

The Commercial & Financial Chronicle

INCLUDING

Bank & Quotation Section
Railway Earnings Section

Railway & Industrial Section
Bankers' Convention Section

Electric Railway Section
State and City Section

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CLEARING HOUSE RETURNS.

The following table, made up by telegraph, etc., indicates that the total bank clearings of all the clearing houses of the United States for the week ending to-day have been \$6,283,708,040, against \$6,146,947,741 last week and \$5,683,250,418 the corresponding week last year.

Clearings—Returns by Telegraph.	1918.	1917.	Per Cent.
Week ending August 3.			
New York.....	\$2,776,316,070	\$2,787,682,213	-0.4
Chicago.....	432,542,251	397,687,775	+8.8
Philadelphia.....	321,087,530	279,949,314	+14.7
Boston.....	243,733,334	234,207,890	+4.0
Kansas City.....	178,925,030	132,136,670	+35.3
St. Louis.....	130,271,774	101,870,563	+27.9
San Francisco.....	84,725,100	84,350,887	+0.4
Pittsburgh.....	104,321,988	64,696,339	+61.2
Detroit.....	50,000,000	45,511,688	+7.5
Baltimore.....	59,369,780	36,202,573	+63.7
New Orleans.....	42,431,361	31,877,139	+33.1
Eleven cities, 5 days.....	\$4,423,757,297	\$4,197,325,551	+5.4
Other cities, 5 days.....	732,469,480	615,468,246	+18.2
Total all cities, 5 days.....	\$5,206,226,777	\$4,812,793,797	+8.2
All cities, 1 day.....	1,077,481,263	870,456,921	+23.8
Total all cities for week.....	\$6,283,708,040	\$5,683,250,418	+10.6

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

Detailed figures for the week ending July 27 show:

Clearings at—	1918.	1917.	Inc. or Dec.	1916.	1915.
Week ending July 27.					
New York.....	3,288,306,449	3,111,975,886	+5.7	3,376,507,157	1,879,568,286
Philadelphia.....	390,777,515	284,048,142	+37.6	219,458,503	148,913,614
Pittsburgh.....	137,659,231	90,338,924	+53.4	63,527,362	49,003,919
Baltimore.....	64,274,939	39,189,242	+64.0	40,568,560	28,791,651
Buffalo.....	21,155,728	17,979,029	+17.7	14,140,501	10,007,000
Washington.....	12,586,032	9,467,957	+32.7	7,906,571	6,691,616
Albany.....	5,100,090	5,291,971	-3.6	4,691,043	4,164,791
Rochester.....	6,901,018	5,043,952	+36.9	4,540,239	4,075,750
Syracuse.....	3,420,000	3,220,573	+5.6	2,812,138	2,833,080
Reading.....	4,117,700	4,309,000	-4.3	2,822,433	1,688,766
Wilmington.....	2,600,000	2,392,446	+8.7	1,954,582	1,688,766
Wilmington.....	3,664,200	3,112,640	+14.5	2,585,521	2,308,429
Wheaton.....	4,602,718	4,040,930	+13.7	2,411,284	2,038,167
Wilkes-Barre.....	2,069,678	1,711,981	+20.9	1,630,311	1,451,490
Trenton.....	2,826,897	2,236,839	+26.4	1,847,608	1,706,337
York.....	1,325,090	1,254,627	+5.6	965,612	837,256
Erie.....	2,179,338	1,518,829	+43.5	1,191,578	882,346
Lancaster.....	2,075,620	1,723,390	+20.4	1,281,174	1,209,414
Chester.....	1,328,245	1,466,165	-9.4	1,050,070	719,977
Greensburg.....	1,196,343	800,000	+49.6	780,000	633,568
Birmingham.....	1,742,800	805,000	+78.0	780,000	611,200
Altoona.....	740,800	716,214	+3.4	559,231	573,410
Montclair.....	316,235	389,554	-18.8	366,429	390,058
Total Middle.....	3,960,928,830	3,593,032,403	+10.2	2,754,576,137	2,151,793,208
Boston.....	277,608,764	221,034,469	+25.6	172,265,445	133,970,522
Providence.....	10,105,200	8,590,000	+17.6	7,675,700	6,219,300
Hartford.....	6,649,529	8,074,645	-18.9	7,271,175	6,462,550
New Haven.....	5,272,000	4,388,439	+20.1	4,084,449	3,340,465
Springfield.....	3,595,997	3,112,894	+15.5	3,526,547	2,870,411
Portland.....	2,186,289	2,500,000	-12.6	2,200,000	1,787,021
Worcester.....	3,625,323	3,250,962	+10.5	3,219,158	2,398,412
New Bedford.....	2,379,158	2,310,409	+3.0	1,335,511	893,473
Fall River.....	1,693,311	1,482,782	+12.2	1,215,432	889,771
Lowell.....	1,000,000	1,088,100	-7.7	875,577	674,570
Holyoke.....	683,196	751,151	-9.1	872,454	735,398
Bangor.....	712,536	681,341	+4.6	662,425	462,505
Total New Eng.....	315,381,808	257,245,192	+22.6	203,204,053	160,704,145

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

Clearings at—	1918.	1917.	Inc. or Dec.	1916.	1915.
Week ending July 27.					
Chicago.....	\$491,341,796	\$453,671,114	+8.3	\$348,884,291	\$279,390,807
Cincinnati.....	63,870,919	43,000,648	+48.2	31,241,250	22,636,200
Cleveland.....	92,786,359	79,736,647	+16.3	61,933,288	26,995,128
Detroit.....	57,459,331	49,459,511	+15.2	38,742,667	27,658,833
Milwaukee.....	25,786,631	20,800,646	+24.0	15,753,550	12,788,587
Indianapolis.....	18,665,000	11,662,000	+60.0	8,866,826	7,899,493
Columbus.....	12,503,100	11,288,200	+10.8	9,874,200	5,603,300
Toledo.....	11,582,129	9,475,457	+22.2	8,199,317	5,519,406
Peoria.....	4,500,000	5,847,990	-23.0	3,050,000	2,256,223
Grand Rapids.....	4,805,390	4,483,014	+7.2	4,157,280	4,364,293
Evansville.....	4,997,305	2,163,283	+131.0	1,413,320	1,047,487
Dayton.....	3,607,155	3,433,302	+5.1	3,075,236	2,304,108
Akron.....	6,725,900	6,781,000	-0.5	4,327,000	1,874,000
Youngstown.....	4,607,937	3,250,778	+41.4	2,088,673	1,226,824
Canton.....	2,500,000	3,403,740	-26.5	2,284,400	1,585,289
Springfield, Ill.....	2,921,549	1,605,416	+94.1	1,376,274	1,025,214
Port Wayne.....	1,204,079	1,072,495	+12.3	1,282,102	1,116,041
Rockford.....	1,730,035	1,491,393	+19.4	1,193,142	849,280
Lexington.....	700,000	525,000	+33.3	522,995	519,095
South Bend.....	1,176,482	934,023	+25.9	773,071	563,669
Springfield, O.....	1,220,409	1,202,450	+1.0	1,014,106	657,997
Bloomington.....	1,008,365	1,025,484	-1.0	804,409	645,247
Quincy.....	1,343,139	761,291	+76.5	709,517	598,682
Mansfield.....	1,136,876	984,890	+15.4	673,059	593,201
Danville.....	475,000	480,000	-1.0	501,807	440,222
Owensboro.....	769,912	576,442	+33.5	292,236	306,742
Lansing.....	914,192	700,000	+30.6	610,190	449,504
Lansing.....	1,013,950	988,399	+2.5	625,942	532,130
Decatur.....	1,046,038	789,921	+32.5	605,403	429,600
Jacksonville, Ill.....	771,623	339,379	+127.4	408,528	261,168
Ann Arbor.....	284,462	245,399	+15.9	255,021	206,182
Adrian.....	97,243	96,775	+0.5	58,913	31,815
Tot. Mid. West.....	\$23,601,432	\$22,036,287	+14.1	\$40,349,311	\$412,352,997
San Francisco.....	108,474,640	81,524,013	+33.1	56,958,987	48,041,065
Los Angeles.....	30,105,000	27,343,000	+10.1	20,899,512	16,622,567
Seattle.....	35,541,293	22,551,278	+70.9	11,483,991	11,132,052
Portland.....	23,894,541	14,058,550	+70.0	8,948,274	7,590,700
Salt Lake City.....	11,350,000	11,795,371	-3.8	6,124,471	6,848,448
Spokane.....	7,349,599	5,690,000	+31.1	3,987,000	4,230,017
Tacoma.....	4,115,217	2,472,050	+66.5	1,890,400	1,934,631
Oakland.....	6,362,448	4,625,976	+37.6	3,762,303	2,911,960
Sacramento.....	4,088,045	2,683,455	+52.4	2,134,398	1,588,305
San Diego.....	1,899,612	1,809,666	+5.0	2,005,481	1,404,366
Pasadena.....	804,920	910,052	-11.7	792,307	711,181
Stockton.....	1,777,276	1,486,571	+19.6	1,148,032	805,989
Fresno.....	2,185,927	1,365,193	+60.1	887,400	604,438
San Jose.....	975,000	735,349	+32.6	686,708	650,000
Yakima.....	803,929	473,249	+67.7	284,666	264,796
Reno.....	675,000	503,740	+14.1	360,000	240,000
Long Beach.....	1,170,055	586,143	+99.7	493,858	410,142
Total Pacific.....	244,163,621	180,525,056	+35.2	124,949,678	105,423,549
Kansas City.....	201,743,220	132,429,560	+53.3	89,956,464	58,959,185
Minneapolis.....	23,803,796	22,253,762	+7.0	24,458,772	14,841,290
Omaha.....	52,606,339	29,658,482	+77.4	20,066,998	14,421,696
St. Paul.....	14,750,945	13,084,722	+12.7	12,295,344	10,338,349
Denver.....	21,658,857	12,781,564	+68.7	10,547,589	8,635,604
St. Joseph.....	16,569,712	12,821,966	+29.2	8,236,794	6,521,148
Des Moines.....	8,683,484	5,308,183	+62.0	5,034,950	4,134,301
Wichita.....	9,966,479	8,398,532	+18.7	5,419,256	3,752,810
Duluth.....	4,755,447	4,697,789	+1.2	4,808,135	2,657,353
Sioux City.....	7,532,235	5,567,233	+34.0	3,317,283	2,572,159
Lincoln.....	3,759,592	3,230,362	+16.4	2,500,000	1,902,833
Topeka.....	2,700,000	2,897,204	-6.5	1,970,716	1,852,043
Cedar Rapids.....	1,761,380	2,226,320	-20.9	1,326,585	1,133,643
Davenport.....	2,629,593	1,798,582	+46.2	1,560,707	1,302,790
Waterloo.....	1,570,637	2,567,132	-38.8	1,174,050	1,175,968
Helena.....	1,684,857	1,954,480	-15.1	1,268,710	935,855
Fargo.....	1,700,000	1,559,634	+9.0	1,528,388	1,059,017
Colorado Springs.....	709,868	871,554	-18.6	604,409	700,000
Pueblo.....	570,586	466,590	+23.3	493,743	290,864
Fremont.....	682,744	619,083	+10.3	557,772	

U. S. A. INCOME TAX RETURN FORMS—ENEMY
DECLARATIONS—U. S. INCOME
TAX CERTIFICATES, &c.

It may interest our foreign readers to know that the above forms can be obtained in London, at Edwards & Smith, 1 Drapers Gardens, E. C. 2 (the London office of the "Commercial & Financial Chronicle").

THE FINANCIAL SITUATION.

A change in the ownership of a paper of the high standing and sound judgment of "The Evening Post" of this city can never be viewed with unconcern. The "Post" has long been an influential organ of public opinion, edited and directed in accordance with the best traditions of the press, and a change either in the ownership or the management of such a journal is always to be regretted. But as the change apparently was inevitable, Mr. Oswald Garrison Villard having for reasons best known to himself decided to dispose of his interest in the paper, there is reason for gratification that control has found lodgment in the person of such a man as Thomas W. Lamont and that consequently there is to be no debasement either in its character or its standards.

The "Post" has always displayed fearlessness and independence not alone in the political and the literary field, but also in the financial field. Its financial column has for half a century or more been a distinctive feature of the paper, and under the control of the present financial editor, Mr. Alexander D. Noyes, this column has been steadily gaining in favor and in prominence. Here there was a possibility that change of control might work much harm. The paper might have passed into speculative hands and the prestige of its financial column among the financial community used to promote base ends—until discovery came of the sinister influences at work. This danger has been escaped. Mr. Lamont in his statement does not say that that was one of the considerations that influenced him in his purchase of the paper, but he probably had it in mind. Mr. Lamont announces that Rollo Ogden is to remain in control of the editorial page, and this presumably means that Mr. Noyes is to remain in control of the financial column. This affords ground for assurance and rejoicing. The "Post" is to continue as of old. It follows that the financial community will be able to look up to it as of old. Nothing more could be wished.

About six weeks ago postal inspectors intercepted some messengers of the telegraph company as they were getting off the early morning trains arriving here and in Boston and Washington, taking from them some hundreds of messages which had been received for wire transmission by night, but were, in fact, carried personally by messenger to the city of destination. For many years messages have been received for sending during the night, and these "night letters", taken at a reduced rate, have been delivered at their destination at or soon after the hour of opening business on the next day, thus answering the need of swiftness at a lower cost. Presumably, these letters have been sent to many points in the United States. Beating the mails in time, serving business needs at an economy in cost, occupying operators and wires in the hours of least congestion, they were serviceable without accusation of being sinful; but now it is charged that the telegraph company has gotten into a habit, especially

in the past year, of sending these communications by messenger between cities on the line from Boston to Washington, thus practically converting messenger boys into line wires.

Some aspects of this approach the line of the grotesque. A business concern, wishing to reach a correspondent in one of these places, would ordinarily drop its letter in the mail box at the close of business hours, and would feel satisfied if it reached the addressee when he opened his business in the morning; this would be the natural course over distances covered by the run of the night mail. The youngest office boy would promptly say that the "night letter" per wire has been used because the business man wanted certainty and was willing to pay the extra cost for the assurance of having that; all means by which the telegraph company could and did get the letter to its destination within the understood time were alike to the sender, and no wrong of any kind was inflicted upon him by using one or another. No violation of either contract or understanding could be charged, and no sender has complained, so far as is known. The question why the business man, especially in these latter days when expenses demand more consideration than ever, has employed the telegraph to carry his night letters, by wire or otherwise, instead of dropping them in the mail, answers itself; he has lost confidence in the punctuality and certainty of the mails and he has believed, comparatively at least, in the telegraph. While the night trains run their routes on schedule time, he did not feel quite sure that the mails would go promptly, and (still more) would be delivered promptly, for the transaction involved several steps; but the telegraph company's messenger had only one thing to do, and could be trusted to do it. When the train got through, he got through; and if the train were interrupted, he always had the recourse of making his way to the nearest town and putting the matter on the wire.

So the thing resolves itself into more evidence of the inefficiency of the postal service, an inefficiency which has been growing at once more positive, more comparative, and more unsatisfactory to business users of it. The moral would seem to be that the service should improve itself rather than complain about a supposed "rival," but the postal officials do not exhibit a proper sense of their own shortcomings, or even a sense of humor, for they have taken up the matter seriously and have procured an indictment of the telegraph company, by a Federal Grand Jury, on a charge of establishing "a rural post" or a competitive express route against the Government. Of the technical violation of law there is no question, for the postal service has long been a declared monopoly, and whoever carries in person and delivers a "forwarded" letter, instead of letting the Government carry it in form without more postage for its second leg of travel, probably commits a technical violation. Push far enough the idea that Government wants and claims a monopoly in the carrying of communications, and it might appear that the telegraph and telephone in their direct and hourly use might be forbidden, since they carry communication which otherwise must go per mail or not at all; the contention, in offset, that use of the swift means increases the business offered for the slower means might not be admitted as relevant, any more than the plea that newspaper advertising makes mail matter at first-class rates.

The company may plead congestion of the wires in extenuation, and also that nobody has suffered any real wrong. Government has lost a trifle of postage, but it charges that in 10½ months 346,417 messages were dispatched by train, which, at \$50 each (not 2 or 3 cents for postage) amount, or might amount, to a fine of \$17,320,850.

Turn it as one pleases, does not this offense appear *malum prohibitum*, and not *malum in se*, a "statutory" crime rather than a wrong inherently, or in consequences? How should a possible loss of not over \$10,000 in postage (less some allowance for expenses) be magnified into millions? According to theory and to former practice at least, our Government is not a foreign power, intent to do its worst to American citizens, or even a distinct entity operating in trade with them and keen for advantage in the trading; it is their instrument and servant for sundry indispensable ends. On what grounds of justice and reason should it assume an attitude of punitive severity towards business? And if any fine is to be demanded, it must come out of either existing surplus or future receipts; in either case, out of the private owners, who really seem to be sufficiently menaced by the seizure of their property, without being asked to bear a penalty for something in which they have not been concerned even by knowing of it.

The wisest and most creditable course would be to drop the matter, pigeon-hole the indictment, and say no more about it. Even the most socialistic citizen, permeated with the notion that the State is the only real thing and the individual only a fly on the wheel, must admit, silently if not openly, that Government will find ample test for its powers in trying to keep up the standard of efficiency maintained, in the most trying of circumstances, by the great properties it has seized without any real reason. If the past is irrevocable and its lessons are not even to be acknowledged, try to improve the postal work instead of indulging in indictments.

The cotton crop outlook on July 25 this year, as announced by the Crop Reporting Board of the Department of Agriculture on Thursday, was much less favorable than a month earlier. In fact the figures given out show a greater decline in condition than ever before recorded in July, being in that respect rather out of line with expectations fostered by the official weekly weather bulletins and the various private reports issued since the date of the last previous monthly report. If the Department has not been misinformed, there has been not only deterioration greater than expected in those sections where drought has been prevalent, but an unlooked for lowering of the status of the crop in localities from which advices had been, on the whole, quite uniformly favorable. Furthermore, the prognostication of ultimate production accompanying the report, being for a final outturn 1¾ million bales less than seemed to be foreshadowed by the June 25 report, it is evident we have again to face a short yield of cotton, unless it should turn out that the adverse developments in July have been exaggerated. The effect of the official pronouncement was to cause an advance in the price of the staple in the local market on the day of its issue of about one cent per pound.

As gathered from official and private reports during the month preceding July 25, drought was complained of at one time or another in many sections

of the cotton belt, but it was relieved in most districts, apparently, by beneficial rains before any mentionable deterioration had occurred. In the Southwest, however—Texas, Oklahoma and portions of Louisiana and Arkansas—dry weather was to a great extent continuous. It had been assumed, therefore, that in virtually all of the territory east of the Mississippi River it would be shown that condition had been quite well maintained in July, even though more than average impairment should be indicated in the drought-affected area. But considerable deterioration is reported everywhere except in California and Missouri, and the decline in condition in the drought-affected areas is much heavier than had been expected. To some extent, of course, the current situation is to be ascribed to injury by boll weevil and other insect pests, and presumably, as in most recent years, to the poorer quality of the fertilizers used. As to this, however, there is nothing of an official nature to report, the explanatory remarks of the Board accompanying this report having to do merely with the area devoted to Sea Island and Egyptian varieties of cotton, details as to the planting of each in the localities in which they are produced, and forecasts of yield by States being given. Acreage of Sea Island is stated as 276,000 acres, from which a crop of 65,000 bales is expected, and from 75,000 acres under Egyptian cotton in Arizona and 5,000 acres in California, yields of 42,000 bales and 3,000 bales are looked for.

Specifically, the report makes the average condition of the cotton crop on July 25 only 73.6 of a normal, or 12.2 points under the status on June 25, and with three exceptions—1917, 1916 and 1909—the lowest at date in fully 30 years. Comparison is with 70.3 last year, 72.3 two years ago, 75.4 in 1915 and a ten-year average of 77.0. Texas shows deterioration of 23 points, Louisiana 22 points, Oklahoma 15 points and Arkansas 14 points from June 25. As contrasted with last year, improvement is indicated in pretty much all of the Eastern and central portions of the belt and in Arkansas, but in Texas there is a drop of 7 points, in Louisiana 9 points and Oklahoma 2 points. Reflecting the low average condition, the Board interprets its figures as forecasting a yield per acre of about 177.3 lbs., and, after allowing for 1% abandonment of planted area, this would give a crop of approximately 13,619,000 bales, with average conditions hereafter. The prognostication based on the June 25 condition was 15,325,000 bales. The latest estimate compares with a yield of 11,300,254 bales last year, 11,449,930 bales two years ago, and 16,134,930 in 1913-14. Should the Government's forecast prove correct, the crop would, of course, be the fourth in a series of short yields, but there is a possibility of improvement in condition later on, and deferred killing frosts would likewise be a favorable element in the situation. At any rate, with the war continuing, the prospect of any dearth of cotton still appears remote.

A. Bonar Law, the Chancellor of the British Exchequer, on Thursday asked the House of Commons for a vote of credit for £700,000,000, which was granted unanimously yesterday. It is the largest amount yet named, and makes the total British war credit to date £8,042,000,000. It is designed to provide the funds for carrying on the war until the end of October, so that an additional vote

will be necessary to finance the Treasury until the end of the fiscal year next March. The vote is somewhat in anticipation of requirements and is taken at this time because of the proposed recess of Parliament for two months and the fact that the previous vote of credit will carry into September only. In explaining the financial requirements of the war the Chancellor said that expenditure on the army showed an increase of £8,000,000 over the estimates, but loans to the Allies and Dominions have been less than the estimate by £22,700,000. The increase in the army expenditure was due to the fact that the strength of the army was greater than at the time the budget estimate was framed. The debt due Great Britain from her allies and Dominions at the end of the last fiscal year was £1,332,000,000 from the former and £194,000,000 from the Dominions. That due from the Allies now has reached a total of £1,462,000,000 and from the Dominions £208,500,000. The Chancellor said that in 1916 Great Britain had agreed to give the Italian Exchequer a monthly credit to be used to help the Italian exchange. A similar contribution, the Chancellor added, was now being made by America. France also would help. The rate of interest was 5%, which was below the rate which the Government was paying. Taking the periods from April 1 to July 30 there had been underspending of £21,500,000 on the four fighting services; there had been underspending on shipbuilding due to the need of taking men from the shipyards for the army; and underspending on the army due to the fact that the recent strength of rations was higher than had been anticipated. "I should like to make reference to the assistance given to Italy," said the Chancellor, "because the German Government has spared no effort to create the impression that Italy is being utilized and exploited by all the Alliance, especially Great Britain. Besides, Britain has advanced to Italy £313,000,000 all paid in gold. This has enabled Britain to supply the Italian Government with munitions and equipment for the army and food and other articles for the civilian population."

There is still a tendency, much greater in England and France than in our own country, to discuss economic war after the war. As an agency for opening the eyes of German manufacturers and merchants to possibilities such discussion may possibly have some justification. But our own opinion that all these matters will be covered fully in the negotiations which will precede the peace treaties and that the treaties themselves must settle such questions in a definite and satisfactory manner. The British Premier, Lloyd George, addressing a deputation of 200 members of the National Union of Manufacturers on Thursday drew attention to the fact that up to the present time America has expressed no opinion upon the Paris resolutions, which it will be recalled favored an economic league of nations. It is, the Premier said, vitally important that the policy of America and that of Great Britain should be in complete agreement on economic as well as other topics. "An agreement among the Allies means that the economic fate of the world will be in the hands of the great Allied Powers federated together at present." Continuing, Lloyd George said that "the longer the war lasts the sterner must be the economic terms we impose on the foe. I think the sooner he realizes that the better. He

is fighting in order to impose his own economic terms on the Allies, but will never succeed in doing so. So far as that is concerned we must be in a position to determine the conditions which we regard as fair without having them imposed upon us by the will of the enemy. If he goes on fighting, imposing greater burdens on us, destroying our young manhood and guilty also of outrages which shock humanity, and makes it difficult to shake hands with him when the war is over, sterner will be the terms imposed upon him." The Premier added that among the greatest difficulties after the war would be the questions of raw materials and transport, which would require a most complete understanding with Great Britain's allies and Dominions because "it is most important that you should carry with you the people who contributed with you to a common sacrifice. Don't let us make the mistake of dissolving the partnership the moment the fighting is over." Lloyd George prefaced his remarks by saying that "No man should boast until the battle is over. But all men who know are pleased at the way it is going."

The German Economic Council met in Berlin on Friday of last week under the presidency of the Director of the National Bank, Schacht. The Minister of the Interior, the Foreign Office, the Ministers of Finance and Railways, the War and Press Bureaus, the War Food Board, the Reichsbank and other departments of the Government were represented. President Schacht dwelt on world economic conditions and the importance of Great Britain's adoption of a system of preferential tariffs for her colonies. Under the Secretary of the Treasury, Schacht said, the new Council's efforts should be directed toward the establishment of close economic relations between the Central Powers, without prejudicing the independence of the various Powers. The Council, he asserted, would have no political tendencies. Dr. Walter Schotte, Director of the Economic Council, pointed out that the problem which must be solved was the economic linking of Central Europe with the rest of the world. In this respect, he said, a tariff union with Austria-Hungary would be of world-wide economic importance. The next step would be economic cultivation in the Near East for German industry against Anglo-American competition, and for this purpose the extension of traffic and communication in these regions was considered most important. The preliminary committee is composed of Albert Ballin, Director-General of the Hamburg-American Steamship Line; Alfred Lohmann, President of the board of directors of the North German Lloyd Steamship Co.; Prince Hans Heinrich of Pless, and leading experts in business from all parts of Germany.

The Marquis of Lansdowne once more has, and at a most inopportune time, taken occasion to reiterate his pacifist views. There is nothing particularly new in the letter which has just been published by the London "Daily Telegraph," and it is obvious that there could hardly be a more effective way for the former distinguished statesman to give aid and comfort to the enemy. His Lordship said he is convinced that there is "a deep-seated desire for a further explanation as to the conditions upon which we are prepared, not to make peace, but to open a discussion which might lead to peace." Referring to President Wilson's Fourth of July speech, he de-

clared that it was remarkable both for what it contains and what it omits. "It derives additional importance from the fact that our own Prime Minister immediately and wholeheartedly adopted it. It is a picture drawn by a great master of the golden age to which we are bidden to look forward. It does not seem, however, to provide those who are in search of a basis for preliminary negotiations with the kind of groundwork after which they are striving. If Germany should intimate her readiness to conform to President Wilson's standards, a long advance would have been made in the right direction. The speech is, however, not an outline of peace terms, but a very nobly worded description of the things for which the associated people of the world are fighting."

Lansdowne said he was not prepared to affirm that the stage had been reached where there was a prospect of a preliminary agreement on the essential points of profitable consideration. "But," he added, "there are abundant indications that such occasions may present themselves in the near future. Let us be prepared to meet them and in a reasonable spirit let us give our adversaries the chance of showing whether their overtures are sincere or not."

The letter was read at a conference of Lansdowne's supporters, presided over by Earl Beauchamp. Baron Buckmaster, a former Lord Chancellor, and a few pacifist members of the House of Commons attended. Lord Buckmaster said: "My complaint is that whenever a reasonable suggestion of peace is made on the part of Germany it is always rejected in this country on the ground that it is insincere. The people should insist that all offers of peace be made public. I am uneasy lest the aims for which we entered the war are not the aims for which we are continuing it."

Sir Eric Geddes, First Lord of the British Admiralty, reviewed in the House of Commons early in the week the naval situation, defending particularly the policy of starting national shipbuilding yards. The speaker compared the situation today regarding tonnage with that of a year ago, when the net loss in tonnage was 550,000 gross tons monthly. Submarines were then not being destroyed as fast as the Germans were building, while the British merchant shipyards were short of men and materials. Four hundred thousand tons net loss monthly was the British deficit. Gradually during the past year the position had changed in many directions. Instead of losing tonnage the world's net result in the last quarter had been a gain roughly of 100,000 tons a month. The Allied and neutral world was as well off on June 30 as on Jan. 1 1918, a result which had been obtained by reduced sinkings and increased buildings. The reduced sinkings have been arrived at by a greater productive effort devoted to war ships and small crafts of an anti-submarine character. Nothing was included of commandeered or retired tonnage in this result. The problem of a year ago, Sir Eric said, "was considered by many almost inconceivable and unsolvable. Mercantile carrying power was being sunk at a rate which soon would have meant an inability to continue the war and there was no tried recognized means of combating the campaign. It was necessary to provide a building program of anti-submarine craft, mines and other appliances and merchant ships on a greatly increased

scale. The total increase in labor last year in shipbuilding yards and marine engineering works was 35,000. The original demand of a year ago was for 80,000 additional workers, part of them skilled. Owing to events on the Western front and the great demand for technical men for the air force and the army, it was impossible to obtain the proper quota of skilled men by their withdrawal from the army." Merchant ship repairs, said Sir Eric, were to-day engaging nearly two-thirds as many workmen as were engaged in new construction of merchantmen. "But," he continued, "the submarines have found it too dangerous to work inshore and are going far out. The number of ships damaged as well as sunk is decreasing and the transfers of men from repairs to new construction is possible. The number of men employed on new construction of warships and auxiliaries is roughly 150,000, and on merchantmen 120,000."

Our own Secretary of the Navy, Mr. Daniels, declared in a statement on Thursday that the submarine is no longer a determining factor in the war, and statements by Emperor William in a proclamation to the German army and navy that submarines "are tenaciously attacking and fighting the vital forces which are streaming across the sea" are without foundation. "The reduction in sinkings has been steady," Mr. Daniels said. "The submarine as a leading, important factor in the war is ended. It is always a menace, as long as there is one in the seas, and we are losing ships and will continue to lose ships now and then, but as for its being a determining factor in the war, that fear is ended."

While the drive of General Foch has, not unnaturally, slowed down somewhat, there has, nevertheless, been steady and gradual progress, with no permanent reaction. Hope of "bagging" the German Crown Prince's army in the Soissons-Rheims salient has been abandoned, if indeed, it may be said to have been seriously entertained in military circles. Towards the close of the week renewed activity developed in the central and western sections of the battle front in this salient. In engagements extending from the region immediately south of Verdun to the northwest of Fere-en-Tardenois and southeast of the last named town, over the upper portion of the left branch of the "V" salient running ten miles eastward from Nesles to Ville-en-Tardenois and with St. Gemme as its southern base, American, French and British troops have pushed back the armies of the Crown Prince. Northwest of Fere the entire elbow of the line where it turned eastward along the northern bank of the Ourcq has been blotted out, making the line a straight one from Fere to Hartennes, and giving the Allies much better ground over which to work in further outflanking Soissons on the southeast and for pressing on towards Fismes in conjunction with the troops now holding strategic points north and northeast of Fere. Last night's dispatches announced that Soissons, the great pivotal point, had finally been entered by the Allies. In this fighting the Allied troops have driven out the Germans who had been tenaciously holding positions between Plessier Huleu and the river, and taking the high ground of Rosoy, have pressed on past the village of Beugneux and arrived before the villages of Cravoy, moyselle and Gramaille. The general advance was about two miles and 600 Germans were made

prisoner. The most important gain, however (quoting from an Associated Press dispatch), was from the upper western point of the "V" southeast of Fere. Here the village of Cierges and the Meuniere Wood both were taken, a manoeuvre which places the Germans at the bottom of the "V" at St. Gemme in a seemingly precarious plight, for from the wood and the village the Allied guns will be able to rake the Germans if they should endeavor to make their way northward, their only avenue of escape, by an enfilading fire. Through the capture of the Meuniere Wood the width of the "V" from the fringes of the forest to Romigny on the east has been cut down relatively to 4 miles. Since the second battle of the Marne began, July 15, the Allied troops have taken more than 34,000 German prisoners.

On the British front in France and Flanders there has been improvement in the weather and the hot sun is drying out the muddy ground. The Germans are bombarding heavily various positions held by Field Marshal Haig's men, who are replying in kind. Vienna reports that Austrian troops in Albania have compelled the Italians to give up a considerable portion of the ground they won in recent fighting. It is asserted by the Austrian Office that the Italians are being pursued by the Austrians. Confirmation of this news does not, however, come from Rome. The Italian Embassy at Washington, on the other hand, has been advised that in consequence of the disaster sustained by the enemy in Albania, the Austrian Supreme Command has dismissed the generals who were held to be responsible and in their place has appointed Generals Weiss and Pflanzer Beltin. Austrian reinforcements have been brought up from Bosnia and Montenegro, says the Rome dispatch, and owing to the present inaction of the Allied armies in Macedonia the Austrian Supreme Command has sent troops from the Macedonia Lakes district toward Albania.

It is difficult to obtain a satisfying view of the real conditions in Russia from the kaleidoscopic reports that are coming forward. London advices state that there are indications that the situation has changed in the last two or three weeks in Northern Russia and that the Germans shortly will begin an offensive against the southern part of the Murman Railway. The Finnish population is now declared to be intensely hostile to the Germans. There is a great shortage of food and the people are entirely dependent on the Entente for food. Both the Government and the army, however, are completely under German control and there is every reason to suppose they will co-operate with the Germans. The Germans have induced the Bolshevik Government to agree to the cession of the whole of the Murman coast to Finland, notwithstanding the desire of the inhabitants to remain Russian. In the Ukraine the revolt against German domination has assumed large proportions and seems to seriously menace German and Austrian communications. The peasants are reported to be destroying the railroads and have blown up the bridge southeast of Kiev. In the Caucasus there is great friction reported between the Germans and Turks, the Germans trying to prevent the Turks from occupying Baku, on which a Turkish attack appears to be imminent. Baku is said to be lightly garrisoned by Armenians and Bolsheviks and prob-

ably will fall. London dispatches also tell of growing discouragement in Bulgaria, due chiefly to the exploitation of the Bulgarians by the Germans. The murder of the German Field Marshal von Eichhorn, who, with his aide Captain von Dressler, was assassinated on Tuesday at Kiev, seems symptomatic of the conditions which prevail in the Ukraine. There is evidence, it is stated, by Berlin papers that an attempt on the life of the German Ambassador has also been planned and the latter may have to be recalled.

Negotiations between the Entente Powers, Japan and the United States regarding the extension of aid to the Czecho-Slovaks in Siberian Russia are understood to be on the point of completion. Information sought by the Japanese Government upon certain points of the American position looking to a definition of the aims and scope of any joint action has already been furnished by our State Department. This places the whole subject again before the Japanese Foreign Office at Tokio, which must determine whether the American proposal is now in a sufficiently concrete form to warrant the inauguration of a policy of action. In anticipation of a satisfactory conclusion of negotiations, Japan and the Entente countries are understood to be perfecting their arrangements for the organization of whatever military force may be necessary for the execution of the joint agreement.

The London Stock Exchange is closed to-day and will remain closed on Monday, the usual August Bank Holiday. Transactions, both on speculative and investment account, have reached very minor proportions. The market appears to have displayed a continuance of its recent firm undertone in response to the continuing favorable character of the war news from France. This is the condition which has been current ever since the check to the German drive, which began on March 21. The London "Bankers' Magazine," in its monthly comparison of Stock Exchange values shows for the month ending July 18 an increase in the aggregate value of 387 representative securities listed on the London Stock Exchange of £28,740,000, or 1.1%, comparing with a gain during June of £19,430,000, or 0.7%. The aggregate of these values is £2,662,564,000. On April 20 it was £2,571,612,000. On July 20, one year ago, the total was £2,729,992,000. One year previous it was £2,893,182,000, the year before that £2,909,989,000 and on July 20 1914, immediately preceding the outbreak of the war it was £3,370,709,000. These figures represent, in the main, an index of the effect of the war on London Stock Exchange securities. During July British India funds increased 0.2%, foreign Government funds 1.5%, American railways decreased 0.6%, and South African mines decreased 0.3%, while British railways increased 3.1%. One feature of the London market has been the strength of Russian securities, the 5s being now quoted, according to latest cables from London, at 53; the 4½s at 47 and the 4s at 43, showing a rise of from 3 to 5 points in July. This strength, presumably, was due to the news that M. Klotz, French Minister of Finance, had introduced a bill in the Chamber of Deputies authorizing the Government to advance 3,015,000,000 francs to Allied and friendly nations in addition to the 7,166,000,000 already advanced. The new amount includes a sum necessary to pay the Russian coupons

for six months. The collapse of the munition workers' strike was one of the favoring influences of the week. The Privy Council in London has delivered an important judgment regarding the ownership of 56,000,000 acres of land in Rhodesia. The effect of the decision is that dominion of this huge strip of territory will remain under the Crown, but the British South Africa Co. will continue to administer the territory and may be reimbursed for its expenses from the proceeds of certain land sales. The knowledge that the Chancellor of the Exchequer was about to introduce a new vote of credit tended to restrain financial operations early in the week. It is understood that some of the Provincial banks are likely to be absorbed by a large institution. The Bank of Manchester and the Clydesdale Bank are being mentioned.

One of the sustaining influences of the week in the London market was the announcement that the food crisis of the Allies was considered definitely ended. Herbert Hoover, the American Food Administrator, dispatched a cablegram from London releasing American hotels, restaurants and dining services of the country from their voluntary pledge to use no wheat until the present harvest, the release becoming effective Aug. 1. In his dispatch Mr. Hoover said that the Allied cause had been saved by the conservation measures which had been adopted and that the chief concern now, so far as the wheat situation is involved, was to build up reserves in America and abroad out of America's bumper crops which would make impossible the danger of famine conditions in the future. Mr. Hoover's statement was printed simultaneously in London and New York. Before Mr. Hoover went to Europe to consult with the food controllers of the Allied nations, he predicted that it would soon be possible to abolish the "no wheat" restrictions, but emphasized the fact that there must be no waste of foodstuffs or any relaxation on the part of the consumers of the self-imposed censorship they have placed upon their tables. Mr. Hoover is in Paris. Formal announcement was made in London that the food controllers of Great Britain, France, Italy and the United States who have been holding daily conferences in London, had appointed a permanent committee, called a Committee of Representatives, to study various programs of food supply and transport and co-ordinate plans with shipping and supervise their execution. The committee in a formal statement cabled to Washington declared that "We cannot administer the food problem on the basis of one year's war. We must prepare for its long continuation if we are to insure absolute victory." The text of the resolution thus cabled follows:

Resolved, That while the increased production of the United States renders it possible to relax some of the restrictions which have borne with particular hardship on all our peoples, yet it is absolutely necessary that rigid economy and elimination of waste in the consumption and handling of all foodstuffs, as well as increased production, should be maintained throughout the European Allied countries and North America.

It is only by such economy and elimination of waste that the transportation of the necessary men and supplies from North America to the European front can be accomplished, and that stocks of foodstuffs can be built up in North America as an insurance against the ever-present danger of harvest failure and the possible necessity for large emergency drafts to Europe. We cannot administer the food problem on the basis of one year's war. We must prepare for its long continuance if we are to insure absolute victory.

British revenue returns for the week ending July 27 made a better showing, having exceeded expenses by the sum of £420,000. Furthermore, a substantial reduction was indicated for the week in Treasury bills outstanding. New issues of Treasury bills were slightly in excess of those of a week ago. Expenditures for the week totaled £48,104,000 (against £50,268,000 for the week ended July 20), while the total outflow, including repayments of Treasury bills and other items, was £145,386,000, as compared with £138,812,000 last week. Treasury bills repaid equaled £88,148,000, against £65,939,000 the previous week. Receipts from all sources totaled £145,806,000, in comparison with £138,645,000 last week. Of this total, revenues contributed £13,140,000, against £15,306,000 a week ago; war savings certificates amounted to £2,000,000, against £2,600,000, and other debts incurred £16,159,000, against £21,192,000. War bonds were £27,149,000, compared with £21,184,000, while advances totaled £10,000,000, as against £3,000,000 the week before. Sales of Treasury bills amounted to £77,157,000. This compares with £75,163,000 a week ago. Treasury bills outstanding were £1,064,046,000, which contrasts with £1,075,026,000 the preceding week. The Exchequer balance totals £12,689,000, and compares with £12,269,000.

Sales of British war bonds through the banks last week amounted to £23,065,000, a decline from £29,672,000 for the preceding week and bringing the total of the sales under the "perpetual offering" plan up to £950,000,000. The post offices report for the week ending July 13 sales of £936,000, bringing the total through that channel up to £34,264,000; in the week preceding the post office sales were £653,000. War savings certificates of £1 each disposed of in the week of July 13 totaled £3,049,000, making the aggregate ultimate indebtedness under this head £218,279,000. The Bank of England has agreed to enter into a revised form of compensation for the period of the war for its services to the Government. Under the agreement entered into in 1892 compensation before the war amounted to about £200,000 yearly. This was increased to £1,500,000 for the fiscal year 1916-17, according to the report of the special committee on national expenditures. The committee reported that it did not believe such a remuneration was justified and the Bank agreed to the revised condition. There has recently been some discussion of abrogating the agreement of the French Government and the Bank of France, but by a vote of 231 to 72 the Chamber of Deputies on Wednesday adopted the measure providing for the renewal of the privileges of the charter of the Bank for 25 years.

Very little news has found its way here by cable from Germany. A dispatch by way of Amsterdam says that a reduction in the weekly meat ration from 250 to 200 grammes is reported by the "Vossische Zeitung" of Berlin. The new ration comes into force on Aug. 12. According to the Austrian Food Minister, the food crisis in that country is almost overcome, and "presumably will never recur." The harvests, he said, are promising, and the situation, especially as to fodder, is better than the previous year. Cattle have sufficient fodder so that the prospects of an autumn supply of milk and meat are better than heretofore. But a note of warning is sounded

by the Minister, who declares "There must be the greatest economy."

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; 6½% in Sweden, and 4½% in Switzerland, Holland and Spain. In London the private bank rate has not been changed from 3 17-32% for sixty and ninety days. Money on call in London has been advanced to 3%, against 2¾% last week. No reports have been received by cable of open market rates at other European centres, as far as we have been able to ascertain.

An additional gain in gold is shown by the Bank of England in its weekly statement, amounting to £121,514, although total reserves indicate the large reduction of £1,006,000, resulting from an increase in note circulation of £1,127,000. Public deposits expanded £3,114,000, while other deposits gained £1,742,000 and Government securities increased £2,538,000. As a result the proportion of reserve to liabilities was brought down to 16.37%, as compared with 17.41% last week and 17.53% a year ago. The highest percentage thus far this year was 19.71% in the week of Jan. 10, and the lowest, 15.18% on July 4. Loans (other securities) registered an expansion of £3,467,000. The Bank's stock of gold on hand now stands at £67,259,490, as against £52,456,003 a year ago and £54,884,404 in 1916. Reserves aggregate £28,839,000, comparing with £30,429,593 in 1917 and £36,676,809 the year before. Loans total £106,787,000. Last year the total was £110,654,852 and in 1916 £75,657,166. Clearings through the London banks for the week were £406,670,000, as against £379,970,000 the week previous and £336,410,000 in the corresponding week of 1917. 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. July 31.	1917. Aug. 1.	1916. Aug. 2.	1915. Aug. 4.	1914. Aug. 5.
	£	£	£	£	£
Circulation.....	56,870,000	40,476,410	36,657,625	33,486,030	36,105,420
Public deposits....	37,789,000	44,811,739	51,009,979	147,058,621	11,499,452
Other deposits....	138,440,000	128,744,196	85,517,391	84,221,335	56,749,810
Government secur.	58,601,000	50,439,681	43,188,361	46,874,146	11,041,152
Other securities...	106,787,000	110,654,852	75,657,166	155,264,727	65,351,656
Reserve notes & coin	28,839,000	30,429,593	36,676,809	47,185,725	9,966,649
Coin and bullion...	67,259,490	52,456,003	54,884,434	62,231,755	27,622,069
Proportion of reserve to liabilities.....	16.40%	17.53%	26.78%	20.37%	14.50%
Bank rate.....	5%	5%	6%	5%	6%

The Bank of France, in its current weekly statement, reports a further addition to its gold holdings of 956,000 francs. Total gold holdings (including 2,036,108,500 francs held abroad) are now 5,432,509,775 francs, as compared with 5,302,600,515 francs (of which 2,037,108,484 francs held abroad) last year and 4,793,191,602 francs (of which 271,055,668 francs held abroad) in 1916. The silver item this week shows a gain of 9,129,000 francs. Bills discounted decreased 19,129,000 francs, advances were cut down by 43,740,000 francs, and general and Treasury deposits fell off 143,240,000 francs and 108,924,000 francs, respectively. In note circulation, however, there was another large increase—172,582,000 francs. Notes in circula-

tion now aggregate 29,320,647,000 francs. Last year at this time the amount was 20,312,497,840 francs and the year before 16,196,729,995 francs. On July 30 1914, just prior to the outbreak of the war, it totaled 6,683,184,785 francs. Comparison of the various items with the statements of last week and corresponding dates in 1917 and 1916 are as follows:

BANK OF FRANCE'S COMPARATIVE STATEMENT.

Gold Holdings—	Changes for Week.	Status as of		
		Aug. 1 1918.	Aug. 2 1917.	Aug. 3 1916.
	Francs.	Francs.	Francs.	Francs.
In France.....Inc.	956,400	3,396,401,275	3,265,493,030	4,522,135,934
Abroad.....	No change	2,036,108,500	2,037,108,484	271,055,668
Total.....Inc.	956,400	5,432,509,775	5,302,600,515	4,793,191,602
Silver.....Inc.	9,129,000	286,285,000	261,323,050	339,061,524
Bills discounted...Dec.	19,129,000	1,079,966,000	655,007,195	466,738,460
Advances.....Dec.	43,740,000	852,182,000	1,126,928,998	1,189,085,078
Note circulation...Inc.	172,582,000	29,320,647,000	20,312,497,840	16,196,729,995
Treasury deposits...Dec.	108,924,000	29,470,000	60,531,381	77,500,812
General deposits...Dec.	143,240,000	3,701,856,000	2,619,335,728	2,158,323,458

In its statement for the week as of July 23, the Imperial Bank of Germany shows the following changes: total coin and bullion increased 139,000 marks; gold decreased 319,000 marks; Treasury notes declined 24,731,000 marks; notes of other banks were reduced 747,000 marks; bills discounted showed the large reduction of 273,390,000 marks; advances declined 2,821,000 marks; investments were increased 3,481,000 marks; other securities decreased 30,318,000 marks; note circulation were reduced 87,289,000 marks; while deposits decreased 158,844,000 marks; and other liabilities were contracted 82,712,000 marks. The German Bank's stock of gold on hand is reported at 2,346,622,000 marks. Last year the total was 2,401,485,000 marks and in 1916 2,467,600,000 marks.

Saturday's bank statement of New York Clearing House members, which will be found in more complete form on another page of this issue, registered a small loss in reserves, while loans were expanded by the large sum of \$118,366,000. This latter feature was undoubtedly due to heavy corporate financing, as well as routine Government operations. There was an increase in net demand deposits of \$1,929,000 to \$3,576,422,000 (Government deposits of \$424,563,000 deducted), and in net time deposits of \$4,203,000. Cash in vaults (members of the Federal Reserve Bank) declined \$157,000 to \$100,192,000 (not counted as reserve.) The reserve in the Federal Reserve bank of member banks was reduced \$1,468,000, to \$527,641,000. Reserves in own vaults (State banks and trust companies) decreased \$173,000 to \$11,297,000, and reserves in other depositories (State banks and trust companies) \$280,000 to \$7,567,000. Circulation increased \$93,000 to \$36,953,000. The loss in aggregate reserves equaled \$1,921,000, and the total now stands at \$546,505,000, compared with \$629,269,000 a year ago. Reserve requirements showed a small increase—\$101,910; hence surplus was contracted \$2,022,910, which brought the total of excess reserves down to \$72,383,710, on the basis of 13% reserves for member banks of the Federal Reserve system (but not counting \$100,192,000 cash in vaults held by those banks.) At the corresponding period last year, excess reserves on hand totaled \$132,038,080, on the same basis.

No improvement is yet to be noted in money circles. While some small amounts have been loaned as low as 4% for demand loans the greater part of the week's business has been at about 5½@6%,

the Money Committee or pool being obliged to put out quite large amounts to prevent the rate from getting above 6% for loans based on mixed collateral and 6½% where the collateral consists entirely of industrial securities. Loans having fixed maturities have been granted with reserve and rates remain at the figures that have been recently current. Announcement was made by the Treasury Department on Thursday that the third bi-weekly issue of Treasury certificates of indebtedness sold in anticipation of the Fourth Liberty Loan had been over-subscribed by \$84,750,000. This issue was for only \$500,000,000. The two preceding certificate issues were of \$750,000,000. The fourth bi-weekly block of certificates of indebtedness will also be only \$500,000,000 instead of the \$750,000,000 planned originally as the amount of the issue. The new certificates will be dated Aug. 6, and are payable Dec. 5, with interest at 4½%. Terms are identical with other recent blocks. The reduction in the amounts of the issues is interpreted in banking circles as suggesting that the Fourth Liberty Loan will be for a sum smaller than \$6,000,000,000. Formal announcement has appeared that the Fourth Liberty Loan campaign will start on Sept. 28 and close on Oct. 19, practically a three weeks' period. The loan machinery is in better condition than ever.

Referring to money rates in greater detail, loans on call have again covered a range this week of 4@6%. Monday 6% was the highest, the low 4¾%, with 5% the rate for renewals. On Tuesday the high was still at 6%, with the minimum 5% and renewals at 5½%. Wednesday's range was 5½@6%, with 5½% again the renewal basis. On Thursday the maximum was not changed from 6%, although 4% was the low and 6% the ruling figure. Friday, the range was 4@5%, with renewals at 5%. The above quotations are for mixed collateral, as all-industrials are now quoted at ½ of 1% higher. In time money there has been no essential change and conditions surrounding the general situation are about the same. Funds for fixed dates, particularly for the longer periods, are scarce; hence quotations are more or less nominal, and have remained at 5¾@6% for all maturities from sixty days to six months. Very little business is being put through.

Mercantile paper has been fairly active. Trading is becoming more diversified in character and the paper now passing includes textile, hardware, iron and steel, &c. Quotations remain as heretofore at 5¾@6% for sixty and ninety days' indorsed bills receivable and six months' names of choice character, with most of the business done at 6%. Names not so well known still require ¼@½% higher.

Banks' and bankers' acceptances were in good demand, though still restricted by the high rates prevailing for demand loans. A feature has been the appearance of grain bills on the market lately. Quotations ruled without important change. Rates in detail are as follows:

	Spot Delivery			Delivery within 30 Days
	Ninety Days	Sixty Days	Thirty Days	
Eligible bills of member banks.....	4½@4¾	4½@4¾	4¼@4	4½ bid
Eligible bills of non-member banks.....	4¾@4½	4¾@4½	4½@4¼	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 are shown in the following:

DISCOUNT RATES OF FEDERAL RESERVE BANKS.

CLASSES OF DISCOUNTS AND LOANS	RESERVE BANKS											
	Boston.	New York.	Philadelphia.	Cleveland.	Richmond.	Atlanta.	Chicago.	St. Louis.	Minneapolis.	Kansas City.	Dallas.	San Francisco.
<i>Discounts—</i>												
Within 15 days, incl. member banks' collateral notes.....	4	4	4	4½	4½	4	4	4	4	4½	4	4
15 to 90 days' maturity.....	4½	4½	4½	4½	5	4½	4½	4½	4½	5½	4½	4½
61 to 90 days' maturity.....	4½	4½	4½	4½	5	4½	4½	4½	4½	5½	4½	4½
Agricultural and live-stock paper over 90 days.....	5	5	5	5½	5½	5	5½	5½	5½	5½	5½	5½
Secured by U. S. certificates of indebtedness or Liberty Loan bonds—												
Within 15 days, including member banks' collateral notes.....	4	4	4	4	4	4	4	4	4	4½	4	4
16 to 90 days' maturity.....	4½	4½	4½	4½	4½	4½	4½	4½	4½	4½	4½	4½
<i>Trade Acceptances—</i>												
1 to 90 days' maturity.....	4½	4½	4½	4½	4½	4½	4½	4½	4½	4½	4½	4½
61 to 90 days' maturity.....	4½	4½	4½	4½	4½	4½	4½	4½	4½	4½	4½	4½

* Rate of 3 to 4½% for 1-day discounts in connection with the loan operations of the Government.
 a 15 days and under 4%.
 Note 1. Acceptances purchased in open market, minimum rate 4%.
 Note 2. Rates for commodity paper have been merged with those for commercial paper of corresponding maturities.
 Note 3. In case the 60-day trade acceptance rate is higher than the 15-day discount rate, trade acceptances maturing within 15 days will be taken at the lower rate.
 Note 4. Whenever application is made by member banks for renewal of 15-day paper, the Federal Reserve banks may charge a rate not exceeding that for 90-day paper of the same class.

Sterling exchange merits no extended comment, in view of its arbitrary position and the uniform scarcity of regular commercial and financial transactions. There were no engagements of gold, either for import or export, this week. As regards day-to-day rates, sterling exchange on Saturday, in comparison with Friday of last week, ruled firm, with demand fractionally higher at 4 75 5-16; cable transfers were still quoted at 4 76 7-16 and sixty days at 4 72¾@4 72½. Monday's market was dull and a trifle easier; demand bills receded to the previous range of 4 7530@4 75 5-16, although sixty days and cable transfers remained at 4 72¾@4 72½ and 4 76 7-16, respectively; the volume of trading was light. Nothing new developed in sterling on Tuesday and rates were not changed from the figures of the preceding day. On Wednesday no increase in activity was noted; dealings were confined to mere routine transactions, and quotations, which were little more than nominal, continued to rule at 4 76 7-16 for cable transfers, 4 7530@4 75 5-16 for demand and 4 72¾@4 72½ for sixty days. Dulness featured Thursday's trading and rates were still without change. On Friday the market was quiet but steady and quotations were unaltered, except that cable transfers were made as high as 4 7645. Closing rates were 4 72¾@4 72½ for sixty days, 4 7530@4 75 5-16 for demand and 4 76 7-16@4 7645 for cable transfers. Commercial bills sight finished at 4 75@4 75¼, sixty days at 4 71½@4 71¾, ninety days at 4 70@4 70¾, documents for payment (sixty days) at 4 71@4 71¼ and seven-day grain bills at 4 74½@4 74¾. Cotton and grain for payment closed at 4 75@4 75¼.

The Continental exchanges have shown a firmer tone, which is not unnatural, in view of recent favorable developments in the war situation. But quotations have failed to register any important changes, and transactions continued exceptionally light in volume. Further action has been taken by the Division of Foreign Exchange in the case of exchange on Rome and on Saturday of last week an additional advance of 50 points, to 8.00, was announced in the official price of lire cables. This is a rise of 80 points, all told, over the fixed rate of two weeks ago, and, of course, reflects the successful workings of the Government plans for stabilizing Italian exchange. These include a rigid supervision of all exchanges by the American representative of the

Italian Foreign Exchange Institute, in co-operation with the U. S. Federal Reserve authorities and provide that transactions in commercial bills covering exports to Italy must come before the Institute for approval. An important step taken by the Institute has been the practical elimination of arbitrage transactions, through which Americans have been in the habit of buying Italian funds at other centres where the rate was lower than at New York. A ruling recently handed down by the Institute forbade all such triangular transactions and the Federal Reserve Board subsequently extended this ruling to American bankers and brokers. French exchange responded slightly to the success of the allied Franco-American counter-offensive in the West, and for the first time in several weeks francs recorded fractional advances for the week. As to rubles, no new feature has come to light and the quotation is still entirely nominal. Quotations for reichsmarks and kronen are not available, all transactions in German and Austrian exchange having, of necessity, been suspended. An interesting explanation of the recent severe fall of German exchange in Switzerland is to the effect that Swiss banks have been lending themselves to German credit operations and are now reaping the inevitable results. In the opinion of important bankers the peculiar, one-sided operation of Swiss money exchange with Germany will bear close watching. The official London check rate on Paris closed at 27.15½, against 27.16 last week. In New York sight bills on the French centre finished at 5.71, against 5.71¾; cables at 5.69½, against 5.69¾; commercial sight at 5.71¾, against 5.72½, and commercial sixty days at 5.77½, against 5.77¾ a week ago. Lire closed at the new official rate of 8.01 for bankers' sight bills and 8.00 for cables, against last week's rate of 8.51 and 8.50. Rubles have not been changed from 14 for checks and 15 for cables. Greek exchange continues to be quoted at 5.13¾ for checks and 5.12½ for cables.

Dealings in the neutral exchanges have again been of negligible proportions, with no new developments bearing on the general exchange situation. Stockholm and Christiania remittances were somewhat irregular, while guilders showed slight declines and Swiss exchange ruled easier. Pesetas continued their downward recession. Fresh declines were noted and on Thursday a new low point of 26.20 was reached for checks, but the closing rate was 26.50, with cables at 26.60. As explained last week, this is a direct outcome of the progress being made by the Treasury authorities, both in the United States and in the Allied countries, in their joint efforts to properly regulate Spanish exchange. It is understood that considerable progress has already been made in this direction and that some definite announcement concerning the same may be expected in the near future.

Bankers' sight on Amsterdam closed at 51½, against 51¼; cables at 52, against 51¾; commercial sight at 51 7-16, against 51 3-16; and commercial sixty days at 51 5-16, against 51 1-16 on Friday of the previous week. Swiss exchange finished at 3.95 for bankers' sight bills and 3.93 for cables. A week ago the close was 3.95½ and 3.93½. Copenhagen checks closed 31.10 and cables at 31.50, against 31.10 and 31.30. Checks on Sweden finished at 35.40 and cables at 35.80, comparing with 35.50 and 35.90, while checks on Norway closed at 31.30 and cables at 31.70, against 31.40 and 31.80 last

week. Spanish pesetas, as already noted, finished at 26.50 for checks and 26.60 for cables. This compares with 26.90 and 27.00 a week ago.

As regards South American quotations, the check rate on Argentina declined to 44.40 and cables 44.55, against 44.60 and 44.75. The closing rates, however, were 44.50 and 44.65. For Brazil there was an advance to 23.90 for checks and 24.00 for cables, comparing with 23.35 and 23.50 the week before. The Chilean rate continues to be quoted at 17, and Peru at 57. Far Eastern rates are as follows: Hong Kong, 80@80.15, against 80¼@80½; Shanghai, 116½@117 (unchanged); Yokohama, 53¾@54, against 53½@53¾; Manila, 49¾@50 (unchanged), Singapore, 56¼@56½ (unchanged); Bombay, 36¾@37 (unchanged); and Calcutta (cables) 35.73 (unchanged).

The New York Clearing House banks, in their operations with interior banking institutions, have gained \$1,796,000 net in cash as a result of the currency movements for the week ending Aug. 2. Their receipts from the interior have aggregated \$7,190,000, while the shipments have reached \$5,394,000. Adding the Sub-Treasury and Federal Reserve operations, which together occasioned a loss of \$67,742,000, 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 \$65,946,000, as follows:

Week ending August 2.	Into Banks.	Out of Banks.	Net Change in Bank Holdings.
Banks' interior movement.....	\$7,190,000	\$5,394,000	Gain \$1,796,000
Sub-Treasury and Federal Reserve operations.....	36,642,000	104,384,000	Loss 67,742,000
Total.....	\$43,832,000	\$109,778,000	Loss \$65,946,000

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

Banks of	Aug. 1 1918.			Aug. 2 1917.		
	Gold.	Silver.	Total.	Gold.	Silver.	Total.
England..	£ 67,259,490	£ -----	£ 67,259,490	£ 52,456,003	£ -----	£ 52,456,003
France..	135,856,051	11,440,000	147,296,051	130,619,681	10,440,000	141,059,680
Germany..	117,331,100	6,083,500	123,414,600	120,109,750	3,790,300	123,900,050
Russia *.	129,650,000	12,375,000	142,025,000	129,160,000	12,804,000	141,964,000
Aus-Hun c.	11,008,000	2,289,000	13,297,000	15,000,000	3,500,000	18,500,000
Spain....	84,740,000	27,278,000	112,018,000	64,418,000	29,879,000	94,297,000
Italy....	38,942,000	3,200,000	42,142,000	33,380,000	2,643,000	36,023,000
Netherl'ds	59,640,000	600,000	60,240,000	51,767,000	610,200	52,377,200
Nat. Bel.b	15,380,000	600,000	15,980,000	15,380,000	600,000	15,980,000
Switz'land	15,306,000	-----	15,306,000	15,718,000	-----	15,718,000
Sweden..	14,335,000	-----	14,335,000	11,257,000	-----	11,257,000
Denmark.	19,493,000	131,000	19,624,000	10,964,000	133,000	11,102,000
Norway..	6,595,000	-----	6,595,000	7,155,000	-----	7,155,000
Tot. week	706,544,641	83,996,500	790,541,141	657,384,434	64,404,500	721,788,934
Prev. week	700,695,771	84,050,600	784,746,371	673,905,521	64,380,400	738,285,921

a Gold holdings of the Bank of France this year are exclusive of £81,444,340 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.

RUSSIA, GERMANY AND THE KILLING OF GENERAL EICHHORN.

Perhaps nothing could have illustrated more clearly and accurately the existing position of affairs in Russia than the assassination last Tuesday, at Kiev in the Ukraine, of Field Marshal von Eichhorn, commander of the German army of occupation. We do not mean that the mere fact of a conspicuous man having been killed in Russia at the present time would have given occasion for either surprise or for special comment. The world has yet to read the full list of murders committed under the Bolshevik rule of license in the name of liberty.

Even the news that the former Czar had been put to death by a local Soviet was received almost as a matter of course, conditions in Russia being what they are. But the assassination of von Eichhorn, like the assassination of the German Ambassador, von

Mirbach, at Moscow a couple of months ago, stands in a somewhat different category. By all accounts, both actions appear to have been the result of a concerted program undertaken by a political organization. In the fact that this plan of assassination should have converged on the German representatives there is much food for thought.

Supposing, as the current dispatches assert, that the power behind these attacks is the Social Democratic party, the present minority organization in Russia's confused politics, one might be tempted to ask why their political resentment should not have expressed itself rather by the assassination of Lenine or Trotzky. It is scarcely possible to doubt that such an attempt could have been carried into effect at least as easily as attacks on von Eichhorn or von Mirbach. Yet, so far as we know, no really formidable attempt has been made on the lives of the upstart Bolshevik leaders.

But the answer is simple enough. The Bolshevik dictators make up what is at least in form a Russian Government, and it would easily be possible for a crime of violence against their persons to react on its authors through driving hesitant Russian people to their side. The rule of the Petrograd usurpers has not yet reached the state of the French Terror of 1793, when Charlotte Corday's murder of the bloody dictator Marat undoubtedly expressed the feeling and will of a very great part of the French people. Contemptible inefficiency has as yet been the distinguishing quality of the Bolshevik regime.

But with the German invaders the case is different. Von Mirbach was the outward and visible reminder of Germany's faithlessness to her pledges at Brest-Litovsk, precisely as von Eichhorn embodied the German policy of oppression and plunder of a people with whom the German diplomats had just concluded a treaty of professed amity. Von Eichhorn was indeed a notable example of the methods by which the German Government has arrayed pretty much all the civilized world against Germany.

At Brest-Litovsk, the German diplomats and the civil authorities of the von Kuehlmann type had labored, and perhaps sincerely, to create a feeling of something like friendship between Russia and Germany. At all events, they had endeavored to proceed in such manner as to avoid outraging the susceptibilities of the Russian people. But before the conference was over, the army representatives who were present, and who acted undoubtedly with the consent of the Kaiser, pushed the diplomats peremptorily aside, assumed personal control of what were called the negotiations, and then proceeded to carry out the Junker program regarding Russia with the well-known indifference of the German military organization to anything but brute force.

The diplomats had managed to induce the Provisional Government of the Ukraine to ask German protection against an attempt by the Bolsheviks to invade the seceding southern territories. Eichhorn easily accomplished this; but having driven out the weak Bolshevik troops, he proceeded to establish a German military domination of the Ukraine which differed only in degree, and not in kind, from the infamous rule of von Bissing in Belgium. The Ukraine was placed without a shadow of right under martial law. Angered at the discovery that the great accumulated stores of wheat, of which Berlin had dreamed, did not exist in Russia, the German General proceeded, in the face of Russia's own famine,

to extort from the peasants their small individual stores of grain, to be sent away into Germany. Refusal of these peasants to sell in exchange for depreciated German paper was met by acts of brutality and violence; citizens were put to death.

Suspecting that the Ukrainian legislature (the very legislature which had asked for German help) was favoring this attitude of the peasants, von Eichhorn entered the Rada while it was in formal session, dispersed its members and pulled the presiding officer roughly from his place. It was a typical exploit of German militarism. When it turned out that even the Reichstag at Berlin was irritated and indignant at this lawless outrage, the Vice-Chancellor of the Empire defended Eichhorn's action by the statement that the lives of German officers were in danger. A "Committee of Ukrainian Safety," he explained, "went so far as to aim at driving the Germans out of their country, and met in the house of the War Minister, where on one occasion a sort of Sicilian vespers [namely, the assassination of all German officers] was suggested."

"There was undoubted danger to the lives of the officers of our army. The only course open was either to take legal action in the Ukrainian courts, which was impracticable, or to insure our safety by other means.

"Gen. von Eichhorn, therefore, in entire accord with the German Minister, decreed 'a state of enhanced protection,' under which all offenses against the public peace and order may be judged by field tribunals."

When one considers the surrounding circumstances—Ukraine treated like a conquered province, on top of the assurances in the treaty of peace, and a group of German officers carrying matters according to their will and custom in defiance of law and ordinary decency—one may form a clear conception as to the meaning both of the Committee of Safety described by Vice-Chancellor von Payer, and of the assassination of von Eichhorn.

What this whole episode means to the future of German relations on the Eastern front is not at all difficult to guess. It is a case, as John Randolph said of the slavery question, where the authorities—in this case the Germans—have "got a wolf by the ears." They cannot let go, yet the dangerous possibilities of their situation increase the longer they keep hold. The one sure fact in the situation is that, thanks to the characteristic Junker policy, a deeply-rooted hatred of the ruthless invader has been instilled among the Russian people such as will stand in the way of German ambitions in the East as surely as the resentment of the Spanish people stood in the way of Napoleon's ambitions in Southwestern Europe. The unanimity of the German press itself, in admitting that hatred of Germany has increased portentously in Russia, is very striking. Naturally, some of the German papers advise increased repression for that very reason. But that could only emphasize the national feeling of the Russians.

There are many signs that these explosive elements in the Russian situation are reaching a climax. What part will be played by those two pitiful figures, Lenine and Trotzky, is still a matter of conjecture—largely so because it is not yet clear how far these two statesmanlike products of class domination are or are not actually in the pay of Germany. Berlin's so-called "magnanimity" in resolving not to take vengeance for von Mirbach's death, and Lenine's matter-of-fact announcement of the six

billion rubles requisition described as "indemnity to Germany for losses inflicted," certainly point to such collusion. But neither Lenine nor Trotzky nor all the Bolsheviki could possibly control such national sentiment as the conduct of Germany in Russia must have inspired. If Germany were now to seize the Ukraine in retaliation for von Eichhorn's death, the situation would not be altered. The "Sicilian vespers" would only have been rendered a more ominous probability.

It is possible, indeed, that the murder of the unfortunate Czar Nicholas, now apparently confirmed, will simplify the program of the Russian uprising against Germany. There is now no ground for the allegation that opposition to Germany and the Bolsheviki means restoration of the Imperial regime. Conceivably, if intervention by the Allies in Siberia were to be rendered necessary, that might give a nucleus for armed opposition to Germany—more effective as the news of Ludendorff's defeat in the West permeates through Russia. But the real help for Russia must come from the Russian people themselves. As events are moving, it may easily turn out to be the nemesis for Germany.

A PLATFORM DECLARATION—FUNDAMENTAL RIGHTS OF THE INDIVIDUAL SHOULD NOT BE SURRENDERED.

Something of the old convention system still persists, even under a Primary Law. Both parties in the Empire State have held "conferences." Declarations of principles and preferred candidates have been announced, and politics does not seem to be entirely "adjourned."

However, the parties are in accord in support of the war, and in all essentials support the President or "Administration" in the conduct of the war to victory. Yet, there is a difference of language in the expression which cannot fail of meaning. In war the President, in many ways, *is* the Government. The Democratic platform reads: "The Democratic Party of the State of New York pledges anew its steadfast support to the leader of world democracy, Woodrow Wilson, President of the United States." The Republican declaration is: "The Republican Party, both in Congress and out, will continue to support the Government of the United States without hesitation or quibble, in every effort to strengthen the nation for its supreme task." And the two platforms are in accord against accepting an "inconclusive peace," or concluding the war without "victory."

The Democratic platform declares that "The Empire State should play a dominant part in the affairs of the nation in shaping its policies and destinies." Taking this at its face value, and realizing that the supreme issue is "winning the war," we would naturally expect a declaration of method that would recognize the dangers to be avoided in a Governmental assumption of power necessary to win it. We do not find this in the Democratic platform. We do find it in the Republican.

This declaration in the Republican platform reads as follows:

"We insist that in the necessary war-time extension of Government supervision and control over private undertakings, no steps be taken in the direction of permanent Government ownership or operation or of limiting individual opportunity and responsibility in time of peace. The preservation

of individual rights and full opportunity for all men and women to make the most of themselves is a fundamental American doctrine which the Republican Party will always defend."

In accordance with the wishes of the Democratic platform, for leadership on the part of the Empire State, we commend this plank in the Republican platform to the attention of the entire country. It is both a warning and a pronouncement. And the time is coming when it will be the most important issue in politics.

There is a difference between supporting a "Government" and supporting an "Administration." We are not concerned with that now. The important thing is to remember that measures embraced because of an emergency need should be abandoned when the need disappears—unless it can be shown that they should remain in force on their merits. In a republic this depends upon the judgment of the people when they can pass on the merits without compulsion and freed from all extraneous influences. They should not become permanent through sufferance. Nor is it to be assumed that policies indulged in because of a dire need can under such conditions demonstrate their fitness to remain. This being true, any "administration" is precluded from so using these policies and practices as that they shall become permanent.

It is considered good practice in war to keep the "lines of communication" open. An army should never allow itself to be cut off from its base of supplies. If for any reason this does come about, and it is surrounded by overwhelming numbers, it is held to be good ground for surrender. War, at least war conducted upon the best principles, does not sacrifice life uselessly. If "fighting a way out" becomes hopeless, victory cannot come, and there is nothing left but to submit, or to die in a defense that cannot defend. And all war upon a humane plane recognizes that after surrender there are prisoners who have rights and peoples that have not been and should not be annihilated. And it is similarly true in the sacrifice of civil rights and procedures. "After the war" these should automatically resume their sway. They cannot do so unless the way be left open, unless it is recognized that the bases of government are still in existence.

Hidden under the surface of events, we do not know what new parties are forming. We know that the old parties are changing. Whatever the future holds, this must be true of our system of representative government, "the preservation of individual rights and full opportunity for all men and women to make the most of themselves is a fundamental American doctrine," and must remain so. If they can do this with government in control of our most essential industries, then the "government" will not be subverted by "operation" under the present emergency. If that "operation" be of such a nature as to prevent the relinquishment of "control," then we will have a government on a new base, one in which "individual rights" are made subservient to the rights of the State.

We should guard against this now. And it calls for delicate perception on the part of officials now in a representative capacity, administering the new control laws. As we write, the railroad contracts are yet in process of agreement. An employee makes the statement with reference to ticket selling, "we are not allowed to solicit business." And it is

understood that all routings of freight are within the bosom of the Director-General. Can a road preserve its individual rights under these conditions? The illustration serves to show a possible conflict between a "plan of operation" and the life and continuance of particular roads. In such a predicament there can be but one safe guide. A constant recognition that use is not ownership and should not be of such a character as to tend toward, or ultimately compel, ownership. The mere statement uncovers the weight of responsibility. And it is not a party question but a question of the form of government that is at stake.

We feel that in a matter of this kind ordinary "politics" ought to be "adjourned." But true statesmanship never should be. And the party that does not realize the force of this issue now, will have to meet it squarely, "sooner or later."

OUR NATIONAL EDUCATION ASSOCIATIONS —CRYING TO WASHINGTON FOR AID.

Since the days of Pestalozzi and Froebel we have been engaged in defining "education." We have not yet succeeded. Generally speaking we are agreed that it is a process—is always beginning and never ending. The rest is detail—and theory. We know that some degree and kind of "instruction" is necessary and that "training" which will give mental power is desirable. But whether the "process," as a means, depends upon "leading out" or "pouring in" is a question still open for discussion. The one certain thing in it all is that we name graduation day a "Commencement," and embrace the occasion to say to the exultant youth of the land, after an Eastern legend: "It is ill-luck to turn back, when the way lies forward." Entrance into real life is the beginning of real education.

It is very difficult, therefore, to discover when in a nation an "emergency" in education exists. If the "process" never ceases, and the people are the Government, education ought to be as constant as breathing and eating. And since war is irruption and disruption in life and development it is difficult to perceive just how it creates an emergency, a need, requiring Federal aid. True, the draft has disclosed a number of illiterates who cannot read or write and are incapable of understanding orders, but is this a need that can be relied upon as a cause for a revolutionary change in our whole "system" of education? We have no system, and can have none until our leading educators are agreed on the nature of the "process" called education and the best scientific methods for furthering it. Until this is done Federal aid is superfluous.

Of one thing we are firmly convinced. In the matter of conservation we can be "penny wise and pound foolish." All these associations, societies and organizations meeting together and resolving for themselves, and as their own contribution, some perfected and sublimated work of their own conjuring, is more generous than practical. It is lamented that compulsory education, such as it is, ceases at 14. That the real formative period is from 14 to 18. Suppose this war lasts four years more. The youth of 14 will then be 18; and possibly subject to draft or to military training of some kind. And then this war, and all war, will be over for all time. What possible effect on the winning of this war can the next four years of education in our public schools

have? And if war is to be no more forever, as we all hope, why change a so-called system of education (as an emergency) to meet a condition that will never come?

Yet the National Education Association has discovered, according to its President, Mr. George D. Strayer, that "If the war is to continue for years, the success of our cause will, in no small measure, depend upon the work which is even now being done in our public schools." And by the same law must not our whole success, "in no small measure," depend upon the work that *has* heretofore been done in our public schools, and if that has been deficient in so many ways, what are we to expect? At the annual meeting at Pittsburgh the N. E. A. became very much concerned in "saving the country." Now Germany has long been noted for scientific "education." But it was not sufficient to exorcise the malignant spirit of war for war's sake. Nor would it be possible to trace President Wilson's ideal of "world-democracy" to a genesis in our public schools. Why then this sudden realization of an "emergency"? Just what has education in its true and legitimate and most highly useful field to do with war, anyway—a thing we are fighting to exterminate, that there be room for a system of education to grow in peace? And what advantage can there be in turning the Pierian Spring, the Fount of All Knowledge, into a national irrigating ditch with the chief reservoir located at Washington? Education, the many-sided, the all-embracing, the unfolding and assimilating—the foster-parent of *men*, that they may form a State. Education, our dream—and yet our deliverance.

Illiteracy (five millions over 10 years of age), time devoted to foreign tongues and the use of that medium, rejections under draft owing to physical defects and health, boys and girls rushing to work in actual material production instead of mooning over their studies, a lack of teachers owing to service, the appeal of other occupations and especially war in dustries, and last but not least, poor salaries—these constitute an emergency which only an annual hundred millions from the Federal Treasury will fill. Here is what Mr. Strayer says of the whole matter:

"Many of our most thoughtful leaders recognize the necessity for careful investigation in preparation for the reorganization which must take place in the immediate future. The National Educational Association believes that these ends can be best achieved through the establishment of a national department of education, with a Secretary who shall sit in the President's Cabinet. It believes that there should be transferred from other departments or administrations such bureaus or agencies as deal with educational affairs. We believe that such a department should co-operate with the States in the development of a *more efficient system of education* [italics ours]. We have the example of our allies, England, France and Italy, in which such Ministries of Education already exist and in which these officers of the Government have taken the lead in the development of a program of education during and after the war."

But all this has a strange sound in view of the following statement: "I look forward confidently to an increase of from 50 to 100% in the salaries paid to teachers." It may be admitted that many teachers are poorly paid, but is it not singular for a vocation to ask for an increase in wages on the basis of its lack of efficiency? And one does not realize the extent of the failure until one reads: "We must carry into the homes of our people an understanding

of the laws of health. We must teach our children the meaning of good food, pure air, and healthful exercise." To be sure. What are parents and doctors for, pray? "Approximately half of the children of the United States are enrolled in rural or small village schools." And, may we ask what of the "huskies" from the West who are winning splendid victories on the firing line now? Here is the whole subject in its essence: "Men and women everywhere are coming to realize the necessity for strengthening our public school system. There is coming to be a demand that every boy and girl be provided with that sort of education which will send him or her from school sound physically, trained mentally, and grounded in an appreciation and understanding of the ideals and purposes of our democracy."

Well, the indictment seems reasonably complete. And the remedy, long sought, but never found, is an Educational Bureau at Washington, where bureaus grow like Jonah's gourd. And a long farewell to our pride in the Little Red Schoolhouse on the Hill, as the true palladium of human liberty. *That* must be builded ready-made at Washington. And States, where sixteenth section and swamp lands have been so generously bestowed in aid, and where the annual meeting to provide a levy of tax for the support of the "district" school, according to its needs, is attended by the local citizens with a devotion that nothing else equals, are to become the appendages to a "plan" formulated at "long-distance" and administered by patriotic impulse from the fountain head of all progress, the Government at Washington. And we never realized this "need", this tremendous "emergency" until we engaged in war with Germany.

We may ask again what *per se* has "education" to do with military training save as an incidental, which is to be or is not to be provided in due time? Why waste time and effort on an emergency that does not exist? Why not go on with "education" in the old way, and give all surplus energy and thought to individual helpfulness and duty to the nation?

We have said, and we say again, we regard education, in its highest and best sense, as something separate and apart from war. And whether or not we have a "national system" it has never yet been shown that it is susceptible of a cut and dried "plan" which may be forced into every section and every school without turning out automatons. It is a tremendous and a continuous problem. And we welcome all efforts by our "body consisting of more than twenty thousand educators, representing in their national organization more than six hundred thousand teachers," to solve this problem. But no nation can "direct" education without dictating it. And in that sense, it is our belief, we do not want, and should not have, national education. There is a very limited field in which aid may be furnished as a purely ministerial function of government. But a bureau endowed with an annual appropriation of a hundred millions, with power to invade the States and determine the base and ratio of distribution we do not believe can be conducted in justice to the people, and without interference with their prerogative of local self-government to erect and maintain their own schools in their own way. We seem to be too much, everywhere, falling into the error that we cannot support the war without subverting our old institutions. It is not always neces-

sary, and where not necessary constitutes waste, not conservation. The war makes its own demands, and they must be met, met immediately and adequately, and we have not time or money to change everything else. To-morrow will have its problems, to be met to-morrow we should consider them now—that we *may* meet them when they come. But to inaugurate a "revolution" to every domestic agency we have, not directly contributory to "winning" is frittering away good strength, and doing something that *may* have to be done over again. There is no "emergency" in education save to keep our schools as nearly as possible to the old standard. Let us first "win the war" and then discuss "methods and matter" in education—a discussion that may last several generations, judging by the past history of the "science."

LACK OF CONCENTRATION AND CO-ORDINATION IN AIR CRAFT WORK.

If the proverb is right which tells us that faithful are the wounds of a friend, meaning that his criticisms should be taken as kindly-meant and probably worth heeding, it should be more right when the friend is also an ally with us in a common cause. Major-General Brancker, Controller-General of Equipment in the British Air Ministry, here now for some weeks in consultation, tells us plainly that one cause of failure in aviation is the lack of concentration and responsibility. "We simply had to come to an Air Ministry in England," he says, "for public opinion demanded it." He explains the British organization which, he says, "controls everything pertaining to aviation, both for land and sea combat; it supplies the army and the fleet with airplanes and pilots and in addition maintains an independent force; this independent force really has the same status as the expeditionary force or the grand fleet." But here, he said, is one aviation branch under the Secretary of War, another under the Secretary of the Navy, and there is an Air-Craft Production Board, but there is a division of authority.

Mr. Hughes is quietly investigating, and in due course we may learn more than has been admittedly shown yet why we have failed thus far in this one important field. Germany is now considered to be beaten in the air, but the beating needs to be larger and much more on the offensive. Probably we do not yet realize how much the attack from the air upon the submarine bases has contributed to the successful keeping open the way for our men in France and the supplies indispensable to all the Allied forces there; but it is known that considerable offensive work has been done upon certain German cities, and Major-General Brancker declares it certain that "we can bomb Berlin in the spring if not in the fall with airplanes we have building," but he says there is still a lack of sufficient numbers for a really great offensive and the lack is in motors, for in the production of those the limit of capacity is about reached.

Co-ordination is clearly as important as concentration, and there can be no question that the airplane is not only the "eye" of the army but almost its right arm, or another right arm. If there were enough planes, the sealing of the Germans in the "trap" and their consequent surrender or annihilation might come nearer to possibility. If there were enough of them (thousands of them, perhaps) the blows, effective not merely in the strictest military

sense but in the effect of convincing the German people, might conceivably be carried swiftly along even to Berlin itself. If the Allied forces were only able to strike overwhelmingly from overhead, it is not rash to suppose that crushing blows could be dealt, and if they were dealt the saving in time and cost by speeding the end would be almost incalculable, even in terms of money alone.

Both the submarine and the overhead flier were born in this country. Here are the materials, the ingenuity, the potential productive speed, and the potential fighters of the air. We have failed so far, not solely because there was so much to be done and such speed needed for it all but because we have blundered. The non-expert private citizen cannot tell just why and where, yet he can see the fact that things have not been undertaken and carried on in the characteristic American way which accomplishes. If we have seen the bullseye we have not aimed well; if we have aimed well, we have not attained good shooting otherwise, for we have missed. The better we realize and confess it, the sooner and better we may redeem ourselves, though time is lost.

Concentrate, co-ordinate, put the subject in the hands of men who have proved ability to get results. Even now, after failure in shipbuilding has changed to a rapid progress (still with time irreparably gone) there comes from Washington a press statement that "the War Department wants to build ships." This is said to have been "revealed to-day when Chairman Hurley of the Shipping Board protested against it to the Priorities Committee of the War Industries Board." Shall we not profit by the counsel of others, and by our own unhappy experience? Shall we endure any hazard of entanglement and delay among committees and boards and commissions, and other possibly conflicting human machinery?

THE RESURGENCE OF HUMANITY.

The wastage of the war beyond that of men and munitions is practically beyond computation. It involves homes, child life, arable fields, forests, roads, industrial plants, the machinery of transportation, the organization of business, and the accumulations of civilized life in many cities and towns. To this remain to be added the humane feelings which have been won through the long struggle for civilization, a waste that can neither be estimated nor atoned for, the dehumanizing of the world in the surge of hate of the enemy and the brutalizing of men by familiarity with wounds and dirt and death, coupled in the case of the soldier with the long separation from home and civilized society. It is an aggregate of demoralization and loss which will constitute a drag upon the progress of the world for generations.

Any signs, therefore, of the appearance of what may be regarded as new forces of humanity or the rekindling of old ones are to be welcomed. The first gentle lapping of the sea on the muddy flat that tells of the turn of the tide catches the ear and starts to activity the men whose life is on the great waters. This quickening of the forces of humanity we think is already to be detected in several directions.

A new love of home and country appears among the men in the trenches. Simple absence when prolonged has often accomplished this, notably in certain individuals and races. The Odyssey of Ulysses and the Heimweh of the Swiss are the world's record

of it. But it takes on a new form and becomes fairly general with the soldier of to-day. As the glamour of combat is lost in the noise and horror of modern warfare men's thoughts turn to other scenes and hearts open to often little regarded delights. The plea made by general officers that their men be well supplied with letters from home, particularly filled with accounts of the daily doings, bears testimony to the fact and to its importance. It finds expression in the songs that are sung and the thrill which they arouse even in men of other tongue. The heart responds even when the lips cannot speak, just as they do in prayer. Now and again some gifted spirit expresses the deeper thoughts of all in words that will not die, as did Rupert Brooke in these inspired lines:

If I should die think only this of me
That there's some corner of a foreign field
That is forever England. There shall be
In that rich earth a richer dust concealed;
A dust whom England bore, shaped, made aware,
Gave, once, her flowers to love, her ways to roam,
A body of England's, breathing English air,
Washed by the rivers, best by the suns of home,
And think, this heart, all evil shed away,
A pulse in the eternal mind, no less
Gives somewhere back the thoughts by England given;
Her sights and sounds; dreams happy as her day;
And laughter learned of friends—and gentleness,
In hearts at peace, under an English heaven.

The anxious hearts in the home among the hills of New England, or on the prairies of Iowa may thank God that the son in the trenches in France appreciates as never before the beauty and the strength of the hills that stand around his home, or the splendor of the sunlight that ripens the waving grain that supplied the promise of his youth. Here surely is a humanizing force not easily to be destroyed.

A surprise that awaits the young soldier is his affection for his "bunkie," the soldier who shares his tent, in all probability a man he never saw before, often so different in breeding and education that they would never have come into touch with each other. George Eliot said "the strongest friendships are those in which there are many differences, much disputation, and still more personal affection." Here you have the proof of it. These men will stick together, they will pull each other out of difficulty, they will die for one another, they will mourn one over the other, as they would perhaps over no other living soul. The life of the soldier, the perils and hardships of the war, have wrought this strange alchemy in their hearts. They cannot explain it; they do not understand it; it is not to be reasoned out; it is simply there. They glory in it and are made better men by it. It extends to their pride in their company, their battery, their regiment, their division. It cannot fail when they return home to have proved a preservative of much that was human in their hearts.

This war is throwing together men of all nationalities and races as no other has done. They are discovering each other. Animated by one purpose, facing the same dangers, shaped by the same discipline, often under the one commander, displaying the same courage and the same skill, unhesitatingly making the same sacrifice, they cannot fail of gaining respect for one another and getting more understanding of one another, than generations under other conditions would have produced. Brotherhood and internationalism will in their minds be something more than shibboleths or cant. Here is

soil for a respect that is quite other than toleration, and the beginning of a race feeling which will enable men to look into others' eyes with mutual regard. It should make possible a civilization that will adopt common standards of character, and a morality which has its basis in true religion whatever its name. It is not too much to hope that it is a feeling that may be powerful in opening a way of restoration and kinder feelings toward the German people after the war.

We shall surely discover that this feeling of mutual respect among men of different race may exist and not weaken the zeal or the patriotism or the eagerness for victory which mark the true soldier. As the love of wife and children and the individual home does not diminish, but increases, and is really essential to a man's citizenship, so love of country may find its most genuine and its worthiest expression in men who have gained this larger knowledge of the world. They have discovered how much there is to learn, and how large is the give and take of life. Only those who have can give. Only the man who loves his country can appreciate the feeling of another man for his. With this appreciation they are prepared for the best intercourse of life.

Here, there are the awakenings of a new sense of human brotherhood, or at least of a new humanity, that state of mind which makes possible individual expression of human interest, of kindness, of readiness to understand and appreciate with a desire for mutual friendliness, without any fear of sentimentality or weakness requiring resort to *schrecklichkeit*, but, on the contrary, with a cheerful conviction that it is the right thing and really marks a growth and an attainment in common humanity. It indicates the persistence of the forces which have overcome barbarism in the past and will do it in the future.

And all this is quite distinct from the effect which the training in discipline, obedience, personal cleanliness, self respect and regard for authority has in preparing in the common soldier the material with which these humanizing forces can work. Surely there is reason for cheerful courage in looking forward to the democracy of the new world to which the soldiers shall return.

THE BRITISH MUNITION WORKERS' STRIKE— THE SOLDIER IN THE TRENCH AND IN THE SHOP.

The very menacing trouble of last week by British skilled labor in the Coventry and Birmingham districts appears to have subsided for the present. It illustrates, once more, the tenacity of the notion that labor is a distinct "class" (or can make itself such) and holds towards the country in which it is residing no other relations than it chooses to permit and has also no particular stake in the welfare or the life of that country; but this latest disturbance is memorable, and also somewhat encouraging, in showing, for perhaps the first time, a distinct division of feeling and a determined independence. It is pleasant to see that labor, even under the deadening influence of organization, which has more than once sought to place allegiance to itself above the laws and the courts, is not invariably stupid or invariably selfish and destitute of patriotism. The word sent by the Woolwich Arsenal workers to the Coventry munition

workers was stirring and manly, seeming to be emphasized by good hard fists. "Strike now," they said, "and you will earn the blessing of the Kaiser and his army of murderers, but the lasting condemnation of all who are fighting and working in the Allied nations to gain real freedom for civilization." If they persisted, they were told, the Government owed it to the men at the front "that you be immediately put in front of the fighting line and that your leaders should be shot." They were told to "strike and you may go to blank, but Woolwich will remain at work and will earn the right to shake the hand of the soldier when he returns."

This blunt language only states the plain truth that the war must fail unless fought at home as well as at the front; that to be recreant at home not only abandons the cause and accepts the yoke but is the most hideous treachery to the soldiers in the uniform; that between deserting by those men right before the eyes of the enemy and deserting by those in the industrial ranks and absolutely necessary in order that the men in the trenches do not perish there no difference exists in morals and none should be made in law. Abroad or here, we are alike soldiers; bound by an equal duty; bound by the same test of loyalty and honor; we do our bit, or we sneak and skulk; to strike or threaten to strike from our duty is the act of coward and deserter, whether the alleged grievance be one of wages or one of "conditions."

But, to its shame, labor has both profited most and complained most, in the four years of this struggle. Does this seem an unjust charge? In 1914, while the war looked like one of no very great length and an opportunity for a very remunerative trade for this country, supposedly able to remain neutral in it, organized labor decided its "day" had come and it proceeded to "hop along" from plant and town to plant and town, putting down hard the screws upon productive industry. To follow along in this course in detail would be to narrate once more what should be within the memory of all, so recent is it still. Labor has encountered, as all of us have, the rising prices which its own periodical demands have very largely produced; but labor has had its wage dollars increased in number about as fast as they have shrunk in size—and others have not. There was the story of last March, from the Manchester "Guardian" (English) of the woman who bought a grand piano wherewith to impress her neighbors; it nearly filled her small room, but though she could not play it she found a use for it, because (as the district "visitor" reported the case) "they were having their dinner on it." Fiction, possibly? Well, among some news items concerning itself which a San Francisco insurance company now sends on is this as "evidence of the prosperity of the workingman and skilled labor under the new war-time conditions throughout the United States." And the evidence cited is from the superintendent of the automobile department of this company, who explains the increased amount of premiums in that department thus: "A large percentage of the business from San Francisco brokers and insurance firms is on cars purchased by shipyard workers at the Union Iron Works and other plants; automobile salesmen are taking advantage of the sudden prosperity of this class of workmen, approaching the men when they emerge from the shops; sales are often closed on the spot, the purchaser driving his new car home."

Perhaps the attitude and course of the Big Four of the railway workers, from the summer of 1916 down past the spring of last year is not forgotten, also that organized labor announced the "conditions" upon which it would stand by the country if the country got into the war. There has been trouble with ship work; riveters have threatened to put their hands in their pockets; "conditions" have been named in that industry, although, thanks to one New York pastor who can use language when occasion calls and to men of the Schwab type who can manage other men and have at last found their most needed place, just at present we are really getting right along in producing ships. But the picture has some bright spots, as by this story which offers an example: A young man came to the gate of an industrial corporation yard in Stamford and wished to speak with "No. 186." A big man who had that number on his laborer's badge eased down the end of a plank he was carrying and made his way to the pickets, in answer to the call. "I'm a reporter," said the youth, "and I've been told that you are Rabbi Stephen S. Wise of the Free Synagogue in New York." "I'm a laborer," said No. 186; "I have been Rabbi Stephen S. Wise, and shall be he again in the fall; but just now I'm Laborer Wise. Ten days ago I took this job. I am deriving physical benefit from it and have the satisfaction of doing something for my country. I wanted my son of 18 to spend his vacation usefully and suggested the shipyards; then I decided to set the example for him, and we are both working here as laborers."

In one Maine shipyard, we are told, four clergymen are working as laborers, and in others are principals of schools and professors of Greek and elocution, justifying and amplifying profession by practice.

"A servant, with this clause,
Makes drudgery divine;
Who sweeps a room, as for Thy laws,
Makes that and the action fine."

So wrote quaint George Herbert, early in the seventeenth century. Perhaps the example set by Rabbi Wise and the others may be noted by many who need it.

The industrial worker, or many of him at least, kicks and grumbles at his job; the soldier (one of whom said "we live in mud, we bathe in blood, but our souls are in the sky") carries on and endures at his, and makes no complaint. "Your brave brothers who are fighting the Germans with their life's blood while you are fighting with words and full bellies," said the Woolwich workers to their threatening fellows in Coventry. The language is not quite polished, but it is expressive, and it states fairly the contrast in conditions and demeanor between the soldier in the trench and the lowering soldier in the shop.

And if one wishes to know what is the moral of the statement of contrasts, there are several which might be profitably offered to view; one of the most striking is the strange difference in attitude taken by Government towards the man with a gun in his hand and the other man (not a whit less indispensable to winning the cause of the world) who wields (or threatens to drop) what we call the instruments of peaceful industry. Another moral, very timely, right now, when Congressmen are mulling away over increase of tax burdens, is that the disposition to denounce and pound large business and the holders (really the trustees) of capital is at once unjust, untrue, and economically unsafe.

CANADA AND BRITISH IMPERIAL PREFERENCE.

Ottawa, Canada, Aug. 1st 1918.

Mr. Bonar Law's statement in the British House of Commons this week that the Government was committed to a scheme of Imperial preference not only in transport, but in customs duties, is accepted in Canada without manifest enthusiasm. Both in political and commercial circles at Ottawa and Toronto, views were expressed to your correspondent during the week which tend to show that a preference policy in Imperial trade has lost some of its old, tuneful satisfaction. In fact, political leaders and financial and commercial observers know more of Britain's pet propensities than ten years ago when "preference" was the core of a great Canadian propaganda. They frankly suspect that Canada has no "quid pro quo" with which she would be willing to match Britain's admittance of our cereals, cheese and live stock on a discriminatory basis.

It is pointed out here that the British Department of Agriculture to-day is bending all its efforts to make the United Kingdom so productive of native grown foods as to be nearly independent of imports. Again, the emphasis of British policies is upon lowering the cost of foodstuffs co-incidentally with the declaration of peace and probable disorganization, with lowered average income. There is no pretence in any quarter that a preferential tariff on foodstuffs will do other than augment the cost of bread to British consumers, although under that head many compensatory arguments are offered.

Canada's action in creating a preferential tariff for British manufactures has often been cited in England as a standing accusation of a lack of reciprocal sense or sentiment on the part of the Free Trade Motherland. As a matter of fact, Canadian manufacturers have suffered only a meagre competition from British firms as a direct consequence of the Laurier trade preference. As far as the Canadian Manufacturers' Association is concerned, there never has been, and is not to-day, the slightest official intention of consenting to any lowering of trade barriers against British factory products. Plainly, then, if the British consumer fights the preferential tariff idea from his end and the Canadian manufacturer as justly opposes sacrifice in Canada, that would make a reciprocal tariff possible, few impartial referees in political or commercial circles here profess to see anything in the Bonar Law announcement that will not end in practical "stale-mate."

CANADA'S FREEDOM FROM LABOR TROUBLES.

Ottawa, Canada, Aug. 1st 1918.

Canada is making her way through the war with a noteworthy minimum of labor troubles. The adoption of the McAdoo wage scale amplifying the railways' pay list by \$70,000,000 a year, disposes of the one alarming cloud on the Canadian industrial horizon at this moment. Minor strikes of postmen and telegraphers have been amicably adjusted. The country's relative freedom from labor hostilities has been due, substantially, to the conciliatory attitude of employers, whose staffs in the present labor market could not possibly be duplicated.

The "settlement" of wage and other difficulties has usually favored the workers, inasmuch as, apart from economic reasons, the Federal Government's

Labor Department has virtually asked employers to show cause why they should not grant demands, rather than put the onus of proof on the worker.

Great hope is entertained by organized labor and the manufacturers that the newly arranged Federal Labor Board, with two representatives each of employers and employees, acting with Government deputies, will remove disputes from their local settings and reach judgments in briefer time.

BUILDING OPERATIONS IN JUNE AND THE HALF-YEAR.

Of the industries of the United States which have been hard hit by war conditions the building industry must unquestionably be placed foremost. Not only has the high cost of labor and of material, with more or less scarcity of both, had to be contended with, but there has been the added hindrance of the official restrictions placed upon activities classed as non-essential to the winning of the war. The result of it all is found in the fact that in many localities the volume of construction work latterly has been insufficient to meet the growing demand for accommodations for business and dwelling purposes. Recent investigations in the Borough of Brooklyn, for instance, show that in the entire territory the vacancies in warehouse property cover a total floor space of only 918,565 square feet, and that most of the vacancies in buildings suitable for dwelling purposes are in structures bordering on a condition worthy of condemnation. Continuously now for about a year and a half building operations in the country, as a whole, have exhibited a shrinkage month by month in contemplated outlay, compared with the corresponding period of the previous year, and the contraction has been especially marked in the current year thus far.

For the purpose of employing every possible means in the work of winning the war there has been a wholesale curtailment of production of building materials, the labor thus released being utilized elsewhere. This has militated so greatly against construction work as to bring about a very acute condition, and it has caused those interested to take steps to relieve the situation. With this end in view, conferences between Government officials and basic building material manufacturers were held in Atlantic City and Pittsburgh in the closing week of June. At these conferences it developed, according to the Dow Service Reports, that in the belief of manufacturers and economists alike, continued curtailment, such as noted above, would operate disadvantageously to progress in winning the war and might really operate against the speedy reconstruction of France and Belgium. The building material interests contended that the best way to offset the advantage Germany has gained in looting the manufacturing districts of the countries mentioned would be to supply them with greatly improved labor-saving machinery, thereby not alone furnishing compensation for the loss of manpower, but making possible the manufacture of textiles and other articles of trade at a lower cost than in Germany. To declare building materials non-essential would not only be to rob this country of the necessary amount of basic materials with which to supply the needs of Belgium and France, but would leave American building material manufacturers without any reserve with which to meet the tremendous demand for industrial expansion here.

With practically all kinds of material entering into building construction classed as non-essential in England, this country is the only important producer left upon which the world can draw for the constituent elements in reconstruction work, it was contended, and accordingly, that further curtailment of production here must have serious effects upon the war-winning program and upon reconstruction work which is claimed to be already under way. Government officials, while seemingly agreeing that the building material industry should suffer as little curtailment as possible during the war, remarked that it was primarily a question of fuel supply. Arrangements were then made for a further conference at Atlantic City on Monday, July 15, with the "Building Industry of New York," an association representing all the building and allied organizations in the East. At this later conference, which was with the United States Chamber of Commerce sitting as a court of last resort at the request of the War Industries Board, the situation was gone over quite thoroughly and a provisional organization representing a three billion dollar federation of builders and material manufacturers was effected. The purpose of the body is to bring about a more definite understanding between the Government and the building industry, and, as a part of the program, a War Industries Committee was elected to have its headquarters at Washington. Senator Calder, a prominent builder of Brooklyn, speaking at the conference, criticised the Government for some of the conditions that now confront builders and pleaded for as little interference as possible with the industry. The result of the conference, it is believed, will be a clarification of the situation and a consequent improvement in conditions.

For June 1918 by far the greater number of cities included in our compilation—117, in fact, out of 167—report plans calling for smaller outlays for building this year than last, and in many cases noticeably so, with gains, moreover, quite generally confined to places of little prominence. Conspicuous for declines are Greater New York (wholly due to the decided contraction in operations in Brooklyn Borough), Philadelphia, Boston, Cleveland, Detroit, Minneapolis, St. Paul, Cincinnati, Buffalo, Atlanta, Hartford, Indianapolis, Washington, Newark, Peoria, Dallas, Bridgeport, Youngstown and Syracuse. Among cities of prominence Pittsburgh, Seattle, Jersey City, Norfolk, Wichita and Wilmington are the only ones exhibiting increases worthy of special mention. In all, the estimated cost of the operations for which contracts were announced during the month at the 167 cities, aggregated but \$45,753,800, against \$67,475,743 in 1917, a decline of 32%; in 1916 the total was a little under 100 millions and in 1915 approximately 71 millions. Of the five boroughs of Greater New York, Manhattan alone shows a gain (the total being extremely contracted withal) and with the falling off in Brooklyn very heavy, the aggregate for the whole city reaches but 5½ million dollars, against 13½ millions in 1917 and 27¼ millions in 1916. For the cities outside of New York the month's total is nearly 13½ million dollars less than last year—\$40,572,698 contrasting with \$53,954,922.

The exhibit for the half-year, much more distinctly than that for the month, discloses the effect upon the building industry of the various adverse factors with which it has had to contend. In fact, we should doubtless have to go back to a period considerably

antedating the year 1906 (when we began the compilation of these returns) for a smaller total, and this notwithstanding the great increase in cost of labor and material in the meantime. Our six-months' statement covers the same 167 cities as for June and losses very largely predominate, with the aggregate of intended disbursements only \$249,555,990, against \$433,304,578 last year, 518 millions two years ago, 415 millions in 1915 and 452 $\frac{3}{4}$ millions in 1914. In Greater New York the contemplated outlay at \$33,690,907 is barely half that of 1917 (small in itself) and contrasts with \$113,748,443 in 1916 and \$94,651,616 in 1915. Outside of New York the total at \$215,865,083 compares with \$366,796,517 in 1917 and \$404,692,780 in 1916, which is the high record mark for the period.

For New England 21 of the 24 cities from which we have returns report smaller aggregates than for 1917, with the total for the group nearly 27 millions below. The large loss is due mainly to the decline in building operations at Boston, Hartford and Bridgeport. For the 38 municipalities in the Middle States (Greater New York not included) the total is 34 $\frac{1}{2}$ million dollars under that of last year; of the decrease over 11 millions is at Philadelphia. In the Middle West the 30 cities from which reports are available give an aggregate 66 millions less than a year ago, the drop at Chicago having been 20 millions, Detroit 14 millions, Akron close to 6 millions, Cleveland 5 $\frac{1}{2}$ millions, and Toledo 3 $\frac{1}{2}$ millions. At the South, too, the result is unfavorable, notwithstanding the abnormally high price of cotton. The loss at 34 cities reaches 8 million dollars. On the Pacific Slope an increase in construction work is to be noted at 9 of the 15 cities reporting, but the aggregate of all records a decline from a year ago of a little in excess of 7 millions, the important gains at Seattle, Portland, Tacoma and Fresno having been insufficient to offset losses at Los Angeles and San Francisco. The "Other Western" group, covering 25 cities, has done much less well this year than last, the prospective outlay having diminished nearly 9 million dollars, with St. Louis, Kansas City, Omaha, Minneapolis and Duluth the chief sufferers.

Activity in building operations in Canada has been, as we remarked a year ago, conspicuous by its absence since 1914 when the ill effects of the war in Europe, in conjunction with business depression in trade and industrial circles in the Dominion, began to be felt. For June of the current year 26 cities in the Eastern Provinces report in the aggregate a small increase, as compared with 1917 in the contemplated outlay arranged for, but the West (11 municipalities) exhibits a more than counterbalancing loss. For the whole of the Dominion the total is \$37,330 less than a year ago, \$3,707,680 contrasting with \$3,745,010. The half-year exhibit, while better than for last year or 1916, is nevertheless a very poor one, as contrasted with several years prior to 1915. Specifically, the outlay arranged at the 26 cities in the East aggregates \$12,217,701, against \$13,068,911 last year, \$12,477,481 two years ago, 13 $\frac{1}{4}$ millions in 1915, and 38 millions in 1914, and in the West (11 cities) \$4,351,054, against \$3,088,418 and \$2,857,310 and \$2,985,076 and \$25,623,311. Consequently, we have for the 37 Canadian cities this half-year a total of \$16,568,755, against \$16,157,329 a year ago, \$15,334,872 two years ago, 16 $\frac{1}{4}$ millions in 1915, no less than 62 millions in 1914 and still heavier aggregates in 1913 and 1912.

Current Events and Discussion

CONTINUED OFFERING OF BRITISH TREASURY BILLS.

J. P. Morgan & Co. have disposed of the usual offering of ninety-day British Treasury bills this week on a discount basis of 6%. The bills are dated July 30 and mature Oct. 28.

NEW CREDITS TO FRANCE, BELGIUM AND SERBIA.

Three credits to the Allies by the United States, aggregating \$112,000,000, were announced by the Treasury Department on July 30; the sum of \$100,000,000 was advanced to France, making the total credit to that country \$1,865,000,000; Belgium received \$9,000,000, making the total to it \$154,000,000, while Serbia was advanced \$3,000,000, bringing the total credit extended to it up to \$12,000,000. The total credits to the Allies established by the United States since our entry into the war now reach \$6,492,040,000, apportioned as follows: Great Britain, \$3,345,000,000; France, \$1,865,000,000; Italy, \$760,000,000; Russia, \$325,000,000; Belgium, \$154,250,000; Cuba, \$15,000,000; Serbia, \$12,000,000; Greece, \$15,790,000. In announcing on July 30 that credits to Allied Governments by the United States had reached \$6,492,040,000, Treasury officials explained that secrecy would be maintained concerning the disposition of this money as a means of withholding information which might be valuable to the enemy. Reports that the Treasury was considering making public the Allied purchases in this country, most of which are financed by the United States Government, were denied. It was further announced that the Inter-Allied Council of Finance and Purchases, of which Oscar T. Crosby, Assistant Secretary of the Treasury, is President, now forwards periodically to the Treasury from London or Paris itemized estimates of the foodstuffs, war materials, or other supplies needed for future months. The reports are carefully inspected by American officials as the basis on which new credits or loans are made from time to time. The reports also are intended to determine priority of shipment of the commodities to the various Allies. The Allies, it was added, are now getting about \$10,000,000 a day from the United States.

WAR DEPARTMENT ISSUES ORDER PROHIBITING ARMY OFFICERS FROM TAKING GOLD ABROAD.

Officers, enlisted men and civilians attached to the army are prohibited from taking gold with them when leaving for foreign service, under an order issued by the War Department on July 30. Attention is called to the fact that this is a violation of the embargo against gold exports and the suggestion is made that the men obtain "service checks" or travellers' checks and letters of credit before leaving the United States.

COST OF WAR TO GREAT BRITAIN \$34,920,000 A DAY.

The cost of the war to the people of Great Britain is \$34,920,000 a day, or \$1,455,000 every hour and nearly \$25,000 a minute, according to a statement prepared by the Imperial authorities. Cable advices from London (via Ottawa) on July 30 in announcing this quote the statement as saying:

After four years of exhausting war Great Britain's credit is still unimpaired. Her "silver bullets" are being turned out by the hundred million and every one is finding its billet. Her people are cheerfully bearing the ever-increasing strain which has been placed upon their shoulders, and will spare no effort in blood or treasure till victory is assured.

Britain's national debt has increased during the war from \$3,225,000,000 to \$39,900,000,000, or in excess of twelve times over, and yet she is paying all—and much more than all—her debt charges out of current taxation, while the new taxation raised by Germany is not enough to pay the interest accumulated upon her war debt.

Before the war the people of Britain paid taxes amounting to approximately \$1,000,000,000 a year; to-day they are paying taxes of \$3,270,000,000 annually. In spite of this Great Britain raised her third war loan of \$5,000,000,000—a sum equal to nearly half her entire national income of 1914.

Great Britain is now spending \$9,305,000,000 a year on her army, her navy, her air services and her munitions factories and supplies, but despite this colossal financial burden she has advanced loans to her allies amounting in the aggregate to \$8,160,000,000.

U. S. WAR EXPENSES COMPARED WITH THOSE OF GREAT BRITAIN.

A statement to the effect that a comparison of U. S. Treasury reports and the newly issued financial statement of England show America's war expenses are running about 50% higher than those of Great Britain was contained in

telegraph advices to the daily press from Washington July 31, from which we quote as follows:

Owing to the shorter time the United States has been in the war, however, her national war debt is only one-third as large as that of Great Britain, and the individual burden of taxation in this country now is only about one-half as much as it is in England.

Although the United States has largely superseded Great Britain as the financial reservoir on which the other Allied nations draw, the aggregate of such loans by this country still is one-fourth less than Great Britain's.

The monthly cost of the war to the United States now is about \$1,500,000,000, including loans to allies, while Great Britain's expenses are running in the neighborhood of \$1,000,000,000 a month. The United States is spending about \$50,000,000 a day, or more than \$2,000,000 an hour. The nation's war debt is now a little less than \$12,500,000,000, as compared with Great Britain's \$36,675,000,000.

Before the war both nations collected about the same amount of taxes every year, approximately \$1,000,000,000. Now Great Britain collects \$3,270,000,000 and the United States about \$4,000,000,000, but the population in America is double that of Great Britain. If this country's taxes were proportionately as heavy, the American people would be called upon to furnish annually about \$8,000,000,000 by taxation, or the amount which the Treasury proposes should be raised this year under the new Revenue bill now being framed by the House Ways and Means Committee.

AMERICA'S RESOURCES AND EXPENDITURES AS COMPARED WITH THOSE OF GERMANY.

The following statement issued by the Treasury Department at Washington, comparing America's resources and expenditures with those of Germany, was published in the "Official Bulletin" of July 30:

Pessimistic Americans who view with alarm our increasing national obligations may derive a great deal of comfort from a comparison of the financial condition of the United States contrasted with that of Germany.

The total resources of the United States are estimated at about \$250,000,000,000; our annual earnings are estimated at about \$50,000,000,000. Our national debt, including the Third Liberty Loan, may be put around \$12,000,000,000.

Before the war our Government was spending about \$1,000,000,000 a year. When the war is ended, interest charges, less the interest collected from our loans to our allies, Government insurance expenses, and other necessary expenditures growing out of the war may conservatively be estimated at something like \$1,000,000,000. We are confronted, therefore, when peace comes, with raising only a couple of billions a year revenue, a slight task for a nation of such tremendous wealth, capacity and resources.

The resources of Germany before the war were estimated to be \$80,000,000,000. The annual expenditures then of the Imperial Government were about \$800,000,000. Her debt is now \$30,000,000,000 and her resources and man power have been severely impaired. After the war she is confronted with additional expenditures growing out of the war totaling some \$4,000,000,000.

The interest of her war debt, even if the debt grows no larger, will be about \$1,500,000,000. Although she is niggardly in her pensions to private soldiers and their families, \$1,000,000,000 a year would hardly suffice to pay even small pensions to her injured and the families of her soldiers who have been killed. Her war debt must be paid some time and a sinking fund of 5% would add \$1,500,000,000 to her annual taxation. Here is a total increase of \$4,000,000,000, all due to the war.

Of course both the United States and Germany may greatly increase their debts, but the increases will not change the relative situations.

The German Government has drained the German people of their gold, even their jewels and heirlooms, and yet the Imperial Bank of Germany now has but little over \$500,000,000 of gold in its vaults. The United States has made no special effort to obtain gold, has made no call upon the people for the precious metal, and yet to-day has in its Treasury vaults practically \$2,500,000,000 of gold coin and bullion.

FOREIGN CAPITAL INVESTED IN ARGENTINA.

The following with reference to foreign capital invested in Argentina was contained in advices received by the Department of Commerce at Washington from Commercial Attache Robert S. Barrett, at Buenos Aires, under date of June 8, and published in "Commerce Reports" of July 19:

Between \$4,000,000,000 and \$4,500,000,000 gold of foreign capital is invested in Argentina according to an estimate made by Dr. Alberto B. Martinez, the well-known Argentine statistician, who delivered a lecture on May 31 before the Institute Popular de Conferencias (Popular Institute of Conferences) on the subject of foreign capital investments in Argentina.

Dr. Martinez stated that it is difficult to say with mathematical exactitude what proportion of the total corresponds to each of the foreign nations that have placed capital in Argentina, because many operations of this nature evade all statistics. He stated, however, that the British investments are between \$2,000,000,000 and \$2,500,000,000 gold, and that this explains why, from a relatively remote date, all of the industrial, commercial, agricultural and mining enterprises that enter into Argentine statistics carry the foreign mark "limited" to such a degree that one gets the impression that one is dealing with a purely British colony, since we come across the word "limited" in all factories, in all enterprises, and in all insurance companies.

Dr. Martinez divides foreign investments in Argentina in the following enterprises, the amounts being in gold pesos of \$0.9648:

	Pesos.
Various Argentine loans and issues.....	657,303,460
Railways.....	1,344,326,465
Banks.....	51,891,022
Ports.....	22,163,909
Tramways.....	109,496,149
Freezing establishments.....	40,916,439
Gas, electricity, water, and drainage companies.....	78,373,018
Land and rural property companies.....	79,681,618
Mortgages.....	509,015,962
Insurance.....	3,886,464
Industrial establishments.....	507,760,000
Telephone and radio-telegraphic companies.....	21,340,000
Commerce.....	465,169,244
Total.....	3,882,323,750

NEW RULES FOR EXPORTATION OF GOLD WATCHES AND MANUFACTURES OF GOLD.

No license for the exportation of gold jewelry, gold watches, gold plate and other manufactures of gold will hereafter be issued unless evidence is submitted to show that the f. o. b. selling price of the articles is not less than three times the value of the fine gold contained therein. Exceptions will be made when it is shown definitely that the articles were actually manufactured for the sole purpose of export prior to July 29. The following is the statement issued by the War Trade Board:

The War Trade Board announces (in a new ruling, W. T. B. R. 178) the adoption of the following regulations with respect to the exportation of gold jewelry, gold watches, gold plate and all other manufactures of gold:

1. On and after July 29 1918 no license will be issued authorizing the exportation of gold jewelry, gold watches, gold plate or other manufactures of gold unless evidence satisfactory to the War Trade Board is submitted showing that the selling price of the articles to be exported is not less than three times the value of the fine gold contained in such articles.
2. However, exceptions may be made to the above regulation if evidence satisfactory to the War Trade Board is submitted showing that the gold jewelry, gold watches, gold plate or other manufactures of gold to be exported were actually manufactured for the sole purpose of export prior to July 29 1918. Licenses may be issued for the exportation of such articles provided the f. o. b. selling price of such articles is not less than twice the value of the fine gold contained therein and the exportation of the same is made on or before Sept. 1 1918.
3. Notwithstanding the date of manufacture for export, there may be exported after Sept. 1 1918 only such manufactures of gold the f. o. b. selling price of which is not less than three times the value of the fine gold contained therein.
4. Applications for license to export dental gold and all manufactures of gold, when the same contains platinum, iridium, rhodium or palladium, may be considered only when the regulations governing the exportation of the latter-named metals are complied with.

REDUCTION IN BANK OF ENGLAND'S REMUNERATION TO GOVERNMENT.

The London cables of July 26 state that the remuneration of the Bank of England for its services to the Government, which under an agreement entered upon in 1892 amounted before the war to about £200,000 yearly, increased to £1,500,000 for the fiscal year 1916-17, according to the report of the Special Committee on National Expenditure. The cable adds:

As the Committee does not believe such a remuneration justified, the Bank has agreed to enter into a revised agreement for the period of the war which would secure a reduction of £75,000 for the year 1917-18 and a larger reduction for the current year, unless new conditions arise.

EXTENSION OF CHARTER OF BANK OF FRANCE.

The measure providing for the renewal of the privileges of the charter of the Bank of France for twenty-five years was passed by the Chamber of Deputies on July 30 by a vote of 231 to 72. The previous action by the Chamber referred to in our issue of July 13 seemingly had reference to but one provision in the bill, that giving the Bank the sole right to issue bank notes in France.

SPAIN PLANS GOLD BASIS.

The following appeared in the New York "Times" of July 22:

Mail advices report that the Secretary of the Treasury of Spain has introduced in Congress a bill calling for the gold standard and redemption of the foreign indebtedness. The main features of the measure are:

1. The silver coin of 5 pesetas is made legal tender only up to 50 pesetas.
2. A mint is to be established at once to coin gold. Until sufficient gold coins have been minted foreign gold coins will be accepted after their value in pesetas has been stamped on them.
3. The demonetization and sale of the surplus silver is to proceed with all possible speed after July 1 1919, when the gold standard will be in full force.
4. To defray the expenses of the redemption and sale of the silver money an unlimited credit is authorized from the general State budget; at least 10,000,000 pesetas is to be utilized annually for this purpose.
5. The Government is authorized to amortize, wholly or in part, the perpetual external debt. The proceeds of the sale of silver abroad may be applied to the redemption of that portion of the external debt not domiciled in Spain.
6. During the period of demonetization of silver, gold coins are not to be minted of a value less than 20 pesetas.
7. The 25-peseta notes of the Bank of Spain will be retired from circulation on Jan. 1 1919.
8. The Ministro de Hacienda is authorized to make the necessary arrangements to carry out this law.

The bill provides that in event of its passage the new law shall become operative on July 1 1919.

PROVISION BY FRANCE FOR PAYMENT OF RUSSIAN COUPONS.

Paris cablegrams of July 31 stated that Minister of Finance Klotz on that date introduced a bill in the Chamber of Deputies authorizing the Government to advance 3,015,000,000 francs to Allied and friendly nations in addition to the 7,166,000,000 already advanced. The new amount, it is said, includes a sum necessary to pay the Russian coupons for six months.

RUSSIAN INDEMNITY TO GERMANY \$3,000,000,000.

Berlin dispatches received at Amsterdam on July 26 reported that Premier Lenine, in a speech at Moscow before the Government conference of factory committees, said the position of the Soviet Republic had become extremely acute in view of international complications, counter revolutionary conspiracies and the food crisis. The Russian proletariat knew very well, Lenine told the conference, that the united action of the workers of the entire world or of some of the highly developed capitalistic countries was an essential condition to the victory of the Russian revolution. It was easy for Russia to begin a revolution, but extraordinarily difficult to continue and conclude it. On the other hand, the beginning of a revolution in such a long organized bourgeois country as Germany was extremely difficult, but then it would be so much easier to carry it to completion. Referring to the Brest-Litovsk treaty, Lenine said that according to the terms Russia must pay Germany 6,000,000,000 rubles (\$3,000,000,000 at pre-war parity of exchange). The attempt of the Social Revolutionists of the Left to entangle Russia in a war with Germany by the murder of the German Ambassador was no way to evade the treaty. The way out must be found by the joint exertions of the proletariat and the poor peasants.

USE OF PENCILLED I. O. U.'s IN RUSSIA.

Associated Press advices received in correspondence from Petrograd July 15 say:

Pencilled "I O U's" are being issued by several of the larger restaurants on account of the shortage in money of the smaller denominations, which has become acute in Petrograd. These notes are even given as change for 40-ruble bills.

AUSTRIAN WAR CREDIT OF 6,000,000,000 KRONEN.

In reporting the adoption of the budget by the lower body of the Austrian Parliament, Associated Press advices from Amsterdam July 27 said:

The lower house of the Austrian Parliament has passed the provisional budget for the ensuing six months by a vote of 215 to 193, as well as authorizing a war credit of 6,000,000,000 kronen. The majority was composed of Christian Socialists, German Nationals, German Radicals, Rumanians, members of the Polish Section and some Italians. After the vote had been taken the House took a recess.

The same dispatch had the following to say concerning what Baron von Hussarek, the new Austro-Hungarian Premier, had to say in unfolding his policy in the lower house of Parliament, according to advices from Vienna:

In firm union with Germany, with which we are united in unshakable friendship and loyalty and with which we are about to be more closely united, it is now imperative to enforce a successful end to this terrible struggle. After a year of severe trial, it is now time to realize the intentions which the Central Empires' statesmen repeatedly have unanimously stated, which threaten no one, and which aim at a general reconciliation of the people.

The Austrian Government will contribute all in its power to the attainment of this ardently desired end.

For the attainment of this aim, the outward manifestation of power alone does not suffice. There must also be a development of internal strength. An absolute condition, therefore, is continual constitutional co-operation with Parliament, to which the Government will scrupulously adhere.

LOAN TO CHINA BY UNITED STATES BANKERS APPROVED BY STATE DEPARTMENT.

The conferences had during the past month between representatives of the Department of State at Washington and leading bankers looking toward a loan to the Chinese Government have resulted in the reaching of an agreement under which an advance will be made to China. The exact amount of the loan is not made known in the announcement issued by the State Department on July 29, but it is understood that \$50,000,000 will be loaned to it. The agreement provides for the formation of a group of American bankers which will make the loan or loans, and which will consist of representatives from different parts of the country. It is agreed that they will co-operate with the Government and follow the policies outlined by the Department of State to which will be submitted for approval the terms and conditions of any loans. For its part, the State Department gives assurance that if the terms and conditions of the loan are accepted by the United States and China, "in order to encourage and facilitate the free intercourse between American citizens and foreign States which is mutually advantageous, the Government will be willing to aid in every way possible and to make prompt and vigorous representations and to take every possible step to insure the execution of equitable contracts made in good faith by citizens in foreign lands." The Department also announced that it is hoped that the American bankers will be associated with bankers of Great Britain, Japan and France. Negotiations looking

to such co-operation are now in progress between the United States and those Governments. The following is the announcement made by Acting Secretary of State Polk:

China declared war against Germany largely because of the action of the United States. Therefore this Government has felt a special interest in the desire of China so to equip herself as to be of more specific assistance in the war against the Central Powers. Until the present time engagements of the United States in preparing to exert effectively its strength in the European theatre of war has operated to prevent specific constructive steps to help China realize her desires. Recently, however, this Government felt that, because of the approach to Chinese territory of the scenes of disorder, a special effort should be made to place proper means at the disposal of China. Consequently, a number of American bankers, who had been interested in the past in making loans to China and who had had experience in the Orient, were called to Washington and asked to become interested in the matter. The bankers responded very promptly and an agreement has been reached between them and the Department of State which has the following salient features:

First.—The formation of a group of American bankers to make a loan or loans and to consist of representatives from different parts of the country;

Second.—An assurance on the part of the bankers that they will co-operate with the Government and follow the policies outlined by the Department of State;

Third.—Submission of the names of the banks who will compose the group for the approval of the Department of State;

Fourth.—Submission of the terms and conditions of any loan or loans for approval by the Department of State;

Fifth.—Assurances that if the terms and conditions of the loan are accepted by this Government and by the Government to which the loan is made, in order to encourage and facilitate the free intercourse between American citizens and foreign States which is mutually advantageous the Government will be willing to aid in every way possible and to make prompt and vigorous representations, and to take every possible step to insure the execution of equitable contracts made in good faith by its citizens in foreign lands.

