

# The Commercial & Financial Chronicle

VOL. 107 SEPTEMBER 7 1918 NO. 2776

Published every Saturday morning by WILLIAM B. DANA COMPANY; Jacob Selbert Jr., President and Treasurer; Arnold G. Dana, Vice-President and Secretary; Addresses of both, Office of the Company.

CLEARINGS—FOR AUGUST, SINCE JAN. 1, AND FOR WEEK ENDING AUGUST 31.

Clearings at—	August.			Eight Months.			Week ending August 31.				
	1918.	1917.	Inc. or Dec.	1918.	1917.	Inc. or Dec.	1918.	1917.	Inc. or Dec.	1916.	1915.
New York	14,958,426,624	14,679,321,528	+1.9	115,639,189,877	118,349,952,600	-2.2	3,618,44,897	3,393,002,479	+0.6	3,144,407,462	2,251,925,096
Philadelphia	1,734,638,982	1,368,456,584	+26.7	12,665,837,867	11,208,387,638	+13.0	389,720,791	311,313,721	+25.2	233,076,486	173,965,888
Pittsburgh	554,969,754	329,854,186	+68.2	3,476,707,015	2,682,649,587	+29.6	113,233,503	73,592,663	+56.2	57,035,176	47,473,729
Baltimore	321,973,676	169,001,725	+79.4	2,013,519,858	1,890,862,482	+6.2	69,492,281	43,392,881	+59.5	35,945,358	35,339,651
Buffalo	104,452,072	82,737,101	+25.0	723,294,245	637,493,338	+13.5	23,796,065	16,042,365	+48.3	13,338,102	10,597,405
Albany	20,222,017	19,573,982	+3.3	165,848,798	169,210,188	-2.0	3,600,000	3,018,165	+19.3	3,827,956	4,000,000
Washington	39,415,231	45,815,033	-16.1	456,464,529	367,323,777	+24.5	13,285,305	9,574,198	+38.8	8,006,737	7,303,707
Rochester	32,471,664	26,703,495	+21.6	257,048,675	238,836,659	+7.6	5,487,309	5,384,871	+1.9	5,163,843	5,021,752
Boston	16,719,334	14,196,245	+18.5	131,182,488	130,451,504	+0.6	2,639,057	2,900,365	-21.0	2,070,376	2,714,482
Harrisburg	30,236,937	18,499,401	+63.6	135,244,735	144,790,682	-7.3	5,106,000	4,809,992	+6.0	3,317,261	3,223,322
Reading	11,383,039	10,383,394	+9.7	93,731,455	91,408,709	+2.5	3,350,745	3,326,530	+0.7	1,769,891	1,825,260
Wilmington	13,993,212	13,725,905	+2.0	108,801,147	110,470,861	-1.5	3,084,780	2,944,325	+4.8	2,691,272	1,986,757
Wilkes Barre	9,489,197	8,070,098	+17.6	72,764,560	67,184,208	+8.3	1,947,974	1,479,916	+31.6	1,447,623	1,445,029
Wheeler	17,534,169	10,713,057	+62.2	138,203,583	129,009,132	+7.1	4,423,783	3,513,434	+25.9	2,742,035	1,842,053
Harrisburg	5,256,232	4,276,848	+22.9	40,144,928	41,255,747	-2.7	81,255,747	81,255,747	0.0	81,255,747	81,255,747
Trenton	12,334,208	10,181,580	+21.1	93,657,739	86,778,133	+7.8	2,400,000	2,040,731	+17.6	2,022,488	2,121,559
York	4,927,146	5,369,326	-8.1	45,434,611	41,542,392	+9.4	1,191,357	1,134,762	+5.0	1,076,750	751,134
Erie	9,485,030	8,070,021	+17.5	70,209,511	59,407,267	+18.2	1,802,145	1,636,195	+10.1	1,298,774	1,004,024
Clester	8,188,164	5,277,940	+55.2	51,363,006	47,722,993	+7.6	1,600,000	1,014,237	+56.8	1,146,493	705,495
Greensburg	5,256,232	4,276,848	+22.9	40,144,928	41,255,747	-2.7	81,255,747	81,255,747	0.0	81,255,747	81,255,747
Binghamton	3,479,300	3,761,500	-7.6	29,736,860	32,412,100	-9.2	68,000	650,000	-3.9	607,000	678,100
Altoona	3,615,625	3,070,963	+17.7	25,873,206	23,817,645	+8.6	835,448	704,204	+18.0	553,290	496,960
Franklin	1,924,703	2,028,403	-5.1	14,843,035	15,777,082	-5.9	---	---	---	---	---
Frederick	2,154,002	1,865,361	+15.5	18,370,857	15,962,012	+18.0	---	---	---	---	---
Beaver County, Pa.	2,924,456	3,080,477	-5.1	25,791,858	24,435,093	+5.6	---	---	---	---	---
Lancaster	10,431,041	8,847,842	+18.0	97,093,197	79,431,350	+22.6	---	---	---	---	---
Norristown	3,342,471	3,626,054	-8.1	24,820,839	29,053,242	-16.5	2,192,881	2,012,639	+8.9	1,528,501	1,585,490
Montclair	1,505,571	1,964,814	-23.4	14,572,569	17,280,771	-15.7	291,974	396,074	-26.3	298,153	348,000
Oranges	3,984,873	3,781,114	+5.4	33,103,183	32,009,314	+3.5	---	---	---	---	---
Hagerstown	2,975,817	2,717,699	+9.1	24,750,997	22,156,372	+11.7	---	---	---	---	---
<b>Total Middle</b>	<b>17,965,740,460</b>	<b>16,900,819,582</b>	<b>+6.3</b>	<b>136,856,965,210</b>	<b>136,442,125,635</b>	<b>+0.3</b>	<b>4,269,555,301</b>	<b>3,882,412,840</b>	<b>+10.0</b>	<b>3,624,671,323</b>	<b>2,554,776,911</b>
Boston	1,238,019,046	1,025,025,673	+20.7	10,057,900,300	8,128,061,693	+23.7	267,098,743	249,836,480	+7.5	166,159,377	132,967,737
Providence	48,399,500	40,113,300	+20.7	395,716,300	351,176,000	+12.7	9,577,100	8,589,700	+11.5	7,189,400	6,675,100
Hartford	38,732,919	31,772,136	+21.9	279,080,449	288,109,618	-3.1	6,859,956	6,617,284	+3.7	6,788,028	6,571,762
New Haven	24,286,350	19,797,439	+22.7	175,983,537	174,355,241	+0.9	4,776,548	4,301,523	+11.0	4,409,013	3,375,583
Portland	11,714,196	11,559,641	+1.3	84,235,847	84,235,847	0.0	2,488,018	2,800,000	-11.4	2,289,839	1,990,581
Springfield	16,093,051	15,611,743	+3.1	131,254,958	144,310,960	-9.0	2,920,242	3,225,785	-9.5	2,967,155	2,597,749
Worcester	16,499,198	15,325,189	+7.0	125,632,514	126,728,221	-0.9	3,079,590	3,445,016	-7.9	3,138,087	2,597,389
Fall River	9,010,701	7,293,806	+23.5	73,976,144	64,937,186	+13.9	1,744,110	1,499,142	+16.3	1,178,633	1,015,002
New Bedford	7,697,141	6,262,394	+21.3	63,190,992	55,514,062	+13.0	1,500,000	1,287,852	+16.5	1,109,278	903,718
Lowell	5,256,232	4,276,848	+22.9	40,144,928	41,255,747	-2.7	81,255,747	81,255,747	0.0	81,255,747	81,255,747
Holyoke	3,256,174	3,455,456	-5.8	25,838,363	27,292,419	-5.3	982,566	843,594	+13.5	847,074	759,785
Barnstable	2,556,818	2,883,356	-11.3	25,818,814	23,946,183	+12.5	450,346	684,628	-34.2	699,008	430,355
Warebury	7,922,800	9,161,100	-13.5	67,150,100	78,230,478	-14.2	---	---	---	---	---
Stamford	2,489,749	2,447,624	+1.7	19,034,457	18,997,584	+0.2	---	---	---	---	---
<b>Total New England</b>	<b>1,481,533,342</b>	<b>1,195,001,588</b>	<b>+24.0</b>	<b>11,569,874,961</b>	<b>9,615,862,785</b>	<b>+20.3</b>	<b>292,971,900</b>	<b>2,737,268,884</b>	<b>+7.0</b>	<b>187,632,697</b>	<b>160,671,002</b>
Chicago	2,250,912,487	2,027,259,654	+11.0	17,113,099,237	16,599,965,210	+3.2	484,851,667	451,679,172	+7.4	390,220,970	305,796,421
Cincinnati	253,614,887	178,747,950	+41.9	1,841,108,277	1,365,820,184	+34.9	9,146,904	40,877,334	-32.5	31,137,950	24,839,700
Cleveland	390,055,458	336,881,249	+19.3	2,760,595,632	2,375,527,272	+16.2	88,459,174	55,139,625	+58.1	50,903,746	32,297,228
Detroit	290,870,097	197,437,439	+47.4	1,983,597,920	1,832,993,401	+7.9	86,330,348	16,487,608	+43.1	40,553,251	27,904,253
Indianapolis	121,016,084	108,653,735	+11.1	959,835,866	835,432,501	+13.3	24,840,309	22,056,236	+12.6	17,804,501	14,386,872
Columbus	51,634,800	45,838,400	+12.7	527,967,000	455,611,764	+15.9	15,631,000	11,667,792	+34.0	10,285,810	8,987,675
Toledo	48,413,376	44,419,436	+9.0	345,302,702	354,460,992	-2.7	9,811,920	9,136,924	+7.4	7,919,104	5,819,742
Peoria	10,790,963	9,316,839	+15.1	101,824,190	183,205,313	-11.9	4,657,559	4,709,000	-0.9	3,750,000	3,300,000
Grand Rapids	24,161,436	20,797,439	+16.1	184,667,674	161,569,912	+14.3	4,716,799	4,432,657	+6.3	4,041,272	3,410,222
Dayton	17,298,535	13,371,156	+29.2	136,636,100	125,432,923	+11.4	3,600,000	2,883,493	+25.1	4,299,520	2,450,910
Evansville	17,756,300	13,010,155	+36.5	129,840,040	90,756,033	+40.9	3,497,503	3,712,567	+28.9	1,920,509	1,607,064
Springfield, Ill.	11,422,803	10,637,184	+7.4	78,186,428	66,579,825	+16.7	2,212,013	2,175,248	+1.5	1,363,215	1,117,260
Fort Wayne	5,930,899	5,495,630	+7.7	44,626,269	62,982,756	-15.6	1,072,766	1,146,190	-1.3	1,442,157	1,113,541
Youngstown	15,541,340	11,844,386	+31.3	125,335,176	119,790,320	+4.6	3,714,961	2,614,684	+40.5	2,463,151	1,399,526
Xenia	3,946,025	28,310,000	-12.2	183,950,909	202,545,000	-6.5	4,913,000	6,278,063	-21.9	3,631,076	2,386,000
Canton	12,183,048	14,377,482	-15.3	104,857,066	118,539,500	-12.0	2,299,975	3,581,143	-35.8	3,300,008	2,141,599
Lexington	4,127,011	3,533,192	+16.4	45,012,507	38,531,801	+17.9	560,000	772,852	-23.1	562,970	611,144
Rochester	8,400,000	7,100,836	+18.3	64,238,001	51,797,227	+24.0	1,586,162	1,488,634	+6.6	1,015,934	715,397
Quincy	5,061,297	4,635,462	+9.1	47,256,956	38,105,240	+24.0	1,086,167	975,000	+11.3	793,790	884,642
South Bend	5,666,233	4,303,153	+31.3	42,731,182	39,635,894	+7.8	916,757	851,994	+7.6	715,350	719,251
Bloomington	6,275,809	5,488,113	+14.4	43,092,827	40,967,285	+5.4	1,129,092	1,129,092	0.0	927,208	884,170
Decatur	5,539,090	5,824,543	-5.1	36,575,546	29,965,808	+22.2	1,175,828	723,523	+62.5	623,835	540,843
Springfield, Ohio	5,451,681	5,664,013	-3.9	43,465,068	42,062,646	+3.3	1,325,815	1,132,925	+17.5	1,302,364	786,590
Mansfield	4,817,942	4,045,508	+19.8	37,023,493	31,353,558	+18.1	1,097,368	1,122,758	-2.2	908,945	592,840
Danville	2,485,050	2,357,701	+5.4	21,576,991	20,692,553	+4.3	480,371	639,823	-11.0	551,658	592,945
Jackson	3,271,191	4,750,000	-31.3	35,791,999	36,760,736	-2.8	---	---	---	---	

