUNTY (P. O. Chardon), Ohio.—BOND OFFERING.—Proposals will be received by H. E. Leach, County Auditor, until 12 m. June 10 for \$8,300 5% Chester Twp. impt. bonds. Denom. 3 for \$500 and 17 for \$400. Prin. and semi-ann. int. (M. & S.) payable at the County Treasurer's office. Due \$800 yearly on Sept. 1 from 1919 to 1926, incl., \$500 Sept. 1 1927 and \$1,000 Sept. 1 1928. Cert. check for 10% of the amount of bonds, payable to the County Treasurer, required.

GLENDALE IMPROVEMENT DISTRICT NO. 1 (P. O. Glendale), Los Angeles County, Cal.—BOND SALE.—During May L. C. Brand of Glendale was awarded at par and int. an issue of \$55,500 5 1/2% 5-40-year serial water-plant purchase bonds. Denom. \$1,000. Int. J. & J.

GLOUCESTER, Essex County, Mass.—TEMPORARY LOAN.—On May 23 a temporary loan of \$50,000, dated May 27 and maturing May 1 1919, was awarded to Blake Bros. & Co. of Boston at a 5.15% discount, it is stated.

GUTTENBERG, Hudson County, N. J.—BONDS AUTHORIZED.—An ordinance has been passed authorizing the issuance of not exceeding \$55,000 5% refunding bonds. Denom. \$1,000. Date July 1 1918. Int. J. & J. Due \$2,000 yearly on July 1 from 1919 to 1923, incl., and \$3,000 yearly on July 1 from 1924 to 1938, incl. Wm. J. Bromley is Town Clerk.

HAGERSTOWN, Washington County, Md.—BOND OFFERING.—Proposals will be received by William Logan, Tax Collector, until 12 m. May 27 for the \$80,000 5% coupon water bonds recently authorized.—V. 106, p. 2041. Denoms. 200 for \$500 and \$750 for \$1,000. Date on or about May 31 1918. Prin. and semi-ann. int.—A. & O.—payable at the office of the Tax Collector. Due \$17,000 yearly on Oct. 1 from 1938 to 1987, incl. Certified check for 2% of the amount of bonds bid for, payable to above Collector, required. The issue has been approved by the Capital Issues Committee of the Federal Reserve Board. Bonded debt (not incl. this issue), \$468,000. Assessed valuation (est.), \$18,000,000.

HAMILTON COUNTY (P. O. Noblesville), Ind.—NO SALE.—No sale was made of an issue of \$7,200 4 1/2% road bonds, offered on May 16.

HANCOCK COUNTY (P. O. Findlay), Ohio.—BONDS NOT SOLD.—The following bids, both of which were conditional and were therefore rejected, were received for \$117,800 5% highway bonds, offered on May 7: Buckeye Nat. Bk., Findlay, \$118,000 | E. C. Hoehler & Co., Tol., \$117,975

HAPPY VALLEY IRRIGATION DISTRICT (P. O. Olinda), Shasta County, Cal.—BOND ELECTION.—An election will be held June 7 to vote on the question of issuing \$615,000 irrigation construction bonds recently authorized.—V. 106, p. 1380.

HARMONY SCHOOL DISTRICT, San Luis Obispo County, Cal.—BOND SALE.—The First National Bank of Visalia was awarded on May 8 \$8,000 6% school bonds for \$8,234.33, equal to 102.929. Denom. \$800. Date Apr. 1 1918. Int. ann. in April. Due Apr. 1 1928.

HARTWICK INDEPENDENT SCHOOL DISTRICT (P. O. Hartwick), Poweshiek County, Iowa.—BOND ELECTION.—A proposition to issue \$20,000 school bonds will be submitted to the voters on May 31. J. E. Foulke is Secretary of Board of Directors.

HASTINGS SCHOOL DISTRICT (P. O. Hastings), Adams County, Neb.—BOND OFFERING.—Further details are at hand relative to the offering on May 27 of the \$100,000 10-20-year (opt.) school bonds, at not exceeding 6% interest.—V. 106, p. 2145. Proposals will be received until 12 m. on that day by Henry E. Davidson, Secretary Board of Education, at the State Treasurer's office. Cert. check for 2 1/2% of the amount of bonds bid for payable to the above Secretary, required. Total bonded debt Oct. 3 1917, \$240,000. Tax levy val. 1917 (1-5 appraised), \$2,246,000. Population 1916 (est.), 12,500.

HAZLETON CITY SCHOOL DISTRICT (P. O. Hazleton), Luzerne County, Pa.—BONDS VOTED.—At the election held May 21—V. 106, p. 2145—the proposition to issue \$200,000 school bonds carried by a vote of 1,442 to 395, it is stated.—V. 106, p. 2145.

HIGHLAND PARK, Wayne County, Mich.—BOND OFFERING.—D. C. Gowing, City Clerk, will receive bids until 8 p. m. June 3, it is stated, for \$217,686 20-year impt. bonds at not exceeding 5% int. Int. semi-ann. Cert. check for \$500 required.

HILL COUNTY SCHOOL DISTRICT NO. 1 (P. O. Havre), Mont.—BOND ELECTION.—An election will be held to-day (May 25) to vote on the question of issuing \$2,000 school bldg. and equip. bonds.

HILMAR COLONY UNION HIGH SCHOOL DISTRICT, Merced County, Cal.—BOND SALE.—It is reported that Cyrus Pierce & Co. of San Francisco were awarded \$25,000 5 1/2% school bonds.

HUMBOLDT SCHOOL DISTRICT (P. O. Humboldt), Humboldt County, Iowa.—BOND SALE.—On Feb. 21 the Bankers' Mortgage Co. of Des Moines was awarded at par the \$100,000 school bonds recently authorized.—V. 106, p. 1489. Denom. \$1,000. Date Mar. 1 1918. Int. M. & S. Due yearly on Mar. 1 from 1922 to 1938, incl.

IRONTON, Lawrence County, Ohio.—BONDS AUTHORIZED.—An ordinance was passed Apr. 26 authorizing the issuance of \$1,400 5% fire-department bonds. Denom. \$140. Date May 15 1918. Prin. and semi-ann. int. (M. & N.) payable at the Second Nat. Bank of Ironton. Due \$140 yearly on May 15 from 1919 to 1928 incl.

JEFFERSONVILLE, Twiggs County, Ga.—BOND OFFERING.—Sealed bids will be received until 9 a. m. June 1 by A. K. Smith, City Clerk and Treasurer, for \$15,000 6% water-works and lighting bonds. Date June 1 1918. Int. J. & D. Due \$500 yearly on Dec. 1 from 1918 to 1947, incl. Cert. check for 5% required.

JENNINGS TOWNSHIP (P. O. Alquina), Ind.—BOND OFFERING.—Sealed bids will be received until 1 p. m. June 15 by Quincy Price, Township Trustee, for \$3,400 5% bonds. Interest semi-annual. Due \$212.50 each six months from June 15 1919 to Dec. 15 1926, inclusive.

JUANITA, Adams County, Neb.—BOND SALE.—On May 15 the \$6,800 6% 1-10-year serial bonds—V. 106, p. 1819—were awarded to the Hastings (Neb.) College at par and int.

KALIDA, Putnam County, Ohio.—BOND SALE.—The Wm. R. Compton Co. of Cincinnati was awarded the \$4,000 6% 8-15-year serial coupon street-repairing bonds offered on April 29—V. 106, p. 1710—for \$4,052.40, equal to \$4,052.40.

KENMORE, Erie County, N. Y.—BOND OFFERING.—Proposals will be received, it is stated, by E. W. Johnston, Village Clerk, until 8 p. m. May 28 for \$17,775 5 1/2% sewer bonds. Int. semi-ann. Cert. check for 5% required.

KENT, Portage County, Ohio.—BOND SALE.—The \$9,000 6% coupon street-impt. bonds offered on May 18—V. 106, p. 1931—were awarded to Well, Roth & Co. of Cincinnati for \$9,372.60—104.14—and int. Other bidders were:

Table listing various bidders and their amounts for the Kent, Ohio bond sale. Includes Wm. R. Compton Co., Rudolph Kleybolte Co., Seasongood & Mayer, etc.

KINGSBURG, Fresno County, Calif.—BOND OFFERING.—According to reports proposals will be received until 5 p. m. May 27 by H. E. Verbie, City Clerk, for \$27,000 6% 1-40-year serial sewer bonds. Int. A. & O. Cert. check for 10% required.

LAKELAND, Polk County, Fla.—NO BOND ELECTION.—In reply to our inquiry as to the result of the election which was reported to be held May 14 to vote on the question of issuing \$200,000 gas-plant bonds—V. 106, p. 2042—the City Clerk writes us as follows:

"Answering your inquiry I will advise that there has somehow arisen an error, as we were not voting on the issuance of any bonds, but were ratifying a proposed amendment to our city charter, which amendment gives the City Commissioners the right to purchase, own, operate and maintain a gas plant; and to bond for such a plant in a sum not to exceed \$200,000. There is no probability of an election to vote this \$200,000 being called, as the bond market for municipal bonds is not very encouraging for a good sale. There is nothing definite on this matter at present. It may be years before an election is called; but the local circumstances will determine it, and the election may be called in a few weeks. There is a fight on here with the gas company that owns the local plant."