It is hoped that the American group will be associated with bankers of Great Britain, Japan, and France. Negotiations are now in progress between the Government of the United States and those Governments which it is hoped will result in their co-operation and in the participation by the bankers of those countries in equal parts in any loan which may be made.

Beside the warlike conditions which confront China on her northern and western borders, there is a further incentive to co-operate with all these Governments, because the war has created a community of interest between them and their citizens and those of other Governments and has broken down barriers which once have existed and has made easier the intercourse between them. It is hoped that if the project succeeds it will serve as an agency through which this community of interest and the consequent expansion of our mutual interests abroad may be adequately and properly expressed.

Regarding the proposed loan the "Wall Street Journal" of July 30 said:

Bankers interested in the forthcoming Chinese Loan state that the negotiations have not advanced as yet beyond the stage of general discussion. The group of eight which will ultimately form the nucleus of a nation-wide syndicate to handle the loan has referred the entire matter to a sub-committee of five, of which J. P. Morgan is Chairman.

This sub-committee has held about four meetings since the Government first invited the bankers to Washington to discuss the subject of the loan, and it has also from time to time exchanged views with the State Department, to which a list of possible participants in the flotation of the loan has been submitted for approval. The loan will be issued with the co-operation of the United States Government, but will not carry its guarantee. The amount will probably be not in excess of \$50,000,000, as it is thought that a greater sum could not be successfully floated under present investment conditions.

According to the New York "Times" of July 30 J. P. Morgan & Co. have forwarded to the State Department a list of banks and banking houses, located in various parts of the country, who are interested in China and would take part in the proposed financing. In referring to the statement in the press dispatches of July 18 that the United States Government had agreed to a loan to China by American bankers, provided China canceled all outstanding loans and that all loans be shared by the bankers of the United States, Great Britain, France and Japan, the New York "Tribune" of July 20 said:

Washington reports to the effect that this Government has agreed to a loan to China by American bankers, provided all existing Chinese loans were canceled, were declared to be misleading by bankers here who have taken part in the negotiations with the State Department.

"What was probably meant," said a banker yesterday, "was that the United States Government desires that all existing options on future borrowings by China must be abrogated before a new loan financed by American bankers will be undertaken with the approval of the State Department. I do not think there is any intention of canceling loans already made to the present Chinese Government, except what might be arranged in a refunding operation."

CHARGE THAT FREEDOM FROM TAXATION OF FARM LOAN BONDS AIDS TAX EVADERS.

The Farm Mortgage Bankers' Association of America in a statement to the effect that a probable loss to the United States Treasury of \$3,100,000 during the current year is one of the unexpected results of the combination of the high income tax with the Federal Farm Loan law adds:

The latter law was enacted before America entered the war at a time when the income tax rate on the big incomes was only 6%. In 1918 the income tax rate on incomes of over \$1,500,000 is 62%. The very rich income tax slackers are buying or have bought the tax exempt Federal Land Bank bonds. The income on a \$1,000 bond is \$50. The income tax slacker is enabled to keep the entire \$50 instead of being obliged to pay \$31 as income tax, as would be the case if taxable like industrials.

On \$100,000,000 of Federal Farm Loan bonds now outstanding this would make an annual loss to the Government of \$3,100,000. This de-

iciency will be required to be made up by other tax payers, because war expenses must be paid by others if the very rich evade them.

Friends of the Federal Farm Loan system claim that the tax exemption feature of the law benefits the farm borrower an average of half of 1%, or \$5 per year on a \$1,000 loan. The benefit to the very rich income tax slacker is \$31 per year on a \$1,000 bond, \$6 20 for every dollar of benefit received by the farmer. No patriotic farmer would ask the Government to make such a bad bargain in war times. No true friends of the system will try to defend such financing. As it is expected that the Federal Land Bank bonds will increase at a rate of over \$100,000,000 annually, the tax burden will be enormous that will be thus accumulated on the people of moderate means through the tax exemption benefit given by the law to the multimillionaire income tax slacker. This gross perversion of the law is incidental to war changes in financial conditions. No one is to blame. It was not contemplated by those who originally framed the Federal Farm Loan Law. Congress can easily and quickly remedy the defect.

Fortunately all of the beneficial features of the Federal Farm Loan system can be preserved and its administration and efficiency will in no way be impaired if the tax exemption clause is repealed.

In further detailing at length its contentions the Association in its "Quarterly Bulletin" for July says in part:

When the law was enacted the purpose of those who framed it was to relieve the poor man. There was no intention of creating a situation that would benefit the very rich at the expense of the tax paying public.

Because of the exemption of land bank bonds from taxation, about half of 1% interest is saved to the farmer who borrows from these banks, according to the claims of the advocates of the system. As half of 1% may be considered about the usual tax on other industrial bonds and securities, the estimate is doubtless substantially correct. The half of 1% thus lost to the public treasury by this exemption is required to be made up by taxes levied on other property or against other people. This loss of half of 1% to the local public treasuries or tax collecting districts was the entire loss when the law was enacted in 1916.

Under our income tax law, if a thousand citizens each owned a one thousand dollar land bank bond and each of these bond holders had an income not exceeding \$1,000 if single or \$2,000 if married, they would none of them be subject to an income tax. The tax exemption feature of the one thousand bonds aggregating \$1,000,000, each producing \$50 income, would be of no benefit to them in that respect. Their only tax exemption benefit would arise from local property tax exemption which would also be granted, if the bonds were owned by one very rich man or corporation.

At the present time approximately \$100,000,000 of Federal Farm Loan bonds are in existence. It is expected that the amount will be increased several millions every month. Estimating the interest income on the bonds outstanding in 1918 at five million dollars, the amount which the Morgan-fellers would save on income tax by owning them would be three million and one hundred thousand dollars on their 1918 income tax payable in 1919. It would require twelve million and four hundred thousand thrift stamps at twenty-five cents each to equal that amount.

The total amount of farm mortgages in the United States is estimated at four billion dollars. If one-quarter of these mortgages were financed by the Federal Land banks by issuing one billion dollars of 5% bonds and the bonds were all held by multimillionaire income tax slacker with incomes of two million dollars each, the annual loss on income tax alone to the national Treasury would be \$31,000,000 and the approximate loss to school districts, cities, counties and States from failure to collect local property taxes would be \$5,000,000 annually. It is not unreasonable to predict that the amount of Federal Land Bank bonds thus tax exempt might reach the amount of \$1,000,000,000 within ten years. At the present size of the loans on the basis of the 1910 census that would place a Federal Land Bank loan on about one farm in eleven in the United States. The other ten farmers out of every eleven along with people in towns and cities would be obliged to pay their share of the \$31,000,000 required to make up the loss to the national Treasury and also their share of the \$5,000,000 required to make up the loss to school district, town and State treasuries.

In 1917 before the heavy income taxes now imposed on larger incomes became effective, it was impossible to sell Federal Farm Loan bonds enough to furnish funds to operate the system. Congress was obliged to make a special appropriation of \$200,000,000 which the Farm Loan Board asked for in December 1917, in order to keep the business running. The first year's sales were only about \$30,000,000 of 4 1/2% bonds. When the 5% bonds were offered in May 1918, at a premium of 1%, \$60,000,000 were sold in about two weeks and further offerings were not made. The influence of heavy income taxes appears to have helped the market.

Railroad bonds, school bonds, and sanitary district bonds without universal tax exemption provisions are sold at rates to yield less than 5%. The tax exemption feature of the Federal Land Bank bonds is as unnecessary as it is unjust and unpatriotic. This is shown by the fact that the Federal Land Bank bonds first marketed at 101, have since sold on the New York market at 102 1/2. On the \$60,000,000 disposed of at the last sale, this increase nets to the speculators a profit of \$975,000—almost a million dollars.

That these bonds are rapidly drifting into the hands of interests paying heavy income taxes is well-known and indisputable. These parties can afford to pay more for them than holders having small incomes. A premium of 2 1/2% has recently been paid for them in the stock market of New York. The man with no income tax to pay cannot afford to hold such bonds when he can sell them at a premium.

The question of the constitutionality of the tax exemption feature of the Federal Land Bank bonds has affected their sale unfavorably from the start. It has not as yet been decided by the courts. Dispatches sent out from Washington have stated a group of Kansas parties is arranging to carry a test case to the Supreme Court in order to settle this question. While the danger of an unfavorable Supreme Court decision will make the small investor cautious about buying these bonds, the income tax slacker with a very large income tax has enough at stake so he can afford to take the risk. He knows that if he once gets a receipt in full for his income tax, that the Government will never collect the big taxes he has dodged if the tax exemption feature is declared unconstitutional.

The positive proof of the reason for the great present demand for tax exempt securities can be found by referring to the surtax table on Form 1040 of the income tax blank return, now in use as revised on Jan. 1 1918, and comparing it with the table on the same blank, No. 1040, which was revised in October 1916. The table now in effect shows a surtax of 62% on incomes in excess of \$1,500,000, as compared with only 12% in effect before the last war tax revision. Going back still further, according to the Act of Congress of 1913, such incomes were required to pay only a 6% tax. The three successive rates have been 6%, 12% and 62%.

When the Federal Farm Loan law was considered and enacted by Congress in 1915 and 1916, the income tax rate was only 6%. In 1917, when the Federal Farm Loan Board was unable to sell enough bonds to continue in business and was obliged to secure a special appropriation of \$200,000,000 from Congress, the same tax on these large incomes was only 12%.

When the \$80,000,000 worth were offered in May 1918, the rate was 62%. The market absorbed them quickly.

Income tax evaders are shrewd. A smaller increase in the income tax rate has been made on smaller incomes, but the tax exempt bonds will naturally drift into the hands of people paying the heaviest income taxes.

When the first Liberty bonds were sold last year at 3 1/2%, they were free from taxation as are the Federal Farm Loan bonds now on the market.

When the second issue of Liberty bonds was sold at 4%, in accordance with the best judgment of statesmen and financiers, the bonds were made subject to certain taxes.

When the third issue of Liberty bonds was sold at 4 1/2%, changed conditions of the world's money markets caused Secretary of the Treasury McAdoo and other financiers and statesmen of Congress to issue these bonds subject to still further taxation and restrictions.

The Federal Farm Loan bonds drawing 5% interest are given the same immunity from taxation as the 3 1/2% Liberty bonds. Changed financial conditions have caused two modifications of Liberty bond taxation, but no change has been made in farm loan bonds.

In the turmoil of Congressional legislation to rush men and munitions to Europe this inconsistency and the resulting loss to the national Treasury has escaped notice.

No patriotic farmer would ask to be favored to the extent of one dollar in interest, if he realized that it cost the national Treasury six dollars in exemptions granted to multimillionaires for every dollar of benefit given to the farmer.

The Federal Farm Loan system can be successfully run on a business basis with its bonds subject to the usual taxes. It has been established two years and no longer requires charitable donations to put it on its feet. The repeal of the tax exemption feature need not in the slightest degree change the proper administration of the law or impair its efficiency.

In many respects farm loan bonds are similar to industrial bonds. The economists of Congress in perfecting the new revenue bill might direct their attention with good effect to farm loan bonds. Many million dollars could be saved to the public Treasury by putting future issues under the same tax classification as bonds issued to promote other industries. While the staggering burdens of war taxes are bearing heavily on every person and industry, favoritism granted to millionaires on a six-to-one basis does not seem practicable or sensible, when the smallness of the benefit to the prosperous agricultural industry is considered.

REVISION OF NEW YORK CLEARING HOUSE COLLECTION RULES.

New rules and regulations governing collection charges outside of New York City (except as to items on clearing non-members) have been issued by the New York Clearing House Association, to take effect Aug. 12 1918. Under the revised rules the list of "discretionary" points is enlarged, while a reduction in the charges at some points has been made. The following are the new rates and rules as announced by the Clearing House:

RULES AND REGULATIONS REGARDING COLLECTIONS OUTSIDE OF THE CITY OF NEW YORK.

(As Revised July 29 1918.)

Pursuant to authority conferred upon it by the constitution of the New York Clearing House Association, the Clearing House Committee of said Association establishes the following rules and regulations regarding collections outside of the City of New York (except as to items on clearing non-members) by members of the Association, or banks, trust companies, or others clearing through such members, and the rates to be charged for such collections, and also regarding enforcement of the provisions hereof:

Sec. 1. These rules and regulations shall apply to all members of the Association, and to all banks, trust companies or others clearing through such members, but not to branches in foreign countries of member banks. The parties to which the same so apply are hereinafter described as collecting banks.

Sec. 2. For all items deposited by or collected for the account of the Governments of the United States, the State of New York, or the City of New York, from whatever source received (but not checks, warrants, &c., issued by said Governments and deposited by or collected for the account of the bank's other customers), the charge shall be discretionary with the collecting banks.

Sec. 3. For checks or drafts drawn on banks, bankers and trust companies, and for all other items, the charges shall be not less than those prescribed for the respective points in the following schedule, subject to the provisions of Sections 4, 5 and 6:

States—	Checks or Drafts Drawn on Banks, Bankers and Trust Companies.	All Other Items.	States—	Checks or Drafts Drawn on Banks, Bankers and Trust Companies.	All Other Items.
Alabama	1-10 of 1%	1-10 of 1	Nebraska	1-10	1-10
Arizona	1-10	1-10	Omaha	1-20	1-10
Arkansas	1-10	1-10	Nevada	1-10	1-10
California	1-10	1-10	New Hampshire	Discre'y	1-10
San Francisco	1-20	1-10	New Jersey	"	* 1-10
Colorado	1-10	1-10	Hoboken	"	* Discre'y
Denver	1-20	1-10	Jersey City	"	* "
Connecticut	Discre'y	1-10	New Mexico	1/2	3/4
Delaware	"	1-10	New York	Discre'y	1-10
Dist. of Columbia	"	1-10	New York City	"	Discre'y
Florida	1/2	1/2	North Carolina	1/2	3/4
Georgia	1-10	1-10	North Dakota	1-10	1-10
Atlanta	1-40	1-10	Ohio	1-20	1-10
Idaho	1-10	1-10	Cincinnati	1-40	1-10
Illinois	1-20	1-10	Cleveland	1-40	1-10
Chicago	1-40	1-10	Oklahoma	1-10	1-10
Indiana	1-20	1-10	Oregon	1-10	1-10
Iowa	1-10	1-10	Portland	1-20	1-10
Kansas	1-10	1-10	Pennsylvania	Discre'y	1-10
Kansas City	1-40	1-10	Philadelphia	"	* Discre'y
Kentucky	1-10	1-10	Pittsburgh	"	1-10
Louisville	1-40	1-10	Rhode Island	"	1-10
Louisiana	1/2	1/2	South Carolina	1/2	3/4
New Orleans	1-20	1-10	South Dakota	1-10	1-10
Maine	Discre'y	1-10	Tennessee	1-10	1-10
Maryland	"	1-10	Texas	1-10	1-10
Baltimore	"	1-10	Dallas	1-20	1-10
Massachusetts	"	1-10	Utah	1-10	1-10
Boston	"	* Discre'y	Salt Lake City	1-20	1-10
Michigan	1-20	1-10	Vermont	Discre'y	1-10
Detroit	1-10	1-10	Virginia	1-10	1-10
Minnesota	1-10	1-10	Richmond	Discre'y	1-10
Minneapolis	1-10	1-10	Washington	1-10	1-10
St. Paul	1-40	1-10	Seattle	1-20	1-10
Mississippi	1/2	1/2	Spokane	1-20	1-10
Missouri	1-10	1-10	West Virginia	1-10	1-10
Kansas City	1-40	1-10	Wisconsin	1-10	1-10
St. Louis	1-40	1-10	Wyoming	1-10	1-10
Montana	1-10	1-10			

* See Sec. 6.

Sec. 4. The charge for checks and drafts drawn on banks, bankers and trust companies located in Federal Reserve cities and cities where Federal Reserve bank branches are at present or may hereafter be established, shall be governed by the "Schedule showing when the proceeds of items will become available," as published by the Federal Reserve Bank of New York from time to time; that is to say, for such items on said cities where immediate credit is given and for such items which become available one day after receipt, the charge shall be discretionary; for such items available two days after receipt, the charge shall be 1-40 of 1%; for such items available four days after receipt, the charge shall be 1-20 of 1%; and for such items available eight days after receipt, the charge shall be 1-10 of 1%.

Sec. 5. In case the charge upon any item at the rates above specified does not equal ten (10) cents, the collecting bank shall charge not less than that sum; but all items received in any one deposit and subject to the same rate, may be added together and treated as one item for the purpose of determining the amount of exchange to be charged.

Sec. 6. All notes or other time obligations purchased by member or non-member institutions payable elsewhere than in New York City shall be subject to a charge of not less than 1-10th of 1%, except that in the States of Florida, Louisiana, Mississippi, New Mexico, North Carolina and South Carolina the charge shall be not less than 3/4 of 1%, provided, however, that for notes or other time obligations purchased or discounted by any collecting bank, payable elsewhere than in New York City, but with respect to which the maker, endorser or guarantor, or any bank, banker or trust company maintaining an account with the collecting bank, gives a written agreement at the time of such purchase or discount, to provide New York funds for the payment of such notes or other time obligations on day of maturity, the charge shall be discretionary with the collecting banks.

Sec. 7. The charges herein specified shall in all cases be collected at the time of deposit or not later than the tenth day of the following calendar month. No collecting bank shall, directly or indirectly, allow any abatement, rebate, or return for or on account of such charges or make in any form, whether of interest on balances or otherwise, any compensation therefor.

Sec. 8. In case any member of the Association shall learn that these rules and regulations have been violated by any of the collecting banks, it shall immediately report the facts to the Chairman of the Clearing House Committee, or, in his absence, to the Manager of the Association. Upon receiving information from any source that there has been a violation of the same, said Chairman, or, in his absence, said Manager, shall call a meeting of the Committee. The Committee shall investigate the facts and determine whether a formal hearing is necessary. In case the Committee so concludes, it shall instruct the Manager or formulate charges and present them to the Committee. A copy of these charges, together with written notice of the time and place fixed for hearing regarding the same, shall be served upon the collecting bank charged with such violation, which shall have the right at the hearing to introduce such relevant evidence and submit such argument as it may desire. The Committee shall hear whatever relevant evidence may be offered by any person and whatever arguments may be submitted and shall determine whether the charges are sustained. In case it reaches the conclusion that they are, the Committee shall call a special meeting of the Association and report thereto the facts with its conclusions. If the report of the Committee is approved by the Association, the collecting bank charged with such violation shall pay to the Association the sum of five thousand dollars, and in case of a second violation of these rules and regulations, any collecting bank may also in the discretion of the Association be excluded from using its privileges directly or indirectly, and, if it is a member, expelled from the Association.

Resolved, That the foregoing rules and regulations are hereby established and adopted, to take effect upon the 12th day of August, 1918.

RULINGS AND INTERPRETATIONS OF SOME OF THE FOREGOING RULES AND REGULATIONS.

(A) All applications for rulings on regulations regarding collection charges must be made in writing and addressed to the Clearing House Committee. All rulings will be printed and sent to members and other institutions connected with the New York Clearing House.

(B) The Clearing House rules contemplate the charging of collection rates on all out of town items, from whatever source derived, unless otherwise provided in the rules. This ruling is made comprehensive in order to meet ingenious cases for evasion.

(C) A Ruling has been asked on the following:
A suggestion that drafts be deposited in other discretionary cities with the correspondents of a New York Clearing House member in such cities, to the credit of such member, the depositor to receive credit in the New York institution at par immediately upon notification of such deposit, and to be allowed to draw against such credits the same as against New York funds.—
It is held that this and similar cases are in contravention of Clearing House rules. If exceptions were allowed the flood of cases would practically nullify the rules.

In the case of bought paper the broker should allow the charge as part of the purchase.

(D) No exception is made to the general rules governing collection charges for items drawn "with exchange," or bearing similar phrases, or when stamped "collectible at par through any Federal Reserve bank." Such items must be charged for in accordance with the within named rates.

Counsel has ruled that checks stamped "payable in exchange" are not negotiable; therefore, such checks are subject to the charges.

(E) When items, subject to collection charges, are returned unpaid, the charge may be remitted.

(F) Stocks, bonds and coupons, and drafts with bills of lading or collateral attached, are subject to the rules governing collection charges.

(G) Any agreement, expressed or implied, entered into by a Clearing House member or by a non-member clearing through a member, with any individual, firm or corporation, by the terms of which it is intended that the rate of interest agreed to be paid on deposits is to offset and compensate for charges made on out-of-town checks, is a violation of Clearing House rules, and if brought to the attention of the Committee will be dealt with as provided by Section 8 of the Clearing House rules and regulations relating to the charges on out-of-town items.

NOTES AND ACCEPTANCES TO BE INCLUDED IN DAILY EXCHANGES OF N. Y. CLEARING HOUSE.

The New York Clearing House Association, through the Chairman of its Clearing House Committee, Walter E. Frew, in announcing on July 29 its intention to include notes and exchanges in its daily exchanges, said:

As you are aware, it has not been the custom to include notes and acceptances in the daily exchanges, although such items are recognized as proper material for the exchanges by the terms of Sections 2 and 6 of Article X of the constitution.

In view of the rapidly increasing employment of acceptances in commercial transactions, and with intent to increase as much as possible the usefulness of the clearing function, the Clearing House Committee has this day removed the restriction heretofore placed upon notes and acceptances, and you are therefore advised that on and after Aug. 1 1918 notes and acceptances may be sent through the morning clearings on the day of due date.

Your attention is particularly directed to the requirements of Article X that all misssent items must be returned by hand.

BANKS IN MINNEAPOLIS RESERVE DISTRICT REQUESTED TO RETAIN SILVER CERTIFICATES UNDER \$5.

With reference to its request concerning shipments of silver certificates of \$5 and over, the Federal Reserve Bank of Minneapolis on July 30 issued a circular to the cashiers of the banks and trust companies in its district saying:

Some little time ago we made the request that silver certificates in denominations of \$5 and over be shipped to us or to the Assistant Treasurer of the United States at Chicago for our account, and we agreed to send in exchange therefor, at our expense, Federal Reserve notes.

A number of banks have inferred that we desired them to ship in one and two-dollar bills also. This, however, is undesirable, as we have not yet been supplied with Federal Reserve bank notes of similar denominations and the retirement of the small denominations of silver certificates might cause a serious shortage, meanwhile.

Therefore we suggest that you retain for local use the small denomination silver certificates until further notice.

INTERESTS IN U. S. COUNCIL OF STATE BANKING ASSOCIATIONS TO MEET IN WASHINGTON NEXT WEEK.

A meeting of the Executive Committee of the United States Council of State Banking Associations created in St. Louis on July 16 is to be held at Washington next Thursday. W. H. Booth of the Security Trust & Savings Bank of Los Angeles, who is President of the Council, was in New York this week and was quoted in some of the New York papers yesterday as stating that the Washington meeting was planned for the purpose of formulating "an aggressive program." The New York "Commercial," which quoted him to this effect, also said:

While interests identified with the new State bank council insist that they will co-operate fully with the American Bankers' Association, nevertheless the formation of the council, according to President Booth, was felt to be necessary because "the State institutions with regard to legislation have not had a chance to get their side in."

"We are antagonistic to the A. B. A.," Mr. Booth said yesterday, "only to the extent of having our story heard. Our organization is in entire accord with the A. B. A., except in one or two fundamental matters. Our attitude will be one of absolute co-operation with the A. B. A. in every respect, but the A. B. A. is largely interested in commercial banking, and not in savings banks or trust companies."

COMPARATIVE FIGURES OF CONDITION OF CANADIAN BANKS.

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

	ASSETS.		
	June 29 1918.	May 31 1918.	June 30 1914.
Gold and subsidiary coin—	\$	\$	\$
In Canada.....	54,982,175	54,794,753	28,948,841
Elsewhere.....	20,582,449	21,775,930	17,160,111
Total.....	75,564,624	76,570,683	46,108,952
Dominion notes.....	183,814,738	177,655,477	92,114,482
Deposit with Minister of Finance for security of note circulation.....	5,821,486	5,779,518	6,667,568
Deposit in central gold reserves.....	84,470,000	79,870,000	3,050,000
Due from banks.....	175,885,728	159,753,220	123,608,936
Loans and discounts.....	1,061,896,959	1,057,264,022	926,681,966
Bonds, securities, &c.....	424,773,302	427,387,667	102,344,120
Call and short loans in Canada.....	76,970,920	78,466,582	67,491,484
Call and short loans elsewhere than in Canada.....	170,034,476	172,259,879	137,120,167
Other assets.....	90,603,897	84,589,279	71,209,738
Total.....	2,349,836,130	2,319,958,227	1,575,307,413
	LIABILITIES.		
	\$	\$	\$
Capital authorized.....	189,866,666	189,866,666	192,866,666
Capital subscribed.....	112,111,266	112,097,066	115,434,666
Capital paid up.....	111,781,331	111,735,615	114,811,775
Reserve fund.....	114,344,068	114,333,518	113,368,898
Circulation.....	194,681,710	181,899,959	99,138,029
Government deposits.....	106,997,514	136,682,394	44,453,738
Demand deposits.....	759,446,017	739,829,016	495,067,832
Time deposits.....	965,934,556	947,767,337	663,650,230
Due to banks.....	45,070,546	37,996,984	32,426,404
Bills payable.....	1,364,931	1,893,489	20,096,365
Other liabilities.....	28,001,995	24,494,463	12,656,085
Total, not including capital or reserve fund.....	2,161,467,269	2,070,543,642	1,330,488,683

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

**PURCHASE OF NEW YORK "EVENING POST" BY
THOMAS W. LAMONT.**

Announcement of the sale of the New York "Evening Post" by Oswald Garrison Villard and his associates to Thomas W. Lamont of J. P. Morgan & Co., was given out on Thursday. Mr. Lamont, who acquires all of the shares held by the former interests, states that he has lodged his holdings in the hands of a board of trustees, consisting of Theodore N. Vail, President of the American Telephone & Telegraph Co.; Henry S. Pritchett, President of the Carnegie Foundation for the Advancement of Teaching, and Ellery Sedgwick, editor of the "Atlantic Monthly." Rollo Ogden, the present editor of the "Evening Post," is to remain in charge of the editorial page, of which he has had complete control since 1903. There are 1,000 shares of stock with a nominal value of \$100 each. The following statement is made by Mr. Lamont:

I have personally acquired from Mr. Oswald Garrison Villard and his associates all the shares of the stock of the New York "Evening Post." I have been led to make this purchase partly because of a personal interest in the "Evening Post" formed when my brother, the late Hammond Lamont, was the managing editor; but chiefly because I have believed that a journal with the sound traditions of the "Evening Post" is an institution of value to the public, if conducted with vigor and independence.

It is obviously impossible for me to devote my personal attention to the conduct of the "Evening Post." Accordingly, following the precedent established by the owners of the property during the many years when it was conducted with such fearlessness and effectiveness by the late E. L. Godkin, and in order to emphasize the independent character which I desire the publication to bear, I am lodging all my stock in the hands of Theodore N. Vail, Henry S. Pritchett and Ellery Sedgwick, as trustees.

These gentlemen have, with a sense of public spirit, consented to accept this trust. They will, of course, not be responsible for the opinions which the "Evening Post" expresses, nor for its daily management. But their counsel and their matured judgments will, I am assured, be always available for the assistance of those who are in charge of the newspaper.

With such management, the editorial staff (as ably led by Mr. Rollo Ogden, the present Editor-in-Chief), will be completely entrusted; for to command the permanent confidence of the community a newspaper must be free from outside direction, both in its presentation of news and of opinions. With the future thus assured I look to see the "Evening Post" steadily increase in vigor and influence and realize more fully than ever before the high aims cherished by its founders of a century ago and by its subsequent owners.

THOMAS W. LAMONT.

The trustees issued the following statement:

Mr. Lamont's statement needs no amplification. Had he followed a natural course and retained under his personal control the stock of the "Evening Post," his reputation would have been sufficient assurance of a just and liberal policy. But, in view of his desire to prevent the possibility of misapprehension, we accede to his request and, in accepting his trust, agree to use our best and independent judgment in voting Mr. Lamont's stock and in electing from time to time suitable directors for the Evening Post Corporation.

THEODORE N. VAIL,
HENRY S. PRICHETT,
ELLERY SEDGWICK.

Mr. Villard, the retiring owner, gave out the following statement:

It is a great satisfaction, in relinquishing the ownership of the "Evening Post," after thirty-seven years of control by my family, to feel certain that its high journalistic standards and its tradition of public service since 1801 will be maintained under the new ownership. I am particularly pleased that a plan of trustee control like that devised by my father, Mr. Henry Villard, in 1881 should appeal to Mr. Lamont. The editors of the "Evening Post" have ever since been free to speak their own minds unhampered by the ownership. No newspaper in this country has a more devoted set of workers or one more patriotically loyal to our American institutions and the democratic principles which underlie them, and I rejoice that they are to continue to manage the property. I gratefully acknowledge how much it is due them that I am able to turn over the newspaper with the widest public support it has ever enjoyed and with its prestige unimpaired. Since it is a human institution, the "Evening Post" has its faults and shortcomings, but since 1881 it has never been used to advance the personal fortunes or prestige of any individual, and it has had no other ambition than to serve the city, the State and the nation without fear or favor.

Mr. Villard stated that he had contemplated retiring for more than six months, during which he had received numerous offers for the property. Mr. Villard will continue as editor and proprietor of the "Nation," which was founded by his uncle, Wendell Phillips Garrison, and Edwin L. Godkin, in 1865. He is also proprietor of the "Nautical Gazette," and has other publishing interests. His office will remain in the Evening Post Building. The "Nation" will be enlarged and developed, and on Oct. 5 will begin the publication of a fortnightly international relations supplement, which will be modeled after the "New Europe," in England, and will contain authoritative articles on the political progress of the warring nations, official documents, treaties, speeches, &c.

Editorially the "Post" had the following to say with reference to the change in ownership:

From the announced plans of the new owner of the "Evening Post," Mr. Thomas W. Lamont, the public will understand that its complete editorial independence is assured. In this respect he adheres to the large and liberal policy adopted by the late Henry Villard, when he purchased the "Evening Post," nearly forty years ago. The present editors, therefore, will continue to fortify and express their own judgment on all political and financial questions, on the stern duties of the war and on the difficult problems which will come with peace. That judgment our readers may often think faulty, but that it is never fettered they will see the proof day after day in this newspaper itself. Thus given a free hand and full responsibility, in keeping with the honorable tradition of the "Evening Post," the editors and directors will endeavor to make its future copy fair its past, and to meet the issues of the new day, as they arise, with serenity and hope.

**INCREASE IN RESOURCES OF STATE BANKING
INSTITUTIONS IN NEW YORK.**

An increase of approximately 150 million dollars in the resources of the State institutions of New York State during the past year are reported by State Superintendent of Banks George I. Skinner. Superintendent Skinner on July 28 announced that the resources of the 98 trust companies, 210 State banks and 82 private bankers of the State on July 28 totaled \$4,003,186,787, an increase of \$148,290,915 since June 20 1917. In furnishing details he says:

The resources of the trust companies of the State during this period increased from \$2,941,290,854 to \$3,045,236,458, while the resources of the State banks increased from \$898,585,696 to \$940,227,837, and the resources of the private bankers from \$15,019,322 to \$17,722,492.

From March 14 to June 20 of this year the deposits of the State banks increased from \$777,029,551 to \$808,571,644, a gain of over \$31,550,000, while the deposits with private bankers increased from \$10,747,597 to \$11,632,357, a gain of \$884,760. The deposits and resources of State banks are the largest ever reported by this class of institutions.

During the same period the deposits of trust companies fell off from \$2,475,853,107 to \$2,440,141,425, a loss of \$35,711,682. These figures indicate that in strictly commercial institutions increased business activity has more than counterbalanced withdrawals for investment in Liberty Loan bonds and other Government securities, while strictly investment institutions are still feeling the effect of such withdrawals.

The following tables give in detail the condition of trust companies, State banks and private bankers as shown in reports submitted by them under calls issued by Superintendent Skinner as of March 14 and June 20 1918:

Statement showing the condition of the State banks of deposit and discount of the State of New York at the close of business on Thursday, June 20 1918, in comparison with their condition on Thursday, March 14 1918.

Resources—	June 20 1918.	March 14 1918.
Stock and bond investments, viz.:		
Public securities.....	\$90,731,984	\$84,544,461
Private securities.....	88,802,548	94,502,531
Real estate owned.....	21,827,150	22,181,045
Mortgages owned.....	13,531,751	13,614,749
Loans and discounts secured by bond and mortgage, deed or other real estate collateral.....	9,762,940	10,013,711
Loans and discounts secured by other collateral.....	175,545,024	176,887,006
Loans, discounts and bills purchased not secured by collateral.....	279,606,658	253,788,611
Overdrafts.....	363,174	206,498
Due from trust companies, banks and bankers.....	70,418,753	79,190,187
Specie.....	27,153,259	29,546,534
Other currency authorized by the laws of the United States.....	23,256,560	21,085,387
Cash items.....	77,740,896	67,877,453
Due from Federal Reserve Bank of New York, less offsets.....	44,442,368	30,964,099
Customers' liability on acceptances.....	8,896,505	8,286,692
Other assets.....	8,147,348	8,107,573
Add for cents.....	919	913
Total.....	\$940,227,837	\$900,797,451
Liabilities—		
Capital.....	\$36,900,106	\$36,666,137
Surplus (including all undivided profits).....	57,824,794	56,948,405
Preferred deposits:		
Due New York State savings banks.....	25,867,858	25,583,243
Due New York State savings and loan associations, credit unions and Land Bank.....	1,021,837	954,757
Deposits by State of New York.....	6,761,918	8,056,433
Deposits by Superintendent of Banks of State of New York.....	669,195	570,228
Other deposits secured by pledge of assets.....	30,250,613	13,710,690
Deposits otherwise preferred.....	1,169,555	254,909
Due depositors not preferred.....	693,149,744	680,245,466
Due to trust companies, banks & bankers.....	49,680,924	48,553,831
Bills payable.....	12,772,815	8,719,765
Rediscounts.....	5,405,355	3,884,781
Acceptances of drafts payable at a future date or authorized by commercial letters of credit.....	8,264,911	7,678,515
Other liabilities.....	10,487,776	8,969,874
Add for cents.....	436	417
Total.....	\$940,227,837	\$900,797,451
Total deposits.....	\$808,571,644	\$777,029,557

Statement showing the condition of the private bankers under the supervision of the Superintendent of Banks of the State of New York as of Thursday, June 20 1918, in comparison with their condition on March 14 1918.

Note.—82 private bankers reported in June; 81 in March.

Resources—	June 20 1918.	March 14 1918
Stock and bond investments:		
Public securities.....	\$3,257,888	\$3,491,517
Private securities.....	2,229,065	1,754,606
Real estate owned.....	2,405,013	2,407,553
Mortgages owned.....	504,718	468,453
Loans and discounts secured by bond and mortgage, deed or other real estate collateral.....	110,379	113,139
Loans and discounts secured by other collateral.....	1,268,908	1,071,727
Loans, discounts and bills purchased not secured by collateral.....	598,291	569,070
Accounts receivable.....	1,372,900	721,089
Due from customers for exchanges, money orders and steamship tickets sold.....	322,601	200,504
Overdrafts.....	11,018	8,650
Due from trust companies, banks & bankers.....	4,394,685	4,401,271

Resources (Concluded)—	June 20 1918.	March 14 1918.
Deposits with express and steamship companies.....	14,061	13,913
Specie.....	50,919	55,050
Other currency authorized by the laws of the United States.....	379,378	341,537
Foreign currency.....	131,466	132,880
Foreign postage.....	6,812	5,663
Cash items, viz.: exchanges and checks for next day's clearings; other cash items.....	108,752	58,786
Due from Federal Reserve Bank of New York, less offsets.....	71,000	4,000
Customers' liability on acceptances.....	-----	2,000
Other assets.....	484,422	169,910
Add for cents.....	216	203
Total.....	\$17,722,492	\$15,991,551
Liabilities—		
Permanent capital.....	\$1,198,500	\$1,182,000
Surplus (including all undivided profits).....	3,007,941	2,357,693
Deposits.....	10,897,679	10,173,576
Due trust companies, banks and bankers.....	734,678	574,021
Bills payable.....	322,227	405,485
Rediscouunts.....	4,300	-----
Acceptances of drafts payable at a future date or authorized by commercial letters of credit.....	-----	2,000
Other liabilities.....	1,557,068	1,296,671
Add for cents.....	99	105
Total.....	\$17,722,492	\$15,991,551
Total deposits.....	\$11,632,357	\$10,747,597
Statement showing the condition of the trust companies of the State of New York at the close of business on Thursday, June 20 1918, in comparison with their condition on Thursday, March 14 1918.		
Note.—98 companies reported in June; 99 in March.		
Resources—	June 20 1918.	March 14 1918.
Stock and bond investments, viz.:		
Public securities.....	\$371,916,792	\$468,785,222
Private securities.....	349,365,702	366,829,467
Real estate owned.....	49,906,448	48,273,660
Mortgages owned.....	95,970,711	95,204,067
Loans and discounts secured by bond and mortgage, deed or other real estate collateral.....	13,098,615	13,460,801
Loans and discounts secured by other collateral.....	826,489,709	874,233,852
Loans, discounts and bills purchased, not secured by collateral.....	617,745,286	542,463,542
Overdrafts.....	1,108,111	530,320
Due from trust companies, banks & bankers.....	155,991,700	166,690,367
Specie.....	18,998,765	26,245,565
Other currency authorized by the laws of the United States.....	27,478,997	22,252,494
Cash items.....	50,754,243	41,162,661
Due from Federal Reserve Bank of New York, less offsets.....	213,501,065	208,011,078
Customers' liability on acceptances.....	118,055,047	115,989,104
Other assets.....	134,855,222	93,871,216
Add for cents.....	45	52
Total.....	\$3,045,236,458	\$3,084,003,468
Liabilities—		
Capital.....	\$119,925,200	\$115,475,200
Surplus (including all undivided profits).....	182,267,102	182,213,987
Preferred deposits:		
Due New York State savings banks.....	60,737,737	74,752,220
Due New York State savings and loan associations, credit unions and Land Bank.....	999,796	974,513
Due as executor, administrator, guardian, receiver, trustee, committee or depository.....	91,456,710	88,406,393
Deposits by State of New York.....	15,502,376	19,757,653
Deposits by Superintendent of Banks of State of New York.....	757,048	567,585
Other deposits secured by a pledge of assets.....	142,072,268	105,180,347
Deposits otherwise preferred.....	6,026,659	3,514,424
Due depositors not preferred.....	1,911,699,361	1,926,322,469
Due trust companies, banks and bankers.....	210,889,470	256,377,593
Bills payable.....	77,837,043	31,840,950
Rediscouunts.....	60,102,668	64,354,241
Acceptances of drafts payable at a future date or authorized by commercial letters of credit.....	115,595,960	109,059,029
Other liabilities.....	49,367,015	105,207,802
Add for cents.....	45	52
Total.....	\$3,045,236,458	\$3,084,003,468
Total deposits.....	\$2,440,141,425	\$2,475,853,107

resources of trust companies and savings banks of this State alone exceeding by one billion dollars the total resources of all the national banks in New York State. Superintendent Skinner's report said:

Few realize the wonderful growth of the State banking system in recent years and the various and diverse ways in which it has been developed in order to meet the increasing demands of our foreign trade and commerce and of our manufacturing industries, as well as the special needs of the National Government in the present crisis. If we consider simply the increase in resources since the recent revision of the Banking Law went into effect, in the year 1914, the results are almost astounding. According to the last reports available prior to the adoption of the revision, on April 16 1914, there were 925 institutions, including branches, under the supervision of this department having total reported assets of \$4,430,377,078, while at the close of the year 1917, including branches, there were 1,114 institutions under its supervision with reported resources of approximately \$6,410,000,000, an increase in less than four years of nearly two billion dollars, or nearly 50%. Notwithstanding the difficulties created by the entry of this country into war and the enormous resultant demands made upon our financial resources, there was an increase in the reported resources of the State institutions during the year 1917 of approximately one-half billion dollars.

If these statistics be compared with statistics compiled by the Comptroller of the Currency, it would appear that the banking assets of the State institutions of New York at the close of the year were over one-sixth of the total resources of all the banking institutions of the United States and that the resources of the national and State institutions of New York were largely in excess of one-fourth of the total banking resources of all the institutions from which the Comptroller of the Currency obtained reports in the preceding June. Only 528 of our State institutions reported to the Comptroller in June 1917, but their resources exceeded by over \$1,833,000,000 the resources of the 476 national banks of the State which reported to the Comptroller at that time. The total resources of the trust companies and savings banks alone exceeded by one billion dollars the total resources of all the national banks of the State. In the comparison between the banking resources of this and other States, no consideration has been given to the international banking houses in New York City whose operations at times almost dwarf the operations of the largest national banks and trust companies, so that the financial preponderance of this State, especially in international affairs, in foreign commerce and in bearing the great burdens of the present war, cannot be too strongly emphasized.

Superintendent Skinner's report showed that the resources of the investment companies organized under the Banking Law of this State totaled over \$55,000,000 at the close of the year. He recommended that as soon as practicable the investment article of the Banking Law, which has been more or less crude or ambiguous, should be revised so that the different classes of institutions now doing business under it could be classified in separate and defined groups and all ambiguities and uncertainties with reference to its restrictive features removed. We quote further from the report as follows:

Last year the law was so amended as to allow an investment company organized under the provisions of the Banking Law, under certain restrictions, to accept bills of exchange or drafts drawn upon it, payable on demand or on time not exceeding one year from the date of acceptance; to issue letters of credit authorizing the holders thereof to draw drafts upon it at sight or on time not exceeding one year from the date of any such letter of credit; to discount bills of exchange, drafts, notes, acceptances or other choses in action. It was further provided that a corporation, in order to exercise these powers, must have a capital of at least two million dollars. One corporation was organized during the year to engage in this class of business, the stock of which was entirely owned by national banks, and it has already made application for the opening of a branch in Porto Rico. The amendment was in fact designated to facilitate the organization of corporations to assist in the development of foreign trade and commerce and to take the place of the English discount companies.

CANADA'S INCOME WAR TAX ACT 1917 AND BUSINESS PROFITS WAR TAX ACT 1916, AMENDED.

Canada's Income War Tax Act 1917 and Business Profits War Tax Act 1916 were amended this year in several particulars by the Senate and House of Commons and assented to by His Majesty on May 24. The changes made in the Income War Tax Act generally raise the income taxation. Exemptions allowed in the 1918 Act are reduced from \$1,500 to \$1,000 as applied to single persons, and for married persons from \$3,000 to \$2,000. Where married couples live together, only one exemption is allowed; the incomes of the couple being regarded as a single income.

A normal tax of 2%, instead of 4%, is levied on income of from \$1,000 to \$1,500, in the case of single persons, widows or widowers without dependent children, and the same rate is imposed on incomes of from \$2,000 to \$3,000 in the case of all other persons. Incomes over the maximum mentioned here bear a normal tax of 4%. The income of parents is exempted by \$200 for each of their children under 16 years of age.

A new classification and supertax is placed on incomes above \$50,000. They are: 15% on the amount from \$50,000 up to \$75,000; 20% from \$75,000 to \$100,000; 25% from \$100,000 to \$200,000; 30% from \$200,000 to \$400,000; 35% from \$400,000 to \$600,000; 40% from \$600,000 to \$800,000; 45% from \$800,000 to \$1,000,000, and 50% of all in excess of \$1,000,000.

In addition to the supertax a surtax to remain in force during the war is imposed as follows: 5% of the tax pay-

GROWTH OF NEW YORK STATE BANKING INSTITUTIONS—AMENDMENT TO INVESTMENT PROVISION OF BANKING LAWS.

The institutions under the supervision of the New York State Banking Department were shown to have experienced a remarkable growth since the outbreak of the war in 1914 in the annual report of State Superintendent of Banks Skinner, presented to the Legislature on March 14. Superintendent Skinner pointed out that at the close of 1917 the reported resources of the institutions under his supervision were approximately \$6,410,000,000, an increase since the first part of 1914, a period of less than four years, of nearly two billion dollars, or approximately 50%. The banking assets of the State institutions of New York, it was indicated, were over one-sixth of the total resources of all the State and national banking institutions of the United States, the total

able upon incomes in excess of \$6,000 but not exceeding \$10,000; 10% of the tax payable on incomes in excess of \$10,000 but not exceeding \$100,000; 15% of the tax payable on incomes exceeding \$100,000 but not exceeding \$200,000; 35% of the tax payable on incomes exceeding \$200,000.

The income tax payable by corporations and joint stock companies under the 1918 Act has been increased from 4% to 6% on income in excess of \$3,000. Such concerns, however, are not expected to pay a double tax and an adjustment as between payments under the Income War Tax Act and the Business Profits War Tax Act is provided for.

The Business Profits War Tax Act 1916, having expired by limitation on Dec. 31 1917, has been re-enacted with an extension of the tax on business firms employing capital of \$25,000, whereas, under the old law concerns with less than \$50,000 capital were not taxed. The rate of taxation levied upon companies and partnerships employing from \$25,000 to \$50,000 will be 25% of all profits in excess of 10% per annum upon the amount of the capital employed therein.

We publish below the greater part of both the acts referred to, italicizing the portions added this year and placing in black-face brackets and black-face type the sections of the old laws which have been eliminated:

THE INCOME WAR TAX ACT 1917.

His Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

1. This Act may be cited as *The Income War Tax Act, 1917*.

2. In this Act, and in any regulations made under this Act, unless the context otherwise requires:

(a) "Board" means a Board of Referees appointed under section 12 hereof;

(b) "Minister" means the Minister of Finance;

(c) "normal tax" means the tax authorized by paragraph (a) of section 4 of this Act;

(d) "person" means any individual or person and any syndicate, trust association or other body and any body corporate, and the heirs, executors, administrators, curators and assigns or other legal representatives of such person, according to the law of that part of Canada to which the context extends;

[(e) "supertax" means the taxes authorized by paragraphs (b) to (g), both inclusive, of section 4 of this Act.]

(e) "supertax" means the taxes authorized by paragraphs (b) to (m), both inclusive, of section 4 of this Act;

(f) "taxpayer" means any person paying, liable to pay, or believed by the Minister to be liable to pay, any tax imposed by this Act;

(g) "year" means the calendar year.

(h) "surtax" means the taxes authorized by paragraphs (n) to (q), both inclusive of section 4 of this Act;

(i) "dependent child" means a child under twenty-one years of age and dependent on his parent for support, or over twenty-one years of age and dependent on his parent for support on account of physical or mental incapacity.

3. (1) For the purposes of this Act, "income" means the annual net profit or gain or gratuity, whether ascertained and capable of computation as being wages, salary, or other fixed amount, or unascertained as being fees or emoluments, or as being profits from a trade or commercial or financial or other business or calling, directly or indirectly received by a person from any office or employment, or from any profession or calling, or from any trade, manufacture or business, as the case may be; and shall include the interest, dividends or profits directly or indirectly received from money at interest upon any security or without security, or from stocks, or from any other investment, and, whether such gains or profits are divided or distributed or not, and also the annual profit or gain from any other source; including the income from but not the value of property acquired by gift, bequest, devise or descent; and including the income from but not the proceeds of life insurance policies paid upon the death of the person insured, or payments made or credited to the insured on life insurance endowments or annuity contracts upon the maturity of the term mentioned in the contract or upon the surrender of the contract; with the following exemptions and deductions:

(a) Such reasonable allowance as may be allowed by the Minister for depreciation, or for any expenditure of a capital nature for renewals, or for the development of a business, and the Minister, when determining the income derived from mining and from oil and gas wells, shall make an allowance for the exhaustion of the mines and wells;

[(b) The amount of income the tax upon which has been paid or withheld for payment at the source of the income under the provisions of this Act;]

(b) Two hundred dollars for each child under sixteen years of age who is dependent upon the taxpayer for support.

(c) Amounts paid by the taxpayer during the year to the Patriotic and Canadian Red Cross Funds, and other patriotic and war funds approved by the Minister;

(d) For the purposes of the normal tax, the income embraced in a personal return shall be credited with the amount received as dividends upon the stock [or from the net earnings] of any company or other person which is taxable upon its income under this Act: Provided, however, that in determining the income the personal and living expenses shall not be taken into consideration.

(2) Where an incorporated company conducts its business, whether under agreement or otherwise, in such manner as either directly or indirectly to benefit its shareholders or any of them, or any persons directly or indirectly interested in such company, by selling its product or the goods and commodities in which it deals at less than the fair price which might be obtained therefor, the Minister may, for the purposes of this Act, determine the amount which shall be deemed to be the income of such company for the year, and in determining such amount the Minister shall have regard to the fair price which, but for any agreement, arrangement or understanding, might be or could have been obtained for such product, goods and commodities.

(3) In the case of the income of persons residing or having their head office or principal place of business outside of Canada but carrying on business in Canada, either directly or through or in the name of any other person, the income shall be the net profit or gain arising from the business of such person in Canada.

(4) For the purpose of the supertax only, the income of a taxpayer shall include the share to which he would be entitled of the undivided or undistributed gains and profits made by any syndicate, trust, association, corporation or other body, or any partnership, if such gains and profits were divided or distributed, unless the Minister is of opinion that the accumulation of such undivided and undistributed gains and profits is not made for the purpose of evading the tax, and is not in excess of what is reasonably required for the purposes of the business.

4. (1) There shall be assessed, levied and paid, upon the income during the preceding year of every person residing or ordinarily resident in Canada, or employed in Canada, or carrying on any business in Canada, the following taxes:

[(a) Four per centum upon all income exceeding \$1,500 in the case of unmarried persons and widows or widowers without dependent children and exceeding \$3,000 in the case of all other persons;

And in addition thereto,

(b) Two per centum upon the amount by which the income exceeds \$6,000 and does not exceed \$10,000; and,

(c) Five per centum upon the amount by which the income exceeds \$10,000, and does not exceed \$20,000; and,

(d) Eight per centum of the amount by which the income exceeds \$20,000 and does not exceed \$30,000; and,

(e) Ten per centum of the amount by which the income exceeds \$30,000, and does not exceed \$50,000; and,

(f) Fifteen per centum of the amount by which the income exceeds \$50,000, and does not exceed \$100,000; and,

(g) Twenty-five per centum of the amount by which the income exceeds \$100,000.]

(a) Two per centum upon all income exceeding \$1,000 but not exceeding \$1,500 in the case of unmarried persons and widows or widowers without dependent children, and exceeding \$2,000 but not exceeding \$3,000 in the case of all other persons; 4% upon all income exceeding \$1,500 in the case of unmarried persons and widows or widowers without dependent children, and exceeding \$3,000 in the case of all other persons; and in addition thereto the following supertax:

(b) Two per centum upon the amount by which the income exceeds \$6,000 and does not exceed \$10,000; and

(c) Five per centum upon the amount by which the income exceeds \$10,000 and does not exceed \$20,000; and

(d) Eight per centum of the amount by which the income exceeds \$20,000 and does not exceed \$30,000; and

(e) Ten per centum of the amount by which the income exceeds \$30,000 and does not exceed \$50,000; and

(f) Fifteen per centum of the amount by which the income exceeds \$50,000 and does not exceed \$75,000; and

(g) Twenty per centum of the amount by which the income exceeds \$75,000 and does not exceed \$100,000; and

(h) Twenty-five per centum of the amount by which the income exceeds \$100,000 and does not exceed \$200,000; and

(i) Thirty per centum of the amount by which the income exceeds \$200,000 and does not exceed \$400,000; and

(j) Thirty-five per centum of the amount by which the income exceeds \$400,000 and does not exceed \$600,000; and

(k) Forty per centum of the amount by which the income exceeds \$600,000 and does not exceed \$800,000; and

(l) Forty-five per centum of the amount by which the income exceeds \$800,000 and does not exceed \$1,000,000; and

(m) Fifty per centum of the amount by which the income exceeds \$1,000,000; and in addition thereto the following surtax:

(n) upon income in excess of \$6,000 but not exceeding \$10,000, 5% of the normal tax and supertax payable thereon;

(o) upon income in excess of \$10,000 but not exceeding \$100,000, 10% of the normal tax and supertax payable thereon;

(p) upon income exceeding \$100,000 but not exceeding \$200,000, 15% of the normal tax and supertax payable thereon;

(q) upon income exceeding \$200,000, 35% of the normal tax and supertax payable thereon.

(2) Corporations and joint stock companies, no matter how created or organized, shall pay six per centum (6%) [the normal tax] upon income exceeding \$3,000, but shall not be liable to pay the supertax or surtax; and the Minister may permit any corporation or joint stock company [subject to the normal tax] the fiscal year of which is not the calendar year, to make a return and to have the tax payable by it computed upon [the basis of] its income for the twelve months ending with its last fiscal year preceding the date of assessment.

(3) Any persons carrying on business in partnership shall be liable for the income tax only in their individual capacity.

(4) A person who, after the first day of August 1917, has reduced his income by the transfer or assignment of any real or personal, movable or immovable property, to such person's wife or husband, as the case may be, or to any member of the family of such person, shall, nevertheless, be liable to be taxed as if such transfer or assignment had not been made unless the Minister is satisfied that such transfer or assignment was not made for the purpose of evading the taxes imposed under this Act or any part thereof.

(5) Taxpayers shall be entitled to the following deductions from the amounts that would otherwise be payable by them for income tax—

(a) From the income tax accruing for the year 1917 under the provisions of Part I of The Special War Revenue Act, 1915, and from the income tax payable for any year thereafter the amounts paid by the taxpayer for taxes accruing during such year under the said Part I of the said Act; and,

(b) From the income tax accruing for the year 1917 the amounts paid by any taxpayer under The Business Profits War Tax Act, 1916, and any amendments thereto for any accounting period ending in the year 1917. In the case of a partnership each partner shall be entitled to deduct such portion of the tax paid by the partnership under The Business Profits War Tax Act, 1916, as may correspond to his interest in the income of the partnership.

5. The following incomes shall not be liable to taxation hereunder,—

(a) The income of the Governor-General of Canada;

(b) The incomes of Consuls and Consuls General who are citizens of the country they represent and who are not engaged in any other business or profession;

(c) The income of any company, commission or association not less than 90% of the stock or capital of which is owned by a province or a municipality;

(d) The income of any religious, charitable, agricultural and educational institutions, Board of Trade and Chambers of Commerce.

(e) The incomes of labor organizations and societies and of benevolent and fraternal beneficiary societies and orders;

(f) The incomes of mutual corporations not having a capital represented by shares, no part of the income of which inures to the profit of any member thereof, and of life insurance companies except such amount as is credited to shareholders' account;

(g) The incomes of clubs, societies and associations organized and operated solely for social welfare, civic improvement, pleasure, recreation or other non-profitable purpose, no part of the income of which inures to the benefit of any stockholder or member;

(h) The incomes of such insurance, mortgage and loan associations operated entirely for the benefit of farmers as are approved by the Minister;

(i) The income derived from any bonds or other securities of the Dominion of Canada issued exempt from any income tax imposed in pursuance of any legislation enacted by the Parliament of Canada; and,

(j) The military and naval pay of persons who have been on active service overseas during the present war in any of the military or naval forces of His Majesty or any of His Majesty's allies.

(k) The income of incorporated companies whose business and assets are carried on and situated entirely outside of Canada.

6. (1) All persons in whatever capacity acting, having the control, receipt, disposal or payment of fixed or determinable annual or periodical gains, profits or income of any taxpayer, amounting to or exceeding \$1,500 in the case of unmarried persons or widows or widowers without dependent children, and \$3,000 in the case of all other persons, shall, on behalf of such taxpayer, deduct and withhold an amount equal to the normal tax payable upon the same under this Act, and shall pay the amount so deducted to the Minister, and shall also make and render a separate and distinct return to the Minister of such gains, profits or income, containing the name and address of each taxpayer.

(2) When the income tax of a taxpayer is withheld and deducted under the provisions of this section, such taxpayer shall not receive the benefit of any exemption or deduction under this Act unless he shall, not less than thirty days prior to the day on which the return of his income is due, under section 7 hereof, (a) file with the person who is required to withhold and pay the tax for him a notice in writing claiming such exemption or deduction and thereupon the tax to the extent of such exemption or deduction shall not be withheld from such taxpayer; and (b) file with the person aforesaid and with the Minister such return of his income and a statement of the deductions and exemptions as the Minister may direct.

7. (1) Every person liable to taxation under this Act shall, on or before the 28th day of February in each year, without any notice or demand, deliver to the Minister a return, in such form as the Minister may prescribe, of his total income during the last preceding calendar year. In such return the taxpayer shall state an address in Canada to which all notices and other documents to be mailed or served under this Act may be mailed or sent.

(2) The return in the case of a corporation, association or other body, shall be made and signed by the president, secretary, treasurer or chief agent having a personal knowledge of the affairs of such corporation, association or other body, or, in any case, by such other person or persons employed in the business liable, or believed to be liable to taxation, as the Minister may require.

(3) If a person liable to taxation hereunder is unable for any reason to make the return required by this section, such return shall be made by the guardian, curator, tutor or other legal representative of such person, or if there is no such legal representative, by some one acting as agent for such person, and in the case of the estate of any deceased person, by the executor, administrator or heir of such deceased person, and if there is no person to make a return under the provisions of this subsection, then such person as may be required by the Minister to make such return.

(4) All employers shall make a return of all persons in their employ receiving any salary or other remuneration, any portion of which is liable to taxation under this Act, and all corporations, associations and syndicates shall make a return of all dividends and bonuses paid to shareholders and members, and all persons in whatever capacity acting, having the control, receipt, disposal or payment of fixed or determinable annual or periodical gains, profits or income of any taxpayer, shall make and render a separate and distinct return to the Minister of such gains, profits or income, containing the name and address of each taxpayer. Such returns shall be delivered to the Minister on or before the 28th day of February in each year, without any notice or demand being made therefor, and in such form as the Minister may prescribe.

(5) The Minister may at any time enlarge the time for making any return.

8. (1) If the Minister, in order to enable him to make an assessment, desires further information, or if he suspects that any person who has not made a return is liable to taxation hereunder, he may, by registered letter require additional information, or a return containing such information as he deems necessary, to be furnished him within thirty days.

(2) The Minister may require the production, or the production on oath, by the taxpayer or by his agent or officer, or by any person or partnership holding, or paying, or liable to pay, any portion of the income of any taxpayer, of any letters, accounts, invoices, statements and other documents.

(3) Any officer authorized thereto by the Minister may make such inquiry as he may deem necessary for ascertaining the income of any taxpayer, and for the purposes of such inquiry such officer shall have all the powers and authority of a commissioner appointed under Part I of the Inquiries Act, Revised Statutes of Canada, 1906, Chapter 104.

9. (1) For every default in complying with the provisions of the two next preceding sections, the taxpayer, and also the person or persons required to make a return, shall each be liable on summary conviction to a penalty of \$100 for each day during which the default continues.

(2) Any person making a false statement in any return or in any information required by the Minister, shall be liable on summary conviction to a penalty not exceeding \$10,000, or to six months' imprisonment, or to both fine and imprisonment.

10. (1) The Minister shall, on or before the 30th day of April in each year, or on or before such other date as he may in any case or cases prescribe, determine the several amounts payable for the tax, and shall thereupon send, by registered mail, a notice of assessment in such form as the Minister may prescribe to each taxpayer notifying him of the amount payable by him for the tax. The tax shall be paid within one month from the date of mailing of the notice of assessment. In default of payment, interest at the rate of 7% per annum shall be paid on such tax until the said tax and interest are paid.

(2) The Minister shall not be bound by any return or information supplied by or on behalf of a taxpayer, and notwithstanding such return or information, or if no return has been made, the Minister may determine the amount of the tax to be paid by any person.

(3) Any person liable to pay the tax shall continue to be liable, and in case any person so liable shall fail to make a return as required by this Act, or shall make an incorrect or false return, and does not pay the tax in whole or in part, the Minister may at any time assess such person for the tax, or such portion thereof as he may be liable to pay, and may prescribe the time within which any appeals may be made under the provisions of this Act from the assessment, or from the decision of the Board, and may fix the date of payment of the tax.

11. No person employed in the service of His Majesty shall communicate or allow to be communicated to any person not legally entitled thereto, any information obtained under the provisions of this Act, or allow any such person to inspect or have access to any written statement furnished under the provisions of this Act. Any person violating any of the provisions of

this section shall be liable on summary conviction to a penalty not exceeding \$200.

12. (1) The Governor in Council may appoint a board or boards of referees, and may prescribe the territory or district within which a board shall exercise jurisdiction. A board shall consist of not more than three members, and the members of a board shall jointly and severally have all the powers and authority of a commissioner appointed under Part I of the Inquiries Act, Revised Statutes of Canada, 1906, Chapter 104.

(2) Every member of the board shall take an oath of office in Form I of the Schedule to this Act before performing any duty under this Act. All affidavits made in pursuance of this subsection shall be filed with the Minister.

13. A board shall act as a Court of Revision, and shall hear and determine any appeal made by a taxpayer under this Act in such place in Canada as the Minister may direct.

14. Any person objecting to the amount at which he is assessed, or as having been wrongfully assessed, may, personally or by his agent, within twenty days after the date of mailing of the notice of assessment, as provided in Section 10 of this Act, give notice in writing to the Minister in Form II of the Schedule to this Act, that he considers himself aggrieved for either of the causes aforesaid, otherwise such person's right to appeal shall cease, and the assessment made shall stand and be valid and binding upon all parties concerned, notwithstanding any defect, error or omission that may have been made therein, or in any proceeding required by this Act or any regulation hereunder: Provided, however, that the Minister, either before or after the expiry of the said twenty days, may give a taxpayer further time in which to appeal.

15. (1) A board, after hearing any evidence adduced, and upon such other inquiry as it considers advisable, shall determine the matter and confirm or amend the assessment accordingly. A board may increase the assessment in any case before it. The board shall send a copy of its decision by registered mail to the taxpayers or his agent or officer.

(2) In any case where the appeal is unsuccessful, the board may direct that the person who appealed shall pay the costs or part of the costs of such appeal; and if such appeal is successful, a board may recommend that the costs or any part thereof be paid by the Crown. The tariff of fees shall be as prescribed by the Board.

16. If the taxpayer fails to appear either in person or by agent, the Board may proceed ex parte or may defer the hearing.

17. If the taxpayer is dissatisfied with the decision of a Board, he may, within twenty days after the mailing of the decision, give a written notice to the Minister in Form III of the Schedule to this Act that he desires to appeal from such decision. If the taxpayer gives such notice, or if the Minister is dissatisfied with the decision, the Minister shall refer the matter to the Exchequer Court of Canada for hearing and determination, and such reference may be made in Form IV of the Schedule to this Act, and he shall notify the taxpayer by registered letter that he has made such reference. On any such reference the Court shall hear and consider such matter upon the papers and evidence referred, and upon any further evidence which the taxpayer or the Crown produces under the direction of the Court, and the decision of the Exchequer Court thereon shall be final and conclusive.

24. The first return to be made by taxpayers under Section 7 of this Act shall be made on or before the 28th day of February 1918, and all taxpayers shall (subject to the provisions of Subsection 2 of Section 4) be liable to taxation in respect of their income for the year ending the 31st day of December 1917, and for each year thereafter, as provided by this Act.

THE BUSINESS PROFITS WAR TAX ACT, 1916.

1. This Act may be cited as The Business Profits War Tax Act, 1916.

2. In this Act, and in any regulations made under this Act, unless the context otherwise requires—

- (a) "Minister" means the Minister of Finance of Canada;
- (b) "Board" means the Board of Referees appointed under the provisions of Section 9 hereof;
- (c) "non-Canadian company" means an incorporated company having its head office or principal place of business outside Canada but having assets in or carrying on business in Canada, either directly or through or in the name of any other person;
- (d) "person" means any individual or person and any partnership, syndicate, trust, association or other body and any body corporate, and the heirs, executors, administrators, curators and assigns or other legal representatives of such person, according to the law of that part of Canada to which the context extends;
- (e) "tax" means the tax, toll or duty authorized by Section 3 of this Act;
- (f) "taxpayer" means any person paying, liable to pay, or suspected by the Minister to be liable to pay any tax imposed by this Act.

3. There shall be levied and paid to His Majesty a tax of 25% of the amount by which the profits earned in any business exceeded, in the case of a business owned by an incorporated company, the rate of 7% per annum, and, in the case of a business owned by any other person, the rate of 10% per annum upon the capital employed in such business. Such tax shall be levied against and paid by the person owning such business for each and every accounting period ending after the thirty-first day of December, one thousand nine hundred and fourteen. In any business where the said profits exceed 15% per annum the said tax shall be increased to 50% with respect to all profits in excess of the said 15% but not exceeding 20% per annum, and where the said profits exceed 20% per annum the said tax shall be increased to 75% with respect to all profits in excess of the said 20%, and such increases in the tax shall be levied against and paid by the person owning such business for each and every accounting period ending after the thirty-first day of December, one thousand nine hundred and sixteen.

Any person having a business with a capital of not less than \$25,000 and under \$50,000 shall pay a tax of 25% of the amount of the profits exceeding 10% per annum upon the amount of the capital employed therein. Provided, however,

[(a) That the amount paid or payable by any person under the provisions of Part One of The Special War Revenue Act, 1915, shall be deducted from the amount which such person would otherwise be liable to pay under the provisions of this Act, and the Minister shall have power to determine any questions that may arise in consequence of any difference in the several periods for which the taxes under the said Act and under this Act respectively, are payable, and the decision of the Minister thereon shall be final and conclusive]—

(a) That the amount paid or payable by any person under the provisions of Part I of The Special War Revenue Act, 1915, and The Income War Tax Act, 1917, shall be deducted from the amount which such person would otherwise be liable to pay under the provisions of this Act, and the Minister shall have power to determine any questions that may arise in consequence of any difference in the several periods for which the taxes under the said Acts and under this Act respectively are payable, and the decision of the Minister thereon shall be final and conclusive, but in computing the profits of his business no taxpayer shall include any taxes paid under the said Acts in the expenses of his business.

(b) That the dividends received from the stock of any incorporated company which has paid a tax upon its profits under the provisions of this Act shall not be included when the profits of any business are being determined; and

(c) That the amount of any tax paid by a person under the provisions of the Finance Act (No. 2), 1915, passed by the Parliament of the United Kingdom of Great Britain and Ireland or under any legislation for raising revenue for the present war in force in India, or any colony or dependency of His Majesty, or in France, Russia, Italy, Belgium, Japan, Serbia, Montenegro, Portugal and any other country that may hereafter become an ally of His Majesty in the present war, or the colonies or dependencies of any of these countries, in respect of any business liable to taxation hereunder shall be deducted from the amount of the tax that would otherwise be payable by such person under this Act.

4. For the purposes of this Act an accounting period shall be taken to be the period for which the accounts of the business have been made up, but where the accounts of any business have not been made up for any definite period or for the period for which they have been usually made up, or if a year or more has elapsed without the accounts being made up, the accounting period shall be taken to be such period and ending on such a date as the Minister may determine.

5. The businesses to which this Act applies are all trades and businesses (including the business of transportation) of any description carried on, or partly carried on, in Canada whether continuously or not, except:

(a) The business of any person the capital employed in which has been throughout the accounting period less than [fifty thousand] twenty-five dollars other than a business which, or twenty per centum or more of which, is or has been the manufacturing or dealing in munitions of war or in materials or supplies of any kind for war purposes;

(b) The business of life insurance;

(c) The business of farming and live stock raising; and

(d) The business of any company, commission or association not less than ninety per cent of the stock or capital of which is owned by a province or a municipality.

Computation of Profits.

6. The profits shall be taken to be the net profits arising in the accounting period.

7. The profits of a non-Canadian company shall be the net profits arising from its Canadian business including both domestic and export business.

8. No deductions from the gross profits for depreciation or for any expenditure of a capital nature for renewals, or for the development of a business, or otherwise in respect of the business, shall be allowed, except such amount as appears to the Minister to be reasonable, and to be properly attributable to the accounting period, and the Minister when determining the profits derived from mining shall make an allowance for the exhaustion of the mines.

9. Any deduction made from the gross profits for the remuneration of directors, managers, and persons concerned in the management of the business shall not (unless the Minister, owing to any special circumstances, otherwise directs) exceed the sums deducted for those purposes in the last accounting period ending before the first day of January, one thousand nine hundred and fifteen, and no deductions shall be allowed in respect of any transaction or operation of any nature where it appears, or to the extent to which it appears, that the transaction or operation has improperly reduced the amount to be taken as the amount of the profits of the business for the purposes of this Act.

10. In the case of any contract extending beyond one accounting period from the date of its commencement to the completion thereof and only partially performed in any accounting period there shall (unless the Minister, owing to any special circumstances, otherwise directs) be attributed to each of the accounting periods in which such contract was partially performed, such proportion of the entire profits or estimated profits in respect of the complete performance of the contract as shall be properly attributable to such accounting periods, respectively, having regard to the extent to which the contract was performed in such periods.

11. Where an incorporated company conducts its business, whether under agreement or otherwise, in such manner as either directly or indirectly to benefit its shareholders or any of them or any persons directly or indirectly interested in such company by selling its product or the goods and commodities in which it deals at less than the fair price which might be obtained therefor, the Minister may for the purposes of this Act determine the amount which shall be deemed to be the profits of such company for any accounting period, and in determining such amount the Minister shall have regard to the fair price which, but for any agreement, arrangement or understanding might be or could have been obtained for such product, goods and commodities.

Capital.

12. For the purposes of this Act the capital employed in the business of an incorporated company having its head office or other principal place of business in Canada shall be the amount paid up on its capital stock.

13. For the purposes of this Act the capital employed in the business of a non-Canadian company shall be such portion of the amount paid up on its capital stock as shall bear the same proportion to the amount paid up on its entire capital stock as the value of its assets in Canada bears to the value of its total assets.

14. For the purpose of this Act the amount paid up on the capital stock of a company shall be the amount paid up in cash. Where stock was issued before the first day of January, one thousand nine hundred and fifteen, for any consideration other than cash, the fair value of such stock on such date shall be deemed to be the amount paid up on such stock; and where stock has been issued since the said first day of January for any consideration other than cash, the fair value of the stock at the date of its issue shall be deemed to be the amount paid up on such stock. In estimating the value of stock issued for any consideration other than cash, regard shall be had to the value of the assets, real and personal, movable and immovable, and to the liabilities of the company at the date as of which such value is to be determined. In no case shall the value of the stock be fixed at an amount exceeding the par value of such stock.

15. For the purposes of this Act the actual unimpaired reserve, rest or accumulated profits held at the commencement of an accounting period by an incorporated company shall be included as part of its capital as long as it is held and used by the company as capital, and dividends paid during an accounting period shall be considered as a reduction of unimpaired reserve, rest or accumulated profits.

16. This section shall be deemed to have come into force on and from May 18 1916.

17. The Minister may determine the amount of the capital for the purposes of this Act, of any incorporated company issuing stock after the fifteenth day of February, one thousand nine hundred and sixteen, and if, after the said fifteenth day of February, one thousand nine hundred and sixteen, the capital stock of any incorporated company is increased or additional stock is issued, or if the stock is in any way changed or reorganized in such a manner as to increase the amount of the capital for the purposes of this Act, the Minister may decide whether or not it is fair and proper to include

such increase or any part thereof when determining the capital of such company for the purposes of this Act, and the decision of the Minister shall be final and conclusive.

18. For the purposes of this Act the capital employed in the business of any person other than an incorporated company shall be taken to be the fair value of all assets, real and personal, movable and immovable, used in connection with such business in the accounting period.

19. Accumulated profits employed in the business shall also be deemed capital.

20. Any money or debts borrowed or incurred in connection with the business shall be deducted in computing the amount of capital for the purposes of this section.

21. Every person liable to taxation under this Act shall, on or before the first day of July in each year, without any notice or demand, deliver in duplicate to the Minister a return in Form J of the schedule to this Act or in such other form as the Minister may prescribe covering each accounting period for which he is liable to taxation. In such return the taxpayer shall state an address in Canada to which all notices and other documents to be mailed or served under this Act may be mailed or sent.

22. The return, in the case of a partnership, syndicate, association or other body, shall be made and signed by a member or officer having a personal knowledge of the affairs of such partnership, syndicate, association or other body, or, in the case of a company, by the president, secretary, treasurer or chief agent having a personal knowledge of the affairs of such corporation, or, in any case, by such other person or persons employed in the business liable, or suspected to be liable, to taxation as the Minister may require.

23. The Minister may at any time enlarge the time for making any return.

24. For every default in complying with the provisions of the two next preceding sections the taxpayer and also the person or persons required to make a return shall each be liable on summary conviction to a penalty of one hundred dollars for each day during which the default continues.

25. Any person making a false statement in any return, or in any information required by the Minister, shall be liable on summary conviction to a penalty not exceeding ten thousand dollars or to six months' imprisonment, or to both fine and imprisonment.

26. The Minister shall, on or before the first day of September in each year, or on or before such other date as he may in any case or cases prescribe, determine the several amounts payable for the tax, and shall thereupon send, by registered mail, a notice of assessment in such form as the Minister may prescribe to each taxpayer notifying him of the amount payable by him for the tax. The tax shall be paid each year within one month from the date of the mailing of the notice of assessment.

27. In default of payment, interest at the rate of 7% per annum shall be paid on such tax until the said tax and interest are paid.

28. The Minister shall not be bound by any return or information supplied by or on behalf of a taxpayer, and notwithstanding such return or information, or if no return has been made, the Minister may determine the amount of the tax to be paid by any person.

29. Any person liable to pay the tax shall continue to be so liable for the period of three years from the time at which such tax would have been payable, and in case any person so liable shall fail to make a return as required by this Act, or shall make an incorrect or false return, and does not pay the tax in whole or in part, the Minister may at any time within the said three years assess such person for the tax, or such portion thereof as he may be liable to pay, and may prescribe the time within which any appeals may be made under the provisions of this Act from the assessment or from the decision of the Board.

30. The tax may be assessed on any person for the time being owning or carrying on the business or acting as agent for that person in carrying on the business, or, where a business has ceased, on the person who owned or carried on the business or acted as agent in carrying on the business immediately before the time at which the business ceased, and where there has been a change of ownership of the business, the Minister may, if he thinks fit, take the accounting period as the period ending on the date on which the ownership has so changed and assess the tax on the person who owned or carried on the business or acted as agent for the person carrying on the business at that date.

31. No person employed in the service of His Majesty shall communicate or allow to be communicated to any person not legally entitled thereto any information obtained under the provisions of this Act, or allow any such person to inspect or have access to any written statement furnished under the provisions of this Act. Any person violating any of the provisions of this section shall be liable on summary conviction to a penalty not exceeding two hundred dollars.

32. The provisions of Section 3 of this Act shall not continue in force after the thirty-first day of December, one thousand nine hundred and [seventeen] eighteen. Provided, however, that with respect to every business liable to taxation hereunder the period for which the returns shall be made and during which it shall be liable for assessment shall be at least [thirty-six months], forty-eight months, commencing with the beginning of the first accounting period ending after the thirty-first day of December, one thousand nine hundred and fourteen, or for such less period as the business may have been carried on from the beginning of the said accounting period to the end of the period for which the said tax may be levied under this Act. Provided, also, that the tax payable in respect of any business with a capital of not less than \$25,000 and under \$50,000 shall be payable for all accounting periods commencing after the thirty-first day of December 1917.

OTTO H. KAHN TELLS OF IMPRESSIONS IN EUROPE.

In a statement prepared in response to requests for his impressions of conditions in Europe, Otto H. Kahn, of Kuhn, Loeb & Co., who returned from abroad last week after an absence of nearly three months, stated that the desire of Great Britain to do everything possible for our boys over there and to make of the present comradeship in arms a lasting, deep and cordial friendship between the two nations, is strikingly manifest. "Whatever betide," says Mr. Kahn, "the world will be safe for peace, humanity and liberty as long as America and Great Britain, understanding and trusting one another, stand on guard." While in Europe Mr. Kahn had long interviews with the King of Spain, Prime Minister Lloyd George, and the Prime Minister of Spain, as well as statesmen and generals at the head of the activities of all of the important Allies. The following is the statement made by him:

I have been to England and Spain and all through France, where, thanks to the courtesy of General Pershing, I visited the American front and all

the American bases and principal lines of communication. I had occasion to talk with many of the leading personages in England, France and Spain.

I was immensely impressed by the spirit of Great Britain and the magnitude and efficiency in all directions of her war effort, which has not, perhaps, been generally appreciated as yet at its full value.

As a business man, I was naturally able to realize best their organization for the business side of war. They have drafted their best business brains everywhere into the service of the Government. Their supply, transportation, manufacturing and salvage systems, for instance, are marvels of business organization.

Mr. Andrew Weir, Director-General of Supplies, and, amongst other things, in charge of the army salvage system, was good enough to show and explain to me his methods of operation. He told me that in the space of three years he will have saved to the nation through salvage, or, rather, in effect created for the nation, \$500,000,000 out of things which formerly went into the scrap heap.

Our army is engaged in similar work, though it has not yet, of course, attained the magnitude of the British. If we find ways of applying after the war systematically in civil life the lessons now being learned as to the use and value of materials heretofore considered absolute waste, the possibility of the creation of wealth by that means in our country almost staggers the imagination.

The desire of Great Britain to do everything possible for our boys over there and to make of the present comradeship in arms a lasting, deep and cordial friendship between the two nations, is strikingly manifest throughout the land, from the highest to the lowest. I believe the importance of meeting them in the same spirit, sincerely, wholeheartedly, and without reservation, cannot be overestimated.

Whatever betide, the world will be safe for peace, humanity and liberty as long as America and Great Britain, understanding and trusting one another, stand on guard. The world will not be safe otherwise for any length of time. If she should be given the opportunity once more, Germany, by subtle and open means, may be expected to try again to sow the seeds of dissension between America and England after the war, as she did for so many years before the war.

France is superb beyond words. I happened to be in Paris during the two weeks beginning May 27, when the Germans broke through at the Chemin des Dames and came within about forty miles of Paris, when there was a long-range bombardment of Paris almost daily and air raids practically every night. Yet life and business in Paris went on as before; there was not the slightest evidence of excitement, let alone fear. A good many men sent their women-folk and children away, other measures of prudence were taken to guard against contingencies, but there was absolute calm and sangfroid.

It was only the outburst of enthusiasm at the magnificent fighting and far-reaching success early last June of the Americans hurriedly thrown into the battle in the neighborhood of Chateau Thierry which showed how great had been the strain, how tense the nerves underneath the outer calm. It is a soul-stirring story—the story of that relatively small American force rushing forward at a very critical moment and turning the tide by throwing itself upon the enemy with irresistible dash and bravery. When the full account of the war comes to be written it will, I believe, be found that that action, in its psychological and strategic consequences, was among its determining events.

What the men—and the women, too—of France have done of heroism, and resolutely and uncompromisingly borne of sacrifice these past four years forms one of the very noblest chapters in the world's history. The entire civilized world owes a debt to France which it can never repay. She has, indeed, become the sacred soil of humanity.

It is touching to observe on every hand the affection and gratitude of the French people towards America. In France, as well as in England, there is the most warm-hearted and admiring recognition of the idealism and unselfishness of America's aims and attitude under President Wilson's leadership. And their admiration for the valor, the fighting capacities and the conduct of our troops knows no bounds.

It was interesting and significant to notice how universally the French look to us for commercial co-operation after the war. Through our army's constructive activities they have seen at work on their own soil a race in which tradition, surroundings and the principles and methods of personal initiative and individual enterprise have developed daring, resourcefulness, self-reliance, adaptability and short-cut methods. They want us to join our qualities with their qualities and their opportunities.

And, strange as it may seem in so old a country, France offers many and great commercial opportunities quite apart from the work of reconstruction. Moreover, their colonies are an empire of immense resources and vast potential wealth.

It is to be hoped that the paternalistic control of enterprise and industry, which is a necessary measure in war time, will not be permitted in our country to grow into a permanent feature of our governmental system, and that as soon as possible the fetters now placed upon private initiative and personal incentive will be removed and the genius of American individual enterprise set free again, with due regard, be it understood, for the welfare and opportunities of the masses of the people and for the duty of the State to protect those least able to protect themselves and to prevent exploitation or oppression, undue privilege and unfair practices.

At a time when the unprecedented upheaval of the war has led to a good deal of turgid thought and well-meant, though shallow, sentiment finding expression in crude socialistic preachings and proposals in other countries, including our own, the French people, with the proverbial lucidity of their mental processes and their clear recognition of the realities of things, are turning in the direction of fostering and stimulating personal effort and enterprise and private initiative after the war. They have tried bureaucratic regime and governmental centralization for many years, and, on the whole, their expressions indicate that they see little reason to be particularly gratified with the results of that system.

As to Spain, although German intrigue, unscrupulous plotting and propaganda are rampant, the widely prevalent impression that her people are predominantly pro-German is erroneous. Spain is neutral and means to remain out of the war, but I am convinced that her sympathies, on the whole, are more pro-ally than otherwise and can be made still more so.

The developments incident to the war have greatly strengthened, together with the economic position and prosperity, the national consciousness of Spain. Their policy is Spain for the Spaniards. They don't intend after the war to be the tail to the kite of any nation or group of nations.

The prevailing sentiment is friendly to America, and I am convinced that with understanding, tact and sympathy towards Spain, coupled with a reasonably liberal policy in furnishing her the raw materials and other things she needs from us, we can obtain everything from her which we have a right to expect from a friendly disposed neutral.

Several plans are under contemplation for closer and more active relationship between America and Spain after the war, which is greatly to be welcomed from the point of view of both people.

The Germans are leaving no stone unturned to secure for their industries and commerce after the war an advantageous, influential and permanent footing in Spain, which country, owing to its geographic and economic

situation, bids fair to be an important field of activity. It is to be hoped that we shall not delay too long in laying at least the groundwork for the adequate assertion of American enterprise in Spain. The country offers a number of commercial opportunities and great natural advantages, apart from being replete with beauty and interest.

I cannot find words to express the depth and intensity of my admiration for the spirit, the morale and the achievements of the American army. It is difficult to speak of our boys and their leaders without using language which may sound rhapsodical, and which yet is no more than the bald and sober truth. I have met a great many officers and men on the boat going over to Europe, at our army bases, along the lines of communication and at the front.

Everywhere I found the same simple and unostentatious, yet grim and iron determination to hold life cheap for the honor and glory and safety of America; everywhere the same modest, sympathetic and soldierly bearing, and keen and quick-witted adaptability; everywhere the same *foie* of splendid and eager courage, of willing discipline and service, of uncomplaining endurance under hardships and discomforts, of buoyant good nature and humor, of clean and kindly thought and feeling.

There is grateful acknowledgment in the army of many things admirably done for the welfare of the men. And there is universal thankfulness that, as far as it is humanly possible to prevent it, the home authorities have not permitted politics to touch the army, and that merit is sought out, recognized and rewarded.

I did not hear a single real complaint except on one minor score—and on that the complaint is almost unanimous—namely, the stiff collar and general inappropriateness and discomfort of our army uniform, which, by the universal verdict of our own men and of those of other nations, is both the least well-appearing and the least practical of all uniforms. There is also some grumbling about the dilatoriness in making payment to soldiers, and about the slowness with which mail is handled—the latter a really serious grievance, for prompt and frequent communications from and with home is of great importance to the morale of the army.

In addition to the magnificent record our army has already made as a fighting force, and the promise, amply warranted, of further great achievement, the capacity which our West Pointers in command of the great army bases have demonstrated for far-sighted, broad-visioned, boldly-conceived planning, for constructive work and for efficient business organization is nothing short of marvelous.

I am pretty familiar with big organization work, but I have seen nothing which impressed me more, and very few things, indeed, which impressed me as much as the work planned, executed and administered at the French harbors, at our bases and along our line of supplies by that great chief, General Pershing, and the officers whom he has placed in direct charge. Nor have I met any wiser or better posted or more hard-working men than those at the head of special departments of the army with whom I had occasion to come into contact.

And from what I have seen at Brest and elsewhere, the same spirit of devoted and unselfish service and of intense, unsparring, ceaseless effort pervades the navy.

An immense debt of gratitude and recognition is due from the nation to its defenders. They have won golden opinions wherever they have been in Europe, they have been a revelation to other nations, they have shed lustre upon the name of America.

No American can see what our army and navy are doing in Europe in the way of fighting, of planning, constructing, administering, no one can see their morale, spirit and behavior without being deeply thrilled with pride and gratitude.

No American can come in touch with the affectionate admiration, with the trust and faith of the Allied nations towards our country without feeling even more profoundly and reverently than before the high privilege of being an American citizen, and without being stirred by a solemn sense of the obligation to do whatever he individually may be capable of doing, to prove himself a worthy servant of the Great Republic in war as well as in peace, and an earnest and sincere helper, however modestly and humbly, towards the realization of her high ideals and lofty mission.

DR. NICHOLAS MURRAY BUTLER URGES THAT LEAGUE TO ENFORCE ORDER BE MADE PERMANENT.

The recommendation that the league to establish and enforce the rules of international law and conduct "should be a permanent addition to the world's organization for order and peaceable progress" has been made by Dr. Nicholas Murray Butler of Columbia University, who also urges that the International Court of Justice urged by the American delegation at the Second Hague Conference should now be called into being. Dr. Butler's pronouncements are contained in an article written for the London "Daily Chronicle"; it was printed in the issue of the latter for July 27, and reproduced as follows in the New York "Times" of July 28:

The experiences of the war have carried far forward the time-old project to bring about closer and better co-operation between nations in establishing and maintaining order and justice throughout the world. The dreams of the seers of past centuries can soon be realized. Out of the present alliance of free democratic peoples it will not be difficult to build the structure of a league or society of nations which, without attempting too much, will at least put into effect the lessons taught by the present war, and erect the stoutest sort of a barrier against the recurrence of so terrible a calamity.

A league to establish and to enforce the rules of international law and conduct is now in existence, with Great Britain, France, Italy and the United States as its most potent members. These nations and those associated with them have already, in effect, united under a single command their fighting armies, brought into closest co-operation their navies, pooled their mercantile shipping, their financial resources, their food supplies, and their munitions of war. What seemed quite impossible five years ago has now been easily and smoothly accomplished under the pressure of the supreme need of resisting the Teutonic attempt to reduce the free nations of the world to the position of serfs under the domination of the Imperial German Government.

This league should be a permanent addition to the world's organization for order and peaceable progress. Upon its firm and permanent establishment three consequences will necessarily follow: First, there can be no separate alliances or ententes of a political or military character between the nations included in the league; second, there can be a speedy reduction of armaments, both to lighten the burdens of taxation and to turn the minds of the nations away from international war, to prevent which will be one of the chief aims of such a league; third, the most favored nation clause must be made applicable to all members of the league, whenever treaties of com-

merce are concluded between any two or more of the nations that are included in it. This will either greatly lessen or wholly remove one of the strongest economic temptations to international war.

The International Court of Justice urged by the American delegation at the Second Hague Conference should now be called into being. This court would have the same jurisdiction over questions affecting international relations and international law that the Supreme Court of the United States has over all cases in law and equity arising under the Constitution of the United States and treaties made under its authority. A somewhat similar jurisdiction already attaches within the British Empire to the Judicial Committee of the Privy Council. The enforcement, when necessary, of the findings of this court should be a matter of joint international action in accordance with a definite plan to be determined upon when the court is established. The principle upon which this action will rest has been stated with characteristic precision by Mr. Asquith when he said that the rule of the authority of an international court "must be supported in case of need by the strength of all; that is, in the last resort, by armed force."

For the success of this court it is imperative that secret international understandings be deprived of any validity whatever in international law. It should be provided that, as a condition of the validity in international law of any treaty between two contracting Powers, a copy of it must be deposited immediately upon its ratification in the archives of the International Court of Justice at The Hague. There would then be at least one official public depository for every existing valid treaty.

It should be clearly understood that any such plan of international co-operation as this league of nations would involve the giving up by each nation included in the league of the absolute right of its Government to deal finally and without appeal except to war, with questions arising out of treaties or relations between itself and some other Government. Little serious progress can be made in getting rid of war and in better organizing the world until the free peoples are ready to have their several Governments take this long step forward.

It is important that this league of nations should begin by not attempting too much. The line of least resistance, and therefore of greatest possible progress, is to lay stress upon the power and authority of a single international judicial authority, and to accustom the public opinion of the world to seek and to defer to the findings of such authority. All international agreements between members of the league would in effect be acts of international legislation, and in due time some formal international legislative body might be brought into existence. It would be much better, however, to give this body a chance to grow up naturally, rather than to attempt to bring it into existence as part of a logical and systematically worked out plan.

Such a league of nations as is here outlined will rest upon a moral foundation. Its aim will be to advance the good order, the satisfaction and the happiness of the world. It will not be, and should not be, merely a league to enforce peace. A league of that name might well rest solely upon force and entirely overlook both law and equity. Doubtless Germany and Austria-Hungary now feel that they are joint and several members of a highly meritorious league to enforce peace—peace upon their own terms and as they conceive it. A league of nations that aims to declare and to enforce principles of international law and justice, will of necessity be a league to establish peace, because it will be a league to establish those foundations upon which alone permanent peace can rest. There is no reason why there should be any further delay in bringing this league formally into existence. Even while military and naval operations are being pressed forward to that certain victory which will one day be theirs, this league should be formally established, and international organs created by it to prepare systematically and scientifically for promptly dealing with the grave economic, social and political problems that the cessation of hostilities, the demobilization of armies, and the new world conditions that are to be the result of the overthrow of Prussian militarism will certainly bring forward for quick solution.

It would be difficult to make a better statement of the rights and duties of nations than those adopted by the American Institute of International Law at Washington on Jan. 6 1916, and supplemented by the same body at Havana, Republic of Cuba, on Jan. 23 1917. A copy of these declarations follows:

"Whereas, The municipal law of civilized nations recognizes and protects the right to life, the right to liberty, the right to the pursuit of happiness, as added by the Declaration of Independence of the United States of America, the right to legal equality, the right to property, and the right to the enjoyment of the aforesaid rights; and

"Whereas, These fundamental rights, thus universally recognized, create a duty on the part of the peoples of all nations to observe them; and

"Whereas, According to the political philosophy of the Declaration of Independence of the United States and the universal practice of the American republics, nations, or governments are regarded as created by the people, deriving their just powers from the consent of the governed, and are instituted among men to promote their safety and happiness and to secure to the people the enjoyment of their fundamental rights; and

"Whereas, The nation is a moral or juristic person, the creature of law, and subordinated to law as is the natural person in political society; and

"Whereas, We deem that these fundamental rights can be stated in terms of international law and applied to the relations of the members of the society of nations, one with another, just as they have been applied in the relations of the citizens or subjects of the States forming the Society of Nations; and

"Whereas, These fundamental rights of national jurisprudence, namely, the right to life, the right to liberty, the right to the pursuit of happiness, the right to equality before the law, the right to property, and the right to the observance thereof, are, when stated in terms of international law, the right of the nation to exist and to protect and to conserve its existence; the right of independence and the freedom to develop itself without interference or control from other nations; the right of equality in law and before law; the right to territory within defined boundaries, and to exclusive jurisdiction therein; and the right to the observance of these fundamental rights; and

"Whereas, The rights and the duties of nations are, by virtue of membership in the society thereof, to be exercised and performed in accordance with the exigencies of their mutual interdependence expressed in the preamble to the Convention for the Pacific Settlement of International Disputes of the First and Second Hague Peace Conferences, recognizing the solidarity which unites the members of the society of civilized nations;

Therefore, The American Institute of International Law at its first session, held in the City of Washington in the United States of America on Jan. 6 1916, adopted the following six articles, together with the commentary thereon, to be known as its

DECLARATION OF THE RIGHTS AND DUTIES OF NATIONS.

"I. Every nation has the right to exist, and to protect and to conserve its existence; but this right neither implies the right nor justifies the act of the State to protect itself or to conserve its existence by the commission of unlawful acts against innocent and unoffending States.

"II. Every nation has the right to independence in the sense that it has a right to the pursuit of happiness and is free to develop itself without interference or control from other States, provided that in so doing it does not interfere with or violate the rights of other States.

"III. Every nation is in law and before law the equal of every other nation belonging to the society of nations, and all nations have the right to claim, and, according to the Declaration of Independence of the United States, "to assume, among the powers of the earth, the separate and equal station to which the laws of nature and of nature's God entitle them."

"IV. Every nation has the right to territory within defined boundaries and to exercise exclusive jurisdiction over its territory, and all persons, whether native or foreign, found therein.

"V. Every nation entitled to a right by the law of nations is entitled to have that right respected and protected by all other nations, for right and duty are correlative, and the right of one is the duty of all to observe.

"VI. International law is at one and the same time both national and international—national in the sense that it is the law of the land, and applicable as such to the decision of all questions involving its principles; international in the sense that it is the law of the society of nations, and applicable as such to all questions between and among the members of the society of nations involving its principles.

RECOMMENDATIONS OF HAVANA

"Adopted by the American Institute of International Law at its session held in Havana, Republic of Cuba, Jan. 23 1917.

"Whereas, The independent existence of civilized nations and their solidarity of interests under the conditions of modern life has resulted in a society of nations; and

"Whereas, The safety of nations and the welfare of their peoples depend upon the application to them of principles of law and equity in their mutual relations as members of civilized society; and

"Whereas, The law of nations can best be formulated and stated by the nations assembled for this purpose in international conferences; and

"Whereas, It is in the interest of the society of nations that international agreements be made effective by ratification and observance on all occasions, and that some agency of the society of nations be constituted to act for it during the intervals between such conferences; and

"Whereas, The principles of law and equity can best be ascertained and applied to the disputes between and among the nations by a court of justice accessible to all the independent Powers forming the society of civilized nations;

Therefore, The American Institute of International Law, at its second session, held in the City of Havana, in the Republic of Cuba, on the 23d day of January, 1917, adopts the following recommendations, to be known as its Recommendations of Havana:

"1. The call of a Third Hague Conference, to which every country belonging to the society of nations shall be invited and in whose proceedings every such country shall participate.

"2. A stated meeting of The Hague Peace Conference, which, thus meeting at regular, stated periods, will become a recommending if not a lawmaking body.

"3. An agreement of the States forming the society of nations concerning the call and procedure of the Conference, by which that institution shall become not only internationalized, but in which no nation shall take a preponderating part.

"4. The appointment of a committee, to meet at regular intervals between the conferences, charged with the duty of procuring the ratification of the conventions and declarations and of calling attention to the conventions and declarations in order to insure their observance.

"5. An understanding upon certain fundamental principles of international law, as set forth in the Declaration of the Rights and Duties of Nations adopted by the American Institute of International Law at its first annual meeting, held in Washington, on Jan. 6 1916.

"6. The creation of a permanent international council of conciliation to consider, to discuss and to report upon such questions of a nonjusticiable character as may be submitted to such council by an agreement of the Powers for this purpose.

"7. The employment of good offices, mediation, and friendly composition for the settlement of disputes of a nonjusticiable nature.

"8. The principle of arbitration in the settlement of disputes of a nonjusticiable nature; also of disputes of a justiciable nature which have, through delay or mismanagement, assumed such political importance that the nations prefer to submit them to arbiters of their own choice rather than to judges of a permanent judicial tribunal.

"9. The negotiation of a convention creating a judicial union of the nations along the lines of the Universal Postal Union of 1908, to which all civilized and self-governing dominions are parties, pledging the good faith of the contracting parties to submit their justiciable disputes—that is to say, their differences involving law or equity—to a permanent court of this union, whose decisions will bind not only the litigating nations, but also all parties to its creation.

"10. The creation of an enlightened public opinion in behalf of peaceable settlement in general, and in particular in behalf of the foregoing nine propositions, in order that, if agreed to, they may be put into practice and become effective, in response to the appeal to that greatest of sanctions, "a decent respect to the opinion of mankind."

OFFICIAL ANNOUNCEMENT AS TO DATE OF FOURTH LIBERTY LOAN CAMPAIGN.

It was officially announced by Secretary of the Treasury McAdoo on July 31 that the Fourth Liberty Loan campaign would open on Sept. 28 and continue for three weeks to Oct. 19. This was the period which it had been reported would be devoted to the campaign. It is stated that the date is announced at this time in order to allow campaign organizations to prepare for the sale of bonds and to prevent the planning of other campaigns which might interfere with the flotation of the loan. There has been no official announcement regarding the size or the other details of the loan.

RESULTS OF THIRD OFFERING OF TREASURY CERTIFICATES IN ANTICIPATION OF FOURTH LIBERTY LOAN.

The results of the subscriptions to the third block of Treasury certificates of indebtedness, issued in anticipation of the Fourth Liberty Loan, were announced by Secretary

of the Treasury McAdoo on Aug. 1. These certificates are dated July 23 and are payable Nov. 21. Subscriptions were received up to the close of business July 30. A minimum amount of \$500,000,000 was offered, and the subscriptions amounted to \$584,750,500. The districts failing to subscribe their quotas were Richmond, Atlanta, Minneapolis and Dallas. The following are the subscriptions and quotas by districts, in round numbers, as printed in the New York "Times" of yesterday (Aug. 2):

Bank—	Quota.	Subscription.
United States Treasury		\$4,327,000
Boston	\$43,300,000	45,267,500
New York	169,600,000	211,714,000
Philadelphia	35,300,000	36,872,500
Cleveland	45,300,000	55,927,000
Richmond	17,300,000	16,888,000
Atlanta	14,600,000	13,168,500
Chicago	70,000,000	83,310,500
St. Louis	20,000,000	25,952,500
Minneapolis	17,300,000	16,800,000
Kansas City	20,000,000	23,639,000
Dallas	12,000,000	10,156,000
San Francisco	35,300,000	38,000,000
Total	\$500,000,000	\$584,750,500

FOURTH OFFERING OF TREASURY CERTIFICATES OF INDEBTEDNESS IN ANTICIPATION OF FOURTH LIBERTY LOAN.

A fourth bi-weekly offering of Treasury certificates of indebtedness, in anticipation of the Fourth Liberty Loan, was announced by Secretary of the Treasury McAdoo on Aug. 1. The first two offerings were for a minimum of \$750,000,000, while the third and the present are for a minimum amount of \$500,000,000. The certificates offered this week will be dated Aug. 6 and are payable Dec. 5, with interest at 4½%. Subscriptions for the same will be received by the Federal Reserve banks up to the close of business Aug. 13. The following is the announcement of the Secretary of the Treasury.

The Secretary of the Treasury, under the authority of the Act approved Sept. 24 1917, as amended by the Act approved April 4 1918, offers for subscription, at par and accrued interest, through the Federal Reserve banks, \$500,000,000 or more Treasury certificates of indebtedness, Series IV, D, dated and bearing interest Aug. 6 1918, payable Dec. 5 1918, with interest at the rate of 4½% per annum.

Applications will be received at the Federal Reserve banks. Subscription books will close at the close of business Aug. 13 1918. Certificates will be issued in denominations of \$500, \$1,000, \$5,000, \$10,000 and \$100,000. Said certificates shall be exempt, both as to principal and interest, from all taxation now or hereafter imposed by the United States, any State, or any of the possessions of the United States, or by any local taxing authority, except (a) estate or inheritance taxes, and (b) graduated additional income taxes, commonly known as surtaxes, and excess profits and war profits taxes, now or hereafter imposed by the United States upon the income or profits of individuals, partnerships, associations, or corporations.

The interest on an amount of bonds and certificates authorized by said Act approved Sept. 24, or by said Act as amended by said Act approved April 4 1918, the principal of which does not exceed in the aggregate \$5,000, owned by any individual, partnership, association, or corporation, shall be exempt from the taxes provided for in clause (b) above. Upon ten days public notice, given in such a manner as may be determined by the Secretary of the Treasury, the certificates of this series may be redeemed as a whole at par and accrued interest on or after any date, occurring before the maturity of such certificate, set for the payment of the first installment of the subscription price of any bonds offered for subscription by the United States after the offering and before the maturity of such certificates.

The certificates of this series, whether or not called for redemption, will be accepted at par, with adjustment of accrued interest, if tendered on such installment date in payment on the subscription price then payable of any such bonds subscribed for by and allotted to holders of such certificates. The certificates of this series do not bear the circulation privilege, and will not be accepted in payment of taxes. The right is reserved to reject any subscription and to allot less than the amount of certificates applied for and to close the subscriptions at any time without notice.

Payment at par and accrued interest for certificates allotted must be made on and after Aug. 6 1918, and on or before Aug. 13 1918. After allotment and upon payment, Federal Reserve banks will issue interim receipts pending delivery of the definitive certificates. Qualified depositaries will be permitted to make payment by credit for certificates allotted to them for themselves and their customers up to an amount for which each shall have qualified in excess of existing deposits when so notified by Federal Reserve banks.

As fiscal agents of the United States, Federal Reserve banks are authorized and requested to receive subscriptions and to make allotments in full in the order of the receipt of applications up to amounts specified in their respective districts.

ANALYSIS OF SUBSCRIPTIONS IN NEW YORK TO TREASURY CERTIFICATES IN ANTICIPATION OF FOURTH LIBERTY LOAN.

An analysis of the subscriptions in the New York Federal Reserve District to the first three issues of Treasury certificates of indebtedness in anticipation of the Fourth Liberty Loan has been prepared by the Federal Reserve Bank of New York. It shows that while there are 1,221 banking institutions in the district, there were but 808 subscribers, including 27 miscellaneous subscribers. The total subscriptions in the district aggregated \$211,714,000, or over 125%

of the allotted minimum quota. The following is the statement issued by the Federal Reserve Bank:

Subscriptions for the third series of United States Government certificates of indebtedness issued in anticipation of the Fourth Liberty Loan closed July 30 1918. The minimum quota for the whole country was \$500,000,000. The minimum quota for the Second Federal Reserve District was 169,333,000. Total subscriptions in this district aggregated \$211,714,000, or over 125% of the allotted minimum quota. These subscriptions were made by 808 banks and miscellaneous subscribers as follows:

New York State.	
Total number of national banks, State banks, trust companies and savings banks in the State	927
Number of banks and trust companies subscribing to this issue	577
Twelve Northern Counties of New Jersey.	
Total number of national banks, State banks, trust companies and savings banks in this district	250
Number subscribing to this issue	184
Fairfield County, Connecticut.	
Total number of national banks, State banks, trust companies and savings banks in the county	44
Number subscribing to this issue	20
Total banking institutions in the district	1,221
Total banking institutions subscribing to this issue	781
Miscellaneous subscribers	27
	808

Counties Which Have Equaled or Exceeded Their Quotas on the Current Issue.

County—	Per Cent of Quotas Subscribed.	County—	Per Cent of Quotas Subscribed.
1 Montgomery, N. Y.	203	15 Orange, N. Y.	138
2 Richmond, N. Y.	187	16 Kings, N. Y.	137
3 Ulster, N. Y.	187	17 Chenango, N. Y.	129
4 Greene, N. Y.	171	18 Morris, N. J.	127
5 Schenectady, N. Y.	166	19 Rockland, N. Y.	120
6 Broome, N. Y.	164	20 Herkimer, N. Y.	119
7 Lewis, N. Y.	163	21 Oswego, N. Y.	115
8 Rensselaer, N. Y.	159	22 Chemung, N. Y.	114
9 Sullivan, N. Y.	146	23 Middlesex, N. J.	112
10 Clinton, N. Y.	145	24 Hudson, N. J.	109
11 Queens, N. Y.	144	25 Westchester, N. Y.	106
12 New York, N. Y.	140	26 Jefferson, N. Y.	102
13 Suffolk, N. Y.	140	27 Erie, N. Y.	101
14 Essex, N. J.	139	28 Otsego, N. Y.	101

Counties Which Have Equaled or Exceeded Their Total Quotas on the Aggregate of the Three Issues.

County—	Per Cent of Quotas Subscribed.	County—	Per Cent of Quotas Subscribed.
1 New York, N. Y.	133	7 Greene, N. Y.	107
2 Montgomery, N. Y.	117	8 Oswego, N. Y.	105
3 Broome, N. Y.	115	9 Suffolk, N. Y.	105
4 Essex, N. J.	114	10 Richmond, N. Y.	104
5 Rensselaer, N. Y.	111	11 Fulton, N. Y.	103
6 Columbia, N. Y.	110	12 Kings, N. Y.	103

Comparison of the Three Issues in Anticipation of the Fourth Liberty Loan.

Issue.	District Quota.	Total Subscription.	Per Cent of Quota.	Number of Subscribers.
4 A	\$251,000,000	\$312,844,500	125	683
4 B	254,000,000	273,219,500	105	561
4 C	169,333,000	211,714,000	125	808

MATURING GOVERNMENT BONDS OF 1908-1918.

With reference to the maturity this week of the U. S. 3% bonds of 1908-1918, the "Wall Street Journal" of Aug. 1 had the following to say:

Three mature to-day the United States 3% bonds of 1908-1918, issued originally by the Act of June 13 1898. The amount of these bonds now outstanding is \$63,945,460. Most of them are in the hands of the public, as only \$16,804,240 are held in trust by the Treasurer of the United States. Of this amount \$14,687,040 is pledged against national bank circulation and \$2,117,200 secures deposits of public money.

The Government has already issued a circular to the effect that the coupon bonds of the issue may be presented for payment to any Federal Reserve bank or to the Treasurer of the United States at Washington, while the registered bonds must be assigned to the Secretary of the Treasury for payment for the account of the holder, and forwarded to the Division of Loans and Currency at Washington. The bonds cease bearing interest from to-day. Secretary McAdoo has the money available to pay these bonds off with, as Congress has already made an appropriation for the redemptions. The money was included in the estimates which went to make up the requirements of the last Liberty Loan issue.

These outstanding bonds are the remainder of the Spanish War Loan of 1898, which totaled \$198,792,660. Of this original amount, \$132,449,900 has been refunded into the 2% consols of 1930; \$2,396,800 have been purchased for the sinking fund and canceled, and \$500 have been purchased and canceled under the Act of March 3 1881, leaving outstanding at this time \$63,945,460.

COUPON BOOKS SOLD IN THIRD LIBERTY LOAN CAMPAIGN IN NEW YORK FEDERAL RESERVE DISTRICT.

Announcement was made July 28 at the headquarters of the Liberty Loan Committee for the New York Federal Reserve District that the partial payment campaign for the sale of Third Liberty Loan bonds in New York City brought in \$48,597,350. The total number of coupon books sold was 834,336. The announcement says:

Of the total sales, the banks of Manhattan accounted for \$26,419,300, those of Brooklyn for \$7,676,300, and those of the Bronx for \$2,077,100. The banks of Queens and Richmond sold \$2,342,750 and \$389,200, respectively. The balance was credited to the Metropolitan Canvass Committee and the Woman's Liberty Loan Committee.

Thirteen banks in Manhattan sold \$500,000 or more in coupon books. These institutions, with their total sales, are as follows:

Bankers Trust Company.....	\$727,650	Irving National Bank.....	5908,500
Chase National Bank.....	2,415,850	Irving Trust Company.....	1,191,200
Chatham & Phenix Nat. Bank.....	953,450	Liberty National Bank.....	1,009,000
Columbia Trust Company.....	740,350	Mechanics & Metals Nat. Bank.....	4,439,900
Cora Exchange Bank.....	5,253,700	N. Y. Produce Exchange Bank.....	716,800
Gotham National Bank.....	574,350	Second National Bank.....	1,337,150
Guaranty Trust Company.....	528,200	State Bank.....	1,922,800
		Union Exchange Nat'l Bank.....	567,500

Twenty-eight banks in Manhattan and one in Brooklyn accepted a participation of \$1,000,000 or more in the carrying pool which was formed to finance the partial payment subscriptions in Greater New York. The names of these banks and the amount of their participation were as follows:

<i>Manhattan—</i>		<i>Irving National Bank.....</i>		<i>\$1,702,400</i>
American Exch. Nat. Bank.....	\$2,744,700	Irving Trust Company.....	1,041,200	
Bank of Manhattan Company.....	1,783,000	Liberty National Bank.....	1,009,000	
Bank of New York.....	1,000,000	Mechanics & Metals Nat. Bank.....	4,439,900	
Bankers Trust Company.....	5,853,800	National Bank of Commerce.....	4,545,400	
Central Trust Company.....	4,305,800	National City Bank.....	8,071,600	
Chase National Bank.....	4,217,000	National Park Bank.....	3,051,700	
Chatham & Phenix Nat. Bank.....	2,000,000	New York Trust Company.....	1,874,400	
Chemical National Bank.....	1,531,400	Seaboard National Bank.....	1,082,700	
Columbia Trust Company.....	2,350,000	Title Guarantee & Trust Co.....	1,152,800	
Corn Exchange Bank.....	2,524,500	Union Trust Company.....	1,738,000	
Equitable Trust Company.....	4,233,700	U. S. Mortgage & Trust Co.....	1,512,100	
Farmers' Loan & Trust Co.....	4,236,600	United States Trust Company.....	1,541,400	
First National Bank.....	3,951,500			
Guaranty Trust Company.....	7,421,800	<i>Brooklyn—</i>		
Hanover National Bank.....	2,275,600	Brooklyn Trust Company.....	\$1,000,000	

The \$50 books calling for weekly payments were by far the most popular of the four classes sold. Of these books, 677,489 were sold. Of the \$100 books on the weekly plan, 125,924 were sold. Of the \$50 books on the monthly plan, 19,236 were sold, and of the \$100 books on monthly plan, 11,987 were sold.

More than 45,000 accounts opened by partial payment investors in the Third Loan campaign have been paid in full, and more than 100,000 persons have paid more than the weekly schedule calls for.

WAR REVENUE LEGISLATION.

It was announced yesterday that the new war revenue legislation now being worked out by the Ways and Means Committee of the House is expected to be in shape for presentation before Congress concludes its summer recess on Aug. 26. The Committee has continued to make substantial progress in its work the present week. On July 26, following its tentative decision of the previous day relative to graduated excess profits taxes of from 30 to 80% on net income in excess of exemptions, the Committee practically adopted the schedule, thereby ratifying the tentative agreement. In announcing the Committee's conclusions on the 26th Chairman Kitchin said:

The consideration of the excess profits tax was renewed to-day. The Committee tentatively decided upon a specific exemption of \$2,000 plus 10% on the amount of invested capital, and upon the rates as follows:

Fifty per cent of the net incomes in excess of 20% of the net income and not in excess of 25%.

Eighty per cent on the net income in excess of 25%.

While not definitely deciding the matter, a majority of the Committee was favorable to a provision to the effect that in no case should the excess profits tax exceed 60% of the net income nor be less than 10% of the net income in the case of corporations with a capital exceeding \$200,000. Common carriers and public utility corporations whose rates are subject to regulation by Federal, State or municipal governments would be exempt from the 10% minimum.

The Committee is said to have decided to retain substantially the same text of "capital invested" and other definitions as are in the present law. According to reports on July 26 a new section may be agreed upon so that corporations whose capital is of little significance may "construct" a capital, which would take care of good will or similar considerations. An adjournment on Friday, the 26th, until Monday, July 29, was taken by the Committee. In announcing that on Monday the Committee had decided against any increase in passenger or freight transportation taxes, and that it had been decided to postpone consideration of increased liquor taxes. Representative Henry T. Rainey, acting Chairman of the Committee in the absence of Chairman Kitchin, who was detained at his home by illness, issued a statement saying:

We discussed the question of transportation first, and we left the transportation tax just as it is—3% on the amount paid for transportation by freight. We did not increase the tax on transportation of passengers. We did this for the reason that the Director-General of Railroads, under the authority granted him, already has increased the freight charges 25% and the passenger charges 50%. The rate with reference to the tax on seats, berths, &c., was not increased.

We discussed the matter of transportation of oils by pipe lines, and we did not agree on any proposition. We are going to return to that later. At present pipe lines, if operating as common carriers, are taxed 5% on the amount paid for the transportation. The matter of whether this tax shall apply when carrying for themselves will be investigated further.

We also took up the question of insurance—life insurance, marine insurance and casualty insurance. The sentiment of the Committee favored increases, but we passed the proposition, to be considered later when we receive information which we have called upon the Treasury Department to assemble for us.

We took up title VI of the pending bill, which is the tax on beverages. We determined to postpone the question of this tax until the very last of all the items, due to the fact that if rates were increased there may be withdrawals of liquor before the bill goes into effect, and we want to avoid that. A total of 130,000,000 gallons of whiskey are subject to withdrawal for beverage purposes, and 5,000,000 gallons can only be withdrawn for other purposes. The Committee does not know whether it is going to increase the tax or not, on account of the possibility of the country going bone dry.

A statement that there would in all probability be a war profits tax, based upon the English system, as well as an excess profits tax, written into the bill, was credited on the 29th to Representative Rainey by the New York "Times" of July 30 which also said:

This elective system of taxation, originally recommended by the Treasury Department, would be adopted as the only way to justly reach all taxable corporations. Mr. Rainey said many corporations were making less money than before the war, and therefore would not pay as heavy a tax under the English system as under the excess profits plan based upon capital. Many of the larger corporations made more money just prior to the war than since, because the price-fixing system has reduced their profits. On the other hand, a vast number of small corporations have made greater profits since the war, and an excess profits tax based on capital would not give as large a revenue to the Government as a tax on the war profits.

The Ways and Means Committee, Mr. Rainey said, was seriously considering writing the two systems into the bill and authorizing the Treasury Department to elect which system to impose in each case. In other words, the Treasury Department would be empowered to decide whether the excess profits tax, ranging from 30 to 80%, or the war profits tax should be levied.

On the other hand, the "Journal of Commerce" on Aug. 1 had the following to say in Washington advices:

No further discussion of the matter of levying special taxation on war excess profits is expected to develop in the committee. As far as this class of war profits is concerned, the excess profits tax provision tentatively agreed upon recently by this committee is settled, and there is no intention on the part of the committee to reconsider it.

The present tentative scheme of excess profits taxation, Mr. Kitchin stated, would raise more money than if a separate tax on war profits were written into the bill. To tax war profits separately, he said, would reduce the total amount expected from excess profits about \$500,000,000.

"This idea of a tax on war profits alone," he said, "was suggested by representatives of concerns who knew that by imposing such a tax their companies would pay a smaller tax than they would under the rates we have imposed upon excess profits and corporate incomes."

Several witnesses who appeared before the committee at the hearings advocated a war profits tax in a form modeled after the British system, which allows concerns the selection of certain pre-war years as the basis for determining their normal earnings for the taxable year.

Before tentatively agreeing upon an excess profits tax program, the committee considered a modification of the British method, but decided to reject it, as allowing a loophole for certain corporations earning large profits during the pre-war years.

On July 30 the Committee tentatively agreed on a 10% tax on gross sales of manufacturers, producers and importers of automobiles, piano players, graphophones, sporting goods, cosmetics, proprietary medicines, cameras and similar articles. The present excise tax on all these articles, except cosmetics and proprietary medicines, is now 3%. A statement as to the Committee's action on that day, issued by Representative Kitchin, said:

The committee has had under consideration to-day the excise taxes, such as automobiles, piano players, graphophones, sporting goods, cosmetics and proprietary medicines, cameras, &c., and has tentatively decided to levy a tax of 10% on the gross sales of the manufacturer, producer or importer. A distinction is made between motor trucks and other classes of automobiles. In the case of motor trucks a tax of only 5% was agreed to be levied.

It also had under discussion a tax on admissions to theatres, operas, moving picture shows, &c. The committee favored doubling the tax on admissions and dues and also to impose a one-cent tax on all admissions where the maximum charge does not exceed seven cents. Under the existing law all moving picture shows, theatres and other amusements whose maximum charge does not exceed five cents are exempt from the law.

The committee proposes tomorrow to take up the luxury tax suggestions of the Treasury Department. The tobacco tax schedule was postponed, awaiting receipt of some data and statistics from the Treasury Department, which the committee has asked for.

With the consideration of the luxury taxes on July 31 the committee tentatively agreed on taxes ranging from \$10 on \$500 cars, to a \$60 tax on \$3,000 cars, and \$20 for each \$500 above \$3,000. The tax would apply directly to owners, while the tax of 10% on gross sales of automobiles and 5% on gross sales of auto trucks, applies to the manufacturers, producers and importers of cars. The tax on use of cars is based on the original retail price of the cars, regardless of the year of manufacture. The committee also agreed to a tax of two cents per gallon on the production of gasoline and a Federal excise tax of \$5 a year on the use of motorcycles. In his statement of July 31 Chairman Kitchin said:

We took up the luxury taxes to-day. We put a tax of \$5 a year on motorcycles. On automobiles, on the original retail listed sale price, whether they were produced in 1918, 1917, or any other year, we put a tax beginning with \$10 a year on cars originally listed at not exceeding \$500. It is immaterial when the user got the car or how old it is. This is a Federal excise tax on the use of cars. On cars above \$500 and not exceeding \$750, the tax would be \$15; from \$750 to \$1,000, tax of \$20; for every \$500 more up to the original price of \$3,000, an additional tax of \$10, and for each further \$500 above the \$3,000 class, an additional tax of \$20. All this will bring in not less than \$125,000,000 revenue. Trucks are included in this classification tentatively. They can do as much damage to the roads.

We put two cents a gallon tax on the producer or manufacturer of gasoline which would yield approximately \$45,000,000. The committee passed over the subject of war profits.

The doubling of present special taxes on manufacturers of tobacco, cigars and cigarettes, increased taxation of brokers and mail order houses figured among the results of Thursday's deliberations by the committee. Chairman Kitchin indicated what had been done in the following statement:

We have put a tax of 1% on retail sales of mail order houses that have more than \$100,000 annual business. We have increased the special taxes.

Brokers now under a special tax of \$30 will pay an annual tax of \$100, and if they are members of a stock exchange or board of trade engaged in buying and selling will pay \$250 annually. We have increased the tax on pawn brokers from \$50 to \$100, ship brokers from \$20 to \$50, custom house brokers from \$10 to \$50.

Theatres, including moving picture shows, museums and concert halls having a seating capacity of not over 250 people will pay an annual tax increased from \$25 to \$50, seating capacity between 250 and 500 increased from \$50 to \$100, 500 to 800 seating capacity increased from \$75 to \$150, and all over 800 capacity increased from \$100 to \$200 annual tax. We have doubled the present special taxes on theatres, circuses, bowling alleys, billiards and pool places, and on manufacturers of tobacco, cigars and cigarettes.

We have put a new special tax on sales of seats on stock and produce exchanges of 10% on the sale price of the seats, and on annual dues of these exchanges a tax of 20% on the amount of the dues. This is to put them on the same basis as clubs and other organizations already put under tax.

Pullman seats and berths are under the present law taxed 10% and passenger rates 8% of the amounts paid for tickets or coupons. We to-day agreed to make the tax on both of these 8%. This was at the request of the Director-General of Railroads, who wanted the taxes on them made the same to simplify the mileage coupons about to be issued. We imposed a tax of 10% on the sales of yachts.

We considered the stamp taxes in the present law and they will remain as at present.

The committee is reported to have tentatively agreed upon a plan of payment for income and excess profits taxes in installments extending over a period of six months. The plan under consideration proposes to change the date for filing returns from March 1 to March 15, and to have the return accompanied by a check for one-third the amount of the tax. The next third would be paid on June 15, and the final third on Sept. 15. Where the fiscal year is different from the calendar year the return would be filed and the first payment made on the 15th of the third month after the end of the fiscal year. The other installments would be due three months and six months later respectively.

GOVERNMENT LOANS TO RELIEVE WESTERN WHEAT GROWERS.

With a view to assisting wheat growers in certain sections of the West who have lost two successive crops from drought and winter killing, President Wilson on Saturday last, July 27, placed at the disposal of the Treasury Department and the Department of Agriculture the sum of \$5,000,000 to enable them to furnish aid to that extent. It is announced that the loans will probably not be made for more than \$3 00 an acre, and it is likely, it is added, that a maximum of 100 acres in some localities and 150 in others will be established. It is further announced that it is not intended that this fund shall be used to make loans to farmers who have banking collateral and can otherwise secure loans. It is pointed out that the recent action of the War Finance Corporation in indicating its willingness to make advances to farmers and cattlemen (referred to in these columns last week, page 344) should in large measure enable bankers to extend accommodations to farmers having such collateral. The following is the announcement made jointly by the Treasury Department and the Department of Agriculture on July 29:

Acting upon the urgent representations that many wheat growers in certain sections of the West who have lost two successive crops by winter killing and drought have exhausted their resources and may be compelled to forego fall planting and, in some cases, to abandon their homes unless immediate assistance is extended, the President, on Saturday July 27, placed at the disposal of the Treasury Department and the Department of Agriculture the sum of \$5,000,000 to enable them to furnish aid to that extent. The two departments are already actively at work formulating plans for making loans under this authorization and complete details will be announced within the next few days and operations begun.