### THE FINANCIAL SITUATION.

The conviction and sentencing of a hundred of the pestilent creatures who call themselves Industrial Workers of the World, in the Federal Court in Chicago, on last week Friday, is a tardy although probably irreversible act of justice. The head of the gang and the fourteen closest to him were sentenced to twenty years' imprisonment; thirty-three others received sentences to terms of ten years, and the terms of imprisonment for others tapered down to a nominal ten days, while fines were also imposed on the leader and his aids ranging from \$20,000 to \$5,000.

This is the conclusion of the action taken on Sept. 5 of a year ago, when blows were struck at this organization in Chicago, San Francisco, and a dozen other cities on or near the Pacific Coast. Offices were raided; supplies, lists of names, and other material were seized, including in the latter a quantity of pictures of Frank Little, hanged in Butte by masked men not long before.

"I do not mean," Judge Landis is quoted as saying at one point in the trial, "that the I. W. W. started out deliberately to aid Germany." What he did mean (except that their conduct has directly furnished such aid, as is perfectly evident) is not reported, and not improbably he shares the difficulty most of us feel in forming a definite opinion as to the mental characteristics of these mischief-making creatures. Their characteristics, however, are chiefly of interest to alienists at present and their motives are not important in passing upon their acts. In criminal prosecutions where circumstantial evidence must largely be trusted for securing conviction, it is helpful if a clear motive for the criminal act can be shown; but when commission of unlawful acts is proven it is of minor consequence what the criminal imagined would be the consequences of his act. The chief criminal in this case, Haywood, declared that no member of the I. W. W. "is guilty of any act against the United States, and, if released, there is nothing I could do but to continue to uphold the I. W. W. constitution as I have done in the past." As far as that constitution is translatable into intelligible terms, it seems to assert an interminable conflict between employers and workers, the necessity of universal strikes, "and the revolutionary watchword, abolition of the wage system." This would turn the hive into drones, until hard necessity took a hand; meanwhile, these preachers of anarchy labor chiefly with their mouths, subsisting on and protected by the social system they denounce as fundamentally instead of incidentally defective.

Their inflammatory haranguing, capable of local disturbance in ordinary times, becomes a national peril in a time of war, nor do their mischiefs stop with words. A year ago there was cumulative evidence that they had been advocating and plotting disturbances in the farming, lumbering and mining districts beyond the Mississippi. In the State of Washington they sought to hinder getting out timber for airplanes and other needs, sometimes by boldly doing misdeeds themselves and sometimes by the cowardly process of suggestion to others. In the mining districts they sought to interrupt copper production; in farming districts they would hinder harvesting and destroy the harvested crops. The long list of storehouses and barns fired during the

last twelvemonth cannot yet be forgotten, and now we hear of an organized movement in California (which should be general over food-producing country everywhere) to set special guard over this season's crop.