LAKELAND, Polk County, Fla.—BOND SALE.—During February an issue of about \$200,000 6% funding impt. bonds was awarded to Sidney Spitzer & Co. of Toledo at par and int. Denom. \$1,000. Date Feb. 1 1918. Int. F. & A. Due yearly from 1919 to 1928 incl. A like amount of bonds was reported sold during January to the above bankers.—V. 106, p. 518.

LAKE SCHOOL DISTRICT, Glen County, Cal.—BOND OFFERING.—Proposals will be received by W. H. Sale, County Clerk (P. O. Willow) until 10 a. m. June 3 for \$14,000 5% coupon school lots, building and furnishing bonds. Denom. \$1,000. Date May 1 1918. Prin. & semi-ann. int. (M. & N.) payable at the County Treasurer's office. Due \$1,000 yearly on May 1 from 1925 to 1948 incl. Cert. check on a responsible California Bank for 5% of the amount bid, payable to Chairman of the Bd. of Supervisors of above county, required. Bonds to be delivered and paid for within 10 days from time of award.

LANCASTER, Fairfield County, Ohio.—BOND SALE.—The Sinking Fund Commission has purchased, it is stated, \$5,319.45 street impt., \$4,000 boiler purchase and \$3,000 refunding and debt-extension bonds recently authorized.

LAUDERDALE COUNTY SUPERVISORS DISTRICT NO. 2 (P. O. Meridian), Miss.—BOND OFFERING.—Additional information is at hand relative to the offering on June 4 (not June 3 as first reported) of the \$20,000 6% bonds. V. 106, p. 2145. Proposals for these bonds will be received until 2 p. m. on that day by Wm. R. Pistole, Chancery Clerk. Denom. \$200. Date Apr. 1 1918. Int. annually on Apr. 1, payable at the County Treasurer's office. Due \$1,000 yearly on Apr. 1 from 1923 to 1942 incl. Cert. check on any bank in Meridian for \$200 required. Official circular states that there is no controversy or litigation pending or threatened affecting corporate existence or boundaries of said district.

Financial Statement. Total bonded debt of district, \$20,000. Assessed valuation, real estate, 456,975. Assessed valuation, personal, 159,340. Assessed valuation railroads (est.), 151,835. Total assessed valuation, 1917, 768,150.

LEWIS AND CLARK COUNTY SCHOOL DISTRICT NO. 9 (P. O. East Helena), Mont.—BOND SALE.—On May 13 the \$8,000 6% school bonds, dated May 1 1918—V. 106, p. 1819—were awarded to the Montana Trust & Sav. Bank of Helena, at par and int. less \$80 for furnishing bonds,

&c. Due \$2,000 1921, subject to call 1920, \$2,000 1922, subject to call 1921, \$2,000 1923, subject to call 1922 and \$2,000 1924, subject to call 1923. Other bidders were: Bellam Invest. Co., Denver, \$8,050 and interest less cost of bonds. Wells-Dickey Co., Minneap., \$8,000 and interest less 135 for cost of bonds. Montana State and Land Board, Helena, \$8,000 and int. less cost of bonds.

LEWIS COUNTY SCHOOL DISTRICT NO. 56, Wash.—BOND OFFERING.—Reports state J. E. Raught, County Treasurer (P. O. Chichals) will receive bid until 1 p. m. June 8 for \$2,500 6% 2-5-year (opt.) school bonds. Int. semi-ann.

LIMA, Allen County, Ohio.—BOND SALE.—The Sinking Fund Trustees have purchased the \$19,000 1-19-year serial 5 1/4% water main bonds recently authorized.—V. 106, p. 2042.

LOCKPORT, Niagara County, N. Y.—BOND OFFERING.—Proposals will be received by E. H. Boynton, City Treasurer, until 12 m. May 24 (date changed from May 21.—V. 106, p. 2145) for \$25,700 pumping-site bonds. Interest to be named in bid. Denom. \$1,285. Date May 14 1918. Prin. and semi-ann. int. (J. & J.) payable at office of the City Treasurer. Due \$1,285 yearly on Jan. 2 from 1919 to 1938, incl. Cert. check on a solvent banking institution for 2% of the amount of the bonds bid for, payable to the "City of Lockport," required. Bonded debt (incl. this issue) May 20 1918, \$853,740. Assessed valuation 1917, \$12,287,000. Total tax rate (per \$1,000) \$36.95.

LOGAN COUNTY (P. O. Bellefontaine), Ohio.—BOND SALE.—Reports state that the State Industrial Commission of Ohio has purchased \$90,000 road bonds.

MACON, Bibb County, Ga.—BOND ELECTION.—Reports state that an election will be held May 28 to vote on the question of issuing \$16,000 Septic tank system bonds.

MADISON COUNTY (P. O. Anderson), Ind.—BOND OFFERING.—Sealed bids will be received until 10 a. m. to-day (May 25) by S. D. Van Petten, County Treasurer, for the following 4 1/2% Lewis E. Padley et al gravel road and imprt. bonds: \$10,000 Series A; \$10,000 Series B; \$10,000 Series C; \$10,000 Series D; \$10,000 Series E; \$10,000 Series F; and \$13,600 Series G. Denom. \$3,680. Date May 25 1918. Int. semi-ann. Due \$3,680 each six months from May 15 1919 to Nov. 15 1929, incl. The official advertisement states that to enable immediate delivery of bonds on day of sale, each transcript will have attached to it a written opinion of Smith, Hornbaker, Hornbrook & Smith, attorneys, cost of same to be paid by purchaser in addition to the amount of his bid. Blanks for bidding will be furnished by State Board of Accounts. Purchaser to pay accrued interest.

MADISON SCHOOL DISTRICT (P. O. Madison), Yolo County, Calif.—BONDS VOTED.—The question of issuing \$5,000 school bonds carried, it is stated, by a vote of 18 to 0 at an election held May 9.

MANSFIELD, Richland County, Ohio.—BONDS AUTHORIZED.—The City Council passed an ordinance on May 7 authorizing \$35,000 6% 1-20-year serial fire apparatus bonds. Denom. \$1,000. Date June 1 1918. Principal and semi-annual interest payable at the office of the City Treasurer. W. W. Carter is Clerk of Council.

MAPLE SHADE FIRE DISTRICT (P. O. Philadelphia), Philadelphia County, Pa.—BONDS VOTED.—Papers state that a proposition to issue \$6,000 fire-house bonds has been voted.

MARION COUNTY (P. O. Indianapolis), Ind.—BOND SALE.—The Meyer-Kiser Bank of Indianapolis was awarded at par, the \$73,600 4 1/2% 20-year highway imprt. bonds offered on May 10.—V. 106, p. 1932.

MEEKER COUNTY (P. O. Litchfield), Minn.—BOND OFFERING.—Proposals will be received, it is stated, until 2 p. m. June 12 by A. O. Palmquist, County Auditor, for \$30,000 public drainage ditch and \$30,000 county funding 6% bonds. Cert. check for 10% required.

MELBOURNE SCHOOL DISTRICT (P. O. Melbourne), Brevard County, Fla.—BONDS VOTED.—By a vote of 73 to 27 the question of issuing of \$75,000 6% 25-year serial high school bldg. carried at an election held May 6. The bonds will be offered in about sixty days.

MEMPHIS, Shelby County, Tenn.—BOND SALE.—The \$500,000 5% 20-year aver. general liability bonds offered on May 21 (V. 106, p. 2146) were awarded on that day to A. B. Leach & Co. of N. Y., it is stated.

MENDON SCHOOL DISTRICT (P. O. Mendon), Adams County, Ill.—BOND SALE.—The State Savings, Loan & Trust Co. of Quincy was recently awarded \$21,000 of an issue of \$30,000 high-school-bldg. bonds.

MIAMI COUNTY (P. O. Peru), Ind.—NO BIDS RECEIVED.—No bids were received, it is stated, for the \$9,500 4 1/2% 10-year highway bonds, offered on May 8.—V. 106, p. 1819.

MISSISSIPPI COUNTY DRAINAGE DISTRICT NO. 17, Ark.—BONDS OFFERED BY BANKERS.—Otis & Co. of Toledo, Eastman, Dillon & Co., W. C. Langley & Co. and Well, Roth & Co. of New York are offering to investors \$1,682,500 5% bonds. Denoms. \$1,000 and \$500. Date Feb. 4 1918. Due yearly on Aug. 1 as follows: \$51,000 1923, \$54,000 1924, \$56,000 1925, \$59,000 1926, \$62,000 1927, \$65,000 1928, \$68,000 1929, \$71,000 1930, \$75,000 1931, \$79,000 1932, \$83,000 1933, \$87,000 1934, \$91,000 1935, \$96,000 1936, \$101,000 1937, \$106,000 1938, \$111,000 1939, \$116,000 1940, \$122,000 1941 and \$129,500 1942. Total bonded debt this issue only. Real val. (est.) \$10,000,000. Population 1910 (Census), 30,468; 1918 (est.), 53,000.

MONROE COUNTY (P. O. Monroe), Mich.—BONDS VOTED.—At a special election held May 6 a proposition to issue \$200,000 road bonds carried, it is stated, by a majority of 534 votes.