It may be stated generally that the Federal Land banks in the districts affected will be designated by the Secretary of the Treasury as the financial agents of the Government to make the loans and to collect them. The Department of Agriculture, through its special officers, including the county agents, will ascertain the needs of the individual farmers and determine the feasibility of the planting.

The primary object of this fund is not to stimulate the planting of an increased fall acreage of wheat or rye in the severely affected drought areas, or even necessarily to secure the planting of a normal acreage, but rather to assist in tiding the farmers over the period of the stress, to enable them to remain on their farms to plant such an acreage as may be determined to be wise under all the conditions, with a view to increase the food supply of the nation and to add to the national security and defense. It is distinctly not intended to be used to stimulate the planting of wheat or any other grain where such planting is no wise from any agricultural point of view and where other activities are safer.

It is not intended that this fund shall be used to make loans to farmers who have banking collateral and can otherwise secure loans. The recent action of the War Finance Corporation, indicating its willingness to make advances to banks and trust companies which have made loans to farmers and cattlemen, should ease the general financial situation and in large measure enable bankers to extend accommodations to farmers having such collateral. Banks are urged to avail themselves of the offer of the War Finance Corporation.

This fund, because of its limited amount, will be used necessarily principally in connection with the fall planting of wheat or of preferred substitute grain in the areas involved. This will not include consideration of individuals who do not intend to, or who cannot engage in, fall seedling who might otherwise be compelled to abandon their homes and make great sacrifices; provided sufficient funds are left after considering the pressing fall planting needs.

The loans will probably not be made for more than \$3 an acre, and it is likely that a maximum of 100 acres in some localities and of 150 in others will be established. In addition to paying a reasonable rate of interest, each farmer will be required to contribute to an insurance fund out of the proceeds from the sale of his crops if his operations are successful.

With regard to the details of the plan the New York "Times" in Washington advices of Aug. 1 said:

Notes will bear 6% interest, payable in the Southern districts on Oct. 1 1919, and in Northern districts on Nov. 1 1919.

The Federal Land banks of the affected areas will make and collect the loans. They will have the co-operation of local banks in the taking of applications. Banks and other local agencies assisting will be asked to contribute their services. The determination of the question of making each loan will, in the first instance, rest with the Department of Agriculture, which, through its various agencies, assisted by farm loan associations and other local farmers' organizations, will investigate each application.

Applicants must agree to use seed and methods approved by the Department of Agriculture, and the money will not be advanced until the crop is planted.

PROPOSAL TO INCREASE LIMIT OF ADVANCES TO LIVE STOCK GROWERS AND FARMERS.

A bill amending the War Finance Corporation law, to permit advances to the full amount of security to livestock growers and farmers, instead of only 75% as at present, was introduced on Aug. 1 by Senator Jones of New Mexico.

HOTELS RELEASED FROM PLEDGE TO USE NO WHEAT UNTIL HARVEST.

Hotels, restaurants, clubs and dining cars have been released, beginning Aug. 1, from their voluntary pledge of March 29 last to abolish the use of wheat products until the new harvest. Their release from the pledge was announced in a cablegram received by the Food Administration at Washington on July 28 from Food Administrator Herbert C. Hoover, who is now in England. With the lifting of the self-imposed restrictions, public eating places are required to comply only with the banking regulations and to serve "victory" bread. In his cablegram Mr. Hoover congratulated the proprietors of public eating places upon their patriotic service, expressed appreciation of the substantial savings effected and voiced confidence that the spirit shown will enable the American people to build up a great food reserve against the exigencies of the future. The cablegram said:

In releasing the hotels, restaurants, clubs and dining cars from their voluntary pledge not to use wheat in any form until the new harvest, I wish to congratulate them upon the patriotic example they set and thank them for the large savings made. The results of their service has been heard in Europe and has pointed the way of democracy—the most service of those who have the most to give.

It has been a personal inspiration to me to have the continued help, so freely given, of all of the men and women who put through the "no wheat" campaign, which helped us to provide for the necessities of the Allies in spite of our short crop.

I have confidence that the same spirit will enable us to build up the great reserve of wheat and other foods needed to provide against future crop failure and to assist the Allied nations in putting through the great offensive that must win the war.

It is estimated by the Food Administration that a saving of between 175,000,000 and 200,000,000 pounds of wheat and its products has been effected between Oct. 1 1917 and Aug. 1 1918. A statement issued by it says:

While exact figures cannot be obtained, it is estimated that hotels, restaurants, clubs and dining cars of the country have saved, from Oct. 1 1917 to Aug. 1 1918, between 175,000,000 and 200,000,000 pounds of wheat and its products, as well as 150,000,000 pounds of meats and 50,000,000 pounds of sugar. The educational value of their conservation efforts cannot be computed. Many people first received the food-saving message while traveling on dining cars or living in hotels, and carried the news home with them.

Five hundred representative hotel men voluntarily gave Mr. Hoover the wheatless pledge on March 29 at Washington, where they had been assembled by John McE. Bowman of the Food Administration to discuss the food situation. The whole surplus of the 1917 wheat crop had been exported, the Allies could not continue the war without more wheat, and this had to come out of the amount normally consumed on this side of the Atlantic. The hotel men blazed the trail and dining car services followed close after them. The whole nation was aroused. Exports of wheat mounted to 140,000,000 bushels and the situation in Europe was saved.

About 5,000 hotel proprietors gave the wheatless pledge, and many of the 200,000 proprietors of public eating places cut down wheat as much as the nature of their business would permit.

The dining car services of the country last week took the open sugar bowl from their tables and limited service to patrons to two half-lumps or one teaspoonful of granulated sugar for every meal.

This keeps safely within the two pounds per person per month ration, allowing part for preparation of food.

RICE PLACED ON LIST OF RESTRICTED IMPORTS.

The placing of rice on the list of restricted imports was announced on July 26 by the War Trade Board. While barred so far as domestic use of rice is concerned, imports for transshipment to the West Indies or Central America will be permitted. The announcement made by the Board follows:

The War Trade Board have placed rice upon the list of commodities the importation of which for domestic consumption is prohibited. Accordingly, no further licenses for the importation of rice to be consumed in

the United States will be issued, and all such licenses which are now outstanding shall expire and become void unless shipment from abroad is made thereunder on or before July 31 1918.

Notwithstanding the foregoing ruling, the importation of rice into the United States in bond for transshipment to the West Indies or Central America will be permitted if the details of ultimate destination are clearly set forth on the application for import license.

PLANS OF FOOD ADMINISTRATION FOR HANDLING 1918 RICE CROP.

The U. S. Food Administration in announcing on July 24 that arrangements for the handling of the rice crop of 1918 were being completed between the rice millers throughout the country and the Food Administration, said:

The main provisions of these agreements are that the miller shall pay definite prices to the grower for rough rice and shall not sell the clean rice at more than prices named in the contract, ranging from 7½ cents per pound for Choice Japan to 9½ cents for Fancy Honduras. Establishment of these contracts has been requested by growers in all parts of the rice-growing section of the country, and is believed to be very beneficial to both producer and consumer.

It is hoped that the result will be a complete stabilization of the rice industry and the distribution of rice to the consumer without speculation or manipulation at a reasonable margin of profit. Consumers will, in the opinion of the Food Administration, be able to purchase rice at a price of approximately 10 to 12 cents per pound, depending on remoteness from the milling centres.

In order to accomplish a fair valuation of the growers' products, a general committee will be appointed by the Food Administration, whose duty it will be to generally supervise the carrying out of the contract by grading and valuing samples of rice submitted by the growers. Valuation committees, operating under the general control of the central committee, will be appointed in each State where rice is grown to handle the details of the matter.

COMMITTEE ON RICE TO ASSIST FOOD ADMINISTRATION.

Announcement was made by the Food Administration on July 26 that a committee had been appointed to assist in carrying out the recent agreements between the Food Administration and rice millers. The Administration in making known the appointment of the committee said:

Its members are: E. A. Eignus, Beaumont, Tex.; J. E. Broussard, Beaumont, and J. H. Roman, New Orleans. This committee will supervise the grading and classification of rough rice, as set forth in the recent agreements, and will have general control of valuation committees which will carry out the details in the various districts.

The main provisions of the agreement are that the miller shall pay definite prices to the grower for rough rice and shall not sell the clean rice at more than prices named in the contract, ranging from 7½ cents a pound for Choice Japan to 9½ cents for Fancy Honduras.

NEW SUGAR RESTRICTIONS EFFECTIVE AUGUST 1.

Further restrictions governing the consumption of sugar in the United States were put into effect by the U. S. Food Administration on Aug. 1. Under the restrictions which went into operation July 1 the nation was asked to go on a three pound sugar basis per month; now it is asked that the amount be reduced to two pounds per person per month, this new rationing to continue in force until Jan. 1. The announcement of July 25 concerning the new rations stated that a similar order was being issued to public eating places limiting their use of sugar to two pounds for every ninety meals served. It is further said that in order to make sure that the distribution of sugar in the United States shall be equitable, the Food Administration has worked out a scheme of allocation to the States, based on population and taking into account the needs of sugar-using industries in the States. The following is the announcement made by the Food Administration:

Basing its action on a careful survey of the world sugar situation and a compilation of the immediate demands, the United States Food Administration calls on the American public to restrict the consumption of sugar in the home to 2 pounds per person per month from Aug. to Jan. 1. This replaces the present regulation of 3 pounds per person per month, and includes all sugar used on the table and in cooking.

A similar order is being issued to govern public eating places, limiting their use of sugar to 2 pounds for every 90 meals served.

The Food Administration is confident that the American public will heartily agree to reduce the household use of sugar here to a level more nearly equal to the present restrictions among the peoples of the Allies, provided our people clearly comprehend that sugar, which with us is often used in great measure as a luxury, has become an essential element for the success of the war among the nations of Europe. Upon our action here depends the possibility of maintaining the ration to our own fighting men and those of the Allies, as well as of avoiding a still further reduction of the allotments to the civil populations of the nations fighting Germany, which are already down to a point far under their normal needs. England, which before the war used more sugar than the United States, has already reduced its household consumption to two pounds. France allows its people a maximum of a pound and a half, and the Italian ration has been reduced to barely a pound. Recently even those amounts have not been possible.

Furthermore, unless there is strict and consistent economy in the United States, the supplies for Belgium and those required by the Red Cross, the Y. M. C. A., Knights of Columbus, Salvation Army and similar organizations working for the welfare and comfort of our soldiers in Europe cannot be maintained. The situation which the United States faces in its efforts to maintain a fair distribution of sugar to the Allied world is as follows: The sugar supplies throughout the country, in homes, stores, factories and bakeries, are at low ebb; the production from the American beet and Louisiana cane crops has been disappointing; the yield in Porto Rico has likewise been smaller than anticipated, and the inability of the United States

and the Allies to secure sugar from Java and other distant sources on account of the imperative call for ships for the movement of troops and their supplies has materially reduced the supply from such quarters.

Added to this already difficult situation the quantity needed by the Army and Navy greatly exceeds earlier estimates and we must send a large amount to France and Italy to take the place of the great volume lost through the German and Austrian invasions, during which much beet land was overrun and many factories were destroyed; we have to supply certain quantities to neutral nations under agreements, and, finally, over 50,000,000 pounds were lost recently through submarine sinkings off our Atlantic coast.

The industries using sugar have been reduced in their consumption of sugar, most of them having their supplies cut in half and some receiving none at all. The situation is so serious that every possible means of conservation should be observed. Household canning without sugar should be done wherever possible; and where sugar is used it should be only to the extent necessary to secure the maximum of preserving with the minimum use of sugar at this time. With prospects of increased supplies after Nov. 1, and still more after Jan. 1, sugar may be then added with more freedom.

In order to make sure that the distribution of sugar in the United States shall be equitable, the Food Administration has worked out a scheme of allocation to the States, based on population and taking into account the needs of sugar using industries in the States. With each State the details of distribution will be left to the Federal Food Administrators.

Following the Food Administration's announcement the Federal Food Board in this city issued a statement on July 26 urging co-operation on the part of everyone in the State to adopt the new rationing system. In this statement, which we give below, the Board announced that the State's supply of sugar had been reduced from 75,600,000 pounds in July to 52,920,000 pounds for August:

The new sugar rules, just issued by the Food Administration at Washington, asking still further curtailment by the people of this city, indicate the necessity for exercising the greatest degree of economy in the use of sugar at the present time. The supply is now so relatively short that, to adequately care for the minimum needs of our own people and of the Allies in Europe, it will be necessary to ration home consumption to two pounds monthly for each member of the family, including all employees, instead of three pounds, and to ration all public eating places, including clubs, hotels, restaurants, and boarding houses, to a like amount for each ninety meals served. To further aid in this matter, the rule has been adopted that sugar bowls must not be placed upon the tables in public eating houses.

In public eating places, the supply of sugar at each meal must be limited to two half-lumps or to one teaspoonful of granulated sugar to each person. The Food Administration also urges that in canning and preserving fruit, sugar be omitted, but added later, when the fruit is eaten, and sugar is more plentiful. The State's supply for the month of August has been reduced from the July allowance of 75,600,000 pounds to 52,920,000 pounds. The use of sugar for all manufacturing purposes will be curtailed in about the same proportion as it will be for home use.

The Federal Food Board urges the fullest co-operation on the part of everyone in the State and city to adopt this rationing, and to make self-denial in the use of sugar in any form and for any purpose until the present emergency is passed. The Board is mindful of the splendid response on the part of our people to every appeal which Herbert Hoover has made in the past for food conservation, whether in wheat, meat, or sugar, and which has made possible the shipment of large quantities of food to Europe. Mr. Hoover has frequently stated that it is only through this splendid and almost unanimous co-operation that he has been able to secure the stores of food which have been needed to meet the great food crisis in England and in France.

On July 11 the Federal Food Board modified the sugar certificate system which had been put into effect on July 1, and of which mention was made in these columns June 29; under the modification, retail dealers were permitted to purchase sugar from refiners and wholesalers without first obtaining rationing certificates. The modification was adopted to prevent delay in the distribution of sugar to retailers in order that consumers might not find it difficult to purchase sugar for canning purposes. The modification which was to continue in effect until Aug. 1 does not affect manufacturers, hotel and restaurant men, bakers and wholesalers.

OFFICERS OF SUGAR EQUALIZATION BOARD—NEW MEMBER INTERNATIONAL SUGAR COMMITTEE.

The Food Administration has announced the election on July 19 of the following officers of the Sugar Equalization Board, the creation of which was reported in our issue of July 11:

George M. Rolph, President; Theodore F. Whitmarsh, Treasurer; Robert A. Taft, Secretary; Dana F. Ackorly, General Manager; all of the Food Administration.

The names of the directors were given in our previous item.

With regard to the appointment of E. S. Keeley as a member of the International Sugar Committee, Mr. Keely on July 19 issued the following statement:

The interpretation placed by the daily press on the statement issued by Chairman George M. Rolph, of the International Sugar Committee, on July 18, concerning the appointment by Herbert Hoover of E. S. Keeley, as a member of the Committee, contains several errors concerning which the Committee desires the public should be correctly informed.

The published reports stated that Mr. Keely replaced Mr. Rolph on the Board and succeeded him as Chairman.

The facts are: Mr. Rolph is still a member of the Committee and is still Chairman of this body.

In the appointment of Mr. Keely, Mr. Hoover has simply made it possible for its executive officer to act for Mr. Rolph. He replaces no other person at present a member. Given this authority, he is now able to relieve Chairman Rolph of certain detailed duties.

INCREASE SOUGHT IN PRICE FOR CUBAN SUGAR CROP.

A meeting relative to the prices for next year's Cuban sugar crop was had in this city on Monday last, July 29, between the Mission of the Republic of Cuba, authorized to negotiate a sale of the sugar crop, and the International Sugar Committee. The Cuban Mission, appointed by President Menocal, consists of Carlos Manuel de Caspedes, Cuban Minister to the United States, Robert B. Hawley and Manuel Rionda, representing the Cuban producers. On July 11 Messrs. Caspedes, Hawley and Rionda held a conference in Washington with General H. H. Morgan, formerly of the State Department, and at present representing the United States Food Administration in Cuba, and representatives of the United States Government and the International Sugar Committee, at which plans for the purchase of the Cuban crop of 1918-19 were discussed. No definite conclusions were reached, but the Cuban commissioners were requested to submit a brief showing the cost of production of Sugar in Cuba at the present time and the anticipated increase in the cost of the 1918-19 crop as compared with the cost of the production of the 1917-18 crop. The purchase of the 1917-18 crop was arranged for last November, the agreement reached between the International Sugar Committee and the Cuban Commission provided for a basic price of \$4.60 per hundredweight, plus 30 cents per hundredweight freight, or a total of \$4.90 delivered at New York. The Cuban Mission seeks an increase in the f. o. b. Cuba price of 4.60 cents a pound to 5.60 cents f. o. b. north ports of Cuba and 5.55 cents f. o. b. south ports, the prices sought, it is said, being based on the prices current for material and labor employed in the recent campaign. Following the conference in this city last Monday, George M. Rolph, Chairman of the International Sugar Committee, authorized the following statement:

It was decided at the conference to-day to make public the official statement of the Cuban Government represented by the Cuban Mission, with the further statement that the International Sugar Committee recognizes the need of meeting the increased cost of production in Cuba, shown by the brief to amount to over half a cent a pound. The prospective increased cost in Cuba for producing the crop of 1919, however, as outlined by the Cuban Mission, would mean the addition to the price of sugar in the United States of a full cent a pound, based on the previous Cuban contract now in effect.

On account of the divergence of views of the members of the Cuban Mission from the views of the members of the International Sugar Committee as to the price, it was decided to refer the question to both Governments in the hope that an early and mutually satisfactory adjustment of price may be made. A meeting for this purpose will be arranged to be held in Washington next week, at which representatives of both Governments will be present.

This course of action was entirely agreeable to the Cuban Mission, which, following the precedent of last year, again placed itself at the disposal of the United States for the consideration of such fair prices as would meet the needs of Cuba, both as to prospective costs and as to the desired stimulation of its sugar industry.

Mr. Rolph, at the request of the Cuban Mission, released for publication the brief presented on behalf of the Cuban Government to the International Sugar Committee, reading as follows:

INTERNATIONAL SUGAR COMMITTEE
111 Wall Street, New York.

A Review of the Production of Sugar in the Island of Cuba.

In coming together again for the purpose of discussing and determining the price of Cuban sugar for the ensuing year, we think it important to state on behalf of Cuba, whom we have the honor to represent, that the spirit of the Government in undertaking these negotiations is to co-operate with the United States and the Allied Powers, of which Cuba is a signal and integral part, in such manner that the fullest quota of sugar it is possible for Cuba to supply shall be produced and on a basis that shall be fair to producer and consumer alike and to this necessary end, Cuba engages to put forth her utmost strength. That an understanding may be easily and promptly concluded, we submit for your information the following statement of facts concerning the prosecution of the sugar industry through Cuba:

- Its advantages—
- Its difficulties—
- Its cost of production.

Advantages.

With its semi-tropical climate and fertile soil, Cuba is without a rival in the ultimate quantity of sugar it may produce. The investment for its production is on a scale of four million tons, and its capital value one thousand million dollars. These are the elements which nature and enterprise have brought together. It is a single island, in area the size of New York State, but strike its development from the list of contributors, and the loss would be irreparable to the American consumer, and under existing conditions unthinkable—to the world at large.

The Difficulties That Vex the Cuban Producer.

An industrial interest of this character cannot proceed without difficulties, and naturally with this vast acreage under cultivation and great need of increased output, the problems of organization, the assembly of labor—in ordinary times a great task—seem now well-nigh insurmountable. What we shall do to meet our obligations to the United States and to those countries with whom we are associated in the greatest of enterprises, must rest on a thorough appreciation and co-ordination of every interest concerned.

Among other obstacles that beset us in our active operations, we suffer the disadvantage of having to import (naturally from the United States) all material, all supplies, that enter into the growth of cane and manufacture of sugar. In all these essential importations there is not an article—with scarcely an exception—whose primary cost is not three or four times the normal price; coal sold for \$20 per ton as against \$5.50 per ton formerly, bags as high as 65c. against 15c. formerly; and the ocean freight on practically every article in use is quadrupled.

As in most industries, the largest item entering into its cost is labor. For every stalk of cane now planted, cultivated and harvested, the total expenditure is three times the price paid under normal conditions. How we are to reconcile the outlay for labor and for material with a compensating price for sugar, is a matter for mutual consideration.

With Respect to Costs.

In the advices we have received covering total costs of production for the season just ended, we append those at hand—they are probably on a scale with the average in all the western part of Cuba. The figures here given, let us remind you, constitute the actual price for the year in many important items that were bought beforehand—before the advance of to-day—and neither the material nor labor, represent prices for the same items that are being charged now.

Briefly, however, it may be truly said, that scarcely an item that enters into the cost of sugar is not distinctly higher to-day than was paid in the season now ending. Even so, with whatever advantages the planter had in the past year with 4.60c. as the basic price of his product, a large majority of them enter the new year with less cash than in the beginning of the year just closing.

We accompany this report with statements of such plantation mainly in the Western Provinces, that have liquidated their year's business to date. In the aggregate, as you will note, these estates show an average increased cost of production and a relative output of one year with the other.

Cost.		Output.	
1917.....	3.3550 per lb.	1917.....	5,822,440 bags
1918.....	3.8500 per lb.	1918.....	6,383,500 bags
Increased cost.....		0.5250 per lb.	

Other statements as may be desired will be furnished as fast as received. In presenting these figures as representing the need of the industry, we deem it unnecessary to remind you that whether considering any other article of food or of raiment, or steel or wood, and chiefly labor that figures so largely in every production, of all these essential sugar will be found the cheapest in the list, and apart from flour is distinctly the most important product in providing a well-balanced ration.

One of the notable influences now affecting the value of sugar arises from the loss of two and one-half million tons heretofore provided for export, of which the world is deprived, besides other countries that have heretofore produced their own requirements must draw on exporting countries for needed supplies.

In the present emergency Cuba is the main and sometimes the sole dependence for shipments to Western Europe, as well as to England and the United States. If these are to be considered as they must be, and the movement of sugar were free, the price of to-day would probably be doubled, and this would result in an unsatisfactory condition for the consumer and in a feverish, unhealthy state for the industry—for these reasons we welcome the control exacted by the Government of Cuba and the restrictions imposed by the Government of the United States. The representative subscribers hereto enter upon the relations established willingly and with confidence, that the true economy of the situation will be preserved.

On the rightful determination of this question will depend the quantity of Cuba's output for the coming year, and especially for the year 1920. The question is, shall we pursue our course so that the enthusiastic conduct of the producer shall be won—that he may proceed full tilt, and with the energetic application called for, supply in full this great necessity—or shall it be curtailed? A quarter or a half cent, or even a cent would not be so much considered by the consumer as the possibility of a deprivation of his wants. The question of price will at once establish the difference between a scarcity and an abundance of supplies. If this question needs to be argued as to whether we will have sufficient supplies on a basis of fair remuneration to the producer, or whether we shall be without, then we are obliged to remind you that the buying power of the great majority of consumers to-day is distinctly more than when the market for this product, and all other products, was at its lowest ebb. It has not been many years since the United States had eighteen, nineteen, twenty dollars per capita in current trade; to-day with a largely increased population they have over fifty dollars per capita for conducting business, or an increase of 250%. This great increase in quantitative money would in itself advance the price of the products of the world approximating to-day's level, wholly independent of the war, and without regard to the great scarcity in supplies. Shall we fill this need with all its benefits, or deny it with all its deprivations?

The question, therefore, is again presented—what shall be done to sustain and to stimulate the production of sugar? As far as we know, Cuba alone, of all the exporting countries, is capable of largely increasing her output. The island's present production cannot be maintained—nor could it be considered—on the basis of 4.60c. There are hosts of farmers asking for figures that the Cuban Government, in keeping with its purpose, would not entertain; there are many others who insist upon 6c. as the minimum, to all of which the Government suggests some modification.

In reviewing the figures which we have herein set out and the present state of labor and cost of material—in our deliberate and concurring judgments, we offer as our conclusion the price which we feel will meet the requirements of the owners and operators of plantation sugar houses and estates—that of 5.60c. f. o. b. north ports of Cuba and 5.55c. f. o. b. south ports. The figures are based on the prices current for material and labor employed in our recent campaign, while every assurance is offered that both will be higher and in the instance of labor, much higher, in the coming year. While sugar, the cheapest product in general use to-day, is being discussed, it ought to be stated and publicly understood that its advance to the consumer is only a moiety of the advances that are witnessed in a hundred articles, most of which sugar producers are obliged to buy as they constitute their daily life flour, corn, meats of all kinds, cotton products, containers and fuel, while staple necessities are only a few elemental articles of the vast store that enter into the production of sugar.

With the foregoing brief resume of the cardinal points of this business, we submit to you what shall be done to sustain and promote it.

Respectfully,

CARLOS MANUEL DE CASPEDES,
Chairman.
R. B. HAWLEY,
MAN. RIONDA.

New York, July 29 1918.

AUGUST AND SEPTEMBER MILK PRICES FIXED BY FEDERAL MILK COMMISSION.

Some increases in the price of milk for the months of August and September are authorized in the prices for those months fixed by the Federal Milk Commission and announced July 22. The price of Grade A bottled milk delivered to consumers continues at 16 cents per quart and 9 cents per pint for the succeeding two months. Grade B bottled milk, delivered to consumers, is now 14 and 8 cents, respectively, for quarts and pints, against 13 and 7 cents in July. The price charged to stores for Grade B bottled milk is 12½ cents for August and 13 cents for September, with 7 cents as the price for pint bottles in both months, instead of 11½ cents per quart and 6½ cents a pint in July. Grade B milk, bottled, sold by stores, will be 13 cents per quart in August and 14 cents in September, with pint bottles at 8 cents during the two months, against 12 and 7 cents in July. The price of loose milk (Grade B) sold to stores will be 9¼ cents a quart in August and 10¼ cents in September, as compared with 8 cents a quart in July, loose milk (Grade B) sold by stores will be 10 cents a quart in August and 11 cents in September, as compared with 9 cents a quart in July. The following are the prices for the two months:

	Aug. cts.	Sept. cts.
Grade A bottled milk, retail, quarts.....	16	16
Grade A bottled milk, retail, pints.....	9	9
Grade B bottled milk, retail, quarts.....	14	14
Grade B bottled milk, retail, pints.....	8	8
Grade B bottled milk to stores, quarts.....	12½	13
Grade B bottled milk to stores, pints.....	7	7
Grade B bottled milk by stores, quarts.....	13	14
Grade B bottled milk by stores, pints.....	8	8
Loose milk to stores, quarts (Grade B).....	9¼	10¼
Loose milk by stores, quarts (Grade B).....	10	11
Loose milk, wholesale (Grade B), 10 gallons or over to restaurants, hotels, ice cream parlors, clubs, &c.....	9¼	10¼
Loose milk, wholesale (Grade B), under 10 gallons.....	10	10¼

STOCKYARD RULES SIGNED BY PRESIDENT WILSON.

General regulations under which the stockyards of the country will operate were signed by President Wilson on July 27. The Food Administration, in announcing this, said:

They provide against extortionate or excessive charges for yardage and commission; require stockyards to maintain adequate facilities for handling livestock offered by stockmen, including labor, food and water; and prohibit unfair dealing, combination, or deceptive practices in buying and selling livestock. The circulating of misleading market information tending to affect prices is also covered by the regulations.

Stockyards, commission men, traders, order buyers and others handling stock in, or in connection with stockyards, are required to secure licenses, in accordance with the President's proclamation of June 18, and to operate under the rules and regulations issued to-day, which will be administered by the Secretary of Agriculture through the Bureau of Markets. Country stock buyers and shippers who are not engaged in the business of buying and selling at licensed stockyards, are not subject to license.

The general regulations have been made after consultation with the Agricultural Advisory Committee, stockmen and trade interests.

The Department of Agriculture sent out 3,000 copies of the preliminary draft of the regulations to interested persons and received suggestions from many sources before issuing the final regulations, which are now being published by the department.

Stockyards must keep records, as required by the Secretary of Agriculture, of daily receipts, shipments and local disposition of livestock, make reports when required, and furnish true copies of all existing and proposed contracts with other establishments and changes therein relating to the handling of livestock in connection with such stockyards. The Chief of the Bureau of Markets has been designated by the Secretary of Agriculture to enforce the provisions of the regulations. It is contemplated that market supervisors will be stationed at the principal markets and in regional offices.

RULES FOR REGULATION OF MANUFACTURE OF MEN'S AND YOUTHS' CLOTHING IN EFFECT.

According to an announcement of the War Industries Board, tentative plans governing the manufacture of men's and youths' clothing, outlined in our issue of June 22, are already in effect. The Board's announcement, made July 19, says:

The Woollens Section of the War Industries Board has sent to makers of men's and youths' clothing a letter informing them that the tentative program of June 22 covering the manufacture of such clothing and eliminating certain styles is now in effect for the spring of 1919, and that it applies to garments made of all fabrics. The letter adds:

"It has come to the attention of the Woollens Section that there are large stocks of cloth and clothing already made up in the United States. In fact, the information at hand indicates that this supply, if used with reasonable care and thought, should suffice to meet all the ordinary requirements of the country for at least twelve months.

"However, this does not mean that conservation of material is unnecessary. On the other hand, rigid conservation measures must be followed. This is necessary in order to assist the Government in meeting present war conditions and to free as much of our limited stocks of raw supplies and machinery as possible so that production of fabrics for the fighting forces can be increased."

Accompanying this announcement are recommendations for the saving of cloth through the reduction in size of salesmen's samples.

GLYCERINE AND SUGAR NO LONGER USED IN MANUFACTURE OF SOAP FOR ARMY.

The War Department announced on July 26 that in order to effect a saving in glycerine and sugar, they are no longer being used in the manufacture of soap for the army. The announcement of the Department says:

Considerable savings in sugar and glycerine are being effected by the Quartermaster Corps in discontinuing the purchase of so-called glycerine soaps for the Army. Both of these products are used in the manufacture of soap for the purpose of improving its appearance, but are unnecessary, as they do not add to the value except for commercial purposes.

A recent order from a quartermaster called for 100,000 pounds of glycerine soap. Based on the usual formula, this soap would contain 15% of sugar, or a total of 15,000 pounds, which would have been a complete waste. The soap was provided, but it did not contain sugar or glycerine, so that 15,000 pounds of sugar was saved for food and a proportionate amount of glycerine was saved for the manufacture of powerful explosives.

The subsistence division of the Quartermaster Corps, through its inspection branch and the food-investigation section, is responsible for army economies in the manufacture and supply of foodstuffs and for the saving of needed foods which are not essential in the production of supplies for the Army.

MAXIMUM PRICE FOR HEMP FIXED BY INDUSTRIES BOARD.

In announcing the fixing of a maximum price for hemp, the War Industries Board said:

The price-fixing committee of the War Industries Board, appointed by the President, has this day, July 25 1918, established a maximum price of 14 cents f. o. b. Manila for 1 current hemp. Prices of other grades will follow immediately.

As the Government consumes nearly all manila rope manufactured in this country, the Government will pay a price for rope based on the maximum price fixed for hemp, and the War Trade Board will restrict export licenses to foreign countries to hemp purchased at maximum fixed prices. This practically insures the hemp grower 14 cents basis for his hemp, although the price as stated is only the maximum price.

The section of the price-fixing committee expires August 31, before which time the whole matter will be thoroughly considered, in consultation with Governor-General Harrison and the importers and manufacturers, with a view to stabilizing and protecting the future interests of the Filipinos.

If any sales are made below said maximum price, such sales will largely determine future action of the price-fixing committee.

COTTON FABRICS PRICE DIFFERENTIALS.

Brief mention was made in these columns last week (page 355) of the differentials to be allowed on cotton fabrics on six basic prices agreed on for the period between July 1 and Oct. 1. Below we give in full the announcement in the matter on July 25 by the War Industries Board:

In accordance with the agreement between the representatives of the cotton industry and the price fixing committee of July 1 1918, the following differentials, based on the prices then agreed to, have been fixed by the price fixing committee, to remain in effect until Oct. 1 1918. In fixing these prices the committee wishes to lay stress upon the fact that the spirit of the agreement must govern all sales prices of cotton fabrics regardless of the fact that it is only possible from time to time to issue schedules of prices on particular specific lines.

DRILLS.				ENAMELING DUCKS.					
Width of Goods.	Yards per Pound	Sley and Ptk.	Price per Pound on Basis Established.	Price per Yard Suggested by experts.	Goods.	Weight.	Sley and suggested by Experts (Basis).	Price per Pound.	
30 inches	2.50	72x60	60.60	24½	51½ inches.	1.35	84x30	Cent.	
30 inches	2.50	70x53	58.73	23½	38 inches.	2.00	84x30	0.61	
30 inches	2.50	68x48	57.48	23	46½ inches.	1.44	84x30	.62	
30 inches	3.25	68x40	60.62	18¼	56½ inches.	---	84x30	.62	
37 inches	2.65	68x40	61.00	23	61 inches.	---	84x30	.63	
37 inches	2.35	68x40	58.86	25	72 inches.	---	84x30	.64	
35 inches	2.28	66x56	60.41	26½	12 inches.	---	84x30	.64	
37 inches	3.95	68x40	69.29	17½					
37 inches	3.75	68x40	67.67	18					
30 inches	3.00	68x40	59.22	19¼					
30 inches	2.85	71x46	59.85	21					
UNIFORM CLOTHS.				FLAT AND TWISTED FILLING DUCKS.					
30 inches	2.10	88x50	60.90	29	Width of Goods.	Ounce per Yard.	Sley and Ptk.	Price per Pound suggested by experts (Basis).	
4-LEAF TWILLS.				3-LEAF WIDE DRILLS.					
30 inches	2.00	88x48	56.84	28½	Width of Goods.	Yards per Pound	Sley and Ptk.	Price per Pound on Basis Established.	Price per Yard Suggested by Experts.
30 inches	2.15	88x48	57.91	27	40 inches	2.40	68x40	60.94	25½
30 inches	2.31	88x48	59.04	25½	52 inches	1.90	68x40	61.79	32½
30 inches	2.40	88x48	59.68	24½	58 inches	1.60	68x40	60.41	37½
30 inches	2.50	88x38	58.71	23½	59 inches	1.85	68x40	63.56	34½
30 inches	2.65	88x38	59.90	22½	59 inches	1.94	68x40	64.59	33¼
30 inches	2.35	88x38	61.21	21½	4-LEAF WIDE TWILLS.				
30 inches	3.00	88x38	62.20	20½	59 inches	1.76	76x44	62.94	35¼
30 inches	3.25	88x38	63.81	19½					
SHEETINGS.									
Width.	Weight.	Count.	Net Price per Yard						
36 inches.	2.85	48x48	Cent.						
36 inches.	3.00	48x48	20½						
36 inches.	3.25	48x48	18½						
36 inches.	3.50	40x40	17						
40 inches.	2.85	48x48	21½						
36 inches.	4.00	48x52	16½						
36 inches.	4.00	56x50	17½						
36 inches.	4.50	48x52	15½						
36 inches.	5.00	48x48	14½						
36 inches.	5.50	48x44	13½						
36 inches.	6.00	40x40	11½						
36 inches.	6.15	44x40	12						
31 inches.	5.00	48x48	13¼						
36 inches.	4.70	48x52	15½						
40 inches.	5.00	44x44	14½						
40 inches.	4.25	44x40	15½						
40 inches.	3.75	48x44	17½						
36 inches.	3.60	64x68	20						

COLORS FOR UPPER SHOE LEATHERS ANNOUNCED BY WAR INDUSTRIES BOARD.

Notice that dark and medium brown or tan are to be the standard colors for upper leathers which shoe manufacturers are to cut after Oct. 1 has been issued to tanners by the War Industries Board; announcement of this was made as follows on July 26:

Tanners of upper leather have been notified by C. F. C. Stout, Chief of the Hide, Leather and Tanning Materials Section of the War Industries Board, that dark and medium brown or tan are to be the standard colors for upper leathers which shoe manufacturers are to cut after Oct. 1 1918.

Shades of these two colors have been selected by the Government experts, and samples have been sent the tanners with instructions to confine colors of tans as closely as possible to the shades selected. The various skins and leathers used in the shoe industry are grouped into three classes—side leathers, calf and kip skins; goat and kid, and ooze leathers.

In arriving at this conclusion this section has conferred with representatives of the allied shoe and leather industry, and this decision is based upon the information which has been furnished by these representatives. Assurances from the tanners of their hearty co-operation is asked.

FOOD ADMINISTRATION'S REGULATIONS GOVERNING MANUFACTURERS, DEALERS, &C., IN BUTTER.

Under date of July 19 the Food Administration made public as follows special regulations governing manufacturers, dealers, brokers and commission merchants in butter:

No. XX.

Rule 1. Butter to be sold at reasonable advance over cost.—The licensee dealing in butter shall sell such butter without regard to the market or replacement value at the time of the sale at not more than a reasonable advance over cost to him of the particular butter sold.

Provided, That any dealer may average the cost of all cold-storage butter of the same grade placed by him in a cold-storage warehouse in any calendar month, and may sell such butter at not more than a reasonable advance over such average cost. When a dealer averages the cost of any butter stored in a calendar month, he must average the cost of all butter stored in that month.

Costs for the purpose of this rule shall include:

1. Purchase price.
2. Transportation charges, if any.
3. Storage charges actually incurred on cold-storage butter.
4. Insurance charges actually incurred on cold-storage butter.
5. Interest on money invested at the current rate while butter is in cold storage.
6. Actual cost of printing if the butter is put in print form from tubes or cubes.

Cost shall not include any allowances for shrinkage in weight, commissions, or other expenses than those herein listed.

Note.—Reports to be furnished on demand: The licensee must be prepared to furnish to the United States Food Administration or to the Federal Food Administrator of his State upon demand a full report on costs and margins charged or on the maximum prices charged in any given period for any grade of butter or any other information which may be considered necessary for the purpose of this rule.

Maximum margins: The Food Administration will consider the sale of any grade of butter by any dealer other than a manufacturer or retailer at an advance over cost, as hereinbefore defined, of more than the following margins as prima facie evidence of a violation of the Food Control Act and the above rule:

- (a) 1 cent per pound on carlot sales.
- (b) 1½ cents per pound on sales less than a carlot, but amounting to 7,000 pounds or more.
- (c) 2 cents per pound on sales of less than 7,000 pounds, but amounting to 3,500 pounds or more.
- (d) 2½ cents per pound on sales of less than 3,500 pounds, but amounting to 700 pounds or more.
- (e) 3 cents per pound on sales of less than 700 pounds, but amounting to 100 pounds or more.
- (f) 3¾ cents per pound on sales of less than 100 pounds.

In addition to the selling margin, which normally should be considerably below the above maximum margins, and must in no case exceed such maximum margins, any dealer who carries butter in cold storage more than two full calendar months may add a margin of not more than 1 cent per pound, and an additional one-fourth cent per pound for each calendar month thereafter, during which he carries the butter in storage. The total amount for carrying butter in cold storage so added shall not exceed 2 cents per pound.

The above maximum margins are not to be regarded as fair normal margins or as so recognized by the Food Administration. They are intended only to prevent speculation and are purposely made wide enough to cover cases where the methods of doing business are more expensive, to the extent that such methods are justified. These maximum advances must not be exceeded in selling any lot of butter and the prices charged by any dealer must not in any case be more than sufficient to return to him a reasonable profit on his investment.

Sales from branch houses: Where butter is transferred by any dealer to a branch house of such dealer in the same or another city, such transfer shall not be made at an advance over cost of more than three-fourths cent per pound, regardless of quantity. In such case, however, when the transaction is in as direct a line of distribution as practicable the branch house may figure the transfer price as its purchase price and may sell butter at an advance over cost on such basis not greater than the maximum margins indicated above. If the branch house transfers the butter to another branch house of the same dealer the total maximum margin added by both houses shall not be greater than the maximum margin allowed to the first branch house by this rule.

Collusive sales: Any sale by a dealer to another dealer at a price higher than the price which the second dealer would have to pay in buying on the open market will be considered evidence of a collusive sale intended to defeat the purpose of Rule 1 by increasing the purchaser's cost and the price which he may charge upon a rising market.

Rule 2. Manufacturers who perform services of wholesaler or jobber.—Any manufacturer who acts as a wholesaler or jobber shall be subject in such action to the rules and maximum margins governing wholesalers and jobbers, provided that in figuring his purchase price as a wholesaler or jobber he shall—

1. Compute the cost of raw materials and the expense of manufacture; or
2. In the case of cold-storage butter consider as his cost the market

quotation on the kind and grade of butter placed in cold storage as quoted in a well recognized daily commercial price current in the city where and on the day when the goods are placed in storage. In case there is no well recognized daily price current in the city where the goods are stored then he may use the quotation given in a daily commercial price current in the large market nearest the place of storage. From this must be deducted the amount by which the freight from the point of manufacture to the place of storage is less than the freight from the place of manufacture to such large market. In case the freight from the place of manufacture to the place of storage exceeds the freight from the place of manufacture to such large market, the excess may be added to the market quotation.

Rule 3. Commissions limited to three-quarters cent per pound.—No licensee shall pay and no commission merchant shall receive a commission on butter of more than three-quarters cent per pound. The licensee shall inform any commission merchant selling butter for him of the maximum permitted price at which such butter may be sold.

Note.—Under Rule 1 the selling price may not be increased by reason of the payment of a commission.

Justifiable Resales.

The attention of all licensees is called to the provisions of General Rule 6—General Rule 6.—The licensee, in selling food commodities, shall keep such commodities moving to the consumer in as direct a line as practicable and without unreasonable delay. Resales within the same trade without reasonable justification, especially if tending to result in a higher market price to the retailer or consumer, will be dealt with as an unfair practice.

For the purposes of this rule and special Rule 4 following, all persons licensed to manufacture or deal in butter shall be divided into three classes:

Class 1. Manufacturers.
Class 2. Wholesalers and jobbers. These include all persons, firms, corporations and associations who distribute butter in any way except at retail and all manufacturers who perform services customarily performed by wholesalers and jobbers.

Class 3. Retailers, hotels, restaurants and institutions.
Any transactions that savor of dealing in which a profit accrues to the dealer without corresponding service, are clear violations of the rule and will subject the offender to revocation of his license and to such other penalty as the law provides.

The following types of sales between dealers will be considered justifiable, but sales other than those described between dealers in the same class will be considered as prima facie evidence of violation of General Rule 6:

(a) A sale by any dealer in butter to a dealer in any succeeding class will be considered as in the direct line of distribution.

(b) One sale and only one sale of the same goods between dealers in Class 2 in the same city will be considered justifiable when necessary to supply the reasonable requirements of the buyer's business, without the special consent of the local Federal Food Administrator, provided, however, that a second sale of the same goods between dealers in Class 2 in the same city will be permitted without the consent of the local Federal Food Administrator if this sale is made at any advance over cost of not more than one-half of the margins indicated above, and provided that the seller notifies the buyer that this is a second sale.

(c) In addition to such resales as are otherwise indicated as justifiable, sales between dealers in Class 2 in different cities will be considered justifiable, provided, that an actual delivery of the butter follows the sale, and that the shipment is for the purpose of obtaining supplies from primary markets for reasonable requirements of the purchaser's business; provided further, that not more than three such sales of any lot of butter between dealers in Class 2 shall be made without special permission; and the third sale shall be made at an advance over cost of not more than one-half of the above margins.

(d) Any resale between dealers without any advance over cost will be considered as justifiable in addition to such other resales as are permitted.

Rule 4. The licensee making second sale in same class to notify buyer.—The licensee in Class 2 as defined above who purchases butter from another wholesaler or jobber in such class or from a manufacturer performing the services of a wholesaler or jobber and who resells to another dealer in Class 2 shall notify such dealer of the prior sales of such butter within that class of which he has knowledge.

HERBERT HOOVER,
United States Food Administrator.

July 19 1918.

The above regulations supersede the Special Regulations Governing Manufacturers, Dealers, Brokers and Commission Merchants in Cold Storage Butter, issued as No. XX-B, effective June 19 1918, as amended.

CONSTRUCTION LUMBER DEPOT ESTABLISHED FOR THE ARMY.

The War Department, in announcing last month the establishment of a construction lumber depot at Gilmerton, Va., said:

To save time and money in meeting emergency calls for lumber, the Construction Division of the Army has established a construction lumber depot at Gilmerton, Va. It is estimated that a yearly saving of approximately a quarter of a million dollars will be effected through its operation.

In the past, whenever the army constructors were required to buy additional lumber, the transaction was made at yards in the immediate vicinity. The average increase in price for this material over the lumber originally purchased for the job ran from \$9 to \$12 per thousand feet. By purchasing in large quantities and charging only for yard maintenance, the greater part of this excess price is expected to be saved to the Government.

A stock of from twelve to fifteen million feet of lumber will be carried and it is estimated that the yearly turnover will amount to between fifty and sixty million feet. A fund of \$500,000 has been set aside as necessary working capital for the yard.

The Gilmerton yard is situated on the Elizabeth River a few miles from Norfolk and has a frontage of some 4,000 feet on navigable salt water. It is operated by experienced lumbermen.

NEW ENGLAND SPRUCE LUMBER PRICES AND PROCEDURE FOR DISTRIBUTION.

New maximum prices for New England spruce lumber were announced by the War Industries Board on July 26, following a request for a readjustment of prices by manufacturers. The prices agreed on, which are for the period from July 19 1918 to Nov. 1 1918, represent, it is said, an increase of

about \$4 per 1,000 feet. The prices of various sizes of 20-foot length and under range from \$48 to \$60 per 1,000 feet. The War Industries Board in announcing the new prices also made known the procedure for distribution of New England spruce lumber. We give the Board's statement herewith:

After considering the information submitted by the Federal Trade Commission as to the cost of manufacturing New England spruce lumber and the information submitted by the representatives of the manufacturers thereof at the hearings held on July 13 1918, at which their request for a readjustment of prices on their products was heard, the Price-Fixing Committee appointed by the President has determined, by agreement with the said representatives of the manufacturers of New England spruce lumber, upon the following maximum prices for such lumber. These maximum prices shall not be exceeded on any sales and contracts for sale (for mill shipment) made by manufacturer, dealer or other person during a period beginning midnight July 19 1918 and ending midnight Nov. 1 1918, to the Government, to the Governments of the nations associated with us in the present war, to the railroads, or to such others as customarily purchase lumber for mill shipment, whether by rail or by water.

The prices of all New England spruce lumber in the States of Maine, New Hampshire, Vermont and Massachusetts shall not exceed the item prices named in attached list. These prices are for New England spruce lumber delivered (freight allowed) to Boston, Mass. They do not include war tax on freight bills. For shipments to other destination points freight adjustments will be governed by differentials shown in Bangor & Aroostook Railroad lumber tariff on basis of 3,000 pounds weight to 1,000 feet of lumber.

Prices on items not covered by the above list shall be priced on basis of nearest comparable item.

The usual trade practices shall continue, including cash discount of 1% in 15 days or 30 days net.

Contracts for the sale of lumber entered into in good faith prior to midnight July 19 1918, and enforceable at law, will be performed in accordance with their terms, subject, of course, to orders received from the Government which may require priority.

It is imperative that, with the least possible disruption of the industry, the vast war needs of the Government, both direct and indirect, for New England spruce lumber be supplied on a fair basis, that an adequate supply and equitable distribution thereof be assured for essential commercial needs, that the movement thereof be facilitated and that injurious speculation therein be prevented. Therefore the procedure outlined below, by agreement with the representatives of the manufacturers of New England spruce lumber, has been adopted for a period beginning midnight July 19 1918 and ending midnight Nov. 1 1918.

The procedure is that each manufacturer of New England spruce lumber shall:

- (1) Make contracts and accept orders for his product at prices not in excess of the applicable maximum prices, always subject to an option at the applicable maximum prices in favor of the United States or the nominee of the War Industries Board. Under this option, which will cover all New England spruce lumber down to time of actual delivery to the purchaser, the War Industries Board to any extent required will allocate either to the Government or to other essential users. Any balance not so allocated will be released for sale to commercial buyers, but at prices no greater than those determined upon as above set forth.
- (2) Comply with the directions of the War Industries Board, as issued from time to time, with reference to filling commercial requirements in the order of their public importance and to furnishing such information and making such reports as may be required.
- (3) Keep up to the best of his ability the production of spruce lumber so as to insure an adequate supply so long as the war lasts.
- (4) Neither reduce the scale of wages now being paid nor change fundamental labor conditions now in force.

Government to Apportion Cars.

The Government will apportion the car supply available for lumber and arrange for its transportation, subject to allocation by the War Industries Board as aforesaid, to the end that injury to the industry due to abnormal war-time conditions be neutralized so far as may be.

Foreign trade, except to the Governments of nations associated with us in the present war, is not to be affected by this ruling.

Government maximum prices on New England merchantable spruce lumber, effective midnight July 19 1918, to and including Nov. 1 1918, covering States of Maine, New Hampshire, Vermont and Massachusetts.

DIMENSION.

Specified Lengths 20 Feet and Under.

1 x 2 D18 to 1 1/4 inches	\$48 00	3 x 9 inches	53 00
1 x 3 D18 to 1 1/4 inches	48 00	3 x 10 inches	58 00
1 x 4 inches	48 00	3 x 12 inches	60 00
1 x 5 inches	48 00	4 x 4 inches	48 00
1 x 6 inches	48 00	4 x 5 inches	48 00
1 x 7 inches	48 00	4 x 6 inches	48 00
1 x 8 inches	48 00	4 x 7 inches	48 00
1 x 9 inches	53 00	4 x 8 inches	48 00
1 x 10 inches	58 00	4 x 9 inches	53 00
1 x 12 inches	60 00	4 x 10 inches	58 00
1 1/4 or 1 1/2 x 4 inches	48 00	4 x 12 inches	60 00
1 1/4 or 1 1/2 x 5 inches	48 00	5 x 5 inches	48 00
1 1/4 or 1 1/2 x 6 inches	48 00	5 x 6 inches	48 00
1 1/4 or 1 1/2 x 7 inches	48 00	5 x 7 inches	48 00
1 1/4 or 1 1/2 x 8 inches	48 00	5 x 8 inches	48 00
1 1/4 or 1 1/2 x 9 inches	53 00	5 x 9 inches	53 00
1 1/4 or 1 1/2 x 10 inches	58 00	5 x 10 inches	58 00
1 1/4 or 1 1/2 x 12 inches	60 00	5 x 12 inches	60 00
2 x 2 inches	48 00	6 x 6 inches	48 00
2 x 3 D1E to 2 1/4 inches	48 00	6 x 7 inches	48 00
2 x 4 D1E to 3 1/4 inches	48 00	6 x 8 inches	48 00
2 x 5 inches	48 00	6 x 9 inches	53 00
2 x 6 inches	48 00	6 x 10 inches	58 00
2 x 7 inches	48 00	6 x 12 inches	60 00
2 x 8 inches	48 00	7 x 7 inches	48 00
2 x 9 inches	53 00	7 x 8 inches	48 00
2 x 10 inches	58 00	7 x 9 inches	53 00
2 x 12 inches	60 00	7 x 10 inches	58 00
3 x 4 D1E to 3 1/4 inches	48 00	7 x 12 inches	60 00
3 x 5 inches	48 00	8 x 8 inches	48 00
3 x 6 inches	48 00	8 x 9 inches	53 00
3 x 7 inches	48 00	8 x 10 inches	58 00
3 x 8 inches	48 00	8 x 12 inches	60 00

All prices are for rough lumber unless otherwise specified.

Where the fractional part of a foot is specified, the stock is to be figured the next foot in length. For every 2 feet or fraction over 20 feet add \$1 per thousand.

Random Lengths.

1 x 2 D18 to 1 1/4 inches	\$38 00	1 1/4 or 1 1/2 x 10 inches	55 00
1 x 3 D18 to 1 1/4 inches	38 00	1 1/4 or 1 1/2 x 12 inches	59 00
1 x 4 inches	42 00	2 x 2 inches	36 50
1 x 5 inches	42 00	2 x 3 D1E to 2 1/4 inches	36 50
1 x 6 inches	45 00	2 x 4 D1E to 3 1/4 inches	38 00
1 x 7 inches	45 00	2 x 5 inches	38 00
1 x 8 inches	45 00	2 x 6 inches	38 00
1 x 9 inches	50 00	2 x 7 inches	38 00
1 x 10 inches	50 00	2 x 8 inches	43 00
1 x 12 inches	59 00	2 x 9 inches	45 00
1 1/4 or 1 1/2 x 6 inches	45 00	2 x 10 inches	50 00
1 1/4 or 1 1/2 x 7 inches	45 00	2 x 12 inches	55 00
1 1/4 or 1 1/2 x 8 inches	45 00	3 x 4 D1E to 3 1/4 inches	40 00
1 1/4 or 1 1/2 x 9 inches	50 00	4 x 4 inches	40 00

All 8-inch and under sizes, random lengths, including timber, not specified above, \$43.

All above prices are for rough lumber unless otherwise specified.

For planing 1 side add	per 1,000.	\$0 50
For planing 2 sides add	"	1 00
For planing 1 or 2 sides and matching or grooving add	"	1 50
Beading (extra)	"	0 50
For planing 4 sides add	"	1 50
1 x 4 to 8 planed 1 side, random widths and lengths		41 00
1 x 5 and up planed and matched, random widths and lengths		43 50
1 x 5 and up planed and matched, random widths, all even lengths		
10 x 18 inches		47 00
Ship lap, 5, 6 and 7-foot random lengths		46 00
Ship lap, 8-foot, random lengths		48 00

Prices on items not covered by above list shall be priced on basis of nearest comparable item.

These prices allow the present rate of freight to Boston, Mass. They do not include war tax on freight bills. For shipment to other destination points freight adjustments will be governed by differential shown in Bangor & Aroostook Railway lumber tariff on basis of 3,000 pounds weight to 1,000 feet of lumber.

Terms of settlement: One per cent discount for cash within 15 days or 30 days net from date of shipment. Eastern merchantable inspection to govern.

All freight rates subject to change up or down according to any changes by railroads in present rates.

REEDS AND RATTANS ON LIST OF RESTRICTED IMPORTS.

The placing of rattans and reeds on the list of restricted imports was announced as follows by the War Trade Board on July 25:

The War Trade Board by a new ruling (W. T. B. R. 176) has placed rattans and reeds on the list of restricted imports. All outstanding licenses have been revoked as to ocean shipments made after Aug. 5 1918. Hereafter no licenses for the importation of rattans and reeds will be issued, except for shipments from Canada or Mexico by other than ocean transportation, and except further for shipments coming as return cargo from convenient European ports or from convenient Mediterranean North African ports, and then only when coming from a convenient port where loading can be done without delay.

RESTRICTIONS ON EXPORTS OF CAUSTIC SODA.

Further restrictions affecting the sale for export and the exportation of caustic soda, effective Aug. 1, were announced by the War Industries Board and the War Trade Board on July 25. Manufacturers may not contract for sale to exporters until advised by the latter that an export license has been obtained and the number furnished. The manufacturer may not sell for domestic consumption unless the purchaser agrees not to export or sell for export. Licenses for export will not be granted unless the applicant files a statement showing on Aug. 1 that he did not own or have any interest in contracts for the sale of caustic soda for export. The applicant otherwise must file a list of contracts with purchasers abroad, together with complete information concerning those contracts. The following is the announcement:

The United States War Industries Board and the United States War Trade Board jointly announce the following rules and regulations with respect to the sale for export and the exportation of caustic soda:

On and after Aug. 1 1918 manufacturers of caustic soda in the United States will not enter into any contract for the sale of caustic soda with any person in the United States for the purpose of exporting the same unless and until advised by the prospective purchaser that a United States export license covering such caustic soda has been duly obtained and the number thereof is furnished.

Manufacturers will not sell, on and after the above named date, caustic soda for domestic consumption unless the purchaser agrees not to export same nor to sell same for export, and if it is resold in the domestic market to exact or cause to be exacted a similar agreement from each and every subsequent purchaser.

On and after Aug. 1 1918 the United States War Trade Board will not license for exportation caustic soda to any destination until the applicant has filed a statement showing either:

(a) That on Aug. 1 1918 the applicant did not own or have any interest in any contracts for the sale of caustic soda to be exported from the United States; or

(b) A list of all contracts with purchasers abroad existing on Aug. 1 1918 for the exportation of caustic soda which had not been exported on that date, showing (a) the names of the purchasers abroad, or consignees; (b) the dates of the contracts; (c) the quantities; (d) the price paid or contracted to be paid therefor; and (e) if the applicant on Aug. 1 1918 owned or had any interest in the title to the caustic soda to be exported, the place or places of storage on or about that date, or, if in transit on Aug. 1 1918, from an inland point within the United States, the date of shipment from such point and port of exit in the United States to which such shipment was destined.

On and after Aug. 1 1918 applicants for licenses to export caustic soda will also be required to state on their applications whether or not they have acquired any title or interest in the caustic soda which it is proposed

to be exported, and if the caustic-soda is in existence, the place of storage in the United States, and to agree that in the event an export license is granted, not to ship or permit to be shipped under such license any other caustic soda than that specified in the application.

The foregoing requirements are supplemental to the regulations contained in circular letters issued by the United States War Trade Board under date of March 30 and May 21 1918. For the convenience of exporters, the regulations with respect to caustic soda have been consolidated and revised into one ruling (W. T. B. R. 175, issued July 26 1918). Copies thereof may be obtained upon application to any branch office of the War Trade Board on and after July 27 1918.

On July 26 issued the following further announcement (W. T. B. R. 175):

This ruling consolidates the regulations contained in the circular letters heretofore issued, dated March 30 1918 (Mimeographed Form 1107), and April 20 1918 (Mimeographed Form 1321-1), May 21 1918 (Mimeographed Form 1536-1-2), and W. T. B. R. No. 174, released July 25 1918.

(1) At present, licenses to export caustic soda to any colony or country in Europe, Africa, or countries in the Near East will be refused.

(2) Exporters will facilitate the consideration of applications for licenses to export caustic soda to Canada, Central and South America, the West Indies and the Far East if they file a summary showing the quantities of caustic soda which they exported during the period from July 1 1916 to June 30 1917. Appropriate blank forms on which to file this information (Mimeographed Forms Nos. 1168, 1169, 1170-2), and detailed instructions may be obtained upon application to any branch office of the War Trade Board.

(3) On and after Aug. 1 1918 all applications for licenses to export caustic soda must comply with the following regulations:

(A) Applicants must show on their applications that on Aug. 1 1918 they did not own or have any interest in any contracts for the sale of caustic soda to be exported from the United States, other than that specified in the report filed with the War Trade Board as referred to in the following Paragraph (B).

(B) Applicants must file with their applications, if they have not theretofore done so, a statement showing all the contracts (if any) with purchasers abroad, existing on Aug. 1 1918, for the exportation of caustic soda which had not been exported on that date, to any destination, giving (a) the names of the purchasers abroad or consignees with whom contracts were made; (b) the dates of the contracts; (c) the quantities; (d) the price paid or to be paid therefor; (e) and, if on Aug. 1 1918 the applicant owned or had any interest in the title to any caustic soda which is to be exported, the place or places of storage on or about that date, or if the caustic soda was in transit on Aug. 1 1918 from an inland point within the United States, the date of shipment from that point and the port of exit in the United States to which such shipment was destined. In order that this report may be filed in form convenient to the Bureau of Exports, Form X-208 has been prepared, copies of which may be obtained on application to the War Trade Board.

(C) Applicants must also state on their applications whether or not at the time of filing the application they have acquired any title or interest in the caustic soda which is to be exported, and if the caustic soda is in existence, the place of storage in the United States.

(D) Applicants must also agree that in the event an export license is granted they will not ship or permit to be shipped under such license any other caustic soda than the particular lot specified therein.

(4) *Glycerine*.—Applicants who show that they have imported since Feb. 1 1918, or will agree, subject to certain conditions prescribed by the War Trade Board, to import glycerine into the United States for consumption therein from the country to which the caustic soda is to be exported, will be given special consideration, provided applications are made on regular Form X with Supplemental Information Sheet Form X-9, July 16 1918, duly executed and attached thereto.

(5) *Sugar Mills, Meat-Packing Plants, or Petroleum Plants*.—Applicants who show that the purchaser abroad operates a sugar mill, meat-packing plant, or petroleum plant, and that the caustic soda is to be used exclusively by such mill or plant, will be given special consideration, provided applicants file their applications on Form X, having attached thereto, duly executed, Supplemental Information Sheet X-10 (July 16 1918).

(6) *Caustic Soda Manufactured West of the Rocky Mountains*.—Applicants for licenses to export caustic soda to the Far East, India and Australasia will be given special consideration, provided it is shown that the caustic soda has been actually manufactured west of the Rocky Mountains; will be exported only through Pacific ports, and applications are made on Form X-208, having attached thereto, duly executed, Supplemental Information Sheet Form X-17 (July 16 1918).

(7) *Sticks or Case Soda Lye*.—Applications for license to export caustic soda in the form of sticks or case soda lye packed in tin, or small packages of caustic soda in small quantities specially packed and intended for pharmaceutical, scientific, or household use, or is part of an equipment for electrical storage batteries, will be given special consideration, provided the application, or a supplemental sheet attached thereto, contains sufficient information thereon to show that the proposed shipment comes within these classes.

VANCE C. McCORMICK,
Chairman.

D. W. COOKE, FUEL ADMINISTRATOR FOR NEW YORK STATE—RESIGNATION OF C. E. ROBERTSON AS ASSISTANT.

D. W. Cooke, Vice-President of the Erie RR., has been appointed New York State Fuel Administrator to take the place of Albert H. Wiggin, who resigned last May. The announcement of Mr. Cooke's appointment, made public July 23, stated that he would resign as Chairman of the Traffic Executives of the Allies, but would remain a member of that organization and represent it on the Exports Control Committee.

It was also made known at the same time that Charles E. Robertson and Reeve Schley had been appointed as Assistant Federal Fuel Administrators for New York State. The former had been a deputy under Mr. Wiggin and a member of his advisory committee. The latter has been Federal Fuel Administrator for New York County.

The announcement of the Fuel Administration said:

In making the announcements, Dr. Garfield called attention to the fact that, notwithstanding the regrettable and unavoidable delay in the ap-

pointment of Mr. Wiggin's successor, the work of the Fuel Administration in New York has been proceeding in regular course and New York has been receiving its full allotment of coal. Under the present distribution plan each State will receive a fixed part of the available supply, as determined by Washington, and New York is accordingly bound to receive its full part in any event, whether delivered now or later.

Mr. Robertson, it was announced on July 29, not only declined the appointment as deputy, but notified Dr. Garfield, Federal Fuel Administrator, of his resignation as a member of the Advisory Board. It has also developed that Mr. Robertson and Dr. Garfield have not been in accord on certain matters, a letter dated July 3, printed in the New York "Times" of July 30, in which Mr. Robertson expressed himself as opposed to a proposal which Dr. Garfield had in mind, but did not carry into effect, of dividing the State, is given below. In the letter Mr. Robertson declined the appointment as head of the territory north of Westchester. The letter follows:

I have given careful consideration to your recent tender to me of the appointment as Fuel Administrator for the State of New York, exclusive of Greater New York and Long Island.

Judging from my own experience and the unanimous opinion of my friends who have been closely in touch with the affairs of the New York State Fuel Administration, I cannot escape the conclusion that a most serious mistake will be made if the State of New York, or any other State, is subdivided for purposes of administration.

In the first place, in so far as I have been able to learn, no reason for such a subdivision of the State has been put forward; while, on the other hand, there appear to be several unanswerable arguments in favor of continuing the administration of the State as a unit.

The situation of the whole country with respect to the coal supply is critical, so much so that a shortage of many hundred thousand tons of anthracite for the State of New York alone must be anticipated. A shortage of such magnitude will entail the most careful distribution of the allotment for New York, and a general spirit of give and take and co-operation between all sections of the State. I know that this spirit has prevailed in the past, but feel strongly that it cannot continue if various sections of the State are to be placed under separate jurisdictions.

The appointment of Fuel Administrators for separate parts of the State will also, of course, increase the expense of administration, but this is a minor matter when compared with the confusion which must follow both with regard to supply and distribution.

The anthracite coal supply for the State of New York has already been allotted for the current year, for the State as a whole, and I can see no reason for making a complicated subdivision of this allotment.

I feel sure that if you will make inquiry of those familiar with the New York State Fuel Administration, you will find them endorsing the views I have expressed. In any event, if there are to be two State Administrators appointed, I am familiar enough with the State conditions to know that the Administrator for the territory outside of Greater New York should be an up-State man.

Feeling as I do that the radical changes which you propose to make in the administration for New York State are unwise under present conditions, I am constrained, with the greatest regret, to decline the appointment which you tender.

It was after this that Dr. Garfield named Mr. Cooke as the new State Fuel head, with Messrs. Schley and Robertson as assistants. In notifying Dr. Garfield of his intention to give up his post as a member of the Advisory Board, Mr. Robertson said:

For the last year I have given my entire time as a member of the Advisory Board of the State, and now that a State Administrator, in whose selection I heartily concur, has been appointed, I believe that I can properly ask to be relieved of my duties.

CREATION OF LABOR BUREAU BY FUEL ADMINISTRATION FOR SETTLEMENT OF DISPUTES.

A bureau of labor has been created by the U. S. Fuel Administrator to which will be referred for settlement all matters relating to labor controversies. John P. White, formerly President of the United Mine Workers of America, and Rembrandt Peale, coal operator for central Pennsylvania, have been made joint heads of the bureau. The following statement was issued by the Fuel Administration on July 23 regarding the creation of the bureau:

At a recent conference held in the city of Washington, D. C., between the United States Fuel Administrator, Hurry A. Garfield, and the international officials of the United Mine Workers of America a complete understanding was reached wherein all questions pertaining to labor in the coal-mining industry will remain under the jurisdiction of the United States Fuel Administrator. This is in accordance with an understanding previously reached between the Secretary of Labor and the United States Fuel Administrator.

In order that this arrangement may be made effective the United States Fuel Administrator has created a bureau of labor, to which all matters relating to labor controversies will be referred for settlement. The United States Fuel Administrator has appointed Mr. John P. White, formerly President of the United Mine Workers of America, and Mr. Rembrandt Peale, coal operator for central Pennsylvania, joint heads of this bureau, with power as his deputies to consider and dispose of all matters concerning labor in the coal-mining industry properly coming before the Fuel Administration and subject to the procedure prescribed in existing joint agreements.

The following statement of principles was made by Mr. H. A. Garfield, United States Fuel Administrator, at conferences at which were present Mr. Frank J. Hayes, President; Mr. John L. Lewis, Vice-President; Mr. William Green, Secretary and Treasurer of the United Mine Workers of America; and Mr. John P. White and Mr. Rembrandt Peale, representing the Fuel Administration, all of whom acquiesced in the statement as expressing their understanding of the principles followed by the United States Fuel Administration and by the International Union of Mine Workers in settling questions relating to labor in the coal-mining industry, it being understood that wherever the Federal Government is called upon to intervene, or of its own motion intervenes in the settlement of such questions,

whether in organized or unorganized fields, jurisdiction shall remain for the present and until otherwise arranged in the hands of the United States Fuel Administrator:

"The United States Fuel Administrator understands:

"(a) That no strike shall take place pending the settlement of any controversy until the dispute has been reviewed and decided by him.

"(b) That recognition of the unions shall not be exacted during the continuance of the war except where now recognized by collective bargaining.

"(c) That where, by joint contract between employer and employed, machinery is provided for the settlement of controversies, United States Fuel Administrator shall not be required to intervene or to mediate until such means have been invoked and the remedy exhausted without reaching adjustment.

"(d) That where the United States Fuel Administrator intervenes, substantially the principles, provisions and practices laid down in the Maryland and Upper Potomac settlement of May 6 1918 shall be accepted by the workers and employers and their chosen representatives as sufficient.

"On the basis of the foregoing understanding, which he regards as just and imperative in the present crisis, the United States Fuel Administrator has insisted and will continue to insist that any adjustment of labor questions in the coal-mining industry, whether by joint agreement between operators and mine workers or by agreements severally made with the United States Fuel Administrator, shall embody wherever applicable and substantially the principles, provisions and practices laid down in the Maryland and Upper Potomac settlement of May 6 1918, and recognizes the authority of the International Union of Mine Workers in the organized fields and their jurisdiction over controversies arising in said fields. More specifically, the United States Fuel Administrator has insisted and will continue to insist in all such settlements—

"(a) That employers will be required to relinquish the right to discharge employees because of affiliation with labor unions.

"(b) That employers will be required to recognize the right of their employees to organize by peaceful methods that do not interrupt production.

"(c) That the so-called automatic penalty clause now in force, being regarded by mine workers as a cardinal principle of collective bargaining during the continuance of the war, will be included in all agreements as a condition precedent to the allowance of increased price permitted to operators.

"(d) That where the union shop now exists the same shall continue, and where union and non-union men work together the continuance of such condition shall not be deemed a grievance."

REVISION OF REGULATIONS GOVERNING BUNKER COAL.

In making known the issuance of an order revising regulations effective July 23 governing the quality and grades of coal for bunkering steamships at Atlantic and Gulf ports, the U. S. Fuel Administration on July 20 said:

An order issued by the United States Fuel Administration, effective 7 a. m. July 23, revises former orders and regulations relative to the required quality and grades of coal for bunkering steamships at Atlantic and Gulf ports. The purpose of the order is to improve the quality and enlarge the quantity of coal for ships in the Atlantic trade.

Among the changes of consequence is the designation of the Tug River field of West Virginia as a field apart from the Pocahontas field and admitting as permissible bunker coal the coal originating in the Pocahontas, New River and Tug River fields, which has been or may be classified by the Tidewater Coal Exchange for consignment to pool No. 1 or pool No. 2 at Hampton Roads. Also, specifying as permissible bunker coal that coal which has been or may be classified for consignment to pool No. 44 at Hampton Roads. This coal consists of lump and egg coal, but not nut coal, originating in these fields.

To improve the quality of coal for overseas trade at New York, Philadelphia and Baltimore, the order directs the admission of coal originating at mines on the acceptable list of the United States Navy, which has been or may be classified by the Tidewater Coal Exchange for consignment to pool No. 1, when used by itself and not mixed with coal from any other pool. Also, it admits coal originating at mines on the Pennsylvania, Baltimore & Ohio and Western Maryland railways, or any of their connecting lines which has been or may be classified by the Tidewater Coal Exchange for consignment to pool No. 9, when used by itself and not mixed with coal from any other pool.

Coal originating on the New York Central Railroad or any of its connecting lines which has been or may be classified by the Tidewater Coal Exchange to pool No. 4 and pool No. 10, and coal originating on the Pennsylvania, Baltimore & Ohio or Western Maryland, or any of their connecting lines, for consignment to pool No. 10, as well as pool No. 1 and pool No. 9 coal, is admitted as permissible bunker coal for coastwise trade.

Coal for "overseas trade" is described as including coal furnished ships engaged in trade between ports of the United States and ports of foreign countries, either trans-Atlantic or via Panama Canal, and between ports of the United States and the Panama Canal Zone or Porto Rico, and coal furnished to all navy vessels and army transports of the United States and its allies, whether engaged in trans-Atlantic service or otherwise.

Coal intended for "coastwise trade" includes coal furnished ships in service between Atlantic ports of the United States and between such ports and Canada.

The order prohibits the shipment of "slack" or sizes of coal smaller than run of mine to any port for bunker purposes or to any pool except when special permission of the United States Fuel Administration has been obtained.

EXPEDITING NEW ENGLAND COAL SUPPLY.

The aim of the United States Fuel Administration to accomplish the movement of two-thirds of the annual anthracite allotment to New England before the winter season begins is being steadily realized, according to an announcement made by the Administration last week. This statement says:

For the months of April, May and June shipments into New England amounted to approximately three and a quarter million gross tons. The total allotment for the New England States for the year amounts to 10,331,000 gross tons.

If the present rate of movement continues until Nov. 1, eight months' shipping will have been accomplished within seven months, leaving but four months' allotment to be performed in the remaining five months of the coal year.

The first of the calendar year will, perhaps, see the schedule much further advanced, because there should be no material let up in shipping during November and December.

The object of the Fuel Administration is to effect the transportation of the bulk of the New England tonnage moving through the narrow railroad gateways during the open season without strict attention to the exact apportionment between communities. Equalization as between communities and dealers will not be difficult once the coal moves through the New York "bottle necks."

New York City received during April, May and June slightly more than its allotment for the three months.

The middle of last month (July) the U. S. Fuel Administration issued the following order:

It appearing to the United States Fuel Administrator that it is desirable from time to time to consign or to divert bituminous or anthracite coal to the New England Fuel Administrator for distribution by him among consumers.

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

Hereby orders and directs that until further or other orders of the United States Fuel Administrator, and subject to modification hereafter at any time and from time to time,

The New England Fuel Administrator is hereby authorized to direct the resale and distribution of all coal requisitioned for or consigned or diverted to and received by him, under the provisions of any orders of the United States Fuel Administration, to and among such consumers and users of bituminous or anthracite coal, respectively, in the New England States as in his judgment may from time to time be in need thereof and occupied in the conduct of such industrial activities or of such public utilities as are essential to the national security and defense, for the successful prosecution of the war, and for the maintenance of the efficiency of the people in any of such New England States, or any part thereof, in performing their part in the conduct of the war.

In making such resale and distribution said New England Fuel Administrator shall first see that the needs and requirements of consumers entitled to preference in the supply of fuel under the orders of the Priorities Board are suitably taken care of. In connection with such distribution said New England Fuel Administrator is authorized to use and employ the services of such persons and agents as he may from time to time select, and to make or authorize to be made in the resale and distribution of such coal a charge of not exceeding 15 cents per ton for the compensation and expenses of the persons and agents so selected by him.

H. A. GARFIELD,

United States Fuel Administrator.

James J. Storrow, Federal Fuel Administrator for New England in a statement in June with reference to the coal supply for New England said:

An adequate coal supply for New England is not merely a matter of New England's concern. It is a matter of national concern.

As nearly as I can estimate, fully 75% of the factories of New England are carrying on war work, which constitutes an essential and integral part of the equipment needed to defeat the Germans.

The steel furnaces of Pennsylvania and the ponderous hammers which forge the big guns are necessary, but they are of little use without the little time fuses.

Perhaps it is enough to say that after an elaborate re-examination of the New England fuel situation and the New England war activities and with a full knowledge of the war needs and necessities of other sections of the country, it was decided again, for the second time, that New England must have 30,000,000 tons of steam coal during the twelve months of the current coal year which began April 1.

We are already a million and a half tons behind on this program, but the National Fuel Administration has issued a series of orders to the different coal mining regions to get New England back on to this program and keep it there.

It takes a few days to get it started and then some days for the rails to bring it here. We think it is coming, and we hope it will keep coming, but let me say that every New England manufacturer, if he will get on the job, can save coal, and it is absolutely up to him to do it.

On household anthracite coal the story is a good deal the same, except that orders went out some time ago, which are already showing up in loaded cars and coal barges.

At best, however, we must all be very frugal in our use of hard coal. Gas ranges ought to be used as far as possible, and we must start our furnaces late this autumn.

FUEL ADMINISTRATION ORDERS COAL RUSHED TO LAKE PORTS.

According to an announcement last week the United States Fuel Administration has ordered district representatives to still further expedite the shipment of coal to lake ports for transportation to the Northwest. The statement says:

This action was taken to insure the shipment of sufficient coal, via lakes, to fill the requirements of the Northwest before lake navigation closes.

All district representatives were notified to give preference in their shipments to the lake coal which their districts are required to ship. Shipments to the lakes will be moved ahead of all other coal leaving the fields, except that intended for railroad fuel, for by-product coke plants, and for the manufacture of illuminating gas until further orders.

ROY A. RAINEY AND D. D. BUSH TO HAVE CHARGE OF FUEL PRODUCTION DIVISION.

The United States Fuel Administration on July 26 announced the appointment of Roy A. Rainey of New York and David D. Bush of Chicago to the Production Bureau to take charge of priorities in mine supplies. They will work in conjunction with the War Industries Board to see that the production of coal is not hampered or lessened by reason of needed material or equipment.

CONFERENCE ON STEEL OUTPUT FOR WAR REQUIREMENTS.

A conference of representatives of leading steel plants was held in New York last Monday (July 29) at the instance of Charles M. Schwab, Director-General of the Emergency Fleet Corporation, to devise means for keeping the Government supplied with steel so that the war may not be interrupted. It was stated on July 25 that the ship

building program now calls for a total of 4,000,000 tons a year. On that date Mr. Schwab was quoted as saying:

We are now getting steel at the rate of about 3,500,000 tons annually. That amount would suffice if we had been able to build up a reservoir in each yard, a sort of steel cushion, so to speak, on which to fall back in emergencies. Until we have such an accumulation in the yards the larger figure of shipments will be essential. There is nothing to do but to speed up and get it.

E. N. Hurley, Chairman of the U. S. Shipping Board, and J. Leonard Replogle, U. S. Steel Administrator, were present at the conference, which was held at the office of James A. Farrell, President of the U. S. Steel Corporation. No statement has been issued regarding the deliberations at the conference, and the three principals in talking with newspaper men after the meeting are reported to have expressed themselves as unwilling to divulge the matters considered. In the New York "Times" Mr. Replogle is quoted as saying:

The meeting was one of the series we have been having to promote co-operation among the manufacturers and the Government for the purpose of getting out the steel and having it delivered where it is most needed. The total output of steel is large enough to meet all needs connected with the war, as far as we can see them now. It is not so much a question of quantity as it is of getting adequate amounts of steel in the shape required. A bar mill cannot roll ship plates and a plate mill is not able to roll shell bars.

The use of steel in the war has increased beyond the estimates which were made even a few weeks ago. The demand is constantly expanding. The present offensive in France, as you can easily see, is using up thousands of tons of steel in shells and supplies, and the fluctuations in consumption must continue until the war ends. In addition to the enormous amount of steel being used daily in the shipyards, we must keep before us all the time the necessity of building up stocks at the yards so that bad weather in the winter may not slow down work on the new vessels.

The "Journal of Commerce" credited Mr. Replogle with the following:

We do not recognize the existence of non-essentials, but prefer to tackle the problem from the other end—that is, from the standpoint of the most necessary industries. We have been asked to supply more steel for shipbuilding, and this will require cutting down on the supply for other uses. This process is, in fact, steadily going on. The chief difficulty we have to face is not an absolute shortage in the steel supply, but the fact that the facilities used in making plates cannot be used for making bars; those for making bars cannot be used for making ordnance steel, &c.

According to the New York "Commercial" Mr. Schwab had the following to say:

I see no reason for any unusual alarm over the steel situation. The situation is just this. The Emergency Fleet Corporation is consuming steel in much larger quantities than was thought possible when allotments were made and on behalf of that corporation we have come to the War Industries Board to see how much more steel we can have than was originally allotted to us.

Besides Messrs. Schwab, Hurley, Replogle and Farrell, the conference was attended by E. H. Gary, Chairman of the Board of the United States Steel Corporation; E. A. S. Clarke, President of the Lackawanna Steel Co.; J. A. Bonner, Washington representative of the American Iron & Steel Institute; E. G. Grace, President of the Bethlehem Steel Corporation; J. A. Topping, Chairman of the Board of the Republic Iron & Steel Co.; A. C. Dinkey, President of the Midvale Steel & Ordnance Co., and H. G. Dalton, of Piekands, Mather & Co.

A Washington dispatch on July 30 to the New York "Times" stated that the Shipping Board wants a million tons of steel (out of a total of 1,250,000 tons of reserve which it is proposed to ask for) held as a permanent "cushion," upon which to fall back in case of emergency. The "Times" says:

The one and a quarter million tons will be asked for as a reserve for a three months' shipbuilding program, which will consume 250,000 tons each month. The 750,000 tons required for three months' work must also be requested, so in all the demand will be made for about 2,000,000 tons. The Shipping Board now has a reserve of 1,080,000 tons, but wishes to keep this intact, and for this reason will ask for the standing reserve.

On July 25 Mr. Schwab was said to have announced that prohibition of all steel shipments to foreign countries is the first step planned by the Emergency Fleet Corporation to make possible the completion of 10,000,000 tons of ships yearly from our yards. The Director-General is said to have blamed the shortage of steel also on the fact that the Railroad Administration has been receiving large allotments for the building of cars.

The following regarding the denial of steel to the War Department appeared under a Washington head in the "Financial America" of Aug. 1:

The principle that one Government department should not infringe upon the functions of another has been laid down by the War Industries Board in administering the supply of steel and other building materials. The Board made known its opinion in refusing to furnish the War Department with material with which to build a shipyard at Everett, Wash., and one at Wilmington, N. C., for the exclusive construction of vessels for the War Department.

Refusal of the Board was made on the ground that the War Department would be trespassing upon the territory of the Shipping Board if permitted to carry out its program. It also based its decision on the contention that the Shipping Board is using all available labor, steel and other material for the construction of ships not only for the transportation of supplies from

the United States to Europe but also troop ships for the War Department. Additional yards of the War Department built in districts where the labor supply already is engaged upon merchant ship construction, it is argued, would only cause friction between the plants in vying to obtain an adequate number of workmen.

Officials of both the War Department and the Shipping Board declared to-day that the dispute would be amicably adjusted. As soon as Major-General Goethals returns to the capital from a Southern trip, Chairman Hurley and Vice-President Piez of the Shipping Board will formally close the incident in conference.

LITTLE IRON AND STEEL FOR NON-WAR INDUSTRIES.

That comparatively little iron and steel will be left to distribute to those industries engaged in non-war work and to consumers for application to non-war uses is pointed out in a circular issued by the Priorities Division of the War Industries Board to producers, manufacturers, dealers and consumers of steel and its products. The Division through Edwin B. Parker, Commissioner, warns that "every possible use of iron and steel or their products which can be deferred must be deferred until after the war." It is pointed out that the present and constantly increasing steel requirements of this country and its Allies for direct and indirect war needs, 100% of which must under any and all circumstances be promptly supplied, are so enormous as to well nigh absorb our constantly expanding producing capacity. The circular also says:

It is the policy of the War Industries Board to take counsel with each industry, determine the extent to which it can and should as a war measure curtail its production, and particularly curtail its consumption of iron and steel, limiting its output to essential uses, as far as practicable, but without destroying or unnecessarily injuring any industry or legitimate business.

The following is the circular in full:

Circular No. 5.

To all Producers, Manufacturers, Dealers, and Consumers:

Section 1. The problem—the nation's present business—your present business—is war. When this fact shall have taken firm root in the hearts and minds of the men, women, and children of this country, our industrial problems will be found comparatively easy of solution, and the task of readjusting and mobilizing the industries of the nation to meet the requirements of the military program more than half discharged.

For the winning of the war steel is now the world's most precious metal. It is consumed, or used to some extent, every day by practically every civilized man in every civilized country, and nowhere in such vast quantities per capita as in the United States. The present and constantly increasing steel requirements of this country and its Allies for direct and indirect war needs, 100% of which must under any and all circumstances be promptly supplied, are so enormous as to well-nigh absorb our constantly expanding producing capacity. The result is obvious. There will be comparatively little iron and steel left to distribute to those industries engaged in non-war work and to consumers for application to non-war uses. Every possible use of iron and steel or their products which can be deferred must be deferred until after the war. This duty is personal and can not be avoided or delegated to your friends and neighbors. No consumption is so small as to be immaterial, and no saving insignificant. Every pound collected and sold to scrap-iron dealers finds its way back into the general supply of iron and steel. "The last quarter hour will win the war," and in that quarter hour the last shell will be fired. That shell may be made from steel that has been saved through the collection of scrap or through denial of the luxury of purchasing steel in the form of articles which have come to be regarded as peacetime necessities.

Among other tasks which the President has laid upon the War Industries Board is that of so distributing the supply of iron and steel available, or which can be made available, as to meet the war requirements and as far as possible the essential needs of the civilian population. This task is being discharged in part through the administration of priorities.

Sec. 2. The priority plan.—The term "priority" implies discrimination—purposeful discrimination. All priorities are relative and the classifications are based upon the relative importance of the particular industry or the particular plant involved to the war program or to supplying the essential needs (as distinguished from wants) of the civilian population.

Careful attention is invited to Sections 1 to 11, inclusive, of the copy of Circular No. 4 issued by the Priorities Division of the War Industries Board under date of July 1 1918, which sections proscribe five principal classes into which all orders and work are divided, with subdivisions thereof, and which also provide a method for classifying all orders and work.

It will be noted that priority certificates are issued covering three classes, namely, Class AA, Class A, and Class B. Class C comprises all orders and work not covered by priority certificates or taking a Class A or Class B automatic rating, but which are embraced within the "General Classification of Purposes Demanding Preference Treatment," appearing on page 17 of Circular No. 4, or which orders and work are placed by or are to be utilized in connection with an industry or plant appearing on Preference List No. 1 prepared by the Priorities Board and appearing on pages 18 and 19 of Circular No. 4. In the majority of cases the application of the Classification of Purposes and the Preference List to orders received by manufacturers, jobbers, or retailers can readily and accurately be made.

Sec. 3. Administrative interpretation of "purpose list."—Communications have been received by the Priorities Committee from manufacturers, jobbers and retailers expressing doubt as to whether or not certain specified uses fall within the Classification of Purposes entitled to Preference Treatment. In order to insure uniformity and consistency in the distribution of steel and its products, the Priorities Committee will undertake, on application, to decide all such doubtful cases, and from time to time issue as a supplement to this Circular No. 5 administrative rulings embodying such decisions as are of general interest, and also defining the term "essential uses" as used in the pledge appearing on page 3 of the bulletin issued July 3 1918, a copy of which also accompanies this circular.

Sec. 4. Rationing industries.—As it is obviously impossible to supply all industries utilizing iron and steel in their activities with their normal supply, the War Industries Board, through its Priorities Division, co-operating with the commodity section dealing with the particular industry or product involved, with the Conservation Division and representatives of other interested Government agencies, has inaugurated a system of industrial hearings in which committees representing the entire industry appear and present (a) the normal requirements of such industry for iron and steel,

(b) their reasonable requirements under war conditions, (c) the stocks now on hand in each plant, and (d) the fuel consumed, and all other pertinent facts.

A portion at least of the product of nearly every industry may be properly classed as a direct or indirect war requirement or essential to the civilian population, but in many the percentage of non-essentiality predominates. On the other hand, nearly every industry, including so-called war industries, have a percentage of non-essentiality in their production.

It is the policy of the War Industries Board, through the hearings mentioned, to take counsel with each industry, determine the extent to which it can and should as a war measure curtail its production—and particularly curtail its consumption of iron and steel—limiting its output to essential uses as far as practicable, but without destroying or unnecessarily injuring any industry or legitimate business. On these hearings the Chairman of the Conservation Division or his representatives give the industry the benefit of their expert knowledge and research into methods of standardization and substitution, and co-operate with the industry in (a) reducing needless lines, varieties, and sizes of products, thereby securing economy in manufacture and reducing the volume of stocks which the manufacturer, wholesaler, and dealer are required to carry, (b) through the elimination of wasteful styles, models, and methods, greatly conserving materials, and (c) through the substitution of products or materials not needed for those that are needed for war work, conserving the latter without unnecessarily reducing the output of the industry.

When the maximum conservation of materials and products has been attained through these processes of standardization, substitution, and curtailment, the representatives of the War Industries Board participating in these conferences indicate to the industry their views as to the maximum consumption by the industries of the materials and products in question, treating the industry as a unit where such a course is practicable.

The chief of the Commodity Section dealing with the particular industry then prepares a schedule apportioning such indicated maximum of materials or products to each plant on a basis which will enable each member of the industry to procure the same per cent of his normal production as all other members, taking into account the existing stocks of each. When this has been done each plant places its orders for the amount apportioned to it with its regular sources of supply, and such orders take a Class C rating.

The War Service Committees of these industries which have not as yet participated in such hearings will be given an appointment on application to the Priorities Commissioner or to the chief of the appropriate commodity section of the War Industries Board.

Sec. 5. *Subsidiary Pledges.*—Complying with the requests from numerous sources to be furnished with forms of pledges which jobbers are required to exact from customers or retailers under the terms of the jobbers' pledge set forth on the third page of the accompanying bulletin of July 3 1918, the following is prescribed:

I do hereby pledge myself not to use, or so far as lies within my power permit the use of, any stocks now in, or which may hereafter come into, my possession or control, save for essential uses, as that term may be defined from time to time by the Priorities Division of the War Industries Board; that I will not hoard, or countenance the hoarding of, stocks, and will use my utmost endeavor to insure that they be distributed and applied solely to essential uses.

Sec. 6. *Resales.*—As all pig iron and steel manufactured products are being distributed under the direction of the War Industries Board according to the relative importance as measured by the public interest, of the uses to which it is to be devoted, it is obviously improper for any manufacturer, jobber or dealer to dispose of any stocks of raw materials or semi-finished products now in, or which may hereafter come into, his possession, whether obtained through priority direction or otherwise, save with the express approval of the Priorities Division, or the general authority embodied in Circular No. 4 or the bulletin of July 3 1918, both above mentioned. No manufacturer, jobber, or dealer violating this rule can expect favorable consideration of any application for priority which he may subsequently make.

It is imperative that every manufacturer, jobber, and retailer of iron and steel products should fully realize and make his salesmen and customers realize that his attitude toward his trade is exactly the reverse of that in normal times. It requires no salesmanship merely to sell goods where the demand greatly exceeds the supply, but it does require real salesmanship and a high degree of patriotism to sell with discrimination with a view of limiting the purchases to strictly essential uses, the controlling consideration being, "Where can these stocks be best placed in the public interest?"

While the several divisions of the War Industries Board are anxious to assist you, and will not hesitate as occasion may require to direct you, this nevertheless is your problem. With confidence we look to you for such policing of the distribution of iron and steel products as will insure each pound being applied only to essential uses. Respectfully submitted,

EDWIN B. PARKER,
Priorities Commissioner.

Washington, D. C., July 22 1918.

MANUFACTURERS OF FARM WAGONS ASKED TO REDUCE VARIETIES TO CONSERVE STEEL.

With a view to conserving steel and iron and reducing the amount of capital tied up in manufacturers' and dealers' stocks, the Conservation Division of the War Industries Board has called upon manufacturers of farm wagons and trucks to reduce the varieties of their product. We give as follows the announcement made by the Board on July 26:

Manufacturers of farm wagons and trucks have been called on by the Conservation Division of the War Industries Board to reduce greatly the varieties of their product for the purpose of conserving material, especially through the elimination of the avoidable use of steel and iron and for the purpose of reducing the amount of capital tied up in manufacturers' and dealers' stocks.

A schedule of such reductions and new standardizations, to become effective at once unless other economies can be effected by additional changes, has been sent to manufacturers. Five classes are established—farm wagons and gears, valley wagons and gears, mountain wagons and gears, one-horse wagons and gears, and farm trucks and gears; all these vehicles to have a standard track of 56 inches measured from centre to centre of tire on ground and a standard width of 38 inches between stakes. All tires are to be oval edge, eliminating both round and square-edge types. Wagon boxes are to be of the uniform width of 38 inches without foot-boards.

Farm wagons are to be restricted to four capacities—light, 1,500 lbs.; medium, 3,000 lbs.; standard, 4,500; and heavy, 6,000. Only one gear,

with but one height of bolter, is to be made for each capacity. Valley wagons and gears are to be in three capacities—medium, 3,000; standard, 4,500; and heavy, 6,000. Mountain wagons and gears will be of four capacities—light, 2,500; medium, 4,000; standard, 5,500; heavy, 7,000. The old style round top of reach construction for this wagon is eliminated. One-horse wagons and gears are to be of three capacities—light, 1,000; medium, 1,250; heavy, 1,500.

Farm truck gears are to be manufactured in but one size of cast steel, viz.: 3 1/4-inch.

Steel axles may be substituted for wood axles in comparative capacity only. Wood wheels for two-horse wagons are to be furnished in three diameters—40, 44, and 48 inches. One-horse wagons are to have two diameters of wheels—40 and 44 inches. From 12 to 14 spokes per wheel, according to diameter, are allowed. Truck gears are allowed two diameters of wheels—36 and 40 inches—and made with 12 spokes only. Two-horse farm, valley, and mountain wagons may be equipped with steel wheels of diameters specified for wooden wheels.

Portions of the new schedule governing tire assortments, bolts d'arc felloes, and wheel diameters, except for wheel diameters for one-horse wagons, are to become effective not later than Jan. 1 1920; and no equipment that differs therefrom is to be manufactured after that date, except for repair purposes. All other portions of the schedule, including that referring to wheel diameters for one-horse wagons, are to become effective not later than Jan. 1 1919, and no equipment that differs therefrom is to be manufactured after that date, except for repair purposes.

TREASURY DEPARTMENT'S ATTITUDE TOWARD CONSTRUCTION OF NEW BUILDINGS.

The question as to the attitude of the Treasury Department with regard to the construction of new buildings was brought up in the Senate on May 17 by Senator Calder of New York, when he had incorporated in the proceedings a letter received from Secretary of the Treasury McAdoo, in which the latter said "there has never been any suggestion that buildings actually needed for the health and protection of the civil population or for the conduct of essential business of the country, should not be constructed during the war." Secretary McAdoo's letter was prompted by a statement which had been made by Senator Calder, indicating the situation which had developed in New York because (to quote Mr. Calder) "of the attitude of the Treasury Department in advising the banks and mortgage companies against loaning upon mortgages on real estate." Mr. McAdoo in his letter took exception to this statement, and his letter brought from Senator Calder an explanation as to the basis for his remarks. We take occasion to give herewith the facts presented to the Senate on the 17th by the Senator:

Mr. CALDER. Mr. President, I have received a letter from the Secretary of the Treasury in criticism of a statement I made several days ago in the Senate while the housing bill was under consideration. I send the letter to the desk and ask that it be read.

The VICE-PRESIDENT. It will be read.

The Secretary read as follows:

The Secretary of the Treasury,
Washington, May 11 1918.

Dear Senator Calder: From the proceedings of the Senate of May 9 1918, "Congressional Record," page 6775, you are quoted as saying:

"At no time in the history of New York have we needed more than at present new buildings for people to live in. We are prevented from having them to some extent because of the attitude of the Treasury Department in advising the banks and mortgage companies against loaning money upon mortgages on real estate. If the Treasury Department changed its attitude, the money could be obtained, new buildings would be encouraged, and we might then be able to help the housing problem we are facing here."

This statement is so wholly without foundation that I am amazed that you would make it. The Treasury Department has at no time taken any such attitude, nor has it ever advised banks or mortgage companies against loaning money upon mortgages on real estate.

I have advised against the construction of unnecessary buildings during the war, but I have laid emphasis upon unnecessary building. I have stated publicly that—

"Where it is a question of need—be it on account of sanitary conditions or because without such new construction other operations essential at this time for the welfare of the country would suffer—there is no doubt that the work should be undertaken. This applies equally to construction work in cities and towns and in farming districts. (See my letter to the 'American Lumberman,' copy of which is attached.)"

In a letter to Mr. Gompers, dated March 15 1918, in reply to a resolution adopted by the Building Trades Council of San Francisco, I said: "Building operations which are not required to protect the health or provide for the comfortable needs of our people or to supply facilities necessary for the proper conduct of business essential to the successful prosecution of the war should be postponed."

I enclose a copy of that letter also.

The attitude of the Treasury Department has been that capital which is needed during the period of the war should not be employed in the construction of unnecessary buildings at this time. But there has never been any suggestion that buildings actually needed for the health and protection of the civil population or for the conduct of essential business of the country should not be constructed during the period of the war.

I hope that you will correct your erroneous statement by the inclusion of this letter in the proceedings of the Senate.

Faithfully yours,
W. G. McADOO.

Hon. WILLIAM M. CALDER,
United States Senate.

Mr. CALDER. Mr. President, when I made the statement referred to in the letter of the Secretary of the Treasury just read, I believed I was stating the case accurately. Evidently that was the impression also of the "American Lumberman" and the Buildings Trades Council of San Francisco, when they complained of the action of the Treasury Department on the question of constructing buildings throughout the country.

Early in this year the Secretary of the Treasury or the Department of the Treasury issued a bulletin having to do with the construction of new buildings. Subsequently the Federal Reserve Board issued a statement on the same subject. As I have been deeply interested in this matter, realizing the effect of these two statements, I called upon the Secretary of the Treasury and, in his absence, called upon a member of the Federal Reserve Board. I received the impression there that it was the purpose of the Treasury Department and the Federal Reserve Board to stop, as far as it was within their power so to do, the construction of all new buildings. The bulletins I have referred to evidently had the effect that I stated when I addressed the Senate on the housing problem.

Mr. President, those bulletins undoubtedly reached the banks and mortgage companies of the country, if not directly through the Treasury Department, at least by these institutions reading them in the financial newspapers of the country. I know of my own knowledge that many institutions usually loaning money on real estate mortgages have stopped loaning money on mortgages of that character, because of their belief that the Treasury Department proposed discouraging such mortgages.

In connection with the same subject, Mr. President, on Friday of last week a committee representing the building-material dealers of Greater New York called upon the War Industries Board and was there advised that it was the purpose of that Board in the course of a few days to promulgate an order stopping building construction of every sort in the city of New York. When that committee informed me of this fact, naturally I was dumfounded at the suggestion; but it was in line with the information I had obtained, and I believed I had obtained accurately, from the position of the Treasury Department.

Subsequently, I called upon Mr. Baruch, of the War Industries Board, and was glad to receive the assurance from him that it was not the intention of the Board to issue any such drastic order, although one of the men in his office had a few days previously so informed the committee interested in the subject.

In connection with the same matter, I have a telegram from a prominent builder in New York City, which was sent to me on May 14, in which he says:

New York, May 14 1918.

Senator Calder, Senate Office Building, Washington, D. C.
 May we commend you on your excellent presentation yesterday before the War Industries Board on necessity of permitting building operations in New York City. Last October census taken by Tenement Department showed 1% vacancies in new-law houses. Ex-Commissioner Murphy stated we required 200,000 apartments to meet increased population.
 FRED F. FRENCH CO.

Mr. President, I have been much interested in this subject, and very anxious that no steps should be taken here at Washington which would close down the building industry of the country. Senators may recall that when the housing bill was up the other day, I pointed out that the building operations this year in the United States would be less than \$300,000,000, as compared with \$1,500,000,000 in the year 1916, and that in that year it was less than normal. On the very day that I discussed the housing bill I addressed a communication to the Governor of the Federal Reserve Board, Mr. William P. G. Harding, which I ask to have the Secretary read.

May 8 1918.

Hon. William P. G. Harding, Governor Federal Reserve Board, Treasury Department.

My Dear Gov. Harding: I am addressing you as the Governor of the Federal Reserve System, and also as a member of the War Finance Corporation, in relation to the building operations of the country. I know that the Federal Reserve Board has given some consideration to this subject, and has issued several bulletins dealing with it.

I have been much concerned over the fact that the building operations in the country, aggregating \$1,500,000,000 in the year 1916, which was below the average, will this year fall to less than \$300,000,000—private construction. The result of this will be that, as already indicated in the larger cities of the country, we are going to be exceedingly short of housing facilities.

The Government is taking up this subject in so far as it applies to people employed directly on Government work, but unless some further relief comes we will face a serious situation next spring. For that reason I would be glad if the Federal Reserve Board and the War Finance Corporation will take under advisement the question of whether it would not be best to encourage the construction of some new buildings, particularly homes. My opinion is that the situation will be difficult in a short time, and we ought to get ready for it.

Inquiry in New York indicates that the banks and mortgage companies are not loaning any money on building operations and very little on real estate mortgages. This situation would change if there was some encouragement from the Federal Reserve Board and the War Finance Corporation.

I would be glad to drop in and talk with you regarding the matter and see if something can not be done to protect for the future.

Sincerely yours,

WM. M. CALDER.

Mr. CALDER. I ask that a letter addressed to me by Gov. Harding be read.

The PRESIDING OFFICER. Without objection, the letter will be read.

The Secretary read as follows:

Federal Reserve Board,
 Washington, May 10 1918.

My Dear Senator: I acknowledge receipt of your letter of the 8th inst., which I brought to the attention of the Federal Reserve Board and which I shall also bring to the attention of the War Finance Corporation at the first meeting of the directors.

I would be glad to have an opportunity at any time convenient to you of discussing with you steps that should be taken to make private building operations possible, and I would suggest that you also discuss this subject with the new Capital Issues Committee, which I presume will take office within the next few days.

Very truly yours,

W. P. G. HARDING.

Hon. WILLIAM M. CALDER,
 United States Senate, Washington, D. C.

Mr. CALDER. Mr. President, I am firmly convinced that with the slightest encouragement on the part of the Government the great building industry of this country can proceed. Within a few days I have received letters from representatives of the brick-making industry on the Hudson River advising me that they had in their brickyards over 300,000,000 bricks ready to be used, and that there was no place to use them. I have letters from cement manufacturers, from lumbermen, and from numerous builders, stating that the attitude of the Government here in discouraging building operations has completely paralyzed their business throughout the country. They tell me that both men and material are available.

So, Mr. President, I have brought this matter to the attention of the Senate to-day, first, in compliance with the letter of the Secretary of the Treasury, and then to justify my statement on the floor of the Senate when the housing bill was under consideration. I regret that I in some degree misquoted the attitude of the Department of the Treasury; but perhaps, after all, it is best that I did so, because the matter has been to some extent cleared up. I hope that as a result of what has occurred this morning the country will understand that it is not the purpose of the Treasury Department or of the War Industries Board or of the Federal Reserve Board to discourage building operations where they are necessary.

REVISION OF PRIORITIES REGULATIONS BY WAR TRADE BOARD.

Announcement was made July 26 of the issuance by the Priority Division of the War Industries Board under date of July 1 1918 of Circular No. 4, embodying a revision of its rules and regulations governing priority in production. The announcement says:

Only such changes have been made as have been suggested by the experience of the past six months and these will tend to simplify the adminis-

tration of priorities from the viewpoint of both the Government and the manufacturer, and at the same time give greater assurance that the war requirements will be promptly met.

The circular is signed by Edwin B. Parker as priorities commissioner; Bernard M. Baruch as Chairman of the War Industries Board; Secretary of War Baker, Secretary of the Navy Daniels and Edward N. Hurley, Chairman of the United States Shipping Board, and President of the Emergency Fleet Corporation.

The circular will be mailed at once to all who have made application at any time for priority certificates and to all against whom certificates have been issued. They are asked by the priorities committee not to request copies unless they fail to reach them after a reasonable time has elapsed. These copies may be secured on application to Maurice Hirsch, Secretary of the Priorities Committee, Washington, D. C.

The new circular continues in effect Class AA, which comprises only emergency war work; Class A, which comprises other war work, and Class B, which comprises orders and work which, while not primarily designed for the prosecution of the war, yet are of public interest and essential to the national welfare or otherwise of exceptional importance. In order to secure rating within the three classes, application must still be made to the priorities committee on forms furnished on request, save in cases where provision is made for automatic classifications, and the conditions for procuring automatic classification have been strictly complied with.

The circular embodies, however, two fundamental changes: First, the addition of Class D (corresponding to what was formerly Class C) and the creation of Class C as a class entitled to precedence.

Second, the establishment of automatic ratings.

Class C, as described in the new circular, comprises all orders and work not covered by priority certificates or automatic ratings, but which are to be utilized in furtherance of one or more of the purposes embraced within what is designated as the "general classification of purposes demanding preference treatment," or by which orders and work are placed by or are to be utilized in connection with an industry or plant appearing on what is known as preference list No. 1. The general classification of purposes demanding preference treatment and the preference list have already been compiled and issued by the Priorities Board. The preference list up to the present has been utilized freely with reference to the supply, distribution and transportation of coal and coke, but its use is extended in the new circular so that it now becomes, along with the general classification of purposes, a basis for determining Class C orders.

UNITED STATES SHIPPING BOARD TO CONSTRUCT MERCHANT VESSELS IN SHIPYARDS OF CHINA.

The following advices from E. N. Hurley, Chairman of the U. S. Shipping Board, concerning the completion of negotiations by the Board for the construction of a number of merchant vessels at the Chinese shipyard at Shanghai, were transmitted to the Chinese Government by the State Department on July 26:

The United States Shipping Board to-day completed negotiations for the construction of a number of merchant vessels at the Chinese Government's shipyard at Shanghai. This happy arrangement enables Chinese industry to become still more effective in support of our splendid armies who are now advancing toward their assured victory. By making ships, China will be directly making war upon the common enemy. The occasion is one of good augury of future industrial and commercial co-operation between your great country and the United States, and I confidently believe will more firmly cement the traditional friendship between the two peoples.

An official announcement relative to the above also said:

It was a few days ago that the Shipping Board announced negotiations by which the Government yard at Shanghai, known as the Kiangnan Dock & Engine Co., were to receive contracts for four steel cargo vessels of 10,000 tons each and options for the building of 80,000 additional tons of steel freighters.

This program will involve an expenditure of \$30,000,000. About 35,000 tons of steel will be shipped from this country to China. It is expected that the deliveries will begin about six months after the steel has been received. All iron castings will be obtained in China, leaving only steel plates and shapes to be supplied from here, 1 ton of steel making about 3 tons of shipping. In his effort to rapidly rebuild American merchant marine and in his search for places where ships could be constructed Chairman Hurley found that China was well equipped for a substantial contribution for this work.

The Kiangnan yard has 12 ways with all necessary shops and a dry dock capable of admitting vessels up to 544 feet. In this yard were repaired all the damaged German and Austrian vessels which had been interned by China when that nation entered the war.

300,000 TROOPS TRANSPORTED IN JULY—AMERICAN SOLDIERS TO ITALY—CHANGES NEAR IN DRAFT AGES.

Secretary Baker informed the Senate Military Committee on July 27 that the movement of American troops overseas in July was expected to reach 300,000 men. Up to that date, he said, 1,250,000 men had been sent over. Trained American combatant troops are also beginning to arrive in Italy, though no details as to numbers have been given out.

To keep up this heavy movement of troops, 300,000 more men are to be drafted in August and still further heavy calls, it is said, will be made beginning with September, so as to have the maximum number of trained men available for next spring's campaign. Including the National Guard and Regular Army camps, the National Army cantonments, and the special technical training schools, there are said to

be accommodations now for 2,000,000 men in training in this country. These camps will all be kept full.

Notwithstanding the addition of 21-year old men registered last June, these heavy calls are said to be rapidly exhausting Class 1 of the draft. Instructions were accordingly sent out by General Crowder on July 26 to all draft boards to stop making releases from the selective service for enlistment of Class 1 men in the navy, the marines or for Emergency Fleet service, and to see to it that at least 50% of the 1918 registrants are certified to Class 1. In addition Secretary Baker, is expected soon to bring forward an extensive plan for still further expanding the army, by both lowering and raising the draft ages. Mr. Baker's plans are said to contemplate an army of 5,000,000 men.

With the object of shortening the time required to train men for active service, the Council of National Defense is at work, with the approval of Secretary Baker and General Crowder, on nation-wide plans for preliminary training of prospective draftees before they are actually called to the colors. For this purpose volunteer committees of prominent citizens are to be formed, who will get in touch with the men and arrange for their instruction in whatever ways will prepare them to enter the camps "willing, loyal, intelligent, clean and sober," and thus better to fit them for rapid progress in their military education after joining the army. The work is to be under the control and authority of the local draft boards, and is patterned upon methods already found successful in many cities and small towns.

AMERICAN RAILWAY ENGINEERS ORDERED TO SIBERIA.

Associated Press dispatches from Harbin, Manchuria, dated July 24, reported that the American railway mission, which started for Russia some months ago to help rehabilitate the railway system, but who have been held up by the chaotic conditions prevailing there, have been ordered to proceed from Nagasaki to Vladivostok to effect repairs to the Chinese Eastern Railway.

INCREASES IN SALARIES OF POSTAL EMPLOYEES.

With regard to the provisions in the Post Office Appropriations bill providing for increases in salaries of employees of first and second-class post offices, the Post Office Department has issued the following statement:

OFFICE OF FIRST ASSISTANT POSTMASTER-GENERAL.

Washington, July 3 1918.

The Act making appropriations for the service of the Post Office Department for the fiscal year ending June 30 1919, and for other purposes, contains the following provisions regarding increases in salaries for employees at first and second-class offices under the jurisdiction of this bureau.

"That during the fiscal year ending June 30 1919 the annual salaries fixed by law for assistant postmasters at first and second-class post-offices, and supervisory officials, whose compensation is \$2,200 and less per annum, shall be increased \$200, and those whose compensation is in excess of \$2,200 shall be increased 5%; that clerks in first and second-class post offices and letter carriers in the city delivery service shall be divided into six grades as follows: First grade, salary \$1,000; second grade, salary \$1,100; third grade, salary \$1,200; fourth grade, salary \$1,300; fifth grade, salary \$1,400; sixth grade, salary \$1,500. Clerks and carriers shall be promoted successively to the sixth grade: Provided, That on July 1 1918 clerks in first and second-class post offices and letter carriers in the city delivery service who are in grades 2, 3, 4, 5 and 6, under the Act of March 2 1907, as amended, shall pass automatically from such grades and the salaries they receive thereunder to the new grades, 1, 2, 3, 4 and 5, respectively, with the salaries provided for such grades in this Act. . . . Provided further, That the salary of clerks, carriers . . . shall be increased during the fiscal year 1919 not more than \$200: Provided further, That the classifications herein provided for shall not become effective until July 1 1918: Provided further, That the salaries of such other employees, fixed by law or paid from lump-sum appropriations provided for in this Act, . . . who receive \$800 per annum or less shall be increased 20% per annum; those who receive in excess of \$800 and not more than \$1,500 shall be increased 15% per annum; and those who receive in excess of \$1,500 and not more than \$2,200 shall be increased 10% per annum. . . . And provided further, That the increased compensation, at the rate of 5% and 10% for the fiscal year ending June 30 1918, shall not be computed as salary in construing this section."

Authority to Postmasters.

Postmasters at first and second-class post-offices are authorized to make the promotions as specified above, effective from July 1 1918, and assign them to the class indicated under the new classification, and are instructed to immediately report to this bureau, on Form 1533, in quadruplicate, the promotion of every employee in their offices (other than those in the motor vehicle service) under the jurisdiction of this bureau, grouping them in the following order, each group to be arranged alphabetically: (1) Assistant postmaster; (2) supervisory employees; (3) special clerks; (4) watchmen, messengers and laborers; (5) printers, mechanics and skilled laborers; and (6) clerks. A separate set of forms should be submitted covering the city letter carriers.

Your reports on the forms above mentioned should be promptly submitted in order that the auditor may be authorized to pass your accounts covering the promotions.

For the guidance of postmasters the following summary is given of the increases provided herein: All watchmen, messengers, laborers, printers, mechanics and skilled laborers will receive an increase of 15%. All other employees—assistant postmasters, supervisory employees, including special

clerks, clerks, and carriers—who on June 30 1918 are receiving a salary of \$2,200 or less, will be given an increase of \$200. All assistant postmasters and supervisory employees receiving on June 30 1918 salaries of more than \$2,200 will be given an increase of 5%. Attention is especially directed to the fact that in computing these increases consideration shall not be given to the percentage increases contained in the Appropriation Act for the current fiscal year, i. e., an assistant postmaster, clerk, or city carrier who is now receiving \$880 shall be considered as in the \$800 grade and shall be promoted to \$1,000; a laborer who is now receiving \$990 shall be considered as in the \$900 grade and shall be given the 15% increase, which amounts to \$1,035.

The automatic, 85% and 15% promotions, will not be made during the current fiscal year, as the law above quoted provides that the compensation of clerks and carriers shall not be increased more than \$200 during the year.

Vacancies in the grades above \$1,200 occurring prior to July 1 1918 should be reported and recommendations for the promotion of employees to fill such vacancies forwarded so as to reach the department by Aug. 1, otherwise the vacancies in these grades will revert and recommendations for filling them will not be approved.

Postmasters at offices where the Government-owned automobile service is in operation will be advised under separate communication regarding the increased compensation for employees in the motor-vehicle service.

J. C. KOONS,

First Assistant Postmaster-General.

GOVERNMENT'S ASSUMPTION OF CONTROL OF TELEPHONE AND TELEGRAPH LINES.

Formal control of the telephone and telegraph lines of the country was assumed by Postmaster-General Burlison on behalf of the Government at midnight July 31. Authority for the taking over of the wire lines is contained in the Congressional resolution signed by President Wilson on July 16 and printed in our issue of July 20. In accordance therewith the President on July 23 issued a proclamation carrying into effect the authority conferred thereunder, and fixing July 31 as the date when the Government would take over control. This proclamation, given in these columns last week, placed Postmaster-General Burlison in charge of the administration of the telephone and telegraph systems. Postmaster Burlison later named a committee of three to assist him in the supervision of the systems, this committee consisting of John L. Koons, First Assistant Postmaster-General, David J. Lewis and William H. Lamar, Solicitor for the Post Office Department. An Executive order detailing Mr. Lewis, who has been a member of the Tariff Commission, to the Post Office Department until further notice, was issued as follows under date of July 23 by President Wilson:

EXECUTIVE ORDER.

Under and by virtue of the powers vested in me by the 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, and by virtue of all other powers thereto me enabling, David J. Lewis, Commissioner, United States Tariff Commission, is hereby detailed to the Post Office Department until further ordered, for such duties in connection with the control and operation of the telegraph and telephone services by that department as may be assigned to him by the Postmaster-General.

WOODROW WILSON.

The White House, July 23 1918.

In announcing the assumption of control on Wednesday last Postmaster-General Burlison issued the following statement:

Pursuant to the proclamation of the President of the United States, I have assumed possession, control and supervision of the telegraph and telephone systems of the United States. This proclamation has already been published and the officers, operators and employees of the various telegraph and telephone companies are acquainted with its terms.

Until further notice the telegraph and telephone companies will continue operation in the ordinary course of business through regular channels. Regular dividends heretofore declared and maturing interest on bonds, debentures and other obligations may be paid in due course and the companies may renew or extend their maturing obligations unless otherwise ordered by the Postmaster-General.

All officers, operators and employees of the telegraph and telephone companies will continue in the performance of their present duties, reporting to the same officers as heretofore and on the same terms of employment. Should any officer, operator or employee desire to leave the service he should give notice as heretofore to the proper officer so that there may be no interruption or impairment of the service to the public.

I earnestly request the loyal co-operation of all officers, operators and employees, and the public, in order that the service rendered shall be not only maintained at a high standard, but improved wherever possible. It is the purpose to co-ordinate and unify these services so that they may be operated as a national system with due regard to the interests of the public and the owners of the properties.

No changes will be made until after the most careful consideration of all the facts. When deemed advisable to make changes announcement will be made.

Following a conference in Washington with Postmaster-General Burlison, Theodore N. Vail, President of the American Telephone & Telegraph Company, is reported as having said on July 30:

I am satisfied after my conference with the Postmaster-General that it is his intention to maintain the wire service at the highest possible efficiency, conserve and protect the property that it may be returned to the owners in as good condition as it was received, and to pay a compensation for its use that will be just and fair. Until more and the fullest consideration can be given to questions everything will continue as in the past.

Mr. Vail on July 31 took occasion to issue a statement to the employees of his company urging a continuance of their loyalty; the statement follows:

To Employees of the Bell Telephone Companies:

Under the authority of the law and by proclamation of the President possession and control of the wire systems pass to the Postmaster-General as of August 1.

In a conference held in Washington at which were present the Postmaster-General, the Government operating committee and representatives of the Bell Companies, the Postmaster-General expressed most emphatically his appreciation of the service which the Bell companies were rendering and said that such improvement possible to be made would be, because of the additional power derived from the Government. He asked for the co-operation and assistance of those who had heretofore been responsible for the service.

The Postmaster-General was equally emphatic in the statement of his desire to conserve the service and properties of the companies, with a view of returning them when called upon so to do to the owners in as good condition as received. It was his earnest desire that the owners should receive just compensation in the full sense for their use.

The Postmaster-General, until other instructions are issued, desires that the conduct of operations shall continue as heretofore, and also states that no changes will be made until after consultation and full careful consideration.

To all who are identified with the Bell companies—who have shown your fine sense of obligation and your loyalty and fidelity to the country, to the public service and to the property in the past and to whom the credit is due for the prestige and position of the companies in the public eye—it is asked, and it is not too much to ask of you, that same loyalty, fidelity and devotion to the service under the new orders of things. On your behalf such loyalty, fidelity and devotion to service have been promised; knowing full well the spirit in which you would meet and respond to the request.

To do one's full duty in each position is the greatest obligation resting upon every person and is also the greatest opening to future preferment.

On July 25 the "Wall Street Journal" printed the following advices from Chicago:

From authoritative sources enough information has been secured to warrant the following forecast of general policy to be pursued by the Government in its control of telegraph and telephones:

1. Rates will not be increased because financial condition of companies, unlike that of the railroads, does not warrant it.
2. Wages will be increased in about the same proportion as railroad wages were increased. Locked-out employees will be immediately reinstated—the question of pay for lost time now being before the War Labor Board. All wage negotiations will be through Director-General Lewis.
3. Private leased wire service not to be curtailed, but to be encouraged and more wires made available.
4. Economy of operation through pooling of facilities is expected to more than offset the wage increases.
5. Accuracy and efficiency of service to be extended through pooling of all facilities and adoption of the most modern methods of electrical communication.
6. Post Office Department to be utilized in collection and delivery of messages at terminal points as that is now conceded to be the weakest link in the system as now constituted.

In a statement expressing his views as to the taking over of the wire lines by the Government, Thomas W. Lamont of J. P. Morgan & Co. on July 24 said:

The Government's taking over of the telephone and telegraph lines for war purposes is a step which ought to prove very satisfactory to holders of securities in the companies in question. Postmaster-General Burleson makes it clear in his announcement that the greatest care will be taken to conserve the properties and their permanent earning power. So that for the long future it would appear that investors in those great companies have little to fear for the stability and earning capacity of the corporations.

As for the immediate future, the law under which the Administration has taken action states that "just compensation" will be paid by the Government for the use of the properties—a rental which ought to be readily sufficient to meet all fixed and present charges, including dividends. Furthermore, the physical and financial condition of these telephone and telegraph properties is now so sound that we regard present holders of their securities as well warranted in being entirely content with their investments as they stand to-day.

Samuel Gompers, President of the American Federation of Labor, was quoted as follows on July 24 in a special dispatch to the New York "Times" from Atlantic City:

Government ownership of telegraph lines has been on the program of the American Federation for the last twenty years. We have urged, pleaded and argued. I feel certain that the service will be much better and that the rights and standards of the employees will receive just consideration. It will be well for the Government to watch out lest the managements of the companies undertake to practice a system of sabotage and try to make it appear that Government control is a failure.

INCREASED WAGES GRANTED BY WAR LABOR BOARD TO STREET RAILWAY EMPLOYEES.

Increases in wages ranging from 35% to 65% were granted to employees of twenty-two street and interurban railway companies operating in sixteen cities in an award announced by the War Labor Board at Washington on Aug. 1. For motormen and conductors in the larger cities wages were fixed at from 48 to 50½ cents an hour, those of similar employees in smaller cities and on interurban lines at from 38 to 45 cents, with a general minimum wage of 42 cents for trackmen, pitmen controllers, oilers and similar employees. Approximately 50,000 were affected by the awards.

It was recommended by the Board that the President urge the enactment of special legislation which would enable some Federal agency to "consider the very perilous financial condition" of the street railway companies of the country with a view to increasing the fares wherever warranted. This the Board declared to be a war necessity. The awards and recommendations were made by former President Taft and Frank P. Walsh, joint chairmen of the Board, after a two months' investigation during which a large number of witnesses and a voluminous mass of statistics

were examined. The wage increases awarded are on a sliding scale and varied, being based on local conditions and facts peculiar to the individual cases. It is stated that in practically all instances, the awards were made retroactive, and in all cases where employees are compelled to work in excess of the period of their regular runs the companies must pay overtime on the basis of time and a half, which places the employees on the same basis with skilled mechanics in Government industries. In awarding increases to employees in Detroit and Chicago, the Board specifically recommended an advance in fares.

In its recommendations to the President concerning the enactment of legislation authorizing increased fares the Board said:

We believe it to be a war necessity justifying Federal interference. Should this be deemed unwise, however, we urge upon the local authorities and the people of the locality the pressing need for such an increase adequate to meet the added cost of operation.

This is not a question turning on the history of the relations between the local street railways and the municipalities in which they operate. The just claim for an increase in fares does not rest upon any right to a dividend upon capital long invested in the enterprise. The increase in fare must be given because of the imminent pressure for money receipts now to keep the street railroads running so that they may meet the local and national demand for their service. Overcapitalization, corrupt methods, exorbitant dividends in the past are not relevant to the question of policy in the present exigency. In justice the public should pay an adequate war compensation for a service which cannot be rendered except for war prices. The credit of these companies in floating bonds is gone. Their ability to borrow on short notes is most limited. In the face of added expenses which this and other awards of needed and fair compensation to their employees will involve, such credit will completely disappear. Bankruptcy, receiverships and demoralization, with failure of service must be the result. Hence our urgent recommendation on this head.