Most of the I. W. W. followers are probably ignorant and dull, easy material to be made into dupes, and as for the leaders it must be admitted that too much leniency has given them boldness. How far they really persuade themselves they are fighting what they vaguely call "capitalism" and have no war against the United States does not matter at present, for this is no time to permit national mischiefs while arguing about motives. The conduct of these persons is hostile to the United States, in that it inevitably and directly tends to hinder the United States in conquering upon the battlefield the enemies of this and all other countries. The man Little, after openly declaring that soldiers could never go over to France because they would have so much to do at home, was hung by lynchers to a railroad trestle. This, while an indefensible act, was at least easy to understand. It was their answer to his threat to keep the soldiers busy at home.

There is nothing of the martyr in the I. W. W., and certainly nothing of the hero. To place a bomb under the chair of Judge Landis in the trial room on the sixth floor of the Federal building in Chicago would have shown a personal daring and a rude sense of retaliation that might have seemed Russia-like; but to set a bomb behind a radiator in the corridor of a post office where innocent persons are at work and others are coming and going is the trick of one who is a coward as well as murderer and resembles the affair in Los Angeles, when the building of a newspaper that was deemed too independent was attacked, with the time carefully chosen so as to endanger the largest number of persons. This explosion on Wednesday is justly charged to the I. W. W., for it is so like them. It may stand as their reply to the trial of the previous week. The reply of the law to this reply should be a sternness hitherto not shown. The country is at war, and the war is in part already here. Should we not learn the lesson and cease trying to repress the public enemies at home by mild methods?

Bank clearings in the United States for August 1918, as for many months past, present indubitable evidence of continued activity in practically all industrial and mercantile lines, although to a more or less important extent, the gains being recorded over the corresponding period of earlier years are to be ascribed in large, if not major, part to the steadily ascending prices of almost all commodities. The fact is that for the same quantity of almost any kind of merchandise purchased the outlay this year is much greater than last year, and consequently bank clearings are affected. It is, therefore, not a surprising development that the total of clearings for August 1918 should show a very noticeable gain over the like period a year ago, nor that at a great majority of the cities included in our compilation the figures are high records for the month, and in a number of instances the heaviest of any monthly period in our history. Furthermore, the exhibit at New York is very satisfactory in the face of a smaller volume of operations on the Stock Exchange. Of the 174 cities included in our detailed compilation of clearings,

only 24 record decreases from a year ago, and in practically every case the falling off finds its explanation in causes operating locally. On the other hand, many cities exhibit gains of noteworthy dimensions. Included in this category are Philadelphia, Pittsburgh, Baltimore, Buffalo, Washington, Boston, New Haven, Cincinnati, Dayton, Indianapolis, Evansville, Seattle, Portland (Ore.), Spokane, Tacoma, Kansas City, Omaha, Denver, St. Joseph, Des Moines, Sioux City, Wichita, New Orleans, Houston, Richmond, Atlanta, Nashville, Norfolk, Dallas, Tulsa and a considerable number of municipalities of lesser prominence. In fact, at some of these latter the gains are simply prodigious, notably the 96.9% at Newport News and the 83.5% at Muskogee. For the whole country the total of clearings at \$28,141,832,108 shows an increase of 12.1% over 1917, and the gain, contrasted with 1916, reaches 42%. The Greater New York aggregate of \$14,958,426,624 exhibits augmentation of 1.9% and 27.1%, respectively, compared with one and two years ago, and the sum for the 173 outside cities at \$13,183,405,484, exceeds 1917 by 26.6% and 1916 by 63.8%.

For the elapsed portion of the calendar year 1918—eight months—the aggregate of clearings, of course, establishes a new high-water mark for such a period. The total for the 174 cities reaches \$213,736,347,225, this showing an augmentation of 6.4% over 1917 and 34.3% over 1916. At New York the loss as compared with last year is 2.2%, but the increase over 1916 is no less than 20.6%, while at the outside cities 18.8% and 55% represent, respectively, the extent of the augmentation. Passing any detailed reference to the showing at individual cities we note that decreases are confined to 36, and that at 65 cities gains of 20% or greater are exhibited, these quite generally following increases of large proportions in the preceding year.

Speculative operations on the New York Stock Exchange in August were quite restricted, and much less than in the same month a year ago. Dealings aggregated only 6,887,589 shares, against 11,636,853 shares last year and 14,626,082 shares in 1916, and for the eight months totaled 89,106,917 shares, against 126,853,605 shares and 108,869,600 shares, respectively, in the similar period of the two preceding years. Lessened trading as compared with 1917 is to be noted in railroad and industrial bonds, but operations in foreign securities, more particularly the French, Anglo-French and United Kingdom issues, showed some expansion and trading in Liberty Loan bonds reached an extremely heavy aggregate—over 118 millions. Consequently sales of all classes of bonds for the month were much above those of August 1917—\$163,698,000 par value contrasting with \$68,579,000—and for the period since Jan. 1 they aggregated 1,024 $\frac{5}{8}$  million dollars, against 640 $\frac{3}{4}$  millions a year ago and 700 $\frac{1}{2}$  millions in 1916. At Boston dealings in stocks for August amounted to 266,988 shares, against 258,136 shares last year, and for the eight months comparison is between 2,360,170 shares and 3,778,846 shares.

Canadian clearing house returns likewise are of the same generally favorable character as recorded for some time past. The aggregate for the twenty-five cities from which we have comparative figures shows for the month an increase of 10% over 1917, and for the eight months the total is in excess by 4.5%.

The cotton condition report for August 25, issued by the Department of Agriculture Tuesday, and indicating a very decided deterioration in the condition of the crop during the preceding month and a status of the plant much lower than ever before officially announced for the date given, would seem to set at rest any hopes that might have been entertained for an increased yield of the staple in 1918-19. In making this statement we are assuming that the pronouncement represents the situation as it really exists, although there is a disposition in some well-informed quarters to question the correctness of the condition percentages as stated for localities east of the Mississippi River. In other words, with the outlook poor in the Southwest, there has been an unintentional tendency toward exaggeration of the adverse developments in other sections of the belt. Even before the Government report was made public, the markets of the world were prepared by private investigation to expect that it would show marked deterioration in the cotton territory as a whole, and were influenced accordingly, but nothing quite so unfavorable as officially promulgated was looked for. Now it would appear that practically every State is expected to show a decreased production as compared with the previous season. This is especially so of the States west of the Mississippi River, except California and Arizona, small producers withal, and the Department's own analysis of the information places the probable aggregate output for the season at only 11,137,000 bales, not including linters, this contrasting with a production of 11,248,242 bales last year, according to the Census Bureau's final figures. The above being accepted as about the limit of yield to be looked forward to, there is the possibility that the surplus carried over from the preceding season will suffer some depletion if consumptive requirements as now estimated are to be met.

As officially announced, the Department makes the drop in condition from July 25 no less than 17.9 points (the greatest deterioration heretofore in the period was 17.9 in 1902, identical with that now reported), and shows the average condition Aug. 25 to have been only 55.7, against 73.6 on the earlier date. This contrasts with 67.8 on Aug. 25 last year, 61.2 in 1916—up to this time the lowest condition for the date given—69.2 in 1915 and a ten-year average of 70.4. As regards the individual States and due to prolonged drought and hot weather following insufficient rains of the winter, the condition in Texas is announced as 18 points lower than on July 25, the drop in Oklahoma is stated as 42 points, in Arkansas 25, in Missouri 33, in Tennessee 28, in Mississippi 14, in Alabama 12, in Louisiana 12, in Georgia 11, South Carolina 13 and North Carolina 10 points. Explaining the very unfavorable report, the Crop Reporting Board says: "The past month was the most disastrous in its effect upon the cotton crop that has ever been recorded, the decline being 17.9 points, equivalent to 24% in one month. The forecast of yield per acre, 145.2 lbs., is smaller than any yield ever reported. A large acreage, however, permits a forecast of total production of 11,137,000 bales, which is but slightly smaller than the last three years. The depreciation was more or less general throughout the cotton belt, but greater in the West, Texas and Oklahoma especially, than in the East. The principal cause of the decline was the extreme drought, but contributory causes were boll weevil, red spider and rust."