MOUNT KISCO, Westchester County, N. Y.—BOND SALE.—On May 22 H. A. Kahler & Co. of N. Y. were awarded \$14,000 5 1/4% sewer bonds for \$14,155.40, equal to 101.11. Denom. \$500. Date June 1 1918. Int. J. & J. Due \$500 yrly. on July 1 from 1920 to 1947 inclusive.

NASHUA, Hillsborough County, N. H.—BOND OFFERING.—Proposals will be received by Samuel Dearborn, City Treas., until 10 a. m. June 10 for the following 4 1/2% coupon bonds: \$30,000 Merrimac Valley road bonds. Due \$3,000 yearly on June 1 from 1919 to 1928 incl.

24,000 departmental equipment bonds. Due \$2,000 yearly on June 1 from 1910 to 1922 incl. and \$1,000 yearly on June 1 from 1923 to 1938 incl.

Denom. \$1,000. Date June 1 1918. Prin. and semi-ann. int. (J. & D.) payable at the office of the City Treasurer or at the First Nat. Bank of Boston. Bonds are engraved under the supervision of and certified as to genuineness by the First Nat. Bank of Boston, and their legality will be approved by Ropes, Gray, Boyden & Perkins of Boston. All legal papers incident to these issues will be filed with the above bank, where they may be inspected any time. Bonds to be delivered on or about June 10 1918 at the First Nat. Bank of Boston.

Financial Statement May 21 1918. Bridge bonds \$57,000 00, Fire department bonds 25,000 00, Refunding bonds 540,000 00, School bonds (applicable to 2% limit for school districts) 498,500 00, Sewer bonds 10,000 00, Serial notes 15,000 00, Sinking funds \$1,145,500 00, 192,753 00, \$952,747 00, Assessed valuation April 1 1917 \$26,241,088 00, Population 1916 (estimated) 30,000

NAVARRO COUNTY (P. O. Corsicana), Tex.—BOND SALE.—Recently Stix & Co. of St. Louis purchased a issue of \$80,000 5% tax-free Road District No. 1 bonds. Date Feb. 1 1918. Prin. and semi-ann. int. (F. & A.), except first coupon due Feb. 1 1918, payable at the Seaboard National Bank, N. Y. Due Feb. 1 1918, subject to call yearly on \$2,000 yearly on Feb. 1 from 1919 to 1928 incl., and \$3,000 yearly on Feb. 1 from 1929 to 1948 inc. Total bonded debt this issue only. Assessed valuation \$1,263,315. Real value (est.) \$2,500,000. Population 1910 (Census), 7,060; 1918 (est.), 10,000.

NEBO HIGH SCHOOL DISTRICT (P. O. Nebo), McDowell County, No. Caro.—BONDS VOTED.—According to reports the question of issuing of \$20,000 school bldg. bonds carried at an election held May 9.

NEWARK, N. J.—BOND OFFERING.—Proposals will be received by A. Archibald, Director of Revenue and Finance until 11 a. m. May 28 for \$3,000,000 tax anticipation bonds. Auth. Chap. 192, Laws 1917, Date June 1 1918. Due Dec. 1 1918. The bonds may be registered upon request of the purchaser or holder. Interest rate to be named in bid. Bonds will be delivered at City Comptroller's office on June 1 1918 and will be payable at maturity with interest at the City Treasurer's office.

The official notice of this bond offering will be found among the advertisements elsewhere in this Department.

NEW CASTLE, Fond du Lac County, Wyo.—BOND OFFERING.—Mayor A. M. Nichols will receive proposals, it is stated, until 8 p. m. June 28 for \$90,000 6% water bonds. Int. semi-ann. Cert. check for 10% required.

NEW HANOVER COUNTY (P. O. Wilmington), N. Co.—BOND OFFERING PROPOSED.—Proposals will shortly be called for, for the \$250,000 5% coupon school bonds recently authorized.—V. 106, p. 1600.—Denom. not less than \$100 or more than \$1,000. Int. J. & J. Official clearing states that there is not nor has there been any litigation whatever affecting in any manner, this issue of bonds, and there has never been any default in payment of any obligations by this county. No other issue of bonds is contemplated at this time.

Financial Statement. Assessed value of taxables 1917 \$22,217,575, Estimated actual value of taxable property 45,000,000, Total bonded debt (including this issue) 777,000, Floating debt (additional) 25,200, Cash value of sinking fund 54,903, Population 1910, 32,037; estimated 1918, 35,000, Tax rate (per \$1,000) \$12.00

NEW ORLEANS, La.—BONDS PROPOSED.—The City Attorney has been authorized, it is stated, to prepare a resolution providing for the issuance of \$250,000 refunding bonds.

NEWPORT, Newport County, R. I.—BOND SALE.—On May 23 the \$50,000 5% 1-10-year coupon Covington Point land bonds—V. 106, p. 2146—were awarded, it is stated, to the Aquidneck National Bank of Newport for \$50,055, equal to 100.11.

NICKERSON SCHOOL DISTRICT, Tulare County, Cal.—BOND SALE.—Dr. C. L. Page of Visalia was awarded \$6,000 6% school bonds for \$6,126—equal to 102.1, it is stated.

NORTH ADAMS, Berkshire County, Mass.—LOAN OFFERING.—The City Treasurer will receive bids until 11 a. m. May 27, it is stated, for the purchase at discount of a temporary loan of \$100,000, issued in anticipation of revenue, dated May 25 and maturing Nov. 5 1918.

NORTH DAKOTA.—BONDS PURCHASED BY THE STATE.—The following ten issues of 4% bonds, aggregating \$789,701.18 were purchased during the month of April at par by the State of North Dakota:

Table with columns: Amt., Place Issuing Bonds, Purpose, Date, Due. Includes items like \$150,000 Burleigh County Seed, grain & feed Mar. 1 1918 Mar. 15 1920, \$100,000 Grant County Seed, grain & feed Mar. 1 1918 Mar. 1 1923, etc.

* The sale of these bonds has already been reported in these columns.

OKLAHOMA CITY SCHOOL DISTRICT (P. O. Oklahoma), Oklahoma County, Okla.—BONDS VOTED.—At an election held May 13 \$200,000 school bonds carried by a vote of 2,830 'for' to 435 'against' it is stated (V. 106, p. 2146).

ORVILLE SCHOOL DISTRICT (P. O. Orville), Wayne County, Ohio.—BOND ELECTION.—An election will be held on July 16, it is stated, to vote on a proposition to issue \$125,000 high-school-bldg. bonds.

OSAGE COUNTY SCHOOL DISTRICT NO. 55, Okla.—BONDS OFFERED BY BANKERS.—Geo. W. & J. E. Pierson Co. of Oklahoma City are offering to investors \$11,000 6% school bonds. Denom. \$500. Date May 3 1918. Prin. and semi-ann. int. (J. & J.) payable at the Fiscal Agency of the State of Oklahoma in N. Y. Due May 3 1938. Total bonded debt (including this issue), \$13,200. Assessed val. 1917, \$393,995. Actual val. (est.), \$600,000. Population of district (est.), 1,000.

PAINESVILLE RURAL SCHOOL DISTRICT (P. O. Painesville), Lake County, Ohio.—BOND SALE.—Seasonrood & Mayor of Cincinnati were awarded on May 21 \$9,000 5 1/2% school bonds for \$9,025.20 (100.28) and int. Denom. \$500. Date Apr. 1 1918. Int. A. & O. Due part each six months from Apr. 1 1919 to Oct. 1 1927.

PASSAIC, Passaic County, N. J.—BOND OFFERING.—On May 20 the 5% 2-30 tax-free coupon city imprt. bonds—V. 106, p. 1932—were awarded to E. H. Rollins & Sons of Boston for \$161,001 (103.205) for \$166,000 bonds. Other bidders were:

Table with columns: Bonds to Be Taken, Price to Be Paid, Rate. Includes entries like Outwater & Wells, Jersey City \$157,000 161,179.00 102.661, J. S. Ripper & Co., Newark 159,000 161,929.00 101.842, etc.

PHILADELPHIA, Pa.—BOND OFFERING.—Proposals will be received by Thomas B. Smith, Mayor, until 12 m. June 12 (date changed from May 27—V. 106, p. 2147) for the \$3,000,000 public library and \$2,500,000 public imprt. 4 1/2% 30-year tax-free coupon (with privilege of registration) bonds. Denom. \$100 and multiples thereof. Date May 1 1918. Int. semi-ann. (J. & J.) payable at the Farmers' & Mechanics Nat. Bank of Philadelphia. Bids must be made on blank forms furnished by the city and be accompanied by a certified check for 5% of amount of bonds bid for, payable to the "City of Philadelphia." The bonds have been approved by the Capital Issues Committee of the Federal Reserve Board.

Financial Statement May 1 1918. Total fund, debt (incl. loans auth. but not issued), \$97,600,000 \$254,624,550, By a decision of the Supreme Court of Pennsylvania, filed May 31 1894, it is held "that within the meaning of the word 'debt' in Section 8, Article IX, of the Constitution of the State of Pennsylvania, the real debt is the authorized debt, less the amount of city certificates purchased and uncanceled in sinking fund." There should, therefore, be deducted from the above, the amount of such uncanceled loans in the sinking fund, which is 27,680,900

Leaving a net funded debt of \$226,934,650, Assessed real estate and personal (horses and cattle) property 1918 \$1,788,841,512, Assessed valuation personal property (taxable by city under Act of Assembly approved June 17 1913), 1918 701,568,213

Population in 1910 (Census), 1,649,008; 1918 (estimated), 1,775,000.