The Associated Press dispatches from Washington Aug. 1 had the following to say with regard to assistance by the War Finance Corporation:

The War Finance Corporation, with an available fund of \$500,000,000 to lend war industries, is prepared to give financial assistance to some of the companies for whose employees higher wages were ordered. The Corporation insists, however, that companies' credit be good, and that adequate security be furnished. It is impossible for some companies to furnish this in view of the fact that their revenues have not kept pace with expenses. For these companies there is no direct help available in Washington.

Directors of the War Finance Corporation, however, are said to be willing to investigate applications from companies with impaired credit, and to recommend informally to State or local public service commissions that the fare increases for the railways be allowed. It was to stimulate this local responsibility for local problems that President Wilson, Secretary McAdoo and the War Finance Corporation recently issued statements urging public service bodies to expedite consideration of applications of utilities for rate advances.

President Wilson is understood to have declined to act recently on a suggestion of the War Labor Board that he take some drastic action to increase car fares generally throughout the country on the ground that the Federal Government should not shoulder the financial responsibilities for thousands of utility projects whose needs and nature of service are best known locally.

Persistent reports that President Wilson might take over street car lines generally and turn over their operation to the Railroad Administration were discredited specifically to-day by high officials.

While not going deeply into the question of labor unions, the Board in cases where the right of employees to organize has been an issue, ordered that workers be protected in the exercise of their right to join trade unions without fear of molestation by the employer. A step to accelerate the method of graduating men from one wage classification to another also was taken by the Board, which arbitrarily fixed the limit of apprenticeship on cars at one year. In New York State awards were made to trainmen in Rochester, ranging from 41 to 45 cents an hour (interurban 47 cents), and in Buffalo, ranging from 41 to 50 cents. Increases to Schenectady trainmen of from 41 to 45 cents an hour, to take effect May 1, were granted. In Newark, N. J., the rate was made 41 to 45 cents, effective as of June 7; in Trenton it was 38 to 42 cents, effective as of June 22; in Scranton, Pa., it was 41 to 45 cents, effective as of June 2. For the East St. Louis lines the award was 41 to 45 cents, effective as of July 1; for interurban lines of that city 47 cents. Awards to the employees of the Chicago and West Towns Railway Company ranged from 43 to 48 cents an hour, to become effective Aug. 5; to the Evanston Railway Company trainmen it was 41 to 45 cents; for the Columbus Railway & Power Company, 41 to 45 cents, effective as of July 1. The Board in the case of the Columbus Railway, Power and Light Company ordered that there be no interference with the employees' right to organize and ordered reinstated Carl R. Fenneman, William Hagans, F. W. Killiam, and M. E. Reed, who previously had been discharged by the company. Permission is given for the employment of women or negro men if the necessity arises. Sunday and holiday runs in Detroit are to be no more than eight hours, the Board decided, while night runs will be eight hours with ten hours' pay. The company's open shop policy is to be continued and is "not to be deemed a griev-

ance" by employees. In New Orleans the trainmen were awarded from 38 to 42 cents an hour, the increase to date from July 1. In Cleveland the trainmen on interurban lines received awards of from 38 to 42 cents an hour. To the employees of the Cleveland Railway Company the award varied from 43 to 48 cents. Among the other awards to the employees of individual companies were those to the Galesburg Railway, Light & Power Company, of 38 to 41 cents an hour, effective July 15; the United Traction Company, Albany, N. Y., of 40 cents an hour, effective June 3; the Omaha & Council Bluffs Railway Company, 41 to 45 cents, effective July 17. The increase from 41 to 50 cents an hour in the case of the International Railway Company of Buffalo was conditioned upon the continuance in force of the rate of fare recently granted by the City Council. Should this rate be revoked then the wage increases shall automatically terminate. Cases still being considered affect companies in Kansas City, Mo.; Memphis, Tenn.; Cincinnati, Dayton, and Elyria, Ohio; Portland, Ore.; Los Angeles, Cal.; Atlanta, Ga.; Wilkes-Barre and Philadelphia, Penn.; Denver, Boston, Birmingham, Ala.; Jacksonville, Fla., and Leavenworth, Kan., as well as the Rhode Island company.

ADVANCES TO RAILROADS BY GOVERNMENT.

Advances of \$43,205,050 were made by the Railroad Administration to the railroads under Federal control during July. The sum was distributed to 37 railroads. Altogether up to Aug. 1 a total of \$203,714,050 has been advanced by the Administration since the roads have been under control of the Government; of the aggregate payments \$180,559,000 came out of the revolving fund and \$23,155,050 from the surplus balances of certain railroads. Director-General McAdoo's statement concerning the advances, given out under date of July 31 follows:

The advances made by the Railroad Administration to all railroads for the month of July, either as loans or on account of standard rentals or back wages, aggregate \$43,205,050. This sum was distributed to 37 different railroad systems or roads.

The amount advanced to all roads prior to July 1 1918 was 180,509,000

(to 42 different railroads or systems), making the total sum advanced to all railroads throughout the country by the Director-General of Railroads up to Aug. 1 1918.....\$203,714,050

The money thus dispensed was obtained as follows:
From the United States Treasury Revolving Fund.....\$180,559,000
From surplus balances of certain railroads..... 23,155,050

Total.....\$203,714,050

Of the \$43,205,050 disbursed in the month of July, the larger portion, or approximately \$23,269,000, was advanced to the Federal Managers of certain railroads to pay up the back wages due to their employees from Jan. 1 to May 31 in accordance with award submitted in June by the Arbitration Committee, and for other operating needs; \$8,328,775 was advanced to railroads on account of their standard estimated rentals; and \$13,607,275 was advanced in the shape of loans, on demand, at 6% per annum interest.

The railroad lines to which advances were made during the month of July were as follows:

Chic. Milw. & St. P. Ry.....\$5,725,000	Chic. Ind. & Lou. Ry..... 325,000
Pennsylvania RR. Lines..... 5,500,000	Indiana Harbor Belt RR..... 220,000
New York Central Lines..... 3,000,000	San Ant. & Aran. Pass Ry..... 200,000
Southern Ry. Lines..... 3,695,000	Chicago Junction Ry..... 200,000
Lehigh Valley RR..... 3,500,000	Buff. Roch. & Pittsb. Ry..... 200,000
Chic. R. I. & Pacific..... 3,000,000	Norfolk Southern RR..... 190,000
Mo. Kan. & Texas Lines..... 2,420,000	Atl. Birm. & Atlantic Ry..... 189,000
Illinois Central RR..... 2,000,000	Belt Railway of Chicago..... 155,000
Denver & Rio Grande Ry..... 1,400,000	Duluth So. Sh. & Atl. Ry..... 150,000
Wabash Ry..... 1,350,000	N. Y. Chic. & St. L. RR..... 132,275
Seaboard Air Line Ry..... 1,350,000	New Orl. Grt. Nor. RR..... 120,000
Missouri Pacific RR..... 1,000,000	Kan. City Mex. & Gr. Ry..... 12,000
Hudson & Manhattan RR..... 1,000,000	Chicago & W. Ind. RR..... 115,000
Central of Georgia RR..... 750,000	Minneap. & St. Louis RR..... 100,000
Chesapeake & Ohio Ry..... 750,000	Ann Arbor RR..... 75,000
Chicago & Alton RR..... 600,000	St. Louis-San Fran. Lines..... 60,000
Term. RR. Assoc. of St. L..... 525,000	Washington Brandywine & Pt. Lookout RR..... 50,000
St. Louis Southwest. Ry..... 500,000	Detroit Toledo & Ir. RR..... 38,775
Galv. Harr. & San An. Ry..... 500,000	

The total advances made to date, including the loans to railroad corporations, compensation and also advances made by the Director-General to the Federal Managers, aggregated \$203,714,050, which was distributed as follows:

N. Y. N. H. & H. RR.....\$46,964,000	Buff. Roch. & Pitts. Ry..... 800,000
N. Y. Central Lines..... 40,000,000	Central of Georgia Ry..... 750,000
Pennsylvania RR. Lines..... 30,500,000	Chicago & Alton RR..... 600,000
Chic. Mil. & St. P. Ry..... 14,725,000	Norfolk Southern RR..... 540,000
Illinois Central RR..... 9,750,000	Term. RR. Assoc. St. L..... 500,000
Baltimore & Ohio RR..... 9,000,000	Hocking Valley Ry..... 285,000
Eric RR..... 6,000,000	Central Vermont Ry..... 275,000
Chic. R. I. & Pacific Ry..... 6,000,000	Ann Arbor RR..... 275,000
Deny. & Rio Grande RR..... 4,100,000	Detroit Tol. & Iron. RR..... 238,775
Southern Ry. Lines..... 3,695,000	Indiana Harbor Belt Ry..... 220,000
Lehigh Valley RR..... 3,500,000	San An. & Ar. Pass Ry..... 200,000
Chesapeake & Ohio Ry..... 2,750,000	Chicago Junction Ry..... 200,000
Wabash RR..... 2,650,000	Illinois Southern RR..... 160,000
Southern Pacific Lines..... 2,500,000	Belt Ry. of Chicago..... 155,000
Seaboard Air Line Ry..... 2,350,000	Dul. So. Sh. & Atlantic..... 150,000
Delaware & Hudson Co..... 2,000,000	N. Y. Chic. & St. L. RR..... 132,275
Chic. Burl. & Quincy RR..... 1,500,000	Kan. City Mex. & O. Ry..... 120,000
Chic. Ind. & Lou. Ry..... 1,325,000	New Orleans Grt. Nor..... 115,000
Missouri Pacific Ry..... 1,000,000	Chic. & West. Ind. Ry..... 115,000
Hudson & Manhattan RR..... 1,000,000	Washington Brandywine & Pt. Lookout RR..... 50,000
Minneap. & St. L. RR..... 850,000	
St. Louis-San Fran. Lines..... 810,000	

Of the above, all were in the shape of loans to railroad corporations of advances on account of compensation, except \$23,269,000, which was advanced to the Federal Managers for the purpose of meeting operating needs, principally for back wages.

The \$30,777,869 61 deposited with the Director-General between April 1 and July 31 by various railroads from the surplus funds was received from the following railroads:

Atlantic Coast Line.....\$6,000,000 00	Galv. H. & S. A. Ry..... 500,000 00
and Lou. & Nash..... 3,500,000 00	Kansas City Southern..... 500,000 00
Southern Pacific Lines..... 3,500,000 00	Elgin Joliet & Eastern..... 500,000 00
Atch. Topeka & S. P..... 3,000,000 00	Chicago Great Western..... 400,000 00
Denver & R. G. Ry..... 2,150,000 00	Dul. Missabe & Nor..... 400,000 00
Chic. Burl. & Q. RR..... 1,500,000 00	Gen. N. O. & T. P. Ry..... 388,674 54
Norfolk & West. Ry..... 1,500,000 00	Spokane Por. & S. Ry..... 300,000 00
Northern Pacific RR..... 1,500,000 00	Lou. & Texas Cent..... 300,000 00
Hud. & Manh. RR..... 1,100,000 00	Central of Georgia Ry..... 300,000 00
Missouri Pacific RR..... 1,000,000 00	Gulf Coast Lines..... 200,000 00
Colorado & Southern..... 850,000 00	Vick. Shr. & Pacific..... 200,000 00
Illinois Central RR..... 750,000 00	Alabama & Vick. Ry..... 200,000 00
St. Louis-San Fran. Ry..... 750,000 00	International & G. N..... 150,000 00
Pt. Worth & Denv. C..... 700,000 00	N. Y. Ont. & Western..... 150,000 00
Ala. Great South. RR..... 691,195 07	New Orleans & N. E..... 100,000 00
Chicago & N. W. Ry..... 500,000 00	Lou. Hend. & St. L..... 100,000 00
El Paso & S. W. System..... 500,000 00	Duluth & Iron Range..... 100,000 00

In accordance with the provisions of the Director-General's General Order No. 37 issued under date of June 19, the working balances of all railroad companies under Government control are being transferred from the corporate Treasurers to the Federal Treasurers and practically all railroad operating bank accounts will hereafter be kept in the name of the United States Railroad Administration.

The New York "Times" of yesterday (Aug. 2) in referring to delays experienced by the railroads in obtaining funds said:

Bankers interested in the fiscal affairs of the railroads are very much concerned over the delay incident to obtaining funds from the Railroad Administration in Washington. It appears that John Skelton Williams, Comptroller of the Currency, and ex-officio member of the Federal Reserve Board, who has charge of financial matters for the Director-General of Railroads, must pass upon all applications, and in view of his manifold governmental duties has found it impossible to give prompt attention to the requests for funds made by representatives of the various rail carriers.

An instance of the character of the complaints made against Mr. Williams was cited yesterday. On July 15 there matured \$34,000 of 5% equipment trust certificates of the Missouri Kansas & Texas Ry. of Texas, and the receiver was forced to default payment because he had not received the funds from the Railroad Administration, notwithstanding the fact that about a month previous to the due date he had made an application. The notes are still in default. Those in close touch with the railroad situation say that this instance could be multiplied many times, practically every railroad executive who has had to go to Washington for money having his own sad tale of woe.

It was pointed out yesterday that the shopmen of the Minneapolis & St. Louis Railroad went on strike chiefly because the road had not turned over to them the extra compensation due them, the extra pay having been awarded to the employees by action of the Government. The road could not make the distribution because it failed to get prompt action from Mr. Williams, to whom it had applied for funds.

On Sept. 1 there will fall due \$15,000,000 of one-year 5% notes of the Chicago & Western Indiana Railroad, but thus far not a word has been received from Mr. Williams, although the request for an advance of money under the revolving fund was formally filed with him some time ago. In the meantime these notes are selling at a relatively low figure, the investors having to assurance that the obligation will be met.

PRESIDENT'S PROCLAMATION UNDER WHICH CONTROL OF CAPE COD CANAL IS TAKEN OVER BY GOVERNMENT.

The assumption by the Government of control of the Cape Cod Canal, connecting Cape Cod and Buzzards Bay, was announced on July 25 and referred to in our issue of Saturday last. Under the proclamation issued by President Wilson (dated July 22) the Railroad Administration is directed to operate the canal, which is owned by the Boston Cape Cod & New York Canal Co. The canal is seven miles long and has a present depth of 19 feet. The Railroad Administration is said to have announced that dredging of the waterway to a depth of 25 feet would begin immediately, that tonnage facilities would be restored and that within two months water-borne coal destined for New England could be moved through the canal at the rate of ten million tons a year. Announcement was also made that vessels of the Ocean Steamship Co., Clyde Line, Merchants' & Miners' Transportation Co. and Eastern Steamship Co., plying in and out of Boston, would be routed through the canal. It is stated that not only will the canal route protect ships from submarine attacks suffered off the Massachusetts coast, but it will shorten the voyage from southern ports to New England by about one hundred miles and protect shipping from storms which made the lower Massachusetts coast dangerous in the winter season.

The following is the proclamation:

A PROCLAMATION.

Whereas the Congress of the United States, in the exercise of the constitutional authority vested in them, by joint resolution of the Senate and House of Representatives bearing date of April 6 1917, resolved:

"That the state of war between the United States and the Imperial German Government which has been thrust upon the United States is hereby formally declared; and that the President be, and he is hereby, authorized and directed to employ the entire naval and military forces of the United States and the resources of the Government to carry on war against the Imperial German Government; and to bring the conflict to a successful termination all of the resources of the country are hereby pledged by the Congress of the United States;"

And by joint resolution bearing date of Dec. 7 1917, resolved:

"That a state of war is hereby declared to exist between the United States of America and the Imperial and Royal Austro-Hungarian Government; and that the President be, and he is hereby, authorized and directed to employ the entire naval and military forces of the United States and the resources of the Government to carry on a war against the Imperial and Royal Austro-Hungarian Government; and to bring the conflict to a successful termination all the resources of the country are hereby pledged by the Congress of the United States;"

And whereas it is provided by Section 1 of the Act approved Aug. 29 1916, entitled "An Act making appropriations for the support of the army for the fiscal year ending June 30 1917, and for other purposes," as follows:

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

And whereas it has now become necessary in the national defense to take possession and assume control of certain systems of transportation and to utilize the same to the exclusion, as far as may be necessary, of other than war traffic thereon, for the transportation of troops, war material, and equipment therefor, and for other needful and desirable purposes connected with the prosecution of the war:

Now, therefore, I, Woodrow Wilson, President of the United States, under and by virtue of the powers vested in me by the foregoing resolutions and statute, and by virtue of all other powers thereto me enabling, do hereby, through Newton D. Baker, Secretary of War, take possession and assume control at 12:01 a. m. on the 25th day of July 1918 of the following system of transportation and the appurtenances thereof, to wit, the canal and other property of the Boston Cape Cod & New York Canal Co., a corporation organized under the laws of the Commonwealth of Massachusetts, consisting of a ship canal extending from Cape Cod Bay to Buzzards Bay in Massachusetts, with all the appurtenances and equipment of said canal, including all the lands, easements, wharves, docks, buildings, tugs, barges, ships, boats, tackle, appliances, and all other property of whatsoever kind owned, leased, chartered, controlled, or used by the said corporation in the maintenance and operation of said canal or in connection with the towage, pilotage, or anchorage of vessels passing through the same.

To the end that said system of transportation be utilized for the transfer and transportation of troops, war material, and equipment, to the exclusion so far as may be necessary of all other traffic thereon; and that so far as such exclusive use be not necessary or desirable such system of transportation be operated and utilized in the performance of such other services as the national interest may require and of the usual and ordinary operation of the said transportation system.

It is hereby directed that the possession, control, operation and utilization of such transportation system, hereby by me undertaken, shall be exercised by and through William G. McAdoo, who has been duly appointed and designated Director-General of Railroads. Said Director-General may perform the duties imposed upon him, so long and to such extent as he shall determine, through the board of directors, officers and employees of said corporation; or through such other agents or agencies as he may from time to time appoint. Until and except so far as said Director-General shall from time to time by general or special orders otherwise provide, the board of directors, officers and employees of said corporation shall continue the usual and ordinary operation of said transportation system in the name of said corporation.

Until and except so far as said Director-General shall, from time to time otherwise, by general or special orders determine, such system of transportation shall remain subject to all existing statutes of the United States and to all statutes and orders of regulating commissions of the Commonwealth of Massachusetts; but any orders, general or special, hereafter made by said Director-General shall have paramount authority and be obeyed as such.

The Director-General shall, as soon as may be after having assumed such possession and control, enter upon negotiations with the said corporation looking to an agreement for just and reasonable compensation for the possession, use, and control of its property.

Except with the prior written assent of said Director-General, no attachment by mesne process or an execution shall, during Federal control, be levied on or against any of the property of said corporation or used by said transportation system in the maintenance and operation of said canal while under Federal control, but suits may be brought by and against the said corporation and judgments rendered as hitherto until and except so far as said Director-General may, by general or special orders, otherwise determine.

From and after 12:01 a. m. on said 25th day of July 1918, the transportation system included in this order and proclamation shall conclusively be deemed within the possession and control of said Director-General without further act or notice.

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

Done by the President, through Newton D. Baker, Secretary of War, in the District of Columbia this 22d day of July, in the year of our Lord one thousand nine hundred and eighteen, and of the independence of the United States the one hundred and forty-second.

[Seal.]

WOODROW WILSON.

By the President:

FRANK L. POLK,

Acting Secretary of State.

NEWTON D. BAKER,

Secretary of War.

DENIAL THAT UNITED STATES SYMPATHIZES WITH MEXICAN REVOLUTIONS.

In denying reports that the United States Government was assisting revolutionaries in Mexico, Secretary of State Lansing on July 10 telegraphed American Consul Sholes as follows:

You should emphatically deny any statement to the effect that this Government assists, sanctions or sympathizes with any revolutionary movement in Mexico.

Washington dispatches of the same date said:

Secretary Lansing's message to the American Consul at Laredo authorizing him to deny statements that the American Government sympathizes with any revolutionary movement in Mexico resulted from reports spread by revolutionaries that they were supported by the United States.

REPORTS OF AMNESTY FOR GEN. MADERO.

According to press reports from San Antonio July 17 word was received there that amnesty had been granted Ernesto Madero and Pedro Lascuerain by President Carranza of Mexico. We quote further from these accounts as follows:

They were formerly members of the Madero Cabinet, but did not assist Carranza in his fight against Huerta. Since then Ernesto Madero has acted as fiscal agent for Villa in New York and recently was indicted in that city in connection with the bankruptcy of the firm of Madero Bros. Lascuerain was Minister of Foreign Affairs under Madero and was President ad interim until Huerta took office.

CHANGES IN MEXICAN OIL DECREE.

Modifications of the Mexican oil decree of Feb. 19 were officially announced at Mexico City on July 31. The changes, it is reported, were agreed upon at a Cabinet meeting on July 27, after negotiations had been carried on with Nelson Rhoades Jr., and James R. Garfield Jr., representing foreign interests. It was announced on July 30 that all laws and decrees pertaining to oil land leases, from the decree of Feb. 19 to that of July 8, inclusive, would be published by the Mexican Government on Aug. 1, and that these, with the modifications agreed on at the Cabinet meeting, would constitute the new oil lands law, which would become effective on publication. Concerning the modifications, Associated Press dispatches from Mexico City on July 31 say:

Apparently they will not alter the rights of present foreign interests holding oil properties and leases, if certain conditions are complied with regarding perfection of titles to land, leases and contracts.

Lands which have been legally leased and manifested, but not denounced, will be declared free land; if not denounced within two months of a declaration by the owner or lessor who makes the manifestation. Lands legally leased can be denounced by the last concessionaire or by an intermediary, if manifestation previously has been made. Grants of land may be reduced at any time and a new title issued.

Penalties are provided for non-compliance with the new regulations, which are effective from August 1. The tax on a hectare of land is reduced from the five pesos called for in the February decree to three pesos. The Government will accept in payment of title fees and taxes credits which the companies have advanced for the dredging of the Panuco River.

Oil lands are still held to be in the same category as mineral lands, in that the Government retains original title to the subsoil.

PLANS FOR CONVENTION OF AMERICAN BANKERS' ASSOCIATION AT CHICAGO.

An outline of the program for the annual convention of the American Bankers' Association, which is to be held in Chicago the week of Sept. 23, is furnished this week by the Association's Department of Public Relations. In keeping with the times it is announced that the meeting will be a "War Convention." The sessions of the sections and the association will be given up largely to discussion and addresses on the topics of the time. In its announcement the Department adds:

It is a little early yet to announce the speakers for the General Convention, as the list embodies Cabinet officers, representatives of foreign governments, members of the United States Senate and heads of the important departments of the Government. As the convention is still two months off at this writing, tentative promises only can be made; but the members of the Association who will attend this convention can be assured that the speakers from whom final acceptances will be received will be of a character to command the greatest attention.

The program for the week will be in accordance with former ones of national conventions:

Monday Morning, Sept. 23—Committee meetings of the Association and sections.

Monday Afternoon, Sept. 23—Annual meeting of the Executive Council. Tuesday and Wednesday, Sept. 24 and 25—General meetings of the six sections of the Association—Trust Company, Savings Bank, Clearing House, State Secretaries, National Bank and State Bank.

Thursday Morning, Sept. 26—Opening of General Convention. Concert by one of Chicago's famous bands. Invocation. Addresses of welcome by a representative of the State of Illinois and bankers of Chicago. Annual address and response to addresses of welcome by President Hirsch. Annual reports of the Officers. Addresses.

Thursday Afternoon—Addresses. Following these sessions a meeting of the Committee on Nominations.

Friday, Sept. 27—Opening with a brief concert. Addresses. Report of Committee on Nominations.

Friday Afternoon—Addresses. Installation of officers.

In war times it is not consistent to have elaborate entertainments. The bankers of Chicago, however, do not feel that it would be proper to eliminate entirely the entertainment features; but they will be to an extent arranged with a view of giving their guests some war atmosphere. It has been planned, if a proper arrangement can be made, to have the guests make a visit to the Great Lakes Naval Station on Saturday morning, Sept. 28. This is one of the greatest war bases in the country, and will be of unusual interest to those who have not visited any of the great camps. There will probably be a theatrical entertainment on Wednesday and Friday nights of convention week and a suitable entertainment for the ladies on one of the days of the convention at one of Chicago's famous country clubs.

As provided for under the constitution, the new council will meet on Saturday morning.

The Congress Hotel and Annex has been selected as headquarters. It is particularly well adapted for headquarters purposes, having so many large rooms which can be used for the various section meetings and the committee meetings, and for the registration. All of the committee meetings and section meetings will be held at the Congress Hotel and the general sessions of the convention across the street at the Auditorium Theatre.

For hotel reservations communicate at once with John R. Washburn, Chairman of the Hotel Committee, care Continental & Commercial National Bank, Chicago, Ill.

The Chicago bankers never do anything by halves; and all arrangements in their hands will be carried out in the best manner possible. It is predicted that the coming convention will be the largest and most important in the history of the Association.

In accordance with instructions issued by the Administrative Committee at the Hot Springs meeting, the Section Secretaries have outlined and submitted to the Section Presidents for approval the following tentative program:

1. The Federal Reserve System from a general viewpoint.
2. Discussion of membership in the Federal Reserve System, from the viewpoint of a member, by a representative of a bank under State jurisdiction, that is, a member of the system.

3. Discussion of membership in the system from the viewpoint of an eligible non-member, by a representative of a bank under State jurisdiction, that is, an eligible non-member of the system.

4. Discussion of membership in the system, from the viewpoint of an ineligible non-member, by a representative of a bank under State jurisdiction, that is, an ineligible non-member of the system.

5. General discussion—open forum—free for all.

Practical men of wide experience will be selected as speakers for the main topics under consideration.

The committee in charge of arrangements consists of John A. Lynch, Chairman; Nelson N. Lampert, Vice-Chairman; George M. Reynolds, David R. Forgan, F. O. Wetmore, E. A. Hamill, E. D. Hulbert, F. H. Rawson, H. W. Fenton, W. R. Dawes, and Solomon A. Smith. Sub-committees have been appointed with chairmen as follows: Hotels, John R. Washburn; Information, Lucius Teter; Finance and Theatres, F. R. Elliott; Clubs and Invitations, W. T. Fenton; Entertainment, L. A. Goddard; Automobiles, W. H. Davies; Publicity and Program, H. E. Otte; Golf, Albert Seckel; Reception of Speakers, Arthur Reynolds; Reception of Delegates, James B. Forgan.

ITEMS ABOUT BANKS, TRUST COMPANIES, &c.

The sales of bank stock at the Stock Exchange this week aggregate nineteen shares. No bank or trust company stocks were sold at auction. Extensive tables reporting bid and asked quotations, deposits, surplus, &c., of banks and trust companies in all important cities in the United States are published monthly in the "Bank and Quotation" Section, the August issue of which accompanies to-day's "Chronicle." Bid and asked quotations for all New York City bank and trust company stocks are also published weekly in another department of this paper, and will be found to-day on page 491.

Shares.	BANK—New York.	Low.	High.	Close.	Last previous sale.
19	National City Bank	390	400	400	Jan. 1917—520

The French Government has conferred upon Otto H. Kahn of Kuhn, Loeb & Co. the decoration of Chevalier of the Legion of Honor, in recognition of distinguished services by him on behalf of the Allied cause, both before and since America entered the war.

The Corn Exchange Bank of this city will move its branch office at Fifth Avenue and Nineteenth Street to Fifth Avenue and Twentieth Street as soon as alterations at the latter location are completed.

John H. Seed, a director for over thirty years of the Irving National Bank of this city, died on June 28 at Red Bank, N. J., in his seventy-sixth year. Among other enterprises, he was the founder and incorporator of Lloyd's Plate Glass Insurance Co. and a director of the same at the time of his death. Mr. Seed was a member of the Chamber of Commerce of the State of New York.

The Philippine National Bank has opened two new branches in the Philippines, one at Bacolod and the other at Aparri. These new branches bring the total of branches and agencies serving the bank up to forty-seven.

Bradish Johnson, a prominent New York financier, died on July 31. Mr. Johnson was born in New York sixty-seven years ago and had resided here all his life. Besides being President of the Estate of Bradish Johnson, Mr. Johnson was a director of the Equitable Trust Co., Greenwich Savings Bank, American Cotton Oil Co., Equitable Life Assurance Society and the Commonwealth Insurance Co.

Earl D. Babst has been elected a director of the Mercantile Trust & Deposit Co. of this city. Mr. Babst is President of the American Sugar Refining Co.

A few copies of the book "Internal War Loans of Belligerent Countries," recently issued by the National City Company of this city, are available to the officer of any bank who asks for "C. R. 88." This book contains a careful analysis of the financial status of the different nations and minutely describes each issue of securities which these nations have floated, internally, since the war began.

Herbert W. Goodall of the banking firm of Goodall, Wister & Co., Philadelphia, has been elected Vice-President and a director of the Guarantee Trust & Safe Deposit Co. of that city. Mr. Goodall assumed his new office Aug. 1.

Frank V. Baldwin, President of the Hudson Trust Co., Broadway and 39th Street, this city, is the proud father of four sons serving actively with the armed forces of the United States. The eldest, Robert M. Baldwin, was assistant to the National Bank Examiner of New York before he joined Co. K, 321st Infantry, of the 81st Division, now at Camp Upton; Frank V. Baldwin Jr. is with Co. D, 102nd Ammunition Train, Transportation Service, 27th Division, now in France; William Lee Baldwin, formerly in the private office of J. B. Duke, 511 5th Avenue, this city, is with Co. L, 51st Pioneer Infantry, unattached; the youngest son, Julian Edward Baldwin, is with the 230th Company of the U. S. Marines, and now at Paris Island, S. C. Frank V. Baldwin Jr. before he enlisted was with the safe deposit department of the 5th Avenue Branch of the Metropolitan Trust Co. William Lee Baldwin will soon be on his way to France, and Robert Maurice Baldwin expects to embark any day for foreign service.

The Guaranty Trust Co. of New York has just issued two publications of interest and value to business men. One of the booklets, "Federal Tax on Undistributed Net Income of Corporations," contains a summary of important rulings of the Treasury Department, and also the section of the law applying to this tax. Every corporation subject to the Federal income tax is required to file a return for the purpose of the assessment of the tax on undistributed net income. The second booklet, "Capital Issues Committee Rules and Regulations," gives the rules and regulations of the committee in full. Another booklet, published a short time ago by the Guaranty Trust Co. under the title "War Finance Corporation Act," gives a synopsis and the complete text of the Act of April 5 1918 creating the War Finance Corporation and the Capital Issues Committee.

The Governing Committee of the New York Stock Exchange approved on July 24 the application made by the Continental Bank of New York for the listing of \$779,000 par value (of an authorized issue of \$1,000,000), consisting of 7,790 shares of the par value of \$100 each, with authority to add \$221,000 par value, consisting of 2,210 shares of the par value of \$100 each, on official notice of issuance in exchange for outstanding stock of the German-American Bank, New York, making the total \$1,000,000. As we have heretofore noted, the stockholders of the German-American Bank on April 29 ratified the proposal to increase the capital from \$750,000 in \$75 shares to \$1,000,000 in \$100 shares. The change in the name of the institution to the Continental Bank of New York went into effect June 1.

Wm. Morris Imbrie & Co. (established 1882) announced on July 31 that their business would hereafter be conducted under the name of Imbrie & Co., without change in the membership of the firm, and that commercial banking, authorized and supervised by the Banking Department of the State of New York, has been added to their activities. Imbrie & Co. have offices at 61 Broadway, New York, and 208 South La Salle St., Chicago.

George M. La Monte was named a director of the Prudential Insurance Co. of America at Newark, N. J., for a term of three years, starting Aug. 7, by Chancellor Walker on July 23, upon a petition presented by Richard V. Lindabury, General Counsel for the Prudential, with Louis S. Plant of Newark, a policy holder, figuring as petitioner. Mr. La Monte, who succeeds the late Col. Edwin A. Stevens of Hoboken, N. J., was until recently Commissioner of Banking and Insurance of New Jersey.

John J. Walsh was elected President of the Yonkers Trust Co. of Yonkers, N. Y., at a recent meeting of the board of directors of the institution. Mr. Walsh succeeds Robert Boettger, who has enlisted in the United States Army. Joseph Hackett was elected Secretary of the company, succeeding Thomas Brown.

Jay S. Perkins and Moses Taylor Pyne Jr. have been elected directors of the Commercial Trust Co. of New Jersey. Mr. Perkins is Secretary and Treasurer of the institution.

Spencer Borden Jr. has been elected a director of the National Shawmut Bank of Boston, succeeding Ronald T. Lyman, who resigned to enter the service of the Government. Mr. Borden is Treasurer of the Fall River Bleachery.

A. H. Garside, who has been textile editor of the New Bedford "Standard" for the past six years, has been appointed Secretary of the Industrial Service Department of the Merchants' National Bank of Boston.

An important event in Philadelphia banking circles will shortly take place if present plans looking to the taking over of the business of the Farmers' & Mechanics' National Bank of Philadelphia by the Philadelphia National Bank are carried out. A circular issued by the former on July 30 calling a special meeting of its stockholders for Aug. 30 next to act on the proposal says:

The Philadelphia National Bank is desirous of buying the business of the Farmers' & Mechanics' National Bank and has made an offer to purchase our promissory and demand notes, our bonds and short time securities and our bank building and good-will.

Our President will become a Vice-President of the Philadelphia National Bank, and Mr. Schlagle, our Cashier, and Mr. Millett, our Assistant Cashier, will become Assistant Cashiers of that bank.

The offer contemplates that our stockholders will vote our bank into voluntary liquidation.

Our directors have adopted a resolution that it was the sense of the board that the offer should be accepted and recommending it to our stockholders, and if the bank be voted into liquidation that your President should act as liquidating agent and liquidate all the assets of the bank not sold to the Philadelphia National Bank and account for the proceeds thereof to our stockholders.

While it is not possible to state with certainty what the proposed plan will realize for our stockholders, it will probably be under present conditions in excess of \$180 per share.

In accordance with this recommendation a special meeting of the stockholders of the Farmers' & Mechanics' National Bank will be held on the 30th day of August, 1918, at 12 o'clock noon, at our bank building for the purpose of approving or disapproving of this offer, which will, of course, be subject to the approval of the Comptroller of the Currency.

At the special meeting of the stockholders of the Philadelphia National Bank on July 12 (announcement of which was made in our issue of June 15) the recommendation of the directors to double the capital stock of the institution, raising it from \$1,500,000 to \$3,000,000, was ratified, to be effective Aug. 1. At the same meeting it was decided to offer the \$1,500,000 of new stock (15,000 shares) to stockholders of record at the close of business on that day (July 12) at \$200 per share, payable Aug. 1 1918. The last recorded sale of Philadelphia National Bank stock was at 45¢. According to pre-arranged plans (also referred to in our June 15 issue), the directors of the bank on July 23 declared an interim dividend of 4% payable Aug. 1, to equalize the dividend disbursement upon the present and new stock, and, we understand, it is the intention of the directors to declare a second 4% dividend, payable Nov. 1 on both the present and new stock; thereafter dividends to be paid semi-annually as heretofore on May 1 and Nov. 1 at the rate of 16% per annum.

On Aug. 1, when full effect was given to the new capital of the Philadelphia National, its capital became \$3,000,000 and the surplus \$7,000,000.

At a regular meeting of the directors of the Kensington National Bank of Philadelphia held on July 31 G. C. Tuft was appointed an Assistant Cashier.

A. Raymond Bishop, heretofore Paying Teller at the Broad Street Branch of the Philadelphia Trust Co., Philadelphia, has been elected Assistant Treasurer of the institution to succeed Arthur Haines, who has resigned in order to accept a position with the Guaranty Trust Co. of New York. Mr. Haines is to be stationed at the Philadelphia branch of the company.

Several changes have recently occurred in the official staff of the Merchants-Mechanics First National Bank of Baltimore. John B. H. Dunn, formerly Cashier, has been made Vice-President; Samuel W. Tschudi, formerly Assistant Cashier, has become Cashier; and John T. Flynn has been made Assistant Cashier. Since the absence of President Douglas H. Thomas on account of sickness, the greater part of the official business has been carried on by Vice-President H. B. Wilcox and John B. Ramsay, Chairman of the board. The election of Mr. Dunn as Vice-President was decided upon for the purpose of relieving these officials. The present officers of the bank are:

- Douglas H. Thomas, President.
- John B. Ramsay, Vice-President and Chairman of the Board.
- Henry B. Wilcox, Vice-President.
- John B. H. Dunn, Vice-President.
- Samuel W. Tschudi, Cashier.
- J. Cleveland Wands, Chas. Hann, John T. Flynn, Assistant Cashiers.

Evan Randolph, Vice-President of the Girard National Bank of Philadelphia, has been elected Cashier pro tem of the institution during the absence of Charles M. Ashton,

who resigned recently in order to engage in Y. M. C. A. work with the American forces in France. Mr. Randolph will continue to perform the duties of Vice-President. David Myers and Walter P. French have been appointed Assistant Cashiers.

The Cosmopolitan Bank & Savings Co. of Cincinnati, Ohio, has leased the north half of the Traction Building, Fifth and Walnut streets. The space is 53 x 54 feet, covering like space in basement, ground floor and second floor. E. Jackson Casse, of the A. H. Andrews Co., Chicago, is the directing engineer. The basement will contain two massive vaults, coupon and committee rooms. The ground floor will be for the public banking space and officers, while the second floor will be for the directors' room and clerical force. This location is one of the most central in the city. At present the capital and surplus is \$390,000; deposits, \$3,200,000. Active officers are: Edward F. Romer, President; John H. Meiners, Secretary and Treasurer; Elmer J. Johannigman, Assistant Secretary and Treasurer.

The change in the name of the German-American Savings Bank Co. of Cleveland, Ohio, to the American Savings Bank Co. became effective July 11. Mention of the proposed change was made in these columns May 18.

Ohio State Superintendent of Banks, Philip C. Berg, has made application to the Common Pleas Court of Harrison County to pay the final dividend to the creditors of the Bank of Freeport, Freeport, Ohio. The final dividend of five and eight-tenths per cent, the checks for which are now being prepared by the Department, will be ready for distribution, Superintendent Berg announces immediately. This dividend makes a total paid to the depositors of 55.8%. A statement, issued by the Superintendent, says:

The Bank of Freeport, formerly known as Thomas Green & Co., was a private bank, located at Freeport, Ohio. It was organized in 1895 by Julius M. Schreiber, J. F. McMath and Robert Stewart, and had, when it was closed May 18 1914, a paid-in capital and surplus of \$27,468 15. The daily statement, at the time of closing, showed liabilities of \$194,899 16.

The heaviest loss sustained by the depositors occurred in reducing the loans and discounts and overdrafts to liquid form. The loss on loans was \$71,263 40 and on overdrafts \$24,964 92, or over 50% of the total assets. This loss, however, was offset to some extent by enforcing the individual liability of the owners.

Dividends to the amount of \$82,722 have been paid, yet the loss to depositors will amount to over \$65,000.

Superintendent Berg said, at the time of paying this dividend, additional dividends will be paid in the liquidation of the German-American Commercial & Savings Bank of Cincinnati, Ohio, and the Putnam County Banking Co. of Ottawa, Ohio. This is the second dividend to be paid in the German-American Commercial & Savings Bank since it was taken over for liquidation and the second to be distributed in the Putnam County Banking Co. during the year. It was not thought possible to pay another dividend in the Putnam County Banking Co. until the final adjustment of the stockholders' liability, but the collections recently made on the remaining apparently worthless assets were much greater than anticipated, and authority was asked of the court to make another distribution at this time.

Virgil McClure Harris, until recently Trust Officer of the Mercantile Trust Co. of St. Louis, and serving in that capacity for the past seventeen years, has been elected head of the new Trust Department which the National Bank of Commerce is about to open in the Post-Dispatch Building, which adjoins the National Bank of Commerce Building, and which that institution has just had remodeled and converted into an annex to its main establishment.

Newton F. Hawley, Treasurer and Managing Executive of the Farmers & Mechanics Savings Bank of Minneapolis, died on July 16, aged 58 years. Mr. Hawley was born in Springdale, Iowa. In 1884 he was admitted to the Minnesota bar and practiced law for 22 years. In 1906 he was elected Treasurer and Managing officer of the Farmers & Mechanics Savings Bank, the position he held at the time of his death. He served on the Minneapolis Board of Education from 1898-1904; was City Charter Commissioner 1898, 1906 and 1908; and served on the Minneapolis Pure Water Commission in 1909. He was also formerly President of the Savings Bank Section of the American Bankers' Association.

On July 9 arrangements were completed between the State Exchange Bank of Oklahoma City, Okla. (capital

\$100,000) and a projected trust company (still unnamed) of that place (capital \$250,000) under which the two institutions will be amalgamated in so far as administrative operations are concerned. The offices of the new trust company, we understand, are to be located in a building adjoining that occupied by the State Exchange Bank and the capital of the latter institution increased to \$250,000. The officers are to be Hugh M. Johnson, President; J. W. Teter, 1st Vice-President; W. C. Greening, 2nd Vice-President; and T. G. Taylor, Cashier. Mr. Greening and Mr. Taylor were heretofore President and Cashier, respectively, of the State Exchange Bank. The amalgamation may possibly take place within 30 days.

At the annual meeting of the stockholders of the Security Savings Bank of San Francisco on July 8, S. I. Abbot, formerly Vice-President and Treasurer of the institution, was elected President to succeed the late William Babeock, and John F. Brooke was elected Vice-President and Treasurer in lieu of Mr. Abbot. At the same time, Edward D. Oakley was re-elected Secretary. The capital of the Security Savings Bank is \$500,000, with surplus of \$415,402.

Harry Choynski, Vice-President and Manager of the Foreign Exchange Department of the Anglo & London-Paris National Bank of San Francisco, has petitioned the Superior Court of California for permission to change his surname from Choynski to Coe. Mr. Choynski is quoted as saying that the change would simplify matters for himself and those who have been puzzled by the combination of syllables in his name as now spelled.

The Comptroller of the Currency has given his approval to the doubling of the capital of the Northwestern National Bank of Portland, Oregon, thereby raising it from \$500,000 to \$1,000,000.

An increase of \$100,000 in the capital of the First National Bank of Seattle, Wash., raising it from \$400,000 to \$500,000, has been approved by the Comptroller of the Currency.

On July 24 Sir Edmund Walker, President of the Canadian Bank of Commerce at Toronto, celebrated a half century of his connection with the institution. On that date, fifty years ago, Sir Edmund began his banking career as discount clerk in the Hamilton branch of the bank; in 1872 he was made accountant in the head office at Toronto; the following year (1873) he became the 3rd agent of the bank at New York; in 1875 manager of the Windsor, Ont., branch; 1878 manager of the London, Ont., branch; 1879 bank inspector; 1880 manager of the Hamilton, Ont., branch; 1881 New York agent; 1886 General Manager and finally in 1907 President and Chief Executive Officer. In 1915 Sir Edmund resigned as Chief Executive Officer, but retained the Presidency. On the date of his anniversary the directors of the Canadian Bank of Commerce gave a dinner at Toronto in honor of Sir Edmund Walker. The guests included the Lieutenant-Governor of Ontario and many of the leading men from all parts of the Dominion.

Coincident with the jubilee of the President of the institution, the Canadian Bank of Commerce has put into circulation a new issue of notes in denominations of \$5 and \$10 (the notes of other denominations not having as yet been engraved, we understand, but to appear gradually during the next two or three years) which are a distinct departure so far as the engraving is concerned from the ordinary bank note. The bank desired to have designs which were distinctly its own property and readily distinguishable from one another. On the face of the \$5 note the main feature is a group in the centre consisting of Mercury holding the caduceus supported on the left by a goddess representing architecture and on the right by another goddess representing invention, the latter holding in her hand the model of a flying machine. The whole surrounded by a frame of immortelles, fruit and vines. The back of all the notes in the series are the same, consisting of a central group of Mercury and Ceres (representing the guardians of industry and agriculture) holding the British Crown over the seal of the bank and surrounded by a frame of immortelles and other symbolic figures.

The condensed statement of the Royal Bank of Canada for the month of June (the last in its present form since the merger of the Northern Crown Bank with the Royal Bank

went into effect on July 2 and to which we referred in these columns on July 20) shows an increase of about \$3,750,000 in deposits for the month, bringing them up to a new high record of \$284,478,522, and gives the net increase in deposits at the end of June, as compared with November last, when the fiscal year closed, as approximately \$32,000,000. Loans and discounts, the report states, increased \$2,500,000 and now stand at \$167,126,730, the highest amount, we understand, ever reported by the Royal Bank under this heading, and total assets crossed the \$350,000,000 mark for the first time. Changes in the amounts of other items are comparatively slight, with the exception of circulation which was increased about \$2,000,000.

THE ENGLISH GOLD AND SILVER MARKETS.

We reprint the following from the weekly circular of Samuel Montagu & Co. of London, written under date of July 11 1918:

GOLD.

The Bank of England gold reserve against its note issue shows an increase of £637,075 as compared with last week's return. The amount of gold held in Legations abroad by the Argentine Caisse de Conversion on March 31 last is considerably larger than that thus held on the same date in 1917. Particulars are appended:

	March 31 1917.	March 31 1918.
Total gold reserve.....	\$316,844,746 16	\$358,013,509 02
Of which was held abroad.....	55,254,373 62	96,415,414 00
Total paper issue.....	1,013,110,927 93	1,106,685,298 00

CURRENCY.

The cult of notes in low denominations continues to spread. It is reported from Egypt that the shortage of silver coin in that country, notwithstanding that the circulation has been increased by nearly 200%—namely, from two and a half million to seven million pounds nominal value—is impelling an issue of 10-plastre notes. The lowest denomination hitherto has been notes of 25 piastres.

SILVER.

The tone continues good, but no change has taken place in the price. The Shanghai exchange has hardened to 4s. 9d., and it is reported that purchases on account of China have been made in the United States of America. Indian exports of silver during the financial year 1916-17, according to the Official Report, showed a substantial increase on private as well as on Government account, mainly owing to larger exports of rupees to Mesopotamia, East Africa, the Bahrein Islands, and Ceylon, and of piastres, coined in the Bombay Mint, to Egypt.

The stock in Shanghai on the 6th inst. consisted of about 27,100,000 ounces in sycee and 15,200,000 dollars, as compared with about 27,450,000 ounces in sycee and 14,700,000 dollars on the 29th of June last.

Cash quotations for bar silver per ounce standard:

July 5.....	d. 48 13-16	July 11.....	d. 48 13-16
" 6.....	48 13-16	Average.....	48 812
" 8.....	48 13-16		
" 9.....	48 13-16	Bank rate.....	5%
" 10.....	48 13-16	Bar gold per ounce standard.....	77s. 9d.

No quotation fixed for forward delivery. The quotation to-day for cash delivery is the same as that fixed a week ago.

We have also received this week the circular written under date of July 4 1918:

GOLD.

The Bank of England gold reserve against its note issue shows an increase of £121,875 as compared with last week's return. The West African gold output for May 1918 amounted to £126,290 as compared with £121,104 for May 1917 and £117,520 for April 1918. The shrinkage during the first five months of 1918 as compared with the similar period in 1917 was £63,070, or nearly 10%.

SILVER.

The tone of the market is still good. Owing to the easier tendency of insurance rates on shipments from America (though not quotably lower), the price receded on July 2 1-16th of a penny to 48 13-16d., after remaining at 48 3/4d. since May 13, a period of forty successive working days. This constitutes a record duration for any price, at least within recent generations. No alteration has taken place in the Shanghai exchange. It is reported that a price of 35.73 cents per rupee has been fixed officially in America for telegraphic transfers on India.

Indian Currency Returns.

(In Lacs of Rupees.)	June 15.	June 22.	June 30.
Notes in circulation.....	113.32	113.51	114.79
Reserve in silver coin and bullion (within and without India).....	14.99	14.51	14.95
Gold coin and bullion in India.....	19.10	21.31	21.00
Gold out of India.....	2.70	45	45

No further news has been received as to the stock in Shanghai. Cash quotations for silver per ounce standard:

June 28.....	d. 48 1/2	July 4.....	d. 48 13-16
" 29.....	48 1/2	Average.....	48 837
July 2.....	48 13-16	Bank rate.....	5%
" 3.....	48 13-16	Bar gold per oz. standard.....	77s. 9d.

No quotation fixed for forward delivery. The quotations to-day for cash delivery is 1-16d. below that fixed a week ago.

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:

London,	July 27,	July 29,	July 30,	July 31,	Aug. 1,	Aug. 2.
Week ending Aug. 2.	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
Silver, per oz.....	d. 48 13-16	48 13-16	48 13-16	48 13-16	48 13-16	48 13-16
Consols, 2 1/2 per cents.....	Holiday	56 1/4	56 1/4	56 1/4	56 1/4	56 1/4
British 5 per cents.....	Holiday	94 1/4	94 1/4	94 1/4	94 1/4	94 1/4
British 4 1/2 per cents.....	Holiday	100 1/4	100 1/4	100 1/4	100	100
French Rentes (in Paris).....	fr. Closed	61.85	61.85	61.85	61.85	61.85
French War Loan (in Paris).....	fr. Closed	88.70	88.70	88.75		

The price of silver in New York on the same days has been:

Silver in N. Y., per oz.....	cts. 199 1/4	99 1/2	99 1/2	99 1/2	99 1/2	99 1/2
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Commercial and Miscellaneous News

Breadstuffs figures brought from page 523.—The statements 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—	Four.	Wheat.	Corn.	Oats.	Barley.	Rye.
	bbls. 196 lbs.	bush. 60 lbs.	bush. 56 lbs.	bush. 32 lbs.	bush. 48 lbs.	bush. 50 lbs.
Chicago	99,000	3,120,000	2,599,000	2,878,000	93,000	73,000
Minneapolis	367,000	161,000	362,000	478,000	17,000	—
Duluth	1,000	—	6,000	—	—	—
Milwaukee	6,000	56,000	261,000	811,000	29,000	3,000
Detroit	—	52,000	61,000	57,000	—	—
Toledo	—	517,000	125,000	75,000	3,000	—
Cleveland	8,000	65,000	33,000	95,000	—	—
St. Louis	57,000	2,764,000	217,000	757,000	—	5,000
Peoria	28,000	180,000	376,000	267,000	13,000	4,000
Kansas City	—	3,755,000	431,000	263,000	—	—
Omaha	—	1,177,000	959,000	334,000	—	—
Total wk. '18	198,000	12,116,000	5,160,000	5,906,000	616,000	102,000
Same wk. '17	192,000	3,381,000	3,191,000	3,634,000	409,000	56,000
Same wk. '16	340,000	11,266,600	4,867,000	5,695,000	1,783,000	160,000

Since Aug. 1—	1917-18	1916-17	1915-16			
	15,455,000	192,898,000	250,949,000	226,491,000	53,599,000	23,326,000
	18,496,000	332,846,000	518,827,000	271,786,000	84,026,000	22,329,000
	20,347,000	513,234,000	231,127,000	223,414,000	116,958,000	22,592,000

Total receipts of flour and grain at the seaboard ports for the week ended July 27 1918 follow:

Receipts at—	Four.	Wheat.	Corn.	Oats.	Barley.	Rye.
	Barrels.	Bushels.	Bushels.	Bushels.	Bushels.	Bushels.
New York	143,000	84,000	141,000	580,000	83,000	1,000
Philadelphia	38,000	390,000	7,000	105,000	—	1,000
Baltimore	91,000	449,000	32,000	125,000	3,000	4,000
New Orleans*	60,000	11,000	39,000	43,000	—	—
Montreal	191,000	198,000	2,000	506,000	1,000	—
Boston	29,000	—	4,500	161,000	—	1,000
Total wk. '18	552,000	1,082,000	225,000	1,520,000	87,000	7,000
Same wk. '17	15,065,000	16,973,000	14,413,000	63,694,000	7,410,000	2,868,000
Week 1917	312,000	1,600,000	1,937,000	1,785,000	311,900	11,000
Since Jan. 1 '17	12,879,000	139,941,000	42,411,000	86,645,000	10,538,000	6,546,000

* 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 July 27 are shown in the annexed statement:

	Wheat.	Corn.	Flour.	Oats.	Rye.	Barley.	Pearl.
	Bushels.	Bushels.	Barrels.	Bushels.	Bushels.	Bushels.	Bushels.
New York	—	—	156,244	123,686	75,027	212,905	23,997
Boston	—	—	—	45,000	—	—	—
Baltimore	—	—	—	501,332	—	—	—
Total week	—	—	156,244	670,020	75,027	212,905	23,997
Week 1917	1,166,558	902,098	23,368	2,265,687	—	—	—

The destination of these exports for the week and since July 1 1918 is as below:

Exports for Week, and Since July 1 to—	Flour.		Wheat.		Corn.	
	Week July 27	Since July 1	Week July 27	Since July 1	Week July 27	Since July 1
United Kingdom	18,902	101,439	—	—	28,545	—
Continent	137,842	412,169	—	—	536,612	—
So. & Cent. Amer.	—	5,254	—	—	1,200	—
West Indies	—	20,795	—	—	7,792	—
Brit. No. Am. Colon.	—	—	—	—	—	1,640
Other Countries	—	4,775	—	—	—	—
Total	156,244	544,602	—	—	28,545	772,910
Total 1917	23,368	486,982	1,166,558	9,303,035	902,098	2,016,353

The world's shipments of wheat and corn for hte week ending July 27 1918 and since July 1 1918 and 1917 are shown in the following:

Exports.	Wheat.		Corn.	
	1918.	a1917.	1918.	a1917.
	Week July 27	Since July 1	Week July 27	Since July 1
North Amer*	3,949,000	11,336,000	29,245,000	613,000
Russia	—	—	613,000	2,427,000
Danube	—	—	—	—
Argentina	7,567,000	20,582,000	1,216,000	—
Australia	860,000	3,200,000	5,584,000	—
India	340,000	1,160,000	2,602,000	—
Oth. countr's	30,000	152,000	104,000	132,000
Total	12,746,000	36,430,000	38,751,000	2,559,000

* 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:

Date	Wheat.			Corn.		
	United Kingdom.	Continent.	Total.	United Kingdom.	Continent.	Total.
July 27 1918.	Not avail	able	—	—	—	—
July 20 1918.	Not avail	able	—	—	—	—
July 23 1917.	Not avail	able	—	—	—	—
July 29 1916.	—	—	48,536,000	—	—	16,397,000

The visible supply of grain, comprising the stocks in granary at principal points of accumulation at lake and seaboard ports July 27 1918 was as follows:

United States—	GRAIN STOCKS.				
	Wheat. bush.	Corn. bush.	Oats. bush.	Rye. bush.	Barley. bush.
New York	14,000	300,000	1,675,000	16,000	227,000
Boston	—	70,000	386,000	1,000	40,000
Philadelphia	420,000	136,000	348,000	—	98,000
Baltimore	545,000	194,000	1,204,000	21,000	—
Newport News	—	—	687,000	—	—
New Orleans	289,000	71,000	437,000	—	—
Galveston	4,000	—	1,000	—	—
Buffalo	230,000	823,000	573,000	14,000	65,000
Toledo	343,000	90,000	175,000	58,000	127,000
Detroit	24,000	57,000	95,000	16,000	—
Chicago	1,358,000	4,707,000	1,546,000	411,000	171,000
" afloat	—	—	312,000	—	—
Milwaukee	3,000	408,000	263,000	4,000	27,000
Duluth	6,000	—	1,000	1,000	28,000
Minneapolis	36,000	136,000	492,000	10,000	500,000
St. Louis	1,414,000	297,000	182,000	3,000	—
Kansas City	2,012,000	903,000	293,000	11,000	—
Peoria	305,000	82,000	—	—	—
Indianapolis	190,000	889,000	98,000	1,000	—
Omaha	690,000	601,000	608,000	4,000	19,000
On Lakes	584,000	135,000	84,000	—	—
On Canal and River	3,000	—	25,000	—	—
Total July 27 1918	8,169,000	10,092,000	9,557,000	571,000	1,302,000
Total July 20 1918	8,674,000	10,023,000	10,203,000	687,000	1,419,000
Total July 23 1917	6,889,000	3,144,000	8,207,000	461,000	1,475,000
Total July 29 1916	40,889,000	5,167,000	8,537,000	350,000	1,641,000

Note.—Bonded grain not included above: Oats, 4,000 New York; total, 4,000 bushels, against 2,960,000 in 1917; and barley, 7,000 Duluth; total, 7,000, against 498,000 in 1917.

Canadian—	Wheat.	Corn.	Oats.	Rye.	Barley.
Montreal	2,460,000	112,000	1,723,000	—	619,000
St. William & Pt. Arthur	7,000	—	4,382,000	—	—
Other Canadian	873,000	—	2,995,000	—	—

Total July 27 1918	Wheat.	Corn.	Oats.	Rye.	Barley.
	3,349,000	112,000	9,100,000	—	619,000
Total July 20 1918	3,846,000	120,000	8,523,000	—	1,170,000
Total July 28 1917	10,826,000	63,000	12,708,000	—	183,000
Total July 29 1916	17,961,000	584,000	12,812,000	—	214,000

American	Wheat.	Corn.	Oats.	Rye.	Barley.
	8,169,000	10,092,000	9,557,000	571,000	1,302,000
Canadian	3,349,000	112,000	9,100,000	—	619,000

Total July 27 1918	Wheat.	Corn.	Oats.	Rye.	Barley.
	11,518,000	10,204,000	18,657,000	571,000	1,921,000
Total July 20 1918	7,420,000	10,143,000	15,726,000	687,000	2,589,000
Total July 28 1917	17,715,000	3,207,000	20,975,000	625,000	1,658,000
Total July 29 1916	68,850,000	5,751,000	21,349,000	394,000	1,855,000

Auction Sales.—Among other securities, the following not usually dealt in at the Stock Exchange were recently sold at auction in New York, Boston and Philadelphia:

Shares. Stocks.	Shares. Stocks.
4 Matheson Automob., 1st pref. \$13	380 Nat. Oil Co. of Mex., \$5 each \$110 lot
1 Matheson Automob., com.	
3 Yellow Taxicab, pref.	
3 Berkshire Motor Co., pref., \$10 each	
6 Royal Tourist Car, pref.	\$20,000 The Cross Country R.R. 1st 4s, 1951; Jan. 1902 coupons on \$105 lot
10.90 Premier Motor Mfg., 2d ser. pref.	
\$10 John C. Barlow & Paul R. Chubbuck 6% bond	

By Messrs. R. L. Day & Co., Boston:	Shares. Stocks.	\$ per sh.
5 First National Bank	425	—
3 Nat. Rockland Bank, Roxbury	310	—
4 First Nat. Bank, New Bedford	144 1/2	—
5 City Mfg. Corp., ex-div.	158	—
2 Granite Mills, ex-div.	130	—
3 Potomack Mills	140 1/2	—
25 Pocasset Mfg., F. R.	120	—
5 Wamsutta Mills	128 1/2	—
11 Kilburn Mills	152	—
7 Whitman Mills, div. 90	143 1/2	—
5 American Mfg., common	143 1/2	—
25 Pemberton Co., ex-div.	30	—
12 Soule Mills	105 1/2	—
1 Lowell Bleachery	125	—

By Messrs. Millett, Roe & Hagen, Boston:	Shares. Stocks.	\$ per sh.
1 Federal Trust	225	86
45 Lawrence Mfg.	138 1/2	—
31 Poppersall Mfg., ex-div.	193 1/2	193 1/2
10 Edwards Mfg., ex-div.	78	—
10 U. S. Worsted, 1st pref.	100	—
5 Hamilton Mfg.	108	—
5 Boston Woven Hose & Rubber, pref.	12 1/2	—

By Messrs. Barnes & Lofland, Philadelphia:	Shares. Stocks.	\$ per sh.
6 Guaranty Trust & S. D.	120	—
5 Phila. Warehousing & C. S.	87	—
5 Nat'l Security Bank	442	—
20 Holmesburg Trust, \$50 each.	62 1/2	—
15 Phila. Nat. Bank	320	—
9 Southern Transportation, pref.	86	—
100 Nipissing Mines Co., Ltd.	8 1/2	—
5 Herring-Hall-Marvin Safe	8	—
2 Land Title & Trust	489 1/2	—
1 Farmers' & Mech. Nat. Bank	172	—
5 Northern Nat. Bank	200	—
50 Rights to subscribe to Phila. Nat. Bank @ \$200	120	—
10 Textile Nat. Bank	115 1/2	—
1 Philadelphia Trust	825	—
5 Fire Assoc. of Phila., \$50 each.	301-301 1/2	—

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

For organization of National Banks:	Capital.
The Twin Falls National Bank, Twin Falls, Idaho	\$150,000
The Farmers & Merchants National Bank of Clarkfield, Minn.	25,000
For conversion of State Banks:	
The Beach National Bank, Beach, N. D.	50,000
The First National Bank of Alexander, N. D.	25,000
The First National Bank of Haviland, Kans.	50,000
Total	\$300,000

INCREASES OF CAPITAL APPROVED.

Table with 2 columns: Description of bank and capital increase amount. Includes Northwestern National Bank of Portland, Ore. and The First National Bank of Seattle, Wash.

CHARTERS EXTENDED.

The Lincoln County National Bank of Stanford, Ky. Charter extended until close of business July 29 1938. The Herkimer National Bank, Herkimer, N. Y. Charter extended until close of business July 29 1938.

Canadian Bank Clearings.—The clearings for the week ending July 25 at Canadian cities, in comparison with the same week in 1917, show an increase in the aggregate of 4.4%.

Table showing Canadian Bank Clearings for the week ending July 25, comparing 1918, 1917, and 1915. Columns include City, 1918, 1917, Inc. or Dec., 1916, and 1915.

DIVIDENDS.

The following shows all the dividends announced for the future by large or important corporations.

Dividends announced this week are printed in italics.

Large table listing dividends for various companies, including Railroads (Steam), Street & Electric Railways, Banks, and Miscellaneous. Columns include Name of Company, Per Cent., When Payable, and Books Closed.

Large table listing dividends for various companies, including Miscellaneous (Concluded), Consumers Co., Continental Paper Bag, etc. Columns include Name of Company, Per Cent., When Payable, and Books Closed.

* 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. ††† On account of accumulated dividends. †††† Payable in Liberty Loan bonds. ††††† Red Cross dividend. †††††† Payable in Third U. S. Liberty Loan 4 1/2 % bonds.

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 July 27. 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. Definitions of the different items contained in the statement were given in the weekly statement issued under date of Dec. 14 1917 and which was published in the "Chronicle" of Dec. 29 1917, page 2523.

STATEMENT SHOWING PRINCIPAL RESOURCE AND LIABILITY ITEMS OF MEMBER BANKS LOCATED IN CENTRAL RESERVE AND OTHER SELECTED CITIES AS AT CLOSE OF BUSINESS JULY 19 1918.

¹ Large reductions in the holdings of Treasury Certificates following the redemption by the Government on July 18 of the balance of the April 22 certificate issue, accompanied by slightly larger withdrawals of Government deposits are indicated by the weekly statement of condition on July 19 of 717 member banks in leading cities. Figures for the Dallas district for the latter date were not available and July 12 figures had therefore to be reported in the consolidated statement.

U. S. bonds, other than circulation bonds, on hand increased 33.9 millions, apparently as the result of the 35% installment payment due on July 18. Treasury Certificates fell off 205.4 millions, over 150 millions, representing the decrease for the central reserve city banks. Loans secured by United States war obligations show a decrease for the week of 11.2 millions, while other loans and investments increased by 21.8 millions. For all reporting banks the ratio of United States war obligations and loans secured by such obligations to total loans and investments works out at 12.9%, as against 14.2% the week before. For the central reserve city banks a decline of this ratio from 16.3 to 14% is noted.

Government deposits decreased during the week about 213 millions, of which 159.3 millions represent net withdrawals of Government funds from central reserve city banks. Net demand deposits of all reporting banks fell off 109.7 millions, the decrease for the banks in the central reserve cities being 80.8 millions. But slight decreases are shown for time deposits. Total reserves increased 19.4 millions, gains being confined to banks outside Greater New York. Cash in vault shows a loss of 7.1 millions.

Owing to the relatively larger decline in deposits, the ratio of investments to deposits of all reporting banks shows a rise from 122.3 to 124.7%. For the central reserve city banks a rise of this ratio from 113.3 to 114.8% is noted. The ratio of combined reserve and cash to deposits shows a further increase from 14.7 to 15.3% for all reporting banks and from 15.7 to 16.3% for the central reserve city banks. Total excess reserves, in the calculation of which no account is taken of Government deposits, increased from 69.9 to 102.7 millions, the greater part of the gain falling to the share of the banks outside the central reserve cities.

1. Data for all reporting banks in each district. Two ciphers (00) omitted.

Member Banks.	Boston.	New York.	Philadel.	Cleveland.	Richm'd.	Atlanta.	Chicago.	St. Louis.	Minneapolis.	Kan. City.	Dallas.	San Fran.	Total.
Number of reporting banks...	42	101	49	85	73	43	95	32	34	73	42	48	717
U. S. bonds to secure circulat'n	14,621.0	51,350.0	12,970.0	43,539.0	24,565.0	15,590.0	18,776.0	17,417.0	8,469.0	14,051.0	17,629.0	34,065.0	272,268.0
Other U. S. bonds, including Liberty bonds	14,991.0	258,304.0	25,905.0	57,422.0	31,036.0	27,434.0	82,382.0	23,496.0	12,649.0	18,817.0	15,516.0	23,843.0	591,789.0
U. S. certifs. of indebtedness	29,799.0	255,389.0	26,070.0	37,245.0	14,375.0	12,717.0	69,712.0	17,217.0	12,298.0	18,924.0	11,169.0	25,555.0	530,170.0
Total U. S. securities	59,411.0	565,079.0	64,945.0	138,206.0	69,970.0	55,741.0	170,870.0	58,130.0	31,416.0	51,492.0	44,314.0	64,963.0	1,394,227.0
Loans sec. by U. S. bonds, &c.	45,905.0	230,153.0	42,584.0	37,530.0	18,855.0	5,385.0	53,394.0	14,733.0	5,975.0	4,381.0	5,948.0	9,151.0	1,394,227.0
All other loans & investments	774,374.0	4,354,418.0	616,934.0	973,811.0	351,998.0	274,814.0	1,111,743.0	367,654.0	233,198.0	474,772.0	165,063.0	515,768.0	10,531,347.0
Reserve with Fed. Res. Bank	66,634.0	612,209.0	65,717.0	79,904.0	27,186.0	25,204.0	135,735.0	30,212.0	17,873.0	42,287.0	14,674.0	44,655.0	1,162,111.0
Cash in vault	26,835.0	122,650.0	29,889.0	36,297.0	17,179.0	14,346.0	68,582.0	12,386.0	8,207.0	15,706.0	11,284.0	20,285.0	364,387.0
Net demand deposits	649,466.0	4,253,937.0	561,652.0	699,311.0	369,352.0	195,347.0	1,016,855.0	250,028.0	160,135.0	359,104.0	137,065.0	373,611.0	8,922,663.0
Time deposits	93,832.0	205,619.0	15,340.0	226,035.0	47,017.0	82,983.0	358,766.0	74,407.0	44,239.0	62,692.0	25,901.0	112,402.0	1,498,734.0
Government deposits	62,248.0	321,240.0	30,532.0	36,351.0	16,970.0	16,247.0	48,803.0	21,330.0	18,976.0	12,999.0	6,889.0	13,470.0	603,855.0

2. Data for banks in each Central Reserve city, banks in all other Reserve cities and other reporting banks.

Two ciphers (00) omitted.	New York.		Chicago.		St. Louis.		Total Central Res. Cities.		Other Reserve Cities.		Country Banks.		Total.	
	July 19.	July 12.	July 19.	July 12.	July 19.	July 12.	July 19.	July 12.	July 19.	July 12.	July 19.	July 12.	July 19.	July 12.
Number of reporting banks...	68	68	40	14	122	122	430	428	165	163	717	713		
U. S. bonds to secure circulat'n	37,643.0	37,638.0	1,469.0	10,392.0	49,594.0	49,499.0	172,833.0	173,553.0	49,881.0	49,711.0	272,268.0	272,763.0		
Other U. S. bonds, including Liberty bonds	230,717.0	234,243.0	47,554.0	16,497.0	294,768.0	295,070.0	241,233.0	213,265.0	55,788.0	48,637.0	591,789.0	567,892.0		
U. S. certifs. of indebtedness	242,396.0	377,208.0	39,191.0	11,957.0	293,274.0	443,388.0	201,560.0	249,810.0	35,336.0	42,580.0	530,170.0	735,784.0		
Total U. S. securities	500,756.0	649,089.0	88,214.0	33,876.0	637,546.0	738,937.0	615,076.0	636,574.0	141,095.0	140,928.0	1,394,227.0	1,566,439.0		
Loans sec. by U. S. bonds, &c.	216,922.0	223,181.0	38,305.0	11,963.0	239,791.0	274,039.0	187,589.0	182,304.0	29,453.0	28,717.0	473,824.0	485,060.0		
All other loans & investments	4,008,026.0	4,041,478.0	859,986.0	277,293.0	5,145,305.0	5,161,819.0	4,543,556.0	4,504,642.0	842,486.0	843,097.0	10,531,347.0	10,509,558.0		
Reserve with Fed. Res. Bank	588,713.0	590,612.0	96,532.0	23,564.0	707,829.0	708,338.0	400,981.0	382,244.0	53,391.0	52,144.0	1,162,111.0	1,142,726.0		
Cash in vault	108,961.0	114,798.0	34,682.0	6,487.0	160,110.0	155,732.0	174,615.0	177,135.0	40,263.0	38,615.0	371,485.0	371,485.0		
Net demand deposits	3,944,373.0	4,048,508.0	692,770.0	178,182.0	4,815,325.0	4,896,116.0	3,455,682.0	3,484,420.0	631,656.0	631,835.0	8,922,663.0	9,092,371.0		
Time deposits	215,771.0	216,711.0	139,070.0	53,359.0	408,200.0	408,200.0	806,698.0	805,311.0	193,868.0	193,322.0	1,498,734.0	1,410,345.0		
Government deposits	299,812.0	419,927.0	32,077.0	16,918.0	348,807.0	348,807.0	808,061.0	806,698.0	216,415.0	216,415.0	603,855.0	603,855.0		

*Amended figures

The Federal Reserve Banks.—Following is the weekly statement issued by the Federal Reserve Board on July 27:

Substantial increases in discount activity, also considerable gains in Government deposits by the Reserve banks outside of New York and Boston, are indicated in the Federal Reserve Board's weekly statement issued as at close of business on July 26 1918.

INVESTMENTS.—All the banks, except New York report net additions to discounted bills on hand, Chicago, San Francisco, Philadelphia and Kansas City showing the largest gains. Of the total discounts on hand, \$675,665,000, as against \$601,493,000 the week before is represented by war paper, i. e., member banks' notes secured by Government war obligations and customers' paper similarly secured. No appreciable changes are shown in other earning assets, including acceptances and United States securities.

DEPOSITS.—Government deposits at all banks, except Boston and New York, show considerable increases, the total gain for the week being 88.2 millions. Members' reserve deposits fell off 52.9 millions, all the banks, except Kansas City reporting net reductions in reserve balances, apparently as the result of payment by member banks for Treasury Certificates of the more recent issues. Net deposits show an increase for the week of 56.2 millions.

RESERVES.—Gold reserves decreased by 1.2 millions and total cash reserves by 1.8 millions. The amount of gold held with foreign agencies shows a further reduction to 11.6 millions, as against 52.5 millions held during the first half of the year. The ratio of total reserves to aggregate deposit and Federal Reserve note liabilities declined from 59.8 to 58.1%.

NOTE CIRCULATION.—During the week the Agents issued 16.9 millions net of Federal Reserve notes. The banks report an increase of 41.8 millions of Federal Reserve notes in actual circulation besides a small increase in their liability on Federal Reserve bank notes in circulation.

CAPITAL.—Payment by newly admitted members for Federal Reserve bank stock accounts largely for an increase of \$58,000 in paid-in capital, Richmond, Minneapolis and Chicago reporting the largest increases for the week.

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. In the second table we show the resources and liabilities separately for each of the twelve Federal Reserve banks. The statement of Federal Reserve Agents' Accounts (the third table following) gives details regarding the transactions in Federal Reserve notes between the Comptroller and the Reserve Agents and between the latter and the Federal Reserve banks.

COMBINED RESOURCES AND LIABILITIES OF THE FEDERAL RESERVE BANKS AT THE CLOSE OF BUSINESS JULY 26 1918.

	July 26 1918.	July 19 1918.	July 12 1918.	July 5 1918.	June 28 1918.	June 21 1918.	June 14 1918.	June 7 1918.	July 27 1917.
RESOURCES.									
Gold coin and certificates in vault	418,012,000	423,863,000	422,748,000	421,927,000	419,097,000	438,773,000	432,557,000	463,622,000	43,764,000
Gold settlement fund—F. R. Board	598,777,000	568,154,000	524,225,000	524,303,000	491,425,000	481,023,000	489,610,000	417,875,000	45,739,000
Gold with foreign agencies	11,928,000	15,495,000	15,829,000	16,272,000	16,275,000	17,908,000	44,084,000	51,280,000	2,560,000
Total gold held by banks	1,028,717,000	1,007,512,000	962,802,000	952,502,000	926,797,000	937,704,000	966,251,000	932,777,000	919,063,000
Gold with Federal Reserve Agent	910,420,000	940,290,000	963,147,000	962,075,000	987,870,000	967,338,000	951,145,000	938,255,000	434,193,000
Gold redemption fund	35,363,000	34,655,000	34,413,000	34,533,000	33,544,000	30,331,000	29,507,000	28,431,000	9,667,000
Total gold reserves	1,974,500,000	1,975,448,000	1,960,362,000	1,959,110,000	1,949,021,000	1,924,373,000	1,946,903,000	1,919,263,000	1,362,263,000
Legal tender notes, silver, &c.	59,129,000	55,547,000	55,932,000	56,053,000	57,178,000	56,738,000	58,360,000	55,481,000	51,789,000
Total reserves	2,029,329,000	2,031,095,000	2,016,954,000	2,015,163,000	2,006,199,000	1,981,111,000	2,005,263,000	1,974,724,000	1,414,052,000
Bills discounted—members	1,302,151,000	1,203,346,000	1,159,882,000	1,076,782,000	869,175,000	931,279,000	1,016,031,000	984,492,000	138,459,000
Bills bought in open market	205,274,000	205,932,000	218,464,000	211,947,000	216,848,000	232,472,000	242,923,000	248,542,000	195,097,000
Total bills on hand	1,507,425,000	1,409,278,000	1,378,346,000	1,288,729,000	1,086,023,000	1,163,751,000	1,258,954,000	1,233,034,000	333,556,000
U. S. Government long-term securities	40,990,000	40,259,000	40,273,000	42,749,000	40,227,000	40,877,000	40,883,000	41,435,000	41,135,000
U. S. Government short-term securities	16,922,000	16,358,000	31,923,000	17,350,000	218,839,000	35,883,000	33,179,000	32,601,000	35,818,000
All other earning assets	103,000	98,000	72,000	26,000	23,000	100,000	584,000	694,000	1,769,000
Total earning assets	1,564,540,000	1,465,993,000	1,450,614,000	1,348,854,000	1,345,112,000	1,240,602,000	1,333,410,000	1,230,813,000	412,278,000
Uncollected items (deducted from gross deposits)	588,392,000	658,588,000	640,410,000	669,257,000	530,719,000	588,850,000	529,553,000	400,924,000	193,650,000
5% redemp. fund agst. F. R. bank notes	701,000	751,000	735,000	725,000	735,000	725,000	735,000	637,000	500,000
All other resources	12,441,000	9,695,000	9,979,000	10,163,000	90,000	90,000	90,000	90,000	757,000
Total resources	4,165,403,000	4,166,122,000	4,117,722,000	4,044,162,000	3,872,133,000	3,806,692,000	3,849,711,000	3,711,703,000	2,921,237,000

a Includes amount formerly shown against items due from or due to other Federal Reserve banks net.

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 July 27. The figures for the separate banks are the averages of the weekly 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.	Capital.		Net Profits.		Loans, Discounts, Investments, etc.		Gold.	Legal Tenders.	Silver.	National Bank and Federal Reserve Notes.	Reserve with Legal Depositaries.	Additional Deposits with Legal Depositaries.	Net Demand Deposits.	Net Time Deposits.	National Bank Circulation.
	(Nat. Banks June 29)	(State Banks June 29)	(Trust Co's June 29)	(Nat. Banks June 29)	(State Banks June 29)	(Trust Co's June 29)									
Members of Federal Reserve Bank															
Bank of N Y, N B A	2,000,000	5,267,600	46,693,000	24,000	71,000	51,000	143,000	5,002,000	33,347,000	1,916,000	34,905,000	1,916,000	34,905,000	55,000	778,000
Bank of Manhattan Co.	2,500,000	6,769,400	56,173,000	545,000	314,000	602,000	738,000	10,963,000	34,905,000	1,916,000	34,905,000	1,916,000	34,905,000	55,000	778,000
Mechanics National	2,000,000	2,630,400	27,438,000	73,000	50,000	287,000	91,000	3,288,000	20,599,000	1,300,000	21,900,000	1,300,000	21,900,000	205,000	1,845,000
Mech & Metals Nat.	6,000,000	10,526,100	169,504,000	7,679,000	142,000	2,407,000	528,000	21,601,000	134,193,000	14,317,000	148,510,000	14,317,000	148,510,000	9,774,000	158,284,000
Bank of America	1,500,000	6,744,200	30,442,000	341,000	202,000	350,000	325,000	3,333,000	24,789,000	1,300,000	26,089,000	1,300,000	26,089,000	205,000	2,584,000
National City	25,000,000	40,378,000	539,011,000	8,307,000	3,037,000	843,000	1,873,000	99,219,000	531,736,000	10,788,000	542,524,000	10,788,000	542,524,000	1,535,000	544,069,000
Chemical National	3,000,000	9,222,500	76,968,000	193,000	308,000	444,000	800,000	5,250,000	55,477,000	4,055,000	59,532,000	4,055,000	59,532,000	445,000	60,000,000
Atlantic National	1,000,000	850,700	16,238,000	85,000	75,000	208,000	145,000	1,745,000	13,075,000	887,000	13,962,000	887,000	13,962,000	148,000	14,110,000
Nat Buteh & Drovers	300,000	95,900	3,085,000	14,000	49,000	55,000	7,000	242,000	2,744,000	207,000	2,951,000	207,000	2,951,000	289,000	3,240,000
American Exch Nat	5,000,000	5,753,000	116,919,000	599,000	180,000	481,000	587,000	10,038,000	78,698,000	6,103,000	84,801,000	6,103,000	84,801,000	4,959,000	89,760,000
Nat Bank of Comm	25,000,000	22,187,700	347,209,000	67,000	271,000	508,000	1,750,000	37,838,000	284,238,000	4,983,000	289,221,000	4,983,000	289,221,000	55,000	294,771,000
Pacific	500,000	1,035,300	14,492,000	49,000	288,000	356,000	333,000	1,641,000	12,235,000	55,000	12,290,000	55,000	12,290,000	55,000	12,345,000
Chat & Phenix Nat	3,500,000	2,735,100	92,407,000	772,000	441,000	937,000	2,979,000	10,693,000	69,101,000	7,328,000	76,429,000	7,328,000	76,429,000	2,215,000	78,644,000
Hanover National	3,000,000	17,710,700	129,698,000	4,102,000	355,000	730,000	647,000	16,626,000	120,415,000	470,000	120,885,000	470,000	120,885,000	1,008,000	121,893,000
Citizens National	2,500,000	2,861,200	44,613,000	114,000	25,000	635,000	372,000	3,498,000	28,791,000	284,000	29,075,000	284,000	29,075,000	1,008,000	30,083,000
Metropolitan	2,500,000	2,861,200	44,613,000	114,000	25,000	635,000	372,000	3,498,000	28,791,000	284,000	29,075,000	284,000	29,075,000	1,008,000	30,083,000
Corn Exchange	2,000,000	2,207,700	35,383,000	651,000	238,000	694,000	677,000	3,436,000	26,582,000	207,000	26,789,000	207,000	26,789,000	51,000	27,300,000
Importers & Trad Nat	1,500,000	7,698,300	35,497,000	70,000	313,000	37,000	245,000	3,314,000	10,718,000	1,300,000	12,018,000	1,300,000	12,018,000	51,000	12,528,000
National Park	5,000,000	17,544,900	206,366,000	59,000	431,000	297,000	727,000	18,808,000	182,143,000	3,844,000	186,000,000	3,844,000	186,000,000	4,855,000	190,855,000
East River National	250,000	74,800	2,945,000	2,000	98,000	15,000	38,000	602,000	2,933,000	50,000	2,983,000	50,000	2,983,000	50,000	3,033,000
Second National	1,000,000	3,886,300	18,963,000	57,000	40,000	296,000	463,000	2,069,000	13,893,000	593,000	14,486,000	593,000	14,486,000	593,000	15,079,000
First National	10,000,000	30,492,500	234,821,000	10,000	283,000	839,000	583,000	15,272,000	138,074,000	2,052,000	140,126,000	2,052,000	140,126,000	8,556,000	148,682,000
Irving National	4,500,000	5,609,700	95,165,000	971,000	466,000	1,965,000	1,602,000	13,935,000	96,223,000	815,000	96,998,000	815,000	96,998,000	1,199,000	98,197,000
N Y County National	1,000,000	342,600	10,329,000	80,000	30,000	130,000	42,000	1,268,000	9,456,000	213,000	9,669,000	213,000	9,669,000	199,000	9,868,000
Continental	1,000,000	609,000	6,920,000	22,000	31,000	14,000	97,000	760,000	5,982,000	50,000	6,032,000	50,000	6,032,000	50,000	6,082,000
Chase National	10,000,000	12,863,300	296,913,000	2,601,000	2,339,000	1,727,000	1,109,000	23,278,000	243,136,000	12,177,000	255,313,000	12,177,000	255,313,000	1,300,000	256,613,000
Fifth Avenue	200,000	2,347,500	16,667,000	58,000	67,000	743,000	301,000	2,216,000	16,797,000	1,300,000	18,097,000	1,300,000	18,097,000	1,300,000	19,397,000
Commercial Exch.	200,000	880,700	6,983,000	46,000	21,000	65,000	78,000	741,000	5,121,000	50,000	5,171,000	50,000	5,171,000	50,000	5,221,000
Commonwealth	400,000	811,700	6,372,000	41,000	27,000	139,000	120,000	989,000	6,466,000	50,000	6,516,000	50,000	6,516,000	50,000	6,566,000
Lincoln National	1,000,000	1,969,300	16,883,000	148,000	290,000	97,000	533,000	2,131,000	14,388,000	100,000	14,488,000	100,000	14,488,000	350,000	14,838,000
Garfield National	1,000,000	1,337,600	11,175,000	2,000	12,000	208,000	5,000	1,372,000	9,348,000	24,000	9,372,000	24,000	9,372,000	398,000	9,770,000
Fifth National	250,000	421,700	7,586,000	35,000	19,000	145,000	149,000	828,000	5,650,000	202,000	5,852,000	202,000	5,852,000	248,000	6,098,000
Seaboard National	1,000,000	3,607,500	45,367,000	392,000	284,000	195,000	318,000	6,305,000	42,612,000	40,000	42,652,000	40,000	42,652,000	70,000	42,722,000
Liberty National	3,000,000	3,985,400	67,801,000	108,000	31,000	180,000	422,000	10,434,000	58,880,000	2,278,000	61,158,000	2,278,000	61,158,000	995,000	62,153,000
Coal & Iron National	1,000,000	932,100	12,738,000	6,000	53,000	125,000	575,000	1,372,000	10,533,000	467,000	10,999,000	467,000	10,999,000	412,000	11,411,000
Union Exchange Nat.	1,000,000	1,247,100	12,610,000	13,000	25,000	85,000	172,000	1,400,000	11,504,000	417,000	11,921,000	417,000	11,921,000	397,000	12,318,000
Brooklyn Trust Co.	1,500,000	2,827,500	33,800,000	63,000	30,000	95,000	361,000	4,173,000	25,070,000	5,041,000	30,111,000	5,041,000	30,111,000	5,041,000	35,152,000
Bankers Trust Co.	11,250,000	14,842,300	245,138,000	75,000	146,000	131,000	636,000	28,381,000	198,506,000	19,147,000	217,653,000	19,147,000	217,653,000	1,300,000	218,953,000
U S Mfg & Trust Co.	2,000,000	4,791,000	60,438,000	342,000	107,000	88,000	455,000	6,277,000	43,099,000	7,214,000	50,313,000	7,214,000	50,313,000	1,300,000	51,613,000
Guaranty Trust Co.	25,000,000	26,725,700	434,195,000	1,778,000	121,000	308,000	2,746,000	40,243,000	363,690,000	24,836,000	388,526,000	24,836,000	388,526,000	1,300,000	389,826,000
Fidelity Trust Co.	1,000,000	1,388,500	10,907,000	90,000	37,000	57,000	144,000	1,340,000	8,715,000	514,000	9,229,000	514,000	9,229,000	514,000	9,743,000
Columbia Trust Co.	5,000,000	6,893,200	80,613,000	36,000	93,000	436,000	468,000	8,770,000	61,336,000	11,889,000	73,225,000	11,889,000	73,225,000	1,300,000	74,525,000
Peoples Trust Co.	1,000,000	1,274,400	24,737,000	43,000	70,000	202,000	442,000	2,495,000	20,997,000	1,820,000	22,817,000	1,820,000	22,817,000	1,820,000	24,637,000
New York Trust Co.	3,000,000	10,510,700	86,315,000	25,000	14,000	11,000	278,000	7,467,000	63,319,000	3,618,000	66,937,000	3,618,000	66,937,000	1,300,000	68,237,000
Franklin Trust Co.	1,000,000	1,106,900	20,132,000	69,000	35,000	125,000	314,000	2,015,000	14,673,000	1,606,000	16,279,000	1,606,000	16,279,000	1,606,000	17,885,000
Lincoln Trust Co.	1,000,000	552,100	15,154,000	11,000	25,000	101,000	321,000	2,033,000	12,342,000	1,757,000	14,099,000	1,757,000	14,099,000	1,757,000	15,856,000
Metropolitan Trust	2,000,000	4,312,600	52,034,000	291,000	40,000	70,000	527,000	4,611,000	33,571,000	1,250,000	34,821,000	1,250,000	34,821,000	1,250,000	36,071,000
Nassau Nat, B'klyn.	1,000,000	1,170,100	13,232,000	15,000	110,000	218,000	73,000	1,239,000	11,220,000	649,000	11,869,000	649,000	11,869,000	50,000	12,369,000
Irving Trust Co.	1,500,000	1,100,700	37,779,000	155,000	302,000	727,000	1,691,000	4,221,000	36,003,000	955,000	36,958,000	955,000	36,958,000	955,000	37,913,000
Farmers Loan & Tr.	5,000,000	10,965,200	140,443,000	3,770,000	24,000	61,000	275,000	16,993,000	115,231,000	10,652,000	125,883,000	10,652,000	1		

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.

State Banks		Trust Companies	
July 27 1918.	Differences from previous week.	July 27 1918.	Differences from previous week.
Capital as of June 20	23,718,700	99,050,000	
Surplus as of June 20	41,842,100	163,387,000	
Loans and investments	462,101,800	Inc. 3,524,700	1,876,766,200
Specie	12,606,200	Dec. 84,200	16,435,800
Current & bk. notes	24,187,900	Dec. 615,300	16,501,000
Deposits with the F. R. Bank of New York			
Total deposits	763,543,000	Dec. 3,709,300	
Deposits, eliminating amounts due from reserve depositaries and from other banks and trust companies in N. Y. City, exchanges and U. S. deposits	680,639,800	Dec. 7,512,900	
Reserve on deposits	124,074,600	Dec. 1,970,100	
Percentage of reserve, 20.3%			

RESERVE.

State Banks		Trust Companies		
July 27 1918.	July 20 1918.	July 27 1918.	July 20 1918.	
Cash in vaults	\$13,967,100	11.11%	\$67,969,600	14.08%
Deposits in banks and trust cos.	14,406,900	11.46%	27,731,000	5.74%
Total	\$28,374,000	22.57%	\$95,700,600	19.80%

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 others omitted.)

Week Ended—	Loans and Investments	Demand Deposits	Specie	Legal Tenders	Total Cash in Vault	Reserve in Depositories
Mar 30	5,089,258.3	4,446,491.7	91,076.7	86,187.0	177,263.7	578,017.3
Apr 6	5,055,325.8	4,468,927.4	91,749.8	86,901.6	178,351.4	603,729.1
Apr 13	5,126,263.6	4,466,133.2	92,493.5	85,430.6	177,924.1	590,421.2
Apr 20	5,263,066.6	4,487,310.0	92,069.3	83,894.9	175,964.2	594,991.3
Apr 27	5,276,347.7	4,454,190.8	92,079.0	86,019.3	178,098.3	592,019.7
May 4	5,286,636.4	4,482,747.3	90,948.5	85,057.7	176,006.2	588,889.3
May 11	5,308,256.9	4,415,207.5	91,076.0	85,279.8	176,355.5	573,373.4
May 18	5,368,727.3	4,302,159.7	89,343.8	83,001.4	172,365.2	567,941.1
May 25	5,335,545.7	4,365,620.5	87,653.3	80,740.1	174,393.4	570,237.7
June 1	5,390,958.7	4,322,114.8	85,129.9	84,442.7	169,572.6	575,391.0
June 8	5,256,139.0	4,454,909.7	81,694.4	87,724.4	169,318.8	570,049.4
June 15	5,293,878.3	4,473,266.6	82,146.6	86,257.3	168,403.9	581,941.7
June 22	5,242,919.0	4,433,580.1	80,450.7	88,787.6	169,238.3	594,047.9
June 29	5,147,055.5	4,401,117.1	80,119.9	89,729.9	169,846.8	569,593.9
July 6	5,107,959.8	4,335,634.9	78,499.8	88,676.0	167,175.8	536,136.5
July 13	5,143,004.5	4,328,266.7	78,372.1	89,309.8	167,081.9	570,046.4
July 20	5,089,497.1	4,308,018.7	76,008.0	87,138.5	163,146.5	563,383.2
July 27	5,058,802.7	4,239,295.8	75,037.7	87,536.0	162,873.7	561,439.9

*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	Capital		Loans, Discounts, &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
	(Nat. banks June 29)	(State banks June 29)										
Members of Federal Reserve Bank												
Battery Park Nat. Bank	400,000	561,000	8,668,000	85,000	14,000	25,000	155,000	1,311,000	137,000	7,320,000	82,000	195,000
W. R. Grace & Co. Bank	500,000	694,500	7,333,000	3,000	2,000			957,000		4,504,000	1,220,000	
First Nat. Bank, Brooklyn	300,000	665,000	7,424,000	10,000	11,000	97,000	77,000	559,000	473,000	5,225,000	565,000	299,000
Nat. City Bank, Brooklyn	300,000	693,000	6,817,000	2,000	28,000	64,000	134,000	549,000	640,000	5,115,000	415,000	
First Nat. Bank, Jersey City	400,000	1,308,200	9,025,000	165,000	332,000	119,000	248,000	930,000	3,136,000	8,298,000	395,000	
Hudson Co. Nat. Jersey City	250,000	735,100	4,529,000	60,000	4,000	63,000	144,000	277,000	807,000	3,312,000	463,000	196,000
First Nat. Bank, Hoboken	220,000	630,700	7,583,000	6,000		47,000	177,000	347,000	856,000	3,211,000	472,200	219,000
Second Nat. Bank, Hoboken	125,000	264,500	5,631,000	10,000	48,000	88,000	18,000	295,000	497,000	2,757,000	2,558,000	99,000
Total	2,495,000	5,502,900	66,870,000	342,000	439,000	503,000	953,000	5,222,000	6,566,000	39,945,000	8,880,000	1,523,000
State Banks, Not Members of the Federal Reserve Bank												
Bank of Washington Heights	100,000	478,000	2,440,000	72,000	5,000	41,000	161,000	133,000		2,225,000		
Colonial Bank	500,000	1,040,300	9,535,000	727,000	136,000	340,000	127,000	612,000	360,000	10,193,000		
Columbia Bank	1,000,000	637,100	13,662,000	654,000		463,000	399,000	729,000	322,000	12,158,000		
International Bank	500,000	168,800	5,404,000	155,000	11,000	56,000	374,000	271,000		4,899,000		383,000
Mutual Bank	200,000	554,600	3,147,000	1,000	37,000	117,000	264,000	922,000	29,000	7,265,000		138,000
New Netherland Bank	200,000	204,600	3,609,000	10,000	9,000	110,000	207,000	581,000		3,902,000		55,000
Yorkville Bank	100,000	573,900	7,377,000	269,000	110,000	447,000	104,000	459,000	196,000	7,846,000		68,000
Mechanics' Bank, Brooklyn	1,600,000	833,900	22,962,000	132,000	292,000	611,000	1,036,000	1,584,000	593,000	23,050,000		67,000
North Side Bank, Brooklyn	200,000	204,600	5,104,000	16,000	20,000	127,000	270,000	224,000	358,000	4,124,000		400,000
Total	4,400,000	4,685,800	78,300,000	2,036,000	590,000	2,812,000	2,942,000	5,314,000	1,858,000	75,462,000	1,091,000	
Trust Companies, Not Members of the Federal Reserve Bank												
Ham on Trust Co., Brooklyn	500,000	1,912,400	8,436,000	309,000	16,000	15,000	106,000	281,000	381,000	5,627,000	1,059,000	
Mechanics' Tr. Co., Bayonne	200,000	368,600	7,822,000	21,000	27,000	88,000	166,000	418,000	150,000	4,648,000	3,198,000	
Total	700,000	1,381,000	16,258,000	390,000	43,000	103,000	272,000	699,000	531,000	10,275,000	4,257,000	
Grand aggregate	7,595,000	11,569,700	151,428,000	2,768,000	1,072,000	2,918,000	4,167,000	11,235,000	8,955,000	125,683,000	14,228,000	1,523,000
Comparison previous week			+4,041,000	-41,000	+124,000	-312,000	-10,000	+865,000	+2,000	-50,000	+6,000	+1,900
Excess reserve	717,400	Increase										
Grand aggregate July 20	7,595,000	11,569,700	147,387,000	2,809,000	948,000	3,230,000	4,177,000	10,369,000	8,953,000	125,732,000	14,222,000	1,522,000
Grand aggregate July 13	7,595,000	11,466,300	147,369,000	2,844,000	1,071,000	3,192,000	4,455,000	10,638,000	9,058,000	125,550,000	14,133,000	1,526,000
Grand aggregate July 6	7,595,000	11,466,300	146,428,000	2,845,000	1,000,000	2,796,000	4,257,000	10,917,000	11,260,000	123,855,000	14,167,000	1,525,000
Grand aggregate June 29	7,595,000	11,346,800	147,773,000	2,794,000	998,000	3,090,000	4,109,000	10,859,000	10,655,000	122,560,000	14,274,000	1,523,000

a U. S. deposits deducted, \$9,035,000.

STATE BANKS AND TRUST COMPANIES IN NEW YORK CITY.

Week ended July 27	State Banks		Trust Companies	
	July 27 1918.	Differences from previous week.	July 27 1918.	Differences from previous week.
Capital as of June 20	23,718,700		99,050,000	
Surplus as of June 20	41,842,100		163,387,000	
Loans and investments	462,101,800	Inc. 3,524,700	1,876,766,200	Inc. 3,118,700
Specie	12,606,200	Dec. 84,200	16,435,800	Dec. 21,600
Current & bk. notes	24,187,900	Dec. 615,300	16,501,000	Dec. 341,900
Deposits with the F. R. Bank of N. Y.				
Total deposits	42,751,600	Inc. 3,508,000	191,035,900	Dec. 5,111,900
Deposits, eliminating amounts due from reserve depositaries and from other banks and trust companies in N. Y. City, exchanges and U. S. deposits	566,369,500	Dec. 2,113,800	1,940,508,000	Dec. 18,302,400
Reserve on deposits	101,045,700	Inc. 1,884,400	284,923,000	Dec. 9,465,900
P. C. reserve to dep.	32.7%	Inc. 0.6%	18.6%	Dec. 0.4%

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.

	July 27 1918.	Change from previous week.	July 20 1918.	July 13 1918.
Circulation	4,962,000	Dec. \$ 4,000	4,966,000	4,967,000
Loans, disc'ts & investments	484,200,000	Inc. 2,644,000	481,556,000	483,281,000
Individual deposits, incl. U. S.	412,465,000	Dec. 11,798,000	424,263,000	432,725,000
Due to banks	111,303,000	Dec. 12,050,000	123,353,000	128,298,000
Time deposits	14,204,000	Dec. 745,000	14,949,000	14,040,000
Exchanges for Clear. House	14,024,000	Dec. 1,864,000	15,888,000	18,445,000
Due from other banks	76,374,000	Dec. 13,983,000	90,357,000	89,656,000
Cash in bank & in F. R. Bank	57,347,000	Dec. 216,000	57,563,000	60,999,000
Reserve excess in bank and Federal Reserve Bank	13,584,000	Inc. 607,000	12,977,000	15,186,000

Philadelphia Banks.—The Philadelphia Clearing House statement for the week ending July 27, 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 depositaries" and "Cash in vaults."

Two others (00) omitted.	Week ending July 27 1918.			July 20 1918.	July 13 1918.
	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	68,512.0	13,927.0	82,439.0	82,510.0	82,421.0
Loans, disc'ts & investm'ts	504,425.0	46,019.0			

Bankers' Gazette.

Wall Street, Friday Night, Aug. 2 1918.

The Money Market and Financial Situation.—Although much of the week's news has been not only highly important but generally favorable, the security markets seem to have been almost wholly oblivious to these facts. As is well known, by far the most important news has come from the battle fields of France, where day by day the Allied troops are reported to have made steady progress against the slowly retreating German forces. Evidently Wall Street is inclined to accept these reports with the same reserve as was manifested when news came of the German advance over the same ground earlier in the campaign, that is, as not at all conclusive. In other words, it did not sell stocks on the former occasion, it is not buying them now, and for the same reason. Doubtless it is waiting patiently for something more decisive than has yet developed before "banking" on the final outcome.

In the meantime, considerable attention is given to what the United States is doing and preparing to do in the great war, to what is going on at Washington, to crop reports, to railway traffic statements, and earnings, to Government financing, and to the money market.

Drought has injured both corn and cotton in some States West of the Mississippi, so that the Government estimates as to cotton are for a crop somewhat smaller than the July 1 estimate, but still about 1,600,000 bales larger than the August estimate in 1917. The winter wheat crop is secured, spring wheat is being harvested in the southern zone of that cereal, and thus the chances of damage to that most important crop are greatly reduced.

Latest reports of railway net earnings, under Government control, show in many important cases an enormous shrinkage, while the U. S. Steel Corporation's statement for the second quarter of 1918 shows the largest earnings ever reported in any three months of its history.

Foreign Exchange.—Sterling exchange remains without change. The Continental exchanges were steady but without much movement.

To-day's (Friday's) actual rates for sterling exchange were 4 72½ @ 4 72½ for sixty days, 4 7530 @ 4 75 5-16 for checks and 4 76 7-16 @ 4 7645 for cables. Commercial on banks, sight 4 75 @ 4 75¼, sixty days 4 71½ @ 4 71½, ninety days 4 70 @ 4 70¾, and documents for payment (sixty days) 4 71 @ 4 71¼. Cotton for payment 4 75 @ 4 75¼, and grain for payment 4 75 @ 4 75¼.

To-day's (Friday's) actual rates for Paris bankers' francs were 5 77½ @ 5 77½ for long and 5 71¼ @ 5 71½ for short. Amsterdam bankers' guilders were 51 5-16 for long and 51 7-16 for short.

Exchange at Paris on London, 27.15½ fr.; week's range, 27.15½ fr. high and 27.16 fr. low.

Exchange at Berlin on London not quotable.

The range for foreign exchange for the week follows:

Sterling, Actual—		Checks.		Cables.	
High for the week	Sixty days.	4 72½	4 75 5-16	4 7645	4 7645
Low for the week	4 72½	4 7530	4 76 7-16	4 76 7-16	4 76 7-16
Paris Bankers' Francs—					
High for the week	5 77½	5 71	5 69½	5 69½	5 69½
Low for the week	5 77½	5 71¼	5 69½	5 69½	5 69½
Amsterdam Bankers' Guilders—					
High for the week	51 5-16	51½	52	52	52
Low for the week	51 1-16	51¼	51¼	51¼	51¼

Domestic Exchange.—Chicago, par. Boston, par. St. Louis, 15c. per \$1,000 discount bid. San Francisco, par. Montreal, \$21 87½ per \$1,000 premium. Minneapolis, 10c. per \$1,000 premium. Cincinnati, par.

State and Railroad Bonds.—Sales of State bonds at the Board are limited to \$2,000 Virginia 6s deferred trust receipts at 47 to 47½.

The market for railway and industrial bonds shows no signs of revival. It has continued, as for some weeks past, dull and featureless. The volume of business in this department at the Stock Exchange has been the smallest in many months and price changes, about evenly divided between higher and lower, are in practically every case fractional and without significance. Atchison, Rock Island, Southern Ry. and New York Central are on the list of bonds that have made slight advances, while Balt. & Ohio, Central Leather, Inter. Mer. Mar. and Union Pacifics are lower. In addition to the above, the active list includes Burlington, Missouri Pacific, Northern Pacific, Reading, Rubber and U. S. Steel issues.

United States Bonds.—Sales of Government bonds at the Board include \$25,000 2s reg. at 99; Liberty Loan 3½s at 99.82 to 100; Liberty Loan 1st 4s at 94.34 to 94.43; Liberty Loan 2d 4s at 93.10 to 93.70; Liberty Loan 1st 4½s at 94.36 to 94.54; Liberty Loan 2d 4½s at 93.10 to 93.74; and Liberty Loan 3d 4½s at 95.02 to 95.78. For to-day's

prices of all the different issues and for week's range see third page following.

Railroad and Miscellaneous Stocks.—In the matter of inactivity this has been the record week of the year thus far at the Stock Exchange. Only 136,670 shares were traded in to-day, and on Wednesday, when the maximum was reached, but 362,300 shares changed ownership. No reason is apparent for the extremely dull market to-day, especially in view of the favorable war news and lack of anything of a depressing nature. The movement of prices has been correspondingly narrow, so that the record for the week in this department is most uninteresting.

The railway list has been relatively strong, about half the stocks which have participated in the trading having moved to a fractionally higher level, including Atchison, St. Paul, Canadian Pacific, Southern Pacific and Missouri Pacific. On the other hand, New Haven, Balt. & Ohio, Union Pacific and Reading are lower.

Some of the miscellaneous list have been erratic. General Motors has covered a range of over 20 points, with a net loss of 14, and Am. Sum. Tobacco, after recovering 2, is 6½ points lower than last week. Of the list of 15 most active stocks in this group, every one has declined.

For daily volume of business see page 489.

The following sales have occurred this week of shares not represented in our detailed list on the pages which follow:

STOCKS. Week ending Aug. 2.	Sales for Week.	Range for Week.		Range since Jan. 1.	
		Lowest.	Highest.	Lowest.	Highest.
Adams Express.....100	Par. Shares	\$ per share.	\$ per share.	\$ per share.	\$ per share.
Am Brake S & F, pref.100	300 55	Aug 1 59	July 30 55	Aug 50	Jan 50
American Snuff.....100	10 08	Aug 1 168	Aug 1 163	Apr 175	Jan 100
Preferred.....100	100 97	Aug 1 97	Aug 1 89½	Jan 100	May 85
Associated Oil.....100	33 85	Aug 2 85	Aug 2 85	Aug 85	Aug 85
Atlanta Blem & Atl.....100	300 60	July 31 60½	July 29 64	Apr 61	May 61
Batopilas Mining.....20	500 1¼	July 27 1¼	July 27 1	Jan 10½	June 10½
Brooklyn Union Gas.....100	400 80	July 30 85	July 31 79½	July 85	Feb 85
Brunswick Terminal.....100	100 12	Aug 1 12½	July 31 6¼	Jan 16½	June 16½
Butterick.....100	200 9	July 29 9	July 29 7½	May 11½	Feb 11½
Calumet & Arizona.....10	100 68	Aug 1 65	July 27 63½	Jan 71	May 71
Butterick.....100	100 85½	Aug 2 85½	Aug 2 73	Jan 88½	May 88½
Cons Interstate Call.....10	100 10	Aug 10	Aug 1 7½	Apr 13	June 13
Deere & Co, pref.....100	100 94	Aug 1 94	Aug 1 90	June 96	Feb 96
Detroit Edison.....100	20 103	July 27 103	July 30 98	Jan 105	Mar 105
Detroit United.....100	100 88	July 29 88	July 29 80	Apr 90	Jan 90
Dul S S & Atl, pref.....100	200 7¼	Aug 1 8	July 27 4½	May 8	July 8
Elk Horn Coal.....50	100 26	July 27 26	July 27 23	Jan 28½	Mar 28½
Federal Mfg & Smelting.....100	300 10	Aug 1 10	Aug 1 9¼	Apr 13½	Jan 13½
Preferred.....100	400 32½	Aug 1 34	Aug 2 27	Jan 36½	Feb 36½
Fisher Body Corp, no par.....100	200 38	July 31 38	July 31 26	Jan 43	June 43
Preferred.....100	50 80½	Aug 2 89½	Aug 2 70¼	Jan 91	July 91
General Clear, Inc.....100	2 00	48½	July 30 52½	July 24	Jan 58
Preferred.....100	100 99	Aug 2 99	Aug 2 86¼	Mar 100	June 100
Homestake Mining.....100	100 72	July 30 72	July 30 68	Jan 69	Jan 69
Int Harv N J, pref.....100	100 112	July 29 112	July 29 106½	July 112	July 112
Int Harvester Corp.....100	600 65	July 29 66	July 30 53	Mar 72	Feb 72
Kings Co El & P.....100	77 89	July 31 89¼	July 31 89¼	Apr 94	Feb 94
Kresge (S S) Co.....100	100 95	Aug 1 95	Aug 1 83	June 95	Aug 95
Liggett & Myers.....100	200 166½	July 31 169½	Aug 1 165	Jan 195½	Feb 195½
Preferred.....100	100 104	July 30 104	July 30 100½	June 107½	Mar 107½
Lord & Taylor (P).....100	2,300 136	Aug 2 185	July 29 156	Aug 200	Mar 200
Rights.....100	1,260 13½	Aug 2 14½	Aug 2 13½	Aug 14	Aug 14
Mauhat (Elev) Ry.....100	100 98	July 31 98	July 31 94	Mar 100	May 100
May Dept Stores pref.100	100 102	Aug 2 102	Aug 2 98¼	Jan 103	Feb 103
Min St P & S S M.....100	475 88½	July 29 89½	July 29 80¼	Apr 100	Mar 100
Preferred.....100	140 105	July 29 105	July 29 105	Apr 100	Jan 100
National Acme.....50	600 30	Aug 2 31	Aug 2 26½	Jan 33	May 33
National Discount.....100	300 91	July 30 91½	July 30 91	July 100	Jan 100
Preferred.....100	100 109	July 27 109	July 27 107½	June 114	Mar 114
North & West, pref.....100	200 75	July 30 75	July 30 75	July 79	Mar 79
Novo Scotia S & C.....100	600 62	Aug 2 63	Aug 2 56½	July 69	Jan 69
Novo Scotia S & C.....25	100 41¼	July 27 41¼	July 27 41¼	Mar 46½	June 46½
Owens Bottle-Mach.....25	100 59	July 30 59	July 30 55½	Jan 65	Feb 65
Pacific Teleg & Teleg.....100	200 20	July 31 20½	July 30 18¼	Feb 26	Feb 26
Pittab Steel, pref.....100	100 93	July 29 93	July 29 90	Apr 98	Jan 98
Savage Arms Corp.....100	200 72	Aug 2 72½	Aug 2 63	Jan 80½	May 80½
Stess-Sheff S & I, pref.100	100 93¼	July 29 93¼	July 29 91	Feb 93¼	July 93¼
Standard Milling.....100	100 117	July 31 118	July 29 84	Jan 118	July 118
Stutz Motor Car, no par.....100	100 40	July 29 40	July 29 38¼	Jan 47½	Feb 47½
United Drug, 2d pf.....100	100 78	July 29 78	July 29 77	June 80	Jan 80
U. S Realty & Impt.....100	1,000 15	July 27 17½	July 29 8	Mar 17½	July 17½

Outside Market.—Except for a few spurts of activity in some of the specialties, the "curb" market was a dull affair this week. Prices generally remain about steady. The more active issues show good improvement in prices. Aetna Explosives com. was in good demand and over 1½ points to 13¼, closing to-day at 13½. Burns Bros. Ice was a strong feature, moving up almost 5 points to 37½, a new high record. British-Amer. Tob. stocks were more than ordinarily active, and show substantial improvement. The ordinary stock sold up from 17 to 18½, and the ordinary bearer stock from 17¼ to 18½, the latter reacting finally to 18. Motor stocks were quiet. Chevrolet Motor, after early loss from 134 to 131, recovered to 135. United Motors, from 32¼, dropped to 31½ and rose to-day to 32½. Curtiss Aeroplane & Motor declined from 38½ to 36½. Wright-Martin Aircraft com. went down from 9½ to 9¼ and ends the week at 9¼. North Amer. Pulp & Paper was an active feature and sold up from 2¼ to 4¾, closing to-day at 4. Oil stocks extremely quiet. Houston Oil com. on few transactions lost 7 points to 76, recovering finally to 78. Stanton Oil, one of the low-priced issues, was active and weakened from 2½ to 1¾, the final figure to-day being 1½. Glenrock Oil declined from 4 to 3¾. Midwest Oil com. was off from \$1 02 to 99c. Oklahoma Prod. & Refg. receded from 7½ to 6¼ and closed to-day at 6¾. Okmulgee Prod. & Refg. advanced at first from 3¾ to 4¼, then fell to 3, selling finally at 3¾. Bonds continued active. Bethlehem Steel serial 7% notes were higher. Russian Govt. 6½s reached 60 from a close of 53 last week, the 5½s selling up to the same mark from 54 last week. Both issues reacted, the final figure for the former being 58 and the latter 57.

A complete record of "curb" market transactions for the week will be found on page 490.

For record of sales during the week of stocks usually inactive, see preceding page.

Main table with columns: HIGH AND LOW SALE PRICES—PER SHARE, NOT PER CENT., Sales for the Week, STOCKS NEW YORK STOCK EXCHANGE, PER SHARE Range since Jan. 1., PER SHARE Range for Previous Year 1917. Includes stock names like Atch Topoka & Santa Fe, Atlantic Coast Line, etc.

* Bid and asked prices; no sales on this day. † Ex-rights. ‡ Less than 100 shares, a Ex-div. and rights. § Ex-dividend. ¶ Before payment of first installment.

For record of sales during the week of stocks usually inactive, see second page preceding.

Table with columns: HIGH AND LOW SALE PRICES—PER SHARE, NOT PER CENT. (Saturday July 27, Monday July 29, Tuesday July 30, Wednesday July 31, Thursday Aug. 1, Friday Aug. 2); STOCKS NEW YORK STOCK EXCHANGE; PER SHARE Range since Jan. 1, On basis of 100-share lots; PER SHARE Range for Previous Year 1917. Rows list various stocks like Industrial & Misc. (Gen.), Birta Bros., Butte Copper & Zinc, etc., with their respective prices and ranges.

* Bid and asked prices; no sales on this day. † Less than 100 shares. ‡ Ex-rights. § Ex-div. and rights. ¶ Par \$10 per share. ■ Par \$100 per share. • Certificate of deposit. * Ex-dividend.