Reflecting the effect of this unexpectedly poor report, there was immediately a marked advance in the price of the staple from the already abnormally high level. In fact, at New York middling uplands advanced to 38.20 cents per lb., the highest point reached since Nov. 2 1866.

Marshal Foch still is pushing forward steadily. The week has witnessed a succession of independent drives, though, as a rule, they have lacked the spectacular features of the preceding weeks. In a telegram, thanking the Paris Municipal Council for their congratulations, the Allied Commander in Chief, in his own name and on behalf of the French and Allied armies said: "The German rush which menaced Paris and Amiens has been broken; we will continue to pursue the enemy implacably." A word of caution is coming forward which is gratifying since it implies that the Allies are not likely to rush headlong into a trap similar to that which has proven the undoing of the Germans. "It is well to take a conservative view of our recent victories," says Major-General Maurice, writing in the London "Chronicle" of Thursday. "We have not yet turned the main north and south sections of the Hindenburg line and we shall not have done this effectively until we get across the Sensee Canal and take Douai. With this achieved we may look for further big developments." General Maurice argued that the enemy's immediate plans from the Oise northward are to shorten his line in Flanders, hold the Sensee Canal covering Douai and go back to the Hindenburg line in front of Cambrai and St. Quentin and further south to the Chemin des Dames. General Maurice also points out that winter is not far distant and is always a time of trial, more particularly because of the shortsighted efforts of the pacifists. It is quite possible, he says, that this winter Germany may offer to return Alsace-Lorraine to France and restore Belgium if she be left free to exploit Russia, which would mean that the Central European Allies would in time become as powerful as ever and that Prussia's kultur and Prussian militarism would again flourish. "We have to keep clearly before us," he said, "the fact that the victories of the past month have shown that we can extirpate both and it is our plain duty to do so. The greater the naval and military efforts we can make, the more we subordinate everything to win the war, the more we concentrate our resources upon the defeat of our principal enemy, the sooner we remedy our still defective machinery for conducting the war, the sooner we shall get complete victory."

Significance is being attached by military critics to the news via Amsterdam that the Chief of the German Admiralty staff has had new power conferred on him, widening his control over the fleet. Captain Lewetzow, the naval officer, has been taken from active service to assume the post of chief of the new naval staff attached to main headquarters. There has been a feeling in Allied military circles that whenever the land situation begins to become desperate, the Kaiser would stake all on a sudden and concentrated rush of his navy. It is not reasonable at any rate to suppose that the Germany navy will remain bottled up in the event of disaster promising to be forced on the army, for it would mean virtually a gift of the navy to the Allies. Hence the disposition would be to regard a breaking forth of the navy as an acknowledgment that, from the

German standpoint, the purely military situation as well as the economic conditions have become next to intolerable.

That the truth regarding the reverses and also the importance of the American participation in the fight is becoming more widely known in the Fatherland, despite the well-known efficiency of the German censorship is indicated by extracts received by cable from German papers. There appears on the surface at least a remarkable change in the attitude of Berlin officialdom. In appealing to the Constitution Committee of the Prussian Upper House to fulfill the Emperor's pledge for reform of the franchise, Chancellor von Hertling was quoted in a speech early in the week as saying that in his honest conviction "with this serious question unsettled, the protection and the preservation of the Crown and Dynasty are at stake. The Government," continued the Chancellor, "considers that its task is to bring to fulfilment the royal pledge expressed in the July message. As all the sons of the Fatherland are defending the Fatherland, there is now no question of social discrimination at the next election." In fact, the general tenor of all accounts from Berlin suggests that the Government is finding it necessary to take serious account of the discontent that is springing up apparently in all directions. The Kaiser in a telegram to the Municipality of Dresden refers to the severity of the Fatherland's fight for its future and to the German people's determination to preserve their land and kultur by "successful defense." He does not talk of victory by the sword and annihilation of the enemy. "The German people," the telegram reads, "understand the difficulty of the present decisive battles against an enemy filled with hatred, jealousy and the will to destruction, but has unanimously decided to devote all its strength to defend against its enemies' assaults on its sacred soil and its kultur which it had won in peaceful work."

Meanwhile an interview with the Crown Prince published in Budapest also takes a much more modest attitude in strong contrast to his blatant boastings of the past. "In judging the situation, both military and political," he said, "we must never forget one thing—that we are waging a war of defense. The war is one of annihilation only to the enemy, not for us. We want to annihilate none of our enemies. We mean, however, to hold our own." The German Socialist newspaper "Vorwaerts" takes occasion to openly compare Kuehlmann and the Crown Prince. "Democracy is a necessity of our life," says this newspaper in a large headline running clear across its front page. "Why," it asks, "did Von Kuehlmann resign?" and it sets out in parallel columns, on the one hand, the statement of the former Foreign Minister that the war could not be ended by a purely military decision, and, on the other hand, the utterances already referred to by the Crown Prince. Von Kuehlmann's words, it declares, "roused a storm of anger from the Pan-Germans, and yet it must be said that the words of the Crown Prince as a matter of fact go much further than those of Von Kuehlmann. Von Kuehlmann did not expect peace by a purely military decision, but in the expectations of the Crown Prince a military decision does not enter at all." Referring to the Kaiser's telegram, the same paper states that "On June 16 the German Kaiser made his speech about the struggle between the two concep-

tions of the world, the German conception of right, freedom, honor and morality, and the Anglo-Saxon heathen worship of money, declaring that "these two conceptions are wrestling with one another and one must be completely overthrown." The newspaper declares that it would rouse the people to a real recognition of the seriousness of the situation and it would continue that good work by calling the Reichstag together and letting the voice of the people's representatives be heard. Press advices from Amsterdam say that a decree signed by General von Linsingen, commandant of the Brandenburg Province, according to the Cologne "Volks Zeitung," places the city of Berlin and the Province of Brandenburg under "the law relating to a state of siege, which provides for a fine or imprisonment for persons inventing or circulating untrue rumors calculated to disquiet the populace." Similar decrees have been issued in Breslau and other cities, all operative immediately.

As to the military operations in France and Flanders, there has been a steady forward movement. It was reported early in the week that the Allied troops had occupied the important French coal centre of Leus. This news, however, appeared to have been premature, although the Allied troops are on the outskirts of the city and are only prevented from entering on account of the gases which the Germans left there when they evacuated the city. British patrols have crossed the Canal du Nord south of Marquion, and are fighting on the Bapaume-Cambrai road, where the contest about Moeuvres has been particularly severe. North and south of Peronne the British advance has continued and is now close to high ground between Athies and Murlu. In Flanders, after repulsing a heavy counter-attack north of Hill No. 63, the British have pushed their lines further forward, south and southeast of Nieppe and northeast of Wulverghen. The French celebrated the fourth anniversary of the Battle of the Marne with the Americans by driving the Germans before them in the territory north of the Vesle, where the French lines now extend along the Aisne between Condy and Ciel-Arey. Further east it now passes north of Dhuizel to Bardonyal and the Plateau of Beaugard farm. The French are continuing their advance on the whole Ailette and have liberated more than 30 villages, besides gaining possession of the greater part of the lower forest of Courcy. They have captured Courcy le Chateau and Courcy-le-Ville. The war having now entered the phase of open contest troops are in rapid motion and the character of the battlefield has greatly changed. Where men formerly fought foot by foot and in deep shelters, they now move rapidly across open fields with their bands with them and their colors showing.

French authorities claim to have accurate information that the Germans have lost 1,100,000 men since March 21. Of this total it is estimated that 500,000 were killed, permanently disabled or taken prisoners, leaving about 600,000 recuperable in four or five months. Enemy reserves, it is figured, dwindled during the same period to about the same extent, meaning that the reinforcements brought from Russia were used up. The American army in France next spring will, it is expected, alone exceed the whole fighting force of the German army, but in the meantime German divisions released by the shortening

of the line (if the present retreat is effected successfully) and with a half million men recuperated from the wounded and 400,000 men of the 1920 class now completing training will constitute a manoeuvring army with which General Ludendorff may be tempted to hazard another stroke.