The official notice of this bond offering will be found among the advertisements on a preceding page of this week's issue.

PEABODY, Essex County, Mass.—TEMPORARY LOAN.—Curtis & Sanger of New York were awarded the temporary loan of \$75,000 dated May 22 and due Oct. 2, offered on May 22 (V. 106, p. 2147) at a discount of 5.11%, it is stated.

PERTH AMBOY, Middlesex County, N. J.—BIDS REJECTED.—All bids received for the \$100,000 5 1/2% tax-anticipation bonds offered on May 21—V. 106, p. 2147—were rejected.

PERU TOWNSHIP (P. O. Peru), Miami County, Ind.—WARRANT OFFERING.—Proposals will be received until 2 p. m. June 4 by Frank E. Bradley, Twp. Trustee, for \$10,000 6% 3-year school warrants, it is stated.

PIKE COUNTY (P. C. Magnolia), Miss.—BOND OFFERING.—According to reports, Charles E. Brumfield, Clerk Board of County Supervisors, will receive bids until 2 p. m. June 3 for \$30,000 6% road bonds.

PITTSFIELD, Berkshire County, Mass.—LOAN OFFERING.—According to reports, proposals will be received until 11 a. m. May 28 by the City Treasurer for the purchase at discount of a temporary loan of \$150,000, issued in anticipation of taxes. Date May 28 1918. Due Nov. 22 1918.

PONTOTOC COUNTY (P. O. Ada), Okla.—BOND SALE.—The G. W. & J. E. Piersol Co. of Oklahoma City was awarded \$9,765 6% refunding bonds. Denoms. 9 for \$1,000 and 1 for \$765. Date May 15 1918. Prin. and semi-ann. int. (F. & A.) payable at the fiscal agency of the State of Oklahoma in the City of New York. Due May 5 1938. Total bonded debt (including this issue) \$101,765. Assessed val. 1917 \$3,247,499. Actual val. (est.) \$ 6,000,000. Population 1910 (Census). 24,331; 1918 (est.). 40,000.

PORTLAND, Cumberland County, Me.—TEMPORARY LOAN.—The First Nat. Bank of Boston was awarded the temporary loan of \$200,000 dated May 25, due Oct. 2 1918, offered on May 22—V. 106, p. 2147—at a discount of 5.04%. Other bidders were:

Table with columns: Bidder Name, Discount, Premium. Includes Blake Brothers & Co., Goldman, Sachs & Co., S. N. Bond & Co., etc.

PURVIS, Lamar County, Miss.—BONDS NOT TO BE OFFERED AT PRESET.—The \$10,000 electric light bonds, recently voted—V. 106, p. 1820—will not be offered at present.

RAPIDES PARISH ROAD DISTRICT NO. 11 (P. O. Alexandria), La.—BONDS AWARDED IN PART.—Of the \$44,000 5% serial road bonds offered on Apr. 18—V. 106, p. 1600—\$10,500 were awarded to the Bank of Leocompte at par and interest.

RAVENNA, Portage County, Ohio.—BOND OFFERING.—W. A. Root, City Auditor, will receive bids until 12 m. May 30 for \$50,000 6% 17 1/2-year aver. bonds, it is stated. Interest semi-annual. Certified check for \$500 required.

BOND SALE.—On May 20 the \$50,000 6% 14-23-year serial water-works bonds (V. 106, p. 1933) were awarded to the Second National Bank of Ravenna for \$54,075 (108.15) and int. Other bidders were: Prudden & Co., Toledo, \$53,703 50; Ames, Emerich & Co., Chic., \$3,701 00; Hayden, Muller & Co., Chic., \$3,525 00; Seasongood & Mayor, Cin., \$3,416 00; F. C. Hoehler & Co., Tol., \$3,092 25; Stacy & Braun, Toledo, \$2,950 16; Spitzer, Rorick & Co., Tol., \$2,760 00; R. Kloybolte & Co., Chic., \$2,750 00.

ROCHESTER, N. Y.—NOTE SALE.—On May 17 \$100,000 over-due tax notes, maturing four months from May 20 1919, were awarded to S. N. Bond & Co. of New York at 4.85% int. and 1% premium. Other bidders, all of New York, were:

Table with columns: Bidder Name, Interest, Premium. Includes A. B. Leach & Co., Salomon Bros. & Hutzler, Bernhard, Schohle & Co., etc.

ROCKINGHAM COUNTY (P. O. Manchester), N. H.—BOND OFFERING.—Proposals will be received by the County Commissioners, it is stated, until 11 a. m. June 28 for \$35,000 5% refunding bonds. Date July 1 1918. Due \$5,000 yearly from 1919 to 1923 incl.

ROCK COUNTY DISTRICT NO. 40 (P. O. Moline), Ill.—BOND OFFERING.—Proposals will be received by Miss Rita Knowles, Secretary of the Board of Education, it is stated, until 2 p. m. May 28 for \$20,000 5% refunding bonds. Denom. \$1,000. Date July 1 1918. Int. J. & J. Due July 1 1930. Cert. check for \$400 required.

ROGER COUNTY INDEPENDENT SCHOOL DISTRICT NO. 2, Okla.—BOND SALE.—The Geo. W. & J. E. Piersol Co. of Oklahoma City has purchased \$15,000 6% school bonds. Date June 1 1918. Prin. and semi-ann. int. (F. & A.) payable at the Fiscal Agency of the State of Oklahoma. Due June 1 1938. Total bonded debt (including this issue) \$43,500. Assessed val., 1917, \$992,220. Actual val. (est.) \$1,500,000. Population of district (est.) 3,000.

ROY, Mora County, N. Mex.—BONDS NOT SOLD.—No sales was made of the \$45,000 30-30-year (opt.) water bonds, offered on May 15—V. 106, p. 1711. The above bonds, we are advised, will be sold about October or later.

RUNNELS COUNTY (P. O. Ballinger), Tex.—BONDS VOTED.—The proposition to issue \$75,000 road bonds carried, it is stated, at the election held May 11—V. 106, p. 1933.

ST. JOSEPH COUNTY (P. O. South Bend), Ind.—BOND OFFERING.—Edward F. Keller, County Treas., will receive bids until 11:30 a. m. June 5 for the following 4 1/2% highway bonds: \$20,800 Chester Laidlow highway bonds of Penn Twp. Denom. \$520. Date May 15 1929 incl. Due \$1,040 each six months from May 15 1919 to Nov. 15 1929 incl. 13,000 George Seybold at al. highway bonds of Penn Twp. Denom. \$50. Due \$650 each six months from May 15 1919 to Nov. 15 1929 incl. 29,000 Henry Becher highway bonds of Penn Twp. Denom. \$225. Date April 1 1918. Int. M. & N.

SALEM, Columbiana County, Ohio.—BOND SALE.—The following bids were received on May 20 for the two issues of 5 1/2% bonds, aggregating \$48,814, offered on that date—V. 103, p. 1820:

Table with columns: Bidder Name, \$35,000 Bonds, \$11,814 Bonds. Includes W. L. Slayton & Co., Prudden & Co., Spitzer, Rorick & Co., etc.

SANDERS COUNTY SCHOOL DISTRICT NO. 13, Mont.—BOND OFFERING.—It is stated that sealed bids will be received until 3 p. m. June 15 by E. F. Beaudreau, District Clerk, at the Camas State Bank, Hot Springs, for \$7,300 16-20-year (opt.) school bonds, at not exceeding 6% int. Date July 1 1918. Int. semi-ann. Cert. check for \$250 required.

SCOBEY, Sheridan County, Mont.—BOND OFFERING.—Sealed bids will be received until 8 p. m. July 15, it is stated, by J. C. Jackson, City Clerk, for the \$35,000 6% 15-20-year opt. water and sewer bonds authorized at the election held Jan. 29—V. 106, p. 208. Int. semi-ann. Certified check for 10% required.

SEATTLE, Wash.—BOND SALE.—The City of Seattle during the month of April sold the following three issues of 6% special imp. bonds, aggregating \$56,372 24 at par:

Table with columns: Dist. No., Amount, Purpose, Date, Due. Includes 3088 \$40,142 88 Paying, 3107 \$37 20 Sewer, 3076 15,392 66 Sewer.

SEQUOYAH COUNTY SCHOOL DISTRICT NO. 8 (P. O. Sallisaw), Okla.—BOND SALE.—An issue of \$5,000 6% school bonds was awarded to the Geo. W. & J. E. Piersol Co. of Oklahoma City. Denom. \$500. Date Apr. 1 1918. Prin. and semi-ann. (J. & J.) payable at the Fiscal Agency of the State of Oklahoma in New York. Due Apr. 1 1938. Total bonded debt (including this issue) \$7,000. Assessed val. 1917, \$277,154. Actual val. (est.) \$500,000. Population of district (est.) 1,000.