484 New York Stock Exchange—Bond Record, Friday, Weekly and Yearly

in Jan. 1909 the Exchange method of quoting bonds was changed and prices are now — and interest — except for interest and defaulted bonds

BONDS					BONDS				
N. Y. STOCK EXCHANGE					N. Y. STOCK EXCHANGE				
Week ending Aug. 2					Week ending Aug. 2				
Interest Period	Price Friday Aug. 2	Week's Range or Last Sale	Bonds Sold	Range Since Jan. 1.	Interest Period	Price Friday Aug. 2	Week's Range or Last Sale	Bonds Sold	Range Since Jan. 1.
U. S. Government.									
U. S. 3 1/2 Liberty Loan, 1933-47	J D	99.96	Sale	99.53	100	4591	97.20	100	
U. S. 4 1/2 converted from 1st Liberty Loan, 1932-47	J D	94.48	Sale	94.34	94.48	2965	93.00	98.40	
U. S. 4 1/2 2d Liberty Loan, 1927-42	M N	93.60	Sale	93.19	93.70	4082	93.00	97.98	
U. S. 4 1/2 converted from 1st Liberty Loan, 1932-47	J D	94.36	Sale	94.35	94.54	325	93.99	94.70	
U. S. 4 1/2 converted from 2d Liberty Loan, 1927-42	M N	93.58	Sale	93.10	93.74	4371	93.10	94.1	
U. S. 4 1/2 3d Liberty Loan, 1928	M N	95.44	Sale	95.02	95.78	9166	95.03	99.19	
U. S. 2 1/2 consol registered, 1913-30	Q J	98	---	99	99	2	97.00	---	
U. S. 2 1/2 consol coupon, 1913-30	Q J	98	---	97 1/4	Apr '18	97	97 1/4	---	
U. S. 3 1/2 registered, 1913-30	Q J	99 1/2	---	99 1/2	May '18	98 3/4	99 1/2	---	
U. S. 3 1/2 coupon, 1913-30	Q J	99 1/2	---	99 1/2	May '18	98 3/4	99 1/2	---	
U. S. 4 1/2 registered, 1925-30	Q J	100 1/2	---	100 1/2	July '18	100	100 1/2	---	
U. S. 4 1/2 coupon, 1925-30	Q J	100 1/2	---	100 1/2	July '18	100	100 1/2	---	
U. S. Pan Canal 10-30-yr 2 1/2 reg, 1913-30	Q J	98	---	98	June '18	98	98	---	
U. S. Pan Canal 10-30-yr 2 1/2 reg, 1913-30	Q J	98	---	99	July '18	97 1/4	99	---	
U. S. Panama Canal 3 1/2 reg, 1913-30	Q J	85	---	85	June '18	85	85	---	
U. S. Panama Canal 3 1/2 reg, 1913-30	Q J	85	---	83	May '18	83	84	---	
U. S. Philippine Island 4 1/2, 1914-30	Q J	---	---	100	Feb '15	---	---	---	
Foreign Government.									
Amer Foreign Genl 6 1/2, 1919	F A	97 1/4	Sale	97	97 1/4	365	94 1/2	97 1/4	
Argo-French 5-yr 5 1/2 Exter loan, 1919	A O	93 1/2	Sale	93 1/2	94 1/2	941	88 1/2	94 1/2	
Argentine Internal 5 1/2 of 1909, 1919	M S	85 1/2	Sale	84	85 1/2	19	78	85 1/2	
Bordeaux (City of) 3-yr 6 1/2, 1919	M N	93 1/2	Sale	93 1/2	93 1/2	80	84	94 1/2	
Chinese (Hukwang Ry) 5 1/2 of 1911	J D	98 1/2	Sale	98	98 1/2	10	93 1/2	98 1/2	
Cuba—External debt 5 1/2 of 1904	M S	99	---	98	98	1	90 1/2	100	
Ext. dt 5 1/2 of 1914 ser. A, 1919	F A	91 1/2	Sale	91 1/2	92 1/2	5	90 1/4	94 1/2	
Ext. dt 5 1/2 of 1914 ser. A, 1919	F A	80 1/2	Sale	84	Apr '18	---	80	84	
Ext. dt 5 1/2 of 1914 ser. A, 1919	F A	94 1/2	Sale	94 1/2	95	5	93 1/2	96 1/2	
Ext. dt 5 1/2 of 1914 ser. A, 1919	F A	92	---	92	93 1/2	9	90 1/2	95 1/2	
Ext. dt 5 1/2 of 1914 ser. A, 1919	F A	92 1/2	---	91 1/2	92 1/2	26	90 1/2	95 1/2	
Ext. dt 5 1/2 of 1914 ser. A, 1919	F A	93 1/2	---	93	93 1/2	97	91	95 1/2	
Ext. dt 5 1/2 of 1914 ser. A, 1919	F A	88	---	88	88	1	80 1/2	92 1/2	
Ext. dt 5 1/2 of 1914 ser. A, 1919	F A	89	---	89	89	3	83 1/2	92 1/2	
Ext. dt 5 1/2 of 1914 ser. A, 1919	F A	80 1/2	---	80	80 1/2	23	77	81	
Ext. dt 5 1/2 of 1914 ser. A, 1919	F A	74 1/2	---	73 1/2	June '18	73 1/2	73	81	
Ext. dt 5 1/2 of 1914 ser. A, 1919	F A	93 1/2	---	93 1/2	93 1/2	42	84	94 1/2	
Ext. dt 5 1/2 of 1914 ser. A, 1919	F A	93 1/2	---	93 1/2	93 1/2	68	84	94 1/2	
Ext. dt 5 1/2 of 1914 ser. A, 1919	F A	41 1/2	---	40 1/2	June '18	40	42 1/2	---	
Ext. dt 5 1/2 of 1914 ser. A, 1919	F A	30	---	33 1/2	Dec '17	---	---	---	
Ext. dt 5 1/2 of 1914 ser. A, 1919	F A	89 1/2	---	88 1/2	89 1/2	364	81 1/2	89 1/2	
Ext. dt 5 1/2 of 1914 ser. A, 1919	F A	80 1/2	---	82 1/2	81	16	85	82 1/2	
Ext. dt 5 1/2 of 1914 ser. A, 1919	F A	99 1/2	---	99 1/2	99 1/2	101	97	99 1/2	
Ext. dt 5 1/2 of 1914 ser. A, 1919	F A	99 1/2	---	99 1/2	99 1/2	101	97	99 1/2	
Ext. dt 5 1/2 of 1914 ser. A, 1919	F A	98 1/2	---	97 1/2	98 1/2	432	95 1/2	98 1/2	
Ext. dt 5 1/2 of 1914 ser. A, 1919	F A	95 1/2	---	95 1/2	95 1/2	254	91 1/2	95 1/2	
Ext. dt 5 1/2 of 1914 ser. A, 1919	F A	99 1/2	---	99 1/2	99 1/2	405	91 1/2	100	
<i>These are prices on the basis of \$100</i>									
State and City Securities.									
N. Y. City—4 1/2 Corp stock 1960	M S	95 1/2	Sale	94 1/2	95 1/2	8	87 1/2	95 1/2	
4 1/2 Corporate stock, 1960	M S	95 1/2	Sale	95	95 1/2	8	87 1/2	95 1/2	
4 1/2 Corporate stock, 1960	A O	94 1/2	Sale	94 1/2	94 1/2	14	87 1/2	96 1/2	
4 1/2 Corporate stock, 1960	M S	100	Sale	100	100 1/4	33	93 1/2	101 1/4	
4 1/2 Corporate stock, 1960	M N	99 1/2	100 1/4	99 1/2	100	33	93 1/2	101 1/4	
4 1/2 Corporate stock, 1960	M N	90 1/2	91	90 1/2	90 1/2	3	85	91 1/2	
4 1/2 Corporate stock, 1960	M N	90 1/2	91	90 1/2	90 1/2	3	85	91 1/2	
4 1/2 Corporate stock, 1960	M N	90 1/2	90 1/2	90 1/2	90 1/2	6	85	91 1/2	
4 1/2 Corporate stock, 1960	M N	89 1/2	90 1/2	89 1/2	90 1/2	5	85	90 1/2	
4 1/2 Corporate stock, 1960	M N	100 1/2	Sale	100	100 1/2	4	93 1/2	101 1/2	
4 1/2 Corporate stock, 1960	M N	100	101 1/2	100	100	2	93 1/2	101 1/2	
4 1/2 Corporate stock, 1960	M N	80 1/2	81 1/2	81 1/2	81 1/2	7	76	82 1/2	
4 1/2 Corporate stock, 1960	M S	98 1/2	99 1/2	99 1/2	99 1/2	99	99	99 1/2	
4 1/2 Corporate stock, 1960	M S	98 1/2	101	98 1/2	98 1/2	94	94 1/2	98 1/2	
4 1/2 Corporate stock, 1960	M S	98 1/2	100	98 1/2	98 1/2	94	94 1/2	98 1/2	
4 1/2 Corporate stock, 1960	M S	98 1/2	95	98 1/2	98 1/2	94 1/2	96	98 1/2	
4 1/2 Corporate stock, 1960	M S	103 1/2	113	107 1/2	June '18	105	107 1/2	---	
4 1/2 Corporate stock, 1960	M S	104 1/2	June '18	104 1/2	104 1/2	---	---	---	
4 1/2 Corporate stock, 1960	M S	108	109	105	Apr '18	104 1/2	107 1/2	---	
4 1/2 Corporate stock, 1960	M S	102 1/2	100 1/2	100 1/2	June '18	100 1/2	101 1/2	---	
4 1/2 Corporate stock, 1960	M S	47	49 1/2	47	Dec '17	44	52	---	
Railroad.									
Ann Arbor 1st 4 1/2, 1919	Q J	51 1/2	55 1/2	51 1/2	July '18	---	51 1/2	59	
Atchafalaya Topeka & Santa Fe	A O	81	Sale	81	81 1/2	44	80	85 1/2	
Registered, 1919	A O	79	80 1/2	80	Apr '18	---	80	80	
Adjustment gold 4 1/2, 1919	Nov	74 1/2	74 1/2	74	June '18	---	74 1/2	76	
Registered, 1919	Nov	73 1/2	73 1/2	73 1/2	73 1/2	---	73 1/2	73 1/2	
Stamped, 1919	M N	74 1/2	76 1/2	74 1/2	74 1/2	2	71 1/2	78	
Conv gold 4 1/2, 1919	J D	82	80	85	85	11	82	87 1/2	
Conv 4 1/2 issue of 1910, 1960	J D	84 1/2	91 1/2	91 1/2	Oct '17	---	79	79	
East Okla Div 1st 4 1/2, 1923	J J	75 1/2	77 1/2	75 1/2	July '18	---	76 1/2	80 1/2	
Rocky Mt. Div 1st 4 1/2, 1921	J J	77 1/2	77 1/2	77 1/2	July '18	---	79	85	
Trans Con Short L 1st 4 1/2, 1923	M S	77	77	77 1/2	July '18	---	79	85	
Cal-Aris 1st & ref 4 1/2 A, 1962	M S	84 1/2	100	99 1/2	July '17	---	77	84 1/2	
St P Pres & Ph 1st 4 1/2, 1912	M S	78 1/2	80 1/2	79 1/2	80	9	77	84 1/2	
Atl Coast L 1st gold 4 1/2, 1912	M S	78 1/2	80 1/2	79 1/2	80	9	77	84 1/2	
Gen unific 4 1/2, 1964	J D	78	79 1/2	78 1/2	July '18	---	75	82 1/2	
Ala Mid 1st gu gold 5 1/2, 1928	M N	95 1/2	99	95 1/2	June '18	---	95 1/2	95 1/2	
Bruno & W 1st gu gold 4 1/2, 1938	J J	78 1/2	80	85	Sept '17	---	78 1/2	80	
Charles & Sav 1st gold 7 1/2, 1936	J J	107 1/2	120 1/2	120 1/2	Aug '15	---	70	73 1/2	
L & N coil gold 4 1/2, 1912	M N	71	71 1/2	71	71	1	70	73 1/2	
Sav F & W 1st gold 5 1/2, 1934	A O	105	107 1/2	115	July '17	---	105	107 1/2	
1st gold 5 1/2, 1934	A O	95 1/2	97 1/2	105	July '15	---	99	99 1/2	
Sh S P Oca & G 1st 4 1/2, 1913	J J	80 1/2	80 1/2	80 1/2	May '18	---	80 1/2	89 1/2	
Balt & Ohio prior 3 1/2, 1925	J J	80 1/2	80 1/2	80 1/2	80 1/2	---	80 1/2	89 1/2	
Registered, 1925	Q J	80 1/2	80 1/2	80 1/2	Sept '17	---	77	78 1/2	
1st 60-yr gold 4 1/2, 1948	A O	75 1/2	76	76	76 1/2	11	75	78 1/2	
Registered, 1948	Q J	77 1/2	77 1/2	77 1/2	77 1/2	17	77 1/2	80 1/2	
10-yr conv 4 1/2, 1933	J D	77	78 1/2	77 1/2	78 1/2	20	77 1/2	83 1/2	
Refund & gen 5 1/2 Series A, 1935	J D	77	78 1/2	77 1/2	79	20	77 1/2	83 1/2	
Pitts June 1st gold 6 1/2, 1922	J J	97	112	Jan '12	---	---	81 1/2	83 1/2	
P June & M Div 1st 3 1/2, 1925	M N	81 1/2	83	81 1/2	July '18	---	72	76	
P L & W Va 5 1/2 ser 4 1/2, 1941	M N	82	82 1/2	82	82 1/2	5	81	85	
South Div 1st gold 3 1/2, 1925	J J	82	82 1/2	82	82 1/2	5	81	85	
Cent Ohio R 1st 4 1/2, 1930	M S	83 1/2	---	83	83 1/2	---	81	85	
Cl Lor & W con 1st 4 1/2, 1933	A O	93	---	90 1/2	June '18	---	93 1/2	96 1/2	
Monroe River 1st gu 5 1/2, 1919	F A	93 1/2	---	101 1/2	Nov '18	---	93 1/2	96 1/2	
Ohio River RR 1st 4 1/2, 1936	J D	91 1/2	---	99 1/2	Oct '17	---	88	88	
General gold 6 1/2, 1937	A O	83	88	88	88	---	88	88	
Pitts Cleve & Tol 1st 4 1/2, 1922	A O	99 1/2	107	99 1/2	Mar '18	---	99 1/2	99 1/2	
Buffalo R & P gen 5 1/2, 1937	M S	99 1/2	107	99 1/2	99 1/2	---	99 1/2	99 1/2	

BONDS		Interest		Prices		Week's		Range	
N. Y. STOCK EXCHANGE		Period		Friday		Range or		Since	
Week ending Aug. 2				Aug. 2		Last Sale		Jan. 1.	
		Bid	Ask	Low	High	No.	Low	High	
Delaware & Hudson—	1922	J	J	93 7/8	97	93 3/4	94		
1st gen equip g 4 1/2s	1922	J	J	80	81 1/2	81 1/2	81 1/2		
1st ref 4s	1943	M	N	87 1/2	88 1/2	87 1/2	88 1/2		
20-year conv 5s	1945	A	O	72 1/2	72 1/2	71 1/2	71 1/2		
Alb & Susq conv 3 1/2s	1946	A	O	72 1/2	72 1/2	71 1/2	71 1/2		
Rens & Saratoga 1st 7s	1921	M	N	101 1/2	112 1/2	112 1/2	112 1/2		
Denver & Rio Grande—									
1st cons g 4s	1936	J	J	67	67 1/2	67 1/2	68		
Consol gold 4 1/2s	1939	J	J	71	73	71 1/2	71 1/2		
Improvement gold 5s	1928	J	D	72 1/2	72 1/2	71 1/2	71 1/2		
1st & refunding 5s	1945	F	A	52 1/2	52 1/2	53	53		
Rio Gr June 1st gu g 5s	1939	J	J	95	95	95	95		
Rio Gr Sou 1st gold 4s	1940	J	J	64	65 1/2	65	65 1/2		
Guaranteed	1940	J	J	61 1/4	61 1/4	61 1/4	61 1/4		
Rio Gr West 1st gold 4s	1939	J	J	64	65 1/2	65	65 1/2		
Mtce & coll trust 4s A	1949	A	O	50	55	50	55		
Det & Mack—1st lien g 4s	1925	J	D	78	82	82	82		
Gold 4s	1925	J	D	78	82	82	82		
Det Riv Tun Ter Tun 4 1/2s	1961	M	N	60	75	77 1/2	77 1/2		
Dul Missabe & Nor gen 5s	1941	J	J	93 1/2	96 1/2	96 1/2	97 1/2		
Dul & Iron Range 1st 5s	1937	A	O	95	95 1/2	97	97 1/2		
Registered	1937	A	O	105 1/2	105 1/2	105 1/2	105 1/2		
Dul Sou Shore & Atl g 5s	1937	J	J	87	87	87	87		
Elgin & RR 1st gen g 5s	1921	M	N	78	93 1/2	93 1/2	93 1/2		
Elgin & RR 1st gen g 5s	1921	M	N	78	93 1/2	93 1/2	93 1/2		
Erle 1st consol gold 7s	1920	M	N	87	100 1/2	100 1/2	100 1/2		
N Y & Erie 1st ext g 4s	1947	M	N	80	85	85	85		
2d ext gold 5s	1919	M	S	92 1/2	96 1/2	96 1/2	96 1/2		
3d ext gold 4 1/2s	1923	M	S	92 1/2	96 1/2	96 1/2	96 1/2		
4th ext gold 5s	1920	A	O	94 1/2	99 1/2	99 1/2	99 1/2		
5th ext gold 4s	1928	J	D	94 1/2	99 1/2	99 1/2	99 1/2		
N Y L & E W 1st g 7s	1920	M	S	97 1/2	100 1/2	100 1/2	100 1/2		
Erle 1st cons g 4s prior	1926	J	J	65 1/2	66	66	66		
Registered	1926	J	J	65 1/2	66	66	66		
1st consol gen lien g 4s	1926	J	J	53 1/4	54	54	54		
Registered	1926	J	J	53 1/4	54	54	54		
Penn coll trust gold 4s	1951	F	A	78	79 1/2	78 1/2	78 1/2		
50-year conv 4s Ser A	1953	A	O	47 1/2	50	50	50		
do Series B	1953	A	O	47 1/2	50	50	50		
Gen conv 4s Series D	1953	A	O	47 1/2	50	50	50		
Chic & Erie 1st gold 5s	1922	M	N	85 1/2	91	90	90		
Clev & Mahon Vall g 5s	1938	J	J	100 1/2	100 1/2	100 1/2	100 1/2		
Erle & Jersey 1st g 6s	1955	J	J	96	99	103 1/4	103 1/4		
Genesee River 1st g 6s	1957	J	J	96	99	103 1/4	103 1/4		
Lone Dock consol g 6s	1935	A	O	99	103	103	103		
Coal & RR 1st gen g 6s	1921	M	N	99	103	103	103		
Doek & Impt 1st ext 5s	1943	J	J	85	85	85	85		
N Y & Green L gu g 5s	1946	M	N	80	85	85	85		
N Y Susq & W 1st ref 4s	1937	J	J	65	80	75	75		
2d gold 4 1/2s	1937	F	A	100 1/4	100 1/4	100 1/4	100 1/4		
General gold 5s	1940	F	A	59 1/2	60	60	60		
Terminal 1st gold 5s	1943	M	N	108	108	108	108		
Mid of N J 1st ext 5s	1940	A	O	84	108	108	108		
Will & East 1st gu g 5s	1942	J	D	65	72	66	66		
Ev & Ind 1st cons g 6s	1929	J	J	87 1/2	97	97	97		
Evanov & T H 1st cons 6s	1921	J	J	87 1/2	97	97	97		
1st general gold 5s	1942	A	O	51 1/4	51 1/4	51 1/4	51 1/4		
Mt Vernon 1st gold 6s	1923	J	J	99	103	103	103		
Sull Co Branch 1st g 5s	1930	A	O	92	92	92	92		
Florida E Coast 1st 4 1/2s	1939	J	D	81 1/2	81 1/2	81 1/2	81 1/2		
Fort St U D Co 1st g 4 1/2s	1941	J	J	81	81 1/2	81 1/2	81 1/2		
Flt Worth & Rio Gr 1st g 4s	1928	J	J	55	56 1/2	56 1/2	56 1/2		
Galv Hous & Hen 1st 5s	1923	A	O	88	88 1/2	88 1/2	88 1/2		
Great Nor C B & Q coll 4s	1921	J	J	93 1/2	93 1/2	94	94		
Registered	1921	J	J	93 1/2	93 1/2	94	94		
1st & ref 4 1/2s Series A	1951	J	J	80 1/2	87	87 1/2	87 1/2		
Registered	1951	J	J	80 1/2	87	87 1/2	87 1/2		
St Paul M & Man 4s	1933	J	J	84 1/2	89 1/2	89 1/2	89 1/2		
1st consol g 6s	1933	J	J	102 1/2	108	108	108		
Registered	1933	J	J	102 1/2	108	108	108		
Reduced to gold 4 1/2s	1933	J	J	91 1/4	92	92 1/2	92 1/2		
Registered	1933	J	J	91 1/4	92	92 1/2	92 1/2		
Mont ext 1st gold 4s	1937	J	D	83 1/2	84 1/2	83 1/2	83 1/2		
Registered	1937	J	D	83 1/2	84 1/2	83 1/2	83 1/2		
Pacific ext guar 4s F	1940	J	J	74 1/4	74 1/4	74 1/4	74 1/4		
E Minn Nor Div 1st g 4s	1948	A	O	100 1/2	100 1/2	100 1/2	100 1/2		
Minn Union 1st g 6s	1922	J	J	104 1/2	104 1/2	104 1/2	104 1/2		
Mont C 1st gu g 6s	1927	J	J	104 1/2	104 1/2	104 1/2	104 1/2		
Registered	1927	J	J	104 1/2	104 1/2	104 1/2	104 1/2		
1st guar gold 5s	1937	J	J	95	96	96 1/2	96 1/2		
Will & S F 1st gold 6s	1938	J	D	93 1/2	100 1/2	100 1/2	100 1/2		
Green Bay & W deb etta "A"	Feb			79 1/2	79 1/2	79 1/2	79 1/2		
Debenture etta "B"	Feb			72 1/2	8 1/2	8 1/2	8 1/2		
Gulf & S 1st ref & g 5s	1952	J	J	75	76	76	76		
Hoeking Val 1st cons g 4 1/2s	1909	J	J	75	75	75	75		
Registered	1909	J	J	75	75	75	75		
Col & H V 1st ext g 4s	1948	A	O	69	82 1/2	82 1/2	82 1/2		
Col & Tol 1st ext 4s	1955	F	A	70 1/2	75	75	75		
Houston Belt & Term 1st 4s	1937	J	J	80	90 1/2	90 1/2	90 1/2		
Illinois Central 1st gold 4s	1951	J	J	82 1/2	93 1/4	93 1/4	93 1/4		
Registered	1951	J	J	82 1/2	93 1/4	93 1/4	93 1/4		
1st gold 3 1/2s	1951	J	J	82 1/2	93 1/4	93 1/4	93 1/4		
Registered	1951	J	J	82 1/2	93 1/4	93 1/4	93 1/4		
Extended 1st gold 3 1/2s	1951	A	O	61 1/2	80	80	80		
Registered	1951	A	O	61 1/2	80	80	80		
1st gold 3s sterling	1951	M	S	80	80	80	80		
Registered	1951	M	S	80	80	80	80		
Collateral trust gold 4s	1952	A	O	75 1/2	77 1/2	77 1/2	77 1/2		
Registered	1952	A	O	75 1/2	77 1/2	77 1/2	77 1/2		
1st refunding 4s	1952	M	N	78	80	80	80		
Purchased linen 3 1/2s	1952	J	J	65 1/2	68	74	74		
L N O & Texas gold 4s	1953	M	N	70	74 1/4	74	74		
Registered	1953	M	N	70	74 1/4	74	74		
Caico Bridge gold 4s	1950	J	D	73 1/2	79	79	79		
Litchfield Div 1st gold 3s	1931	J	J	56 1/2	79	79	79		
Loulay Div & Term g 3 1/2s	1923	J	J	66 1/2	66 1/2	66 1/2	66 1/2		
Registered	1923	J	J	66 1/2	66 1/2	66 1/2	66 1/2		
Middle Div ref 5s	1921	F	A	95 1/2	102	102	102		
Omaha Div 1st gold 5s	1951	F	A	58 1/2	58 1/2	58 1/2	58 1/2		
St Louis Div & Term g 5s	1951	J	J	60	62	62	62		
Gold 3 1/2s	1951	J	J	62 1/2	65 1/2	65 1/2	65 1/2		
Registered	1951	J	J	62 1/2	65 1/2	65 1/2	65 1/2		
Spring Div 1st g 3 1/2s	1951	J	J	62 1/2	65 1/2	65 1/2	65 1/2		
Western lines 1st g 4s	1951	F	A	78 1/2	80 1/2	80 1/2	80 1/2		
Registered	1951	F	A	78 1/2	80 1/2	80 1/2	80 1/2		
Belle & Car 1st 6s	1923	J	D	117 1/2	117 1/2	117 1/2	117 1/2		
Carb & Shaw 1st gold 4s	1932	M	S	90	90	90	90		
Chic St L & N O gold 5s	1951	J	D	97	97	97	97		
Registered	1951	J	D	97	97	97	97		
Gold 3 1/2s	1951	J	D	63 1/2	65 1/2	65 1/2	65 1/2		
Registered	1951	J	D	63 1/2	65 1/2	65 1/2	65 1/2		
Joint 1st ref 5s Series A	1953	J	D	85 1/2	86 1/2	86 1/2	86 1/2		
Memph Div 1st g 4s	1951	J	D	69 1/2	75	75	75		
Registered	1951	J	D	69 1/2	75	75	75		
St Louis Sou 1st gu g 4s	1931	M	S	76 1/2	85	85	85		
Ind Ill & Iowa 1st g 4s	1950	J	J	74 1/2	98	98	98		

SHARE PRICES—NOT PER CENTUM PRICES.						Sales for the Week Shares.	STOCKS BOSTON STOCK EXCHANGE		Range Since Jan. 1.		Range for Previous Year 1917.	
Saturday July 27	Monday July 29	Tuesday July 30	Wednesday July 31	Thursday Aug. 1.	Friday Aug. 2.		Lowest.	Highest.	Lowest.	Highest.		
*131 132	130 130 1/2	*130 132	*130 132	*130 132	132 132	32	Boston & Albany.....100	123 1/2 Apr 17	135 June 24	120 Dec	175 Jan	
71 72	71 72	71 72	71 72	70 71	71 71 1/2	1,485	Boston Elevated.....100	37 Jan 2	76 1/2 May 29	27 Dec	70 Jan	
*83 85	*83 85	85 85	*83 85	*83 85	85 85	5	Boston & Lowell.....100	80 July 11	100 Jan 2	70 1/2 Dec	133 Mar	
*83 85	*83 85	*85 86	*85 86	*85 86	85 85	163	Boston & Maine.....100	19 Jan 23	37 1/2 July 20	15 Dec	45 Mar	
*155 170	160 160	*155 170	*155 170	*155 170	155 170	1	Boston & Providence.....100	150 Apr 15	168 1/2 Jan 17	150 Dec	213 Jan	
*14	*14	3	3	3	3	3	Boston Suburban Elec.....no par	2 Jan 26	3 June 5	2 July	3 July	
25 1/2	25 1/2	25 1/2	25 1/2	25 1/2	25 1/2	1	Do prof.....no par	10 1/4 Mar 1	15 June 17	9 June	30 July	
*138 145	*138 145	*138 145	*138 145	*138 145	138 145	1	Boston & Worcester.....no par	25 July 19	30 Mar 4	30 Aug	38 Feb	
*83 83	*83 83	*83 83	*83 83	*83 83	83 83	1	Chic June Ry & U S Y.....no par	138 July 2	147 Apr 17	148 Nov	150 Jan	
*108 114	*108 114	*108 114	*108 114	*108 114	108 114	5	Do prof.....100	82 1/2 Apr 18	85 Jan 30	83 1/2 Dec	108 Jan	
*80 63	*80 63	*80 63	*80 63	*80 63	80 63	105	Connecticut River.....100	104 Feb 19	120 Mar 6	102 1/2 Nov	140 Mar	
*112 115	*112 115	*112 115	*112 115	*112 115	112 115	105	Pitchburg pref.....100	53 Jan 22	65 Jan 3	44 Dec	78 1/2 Mar	
*78 84	*78 84	*78 84	*78 84	*78 84	78 84	100	Georgia Ry & Elec stamp.....100	112 1/2 June 15	110 1/4 Jan 9	116 Dec	133 Jan	
*79 81	*79 81	*81 81	*80 81	*80 81	80 81	4	Do prof.....100	80 Mar 8	81 Feb 25	83 June	92 1/2 Jan	
16 16 1/2	17 17	*16 17	16 16 1/2	16 16 1/2	16 16 1/2	150	Maine Central.....100	77 1/2 June 18	85 Jan 3	78 Dec	100 1/2 Mar	
40 40 1/2	40 40 1/2	*40 40 1/2	41 41 1/2	40 40 1/2	40 40 1/2	387	Mass Electric Cos.....100	3 Jan 2	7 1/2 May 16	1 Dec	6 1/2 June	
*80 80	*80 80	*80 80	*80 80	*80 80	80 80	446	Do prof stamped.....100	8 1/2 Jan 23	33 May 16	6 Dec	31 1/2 July	
*92 95	*92 95	*90 92	*92 92	*92 92	92 92	20	N Y N H & Hartford.....100	27 Feb 25	46 May 29	21 1/2 Sept	52 1/2 Jan	
*21 22 1/2	*21 22 1/2	*21 22 1/2	*21 22 1/2	*21 22 1/2	21 22 1/2	20	Northern New Hampshire.....100	20 Jan 10	60 Jan 10	90 1/2 Oct	105 Apr	
49 49	48 1/2 49	48 1/2 49	47 1/2 48	47 1/2 48	47 1/2 48	207	Old Colony.....100	28 1/2 July 13	168 Mar 4	85 Dec	126 1/2 June	
50 1/2 50 1/2	50 1/2 50 1/2	50 1/2 50 1/2	50 1/2 50 1/2	50 1/2 50 1/2	50 1/2 50 1/2	30	Rutland, new.....100	20 Jan 2	25 Jan 8	16 1/2 Dec	84 1/2 Feb	
*90 91 1/2	*90 91 1/2	*92 92	*90 92	*90 92	90 92	220	Vermont & Massachusetts.....100	83 Jan 24	88 Apr 18	83 Dec	110 Jan	
94 94	94 94	93 1/2 94	93 1/2 94	94 94	94 94	162	Do prof.....100	37 Feb 20	50 July 5	34 Dec	56 1/2 Mar	
*70 71	*70 71	*70 71	*70 71	*70 71	70 71	220	Amer Agricul Chemical.....100	78 1/2 Jan 2	93 July 19	73 Dec	94 1/2 May	
*83 83	*83 83	*83 83	*83 83	*83 83	83 83	162	Do prof.....100	88 1/2 Jan 2	95 1/2 May 21	78 Dec	103 1/2 Jan	
*110 110 1/2	*110 110 1/2	*110 110 1/2	*110 110 1/2	*110 110 1/2	110 110 1/2	59	Amer Pneumatic Service.....25	40 July 1	2 1/2 Mar 2	1 Dec	2 1/2 Jan	
107 107 1/2	110 110 1/2	109 109	109 109	109 109	109 109	59	Do prof.....50	10 1/2 July 1	168 Mar 4	1 Dec	14 Mar	
93 1/2 94 1/2	92 94	91 1/2 92	91 1/2 92	91 1/2 92	91 1/2 92	4,283	Amer Sugar Refining.....100	99 Jan 2	115 1/2 May 15	90 Nov	98 1/2 Mar	
*58 1/2 59 1/2	*58 1/2 59 1/2	*58 1/2 59 1/2	*58 1/2 59 1/2	*58 1/2 59 1/2	58 1/2 59 1/2	100	Do prof.....100	107 June 4	113 May 9	105 Dec	121 1/2 Jan	
95 95 1/2	95 95 1/2	95 95 1/2	95 95 1/2	95 95 1/2	95 95 1/2	46	Amer Teleg & Teleg.....100	91 1/2 July 30	109 Feb 5	96 Dec	128 1/2 Jan	
*76 80	*76 80	*76 80	*76 80	*76 80	76 80	525	American Woolen of Mass.....100	45 1/2 Jan 8	60 1/2 May 24	38 1/2 Nov	58 June	
*78 80	*78 80	*78 80	*78 80	*78 80	78 80	31	Do prof.....100	90 Jan 3	96 1/2 Mar 12	87 1/2 Dec	100 1/2 Jan	
*15 16	*15 16	16 16	15 1/2 16	15 1/2 16	15 1/2 16	305	Amoskeag Manufacturing.....100	60 1/2 Jan 2	77 May 24	60 Dec	75 July	
*101 1/2 104	*101 1/2 103	*102 1/2 103	*101 1/2 103	*101 1/2 103	101 1/2 103	10	Do prof.....10	78 Jan 7	82 June 5	75 Dec	97 1/2 Jan	
26 1/2 26 1/2	26 1/2 26 1/2	26 26	26 26	26 26	26 26	10	Art Metal Consol Inc.....10	11 Feb 21	18 July 8	6 Dec	14 1/2 Dec	
13 1/2 13 1/2	13 1/2 13 1/2	13 1/2 13 1/2	13 1/2 13 1/2	13 1/2 13 1/2	13 1/2 13 1/2	707	All Gulf & W I S S Lines.....100	98 Jan 15	120 1/2 Feb 16	88 Sept	121 1/2 Jan	
12 1/2 12 1/2	12 1/2 12 1/2	12 12 1/2	12 12 1/2	12 12 1/2	12 12 1/2	707	Do prof.....100	58 1/2 Jan 17	64 July 19	55 1/2 Feb	66 Jan	
58 1/2 58 1/2	58 1/2 58 1/2	58 1/2 58 1/2	58 1/2 58 1/2	58 1/2 58 1/2	58 1/2 58 1/2	2,713	Booth Fisheries.....no par	21 Jan 25	27 1/2 July 16	27 Dec	30 June	
140 140	137 140	137 137 1/2	137 137 1/2	137 137 1/2	137 137 1/2	6,411	Century Street of Amer Inc.....10	10 1/4 May 13	13 1/2 July 19	10 Dec	10 1/2 Jan	
42 1/2 43	42 1/2 43	42 43	42 43	42 43	42 43	51	Cuban Port Cement.....10	12 Jan 29	17 1/2 May 1	10 Dec	10 Jan	
144 145	144 1/2 145 1/2	143 144	144 145	144 145	144 145	1,772	East Boston Land.....10	4 Jan 31	5 1/2 May 15	3 1/2 Dec	10 Jan	
5 1/2 5 1/2	5 1/2 5 1/2	5 1/2 5 1/2	5 1/2 5 1/2	5 1/2 5 1/2	5 1/2 5 1/2	1,324	Edison Electric Illum.....100	134 June 21	154 1/2 Jan 2	133 1/2 Dec	226 Jan	
*161 1/2 18	*161 1/2 18	*161 1/2 18	*161 1/2 18	*161 1/2 18	161 1/2 18	1,772	Fairbanks Co.....25	27 1/2 June 27	43 July 19	118 1/2 Dec	170 1/2 Jan	
34 1/2 4 1/2	37 1/2 4 1/2	41 1/2 4 1/2	41 1/2 4 1/2	41 1/2 4 1/2	41 1/2 4 1/2	320	General Electric.....100	128 Jan 10	151 1/2 May 16	118 1/2 Dec	170 1/2 Jan	
*88 88	*88 88	*88 88	*88 88	*88 88	88 88	315	Internat Port Cement.....10	5 Apr 3	6 1/2 Feb 6	4 Dec	18 1/2 Jan	
*82 82 1/2	*82 82 1/2	*82 82 1/2	*82 82 1/2	*82 82 1/2	82 82 1/2	10	Do prof.....50	12 Apr 23	18 July 19	10 Dec	33 1/2 Jan	
*66 68	*66 68	*66 68	*66 68	*66 68	66 68	315	McElwain (W H) Ist pref.....100	89 May 23	92 1/2 Feb 28	92 1/2 Dec	102 1/2 Jan	
*113 1/2 113 1/2	*113 1/2 113 1/2	*113 1/2 113 1/2	*113 1/2 113 1/2	*113 1/2 113 1/2	113 1/2 113 1/2	37	Massachusetts Gas Cos.....100	27 1/2 Jan 15	91 May 16	71 Dec	100 1/2 Mar	
*88 1/2 88 1/2	*88 1/2 88 1/2	*88 1/2 88 1/2	*88 1/2 88 1/2	*88 1/2 88 1/2	88 1/2 88 1/2	17	Do prof.....100	62 June 17	70 Jan 3	53 Dec	81 Mar	
83 83	83 83	83 83	83 83	83 83	83 83	14	Mercantile Linotype.....100	88 June 11	124 Jan 31	110 Dec	169 Jan	
62 62	61 61	60 62	60 61	60 61	60 61	187	New Eng Cotton Yarn.....100	83 Jan 15	89 1/2 May 16	35 Jan	90 Mar	
114 114	114 114	112 113 1/2	111 113	111 113	111 113	78	Do prof.....100	100 Jan 3	100 Jan 3	93 Dec	124 1/2 Mar	
*34 34 1/2	*34 34 1/2	*34 34 1/2	*34 34 1/2	*34 34 1/2	34 34 1/2	100	Nova Scotia Steel & C.....100	55 July 5	69 Jan 2	59 Nov	112 Jan	
108 110	110 110 1/2	111 1/2 111 1/2	111 1/2 111 1/2	111 1/2 111 1/2	111 1/2 111 1/2	78	Pulvina Company.....100	102 Jan 7	110 1/2 May 16	107 Dec	160 1/2 Jan	
52 52	52 52	52 52	52 52	52 52	52 52	17	Punta Alegre Sugar.....50	29 Jan 3	35 Feb 23	29 Dec	40 Jan	
128 128 1/2	128 128 1/2	126 1/2 128 1/2	126 1/2 128 1/2	126 1/2 128 1/2	126 1/2 128 1/2	7,025	Reece Button-Hole.....10	11 Jan 29	13 1/2 Mar 16	10 Dec	10 Mar	
26 26	26 26	26 26	26 26	26 26	26 26	487	Swift & Co.....100	102 1/2 June 11	146 1/4 Apr 9	116 Nov	162 1/2 Apr	
107 1/2 108 1/2	107 1/2 108 1/2	106 1/2 108 1/2	107 1/2 108 1/2	107 1/2 108 1/2	107 1/2 108 1/2	25	Torrington.....25	45 Jan 29	52 July 24	40 Nov	68 June	
*111 1/2 112	*111 1/2 112	*111 1/2 112	*111 1/2 112	*111 1/2 112	111 1/2 112	487	United Fruit.....100	115 Jan 17	133 Feb 18	110 Dec	153 1/2 Jan	
7 7 1/2	7 7 1/2	7 1/2 7 1/2	7 1/2 7 1/2	7 1/2 7 1/2	7 1/2 7 1/2	850	United Shoe & Leather Corp.....25	28 1/2 July 9	48 1/2 May 16	37 Dec	54 1/2 Jan	
*50 50	*50 50	*50 50	*50 50	*50 50	50 50	232	U S Steel Corporation.....100	25 Jan 19	26 1/2 May 28	25 Oct	30 Mar	
*75 75	*75 75	*75 75	*75 75	*75 75	75 75	5,454	Do prof.....100	37 Mar 25	113 1/2 May 17	79 1/2 Dec	135 May	
*31 31	*31 31	*31 31	*31 31	*31 31	31 31	1,830	Ventura Consol Oil Fields.....6	108 Mar 25	112 1/2 July 16	103 1/2 Dec	121 Jan	
*15 20	*15 20	*15 20	*15 20	*15 20	15 20	20	Adventure Con.....25	5 Jan 2	8 1/2 June 4	4 1/2 Dec	8 1/2 Jan	
*50 51 1/2	*50 51 1/2	*50 51 1/2	*50 51 1/2	*50 51 1/2	50 51 1/2	20	Almeek.....25	1 1/2 June 27	1 1/2 Jan 25	1 Oct	4 1/2 Jan	
*27 32	*27 32	*27 32	*27 32	*27 32	27 32	15	Alaska Gold.....100	71 June 13	83 Jan 3	70 Dec	108 Jan	
*27 1/2 29	*27 1/2 29	*27 1/2 29	*27 1/2 29	*27 1/2 29	27 1/2 29	15	Algomah Mining.....100	1 1/2 Apr 25	4 1/2 July 5	1 Dec	1 1/2 Jan	
460 464	454 454	451 451	455 455	455 455	455 455	25	Algonah Mining.....25	15 July 11	4 1/2 May 13	10 Sept	1 1/2 Jan	
13 13 1/2	13 13 1/2	13 13 1/2	13 13 1/2	13 13 1/2	13 13 1/2	165	Amer Zinc Lead & Smelt.....25	12 1/2 Mar 23	21 1/2 July 3	11 Dec	41 1/2 Jan	
47 1/2 48	47 1/2 48	48 48	48 48	48 48	48 48	20	Do prof.....25	41 Jan 2	5 1/2 July 6	40 Nov	73 Jan	
17 1/2 17 1/2	17 1/2 17 1/2	17 1/2 17 1/2	17 1/2 17 1/2	17 1/2 17 1/2	17 1/2 17 1/2	1,830	Arizona Commercial.....5	11 Jan 5	15 1/2 July 31	8 1/2 Nov	15 1/2 June	
*94 94	*94 94	*94 94	*94 94	*94 94	94 94	400	Butte-Balakava Copper.....10	25 Feb 1	45 Jan 7	25 Dec	24 Jan	
*48 1/2 5	*48 1/2 5	*48 1/2 5	*48 1/2 5	*48 1/2 5	48 1/2 5	407	Butte & Sup Con (Ltd).....10	17 Mar 25	33 May 14	12 1/2 Dec	52 Jan	
*77 80	*77 80	*77 80	*77 80	*77 80	77 80	25	Calumet & Arizona.....25	62 1/2 Jan 15	73 1/2 May 16	65 Dec	85 1/2 Jan	
*43 1/2 44 1/2	*43 1/2 44 1/2	*43 1/2 44 1/2	*43 1/2 44 1/2	*43 1/2 44 1/2	43 1/2 44 1/2	25	Calumet & Hecla.....25	42 1				

Outside Stock Exchanges

Boston Bond Record.—Transactions in bonds at Boston Stock Exchange July 27 to Aug. 2, both inclusive:

Table with columns: Bonds, Friday Last Sale Price, Week's Range of Prices, Sales for Week, Range since Jan. 1. (Low, High). Includes entries like U S Lib Loan 3 1/2's, 1932-47.

Chicago Stock Exchange.—The complete record of transactions at the Chicago Stock Exchange from July 27 to Aug. 2, both inclusive, compiled from the official sales lists, is given below.

Table with columns: Stocks, Friday Last Sale Price, Week's Range of Prices, Sales for Week, Range since Jan. 1. (Low, High). Includes entries like American Straw Bd Co, Amer Shipbuilding, Booth Fisheries.

Pittsburgh Stock Exchange.—The complete record of transactions at the Pittsburgh Stock Exchange from July 27 to Aug. 2, both inclusive, compiled from the official sales lists, is given below.

Table with columns: Stocks, Friday Last Sale Price, Week's Range of Prices, Sales for Week, Range since Jan. 1. (Low, High). Includes entries like Amer Wind Glass Mach 100, Am Wind Glass pref., Columbia Gas & Elec.

Baltimore Stock Exchange.—Complete record of the transactions at the Baltimore Stock Exchange from July 27 to Aug. 2, both inclusive, compiled from the official sales lists, is given below.

Table with columns: Stocks, Friday Last Sale Price, Week's Range of Prices, Sales for Week, Range since Jan. 1. (Low, High). Includes entries like Atlantic Petroleum, Baltimore Tube, Celostine Oil v t.

Philadelphia Stock Exchange.—The complete record of transactions at the Philadelphia Stock Exchange from July 27 to Aug. 2, both inclusive, compiled from the official sales lists, is given below.

Table with columns: Stocks, Friday Last Sale Price, Week's Range of Prices, Sales for Week, Range since Jan. 1. (Low, High). Includes entries like American Gas of N J, Cambria Iron, Elec Storage Battery.

Table with columns: Bonds, Friday Last Sale Price, Week's Range of Prices, Sales for Week, Range since Jan. 1. (Low, High). Includes entries like U S Lib Loan 3 1/2's, 1932-47, 1st Lib Loan 4's, 1932-47.

Volume of Business at Stock Exchanges

TRANSACTIONS AT THE NEW YORK STOCK EXCHANGE DAILY, WEEKLY AND YEARLY.

Table with columns: Week ending Aug. 2 1918, Stocks (Shares, Par Value), Railroad, State, Mun. & Foreign Bonds, U. S. Bonds. Includes rows for Saturday, Monday, Tuesday, Wednesday, Thursday, Friday, and Total.

Table with columns: Sales at New York Stock Exchange, Week ending Aug. 2, 1918, 1917, Jan. 1 to Aug. 2, 1918, 1917. Rows include Stocks-No. shares, Par value, Bank shares, Bonds, Government bonds, State, mun., &c., bonds, RR. and misc. bonds, Total bonds.

DAILY TRANSACTIONS AT THE BOSTON, PHILADELPHIA AND BALTIMORE EXCHANGES.

Table with columns: Week ending Aug. 2 1918, Boston, Philadelphia, Baltimore. Rows include Saturday, Monday, Tuesday, Wednesday, Thursday, Friday, Total.

New York "Curb" Market.—Below we give a record of the transactions in the outside security market from July 27 to Aug. 2, both inclusive. It covers the week ending Friday afternoon.

It should be understood that no such reliability attaches to transactions on the "Curb" as to those on the regularly organized stock exchanges.

On the New York Stock Exchange, for instance, only members of the Exchange can engage in business, and they are permitted to deal only in securities regularly listed—that is, securities where the companies responsible for them have complied with certain stringent requirements before being admitted to dealings.

On the "Curb," on the other hand, there are no restrictions whatever. Any security may be dealt in and any one can meet there and make prices and have them included in the lists of those who make it a business to furnish daily records of the transactions.

Table with columns: Week ending Aug. 2, Friday Last Sale Price, Week's Range of Prices, Range since Jan. 1. Rows include Aetna Explos., Brit-Amo Tob ord'y, Ordinary bearer, Burns Bros Ice, Car Lig & Power, Chevrolet Motor, Cuprita Sulphur, Curtiss Aero, Eastern Vending, Emerson Phonograph, General Asphalt, Grape Oil, Preferred, Kayat Tire & Rub com, Lake Torpedo Boat, Lima Locomotive, Marconi Wire Tel, N Y Transportation, North Am Pulp & Pap, Penn Seaboard Steel, Poulsen Wireless, Radio Equipment, Smith Motor Truck, Steel Alloys Corp, Submarine Boat, Thibogen Co of Amer, United Motors, U S Light & Heat com, U S Steamship, Wright-Martin Aero, Amer Sumatra Tobacco, P Lorillard, Royal Dutch Co, Former Standard Oil Subsidiaries, Other Oil Stocks.

Table with columns: Oil Stocks (Con.)—Par, Friday Last Sale Price, Week's Range of Prices, Range since Jan. 1. Rows include Mineral Wells Petroleum, N Y-Chino Oil, Northwestern Oil com, Oklahoma Oil com, Preferred, Oklahoma Prod & Ref, Okmulgee Prod & Ref, Omar Oil & Gas com, Penn-Kentucky Oil, Pennsylvania Gasoline, Red Rock Oil & Gas, Rice Oil, Royal Dutch Co new, Sapulpa Refining, Sequoyah Oil & Ref, Southern Oil & Trans, Standard Gas & Oil, Stanton Oil, Texas Oil & Ref, Tripartite Oil, United Western Oil, Vacuum Gas & Oil Ltd, Victoria Oil.

Table with columns: Mining Stocks, Friday Last Sale Price, Week's Range of Prices, Range since Jan. 1. Rows include Alaska-Brit Col Metals, Ameria Mines, Amor Tin & Tungsten, Andina Min (prosp), Arizona Zinc Cop, Atlanta Mines, Big Ledge Copper, Booth, Boston & Montana Dev, Butte-Det Cop & Zinc, Calumet & Jerome Cop, Canada Copper Co Ltd, Cash, Cerbat Silver M & R, Coco River Mining, Consoi Arizona Smelt, Consoi Copper Mines, Consoi-Hornstead, Copper Valley Mining, Cresson Cons Gold M&M, Denbigh Mines, El Salvador Silver, Emma Copper, Erie-Adirondack Min, First Nat Copper, Fortuna Cons, Goldfield Consolidated, Goldfield Merger, Great Bend, Hattie Gold Min, Hecla Mining, Hypotheek M & M, International Mines, Jacon-Verde Copper, Jim Butler, Jumbo Extension, Kerr Lake, Kewanee, Lampazos Silver, Liberty Silv (prosp), Lone Star Consol, Louisiana Consol, Margra Chief, Marsh Mining, McIndoe-Darragh-Sav, Monitor Chief, Mother Lode, Mutual Min & Leas Pl, National Leasing, Nat Zinc & Lead, Nevada Ophir, New Cornelia, Nixon Nevada, Ohio Copper, Onondaga Mines, Pacific Tungsten, Ray Hercules Mining, Red Warrior Mining, Rochester Combined, Rochester Mines, San Toy Mining, Senorito Copper, Silver Flange Silver, Silver King of Arizona, Silver Pick Consol, Standard Silver-Lead, Stewart, Success Mining, Superior Cop (prosp), Tonopah Belmont Dev, Tonopah Extension, Tonopah Mining, Troy-Arizona, Tuolumne, United Eastern Mining, United Lead & Zinc, Unity Gold Mines, Ward Mt & Mill, West End Consolidated, White Caps Extension, White Caps Mining, White Knob Copper, Wilbert Mining.

Table with columns: Bonds, Friday Last Sale Price, Week's Range of Prices, Range since Jan. 1. Rows include Am Tel & Tel I-y-c 6s, 1919, 6s when issued, 1925, Armour & Co deb 6s, 1919, Debenture 6s, 1920, Debenture 6s, 1921, Debenture 6s, 1922, Debenture 6s, 1923, Debenture 6s, 1924, Beth Steel 5% notes, 1919, Beth Sil 7% w l, 1920, Serial 7s w l, 1921, Serial 7s w l, 1922, Serial 7s w l, 1923, Bklyn Rap T new 7s, 1925, Canada (Dom of) 5s, 1919, Ward Mt & Mill, West End Consolidated, White Caps Extension, White Caps Mining, White Knob Copper, Wilbert Mining.

* 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. u Ex-cash and stock dividends. w When issued. x Ex-dividend. e Ex-rights. z Ex-stock dividend.

CURRENT NOTICE

The name of the New York Stock Exchange firm of William Morris Imbrie & Co. has been changed to Imbrie & Co. and the firm has added a department of commercial banking...

As part of its income tax service, the National City Co. of this city have issued two new leaflets, entitled: 1. Federal Tax on Corporate Undivided Profits; 2. Federal Income Tax Certificates Defined and Explained.

Dwight P. Robinson and John W. Hallowell retired July 1 from partnership in the engineering and corporation management firm of Stone & Webster, New York.

Wrenn Bros. & Co. announce that Walter Jackson and Chas. H. Hooke have become general partners in the firm, beginning Aug. 1 1918.

The Mohawk Valley Investment Corporation announces the opening of offices at 97-98-99 Utica City National Bank Building, Utica, N. Y.

A new issue of \$2,500,000 State of Louisiana Port Commission Serial 5% Canal gold bonds, due July 1 1929-58, is advertised in to-day's "Chronicle" by Wm. R. Compton Co., 14 Wall Street, and Halsey, Stuart & Co., 49 Wall Street...

At 9 3/4% and interest, to yield 8% on the investment, A. B. Leach & Co. of this city and Chicago are advertising and offering in this issue \$3,500,000 Hydraulic Pressed Steel Co. First Mortgage & Collateral Trust 7% notes, due July 1 1921.

Loucheim, Minton & Co., members of the New York Stock Exchange, 71 Broadway, New York, have taken over the branch office at Hotel Astor, formerly conducted by Post & Flagg.

A. B. Murray, formerly of the firm of Bernhard Scholle & Co., 14 Wall Street, this city, has opened offices at 52 Broadway, this city.

Messrs. Powell, Garard & Co., Chicago, dealers in municipal and public utility bonds, have opened a New York office at 65 Broadway under the management of Mr. James F. May.

The July 1918 number of the Hand-Book of Securities, issued this week by the publishers of the "Commercial and Financial Chronicle," contains a monthly range of prices for the year ended July 1 of stocks and bonds sold at the Stock Exchanges in New York, Boston, Philadelphia, Chicago and Pittsburgh.

New York City Banks and Trust Companies

Table listing various banks and trust companies with columns for Bid, Ask, and other financial details. Includes entries like Amer. Exch., Atlantic, Battery Park, etc.

* Banks marked with (*) 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

Table listing realty and surety companies with columns for Bid, Ask, and other financial details. Includes entries like Alliance R'ty, Amer Surety, Bond & M.G., etc.

Quotations for Sundry Securities

Large table listing various securities including Standard Oil Stocks, RR. Equipments, Bonds, Ordinance Stocks, Public Utilities, and Industrial and Miscellaneous. Columns include Bid, Ask, and other financial details.

* Per share. † Basis. ‡ Purchase also pays accrued dividend. § New stock. ¶ Flat price. ** Nominal. †† Ex-dividend. ‡‡ Ex-rights. (†) Without par value.

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: Latest Gross Earnings, July 1 to Latest Date, Latest Gross Earnings, July 1 to Latest Date. Rows list various railroads like Alabama & Vicksb., Ann Arbor, Aitch Topeka & S Fe, etc.

AGGREGATES OF GROSS EARNINGS—Weekly and Monthly.

Summary table with columns: Weekly Summaries, Monthly Summaries, Current Year, Previous Year, Increase or Decrease, %. Rows include 2d week May, 3d week May, etc., and August, September, October, etc.

a Method of reporting changed figures are now for the Colorado & Southern Railway Company only.

Latest Gross Earnings by Weeks.—For the third week of July our final statement covers 19 roads and shows 9.43% increase in the aggregate over the same week last year.

Third week of July.	1918.	1917.	Increase.	Decrease.
Previously reported (5 roads)...	\$ 3,370,496	\$ 5,775,769	\$ 900,727	\$ 306,000
Ann Arbor	65,706	63,798	1,908	
Canadian Northern	846,300	872,100		25,800
Chicago Ind & Louisville	231,260	177,972	53,288	
Colorado & Southern	232,081	223,256	8,825	
Detroit & Mackinac	25,977	26,034		57
Duluth South Shore & Atl	99,373	88,111	11,262	
Grand Trunk of Canada				
Grand Trunk Western	1,496,180	1,358,019	138,161	
Detroit Gr Hav & Milw				
Canada Atlantic				
Mineral Range	21,087	19,323	1,764	
Nevada-California-Oregon	5,159	6,796		1,637
St Louis Southwestern	380,518	321,282	59,236	
Tennessee Alabama & Georgia	3,385	2,641	744	
Total (19 roads)	9,777,522	8,935,100	1,175,916	333,494
Net increase (9.43%)			842,422	

a Above figures are for the Colorado & Southern Ry. Co. only.

Net Earnings Monthly to Latest Dates.—The table following shows the gross and net earnings with charges and surplus of STEAM railroad and industrial companies reported this week:

Roads.	Gross Earnings Current Year.	Previous Year.	Net Earnings Current Year.	Previous Year.
Atch Top & Santa Fe	June 12,926,579	11,815,430	1,838,112	4,300,815
Jan 1 to June 30	72,422,360	67,106,183	21,413,432	24,982,811
Panhandle & Santa Fe	June 449,081	581,548	def95,786	195,313
Jan 1 to June 30	2,851,654	3,269,383	530,931	1,228,502
Gulf Colo & Santa Fe	June 1,418,267	1,380,941	def138,584	452,130
Jan 1 to June 30	8,873,412	8,027,072	2,038,352	2,095,193
Atlanta & West Point	June 203,388	127,975	33,178	30,484
Jan 1 to June 30	1,104,953	792,746	334,517	211,013
Atlanta Birm & Atl	June 307,624	290,495	def196,735	28,810
Jan 1 to June 30	2,004,768	1,895,814	def160,997	311,394
Atlantic Coast Line	June 4,363,773	3,376,810	def907,967	841,686
Jan 1 to June 30	26,226,234	22,121,243	6,035,224	7,549,625
Atlantic Coast Line	June 4,363,773	3,376,810	907,968	2,657,483
Jan 1 to June 30	26,226,234	22,121,243	6,035,224	7,549,625
Baltimore & Ohio	June 14,852,852	11,272,774	df1,904,789	2,869,019
Jan 1 to June 30	68,991,616	61,170,347	df936,398	14,446,622
Belt Ry of Chicago	June 352,949	342,873	def57,230	116,109
Jan 1 to June 30	1,824,342	1,887,501	79,220	504,574
Bessemer & Lake Erie	June 1,323,763	1,468,590	434,490	605,567
Jan 1 to June 30	4,957,916	4,869,137	87,534	1,182,800
Birmingham Southern	June 123,893	89,630	15,455	def1,448
Jan 1 to June 30	708,870	568,692	58,837	25,703
Boston & Maine	June 5,759,169	4,982,670	df1,172,200	652,168
Jan 1 to June 30	30,250,656	25,049,618	1,043,688	5,300,531
Buff Roch & Pitts	June 1,585,118	1,345,335	def239,836	356,673
Jan 1 to June 30	8,033,382	6,783,538	69,895	1,343,189
Canadian Northern	June 4,031,100	4,048,600	514,200	1,087,600
July 1 to June 30	42,450,600	41,244,700	3,926,500	10,400,400
Canadian Pacific	June 12,577,286	13,556,979	2,812,147	3,915,906
Jan 1 to June 30	72,012,286	71,356,776	14,706,985	20,997,449
Carolina Clinch & Ohio	June 340,510	359,809	def47,191	158,313
Jan 1 to June 30	2,056,680	1,987,616	483,960	862,339
Central of Georgia	June 1,521,628	1,249,990	def287,499	344,132
Jan 1 to June 30	9,551,095	7,176,773	2,169,635	1,933,271
Central of New Jersey	June 3,746,783	3,294,485	def265,740	1,144,420
Jan 1 to June 30	19,086,173	17,559,420	2,335,334	5,344,117
Central Vermont	June 463,429	404,933	def135,671	166,499
Jan 1 to June 30	2,332,945	2,113,521	def194,486	404,235
Chicago & Alton	June 1,928,845	1,821,488	def160,696	609,792
Jan 1 to June 30	10,418,750	9,730,861	845,291	2,809,762
Chicago Great Western	June 1,429,020	1,427,841	def447,117	521,132
Jan 1 to June 30	8,410,490	7,834,876	520,947	1,808,925
Chic Ind & Louisville	June 967,565	713,023	83,336	269,123
Jan 1 to June 30	4,673,207	4,302,228	541,903	1,396,930
Chic Milw & St Paul	June 10,617,493	9,410,567	df2,554,394	2,865,892
Jan 1 to June 30	55,072,130	52,382,357	1,257,493	13,676,632
Chicago R I & Pacific	June 7,291,040	6,975,622	df1,397,738	1,547,645
Jan 1 to June 30	43,830,982	40,340,758	5,321,020	9,589,113
Cin New Ort & Tex Pac	June 1,228,745	1,147,149	def23,629	457,178
Jan 1 to June 30	6,604,418	6,313,485	1,149,553	2,047,115
Colorado & Southern System	June 520,837	485,613	def129,460	182,346
Jan 1 to June 30	3,611,951	2,923,024	661,770	1,072,846
Delaware Lack & West	June 5,686,652	5,253,802	867,046	1,922,293
Jan 1 to June 30	29,848,437	27,735,569	6,847,968	9,814,351
Denver & Rio Grande	June 2,262,846	2,352,089	def200,549	724,577
Jan 1 to June 30	13,519,245	13,490,305	2,734,769	4,418,420
Duluth & Iron Range	June 1,100,769	951,448	552,965	490,106
Jan 1 to June 30	2,806,854	2,261,671	658,332	477,389
Duluth Missabe & Nor	June 2,613,221	2,124,429	1,622,370	1,431,877
Jan 1 to June 30	5,591,885	4,164,684	2,185,386	1,396,993
East St Louis Connect	June 86,779	88,558	def68,784	28,301
Jan 1 to June 30	490,611	505,362	def11,200	11,473
Elgin Joliet & Eastern	June 1,561,739	1,398,626	150,046	524,371
Jan 1 to June 30	8,061,735	7,639,439	1,476,880	2,012,997
El Paso Southwestern	June 1,194,757	1,173,468	181,612	516,057
Jan 1 to June 30	7,311,963	7,258,286	2,963,750	3,526,363
Erie Railroad	June 7,223,978	6,561,351	df2,937,855	1,616,528
Jan 1 to June 30	36,088,083	33,397,404	df4,095,952	5,211,911
Chicago & Erie	June 842,211	775,789	def191,111	249,208
Jan 1 to June 30	4,538,314	4,208,111	def245,106	1,185,342
Ft Smith & Western	June 80,838	72,542	def13,540	def6,579
Jan 1 to June 30	598,126	488,047	447,001	33,016
Georgia	June 504,828	283,639	58,656	63,416
Jan 1 to June 30	2,742,676	1,741,974	774,251	437,591
Great Northern	June 7,737,898	8,511,029	df792,848	3,356,971
Jan 1 to June 30	39,057,426	40,092,407	1,304,760	11,842,690
Gulf Mobile & North	June 179,917	183,174	def44,693	55,058
Jan 1 to June 30	1,118,494	1,026,487	203,697	301,443
Kan City Mex & Orient	June 77,027	95,158	def73,311	5,177
Jan 1 to June 30	570,754	555,945	def195,037	def39,878
Lehigh & New England	June 465,153	315,650	126,595	120,877
Jan 1 to June 30	1,752,602	1,700,008	389,974	629,035
Lehigh Valley	June 5,851,604	5,113,084	df820,095	1,567,827
Jan 1 to June 30	27,195,520	25,435,817	1,015,008	5,717,654
Minneapolis & St Louis	June 912,847	937,455	def320,683	306,409
Jan 1 to June 30	5,365,418	5,140,875	200,290	1,437,481
Minn St Paul & S M	June 2,469,272	3,302,933	def652,661	1,371,119
Jan 1 to June 30	13,537,588	16,000,907	279,965	5,251,267

Roads.	Gross Earnings Current Year.	Previous Year.	Net Earnings Current Year.	Previous Year.
Missouri Oida & Gulf	June 127,105	154,465	def115,880	36,498
Jan 1 to June 30	860,046	1,010,974	def190,661	140,656
Missouri Pacific	June 6,316,172	6,401,699	df1,505,357	2,134,036
Jan 1 to June 30	40,998,953	40,821,310		8,821,310
Nashv Chatt & St L	June 1,644,357	1,140,266	def102,370	231,440
Jan 1 to June 30	9,054,634	7,115,676	1,472,722	1,679,662
Newburgh So Sh & Atl	June 108,667	85,347	26,923	def7,305
Jan 1 to June 30	525,597	470,470	37,393	def8,332
New Orleans & N E	June 481,147	415,827	def83,139	138,749
Jan 1 to June 30	2,876,992	2,294,876	686,885	774,064
N.O. Tex. & Mex. System	June 283,447	385,470	def115,791	196,421
Jan 1 to June 30	1,810,590	2,074,401	399,808	856,505
Beaum Sour L & W	June 104,894	76,772	def6,884	14,519
Jan 1 to June 30	743,078	478,307	272,758	161,865
New York Central	June 23,874,698	21,562,233	df3,799,367	6,937,269
Jan 1 to June 30	122,729,354	112,480,112	12,377,872	28,731,523
Cleve Cln Chic & St L	June 5,845,026	4,491,251	252,414	1,472,733
Jan 1 to June 30	29,301,567	24,577,351	5,876,937	6,581,013
Kanawa & Mich	June 543,464	337,290	136,886	212,126
Jan 1 to June 30	2,361,361	1,639,802	593,180	431,952
Lake Erie & West	June 729,002	723,918	def108,169	262,923
Jan 1 to June 30	4,084,315	4,016,579	439,572	1,220,914
Michigan Central	June 5,343,326	4,350,707	def176,761	1,210,152
Jan 1 to June 30	29,358,667	24,945,624	5,504,803	5,885,808
N Y Chic & St Louis	June 1,837,300	1,485,673	20,441	411,145
Jan 1 to June 30	9,068,351	8,186,499	1,231,960	1,695,192
N Y Ontario & West	June 1,030,606	804,718	def95,819	261,843
Jan 1 to June 30	4,776,097	4,109,636	280,198	998,355
Norfolk & Western	June 6,726,527	5,593,348	def663,801	2,004,773
Jan 1 to June 30	34,969,428	30,801,938	6,237,525	11,678,100
Northern Pacific	June 7,542,787	8,371,744	def274,819	3,687,481
Jan 1 to June 30	42,023,234	42,148,323	9,092,479	17,183,057
Pennsylvania System	June 2,290,119	1,489,218	462,067	544,586
Jan 1 to June 30	9,379,786	7,063,908	2,066,381	1,617,740
Cumberland Valley	June 443,986	436,707	12,931	209,615
Jan 1 to June 30	2,259,956	2,289,622	675,729	1,110,928
Monongahela	June 285,836	187,784	23,944	79,233
Jan 1 to June 30	1,348,318	1,047,877	352,832	462,304
Peoria & Pekin Union	June 95,139	102,945	def87,669	15,729
Jan 1 to June 30	613,307	590,915	def65,957	48,287
Pere Marquette	June 2,552,140	1,915,584	def111,250	624,130
Jan 1 to June 30	12,193,644	11,413,088	1,652,996	2,717,897
Pittsburgh & West Va	June 162,129	137,223	def23,072	36,428
Jan 1 to June 30	856,715		52,943	
Rutland	June 372,338	374,891	def137,582	98,225
Jan 1 to June 30	2,099,757	2,063,939	44,203	454,667
St Louis-San Francisco	June 5,613,107	4,609,647	def273,025	1,827,385
Jan 1 to June 30	30,161,168	26,607,264	4,645,867	8,946,963
St Louis Southwestern	June 834,298	888,181	def52,207	377,917
Jan 1 to June 30	6,185,590	5,489,401	2,236,306	2,438,907
St L So West of Tex	June 490,297	431,392	def265,223	50,117
Jan 1 to June 30	3,168,773</			

ELECTRIC RAILWAY AND PUBLIC UTILITY COS.

Name of Road or Company.	Week or Month.	Latest Gross Earnings.		Jan. 1 to Latest Date.	
		Current Year.	Previous Year.	Current Year.	Previous Year.
Alabama Power Co.	May	239,408	162,202	1,093,853	781,752
Amer Power & Lt Co.	May	1019,926	860,696	5,381,505	4,681,305
Bangor Ry & Elec.	June	14,865	16,490	78,503	129,221
Baton Rouge Elec Ry	May	71,190	65,423	367,398	350,723
Blackstone V G & EL	May	20,458	17,793	102,971	94,326
Brazilian Trac, L & P	May	157,632	152,302	927,104	794,797
Brook & Plym St Ry.	May	9,692	9,586	38,931	43,511
Bklyn Rap Tran Syst	April	2571,061	2477,556	9,705,535	9,594,504
Cape Breton Elec Co	May	38,917	36,030	193,289	174,884
Cent Miss V El Prop.	May	26,771	24,100	132,288	122,740
Chattanooga Ry & Lt	May	147,808	117,840	715,754	546,014
Cities Service Co.	June	1808,929	1388,560	11,476,249	9,820,796
Clevo Palmsy & East	May	46,227	43,747	206,023	195,890
g Columbia Gas & El	June	783,150	762,992	6,096,573	5,707,430
g Columbus (Ga) El Co	May	101,018	84,410	496,876	426,572
Colum (O) Ry & P L	May	350,814	316,274	1,775,364	1,607,371
Com w'th P. Ry & Lt	May	1831,428	1580,770	10,338,999	9,272,736
Connecticut Power Co	May	503,096	485,267	3,855,659	3,445,389
Consum Pow (Mich).	May	254,438	236,728	1,188,477	2,297,072
Cumb Co (Me) P & L	May	173,606	125,182	1,121,235	898,390
Dayton Pow & Light	June	1011,620	868,769	6,692,833	5,997,504
g Detroit Edison.	June	1473,573	1370,447	846,662	762,439
Detroit United Lines	March	147,384	126,287	1,597,083	1,447,741
Duluth-Superior Trac	June	337,079	301,645	1,597,083	1,447,741
East St Louis & Sub.	May	94,396	74,233	436,011	378,041
Eastern Texas Elec.	May	105,576	103,174	534,008	546,334
El Paso Electric Co.	May	290,540	229,813	600,884	473,691
g Federal Lt & Trac.	February	39,741	77,444	524,277	540,416
Ft Worth Pow & Lt.	June	209,765	155,988	1,009,444	775,516
Galv-Hous Elec Co.	May	105,683	107,618	524,277	540,416
Grand Rapids Ry Co	May	339,755	323,929	1,727,952	1,637,440
Great West Pow Syst	June	117,572	99,664	623,768	560,149
Harrisburg Railways.	June	685,731	564,237	3,253,268	2,896,060
Havana El Ry, L & P	March	61,125	59,741	170,791	173,992
Honolulu R T' Land	May	31,769	32,646	173,515	179,627
Houghton Co El Co.	May	25,122	26,466	138,924	142,501
Hudson Co Tr Co.	May	677,898	624,053	2,280,555	2,107,514
HDud & Manhat RR.	April	1150,237	1057,153	7,094,140	6,489,480
Illinois Traction.	June	3524,432	3511,493	17,539,100	17,585,880
Interboro Rap Tran.	May	83,211	56,762	368,002	290,040
Jacksonville Trac Co	May	21,105	19,388	102,601	97,478
Kookuk Electric Co.	May	14,885	11,712	71,448	55,831
Key West Electric Ry	May	161,528	141,531	772,168	659,926
Lake Shore Elec Co.	May	73,099	71,822	300,320	323,598
Lewis Aug & Watery	April	16,267	18,877	61,199	67,186
Long Island Electric.	May	326,156	268,675	1,465,288	1,271,788
Louisville Railway.	April	11,867	10,770	45,158	40,275
Manhat Bridge & Line	May	694,570	627,032	4,320,742	3,883,008
Milw El Ry & Lt Co.	June	235,741	184,599	1,073,161	1,022,057
Milw Lt, Ht & Tr Co.	June	232,266	198,301	1,073,161	1,008,682
Nashville Ry & Light	May	106,481	111,929	944,838	553,947
Newp N&H Ry G&E	May	178,247	161,117	825,034	714,678
Nevada-Cal El Corp.	May	37,698	34,713	125,226	123,183
N Y & Long Island.	April	11,755	13,125	40,523	46,429
N Y & North Shore.	April	75,468	97,223	274,925	302,765
N Y & Queens Co.	April	983,452	1033,608	3,661,872	3,996,252
New York Railways.	April	251,264	192,389	1,497,502	1,134,729
Nag Lockp't & Ont.	April	17,678	17,334	70,687	68,193
Northampton Trac.	June	593,513	527,232	3,468,309	3,121,805
Northern Cal El Co.	May	247,017	180,238	1,301,768	884,820
North Texas Electric	April	6,567	7,677	25,042	24,722
Ocean Electric (L I)	May	1696,260	1568,814	1,709,855	1,597,521
Pacific Gas & Electric	May	154,740	132,346	127,196	126,863
Pacific Pow & Light.	May	38,606	25,313	183,021	128,548
g Paducah Tr & Lt Co	May	2696,626	2570,440	12,726,716	12,170,689
Pensacola Electric Co	May	52,109	47,778	222,222	222,222
Phila Rapid Transit.	May	141,631	102,617	3,025,087	2,372,048
Phila & Western.	May	620,294	474,433	4,219,954	3,704,403
Portland Gas & Coke	May	86,829	77,591	4,668,710	3,793,817
Porto Rico Railways.	May	919,764	762,669	4,668,710	2,929,467
g Puget Sd Tr, L & P	June	449,349	375,346	2,808,144	2,299,467
g Republic Ry & Light	June	33,739	33,036	127,406	127,077
Richmond Lt & RR.	April	442,059	330,662	2,139,349	1,443,257
St L Rock Mtn & Pac	May	55,718	47,040	325,078	266,990
Santiago El Lt & Tr.	June	93,022	74,213	468,551	372,781
Savannah Electric Co	April	66,860	63,800	234,114	243,788
Second Avenue (Rec)	April	17,670	18,140	64,371	67,923
Southern Cal Edison.	May	653,400	528,584	2,781,408	3,280,386
Southern Ry (N Y)	May	20,778	25,587	78,605	93,067
Staten Id Midland.	May	428,799	82,012	434,145	436,715
Tampa Electric Co.	May	233,387	181,864	1,262,490	1,354,791
Tenn Ry, Lt & P Co.	May	316,814	342,997	1,48,975	142,495
Texas Power & Lt Co.	June	139,618	148,735	509,100	564,719
Third Avenue Ry.	April	215,045	238,239	809,127	915,283
D D E B & B RR.	April	66,244	64,995	250,977	243,024
42d St M & S N A Ry	April	56,724	62,644	219,646	243,189
Union Ry Co (N Y)	April	53,331	58,340	196,135	227,266
Yonkers Railroad.	April	870,351	937,859	3,019,143	3,204,505
N Y City Interbry	April	808,432	853,106	4,847,573	5,175,945
Belt Line Ry Corp.	April	600,350	525,777	3,673,198	3,066,814
Third Avenue System	June	242,353	93,503	1,199,668	491,989
Twin City Rap Tran.	June	43,625	41,733	166,694	160,428
Virginia Ry & Power.	June	82,118	80,889	444,066	426,540
Wash Balt & Annap.	June	33,533	28,817	161,930	134,743
Westchester Electric.	April				
York Railways.	May				
Youngstown & Ohio.	May				

Name of Road or Company.	Month.	Gross Earnings.	Net After Taxes.	Fixed Chgs.	Balance, Surplus.
Kansas Gas & Elec.	June '18	150,552	51,953	31,635	20,318
	'17	122,446	30,598	21,384	9,214
	12 mos '18	1,857,842	236,894	133,000	103,894
	'17	1,705,508	298,850	133,000	165,850
Milw Elec Ry & Lt.	June '18	694,570	141,272	108,882	239,192
	'17	627,652	112,799	85,213	236,636
	6 mos '18	4,320,742	827,415	598,730	2304,171
	'17	3,883,008	853,925	455,031	2448,154
Milw Lt, Ht & Tr.	June '18	251,741	55,370	40,941	214,599
	'17	184,599	37,334	30,491	206,198
	6 mos '18	1,316,681	222,515	258,808	2061,095
	'17	1,022,057	204,850	232,780	2061,095
Newport News & Hampton Ry, G & El	June '18	196,481	59,924	20,408	240,156
	'17	111,929	44,338	20,338	224,618
	6 mos '18	944,848	269,194	122,410	250,737
	'17	553,647	206,856	123,166	284,867
Pacific Power & Light Co	June '18	154,740	78,882	41,518	37,364
	'17	132,346	74,621	36,338	38,183
	12 mos '18	1,769,855	905,383	457,278	448,105
	'17	1,537,524	765,975	415,077	350,898
Portland Gas & Coke Co	June '18	145,423	66,415	29,191	87,224
	'17	111,915	57,780	27,301	26,470
	12 mos '18	1,540,610	701,613	348,344	353,269
	'17	1,290,620	607,687	326,386	281,301
Texas Power & Light Co	June '18	233,287	81,574	54,536	30,038
	'17	181,868	67,206	45,100	22,106
	12 mos '18	2,897,551	1,056,286	608,462	447,824
	'17	2,407,004	1,029,775	476,660	553,115
Wash Balt & Annap.	June '18	242,955	111,001	17,294	296,212
	'17	93,503	39,254	23,672	217,702
	6 mos '18	1,199,668	560,542	135,411	2434,232
	'17	494,989	179,061	134,680	251,163

z After allowing for other income received.

Name of Road or Company.	Month.	Gross Earnings.	Net Earnings.	Fixed Chgs. & Taxes.	Balance, Surplus.
Harrisburg Ry	June '18	117,572	40,016	34,873	51,143
	'17	99,664	46,300	32,243	14,057
	6 mos '18	623,768	262,436	203,248	59,188
	'17	560,149	270,277	193,460	76,817
Northern Ohio Electric Corp	June '18	593,513	209,329	144,551	64,778
	'17	527,232	191,137	124,571	66,566
	6 mos '18	3,468,309	1,242,601	852,616	389,985
	'17	3,121,605	1,215,918	756,003	459,315

United Gas & Electric Corporation.

Name of Road or Company.	Month.	Gross Earnings.	Net after Taxes.	Fixed Charges.	Balance, Surplus.
Philadelph'ia Company (and affiliated operating companies)	June '18	818,446	763,331	347,717	353,608
Natural Gas Dept.	June '18	2,781,955	2,503,504	1,463,577	1,354,275
Oil Department.	June '18	56,232	46,550	42,650	34,650
Coal Department.	June '18	179,984	147,623	143,422	116,674
Street Ry Dept (excl Pittsb'ryh Ry Co)	June '18	44,907	41,264	1,734	9,896
Total all Dep'ts.	June '18	1,883,397	1,699,066	671,296	708,411
Apr 1 to June 30.	'18	6,167,181	5,289,999	2,731,004	2,455,135

Name of Road or Company.	Month.	Gross Earnings.	Net after Taxes.	Fixed Charges.	Balance, Surplus.
Citizens' Gas & Fuel Co (Terro Haute)	June '18	24,381	9,314	3,638	5,676
	'17	23,945	12,104	3,938	8,168
	12 mos '18	308,406	136,989	45,337	91,

		Gross Earnings	Net After Taxes	Fixed Chgs.	Balance, Surplus
Wilkes-Barre Co	June '18	66,893	26,254	21,543	4,711
	'17	54,503	28,450	20,934	8,416
	12 mos '18	891,991	355,743	251,960	105,783
	'17	769,061	380,175	240,378	139,709
Total	June '18	1,324,389	392,017	303,836	88,181
	'17	1,280,135	516,553	273,200	243,347
	12 mos '18	16,364,018	5,150,763	3,725,777	1,430,956
	'17	15,800,504	5,434,454	2,487,501	2,946,953

		Gross Earnings	Net after Taxes	Fixed Charges	Balance, Surplus
Birmingham Ry, Lt & Pow Co (Alabama)	June '18	290,754	86,284	65,926	19,358
	'17	289,265	104,859	66,346	38,513
	12 mos '18	3,713,900	1,255,333	837,157	418,176
	'17	3,532,076	1,248,302	819,957	428,345
Houston Lighting & Power Co (Texas)	June '18	79,269	25,548	7,524	18,024
	'17	70,709	29,080	7,086	21,994
	12 mos '18	946,466	378,499	127,040	251,459
	'17	826,320	372,220	140,126	232,094
Knoxville Ry & Co (Tennessee)	June '18	99,265	37,405	18,570	18,835
	'17	88,816	36,803	18,769	18,034
	12 mos '18	1,137,176	447,910	245,121	202,789
	'17	1,034,979	431,800	235,011	196,780
Little Rock Ry & Elec Co (Arkansas)	June '18	119,058	21,799	18,331	2,968
	'17	83,381	33,074	17,498	15,576
	12 mos '18	1,279,340	360,354	222,408	137,946
	'17	986,188	410,695	200,698	200,997
Memphis St Ry Co (Tennessee)	June '18	174,266	61,057	44,734	16,323
	'17	174,808	65,106	44,139	20,967
	12 mos '18	2,106,078	730,772	535,975	194,797
	'17	2,114,680	858,150	537,635	320,515
New Orleans Ry & Lt Co (Louisiana)	June '18	674,384	224,353	165,811	58,542
	'17	630,162	244,835	157,800	87,035
	12 mos '18	8,034,148	2,835,032	1,977,064	857,968
	'17	7,553,366	2,939,002	1,902,590	1,036,412
Total	June '18	1,439,999	456,445	322,396	134,049
	'17	1,337,143	513,757	311,637	202,120
	12 mos '18	17,217,710	6,007,899	3,944,763	2,063,136
	'17	16,048,211	6,260,168	3,845,016	2,415,152

ANNUAL REPORTS.

Annual Reports.—An index to annual reports of steam railroads, street railways and miscellaneous companies which have been published during the preceding month will be given on the last Saturday of each month. This index will not include reports in the issue of the "Chronicle" in which it is published. The latest index will be found in the issue of July 27. The next will appear in that of Aug. 31.

Southern Pacific Company.

(34th Annual Report—Year ended Dec. 31 1917.)

On subsequent pages is given at length the report of the board of directors, signed by Julius Kruttschnitt, Chairman of the Executive Committee.

COMBINED INCOME ACCOUNT (INCL. SOUTHERN PACIFIC CO. AND PROPRIETARY COS., EXCLUDING OFFSETTING ACCTS.)

	Dec. 31 '17.	Dec. 31 '16.	Dec. 31 '15.
Years ending—			
Freight revenues	132,008,207	112,460,567	86,331,290
Passenger revenues	45,380,193	37,112,447	42,057,401
Mail, express, &c.	19,801,950	9,573,186	9,438,013
Incidental, &c.	5,181,139	4,281,224	4,641,201
Total revenues	192,371,489	163,427,423	142,467,905
Maintenance of way & construction	17,522,352	18,049,585	16,988,904
Maintenance of equipment	24,261,507	23,579,907	20,838,009
Traffic	3,131,417	3,105,890	3,121,250
Transportation	68,778,430	62,388,289	45,430,562
Miscellaneous operations	2,729,402	2,232,869	2,408,515
General	4,584,982	4,146,810	3,903,208
Transportation for investment	Cr. 406,267	Cr. 414,622	Cr. 342,510
Total expenses	120,601,823	103,088,736	92,346,538
Net revenue	73,369,667	60,338,687	50,121,367
Taxes	13,792,176	8,269,292	6,549,186
Uncollectibles	70,238	61,195	43,735
Net revenue from misc. operations	5,671,418	—	—
Taxes on misc. operating properties	24,261,507	—	—
Misc. operating income	5,571,558	—	—
Operating income	65,078,811	52,008,200	43,528,447
Rent, &c., income	1,888,086	1,127,440	1,295,979
Hire of equipment	2,604,242	—	—
Profit—separate operated properties	20,960	—	—
Dividend income	2,388,652	4,384,005	4,685,131
Income from funded securities	2,730,732	4,859,237	5,860,908
Miscellaneous	1,845,260	1,265,437	1,971,006
Gross income	75,856,844	63,644,316	57,340,871
Hire of equipment	—	627,670	164,613
Rent for leased roads	168,316	700,750	731,976
Rents, &c.	1,482,081	1,909,976	2,120,486
Bonds, &c., interest	24,219,075	24,278,364	25,117,161
Other interest	319,276	337,427	447,863
Miscellaneous	538,678	407,115	604,361
Dividends paid (6%)	16,369,400	16,364,997	16,360,559
Sinking, &c., reserve	978,097	957,180	886,425
Total deductions	44,074,923	45,543,945	46,433,427
Balance, surplus	31,781,921	18,100,371	10,907,444

TRAFFIC STATISTICS.

	Year ending Dec. 31—	Year ending June 30—
	1917.	1916.
Average miles of road	11,137	11,001
Passenger Traffic—		
Rail pass. carried, No.	23,751,416	21,599,374
Rail pass. carried 1 m.	1,844,570,926	1,475,572,013
Av. rec. from each pass.	\$0.94	\$0.83
Av. rec. per pass. per m.	2.21 cts.	2.21 cts.
Reets. per rev. tr. mile	\$1.69	\$1.42
Freight Traffic—		
Tons carried, freight	44,977,449	40,571,071
Tons carried co's freight	6,983,356	7,247,170
Tons carr. 1 m., all tr.	1,480,735,481	1,200,937,456
Av. rec. from each ton	\$2.75	\$2.55
Av. p. ton p. m., rev. fr. t.	.923 cts.	.959 cts.
Reets. per rev. tr. mile—commercial freight, c.	\$6.04	\$4.73
Reets. per rev. tr. m.—all freight (aver. tons) per train, c.	546.58	496.86
Tons per loaded car mile—ali, c.	25.34	23.63

c Based on traffic over rail lines only, length of ferries used between rail stations excluded from distance over which traffic was moved.

COMBINED BALANCE SHEET DEC. 31.

Dec. 31 '17.	Dec. 31 '16.	Dec. 31 '17.	Dec. 31 '16.
Assets—		Liabilities—	
Road & equip't	982,025,004	Capital stock	272,522,906
Improvements on	1,374,681	Sou. Pac. Co.	272,522,906
Leased prop'y	1,454,271	Prop'y cos.	349,082,400
Sinking funds	13,711,547	Funded debt:	663,079,539
Misc. physical property, &c.	*30,779,258	Sou. Pac. Co.	1,663,129,261
Inv. in affil. cos.	14,060,077	Prop. cos.	—
Stocks	273,312,262	Debt to affil. ated cos.	2,829,573
Bonds	142,136,383	Acc'ts & wages	2,661,702
Stks. & bonds (cost insup.)	12,192,302	Mat. int. unpaid	12,363,427
Notes	567,571	Mat. div. unpaid	6,032,517
Advances	95,331,021	Accr. int., &c.	4,159,051
Other invest'ns	24,730,038	Miscellaneous	5,712,207
Cash	11,733,183	Deferred liab'l.	3,944,904
Dem. loans, &c.	4,500,000	Tax liability	135,222
Time drafts, &c.	16,600,000	Accrued deprec.	7,639,525
Special deposits	87,728	do oil property	4,497,003
Loans & bills rec.	4,050,388	Unadj. credits	35,850,142
Traffic, &c., bal.	1,997,113	Adv. through inc., &c.	351,907
Agents & cond'g.	7,499,824	Funded debt re-tured through income, &c.	21,087,445
Material & equip't	24,408,116	Sink. fund res'v.	9,397,707
Miscellaneous	13,684,485	OTH. fund. sur.	3,818,178
Deferred assets	4,121,318	Profit and loss	216,289,586
Unadj. acct's	11,589,745		
Disc't on stock	6,959,083		
Disc. on fund. dt.	3,682,527		

Total 1,685,075,157 1,606,975,545 Total 1,685,075,157 1,606,975,545

*The value of the granted lands belonging to the Central Pacific Ry. and to the Oregon & California RR., remaining unsold at the close of the year is not included in the above statement.

Securities issued or assumed, unpledged, Dec. 31 aggregated \$5,720,675 and pledged \$713,000, against \$1,432,175 and \$713,000, respectively, as of Dec. 31 1916. These items by I-S-C Commission regulations are not included among the assets in the above balance sheet.

x The outstanding capital stock and funded debt include capital stock and funded debt of proprietary companies of the par value of \$349,000,700 and \$109,160,591, respectively, a total of \$458,161,291, which securities are owned by the Southern Pacific Co. or by proprietary companies, or are held in sinking funds of proprietary companies. Of the said amount stocks of the \$249,653,161, which stand charged on the books at \$272,933,667, are pledged against the issue of Southern Pacific Co. stock and bonds.

y Includes as of Dec. 31 1917 funded debt of Southern Pacific Co., \$211,665,610 and of proprietary cos., \$457,897,320, less \$6,433,676 held by or for company.

z Represents accrued depreciation on electric power plants and substations, general office building at San Francisco, wood preserving works, Sacramento rolling mill, oil storage plants, grain elevators and similar facilities.

a Represents accrued depreciation on oil lands and improvements acquired from Kern Trading & Oil Co.

c Represents, principally, interest on construction advances which have not been repaid.—V. 107, p. 402, 292.

Missouri Kansas & Texas Lines.

(Annual Report for Fiscal Year ending Dec. 31 1917.)

Receiver C. E. Schaff, St. Louis, May 1, wrote in subst.: Results for the Year.—Intercompany items excluded (excepting freight charges on company material from Sept. 1 1916), results show increases for the year as follows:

Oper. revenues	\$8,610,468 or 15%	Miscell. income	\$192,448 or 33%
Oper. expenses	\$3,706,410 or 11%	Rentals, &c.	67,984 or 9%
Taxes	436,456 or 22%	Inc. for yr. avail.	—
Oper. income	2,467,602 or 30%	for interest	2,592,066 or 32%

The interest accrued (83% of amount available) was \$6,655,512 (being an increase of \$77,859, or 1%), leaving net income for the year \$1,379,573. Dividends declared during the year on subsidiary companies' stock outstanding, \$1,011.

Interest and Sinking Funds Maturing During Receivership but Not Paid Dec. 31 1917.

Interest Deferred (Total \$1,038,890)	
Missouri Kansas & Texas Ry. Co. 1st M. bonds	Dec. 1 1917 \$799,990
Missouri Kan. & Tex. RR. Co. 1st M. bonds	Nov. 1 1917 136,700
Missouri Kan. & Pacific Ry. Co. 1st M. bonds	Aug. 1 1917 50,000
Kansas City & Pacific Ry. Co. 1st M. bonds	Nov. 1 1917 18,700
Dallas & Waco Ry. Co. 1st M. bonds	Nov. 1 1917 33,500
Interest Defaulted (Total \$8,035,380)	
Missouri Kansas & Texas Ry. Co.—	
2d M. bonds, Feb. 1 1916 to Aug. 1 1917, both incl.	\$1,600,000
General Mtge. bonds, Jan. 1 1916 to July 1 1917, both incl.	937,890
First & Refdg. M. bonds, Mar. 1 1916 to Sept. 1 1917, both incl.	789,360
1st M. Ext. bonds, Nov. 1 1915 to Nov. 1 1917, both incl.	406,625
St. Louis Division 1st M. Refdg. bonds, Apr. 1 1916 to Oct. 1 1917, both incl.	183,920
Mo. Kan. & Eastern Ry. 1st M. bonds, Oct. 1 1916 to Oct. 1 1917, both incl.	300,000
2d Mtge. bonds, Apr. 1 1916 to Oct. 1 1917, both incl.	5,800
Texas & Okla. RR. 1st M. bonds, Mar. 1 1916 to Sept. 1 1917, both incl.	234,700
Southwestern Coal & Imp't. Co. 1st M. bonds, Jan. 1 1916 to July 1 1917, both incl.	89,160
M. K. & T. Ry. 2-year gold notes ext., Nov. 1 1915 to Nov. 1 1917, both incl.	2,850,000
M. K. & T. Ry. Co. of Texas 1st M. bonds, Sept. 1 1916 to Sept. 1 1917, both incl.	337,875
Sherman Shreveport & Sou. Ry. 1st M. bonds, Dec. 1 1915 to Dec. 1 1917, both incl.	211,125
Wichita Falls & N. W. Ry. 1st Lien Coll. Tr. bonds, July 1 1917—First & Refdg. M. bonds, July 1 1917	20,950
	87,795
Sinking Funds Deferred (\$12,653)	
Boonville RR. Bridge Co. 1st M., due Nov. 1 1917	\$12,653
Sinking Fund Installments Defaulted (Total \$1,140,004)	
M. K. & T. Ry. Gen. Mtge., due Jan. 1 1916 to July 1 1917, both incl.	\$1,047,410
Southwestern Coal & Imp. Co. 1st M., due Jan. 1 1916 to July 1 1917, both incl.	72,494
Wichita Falls & Sou. Ry. Co. 1st M., due Jan. 1 1916 to July 1 1917, both incl.	15,600
Wichita Falls & N. W. Ry. 1st Lien Coll. Tr. Mtge., due July 1 '17	4,500

Changes in Funded Debt in Hands of Public During Year 1917.

Bonds, &c., Retired (Total \$1,209,676)	\$12,000
Boonville RR. Bridge Co. 1st M. 4s	190,000
M. K. & T. Ry. Co. 10-year 5% equipment notes	68,000
M. K. & T. Ry. Co. equip. rental-purchase	282,302
Amer. Locomotive Co. equip. (rental-purchase)	23,000
W. F. & N. W. Ry. Co. 1st M. 5s	5,000
First Lien Coll. 5s	629,375
M. K. & T. Ry. receiver's 4.7% equip. trust cfs. of 1916	—
Bonds, &c., Issued (\$635,585)	\$200,000
Sau Antonio Bridge & Term. Ry. Co. 1st M. 3-yr. 6% gold notes	435,585
M. K. & T. Ry. Amer. Car & Fdy. equip. purchase agreement	—

The net decrease in funded debt for the year was \$574,091.

Equipment Inventory as of Dec. 31 1917.

Locomotives	663	decrease 2
Passenger train cars	447	decrease 17
Freight train and miscell. cars owned and leased	25,082	decrease 1,335

This last item of decrease includes 659 leased Mather stock cars and 281 leased tank cars taken out of service.

Ten Pacific type locomotives, one narrow gauge locomotive, 10 baggage cars, one box car, 363 coal and stock cars, one flat car, three derrick cars, one wrecking crane and one pile driver were received and placed in service; and three coach, baggage and mail cars, 84 box cars, seven automobile and 13 flat cars, one locomotive, 30 cinder cars and 455 other company service cars were rebuilt or overhauled during the year.

New equipment was acquired and improvements made on existing equipment during the year, costing \$2,164,826. The value of equipment re-

tired during the year was \$1,091,184, leaving a net increase of \$1,073,642 in the value of equipment owned.

Average Amounts Expended for Repairs to Equipment.

Locomotives	\$4,752	Increase \$1,278 or 36.78%
Passenger train cars	1,116	Increase 140 or 14.38%
Freight train and miscellaneous cars	127	Increase 19 or 17.30%

Two locomotives, 23 passenger cars, 2,042 freight cars, including cabooses, and 230 work cars were retired from service during the year.

The value of equipment to be replaced under various mortgages as of Dec. 31 1917 was \$2,715,527. There was \$219,058 in suspense account at the close of the year, which, when charged out, will reduce the above amount to \$2,496,469. Equipment purchased by the receiver has not been assigned to vacancies under the various mortgages.

The annual rate of depreciation on equipment is 3%, and the amount charged to operating expenses for depreciation during the year was \$1,016,401, an increase of \$471,847, over 1916. The amount of accumulated depreciation on Dec. 31 1917 was \$2,990,832, an increase of \$924,501. This charge for depreciation was in addition to the amount charged to operating expenses on account of retirements during the year.

Roadway and Structures.—During the year \$3,239,676 was spent for permanent additions and betterments to the property, exclusive of equipment. 154 miles of new 85 and 90-lb. rail was laid in the main line, releasing worn and rail of lighter weight, which was used on branch lines, releasing rail requiring renewal. 119 miles of new ballast was applied and 262 miles of track was rebalasted. 1,172,469 cross-ties were renewed and 878½ sets of switch ties were used. 40 miles of yard and industrial tracks were constructed. 176 miles of ditching was done and 165 miles of embankments widened. 10 miles of new right-of-way fence was constructed and 379 miles of fence rebuilt.

General.—New freight and passenger terminals at San Antonio have been completed and placed in operation. On Jan. 1 1918 a passenger fare of 2½ cents per mile was made effective in the State of Missouri, under an order of the Public Service Commission. On March 12 1918 the U. S. District Court declared the 2-cent passenger fare in Oklahoma and certain freight rates to be confiscatory, and a 3-cent passenger fare has been put into effect in that State, and substantial increases made in freight rates.

COMMODITIES CARRIED FOR YEAR ENDED DEC. 31.

(All in tons.)	Agriculture.	Animals.	Mines.	Forests.	M'fac.	&c.
1917	3,329,886	693,115	4,624,013	944,994	4,218,965	
1916	4,522,708	552,106	4,531,497	842,132	2,747,351	
1915	2,380,710	447,520	4,378,935	825,936	2,184,847	

GENERAL STATISTICS FOR YEARS ENDING DEC. 31.

	1917.	1916.	1915.
Average miles operated	3,866	3,865	3,865
Passengers carried	6,777,365	6,604,249	6,379,367
do do 1 mile	467,783.12	413,950.000	356,020.000
Revenue per passenger per mile	2.39 cts.	2.23 cts.	2.24 cts.
Revenue tons carried	12,864,973	11,125,854	10,317,948
do do 1 mile (000s omitted)	2,986.316	2,413.801	2,216.222
Revenue per ton per mile	.97 cts.	1.03 cts.	1.00 cts.
Revenue per mile of road	\$11,211	\$9,504	\$8,397

INCOME ACCOUNT YEARS ENDING DEC. 31.

	1917.	1916.	1915.
Operating Revenues—			
Freight traffic	\$29,027,903	\$24,795,720	\$22,142,576
Passenger traffic	11,160,922	9,215,627	7,966,913
Mail	796,848	783,676	770,382
Express	1,239,934	1,055,446	858,629
Miscellaneous	1,118,543	883,214	714,962
Total operating revenues	\$43,344,150	\$36,733,682	\$32,453,462
Maintenance of way, &c.	\$6,353,665	\$7,635,695	\$5,271,655
Maintenance of equipment	8,737,922	7,273,804	6,597,977
Traffic expenses	786,880	725,564	658,523
Transportation expenses	15,672,661	12,400,521	11,494,485
Miscellaneous operations	345,659	240,615	226,695
General expenses	1,273,611	1,169,910	1,047,282
Transportation for investment	24,287	Cr. 6,408	Cr. 138,801
Total operating expenses	\$33,146,111	\$29,439,701	\$23,223,816
Operating ratio	(76.47%)	(80.14%)	(71.56%)
Net earnings	\$10,198,040	\$7,293,981	\$9,229,646
Other income	588,837	396,389	229,689
Gross income	\$10,786,877	\$7,690,371	\$9,459,335
Hire of equipment			\$137,939
Taxes	\$1,983,115	\$1,546,659	1,537,369
Rentals	750,277	678,079	673,817
Other deductions	13,409	22,614	37,270
Interest on bonds, notes, &c.	6,524,075	6,429,156	6,439,020
Interest on equipment trust	131,437	148,496	119,038
Total deductions	\$9,407,304	\$8,825,005	\$8,944,454
Balance, surplus or deficit	sur. \$1,379,573	def. \$1,134,634	sur. \$514,881

GENERAL BALANCE SHEET DEC. 31.

	1917.	1916.	1917.	1916.
Assets—				
Road & equip.	\$233,438,503	\$200,049,687		
Securs. of prop.:				
controlled cos.				
pledged	955,907	955,907		
Physical prop'y.	271,356	255,380		
Securs. lodged				
under bills pay.	738,467	738,467		
Other invest'ns.	62	62		
Securs. iss'd or ass'd, pledged:				
Cons. M. bds.				
under 2-year notes	25,825,000	25,825,000		
Cons. M. bds. (und. bills pay.)	4,467,000	4,467,000		
Cash & secur. in sink. & redem. funds	2,757,953	2,762,551		
Cash	63,030,462	2,337,878		
Loans/bills rec.	11,441	618		
Traffic, &c., bal.	769,743	625,540		
Accts. & condue.	1,106,406	613,900		
Miscellaneous	2,829,128	2,190,596		
Material & sup.	6,243,037	4,267,381		
Special deposits	204,888	403,856		
Securs. of and adv. to prop., affil. & controlled cos.	7,752	352,323		
Other securities	17,043	17,043		
Deferred assets	1,739,788	1,112,436		
Liabilities—				
Common stock:				
Held by public	63,283,257	63,283,257		
Held by co.	17,043	17,043		
Prof. stock held by public	13,000,000	13,000,000		
Stock (adv. cos.)	26,700	26,700		
Bonds & notes held by public	144,229,879	142,762,970		
Consol. M. bonds held by co.	30,292,000	30,292,000		
Gen. M. bonds in sink. fund.	2,749,000	2,749,000		
L'ns & bills pay.	2,009,750	2,011,750		
Traffic, &c., bal.	2,213,182	1,265,339		
Vouchers unpaid	3,116,701	4,300,087		
Wages unpaid	1,781,747	1,465,773		
Miscellaneous	1,082,229	492,111		
Matured int. & divs. unpaid	10,336,420	6,596,843		
do fund. debt	2,000	4,000		
Unmat. interest, divs. & rents.	1,286,661	1,245,051		
Taxes accrued	278,355	653		
Deferred credits	856,465	595,759		
Add'ns to property through inc. & surplus	1,639,413	1,606,356		
Res. invested in skg. & red. fds.	273,760	273,760		
Profit and loss	5,744,374	5,037,173		
Total	\$284,418,936	\$277,025,624	\$284,418,936	\$277,025,624

a After deducting accrued depreciation on existing equipment, \$2,990,832. b Includes cash, \$3,005,141, and cash on deposit for interest, \$25,321. The company is also guarantor (1) of Kansas City Terminal Ry. 1st M. bonds due 1960 (jointly with 11 other railway cos.), \$43,910,000; (2) of Union Terminal Co. (of Dallas, Tex.) 1st M. bonds due 1942 (jointly with 7 other railway cos.), \$2,193,000; (3) of Joplin Union Depot Co. 1st M. bonds due 1940 (jointly with 3 other railway cos.), \$650,000; and (4) of Houston & Brazos Valley Ry. 1st M. bonds due 1937, \$210,000.—V. 105, p. 2649.

Hooking Valley Products Co., Columbus, O.

(Report for Fiscal Year ending Dec. 31 1917.)

Pres. Samuel L. Chamberlaine, Columbus, O., Jan. 29, wrote in substance (compare V. 107, p. 185):

Results.—The year 1917 was the most prosperous one in the company's history. Higher prices and greater production increased the earnings of our coal sales department, also the royalties from our coal and oil properties. War conditions materially affected brick operations, and, while a fair showing was made, the brick plant was not an important factor.

Expert Examination.—Early last year we employed Arthur Hovey Storrs, of Scranton, Pa., to thoroughly examine our properties. As a result of his recommendations, considerable development work was started last summer, and we have located a body of coal on our property near Greendale, Ohio.

The company is constructing an electric railway connecting the new coal development with the tracks of the Hooking Valley Ry. Co. at Greendale. **Property.**—The property consists of some 12,000 acres of land scattered through four counties in Ohio, viz.: Athens, Hocking, Perry and Vinton, and contains coal, clay and oil in varying quantities, and, we believe, other valuable minerals, which may be later developed. The surface lands in part can be advantageously used for farming and raising cattle. The principal holdings are situated about 60 miles from Columbus, O., near the villages of New Straitsville, Gore, Buchtel and Greendale.

At Greendale, Hocking County, there is located the large brickmaking plant, together with the power plant and machine shops, and here also are located our clay and shale deposits.

Most of the workable coal mines were leased under the receivership or the former management, upon a royalty basis, with the right to the sale of the product upon a commission basis. The oil properties were also leased at that time.

Under the present management, which in the past year has succeeded to the control of the company's affairs, no additional important coal leases have been made. (V. 104, p. 366.)

Oil.—The right to drill for oil on our property was leased to the Chartiers Oil Co., of Pittsburgh, in 1911, your company to receive a cash bonus of \$185,000 and one-eighth of all oil recovered. Last year the wells produced 127,648 bbls., of which the company received 15,956 bbls. This oil was sold for \$54,700; sinking fund, 15c. a bbl., was \$19,147; net income, \$35,553. The lease requires that the Chartiers Oil Co. shall continue development of our oil lands, failing which, our company could drill for oil. Counsel has been instructed to take up the matter without further delay with the Chartiers Oil Co., as practically no new work has been done for six months.

At the present time the net cost us between \$12,000 and \$15,000 to drill a well to the depth of the Hooking Valley oil, and about half of this would be a total loss if a dry hole was developed.

Coal.—Practically all of the important operating coal mines are leased to some 30 coal operating companies at an average royalty of about 12c. a ton and the right in many cases to sell the coal upon a commission of 10% of the selling price. Up to the year 1917 this selling of the coal had been slighted, but it was energetically pushed during the year 1917, and consequently the coal sales department showed a most gratifying return. Greenore's comprehensive report showed that there were some 10,000,000 tons of mineable coal chert under these leases, and that at the rate which it is being mined, approximately 500,000 tons of coal a year, the company still had large coal reserves for the future.

The prospects look very promising for the year 1918. New development work and mining of coal will be energetically pushed under the careful supervision of our competent engineering force.

Miners' Houses.—These houses have made an income for the company, running about \$25,000 a year.

Prospective Sales of Coal Properties.—In 1917 a proposition was received from the Kehots Mining Co. of Pittsburgh, Pa., for the purchase of certain outlying farms containing coal. It was decided, if a proper price could be realized, to dispose of these properties.

Lease of the B. & O. No. 3 Mine.—This mine was practically worked out ten years ago, all the coal having been removed except the pillars and stumps of the old workings. The mine is flooded, and reopening it, pumping out water, &c., would be an expensive proposition. The entrance to this mine was over property known as the Hazelton Estate, and a tentative proposition to lease the mine has been considered by a representative of that estate, on a basis of a fixed payment on run-of-mine coal with the right to our company to sell the output on a commission basis.

Furr Farm Property.—This property consisting of 560 acres, 30 miles from Greendale and 1 mile from the Hooking Valley Ry., shows coal, iron ore, limestone and fire clay contained therein. The coal runs in veins 1½ to 3 ft., and so far it has not been profitable to mine such small veins of coal. The ore vein is only about 1½ ft. in thickness, but runs high in iron. The vein of limestone is from 4 to 6 ft. in thickness, and it has been decided to ascertain the possibilities for making Portland cement, and also concerning the possible use of the flint clay for making fire brick, for which, at the present time, there is great demand.

Brick Plant.—The brick plant had been closed, but is in first-class condition, except for the repairing of the second continuous kiln, which has not been operated for a period of four years. We have been putting a new roof on this kiln, but are not at the moment putting it in shape to fire brick, as the cost of repairs would probably run \$15,000 to \$20,000. The capacity at the present time, running full, would be 50,000 bricks per day, or between 15,000,000 and 16,000,000 bricks per year, with the additional kiln we could run this up to 24,000,000 bricks a year. The brick business, while at a standstill, must undoubtedly revive. Superintendent Francis believes that our plant can produce the best brick in the United States at a lower cost than many other plants of the same kind. There is no reason that he can see why this department should not be a most profitable one.

Financial Condition.—Treasurer Shaffer reports that the company has ample working capital to carry on its business for the year 1918. During the year 1917 the capital stock was reduced from \$4,600,000 to \$920,000 by making the par value \$20 instead of \$100, and a corresponding reduction was made in the first cost of the property. The company during the period of 1911 to 1917 showed a loss through operations.

An apparent profit, however, has been shown by the purchase of the company's bonds at a discount and a surplus shown in the company's statement. It was decided to write this surplus, amounting to \$418,000, off the books, thus further reducing the first cost of the property. The year 1917 was the first in the history of the company that any fund had been earned over and above fixed charges, interest and sinking fund.

Control.—The present board of directors reported the ownership of over a majority of the stock of the company.

INCOME ACCOUNT FOR CALENDAR YEARS 1914 TO 1917.

	1917.	1916.	1915.	1914.
Gross Income—				
Clay products sales		\$163,878	\$172,072	\$214,250
Coal sales	Not reported	182,565	175,582	154,300
Royalties on coal		54,359	37,979	32,894
Royalties on oil	for this year	38,721	32,195	45,871
Royalties and rents, rug brick patent		13,146	17,188	
Rentals		25,814	25,467	25,919
Miscellaneous earnings		5,134	5,038	6,450
Total gross income	\$889,760	\$483,617	\$465,530	\$479,693
Cost of clay product sold		\$145,417	\$153,391	\$139,437
Cost of coal sold		162,444	162,641	141,433
Exp. of other properties		8,973	7,774	9,849
Selling expense	\$710,819	\$25,839	\$32,516	\$37,654
General expense		34,914	40,214	41,211
Taxes		17,434	16,760	16,386
Int. on First Mtge. bonds	28,429	32,021	34,595	77,276
Net income	\$150,522	\$119,526	\$56,578	\$17,630
Sinking fund reserves		\$41,254	\$41,973	\$47,642
Depreciation	\$74,528	5,000	5,000	5,000
Doubtful accounts, &c.		5,592	8,226	7,500
Net income from oper.	\$75,994	\$4,731 def.	\$36,660	\$43,626

BALANCE SHEET DECEMBER 31.

	1917.	1916.	1917.	1916.
Assets—				
Property accounts	\$1,695,725	\$5,847,590		
Deferred—conting.				
cont assets	135,945	75,385		
Cash	69,180	130,135		
Other curr. assets	233,433	160,862		
Liabilities—				
Capital stock		\$910,270	\$4,596,350	
Funded debt		\$1,104,900	1,246,300	
Current liabilities		77,460	81,814	
Surplus		22,634	289,507	
Total	\$2,124,283	\$6,213,972	\$2,124,283	\$6,213,972

Note.—Contingent dividend liability (relinquished bond interest)—2½%—from July 1 1914 to Jan. 1 1918, \$85,750. On account of the then financial situation of the company substantially all of the bondholders in 1915 consented to relinquish 50% of the interest charge on the 1st M. 5% bonds, due in 1961, for five years, so that until Jan. 1 1920 only 2½% interest is payable on these bonds (V. 100, p. 2170). The amount of outstanding bonds having been reduced to about \$1,000,000, the company 1½ July 1918 offered in order to free itself from the sinking fund charge: (a) To exchange \$ for \$ the 5% bonds callable at 105 for 6% cum. prof. stock, callable at 105% (par \$20); (b) To exchange the certificates representing relinquished interest for a definite 10-year 5% obligation. Compare plan in V. 100, p. 2761; V. 107, p. 185.—[Ed.]

x Includes bonds bought and held by the company, face amount \$124,910. **Surplus Account.**—Surplus Dec. 31 1916, \$289,508; profit on bonds 1917, \$75,153; operating income, per income statement year 1917, \$75,994; total, \$440,655. Credit to property deficiency account, \$418,001; surplus Dec. 31 1917, \$22,654.

The difference between the face value of bonds purchased and the cost to sinking fund, which was heretofore credited to surplus account, has been transferred to property accounts, diminishing property accounts by that amount and leaving the surplus of Dec. 31, 1917, as representing net earnings from operations. Compare also V. 107, p. 185.

Chicago & Alton RR.

(12th Annual Report—Year ended Dec. 31 1917 and Half-Year to Dec. 31 1916.)

President W. G. Bierd, Chicago, says in substance:

Results.—Total operating revenues were \$20,525,689, an increase of \$2,744,410, or 15.43%, over the previous year. This increase is principally due to an increase of \$1,952,028 (15.89%) in freight, \$721,109 (17.28%) in passenger and \$61,071 (29.55%) in mail revenue. The increase in passenger revenue, while to some extent brought about by the improved business conditions and movement of men en route to and from army cantonments, with an increase of 10.68% in the number of revenue passengers carried one mile and 13.38% in the average total revenue per train mile, the number of passenger train miles increased but 2.53%.

Revenues received decreased \$95,016, due to adjustment in 1916, account back charges covering use of joint tracks at Chicago by the P. C. C. & St. L. Ry. for a ten-year period beginning in 1906, which inflated this account proportionately in 1916.

Rents paid decreased \$30,582, while the hire of equipment balance increased \$354,885 on account of higher per diem rates and embargo conditions which necessitated the holding of large numbers of foreign cars for excessive periods.

Operating Expenses.—Expenditures for maintenance of way and structures during the year amounted to \$2,299,138, an increase of \$306,631, or 15.33%, the result of the extraordinary labor conditions, high cost of materials and increased maintenance work necessary to maintain efficient and safe operating conditions to take care of the heavily increased traffic, which greatly exceeded the tonnage of any previous similar period.

Table with 2 columns: Year (1905-1917) and various metrics like Total miles, Transportation expenses, Passenger train mileage, etc.

The number of ties renewed in main track in 1917 was 392,248, against 376,580 in 1916, and the percentage of same to total ties in the track was 10.98% in 1916 and 11.52% in 1917. During the 18 months ended Dec. 31, 1917, the company purchased 111,222 miles open hearth 90-pound rail, of which the amounts shown below were laid in main tracks, the balance due to late delivery being carried over into 1918.

Table showing Ballast Applied for 18 Months Ended Dec. 31 1917, with columns for Slap, Stone, Gravel, Cinder, Total.

Transportation expenses were \$7,526,859, as against \$5,961,099 for the preceding year, the increase, \$1,565,760, or 26.27%, being the result of the greater compensation accruing to trainmen, engine men and hostlers under the Adamson Act, large increases to other transportation employees, necessitated by industrial conditions, and the higher cost of all material and supplies, particularly coal, the price of which increased practically 70% during the year.

Operating Statistics.—Relative increases in operating results for two years: Total operating revenue, Inc. 15.43%; Direct items yard exp. Inc. 35.34%; Gross ton mileage, Inc. 11.86%; Station expenses, Inc. 11.45%; Passenger train mileage, Inc. 2.53%; Superintendent & dispatching, Inc. 12.68%; Freight & mixed train mileage, Inc. 10.16%; Total revenue train mileage, Inc. 6.97%.

Taxes.—The total tax accruals amounted to \$699,480 and were divided as follows: Railroad tax accruals, \$393,710; and miscellaneous tax accruals, \$305,770, representing a total increase over 1916 of \$102,810, this increase being due to an increase of approximately 8% in the tax rate in Illinois and 4% in Missouri, and an adjustment of the 1916 accruals to this basis.

Table with 5 columns: Year, Valuation, Tax, Illinois, Missouri, U. S. Ex. cell. cise Tax, Total.

Changes in Miles Operated.—During the year there was a net increase of 19.18 miles in the total of all track operated, viz.: Main line decreased 6.07 miles account sale track (Rock Creek Junction to Bridge Junction) to Kansas City Terminal Ry. Side tracks increased 12.62 miles. Packages increased 12.63 miles account purchase by Kansas City Terminal, 6.07 miles C. & A. main line, Rock Creek Junction to Bridge Junction; double-tracking by Terminal of purchase track to Kansas City.

Capital Stock.—There were held in the treasury on Dec. 31 1917 (a) 1,753 shares of Prior Lien and Participating stock, issuable in exchange for 1 share preferred and 875 shares common stock of the Chicago & Alton RR. (old) Co. still outstanding, at the rate of 3 for 1 and 2 for 1, respectively; (b) 514 shares of preferred stock and 50 shares common stock, issuable in exchange, at par, for 514 shares of the preferred stock and 50 shares of the common stock of the Chicago & Alton Ry. Co. in accordance with "articles of consolidation" dated Feb. 10 1906.

INCOME ACCOUNT FOR FISCAL YEARS ENDING DEC. 31 1917, ETC.

Large table with 4 columns: Year (1917, 1916, 1914-15, 1913-14) and various income and expense categories like Operating Revenues, Freight, Passenger, Mail, etc.

RESULTS FOR HALF-YEARS ENDED DEC. 31 1916 AND 1915.

Table comparing 1916 and 1915 for Operating revenue, Operating expenses, Tax accruals, etc.

BALANCE SHEET DEC. 31.

Table with 4 columns: 1917, 1916, 1917, 1916. Categories include Assets (Road & equip., Imps., Sinking funds, etc.) and Liabilities (Pr. Lien & Par. stock, 4% pref. stock, Common stock, etc.).

Total 139,061,594 136,851,659 Total 139,061,594 136,851,659. Includes additions and also adjustments to avoid duplication in property investment between company and leased lines, to comply with orders of the I.-S. C. Commission.

PROFIT AND LOSS FOR YEAR END, DEC. 31 1917 (Total each side \$12,913,545).

Table with 2 columns: 1917, 1916. Categories include Debt balance Dec. 31 1916, Profit on road & equip. sold, Debt bal. from 1917 income, etc.

The expenditures for additions and betterments to road and equipment for cal. year 1917 aggregated \$4,149,894, viz., equipment, \$559,959; road, \$3,589,935. This latter item, which includes improvements on Chicago & Alton RR., \$1,056,570, and on leased lines, \$2,533,366, embraces chiefly land for transportation purposes, \$2,571,526; ballast, \$134,036; stations and office buildings, \$191,228.—V. 107, p. 82.

Toledo St. Louis & Western Railroad.

(Report for Fiscal Year ended Dec. 31 1917.)

Receiver Walter L. Ross says in substance:

Results.—The results for the year show the largest operating revenues in the history of the road, there being an increase of \$1,082,675, or 18.17%, over 1916, regardless of the disturbed business and financial condition of the country. Operating expenses show an increase of \$1,191,058, or 31.08%.

The railway operating income amounted to \$1,697,658, a decrease of \$200,664, adding non-operating income, \$115,245, and allowing for "deductions from gross income," which aggregated \$1,691,299 (net surplus) income was \$118,613, as compared with \$431,893 in 1916, a decrease of \$313,190. The "deductions" here shown include interest on \$1,527,000 "A" & "B" gold bonds of 1917, amounting to \$461,080 defaulted (but not "interest guaranteed" \$8,712, which reduces the balance in table below to \$109,901 ED.)

Operating Statistics.—Revenue from freight traffic increased \$1,058,596, or 20.41%. The number of tons of revenue freight carried increased 8.35%, while the number carried one mile increased 20.92%. The average miles each ton of freight hauled was 254.81 miles, an increase of 26.49 miles, or 11.66%, but the revenue per ton per mile was .00534c., as compared with .00536c. last year, a decrease of .37%.

Maintenance.—Expenditures for maintenance of way and structures were \$1,082,020, an increase of \$327,776, or 43.46%. During the year 5,969 tons of new and 1,872 tons of relaying rail were placed in tracks, along with 184,821 cross ties, of which 146,956 were placed in main track and 37,865 in side tracks. There was expended \$2,382 per mile of road for maintenance of way and structures. Expenditures for maintenance of equipment increased \$283,269, or 33.95%.

Transportation Expenses.—The expenses of conducting transportation were \$2,486,590, an increase of \$534,172, or 27.36%, chiefly due to the following: (a) Increased wages on account of the Adamson law, effective Jan. 1 1917, and the general increase in wages to station employees, telegraphers and enginehouse men. (b) Increased cost of fuel and supplies.

In respect to efficiency in operation, attention is called to increase of 311,409 freight train miles, or 15.48%, while there was an increase of 202,323,078 in the revenue tons one mile, or 20.92%, as compared with 1916.

The loaded car mileage increased 4,265,869, or 8.91%, as compared with preceding year, and empty car mileage increased 3,156,592 miles, or 19.73%. The increase in empty car mileage was caused by movement made by order of the Car Service Commission of the American Railway Association of empty cars destined beyond our line west and south. The same conditions in respect to the disparity between east and west bound traffic, which have heretofore existed are still apparent this year, which is reflected in the increased cost of train service.

Securities Owned.—No dividends were received during the year on the Chicago & Alton RR. Co. common or pref. stock owned. During the year the Toledo Terminal RR. Co.'s certificates of indebtedness held by this company were increased \$8,712, making \$131,552 owned Dec. 31.

Additions.—In addition to the increased expenses for operation and maintenance of the property, it will be noted that the cost of road and equipment account has been enhanced \$368,285 [\$77,258 for equipment and \$291,027 for sundry improvements and additions on road account.]

CHARACTERISTICS OF LINE—TOTAL MILES 449.71.

Table with 6 columns: Curved Tangent Level, Miles, Meters, Feet, etc.

COMPOSITION OF TRACK—TOTAL MILES 449.71.

Table with 4 columns: Steel, Rock, Gravel, Clusters, etc.

AVERAGE REPAIRS PER YEAR.

Table with 4 columns: 1917, 1916, 1915. Categories include Per Mile Road, Per Locomotive, Per Pass. Car, Per Freight Car.

CLASSIFIED STATEMENT OF TONNAGE.

Table with 4 columns: 1917, 1916, 1915. Categories include Year—Agriculture, Animals, Mines, Forests, etc.

CONSOLIDATED BALANCE SHEET MAY 31, INCLUDING SUB. COS.

	1918.	1917.	1916.	1915.
Assets				
Real estate, plants, &c.	\$45,707,718	\$45,556,568	\$44,417,352	\$43,486,028
Invest. in sub. cos., &c.	8,339,234	8,302,443	7,988,215	7,509,288
Cash	6,776,286	4,296,124	4,047,444	4,315,134
Mfd. prod., mat. & supp.	15,706,853	15,300,988	11,116,841	8,860,364
Accts. & bills receivable	25,029,585	22,281,234	19,553,406	23,132,561
Int. ins., &c., paid in adv.	593,415	350,957	309,441	114,542
Miscellaneous investm'ts	1,023,250	---	---	---
Liberty bonds	---	---	---	125,000
Sinking fund investm'ts	---	---	---	30,000
Insur. fund investm'ts	30,000	30,000	30,000	---
Total	\$107,443,915	\$94,476,148	\$87,982,270	\$88,182,924
Liabilities				
Capital stock, pref.	\$20,012,255	\$20,012,255	\$20,011,818	\$20,000,000
Capital stock, common	27,984,400	27,984,400	27,984,400	27,984,400
1st 31, 5% bonds	12,300,000	12,600,000	12,900,000	13,200,000
10-yr. 6% g. f. conv. deb.	4,000,385	4,734,505	4,861,320	5,000,000
Bills payable	13,729,000	9,929,828	6,102,550	7,647,150
Accounts payable	3,474,883	2,109,313	1,345,283	1,194,423
Prof. div. pay. May 31 '16	---	---	---	800,000
Contingent accounts	993,699	1,153,017	1,305,029	1,378,442
Fed. taxes & dep. rec.	2,510,657	---	---	---
Insurance, &c., reserves	377,338	344,696	306,495	280,402
Surplus	21,552,295	15,008,135	13,175,376	10,689,102
Total	\$107,443,915	\$94,476,148	\$87,982,270	\$88,182,924

a Includes accounts receivable, \$18,565,644; bills receivable, \$13,087,435; less endorsed and discounted in the ordinary course of business, \$6,023,433; net, \$7,069,651; total, \$25,629,595.

Note.—Under agreement of April 1 1913 the Virginia-Carolina Chemical Co. guarantees the 7% dividends on \$437,500 pref. stock of the Consumers' Chemical Corporation, and retirement of the principal on or before April 1 1933, all of the profits in excess of the pref. dividends belonging to the Virginia-Carolina Chemical Co. through ownership of the common stock.

The foregoing balance sheet includes the accounts of Virginia-Carolina Chemical Co., Charleston (S. C.) Mining & Manufacturing Co., and Sulphur Mining & RR. Co., the two independently operated subsidiary fertilizer companies at Baltimore, Md., and Birmingham, Ala.; the Southern Cotton Oil Co., and other subsidiary companies, district offices and branches. —V. 105, p. 2761, 1229.

International Nickel Co., New York.

(Report for Three Months ending June 30 1918.)

	1918.	1917.	1916.
CONSOLIDATED INCOME ACCOUNT FOR QUARTERS END. JUNE 30.			
3 Mos. ended June 30—			
Earnings of constituent cos. (mfg. & selling expenses deducted, &c.)	\$3,838,506	\$4,388,595	\$3,959,134
Other income	52,208	69,268	66,362
Total income	\$3,890,714	\$4,457,863	\$4,025,496
General expenses, &c.	248,487	590,368	222,422
Reserved for U. S. and foreign taxes	1,323,009	---	---
Net income	\$2,319,318	\$3,561,495	\$3,802,974
Deductions			
Depreciation of plants	472,953	487,678	497,400
Mineral exhaustion	---	---	---
Preferred dividends, 1 1/2%	133,689	133,689	133,689
Common dividends	\$1,073,854	\$2,510,076	\$3,346,768
paid in June (per cent)	(4%)	(8%)	(8%)
Total deductions	\$2,280,026	\$3,131,443	\$3,977,857
Balance, surplus or deficit	sur. \$39,292 sur. \$430,053 def. \$174,533		

*Not shown in quarterly earnings statement, being always deducted by the company from profit and loss surplus. In 1917 paid 6% in March and again in June and Sept., and in July, 1% extra to old Red Cross gifts; Dec., 4%; 1918, March and June, each 4%.

CONSOLIDATED BALANCE SHEET JUNE 30.

	1918.	1917.	1918.	1917.
Assets				
Property account	48,457,891	46,124,208		
Investments	2,468,452	1,329,735		
Inventories at cost	7,345,507	6,391,214		
Accts. receivable	2,091,636	2,680,325		
Loans on call	15,000	516,000		
Certif. of deposit	2,030,000	2,030,000		
Cash	3,999,755	5,543,034		
Total	67,347,241	64,586,516		
Liabilities				
Common stock	41,834,600	41,834,600		
Preferred stock	8,912,600	8,912,600		
Accounts payable	16,573,451	4,270,325		
Tax res'ves in 1918	---	---		
Prof. div., due May	133,689	133,689		
Extra com. div.	---	418,346		
Accident & ins. fds.	250,403	218,000		
Profit & loss surp.	9,636,438	8,798,886		
Total	67,347,241	64,586,516		

V. 107, p. 185, 85.

General Cigar Co., Inc., New York.

(Report for Six Months ending June 30 1918.)

	1918.	1917.	1916.
Six Months to June 30—			
Gross profits	\$3,045,082	\$2,240,884	\$2,151,246
Administration and selling expenses	1,593,364	1,505,733	1,504,336
Profit from operation	\$1,451,718	\$731,351	\$646,910
Miscellaneous profits, interest, &c.	32,058	31,356	41,770
Total profit	\$1,483,776	\$762,707	\$688,680
Interest on loans, &c.	\$217,820	\$111,442	\$87,940
Dividends on pref. stock (3 1/2%)	175,000	175,000	175,000
Dividends on common stock (2%)	302,080	362,080	362,080
Total	\$754,900	\$648,522	\$625,020
Balance, surplus	\$728,876	\$117,185	\$63,660

CONSOLIDATED BALANCE SHEET JUNE 30.

	1918.	1917.	1918.	1917.
Assets				
Capital assets	\$21,702,658	20,970,437		
Insurance, &c.	199,783	228,282		
Prepaid	10,153,924	9,722,909		
Supplies, &c.	393,065	194,333		
Bills receivable	2,902,174	2,837,615		
Accts. receivable	1,368,758	715,859		
Cash	302,729	---		
Liberty bonds	---	---		
Total	36,961,694	34,688,803		
Liabilities				
Common stock	18,104,000	18,104,000		
Preferred stock	5,000,000	5,000,000		
Accts. payable, &c.	1,018,305	1,235,716		
Bills payable	6,637,000	5,420,500		
Spec. cap. reserves	1,000,000	1,000,000		
Reserve for war taxes	---	312,200		
Surplus	4,510,231	3,939,877		
Insurance reserve	81,863	---		
Total	36,961,694	34,688,803		

* Includes as of June 30 1918 good-will, trade-marks, patent rights, \$10,326,003; real estate, buildings, machinery, equipment and furniture and fixtures, \$1,347,183; and investments in affiliated cos., \$1,029,483. x After deducting dividends on preferred and common stock amounting to \$537,080.—V. 106, p. 2653.

New York Shipbuilding Corporation.

(Report for Fiscal Year ending Dec. 31 1917.)

Pres. Marvin A. Neeland, N. Y., June 12 wrote in brief: [This company is controlled by the American International Corporation.] Organization.—Your corporation was chartered Nov. 29 1916 (V. 103, p. 2159, 2242) and took over all of the assets and liabilities of the New York Shipbuilding Co., for 17 years one of the principal American builders of all classes of ships, both naval and merchant, and possessing a plant as efficient as any in the country, well manned. Every effort has been directed toward the expansion of all the company's facilities. During the past year the shipbuilding industry of this country recovered from its depression and has been confronted with the necessity of an intensity of operation and expansion of production never before required, coupled with costs for labor and material rapidly rising far higher than could have been anticipated.

Emergency Fleet Corporation.—On Aug. 3 1917 all of the merchant vessels under construction or contract at your yard were requisitioned by the U. S. Shipping Board, Emergency Fleet Corporation. All contracts in force with private persons or companies were thereby abrogated, preventing construction of any vessels except for the U. S. Navy, the Army, or the Emergency Fleet Corporation. Work on certain cargo vessels that your company had under construction for its own account was ordered discontinued, and larger transport vessels substituted by the Emergency Fleet Corporation, necessitating readjustment of the building schedule of the yard.

This required the negotiation of a new contract with the Emergency Fleet Corporation, under which all of these merchant vessels, except those already on a cost-plus-a-percentage basis, are now being constructed for the account of the Emergency Fleet Corporation on a cost-plus-a-fixed-fee basis. This has eliminated all fixed price contracts for merchant vessels and permitted your corporation to devote its undivided energies to the completion of these vessels with the dispatch called for by the present emergency. This agreement, as finally concluded, has been a vital factor in greatly increased efficiency.

United States Navy.—On account of its special skill in the construction of all classes of war vessels, your corporation was assigned a prominent part in carrying out the greatly enlarged program of naval construction caused by our entry in the war. After contracts had been taken for naval construction to the limit of the yard capacity, the navy's requirements were still unmet. In order to provide for the construction of a large number of destroyers, and under an agreement with the Navy Department, ten new shipways were begun, and are now nearly completed, together with the appurtenant shops and facilities. This construction is proceeding rapidly and will permit the building of small vessels economically and rapidly in large quantity.

All vessels now under construction for the navy are upon a cost-plus-a-fixed-fee or plus-a-percentage basis, except the battleship Idaho, now nearing completion under one of the former fixed price contracts.

Additions to Plant.—As planned at the time your corporation was formed, four large additional ways for merchant ships have been practically completed. They are so designed as to permit them to be ultimately lengthened for the construction of the largest merchant vessels up to 1,000 ft. in length. In the expansion of your plant and the consequent increase of construction ordered therein by the Emergency Fleet Corporation and the navy required greatly increased shop capacity. This will involve important additions to the various departments, such as the forge shop, plate and angle shop, power house, &c. Over \$1,400,000 has already been expended on account of these extensions to shops and shipways. (Compare expenditures aggregating \$15,000,000 proposed in Aug. 1918.—See News Dept. below.)

The following is a list of the major items of plant improvement now under way to which the 1917 expenditures were applied: (a) Covering "A" and "O" ways; (b) extension "O" ways; (c) four new ways "T" and "U," including cranes and hoists, and air compressors; (d) power house improvement; condenser and generating set; (e) pier No. 4; (f) track rearrangement; (g) shop equipment, including 1,200-ton forge press and plate and angle bending rolls; (h) 70-ton traveling crane; (i) yard office extension; (j) miscellaneous. Total plant increase for the year 1917, \$1,470,000.

When this program of plant extension has been completed, your shipyard will have unrivaled facilities for large production, greatly exceeding its capacity in 1916. Maps at the end of this (pamphlet) report show the yard at the time purchased and as it is now, with additions now under construction as they will appear when completed.

Working Force.—The working force was expanded during the year from 4,500 men to 7,800 men, or 73%. The operation of the four new ways mentioned above and the ten additional ways being built for the Navy Department is expected to require a force of over 12,000 men.