While the United States is restricting the exports of gold and has been encouraging the shipments of silver to India, word comes from Peking that China has announced regulations forbidding the exports of silver and copper money which is needed, it is argued, in the Government's campaign against the rebels in the south. An agreement has been signed between the Chinese War Minister and the Taihokumel Japanese Co. for a loan of 50,000,000 yen to be issued at 50 and bearing 7% interest, Chinese Treasury bonds being given as security. The scheme, it is stated, is the most extensive ever attempted in China and consists in the formation of a company which will virtually monopolize all imports and exports requiring Government permits, including iron, rice, arms, ammunition, railway material, &c. Chinese only are eligible as shareholders of the company, but it is understood that the Japanese will provide the entire capital while the Chinese will receive 40% of the shares.

Lord Robert Cecil, Under Secretary of State for Foreign Affairs, gave details at a dinner in London on Monday last of a plan for pooling all Allied shipping. He alluded to the pooling of Allied food supplies and Allied munitions. The speaker explained that the Allied Maritime and Transport Council was established last December at a meeting of all the Allies. It had grown and its organization had been completed, but its central principle remained what it always was, namely the necessity of allied control for Allied supplies. "We have," the speaker said, "seen lately much to cheer us. That, however, is no reason for diminished effort, but rather for increased effort. Now is the time to strike a definite and final blow at our enemies. As far as the actual fighting is concerned, that is in other hands and in hands which give us no anxiety. We have profound confidence in our armies and our commanders. In order to feed our armies apart from our civil population we have got to pool all our resources, we must bring together the whole economic strength of our Allies. The accomplishment of that task is not so easy. In this and many other matters we are fighting under a certain disadvantage. Our enemies have been content to enslave themselves to the German General Staff. That gives them a certain unity of control, a certain protection of machinery which it is difficult for us to imitate, for after all the essential part of our struggle is that we are free nations, that we claim the right to decide each for ourselves what is necessary in the interests of the general cause in which we are engaged." Lord Cecil concluded by stating that the key to Allied control was Allied shipping. But though it was of the greatest importance that there should be a common Allied control of shipping, yet even that could not be made perfect unless there also was accorded full consideration of the Allied needs. It was, the speaker declared, the co-ordination of the Allied needs and Allied resources with Allied shipping which would make an overwhelming economic power of the alliance.

Shipbuilding accounts continue satisfactory so far as the British and American yards are concerned. An official announcement by the British Admiralty on Wednesday reported that British merchant shipbuilding completed and entered for service in the month of August amounted to 124,695 tons. The American yards last month delivered a total of 66 ships, aggregating 340,145 dead weight tons. This exceeds the heretofore high record month of June, when 295,000 dead weight tons were delivered. The total of American deliveries during August included 44 steel ships, aggregating 260,645 dead weight tons and 22 wooden and composite ships, aggregating 79,500 dead weight tons. British shipping figures show that during the first six months of 1918 sinkings of the entire world totaled 2,890,293 gross tons, which was in excess of the 2,113,591 gross tons of shipping produced by the world to replace the lost cargo space. It is believed that the Allies are now producing shipping faster than that sunk by U-boats and that this from now on will continue a permanent factor. Recent reports have placed the total of vessels under construction in Germany at 960,000 tons, though later accounts declare that ships included in this total were launched before the war began.

Following an attack on the British Embassy in Petrograd last Saturday, the British Consulate at Moscow was attacked on Thursday by Bolshevik mobs. The second attack appears a response to the action of the British Government in its demand on the Bolshevik Government for reparation for the Petrograd reports and threat of outlawry for the members of the Soviet Government should it fail to give complete satisfaction or should further acts of violence be committed against British subjects. There are estimated to be about 100 British subjects yet in that part of Russia in which the Bolshevik rule. In Saturday's attack Captain Francis Cromie, an attache of the Embassy, was killed in the course of a "search of the Embassy." Forty persons, for the most part British subjects, were arrested. The Bolshevik authorities claimed to have received a report charging connection between various counter-revolutionary organizations and the Embassy. One of the Bolshevik Commissioners was thereupon instructed to investigate the report on the supposition that the counter-revolutionists, Savinkoff and Filonenko, were hiding in the Embassy. Accompanied by a detachment of scouts the Commissioner went to the Embassy, and, proceeding to the third floor, was met by shots which killed one of the scouts and wounded another. A fight ensued and the scouts were obliged to fire, the Commissioner declares, and Attache Cromie was killed. It is alleged that weapons and compromising documents were found in the Embassy. A dispatch received at London on Wednesday reported the assassination of the former Russian Emperor and her daughters. Doubt is cast upon the accuracy of the report, however, from the fact that negotiations were in progress for removing the former Empress and her daughters from Russia to Madrid. All the relatives of Alexander Kerensky, the former Provisional President of Russia, have been arrested by order of the Bolshevik extraordinary commission.

Telegrams telling of the departure from Russia of Americans and members of the Allied Commis-

sions were received by the State Department on Thursday from Helsingfors and Stockholm. The American party is made up of 40 American officials, 40 Y.M.C.A. workers, 2 Red Cross workers, 25 employees of the National City Bank and 15 other Americans.

Following last week's similar action by Great Britain, the United States on Tuesday recognized formally the Czecho-Slovak National Council as a de facto belligerent government clothed with proper authority to direct the military and political affairs of the Czecho-Slovak peoples. A state of belligerency is recognized to exist between the Czecho-Slovaks and the German and Austro-Hungarian peoples. Our State Department announced that it was prepared to enter formally into relations with the de facto Government thus recognized for the purpose of prosecuting the war against the common enemy. Washington also has received advices that the Czecho-Slovak forces in Russia are being augmented by desertions to them from the Bolsheviks. Regarding the military operations of the Allies in Siberia, the Japanese War Office reports that the right column of Allied troops pursuing the enemy beyond the Uyeraya River halted on Aug. 26 at Nadoujaya, 10 miles east of Simakoff. The left column occupied the eminence north of Simakoff and the centre reaching Simakoff stopped there.

"Soberly confident" is the expressive description of the condition in the London markets for securities recorded this week by a press correspondent at that centre. The markets, he declares, are not excited by the excellent war news. A few large holders are taking the opportunity to realize on a portion of their war loan holdings. The fact that the quotation is above the issue price is significant, he points out, in view of the fact that the depreciation fund is inoperative when the quotation gets above 95. Another correspondent declares that the City expects the German resistance will increase in the next few weeks with the anticipated slower progress of the Allies. "Nevertheless," he continues, "it is now believed that there must be some hidden weakness to explain the character of the German retreat. Such conjectures especially recall the mysterious delay between Germany's two offensives of March and July, which enabled the Allies to strengthen their own position to such purpose." Spanish securities have been in good supply on the London market and have declined sharply following reports that friction of a serious character had arisen between Madrid and Berlin. Mining stocks were firm, those of the base metal description prominent. Iron and steel industrial shares were strong under the leadership of Vickers, on reports of approaching developments the character of which was not mentioned in the cable. Shipping shares were firm, Peninsula & Oriental rising 33 points to 460 on Thursday, Cunard shares rising 15 points to 120 on Wednesday, Royal Mail 8 points to 150, and Furness Withy 9 points to 86. Rumors have been revived of a proposed amalgamation of the leading British lines. In addition to this, the suggestion is heard that there is to be established something of a community of interests with respect to shipping between the Allies after the war. Tenders are being invited in London for £1,300,000 Metropolitan Water Board one-year bills to meet those maturing in New York Sept. 18. The London Stock Exchange Committee

has decided, effective Oct. 1, to raise brokerage commissions from  $\frac{1}{8}$  to 3-16 of 1% on Consols and War Loans and to  $\frac{1}{4}$  of 1% on other British Government stock. The committee has also decided that, whereas brokers have the discretionary right to charge half rates on transactions exceeding £1,000, they now must charge the full minimum scale on £2,500, granting reduction of one-half only on any excess thereto.