SHATTUCK, Ellis County, Okla.—BOND SALE.—Recently the G. W. & J. E. Piersol Co. of Oklahoma City, purchased \$15,690 6% refunding bonds. Denoms. 15 for \$1,000 and 1 for \$690. Date Apr. 1 1918. Prin. and semi-ann. int. (F. & A.) payable at the Fiscal Agency of the State of Oklahoma in the City of New York. Due yearly on Apr. 1 as follows: \$1,000 1923, \$4.00, 1928, \$4,000 1933 and \$3,690 1938. Total bonded debt (including this issue) \$90,890. Assessed valuation, 1917, \$560,553. Actual val. (est.) \$900,000. Population, 1910 (Census), 1,231; 1918 (est.), 2,000.

SHERIDAN COUNTY SCHOOL DISTRICT NO. 1 (P. O. Scobey), Mont.—BONDS NOT SOLD.—The \$21,800 15-20-year (opt.) school bonds offered on May 10—V. 106, p. 1820—were not sold. R. T. Cook-ingham is District Clerk.

STAMFORD, Jones County, Tex.—BONDS VOTED.—It is stated that the question of issuing \$40,000 water-works and \$35,000 sewerage-system bonds received a favorable vote at an election held May 11.

STONE CORRAL SCHOOL DISTRICT, San Luis Obispo County, Cal.—BOND SALE.—An issue of \$9,000 6% 20-year school bonds was awarded to the First National Bank of Visalia for \$9,425 50, equal to 104.722. Denom. \$250. Date April 1 1918. Int. ann. in April.

STREUBENVILLE, Jefferson County, Ohio.—BOND SALE.—Seasongood & Mayor of Cincinnati were awarded the \$123,312 17 6% 1-21 year serial refunding bonds offered on May 18—V. 106, p. 1820—for \$131,513 17, equal to 106.656. Other bidders were:

Table with columns: Bidder Name, Premium. Includes F. C. Hoehler & Co., Stacy & Braun, Ames, Emerich & Co., etc.

STILLWATER COUNTY (P. O. Columbus), Mont.—BOND ELECTION.—Reports state that an election will be held the latter part of June to vote on a proposition to issue \$100,000 court-house bonds.

SUGAR RIDGE CIVIL AND SCHOOL TOWNSHIP (P. O. Ashboro), Clay County, Ind.—BOND OFFERING.—Proposals will be received until 10 a. m. June 12 by Chas. F. Sturat, Twp. Trustee, for \$12,360 school twp. and \$12,360 civil twp. 5% school-building bonds. Denom. 24 for \$500 and 4 for \$180. Date July 1 1918. Int. semi-ann. Due one bond of each issue each six months beginning July 1 1919.

SYRACUSE, N. Y.—BOND OFFERING.—Proposals will be received by M. E. Conan, City Comptroller, until 1 p. m. June 4 for the following 5% 1-20-year serial tax-free registered bonds, aggregating \$522,000:

Table with columns: Amount, Bonds-No., Purpose, Date, Due. Includes \$9,345 25, 1,607 20, etc.

TALENT IRRIGATION DISTRICT (P. O. Talent), Jackson County, Ore.—BONDS APPROVED BY CAPITAL ISSUES COMMITTEE.—Reports state that the Capital Issues Committee of the Federal Reserve Board has approved the issuance of \$75,000 irrigation bonds.

TANGIPAHOA PARISH (P. O. Amite), La.—NO ACTION YET TAKEN.—No action has yet been taken looking towards the issuance of the \$100,000 road bonds, voted Apr. 23—V. 106, p. 1933.

TEXAS.—BONDS PURCHASED BY STATE.—The following 5% bonds, aggregating \$121,400 were recently purchased at par and int. by the State Board of Education for the Permanent School Fund:

Table with columns: District & No., Amount, District & No., Amount. Includes Bexar, 21, \$32,000; Cattle, 22, \$1,400; Collins, 50, \$3,000; etc.

THOMASVILLE, Davidson County, No. Caro.—BOND SALE.—On May 21 the \$15,000 2-9-year serial funding and the \$5,000 2-9-year serial street-improvement 6% coupon bonds dated April 1 1918—V. 106, p. 2043—were awarded to Prudden & Co. of Toledo for \$23,133 (100.578) and int. Other bidders were:

Table with columns: Bidder Name, Amount. Includes Hilsman & Co., Durfee, Niles & Co., W. L. Slayton & Co., etc.

TOLEDO, Ohio.—BONDS PROPOSED.—Local papers state that this city is contemplating the issuance of \$30,000 sewage-disposal-plant bonds.

BOND SALE.—Sidney Spitzer & Co. of Toledo were awarded, it is stated, an issue of \$100,000 5% 30-year park bonds at par and int., on May 27.

TOOLE COUNTY SCHOOL DISTRICT NO. 31 (P. O. Sunburst), Mont.—BOND SALE.—The \$1,000 6% 5-8-yr. opt. school-bldg. bonds offered on May 6—V. 106, p. 1821—were awarded on that day to the State of Montana at par.

TRURO TOWNSHIP SCHOOL DISTRICT NO. 1 (P. O. Station E., Route 8, Columbus), Franklin County, Ohio.—BOND OFFERING.—Proposals will be received by P. P. Baughman, Clerk of Bd. of Education, until June 22 for \$15,000 5½% school bonds. Denom. \$1,000. Date June 20 1918. Prin. & semi-ann. int. (J. & D.) payable at the above Clerk's office. Due \$1,000 each six months from June 20 1919 to June 20 1927. Incl. Cert. check for 1% of amount of bonds bid for payable to the District Board required.

VANDERGRIFT SCHOOL DISTRICT (P. O. Vandergrift), Westmoreland County, Pa.—BONDS DEFEATED.—At an election held May 21 a proposition to issue \$85,000 school bonds was defeated by a majority of 23 votes.

VERONA SCHOOL DISTRICT (P. O. Verona), Essex County, N. J.—BOND SALE.—The State of New Jersey has purchased \$35,000 5% school-building bonds. Interest J. & J. Due 1953.

VIGO COUNTY (P. O. Terre Haute), Ind.—BOND OFFERING.—Proposals will be received until 2 p. m. to-day (May 25) by E. E. Messick County Treasurer, for \$9,340 6% 1-15-year serial special assess. bonds. Date June 3 1918. Int. semi-ann. Cert. check for \$100, payable to the County Treasurer, required.

WALLOWA, Wallowa County, Ore.—BONDS VOTED.—At an election held on May 10, the \$7,632 39 sewer bonds—V. 106, p. 1601—carried by a vote of 65 to 46.

WARREN COUNTY (P. O. Williamsport), Ind.—BOND OFFERING.—Sealed bids will be received until 1 p. m. June 6 by J. G. Hildebrand, County Treasurer, for \$5,220 4½% J. H. Dixon tax-free gravel road impt. bonds of Mound Township. Denom. \$261. Date May 6 1918. Int. semi-ann. Due \$261 each six months from May 15 1919 to Nov. 15 1929, inc.

WARREN COUNTY (P. O. Vicksburg), Miss.—BONDS AUTHORIZED.—Plans have been completed, according to reports, authorizing the issuance of \$150,000 serial road bonds.

WAUPACA, Waupaca County, Wisc.—BOND OFFERING.—Sealed bids will be received until 12 m. to-day (May 25) for \$12,000 street impt. bonds.

WEATHERSFIELD TOWNSHIP (P. O. Niles), Trumbull County, Ohio.—BONDS NOT TO BE REOFFERED AT PRESENT.—No action has yet been taken nor will be during the remaining period of war, looking toward the re-offering the \$120,000 5¼% 1-20-year serial bridge bonds, offered without success on Apr. 30.—V. 106, p. 1601.

WELLESLEY, Norfolk County, Mass.—TEMPORARY LOAN.—Estabrook & Co. of Boston were recently awarded two notes of \$200,000 each, dated May 20 and due Oct. 20 at a discount of 5.09%, it is stated.

WESTBROOK, Cumberland County, Mo.—BOND OFFERING.—Proposals will be received by the City Treasurer, it is stated, until 1:30 a. m. May 28 for \$24,000 5% refunding bonds. Date June 1 1918. Due \$1,000 yearly from 1923 to 1946 inclusive.

WESTCHESTER COUNTY (P. O. White Plains), N. Y.—BOND OFFERING.—Proposals will be received by Robert A. Patten, County Comptroller, until 12 m. May 29 for \$175,000 5% registered county bldg. bonds. Denom. \$1,000. Date June 1 1918. Prin. and semi-ann. int. (J. & D.) payable at the Co. Treas. office. Due \$5,000 yrly. on June 1 from 1920 to 1954 incl. Cert. check on a State or national bank for 3% of amount of bonds bid for, payable to William Archer, Co. Treas., required. The bonds will be prepared under the supervision of the U. S. Mfg. & Trust Co., N. Y. City, which will certify as to the genuineness of the signatures of the county officials and the seal impressed thereon and the validity of the bonds will be approved by Hawkins, Delafield & Longfellow of N. Y. City, a duplicate original of whose opinion will be furnished to the purchaser.

Financial Statement.