The wages fixed by the U. S. Wage Adjustment Board, and under which your corporation is operating, have attracted an excellent class of workmen, so that labor turnover has recently decreased materially, while the patriotic spirit manifested by the entire body of the workmen and officials of your yard has resulted in the establishment of cordial relations between all parties concerned, resulting in increased speed of production.

Output During 1917.—During the past year we launched 15 vessels, of which nine were merchant steamers, four were war floats, and the balance constituted important construction for the Navy Department. Of the above merchant tonnage we delivered during the year five steamers. On Jan. 1 1918 we had on the ways nine merchant vessels.

BALANCE SHEET DEC. 31 1917 (Total each side, \$37,723,225.)

Property and plant	\$10,981,262	Stock, 200,000 sh., \$5 par val.	\$7,197,650
Uncompleted plant additions	1,337,102	1st 31, 5% bonds due 1948—	7,500,000
Materials and supplies	1,123,337	Current liab. (\$1,869,984)—	1,869,984
Production work in progress (\$20,392,050)	---	Vouchers payable	1,713,637
Ship contracts	19,812,796	Accounts payable	117,728
Boiler contracts	144,067	Unpaid freight account	29,393
Deferred charge	20,516	Unclaimed wages	9,225
1500 series, outside jobs	213,275	Accrued interest and taxes	170,413
5000 series, valves and drop fittings	157,726	Advance collections on contracts	---
Small tools, &c.	43,070	Reserve for depreciation	18,731,056
Current assets (\$2,445,500)—		Surplus account—see notes	452,664
Cash	916,161	(\$1,791,449)—	
Notes rec'd & Liberty bds.	295,718	Balance at Dec. 31 1916	38,351
Accounts receivable	1,288,055	Net income for year 1917	933,915
Accrued int. receivable	5,625	Ret. estate adjustment and other profit & loss credits in 1917	789,184
Insurance premium unearned	30,106		
Earned profit on contracts	1,413,802		

Notes.—No provision for Federal income and war excess profits taxes accrued for the cal. year 1917 is included in the above statement.

The corporation has contingent liabilities of approximately \$250,000 on account of interpretation of costs.

The First Mortgage dated Nov. 1 1916 secures \$25,000,000 30-year 5% sinking fund bonds, of which \$7,500,000 have been issued—sinking fund, 2 1/2% per ann., first installment due Nov. 1 1918. See V. 105, p. 1109. (See also report of American International Corporation in V. 106, p. 1245, 1246.)—V. 106, p. 2457, 2349.

Eastern Power & Light Corp. (of Va.), New York.

(Report for the Fiscal Year ended Dec 31 1917.)

President J. B. Taylor, New York, Feb. 20, wrote in subst.:

First Five Years of Existence.—In its second year the company encountered the general business depression following the outbreak of the European war. Again, throughout 1917 it experienced the extraordinary costs of fuel, labor and supplies which have temporarily affected the earnings of most public utility corporations adversely. Despite such unfavorable conditions, it has accomplished notable improvements in earnings, in efficiency of management and in relationship with the public. Meanwhile, physical values have been greatly enhanced by large cash expenditures for rehabilitation and extension.

Growth of the Subsidiaries.—Under the present management the earnings compare as follows:

	1913.	1916.	1917.
Gross operating revenue	\$3,029,777	\$3,969,700	\$4,495,593
Operating expenses	1,727,743	2,247,662	2,790,852
Net operating revenue	\$1,482,034	\$1,722,038	\$1,698,741
Total corporate income	1,566,940	1,743,315	1,730,922

These figures do not include earnings of the Pennsylvania Utilities Co., the control of which was acquired in September 1917 by the Metropolitan Edison Co. (V. 105, p. 1713), nor the earnings of the Vincennes property in 1917, which was sold at a profit during the year and the proceeds invested in extension of other Eastern company subsidiaries, principally the Reading properties (V. 105, p. 180, 497).

Contracts for Power, Additions, &c.—Additional electric generating capacity and favorable contracts for the purchase of energy from other companies have provided for this increased business. In the aggregate the power resources of the subsidiaries have been increased over 50%. While several small and inefficient power plants have been shut down, improved light and power service has been effected, lines extended and reinforced and emergency tie lines constructed. A large amount of new and heavy track has been laid. New cars have been purchased and old cars rebuilt, and railway service in general greatly improved. Itney competition has been eliminated, much overhead wiring placed underground, and repair shops and storerooms have been consolidated. While further improvements will be required from time to time, the more important elements of the properties are now in most satisfactory condition.

Increased Costs—Rates.—Customers, the communities served and the public utility commissions are recognizing the increased operating costs which the Eastern's subsidiaries, in common with all other public service companies, have met during the last two years, and substantial increases in rates have been obtained, in many instances through negotiation with customers. These increases in rates have become effective at various dates subsequent to July 1 1917 and are therefore reflected in 1917 earnings only in a minor degree and not to an extent sufficient to compensate fully for the increased costs of operation throughout the year. In fact, many rate adjustments materially affecting earnings did not become effective until after the first of the present year (V. 105, p. 2272).

Metropolitan Edison Co.—This company, the Eastern company's most important electric light and power subsidiary, was originally operated under leaseholds. It and a number of important street railway lines in Reading, also leased, were purchased outright in 1917 and the financial basis of the Reading companies thereby greatly improved. As a result their securities should be readily saleable in normal times (V. 106, p. 2348; V. 105, p. 1208, 606, 497; V. 97, p. 1898.)

Eastern Utilities Coal Co.—In view of the recent high prices of coal and the difficulty of getting coal at any price, the company organized in 1917 the Eastern Utilities Coal Co., whose notes and bonds it guaranteed. That company acquired a coal mine in West Virginia, which produced coal at the rate of 5,000 tons a month until car shortage diminished the output. With normal conditions as to cars the output should reach 10,000 tons per month and prove very profitable. (V. 104, p. 2235, 2343.)

Capital Requirements.—While endeavoring to keep expenditures for improvements at a minimum, additional service for the increased industrial activity in the various communities served and improvement in equipment to secure economies offsetting increased costs of coal and labor have made certain expenditures practically obligatory, with corresponding heavy demands on the financial resources of both the Eastern and its subsidiaries. In so far as possible, these demands have been met by the use of surplus earnings and by the sale of available securities. The remainder has been secured temporarily from banks, the Eastern company having borrowed in this way upwards of \$900,000, which it in turn has loaned to its subsidiaries. About \$300,000 more will be required during the year 1918 to supply the minimum requirements of the subsidiaries.

Exchange of Convertible Bonds for 7% Collateral Notes, Due Sept. 1918.—The company's 5% Five-Year Convertible gold bonds, of which there are \$2,327,500 outstanding [V. 96, p. 1020], fall due on March 1. Under the existing conditions in the security market the company has been unable to market a new issue to provide for this refunding and for liquidating the floating debt. It has secured satisfactory extensions of its bank loans and, after consultation with its bankers, has requested the holders of the maturing bonds to accept in exchange therefor, par for par, new 7% Collateral Trust notes, dated March 1 1918, due Sept. 1 1918, to be issued under a collateral trust indenture to the Equitable Trust Co. of N. Y., trustee, and secured by an equal amount of the maturing bonds when deposited by the present bondholders in exchange for the proposed new notes.

Dividend Suspension.—The Eastern company has, of course, under the circumstances, suspended the dividend on its pref. stock. (V. 105, p. 2455.)

Floating Debt.—The large floating debt has been carried by the bankers for some time, and the bankers are willing to continue to carry it for a further period if the bondholders will co-operate by extending the maturity of the bonds and so give the company the necessary time to seek relief of the proposed War Finance Corporation. Practically all the communities served manufacture commodities now required by the Government. Power for factories, street railway service for the operatives and utility services in general in these communities would seem to be so necessary as to justify Governmental assistance, at least until such time as ordinary channels of finance are again available for this and similar companies.

Outlook.—The directors feel that the subsidiaries constitute a substantial group of public service properties essential to the growing communities they serve; that notable work has been done in building up both the physical condition and the local standing of the operating companies, and that further increases in both gross and net can be confidently expected.

[As to Bond Secured notes of West Va. Traction & Electric Co., see V. 104, p. 1701, 1802; V. 100, p. 2087.]

EARNINGS, &c., FOR CALENDAR YEARS (Compare V. 104, p. 1145).

1) Combined Earnings of Subsidiaries (exclusive of Pennsylvania Utilities Co.)		1917.		1916.	
Operating revenues	\$4,495,593	\$3,969,700			
Operating expenses and taxes	2,796,852	2,247,662			
Operating income	\$1,698,741	\$1,722,038			
Miscellaneous income	32,191	21,277			
Total income	\$1,730,932	\$1,743,315			
Deductions from income (not incl. payments to Eastern Power & Light Corporation)	1,273,326	1,199,778			
Amount applicable to stocks of subsidiaries not owned by Eastern Power & Light Corporation	65,094	64,735			
Balance	\$392,512	\$478,802			
Add—Payments to East. P. & L. Corp. by Vincennes properties in 1917, prior to sale on May 31 1917	21,096				
Amount applicable to depreciation and to securities and notes owned by Eastern P. & L. Corp.	\$413,606	\$478,802			
(2) Eastern Power & Light Corp. Income Acct., &c. of the "amount applicable, &c." (\$413,606 and \$478,802, as shown above), Eastern Power & Light Corp. received in interest and dividends	\$336,178	\$371,019			
Other income	57,618	101,175			
Total income	\$393,796	\$472,194			
Less—Interest on bonds, notes, &c.	\$212,893	\$187,337			
Expenses of administration and taxes	33,340	43,657			
Net income	\$147,563	\$241,200			
Surplus at beginning of period	102,927	22,310			
Total	\$250,490	\$263,510			
Less—Dividends on preferred stock	\$109,667	160,583			
Surplus at end of year	\$140,823	\$102,927			

*No dividend paid for quarter ended Nov. 30 1917.

EASTERN POWER & LIGHT CORP. BALANCE SHEET DEC. 31 1917	
Securities owned	\$11,118,096
Cash	25,552
Loans to subsidiaries	1,128,851
Accounts receivable, including accruals	55,838
Total assets	\$12,328,337
Prof. stock (V. 96, p. 716)	\$2,350,000
Com. stk. (V. 105, p. 1707)	6,500,000
Conv. bds., due Mar. 1 '18	2,327,500
Notes & accts. pay., incl. accr. 1,010,014	1,010,014
Surplus (see Inc. statement)	140,823
Total liabilities	\$12,328,337

Guaranties.—The corporation had contingent liabilities at Dec. 31 1917 on account of its guarantee \$188,500 pref. stock of Reading Transit & Light Co. and dividends at the rate of 6% per annum thereon; its guaranty of \$350,000 First Mtge. bonds and \$150,000 6% One-Year notes of the Eastern Utilities Coal Co., and its endorsement of \$85,426 notes of Reading Transit & Light Co., Metropolitan Edison Co., Colonial Power & Light Co. and Eastern Utilities Coal Co.—V. 106, p. 2232.

GENERAL INVESTMENT NEWS.

RAILROADS, INCLUDING ELECTRIC ROADS.

Advances by United States Govt.—Total for July.—See preceding pages in this issue.—V. 107, p. 180.

Electric Railway Wages and Administration.—The War Labor Board has announced wage increases ranging from 35 to 65% for employees of 22 street and interurban railways operating in 16 cities. See preceding pages for further data.

American Cities Co.—Earnings.

Summary of Earnings for the 12 Months ended June 30.

	1917-18.	1916-17.
Proportion of annual surplus earnings of operating cos. applicable to divs. on shares owned by A.C.Co.	\$1,543,865	\$1,606,626
Miscellaneous net earnings	75,480	51,303
Total earnings applicable to American Cities Co.	\$1,619,345	\$1,657,929
Deduct—Interest on American Cities Co. bonds & notes	630,000	
Amortization of debt discount and expense	90,000	600,000
Balance applicable to preferred stock	\$899,345	\$1,057,929

Note.—For comparative purposes the deduction of special reserve for maintenance and renewal has been eliminated.
Sub. co. earnings, see "Earnings Dept." above.—V. 106, p. 2012.

Baltimore & Ohio RR.—Authorized Statement as to Provision for 6% Discount Notes Due July 29.—Kuhn, Loeb & Co. and Speyer & Co. have made arrangements with the Baltimore & Ohio RR. for the extension until Oct. 1 of the \$8,000,000 of bank loans of the company which matured Monday. These loans under the extension will mature at the same time that \$10,500,000 of three months' 6% notes recently placed with the bankers fall due, and the expectation is that by that time the Government contracts for rentals will have been concluded, putting the company in a position to do permanent financing.

No Action Yet on Dividend on Common Stock due September First.—The directors at their meeting Aug. 1 took no action on the common stock dividend due Sept. 1. The regular semi-annual dividend of 2% was declared on the \$58,863,182 outstanding preferred stock, payable Sept. 3 to holders of record Aug. 10.—V. 107, p. 400.

Babylon RR.—Service Suspended.

This company, operating between Amityville and Babylon, L. I., and to Great South Bay, recently was obliged to suspend service, its power being shut off by the Long Island Lighting Co., which states that the railroad owes the power company \$7,000.—V. 92, p. 295.

Bay State Street Ry.—Fares.

The Massachusetts P. S. Commission has granted this company permission to advance its fares from 5 to 7c. in certain localities where the company connects with the lines of the Boston Elevated Ry. (See that company below).—V. 107, p. 88.

Birmingham Ry., Light & Power Co.—Earnings.

See "Earnings Dept." on a preceding page of this issue.—V. 106, p. 2559.

Boston Elevated Ry.—Fares at Seven Cents.—An official statement made by the board of trustees, says:

Fares Increased.—Commencing Aug. 1 and until further notice, the rate of fare in all cases on the lines of the company where the unit is now five cents will be seven cents. The use of eight-cent checks will be discontinued.

Finances.—After making a careful study of the finances of the company and taking into consideration the known increase in various elements of its expense in the near future, according to the most conservative estimate it will be necessary to procure during the year ending July 1 1919, additional revenue of about \$6,150,000. It seems reasonable to believe that this amount will be produced by the two-cent increase in the fare rate. If, however, this result is not brought about, other expedients will have to be tried.

The difficulties of operating a street railway embracing surface, subway and elevated lines preclude the introduction of a zone system or an elaborate change in the transfer privileges at this time.

New Cars.—For the purpose of making much needed improvements in service 250 new cars and other equipment have been recently ordered by the trustees.

Deficit.—It is possible that further consideration and study by the trustees will result in modifications of the fare which is established at this time, but to-day, confronted as the trustees are by the serious emergency arising from the tremendous monthly deficit in the company's revenue, and the necessity under the law of protecting the Commonwealth from paying the company's bills, the trustees have no alternative but to increase the unit of fare.—V. 107, p. 400, 290.

Buffalo & Lake Erie Traction Co.—Fare Decision.

The Pennsylvania P. S. Commission has handed down a decision dismissing complaints made against a fare increase, declaring that an interurban electric railway company may increase its fares beyond the 5-cent limit specified in a franchise ordinance when it is necessary to do so to obtain enough revenue for operation and maintenance purposes.—V. 107, p. 81.

Buffalo Rochester & Pittsburgh Ry.—Dividend on Common Stock Decreased.

The directors have declared a semi-annual dividend of \$2 per share on the common also the regular semi-annual dividend of \$3 per share on the preferred stock, both payable Aug. 15 to holders of record Aug. 12. The common stock has been on a 6% per ann. basis since Feb. 1917.

Dividends in Recent Years.

Years—'02.	'03.	'04.	'06.	'07.	'08.	'09.	'10.	'11.	'12.	'13.	'14.	'15.	'16.	'17.
Com. %	4	5 1/2	6	7	8	8 1/2	8 1/2	8 1/2	8 1/2	8 1/2	8 1/2	8 1/2	8 1/2	8 1/2
Com. %	4	5 1/2	6	7	8	8 1/2	8 1/2	8 1/2	8 1/2	8 1/2	8 1/2	8 1/2	8 1/2	8 1/2

—V. 107, p. 180.

Carolina & North Western RR.—Southern Ry. Operation.

See Southern Ry. below.—V. 105, p. 605.

Carolina Power & Light Co.—Increased Fares.

The North Carolina Corporation Commission has authorized increased fares from 5 to 7c. in Raleigh of that State.—V. 106, p. 2122.

Central of Georgia Ry.—Officers.

Alex. R. Lawton of Savannah, Ga., has been elected President to succeed W. A. Winburn; Chas. A. Penbody of N. Y. succeeds C. H. Markham as Chairman of the board, and Chas. F. Groves of Savannah has been named Treasurer in place of W. O. Askew. Mr. Groves still holds the office of Secretary.—V. 106, p. 2648.

Chicago Burlington & Quincy RR.—New President.

Charles E. Parkins succeeds Hale Holden as President.—V. 107, p. 401.

Chicago & Joliet Electric Ry.—Fare Application.

This company has applied to the Illinois P. U. Commission for increased fares from a 1.87c. per mile to a 2c. per mile basis.—V. 106, p. 1343.

Chicago Milwaukee & St. Paul Ry.—Obituary.

C. A. Goodnow, Vice-President of this company, died on July 26 at Seattle, Wash.—V. 107, p. 403.

Chicago Rapid Transit Plans.—New Ordinance, &c.

See Chicago Traction Co. below.—V. 107, p. 290, 180.

Chicago Rys.—Wage Award by War Labor Board.

See preceding pages in this issue.—V. 107, p. 82.

Chicago Traction Co.—Transit Ordinance Ratified by Committee.

The Chicago City Council Committee on Local Transportation on July 29, by a unanimous vote, adopted all the principal features of the proposed plan for the building of subways and the unification of the elevated lines on the trustee plan of municipal ownership. Under the ordinance the name of the combined properties will be "Chicago Traction Co."

The ordinance, as it is to be submitted to the City Council, is given in full in the "Chicago Herald and Examiner" of July 30. A summary published at the same time gives the following details:

Trustees.—Under the trustee plan the lines are to be operated by a board of nine trustees, who are to be selected by the companies, and if satisfactory, approved by the Council. The trustees are to serve until 1923, when \$150,000,000 worth of surface lines' securities are to be refunded. They are to receive an annual salary of \$5,000 and are to have no financial interest in the lines.

The City Council will name the successors of the first board. The first board will not retire all at once, three retiring Dec. 31 1927, three others a year later, and the remaining three the following year.

City Ownership.—An amortization fund is provided in the measure under which the city will eventually own the lines without paying for them. It is estimated that complete amortization will take place in about fifty years, the time being dependent upon the receipts.

Construction.—A construction program involving an expenditure of \$300,000,000 for rapid transit subways and for new elevated lines is embodied in the ordinance.

Legislation.—Legislation is needed to carry out the scheme. After this has been obtained and the formal acceptance of the new laws and the ordinance is made by the Council and the companies, the lines will cease to be operated by private interests. It is believed the ordinance will be placed in operation during the early part of 1920.

Financial Provisions.—Sixty per cent of the existing securities, represented by bonds having a lien on the property, are to be allowed an interest return of 5%. The other 40% of the securities, represented by stock, is to be allowed a return of 7%.

The return on the bonds is to continue until they are refunded, while the return on the stock is to continue during the life of the ordinance, or until the property comes into complete possession of the city.

An additional 1% is allowed on the 40% portion during the average unexpired life of the surface and elevated lines' franchises, which is approximately July 1, 1932, or 12 years from the present time.

New money for building the extensions will be allowed at cost. The average return on all the securities until 1932 is 6.21%. After that date the return averages 5.81%. Fixing the rate for 30 years, the period for which a franchise would have been issued under the company-committee ordinance, the return amounts to 5.99%. This is 39-100ths of 1% less than the 6.35% return provided in that measure. Compare caption "Chicago Rapid Transit Plans."—V. 107, p. 290, 180.

Cincinnati Milford & Loveland Traction Co.—Fares.

The Ohio P. U. Commission has refused the application of Receiver Charles C. Harris for permission to abandon the service on this company's lines. Fares are to be increased from 2½ cents to 3 cents per mile and a general freight rate advance of 25% will be put in effect. The Commission holds that proper co-operation between the company and its patrons will result in profitable operations. Compare V. 107, p. 82.

Citizens Street Ry. of Muncie, Ind.—Bonds Called.

Eight (\$6,000) First Mtge. 6% gold bonds of 1897 (Nos. 21-83-104 and 110, \$1,000 bonds, and 227, 237, 258 and 273, \$500 bonds) have been called for payment Sept. 1 at 105 and int. at the Guarantee Trust & Safe Deposit Co., Phila.—V. 106, p. 498.

Cleveland (Electric) Ry.—Viaduct Operations.

This company's cars are now operating over the concrete and steel bridge across the Cuyahoga River at Cleveland, O., which bridge is described in the "Electric Railway Journal" of July 27. The company has expended a considerable sum on track, &c., work on this viaduct.—V. 106, p. 2756.

Commonwealth Power, Railway & Light Co.—Earnings.

Hodenpyl, Hardy & Co. report: Earnings of Company and Its Constituent Cos. for Month, Six Months and Twelve Months ending June 30 1918.

	June 1918, Inc. %	Six Months, Inc. %	Twelve Mos. Inc. %
Gross earnings	\$1,831,428 15.10	\$10,338,998 11.50	\$20,789,999 14.55
Operating expenses	1,044,973 21.18	6,376,636 25.84	12,388,014 29.31
Net earnings	\$786,455 14.33	\$3,962,362 *5.78	\$8,401,985 *1.93
Fixed charges (see note)	\$623,427 19.76	3,622,317 15.74	6,987,565 14.35
Net profits	\$163,028 *2.89	\$340,045 *68.38	\$1,414,420 *42.42
Preferred dividend	89,765	538,590	1,077,210 1.01
Bal. for replacements & divs. on com. stk.	\$73,263 *6.21	\$198,545 *136.95	\$337,210 *75.74

*Decrease. †Deficit.
Note.—Fixed charges include dividends on outstanding preferred stocks of constituent companies in addition to taxes and interest.
The balance for the 12 months, \$337,210, is equal to 1.814% on common stock.—V. 107, p. 291.

Cumberland County (Me.) Power & Light Co.—Fares.

Fares on this company's lines within the old city limits of Portland, Maine, will not be increased from five cents. On the lines to the suburbs the rate will be six cents instead of eight, which the company desired, and to more remote places the fares will be regulated on the basis of two cents a mile.—V. 106, p. 2345.

Denver & Rio Grande RR.—Bond Interest Due Aug. 1.

Arrangements have been made by the RR. Administration with Receiver Baldwin, through the Bankers Trust Co. of N. Y., trustee, for the First & Refunding 5% bonds, to meet the interest coupons of this issue due Aug. 1, and also to complete the sinking fund payment under the mortgage. It is stated that the amount about \$1,000,000 will be paid as an advance on rental due, instead of a loan to the company.—V. 107, p. 181, 82.

Detroit United Ry.—Wage Award by War Labor Board.

See preceding pages in this issue.—V. 107, p. 181.

East St. Louis Columbia & Waterloo Ry.—Franchise.

This company, which has rented tracks from the East St. Louis & Suburban Ry. for the last eight years, has been granted a 20-year franchise to operate cars in East St. Louis under which a 5-cent fare will be charged and 2% of gross earnings will be paid to the city.

East St. Louis & Suburban Ry. Co.—Sub. Co. Franchise.

See East St. Louis Columbia & Waterloo Ry. above.—V. 107, p. 401.

Fishkill Electric Ry.—Fare Increase.

The New York P. S. Commission has granted this company, which operates at Beacon, N. Y., an increase in fares from 5 to 6 cts.

Fonda Johnstown & Gloversville RR.—Fare Increase.

The New York P. S. Commission has authorized this company to increase its passenger tariffs, bringing the fares up to about 3c. a mile. This order is only temporary, the company being compelled to show proof of the necessity for the increased rates at a hearing on Aug. 7.—V. 107, p. 401.

Freight Rates.—Canadian Rates Up 20%.

An Order-in-Council, at Ottawa, has been passed increasing freight rates by an average of about 20% to meet the operating costs imposed on Canadian railways by the new wage schedule recently adopted, which is similar to the recent wage award granted employees of the American railroads.—V. 107, p. 82.

Grafton & Upton RR.—Minimum Fare Reduced.

The Massachusetts P. S. Commission has approved a reduction of the minimum fare on this company's lines from 10c. to 6c. The road was under Federal control and was obliged to charge 10c. as a minimum rate, but is now classed as a "short line."—V. 104, p. 163.

Grand Trunk Ry. of Canada.—Notes Paid.

A cable dispatch states that this company on Aug. 1 paid off \$2,000,000 2-year 5% notes. Last November the company redeemed \$4,000,000 short-term notes.—V. 107, p. 181.

Interborough Rapid Trans. Co.—"H" System Operating.

See "Rapid Transit in New York" below.

Agreement Reached to Pool Earnings Beginning Jan. 1 1919.
Members of the P. S. Commission and the Board of Estimate have reached an agreement for a pooling of the earnings under the dual system contract to begin Jan. 1 1919. When this plan goes into effect, profits, after the operating expenses and interest charges of the city and company are taken out, will be divided equally between the city and the company. Compare V. 107, p. 401, 291, 82.

International Ry., Buffalo.—Rate Increase.

This company has filed with the I. S. C. Commission an application for an increase in the one way trip fares from Buffalo to Niagara Falls, and other New York points. The increase is to be based on rates in effect on other roads in New York.

Fare Referendum.

The citizens of Buffalo will vote on Aug. 20 on the 6-cent fare agreement recently made between the city and the company.

Wage Award by War Labor Board.

See preceding pages in this issue.—V. 107, p. 402, 291.

Joplin & Pittsb. Ry.—Wage Award by War Labor Board.

See preceding pages in this issue.—V. 106, p. 1689.

Kansas City Mexico & Orient Ry.—Mexican Control.

It is reported that this company's lines in Mexico are to be taken over by the Mexican Government and operated under contract for a period of years.—V. 107, p. 402.

Kansas City & Pacific Ry.—Coupons Paid.

Interest coupons on this company's First Mtge. 4% bonds due Feb. 1 last were paid off on July 31 at its office.—V. 106, p. 396.

Knoxville Railway & Light Co.—Earnings.

See "Earnings Dept." on a preceding page of this issue.—V. 103, p. 2238.

Laurel Mississippi Light & Railway Co.—Fares.

At an election, held July 12, this company was granted permission to charge a six-cent fare.—V. 105, p. 1802.

Lehigh Valley RR.—"Black Tom" Litigation.

See Acma Explosives Co. under "Industrials" below.—V. 106, p. 2759.

Lewiston (Me.) Augusta & Waterville St. Ry.—Service.

A press report states that arrangements are being made by this company for a complete rehabilitation of the service between Lewiston and Bath and improvements to other lines. The U. S. Shipping Board Emergency Fleet Corp. has agreed to assist the company to the amount of \$165,000 by providing new cars, transformers, transmission lines and other equipment.—V. 106, p. 1577.

Little Rock Railway & Electric Co.—Earnings.

See "Earnings Dept." on a preceding page of this issue.—V. 106, p. 715.

Memphis Street Railway.—Earnings.

See "Earnings Dept." on a preceding page of this issue.—V. 106, p. 1126.

Minneapolis Northfield & Southern Ry.—Successor Co.

The property of the Minneapolis St. Paul Rochester & Dubuque Electric Traction Co. was sold at auction on July 29 to Harlan P. Roberts for \$350,000, the upset price, acting on behalf of the newly organized company of the above caption.—V. 107, p. 82.

Minneapolis St. Paul Rochester & Dubuque Electric Traction Co.—Property Sold at Public Auction.

See Minneapolis Northfield & Southern Ry.—V. 107, p. 82.

Monongahela Valley Traction Co.—Loan—Wages.

This company, it is reported, is negotiating with certain bankers for a loan of \$5,500,000 for extensive improvements to its properties, &c. Employees of this company have accepted a compromise wage increase which provides the following scale: City men in the employ less than one year, 38 cents an hour; second and third year, 39 cents; fourth and fifth year, 41 cents; in service five years or longer, 43 cents. Men employed on the interurban lines will be paid 2 cents more an hour than the city men.—V. 106, p. 2450, 2444.

Montreal Tramways Co.—Fare Increase—No Strike.

This company has applied to the Quebec P. U. Commission for the right to charge 7c. fares on its lines and sell 4 tickets for 25c. with free transfers. An announcement has been made that this company has agreed to concede the demands of its employees providing for increased wages.—V. 107, p. 291.

New Bedford & Onset Street Ry.—Fares.

The Massachusetts P. S. Commission has further suspended, until Aug. 10, the increased fare which was to have taken effect Aug. 1, having been postponed from June 27.—V. 106, p. 1127.

New Orleans Ry. & Lt. Co.—Payment of Int.—Earnings.

Holders of the General Mtge. 4½% bonds of this company and of the bonds of the New Orleans City RR. and the New Orleans City & Lake RR. are notified that the July 1 coupons will be paid upon presentation at the New York Trust Co., N. Y. One month's interest in addition to the amount of the coupons will be paid.

See "Earnings Dept." on a preceding page of this issue.—V. 107, p. 82.

New York Philadelphia & Norfolk RR.—Directors.

Samuel Rea and George D. Dixon have been elected directors, to fill the vacancies caused by the resignation of Elisha Lee and R. B. Cooke.—V. 106, p. 1901.

New York Railways.—Purchase Approved.

The New York P. S. Commission has approved the application of the company for permission to purchase and acquire the Central Crosstown RR., including a lease by the latter of the old Christopher & Tenth St. RR. The Commission, in granting the permission, specifically stipulated that its approval did not prejudice it from inquiry at any future time into the value of any property or investment so acquired. Subsequent to the above order the property was sold at foreclosure and bid in by the New York Railways Co., which, however, for several years has operated parts of the old Central Crosstown RR. routes as part of its 14th St., 8th St. and other lines.—V. 107, p. 402, 182.

New York State Rys.—Wage Award by War Labor Board.

See preceding pages in this issue.—V. 106, p. 2757.

Northern Ohio Electric Corp.—Earnings.—Hodenpyl, Hardy & Co. report as follows ("d" indicates decrease):

Earnings of Company (and its constituent cos.) for 6 and 12 Mos. end. June 30 1918.

	June 1918, Inc. %	6 Mos. Inc. %	12 Mos. Inc. %
Gross earnings	\$593,513 12.90	\$3,468,309 11.07	\$6,822,190 15.13
Operating expenses	384,184 14.84	2,225,708 16.89	4,350,747 28.50
Net earnings	\$209,329 9.52	\$1,242,601 1.97	\$2,471,443 d.70
Fixed chgs. (see note)	144,551 16.04	852,616 12.57	1,618,932 10.30
Net profits	\$64,777 d2.69	\$389,985d15.44	\$852,511d16.52
Preferred dividend	30,000	180,000	360,000

Balance for replace'mts & divs. on com. stock. \$34,777 d4.89 \$209,985d25.32 \$492,511d25.52

Note.—Fixed charges include dividends on outstanding preferred stocks of constituent companies in addition to taxes and interest.
The balance of \$492,511 for the 12 months is equivalent to \$6 57 per share on 75,000 shares common stock.—V. 106, p. 1127, 396.

Northwestern Pacific RR.—General Manager.

W. S. Palmer, President and General Manager, has been appointed General Manager under the U. S. Govt.—V. 107, p. 175.

Pennsylvania R.R.—Phila. Commutation Tickets.—Announcement has been made that there are on sale monthly commutation tickets costing \$31.56, good for 51 one-way rides between Philadelphia and New York City. Similar fares are in effect also on the Reading and the Central R. R. of New Jersey.—V. 107, p. 402, 291.

Piedmont & Northern Ry.—Federal Manager.—E. H. Coapman has been appointed Federal Manager under the U. S. Govt., with office at Washington, D. C.—V. 107, p. 77.

Pittsburgh Rys.—City Would Intervene—Receivers Object.—The receivers have filed their answer with the U. S. District Court at Pittsburgh to the recent petition of the city to intervene in the traction controversy, contending that if the right is given the city to intervene, similar permission cannot consistently be denied other cities, boroughs and townships. Intervention by all would result in confusion and financial loss, they aver. The answer was signed by receivers Callery and Stewart, the name of the third receiver, Chas. A. Fagan, not being attached, due to his dissent on this point.—V. 107, p. 402, 182.

Public Service Ry., N. J.—Transfer Charge.—Beginning Aug. 1, passengers of this company's lines pay 1 cent for initial transfers.

Wage Award by War Labor Board.—See preceding pages in this issue.

Shippard Line.—It is expected that this company's extension to the Port Newark shipyards will be in operation Labor Day, Sept. 2.—V. 107, p. 182.

Rapid Transit in New York.—Opening of "H" System.—On the evening of Aug. 1 the subway lines traversing each side of Manhattan and forming the new "H" system were placed in operation. The new lines, portions of which have been in operation for some weeks, comprise the new 7th Ave. line on the West Side and the new Lexington Ave. line on the East Side. The new system utilizes the old subway as its base. On the East Side the old subway lines form a connection with the Lexington Ave. subway at the Grand Central diagonal station. The tracks across 42d St. to the Times Square station are the horizontal bar of the H and are used for shuttle service. At the Times Square station the new 7th Ave. subway is joined to the tracks of the old subway, extending up Broadway and forming the West Side line of the new system.—V. 107, p. 292, 182.

Republic Railway & Light Co.—Earnings, &c.

Capital Outstanding—6% secured gold notes, Jan. 15 1918, due Jan. 15 1920, \$1,500,000; 6% pref. stock, \$5,191,400; common stock, \$6,206,000. Earnings for June and 12 Mos. end, June 30 1918—Republic Ry. & Light Co. Subsidiaries (Eliminating Inter-Company Items).

Earnings—	1918—June-1917.	Inc. %	'17-18-12 Mos.	'16-17 Inc. %		
Gross earnings	\$439,349	\$375,346	19.71	\$5,407,589	\$4,283,069	27.65
Op. exp., depr. & tax	313,080	254,386	23.07	3,832,520	2,688,804	42.53
Net earnings	\$126,269	\$120,960	12.65	\$1,635,069	\$1,594,265	2.56
Other income	8,211	4,303	90.84	91,153	33,171	—
Gross income	\$144,480	\$125,263	15.34	\$1,726,222	\$1,627,436	6.07
Int. & sub. co. divs.	100,833	80,515	25.23	1,111,279	907,876	22.40
Net income	\$43,647	\$44,748	d. 24	\$614,943	\$719,560	14.54
Preferred dividends	25,957	25,957	—	311,484	311,484	—
Balance, surplus	\$17,690	\$18,791	d. 5.86	\$303,459	\$408,076	35.83

D Decrease.—Compare annual report for 1917, &c.—V. 106, p. 1570, 397.

Richmond Light & Ry.—Fare Increase Favored.—The New York P. S. Commission has voted a demand that the authorities act immediately to end intolerable transit conditions on Staten Island. The opinion states that despite the great need of adequate facilities for the employees engaged in Government work on Staten Island, the condition of the cars, rolling stock, equipment and tracks of the Staten Island surface companies are rapidly becoming such that as a sheer matter of public safety, operation and the furnishing of service may have to be abandoned altogether, unless speedy action is taken.

The Commission adopted an order requiring the companies to overhaul their equipment and to do all in their power to place the same in safe and efficient operating condition. A fair increase in rates would probably furnish the additional sums needed to restore the rolling stock, tracks and other facilities to a more operable condition.—V. 106, p. 2758.

Rochester Ry. & Lt. Co.—Wage Award by War Labor Bd.—See preceding pages in this issue.—V. 106, p. 2126.

Saginaw-Bay City Ry.—Fare Increase.—This company has been authorized to charge a six-cent fare in the city of Saginaw, Mich.—V. 95, p. 481.

Schenectady Ry.—Wage Award by War Labor Board.—See preceding pages in this issue.—V. 106, p. 613.

Scranton Ry.—Wage Award by War Labor Board.—See preceding pages in this issue.—V. 105, p. 1210.

Southern Public Utilities Co.—Increased Rates.—The North Carolina Corporation Commission has authorized increases from 5 to 7c. for this company's lines operating in Charlotte, Durham and Winston-Salem.—V. 104, p. 1048.

Southern Ry.—Acquisition for Operation.—The Carolina & North Western R.R. (V. 105, p. 605), with lines from Chester, S. C., to Edgemont, N. C., 134 miles, has been taken over for operation by the Southern Ry. The company will remain a separate corporation, subsidiary to the Southern.—V. 107, p. 403, 292.

Tennessee Ry.—Plan of Reorganization.—The plan of reorganization dated Feb. 1 1918, as amended and modified, provides in substance:

A—Estimated Outstanding Obligations of Old Company.

Receiver's certificates outstanding and reserved for the construction of the remainder of the line of railroad required to be constructed under decrees of the court to neighboring coal properties in the mountains the main line extends from Oneida, Tenn. to Rosedale 60 miles.—ED.-----\$310,000

Estimated taxes, receiver's debts not evidenced by receiver's certificates, court costs, &c.-----115,000

First Mortgage 5% 30-year gold bonds, dated March 1 1907 (\$1,229,000 sold, \$80,000 in the treasury of the company).-----1,149,000

B—New Company—Capitalization.

A new company is to be formed under the provisions of chap. 12 of the Acts of 1877 and of chap. 52 of sec. 2 of the Acts of 1879 of Tennessee under name of "Tennessee Railway Company" or other name, and having an authorized bonded debt and an authorized capital as follows:

First Mortgage 6% Bonds.—Secured by a first mortgage on all property owned at the time the mortgage is made or thereafter acquired. Interest payable semi-annually from Feb. 1 1918, or such other date as may be determined upon by the reorganization managers. Principal to mature in 5 years from date thereof, but subject to redemption at option of company on any interest date at par and int. Denom. \$1,000, \$500 and \$100 each. Total authorized.-----\$500,000

(a) Of this total it is proposed to issue forthwith the amount subscribed pursuant to reorganization agreement, being not less than \$425,000 (b) The remainder to be issued, in whole or in part, from time to time, on account of betterments and improvements, extensions or additions, to the road and its equipment of the value of the principal amount of bonds to be issued, or to provide moneys for such purpose.

6% Non-Cumulative Income Debenture Bonds.—Dated Feb. 1 1918 or other date, and due in 30 years from date thereof. Denom. \$1,000, \$500 and \$100 each. Interest payable semi-annually, but only out of the net profits or net earnings when and as the board of directors shall determine before any dividends shall be set apart for the common stock. Subject to redemption on any interest date at par plus the dividends, if any, declared

and payable thereon. The trust agreement securing such income debenture bonds may provide that the company may place a mortgage or other prior lien upon its properties. Total authorized.-----\$1,200,000

Common Stock, in \$100 shares.-----\$1,200,000

The new company is to acquire all the properties, franchises, &c., included in the decree entered in the Consolidated Causes of New River Lumber Co. vs. Tennessee Ry. Co. and Tennessee Ry. Co. vs. Standard Trust Co. et al., now pending in the Chancery Court in Scott County, Tenn., and as directed by the decree entered therein on Sept. 17 1917, and also all the existing First Mortgage 5% 30-year gold bonds owned or controlled by any of the parties to the agreement hereinafter set forth and transferred by them to the new company pursuant to such agreement.

Distribution of Capital Stock and Income Debenture Bonds.

1. The subscribers to bonds of the new company, other than holders of said 1st M. bonds of Tennessee Ry. Co., will be entitled to receive common stock of the new company, the par value of which shall be equal to 50% of the principal of bonds of the new company subscribed and paid for. The holders of 1st M. bonds of Tennessee Ry. Co., who assign their bonds to the new company and who subscribe for their pro rata share of bonds of the new company, will be entitled to receive (a) new Income Debenture Bonds to an amount equal to the principal amount of the new 1st M. bonds so assigned, and (b) common stock, the par value of which shall equal 50% of the principal amount of the bonds subscribed and paid for. [In other words, the holder of one of the existing \$1,000 bonds, provided he subscribes for \$200 of the new 1st M. issue, will surrender his present bond and receive in all \$200 1st M. 6% bonds, \$100 in new stock and \$1,000 in Income Debenture Bonds.—Ed.]

2. Only such an amount of Income Debenture bonds or common stock shall be issued forthwith by the new railroad company as is necessary under the provisions of the plan of reorganization to be delivered to subscribers of new bonds of the new railroad company.

Right to Vote at Organization.—At the organization meeting of the new company the parties interested in the purchase and directed in road property shall be entitled to vote as follows: Those subscribing for new 1st M. bonds, one vote for each \$100 principal amount of such bonds, and one vote for each \$100 par value of common stock to which he shall be entitled; and those entitled to Income Debenture bonds and common stock, one vote for each \$100 principal amount of the Income Debenture bonds and one vote for each \$100 of common stock to which he shall be entitled.

Bondholders' Assessment.—Bondholders assenting to this plan must pay an assessment of 20% of the aggregate principal amount of their deposited bonds, said payments to be made on 30 days' notice of call by the reorganization managers or the new company. Upon payment of said assessment bondholders will be entitled to 1st M. bonds of the new company in the amount subscribed and paid for, and debenture bonds and common stock of the new company as set forth in subdivision D of this plan.

The reorganization managers reserve the right to reduce pro rata the amount of the bondholders' assessment.

Sale.—The decree entered on or about Sept. 17 1917 provided that the Master in said consolidated causes should sell to the highest and best bidder all the properties free of encumbrances, liens and claims except as provided in said decree, and the purchaser to take said properties subject to the specific performance of the contract of June 1 1905 between the New River Lumber Co. and Tennessee Ry. Co., as adjudged and directed in said court and, further providing that the Master in crying said sale is not to receive or apply any bid or offer made for said property for less than \$425,000.

\$425,000 Subscriptions Required.—This agreement shall be void and of no effect if, prior to the sale of the mortgaged property or within 30 days thereafter, subscriptions for \$425,000 of the new 1st M. bonds shall not have been obtained.

Manager.—As J. N. Baker is one of the largest certificate holders, and is so situated that he can devote time and attention to the operation of said railroad properties, he shall be employed by the new company as manager of its properties at a rate of compensation of not less than \$4,000 per annum for a term of five years.

[Signed by Alexander J. Hemphill, H. B. Spencer and J. N. Baker as reorganization managers. Depository Guaranty Trust Co., New York.]—Compare V. 107, p. 292.

Digest of Circular of Comm. of Holders 1st M. 5a, Dated N. Y., July 1.

The undersigned committee, heretofore gave notice of the fact that the sale of the properties of the railway company would be held on Feb. 2 1918 under the decree of Sept. 27 1917, which decree was entered upon the petition of the holders of certain receivers' certificates issued in the consolidated cause. The minimum price fixed by said decree was \$425,000. This purchase price was estimated to cover only the amount of the receivers' certificates, unpaid taxes, court fees and other incidental expenses of the receivers.

The accompanying plan of reorganization has been prepared and assented to, and subscriptions to bonds of the new company to be formed obtained from certain bondholders, holders of receivers' certificates and others, to an amount sufficient to make the bid fixed by the court.

On Feb. 2 1918 Mr. J. N. Baker, as trustee for the reorganization managers, purchased the property for the sum of \$425,000 and 10% of the purchase price, viz., \$42,500 was paid in cash, and three notes maturing in 6, 12 and 18 months were given by J. N. Baker as trustee. The first of these notes in amount \$127,500 falls due on Aug. 2 1918. It is necessary that the reorganization managers have at that time sufficient funds to meet the payment of this note, and your committee is endeavoring to assist the reorganization managers in making arrangements to meet said payment, pending the approval of this plan.

The bondholders assenting to the plan must pay an assessment of 20% said payment to be made on 30 days' notice of call by the reorganization managers or the new company.

Considerable delay in publishing this plan has been occasioned by the fact that the Government took over possession of this railroad, and that no securities could be issued without the approval of the Director-General of Railroads. Repeated efforts have been made for such approval, and finally the Director-General has in writing made no objection to such plan. The Tennessee R.R. Co. has been organized and will take over the properties formerly owned by the Tennessee Ry. Co.

The committee is making no charge for its services, but the expenses disbursed and incurred will be charged against the depositing bondholders. Notice will be later sent you of the amount of said charges. [Signed: Alexander J. Hemphill, Chairman; Leroy W. Baldwin, Albert H. Wiggin, Vivian Spencer and Erskine Hewitt, committees.]—V. 107, p. 292.

Tennessee Railway, Light & Power Co.—Delay in Plan to Provide for Notes Due June 1 Last.—In a letter to the holders of 2-year 5% gold coupon notes, maturing June 1 1918, President C. M. Clark writes:

The management of this company greatly regrets the unavoidable delay which has occurred in developing a plan for the payment or renewal of its \$2,500,000 of 5% Gold Coupon notes which matured on June 1 1918. It has been impossible to secure from the War Finance Corp. a loan in the form applied for by this company. Plans are being worked out which it is hoped will make it possible for the company to make a proposition to the note holders which will be satisfactory to them.

It has been suggested that, rather than leave these notes in an overdue condition, it would be better to ask the holders to accept temporarily a renewal note of reasonably early maturity, but the management has been advised by large holders of the notes that they would prefer to hold the present overdue notes until a final solution of the problem can be determined. We desire to assure you that every possible effort is being made in that direction.

The notes which have matured carry 5% interest, but it would not be fair to the holders to expect them to accept that rate from the date of maturity. The company therefore expects to pay from June 1 1918 a rate corresponding to rates which are now being paid upon similar issues.—V. 105, p. 2551.

Twin City Rapid Transit Co.—To Acquire Itineys.—The Minneapolis City Council has approved this company's proposal to acquire and operate Itiney bus lines operating in the company's territory.—V. 107, p. 292.

Underground Electric Rys. of London.—Interest.—Application has been made by City & South London Ry. to the Board of Trade for an order to extend the time for the exercise of the powers for payment of interest out of capital under the provisions of Section 57 (1) and 58 of the City & South London Ry. Act, 1913, for the period of one year from Aug. 15 1918.—V. 107, p. 403.

United Gas & Electric Corporation.—Earnings.—

Summary Statement of Earnings for the 12 Months ended June 30 1918. Balance of earnings of sub. oper. cos., after deducting fixed chgs. \$1,406,003. Deduct—Reserve for renewals and replacements. 404,750. Earnings applicable to stock of sub. cos. owned by public. 392,936.

Net income from bond investments and other sources. \$608,317. Total. \$816,434. Deduct—Interest on the United Gas & Electric Corp. bonds. \$588,000.

United Traction Co. of Albany.—Wage Award by War Labor Board.—

See preceding pages in this issue.—V. 106, p. 2651.

Virginia Ry. & Power Co.—Fare Situation.—

The Richmond, Va., Council Committee on Streets has recommended an ordinance providing for a straight 5-cent fare on the railway lines of the city, the labor tickets at three for 10 cents to be good till 8 o'clock in the morning instead of 7, and the retention of the 2 1/2 cent school tickets and universal transfer privileges.—V. 106, p. 2451.

Wabash Ry.—Action on Preferred "A" Div. Deferred.—

W. H. Williams, Chairman, announces that the dividend on the "A" preferred stock of the company has been deferred.—V. 107, p. 182.

West End Street Ry.—Offering of Six-Year Bonds.—

R. L. Day & Co., Estabrook & Co. and Merrill, Oldham & Co. are offering, at 102.45 and int., yielding about 6 1/2%, \$1,581,000 6-year 7% bonds, dated Aug. 1 1918, due Aug. 1 1924. A circular shows:

"Passed by the Capital Issues Committee as not incompatible with the national interest, but without approval of legality, validity, worth or security. Opinion No. A1029."

"The bankers announce that in exchange for a like amount of the company's six-year 7% bonds, they will pay 100% and interest for the company's 5% bonds, due Aug. 1 1918."

Interest on the new bonds F. & A. at Old Colony Trust Co., Boston. Denom. \$1,000 e*ar.

Capitalization. Pref. stock (8% div.) \$6,400,000 Total stock \$20,429,850. Com. stock (7% div.) 14,029,850 Funded debt 20,428,000.

Purpose of Issue.—These bonds are issued to refund a like amount of bonds, due Aug. 1 1918, and do not increase the funded debt of the company.

The Company.—Owning 42 1/2 miles of surface lines and holding the lease of the Tremont St., subway is guaranteed to the Boston Elevated Ry. (see above) until June 10 1922, under a guarantee of all fixed charges, dividends of 7% per annum on its common stock and of 8% per annum on its pref. stock.

The Legislature has authorized the consolidation of the West End company and the Boston Elevated Ry. at the expiration of the lease, and the consolidation has been approved by the stockholders of both companies.

Pursuant to a recent Act of the Mass. Legislature, the Boston Elevated Ry. is under public management and operation for not less than 10 years, thus, during the entire period, payments of rentals, interest on all bonds, and dividends at the specified rates on all classes of stock, are protected by the credit of the State of Massachusetts.—V. 106, p. 2451.

West Shore Ry.—Wage Award by War Labor Board.—

See preceding pages in this issue.—V. 94, p. 913.

Western Pacific RR.—Claims Against D. & R. G., & Co.—

Charles M. Lacey, President, has been authorized by the stockholders and directors of the company to take full charge of its \$38,000,000 claim against the Denver & Rio Grande, and will also look after the non-operating interests, including the Standard Realty & Improv. Co.—V. 107, p. 403.

White Pass & Yukon Ry.—Plan of Reorganization.—

Meetings of the holders of the First Mtge. debenture stock, 6% debentures, income debenture stock and ordinary shares were to have been held Aug. 2 to consider a scheme for the reorganization of the capital whereby it is intended to raise \$35,000 to be applied as follows: \$32,000 to provide working capital, \$15,000 to pay off loan from bankers, about \$25,000 to pay off a loan of \$110,000 owing by a subsidiary company, and \$5,000 to pay commissions and expenses.—V. 105, p. 291.

Wisconsin Securities Co.—Offering of Five-Year Notes.—

The First National Bank of Milwaukee, Wisconsin Trust Co. and the Second Ward Savings Bank, Milwaukee, are offering at 95.85 and int., yielding 7%, \$500,000 5-year 6% secured notes, dated July 1 1918, due July 1 1923.

Denom. \$100, \$500 and \$1,000 e. Int. J. & J. Callable on any int. date on 40 days' notice at 104 and int. up to and incl. July 1 1919; 103 and int. to July 1 1920; 102 and int. to July 1 1921; 101 and int. to July 1 1922; and 100 and int. after July 1 1922. The company agrees to pay the normal Federal income tax. Trustee, Wisconsin Trust Co.

"Passed by the Capital Issues Committee as not incompatible with the national interest, but without approval of legality, validity, worth or security." Opinion No. A808.

Digest of Letter of Pres. Clement C. Smith, Dated Milw., July 20 1918.

Organization.—The company is a financial, holding and operating corporation organized in Wisconsin. It owns the following stocks:

Company—Security—Amount Owned.—Operations.—Location.—Wise, P. S. Co. Pref. stock \$600,000 (all) Elec. light, power, Green Bay, &c. Com. stock \$740,000 (7%) Gas, st. ry., &c. Manitowish.

The company also owns securities of various corporations amounting to nearly \$1,000,000, and real estate, buildings and water-power rights costing over \$479,000.

Capitalization (Upon Completion of Financing)—Authorized 5,000,000. Five-year 6% secured notes 500,000. Capital stock 2,000,000. Outstand'g. 1,690,000.

(Including \$390,000 additional stock now offered to stockholders to be paid in Oct. 1 1918), with a present market value in excess of \$2,500,000.

Purpose of Issue.—To partially reimburse the company for money invested by it in the stock of the Marine Securities Co. and for advances made to subsidiaries for the erection of electrical generating stations at Winona, Minn., and Manitowish, Wisc., the extension of the Wisconsin Public Service Co. lines to Manitowish and Two Rivers and the extensions and improvements to Wisconsin Public Service Co. and Wisconsin Ry., Light & Power Co., the Sheboygan Gas Light Co., the Calumet Service Co. and Manitowish & Northern Traction Co.

Security.—The company has deposited with the trustee the following: Wise, P. S. Co. 1st & 2d pref. \$5,100,000; Sheboygan Gas Lt. Co. notes \$60,000; U. S. 2d Liberty Loan 4s. 60,000; Marine Sec. Co. 7% pref. stk. \$450,000.

The preferred stockholders, after the 7%, receive the same distribution of dividends as the common stockholders in the Marine Securities Co.

The above collateral is valued in excess of \$1,000,000. In case the company in any fiscal year pays in excess of 10% dividends on the common stock, an amount equal to that which is paid in excess of the 10% shall be set aside for the retirement of these notes.

Property and Territory Served.—The utilities controlled occupy some of the best territory in Wise, and Minn. The business of all these utilities has grown very rapidly since their acquisition by the Securities Co. Two of the companies own valuable hydro-electric generating stations.

The Marine Securities Co., a Delaware corporation, has outstanding \$1,000,000 of pref. and \$1,100,000 of com. stock. It owns over 98% of the pref. and com. shares outstanding of the Baltimore Dry Docks & Ship

Building Co. of Baltimore, Md., which owns and operates three shipbuilding and ship-repair plants in Baltimore, occupying a total area of about 48 acres and employing about 9,500 men. On June 30 1918 the surplus of the company was \$3,807,994, with reserve of \$915,457.

The company has contracts to deliver during 1918 and 1919 43 vessels, comprising 16,200-ton cargo ships, eight 8,800-ton cargo ships, six 5,000-ton oil tankers and twelve 10,000-ton oil tankers for the Emergency Fleet Corp., and seven mine sweepers for the U. S. Navy. The approximate total contract price for all of these vessels was \$65,000,000 (V. 102, p. 1251.)

Directors.—Fred Vogel Jr., Pres. First Nat. Bank of Milwaukee; L. J. Pettis, Pres. Wisconsin Nat. Bank; J. W. P. Lombard, Pres. Nat. Exchange Bank; Oliver C. Fuller, Pres. Wisconsin Trust Co.; G. E. Abright, North-western Mutual Life Ins. Co.; John L. Bazes, Pres. Wisc. Trac. Lt., Ht. & Pow. Co.; Robert Camp, Pres. First Trust Co.; Patrick Cudaby, Pres. Cudaby Bros. Co.; Herman W. Falk, Pres. The Falk Co., Milwaukee; Howard Greene, Pres. Milwaukee Drug Co.; George P. Miller, Miller, Mack & Fairchild, attorneys; Gustave Pabst, Pres. Pabst Brewing Co.; Ludington Patton, Pres. & Treas. Patton Paint Co.; Charles F. Pfister, capitalist; Clemen C. Smith, Pres. Wisconsin Securities Co.—V. 104, p. 75.

Worcester Consolidated Street Ry.—6-Cent Fare.—

Effective Aug. 1, this company will charge 6c. in Worcester. The company's suburban lines have been charging the 6-cent rate since July 1.—V. 107, p. 403.

INDUSTRIAL AND MISCELLANEOUS.

Aetna Explosives Co.—"Black Tom" Litigation.—

Judge A. N. Hand in the U. S. District Court at N. Y. has authorized Receivers Holt and Odell to bring suit against the Lehigh Valley R.R. Co. and National Storage Co. for \$139,264, the value of some ammoniac powders in storage in the Black Tom disaster of July 30 1916. The railroad company operated the terminal warehouses and the docks in Jersey City, which were owned by the storage company, and under the New Jersey statute of limitations the time for bringing suit will expire to-day.—V. 107, p. 183, 83.

Alameda Sugar Co. (of Cal.)—Dividends Discontinued.—

This beet sugar company has discontinued the payment of its monthly dividend of 20c. per share on the \$1,500,000 outstanding stock, par \$25. The amount named has been regularly paid since Dec. 25 1917, when the company resumed dividends after an intermission of over four years; up to June 25 seven payments aggregating \$84,000 were paid out of 1917 earnings.—V. 105, p. 2457.

American Can Co.—Status.—Hayden, Stone & Co. in their weekly market letter of July 26 say in substance:

Although American Can is enjoying in 1918 the greatest prosperity in its history, the \$41,233,300 common will have to be patient a bit longer before sharing in the steadily expanding earning power. This in itself is not a particularly serious matter. It may delay but cannot prevent ultimate valuation of Can common based on a strong financial position and ability to continue common dividends once they are initiated.

American Can is doing so much business that it has been obliged to borrow a relatively large amount of money. It will be recalled that in January the company borrowed \$12,000,000 in the form of 7 to 10 months 7% discount notes. All these notes will have matured by November of this year. In addition American Can is borrowing about \$13,000,000 in the form of straight bank loans, making its total debt about \$25,000,000.

So far as distribution of its chief product—cans and containers—is concerned, American Can possesses a seasonal business. During the period June to September, inclusive, the company rapidly converts its cash into big stocks of manufactured goods carried in warehouse.

It is confidently believed that by November the company can comfortably reduce its debt to a total of between \$12,000,000 and \$15,000,000.

A good deal of misapprehension exists regarding the extent of American Can's war work. Its orders for shells and kindred war materials total about \$4,000,000, which is practically the same as was finished last year. This shell production is something American Can knows how to handle and it will be reasonably profitable. On its war work last year American Can made a final net profit of \$3,500,000, which was about 40% of the original expectancy.

So far in 1918 American Can has been setting up about \$500,000 per month for income and excess profits taxes, a figure which does not vary materially from the 1917 allowance. It will undoubtedly have to be increased when the final terms of the new law have been decided on.

On the basis of the present set-up for war taxes American Can is earning at the rate of \$28 per share on its common, compared with 21.8% in 1917 and 12.3% in 1916. Even a 50% increase in the war tax would leave 20% for the common this year and would give a total in three years of \$22,500,000, all of which has gone back either into property or working capital. In the three years to Dec. 31 last American Can increased its working capital from \$15,744,780 to \$30,154,549, a gain of \$14,409,769, or 91.5%. That even this creditable increase has been insufficient for its rapidly expanding growth is the evidence to be adduced from the present floating debt.

There is much justice in the argument that Can common is a peace stock. Restoration of more normal prices for raw materials and labor would cut down its inventory and hasten extinction of floating debt. This appears like the natural sequence of peace. In fact, it may well be the case that common dividends will have to await the end of the war.—V. 107, p. 292, 84.

American Car & Foundry Co.—Government Order.—

Government orders for 10,000 cars are distributed as follows: Company—No. Cars.—Company—No. Cars.—American Car & Foundry Co. 2,400 Standard Steel Car Co. 1,900.

American Cellulose & Chemical Mfg. Co., Ltd.—

This company, financed by Vickers Company and Nobel Company, London, is negotiating a proposal to build at Cumberland, Md., a \$10,000,000 plant for the manufacture of cellulose for war purposes, the product being taken under contract by the Government until we win the war. It is stated that the enterprise will manufacture cellulose, acids, drugs, dyes, &c., after peace is declared.

American Cotton Oil Co.—Obituary.—

Bradish Johnson, a director of this company, passed away on July 31.—V. 106, p. 1228.

American Felt Co.—Change in Control.—Announcement

is made that Kidder, Peabody & Co. and F. S. Moseley & Co. have purchased for themselves and their associates, controlling interest in this company. This purchase carries with it ownership of the Roxbury Carpet Co. and the Boston Belting Corp. (V. 106, p. 711).—V. 95, p. 50.

American International Corp.—Uruguayan Enterprise.

In the company's "Bulletin" of recent issue, many interesting details of its activities in the South American republic of Uruguay are set forth. The corporation has under contract the construction of water works and sewerage systems for the cities of Mercedes, Paysandu and Salto. See American International Shipbuilding Corp. below.—V. 106, p. 1579.

Subsidiary Company Report.—

See New York Shipbuilding Co. under "Reports" above.—V. 107, p. 84.

American Internat. Shipbuilding Corp.—Launching.—

Invitations are being sent out by this company for the launching of the first of its 180 steel cargo ships constructed at its Hog Island yard. The present program calls for the launching of 50 ships in the next five months and a total of 180 by August of next year.—V. 107, p. 84.

American Malting Co.—Application to List.—

This company has applied to the New York Stock Exchange for permission to list Guaranty Trust Co. of New York certificates of deposit for first preferred stock up to \$6,936,800.—V. 107, p. 84.

American Light & Traction Co., N. Y.—Earnings, &c.
—Pres. Alanson P. Lathrop, N. Y., Aug. 1, wrote in subst:

The gross business of the subsidiary companies for the first six months of this year has shown a very healthy increase, as follows:

Gas sales.....	\$692,750	10.37%
Electric sales.....	135,701	10.65%
Traction receipts.....	338,411	57.07%

While expenses are still extraordinarily high—the increased cost of coal, oil, labor and taxes for the first six months of this year amounting to \$927,648—the net earnings for the same period decreased only \$112,358.

Increased rates have recently been put into effect in some of our companies and other increases are contemplated.

The directors on July 2 1918 declared the regular quarterly cash dividend of 1 1/4% to holders of pref. stock, a quarterly cash dividend of 2 1/4% to holders of common stock, and a stock dividend to holders of common stock at the rate of 2 1/4 shares of common stock upon every 100 shares of common stock outstanding, all payable Aug. 1 1918 to stockholders of record July 11.

Earnings and Dividend Statement for 12 Months ended June 30.

	1917-18.	1916-17.	1915-16.	1914-15.
Earns. on stocks owned				
In sub. cos.....	\$4,302,056	\$4,795,366	\$5,075,908	\$3,980,301
Miscellaneous earnings.....	924,649	708,365	576,408	754,962
Gross income.....	\$5,226,705	\$5,503,731	\$5,652,316	\$4,735,264
Expenses.....	315,682	332,210	187,345	157,600
Net earn. for 12 mos.	\$4,911,023	\$5,171,521	\$5,464,969	\$4,577,664
Surplus and reserve June 30, beginning year.....	11,907,183	11,374,789	10,194,492	9,577,664
Total surp. earnings.....	\$16,818,206	\$16,546,310	\$15,659,461	\$14,155,328
Cash divs. on pref. stock.....	\$854,172	\$854,172	\$854,172	\$854,172
Cash divs. on com. stock.....	2,085,923	1,892,477	1,715,250	1,553,332
Stock divs. on com. stock.....	2,085,923	1,892,478	1,715,250	1,553,332
Total dividends.....	\$5,026,017	\$4,639,127	\$4,284,672	\$3,960,837
Surplus bal. June 30.....	\$11,792,189	\$11,907,183	\$11,374,789	\$10,194,491

The balance sheet of June 30 1918 shows outstanding preferred stock, \$14,236,200; common stock, \$21,618,700.—V. 106, p. 2759.

American Power & Light Co.—Earnings of Sub. Cos.
—See Kansas Gas & Electric Co., Pacific Power & Light Co. and Portland Gas & Coke Co. below.—V. 106, p. 1897, 1795.

American Steel Foundries.—Earnings.

	1918.	1917.	1916.	1915.
Net earnings.....	\$4,187,455	\$3,948,197	\$1,374,226	\$43,967
Other income.....	95,758	140,680	55,241	30,195
Total income.....	\$4,283,213	\$4,088,877	\$1,429,467	\$74,122
Inv., sink. fund, &c.....	86,561	410,097	406,652	431,126
Depreciation.....	184,728			
Federal tax reserve.....	1,043,000	see note.		

Balance.....\$2,068,624 sr. \$3,684,780 sr. \$1,022,815 df. \$357,003
Dividends, 6 months (3 1/2%) 601,410 (3,515,520)

Note.—The statement for the half year ended June 30 1917 reported that an allowance had been made therein for Federal taxes then in effect and that additional provision would be made in subsequent statements for any increased taxes levied according to the new revenue bill then in preparation; but no figure was given to show the amount of the allowance made to date for that year.—V. 106, p. 1902, 1933.

American Stores Co.—Sales for Six Months.
—For 6 Months ending June 30—

	1918.	1917.	Increase.
Sales.....	\$30,475,811	\$27,247,000	\$3,228,811

—V. 107, p. 183.

American Sugar Refining Co.—Sugar Restrictions.
—See preceding pages in this issue.—V. 107, p. 404, 292.

American Telephone & Telegraph Co.—Government Assumes Control of Wire Lines—Statements.—The United States Government at midnight July 31 assumed control of the wire systems throughout the country. See preceding pages for full data, &c.

Thomas W. Lamont, of J. P. Morgan & Co., as his personal expression on the subject has issued the following:

"The Government's taking over of the telephone and telegraph lines for war purposes is a step which ought to prove very satisfactory to holders of securities in the companies in question. Postmaster-General Burleson makes it clear in his announcement that the greatest care will be taken to conserve the properties and their permanent earning power. So that for the long future it would appear that investors in these great companies have little to fear for the stability and earning capacity of the corporation.

"As for the immediate future, the law under which the Administration has taken action states that 'just compensation' will be paid by the Government for the use of the properties—a rental which ought to be readily sufficient to meet all fixed and present charges, including dividends. Furthermore, the physical and financial condition of these telephones and telegraph properties is now so sound that we regard present holders of their securities as well warranted in being entirely content with their investments as they stand to-day."

Pres. Theodore N. Vail is quoted as follows: "I am satisfied that the Government intends to do the utmost to maintain the service, conserve the property for the owner and to pay just compensation in a full sense."—V. 107, p. 404, 292, 287, 84.

American Writing Paper Co.—Prices Advanced.
—This company has advanced prices of loff-dried papers 1 1/2c. per pound from June prices.—V. 106, p. 1902.

American Zinc, Lead & Smelting Co.—Earnings.
—The net profits for the quarter ended June 30 are reported as \$227,405, compared with \$378,525 for the preceding three months, a total for the six months of \$605,930. Deducting \$360,000 for depreciation leaves a balance of \$245,930, or only \$44,000 less than the pref. dividend requirements for the half year. There are 96,560 shares of preferred stock outstanding, par \$25, entitled to \$6 each, or 24%, per annum.—V. 106, p. 2453.

Amesbury & Salisbury Gas Co.—Receiver.
—John Cashman, Inc., of Haverhill, Mass., has applied for the appointment of a receiver for this company.—V. 83, p. 437.

Anaconda Copper Mining Co.—Output (in Pounds).
—Month of July—

	1918.	1917.	1916.	1915.
Output, pounds.....	25,400,000	12,400,000	28,200,000	22,100,000

7 Months to July 31—

	1918.	1917.	1916.	1915.
Output, pounds.....	183,184,000	175,050,000	192,700,000	134,300,000

—V. 107, p. 84.

Armour & Co.—New New York Plant.
—Plans are being prepared, it is reported, for the erection of a 10-story refrigerating plant at New York, to cost about \$1,000,000.—V. 107, p. 183.

Asbestos Corp. of Canada, Ltd.—Dividend Increased.
—The directors, by declaring a quarterly dividend of 1 1/4%, have increased the annual rate from 4% to 5%. This dividend is paid on the \$4,000,000 8% non-cumulative pref. stock. This stock is entitled to participate with the \$3,000,000 common shares in any additional dividends after 5% on common.—V. 106, p. 931.

Associated Oil Co. of Cal.—Earnings 6 Mos. to June 30.

	1918.	1917.	1918.	1917.
Net earnings.....	\$5,692,235	\$2,959,761		
Int. on bonds.....	275,014	301,802		
Income & excess profits taxes.....	639,448			
Other taxes.....	105,958	121,172		
Deprec'n. &c., reserve.....			\$1,375,704	\$1,334,345
Divs. paid (2 1/2%).....			993,915	993,917
Bal., surp.....			\$2,302,196	\$208,524

During the 6 months ending June 30 1918 there was expended \$1,808,828 for drilling and other improvement of the property. The current assets on June 30 1918 exceeded current liabilities by \$6,604,565.—V. 106, p. 2453.

Atlantic City Gas Co.—Receiver Discharged.
—Judge Davis in the United States District Court at Trenton, N. J., on July 27 discharged Receiver Harry F. Carr, who was appointed on July 16. The company's contention that it was not insolvent was upheld by the Court. Compare V. 107, p. 404, 292.

Baldwin Locomotive Works.—Government Order.
—Vice-President S. M. Vauclain is quoted in a public address as saying: "Locomotives are going to win the war. We must have 2,000 locomotives for every million men that we put in France. We have about 1,000 locomotives in use now. Very soon we must have 4,000. Work is being rapidly pushed on the order given Baldwin's last week for 510 additional locomotives for General Pershing's army."—V. 106, p. 2759.

Baltimore Dry Dock & Ship Building Corp.
—See Wisconsin Securities Co. under "Railroads" above.—V. 102, p. 1251.

Beckers Liquidation Trust.—Liquidation Completed.
—The trustees have completed the liquidation of the assets received under deed of trust of Aug. 21 1917. As appears from the certificate of the public accountants, there remains on hand the sum of \$816,300, representing a distributive amount of \$27 21 for each share of beneficial interest in the trust.

In lieu of retaining in their possession any of the funds now on hand as a protection against any possible unknown or unliquidated liabilities, the trustees will distribute all of the funds now on hand, provided, however, that the distributees agree to repay so much of the moneys now distributed as the trustees may hereafter require by reason of liabilities or claims against the Beckers Company, or the trustees. We do not anticipate that any such liabilities will arise, but as a matter of protection desire that the distributees shall sign the accompanying agreement and return the same to the undersigned, care of the Equitable Trust Co., 37 Wall St., N. Y. City. The trustees are desirous of making distribution before the end of the current month. [Signed Wm. Beckers and Chas. Thurnauer, trustees.]

Alexander Aderer & Co., certified public accountants, N. Y., as of July 17 report: "We find that there is now on hand available for distribution to the holders of certificates of beneficial interest of Beckers Liquidation Trust, the sum of \$816,300, in cash, making a distributive amount of \$27 21 for each share of beneficial interest in the trust. The preferred and common stock of National Aniline & Chemical Co., Inc., received under the provisions of the contract dated April 5 1917 (pursuant to which contract the National Aniline & Chemical Co., Inc., was organized) have been entirely distributed by successive distributions made to the stockholders of W. Beckers Aniline & Chemical Works, Inc., and to holders of shares of beneficial interest in the Beckers Liquidation Trust. All of the known liabilities of W. Beckers Aniline & Chemical Works, Inc., and of the Trust of the Beckers Liquidation Trust have been discharged. Provision should be made for taking care of unknown and contingent liabilities, if any, such as possible increased taxes on final revision of assessments heretofore made, and other possible liabilities not now known."—V. 105, p. 999, 1804.

Bethlehem Steel Co.—Wage Increase.
—Announcement is made of an increase in wages for general labor at this company's plant, effective Aug. 1, amounting to 10%. Since Aug. 1 1915 eight increases have been granted, totalling 100%.—V. 107, p. 405, 293.

Bon Air Coal & Iron Corp.—Officers.
—John McE. Bowman, of New York has been elected Chairman of the executive committee of this company. Col. Jacob Ruppert, President and owner of the Ruppert Breweries, New York, and Edwin C. Goshorn, General Manager of the National Lead Co., Cincinnati, were added to the directorate.—V. 106, p. 2012.

Boston Belting Corp.—Control.
—See American Felt Co. above.—V. 106, p. 711.

Boston Cape Cod & New York Canal Co.—Government Operation.
—This company's property, which has been taken over by the U. S. Govt., will, it is understood, be maintained to a depth of 25 feet, thus permitting movement of deeper draft vessels. The present depth of the canal is 19 ft. Compare V. 107, p. 405.

Breitung Iron Co.—Change of Name.
—Announcement is made of change of this company's name from "Breitung Iron Co." to that of "Marquette Iron Co."—V. 105, p. 1422.

Brooklyn Borough Gas Co.—Gas Rate Increased.
—Chas. E. Hughes as referee has handed down an opinion to the effect that the statutory gas rate of 80c. per 1,000 cu. ft. is unconstitutional and void, and so far as it affects this company's gas it is confiscatory. The company by this decision, which denies jurisdiction of the P. S. Commission over its rates for gas, now has the power to increase the rate from 95c. to \$1 25 per 1,000 cu. ft.

The P. S. Commission, yesterday, held a hearing on the proposed increase in rates. If the company seeks to use the decision of referee Hughes to increase its rates, the P. S. Commission, it is stated, will institute injunction proceedings.—V. 106, p. 1580.

Burns Bros. Ice Corp.—Change of Name.
—The shareholders on July 29 voted to change the company's name to the National Ice & Coal Co., Inc.—Compare V. 107, p. 183.

Butler Bros. (Chicago).—Vice-President.
—John R. Schofield, formerly Treasurer, has been elected a Vice-President of this company.—V. 107, p. 84.

Cambridge (Mass.) Gas Light Co.—Rate Increased.
—This company has recently increased its rate for gas from 90c. to \$1 15 per 1,000 cu. ft. Hearings on the increase will begin Sept. 9.—V. 97, p. 1901.

Charcoal Iron Co. of America, Detroit.—Earnings, &c.

	3 Mos. to June 30—1918.	1917.	6 Mos. to June 30—1918.	1917.
Net earnings.....	\$674,598	\$527,525	\$1,187,537	\$879,901
Borrowed money.....			166,517	
Interest.....	18,914	12,617	113,574	405,625
Income tax.....			Not shown	
Net profits.....	\$655,684	\$514,908		
Balance, surplus for half year.....			\$917,446	\$474,276

The unfilled orders for pig iron for delivery during this year aggregated on June 30 67,343 tons; average selling price at the furnaces, \$36 63. The total profit and loss surplus June 30 1918 before providing for war taxes was \$2,378,295, against \$1,487,627 June 30 1917. Compare V. 105, p. 1422, 1900; V. 106, p. 712.—V. 106, p. 2012, 1580.

Chesapeake & Delaware Canal.—Administrator.
—The Inland Waterways Committee has made a report to the Railroad Administration favoring the appointment of an administrator for the Chesapeake & Delaware Canal. The plan suggested does not necessitate the actual taking over of the property by the Government, but the administrator would be given power to put on new boats or barges and to control operation of the canal with a view to giving relief to railroad congestion.—V. 107, p. 406.

Chesapeake Steamship Co.—Govt. Control.—Consolidation.
—The U. S. Railroad Administration has taken over this company and the Baltimore Steam Packet Co. (Old Bay Line) and has consolidated them into one operating company. President Key Compton of the Chesapeake Co., has been made Federal Manager for the combination.—V. 95, p. 752.

Chevrolet Motor Co.—Sale to General Motors.
—See General Motors Corp. below.—V. 106, p. 1903.

Cities Service Co., N. Y.—Earnings.—The bond department of Henry L. Doherty & Co., New York, in circular of July 25, reports in substance:

Reports from oil subsidiaries continue to show increased development of producing properties. For the six months ended June 30 1918 these produced more than 9,000,000 barrels of crude oil, or a daily average for the six months in excess of 50,000 barrels. As the production of oil by Cities

Service Co. subsidiaries in 1917 was approximately 12,000,000 barrels, it will be seen that in the first half of the current year there was produced more than 75% as much oil as in the entire year of 1917.

An important development in June 1918 was that on the Enyart lease in the Towanda pool of the El-Dorado district. This lease and the Paulson lease, also in the Towanda pool, are said by oil men to be most valuable, though comprising but a little over 1,000 acres out of 25,000 acres of proved oil leases owned by Cities Service Co. subsidiaries in the Butler County, Kansas, field.

Continued progress is reported from the utility subsidiaries. There have already been secured a number of rate increases at various utility properties, latest among these being good advances in rates for Brush Electric Co. at Galveston, Tex., and Cumberland & Westernport Electric Ry. Co. at Frostburg, Md. A number of rate advances are pending before various local bodies and the outlook is that within a comparatively short time these will have been approved also. Rates for power are being generally advanced in order to conform them to increased cost of operation, and the outlook now is that the utility subsidiaries should report substantially better net earnings in the current year than they did in 1917.

Gross income of Cities Service Co. for June 1918 was \$1,809,929, an increase of \$420,368 over June 1917. Net income, after payment of taxes, interest and expenses, for the month was \$1,764,785, a gain of \$406,244 over June 1917. After providing for preferred dividends there was a balance for the month, available for reserves, surplus and dividends on the common stock of \$1,428,144, which was larger by \$370,659 than the balance for June 1917.

Income of Cities Service Co. for Six Months ended June 30.

Six Months ended June 30—	1918.	1917.	1916.
Gross income	\$1,476,250	\$9,826,797	\$4,065,156
Expenses and interest	227,338	175,384	359,432
Net income	\$11,248,512	\$9,655,413	\$3,705,724
Dividends on preferred stock	2,012,447	1,773,243	1,016,473
Balance applicable to surplus, reserves and dividends on common stock	\$9,236,065	\$7,872,170	\$2,689,251

For the 12 months ended June 30 1918, gross income of Cities Service Co. was \$20,907,946, an increase of \$5,041,962 over the preceding 12 months. Net income, after payment of interest, taxes and expenses, was \$20,495,500, a gain of \$4,943,817 over the 12 months ended June 30 1917. The balance, available for reserves, surplus and payment of common stock dividends, for the 12 months was \$16,543,002, which was larger by \$4,158,352 than the balance for the 12 months ended June 30 1917.

On July 1 1918 there were outstanding in the hands of the public \$67,328,667 preferred stock and \$26,847,015 common stock.—V. 107, p. 294.

Colorado Fuel & Iron Co.—Earnings.—

Results for Quarter and Half-Year ending June 30.

	3 Mos. end. June 30—	6 Mos. end. June 30—	1918.	1917.	1916.
Gross receipts	\$12,812,003	\$11,978,906	\$24,743,233	\$32,811,207	\$21,207,207
Operating expenses	10,474,161	9,425,916	20,057,111	17,897,004	17,897,004
Net earnings	\$2,337,842	\$2,553,080	\$4,686,122	\$4,914,203	\$3,310,203
Other income	128,124	328,286	260,113	477,419	477,419
Gross income	\$2,465,966	\$2,881,366	\$4,946,235	\$5,391,622	\$3,787,622
Bond int., taxes, s. f., &c.	765,795	803,182	1,522,015	1,551,322	1,551,322
Depr. & depletion funds	491,017	499,099	982,752	986,556	986,556
Prof. dividends (2%)	40,000	40,000	80,000	80,000	80,000
Common divs. (1/4%)	259,710	513,438	513,438	513,438	513,438
Balance, surplus	\$912,435	\$1,539,085	\$1,848,030	\$2,763,744	\$2,763,744

—V. 106, p. 1798.

Conanicut Cotton Mills Corp.—Dividend Increased.—
The directors have declared a quarterly dividend of 2%, payable Aug. 1, to holders of record July 23. This compares with 1 1/2% paid in May.

Contra Costa Gas Co.—Additional Common Stock.—
The California RR. Commission has authorized this company to issue and sell \$50,000 common capital stock at not less than 85¢ the proceeds to be used to pay for indebtedness incurred because of capital expenditures prior to Dec. 31 last.—V. 106, p. 2760.

Corn Products Refining Co.—Earnings.—

	3 Mos. to June 30—	1918.	1917.	1916.
Net profits	\$2,845,670	\$4,169,654	\$1,238,394	\$1,238,394
Prof. dividend paid	(1 3/4%)\$21,971	(1 3/4%)\$21,971	(1 3/4%)\$372,836	(1 3/4%)\$372,836
Balance, surplus	\$2,323,699	\$3,047,683	\$865,558	\$865,558
6 Mos. to June 30—				
Net profits	\$86,169,699	\$7,141,663	\$2,294,028	\$2,294,028
Prof. dividend paid	(3 1/2%)\$1,043,941	(3 1/2%)\$1,043,941	(2 1/2%)\$745,672	(2 1/2%)\$745,672
Balance, surplus	\$5,125,758	\$6,097,722	\$1,548,356	\$1,548,356

* The company reports the net earnings from operations for 6 mos. end. June 30 1918, after deducting charges for maintenance and repairs of plants and estimated amount of excess-profits tax, \$c., as \$7,129,001, and adds interest and income from securities owned \$180,337 and deducts reserve for depreciation, \$1,025,338 and interest on bonds, \$114,300, leaving balance \$6,169,699 as here shown. These results are subject to change incident to excess profits and income tax rulings and to adjustments at the end of the year when accounts are finally audited.

* From the current profits Jan. 1 1917 to June 30 1917, \$9,344,076, the company deducted bond interest, depreciation on plants, extraordinary repairs, taxes, insurance, &c. (estimated) \$2,202,413, leaving balance available for dividends \$7,141,663.—V. 106, p. 2454.

Crude Oil Co.—Directors Elected.—

W. W. Splane, John M. Reed, John S. Rich, G. R. Moran and Frederick Fair have been elected directors.

Dominion Foundries & Steel Co., Ltd.—Dividend.—

The "Toronto Globe" on July 24 had the following to say: "A bonus of 10% on the common stock was decided upon at a meeting of the directors yesterday at the head office of the company in Hamilton. The bonus is payable on July 31 to shareholders of record July 25. The stock is on an 8% basis, and the first quarterly dividend was paid June 1 1917. This company was incorporated in May of last year for the purpose of bringing together the Dominion Steel Foundry Co., Ltd., and the Hamilton Steel Works Co., and combining the capital interests of the two companies. The authorized capital stock of the company is \$6,000,000, of which \$5,000,000 is common and \$1,000,000 8% cumulative preference. Three million of the common and \$720,000 of the preferred are outstanding. There were sales of the stock yesterday over the counter in Toronto at 85, which is an advance of 5 points on previous sales. The company has been enjoying a marked measure of prosperity for some time on account of war orders upon which it is working."—V. 104, p. 2236.

Duquesne Light Co.—Meeting Adjourned.—

The shareholders of this company who were scheduled to meet July 29 to vote on issuing \$25,000,000 25-year 6% bonds of which \$15,000,000 were to be used as collateral to secure the proposed issue of \$12,000,000 notes, adjourning the meeting until Aug. 5 without transacting any business.—V. 106, p. 2347.

Electric Auto-Lite Corporation.—Note Maturity.—

The \$2,000,000 Series "A" 7% notes of this company which fall due Aug. 15, will be paid at maturity at the Farmers' Loan & Trust Co., N. Y. Compare offering of notes, V. 105, p. 610.—V. 106, p. 2125.

Esmond Mills.—Dividend of 3% on Common Stock.—

The directors have declared a dividend of 3% on the \$655,000 outstanding common stock (par \$100), payable Aug. 15 to stock of record Aug. 10. In Aug. 1917 the company declared an initial dividend of 3% and in Nov. 1917 and Feb. 1918 it paid 1 1/2% each.—V. 106, p. 926.

(The) Fairbanks Co.—Earnings for June and Six Months.

	1918—June—	1917—	Increase.
Net sales	\$1,403,990	\$ 903,251	\$ 500,738
Net income	126,680	57,958	68,694
Net sales	\$7,030,273	\$4,558,701	\$2,471,572
Net income	586,108	273,298	312,810

—V. 107, p. 295, 85.

Federal Mining & Smelting Co.—Earnings.—

The monthly net earnings are reported as follows:

January.	February.	March.	April.	May.	June.
*\$59,035	*\$33,293	\$64,840	\$22,397	\$134,874	\$90,179

* Loss.—V. 107, p. 289.

(H. C.) Frick Coke Co.—Purchase of Coal Properties.—

See J. V. Thompson Coal Properties below.—V. 106, p. 2347.

General Electric Co.—Strike Over.—

About 90% of the 10,000 striking employees returned to work on Aug. 2 following a decision to resume work while waiting adjustment of their wage demands by the Federal War Labor Board.—V. 107, p. 295, 184.

General Motors Corp.—Stock Issue Approved.—

The Capital Issues Committee has taken favorable action on the application of this company to issue \$28,000,000 additional new stock to acquire the Chevrolet property.—V. 107, p. 406.

Graton & Knight Mfg. Co. (Leather Belting).—Offering of 7% Notes.—

The National City Co. is offering at prices ranging from 99 1/2 to 98 and int., to yield from over 7 1/2 to over 7 3/4%, according to maturity, \$3,000,000 7% serial gold notes, to be dated Aug. 1 1918, due in three annual installments as follows: Series A, \$1,000,000, Aug. 1 1919; series B, \$1,000,000, Aug. 1 1920 and series C (convertible), \$1,000,000, Aug. 1 1921.

* Passed by the Capital Issues Committee as not incompatible with the national interest, but without approval of legality, validity, worth or security. Opinion No. A1062.

Denom. \$1,000 e. Int. F. & A. at the National City Bank of N. Y., without deduction for any taxes which the company may be required or authorized to pay, except inheritance or any Federal income taxes.

Notes of Series B and C (but not of Series A) redeemable at the option of the company, subject to the provision for conversion of Series C notes, on any interest date upon 60 days' notice as a whole or in lots of not less than \$500,000 at 101 1/4 for notes with two years or more to run, 101 for notes with one year or more but less than two years to run; and 100 1/4 for notes with less than one year to run.

Series C notes, convertible, at the option of the respective holders, at any time prior to maturity or redemption, upon four weeks' notice, at their face value, into an equivalent par value of 7% cumulative second preferred stock. A cash adjustment of current dividends and accrued interest will be made, when necessary. Trustee, the Farmers' Loan & Trust Co., N. Y.

Extracts from Letter of President W. G. Spaulding, Dated Worcester, Mass., July 25 1918.

Capitalization (Upon Completion of Financing)—	Authorized.	Outst'd.
7% Serial gold notes (this issue)	\$3,000,000	\$3,000,000
6% cumulative preferred stock	500,000	500,000
7% cum. 2d pref. (a. & d.) stock (red. 105 & divs.)	2,000,000	1,000,000
Common stock	2,500,000	2,000,000

* Issued since June 15 in acquisition of new property.

The Company.—Established in 1851 and incorporated as the Graton & Knight Mfg. Co. on Jan. 1 1872 in Mass. The company tans hides, and manufactures leather belting, automobile leathers, straps, sole and upper leather and other leather supplies for shoe manufacturers, and many other leather products, in addition to which is now making equipment for the U. S. Govt. Largest manufacturer of leather belting in the world.

Plants.—Principal plant at Worcester, Mass.; in addition to which there are subsidiary plants at St. Louis, Mo., Brooklyn, N. Y., Cleveland, O., Detroit, Mich., Lewiston, Me., San Francisco, Cal., and Montreal, Canada. Also has 16 distributing stores throughout U. S. and one at Leicester, Eng.

Orders on hand, directly for various departments of the U. S. Govt. constitute about 75% of our total orders on hand.

Purpose of Issue.—To fund bank loans incurred to provide increased working capital necessary to take care of Government orders and our enlarged volume of business.

Security.—The general credit obligations of the company, and will constitute its only obligations outstanding in the hands of the public. It will not mortgage or pledge any of its fixed assets and will not consolidate or merge with any corporation, other than a constituent company, and unless prior thereto it secures these notes by a closed first mortgage and pledge on and of all its properties, real and personal.

The company and its constituent companies (a) will maintain an excess of current assets over all current liabilities equal to at least 200% of the face value of these notes then outstanding, and will maintain current assets equal to 175% of all liabilities; (b) will not dispose of fixed property, unless it applies the proceeds to the acquisition of fixed property of equal value, or to the redemption of notes; (c) will not declare common cash dividends except out of earnings subsequent to Dec. 31 1917; (d) will keep property in repair and insured.

Volume of Business and Gross Income Available for Interest, Taxes, &c.

Years—	1913.	1914.	1915.	1916.	1917.
Sales	\$4,508,685	\$4,005,667	\$8,457,394	\$10,376,780	\$12,327,737
Gross inc.	\$471,725	\$493,179	\$1,185,052	\$1,604,257	\$903,711

Net sales and gross income for the current year are at an annual rate in excess of any previous period. We estimate gross sales in 1918 at about \$15,000,000 and gross income of over \$2,000,000.

Dividends.—The company has paid dividends regularly on its 6% cumulative first pref. stock, and cash dividends since 1900 of 6% or more per annum upon the common stock. Stock dividends (or cash dividends to be applied to stock purchase) have been paid upon the common stock since 1900, as follows: in 1907, 25%; in 1911, 50%; in 1917, 33 1/3%.

Houston Lighting & Power Co.—Earnings.—

See "Earnings Dept." on a preceding page of this issue.—V. 103, p. 1891.

Hydraulic Pressed Steel Co.—Offering of First Mgt. & Collateral Trust 7% Notes.—

A. B. Leach & Co., Inc., N. Y., and the Guardian Savings & Trust Co., Cleveland, Ohio, are offering at 97 3/8 and int., to yield about 8%, \$3,500,000 First Mgt. & Collateral Trust 7% gold notes, dated July 1 1918, due July 1 1921: (See adv. pages.)

* Passed by the Capital Issues Committee as not incompatible with the national interest, but without approval of legality, validity, worth, or security. Opinion No. A980.

Present four-mill State tax refunded to holders in Pennsylvania. Semi-annual interest, payable in N. Y. and Cleveland. Redeemable at the option of the company at any time upon 30 days' notice at 101 during the first year and at 100 1/2 thereafter. Denom. \$1,000 and \$500*. Company will pay the normal Federal income tax not exceeding 2%. Trustee: The Guardian Savings & Trust Co., Cleveland, Ohio.

Data from Letter of Pres. J. H. Foster, dated Cleveland, O., July 26 1918.

Company.—Established in 1907, its business (in Cleveland, O.) being the fabrication of heavy steel stampings. In March 1917, the company acquired control of the Cleveland (O.) Welding & Mfg. Co. through purchase of all of its capital stock, and in Oct. 1917 control of the Canton (O.) Sheet Steel Co. was secured through purchase of the entire issue of common stock outstanding and a part of the preferred stock.

The following table shows the extent of the plants of the company and its subsidiaries, as well as the combination of the various units which constitute the present highly efficient organization:

Company	Hydraulic Co.	Cleveland Co.	Canton Co.
Area Covered—	15 acres	20 acres	84 acres
Units—	Machine shop, General stg. dept., Concrete form dept., Automobile frame dept., Forging shops.	Three manufacturing units for rolling and welding.	*3 open-hearth furnaces Soaking pits, Rolling mills, 14 sheet mills, Galvanizing dept., Corrugating dept.

* Fourth under construction. Of the entire output about 70% represents standard products which are being utilized for Government purposes. The remaining 30% constitutes war material, mainly shell forgings.

Security.—A first mortgage on all of the property of the Hydraulic Co. and the Cleveland company, now owned, or hereafter acquired; also by pledge of all of the outstanding common stock of the Canton Co., and part of the preferred stock constituting a majority of all of the stock of this

company. They will be further secured by deposit of negotiable obligations of the Canton Co. for advances made to it by the parent company. No mortgage shall be placed on the property of the Canton Co. during the life of these notes.

Consol. Bal. Sheet May 31 (effect is given to application of Notes.)

Assets—Total Each Side \$14,560,283—	
Cash, incl. portion of proceeds from notes, \$959,435; notes and accounts receivable, less doubtful accounts, \$1,824,951; merchandise inventory, less depreciation, \$2,526,765	\$5,311,150
Due from employees on stock subscriptions, \$434,511; miscellaneous accounts receivable, claims, &c., \$62,459	546,970
Investment in associated companies	2,451,816
Land, buildings, machinery, equipment, &c. (less depreciation)	2,710,683
Portion of note issue necessary for plant extension	700,000
Patents, rim, steel barrel and other development and good will	2,504,787
Deferred assets	334,873
Liabilities.	
Notes and accounts payable	\$2,627,300
Due associated companies	73,614
First Mtge. and collateral trust notes (present issue)	3,500,000
Land contract, payable \$5,000 semi-annually, 1st payment Aug. 15 1918	30,000
Reserves, est. Fed. taxes and amortization of shell equipment	711,756
Capital stock, preferred, \$949,700; common, \$5,388,000	6,337,700
Profit and loss, surplus	1,280,013
The investment, at cost, of the Hydraulic and Canton companies is contained in the above.	
<i>Purpose of Issue.—To retire \$1,800,000 one-year 7% notes, due Oct. 15 1918 (which were issued in part payment for the purchase of the common stock of the Canton Co.), for plant extensions and additional working capital</i>	
<i>Consol. Earnings of the Company and Subsidiaries for Calendar Year 1917.</i>	
Net earnings, after estimated Federal taxes	\$1,702,377
Interest on First Mtge. & Collateral Trust 7% notes requires	245,000
Balance applicable to dividends (8% com. div. since 1908)	\$1,457,377

Sinking Fund.—Annually 25% of net earnings after interest, taxes and preferred dividend requirements. Of said 25%, two-fifths may be represented by investment in permanent improvements to the property owned and controlled by the company and the balance to be used in retiring these notes.

Management.—Management of the company and subsidiaries will continue to be vested in the same men who brought all up to their present state of efficiency. Compare V. 105, p. 2002, 2008.—V. 106, p. 90.

Industrial Terminal Corp., Detroit.—Organization.—See Saxon Motor Corp. below.—V. 107, p. 407.

International Paper Co.—Application to List.—This company has applied to the New York Stock Exchange for permission to list \$6,423,000 First & Refunding 5% Sinking Fund Convertible coupon bonds, Series "A," due Jan. 1 1947.—V. 107, p. 407.

International Power Co.—Plan of Reorganization Adopted.—The reorganization committee named below, George C. Van Tuyl Jr., Chairman, announces as of Aug. 1 that a plan of reorganization dated Aug. 1 has been adopted and approved under an agreement dated May 14 1918.

Holders of certificates of deposit issued under the agreement of May 14 between holders of preferred and common stock and the committee thereby constituted, who shall not exercise the right of withdrawal under the agreement become parties to the plan without the issue of new cts. of deposit.

Holders of preferred and common stock of the Power company not heretofore deposited may become parties to the plan by depositing their stock certificates with Metropolitan Trust Co. of N. Y., on or before the close of business on Sept. 15 1918, receiving therefor certificates of deposit stamped as assenting to the plan.

Committee.—George C. Van Tuyl Jr., Chairman; Frank H. Ray; John G. Gray; Sec., Jas. F. McNamara, Loucks & Alexander, counsel.

The deposit agreement dated May 14 1918 states that the company has reported outstanding the following stock: 6,000 shares of 6% cum. pref. stock (par value \$600,000) and 47,470 shares of common stock (par value \$4,747,000). There is no bond issue, a lien upon the assets of the corp. n.

By order of Chancellor Walker of the Chancery Court of New Jersey, on Oct. 3 1916, the company was dissolved and its charter issued by the State of New Jersey declared null and void, in an action instituted by Henry W. Bull and others against said corporation in said Court. A receiver has been appointed in said litigation in New Jersey and likewise in New York, and various other proceedings have been had from time to time affecting the assets and value of said corporation.—V. 105, p. 293.

Jones & Laughlin Steel Co.—Improvements.—This company has proposed building improvements, to cost, it is stated, \$389,000.—V. 104, p. 2347.

Kansas Gas & Electric Co.—Earnings.—This American Power & Light Co. subsidiary reports:

<i>Earnings for June and the 12 Months ended June 30.</i>						
	1918—June—1917.	Inc.	1918—12 Months—1917.	Inc.		
Gross earnings	\$150,552	\$122,446	23%	\$1,857,842	\$1,705,503	9%
Expenses & taxes	98,599	91,848	7%	1,292,026	1,172,467	10%
Net earnings	\$51,953	\$30,598	70%	\$565,816	\$533,041	6%
Interest charges	31,635	21,384	48%	328,922	254,191	40%
Income aft. chgs.	\$20,318	\$9,214	121%	\$236,894	\$298,850	x21%
Divs. on pref. stck.				\$133,000	\$133,000	
Balance				\$103,894	\$165,850	x37%

Outstanding capitalization as of June 30 1918: Pref. stock, 7%, \$1,900,000; common stock, \$3,000,000; bonds, 1st M. 5s, \$4,962,000.—V. 106, p. 1904.

Kenmore Pulp & Paper Co.—Bonds Called.—Twenty-five (\$25,000) First Mtge. 6% Sinking Fund gold bonds, ranging in number from 13 to 691, incl., were called for payment Aug. 1 next par at the Fidelity Trust Co. Coupons due Aug. 1 are payable at Drexel & Co., Philadelphia.—V. 105, p. 293.

Lake Superior Corp.—Statement Regarding Report, &c.—Pres. Wilfred H. Cunningham says:

Many inquiries are being made as to the time when the annual report of the corporation will be delivered to the stockholders and I desire to make the following announcement:

The board of directors will meet early in August to examine and adopt the report for the year ended June 30 1918 and as soon thereafter as the report can be printed and mailed to the stockholders it will be done.

This year's annual report will be more complete than any heretofore issued by the corporation and it is expected that it will contain the audited accounts of the principal subsidiary companies and the fullest detailed information consistent with the business itself.

Although they would be welcome, few of our stockholders have had an opportunity of visiting the plant to see for themselves the extent of their property, so an illustrated booklet containing photographic reproductions of the steel plant is being prepared and will probably be distributed to the stockholders before the annual report is ready for delivery. This will in effect bring the steel plant to them in pictures and will contain descriptions of the property and the capacity of its various component parts.

During the fiscal year just closed circular letters were issued to the stockholders giving varied information and covering questions asked from time to time by our stockholders. It is hoped that the information given in the annual report, combined with the illustrated booklet and the circular letters will convey to our stockholders a fairly complete and satisfactory knowledge of their property.—V. 107, p. 185.

Lehigh Coal & Navigation Co.—Bonds.—The Philadelphia Stock Exchange on July 24 struck off the regular list \$150,000 Consol. Mtge. 4% Sinking Fund gold bonds, Series A—\$139,000 paid off and canceled by the trustee, on June 11 1918, out of moneys in the sinking fund, and \$11,000 called for redemption on July 1 1918, out of moneys other than in the sinking fund, leaving the amount of said bonds listed at this date \$15,240,000 Nos. A 1 to A 13750 both incl.,

for \$1,000 each, excepting \$510,000 canceled by the sinking fund and called for redemption to date.—V. 106, p. 1904, 811.

Lever Bros. & Co. (Soap Mfrs.).—Bonds.—Lee, Higginson & Co. have purchased a block of this company's First Mtge. 7% Sinking Fund bonds, guaranteed both as to principal and interest by Lever Bros. & Co., Ltd., of England, and will shortly make a public offering. The company has a large plant at Cambridge, Mass. Further details should appear another week.

(P.) Lorillard Company, N. Y.—Common Shareholders of Record Aug. 9 Offered 33 1-3% (\$6,062,240) of New Common at Par Till 3 P. M. Aug. 29—Issue Underwritten—Large Increase in Business.—In a circular dated at N. Y., July 29 1918, Pres. Thomas J. Maloney says in brief:

The first half of this company's fiscal year ended on June 30. While the exact figures are not yet available, your company has enjoyed the most prosperous six months since it has been in business. Its sales for this period are in excess of its sales for the entire year of 1917, its first completed year. The earnings have been maintained in proportion. The original capital was amply sufficient for its needs at the time, but its business has steadily developed until its sales are at the rate of two to three times what they were when its present business was acquired. Until now this gratifying increase has been taken care of without addition to its permanent capital, except that represented in its accumulated surplus; but under present conditions, with the high prices prevailing for practically every raw material that goes into the manufacture of tobacco, and with its business steadily on the increase, it is manifestly unwise for the company to depend for its necessary additional working capital upon borrowings.

For these reasons it is necessary to provide additional permanent working capital to finance the growing increase in the company's business, and therefore the directors on July 24 determined to offer to the common stockholders of record on Aug. 9 1918 the opportunity to subscribe at par to one-third of their present holdings, amounting to a total of \$6,062,240, at par, one of the authorized and unissued common capital stock. If the company maintains its earnings at the present rate, which only unforeseen circumstances can prevent, it will be able to maintain the same rate of regular dividends on its increased common stock as it has paid on that outstanding.

The subscriptions should be filed and paid in New York Trust Co., 28 Broad St., N. Y. City. The subscription warrants will be mailed to the common stockholders of record shortly after Aug. 9. No subscription for fractional shares will be received. The company will endeavor to arrange with one or more brokerage firms in New York City to specialize in dealings in these warrants and fractions at prevailing prices, in order to afford the stockholders greater opportunity for selling or combining fractions.

The entire issue of this stock has been underwritten at par by the Equitable Trust Co. of New York.

Earnings.—For 5 mos. end. May 31:

Net profits	\$3,502,585	Net after pref. dividend	\$2,626,744
Premium on bonds canceled	12,280	Surplus Dec. 31 1917	8,050,943
Bond interest	523,755	Total surplus	10,657,687
Pref. divs. (5 months)	329,805	Common dividends	3,485,788
x After deducting charges and expenses of operation, excl. reserve for war taxes, y Includes two quarterly divs. of 3% each and one extra div. of 20%, payable in common stock on common stock.		Surplus	7,201,899

(W. H.) McElwain Co., Boston.—New Stock, &c.—This company has filed a petition with the Massachusetts authorities for permission to increase its authorized capital stock by the issuance of 5,000 shares of common stock, par \$100.

The company announces that it has bought and canceled 500 shares of the first preferred stock. Compare V. 107, p. 398.

Mackay Companies.—Government Control.—See American Telephone & Telegraph Co. above and preceding pages.—V. 107, p. 408, 295.

Manufacturers' Light & Heat Co., Pittsburgh.—Consolidated Earnings for 6 Months ending June 30.

6 Mos. to June 30, 1918.	1917.	1918.	1917.
Gross earnings	\$4,938,271	\$4,408,702	\$31,507
Net earnings	2,085,714	1,848,398	Sundry adjustments
Other income	31,018	35,603	Dividends
			(4%) 920,000 (6) 180,000

Gross income	\$2,116,733	\$1,884,001	Balance, surp.	\$1,130,405	\$432,152
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Consolidated Balance Sheet June 30 (Manufacturers' Light & Heat Co. and its Affiliated Companies—Inter-Company Accounts Eliminated).

	1918.	1917.		1918.	1917.
Assets—		Liabilities—			
Investments	\$2,123,605	\$3,256,529	Capital stock	23,000,000	23,000,000
Treasury stock	469,600	469,600	Bonds	1,049,000	1,187,000
Cash	903,468	771,263	Accts. pay'le, &c.	622,482	382,244
Accts. receivable	832,237	756,621	Acct. int. & taxes	400,392	234,947
Bills receivable	4,884	6,795	Dividends payable	460,000	460,000
Incomplete invent.	940,505	619,937	Security deposits	229,854	221,327
Material & supp.	1,724,946	1,329,276	Miscellaneous	4,000	8,970
Employees' Lib'y hood subscrip'ts	11,125		Reserve for depreciation & dep'n	11,720,303	
Miscellaneous	4,060	8,970	Surplus	9,444,288	8,724,313
Total	47,020,379	34,218,801	Total	47,020,379	34,218,801

—V. 106, p. 2126.

Marquette Iron Co.—New Name.—See Breitung Iron Co. above.

Methuen Co.—Extra Dividend.—The directors have declared an extra dividend of 3% per share, along with the semi-annual dividend of 3%, both payable Aug. 1 to holders of record July 11.

Mexican Tax on Oil Lands.—Decree Modified.—A press dispatch from Mexico City on July 31 said:

Modifications of the oil decree of Feb. 19, agreed to between the Mexican Government and representatives of foreign interests, were announced officially to-day. Apparently they will not alter the rights of present foreign interests holding oil properties and leases if certain conditions are complied with regarding perfection of titles to land, leases and contracts.

Lands which have been legally leased and manifested but not denounced will be declared free land if not denounced within two months of a declaration by the owner or lessor who makes the manifestation. Lands legally leased can be denounced by the last concessionaire or by an intermediary if manifestation previously has been made. Grants of land may be reduced at any time and a new title issued.

Penalties are provided for non-compliance with the new regulations, which are effective from Aug. 1. The tax on a hectare of land is reduced from the 5 pesos called for in the February decree to 3 pesos. The Government will accept in payment of title fees and taxes credits which the companies have advanced for the dredging of the Panuco River. Oil lands are still held to be in the same category as mineral lands in that the Government retains original title to the subsol.

Miami Copper Co.—Output.

Month of July—	1918.	1917.	1916.	1915.
Output	4,793,082	Strike	4,310,000	4,087,611
Seven Months—	33,886,387	20,911,611	29,762,907	22,663,292

—V. 107, p. 185.

Michigan State Telephone Co.—Rate Increase.—An agreement has been reached between the city of Detroit and this company under which the city authorities have agreed in so far as is in their power to give the company \$1,330,000 additional revenue for the coming year. The proposals are to be submitted to the Common Council on a later date.—V. 107, p. 179.

Mountain States Telephone & Teleg. Co.—Rate Suit.—Judge Julian H. Moore in the U. S. District Court at Denver, Colo., on July 22 handed down a decision in the injunction suit of the city of Denver against the company, questioning the validity of rates recently authorized by the Colorado P. U. Commission, ruling that the District Court was without jurisdiction in the case since the validity of the statute creating the Utilities Commission was at issue.—V. 107, p. 186, 86.

National Acme Co.—Earnings.—Dividend Decreased.—Results for Quarter and Half-Year ended June 30 1918 and 1917.
 1918—3 Mos.—1917. 1918—6 Mos.—1917.
 Net sales \$3,909,581 \$4,729,453 \$7,393,370 \$9,494,733
 Net profits \$1,540,829 \$1,448,051 \$2,766,799 \$2,780,002
 Dividends 375,000 375,000 750,000 750,000

Balance, surplus \$1,165,829 \$1,073,051 \$2,016,799 \$2,030,002
 The above figures are before any allowances for excess profits taxes. A quarterly dividend of 1/4 of 1% has been declared on the common stock, payable Aug. 31 to holders of record Aug. 15. From March 1 1917 to May 31 1918, quarterly dividends of 1 1/2% were paid.—V. 106, p. 1797.

National Cash Register Co.—Govt. Pistol Order.—A press report states that this company is in receipt of an order from the U. S. Government for the manufacture of pistols.—V. 106, p. 1349.

National Ice & Coal Co., Inc.—New Name.—See Burns Bros. Ice Co. above.

National Lead Co.—Branch Company Plant.—John T. Lewis & Bros. Co., Baltimore, a branch of this company, will it is reported, erect a new plant, to cost \$1,000,000, to be used for the manufacture of shrapnel balls.—V. 106, p. 2233.

National Refining Co.—Extra Common Dividend.—The directors have declared an extra dividend of 2 1/2% along with the regular quarterly dividend of 1 1/2% on the common. Both dividends are payable Aug. 15 to holders of record Aug. 1.—V. 106, p. 1691, 402.

Nevada-California Electric Corp., Denver.—Earnings. Earnings for June and Six Mos. ended June 30 1918, incl. Subsidiary Cos. [After eliminating inter-company transactions.]

	June 1918.	June 1917.	6 Mos. '18.	6 Mos. '17.
Gross operating earnings	\$249,051	\$215,835	\$1,074,085	\$930,513
Oper. & gen. exp. & taxes	132,125	102,943	507,332	423,314
Operating profit	\$116,926	\$112,892	\$566,753	\$507,199
Non-oper. earnings (net)	278	def. 492	978	3,380
Total income	\$117,205	\$112,400	\$567,731	\$510,579
Interest on bonds, debentures, notes, &c. (net)	52,462	43,404	313,051	266,608
Depreciation	9,721	7,421	37,409	41,570
Net earnings	\$55,022	\$61,575	\$197,271	\$202,402
a Discounts on securities sold	def. 4,225		def. 22,588	
Adjust. to profit and loss	def. 8,692	def. 892	def. 8,882	2,090
Surplus appropriated for bond redemptions	8,246	7,582	46,042	38,152
Available surplus	\$33,858	\$53,101	\$119,708	\$166,340
b Interest in earned surplus of controlled companies	def. 3,221	def. 2,101	def. 16,785	1,735
Final available surplus, all companies	\$30,636	\$50,999	\$102,923	\$168,075

a Commencing with Jan. 1 1918 dividend on securities sold is being extinguished monthly instead of at end of year as heretofore.
 b Commencing with Jan. 1 1918 the item "interest in earned surplus of controlled companies" represents interest in earned surplus after appropriating \$2,500 each month for redemption of bonds maturing Jan. 1 1919.—V. 106, p. 1342, 1131.

New Jersey Zinc Co.—Earnings for 3 and 6 Mos. to June 30.

	3 Mos. to June 30 1918.	3 Mos. to June 30 1917.	6 Mos. to June 30 1918.	6 Mos. to June 30 1917.
Total income	\$5,342,644	\$6,497,692	\$10,681,440	\$13,233,136
Bond interest	40,000	40,000	80,000	80,000
Reserve	75,000	75,000	150,000	150,000
Federal taxes	1,530,000	581,925	3,150,000	1,195,630
Dividends	2,800,000	4,200,000	4,200,000	8,400,000
Surplus	\$897,644	\$1,600,767	\$3,101,440	\$3,407,506

—V. 107, p. 186.

New York & Richmond Gas Co.—Bonds Authorized.—The New York P. S. Commission has approved an opinion favoring an issue of \$2,000,000 of bonds by this company, of which \$1,500,000 will apply to the refunding of the like amount of bonds now outstanding. The Commission could not find that more than \$1,000,000 of the proceeds of the original funds has been applied to what could properly be called capital account, but the procedure of allowing the issue of an additional \$500,000 with the provision that these bonds be amortized out of income was suggested. Besides refunding of the \$1,500,000 of the outstanding bonds there is needed \$260,000 for new construction, which includes extensions to New Dorp and Grant City which the company is required to build under a writ of mandamus obtained by the P. S. Commission. In the above connection the company writes: "The company, as at present advised, cannot accede to the proposition of amortizing \$500,000 of present funded debt out of earnings which, due to present operating costs, are non-existent."—V. 106, p. 2126.

New York Shipbuilding Corp.—Enlargement.—Report.—The company informs us that since the statement published in our issue of June 8 was approved it has been decided to build larger shipways and to change the plans from 7 small ones to 4 large ones, bringing the total outlay up to \$15,000,000 in place of \$6,000,000. The item as officially revised, follows:
 This company will immediately build four new shipways at its plant on the Gloucester side of Newton Creek, Camden, N. J., effecting a total of 14 shipbuilding berths constructed at the plant this year; also machine shops, erecting shops and forge buildings will be constructed. The complete extension is estimated to cost \$15,000,000. The works now occupy a total area of about 160 acres, giving employment to 11,000 men. With 12 main shop buildings, all material used in construction is fabricated in the yard, including the construction of boilers and engines. Rough castings, plates, &c., have up to the present time been produced by outside plants, with finishing and fitting work handled on the grounds. Since the commencement of the war the works have been tripled in size, with present total of 24 shipways, and with the new extensions, 28 shipways. The present crane installation consists of one 100-ton overhead crane for fitting out work; one 35-ton traveling gantry crane, and two 40-ton locomotive cranes. New cranes will be required for the 4 additional shipways.
 The annual report is cited above under "Reports."—V. 106, p. 2457.

Nonquitt Spinning Co.—Extra Dividend.—The directors have declared a special dividend of \$2 per share, along with the regular quarterly dividend of \$2 per share, both payable Aug. 6 to holders of record July 30.—V. 106, p. 1904.

North Butte Mining Co.—Quarterly Output.—The company's statement for the quarter ending June 30 is reported as showing production as follows: 5,312,761 lbs. of copper (comparing with 3,806,441 lbs. in previous 3 mos. and 4,601,067 lbs. in the same period of 1917), 240,887-12 ozs. of silver and 355,897 ozs. of gold.—V. 106, p. 1691

Ohio Fuel Supply Co.—Earnings.—Press reports state the net earnings for the 6 mos. ended June 30 1918 were \$3,247,474, against \$2,269,480 for the half-year ended June 30 1917, and surplus after interest and dividends, \$2,256,824, against \$1,437,819.—V. 106, p. 2654 1691.

Ontario Steel Products Co., Gananoque, Ont.—Earnings.

	Net, after Depn. &c.	Bond Interest.	Preferred Dividends, &c.	Balance, Surplus.	Total.
June 30 Year—1918	\$208,107	\$36,000	\$61,875	\$110,232	\$281,730
1917-18	182,295	36,000	85,875	60,421	183,498
1915-16	162,019	36,000	43,125	72,894	153,077

During the past year the regular 7% dividend (\$52,500) was paid on the pref. shares, and 1 1/4% on account of deferred dividends was paid in August 1917. The directors in July 1918 declared a further 1 1/4% (\$9,375) on account of these arrears, payable concurrently with the regular 1 1/4% on Aug. 15 1918. With above payment the arrears will be reduced to 4 1/4%. The overseas commercial business has increased substantially during the past 12 months. Amount transferred to bond redemption fund during late year, \$12,000, making total fund \$38,700, against \$1,000,000 1st Gs. due July 2 1943.—V. 105, p. 712.

Pacific Power & Light Co.—Earnings.—This American Power & Light Co. subsidiary reports:

	Earnings for June and the 12 Months ended June 30, 1918—June—1917.	Inc.	1918—12 Months—1917.	Inc.		
Gross earnings	\$154,740	\$122,346	17%	\$1,709,855	\$1,537,524	15%
Expenses & taxes	75,858	57,825	31%	864,472	771,540	12%
Net earnings	\$78,882	\$74,521	6%	\$905,383	\$765,975	18%
Interest charges	41,518	36,338	14%	457,278	415,077	10%
Income aft. chgs.	\$37,364	\$38,183	2%	\$448,105	\$350,898	28%
Divs. on pref. stk.				181,183	175,000	4%

Balance \$206,922 \$175,868 52%
 Outstanding capitalization as of June 30 1918: Pref. stock, 7%, \$2,709,000; 2d pref. stock, 7%, \$1,500,000; common stock, \$6,100,000; bonds, 1st & Ref. M. 5s, \$8,805,000 (\$1,265,000 pledged to secure gold notes); 2-year 6% secured gold notes, \$910,000.—V. 106, p. 1904.

Penn Seaboard Steel Corp.—Dividend Increased.—The directors met in Philadelphia and declared a dividend for the quarter of \$1.50 per share, compared with \$1 per share for the previous quarter. The div. is payable Aug. 1 to holders of record July 29.—V. 106, p. 1040.

People's Gas Light & Coke Co., Chicago.—Rate Increase of 27 1/2%.—The Illinois P. U. Commission on July 30 granted this company permission to increase its rates for gas about 27 1/2%, effective Aug. 1, and to remain in force for one year.

The vote of the Commission, which was divided, allowed the increase on the ground that the company is operating at a loss, and it is presumed that the Commission's opinion will contain a clause providing for a refund if a later investigation shows that the temporary rate is too high. It is estimated that the increase in rates will net the company \$1,500,000 annually. The Chicago City Council Committee on gas litigation has directed counsel to prepare a writ of injunction against the order of the State P. U. Commission which granted the above increase in rates.—V. 107, p. 297, 180.

Phillips Sheet & Tin Plate Co.—Stock Increase.—This company has increased its authorized capital stock from \$5,500,000 to \$30,000,000. It is reported that the company will build a series of by-product ovens and a glass plant and that it has recently taken over a large acreage, including coal property, near its Weirton, Va., plant. The company announces the change in its corporate title from the above to the "Weirton Steel Co.," no change in the personnel or ownership being made.—V. 106, p. 505.

Pierce Oil Corp.—New Director—Option.—John J. Watson has been elected a director to succeed Chas. Hayden. It is rumored that the Lewisohn interests, who recently entered the directorate of the Pierce Oil Corporation, were given an option on 50,000 shares at or about \$11.50 a share.—V. 107, p. 408.

Portland Gas & Coke Co.—Earnings.—This American Power & Light Co. subsidiary reports:

	Earnings for June and the 12 Months ended June 30, 1918—June—1917.	Inc.	1918—12 Months—1917.	Inc.		
Gross earnings	\$145,423	\$111,915	30%	\$1,540,601	\$1,290,620	19%
Expenses & taxes	79,008	58,135	36%	838,988	682,933	23%
Net earnings	\$66,415	\$53,780	23%	\$701,613	\$607,687	15%
Interest charges	29,191	27,301	7%	348,344	326,386	7%
Income aft. chgs.	\$37,224	\$26,479	41%	\$353,269	\$281,301	26%
Divs. on \$2,000,000 7% pref. stock				140,000	140,000	---

Balance \$213,269 \$141,301 51%
 Outstanding capitalization as of June 30 1918: Pref. stock, 7%, \$2,000,000; common stock, \$3,000,000; Bonds, 1st & Ref. M. 5s, \$6,189,000; Portland Gas Co. 5s, \$371,000.—V. 106, p. 1905.

Porto Rican American Tobacco Co.—Scrip Dividend.—The directors have declared the regular quarterly dividend of 3%, payable in 2-year 6% scrip Sept. 5 to holders of record Aug. 15.—V. 106, p. 2014.

Pressed Steel Car.—Pref. Stock Retirement.—Rumors have been recently current that plans are suggested for the retirement of preferred stock of which there is \$12,500,000 authorized and outstanding. It is reported that some plan might be agreed upon to include a consolidation with its subsidiary, Western Car & Foundry Co., as all the latter's stock is owned by Pressed Steel Car Co. There were outstanding at the close of last year \$1,250,000 Western Car & Foundry 5s due Jan. 1 1948.—V. 107, p. 408.

Regal Motor Car Co.—Sale.—The sale of this company's property at Detroit, to Maurice Rothschild for \$485,000 by the Security Trust Co., receiver, has been confirmed by the court.—V. 107, p. 86.

(R. J.) Reynolds Tobacco Co.—Obituary.—R. J. Reynolds, President of this co., died on July 29.—V. 106, p. 2656.

Royal Dutch Co.—Meeting Postponed—Dividends, &c.—The following is understood to be authoritative:

The Equitable Trust Co. of New York has been advised by cable that a quorum was not represented at the meeting of shareholders in Amsterdam on July 24. A second meeting has therefore been called for Aug. 8, which will act definitely upon the increase of the capital.
 Distribution of a final dividend of 18% for 1917 has been authorized by meeting of July 24. This dividend will be collected by the Equitable Trust Co. in due course and will then be distributed to holders of American shares in the ordinary way. The company has further notified the trust company that it is proposed that the right to subscribe to new shares at par to the extent of one new share for two old shares can be exercised by shareholders from Sept. 4 to 21 next and that payment for new shares will have to be made in full on or before Oct. 8, and that a prospectus will be issued in Holland on Sept. 3. Notices to holders of American shares will be issued in due course. Particulars about the way in which the stock dividend will be issued will also be published later.—V. 107, p. 86.

Sagamore Mfg. Co.—Dividend Increased.—The directors have declared the regular quarterly dividend of 15% per share, payable Aug. 1 to stock of record July 23. The company has paid 5% for the two previous quarters this year.—V. 105, p. 1715.

San Diego Consolidated Gas & Electric Co.—Notes.—The California RR. Commission has authorized this company to sell \$400,000 6% 5-year collateral notes, which the Commission previously authorized the company to exchange for 2-year 6% collateral notes at 95% face value, the proceeds to be used only for the purchase of \$400,000 par value outstanding 2-year 6% notes.—V. 106, p. 2654.

Reports and Documents.

SOUTHERN PACIFIC COMPANY
AND PROPRIETARY COMPANIES.

THIRTY-FOURTH ANNUAL REPORT—FOR THE YEAR ENDED DECEMBER 31 1917.

New York, July 11 1918.

To the Stockholders of the Southern Pacific Company:

Your Board of Directors submits this report of the operations of the Southern Pacific Company and of its Proprietary Companies for the fiscal year ended December 31 1917.

PROPERTIES AND MILEAGE.

The transportation lines constituting the Southern Pacific System, Dec. 31 1917, were as follows:

DIVISIONS.	First Main Track.	Additional Main Track.	Sidings.	Ferries.	Water Lines.
A.—Mileage of lines belonging to or leased by Companies the Capital Stocks of which are principally owned by the Southern Pacific Company:					
(1)—Operated by the Southern Pacific Company under leases:					
Central Pacific Ry	2,267.06	256.23	908.79	9.90	125
Oregon & California RR	1,214.36	7.56	281.60		
Southern Pacific RR	3,530.13	208.29	1,583.86	3.00	
South Pacific Coast Ry	106.70	20.46	50.16	3.00	
(2)—Operated by the owning Companies:					
Morgan's Louisiana & Texas RR. & S. S. Co.	400.67	58.35	232.68	3.00	
Louisiana Western RR	207.74		83.10		
Lake Charles & Northern RR	72.66		12.38		
Texas & New Orleans RR	468.14	6.02	215.49		
Galveston Harrisburg & San Antonio Ry	1,360.95	6.59	371.01		
Houston East & West Texas Ry	190.94		58.16		
Houston & Shreveport RR	40.72	.59	7.20		
Houston & Texas Central RR	948.51	9.04	263.09		
Southern Pacific Terminal Company			25.68		
Arizona Eastern RR	377.74		75.36		
Southern Pacific Company					4.400
B.—Mileage of lines belonging to Companies the Capital Stocks of which are Principally owned by the Morgan's Louisiana & Texas RR. & S. S. Co., but which are operated by the owning Companies:					
Iberia & Vermilion RR	21.44		11.02		
Total	11,207.76	573.23	4,179.58	18.90	4,525
Less operated jointly by Proprietary Companies	43.41	12.53	29.84		
Total miles of road operated December 31 1917	*11,164.35	560.70	4,149.74	18.90	4,525
Total miles of road operated December 31 1916	11,095.91	560.76	4,030.35	18.90	4,525
Increase	68.44		119.39		
Decrease		.06			
Average miles of road operated during the year	*11,136.84	560.73			

* Includes 2.48 miles owned jointly with other companies, 4.87 miles leased from other companies, and 187.65 miles operated under trackage rights; and excludes 32.61 miles of owned lines leased to other companies.