Last week's sales of British war bonds totaled £17,204,000, which compares with £218,568,000 the week preceding, and making the aggregate of sales through the banks to Aug. 31 £1,010,933,000. The post offices reported for the week ending Aug. 24 sales of bonds amounting to £403,000, bringing the sales under that head up to £36,722,000. The previous week's sales by the post offices were £406,000. War Savings certificates of £1 each disposed of in the week of Aug. 24 reached a total of £1,957,000, making the aggregate ultimate indebtedness in this direction £229,249,000.

The British Treasury statement for the week ended Aug. 31 again showed expenditures in excess of revenues and a further decline in the Exchequer balance was recorded. The steady expansion is continued in the volume of Treasury bills outstanding, which this week totaled no less than £1,063,799,000, an increase of £6,435,000. The week's expenses were £55,169,000 (against £41,474,000 for the week ending Aug. 24), while the total outflow including repayments of Treasury bills and other items, aggregated £143,861,000, against £110,239,000 a week ago. Receipts from all sources equaled £143,769,000, comparing with £109,636,000 the week before. Of this total, revenues contributed £12,338,000, in comparison with £12,160,000 last week; war savings certificates were £1,200,000, against £1,500,000, and other debts incurred £9,863,000, against £11,143,000. War bonds amounted to £21,857,000, against £18,371,000, while advances reached a total of £10,000,000, as compared with £5,000,000 the previous week. Treasury bills issued amounted to £88,331,000. Last week the total was £61,312,000. The Exchequer balance now stands at £11,336,000, a decrease of £92,000, and comparing with £11,428,000 a week ago.

No changes are to be noted in official discount rates at leading European centres, from 5% in London, Paris, Berlin, Vienna and Copenhagen; 6% in Petrograd and Norway;  $6\frac{1}{2}$ % in Sweden and  $4\frac{1}{2}$ % in Switzerland, Holland and Spain. In London the private bank rate continues to be quoted at 3 17-32% for sixty-day and ninety-day bills. Call money in London is still reported at 3%. As far as we have been able to ascertain, no reports have been received by cable of open market rates at other European centres.

The Bank of England announces another increase in its stock of gold for the week (£388,033) although total reserves were reduced £597,000, resulting from the increase of £985,000 in note circulation. Declines were shown this week in the deposit items and the proportion of reserve is 17.65, against 17.80% a week ago and  $18\frac{7}{8}$ % last year. There was an increase in public deposits of £2,094,000, but this was offset by a contraction of £4,384,000 in other

deposits and of £1,288,000 in Government securities. Loans (other securities) declined £367,000. Thread-needle Street's gold holdings aggregate £69,932,857. Last year the total was £54,288,561 and in 1916 £55,341,803. Reserves total £29,785,000, which compares with £32,068,191 in 1917 and £37,527,683 the year before. Loans now stand at £98,886,000, as against £97,739,184 last year and £95,739,358 in 1916. Clearings through the London banks for the week were £436,280,000, in contrast with £407,120,000 last week and £352,650,000 a year ago. 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. Sept. 4.	1917. Sept. 5.	1916. Sept. 6.	1915. Sept. 8.	1914. Sept. 9.
	£	£	£	£	£
Circulation.....	58,597,000	40,670,370	30,264,120	31,790,860	35,221,586
Public deposits.....	37,012,000	44,461,822	52,218,939	129,587,552	24,406,348
Other deposits.....	131,725,000	124,997,022	105,094,078	85,942,422	130,704,462
Govt'n securities.....	68,106,000	57,794,320	42,187,947	34,418,357	25,747,587
Other securities.....	98,886,000	97,739,184	95,739,368	145,230,005	116,922,769
Res've notes & coin.....	29,785,000	32,068,191	37,527,683	54,138,361	30,736,844
Coin and bullion.....	69,932,857	54,288,561	55,341,803	67,479,221	47,608,429
Proport'n of reserve to liabilities.....	17.65%	18.92%	23.85%	24.11%	19.51%
Bank rate.....	5%	5%	6%	5%	5%

The Bank of France in its weekly statement shows a further gain in its gold holdings, the increase for the current week being 768,000 francs. The aggregate gold holdings, including 2,037,108,500 francs held abroad, now total 5,436,150,175 francs. In 1917 and 1916 the amounts were 5,313,880,134 francs and 4,817,319,699 francs, respectively, including 2,037,108,484 francs and 573,773,871 francs held abroad in the respective years. The other changes during the week include a rise of 29,933,000 francs in Treasury deposits and a gain of 6,967,000 francs in advances. On the other hand, several declines were also recorded, silver showing a decrease of 323,000 francs, bills discounted falling off 11,457,000 francs and general deposits receding 200,140,000 francs. Note circulation expanded 293,423,000 francs bringing the total outstanding up to 29,727,389,000 francs and comparing with 20,857,242,780 francs in 1917 and 16,598,861,595 francs the year previous. On July 30 1914, just prior to the outbreak of war, the total was 6,683,184,785 francs. Comparison of the various items with the statement of last week and corresponding dates in 1917 and 1916 are as follows:

BANK OF FRANCE'S COMPARATIVE STATEMENT.

	Changes for Week.	Sept. 5 1918.	Sept. 6 1917.	Sept. 7 1916.
	Francs.	Francs.	Francs.	Francs.
<b>Gold Holdings—</b>				
In France.....Inc.	768,000	3,399,041,675	3,276,771,649	4,243,545,828
Abroad.....	No change.	2,037,108,500	2,037,108,484	673,773,571
<b>Total.....Inc.</b>	768,000	5,436,150,175	5,313,880,134	4,817,319,699
Silver.....Dec.	323,000	330,175,000	260,685,121	337,497,462
Bills discounted.....Dec.	11,457,000	892,479,000	560,650,389	387,817,069
Advances.....Inc.	6,967,000	834,129,000	1,132,019,278	1,173,556,574
Note circulation.....Inc.	293,423,000	29,727,389,000	29,567,242,780	16,598,861,595
Treasury deposits.....Inc.	29,933,000	328,502,000	45,102,937	171,337,059
General deposits.....Dec.	200,140,000	3,277,156,000	2,663,749,582	2,122,214,096

Last week's statement of New York associated banks and trust companies, issued on Saturday, was about as anticipated. The loan item was again lowered, this time \$31,679,000. Net demand deposits showed a gain of \$45,252,000 to \$3,682,421,000 (Government deposits of \$216,255,000 deducted), while net time deposits declined \$1,195,000 to \$159,403,000. Cash in vaults (members of the Federal Reserve Bank) was reduced \$3,307,000 to \$95,203,000 (not counted as reserve). Reserves in the Federal Reserve Bank of member banks increased \$1,-

403,000 to \$523,628,000. The reserve in own vaults (State banks and trust companies) expanded \$28,000 to \$11,287,000. Reserves in other depositories (State banks and trust companies) gained \$370,000 to \$8,377,000. Aggregate reserves registered a small increase, namely, \$1,801,000, to \$543,292,000, which compares with \$505,533,000 held a year ago. This, however, was turned into a decrease in the case of surplus because of an increase in reserve required of \$5,828,480, the loss being \$4,027,480, thus bringing the total of excess reserves to \$55,327,750 on the basis of 13% reserves for member banks of the Federal Reserve system (but not counting \$95,203,000 cash in vaults held by these banks). At the corresponding date in 1917, surplus totaled only \$12,307,900. The bank statement in greater detail is given in a subsequent section of the "Chronicle."