Assessed value, real property.....	\$457,012,022 00
Assessed value, personal property.....	6,643,456 00
Per cent of assessed value.....	supposed 100%
Value of real estate owned by county.....	1,100,000 00
Total bonded debt, excluding this issue.....	10,321,745 51
Floating debt.....	748,361 87
Population.....	321,638

WESTERN, Saline County, Neb.—NO BIDS RECEIVED.—No bids were received for the \$10,000 5% 20-year serial electric-light bonds dated Sept. 1 1917 offered on May 15—V. 106, p. 1821.

WESTFIELD, Union County, N. J.—BOND OFFERING.—Proposals will be received by the Town Council until 8 p. m. June 12 for the following 5% gold coupon (with privilege of registration) bonds recently authorized, at not exceeding the amounts mentioned.—V. 106, p. 2043:

- \$41,000 street and sewer bonds. Due \$5,000 yearly on June 15 from 1920-1924 incl., and \$4,000 yearly on June 15 from 1925 to 1928, incl.
- 72,000 assessment bonds. Due \$9,000 yearly on June 15 from 1919 to 1923, incl.; \$6,000 yearly on June 15 in 1924 and 1925, \$5,000 yearly on June 15 from 1926 to 1928, incl.
- \$2,000 general-improvement bonds. Due \$2,000 yearly on June 15 from 1920 to 1960, incl.

Denom. \$1,000. Date June 15 1918. Prin. and semi-ann. int. (J. & D.) payable at a bank or trust company in Westfield. The successful bidder or bidders will be furnished with the opinion of Reed, McCook & Hoyt of New York that the bonds are valid and binding obligations of the town. Cert. check on an incorporated bank or trust company for 2% of the amount of bonds bid for, payable to the Treasurer of the Town of Westfield, required. Chas. Clark is Town Clerk.

WEST RIVER SCHOOL TOWNSHIP (P. O. Huntville), Randolph County, Ind.—BOND SALE.—On May 2 the \$14,530 5¼% 1-15-yr. serial coupon school bonds—V. 106, p. 1712—were awarded to J. P. Wild & Co. of Indianapolis for \$14,525—equal to 100-172.

WHITE BIRD HIGHWAY DISTRICT (P. O. White Bird), Idaho, County, Ida.—BOND OFFERING.—Proposals will be received until 1 p. m. to-day (May 25) it is stated, by Ed. C. Smith, District Secy., for the following highway-impt. bonds at not exceeding 6% interest. \$15,000 improvement bonds. Date July 1 1917.

7,500 improvement bonds. Date Mar. 1 1918.

2,500 improvement bonds. Date July 1 1917.

Denom. \$500. Prin. and semi-ann. int. (J. & J.) payable at the District Treasurer's office. Cert. check for \$500 on each issue of bonds required.

The above bonds were reported sold to the State of Idaho during the month of April. V. 106, p. 1821.

WILLMAR SCHOOL DISTRICT (P. O. Willmar), Kandiyohi County, Minn.—BONDS VOTED.—Reports state that this district has voted an issue of \$135,000 school bonds.

WITT, Montgomery County, Ill.—BOND ELECTION.—An election will be held June 4 to vote on a proposition to issue \$16,000 5% 1-10-year (opt.) water-works bonds.

YALE, Payne County, Okla.—BOND ELECTION.—An election will probably be held May 28 or June 3 to vote on the question of issuing \$100,000 water works, \$100,000 electric-light impt. and \$20,000 fire-apparatus 6% 20 to 25 year bonds

YELLOWSTONE COUNTY (P. O. Billings), Mont.—BOND ELECTION.—Reports state that an election will be held the latter part of June to vote on the question of issuing \$100,000 court-house bonds.

YOUNGSTOWN, Mahoning County, Ohio.—BONDS AWARDED IN PART.—Of the six issues of bonds aggregating \$486,785 and offered on May 20—V. 106, p. 1934—the sewer, police-station impt. and fire-equip. bonds were awarded to R. M. Grant & Co. as follows: \$87,285 5% 1-5-year serial Albert Street sewer bonds for \$87,372, equal to 100.099.

6,000 5% 3-5-year serial police-station-impt. bonds for \$6,006, equal to 100.10.

10,500 5% 3-7-year serial fire-dept.-equip. bonds for \$10,510, equal to 101.047.

The \$25,000 street-opening and \$8,000 public-comfort station bonds advertised to be sold on the same day were not approved by the Capital Issues Committee of the Federal Reserve Board.

CANADA, its Provinces and Municipalities.

ABBEY, Sask.—DEBENTURES AUTHORIZED.—The Local Government Board has authorized the issuance of \$1,000 5-year debentures at not exceeding 8% int. F. E. McDonald is Village Secretary-Treasurer.

ALBANY, Sask.—DEBENTURES AUTHORIZED.—An issue of \$3,500 10-year debentures at not exceeding 8% int. has been authorized.

ALLINBY SCHOOL DISTRICT NO. 4002 (P. O. Wynot), Sask.—DEBENTURES AUTHORIZED.—An issue of \$2,400 10-year school debentures at not exceeding 8% has been authorized. Harry Beanland is Secretary-Treasurer.

ALLISTON, Simcoe County, Ont.—DEBENTURE OFFERING.—Proposals will be received by J. E. Addis, Municipal Clerk, until June 15 for \$32,000 6¼% 30-year hydro-electric debentures, it is stated.

AMHERST, Nova Scotia.—LOAN AUTHORIZED.—It is reported that the Legislature has authorized the issuance of \$7,000 6% debentures.

BEULAH CONSOLIDATED SCHOOL DISTRICT, Man.—DEBENTURE ELECTION.—An election will be held May 29 to vote on a proposition to issue \$26,000 school bonds. W. E. Warren (P. O. Minotota) is Secretary-Treasurer.

BRIDGEWATER, N. S.—DEBENTURES AUTHORIZED.—An issue of \$20,000 5% debentures has been authorized, it is stated.

BRITISH COLUMBIA (Province of).—DEBENTURES PROPOSED.—The Province, it is stated, will shortly put on the market an issue of between \$1,000,000 and \$2,000,000 worth of debentures. The money, it is said, is required to take care of maturing issues, general Provincial expenditures, and for the furthering of the completion of the Pacific Great Eastern, an undertaking which, following a Government investigation, was taken over by the Province. The Government has now expended \$25,000,000 on this road, and it is estimated it will take over \$4,000,000 to complete it.

BROOME TOWNSHIP, Que.—DEBENTURE ELECTION.—On May 27 an election will be held to vote on the question of issuing \$20,000 20-year electric-light-plant debentures.

CLARKE SCHOOL DISTRICT, Sask.—DEBENTURES AUTHORIZED.—Recently an issue of \$2,000 10-year debentures at not exceeding 8% int. was authorized. A. W. Clark (P. O. Rex) is Sec.-Treas.

CONSUL, Sask.—DEBENTURES AUTHORIZED.—An issue of \$1,000 10-year debentures at not exceeding 8% int. has been authorized by the Local Government Board. Alex Dunbar is Sec.-Treas.

CRAIK SCHOOL DISTRICT, Sask.—DEBENTURES AUTHORIZED.—The Local Government Board has authorized the issuance of \$9,600 20-year debentures at not exceeding 8% int. O. M. Truman (P. O. Craik) is Sec.-Treas.

DARTMOUTH, N. S.—DEBENTURES AUTHORIZED.—An issue of \$68,000 6% debentures was recently authorized, it is stated.

EAGLE CREEK SCHOOL DISTRICT, Sask.—DEBENTURE SALE.—Nay & James of Regina were recently awarded \$1,600 school debentures.

ELFROS SCHOOL DISTRICT, Sask.—DEBENTURE SALE.—An issue of \$3,000 debentures has been sold to E. B. Jonah of Regina.

FIVE-MILE CREEK SCHOOL DISTRICT, Sask.—DEBENTURES AUTHORIZED.—The Local Government Board has just authorized and will sell an issue of \$2,200 10-year debentures at not exceeding 8% int. Louis Lazarus (P. O. Wood Mountain) is Sec.-Treas.

GLENVIEW SCHOOL DISTRICT, Sask.—DEBENTURES AUTHORIZED.—The Local Government Board has authorized \$2,000 10-year debentures at not exceeding 8% int. N. F. Marusha (P. O. Vanguard) is Sec.-Treas.

GOLDEN VALLEY SCHOOL DISTRICT NO. 1344 (P. O. Pon-tick), Sask.—DEBENTURES AUTHORIZED.—An issue of \$2,200 10-yr. school debentures at not exceeding 8% has been authorized. Wm. Isaacs is Secretary-Treasurer.

HALIFAX, N. S.—DEBENTURES AUTHORIZED.—Recently the Legislature authorized an issue of \$110,000 5% debentures, it is stated.

HAMILTON, Ont.—DEBENTURE SALE.—On May 14 the \$346,000 6% 1-10-year serial debentures—V. 106, p. 2044—were awarded to Oser & Hammond, Homser, Wood & Co., and Mulholland, Bird & Graham at their joint bid of \$340,297 80 equal to 95.93.

HAYFIELD SCHOOL DISTRICT, Man.—DEBENTURE ELECTION.—On May 28 an election will be held to vote on the question of issuing \$4,500 school bonds. W. T. Johnston (P. O. Wawanesa) is Sec.-Treas.

HESTER SCHOOL DISTRICT, Sask.—DEBENTURES AUTHORIZED.—An issue of \$2,300 10-year debentures at not exceeding 8% int. has been authorized by the Local Government Board. Henry Moon (P. O. Hughton) is Sec.-Treas.