In addition to the mileage above tabulated, the Southern Pacific Company solely controls through ownership of capital stock, 780.48 miles of electric lines and 1,240.52 miles of the Southern Pacific RR. Co. of Mexico; and jointly controls (through ownership of capital stock in equal proportions with the Atchison Topeka & Santa Fe Ry. Co.) 507.30 miles of the Northwestern Pacific Railroad and 59.66 miles of the Sunset Railway, a grand total of 13,752.31 miles.

As of midnight December 31 1916, the Central Pacific Railway Company and the Southern Pacific Railroad Company acquired the railways of the following companies:

	From—	To—	Total Miles Projected.	Miles Completed & in Operation.
Central Pacific Railway Company:				
Lincoln Northern Railway	Lincoln, Cal.	Dairy Farm Mine, Cal.	11.20	----
Southern Pacific Railroad Company:				
Coast Line Railway	Santa Cruz, Cal.	Davenport, Cal.	11.90	11.90
Colusa & Hamilton Railroad	Harrington, Cal.	Hamilton, Cal.	61.23	46.66
Hanford & Summit Lake Railway	Ingle, Cal.	Hardwick, Cal.	42.41	42.41
Mojave & Bakersfield Railroad	Mojave, Cal.	Bakersfield, Cal.	85.00	----
Oroville & Nelson Railroad	Oroville, Cal.	Nelson, Cal.	13.00	----
Total			224.74	100.97

INCOME ACCOUNT.

SOUTHERN PACIFIC COMPANY AND PROPRIETARY COMPANIES, COMBINED.
(Excluding offsetting accounts.)

	This Year.	Last Year.	+ Increase. - Decrease.	Per Cent.
OPERATING INCOME.				
<i>Railway Operating Revenues.</i>				
1. Freight	\$132,608,207 37	\$112,460,567 07	+ \$20,147,640 30	17.92
2. Passenger	45,350,193 02	37,112,446 60	+ 8,237,746 42	22.28
3. Mail and express	7,358,576 01	6,689,086 40	+ 669,489 61	10.01
4. All other transportation	3,443,374 36	2,884,099 53	+ 559,275 03	19.39
5. Incidental	5,119,897 68	4,250,538 51	+ 869,359 17	20.45
6. Joint facility—Credit	91,957 19	58,534 52	+ 33,422 67	57.10
7. Joint facility—Debit	30,716 09	27,849 41	- 2,866 68	10.29
8. Total railway operating revenues	\$193,971,489 54	\$163,427,423 02	+ \$30,544,066 52	18.69
<i>Railway Operating Expenses.</i>				
9. Maintenance of way and structures	\$17,522,352 09	\$18,049,584 78	-\$527,232 69	2.92
10. Maintenance of equipment	24,261,506 62	23,579,907 07	+ 681,599 55	2.89
11. Total maintenance	\$41,783,858 71	\$41,629,491 85	+ \$154,366 86	.37
12. Traffic	\$3,131,416 72	\$3,105,898 74	+ \$25,517 98	.82
13. Transportation	68,778,430 47	52,388,289 00	+ 16,390,141 47	31.29
14. Miscellaneous operations	2,729,401 64	2,232,869 04	+ 496,532 60	22.24
15. General	4,584,981 92	4,146,810 30	+ 438,171 62	10.57
16. Transportation for investment—Credit	406,266 64	414,622 41	- 8,355 77	- 2.02
17. Total railway operating expenses	\$120,601,822 82	\$103,088,736 52	+ \$17,513,086 30	16.99
18. Net revenue from railway operations	\$73,369,666 72	\$60,338,686 50	+ \$13,030,980 22	21.60
19. Railway Tax Abatals	\$13,792,176 17	\$8,269,292 28	+ \$5,522,883 89	66.79
20. Uncollectible Railway Revenues	70,237 57	61,194 54	+ 9,043 03	14.78
21. Railway operating income	\$59,507,252 98	\$52,008,199 68	+ \$7,499,053 30	14.42
22. Revenue from Miscellaneous Operations	\$12,798,435 07		+ \$12,798,435 07	
23. Expenses of Miscellaneous Operations	7,127,017 02		+ \$7,127,017 02	
24. Net revenue from miscellaneous operations	\$5,671,418 05		+ \$5,671,418 05	
25. Taxes on Miscellaneous Operating Property	\$99,860 02		+ \$99,860 02	
26. Miscellaneous operating income	\$5,571,558 03		+ \$5,571,558 03	
27. Total operating income	\$65,078,811 01	\$52,008,199 68	+ \$13,070,611 33	25.13

	This Year.	Last Year.	+ Increase. - Decrease.	Per Cent.
NON-OPERATING INCOME.				
28. Hire of Equipment—Balance	\$2,604,342 35	-----	+\$2,604,342 35	
29. Joint facility rent income	474,447 08	\$310,002 46	+163,544 62	52.60
30. Income from lease of road	29,149 86	19,964 61	+9,185 25	45.01
31. Miscellaneous rent income	421,114 42	521,362 11	-100,247 69	19.23
32. Miscellaneous non-operating physical property	263,375 18	376,217 69	-112,842 51	4.30
33. Separately operated properties—Profit	20,960 34	-----	+20,960 34	
34. Dividend income	2,388,650 65	4,384,005 32	-1,995,354 67	45.51
35. Income from funded securities—Bonds and notes—Affiliated and other companies	2,188,594 29	3,803,189 02	-1,614,595 63	42.45
36. Income from funded securities—Investment advances—Affiliated companies	542,133 18	1,056,047 38	-513,909 20	48.66
37. Income from unfunded securities and accounts	1,045,011 18	667,083 30	+377,927 88	56.65
38. Income from sinking and other reserve funds	687,322 39	672,738 84	+14,583 55	2.17
39. Miscellaneous income	112,926 88	*74,395 27	+38,531 61	
40. Total non-operating income	\$10,778,032 80	\$11,636,116 36	-\$858,083 56	7.37
41. Gross income	\$75,856,843 81	\$63,644,316 04	+\$12,212,527 77	19.19
DEDUCTIONS FROM GROSS INCOME.				
42. Hire of equipment—Balance	-----	\$527,669 07	-\$527,669 07	
43. Joint facility rents	\$382,837 13	354,144 21	+28,692 92	6.02
44. Rent for leased roads	168,315 91	700,750 37	-532,434 46	75.98
45. Miscellaneous rents	519,068 06	656,604 79	-137,536 73	20.95
46. Miscellaneous tax accruals	630,176 48	899,227 03	-269,050 55	29.92
47. Interest on funded debt—Bonds and notes	24,219,075 12	24,278,863 62	-59,788 40	2.5
48. Interest on funded debt—Non-negotiable debt to affiliated companies	284,996 66	311,290 85	-26,294 19	8.45
49. Interest on unfunded debt	34,279 10	26,135 87	+8,143 23	31.16
50. Amortization of discount on funded debt	217,216 81	223,366 00	-6,149 19	2.75
51. Maintenance of investment organization	138,737 17	113,977 11	+24,760 06	21.72
52. Miscellaneous income charges	182,724 49	129,772 36	+52,952 13	40.80
53. Total deductions from gross income	\$26,727,426 93	\$28,221,802 08	-\$1,494,375 14	5.30
54. Net income	\$49,129,416 88	\$35,422,513 96	+\$13,706,902 92	38.70
DISPOSITION OF NET INCOME.				
55. Income applied to sinking and other reserve funds	\$978,096 81	\$957,186 08	+20,910 73	2.18
56. Income balance transferred to credit of Profit and Loss	\$48,151,320 07	\$34,465,327 88	+\$13,685,992 19	39.71
57. Per cent of net income on outstanding capital stock of Southern Pacific Co.	17.65	12.63	+5.02	39.75

* Debit.

OPERATING INCOME.

The gross operating revenues of \$193,971,489 54 exceeded the earnings of the previous year by \$30,544,066 52 and are the largest in the history of the Company.

Revenue from passenger business increased \$8,267,746 42, or 22.28 per cent, as a result of the transportation of troops and of the industrial activity stimulated by the war, the revenue from these sources having more than counterbalanced the falling off in tourist travel and the acute competition of automobiles.

Revenues from mail and express increased \$669,489 61, or 10.01 per cent, which is attributable to an increase of \$1,249,579 12 in the revenue from express business, resulting from increased volume, reduced by a decrease of \$580,089 51 in the revenue derived from the transportation of mail as a result of the new basis of compensation imposed upon the carriers by the United States Government.

Revenue from freight traffic increased \$20,147,640 30, or 17.92 per cent.

Agricultural Products yielded an increase of \$4,277,978, which was chiefly derived from barley, fruits and vegetables and from rice, which has passed from the experimental stage of a few years ago to that of a staple crop of California.

Forest Products contributed an increase of \$2,349,020, which is largely attributable to the construction of wooden vessels and the development of army cantonments, accompanied by curtailment of vessel transportation.

Manufactured Products yielded an increase of \$6,439,342, distributed among many important commodities.

Products of the Mines produced an increase of \$5,033,871, which consisted chiefly of revenue from fuel oil, coal, sulphur ore and bullion.

The continued suspension of steamship service through the Panama Canal by the diversion of ships to Transatlantic service, and the impetus to the country's industries which has resulted from the war, have enabled your rail lines to obtain an extraordinary volume of traffic which has employed your facilities to an unusual extent and permitted such economy of operation as to offset the great increases in the cost of labor, material and supplies.

Following the declaration of war, several of the vessels of your Company's coastwise fleet were impressed by the War and Navy Departments, and under an order issued by the United States Shipping Board, effective October 15 1917, as to all vessels leaving home ports on or subsequent to that date, all of the Company's steamships were impressed. During the remainder of the year such of the steamships as were not in the service of the War and Navy Departments were operated by the Company on their regular runs by request of the United States Government for its account. The revenues and expenses accruing from the Government operation of the steamers are, therefore, excluded from the railroad operating income. The rental received or due from the Government is included in Non-operating Income under the heading "Hire of Equipment."

The increase of \$30,544,066 52, or 18.69 per cent, in railway operating revenues was accompanied by an increase of only \$17,513,086 30, or 16.99 per cent, in railway operating expenses, notwithstanding the effect of the high cost of fuel and all materials, and increases in wage schedules, as follows:

Increased prices paid for fuel	\$6,190,000
Increased prices paid for other materials	3,690,000
Increased wages due to the Adamson Law	1,711,000
Other increases in wages	3,369,000
Total	\$14,960,000

Excluding the effect of these higher uncontrollable costs, operating expenses show an increase of \$2,553,000 only, or an expenditure of but 8.4 cents for each additional dollar of operating revenue.

Expenditures for maintenance of way, structures and equipment increased \$154,366 86, or 0.37 per cent, and for transportation and other expenses \$17,358,719 44, or 28.24 per cent. Notwithstanding shortage of labor and difficulty in obtaining delivery of rails and other material because of war requirements, the roadbed, structures and equipment have been maintained at high standards of safety and efficiency during the year. The annual maintenance of way inspection made late in the year showed about as high a rating as in 1916. The percentage of locomotives in good order was the same for both years, and despite the heavy calls upon freight cars to move traffic 1918 was entered with only 4.6 per cent of them in bad order, a percentage which is below normal.

Ton miles of revenue freight far exceeded any previous year, being 24.49 per cent greater than in 1916 and 78.58 per cent greater than in 1915. These large increases were successfully and economically handled with existing facilities through increased operating efficiency, as evidenced by the following:

1. Average car load was 25.34 tons, an increase of 1.71 tons, or 7.24 per cent, over 1916, and of 3.72 tons, or 17.30 per cent, over 1915.
2. Average freight train load was 602.98 tons, an increase of 49.39 tons, or 8.92 per cent, over 1916, and of 120.89 tons, or 25.08 per cent, over 1915. The saving through heavier train load was equivalent to the operation of 2,190,462 freight train miles, compared with 1916, and 6,156,433 freight train miles, compared with 1915. Four trains in 1917 moved the same tonnage as five trains in 1915.
3. Daily mileage per freight car was 43.30, an increase of 4.15 miles, or 10.60 per cent, over 1916, and of 13.15 miles, or 43.61 per cent, over 1915. The ton mileage of revenue freight moved per freight car on the line increased 79.62 per cent over 1915, five cars in 1917 performing as much service as nine cars in 1915. This increased service was equivalent to adding 40,000 cars to our equipment, which at present prices would cost about \$100,000,000.
4. The ton mileage of revenue freight per locomotive increased 22.77 per cent over 1916 and 75.41 per cent over 1915, four locomotives in 1917 performing as much work as seven locomotives in 1915. This increased work was equivalent to the addition of 765 freight locomotives, which at present prices would cost \$38,250,000.
5. Improved use of locomotive fuel saved \$205,435 72 over 1916, and \$478,319 96 over 1915.

From 1913 to 1917, inclusive, gross ton miles per pound of fuel increased in passenger service from 4.60 to 5.10, or 10.87 per cent, and in freight service from 5.01 to 6.11, or 21.96 per cent. The better use of fuel in 1917 compared with 1913 was equivalent to a saving of \$3,409,264.

Of the net revenue of \$73,369,666 72 from railway operations, railway tax accruals consumed \$13,792,176 17, or 18.80 per cent; and of each dollar of increase in net revenue over 42 cents went for increased taxes. The total increase in taxes was

\$5,522,883 89, or 66.79 per cent, of which \$4,361,882 12 allocates to war income and excess profits taxes, \$735,649 75 to Federal income and capital stock taxes, and \$425,352 02 to State and county taxes.

Substantially all of the Miscellaneous Operating Income (line No. 26) represents the operating results of the California Fuel Oil Department of Southern Pacific Company during the eight months following April 30 1917, when it was taken over by Southern Pacific Company from Kern Trading & Oil Company. The practice, that prevailed during the existence of the Kern Trading & Oil Company, of charging the field market price of its produced oil to railroad operations, has been continued, and the earnings resulting from the difference between the field market price and the cost of production has reached the treasury as net revenue from these operations, instead of in the shape of a dividend of the Kern Trading & Oil Company.

NON-OPERATING INCOME.

In the foregoing statement of Income on page 7 [pamphlet report] there has been excluded both from Income from Funded Securities (line No. 35), and from Interest on Funded Debt (line No. 47), for this year and last, the interest paid and received on bonds of the Proprietary Companies owned by Southern Pacific Company and its Proprietary Companies.

The income for the year from Hire of Equipment—Balance (line No. 28) exceeded the payments to other companies for hire of equipment by \$2,604,342 35, and the deductions from gross income (line No. 42) decreased \$527,669 97. This is an increase in income compared with last year of \$3,132,012 32.

The increase of \$163,544 62 in Joint Facility Rent Income (line No. 29) is due, principally, to a debit adjustment made in this account last year in establishing a reserve for the replacement of certain terminal facilities.

The decrease of \$100,247 69 in Miscellaneous Rent Income (line No. 31) is due, principally, to the inclusion in this account last year of rental on property which has since been sold, and to certain adjustments in the account this year.

The increase of \$20,960 34 in Separately Operated Properties—Profit (line No. 33) is the result of including in this account this year, in accordance with regulations of the Inter-State Commerce Commission, certain items which were included last year in Miscellaneous Income.

The decrease in Dividend Income (line No. 34) is due, principally, to the fact that last year's income included a dividend of \$2,100,000 received from the Kern Trading & Oil Company, the property of which was purchased this year by the Southern Pacific Company.

The decrease in Income from Funded Securities—Bonds and Notes (line No. 35) is the result, principally, of excluding from the income account this year the interest on Pacific Electric Railway Company bonds, which was not earned.

The decrease of \$513,909 20 in Income from Funded Securities—Investment Advances—Affiliated Companies (line No. 36) is the result, principally, of reductions during the year in the indebtedness of affiliated companies to Southern Pacific Company.

The increase of \$377,927 88 in Income from Unfunded Securities and Accounts (line No. 37) is due, principally, to interest received on larger bank balances this year, and to interest received on surplus funds invested during the year in U. S. A. Certificates of Indebtedness.

The increase in Miscellaneous Income (line No. 39) is due, principally, to the inclusion in last year's figures of certain debit adjustments on account of changes in classification.

DEDUCTIONS FROM GROSS INCOME.

The decrease of \$532,434 46 in Rent for Leased Roads (line No. 44) is the result, principally, of including in said account last year \$425,949 36 paid to the Inter-California Ry. Co., Phoenix & Eastern RR. Co., Porterville Northeastern Ry. Co., and Tucson & Nogales RR. Co., which companies are this year dealt with as Proprietary Companies, and of including in said account last year \$25,000 paid to the Beaverton & Willsburg RR. Co., the property of which was purchased by the Southern Pacific Company on July 1 1916, and \$92,639 93 paid to the Coast Line Ry. Co., and Hanford & Summit Lake RR. Co., the properties of which were purchased by the Southern Pacific Railroad Company as of midnight December 31 1916.

The decrease of \$137,536 73 in Miscellaneous Rents (line No. 45) is due, principally, to the fact that following the taking over of the Company's steamships by the Government, hereinbefore mentioned, the rental for piers at New York, New Orleans and Galveston was charged to the account of the Government.

The decrease of \$269,050 55 in Miscellaneous Tax Accruals (line No. 46) is the result, principally, of including this year in Railway Tax Accruals, in accordance with ruling of the Inter-State Commerce Commission, certain taxes which last year were included in this account.

The decrease of \$59,788 40 in Interest on Funded Debt—Bonds and Notes (line No. 47) is the result, principally, of the acquisition by the Southern Pacific Company since December 20 1915 of approximately \$24,727,000 par value, of bonds issued under Central Pacific Railway Company Four Per Cent Thirty-Five Year European Loan of 1911, the interest on which has been excluded in the foregoing income statement, both from Interest on Funded Debt (line No. 47) and Income from Funded Securities (line No. 35) and of including this year a full year's interest charge on Southern Pacific Company Equipment Trust Certificates—Series D, issued in May 1916.

The increase of \$24,760 06 in Maintenance of Investment Organization (line No. 51) is due, principally, to the payment during the year of legal expenses in connection with the suit over the Oregon & California Railroad's land grant.

The increase of \$52,952 13 in Miscellaneous Income Charges (line No. 52) is on account of an increased amount of taxes paid on tax-exempt bonds, and to an increased amount of taxes paid the French Government on bonds issued under Central Pacific Railway Company Four Per Cent Thirty-Five Year European Loan of 1911.

On December 31 1917 the principal of advances to the Southern Pacific Railroad Company of Mexico amounted to \$40,617,228 66. Interest accruing on these advances has not been taken into the income of the Southern Pacific Company.

CAPITAL STOCK.

The capital stock of the Southern Pacific Company outstanding at the beginning of the year amounted to.....	\$272,822,905 64
Issued during the year:	
Common stock issued in exchange for a like amount of Five Per Cent Twenty-Year Convertible Gold Bonds surrendered and canceled.....	500 00
Amount of Southern Pacific Company stock outstanding December 31 1917.....	\$272,823,405 64

The common and preferred capital stocks of Proprietary Companies outstanding at the beginning of the year amounted to.....\$343,834,900 00

Add:

Capital stocks of following companies not heretofore dealt with as "Proprietary Companies":

Inter-California Railway Co.....	\$2,500,000 00
Phoenix & Eastern Railroad Co.....	2,381,500 00
Porterville Northeastern Railway Co.....	300,000 00
Tucson & Nogales Railroad Co.....	66,000 00
	5,247,500 00

Total capital stock of Proprietary Companies outstanding December 31 1917.....\$349,082,400 00

Stocks of Proprietary Companies outstanding December 31 1917 were held as follows:

In hands of public.....	\$81,700 00
Owned by Southern Pacific Company.....	\$348,700,700 00
Owned by Morgan's Louisiana & Texas Railroad & Steamship Company.....	300,000 00
	\$349,000,700 00
	\$349,082,400 00

FUNDED DEBT.

The funded and other fixed interest-bearing debt of the Southern Pacific Company and of its Proprietary Companies, outstanding December 31 1916, was as follows:

Southern Pacific Company.....	\$209,482,110 00
Proprietary Companies.....	453,597,429 24
Total Outstanding December 31 1916.....	\$663,079,539 24

Add:

First Mortgage Six Per Cent Bonds of the Coast Line Ry. Co., the property of which was purchased by the Southern Pacific Railroad Company as of midnight December 31 1916, subject to the mortgage indebtedness.....\$700,000 00

Funded debt of the following companies not heretofore dealt with as Proprietary Companies:

Inter-California Railway Company.....	\$850,000 00
Phoenix & Eastern Railroad Company.....	2,851,810 64
Porterville Northeastern Railway Company.....	300,000 00
	4,001,810 64

4,701,810 64

\$667,781,349 88

Purchased or retired during the year:		
Southern Pacific Company:		
Four Per Cent Gold Bonds (Central Pacific Stock Collateral):		
Purchased from general funds and held in the treasury.....		\$118,000 00
Four Per Cent Twenty-Year Convertible Gold Bonds:		
Purchased from general funds and held in the treasury.....		679,000 00
San Francisco Terminal First Mortgage Four Per Cent Bonds:		
Purchased from general funds and held in the treasury.....	\$37,000 00	
Purchased from payments to sinking fund and canceled.....	5,000 00	
		42,000 00
Five Per Cent Twenty-Year Convertible Gold Bonds:		
Purchased from general funds and held in the treasury.....	\$144,000 00	
Retired in exchange for a like amount of common stock.....	500 00	
		144,500 00
Equipment Trust Certificates:		
Series A, Due March 1 1917, paid off.....	\$1,012,000 00	
Series B, Due September 1 1917, paid off.....	201,000 00	
Series C, Due December 1 1917, paid off.....	117,000 00	
Series D, Due May 1 1917, paid off.....	511,000 00	
		1,841,000 00
Central Pacific Railway Company:		
First Refunding Mortgage Four Per Cent Bonds:		
Purchased from payments to sinking fund.....	\$28,000 00	
Three and One-Half Per Cent Mortgage Gold Bonds:		
Purchased from proceeds of sale of lands.....	978,500 00	
Purchased from payments to sinking fund.....	31,000 00	
Central Pacific Railroad, California & Oregon Division Five Per Cent Bonds:		
Series A, Due January 1 1918.....	448,000 00	
Series B, Due January 1 1918.....	41,000 00	
		1,526,500 00
Houston & Texas Central Railroad Company:		
First Mortgage Five Per Cent Bonds:		
Purchased from proceeds of sale of lands.....		28,000 00
Oregon & California Railroad Company:		
First Mortgage Five Per Cent Bonds:		
Purchased from payments to sinking fund.....		30,000 00
South Pacific Coast Railway Company:		
First Mortgage Four Per Cent Bonds:		
Purchased from payments to sinking fund.....		225,000 00
Southern Pacific Railroad Company:		
First Refunding Mortgage Four Per Cent Gold Bonds:		
Purchased from payments to sinking fund.....		13,000 00
Texas & New Orleans Railroad Company:		
Payment to State of Texas on account of School Fund Debt.....		5,088 55
		\$4,652,088 55
Total purchased or retired during the year.....		
Amount of funded and other fixed interest-bearing debt of the Southern Pacific Company and of its Proprietary Companies, outstanding December 31 1917.....		
		\$663,129,261 33
The outstanding securities are held as follows:		
In the hands of the public.....		\$553,068,670 66
Owned by Southern Pacific Company.....		\$94,947,590 67
Owned by Proprietary Companies.....		2,742,000 00
Held in sinking funds of Proprietary Companies.....		11,471,000 00
		109,160,590 67
Total.....		
		\$663,129,261 33

ASSETS AND LIABILITIES.

SOUTHERN PACIFIC COMPANY AND PROPRIETARY COMPANIES, COMBINED.

ASSETS—DECEMBER 31 1917, COMPARED WITH DECEMBER 31 1916, EXCLUDING OFFSETTING ACCOUNTS.

ASSETS.	December 31 1917.	December 31 1916.	Increase.	Decrease.
<i>Investments—</i>				
Investments in road and equipment.....	\$982,028,004 54	\$951,830,440 37	\$30,197,564 17	
Improvements on leased railway property.....	1,454,270 66	1,374,680 53	79,590 13	
Sinking funds.....	13,711,547 27	12,770,189 37	941,357 90	
Deposits in lieu of mortgaged property sold.....	916 88	955 10		\$38 22
Miscellaneous physical property*.....	30,778,341 24	14,059,122 02	16,719,219 22	
Investments in affiliated companies:				
Stocks.....	273,313,261 65	279,006,951 48		5,693,689 83
Bonds.....	142,156,382 61	147,085,896 95		4,929,514 34
Stocks (Cost inseparable.....)	12,192,301 70	9,722,584 96	2,469,716 74	
Notes.....	567,571 43	489,000 00	78,571 43	
Advances.....	95,331,020 65	91,247,066 60	4,083,954 05	
Other investments:				
Stocks.....	158,971 29	254,426 96		95,455 67
Bonds.....	14,466,777 00	10,316,420 34	4,150,356 66	
Notes.....	7,217,023 61	7,165,695 53	51,328 08	
Advances.....	2,574,142 57	331,748 06	2,242,394 51	
Miscellaneous.....	313,124 25	260,191 22	52,933 03	
Total.....	\$1,576,263,657 35	\$1,525,915,369 49	\$50,348,287 86	
<i>Current Assets—</i>				
Cash.....	\$11,733,162 61	\$12,114,650 52		\$381,487 91
Demand loans and deposits.....	4,500,000 00	8,000,000 00		3,500,000 00
Time drafts and deposits.....	15,500,000 00	6,850,000 00	\$8,650,000 00	
Special deposits.....	87,228 17	1,791,406 30		1,703,678 13
Loans and bills receivable.....	4,050,388 38	185,775 49	3,864,612 89	
Traffic and car-service balances receivable.....	1,997,112 74	1,004,641 46	992,471 28	
Net balance receivable from agents and conductors.....	7,499,834 43	3,936,975 36	3,562,859 07	
Miscellaneous accounts receivable.....	9,174,317 16	6,840,733 89	2,333,583 27	
Material and supplies.....	24,406,115 91	16,217,750 13	8,188,365 78	
Interest and dividends receivable.....	2,590,309 52	3,145,845 50		555,535 98
Rents receivable.....	1,845,219 51	27,039 58	1,818,179 93	
Other current assets.....	74,639 29	36,517 38	38,121 91	
Total.....	\$83,458,827 72	\$60,151,335 61	\$23,307,492 11	
<i>Deferred Assets—</i>				
Working fund advances.....	\$103,434 45	\$67,315 42	\$36,119 03	
Other deferred assets.....	4,017,883 74	6,332,479 29		\$2,314,595 55
Total.....	\$4,121,318 19	\$6,399,794 71		\$2,278,476 52
<i>Unadjusted Debts—</i>				
Rents and insurance premiums paid in advance.....	\$135,618 35	\$118,648 56	\$16,969 79	
Discount on capital stock.....	5,959,083 45	3,678,600 00	2,280,483 45	
Discount on funded debt.....	3,682,526 87	3,827,869 63		\$145,442 76
Other unadjusted debts.....	11,454,127 36	6,883,827 27	4,570,300 09	
Securities issued or assumed—unpledged. †.....	5,720,675 00	4,432,175 00	1,288,500 00	
Securities issued or assumed—pledged. †.....	713,000 00	713,000 00		
Total.....	\$21,231,356 03	\$14,509,045 46	\$6,722,310 57	
Total assets.....	\$1,685,075,159 29	\$1,606,975,545 27	\$78,099,614 02	

* The value of the unsold Central Pacific Railway Company and Oregon & California Railroad Company land grant lands is not included in the statement of the assets above (see remarks concerning the Oregon & California Railroad Company lands). † Excluded from total assets in accordance with regulations of Inter-State Commerce Commission.

LIABILITIES—DECEMBER 31 1917, COMPARED WITH DECEMBER 31 1916, EXCLUDING OFFSETTING ACCOUNTS.

LIABILITIES.	December 31 1917.	December 31 1916.	Increase.	Decrease.
<i>Stock—</i>				
Capital stock of Southern Pacific Company	\$272,823,405 64	\$272,822,905 64	\$500 00	
Capital stock of Proprietary Companies*	349,082,400 00	343,834,900 00	5,247,500 00	
Total	\$621,905,805 64	\$616,657,805 64	\$5,248,000 00	
<i>Long Term Debt—</i>				
Funded debt of Southern Pacific Company	\$211,665,610 00	\$213,512,110 00	\$1,846,500 00	
Funded debt of Proprietary Companies*	457,897,326 33	454,712,604 24	\$3,184,722 09	
Total	\$669,562,936 33	\$668,224,714 24	\$1,338,222 09	
Book liability	\$669,562,936 33	\$668,224,714 24	\$1,338,222 09	
Less held by or for company	6,433,675 00	5,145,175 00	1,288,500 00	
Actually outstanding	\$663,129,261 33	\$663,079,539 24	\$49,722 09	
Non-negotiable debt to affiliated companies:				
Open accounts	2,829,872 25	11,222,155 49	\$8,392,283 24	
Total	\$665,959,133 58	\$674,301,694 73	\$8,342,561 15	
<i>Current Liabilities—</i>				
Traffic and car-service balances payable	\$2,661,701 70	\$1,766,018 92	\$895,682 78	
Audited accounts and wages payable	12,353,426 61	10,354,631 02	1,998,795 59	
Miscellaneous accounts payable	3,272,524 87	946,555 68	2,325,969 19	
Interest matured unpaid	5,520,303 01	4,856,967 74	663,335 27	
Dividends matured unpaid	4,159,051 49	4,145,057 89	13,993 60	
Funded debt matured unpaid	512,213 92	23,213 92	489,000 00	
Unmatured interest accrued	5,464,404 36	5,482,893 42	\$18,489 06	
Unmatured rents accrued	247,802 70	13,789 76	234,012 94	
Other current liabilities	672,379 48	602,148 06	70,231 42	
Total	\$34,863,808 14	\$28,191,276 41	\$6,672,531 73	
<i>Deferred Liabilities—</i>				
Other deferred liabilities	\$135,222 20	\$102,103 18	\$33,119 02	
<i>Unadjusted Credits—</i>				
Tax liability	\$7,639,524 97	\$1,692,093 23	\$5,947,431 74	
Insurance and casualty reserves	3,158,472 00	1,695,586 67	1,462,885 33	
Accrued depreciation—Road †	1,010,676 31	529,034 15	481,642 16	
Accrued depreciation—Equipment	44,486,327 33	37,649,047 26	6,837,280 07	
Accrued depreciation—Miscellaneous physical property ‡	6,377,594 44	—	6,377,594 44	
Other unadjusted credits §	48,602,771 04	35,880,141 66	12,722,629 38	
Total	\$111,275,366 09	\$77,445,902 97	\$33,829,463 12	
<i>Corporate Surplus—</i>				
Additions to property through income and surplus	\$351,906 71	\$201,551 72	\$150,354 99	
Funded debt retired through income and surplus	21,087,445 45	20,139,132 31	948,313 14	
Sinking fund reserves	9,397,707 47	8,954,856 79	442,850 68	
Appropriated surplus not specifically invested	3,818,177 83	3,818,177 83	—	
Total appropriated surplus	\$34,655,237 46	\$33,113,718 65	\$1,541,518 81	
Profit and loss—Balance	216,280,586 18	177,163,043 69	39,117,542 49	
Total corporate surplus	\$250,935,823 64	\$210,276,762 34	\$40,659,061 30	
Total liabilities	\$1,685,075,159 29	\$1,606,975,545 27	\$78,099,614 02	

* The outstanding capital stock and funded debt include capital stocks and funded debt of Proprietary Companies of the par value of \$349,000,700 and \$109,160,590 67, respectively, a total of \$458,161,290 67, which securities are owned by the Southern Pacific Company or by Proprietary Companies, or are held in sinking funds of Proprietary Companies. The cost of these securities is included in the investments shown above. Of the said amount, stocks of the par value of \$249,653,161, which stand charged on the books at \$232,932,667 41, are pledged against the issue of Southern Pacific Company stock and bonds. † Represents accrued depreciation on electric power plants and substations, general office building at San Francisco, wood preserving works, Sacramento rolling mill, oil storage plants, grain elevators, and similar facilities. ‡ Represents accrued depreciation on oil lands and improvements acquired from Kern Trading & Oil Company. § Represents, principally, interest on construction advances which have not been repaid.

ROAD AND EQUIPMENT.

Two ocean-going freight steamers, the El Almirante and the El Capitan, of 10,350 tons displacement each, and the ocean-going tank steamer Torres, of 11,110 tons displacement, were added to your Company's fleet during the year. To replace equipment vacated and to provide for increased requirements, your Company placed orders during the year for 57 locomotives, 41 passenger-train cars and 718 freight-train cars, for delivery in 1918; and is building at Company's shops 56 locomotives and 3,808 freight-train cars. The cost of this rolling stock will be about \$16,650,000.

LIBERTY LOAN.

To enable the employees of your Company and of its affiliated companies to subscribe for Liberty Loan bonds, they were permitted to subscribe through the Company for an amount of such bonds not exceeding twenty-five per cent of their yearly salaries, the Company advancing the subscription price of the bonds and charging interest on such advances at the bond rate, the amounts so advanced to be repaid to the Company by monthly salary deductions. The following statement shows the bonds of each issue subscribed for on behalf of employees and on behalf of the Company:

	First Loan.	Second Loan.	Third Loan.
Total number of employees subscribing	19,973	19,078	64,129
Per cent of employees subscribing to total employees	27%	27%	81%
Total amount subscribed for on behalf of employees	\$1,018,800	\$1,843,700	\$5,019,400
Amount subscribed for on behalf of the Company	5,000,000	5,000,000	2,000,000
Total subscriptions of employees and Company	\$6,018,800	\$6,843,700	\$7,019,400

* Of the amounts subscribed there were allotted to the Company \$850,000 of First Loan bonds, \$4,018,750 of Second Loan bonds, and \$2,000,000 of Third Loan bonds.

THE SUIT INVOLVING THE RIGHT OF THE SOUTHERN PACIFIC COMPANY TO OWN THE STOCK OF THE CENTRAL PACIFIC RAILWAY COMPANY.

On March 9 1917 the United States District Court at Salt Lake City decided this suit in favor of the Southern Pacific Company. The Government has taken an appeal from this decision to the Supreme Court of the United States, but it has not yet shown any disposition to avail itself of the right conferred by the Expedition Act to secure a prompt hearing of its appeal. It may be that the appeal will not be brought on for hearing by the Supreme Court so long as railroads are being operated by the President.

CONTROVERSY OVER THE OREGON & CALIFORNIA RAILROAD'S LAND GRANT.

On June 9 1916 Congress passed an Act vesting in the United States the unsold lands of the Oregon & California Land Grant. The Act provided for the payment to the Oregon & California Railroad Company, its successors or assigns (or to those having liens on the land) of compensation for the lands unsold at the rate of \$2 50 per acre, less whatever amounts it might be determined, in a suit which the Attorney-General was directed to bring for the purpose, the United States was entitled to offset on account of any money the grantee had received from the lands in excess of \$2 50 an acre by reason of past sales, leases or otherwise. The right of the United States to be reimbursed for payments made by the Government to the State of Oregon for taxes levied since the forfeiture decision of 1913, was another question to be presented in the contemplated suit. Such a suit was recently instituted and is now pending in the United States Court for the District of Oregon. Our counsel will do what they can to expedite the trial of this accounting suit in order that the balance due us for the unsold lands may be ascertained and paid.

THE SUITS INVOLVING TITLE TO THE OIL LANDS.

The taking of testimony in these cases has been concluded, and in April, 1918, the cases were argued and submitted to the United States District Court in California. They are now under advisement. A few days after the submission of these cases the United States Court of Appeals for the Ninth Circuit decided in our favor a suit which the Government had brought to cancel patents to certain lands alleged but not proven to be oil lands. In arriving at its decision the Court of Appeals rendered an opinion which supported our contentions in the oil land cases now under advisement in the lower Court. Hence, the prospects of a decision confirming our title to the oil lands are encouraging.

GENERAL.

Dividends on the capital stock of your Company were declared during the year, payable as follows:

1½ per cent paid April 2 1917	\$4,092,346 42
1½ per cent paid July 2 1917	4,092,351 08
1½ per cent paid October 1 1917	4,092,351 08
1½ per cent payable January 2 1918	4,092,351 08
	<u>\$16,369,399 66</u>

With the exception of occasional bandit and Indian raids, the revolutionary disturbances on the line of the Southern Pacific Railroad of Mexico practically ceased in the early winter of 1916-17. It is estimated that the cost of property destroyed from the beginning of the Madero Revolution, in 1910, to December 31 1917, will approximate 4,923,241 pesos, equivalent to \$2,461,621. As stated in previous reports claims amounting to 287,953 pesos, on account of these losses, were filed with the Madero Government, and were approved, but have not been paid, and on account of unsettled conditions no further claims have been filed. The President of the United States of Mexico, under date of November 24 1917, authorized the formation of a commission for the investigation of claims, but as yet the members of the commission have not been appointed. As soon as conditions permit, claims will be filed for the aforesaid losses, as well as for some 8,200,000 pesos, representing amounts due for freight and passenger services performed, for rental of road and equipment, and for materials furnished to and confiscated by the various military authorities. The average mileage of road operated during the year was 1,005 miles, an increase of about 221 miles over the average mileage of road operated during the year ended June 30 1916. On account of the unsettled conditions, however, only such maintenance work was done during the year as was absolutely necessary to render it possible to operate trains over those portions of the line that were open for traffic.

In addition to the completed lines of railway reported under Properties and Mileage, and the still incomplete line of the Southern Pacific Railroad Company of Mexico, construction is progressing on the lines of the following companies, viz.:

	Length of Projected Line.	Track Completed.	Grading Completed.	Grading Progressing.
	Miles.	Miles.	Miles.	Miles.
Southern Pacific Railroad: Harrington to Hamilton, Cal.	61.23	48.36	10.31	2.56
Galveston Harrisburg & San Antonio Railway: Rosenburg to Damon Mound, Texas.	22.00	7.30	13.70	1.00
Pacific Electric Railway: Lahabra-Fullerton Line	15.07	5.07		
Visalia Electric Railroad: Exeter to Strathmore	16.36	16.36		
California Granite Company Spur Extension Portex South	1.47	.97	.52	
*San Diego & Arizona Railway: San Diego to El Centro, Cal.	2.40	---	2.00	.40
	146.97	135.19	---	11.78

† 3.44 miles opened for traffic on September 10 1917 and 1.63 miles on February 1 1918. * Jointly controlled through ownership of capital stock in equal proportions with Spreckels Brothers.

On October 1 1916 litigation of four years and seven months' standing, that had grown out of relations established by the late Mr. E. H. Harriman with the Spreckels Brothers, John D. and A. B., to build the San Diego & Arizona Railway, from San Diego, California, to a point in the Imperial Valley on the line of your Inter-California Railway, was terminated and all differences composed by the execution of agreements which provide that:

1. Common stock of the San Diego & Arizona Railway Company to the amount of \$2,000,000 be authorized.
2. \$6,000,000 7 per cent cumulative preferred stock, preferred both as to income and assets, be authorized.
3. \$12,000,000 6 per cent first mortgage bonds be authorized.
4. Each party to accept \$1,000,000 of common stock at par in payment of cash advances of the same amount.
5. Each party to receive preferred stock at par in payment of other cash advances made prior to October 1 1916 with accrued interest; the holdings, however, of the two parties to be equalized by the purchase by Spreckels Brothers of one-half the excess holdings of the Southern Pacific Company.
6. Each party to pay one-half of \$1,430,000 advanced to San Diego & Arizona Railway Company by local banks, and to receive therefor first mortgage 6 per cent bonds at face value.
7. Southern Pacific Company to advance the funds necessary to complete the line (146.97 miles total), estimated to be about \$5,000,000. Reimbursement to be made in first mortgage 6 per cent bonds at face value.

The completion of this line of road, of which but 11.78 miles are uncompleted at this date, will enable your Company to serve San Diego, a rapidly growing seaport, at which the United States Government has recently established a large and very important naval base, with the shortest line from the middle West; and it will also connect San Diego with the rapidly developing Imperial Valley, which is now credited with 60,000 inhabitants and 600,000 acres in cultivation, producing hay, grain, dairy products, hogs and cattle, which will certainly create a heavy local business. The distance from El Centro, the centre of Imperial Valley, to San Diego by rail via Los Angeles, now 339 miles, will be reduced to 147 miles by the completion of this line.

Under the pension system put into effect on January 1 1903, nine hundred and sixteen employees are carried on the pension rolls of the rail and water lines. The payments to them for the year amounted to \$393,369 59. The payments of pension allowances for the six months ended December 31 1916, which were not mentioned in the abridged report as of the latter date, amounted to \$187,926 31.

FEDERAL CONTROL AND OPERATION.

On December 28 1917 the President of the United States took over the possession, control and operation of your railroad and steamship lines, under terms and conditions which thereafter were embodied in the Act of Congress of March 21 1918, which briefly provides:

1. Compensation for the use of the property taken, to be fixed by agreement between the President and each carrier company or by suit in the Court of Claims.
2. The President is authorized to agree with each company upon an annual compensation *not exceeding* a sum equivalent to the average annual railway operating income of the carrier for the three years ended June 30 1917. The railway operating income is determined by subtracting:
 - (a) Operating expenses;
 - (b) Uncollectible railway revenues; and
 - (c) Railway tax accruals, excluding war taxes;

from the revenues accruing from the carriage of freight, passenger, mail, express, &c. The railway operating income thus determined is to be increased or diminished by the net earnings or losses, as the case may be, from equipment rents and joint facility rents.

(It is contemplated that an agreement with the President, if made, shall not only fix the compensation but shall contain adequate provisions respecting:

- (a) Upkeep;
- (b) Betterments and additions;
- (c) Accounting;
- (d) Payment of compensation;
- (e) Deductions from compensation, &c.

At this writing representatives of the President and of the railroads are conferring in the effort to agree upon appropriate standard clauses for the agreement defining their respective rights and obligations.

3. An estimate of the annual rental to be paid by the Government, assuming that all the transportation properties listed under the head of "Properties and Mileage" on a previous page of this report are taken over by the Government, is \$48,162,843 92.

The net miscellaneous rents, and leased road rents, accrue to the Company.

The annual rental to be increased by an amount reckoned at a reasonable interest rate to be fixed by the President, upon the cost of any additions and betterments, less retirements, and cost of road extensions made with the approval or by order of the President while the property is under Federal control.

4. War taxes to be paid by the carrier out of its corporate funds.
5. The property to be adequately maintained, repaired, renewed, and depreciation covered, so that it may be returned in substantially as good repair and as complete equipment as it was at the beginning of Federal control.
6. Electric street and interurban railroad properties are excluded from Federal control.

7. If the agreement authorized by the Act is not made, a judicial ascertainment of the compensation to be paid is thus provided for; the Company's claim for compensation is to be referred to a board of three referees to be appointed by the

Inter-State Commerce Commission; if the report of this board is satisfactory to the President and the Company, an agreement may be made on the basis thereof. Otherwise a resort must be had to the Court of Claims to have the amount of compensation determined, in which event the report of the referees is to be taken as *prima facie* correct. Neither the referees nor the Court are bound to adopt the measure of compensation based on previous earnings. Payment of the award of the Court must await Congressional appropriation. In the meantime, the President, at his option, may pay not exceeding 90 per cent of the *estimated* annual just compensation due the carrier.

8. Dividends during Federal control not to exceed the regular rate of dividends during the three test years.

9. The President may order any carrier to make, at its own expense, additions, betterments, or road extensions, and to provide terminals, equipment, &c. He may advance all or part of the expenditure on interest rates to be fixed by him, or he may deduct all or part from the just compensation due the carrier. Any loss claimed by the carrier thereby, if not determined by agreement, may be submitted to a board of referees and to the Court of Claims. (The indebtedness which may be imposed upon the carrier under this paragraph is unlimited.)

10. Carriers may issue securities, secured or unsecured by mortgage, for the purpose of providing funds for maturing obligations or for other proper expenditures, as the President may approve.

11. The President to prescribe rates, fares, charges, classifications, and practices, which take effect as he may direct, subject, however, to review by the Inter-State Commerce Commission.

12. The period of Federal control to continue during the war, and thereafter not to exceed 21 months following the declaration of peace.

13. Moneys derived from the operation of the carriers during Federal control are to be the property of the United States.

This assumption of the control and operation of the railroads of the United States by the Government, on December 28 1917, marked an epoch in their history. On that day the era of management and control by the owners of the properties, that had existed since their organization, ended, and one of indefinite duration under Government management began. The year 1917 closed with the *esprit de corps* and discipline of your working organization, the physical condition of your property, and the safety and other results of operation, at a higher standard than ever before had been attained. Therefore the time seems appropriate to survey the achievements of 32 years, so as to form an idea of the growth of your property and the returns from its operation, by comparing data for the first calendar year of its existence (1886) with the corresponding data of the last year of private management (1917). The income accounts and operating statistics are the sources of information for making the following comparisons, and the balance sheets translated into ordinary conversational language give an idea of the magnitude of the property interests and financial strength of the Southern Pacific Company:

COMPARATIVE OPERATIONS OF SOUTHERN PACIFIC SYSTEM IN 1886, THE FIRST COMPLETE CALENDAR YEAR OF OPERATION, AND IN 1917, THE LAST YEAR OF OPERATION BY ITS STOCKHOLDERS.

	Year Ended December 31 1917.	Year Ended December 31 1886.	Per Cent of Increase
1. Number of Stockholders of Southern Pacific Company	37,088	91	
Average miles of road operated	11,137	4,846	129.82
2. Freight revenue	\$132,608,207	\$18,668,421	610.33
3. Ton miles of freight	14,803,735,481	1,430,113,580	928.67
4. Revenue per ton mile of freight	.923 cents	1.297 cents	(c) 28.84
5. Freight train miles	24,550,167	(a) 9,616,218	155.30
6. Tons of freight per loaded and empty car	17.76	8.07	120.07
7. Revenue per freight train mile	\$5.04	(b) \$1.64	159.80
8. Tons of freight per train	602.98	149.66	302.90
9. Passenger revenue	\$45,380,193	\$8,464,727	436.11
10. Passengers carried one mile	2,024,390,972	398,031,884	408.60
11. Passenger train miles	31,085,797	(a) 5,953,054	422.18
<i>Operating Income.</i>			
12. Total operating revenue	\$193,971,490	\$31,797,882	510.01
13. Net revenue from miscellaneous operations, hire of equipment, and net rentals	8,080,390	284,797	2,737.25
14. Total revenue	\$202,051,880	\$32,082,679	529.79
15. Total operating expenses and uncollectible revenue	\$126,672,060	\$18,514,656	551.77
16. Railway tax accruals	19,792,176	888,623	1,452.08
17. Total expenses and taxes	\$134,464,236	\$19,403,279	593.00
18. Operating income, including hire of equipment and net rentals	\$67,587,644	\$12,679,400	433.05
<i>Other Income.</i>			
19. Interest and dividends received on securities owned, and other income	\$7,248,979	\$544,535	1,231.22
20. Total gross income	\$74,836,623	\$13,223,935	465.02
<i>Deductions from Gross Income.</i>			
21. Interest on funded debt	\$24,219,075	\$8,754,810	176.64
22. Other payments	1,488,131	358,131	315.53
23. Total deductions from gross income	\$25,707,206	\$9,112,941	182.10
24. Net income	\$49,129,417	\$4,110,994	1,095.07
<i>Disposition of Net Income.</i>			
25. Income applied to sinking and other reserve funds	\$978,097	\$1,196,772	(c) 18.27
26. Income balance transferred to credit of Profit and Loss	\$48,151,320	\$2,914,222	1,552.29
27. Per Cent of net income on outstanding capital stock of Southern Pacific Co.	17.65	3.27	439.76
28. Cost of road and equipment	\$983,482,275	\$396,626,000	147.9

(a) Figures for 1886 represent locomotive miles, train miles not obtainable. (b) Based on freight locomotive miles, freight train miles not obtainable (c) Decrease.

In the ten years ending December 31 1917, the Company transported 422,000,000 passengers with but one fatality in a train accident.

By the exercise of greater care in inspecting and purchasing, the failures of rails per 100 miles of track, equated as to traffic borne, have fallen 35 per cent in eight years, and in number are but one-fourth as many as those on all railroads in the United States and Canada, based on the latest available data.

Nineteen per cent more gross ton-miles per pound of fuel consumed, 45 per cent more ton-miles per freight car, and 86 per cent more ton-miles per freight locomotive owned were moved in 1917 than in 1900.

On December 31 1917 the combined obligations (debts), of every description, of your Company and its proprietary companies, consisting of amounts owed to security holders, employees, tradesmen, connecting lines, tax collectors, and others (not including \$51,874,598 08 of accrued depreciation on road, equipment, and miscellaneous physical property), amounted to

The companies held to meet such obligations assets (property) amounting to

(1) Book value of the investment in transportation property carried on the books of the companies forming the Southern Pacific steam transportation system, consisting of 11,164 miles of first main track, 561 miles of additional main track, 4,150 miles of yard track and sidings, 25 ocean steamships, 5 river steamships, 38 ferry boats and car transfers, 10 tugs, 63 barges, and 19 other vessels, the whole forming a transcontinental system extending from New York City, via New Orleans and Galveston to San Francisco, Cal., and Portland, Ore., with a line extending from Ogden, Utah, to San Francisco, Cal.	983,482,275 20
(2) Sinking funds for the redemption of outstanding funded debt, consisting of interest-bearing securities, and cash in the hands of trustees, the income from which for the year amounted to \$687,322 39	13,711,547,27
(3) Investments in miscellaneous physical property consisting principally of (a) the California Fuel Oil Department of Southern Pacific Company, with an annual production of about 9,500,000 barrels of oil, and annual gross earnings of approximately \$17,000,000, and (b) terminal and other real estate acquired in anticipation of future use.	30,778,341 24
(4) Investments in affiliated companies	523,560,538 04

These investments in affiliated companies are represented by property as follows:
Stocks and bonds of proprietary companies of the par value of \$446,690,290 67, included in the outstanding obligations hereinbefore mentioned but which are owned by the Southern Pacific Company and its proprietary companies:

	Miles of Road Operated.
<i>Electric Railways—</i>	
Fresno City Railway and Fresno Traction Company	26.71
Pacific Electric Railway Company	612.39
Peninsular Railway Company	63.60
San Jose Railroads	28.48
Stockton Electric Railroad Company	12.74
Visalia Electric Railroad Company	36.58
Total	780.48

Carried forward

\$1,551,532,701 75

Brought forward		\$1,551,632,701 75
<i>Steam Railways—Full Ownership—</i>		
Southern Pacific Railroad of Mexico		1,240.52
<i>Steam Railways—Half Ownership—</i>		
Independence & Monmouth Railway Company		2.50
Northwestern Pacific Railroad Company		507.30
San Diego & Arizona Railway Company (11.78 miles under construction)		146.97
Sunset Railway Company		59.66
Total		716.43
Grand Total		2,737.43
<i>Other Companies—</i>		
Albion Lumber Company. 23,019 acres redwood timber, with saw mill and logging roads.		
Associated Oil Company. (50.48 per cent of authorized stock owned by S. P. Co.); annual gross earnings, \$28,000,000; annual production, including subsidiaries, 10,000,000 barrels of oil.		
Associated Pipe Line Company. (One-half of authorized stock owned by S. P. Co. and one-half by Associated Oil Company); 561 miles of eight-inch oil pipe lines, 50,000 barrels daily capacity.		
Beaver Hill Coal Company. 924 acres of coal lands, Coos County, Oregon.		
East Coast Oil Company. Annual gross earnings \$1,300,000; annual production 3,150,000 barrels of oil; development of oil near Tampico, Mexico, on leased lands.		
Pacific Fruit Express Company. Owned half by Southern Pacific Company and half by Union Pacific Railroad. 14,233 ventilated refrigerator cars.		
Rockway Pacific Corporation. 563.95 acres on Jamaica Bay, near Brooklyn, N. Y.		
Rio Brava Oil Company. Annual production 320,000 barrels of oil.		
Southern Pacific Building Company. Office building, Houston, Texas.		
5) Other investments, principally securities in outside companies		24,730,955 60
6) Current, deferred and unadjusted assets consisting of:		
Cash		\$31,733,162 61
Cash assets		27,319,549 20
Material and supplies		24,406,115 91
Deferred assets and unadjusted items		25,352,674 22
		108,811,501 94
Grand total of assets		\$1,685,075,159 29

which exceeds all debts and obligations, including the outstanding capital stock, by an amount of \$302,810,421 72, of which \$51,874,598 08 represents reserves for accrued depreciation and \$250,935,823 64 represents an invested surplus which is equivalent to nearly 92 per cent of the outstanding capital stock.

In addition the companies own 10,978,818 acres of unsold subsidy lands, allocated thus:

(a) Central Pacific Railway Company	7,076,215 acres
(b) Houston & Texas Central Railroad Company	18,688 "
(c) Southern Pacific Land Company	3,883,915 "
Total	10,978,818 "

and have a claim against the United States for the value of 2,353,446 acres of unsold lands of the Oregon & California Railroad land grant taken over by the Government under Act of Congress passed June 9 1916, as more fully explained above.

Prior to 1905, when the first dividend was paid, the surplus accruing each year from the date of the organization of the Company in 1884, was reinvested in the property, and the same course has been followed with the surplus remaining each year, from 1906 to date, after the payment of dividends. As a result of this policy, 46 cents of each dollar of surplus earned during the Company's existence have been paid in dividends and 54 cents of each dollar have been put back into the property.

The Board is grieved to announce the death, on May 13 1918, of Mr. William Mahl, formerly Vice-President and Controller of your Company. Mr. Mahl was connected with the Southern Pacific Company in various capacities of responsibility and trust, all of which he filled with conspicuous ability and fidelity from the date of its organization in 1884 to April 1 1913, when he was retired on pension.

The Board takes pleasure in conveying to the officers and employees of the Company its appreciation of their loyal and efficient service, which has produced results far exceeding in excellence any ever attained in the history of the Company.

By order of the Board of Directors,

JULIUS KRUTTSCHNITT,
Chairman of the Executive Committee.

Sutter Basin Co.—New President.—

George W. Peltier has been elected President to succeed W. E. Gerber.—V. 106, p. 2127.

Swift & Co.—Segregation.—

Referring to the contemplated segregation of this company's South American business, President Louis F. Swift is quoted as saying: "Directors have plans in contemplation for separating the South American business from that of the United States. No definite plan has been agreed upon. As soon as it is, the stockholders and public will be notified simultaneously." Recent strength in the company's stock has been attended by rumors of a possible distribution to stockholders in the above connection.—V. 107, p. 409, 186.

(T. H.) Symington Co.—Chicago Shell Plant.—

The Symington Chicago Corp. has been granted permission to construct buildings to a cost of \$1,355,000 for use as a shell plant. Work has already been commenced on portions of the enterprise.—V. 106, p. 2654.

(J. V.) Thompson Coal Properties.—Payment Made on Purchase of Coal Lands—Sale of Coal Stock.—

The H. C. Frick Coke Co. has made the payments on the \$7,000,000 purchase price of coal lands from the J. V. Thompson creditors' committee and the distribution to the creditors in liquidation of the estate has been commenced.

Judge Thomson in the U. S. District Court at Pittsburgh has appointed J. W. Clark, Special Master, to sell, at public auction, 3,000 shares of Liberty Coal Co. and 7,000 shares of Wetzel Coal & Coke Co., owned by J. V. Thompson, but deposited to secure Mr. Thompson's indebtedness to the First National Bank of Uniontown, Pa.—V. 106, p. 2565.

United Alloy Steel Corporation.—Earnings.—

The "Iron Trade Review," Cleveland, of Aug. 1 says: In the six months ended June 30 1918, the United Alloy Steel Corp., Canton, O., earned slightly in excess of \$2,000,000, net, after making allowance for Federal and excess profits taxes. This is equivalent to \$4 per share on the 525,000-share capital, and compares with \$2,500,000 for the same period of 1917, which was equivalent to \$5 a share on the 500,000 shares then outstanding.—V. 106, p. 1809.

United States Steel Corp.—Wage Increase—Earnings.—

Chairman E. H. Gary has announced an increase of about 10% in wages for day laborers with an equitable adjustment for other employees. The statement follows: "The Finance Committee of the United States Steel Corporation, after due consideration, has unanimously voted to increase the wage rates of day labor at the manufacturing plants about 10%, to become effective Aug. 1 prox. Other wage rates will be equitably adjusted, except in cases where advances have been made recently. Coal mining companies are not included. Their employees heretofore received similar advances."

For quarterly earnings statement see "Reports" above.

Foreign Holdings of Stock.—

See page 364 in last week's issue.—V. 107, p. 410, 86.

Utah-Apex Mining Co.—Litigation.—

See Utah Consolidated Mining Co.—V. 106, p. 606.

Utah Consolidated Mining Co.—Litigation.—

This company has filed a suit in the United States District Court at Salt Lake City against the Utah-Apex Mining Co., charging trespass and wrongful extraction of ore to the amount of not less than \$500,000. The plaintiff, under mining law, may receive triple damages.—V. 107, p. 187.

Waltham (Mass.) Watch Co.—Status.—

The following published data are believed to be based on fact: There are between 16,000 and 17,000 separate and distinct operations in the manufacture of a watch movement, many of these requiring a high degree of skill, and the loss of a considerable number of trained workers is a serious handicap to quantity production. Through the draft, voluntary enlistments, temporary bonanza wages in ordnance plants and calls by the

Government for skilled watchmakers to work on instrument repairs, the Waltham Watch Co. has lost many skilled hands. In fact, to-day, owing to the above causes, perhaps 33 1-3% of its more than 4,000 employees are practically green hands. To drill these new recruits has retarded production until it has necessitated night shifts in some departments.

Faced with this situation, and the necessity of providing additional facilities for Government work, as well as keeping up its volume of watch production, the Waltham Watch Co. has decided to open branch assembly units and schools of instruction. The company already has a branch at Newburyport and one in Gardner, and is planning to open others at Greenfield and Quincy as soon as expedient. These outside plants need practically no investment for machinery or tools, being devoted to training and making of assemblies, and entail little initial expense beyond rental of suitable space.

Waltham's watch and clock business was never so great in its history. On July 15 the company was 483,000 watches behind in deliveries. Its entire output of chronometers and airplane clocks is going to the United States Government. Its wrist watch business shows no diminution, and the same demand extends through its entire line of watches. The difficulty is in getting out movements, not in getting orders.

On July 1 Waltham Watch made a second voluntary increase in wages, which will call for an additional operating expense of \$300,000 per annum, equal to the 6% dividend on the \$5,000,000 preferred stock.

At the request of the United States Government, the company has invented and perfected an entirely new type of time fuse and is just beginning deliveries on a small scale. It is anticipated this will eventually run to considerable quantities.

Notwithstanding an increase in volume of business, net profits, due to large advances in wages and raw materials, are running at a moderate increase over last year, when in the 12 months they totaled \$1,050,000.

On Aug. 1 Waltham Watch will pay off \$500,000 of its 4 1/2% gold notes, leaving but \$1,000,000 of that issue outstanding. Further needs are supplied by its regular business paper and the total loan is at about the figure of a year ago. ("Boston News Bureau," July 29.)—V. 106, p. 2238.

War Regulations.—Paper Restrictions, &c.—

See pages 358 and 359 in last week's issue.—V. 107, p. 410, 187.

Westcott Express Co.—Rate Increase Applied for.—

This company, which operates a taxicab service to and from and between railroad and ferry terminals in New York, has applied to the P. S. Commission for permission to increase its rates 20 cents on each call. The proposed increase, the application states, would provide an additional annual income of about \$122,400.—V. 106, p. 1583.

Western Union Telegraph Co.—Indictments.—

The Federal grand jury has returned two indictments against this company charging violation of the U. S. criminal code on the ground that the company has employed train service for the transmission of night letters which were supposed to have been delivered by wire, and that illegal competition had been entered into with the U. S. mails.

Government Control.—

See American Telephone & Telegraph Co. above and preceding pages in this issue.—V. 107, p. 410.

Westinghouse Electric & Mfg. Co.—New Plant.—

In its issue for July 25 the "Iron Trade Review" publishes a seven-page illustrated article, descriptive of this company's new plant at Essington, Pa. It is designed exclusively for the manufacture of ship-propulsion machinery.—V. 106, p. 2661.

Wisconsin-Minnesota Light & Power Co.—Earnings.—

Results for 12 Months Ended May 31.		
	1918.	1917.
Gross earnings	\$1,785,242	\$1,488,978
Op. exp. & tax	917,024	717,820
Net earnings	\$867,318	\$771,158
Capitalization: Bonds	\$10,217,000	preferred stock, \$5,000,000; common stock, \$2,500,000.
(Statistical department of Paine, Webber & Co., 82 Devonshire St., Boston.)—V. 106, p. 1797, 711.		

The Commercial Times.

COMMERCIAL EPITOME.

Friday Night, Aug. 2 1918.

Despite the Government domination of pretty much the whole range of business in the United States, there is a large civilian wholesale and jobbing business in some sections in fact, at some points, it is unusually large for this time of the year. It is said that the mail order business is larger than a year ago. Collections are better. And with the exception of cotton, the crops are doing very well, even if the grain harvests will not be quite so large as was at one time expected. Meanwhile the buying capacity of the country, particularly in the great agricultural districts, is plainly reflected in a demand for various kinds of merchandise that outruns the supply. Retail business has been stimulated by warmer weather. The demand is mainly for necessary goods, however, rather than for luxuries. Yet it is still true that workers who are enjoying unusually higher wages are buying with unwonted freedom. There is still a scarcity of raw materials and fuel, which hampers manufacturers in some sections. In others, where this is absent or less apparent, business is brisk. There is abundant evidence that civilian business would be much larger than it is, were it not for the precedence which Government requirements necessarily take. Certainly manufacturing is, on the whole, far more active than is usual in midsummer. The steel output and the new advance of 10% in steel-workers' wages is striking evidence in this direction. Prices of commodities are very firm. Cotton has advanced sharply, owing to drought in Texas and the scaling down of crop estimates by the Government some 1,700,000 bales within a month. It does not look as though the corn crop would reach a new high record, though it promises to be about 3,000,000,000 bushels, or the largest in six years with the single exception of last year, when it was 3,160,000,000 bushels. The outlook for the crops at the Canadian Northwest has improved, owing to timely rains. Meanwhile, one noticeable factor is the tightness of money both on call and for time loans. The Government now controls the telephone and telegraph wires as well as unskilled labor. The steel demand for war uses is so enormous that the civilian trade seems to have less chance than ever. And now manufacturers of farm wagons and trucks have been called on by the War Industries Board to reduce greatly the varieties of product for the purpose of conserving material, especially through the elimination of avoidable use of steel and iron and for purpose of reducing capital tied up in manufacturers' and dealers' stocks. The steel requirements of the Shipping Board for the next three months call for 1,000,000 tons, an increase of 250,000 tons over the regular monthly schedule for that period. The increase is desired to provide reserve of 1,330,000 tons by November. A reserve stock is regarded by Mr. Schwab as a stimulus to ship production, and plans have been made to keep it intact. Iron and steel are now described by the War Industries Board as the world's most precious metal. Labor is still restive. Undoubtedly the labor problem in this country is becoming more and more acute. Fifteen thousand employees of the Interborough Rapid Transit Co. demand a 40% increase in wages, effective Sept. 1, the two-year working agreements expiring the last of August. The coal situation is, of course, sharply watched. The production of bituminous coal for the week ended July 20 was 12,950,000 tons. For the past six weeks, excluding the week ending July 6, the production exceeded 12,000,000 tons a week. The average weekly requirement as figured by the Fuel Administrator, Dr. Harry A. Garfield, is 12,211,500 tons, and the production to date for the coal year is 8,912,500 tons behind this requirement. Evidently leadership that gets close to the workmen is needed in the coal campaign similar to that which has produced such striking results in the output of ships and airplanes by born leaders of men. For, according to one computation, this country faces a coal shortage this winter of 25,000,000 tons. Efforts are, however, being made to stimulate the output and certainly it is to be hoped that they will be successful. Shipbuilding energy does not relax, and now it is stated that American shipbuilding program next year probably will be somewhere between 8,000,000 and 9,000,000 tons. The Shipping Board is now sure that the former estimate of 7,000,000 will be exceeded. The Shipping Board contemplates building many great army transports, which, after the war, will be converted into combination passenger and cargo boats, and will be used in the South American passenger service and other trade channels. This country has an eye to the expansion of trade with South America. The first launching at Hog Island next Monday will be a 7,500-ton steel cargo carrier. She is the first of 180 ships to be built at Hog Island. The present program calls for launching of 50 ships in the next five months and a total of 180 by August next year. As wheat supplies are becoming more abundant, hotels and restaurants can now return to the use of wheat flour in bread served to patrons. This releases them from the pledge given last March to refrain from serving bread containing wheat flour until this year's harvest had been gathered. Foreign crops are generally good. And it is of interest to notice that under the direction of the United States Employment Service America's army of wheat harvesters is preparing to cross into Western Canada. If the weather continues

favorable, the vanguard will probably be engaged on Canadian farms in two or three weeks cutting, having progressed as far north as the Dakotas and Minnesota. Thousands of men and boys who have been instrumental in saving the banner wheat crop of the Central West are preparing to perform the same service for Canada. Their employment in Canada is the result of an agreement between the two Governments.

LARD in steady demand and firmer; prime Western 27.10@27.20c.; refined to the Continent 27.90c.; South America 28.30c.; Brazil 29.30c. Futures advanced with corn and hogs. Packers have been buying. Shorts covered freely. A sustaining factor, too, was the good cash trade, although daily exports, it is true, have latterly shown some decrease as compared with recent totals. To-day prices advanced a little, ending higher for the week, though the monthly stock statement was not so bullish as expected. But its effect was neutralized by an advance of 20 to 25c. in hogs. The stock of new lard at Chicago on July 31 was 18,011,643 lbs., against 17,443,853 on June 29 and 45,954,501 lbs. on July 31 last year; of old, 3,822,041, against 4,027,004 on June 29 and none last year; other lard, 16,315,013 lbs., against 19,033,966 lbs. on June 29 and 11,623,834 on July 31 1917.

DAILY CLOSING PRICES OF LARD FUTURES IN CHICAGO.

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
Aug. delivery	26.50	26.72	26.82	26.62		
Sept. delivery	26.42	26.47	26.67	26.62	26.67	26.70

PORK has been quiet but firm; mess \$49 50@50, clear \$45@52. Beef firm and in fair demand; mess \$35@35 50, packet \$35 50@36 50, family \$38@39, extra India mess \$57@58. Cut meats have been in fair demand and firm. Pickled hams, 10 to 20 lbs., 28@29c.; pickled bellies 34c.; July pork to-day was \$45 30. The stock of new pork at Chicago on July 31 1918 was 9,476 bbls., against 7,275 June 29 and 11,565 last year; of short ribs, 14,933,195 lbs. on July 31, against 12,661,595 June 29 and 14,977,255 last year; and the stock of total meats was 159,004,840 July 31, against 150,215,901 June 29 and 147,663,362 last year. Butter, best, 45 1/4@45 3/4. Cheese, flats, 20@25 3/4c. Eggs, 40@46c.

COFFEE in moderate demand; No. 7 Rio, 8 1/2c.; No. 4 Santos, 8 1/2@11 3/4c.; fair to good Cuautla, 11 1/4@12c. Futures declined somewhat under liquidation. Wall St. has been selling. Less speculation is reported in Santos and prices broke there. The selling here of Dec. and May is supposed to have been against recent Brazilian purchases. To-day prices closed generally unchanged. They are lower for the week.

August	cts. 8.06@8.09	December	cts. 8.54@8.55	March	cts. 8.78@8.97
September	8.26@8.27	January	8.62@8.63	May	8.92@8.93
October	8.35@8.36	February	8.70@8.71	July	8.92@8.93
November	8.44@8.45				

SUGAR in steady demand. Centrifugal, 96-degrees test, 6.055c.; granulated, 7.50c. More demand is reported for refined. But certificates are anything but plentiful. From fruit sections the demand for refined is increasing. Refiners are pretty well supplied for present requirements. Meanwhile Cuban exports have fallen off sharply. Receipts and stocks at Cuban ports also show a decrease. The International Sugar Committee still limits allocations of raw sugar. The fact that the issuance of certificates from the Federal Food Board is still relatively slow undoubtedly hampers the movement of refined into wholesalers' and retailers' hands. The question of the price to be paid for the next Cuban sugar has been referred to the Governments of the United States and Cuba. Representatives of the two Governments are expected to arrive at an early solution of the problem. Later the International Sugar Committee reported heavy purchases of raw sugar for August shipment, including 171,750 bags of Cuban at 4.985c., cost and freight. Refiners' receipts of raw sugar at ports north of Hatteras increased about 9,000 tons for the week, with little decrease in meltings. The Cuban crop, though it may not reach the earlier estimates of 3,400,000 tons, will be large, possibly the largest ever grown.

OILS.—Linseed continues firm; City, raw American seed, \$1 90@1 92. Lard firm, \$2 25; coconut, Cochin, 17 3/4@18c. Ceylon, 16 1/2@16 3/4c. Soya bean, 18 1/2@18 1/4c. Crude cottonseed oil, 17.50c. Spirits of turpentine, 61@62c. Strained rosin, fair to good, \$11.

PETROLEUM remains firm; refined in barrels, \$15 50@16 50; bulk, \$8 25@9 25; cases, \$18 75@19 75. Gasoline steady; motor gasoline, in steel barrels, to garages, 24 1/2c.; to consumers, 26 1/2c. Gasoline, gas machine steel, 41 1/2c.; 70 to 76 degrees, 30 1/2@30 3/4c. Various fields are adopting the recommendations made recently by the Petroleum War Service Committee on the stabilization of prices. There has been some talk of late of regulating the supply of gasoline for pleasure purposes, due largely to the steadily increasing requirements of the Allies. Ringling, Okla., wired that 7,000 acres of land in Johnston County, in the vicinity of Ravia, Mill Creek and Troy, have been blocked for oil and gas and mineral purposes.

Pennsylvania dark	\$4 00	South Lima	\$2 38	Illinois, above 30	
Cabell	2 77	Indiana	2 28	degrees	\$2 42
Crichton	1 35	Princeton	2 42	Kansas and Okla.	
Corning	2 85	Somerset, 32 deg.	2 60	homa	2 25
Worster	2 08	Ragsdale	1 25	Caddo, La., light	2 25
Thrall	2 25	Electra	2 25	Caddo, La., heavy	1 25
Strawn	2 25	Moran	2 25	Canada	2 78
De Soto	2 15	Plymouth	2 33	Headton	1 45
North Lima	2 38			Henrietta	2 25

TOBACCO has been in moderate demand and generally firm. New features are lacking as a rule at this time of

the year. The latest weekly Government report says that tobacco was improved by the weather conditions of the week; topping was begun as far north as Wisconsin and New England. A Washington dispatch says that about 220,000 lbs. more tobacco were on hand July 1 than was held on that date last year, according to a canvass by the Census Bureau just made. Aggregate stocks of leaf tobacco amounted to 1,386,048,368 lbs., composed of 989,810,467 lbs. of chewing, smoking, snuff and export types, 315,915,205 lbs. of cigar types, and 80,323,696 lbs. of imported types.

COPPER has been quiet; producers are none too anxious to sell for delivery before Aug. 15. Some think that the Government price of 26c. will be increased this fall. Certainly as already intimated offerings are not large at the present price. Tin quiet at 94@95c. There has been an advance of late at London of £1 10s. for spot standard and Straits and £2 for Eastern shipment. Lead scarce and firm. The supply is unequal to the demand. New York 8.05c. Spelter has been in small demand and weaker; New York 8.37½@8.40, at St. Louis 8.05@8.15.

PIG IRON consumers are anxious to contract for the year 1919, but producers are not in a position to consider transactions so far ahead. Everything depends upon allotments made by the Government. Furnaces are making every effort to produce as much as possible, and they are favored by a good supply of coke. June production was heavy and that of July may not have fallen far behind, though the hot weather was something of a restriction. The general iron situation, however, is unchanged. The point is that the demand outruns the supply. This must continue to be the case probably for some time to come.

STEEL of course is in sharp demand, and the Government control of the industry grows more and more complete. Although the production is about the largest ever known, it does not keep pace with the demand. Under the circumstances, civilian wants can be but little regarded at least for the time being. Efforts will be made to increase the allotment of steel to the shipyards. Above it all looms the ever-enlarging war demand. The half-year's demand for shell steel is up to 3,000,000 tons. That is taken to mean an increase over the present rate of shipments of something over 15%. The demand for plates is up to about the capacity of the mills, or 12% more than the highest record recently. The Steel Corporation has raised wages 10%. They are 103% higher than on Jan. 1 1916. Washington is helping jobbers to some extent. Their stocks have got down to near the vanishing point. But in the main, as already intimated, the Government and the Allies come first. On the 5th inst. there will be a conference at Washington to systematize allotments. Some changes have been made of late price differentials on charcoal iron, steel bars and plates, cast-iron pipe; chrome ore for factory purposes and seamless boiler tubing. Railroads are to use Bessemer steel rails.

COTTON.

Friday Night, August 2 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 37,069 bales, against 30,841 bales last week and 33,395 bales the previous week, making the total receipts since Aug. 1 1918 8,546 bales, against 15,880 bales for the same period of 1917, showing a decrease since Aug. 1 1918 of 7,334 bales.

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.	Total.
Galveston	70	753	1,434	1,145	---	559	3,961
Texas City	---	---	---	---	---	---	---
New Orleans	251	2,101	2,759	4,396	---	2,847	12,354
Mobile	42	143	---	77	---	---	412
Jacksonville	---	---	---	---	---	---	---
Savannah	2,065	5,021	3,627	3,617	3,092	350	17,772
Brunswick	---	---	---	---	---	---	---
Charleston	52	17	---	---	720	500	609
Wilmington	3	---	9	50	15	---	789
Norfolk	24	168	125	55	109	---	548
New York	50	---	---	183	---	---	260
Boston	---	154	63	79	---	---	296
Baltimore	---	---	---	---	---	---	50
Philadelphia	---	---	---	---	---	---	---
Totals this wk.	2,557	8,347	8,017	9,602	3,936	4,610	37,069

The following shows the week's total receipts, the total since Aug. 1 1918 and the stocks to-night, compared with last year:

Receipts to Aug. 2.	1918.		1917.		Stock.	
	This Week.	Since Aug 1 1918.	This Week.	Since Aug 1 1917.	1918.	1917.
Galveston	3,961	559	10,912	3,132	125,927	90,193
Texas City	---	---	---	---	17,010	3,787
New Orleans	12,354	2,847	5,480	469	314,683	145,823
Mobile	412	150	191	24	9,345	8,114
Jacksonville	---	---	---	---	10,407	3,200
Savannah	17,772	3,442	5,882	3,491	157,444	56,216
Brunswick	500	500	2,000	---	20,400	15,500
Charleston	789	720	2,000	1,323	31,304	6,562
Wilmington	77	15	25	25	39,396	47,625
Norfolk	548	186	773	66,486	57,852	---
New York	260	27	104	36	133,999	65,801
Boston	296	---	4,500	2,618	19,404	9,376
Baltimore	50	50	2,513	1,387	16,000	25,000
Philadelphia	---	---	---	---	6,621	3,150
Totals	37,069	8,546	35,478	15,880	968,426	538,199

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	3,961	10,912	16,521	10,384	1,644	8,894
Texas City, &c	---	---	---	363	10	86
New Orleans	12,354	5,480	12,175	5,806	2,069	1,443
Mobile	412	191	5,012	886	56	957
Savannah	17,772	5,882	4,507	1,844	765	2,222
Brunswick	500	2,000	2,500	250	---	---
Charleston, &c	789	2,010	66	468	224	166
Wilmington	77	25	2,743	2,466	2	83
Norfolk	548	1,261	4,083	1,552	1,009	1,988
New York, &c.	---	---	---	---	---	---
All others	656	7,717	6,547	2,365	112	800
Tot. this week	37,069	35,478	54,154	26,384	5,891	16,639
Since Aug. 1.	8,546	15,880	27,234	17,164	5,891	18,521

The exports for the week ending this evening reach a total of 16,301 bales, of which 10,089 were to Great Britain, ----- to France and 6,212 to other destinations. Exports for the week and since Aug. 1 1918 are as follows:

Exports from—	Week ending Aug. 2 1918.				From Aug. 1918 to Aug. 2 1918.			
	Great Britain.	France.	Other.	Total.	Great Britain.	France.	Other.	Total.
Galveston	3,845	---	---	3,845	---	---	---	---
New Orleans	2,638	---	---	2,638	---	---	---	---
Mobile	3,597	---	---	3,597	---	---	---	---
Savannah	---	---	6,212	6,212	---	---	---	---
Baltimore	9	---	---	9	---	---	---	---
Totals	10,089	---	6,212	16,301	---	---	---	---
Total 1917	52,327	13,797	7,151	73,275	27,396	11,547	6,051	44,994
Total 1916	32,283	17,697	19,800	69,780	8,088	4,419	7,276	19,783

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.

Aug. 2 at—	On Shipboard, Not Cleared for—					Leaving Stock.
	Great Britain.	France.	Germany.	Other Cont'l.	Coast-wise.	
Galveston	510	---	---	---	1,000	1,510
New Orleans	2,000	5,000	---	---	2,000	9,000
Savannah	13,500	---	---	---	1,500	15,000
Charleston	---	---	---	---	---	---
Mobile	4,542	---	---	---	---	4,542
Norfolk	---	---	---	---	150	150
New York	5,000	2,000	---	1,000	---	8,000
Other ports*	3,000	---	---	---	---	3,000
Totals 1918	28,552	7,000	---	1,000	4,650	41,202
Total 1917	43,464	4,464	---	7,792	9,182	64,902
Total 1916	27,808	3,442	---	25,287	5,196	61,733

*Estimated.

Speculation in cotton for future delivery has kept within moderate bounds, but prices advanced sharply on bad crop reports. The worst was that of the Government on the 1st instant. It caused a sudden advance of about 100 points. It was even more than that, reckoning from the low point of the day. It stated the condition at 73.6, against 85.8 last month, 70.3 last year, 72.3 in 1916 and an average of 77 for ten years. The average decrease in condition during the month of July was 12.2%. This included 23% in Texas, 22 in Louisiana, 15 in Oklahoma, 14 in Arkansas, 9 in Florida and Mississippi, 6 in Alabama, 4 in North Carolina, and 3 in South Carolina and Georgia. Texas had a percentage of 61, the lowest for August on record. Louisiana was hardly less surprising, showing a drop to 65. The report pointed to a yield of lint cotton of about 13,619,000 bales, against 15,325,000 last month, 11,300,254 bales last year, 11,449,930 two years ago, 11,191,820 in 1915 and 16,134,930 in 1914. The report was sharply criticized by many as altogether too pessimistic. Its effect, however, was marked. Big shorts in Wall Street promptly covered. So did some local interests. Local and Texas trade interests were credited with buying. So were Liverpool and New Orleans. And the point is made that August generally shows deterioration. Only once for years past has there been an exception to this rule. That was in the big crop year of 1914-15 when, as it happened, the big crop was not at all needed, even though it turned out that it made good the deficiencies of three following short crops in succession. Recently, too, the war news has suggested to some the possibility of peace some time during the present season just begun. Also, shipbuilding is very active. Possibly the supply of ocean tonnage during the present season will outrun even the gigantic requirements of the Government and leave a better supply for civilian commerce. That remains to be seen. But people have latterly begun to speak of it as at least a possibility. If peace comes, of course, it will mean very much larger markets for American cotton on the Continent of Europe to say nothing of England. And, although the civilian consumption in this country may keep within comparatively moderate limits the Government's requirements will be large as the army increases. Moreover, some of the recent advices about the Egyptian crop have not been altogether favorable. On the other hand, however, exports are certainly small just now. The shortage of labor tends to keep down consumption at the big textile centres of this country. Spot markets are less active. Mills are plainly less inclined to buy. Some of them are carrying pretty good stocks of raw cotton. Others hold aloof expecting the Government to fix a price on cotton, possibly something below the present level, or they await the announce-

ment of cotton goods prices, effective after Oct. 1. In any case, spinners are not buying as they were a while back. The carryover into this season was large, and even with a crop of 13,600,000 bales, assuming that there is no great deterioration during August, the season's supply, it is contended, will likely approximate 17,000,000 bales, while guesses on the world's consumption during the continuance of the war are as low as 12,000,000 bales. If that is at all correct there is a possibility, it is argued, of a carryover into next season of at least 5,000,000 bales. Furthermore, a good many, as already intimated, do not agree with the latest Government report. They say it does not harmonize with the weekly reports issued during the month of July. They believe that while there has been some damage in Texas it is exaggerated. Some recent reports have put the condition of that State at 69.7 to 72. The critics think that these reports are nearer right than those that put it at 61 to 65. Also, many reports indicate that the crop outside of Texas is, for the most part, doing very well. And there are those who do not believe that peace is likely to come during the present season. They look for a more prolonged struggle than that. Meanwhile, too, money rates are high and many question whether the Southern banks will encourage the South to hold back cotton as it did last year. Immense sums will be required of the country in the shape of taxes. A new Liberty Loan will be launched Sept. 28th. Every effort will be made to make it a quick success. It is believed that the Federal Reserve bank system will naturally expect the Southern banks to keep this in mind. Besides, the price is already high. Why, it is asked, should the South hold for very much higher prices? In a word, some look for a free marketing of the crop during August and September. Recently spot markets not only have been less active, but tending downward. Southern stocks, both at the ports and interior towns, are well known to be large. With the foreign market greatly contracted and domestic consumption very likely to be reduced, it is argued in not a few quarters, that the present crop will press on the market with such weight that it can hardly fail to bring about lower prices in the early months of the season now opening. To-day prices advanced 60 to 70 points on continued dry, hot weather in Texas, rains on the Eastern belt and buying by Wall Street, the West, Liverpool and local spot houses. On the rise Japanese interests are supposed to have sold. Middling uplands advanced 190 points to 30.45c., the closing price to-day.

The official quotation for middling upland cotton in the New York market each day for the past week has been:

July 27 to Aug. 2—	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
Middling uplands	28.55	28.95	29.20	29.10	29.70	30.45

NEW YORK QUOTATIONS FOR 32 YEARS.

1918 c	30.45	191 c	15.30	1902 c	8.94	1894 c	6.88
1917	25.65	1909	13.10	1901	8.06	1893	8.00
1916	13.45	1908	10.60	1900	9.75	1892	7.44
1915	9.30	1907	13.25	1899	6.12	1891	8.00
1914	1906	1906	10.90	1898	6.06	1890	12.25
1913	12.00	1905	10.95	1897	8.00	1889	11.31
1912	13.10	1904	10.50	1896	7.44	1888	10.94
1911	12.60	1903	12.75	1895	7.12	1887	10.00

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, unchanged	Very steady			
Monday	Quiet, 40 pts. adv.	Steady	400		400
Tuesday	Quiet, 25 pts. adv.	Steady			
Wednesday	Quiet, 10 pts. dec.	Steady	3,000		3,000
Thursday	Quiet, 60 pts. adv.	Steady			
Friday	Quiet, 75 pts. adv.	Steady			
Total			3,400		3,400

FUTURES.—The highest, lowest and closing prices at New York for the past week have been as follows:

	Saturday, July 27.	Monday, July 29.	Tuesday, July 30.	Wednesday, July 31.	Thursday, Aug. 1.	Friday, Aug. 2.	Week.
August—							
Range	24.95-98	24.80	25.45-80	25.28-45	25.00-91	25.98-105	24.80-105
Closing	25.06	24.95	25.70	25.08	25.71	26.95-97	
September—							
Range				25.18		26.47	25.18-47
Closing	24.95	24.90	25.50	25.05	25.81	26.60	
October—							
Range	24.70-87	24.54-90	24.82-65	24.84-35	24.80-97	25.70-46	24.54-46
Closing	24.85-87	24.85-87	25.40-45	25.00-92	25.81-82	26.34-75	
November—							
Range							
Closing	24.42	24.40	24.94	24.51	25.26	25.80	
December—							
Range	24.15-42	24.02-38	24.30-93	24.25-80	24.23-40	25.14-84	24.02-84
Closing	24.34-37	24.32-36	24.85-89	24.43-40	25.18-19	25.72-73	
January—							
Range	24.10-30	23.89-18	24.14-82	24.10-63	24.49-25	25.06-70	23.80-70
Closing	24.26-27	24.16-18	24.77-78	24.28-30	25.00-94	25.59-61	
February—							
Range							
Closing	24.15	24.06	24.67	24.18	24.90	25.52	
March—							
Range	24.00-15	23.83-15	24.44-77	24.06-65	24.07-17	25.00-58	23.85-58
Closing	24.22	24.08-09	24.73-77	24.21-22	24.90-95	25.52	
April—							
Range							
Closing	24.20	24.06	24.73	24.22	24.90	25.52	
May—							
Range	23.99	24.05-13	24.50	24.50	24.17-00	25.38-40	23.99-40
Closing	24.20	24.06	24.73	24.21	24.90	25.52	

THE VISIBLE SUPPLY OF COTTON to-night, as made up by cable and telegraph, is as follows. Foreign stocks, as well as the afloat, are this week's returns, and consequently all foreign figures are brought down to Thursday evening. But to make the total the complete figures for to-night (Friday), we add the item of exports from the United States, including in it the exports of Friday only.

	1918.	1917.	1916.	1915.
Stock at Liverpool	232,000	239,000	661,000	1,414,000
Stock at London	30,000	26,000	33,000	40,000
Stock at Manchester	40,000	16,000	38,000	59,000
Total Great Britain	302,000	281,000	732,000	1,513,000
Stock at Hamburg		*1,000	*1,000	*1,000
Stock at Bremen		*1,000	*1,000	*62,000
Stock at Havre	90,000	155,000	215,000	252,000
Stock at Marseilles		3,000	1,000	8,000
Stock at Barcelona	3,000	78,000	75,000	55,000
Stock at Genoa	2,000	14,000	119,000	331,000
Stock at Trieste		*1,000	*1,000	*2,000
Total Continental stocks	95,000	253,000	429,000	701,000
Total European stocks	397,000	534,000	1,161,000	2,214,000
India cotton afloat for Europe	10,000	24,000	57,000	189,200
Amer. cotton afloat for Europe	105,000	196,000	328,723	189,200
Egypt, Brazil, &c. afloat for Europe	54,000	27,000	14,000	21,000
Stock in Alexandria, Egypt	213,000	72,000	19,000	412,000
Stock in Bombay, India	*584,000	1,009,000	731,000	724,000
Stock in U. S. interior towns	968,426	538,199	496,527	721,277
Stock in U. S. exports to-day	692,616	343,792	329,168	467,001
U. S. exports to-day		11,906	1,096	-----
Total visible supply	3,022,042	2,755,897	3,138,324	4,583,487
Of the above, totals of American and other descriptions are as follows:				
American—				
Liverpool stock	9,000	148,000	530,000	1,155,000
Manchester stock	12,000	9,000	34,000	73,000
Continental stock	*85,000	*215,000	*333,000	*565,000
American afloat for Europe	105,000	196,000	328,723	189,200
U. S. port stocks	968,426	538,199	496,527	721,277
U. S. interior stocks	692,616	343,792	329,168	467,001
U. S. exports to-day		11,906	1,096	-----
Total American	1,948,042	1,461,897	2,053,324	3,167,487
Indian, Brazil, &c.—				
Liverpool stock	143,000	91,000	131,000	259,000
London stock	30,000	26,000	33,000	40,000
Manchester stock	28,000	7,000	4,000	17,000
Continental stock	*12,000	*38,000	*96,000	*138,000
India afloat for Europe	10,000	24,000	57,000	17,000
Egypt, Brazil, &c. afloat	54,000	27,000	14,000	21,000
Stock in Alexandria, Egypt	213,000	72,000	19,000	142,000
Stock in Bombay, India	*584,000	1,009,000	731,000	724,000
Total East India, &c.	1,074,000	1,294,000	1,085,000	1,416,000
Total American	1,948,042	1,461,897	2,053,324	3,167,487
Total visible supply	3,022,042	2,755,897	3,138,324	4,583,487
Middling upland, Liverpool	20.36d.	19.35d.	8.57d.	5.53d.
Middling upland, New York	30.45c.	26.50c.	13.10c.	9.45c.
Egypt, good brown, Liverpool	33.92d.	32.10d.	12.58d.	8.66d.
Peruvian, rough good, Liverpool	39.06d.	20.00d.	13.75d.	10.90d.
Broad, fine, Liverpool	19.69d.	18.70d.	8.30d.	5.25d.
Tinnevely, Good, Liverpool	19.94d.	18.88d.	8.32d.	5.37d.

*Estimated. Continental imports for past week have been ----- bales. The above figures for 1918 show a decrease from last week of 123,428 bales, a gain of 266,145 bales over 1917, a decline of 116,282 bales from 1916 and a loss of 1,561,445 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 Aug. 2 1918.			Movement to Aug. 3 1917.		
	Receipts.	Shp-ments.	Stocks.	Receipts.	Shp-ments.	Stocks.
	Week.	Season.	Week.	Week.	Season.	Week.
Ala., Eufaula	---	---	1,061	---	---	5,920
Montgomery	---	---	81	4,402	8	799
Selma	---	---	53	434	32	177
Ark., Helena	200	50	400	1,885	---	339
Little Rock	2,857	1,950	765	16,048	110	1,260
Pine Bluff	500	100	1,187	19,500	170	790
Ga., Albany	---	---	---	1,678	7	3
Athens	260	60	3,199	12,930	423	1,878
Atlanta	1,000	200	1,890	20,000	192	75
Augusta	560	194	5,386	52,781	467	197
Columbus	---	---	211	3,600	15	5
Macon	126	50	493	8,021	240	170
Rome	---	---	---	3,500	---	458
La., Shreveport	433	100	801	11,652	1	676
Miss., Columbus	---	---	---	291	---	731
Clarksdale	---	---	---	500	17,000	---
Greenwood	125	30	1,110	20,000	100	60
Meridian	---	---	392	5,200	321	50
Natchez	---	---	---	2,374	---	1,242
Vicksburg	---	---	73	1,946	7	100
Yazoo City	---	---	285	8,300	---	1,500
Mo., St. Louis	3,011	1,154	3,849	13,700	12,837	11,620
N.O., Gr'naboro	100	25	400	9,200	200	75
Raleigh	---	---	---	70	50	30
O., Cincinnati	1,391	---	450	1,290	14,435	4,092
Okla., Ardmore	---	---	---	---	---	---
Chickasha	---	---	200	4,800	---	---
Hugo	---	---	---	42	---	18
Oklahoma	---	---	---	800	---	381
S.C., Greenville	500	100	1,000	17,000	400	200
Greenwood	---	---	770	3,745	---	1,384
Tenn., Memphis	9,287	1,985	16,415	321,260	6,702	28,430
Nashville	---	---	948	284	---	139,568
Tex., Abilene	---	---	---	63	---	2
Brenham	---	---	---	769	35	52
Clarksville	---	---	---	45	---	180
Dallas	439	50	755	4,667	1,495	700
Honey Grove	---	---	---	200	---	2,753
Houston	6,304	2,859	9,979	89,927	6,412	12,973
Paris	---	---	---	400	1,800	64
San Antonio	---	---	---	16	12	20
Total, 41 towns	27,000	9,367	54,512	692,616	33,123	18,712

The above totals show that the interior stocks have decreased during the week 27,512 bales and are to-night 348,824 bales more than at the same time last year. The receipts at all towns have been 6,123 bales less 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:

Aug. 2.	1918		1917	
	Week.	Since Aug. 1.	Week.	Since Aug. 1.
Shipped—				
Via St. Louis	3,849	1,149	13,385	11,592
Via Mounds, &c.	2,950	137	5,362	1,182
Via Rock Island	213	—	—	—
Via Louisville	318	—	975	105
Via Cincinnati	921	350	2,227	348
Via Virginia points	1,763	125	4,796	2,013
Via other routes, &c.	4,987	524	2,362	2,036
Total gross overland	15,001	2,285	29,007	17,276
Deduct shipments—				
Overland to N. Y., Boston, &c.	606	77	7,117	4,041
Between interior towns	1,382	486	2,478	1,314
Inland, &c., from South	9,243	895	4,627	3,198
Total to be deducted	11,231	1,458	14,222	8,553
Leaving total net overland *	3,770	827	14,785	8,723

* Including movement by rail to Canada.

The foregoing shows the week's net overland movement has been 3,770 bales, against 14,785 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 7,896 bales.

In Sight and Spinners' Takings.	1918		1917	
	Week.	Since Aug. 1.	Week.	Since Aug. 1.
Receipts at ports to Aug. 2	37,059	8,546	35,478	15,830
Net overland to Aug. 2	3,770	827	14,785	8,723
Southern consumption to Aug. 2	81,000	27,000	90,000	45,000
Total marketed	121,839	36,373	140,263	69,603
Interior stocks in excess	*27,512	±4,000	*38,853	±11,150
Came into sight during week	94,327	—	101,410	—
Total in sight Aug. 2	—	32,373	—	58,453
Nor. spinners' takings to Aug. 2	50,267	8,000	37,114	21,088

* Decrease during week. ± Less than Aug. 1. a These figures are consumption; takings not available.

Movement into sight in previous years:

Week—	Bales.	Since Aug. 1—	Bales.
1916—Aug. 4	117,328	1916—Aug. 4	56,630
1915—Aug. 6	85,691	1915—Aug. 6	70,155
1914—Aug. 7	81,859	1914—Aug. 7	61,859

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 Aug. 2.	Closing Quotations for Middling Cotton on—					
	Saturday.	Monday.	Tuesday.	Wed. day.	Thursd. y.	Friday.
Galveston	26.75	26.75	26.75	26.75	26.75	27.25
New Orleans	28.00	27.75	27.75	27.75	27.75	27.75
Mobile	28.50	27.75	27.50	27.50	27.25	27.50
Savannah	29.00	28.75	28.25	28.25	28.25	28.25
Charleston	30.00	—	29.00	29.00	29.00	29.00
Wilmington	23.00	—	28.00	28.00	28.00	29.00
Norfolk	28.00	27.75	28.00	28.00	28.00	29.00
Baltimore	29.00	29.00	28.50	28.50	28.50	29.00
Philadelphia	28.50	29.20	29.45	29.35	29.05	30.70
Augusta	29.00	29.00	29.00	29.00	29.00	30.00
Memphis	30.00	30.00	30.00	30.00	30.00	30.00
Dallas	—	25.50	25.95	25.60	26.30	26.85
Houston	26.50	26.50	26.50	26.10	26.50	27.00
Little Rock	28.00	27.50	27.50	27.50	27.50	28.00

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, July 27.	Monday, July 29.	Tuesday, July 30.	Wed. day, July 31.	Thursd. y, Aug. 1.	Friday, Aug. 2.
August	25.05-15	25.03-13	25.59-60	25.20-25	25.94-99	26.46-50
September	24.50-55	24.48-52	25.02-05	24.65-68	25.39-43	25.91-95
October	23.75-77	23.73-74	24.27-30	23.60-95	24.65-75	25.16-19
December	23.45-47	23.38-39	23.87-90	23.41-45	24.23-25	24.74-75
January	23.43-46	23.32-34	23.81-83	23.35-37	24.14-17	24.71-73
March	23.40-43	23.31-35	23.77-81	23.32-34	24.16-19	24.71-73
May	23.40-43	23.31-35	23.77-81	23.32-34	24.16-19	24.70-72
Spot	Quiet	Steady	Steady	Dull	Steady	Steady
Options	Steady	Steady	Steady	Steady	Steady	Steady

WEATHER REPORTS BY TELEGRAPH.—Reports to us by telegraph from the South this evening indicate that over much of the South needed rains have fallen, but in the Southwest dry weather has prevailed almost everywhere.

Galveston, Tex.—Droughty conditions still prevail over the State, although timely showers have occurred in northeastern and some central localities. The plant is suffering from lack of moisture and continued high temperatures and general deterioration has set in. Picking is in progress in central and southern districts. There has been rain on two days during the week, the precipitation reaching thirteen hundredths of an inch. The thermometer has averaged 85, the highest being 92 and the lowest 78.

Abilene, Tex.—The week's rainfall has been two hundredths of an inch, on one day. The thermometer has averaged 84, ranging from 66 to 102.

Brenham, Tex.—Dry all the week. The thermometer has ranged from 73 to 102, averaging 88.

Brownsville, Tex.—We have had rain on one day during the week, to the extent of twelve hundredths of an inch. Average thermometer 85, highest 102, lowest 68.

Cuero, Tex.—We have had rain on two days the past week, the rainfall being eighteen hundredths of an inch. The thermometer has averaged 86, the highest being 104 and the lowest 68.

Dallas, Tex.—It has been dry all the week. The thermometer has averaged 86, ranging from 76 to 96.

Henrietta, Tex.—There has been no rain during the week. The thermometer has ranged from 69 to 107, averaging 88.

Huntsville, Tex.—It has rained on one day of the week. Minimum thermometer 70, highest 97, average 84.

Kerrville, Tex.—There has been rain on one day of the week, to the extent of ten hundredths of an inch. The thermometer has averaged 81, the highest being 104 and the lowest 58.

Lampasas, Tex.—We have had rain on one day of the past week, the rainfall being two hundredths of an inch. The thermometer has averaged 89, ranging from 71 to 107.

Longview, Tex.—There has been no rain during the week. The thermometer has ranged from 75 to 102, averaging 89.

Luling, Tex.—It has rained on two days of the week, the rainfall reaching seventy hundredths of an inch. Minimum thermometer 65, highest 103, average 84.

Nacogdoches, Tex.—It has rained on one day of the week, the rainfall reaching sixty-one hundredths of an inch. The thermometer has averaged 86, the highest being 103 and the lowest 69.

Palestine, Tex.—There has been rain on one day of the week, to the extent of four hundredths of an inch. The thermometer has averaged 87, ranging from 72 to 102.

Paris, Tex.—Rain has fallen on one day during the week, the precipitation reaching seventeen hundredths of an inch. The thermometer has ranged from 70 to 108, averaging 89.

San Antonio, Tex.—The week's rainfall has been one inch and forty-four hundredths on two days. Average thermometer 64, highest 98, lowest 70.

Taylor, Tex.—It has rained on two days of the week, the rainfall reaching five hundredths of an inch. Minimum thermometer 72.

Weatherford, Tex.—It has been dry all week. The thermometer has averaged 87, ranging from 69 to 105.

Ardmore, Okla.—There has been no rain during the week. The thermometer has ranged from 67 to 105, averaging 86.

Muskogee, Okla.—There has been no rain during the week. Average thermometer 82, highest 105, lowest 59.

Oklahoma City, Okla.—We have had no rain the past week. The thermometer has averaged 83, the highest being 104 and the lowest 62.

Brinkley Ark.—We have had rain on one day of the past week, the rainfall being nineteen hundredths of an inch. The thermometer has averaged 79, ranging from 53 to 104.

Eldorado, Ark.—We have had rain on two days during the week, the rainfall being thirty hundredths of an inch. The thermometer has ranged from 64 to 104, averaging 84.

Little Rock, Ark.—The week's rainfall has been fifty-seven hundredths of an inch on one day. Average thermometer 83, highest 100 and lowest 65.

Alexandria, La.—There has been rain on one day during the week to the extent of thirty-three hundredths of an inch. The thermometer has ranged from 69 to 98, averaging 84.

New Orleans, La.—We have had a rainfall of forty-six hundredths of an inch during the week, on four days. Mean thermometer 82.

Shreveport, La.—We have had only a trace of rain on one day the past week. The thermometer has averaged 87, the highest being 102 and the lowest 73.

Columbus, Miss.—Rain has fallen on two days during the week, the precipitation reaching forty-four hundredths of an inch. The thermometer has averaged 80, ranging from 61 to 94.

Greenwood, Miss.—There has been rain on two days during the week, the rainfall being one inch and fourteen hundredths. The thermometer has ranged from 61 to 102, averaging 82.

Vicksburg, Miss.—We have had rain on four days during the week, to the extent of eighty-one hundredths of an inch. Average thermometer 79.9, highest 92, lowest 66.

Mobile, Ala.—Light rains in the interior. Picking is getting under way. Shedding is reported in some localities. It has rained on four days of the week, the rainfall reaching two inches and twenty-eight hundredths. The thermometer has averaged 78, the highest being 90 and the lowest 70.

Montgomery, Ala.—The week's rainfall has been one inch and fifty hundredths on three days. The thermometer has averaged 80, ranging from 70 to 90.

Selma, Ala.—Rain has fallen on five days during the week, the rainfall being one inch and fifty-eight hundredths. Average thermometer 77.5, highest 90, lowest 68.

Madison, Fla.—We have had rain on five days the past week, the rainfall being one inch and twenty-seven hundredths. The thermometer has averaged 81, the highest being 93 and the lowest 69.

Tallahassee, Fla.—Rain has fallen on five days during the week, the precipitation reaching eighty-nine hundredths of an inch. The thermometer has averaged 82, ranging from 69 to 94.

Atlanta, Ga.—There has been rain on five days during the week, to the extent of fifty-eight hundredths of an inch. The thermometer has averaged 76, the highest being 85 and the lowest 66.

Augusta, Ga.—The week's rainfall has been fifty-eight hundredths of an inch, on four days. The thermometer has averaged 80, ranging from 68 to 91.

Savannah, Ga.—We have had rain on six days of the past week, the rainfall being fifty hundredths of an inch. The thermometer has averaged 78, the highest being 90, and the lowest 68.

Charleston, S. C.—We have had rain on six days of the past week, the rainfall being two inches and forty-three hun-

dreaths. Thermometer has averaged 78, ranging from 71 to 87.

Greenwood, S. C.—Rain has fallen on four days during the week, the precipitation reaching two inches and seventy-three hundredths. The thermometer has averaged 76, ranging from 66 to 86.

Spartanburg, S. C.—We have had rain on six days of the past week, the rainfall being one inch and seventy-nine hundredths. The thermometer has averaged 77, ranging from 65 to 89.

Charlotte, N. C.—Cotton is progressing splendidly. We have had rain on four days the past week, the rainfall being fifty-two hundredths of an inch. The thermometer has averaged 76, ranging from 66 to 87.

Weldon, N. C.—We have had rain on five days the past week, the rainfall being one inch and ninety-five hundredths. The thermometer has averaged 76, the highest being 91 and the lowest 60.

Dyersburg, Tenn.—The precipitation during the week reached forty hundredths of an inch. The thermometer has averaged 77, ranging from 58 to 95.

Memphis, Tenn.—Some sections need rain but generally the crop is progressing well. There has been rain on one day during the week, to the extent of sixty-seven hundredths of an inch. The thermometer has ranged from 65 to 96, averaging 81.

THE AGRICULTURAL DEPARTMENT'S AUGUST REPORT.—The following statement, showing the condition of cotton on July 25, was issued by the Department of Agriculture on Aug. 1:

The Crop Reporting Board of the Bureau of Crop Estimates of the United States Department of Agriculture estimates, from the reports of the correspondents and agents of the Bureau, that the condition of the cotton crop on July 25 was 73.6% of a normal, as compared with 85.8 on June 25 1918, 70.3 on July 25 1917, 72.3 on July 25 1916 and 77 the average on July 25 of the past ten years.

A condition of 73.6 on July 25 forecasts a yield per acre of about 177.3 pounds and a total production (allowing 1% from planted area for abandonment) of about 13,810,000 bales. That is, the final outcome will probably be larger or smaller than this amount, according as conditions hereafter are better or worse than average conditions. Last year's production was 11,300,254 bales, two years ago 11,449,930, three years ago 11,191,820 and four years ago 16,134,930.

Comparisons of conditions, by States, follow:

State	July 25 1918.	July 25 1917.	July 25 1916.	July 25 1915.	10-Year Avege.	Change June 25 1917.	Change June 25 1918.
Virginia	75	85	75	87	79	84	-10
No. Caro.	87	91	65	70	78	77	-4
So. Caro.	80	83	74	65	72	76	-3
Georgia	77	80	69	65	72	77	-3
Florida	70	79	80	62	78	80	-9
Alabama	78	84	65	54	71	74	-6
Mississippi	81	90	73	65	76	74	-9
Louisiana	65	87	74	77	75	75	-22
Texas	61	84	68	78	76	78	-23
Arkansas	77	91	71	85	80	80	-14
Tennessee	86	94	71	82	85	81	-8
Missouri	93	93	78	80	83	82	-0
Oklahoma	75	90	77	84	89	79	-15
California	95	93	94	100	96	*98	+2
Arizona	95	96	88				+1
U. S.	73.6	85.8	70.3	72.3	75.4	77.0	-12.2

*Eight-year average.

The following shows the condition on July 25 for a series of years:

Year	Condition	Year	Condition	Year	Condition	Year	Condition
1918	73.6	1911	89.1	1904	91.6	1897	86.9
1917	70.3	1910	75.5	1903	79.7	1896	70.1
1916	72.3	1909	71.9	1902	81.3	1895	77.9
1915	75.4	1908	83.0	1901	77.2	1894	91.3
1914	76.4	1907	75.0	1900	76.0	1893	80.4
1913	79.5	1906	52.9	1899	84.0	1892	82.3
1912	76.5	1905	74.9	1898	91.2	1891	88.9

WORLD'S SUPPLY AND TAKINGS OF COTTON.—The following brief but comprehensive statements indicate at a glance the world's supply of cotton for the week and since Aug. 1 for the last two seasons, from all sources from which statistics are obtainable: also the takings, or amounts gone out of sight, for the like period.

Cotton Takings. Week and Season.	1918.		1917.	
	Week.	Season.	Week.	Season.
Visible supply July 26	3,145,470		2,851,929	2,814,776
Visible supply Aug. 1		3,097,450		
American in sight to Aug. 2	94,327	32,373	101,410	58,453
Bombay receipts to Aug. 1	945,000	5,000	51,000	10,000
Other India shipments to Aug. 1			4,000	1,000
Alexandria receipts to July 31	55,000		1,000	
Other supply to July 31	56,000		2,000	1,000
Total supply	3,295,797	3,104,823	3,010,339	2,885,229
Deduct—				
Visible supply Aug. 2	3,022,042	3,022,042	2,755,897	2,755,897
Total takings to Aug. 2a	273,755	82,781	254,442	129,332
Of which American	197,755	73,781	190,442	116,332
Of which other	76,000	9,000	64,000	13,000

* Embra receipts in Europe from Brazil, Smyrna, West Indies, &c. a This total embraces the estimated consumption by Southern mills since Aug. 1, 27,000 bales in 1918 and 45,000 in 1917—takings not being available—and the aggregate amounts taken by Northern and foreign spinners, 55,781 bales in 1918 and 74,482 bales in 1917, of which 46,781 and 61,482 bales American. b Estimated.

COTTON CROP CIRCULAR.—Our Annual Cotton Crop Review will be ready in circular form about Thursday, Aug. 22. Parties desiring the circular in quantities, with their business card printed thereon, should send in their orders as soon as possible to ensure early delivery. Publication of this annual review has been deferred this year to a somewhat later date (after the close of the cotton season) than has been our usual practice, in order to afford more time for the investigation of the situation at home and abroad.

DOMESTIC EXPORTS OF COTTON MANUFACTURES.—We give below a statement covering the exports of domestic cotton manufactures for May and for the eleven months ended May 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 May 31.		11 Mos. ending May 31.	
	1918.	1917.	1917-18.	1916-17.
Piece goods.....yards.	48,469,395	62,839,389	639,285,307	618,443,990
Piece goods.....value.	\$8,945,702	\$7,215,322	\$94,101,063	\$83,932,886
Wear'g apparel, knit goods, val.	1,350,318	1,142,017	13,835,274	18,566,628
Wearing apparel, all other, val.	1,166,824	1,120,241	9,929,347	11,985,517
Mill waste.....value.	1,070,149	433,262	8,425,022	5,541,932
Yarn.....value.	864,380	492,776	6,880,979	4,717,432
All other.....value.	2,272,090	1,635,220	20,114,606	19,510,272
Total manufactures of value.	\$15,607,463	\$12,038,838	\$154,284,321	\$122,274,671

SAVANNAH'S FIRST NEW BALE.—The first bale of cotton of the crop of 1918-19 to reach Savannah arrived there on July 29th from Seminole County, Fla. It classed strict middling, well prepared, and sold at 40c. per lb. Last year the first new bale was received on July 27th.

EXPORTS OF COTTON GOODS FROM GREAT BRITAIN.—Below we give the exports of cotton yarn, goods, &c., from Great Britain for the month of June 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.
	lbs.	lbs.	yards.	yards.	lbs.	lbs.	lbs.	lbs.
August	18,766	17,750	469,083	424,317	87,679	79,312	106,445	97,062
Sept.	11,074	16,486	420,448	461,697	78,671	86,298	89,745	102,784
October	12,272	15,674	382,821	356,229	71,555	72,192	83,827	87,866
1st quar.	42,122	49,910	1,272,352	1,272,243	337,905	237,802	280,017	287,712
Nov.	9,029	14,785	394,487	340,500	73,736	63,645	83,865	78,430
Dec.	9,541	13,924	352,912	409,361	66,965	93,320	75,506	106,344
Jan.	10,244	16,424	400,612	469,584	74,881	93,361	85,225	109,785
2d quar.	29,814	44,233	1,148,011	1,339,345	214,582	250,326	244,396	294,559
Feb.	7,151	11,975	363,002	330,125	64,251	61,705	71,402	73,680
March	11,088	12,906	392,973	444,328	56,631	83,052	67,719	96,048
April	8,765	10,298	392,366	347,140	73,340	64,888	82,098	75,184
3d quar.	26,997	35,269	1,058,343	1,121,593	194,222	209,643	221,219	244,912
May	10,306	12,001	403,191	473,567	75,363	88,517	85,699	100,518
June	12,370	14,232	363,246	394,594	67,897	73,943	80,267	88,175
Stockings and socks							1,450	1,954
Sundry articles							43,113	43,662
Total exports of cotton manufactures							956,131	1,061,492

The foregoing shows that there have been exported from the United Kingdom during the eleven months 956,131,000 pounds of manufactured cotton, against 1,061,492,000 pounds last year, a decrease of 105,361,000 pounds.

BOMBAY COTTON MOVEMENT.

July 11. Receipts at—	1917-18.		1916-17.		1915-16.	
	Week.	Since Aug. 1.	Week.	Since Aug. 1.	Week.	Since Aug. 1.
Bombay	47,000	1,862,000	62,000	2,900,000	26,000	3,121,000

ALEXANDRIA RECEIPTS AND SHIPMENTS.

Alexandria, Egypt, July 10.	1917-18.	1916-17.	1915-16.
Receipts (cantars)—			
This week	15,835	4,907	1,868
Since Aug. 1	6,035,602	5,058,898	4,606,633

Exports (bales)—	1917-18.		1916-17.		1915-16.	
	Week.	Since Aug. 1.	Week.	Since Aug. 1.	Week.	Since Aug. 1.
To Liverpool		219,802	5,329	214,726	2,731	213,585
To Manchester		260,406		131,609		137,299
To Continent and India.	3,026	85,843	250	132,598	4,395	182,129
To America		75,420		120,731		730,193,788
Total exports	3,026	641,471	5,579	509,664	7,856	726,801

Note.—A cantar is 99 lbs. Egyptian bales weigh about 750 lbs. The statement shows that the receipts for the week ending July 10 were 15,835 cantars and the foreign shipments were 3,026 bales.

MANCHESTER MARKET.—Our report by cable from Manchester to-night states that the market is strong with an active demand from India, mainly for light goods. We give prices for to-day below and leave those for previous weeks of this and last year for comparison:

	1918.					1917.				
	32s Cop. Trolst.	8 1/4 lbs. Shirts (ings Common to finest.)	Col'n Mid. Upl's	32s Cop. Trolst.	8 1/4 lbs. Shirts (ings Common to finest.)	Col'n Mid. Upl's	32s Cop. Trolst.	8 1/4 lbs. Shirts (ings Common to finest.)	Col'n Mid. Upl's	32s Cop. Trolst.
June 14	47 1/4 @ 51	23 4 1/2 @ 30 1 1/2	21 58 1/2	47 1/4 @ 51	23 4 1/2 @ 30 1 1/2	21 58 1/2	47 1/4 @ 51	23 4 1/2 @ 30 1 1/2	21 58 1/2	47 1/4 @ 51
21	48 1/4 @ 51 1/4	24 0 @ 32 0	22 10 3/4	48 1/4 @ 51 1/4	24 0 @ 32 0	22 10 3/4	48 1/4 @ 51 1/4	24 0 @ 32 0	22 10 3/4	48 1/4 @ 51 1/4
28	49 1/4 @ 52	24 0 @ 32 0	22 59 2 1/4	49 1/4 @ 52	24 0 @ 32 0	22 59 2 1/4	49 1/4 @ 52	24 0 @ 32 0	22 59 2 1/4	49 1/4 @ 52
July 5	49 1/4 @ 52	24 0 @ 32 0	22 29 2 1/4	49 1/4 @ 52	24 0 @ 32 0	22 29 2 1/4	49 1/4 @ 52	24 0 @ 32 0	22 29 2 1/4	49 1/4 @ 52
12	49 1/4 @ 52	25 0 @ 33 0	22 04 3/4	49 1/4 @ 52	25 0 @ 33 0	22 04 3/4	49 1/4 @ 52	25 0 @ 33 0	22 04 3/4	49 1/4 @ 52
19	49 1/4 @ 52	25 1 1/4 @ 33 1 1/4	22 09 3/4	49 1/4 @ 52	25 1 1/4 @ 33 1 1/4	22 09 3/4	49 1/4 @ 52	25 1 1/4 @ 33 1 1/4	22 09 3/4	49 1/4 @ 52
26	49 @ 51 1/2	25 1 1/4 @ 33 1 1/4	20 63 2 1/4	49 @ 51 1/2	25 1 1/4 @ 33 1 1/4	20 63 2 1/4	49 @ 51 1/2	25 1 1/4 @ 33 1 1/4	20 63 2 1/4	49 @ 51 1/2
Aug. 2	40 1/4 @ 52	25 1 1/2 @ 33 1 1/2	20 39 2 1/4	40 1/4 @ 52	25 1 1/2 @ 33 1 1/2	20 39 2 1/4	40 1/4 @ 52	25 1 1/2 @ 33 1 1/2	20 39 2 1/4	40 1/4 @ 52

LIVERPOOL.—By cable from Liverpool we have the following statement of the week's sales, stocks, &c., at that port:

	July 12.	July 19.	July 26.	Aug. 2.
Sales of the week	6,000	5,000	7,000	4,000
Of which speculators took				
Of which exporters took				
Sales, American	3,000	3,000	3,000	2,000
Actual export				
Forwarded	43,000	43,000	52,000	30,000
Total stock	257,000	269,000	270,000	232,000
Of which American	80,000	92,000	107,000	89,000
Total imports of the week	50,000	65,000	57,000	5,000
Of which American	27,000	39,000	39,000	5,000
Amount afloat	114,000	95,000	69,000	85,000
Of which American	81,000	59,000	50,000	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.	Quiet.	Quiet.	Quiet.
Mid. Up'ds		20.34	20.30	20.34	20.32	20.39
Good Mid. Uplands		20.97	20.83	20.97	20.95	21.02
Sales	HOLIDAY.	1,000	1,000	1,000	1,000	1,000
Futures, Market opened		Quiet, unchanged to 8 pts. adv. on new	Quiet, 3@10 pts. advance on new	Steady, 8@14 pts. advance on new	Easy, 15@19 pts. decline	Steady, 40@48 pts. advance
Market, 4 P. M.		Quiet, 12@24 pts. dec. on new, 19 pts. on old.	Quiet, 19@36 pts. adv. on new, 26 pts. on old.	Quiet, 1 pt. adv. to 11 pts. on new.	Quiet, 13@32 pts. decline	Steady, 73@82 pts. advance

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.

July 17 to Aug. 2.	Sat.		Mon.		Tues.		Wed.		Thurs.		Fri.	
	12 1/4	12 1/2	12 1/4	12 1/2	12 1/4	12 1/2	12 1/4	12 1/2	12 1/4	12 1/2	12 1/4	12 1/2
New Contracts	d.											
July	20.89	20.70	20.80	20.39	21.04							
August	19.90	19.69	19.79	19.96	20.03	19.85	19.68	19.53	20.09	20.35		
September	19.34	19.12	19.20	19.41	19.51	19.41	19.25	19.23	19.69	19.96		
October	19.00	18.80	18.93	19.11	19.21	19.11	18.96	18.97	19.29	19.70		
November	18.73	18.53	18.69	18.89	19.00	18.90	18.76	18.77	19.19	19.51		
Old Contract—July	19.19	19.09	19.05	19.35	19.19			18.56	nom	19.02	19.34	

BREADSTUFFS.

Friday Night, Aug. 2 1918.

Flour has remained quiet as many buyers have their thirty days' supply on hand. Many, too, await increased stocks of new flour. At the moment the supply here is undoubtedly light. The market is particularly slow for soft winter wheat flour and prices if anything have been somewhat weaker, especially for this particular description. Mills are less inclined to insist on sales on sight-draft. The increasing percentage of the business is being done on arrival-draft basis. Nobody looks for any real shortage of flour here; the new crop is too near at hand. Besides there is known to be a large quantity of flour on the way to New York. Some of it is near at hand. Meanwhile it is plain, as already intimated, that the trade here has for the most part provided for its thirty days' requirements in accordance with the rules of the Food Administration. Last year under the plan of using substitutes New York consumed 350,000 barrels. A Washington dispatch to-day says that for having on hand more flour than Food Administration regulations permit, the Horlick Malted Milk Co. has contributed \$50,000 worth of its products to the army and navy, according to an announcement by the Food Administration. The surplus stocks of flour have been surrendered, it was announced, and the company, after admitting its fault, has agreed to observe Food Administration regulations in the future.

Wheat receipts at primary points have latterly been large. For instance, on a single day they were no less than 3,861,000 bushels, as against 962,000 on the same day last year. To all appearances, too, there is a good deal of export business being done here. No. 2 red winter has been selling, it appears, at \$2 34 1/2 on track at New York to arrive. Crop reports in the main have been favorable; so favorable, indeed, that hotels, restaurants and railroads are relieved of their pledge to abstain from the use of wheat flour. This went into effect on the 1st inst. Harvesting is in progress in northern California, and both quality and quantity are satisfactory. This applies also to barley and rice. In Oregon harvesting is well under way. Foreign crops look well. Some reports even say that Russia will have a better harvest than at one time seemed probable. In the United Kingdom the weather has been generally good in spite of some complaints from central England. Reports from the south of England, however, are encouraging. British reports also point out that shipments from North America this week increased. Much of it was cleared from Canada in the shape of flour. In Argentina, though the weather has been cold, and rain is needed in some parts, the agricultural outlook is still very promising. Also the question of ships looks more promising. Certainly there are further arrivals of tonnage at Argentine

ports, whereby, of course, shipments will be facilitated. In France good rains distributed over a wide area were very beneficial. Winter wheat, rye, barley and oats look very favorable there. Average yields for most of the grain crops now seem assured. And France has now fairly satisfactory supplies of grain on hand. In Italy harvesting is progressing rapidly. It is favored by clear weather. Early threshing is satisfactory, both as to quantity and quality. Private estimates indicate a yield of about 164,000,000 bushels, as against 140,000,000 bushels last year and 179,000,000 in 1916. The area sown was approximately 10,868,000 acres, against 10,552,000 in 1917 and 11,880,000 in 1916. Holland to all appearance will have normal crops. In Spain harvesting is well under way and fair yields are indicated. Clear weather favors harvesting and considering the earlier indications the general outlook is described as satisfactory. In Algeria the yield per acre is larger than last year when the area sown was smaller. On the whole the world wheat situation is distinctly better than it was a year ago. August liquidation was at one time a feature. It was due to the regulations which make it necessary for all those who accept delivery to have a grain dealer's license issued by the Food Administration. Those without such license are forced to liquidate before the first of the month. Clement, Curtis & Co. crop report puts the condition of spring wheat at 78.8 indicating a crop of 318,711,000 bushels. Total 911,159,000, against the Government estimate of 890,930,000 July 15. There is a probability of an improvement in spring wheat on account of recent rains. Canadian reports show about 200,000,000 bushels wheat on the increased acreages, compared with 211,000,000 in prairie provinces last month. To-day a good export and domestic business was reported in this country, but the receipts at the principal primary points were no less than 2,876,000 bushels.

DAILY CLOSING PRICES OF WHEAT IN NEW YORK.

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
No. 2 red	237 1/2	237 1/2	237 1/2	237 1/2	237 1/2	237 1/2
No. 1 spring	240 1/2	240 1/2	240 1/2	240 1/2	240 1/2	240 1/2

Indian corn advanced, partly owing to a falling off in the interior movement and the firmness of the Western cash markets. On the 30th inst. they advanced 5 cents on a better demand. Exporters were understood to be in the market. Liverpool has reported arrivals rather light, and American export offerings maintained firm prices. It regards the recent American shipments as somewhat disappointing in point of quantity. At the same time, Liverpool reports the Continental demand less active, and Argentine holders offering good quality of corn more freely. From Argentina there have been reports of greater activity in corn and some demand from exporters. Clement, Curtis & Co. put the corn crop condition in the United States at 78.8, indicating 3,008,000,000, compared with the Government estimate of 87.1 and 3,160,000,000 bushels last month. They say that the decrease in corn was in Southern and Southwestern States, Missouri and Southern Illinois, with some damage in dry area in the Eastern States. On the other hand, rains early in the week caused heavy liquidation in corn. Good rains occurred in Kansas, Missouri, Illinois and Ohio. Also the visible supply figures are now up to 10,092,000 bushels, as against only 3,144,000 bushels a year ago. The rains broke up the hot wave in the Southwest, and had a depressing effect at one time. Favorable war news also caused more or less selling. Early in the week, too, receipts were liberal. And it is said that the crop is several weeks nearer maturity than it was a year ago. As for the crop, some private reports say that, taking conditions generally over the belt the past month, they could hardly have been improved. Some local sections have been more or less injured by hot dry weather. But the point is made that in the big surplus States conditions have latterly been improving. And although receipts at primary points have at times been smaller than last week, they have kept ahead of last year. To-day prices advanced. They are higher for the week.