With the exception of Wednesday, following the payment by J. P. Morgan & Co. of about \$200,000,000 on account of the two-year 5% secured notes of the United Kingdom of Great Britain and Ireland, call money has been maintained by lenders at 6% during the week. On Wednesday a 5% rate was named. The release of the funds in question exerted no appreciable influence in the matter of fixed maturities. In a word, the money situation in New York to-day is that it has been stabilized on a 6% basis for what business is permitted to pass. The closest scrutiny is being exercised by all classes of lenders as to the objects for which borrowers are applying for funds. Among Stock Exchange houses there still is a widespread indisposition to undertake business requiring an important amount of banking accommodation. The Money Committee thus far has distributed funds in sufficient amounts to prevent any advance from 6% on mixed collateral. But commission houses feel that they may at any moment be placed in a position wherein they would be unable to obtain new funds to replace loans that were called. Furthermore, a 6% rate completely nullifies a not unimportant source of profit to Stock Exchange members, that is to say, the profit contained in the difference between the 6% rate they usually charge their own customers and the 2% rate or thereabouts at which they are able in normal times to borrow from the banks themselves. Consequently, the entire profit on a buying transaction is to-day  $\frac{1}{8}$  of 1%, which is not sufficient remuneration, according to the more conservative class of Stock Exchange brokers, for undertaking the risks of financing transactions on a scale which could hardly fail to cause trouble in the event of a sudden shutting down of the supply of call money. Some houses, it is understood, have resorted to the practice of charging a commission for obtaining loans for their customers. This, however, has not become a general practice, and many of the larger houses are disinclined to introduce the system on the ground that if they themselves obtain a large profit when money rates are low, they ought in justice to their customers assume some degree of responsibility when rates become higher. The Governors of the New York Stock Exchange yesterday adopted the following resolution:

"Resolved, that the Committee on Business Conduct be and is hereby authorized to require from the members of the Exchange or their firms a daily statement of the amount of money borrowed on time and on call."

No reports have become available as to the extent assumed by the movement recently instituted of loaning funds on call on acceptances. The rate on this class of business continues at  $4\frac{1}{2}\%$ , which of course is a substantial reduction from the 6% rate required on the regular market for call loans. The New York Clearing House Association has announced this week a modification of the exchange charge on acceptances payable out of town. Instead of a minimum charge of 1-10 of 1% on acceptances, payable outside of New York City, the minimum charge has been reduced to 1-40 of 1%. Many of the out-of-town banks desired the charge abandoned entirely. The Clearing House is now considering a proposed amendment to prohibit its members from paying any collection charges in excess of those fixed through the Federal Reserve banks. This is along the same lines as the recent Clearing House action which limits the rate of interest to be paid on bank deposits to figures corresponding with the prevailing ninety-day discount rate for the Federal Reserve banks.

Several capital applications have appeared on the market this week. A distributing syndicate of bankers has been formed for the purpose of selling \$33,400,000 Interborough Rapid Transit Co. three-year 7% secured convertible notes which are to be offered publicly at  $98\frac{1}{2}$  and interest, yielding slightly over  $7\frac{1}{2}\%$  interest. A part of these notes—those taken by the War Finance Corporation, which are not to exceed \$12,500,000—are to be sold proportionately with those taken by the syndicate and under the same terms as to selling commissions. Local bankers are offering \$1,500,000 Pennsylvania Electric Co. 7% secured gold notes at  $97\frac{1}{2}$  and interest, which may be considered more or less representative of the rental rates for capital ruling at the present moment. Another banking firm is offering \$1,028,000 serial 6% bonds of the Lake Worth Drainage District of Palm Beach County, Fla., at par and accrued interest.

Dealing with specific rates for money, call loans this week ranged between 5@6%, against a single rate of 6% during the week previous. Monday was a holiday (Labor Day). On Tuesday there was no range, 6% being the high, low and ruling figure for the day. Wednesday the high was still at 6%, which was also the rate quoted for renewals, but there was a decline to 5% for the low. Thursday and Friday, however, the rate went back to 6%, which was the only figure quoted on each day, and at which renewals were negotiated. These figures apply to mixed collateral loans. Loans on all-industrial collateral are quoted  $\frac{1}{2}$  of 1% higher. Demand loans on bankers' acceptances continue at  $4\frac{1}{2}\%$ . For fixed maturities the market position remains practically the same. Nominally the rate is 6% for all periods from sixty days to six months, but the volume of business passing is of negligible proportions and confined mainly to a few renewals. A year ago sixty days was quoted at 5%, with ninety days, four, five and six months at 5@ $5\frac{1}{2}\%$ .

Commercial paper has not ruled active. A fair demand is reported. Offerings, however, were as light as ever and served to limit transactions in this class of trading. Six per cent is still the rate quoted for sixty and ninety days' endorsed bills receivable and six months' choice names as well as names not so well-known without discrimination.

Banks' and bankers' acceptances were in fairly good demand and both local and out of town bankers

were in the market as buyers, although transactions failed to reach important proportions. There was a firm undertone, with quotations showing no essential change. Detailed rates follow:

	spot	Delivery	Delivery
	Ninety	Sixty	Thirty
	Days.	Days.	Days.
Eligible bills of member banks.....	4 3/4 @ 4 3/4	4 3/4 @ 4 3/4	4 3/4 @ 4
Eligible bills of non-member banks.....	4 3/4 @ 4 3/4	4 3/4 @ 4 3/4	4 3/4 @ 4 3/4
Ineligible bills.....	5 1/4 @ 4 3/4	5 1/4 @ 4 3/4	5 1/4 @ 4 3/4

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	DISCOUNT RATES											
	Boston.	New York.	Philadelphia.	Cleveland.	Richmond.	Atlanta.	Chicago.	St. Louis.	Minneapolis.	Kansas City.	Dallas.	San Francisco.
<b>Discounts—</b>												
Within 15 days, incl. member banks' collateral notes.....	4	4	4	4 1/4	4 3/4	4	4	4	4	4 1/2	4	4
16 to 60 days' maturity.....	4 1/4	4 1/4	4 1/4	4 3/4	5	4 3/4	4 3/4	4 1/2	4 3/4	5 1/4	4 1/4	4 3/4
61 to 90 days' maturity.....	4 3/4	4 3/4	4 3/4	4 3/4	5	4 3/4	4 3/4	4 3/4	4 3/4	5 1/2	4 3/4	4 3/4
Agricultural and live-stock paper over 90 days.....	5	5	5	5 1/4	5 1/4	4 3/4	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2
Secured by U. S. certificates of indebtedness or Liberty Loan bonds—												
Within 15 days, including member banks' collateral notes.....	4	4	4	4	4 1/4	4	4	4	4	4 1/2	4	4
16 to 90 days' maturity.....	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/2	4 1/4	4 1/4	4 1/4	4 1/2	4 1/4	4 1/4
<b>Trade Acceptances—</b>												
1 to 60 days' maturity.....	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
61 to 90 days' maturity.....	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2

\* Rate of 3 to 4 1/2% for 1-day discounts in connection with the loan operations of the Government.  
 † 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 has remained without noteworthy feature, rates being still virtually pegged and not subject to change by the variations of demand and supply. Referring to rates in detail, sterling exchange on Saturday, as compared with Friday of last week, ruled without quotable change, with demand still at 4 75 1/2, cable transfers at 4 76 9-16 and sixty days at 4 73 @ 4 73 1/4. Monday was a holiday (Labor Day). On Tuesday trading was dull and featureless and rates remained pegged at 4 75 1/2 for demand, 4 76 9-16 for cable transfers and 4 73 @ 4 73 1/4 for sixty days. A slightly easier tone developed on Wednesday with fractional declines recorded in demand, which ranged at 4 75 7-16 @ 4 75 1/2, and cable transfers at 4 76 55 @ 4 76 9-16; sixty days continued at 4 73 @ 4 73 1/4. Thursday's dealings were exceptionally quiet and rates, which were more or less nominal in character, remained without change from the previous day's levels. On Friday the market was fairly well maintained and still unchanged. Closing quotations were 4 73 @ 4 73 1/4 for sixty days, 4 75 7-16 @ 4 75 1/2 for demand and 4 76 55 @ 4 76 9-16 for cable transfers. Commercial sight bills finished at 4 75 @ 4 75 1/4, sixty days at 4 71 5/8 @ 4 71 7/8, ninety days at 4 70 @ 4 70 3/8, documents for payment (sixty days) at 4 71 @ 4 71 1/4 and seven-day grain bills at 4 74 1/8 @ 4 74 3/8. Cotton and grain for payment closed at 4 75 @ 4 75 1/4. There were no gold exports or imports reported for the week.