HOME SCHOOL DISTRICT, Sask.—DEBENTURES AUTHORIZED.—An issue of \$2,600 10-year 8% debentures has been authorized by the Local Government Board. C. S. Rude (P. O. Spalding) is Sec.-Treas.

KINGSLYN SCHOOL DISTRICT, Sask.—DEBENTURES AUTHORIZED.—The Local Government Board has authorized the issuance of \$60 8-year debentures at not exceeding 8% int. S. R. Common (P. O. Hazel Cliff) is Sec.-Treas.

KINGSMEADE SCHOOL DISTRICT, Sask.—DEBENTURES AUTHORIZED.—An issue of \$2,000 10-year debentures at not exceeding 8% int. has been authorized, and will be sold by the Local Government Board. Arthur J. King (P. O. Cadillac) is Sec.-Treas.

LOVERNA, Sask.—DEBENTURE SALE.—On May 1 the \$3,000 7% debentures recently authorized—V. 106, p. 1934—were awarded to local purchasers at par. Date May 1 1918. Annual int. in December.

LYNTHORPE SCHOOL DISTRICT, Sask.—DEBENTURES AUTHORIZED.—The Local Government Board has authorized \$1,000 5-year debentures at not exceeding 8% int. H. Simpson (P. O. Lynthorpe) is Sec.-Treas.

MARTINDALE SCHOOL DISTRICT, Sask.—DEBENTURES AUTHORIZED.—The local Government Board has authorized the issuance of \$2,200 10-year debentures at not exceeding 8% int. Ernest Grant, (P. O. Pense) is Secretary-Treasurer.

MAXWELL SCHOOL DISTRICT, Sask.—DEBENTURE SALE.—An issue of \$1,200 debentures has been awarded to the Great West Life Assurance Co. of Winnipeg.

MIMICO, Ontario.—DEBENTURE SALE.—C. H. Burgess & Co. of Toronto were awarded two issues of 6% 1-30-year debentures aggregating \$23,549 49. Prin. and yearly int. payable at the Treasurer's office.

Financial Statement.

Assessed valuation for taxation.....	\$1,312,330
Estimated true value of property.....	250,338
General debenture debt.....	\$53,931
Less—Waterworks debentures.....	17,802
—Lighting debentures.....	50,000
—Sinking fund.....	151,733
Net debenture debt.....	98,605
Municipality's assets.....	334,753
Local improvement debt.....	67,611
Population.....	2,700

NEW WATERFORD, N. S.—DEBENTURES AUTHORIZED.—Reports state that an issue of \$35,000 5% debentures has been authorized

NORTH VANCOUVER, B. C.—DEBENTURES PROPOSED.—An issue of \$40,000 water works system debentures is being contemplated, it is stated.

OMEMEE, Ont.—DEBENTURE OFFERING.—Proposals will be received by W. H. Kennedy, Village Clerk, until to-day (May 25) for \$9,000 6% 20-installment village debentures. Denom. \$784 67.

ONE MILE COULEE SCHOOL DISTRICT, Sask.—DEBENTURES AUTHORIZED.—The Local Government Board has authorized \$2,000 10-year debentures at not exceeding 8% int. Paul Vandal (P. O. Melaval) is Secretary-Treasurer.

ONTARIO (Province of).—DEBENTURE SALE.—On May 20 the \$3,000,000 6% 10-year gold bonds—V. 106, p. 2148—were awarded to a syndicate composed of R. O. Matthews & Co. of Toronto, C. Meredith & Co. of Montreal, Amelius Jarvis & Co. of Toronto and Hanson Bros. of Montreal, jointly, for \$2,984,700, equal to 99.49.

Other bidders were:

C. H. Burgess & Co., Toronto	99.381
Morrow & Jellett, Toronto	99.277
Greenshields & Co., Montreal	
Canada Bond Corporation, Toronto	
Dominion Securities, Toronto	
Wood, Gundy & Co., Toronto	99.277
A. E. Ames & Co., Toronto	
Harris, Forbes & Co., Montreal	
Brent, Noxon & Co., Toronto	99.321
W. A. Mackenzie & Co., Toronto	97.53
G. A. Stimson & Co., Toronto	98.863
Osler & Hammond and Associates, Toronto	

PENNANT, Sask.—DEBENTURE SALE.—Issues of \$1,500 and \$1,750 debentures have been awarded to J. E. Lindsay of Batrum.

PLENTY SCHOOL DISTRICT NO. 493 (P. O. Plenty), Sask.—DEBENTURE SALE.—The \$1,700 7% 10-year school debentures recently authorized—V. 106, p. 1934—were sold to G. A. Rogers at par on May 4. Denom. \$170.

REGINA, Sask.—DEBENTURE OFFERING.—It is stated that the City Treasurer will receive bids until May 31 for \$230,000 electric-light bds.

ROCKY HILLS SCHOOL DISTRICT, Sask.—DEBENTURES AUTHORIZED.—The Local Government Board has authorized the issuance of \$1,800 10-year debentures, at not exceeding 8% int. H. J. Unruh (P. O. Lydiard) is Secretary-Treasurer.

SALVADOR SCHOOL DISTRICT NO. 109, Sask.—DEBENTURES AUTHORIZED.—An issue of \$600 10-year school debentures has been authorized, at not exceeding 8%. James W. Whittaker is Sec'y-Treas.

SASKATOON, Sask.—DEBENTURE SALE.—W. A. Mackenzie & Co. of Toronto were recently awarded the \$100,263 5% 30-year sinking fund debentures offered on April 15—V. 106, p. 1492—for \$75,710 (75.50) and interest.

SCARBORO TOWNSHIP (P. O. Highland Creek).—BONDS VOTED.—An issue of \$20,000 school bonds carried on May 13, it is stated.

SCHACKLETON SCHOOL DISTRICT, Sask.—DEBENTURES AUTHORIZED.—An issue of \$1,000 10-year debentures at not exceeding

8% has been authorized by the Local Government Board. Jas. W. Casburg (P. O. Shackleton) is Secretary-Treasurer.

SPRINGBROOK SCHOOL DISTRICT, Sask.—DEBENTURES AUTHORIZED.—The local Government Board has authorized the issuance of \$1,000 10-year debentures, at not exceeding 8% int. C. W. Brown (P. O. Ft. Qu'Appelle) is Secretary-Treasurer.

SYDNEY, N. S.—DEBENTURES AUTHORIZED.—The Legislature has authorized \$47,000 7% debentures, it is stated.

TORONTO, Ont.—BOND SALE.—A syndicate composed of A. E. Ames & Co., the Dominion Securities Corp., Ltd., and Wood, Gundy & Co., all of Toronto, were awarded \$736,000 5½% 1-20-year serial gold bonds for \$701,050 40, equal to 95.265. Other bidders were:

A. E. Ames & Co.	Toronto	95.265
Dominion Securities Corporation	Toronto	95.265
Wood, Gundy & Co.	Toronto	94.831
Greenshields & Co., Montreal		94.831
Morrow & Jellett, Toronto		94.831
Canada Bond Corporation	Toronto	94.75
C. H. Burgess & Co.	Toronto	94.75
Campbell, Thompson & Co.	Toronto	94.68
Osler & Hammond	Toronto	94.68
H. C. Matthews & Co.	Toronto	94.68
Amelius Jarvis & Co.	Toronto	94.212
Kerr, Fleming & Co., Toronto		96.222
W. A. Mackenzie & Co., Toronto		94.212
Rousser, Wood & Co.	Toronto	93.58
Macneil & Young	Toronto	93.58
Mulholland, Bird & Graham	Toronto	93.58
R. C. Rea, Toronto (for \$31,000)		100.00

TRURO, N. S.—DEBENTURE SALE.—Reports state that the \$22,600 6% 30-year refunding debentures recently authorized—V. 106, p. 1602—were awarded to J. O. Mackintosh & Co. of Montreal for \$22,383.02, equal to 97.27.

VALLEY CITY SCHOOL DISTRICT NO. 2656 (P. O. Fiske), Sask.—BOND OFFERING.—Bids will be received by L. L. Brown, Sec.-Treas., for \$2,000 7½ to 8% coupon school bonds. Denom. \$2,000. Int. payable at the Royal Bank of Canada at Rosetown. Bonded debt not incl. this issue) May 4 1918, \$7,561. Assessed valuation 1918, \$488,000.

YORK TOWNSHIP, Ont.—DEBENTURE SALE.—On May 20 W. L. McKinnon & Co. of Toronto were awarded an issue of \$35,000 6% 25 installment school debentures for \$34,766 20, equal to 99.332, it is stated.

FINANCIAL

NEW LOANS



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We buy and sell high grade tax-secured municipal bonds of the Southern States and their sub-divisions offering a safe security with an attractive yield.