DAILY CLOSING PRICES OF CORN IN NEW YORK.

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
No. 3 yellow	183 1/4	183 1/4	183 1/4	183 1/4	193 1/4	193 1/4

DAILY CLOSING PRICES OF CORN FUTURES IN CHICAGO.

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
Aug. del. in elev. (new contract)	155 1/4	152 1/4	154 1/4	153 1/4	155 1/4	157 1/4
Sept. del. in elev. (new contract)	159 1/4	153 1/4	155 1/4	154 1/4	157 1/4	159 1/4

Oats declined, mainly owing to rains in Canada. At Winnipeg, also, prices dropped. The Canadian crop in the main has been benefited by recent rains. And from some of the chief oats States in this country the reports are very favorable. It is believed that oats prices would have gone lower but for the firmness of corn. Offerings of new oats are reported to be increasing. From now on the movement from the farms is expected to grow larger and larger. The Eastern cash demand has been slow. And it appears that for the most part export demand has been absent. Not a few think that foreign requirements for the time being are filled. Exporters, too, were in some cases awaiting more definite knowledge as to the quality of the crop. On the other hand, it was said that early in the week about 500,000 bushels of old oats were taken by exporters for August shipment. In Liverpool there has been an active spot demand. Clearances from America have latterly decreased somewhat. But in Liverpool there is a fair export demand at firm prices. Foreign interests there are absorbing Argentine shipments on a liberal scale. The

Continental demand is steadily increasing. At the same time larger arrivals at Liverpool are noted, and there has been some increase in the allocations. Clement, Curtis & Co. state the condition as 81.7, indicating 1,400,000,000 bushels, against the Government estimate of 85.5 and 1,437,000,000 bushels last month. To-day prices advanced slightly and then reacted. They are a little lower for the week. Receipts of new crop are increasing.

DAILY CLOSING PRICES OF OATS IN NEW YORK.

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
Standards	85 1/4	84 1/4	83 1/2	83 1/2	84 1/4	83 1/2
No. 2 white	85 1/4	84 1/4	83 1/2	84	84 1/4	83 1/2

DAILY CLOSING PRICES OF OATS FUTURES IN CHICAGO.

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
Aug. del. in elev. (new contract)	70 1/4	69 1/4	69	68 1/2	69 1/4	69 1/4
Sept. del. in elev. (new contract)	69 1/4	68 1/4	68 1/4	68 1/4	68 1/4	68 1/4

The following are closing quotations:

FLOUR		GRAIN	
Spring	\$11 30 @ \$11 50	Wheat—	
Winter	10 90 @ 11 25	No. 2 red	\$2 37 1/2
Kansas	11 25 @ 11 40	No. 1 spring	2 40 1/2
Rye flour	9 75 @ 11 25	No. 1 Northern	2 37 1/2
Corn goods, all sacks 100 lbs.		Corn—	
White	\$4 85 @ \$5 25	No. 3 mixed	1 70
Boiled	4 00 @ 4 75	No. 2 yellow	1 98 1/2
Corn flour	5 00 @ 5 25	No. 3 yellow	1 88 1/2
Corn starch, per lb.	6 1/4 @ 6c.	No. 4 yellow	1 55 @ 1 56
Rice flour, spot and to arrive	per lb. 10 @ 10 1/2c.	Argentine	nom.
Barley flour (to arrive)	\$9 60 @ 10 25		
Tapoca flour	nom.	Oats—	
Hominy	\$5 00 @ \$5 25	Standard	84 @ 84 1/2
Yellow granulated	4 75 @ 4 95	No. 2 white	84 1/2
Barley goods—Portage barley:		No. 3 white	83 1/2 @ 84
No. 1	\$7 00	No. 4 white	83 @ 83 1/2
Nos. 2, 3 and 4	6 25	Barley—	
Nos. 2-0 and 3-0	7 00	Peeding	\$1 20 @ 1 25
No. 4-0	7 25	Malting	1 30 @ 1 35
Coarse, Nos. 2, 3 and 4	4 75	Rye—	
Oats goods—Carload, spot delivery	9 70	Western	1 71

For other Investment News, see page 475.

WEATHER BULLETIN FOR THE WEEK ENDING JULY 30.—The influences of weather on the crops as summarized in the weather bulletin issued by the Department of Agriculture for the week ending July 30 were as follows:

COTTON.—The continued showery weather and moderate temperature in eastern portions of the cotton belt were favorable for growth and cotton made satisfactory advancement in most of that part of the belt. West of the Mississippi River, however, dry weather and high temperatures continued, which intensified the lack of moisture previously reported for nearly the whole of this area. Cotton made good to excellent advancement in the Carolinas and the plants are fruiting well generally in these States. Fairly good growth was made in Georgia, but there are some complaints of shedding, while satisfactory progress is reported from the other States east of the Mississippi. The plants are small in Alabama, and there are complaints of shedding the premature top blooming, but the crop is fruiting satisfactorily. In Arkansas and Louisiana good advancement was made where rain occurred, but little progress is noted in many localities of these States. The crop made no growth in Oklahoma on account of continued drought, and the plants are shedding and blooming at the top; cotton in this State continues in fair condition, however, except in the southwest portion. The unfavorable conditions previously reported in Texas were intensified during the week and growth has stopped in that State; the plants are small, shedding, prematurely blooming at the top, and the bolls are opening too rapidly. Weevil continues generally inactive, except in southern Georgia, where these pests, together with red spiders, are doing considerable damage. Local damage from red spiders is also reported from many localities in North Carolina, but the rains checked their activity in that State. Cotton is being picked in central Florida and this work is progressing satisfactorily in central and southern Texas, while early bolls are opening in other portions of the Gulf Coast section.

WINTER WHEAT.—Winter wheat harvest is well advanced in the more northern districts and progressing in higher elevations of the Rocky Mountain and plateau States. Some delay in this work was caused by rains in the northern plains region, and also in the far Northwest, but elsewhere favorable conditions prevailed. Threshing is progressing satisfactorily generally, with mostly good to excellent yields and a good quantity of grain, except in portions of the far Northwest, where the yield is disappointing, which condition has been heretofore indicated in this bulletin. This work is well advanced or completed in the principal wheat-growing areas of the country, and no complaints have been received of damaged grain by unfavorable weather. Plowing for next year's crop is progressing in central districts.

SPRING WHEAT.—The good showers in many localities from the western portions of the Dakotas westward improved the condition of late spring wheat, and the general outlook is now better in this area. The eastward harvest progressed satisfactorily in most localities, although rains caused some delay in this work in the Dakotas, Wisconsin and northern Iowa, and some local damage to the crop resulted in South Dakota. The general outlook continues favorable in the large producing areas, although rust has appeared in the west central counties of Minnesota and locally in Iowa. Harvesting was begun during the week well toward the northern limits of the spring wheat belt, and this work is in progress in the central Rocky Mountain States, and also at the lower elevations of the northern plateau and Pacific Coast districts. Threshing is progressing under generally favorable weather conditions in the southern portions of the belt.

CORN.—Dry weather and high temperatures prevailed during the week in most sections from Missouri and central Kansas southward, and as a result corn was unfavorably affected. In Texas late corn is a failure, except in a few localities where timely rain occurred. It is in very poor condition generally in Oklahoma and much of Arkansas, while the condition is critical in Kansas; it made good to excellent advancement in northeast and east central counties, but very poor in extreme southeastern Kansas. The growth is very poor generally in Missouri. There are a few other places in Central and Eastern States where corn was unfavorably affected by lack of moisture, but in general from Nebraska northward and eastward and from Illinois, Indiana and Ohio southward the weather conditions were more favorable, and corn made satisfactory development. It is sowing and caring nearly to the northern limit of the country. Fodder pulling is under way in the Southern States, and early corn is nearly matured in Arkansas.

OATS.—Oats are ripening in the Rocky Mountain districts and the high localities to the westward under favorable conditions. Timely rains and cooler weather in the far Northwest were very beneficial to late oats, and considerable improvement is noted in that section. East of the Rocky Mountain oats are maturing and harvest is progressing well to the northern limits of the country. This work was begun during the past week in the southern portion of New England, New York and northern Pennsylvania. Harvest was delayed somewhat and some lodging occurred from high winds and rain in northern Iowa and southern Wisconsin. Oats show short straw in Michigan, but the heads are well filled in that State and the outlook continues excellent in the Northwestern States. Threshing is favorably progressing with resulting good yields in the central districts. Rye harvest is advancing in the mountain districts of the West; elsewhere it is about completed, with generally good yields, except in portions of the far Northwest, where dry weather has persisted.

BARLEY.—Barley harvest in the elevated districts is progressing satisfactorily, and threshing is going forward elsewhere. This grain is yielding better than expected in the far Northwest.

RICE.—Rice continues in good condition in Arkansas and is doing very well in Louisiana, except where too dry locally in the southwest portion. This crop is still in fair to excellent condition in Texas and the outlook continues promising in California.

THE DRY GOODS TRADE.

New York, Friday Night, Aug. 2 1918.

The dry goods trade is gradually adjusting itself to the new conditions brought about by Government control of the industry, and there are many indications of returning activity. Buyers are more anxious to place orders, and if sellers were disposed to accept them, a large business could be transacted. While official fixed prices have been announced on most fabrics, there are a few descriptions remaining to be decided upon. Generally speaking, the prices named are considered satisfactory, although a few of the quotations are looked upon as being too low and there is a probability of these being readjusted. It is the opinion of many in the trade that the Government desired to encourage increased production of certain fabrics by naming high prices, and to discourage the output of other qualities by naming low prices. Aside from developments in connection with the Government control, nothing of special interest has transpired in the markets for dry goods during the past week. There has been an improved inquiry for delivery during the last quarter of the year, but manufacturers are slow about accepting contracts so far ahead, as they are uncertain regarding the revision of prices which is scheduled to take place in October next. While it is believed that prices will be revised downward, this assumption is based entirely upon the raw material situation. Late reports regarding the crop, according to the Agricultural Department, are not encouraging. August and September weather conditions usually play a very important part in determining the size of the ultimate yield of the cotton crop, so there are possibilities of marked changes in the outlook during the next sixty days. While the price and supply of raw material are the principal factors governing the fixing of prices for the manufactured product, there are other conditions which have to be taken into consideration, such as cost of labor, etc. Mills are reporting an increased number of cancellations of old orders, due to claims of non-delivery, but it is believed that buyers are desirous of taking advantage of the lower fixed prices. Those who are canceling their orders are likely to encounter difficulty when they attempt to make re-purchases. Jobbers report a more active trade, as many have commenced to reduce their prices to accord with the fixed levels. The basis of profit for the jobbers, however, has not as yet been officially decided upon, so there are some who hesitate to revise their quotations as any downward revision will result in loss. The export division of the market remains quiet.

DOMESTIC COTTON GOODS.—More activity has been noted in the markets for staple cottons. While many cancellations of old orders are taking place, sellers are endeavoring to re-purchase at the lower levels fixed by the Government and are willing to take their chances as regard delivery. Mills, on the other hand, are discouraging all such business, and many of those who have canceled their orders are being compelled to go elsewhere to replenish their stocks. Government buying continues heavy, and further large orders for sheetings and pillow casings have been placed. There has also been a good inquiry for brown sheetings, and many buyers have been obliged to seek supplies from second hands, as manufacturers are sold up and unable to accept additional orders. All heavy goods are virtually out of stock, with mills sold so far ahead that they are not in a position to take on any new business. In fact, they are discouraging business for civilian account wherever possible. Finished goods have been more active as regards both bleached and colored goods. Manufacturers are refusing to accept new business, and as a result buyers are gradually withdrawing from the market. Gray goods 33 1/2-inch standard are quoted at 16 1/4c.

WOOLEN GOODS.—In the market for woollens and worsteds it is becoming more evident that a larger amount of manipulated fabrics will have to be turned out by manufacturers than ordinarily in order to conserve the supply of raw wool. There have been no openings worth mentioning of fabrics for next spring, but it is reported that there is a possibility of some lines in the men's wear trade being shown in the near future. A few openings are also scheduled for the dress goods markets, but it is likely that the goods will be sold quietly and to reliable customers in order to avoid speculation. The Government has not as yet released any wool for the manufacture of goods for civilian use, but is expected to within the next few weeks.

FOREIGN DRY GOODS.—As stocks of pure linens are dwindling and arrivals small, business in imported fabrics continues to decrease. As a result of these conditions more attention is being devoted to substitutes, demand for which is growing. There has been active buying of these for army and navy use. Heretofore most of the Government specifications for table and bedding supplies called for pure linen, but, owing to the growing scarcity of the latter, substitutes are now being taken. Civilian demand is also increasing, and merchants handling linen substitutes report business exceeding expectations. According to advices from abroad, the outlook for the flax crop is improving, but most of the production will be conserved for military requirements. Burlap markets remain inactive and without feature. Light weights are quoted unchanged at 19.25c. and heavy weights at 24.50c.

STATE AND CITY DEPARTMENT.

MUNICIPAL BOND SALES IN JULY.

Compared with the month of June, when \$26,637,833 municipal securities were placed, the output for July shows a considerable falling off, there being only \$18,542,188 reported sold to date, making a total for the seven months in 1918 of \$163,603,435 as against \$314,407,599 for the same period in 1917. The aggregate for last month is the lowest for July since 1907, when only \$16,352,457 bonds were contracted for. In July 1917 the sales of municipal long-term issues amounted to \$92,828,499, but included therein were \$55,000,000 New York City obligations. Prices for New York City issues, which previously were on the rise, have been receding during the past few weeks. For instance, the 4½s, due 1965, which have been very active since April, sold on July 3 at 101½, a basis of 4.41%, but are now dealt in at around par.

Among dealers in municipal issues opinion appears to be divided as to the reason for the slight decline, one view being that municipal obligations must be regarded as having reached their zenith for the present, at least, while others say the change must be attributed to the possibility that the Fourth Liberty Loan, the campaign for which it is announced will be launched on Sept. 28 and continue until Oct. 19, may contain more liberal tax-exempt features than did the last two issues.

The largest blocks of long-term bonds placed during July were by the Port Commission of the State of Louisiana and the Sanitary District of the city of Chicago. The former disposed of \$2,500,000 5% bonds for the development of its waterways and river fronts, to a syndicate, consisting of Halsey, Stuart & Co., and the Wm. R. Compton Co., which is now offering these bonds to investors on a 4.85% basis, according to maturity. The latter placed \$2,000,000 bonds with the Harris Trust & Savings Bank, the Continental Trust & Savings Bank, and the First Trust Co., all of Chicago, at 98.805 for bonds bearing interest at 4¼%. Other important sales during July and the prices realized in each case were: Cascade Co. Mont., \$243,000 5s and \$224,000 4¾s at 100.004; Erie (Pa.) School District, \$175,000 4½s at 101.374, and \$100,000 4½s at 101.301; Hancock Co., Ohio, \$117,800 5s at 100.169; Lynchburg, Va., \$210,000 4½s at 93.78; Middlesex Co., N. J., \$288,000 4¾s at 100.509; Monmouth Co., N. J., \$90,000 4¾s at 100.522; State of Oregon, \$690,000 4s at 93.30; Richmond, Va., \$500,000 6s at 103.08; Salt Lake City, Utah, \$350,000 6s at 101.146; Schenectady, N. Y., \$70,000 4.65s at 100.03, \$24,000 4.65s at 100.032 and \$10,500 4.70s at 100.028; Syracuse, N. Y., \$250,000 5s at 103.78; Walpole, Mass., \$150,000 4½s at 101.679; West Side Irrigation District, Calif., \$100,000 4½s at 103.258; Whitman Co., Wash., \$242,000 6s at 100.064; and Yonkers, N. Y. (2 issues), \$912,000 5s at 101.994.

Aside from New York City's issuance during July of \$53,000,000 revenue bills, of which \$15,000,000 were disposed of at public sale on the 29th on a 4.235% interest basis, temporary borrowing last month amounted to only \$3,960,000. This included \$300,000 by New Bedford, Mass., at 4.41% discount; \$220,000, \$250,000 and \$125,000 by Rochester, N. Y., at discounts of 4.43%, 4.35% and 4.30%, respectively; \$300,000 by Manchester, Mass., on a 4.40% discount basis; \$400,000 by Worcester, Mass., on a 4.22% discount basis; \$150,000 by Schenectady, N. Y., on a basis of 4.50%, and \$500,000 by Richmond, Va., on a basis of 4.95%.

In addition to the above, Canadian debentures sold in July totaled \$2,472,824, including an issue of \$900,000 6% debentures put out by the Montreal (Que.) Protestant School District at 90.05, and \$1,000,000 6% Province of Manitoba debentures sold at 96.77.

Below we furnish a comparison of all the various forms of securities sold in July during the last five years:

	1918.	1917.	1916.	1915.	1914.
Permanent loans (U.S.)	13,542,188	92,828,499	37,611,448	33,889,870	26,776,973
*Temporary loans (U.S.)	56,690,000	15,023,000	13,879,400	16,430,283	15,479,751
Canadian loans (perm'd)	2,490,776	105,005,227	2,849,864	16,391,578	15,743,832
Bonds of U.S. Possessions	None	None	None	None	None
Gen.fund bonds (N.Y.C.)	None	15,000,000	None	None	None

Total..... 77,722,964 227,856,726 54,340,712 96,711,729 57,991,556
 * Including temporary securities issued by New York City, \$53,000,000 in July 1918, \$7,750,000 in July 1917, \$8,500,000 in 1916, \$8,250,000 in 1915, and \$9,202,958 in 1914. † Includes \$65,000,000 New York City bonds. ‡ Includes \$45,000,000 1 and 2-year notes of the Dominion of Canada. § Includes \$100,000,000 Dominion of Canada 2-year notes.

The number of municipalities emitting long-term bonds and the number of separate issues during July 1918 were

218 and 246, respectively. This contrasts with 320 and 381 for June 1918 and with 582 and 693 for July 1917.

For comparative purposes we add the following table showing the aggregates for July and the seven months for a series of years. In these figures temporary loans, and also issues by Canadian municipalities, are excluded.

Month of July.	For the Seven Months.	Month of July.	For the Seven Months.
1918.....	\$18,542,188	1904.....	\$33,233,254
1917.....	92,828,499	1903.....	15,670,240
1916.....	37,611,448	1902.....	12,861,550
1915.....	33,889,870	1901.....	8,262,495
1914.....	26,776,973	1900.....	8,104,043
1913.....	23,477,284	1899.....	18,613,958
1912.....	30,479,130	1898.....	7,868,563
1911.....	42,231,297	1897.....	17,389,859
1910.....	35,832,789	1896.....	5,313,495
1909.....	20,120,647	1895.....	15,374,660
1908.....	21,408,678	1894.....	8,253,237
1907.....	16,352,457	1893.....	1,691,600
1906.....	25,442,095	1892.....	4,139,100
1905.....	10,873,302		

In the following table we give a list of July loans to the amount of \$18,542,188, issued by 218 municipalities. In the case of each loan reference is made to the page in the "Chronicle" where the account of the sale is given.

Page.	Name.	Rate.	Maturity.	Amount.	Price.
200	Alcorn County, Miss.	5¼	1923-1937	15,000	100.036
96	Allen County, Ohio	5	1919-1931	14,175	100
308	Alliance, Ohio	5	1928-1937	30,000	100
200	Amsterdam, N. Y.	5	1919-1931	65,000	102.18
200	Amsterdam, N. Y.	5	1919-1924	53,000	100.911
526	Ardmore, Okla.	6	Serial	590,000	100
200	Audubon Co., Ohio	6	Serial	6,000	100
419	Austin, Tex.	5	1919-1958	100,000	100
526	Baker Co., Fla.	5½	1919-1943	75,000	95
308	Batesville-Mammoth Spring Impt. Dist. No. 2, Ark.	5	1919-1938	80,000	100
200	Baxter Springs S. D., Kans.	5	1919-1938	99,000	100
419	Beaver Dam, Wis.	6	1919	6,000	100
526	Beaverhead Co. S. D. No. 22, Mont.	6	1921-1923	3,000	100
419	Bedford Sch. Dist., Ind.	5	Serial	8,000	100.01
526	Belle Center S. D., Ohio (2 Iss.)	5½	1935	71,000	100
200	Bellefontaine, Ohio	6	Serial	2,800	102.678
200	Bethel Sch. Dist., Ohio	6	1919-1921	1,600	100.062
527	Bicknell Sch. Dist., Ind.	6	1919	11,500	100
527	Big Nestucca Dr. Dist., Ore.	6	1919	3,000	100
527	Bingham Co. Ind. S. D. No. 5, Ida.	5½	1928-1938	20,000	101.05
527	Bolivar Co., Mass.	5½	1919-1945	65,000	100
527	Bonifay, Fla.	5	1919	20,000	100
527	Brevard Co. Spec. Tax S. D. No. 4, Fla.	6	1943	75,000	105.133
200	Bridgewater, Mass.	4½	1919-1935	85,000	100.925
419	Brookton, Mass.	4½	1919-1933	27,000	100.157
308	Broadwater Co. S. D. No. 5, Mont.	6	1923-1928	5,000	101
308	Brookfield Twp. Rur. S. D., Ohio.	6	1920-1922	3,000	100.066
308	Brownsville, Tex.	6	1919-1938	50,000	100
96	Buchtel Sch. Dist., Ohio	5	1919	3,600	100
308	Burlingame, Calif.	6	1919	4,317	100
419	Byesville Sch. Dist., Ohio	6	1921-1937	8,300	104.704
308	Canton, Miss.	5½	1919-1926	18,000	103.338
419	Canton, N. Y.	5	1922-1946	55,000	103.43
419	Carroll Township, Ohio	5	1919-1928	65,000	100
308	Cascade County, Mont.	5	1919	243,000	100.004
308	Cascade County, Mont.	4¾	1919	224,000	100.004
308	Cass County, Ind.	4½	1919-1928	1,600	100
97	Centerville, Ohio	5½	1919-1928	7,138	100
201	Center Twp. Sch. Dist., Ind.	5	1933	16,000	100.10
419	Central City, Neb.	7	1938	10,000	100
201	Chicago Sanitary Dist., Ills.	4¼	1923-1926	2,000,000	98.805
419	Clay County, Tenn.	5½	1938	98,000	100
308	Clinton, No. Caro.	6	1919-1938	41,000	101.51
527	Cleveland, Ohio	5	1919-1926	8,000	*100
527	Cleveland, Ohio	5	1919-1935	170,000	*100
527	Cleveland, Ohio	5	1919-1933	30,000	*100
309	Columbia, Tenn.	5½	1935	50,000	100
419	Columbus Sch. Dist., Ohio	6	1927-1930	3,000	100
201	Commune, Ga.	6	1919-1948	15,000	101.04
419	Covington Sch. Dist., Va.	6	1923-1948	30,000	100
309	Creedmoor Sch. Dist., No. Caro.	6	1919	5,000	100
309	Dallas, Tex.	4	1919	60,000	100
527	Dayton, Ohio (2 issues)	5	1919-1928	22,700	*100
527	Defiance, Ohio	5	1923-1928	17,000	100
527	DeKalb Co., Ind.	4½	1919-1928	37,500	100
309	Delaware Co., Ind.	4½	1919-1928	5,200	100
420	Dickson Sch. Dist., Pa.	5	1920-1932	40,000	101.695
528	Dormont Sch. Dist., Pa.	4½	1923-1932	50,000	101.517
528	East Aurora, N. Y.	5	1923-1930	21,000	101.538
528	Eaton, Ohio	4½	1948	6,000	102.00
309	Eaton, Ohio	5½	1920-1931	6,000	101.70
309	Eldorado Sch. Dist., Kans.	5½	1919	60,000	100
528	Erie, Pa.	4	1923-1929	22,000	*100
420	Erie Sch. Dist., Pa.	4½	1919-1948	175,000	101.374
420	Erie Sch. Dist., Pa.	4½	1919-1948	100,000	101.301
528	Etrick, Wis.	5	1925-1937	25,000	100
201	Euclid, Ohio	6	1919-1929	60,000	100
420	Fayette Twp., Ind.	5½	1933	9,000	101.394
309	Fergus Co. S. D. No. 159, Mont.	6	1920-1928	9,000	101.250
309	Fleming Sch. Dist., Colo.	6	1948	15,000	100
309	Florence, Ala.	6	1919	175,000	100
201	Fremont, Ohio	5½	Serial	2,500	101.66
309	Gering Sch. Dist., Neb.	6	1938	30,000	101.750
528	Goldsboro, No. Caro.	5½	1919-1938	40,000	102.313
528	Goldsboro, No. Caro.	5½	1919-1953	35,000	102.313
528	Goldsboro, No. Caro.	5½	1919-1948	15,000	102.313
309	Goldsboro Twp. S. D., No. Caro.	6	1938	25,000	106.847
202	Gonzales County, Tex.	5½	1928	60,000	*100
202	Gonzales County, Tex.	5½	1948	60,000	*100
309	Grant Haven, Mich.	5	1919	15,000	100
309	Gratis Sch. Dist., Ohio	5½	Serial	4,220	100
420	Greenville, So. Caro. (2 issues)	5	1938-1958	1,000,000	100
420	Hallfax, Pa.	4½	1919-1920	4,000	100
528	Hamilton, Mass.	4½	1919-1935	17,000	4½ basis
420	Hamilton Co., Ind.	4½	1919-1928	7,200	100
202	Hancock Co., Ohio	6	1919-1923	25,000	100
420	Hancock Co., Ohio	5	1919-1928	117,800	100.169
309	Harrison Twp. S. D., Ind.	5	1922	1,000	101.30
528	Hemstead (P.) Sch. Dist. No. 25, N. Y.	5	1919-1924	3,000	100
202	Henderson Co., Tex.	5½	1938	90,000	100
202	Houston, Tex.	4½	1919-1948	708,000	100
528	Hudson, N. Y.	4½	1921	11,500	100
420	Huntington Co., Ind.	4½	1919-1928	8,000	100
310	Itasca, Minn.	6	1919	10,000	102.40
528	Jackson Twp. Sch. D., Ohio	6	1920-1922	3,000	100
420	Jackson Twp. S. D., Ind.	6	1923	1,800	100.421
420	Jefferson Sch. Dist., Ohio	6	1928	2,800	102.814
210	Jefferson Co. S. D. No. 4, Mont.	6	1933-1938	30,000	100
302	Johnson Co. S. D. No. 16, Mont.	6	1928-1935	4,000	102.50
420	Johnsonburg, Pa.	5	1919-1923	6,250	100
420	Klickitat Co. S. D. No. 65, Wash.	5	1938	1,800	100
310	Lafayette Co. Road D. No. 2, Ark.	5½	1923-1938	94,500	100
528	Lahoma Sch. Dist., Okla.	5	1919-1923	15,000	100
98	Lake County, Ohio	5	1919-1923	105,000	100.396

Page.	Name.	Rate.	Maturity.	Amount.	Price.
420	Lake County, Ohio.	5		\$90,000	
202	Lauderdale Co. Sup. Dist. No. 2, Miss.	6			
528	Lauramie Township, Ind.	5 1/2	1928-1937	20,000	
420	Lawrence, Mass.	4 1/2	1919-1928	14,500	101.110
528	Lima, Ohio.	5	1919-1938	120,000	101.38
98	Lima, Ohio.	5 1/2	1919-1936	35,000	101.281
98	Little Rock, Ark.		1919	2,000	100
421	Livingston, Mont.	6	1928-1938	691,000	
421	Lockport, N. Y.	6		35,000	106.171
528	Lodi, Calif.	7		10,500	105.65
528	Louisiana-Port Commission.	5		2,587	
310	Lucas Co., Ohio.	5 1/2	1929-1929	2,500,000	
310	Lucas Co., Ohio.	5 1/2	1929-1929	13,445	
310	Lucas Co., Ohio.	5 1/2	1929-1929	5,060	
310	Lucas Co., Ohio.	5 1/2	1929-1929	4,480	
310	Lucas Co., Ohio.	5 1/2	1929-1929	2,005	
310	Lucas Co., Ohio.	5 1/2	1929-1929	23,597	
528	Lucas Co., Ohio.	5	1919-1928	60,300	
310	Lynchburg, Va.	4 1/2	1951	210,000	93.78
421	Madison, Ills.	5	1924-1927	30,000	
202	Madison Sch. Twp., Ohio.	5 1/2	1919-1926	3,500	100.26
421	Marlington, W. Va.	6	1923-1932	10,000	102.50
310	Massillon, Ohio.	5 1/2		27,500	
98	Medrose, Mass.	4 1/2	1919-1923	10,000	100.176
421	Miami Co., Ohio.	6	1920	3,300	100
421	Middlesex Co., N. J.	4 1/2	Serial	288,800	100.509
529	Milant Twp. Rur. S. D., Ohio.	5	Serial	7,500	100.50
529	Milville, N. J.	5	Serial	7,500	100.50
302	Mineral Wells, Tex.	5	1928-1958	35,000	
421	Monmouth Co., N. J.	4 1/2	1919-1938	90,000	100.522
310	Monroe Co., Ind.	4 1/2		2,500	
203	Monrovia, Calif.	6	1919-1958	42,500	107.82
203	Montgomery Co., Ohio.	6	1919-1930	25,000	
529	Mooreville, No. Caro.	6	1919-1928	26,845	101.316
310	Morro Sch. Dist., Calif.	6	Serial	7,500	101.48
421	Moscow, Ida.	6		12,277	
421	Mount Ayr, Iowa.	5		7,000	
421	Murray Sch. Dist., Ia.	5		3,000	100
423	Muskratun Co., Ohio.	5	1919-1928	17,500	100.972
310	Nassau Co., N. Y.	5	1919	35,000	100.501
529	Nebro Hgh S. D., No. Caro.	5	1938	20,000	100.75
203	Niagara Falls, N. Y.	4.60	1943-1944	60,000	100.51
203	Niagara Falls, N. Y.	4.70	1928	15,000	100.76
99	North Tonawanda, N. Y. (3 Iss.)	5	1919-1928	61,600	101.48
422	Norman Sch. Dist., Okla.	5	1921-1924	22,000	
422	Norwalk, Ohio.	5		62,800	100.009
203	Norwalk Sch. Dist., Ohio.	5 1/2	1924-1943	20,000	
311	Oakhurst Sch. Dist., Pa.	5	1920-1942	46,000	102.557
529	Okanogan Co. S. D., Wash.	5	1928-1938	1,600	
311	Olean, N. Y.	5	1919-1927	71,000	101.13
422	Oneida, Tenn.	6		20,000	100
311	Orange, Tex. (2 issues)	5		125,000	
422	Orange Twp. Rur. S. D., Ohio.	5		8,396	100
311	Oregon (State)	4		690,000	93.30
203	Ossining, N. Y.	5	1919-1938	75,800	102.901
203	Paulding Co., Ohio.	5	1920-1926	16,000	100.063
311	Perryburg, Ohio.	6	1920-1937	9,000	105.616
422	Peru, Ind.	6		15,000	101.651
311	Pine Grove Ir. Dist., Ore.	6	1923-1931	1,000	100
311	Plum Twp. S. D., Pa.	4 1/2		55,000	
529	Posey County, Ind.	4 1/2	1928	15,800	
99	Pottsville, Pa.	5	1923-1948	21,000	101
529	Randolph County, Ark.	5		60,000	
203	Rensselaer, N. Y.	5		3,100	
99	Richmond, Va.	6	1919-1923	500,000	103.08
529	Robeson Sch. Dist., Pa.	4		10,000	100
529	Rockingham County, No. Caro.	5	1934	225,000	
529	Rockland County, N. Y.	5	1919-1934	80,000	102.41
529	Runnels County, Tex.	5		75,000	100
203	St. Louis Co., Minn.	5	1923-1929	126,000	
529	Salt Lake City, Utah	5	1919-1928	350,000	101.146
311	Sandusky, Ohio.	5	1920-1924	20,000	100
204	Sandusky Co., Ohio.	5		3,895	100
204	Schenectady, N. Y.	4.65	1919-1932	70,000	100.03
204	Schenectady, N. Y.	4.65	1919-1930	24,000	100.032
204	Schenectady, N. Y.	4.70	1919-1925	10,500	100.028
204	Senatobia, Miss.	6	1919-1938	10,000	103.10
422	Seneca Co., Ohio.	5		41,000	
100	Shelby, Ohio.	6	1926-1932	4,100	105.188
422	Shelbyville, Ky.	5	1919-1933	15,000	100
422	Shenandoah, Va.	6	1938-1948	30,000	100
204	Somerset, Ohio.	5	1920-1929	3,000	100
530	Spadra Sch. Dist.	6	1938	15,000	
422	Spanish Fork, Utah.	6	1928-1938	40,000	
530	Superior, Wis.	5	1919-1928	31,000	
204	Swampscott, Mass.	4 1/2	1919-1925	7,500	100.267
204	Syracuse, N. Y.	5	1919-1938	250,000	103.78
530	Teton Co. S. D. No. 34, Mont.	6	1923-1933	3,500	100
530	Teton and Chouteau Counties Joint S. D. No. 28, Mont.	6		14,800	104.898
423	Texas (6 issues)	5		56,500	
312	Tippah Co., Miss.	5	1928	10,000	
530	Tipton Co., Ind.	5	1928-1948	22,000	101.140
530	Tonawanda, N. Y.	4.65	1938	19,000	100.33
423	Tyler, Tex.	5 1/2	1919-1938	24,000	
204	Underwood, No. Dak.	6	1938	5,000	104.52
204	Union City, Ind.	5	1920-1929	16,000	100.100
530	Union County, N. J.	4 1/2		231,000	100.913
423	Upper Lake S. D., Calif.	6	1934	25,000	106.364
530	Upper Sandusky S. D., Ohio.	5	1925-1928	4,500	100.111
530	Van Wert Co., Ohio.	5	Serial	7,026	100
530	Van Wert Co., Ohio.	5	1919-1924	5,500	100
312	Van Wert Sch. Dist., So. Dak.	6		45,000	100
530	Vigo Co., Ind.	6	1920-1934	4,428	100
530	Vigo Sch. Twp., Ind.	5	1928	20,000	100.20
100	Walpole, Mass.	4 1/2	1919-1948	150,000	101.679
530	Wallowa, Ore.	5 1/2	1928-1938	7,682	100.154
204	Wapakoneta, Ohio.	5 1/2	1921-1930	5,000	
204	Wapakoneta, Ohio.	5 1/2	1919-1928	11,200	
530	Washington C. H., Ohio (2 Iss.)	5	1923	11,800	100
204	Washington Suburban Sanitary District, Md.	5	1948-1968	50,000	103.34
204	Washington Twp. S. D., Ohio.	5 1/2	1919-1922	5,000	100.06
530	Watertown, N. Y.	5	1948	50,000	106.58
204	Waukegan, Ills.	5		40,000	102
204	Wayne County, Ind.	4 1/2	1919-1938	16,000	100
313	Westchester Co., N. Y.	5	1919-1925	21,000	101.361
530	Westerville, Ohio.	4 1/2		4,540	100
530	West Liberty School Dist., Ohio	6	1921-1926	3,000	102.066
530	West Park, Ohio.	6		8,948	
530	West Point, Miss.	6	1919-1938	30,000	102.75
204	West Side Irr. Dist., Calif.	6	1938-1958	100,000	103.258
313	Wheelerburg Rur. S. D., Ohio.	6		15,000	102.133
530	Whitman Co., Wash.	6	1919-1928	242,000	100.153
			Subject to call		
313	Wolf Point, Mont. (2 Iss.)	5		8,000	
530	Woodbridge Township, N. J.	5 1/2		80,000	101.802
423	Worthington, Minn.	5		40,000	
313	Xenia, Ohio.	5 1/2	Serial	8,000	101.303
423	Yakima Co. S. D. No. 33, Wash.	5	1919-1933	2,500	100
423	Yonkers, N. Y. (2 Issues)	5	1919-1938	437,000	101.994
423	Yonkers, N. Y.	5	1918-1948	475,000	101.994
530	Youngstown, Ohio.	5		7,500	100

page number of the issue of our paper in which the reasons for these eliminations may be found:

Page.	Name.	Rate.	Maturity.	Amount.	Price.
529	Santa Clara Co., Calif. (June list)			\$2,000	

We have also learned of the following additional sales for previous months:

Page.	Name.	Rate.	Maturity.	Amount.	Price.
419	Allen Parish S. D. No. 25, La.	5		\$60,000	100
526	Amity, Ore.	6	1923-1935	5,000	100
419	Archbold, Ohio.	5	1928-1930	3,300	100
419	Burwood Sch. Dist., Calif.	5		12,500	100
527	Chickasha Union Graded S. D. No. 35, Okla. (May)	6	1938	20,000	
419	Chouteau Co. S. D. No. 17, Mont.	6	1923-1928	2,128	
309	East Mauch Chunk, Pa. (Feb.)	4 1/2	1917-1922	15,000	
420	Fallon Co. Sch. Dist. No. 66, Mont. (Mar.)	6	1923-1928	1,200	100
98	Kent, Ohio.	6		9,000	104.777
310	Nebraska (3 issues)	5 1/2		14,400	
310	Nebraska (2 issues)	5		3,000	
310	Nebraska (2 issues)	5		11,086	
529	Nobles Co., Ind. (May)	5 1/2	1934-1938	100,000	100
529	Payette, Ida.	6	1928-1938	51,000	100
529	Plains Township, Pa.	5	1919-1928	10,000	100
529	Santa Clara Co., Calif.	6	1927	32,000	106.268
530	Sherborn County Com. Sch. Dist. No. 4, Minn.	6	1923-1933	10,000	106.80
530	Taylor County, Iowa.	5		55,000	100.627

All the above sales (except as indicated) are for June. These additional June issues will make the total sales* (not including temporary loans) for that month \$26,637,833.

DEBENTURES SOLD BY CANADIAN MUNICIPALITIES IN JULY.

Page.	Name.	Rate.	Maturity.	Amount.	Price.
530	Abbeey, Sask.	7		\$3,500	
424	Alberta School Districts	7	1928	9,750	98.43
530	Allenby Sch. Dist., Sask.			2,400	
205	Amherstburg, Ont.	6	1928	41,413	97
530	Anderson Township, Ont.	6	1928	7,550	
530	Aylmer, Ont.			7,000	
424	Brandon, Ont.	5	1943	67,000	79.09
530	Brockville, Ont.	6 1/2	1919-1938	16,800	101.13
313	Estuary, Sask.		1928	9,000	
313	Ethelbert Rural Municipality, Man.	6	1933	9,750	
424	Fort Francis, Ont.	6	1938	6,565	92.53
530	Kellerville Sch. Dist., Sask.	7 1/2	1928	2,800	
205	Kenora, Ont.	6	1953	11,467	
313	Lincoln Co., Ont.	6	1928	30,000	99.27
313	Liverpool, N. S.	6	1924	6,000	97
530	Manitoba (Province)	6	1928	1,000,000	96.77
313	Montreal City Protestant School District, Que.	6	Serial	900,000	90.05
205	New Toronto, Ont.	6 1/2	1933	27,500	98.53
205	Renfrew, Ont.			22,500	
313	Renfrew, Ont.	5		7,800	95.33
424	Renfrew, Ont.	5	1948	8,888	
205	Saskatchewan Sch. Dist. (2 Iss.)			3,500	
424	Saskatchewan Sch. Dist.				

telephone service, which were omitted. Incidentally, cities of the first class were also omitted, because they were governed by a separate code. It is plain, therefore, that the two Acts should be read together in order to arrive at the full legislative intention. This may be done without encountering the slightest conflict, and the law as it now stands is Chapter 123, with the additions to the old law which were lodged in Chapter 75. Some of the details of the bond election proceedings are criticized, but no irregularities occurred of sufficient consequence to require the District Court to restrain issuance of the bonds, and its judgment is affirmed.

New York State.—“*Torrens*” Land Title Registration Law Workable.—See reference to this in our editorial columns last week, page 365.

North Carolina (State of).—*State Laws Covering Issuance of Municipal Bonds.*—Bruce Craven, attorney-at-law, of Trinity, N. C., who for a number of years has specialized in municipal law and finances, has prepared the following covering the various laws of the State of North Carolina under which municipal bonds of that State can be valid:

It is a remarkable fact that the municipal bonds in North Carolina have for some years been considered attractive to investors in spite of the unsystematic laws governing their issuance, and now that these laws are being remedied, it is safe to say that there are no bonds anywhere which are safer or more desirable. In the past their good standing has been based on prompt payments of interest and principal and the fact that there has been practically no litigation concerning them. These good points will remain in evidence and be stronger than ever now that there are definite and systematic laws covering all possible issues. Following is a brief statement concerning each of the laws under which municipal bonds in North Carolina can be valid:

1. Chapter 138, N. C. Public Laws of 1917, known as the Municipal Finance Act. This applies to every incorporated city, town and village, and no such corporation can issue any bonds except under the provisions of this Act. The bonds must mature serially, the ordinance must be published four weeks, and the notice of sale ten days, and the bonds are to be sold at public sale after delivery. Chapter 55 of 1915, which provided means for issuing street bonds by petition of property owners, yet remains in effect insofar as it does not conflict with the Chapter 138, but all other laws, general or special, concerning bonds by incorporated municipalities, are repealed.

2. Chapter 55, N. C. Public Laws of 1915, provides for the issuance of school bonds by holding election in a county, township or special school district, provided the latter contains an incorporated town. A considerable portion of the school bonds in the State come under this chapter.

3. Chapter 284, N. C. Public Laws of 1917, provides for the issuance of road bonds (after holding an election) by a county, township, or special district. A number of issues have already been made under this Act.

4. Chapter 103, N. C. Public Laws of 1917, provides for the issuance of bridge bonds by counties, to build bridges within the county, or for two counties to build a bridge across a stream separating the counties. This does not require an election, and bonds have been issued under this.

5. Chapter 6, N. C. Public Laws 1917, provides for the issuance of road bonds for the benefit of townships, these to be held by the county which in turn issues county bonds at a lower rate of interest. This latter provision (the issuing of county bonds for a township) was held unconstitutional by the Supreme Court in *Lacy vs. Commissioners*, 93 S. E. 482. The court later in regard to a special Act similar in its provisions, held that the county guarantee provision was illegal, but that the remainder of the law was valid. *Commissioners vs. Boring*, 95 S. E. 43. The effect of all this is that no bonds have been issued under this Chapter 6, and doubtless none will be.

6. Chapter 122, N. C. Public Laws of 1913, provides for road bonds for township, after holding elections. A great many township road bonds have been issued under this Act. An amendment by Chapter 207 of 1917 guaranteed these bonds by the county, but the Supreme Court opinion in *Lacy vs. Commissioners* nullifies this guarantee provision, but leaves the original Act entirely valid.

7. Chapter 432, N. C. Public Laws of 1909, provides for the issuance of drainage bonds by special district, a petition of the property owners. This law has been amended by Chapter 152 of 1917. There have been numerous issues under these Acts.

8. *Special Acts.*—A constitutional amendment, effective Jan. 10 1917, prohibits special local legislation for some purposes, but the Supreme Court holds this not to apply to acts providing for public bond issues, *Mills vs. Commissioners*, 95 S. E. 481, and *Brown vs. Commissioners*, 92 S. E. 502. The legislature cannot go into details of laying out roads, etc., which is left to the county commissioners, but it can enact a special Act providing for a public bond issue by a county or district. Incorporated municipalities cannot have a special Act for a bond issue but anything else can do so until general laws are provided.

9. *Inherent Right Bonds.*—Under this constitutional right, most of the bonds were issued in North Carolina until a few years ago, the inherent right simply being the natural right of a county or town to issue bonds to pay debts incurred for necessary expenses. The principle is yet in effect, but is quiescent now because of the Acts above mentioned, and the Supreme Court holding that such bonds can be restrained in any case wherein the payment for them would cause the county tax levy to exceed the constitutional limit. Since every county in the State is already up to the limit, no more such bonds can be issued.

A municipal bond that is valid in North Carolina must, therefore, come under one of the nine heads mentioned, and in addition must comply with the requirement of Chapter 147 of 1917, which stipulates that the sale of the bonds must be advertised in a local paper thirty days before the sale, though with respect to cities and towns the requirement is only ten days as to the sale after the ordinance shall have been published thirty days. Items 8 and 9 above mentioned make it plain that the next legislature, which meets in January of 1919, will be called upon to enact for counties some such general law as is already provided for cities and towns, and it is doubtless certain that all the bond laws will be further systematized and simplified. It is the purpose of those directly interested in the matter to see to it that the laws shall be such that a North Carolina municipal bond shall be as good and as negotiable as the gold for which it stands.

Ontario (Province of).—*To Loan Money to Municipalities for the Building of Homes.*—The Toronto “Globe” of July 20 published the following concerning the proposal made by the Ontario Government to loan money to urban and rural municipalities to build workmen’s homes:

Government action looking to the alleviation of the shortage of workmen’s houses in the province was announced by Sir William Hearst yesterday afternoon. An appropriation of \$2,000,000 has been set aside by the Provincial Government, which will be available to both rural and urban municipalities at the interest rate of 5%. Municipalities can at once avail themselves of the loan. It is understood that they may undertake the erection of houses themselves or do so through private corporations.

Sir William’s announcement is contained in a letter to Sir John Willison, Chairman of the recently formed Housing Section of the Organization of Resources Committee. The plan has been considered by this committee and has been endorsed. The Prime Minister makes it clear that the plan now announced is only a temporary one to assist in meeting the pressing emergency which confronts the people of Ontario.

Since the formation of the Housing Committee about a month ago it has devoted its attention to securing necessary moneys with which to have houses built. The financial situation was recognized as the stumbling block which prevented private individuals building houses of any kind, and particularly the cheaper workmen’s houses. In order to help this situation the Government is willing to supply municipalities with moneys for the construction of workmen’s houses up to Jan. 1 1920. The announcement reads:

- The terms are:
- (1) The total amount loaned by the province shall not exceed \$2,000,000.
 - (2) Any municipality receiving a loan from the Government must add at least 25% to the amount received, so that for every \$1,000 received by way of Government loan, at least \$1,250 shall be expended in house construction.
 - (3) The money shall be loaned to the municipalities by the Provincial Government on the credit of the municipalities in a manner to be hereafter arranged.
 - (4) The rate of interest payable by the municipalities shall be 5% per annum.

(5) The types of houses to be constructed with the proceeds of the aforesaid loan shall:

- (a) Not exceed in cost for each house \$2,500.
- (b) The houses to be offered to working men and women on easy terms of payment.
- (c) Where the house and land are rented, the monthly rental shall not exceed \$25.
- (d) The building scheme of each municipality, including the plotting of the buildings on the land, the plans of the houses, the form of construction, the location of the land to be developed, shall be approved by the Government of Ontario.
- (e) The period of the loans above mentioned shall be for a term of twenty years, or for such less period as may be decided upon by the municipalities and the Government.
- (f) The municipalities shall not charge against houses erected under proposed scheme more than 5% either in respect of the money received by way of loan from the Government or money contributed by the municipality.

St. Clair County (P. O. Osceola), Mo.—*Bondholders’ Injunction Made Permanent by Court.*—According to a memorandum opinion handed down by Judge Arba S. Van Valkenburgh of the Federal Court, the county officials are in effect permanently enjoined from paying warrants from the general county fund until provision is made for satisfying judgments rendered in favor of the bondholders, in the case of an old debt incurred by the county in 1870, when \$250,000 bonds were issued for the construction of the Tebo & Neosho Ry., which line was never built. The injunction, according to attorneys representing the people of the county against holders of bonds, will prevent payment of the salaries of county officials and all county expenses. On Oct. 9 1917 the voters defeated a proposition to issue \$550,000 coupon bonds to be used for liquidating the old debt.—V. 105, p. 1634.

State Finances—Finances of Cities, 1917.—In our editorial columns last week (pages 364 and 365) we referred at length to a report soon to be issued by Director Sam L. Rogers of the Bureau of the Census, Department of Commerce, entitled “Financial Statistics of States: 1917.” Reference to another report to be brought out by Mr. Rogers shortly entitled “Financial Statistics of Cities Having a Population of Over 30,000: 1917,” was made in our editorial columns on July 20, pages 250 and 251.

Toronto, Ont.—*Financial Statement.*—The following statement of the city’s funded debt, etc., appears in the annual report of the Commissioner of Finance for the year ended Dec. 31 1917:

Gross funded debt.....	\$100,323,433 36
Deduct:	
(1) Special rated and revenue producing debts as follows:	
Waterworks.....	\$14,454,639 34
Ratepayers’ share local improvements.....	14,793,747 50
Civic hydro-electric system.....	7,876,631 08
Civic abattoir.....	415,698 00
Exhibition buildings.....	1,230,075 00
Civic street railway.....	2,082,737 00
Toronto Street Ry. pavements.....	4,231,733 74
(2) Sinking fund on other than foregoing debts as follows: On gross debt, \$24,427,756 91, less \$12,137,144 98 on above special debts.....	12,290,611 93
.....	57,385,793 59
Net funded debt.....	\$42,937,639 77
Assessment, &c.....	
Assessed value of rateable property.....	\$805,727,725
Exemptions not included in foregoing.....	87,375,084
Capital assets.....	100,074,126
Revenue from taxation for 1918.....	18,107,672
Revenue other than taxation for 1918.....	5,947,930
Population, 1917.....	473,829
Area of city.....	25,330 acres
Tax rate for 1918 (including schools, 6 7-10 mills).....	30 1/4 mills

BOND PROPOSALS AND NEGOTIATIONS
this week have been as follows:

ADAMS, Jefferson County, N. Y.—*BOND OFFERING.*—Proposals will be received by D. F. Griegs, Village Clerk, until 8 p. m. Aug. 12 for \$10,000 5% village-hall and fire-house bonds. Denom. \$500. Date Aug. 1 1918. Int. J. & J. Due \$500 yearly on July 1 beginning 1920.

ALEDO, Mercer County, Ill.—*BOND ELECTION.*—An election will be held Aug. 6, it is stated, to vote on a proposition to issue \$7,000 fire-apparatus bonds. W. D. Emerson is City Clerk.

ALTOONA SCHOOL DISTRICT (P. O. Altoona), Etowah County, Ala.—*BONDS VOTED.*—A proposition to issue \$7,500 6% 10-year school-building bonds carried at a recent election.

AMITY, Yamhill County, Ore.—*DESCRIPTION OF BONDS.*—The \$5,000 6% water bonds awarded during June to Morris Bros., Inc., of Portland at par—V. 107, p. 308—are in denom. of \$500 and are dated July 1 1918. Prin. and semi-ann. int. payable at the fiscal agency of the State of Oregon in New York City, N. Y. Due July 1 1938, subject to call after July 1 1923. Total bonded debt (incl. this issue), \$20,000. Assess. val. 1917, \$209,763. Actual value (est.), \$600,000. Population 1918 (est.), 600.

ARDMORE, Carter County, Okla.—*BOND SALE.*—The \$500,000 (not \$580,000 as first reported) bonds offered without success on July 2 (V. 107, p. 308) were awarded to the First National Bank of Ardmore at par and interest.

BAKER COUNTY (P. O. McClenny), Fla.—*BOND SALE.*—On July 15 the \$75,000 5 1/2% 1-25-year serial Special Road & Bridge District No. 1 bonds, dated April 1 1918—V. 106, p. 2773—were awarded to G. B. Sawyer Co. of Jacksonville at 95.

BEAVERHEAD COUNTY SCHOOL DISTRICT NO. 22 (P. O. Gibbons), Mont.—*BOND SALE.*—The \$3,000 6% (not 5% as first reported) 3-5-year (opt.) school-building and furnishing bonds offered on July 10—V. 105, p. 2773—were awarded on July 15 to E. L. Devereaux & Co. of Portland. Denom. \$500. Interest annually.

BELLAIRE CITY SCHOOL DISTRICT (P. O. Bellaire), Belmont County, Ohio.—*BOND OFFERING.*—The Board of Education will receive bids until 8 p. m. Aug. 20 for \$25,000 6% school bonds. Auth. Sec. 7629, Gen. Code. Denom. \$1,000. Date Aug. 20 1918. Prin. and semi-ann. int. payable at the First National Bank of Bellaire. Due Aug. 20 1927. Certified check for \$500, payable to the Board of Education, required.

BELLE CENTER VILLAGE SCHOOL DISTRICT (P. O. Belle Center), Logan County, Ohio.—*BOND SALE.*—On July 10 the following two issues of 5 1/2% 20-year school bonds, aggregating \$71,000, were awarded to the State Industrial Commission of Ohio at par: \$16,000 school bonds. Denoms. 8 for \$500 and 12 for \$1,000. \$55,000 high-school-addition bonds. Denoms. 20 for \$500 and 45 for \$1,000. Date June 1 1918. Int. M. & S. Due June 1 1938.

BETHEL TOWNSHIP RURAL SCHOOL DISTRICT (P. O. Tippecanoe City), Miami County, Ohio.—*FINANCIAL STATEMENT.*—

The following financial statement is issued in connection with the offering on Aug. 12 of the \$55,000 5 1/2% school bonds—V. 107, p. 419:

Financial Statement. Estimated actual value of taxable property \$5,000,000. Assessed valuation (1917) 2,788,720. Total bonded indebtedness, including this issue 155,000.

There is no unfunded or floating indebtedness. 1918 tax valuation is not yet completed but will show an increase. Probably will run to \$3,000,000.

Taxes collected in December and June. Taxes disbursed by County Auditor in February and August. There has never been any default of any of the obligations of the district.

BICKNELL SCHOOL DISTRICT (P. O. Bicknell), Knox County, Ind.—BOND SALE.—The Meyer-Kiser Bank of Indianapolis has purchased \$11,500 5% 10-15 year serial bonds. Denom. \$500. Date July 1 1918. Int. J. & J.

BIG NESTUCCA DRAINAGE DISTRICT (P. O. Tillamook), Tillamook County, Ore.—BOND SALE.—An issue of \$3,000 6% water bonds is reported sold.

BINGHAM COUNTY INDEPENDENT SCHOOL DISTRICT NO. 8 (P. O. Blackfoot), Ida.—BOND SALE.—On July 20 John E. Price & Co. of Seattle were awarded the \$20,000 5 1/2% (not 6% as first reported) 10-20 year (opt.) school bonds—V. 107, p. 308—at 101.05. Denom. \$1,000. Date July 1 1918. Interest J. & J.

BISHOP, Inyo County, Calif.—BOND SALE.—According to reports the Wm. R. Staats Co. of Los Angeles was awarded \$40,000 6% imp. bonds. Date July 1 1918. Due yearly from 1919 to 1958, incl.

BLANCHESTER, Clinton County, Ohio.—BONDS NOT TO BE RE-OFFERED AT PRESENT.—The \$5,000 6% 1-10-year serial reservoir bonds, bids for which were rejected on July 15 (V. 107, p. 419) will not be re-offered at present.

BLOOMDALE, Wood County, Ohio.—BOND ELECTION.—An election will be held Aug. 13, it is stated, to vote on a proposition to issue \$15,000 electric-plant bonds. W. T. Markie is Village Clerk.

BLUE CREEK CIVIL AND SCHOOL TOWNSHIP NO. 6, Adams County, Ind.—BOND OFFERING.—Charles J. Jones, Township Trustee (P. O. Bergs, R. 1, No. 2), will receive bids until 2 p. m. Aug. 14 for the following 5% bonds: \$10,000 civil township bonds. Due \$500 each six months from Aug. 1 1919 to Feb. 1 1929, inclusive.

1,000 school township bonds. Due \$500 Aug. 1 1920 and 1921. Denom. \$500. Date Aug. 15 1918. Interest semi-annual. BOLIVAR COUNTY (P. O. Cleveland), Miss.—BOND SALE.—The Kauffman-Smith-Ermet Investment Co. of St. Louis has purchased \$65,000 5 1/2% tax-free direct obligation bonds. Denom. \$1,000. Date Aug. 1 1918. Prin. and semi-ann. int. (F. & A.) payable in New York City or at the County Treasurer's office, at the option of the holder. Due \$1,000 yearly on Aug. 1 from 1919 to 1926, incl., and \$3,000 yearly on Aug. 1 from 1927 to 1945, incl.

Financial Statement. Estimated actual value of taxable property \$50,000,000. Assessed valuation of taxable property, 1917 25,325,186. Total bonded debt, including this issue 415,000. Population, 1910 Census, 48,995.

BONIFAY, Holmes County, Fla.—BOND SALE.—Reports state that \$20,000 water-works and light bonds have been sold.

BOTTINEAU SCHOOL DISTRICT NO. 1 (P. O. Bottineau), Bottineau County, N. Dak.—BOND ELECTION.—The question of issuing \$19,000 5% 20-year school-building bonds will be submitted to the voters on Aug. 6. Richard Costello is District Clerk.

BREVARD COUNTY SPECIAL TAX SCHOOL DISTRICT NO. 4 (P. O. Titusville), Fla.—BOND SALE.—The \$75,000 6% 25-year school bonds offered July 15—V. 107, p. 200—were awarded, according to reports, to Graves, Bianchetti & Thornburg of Toledo for \$78,850, equal to 105.133.

BRISTOL COUNTY (P. O. Taunton), Mass.—LOAN OFFERING.—Bids will be received by the County Treasurer, it is stated, until 9 a. m. Aug. 6 for a temporary loan of \$150,000 revenue-anticipation notes, dated Aug. 7 and maturing Nov. 7 1918.

CALEXICO, Imperial County, Calif.—BONDS VOTED.—The question of issuing \$79,000 municipal improvement bonds carried at an election held July 16, by a vote of 170 to 22. The bonds will bear 5% or 6% interest, and will mature within 30 years. They will probably be sold at a private sale, though not definitely decided as yet.

LOCAL PRIDE HURT.—In making inquiry concerning the above bonds, a New York bond house made the mistake of referring to this municipality as a "village." This had the effect of wounding local susceptibilities, as is indicated by the following article which we reproduce from the Calexico "Chronicle":

"The City Clerk this morning received a letter from a New York bond house, addressed to the 'Village Clerk' and making inquiry about our sewer bonds. Somehow, the bond buyer, who should be better posted, has his wires crossed and may possibly have been thinking of El Centro when the letter was addressed.

"However, the 'Chronicle' desires to inform him and all others that this is about the biggest and busiest 'village' the sun ever shone on. That it has close to 5,000 people; is the gateway to the rich and fertile valley of Baja California, and supplies the people of that valley and the capital of that State with everything they consume; that it has 13 cotton gins, two oil mills, a big cotton compress, a 50-ton daily ice plant, 3 big banks, scores of mercantile establishments, \$350,000 worth of paved streets, water-works, an army camp, 3 fine school buildings, 5 churches, and so many other things that it would be tedious to name them. Also, that last year about 40,000 bales of the finest cotton, worth about 30 cents a pound, was ginned and compressed here; that milo maize to the extent of several hundred thousand dollars was handled and that other products were equally important. Also that its port of entry records show that it was first in imports by a vast sum, of any southern California city, including Los Angeles, of which the New Yorkers have perhaps heard, and that its assessed valuation this year will be close to \$3,000,000.

"All this is pretty good for the 'village' of Calexico, as we see it, and the best part of it all is that this is a growing 'village' at that. With almost 100% more crop tributary to it this year than last, a tremendous increase is expected here. And the people of the 'village' and surrounding country are more than semi-civilized. They wear clothes, instead of fig leaves, although most of them admit that in summer time they would prefer the Adamite costume. They live in houses; eat with forks; don't carry guns and bowie knives, and regard a tarantula as a curiosity and are not troubled with rattlesnakes or scorpions. They have book agents; wear dress clothes after six in the evening, when occasion requires, and dozens of them have gone to Harvard, Yale and Princeton to add a little to the 'R's'.

"They read their daily newspaper and, strange as it may seem, each vying to get the sun's telegraph news of the war as is served the New York papers. In fact, this is a rather progressive 'village,' and when the \$10-, 0-00 cotton crop is gathered this fall, the villagers may add a few scores of the hundreds of automobiles now in use; build a few more \$75,000 bldgs, and generally perk up in the hope of becoming a place that will be recognized by belated New Yorkers. If the inquirer will just slip out the way, he can drink from the town pump and sit on a store box on the rner, whistle and enjoy the delights of the pastoral life in a village, if he'll keep out of the rush of traffic and the race for wealth."

CALIFORNIA (State of)—BOND OFFERING.—Friend W. Richardson, State Treasurer (P. O. Sacramento), will sell at public auction at 10 a. m. Aug. 15, \$100,000 4% State building bonds. Auth., Chap. 235, laws of 1913. Denom. \$500. Date July 2 1915. Principal and semi-annual interest (J. & J.) payable in Sacramento. Due July 2 1945.

CAMBRIDGE, Middlesex County, Mass.—LOAN OFFERING.—Bids will be received by the City Treasurer until 12 m. Aug. 7 for a temporary loan of \$209,000, issued in anticipation of taxes and maturing Feb. 10 1919.

The notes will be issued under the supervision of the First National Bank of Boston, which will certify as to their genuineness, and their legality will be approved by Ropes, Gray, Boyden & Perkins, whose opinion will be furnished the purchaser.

CANYON COUNTY (P. O. Caldwell), Ida.—BOND ELECTION.—On Sept. 3 the question of issuing \$65,000 bridge bonds will, according to reports, be submitted to the voters.

CENTER TOWNSHIP (P. O. Valparaiso), Porter County, Ind.—BOND OFFERING.—Proposals will be received until 10 a. m. Aug. 24 by Vernon E. Beach, Township Trustee, for \$8,000 6% 8-year school bonds. Denom. \$100. Date Sept. 2 1918. Interest annual.

CHELSEA, Suffolk County, Mass.—TEMPORARY LOAN.—On Aug. 1 a temporary loan of \$110,000, dated Aug. 1 and payable Dec. 5, was awarded, it is stated, to S. N. Bond & Co., of New York, at 4.29% discount. General Statement July 1 1918.

Bonded debt \$2,286,000 00. Special Loan Notes 888,740 00. Total \$3,174,740 00. Less Sinking Funds 863,360 00.

Net Debt (including water debt) \$1,821,380 00. Net Debt (excluding water debt) 1,768,781 00.

CHICKASHA UNION GRADED SCHOOL DISTRICT NO. 35, Grady County, Okla.—DESCRIPTION OF BONDS.—Further details are at hand relative to the sale of the \$20,000 6% school-building bonds awarded on May 21 to R. J. Edwards, of Oklahoma City. Denom. \$1,000. Date July 1 1918. Int. J. & J. Due July 1 1938.

CHOUTEAU COUNTY SCHOOL DISTRICT NO. 83 (P. O. Fort Benton), Mont.—BOND OFFERING.—Newspapers state that Dick Dantley, District Clerk, will receive bids until Aug. 30 for \$2,100 6% 10-20-year school bonds.

CLAY COUNTY (P. O. Vermillion), So. Dak.—BOND OFFERING.—Sealed bids will be received until 2:30 p. m. Aug. 8, it is stated, by W. L. Russel, County Auditor, for \$200,000 drainage bonds.

CLEVELAND, Cuyahoga County, Ohio.—BOND SALE.—The Sinking Fund has purchased, it is stated, the following 5% coupon bonds at par: \$8,000 park bonds. Due \$1,000 yearly on June 1 from 1919 to 1926, incl.

170,000 water bonds. Due \$10,000 yearly on June 1 from 1919 to 1935; incl. These bonds are part of an issue of \$500,000, the remainder of which is being offered for sale Aug. 12 (V. 107, p. 201).

30,000 hospital bonds. Due \$3,000 yearly on June 1 from 1919 to 1923, incl. These bonds are part of an issue of \$100,000, the remainder of which is being offered for sale Aug. 12 (V. 107, p. 201). Denom. \$1,000. Interest semi-annual. Date July 1 1918.

CLEVELAND, Cuyahoga County, Ohio.—BOND ELECTION PROPOSED.—Local papers state that at the general election on Nov. 5 the voters may be asked to pass upon a proposition to issue \$2,500,000 bonds.

COLUMBUS, Ohio.—BOND OFFERING.—Willis G. Bowland, Secretary of the Sinking Fund Trustees, will receive bids until 2:30 p. m. Aug. 6 for the following 4 1/2% bonds: \$175,000 light-bond bonds. Denom. \$1,000, \$500 and \$200. Date April 1 1916. Prin. and semi-ann. int. payable at the city agency in New York City. Due Sept. 1 1936.

48,000 (city's portion) public-imp. No. 33 bonds. Denom. \$1,000. Date March 1 1915. Prin. and semi-ann. int. payable at the City Treasurer's office. Due Sept. 1 1926.

55,000 (city's portion) public-imp. No. 34 bonds. Denom. \$1,000. Date April 15 1915. Prin. and semi-ann. int. payable at the city agency in New York City. Due Sept. 1 1935.

25,000 North High St. widening imp. No. 2 bonds. Denom. \$1,000. Date April 1 1915. Prin. and semi-ann. int. payable at the City Treasurer's office. Due March 1 1945.

Int. M. & S. Bonds to be delivered on Aug. 13 1918 at the office of the Trustees of the Sinking Fund. Certified check on a local bank for 2% of the amount of bonds bid for, payable to the Trustees of the Sinking Fund, required. The sale has the approval of the Capital Issues Committee. Transcripts of proceedings will be furnished the successful bidder. The City of Columbus, the official circular states, has never defaulted in the payment of the principal or interest of any of its bonds. These bonds are not new issues but bonds held by the Sinking Fund as an investment.

Financial Statement. Value of real and pers'l property as assessed for taxation, 1918 \$314,725,200. Debt (including issues here offered for sale) \$6,087,800. Assessment bonds 3,746,000. Water-works bonds 13,989,800. Other general city bonds \$23,773,750. Bonds and cash in the Sinking Fund applicable to debt paym't 8,260,739.

Net debt \$15,513,011. Deduct above water-works debt 3,746,000. Balance \$11,767,011.

CRAIGHEAD COUNTY (P. O. Jonesboro), Ark.—BOND ELECTION PROPOSED.—Newspapers state that the voters will probably be asked to pass upon a proposition to issue \$400,000 road bonds.

CUYAHOGA FALLS, Cuyahoga County, Ohio.—BONDS NOT SOLD.—The \$48,500 5 1/2% street bonds, offered on June 26 (V. 106, p. 2470) were not sold. F. O. Vall is Village Clerk.

DADE COUNTY SPECIAL TAX SCHOOL DISTRICT NO. 5 (P. O. Coccaunt Grove), Fla.—BOND OFFERING.—Proposals will be received until Sept. 3 by R. E. Hall, Secretary Board of Public Instruction (P. O. Miami), for \$10,000 6% building bonds authorized by a vote of 11 to 3 at an election held July 26. Due \$1,000 yearly beginning 1923.

DARKE COUNTY (P. O. Greenville), Ohio.—BOND OFFERING.—Proposals will be received by G. H. Garrison, County Auditor, until 10 a. m. to-day (Aug. 3) for \$22,000 5% Greenville and Dayton State Highway bonds. Auth. Sec. 1223, Gen. Code. Denom. \$500. Date Aug. 3 1918. Principal and semi-annual interest payable at the County Treasurer's office. Due \$7,500 Aug. 3 1919 and \$7,000 Aug. 3 1921. Certified check for \$300 on a bank of this county, payable to the Board of County Commissioners, required.

DAWSON COUNTY SCHOOL DISTRICT NO. 50 (P. O. Glendive), Mont.—BOND OFFERING.—Proposals will be received until Aug. 30, it is stated, by Virgil C. Gregg, District Clerk, for \$1,000 3-10-year (opt.) school bonds at not exceeding 6% interest. Certified check for \$100 required.

DAYTON, Montgomery County, Ohio.—BOND SALE.—On July 31 the Sinking Fund purchased at par the \$1,700 sewer and \$21,000 5% paving bonds authorized on July 3 (V. 107, p. 309). Denom. \$1,000. Date July 1 1918. Int. J. & J. Due \$2,000 yearly on July 1 from 1919 to 1927, inclusive, and \$3,000 July 1 1928.

DEFIANCE, Defiance County, Ohio.—BOND SALE.—On July 29 the \$17,000 5% 5-10-year serial water-works-imp. bonds—V. 107, p. 309—were awarded to the Merchants' National Bank of Defiance at par and interest. Date March 25 1918.

DE KALB COUNTY (P. O. Auburn), Ind.—BOND SALE.—The \$37,500 4 1/2% 1-10-year serial highway improvement bonds offered without success on June 18 (V. 107, p. 309), have been disposed of. The \$65,000 4 1/2% 1-10-year serial highway improvement bonds also offered without success on that date have not yet been disposed of.

DELAWARE, Delaware County, Ohio.—BONDS AUTHORIZED.—On July 1 an ordinance was passed authorizing the issuance of \$8,305 27 6% 1-8-year serial South Street improvement bonds. Denom. \$500 and \$305 27. Date July 1 1918. Int. M. & S. Ed. S. Mettler is City Clerk.

DELAWARE COUNTY (P. O. Jay), Okla.—BOND ELECTION.—On Aug. 6 the voters will decide whether they are in favor of issuing \$30,000 road and \$70,000 bridge bonds, it is stated.

DE SOTO COUNTY (P. O. Arcadia), Fla.—BOND OFFERING.—Sealed bids will be received until 2 p. m. Sept. 2 by the Board of County Commissioners for \$30,000 6% Fort Ogden Special Road and Bridge District No. 7 bonds. Auth. vote of 23 to 17 at election held July 16 1918. Denom. \$500. Principal and semi-annual interest payable in Arcadia, or elsewhere, at the option of the purchaser. Due \$1,500 yearly for 20 years. Cashier's check for \$500, payable to W. G. Welles, Chairman of the County Board of Commissioners, required. Official circular states that there is no controversy or litigation pending affecting either the district or the validity of the bonds. Total bonded debt of district, \$30,000. Assessed valuation of district 1918, \$275,000. True valuation of taxable property in district, approximately \$500,000. Population of district (estimated), 500.

DORMONT SCHOOL DISTRICT, Allegheny County, Pa.—BOND SALE.—On July 29 the \$50,000 4 1/2% 10-15-20-25-30-year coupon school-building bonds (V. 107, p. 420) were awarded to the Mellon Nat. Bank of Pittsburgh for \$50,775 85, equal to 101.5517. Other bidders, all of Pittsburgh, were: Lyon, Singer & Co. \$50,182 50; Holmes, Bulkley & Wardrop, \$50,000; Glover and McGregor, 50,035 00.

DULUTH SCHOOL DISTRICT (P. O. Duluth), St. Louis County, Minn.—BONDS VOTED.—By a vote of 4,131 to 1,306, the proposition to issue \$300,000 5% 20-30-year (opt.) school bonds carried at the election held July 20 (V. 109, p. 2470). The Capital Issues Committee has approved of \$185,000 of the above amount. Date of sale not yet determined.

EASTON, Northampton County, Pa.—DESCRIPTION OF BONDS.—The \$50,000 4 1/2% 30-year public improvement bonds awarded during June to Hackett & Chidsey, of Easton, at 102.09—V. 107, p. 420—are in denoms. of \$500 and \$200 and dated July 1 1918. Int. J. & J. Due July 1 1918.

ELLIS COUNTY LEVEE DISTRICT NO. 8 (P. O. Waxahachie), Tex.—BONDS VOTED.—At the election held July 10—V. 107, p. 97—the \$37,500 6% bonds were voted, it is reported.

ERIE, Erie County, Pa.—BOND SALE.—On July 26 the \$22,000 4% 5-11-year serial city-hall alteration bonds (V. 107, p. 201) were purchased by the City Sinking Fund Commissioners at par and interest. Date Aug. 1 1918. There were no other bidders.

ETRICK, Trempealeau County, Wis.—BOND SALE.—The \$25,000 5% coupon railroad-aid bonds recently voted—V. 106, p. 2774—are reported sold. Denoms., 100 for \$100 and 30 for \$500. Principal and annual interest, except the first coupon, payable at the Bank of Ettrick. Due \$10,000 yearly on Feb. 1 from 1925 to 1934, incl., and \$5,000 yearly on Feb. 1 from 1935 to 1937, incl.

FITCHVILLE RURAL SCHOOL DISTRICT (P. O. Norwalk), Huron County, Ohio.—BOND ELECTION.—An election will be held Aug. 6 to vote on a proposition to issue \$25,000 school and \$4,750 maintenance bonds.

FLORENCE, Lauderdale County, Ala.—BOND OFFERING.—According to reports proposals will be received until Aug. 15 by M. M. Striplin, Mayor, for the \$175,000 water and the \$125,000 school 5% bonds mentioned in V. 107, p. 201. Interest semi-annual.

FLOYD COUNTY (P. O. Rome), Ga.—BOND ELECTION.—Reports state that on Sept. 11 an election will be held to vote on the question of issuing \$100,000 fall bonds.

FORT WAYNE, Allen County, Ind.—BONDS PROPOSED.—Reports state that the issuance of \$87,000 park-site purchasing bonds is contemplated.

FREDONIA, Chautauqua County, N. Y.—BOND ELECTION PROPOSED.—A proposition to issue \$7,000 fire-protection bonds will, it is stated, be submitted to a vote.

GADSDEN COUNTY (P. O. Quincy), Fla.—BOND OFFERING.—Proposals will be received until 10 a. m. Aug. 20 by F. F. Morgan, Clerk of the County Court, for the \$30,000 5% bridge bonds offered without success on July 15—V. 108, p. 309. Principal and interest payable at Quincy, Fla.

GALION SCHOOL DISTRICT (P. O. Galion), Crawford County, Ohio.—BOND ELECTION.—An election will be held this month, it is stated, to vote on a proposition to issue \$75,000 school-completion bonds.

GARY SCHOOL CITY (P. O. Gary), Lake County, Ind.—NO BONDS TO BE ISSUED.—Using newspaper reports we stated in V. 107, p. 202—that the Capital Issues Committee had approved the issuance of \$250,000 bonds. The Secretary to the Superintendent of Schools writes us that "there has been no issue of bonds for school purposes in Gary such as you mentioned."

GLENN FERRY HIGHWAY DISTRICT (P. O. Glenn Ferry), Elmore County, Idaho.—BOND OFFERING.—Reports state that sealed bids will be received until 2 p. m. Aug. 3 by G. R. Maxwell, District Secretary, for \$200,000 highway bonds, at not exceeding 6% interest. Certified check for \$7,500 required.

GOLDSBORO, Wayne County, N. Caro.—BOND SALE.—On July 22 the \$40,000 1-20-year serial paving, \$35,000 1-35-year serial water and \$15,000 1-30-year serial sewer 5 1/2% gold coupon (with privilege of registration) bonds—V. 107, p. 309—were awarded, it is stated, to Graves, Blanchet & Thornburgh of Toledo at 102.313.

GRAFTON TOWNSHIP (P. O. Stewart), McLeod County, Minn.—BOND OFFERING.—H. F. Bryer, Township Clerk, will receive proposals until 8 p. m. Aug. 17, it is stated, for \$14,000 5% bridge bonds. Date Aug. 1 1918. Due on Aug. 1 as follows: \$5,000 1920 and 1921 and \$4,000 1922. Certified check for 10% required.

GRAND HAVEN, Ottawa County, Mich.—BOND SALE.—Local investors, it is stated, have been awarded \$15,000 improvement bonds.

HALEDON, Passaic County, N. J.—NO BIDS RECEIVED.—No bids were received for the 5% gold coupon water bonds not to exceed \$20,000, offered on July 15—V. 107, p. 97.

HAMILTON, Essex County, Mass.—BOND SALE.—E. H. Rollins & Sons of Boston have purchased, it is stated, an issue of \$17,000 4 1/2% 1-17-year serial bonds on a 4 1/4% basis.

HEMPSTEAD (Town) SCHOOL DISTRICT NO. 1 (P. O. Hempstead), Nassau County, N. Y.—BOND SALE.—On Aug. 1 the \$40,000 registered school addition bonds—V. 107, p. 309—were awarded to H. A. Kahler & Co. of New York at 100.07 for 4.75%. Other bidders, all of New York, were: Harris, Forbes & Co. (for 4.80%) 100-182; Geo. B. Gibbons & Co. (for 4.85%) 100-15.

HEMPSTEAD (TOWN) SCHOOL DISTRICT NO. 25 (P. O. Merrick), Nassau County, N. Y.—BOND SALE.—On July 15 \$3,000 5% school-improvement bonds were awarded to C. Milton Foreman of Freeport at par. Denom. \$500. Date July 1 1918. Int. J. & J. Due \$500 yearly for six years.

HILL COUNTY (P. O. Hillsboro), Tex.—BOND ELECTION.—An election will be held Aug. 24, it is reported, to vote \$2,905,000 road bonds.

HILL COUNTY SCHOOL DISTRICT NO. 25 (P. O. Cottonwood), Mont.—BOND OFFERING.—Sealed bids will be received until Aug. 10 by Hilbert H. J. Peterson, District Clerk, for \$2,500 6% 15-20-year school-building bonds, it is stated.

HUBBARD, Trumbull County, Ohio.—FINANCIAL STATISTICS.—The following statistics have been received by us relative to the offering on Aug. 10 of two issues of coupon bonds, aggregating \$11,608 66—V. 107, p. 310. Bonded debt (incl. these issues), \$128,569 76. Assessed valuation 1917, \$3,119,290. Int. semi-ann., payable at the Hubbard Banking Co. of Hubbard.

HUDSON, Columbia County, N. Y.—BOND SALE.—On July 29 \$11,500 4 1/4% 31-3-yr. aver. school bonds were awarded to the Hudson City Savings Institution at par.

INDIANAPOLIS, Marion County, Ind.—LOAN OFFERING.—Proposals will be received until Aug. 5 for the temporary loan of \$90,000 recently authorized—V. 107, p. 202. Due Dec. 10 1918. Robert H. Bryson is City Controller.

JACKSON TOWNSHIP SCHOOL DISTRICT, Ohio.—BOND SALE.—An issue of \$3,000 6% 2-3-year serial school bonds was recently purchased by Stacy & Bratt of Toledo for \$3,012 63 (100.421) and int. Denom. \$500. Date June 15 1918. Int. semi-ann. Due \$500 each six months from Apr. 1 1920 to Oct. 1 1922 incl.

JACKSONVILLE, Morgan County, Ill.—BONDS VOTED.—At a recent election a proposition to issue \$75,000 5% water-works-impt. bonds carried by a vote of 3,695 "for" to 547 "against." Denom. 60 for \$1,000 and 20 for \$750. Prin. and semi-ann. int. (J. & J.) payable at the City Treasurer's office. Due 1938, subject to call after 1927. Bonded debt (excl. this issue), \$42,000. Floating debt, \$80,000. Assessed valuation 1918, \$4,403,000.

JOHNSON COUNTY (P. O. Clarksville), Ark.—BOND ELECTION PROPOSED.—An election will be held in the near future, it is stated, to vote on the question of issuing \$250,000 road bonds.

KENDALL COUNTY (P. O. Boerne), Tex.—BOND OFFERING.—Sealed bids will be received until 10 a. m. Aug. 12 by J. W. Lawhon, County Judge, for \$38,000 5% 20-30-year (opt.) road bonds, according to reports. Int. semi-ann. Certified check for \$500 required.

KENMORE, Summit County, Ohio.—BOND OFFERING.—Bids will be received by W. W. Shanks, Village Clerk, it is stated, until 12 m. Aug. 24 for \$2,000 6% 4-year coupon building bonds. Denom. \$500. Date Aug. 15 1918. Due Aug. 15 1922. Cert. check for 10% required.

KITSAP COUNTY SCHOOL DISTRICT NO. 8, Wash.—BOND OFFERING.—Sealed bids will be received until 1 p. m. Aug. 3 by R. S. Gordon, County Treasurer (P. O. Port Orchard), for \$8,000 5-15-yr. (opt.) school bonds, it is stated. Denom. \$250. Cert. check for 1% required.

LAHOMA SCHOOL DISTRICT (P. O. Lahoma), Garfield County, Okla.—BOND SALE.—An issue of \$15,000 bonds is reported sold.

LA SALLE, La Salle County, Ill.—BOND ELECTION.—An election will be held to-day (Aug. 3) to vote on a proposition to issue \$20,000 fire-protection bonds. H. M. Orr is Mayor.

LARAMIE TOWNSHIP, Tippecanoe County, Ind.—BOND SALE.—On July 26 the \$14,500 5 1/2% 1-10-year serial coupon school-heating bonds—V. 107, p. 310—were awarded to the Lincoln National Bank of Ft. Wayne for \$14,661, equal to 101.110. Date July 5 1918. Other bidders were: Central Trust Co., Indpls. \$14,652 00; Ed. O'Gara, Indiana polls, \$14,601 00; Breed, Elliott & Harrison, J. F. Wild & Co., Indpls., 14,587 50; Indiana polls, 14,631 00; Fletcher American Nat. Meyer-Kiser Bank, Indpls. 14,621 50; Bank, Ft. Wayne, 14,519 25.

LE ROY, McLean County, Ill.—BOND ELECTION.—An election will be held Aug. 10, it is stated, to vote on a proposition to issue \$15,000 water-plant improvement bonds. Denom. \$1,000. Due \$1,000 yearly beginning March 1 1919.

LESTERVILLE, Yankton County, So. Dak.—BOND OFFERING.—Proposals will be received until 1 p. m. Aug. 5 by the Town Clerk for \$7,000 6% 10-20-year (opt.) registered water works bonds. Denom. \$500. Date Apr. 1 1918. Int. annually, payable in Minneapolis, Minn. Cert. check for 10%, payable to the Mayor, required. Bonded debt, \$15,000. Floating debt (additional), \$2,000. Total debt (including this issue), \$17,000. Sinking fund, \$1,970. Assessed valuation 1918, \$280,000.

LETTS CONSOLIDATED INDEPENDENT SCHOOL DISTRICT (P. O. Letts), Louisa County, Iowa.—BOND OFFERING.—Proposals will be received by B. F. Snyder, District Secretary, until 9 p. m. Aug. 26 for \$15,000 5% 24-year school bonds. Denom. \$1,000. Date July 1 1918. Purchaser to pay accrued int. Cert. check for \$500 required.

LIMA, Allen County, Ohio.—BOND SALE.—On July 29 the \$35,000 5% 1-18-year serial water-works and \$45,000 5 1/2% 5-year street bonds, aggregating \$80,000—V. 107, p. 421—were awarded to Hornblower & Weeks of New York for \$81,025 50, equal to 101.281. Other bidders were: Harris, Forbes & Co., N. Y. \$80,944 80; Tillotson & Wole, Co., Cleve., \$80,346; Seasonood & Mayer, Cin. 80,471 00; J. C. Mayer & Co., Cin. 80,305; Prov. Sav. B. & Tr. Co., Cin. 80,421 00; Sld. Spitzer & Co., Toledo, 80,108; Wm. R. Compton Co., Cin. 80,374 25; Terry Briggs & Co., Tol. 80,000.

LINCOLN COUNTY SCHOOL DISTRICT NO. 56 (P. O. Davenport), Wash.—BONDS NOT SOLD.—The \$2,200 5% 1-10-year (opt.) school bonds offered July 20 (V. 107, p. 310) were not sold.

LODI, San Joaquin County, Calif.—BOND SALE.—The \$2,586 90 7% 1-10-year serial street-improvement bonds offered on July 22 (V. 107, p. 310) were awarded on that day to Clark & Henry Construction Co. for work performed.

LOS ANGELES COUNTY (P. O. Los Angeles), Calif.—BONDS VOTED.—It is reported that on July 24 an ordinance was adopted by the Board of Supervisors providing for the issuance of \$2,250,000 of the \$4,450,000 flood-control bonds authorized by the voters on Feb. 20 1917 and validated by the State Supreme Court on Dec. 31 1917. V. 106, p. 204.

LOUISIANA (State of)—PORT COMMISSION BONDS OFFERED BY BANKERS.—Halsey, Stuart & Co., Inc., of Chicago, New York, Boston, Detroit, St. Louis and Milwaukee, and the William R. Compton Co. of New York, St. Louis, Cincinnati, Pittsburgh and Chicago, are offering to investors in an advertisement appearing on a preceding page of this publication \$2,500,000 5% gold coupon (with privilege of registration) tax-free Port Commission canal-impt. bonds. Denom. \$1,000. Date July 1 1918. Prin. and semi-annual int. (J. & J.) payable at the office of the State Treasurer in Baton Rouge or at the fiscal agency of the State in New York City. The legality of the issue has been approved by John C. Thomson, Esq., and Caldwell & Masslich of New York and John McGuirk of New Orleans, and has been passed by the Capital Issues Committee "as not incompatible with the interest of the United States." These bonds and all previous issues of the State of Louisiana Port Commission have been accepted by the Government to secure postal savings deposits at 100% of their par value.

The official circular states that the bonds are a general obligation of the State of Louisiana, issued by the Board of Commissioners of the Port of New Orleans under and by direct authority of Act No. 244 of 1914, expressly ratified and approved as an amendment to the constitution of the State of Louisiana, adopted by a vote of the people of the State, for the purpose of constructing and operating a navigation canal between the Mississippi River and Lake Ponchartrain.

Schedule of Maturities.

Table with 4 columns: Amt., Maturity, Amt., Maturity, Amt., Maturity, Amt., Maturity. Rows show bond amounts and maturity dates from 1929 to 1936.

Financial Statement.

Estimated actual value of taxable property, 1917. \$1,401,923.60. Assessed value taxable property, 1917, as estimated. 700,960.258. Total bonded debt, including this issue. 29,088,500. Population (1910 Census), 1,656,388.

LUCAS COUNTY (P. O. Toledo), Ohio.—BOND SALE.—The State Industrial Commission of Ohio has purchased the \$60,300 5% 1-10-year Adams and Springfield townships Highway Impt. No. 119 bonds, offered on July 26 (V. 107, p. 98).

LYON SWAMP DRAINAGE AND LEVEE DISTRICT (P. O. Wilmington), New Hanover County, N. C.—BOND OFFERING.—Proposals will be received by B. F. Keith, Chairman Bd. of Commissioners, it is stated, until Aug. 24 for \$21,000 6% 3-12-year serial drainage bonds.

MCINTOSH COUNTY (P. O. Darien), Ga.—BOND ELECTION.—The voters, according to reports, will have submitted to them on Sept. 11 a proposition to issue \$48,000 road improvement bonds.

MANKATO, Blue Earth County, Minn.—BONDS DEFEATED.—On July 20 the proposition to issue \$100,000 4% building and equipment bonds was defeated (V. 106, p. 2577).

MANSFIELD, Richland County, Ohio.—BONDS AUTHORIZED.—An ordinance was passed July 5 authorizing the issuance of \$20,000 5 1/2% 1-20-year serial sewer-improvement bonds. Denom. \$1,000. Date Aug. 1 1918. Principal and semi-annual interest payable at the City Treasurer's office. W. W. Carter is City Clerk.

MASSENA (TOWN) UNION FREE SCHOOL DISTRICT NO. 1 (P. O. Massena), St. Lawrence County, N. Y.—BOND OFFERING.—Sealed bids will be received until 8 p. m. Aug. 16 by F. C. Mason, Chairman Board of Education, for \$20,000 school bonds. Interest rate to be named in bid. Denom. \$1,000. Date May 1 1918. Due \$1,000 yearly on May 1 from 1920 to 1930, inclusive. Certified check for 2% of amount of bonds bid for required.

Bonded debt (incl. this issue) Aug. 1 1918, \$161,200. Assessed valuation 1917, \$3,984,128. Tax rate (per \$1,000), \$10.70.

MIAMI COUNTY (P. O. Troy), Ohio.—NO BIDS RECEIVED.—No bids were received for the three issues of 5% coupon highway-improvement bonds, aggregating \$16,000, offered on July 29—V. 107, p. 421. C. N. Peters is County Auditor.

MILAN TOWNSHIP RURAL SCHOOL DISTRICT (P. O. Milan), Erie County, Ohio.—BOND SALE.—On July 27 the Farmers' & Citizens' Banking Co. of Milan was awarded at par and interest \$7,000 6% school-addition bonds. Denom. \$1,000. Date July 26 1918. Int. M. & S. Due on or before 5 years, subject to call any interest period.

MILLVILLE, Cumberland County, N. J.—BOND SALE.—On July 26 the \$7,500 5% serial school bonds—V. 107, p. 310—were awarded to local investors for \$7,537 50, equal to 100.50.

MITCHELL, Davison County, So. Dak.—BONDS DEFEATED.—At the election held July 23 (V. 107, p. 202) the question of issuing \$185,000 water-works bonds was defeated by a vote of 264 "for" to 346 "against."

MOBRIDGE, Walworth County, So. Dak.—BOND ELECTION.—An election will be held Aug. 6 to vote on a proposition to issue \$50,000 sewerage-system bonds. It is reported.

MOORCROFT, Crook County, Wyo.—BOND OFFERING.—Sealed bids will be received until 8 p. m. Aug. 5 by D. R. Shackleford, Town Clerk, for \$8,000 6% 10-25-year serial coupon (with privilege of registration) sewer bonds. Denom. \$500. Date Aug. 1 1918. Interest semi-annual, payable at Kountze Bros., N. Y. Certified check for 5% of amount of bonds bid for, required.

MOORESVILLE, Iredell County, No. Caro.—BOND SALE.—Sidney Spitzer & Co. of Toledo were awarded on July 26 \$26,844 50 6% street-impt. bonds for \$27,198 (101.316) and Int. Denom. 50 for \$500 and 10 for \$184 45. Date July 1 1918. Prin. and semi-ann. int. payable at the American Exchange Bank, New York City. Due \$2,654 45 yearly on July 1 from 1919 to 1928 incl. Other bidders were: Hanchett Bond Co., Chic. \$27,251 50; Bruce Craven, Trinity. —\$26,944 50; W. L. Slayton & Co., Tol. 27,048 52; Seasongood & Mayer, Cin. 26,934 50; Durfee, Niles & Co., Tol. 27,009 50. All the above bidders offered accrued interest.

MUSKINGUM COUNTY (P. O. Zanesville), Ohio.—BOND SALE.—On July 27 the \$17,500 5% 1-10-year serial coupon road-impt. bonds—V. 107, p. 421—were awarded to the Hanchett Bond Co., Inc., of Chicago, for \$17,670 (100.972) and Int. Other bidders, all of Cincinnati, were: Well, Roth & Co., par and \$730 for printing of bonds, and Silverman-Huyek Co., \$17,503 50 and blank bonds.

NEBO HIGH SCHOOL DISTRICT (P. O. Nebo), McDowell County, No. Caro.—DESCRIPTION OF BONDS.—Further details are at hand relative to the sale of \$20,000 6% 20-year school bonds awarded on July 8 to Bruce Craven, of Trinity, at 100.75. The bonds are in denom. of \$1,000 and are dated July 1 1918. Int. J. & J.

NEW CASTLE, Fond du Lac County, Wyo.—BONDS NOT SOLD.—No sale has yet been made of the \$90,000 6% 10-15-year (opt.) gold coupon water-system bonds, dated July 1 1918, offered on June 28—V. 106, p. 2578. A. M. Nichols is Mayor.

NEW LONDON, Huron County, Ohio.—BOND OFFERING.—Proposals will be received by Andrew Ledgett, Village Clerk, until 12 m. to-day (Aug. 3) for \$3,000 5½% 5-9-year serial water-works bonds. Auth., Secs. 3939 and 3959, Gen. Code. Denom. \$500. Date July 1 1918. Interest annual. Purchaser to pay accrued interest.

NEW MILFORD, Bergen County, N. J.—BOND OFFERING.—It is stated that H. J. Tiffany, Borough Secretary, will receive bids until Aug. 8 for \$7,000 5% improvement bonds.

NEW YORK CITY.—TEMPORARY LOANS.—During the months of July this city issued the following revenue bills, 1918, aggregating \$33,000,000:

Table with columns: Amount, Interest, Maturity, Date Sold. Lists various bond amounts and their respective interest rates and maturity dates.

NILES, Trumbull County, Okla.—BONDS AUTHORIZED.—According to reports, an issue of \$9,500 intercepting sewer bonds has been authorized.

NOBLES COUNTY (P. O. Worthington), Minn.—DESCRIPTION OF BONDS.—The \$100,000 5½% 16-20-year serial Judicial Ditch No. 8 bonds, awarded during May to Kalman, Mattsson & Wood, of St. Paul, at par (V. 107, p. 422) are described as follows: Denom. \$1,000. Date July 1 1918. Int. J. & J.

OKANOGAN COUNTY SCHOOL DISTRICT NO. 29, Wash.—BOND SALE.—On July 24 the \$1,600 10-20-yr. (opt.) school bonds—V. 107, p. 203—were awarded. It is stated, to the State of Washington at par for 5s.

OLIVE HILL SCHOOL DISTRICT (P. O. Olive Hill), Carter County, Ky.—BOND OFFERING.—It is stated that proposals will be received at any time for \$10,000 1-10-year serial bonds.

PALMER, Merrick County, Neb.—BONDS VOTED.—It is reported that at a recent election \$40,000 water and light bonds were voted.

PARK COUNTY SCHOOL DISTRICT NO. 64 (P. O. Livingston), Mont.—BOND OFFERING.—Proposals will be received until Aug. 7 by A. L. Portwood, District Clerk, for \$1,000 6% 8-10-year (opt.) school bonds. It is stated. Certified check for \$100 required.

PARTRIDGE (Town), Pine County, Minn.—BOND OFFERING.—Sealed bids will be received until 2 p. m. Aug. 9, according to reports, by J. F. Soranson, Town Clerk (P. O. Askov), for \$6,000 6% refunding bonds. Date July 1 1918. Interest semi-annual. Due July 1 1933. Certified check for \$3,000 required.

PASSAIC COUNTY (P. O. Paterson), N. J.—BONDS APPROVED.—The Capital Issues Committee has approved the issuance of \$239,000 road bonds.

PAULS VALLEY, Garvin County, Okla.—BOND OFFERING.—Sealed bids will be received until Aug. 5 by Eugene Turner, City Treasurer, for \$25,000 water-works, \$15,000 public-park and \$9,000 fire-equipment bonds. Date Apr. 1 1918. Due in 25 years.

PAYETTE, Payette County, Idaho.—BOND SALE.—The \$51,000 6% 10-20-year (opt.) school bonds, recently authorized—V. 107, p. 311—were awarded on June 7 to Keeler Bros. of Denver at par. Denom. \$1,000. Date Jan. 1 1918. Interest J. & J.

PEKIN SCHOOL DISTRICT (P. O. Pekin), Tazewell County, Ill.—BONDS VOTED.—At a recent election a proposition to issue \$12,000 school bonds carried. It is stated, by a vote of 130 to 2.

PEORIA, Peoria County, Ill.—BONDS APPROVED.—The issuance of \$50,000 river terminal bonds has been approved by the Capital Issues Committee. It is stated.

PIERRE, Hughes County, So. Dak.—BOND ELECTION.—The issuance of \$90,000 water and sewer-system bonds will be decided by the voters on Aug. 7. It is stated.

PITTSBURG, Crawford County, Kan.—BOND ELECTION.—On Aug. 6 the voters will decide whether they are in favor of issuing \$6,500 10-20-year purchase park bonds at not exceeding 6% interest.

PLAINS TOWNSHIP, Luzerne County, Pa.—BOND SALE.—The Wyoming Trust Co. of Wilkes-Barre was awarded on June 1 \$10,000 5% impt. bonds at par and interest. Denom. \$1,000. Date May 1 1918. Int. M. & N. Due one bond yearly.

POAGVILLE CONSOLIDATED SCHOOL DISTRICT, Tate County, Miss.—BOND ELECTION.—A proposition to issue \$17,000 6% 20-year bonds will be submitted to a vote, according to reports, to-day (Aug. 3).

POMEROY, Meigs County, Ohio.—BOND OFFERING.—Further details are at hand relative to the offering to-day (Aug. 3) for the \$7,000 6% 10-year refunding bonds (V. 107, p. 311). Proposals for these bonds will be received at 12 m. by W. J. Jones, Village Clerk. Denom. \$500. Date Sept. 1 1918. Semi-ann. int. (M. & S.) payable at the Village Treasurer's office. Due Sept. 1 1928. Cert. check for \$100, payable to the Village Treasurer, required. Bonded debt (incl. this issue), \$83,000.

POPE COUNTY SCHOOL DISTRICT NO. 8 (P. O. Glenwood), Minn.—BOND ELECTION.—On Aug. 5 the voters will pass upon a proposition to issue to the State of Minnesota \$21,027 89 4½% bonds. E. E. Krueger is District Clerk.

PORTAGE COUNTY (P. O. Ravenna), Ohio.—BOND OFFERING.—Sealed bids will be received until 8 a. m. Aug. 12 by Fred Bechtel, County Auditor, for \$3,000 5½% hospital bonds. Denom. \$500. Date Sept. 1 1918. Int. A. & O. Due in 5 years. Cert. check for \$200, payable to the County Treasurer, required. Bonds to be paid for on day of delivery.

PORTLAND, Ore.—BOND OFFERING.—George R. Funk, City Auditor, will receive bids until 10 a. m. Aug. 14, it is stated, for \$500,000 5½% bonds. Int. semi-ann. Cert. check for 5% required.

PORT OF SEATTLE (P. O. Seattle), King County, Wash.—BOND ELECTION.—Reports state that an election will be held Sept. 10 to vote on the question of issuing \$2,500,000 bonds for the duplication of the Smith Cove terminal and such other wharfage and harbor improvements as may be deemed necessary.

POSEY COUNTY (P. O. Mt. Vernon), Ind.—BOND SALE.—The People's Bank & Trust Co. of Mt. Vernon has purchased the \$15,800 4½% 10-year highway-impt. bonds offered without success on July 8—V. 107, p. 203.

PRAIRIE COUNTY SCHOOL DISTRICT NO. 4 (P. O. De Grand), Mont.—BOND OFFERING.—Bids will be received until to-day (Aug. 3) for \$2,000 5-10-year (opt.) building bonds at not exceeding 6% int. Cert. check for \$300 payable to the District Clerk, required.

QUINCY, Norfolk County, Mass.—TEMPORARY LOAN.—On July 27 a temporary loan of \$100,000, issued in anticipation of taxes maturing Dec. 3 1918, was awarded. It is stated, to Salomon Bros. & Hutzler, of New York, at 4.33% discount.

RANDOLPH COUNTY (P. O. Pocahontas), Ark.—BOND SALE.—It is reported that J. G. Richardson, President of the Lawrence County Bank, was awarded \$60,000 Road District No. 3 bonds.

RICHMOND, Va.—TEMPORARY LOAN.—Local newspapers state that by unanimous vote of the Council Committee of Finance, the contract for discounting the \$500,000 loan dated Aug. 1 1918 and payable Jan. 10 1919 was awarded to Frederick E. Nolting & Co. at 4.95% on the entire amount.

RICHLAND COUNTY SCHOOL DISTRICT NO. 85 (P. O. Riverside), Mont.—BOND OFFERING.—Reports state that Leo J. Bogut, District Clerk, will receive bids until Aug. 27 for \$2,800 6% 5-20-year bonds.

RITTMAN, Wayne County, Ohio.—BOND ELECTION.—On Aug. 13 an election will be held to vote on a proposition to issue \$5,000 street bonds.

ROBESONIA SCHOOL DISTRICT (P. O. Robesonia), Berks County, Pa.—BOND SALE.—It is stated that an issue of \$10,000 4% school bonds has been purchased by local investors at par.

ROCHESTER, N. Y.—NOTE OFFERING.—Proposals will be received by Henry D. Quinby, City Controller, for the following notes, payable and deliverable at the Central Union Trust Co. of New York, Aug. 12 1918: \$50,000 water-works notes. Due 1 month from Aug. 12 1918. 50,000 sewage-disposal-plant notes. Due 8 months from Aug. 12 1918. 50,000 water-works notes. Due 8 months from Aug. 12 1918.

Bids must state rate of interest and designate to whom (not bearer) notes will be made payable and denominations desired.

NOTE SALE.—On July 26 a temporary loan of \$100,000 conduit construction notes to run one month from Aug. 1 1918 were awarded to Alexandre & Burnet of New York at 4½% int. and \$1 prem. S. N. Bond & Co. also of New York, bid 4½% int.

ROCKINGHAM COUNTY (P. O. Wentworth), N. C.—BOND SALE.—The \$225,000 6% 16-year aver. bridge bonds offered on July 12 (V. 106, p. 2776) have been disposed of.

ROCKLAND COUNTY (P. O. New City), N. Y.—BOND SALE.—The \$80,000 5% 1-16-year serial registered tuberculosis-hospital bonds offered on July 30—V. 107, p. 311—were awarded on that day to Geo. B. Gibbons & Co. of New York at 102.41.

RUNNELS COUNTY (P. O. Ballinger), Tex.—BOND SALE.—The \$75,000 road bonds mentioned in V. 106, p. 2579, were disposed of on July 26 at par and interest. It is stated.

ST. LANDRY PARISH (P. O. Opelousas), La.—BOND OFFERING.—Bids will be received until 11 a. m. Aug. 12 by F. Octave Pavy, President of Police Jury, it is stated, for \$25,000 5% road bonds.

SALT LAKE CITY, Salt Lake County, Utah.—BIDS.—The other bids received for the \$350,000 5% 1-10-year serial refunding bonds awarded on July 25 to Redmond & Co. of New York City for \$354,014 (101.146) and Int. (V. 107, p. 422) were:

Table listing various bidders for Salt Lake City bonds, including The National City Co., James L. Martin & Co., Curtis & Sanger and Blodgett & Co., etc., with their respective bid amounts.

* These firms also bid \$350,000 and accrued int. for 4½% bonds, provided they be allowed .0235%, or \$8,225, for acting as fiscal agents of the city.

All the above bidders offered accrued interest.

SANDERS COUNTY (P. O. Thompson Falls), Mont.—BOND ELECTION.—The question of issuing \$60,000 road and bridge bonds will be submitted to the voters on Aug. 29, according to reports.

SANTA CLARA COUNTY RECLAMATION DISTRICT NO. 1663, Calif.—DESCRIPTION OF BONDS.—The \$22,000 (not \$2,000 as first reported) 6% bonds awarded on June 25 to the Bank of San Jose for \$34,006 (106.268)—V. 107, p. 99—are in denom. of \$1,000 and are dated Mar. 1 1917. Int. J. & J. Due Jan. 1 1927.

SCHENECTADY, N. Y.—CERTIFICATE SALE.—On July 30 the \$150,000 certificates of indebtedness due Feb. 3 1919 (V. 107, p. 422) were awarded to the Equitable Trust Co. of New York at par for 4.30s and accrued int. S. N. Bond & Co. also of New York, bid 4.50% int. plus \$7 premium.

SCOTTS BLUFF COUNTY (P. O. Gering), Neb.—BONDS VOTED.—BONDS DEFEATED.—The proposition to issue \$100,000 5% bridge bonds carried at the election July 20—V. 107, p. 204. The vote was 600 to 313. Due 1938. At the same election the question of issuing \$160,000 bridge bonds was defeated.

SEATTLE, Wash.—FINANCIAL STATEMENT.—We are in receipt of the following financial statement issued in connection with the offering on Aug. 5 of the \$300,000 1-10-year general negotiable coupon bonds, at not exceeding 6% int.—V. 107, p. 311:

Financial Statement July 1 1918. Table showing Total bonded indebtedness, Warrants outstanding, Judgment Fund, etc., with amounts.

Population, Census of 1910, 237,194; according to U. S. Census Bureau, June 1 1917, 366,445.

SEATTLE, Wash.—BONDS APPROVED.—Reports state that the issuance of \$5,500,000 bonds for the construction of the hydro-electric plants on the Skagit River to serve war industries has been approved by the Capital Issues Committee.

SHEFFIELD SCHOOL DISTRICT (P. O. Sheffield), Colbert County, Ala.—BONDS VOTED.—Reports state that at a recent election the issuance of \$25,000 high-school bonds was authorized by the voters.

SHERBOURNE COUNTY COMMON SCHOOL DISTRICT NO. 4 (P. O. Big Lake), Minn.—BOND SALE.—The \$10,000 5-15-year serial refunding bonds, dated July 1 1918, offered on June 22—V. 106, p. 2579, were awarded to Kalmari-Matteson & Wood of St. Paul at 106.80 for 6s.

SHERIDAN COUNTY SCHOOL DISTRICT NO. 43 (P. O. Plentywood), Mont.—BONDS NOT SOLD.—The \$4,000 school-building bonds offered on July 6—V. 107, p. 100—were not sold, owing to the fact that they were not redeemable before maturity. The bonds will again be offered after re-publication.

SOUTH BEND, St. Joseph County, Ind.—BONDS AUTHORIZED.—Reports state that an issue of \$70,000 4½% Healthwin addition bonds has been authorized. Denom. \$1,000. Date Sept. 1 1918. Due serially beginning 1920. This issue will be ready for sale about Sept. 1.

SOUTH NEWBURGH (P. O. Cleveland), Cuyahoga County, Ohio.—BOND OFFERING.—Proposals will be received, it is stated, by Herman Bohling, Village Clerk, until 12 m. Aug. 20 for \$52,201 5½% 5-year average sewer bonds. Interest semi-annual. Certified check for ½ of 1% required.

SPADRA SCHOOL DISTRICT (P. O. Spadra), Johnson County, Ark.—BOND SALE.—An issue of \$15,000 6% 20-year school-building bonds recently authorized has been sold.

SPRINGFIELD, Hampden County, Mass.—TEMPORARY LOAN.—On Aug. 1 a temporary loan of \$400,000 issued in anticipation of taxes, dated Aug. 2, and maturing Nov. 8 1918, was awarded, it is stated, to S. N. Bond & Co. of New York, at 4.20% discount, plus 50c. premium.

STRUTHERS, Mahoning County, Ohio.—BOND OFFERING.—S. F. McNab, Village Clerk, will receive proposals, it is stated, until Aug. 21 for \$3,430 2½% bonds maturing serially beginning Aug. 1 1923. Interest semi-annual.

Proposals will also be received on the same day for \$19,499 50 6% bonds. Date Aug. 1 1918. Int. semi-annual. Due serially beginning Aug. 1 1919. Certified check for \$200 required.

SUPERIOR, Douglas County, Wis.—BOND SALE.—The Minnesota Loan & Trust Co. of Minneapolis recently purchased the \$31,000 5% 1-10-year serial street-improvement bonds (V. 106, p. 2777) for \$7,055 equal to 100.177.

TAYLOR COUNTY (P. O. Bedford), Iowa.—DESCRIPTION OF BONDS.—The \$55,000 5% road and bridge bonds awarded on June 11 to Hattie V. Crum (not W. E. Crum Jr., of the Bedford National Bank, as first reported), for \$55,345 (100.627), are in denom. of \$1,000 and are dated June 1 1918. Interest M. & N.

TERRE HAUTE, Vigo County, Ind.—BOND OFFERING.—Proposals will be received by W. P. Sheppard, City Controller, it is stated, until 12 m. to-day (Aug. 3) for \$150,000 5% 6-10-year serial emergency bonds. Interest semi-annual. Certified check for \$1,000 required.

TETON COUNTY SCHOOL DISTRICT NO. 24 (P. O. Chouteau), Mont.—BOND OFFERING.—Proposals will be received until Aug. 17 by John Ledgewood, District Clerk, it is stated, for \$1,200 5-10-year (opt.) school bonds at not exceeding 6% int. Certified check for \$100 required.

TETON COUNTY SCHOOL DISTRICT NO. 34 (P. O. Ledgewood), Mont.—BOND SALE.—On July 24 the State Board of Land Commissioners were awarded at par the \$3,500 6% 5-15-year (opt.) school bonds (V. 107, p. 312). Denom. \$500. Interest annual. There were no other bidders.

TETON AND CHOUTEAU COUNTIES JOINT SCHOOL DISTRICT NO. 23 (P. O. Dutton), Mont.—BOND SALE.—On July 27 the \$14,800 6% school-building bonds (V. 107, p. 100) were awarded to the Wells-Dickey Co. of Minneapolis for \$15,525 (104.898) and interest. Date July 1 1918. Due July 1 1923, subject to call any interest payment date thereafter. Other bidders were:

The Hanchett Bond Co., Chicago	\$15,500 00
Kalmari, Matteson & Wood, St. Paul	15,316 00
Sweet, Causey, Foster & Co., Denver	15,107 00
John Nuyven & Co., Chicago	15,100 00
C. H. Coffin, Chicago	14,876 10

TIPTON, Tipton County, Ind.—BOND SALE.—On July 25 the \$22,000 5% 5-30-year serial electric-light-impmt. bonds—V. 107, p. 204—were awarded to the Harris Trust & Savings Co. of Chicago for \$22,251, equal to 101.140. Date July 25 1918. Int. J. & D. Due yearly on June 1 from 1923 to 1938.

TONAWANDA, Erie County, N. Y.—BOND SALE.—On July 31 \$19,000 sewer bonds were awarded to Geo. B. Gibbons & Co. of New York at 100.33 for 4.65s. Denoms. \$1,000. Date July 1 1918. Due July 1 1938.

UNION COUNTY (P. O. Elizabeth), N. J.—BOND SALE.—On July 29 the 4¼% gold coupon (with privilege of registration) road, bridge and hospital bonds—V. 107, p. 312—were awarded to Harris, Forbes & Co. of New York at 100.913 for \$231,000 bonds. The National City Co. of New York bid 100.59.

UPPER SANDUSKY SCHOOL DISTRICT (P. O. Upper Sandusky), Wyandot County, Ohio.—BOND SALE.—On July 24 the \$4,500 5% 7-10-year serial school bonds—V. 107, p. 204—were awarded to Durfee, Niles & Co. of Toledo for \$4,505, equal to 100.111. W. L. Slayton & Co., Iso of Toledo, bid \$4,502.70.

URBANA, Champaign County, Ohio.—BOND ELECTION.—On Aug. 13 a proposition to issue \$5,600 fire-dept. impmt. bonds will be submitted to the voters, it is stated.

VAN WERT COUNTY (P. O. Van Wert), Ohio.—BOND SALE.—On July 26 the following two issues of 5% road bonds were awarded to the First National Bank of Van Wert at par and interest: \$7,028 38 Jackson Township bonds. Denom. \$1,000, except 1 for \$1,026 38. Due 1 bond each six months beginning Sept. 1 1919; 5,500 00 Road No. 175 bonds. Due 1 bond yearly on Sept. 1 from 1919 to 1924, inclusive. Date July 15 1918. Interest M. & S.

VIGO COUNTY (P. O. Terre Haute), Ind.—DESCRIPTION OF BONDS.—The \$4,428 (not \$9,240 as first reported) 6% drainage bonds awarded at par to Breed, Elliott & Harrison of Indianapolis—V. 107, p. 423—are in denoms. of \$500 and \$116, and dated June 3 1918. Int. J. & D. Due part yearly on Dec. 1 from 1920 to 1934, inclusive.

WALLOWA, Wallowa County, Ore.—DESCRIPTION OF BONDS.—Additional information is at hand relative to the sale of the \$7,682.39 5½% 10-20-year (opt.) gold sewer bonds, awarded on July 15 to Morris Bros., Inc., of Portland, for \$7,694.39 (100.154), accrued interest, blank bonds and expenses—V. 107, p. 423. The bonds are in denoms. of \$500 and \$182.39 and are dated July 1 1918. Prin. and semi-ann. int. (J. & J.) payable at the fiscal agency of the State of Oregon (National Park Bank), New York City, N. Y.

Financial Statement.

Real value of property (estimated)	\$800,000 00
Assessed valuation for taxation, 1917	475,930 00
Total bonded debt, including this issue	\$17,682 39
Less water bonds	10,000 00
Net debt	\$7,682 39
Population (estimated), 1,200	

WASHINGTON COURT HOUSE, Fayette County, Ohio.—BOND SALE.—The Commercial Bank of Washington has purchased at par and interest two issues of 5% 5½-year average street-improvement bonds aggregating \$11,800. Denom. \$500. Int. M. & S.

WATERLOO INDEPENDENT SCHOOL DISTRICT (P. O. Waterloo), Blackhawk County, Iowa.—BOND OFFERING.—Proposals will be received until Aug. 9 by the Secretary Board of Education, for the \$100,000 5% school-house bonds authorized at the election held July 15 by a vote of 96 to 4 (V. 107, p. 423). Due Sept. 1 1928.

WATERTOWN, Jefferson County, N. Y.—BOND SALE.—On July 31 the \$50,000 5% 30-year water, light and power-development bonds—V. 107, p. 423—were awarded to H. A. Kahler & Co. of New York for \$52,290 (104.58) and int. Other bidders were: Remick, Hodges & Co., N. Y., 106.563; Wm. R. Compton Co., N. Y., 105.586; Geo. B. Gibbons & Co., N. Y., 106.42; Hornblower & Weeks, N. Y., 105.1664; Farson, Son & Co., N. Y., 106.357; Northern New York Trust R. M. Grant & Co., N. Y., 105.88 Co., Watertown, 103.16

WATERVLIET, Albany County, N. Y.—BONDS VOTED.—At the election held July 29 the proposition to issue water-improvement bonds carried—V. 107, p. 204.

WESTERVILLE, Franklin County, Ohio.—BOND SALE.—The State Industrial Commission of Ohio has purchased, it is stated, \$4,540 4¼% street-improvement assessment bonds at par.

WEST LIBERTY VILLAGE SCHOOL DISTRICT (P. O. West Liberty), Logan County, Ohio.—BOND SALE.—On July 31 Sessonsgood & Mayor of Cincinnati were awarded the \$3,000 6% 3-8-year serial bonds dated July 31 1918 (V. 107, p. 423) for \$3,062 (102.066) and int. W. L. Slayton & Co. of Toledo bid \$3,047.10.

WEST PARK, Cuyahoga County, Ohio.—BOND SALE.—The Lakewood State Bank of Lakewood has been awarded, it is stated, \$8,948 6% Barthleman Ave. paying bonds. Interest semi-annual.

WEST POINT, Clay County, Miss.—BOND SALE.—On June 22 the \$30,000 6% 1-20-year serial bonds (V. 106, p. 2580) were awarded to J. C. Mayer & Co. of Cincinnati at 102.75. Denom. \$500. Int. annually.

WHITMAN COUNTY (P. O. Colfax), Wash.—DESCRIPTION OF BONDS.—The \$242,000 (not \$230,000 as first reported) 6% 1-10-year serial (option on call) highway-impmt. bonds awarded on July 1 to Ferris & Hardgrove of Spokane for \$242,157, equal to 100.064 (V. 107, p. 313), are described as follows: Denoms. \$500 and \$1,000. Date July 1 1918. Int. J. & J.

WILBURTON, Latimer County, Okla.—BOND ELECTION PROPOSED.—According to reports an election will be held to vote on the question of issuing \$30,000 water bonds.

WILKINSON COUNTY (P. O. Woodville), Miss.—BOND ELECTION.—An election will be held Aug. 6, it is reported, for the purpose of voting on the question of issuing \$60,000 road bonds.

WILSON TOWNSHIP SCHOOL DISTRICT (P. O. Easton), Northampton County, Pa.—BOND OFFERING.—Proposals will be received by Jordan F. Stever, Township Secretary, until 7:30 p. m. Aug. 14 (date changed from July 13—V. 107, p. 100)—for \$60,000 4½% 5-30-year (opt.) coupon school bonds. Date Aug. 1 1918. Int. semi-ann. Certified or cashier's check for 1% of bid required.

WOLF POINT, Sheridan County, Mont.—BOND OFFERING.—Charles Gordon, City Clerk, will sell at public auction at 2 p. m. Sept. 9 (date changed from Aug. 5—V. 106, p. 2473) \$25,000 6% sewer bonds. Denom. \$500. Date Sept. 1 1918. Prin. and semi-ann. int. (J. & J.) payable at the National Bank of Commerce, New York City. Due Sept. 1 1938, subject to call any time after Sept. 1 1928. Cert. check for \$3,000 on a national bank in the State of Montana required. The official notice of this bond offering will be found among the advertisements elsewhere in this Department.

WOODBIDGE TOWNSHIP (P. O. Woodbridge), Middlesex County, N. J.—BOND SALE.—On July 29 the 5¼% gold coupon (with privilege of registration) paying bonds—V. 107, p. 313—were awarded to Harris, Forbes & Co. of New York at 101.802 for \$80,000 bonds. The Perth Amboy Trust Co. of Perth Amboy bid 101.63.

WORCESTER, Worcester County, Mass.—TEMPORARY LOAN.—On July 23 the temporary loan of \$400,000, maturing Nov. 29 1918 (V. 107, p. 424) was awarded, it is stated, to Blake Bros. & Co. of Boston at 4.22% discount. Other bidders were:

	Discount	Premium
Salomon Bros. & Hutzler, New York	4.24%	
Park Trust Co., Worcester	4.25%	\$1 25
J. P. Morgan & Co., New York	4.25%	
S. N. Bond & Co., New York	4.29%	
Alexandre & Burnett, New York	4.29%	
A. B. Leach & Co., Inc., New York	4.34%	\$2 00
Equitable Trust Co., New York	4.35%	

LOAN OFFERING.—Proposals will be received by the City Treasurer, it is stated, until 12 m. Aug. 5 for a temporary loan of \$100,000 revenue notes dated Aug. 7 and payable Nov. 29 1919.

WORCESTER COUNTY (P. O. Worcester), Mass.—TEMPORARY LOAN.—A temporary loan of \$50,000 issued in anticipation of taxes, dated Aug. 6 1918 and maturing Dec. 5 1918, was awarded, according to reports, to Salomon Bros. & Hutzler of New York at 4.21% discount plus \$2 premium.

YOUNGSTOWN, Mahoning County, Ohio.—BOND SALE.—The \$7,500 5% sewer bonds authorized on July 8—V. 107, p. 424—were awarded to R. M. Grant & Co. of New York at par.

CANADA, its Provinces and Municipalities.

ABBEE, Sask.—DEBENTURE SALE.—W. H. Kirkman of Swift Current was awarded, it is stated, an issue of \$3,500 village debentures.

ALLENBY SCHOOL DISTRICT, Sask.—DEBENTURE SALE.—An issue of \$2,400 school debentures was awarded, it is stated, to Nay & James of Regina.

ANDERSON TOWNSHIP, Essex County, Ont.—DEBENTURE SALE.—C. H. Burgess & Co. of Toronto have purchased, it is stated, \$7,550 6% 10-installment drainage debentures.

AYLMER, Ont.—DEBENTURE SALE.—The \$7,000 reservoir debentures recently voted (V. 107, p. 205) have been disposed of locally.

BROCKVILLE, Ont.—DESCRIPTION OF DEBENTURES.—The \$16,800 6¼% 1-20-year serial improvement debentures awarded on July 12 to Neelys, Ltd., of Toronto, at 101.13 (V. 107, p. 424), are dated Aug. 15 1918. Int. E. & A.

KELLERVILLE SCHOOL DISTRICT, Sask.—DEBENTURE SALE.—The Waterman-Waterbury Mfg. Co. of Regina has purchased the \$2,800 7½% 10-year debentures recently authorized (V. 107, p. 101).

MANITOBA (Province of).—DEBENTURE SALE.—On July 27 the \$1,000,000 6% 10-year debenture—V. 107, p. 424—were awarded at 96.77 to a syndicate composed of R. C. Matthews & Co. of Toronto, C. Meredith & Co., Ltd., Harris, Forbes & Co., and Hanson Bros. of Montreal.

NEW BRUNSWICK (Province of).—DEBENTURE OFFERING.—The Comptroller General (P. O. Fredericton) will receive bids at par for \$200,000 5% 20-year tax-free road debentures. Denoms. \$100, \$500 and \$1,000. Date Aug. 1 1918. Prin. and semi-annual interest (E. & A.) payable at any branch of the Bank of Montreal in New Brunswick, and at the Bank of Montreal in Montreal, Toronto and New York, at the option of the holder thereof.

THORNE SCHOOL DISTRICT, Sask.—DEBENTURE SALE.—The Waterman-Waterbury Mfg. Co. of Regina has purchased, it is stated, \$2,500 school debentures.

VALLEY CITY SCHOOL DISTRICT, Sask.—DEBENTURE SALE.—The Great West Life Assurance Co. of Winnipeg has purchased, it is stated, \$2,000 school debentures.

VIMY SCHOOL DISTRICT, Sask.—DEBENTURE SALE.—The \$2,500 7½% 10-year debentures recently authorized (V. 107, p. 101) have been purchased by the Waterman-Waterbury Mfg. Co. of Regina at 100.50. Interest annually in June.

YARMOUTH, N. S.—DEBENTURE OFFERING.—Proposals will be received by Hiram Gaudy, Town Clerk, until 12 m. Aug. 5 for \$54,000 6% 15-year refunding debentures. Denoms. 100 for \$100, 50 for \$500 and 19 for \$1,000. Date Aug. 31 1918. Interest semi-annual.