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BOND DEPARTMENT



NEW ORLEANS

Resources...\$35,000,000

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Municipal Bonds

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60 State Street, Boston

W. F. Baker, Manager Bond Dept.

New Jersey Securities

OUTWATER & WELLS

15 Exchange Place Tel. 20 Montgomery
Jersey City, N. J.

PROPOSALS CITY OF NEWARK

Sealed proposals will be received by the Director of Revenue and Finance, acting as the Comptroller of the City of Newark, New Jersey, until 11 o'clock A. M., on Tuesday, May 28, 1918, at his office in the City Hall, City of Newark, New Jersey, for the purchase of

TAX ANTICIPATION BONDS OF 1918

of the City of Newark in the amount of \$3,000,000, issued pursuant to Chapter 192, New Jersey Laws of 1917, and dated June 1, 1918, payable Dec. 1, 1918.

They may be registered upon request of the purchaser or holder.

No bids will be received for less than par.

Bidder must state amount of interest, expressed in multiples of one one-hundredths of one per centum he is willing to take for the loan, and the bidder offering the least interest rate will be awarded the bonds, provided that if more than one bidder offers such least interest rate the bidder offering the greatest additional premium shall be awarded the bonds.

All proposals for said bonds must be enclosed in a sealed envelope addressed to the Comptroller of the City of Newark, City Hall, Newark, New Jersey, and marked on the outside "Proposals for Tax Anticipation Bonds."

The right is reserved to reject any and all bids.

Bonds will be delivered at the office of the Comptroller of the City of Newark on the first day of June, 1918, and will be payable at maturity with interest at the office of the Treasurer of the City of Newark, City Hall, Newark, New Jersey.

A. ARCHIBALD,

DIRECTOR OF REVENUE AND FINANCE.

Newark, N. J., May 18, 1918.

Illinois Trust & Savings Bank

CHICAGO

Capital, Surplus and Undivided Profits . . . \$16,400,000

Pays Interest on Time Deposits, Current and Reserve Accounts. Deals in Foreign Exchange. Has on hand at all times a variety of excellent securities. Buys and sells Government, Municipal and Corporation Bonds. Transacts a General Trust Business.

Financial

ATLANTIC MUTUAL INSURANCE COMPANY

New York, January 25th, 1918.
 The Trustees, in conformity with the Charter of the Company, submit the following statement of its affairs on the 31st of December, 1917.

The Company's business has been confined to marine and inland transportation insurance.

Premiums on such risks from the 1st January, 1917, to the 31st December, 1917.....	\$11,105,619.46
Premiums on Policies not marked off 1st January, 1917.....	1,135,785.43
Total Premiums.....	\$12,241,404.89
Premiums marked off from 1st January, 1917, to 31st December, 1917.....	\$11,171,553.93
Interest on the investments of the Company received during the year \$404,411.15	
Interest on Deposits in Banks and Trust Companies, etc.....	128,951.53
Rent received less Taxes and Expenses.....	93,474.66
Less: Salvages.....	\$336,896.32
Re-insurances.....	503,857.68
Losses paid during the year.....	\$3,513,653.20
Less: Salvages.....	\$336,896.32
Re-insurances.....	503,857.68
Re-insurance Premiums and Returns of Premiums.....	\$1,913,710.65
Expenses, including compensation of officers and clerks, taxes, stationery, advertisements, etc.....	\$ 857,596.09

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 fifth of February next. The outstanding certificates of the issues of 1915 and of 1916 will be redeemed and paid to the holders thereof, or their legal representatives, on and after Tuesday the fifth of February next, from which date all interest thereon will cease. The certificates to be produced at the time of payment and canceled.

A dividend of Forty per cent. is declared on the earned premiums of the Company for the year ending 31st December, 1917, which are entitled to participate in dividend, for which, upon application, certificates will be issued on and after Tuesday the seventh of May next.

By order of the Board,
 G. STANTON FLOYD-JONES, Secretary.

- | | | | |
|------------------|-------------------------|----------------------|--------------------------|
| TRUSTEES. | EDMUND L. BAYLES, | HERBERT L. GRIGGS, | ANTON A. RAVEN, |
| | JOHN N. BEACH, | SAMUEL T. HUBBARD, | JOHN J. RIKER, |
| | NICHOLAS BIDDLE, | LEWIS CASS LEDYARD, | DOUGLAS ROBINSON, |
| | JAMES BROWN, | WILLIAM H. LEFFERTS, | JUSTUS RUPERTI, |
| | JOHN CLAPLIN, | CHARLES D. LEVEITCH, | WILLIAM JAY SCHIEFFELIN, |
| | GEORGE C. CLARK, | NICHOLAS F. PALMER, | SAMUEL SLOAN, |
| | FREDERIC A. BALLETT, | WALTER WOOD PARSONS, | WILLIAM SLOANE, |
| | CLEVELAND H. DODGE, | CHARLES A. PEABODY, | LOUIS STERN, |
| | CORNELIUS ELBERT, | WILLIAM R. PETERS, | WILLIAM A. STREET, |
| | RICHARD H. EWART, | JAMES H. POST, | GEORGE E. TURNURE, |
| | G. STANTON FLOYD-JONES, | CHARLES M. PRATT, | GEORGE C. VAN TUYL, Jr. |
| | PHILIP A. S. FRANKLIN, | DALLAS B. PRATT, | RICHARD H. WILLIAMS. |
- A. A. RAVEN, Chairman of the Board.
 CORNELIUS ELBERT, President.
 WALTER WOOD PARSONS, Vice-President.
 CHARLES E. FAY, 2d Vice-President.
 WILLIAM D. WINTER, 3rd Vice-President.

ASSETS.		LIABILITIES.	
United States and State of New York Bonds.....	\$ 1,185,000.00	Estimated Losses and Losses Unsettled in process of Adjustment.....	\$ 4,432,959.06
Stock of the City of New York and Stocks of Trust Companies & Banks.....	1,445,550.00	Premiums on Unterminated Risks.....	1,069,550.96
Stocks and Bonds of Railroads.....	3,287,129.85	Certificates of Profits and Interest Unpaid.....	301,408.75
Other Securities.....	305,410.00	Return Premiums Unpaid.....	121,989.56
Special Deposits in Banks and Trust Companies.....	3,000,000.00	Taxes Unpaid.....	500,000.00
Real Estate cor. Wall Street, William Street and Exchange Place.....	3,900,000.00	Re-insurance Premiums on Terminated Risks.....	365,667.57
Real Estate on Staten Island (held under provisions of Chapter 481, Laws of 1887).....	75,000.00	Claims not Settled, including Compensation, etc.....	183,517.10
Premium Notes.....	1,009,577.74	Certificates of Profits Ordered Redeemed, Withheld for Unpaid Premiums.....	22,750.10
Bills Receivable.....	1,038,460.86	Income Tax Withheld at the Source.....	3,135.96
Note Receivable.....	5,122.26	Certificates of Profits Outstanding.....	5,722,590.00
Cash in hands of European Bankers to pay losses under policies payable in foreign countries.....	598,675.67	Balance.....	5,318,322.55
Cash in Bank and in Office.....	2,187,198.87		
Statutory Deposit with the State of Queensland, Australia.....	4,765.00		
\$18,041,890.25		\$18,041,890.25	
Balance brought down.....	\$5,318,322.55	Accrued Interest on the 31st day of December, 1917, amounted to.....	\$ 75,724.00
Accrued Interest on the 31st day of December, 1917, amounted to.....	\$ 75,724.00	Rents due and accrued on the 31st day of December, 1917, amounted to.....	\$ 22,201.56
Rents due and accrued on the 31st day of December, 1917, amounted to.....	\$ 22,201.56	Re-insurance due or accrued, in companies authorized in New York, on the 31st day of December, 1917, amounted to.....	\$ 583,467.56
Re-insurance due or accrued, in companies authorized in New York, on the 31st day of December, 1917, amounted to.....	\$ 583,467.56	Note: The Insurance Department has estimated the value of the Real Estate on Staten Island in excess of the Book Value given above, at.....	\$ 63,700.56
Note: The Insurance Department has estimated the value of the Real Estate on Staten Island in excess of the Book Value given above, at.....	\$ 63,700.56	The Insurance Department's valuation of Stocks, Bonds and other Securities exceeds the Company's valuation by.....	\$2,303,887.87
The Insurance Department's valuation of Stocks, Bonds and other Securities exceeds the Company's valuation by.....	\$2,303,887.87	On the basis of these increased valuations the balance would be.....	\$8,367,303.84
On the basis of these increased valuations the balance would be.....	\$8,367,303.84		

Financial

IS IT NOT SOUND POLICY

for you to do your banking business with a Trust Company?

Such a company not only can look after your money while you are alive, but, if you wish, can act as Executor, Administrator, Guardian, Receiver or Trustee. It is a Legal Depository for funds of every description.

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Chartered 1836

CAPITAL and SURPLUS, \$10,000,000

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E. B. Morris, President

MELLON NATIONAL BANK

PITTSBURGH

STATEMENT OF CONDITION AT THE CLOSE OF BUSINESS MAY 10 1918

RESOURCES	
Loans, Bonds and Investment Securities.....	\$96,636,621 57
Overdrafts.....	7 40
Cash.....	4,015,074 41
Due from Banks.....	19,035,360 26
	\$119,687,063 64
LIABILITIES	
Capital.....	\$6,000,000 00
Surplus and Undivided Profits.....	4,254,084 38
Reserved for Depreciation, &c.....	1,724,523 55
Circulating Notes.....	4,929,100 00
Deposits.....	102,779,355 71
	\$119,687,063 64