Comparative quiet ruled in the Continental exchanges this week. While rates were as a rule maintained at all of the Entente centres, no further sensational changes are to be noted. Francs were firm, at or near the high levels of the preceding week, while lire have ruled steady at the official

figures promulgated by the Division of Foreign Exchange last week. Latest cable advices indicating the continued favorable progress of Franco-American and British troops in France and Flanders made a good impression on market sentiment, though it has been pointed out in some quarters that the recent phenomenal advances that have taken place in French and Italian exchange were due almost wholly to the preconcerted efforts of the Governments concerned for the regulation of exchange and not as a result of enthusiasm over successes at the front. In the case of rubles, no change has been noted and the quotation remains deadlocked, with no business being done. A dispatch by way of Amsterdam under date of Sept. 4, states that another sharp decline in rates of exchange of the Central Powers at that centre has taken place. The official London check rate on Paris finished at 26.10, compared with 26.25 last week. In New York sight bills on the French centre closed at 5 50 against 5 46; cables at 5 49, against 5 45; commercial sight at 5 50 3/4, against 5 46 3/4, and commercial sixty days at 5 55 1/2, against 5 52 1/2 on Friday of the previous week. Lire finished at 6 36 for bankers' sight and 6 35 for cables, which is the same as a week ago. Rubles continue to be quoted at 14 for checks and 15 for cables. Greek exchange has not been changed from 5 13 3/4 for checks and 5 15 1/2 for cables.

In the neutral exchanges continued weakness has been shown, with sharp declines noted in all of the Scandinavian rates and in Swiss and Dutch exchange. Swiss francs broke to as low as 4 49 for checks, another new low record, while guilders checks declined to 47, the lowest on the current movement. Depression on the London and European markets was held to be mainly responsible for the recessions on this side, which is not at all surprising, since the underlying cause for the steady downward trend of late has been the war news. Spanish pesetas continue heavy, though without important change. While full details are not yet available regarding negotiations over the commercial credit to be awarded our bankers by Spain, the fact that Spanish exchange has been moving so decidedly in favor of New York and London is proof that arrangements between London, New York and Madrid are making favorable progress. It must not be overlooked, however, that the consummation of these negotiations has been greatly aided by the diplomatic strain existing between Berlin and Madrid, as well as by the Allied military successes. As bearing upon the exchange question, it is asserted that 40,000 bales of cotton of a value of about \$6,800,000 are to be shipped to Spain monthly for the remainder of the year, or as long as needed to liquidate the proposed loan. A large tonnage of steel and petroleum is also expected to be shipped.

Bankers' sight on Amsterdam finished at 47, against 50 3/4; cables at 47 3/4, against 51 1/4; commercial sight at 46 15-16, against 50 11-16, and commercial sixty days at 46 13-16, against 50 9-16 last week. Swiss exchange, after declining to 4 49 for bankers' sight bills, rallied partly and closed at 4 49, with cables at 4 47. A week ago the close was 4 23 and 4 21. Copenhagen checks finished at 30.20, and cables at 30.60, against 30.60 and 31.00. Checks on Sweden closed at 33.00 and cables 33.50, which compares with 34.40 and 34.80, while checks on Norway finished at 30.60 and cables 31.00, comparing with 31.00 and 31.40 the week preceding. Spanish

pesetas closed at 23.15 for checks and 23.35 for cables. This compares with 23.40 and 23.60 last week.

As regards South American quotations, the rate for checks on Argentina has been advanced to 44.50 and 44.65, for cables, against 44.25 and 44.65. For Brazil the check rate declined to 23.85 and cables at 24.00, in contrast with 24.50 and 24.75 last week. The Chilean rate continues at 15 13-32, while Peru is still at 57. Far Eastern rates are as follows: Hong Kong, 88½@88¾, against 87@87¼; Shanghai, 130@130½, against 125@125½; Yokohama, 54¾@55; against 54½@54¾; Manila, 50@50¼; against 49⅞@50; Singapore, 56@56¼ (unchanged); Bombay, 37@37¼ (unchanged), and Calcutta (cables), 35.73 (unchanged).

The New York Clearing-House banks, in their operations with interior banking institutions, have gained \$1,716,000 net in cash as a result of the currency movements for the week ending Sept. 6. Their receipts from the interior have aggregated \$7,925,000, while the shipments have reached \$6,209,000. Adding the Sub-Treasury and Federal Reserve operations, which together occasioned a loss of \$78,967,000, 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 \$77,251,000, as follows:

Week ending Sept. 6.	Into Banks.	Out of Banks.	Net Change in Bank Holdings.
Banks' interior movement.....	\$7,925,000	\$6,209,000	Gain \$1,716,000
Sub-Treasury and Federal Reserve operations.....	29,172,000	108,139,000	Loss 78,967,000
Total.....	\$37,097,000	\$114,348,000	Loss \$77,251,000

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

Banks of—	September 5 1918.			September 6 1917.		
	Gold.	Silver.	Total.	Gold.	Silver.	Total.
England...	£ 69,932,857	£ —	£ 69,932,857	£ 54,288,561	£ —	£ 54,288,561
France...	135,961,680	12,800,000	148,761,680	131,070,865	10,400,000	141,470,865
Germany...	117,402,300	5,989,250	123,391,550	120,151,550	4,802,250	124,953,800
Russia...	123,650,000	12,375,000	136,025,000	129,162,000	12,512,000	141,674,000
Aus-Hun c...	11,080,000	2,289,000	13,297,000	14,900,000	3,200,000	17,200,000
Spain...	87,187,000	25,973,000	113,160,000	70,975,000	29,546,000	100,521,000
Italy...	37,226,000	3,077,000	40,303,000	33,393,000	2,610,000	36,003,000
Netherl'ds	59,172,000	600,000	59,772,000	54,738,000	602,400	55,340,400
Nar. Bel. h	15,380,000	600,000	15,980,000	15,380,000	600,000	15,980,000
Switz'land	15,381,000	—	15,381,000	13,732,000	—	13,732,000
Sweden...	14,287,000	—	14,287,000	11,365,000	—	11,365,000
Denmark...	10,493,000	131,000	10,624,000	10,810,000	152,000	10,962,000
Norway...	6,757,000	—	6,757,000	7,151,000	—	7,151,000
Tot. week...	709,837,837	63,834,250	773,672,087	666,246,976	64,430,650	730,677,626
Prev. week...	714,701,071	63,944,300	778,645,371	669,710,951	64,461,500	734,172,451

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

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

### THE ANNIVERSARY OF THE MARNE.

The fourth anniversary of the Battle of the Marne in 1914 has occurred this week under circumstances such as rarely surround an occasion of the sort. Coincidence of place and time in military campaigns is infrequent enough in history—as the Germans learned when they fixed their calculations of 1914 for the capture of Paris on the forty-fourth anniversary of the surrender of the French Emperor at Sedan on Sept. 1 1870. A very different historical event was on the cards, almost at that very date. But this week's observance of Joffre's great victory in the battle which began on Sept. 5 1914 has certain remarkable coincidences. Had the anniversary occurred only six weeks ago, instead of this present week, it would have provided perhaps the closest recorded parallel of time, place and circumstance in all military history.

The military critics have not yet wearied of drawing attention to the almost unbelievably close

analogy between the Battle of the Marne in September 1914 and the Battle of the Marne in July 1918. On both occasions the German army was sweeping over France with seemingly irresistible force. On each occasion the fortunes of France and her allies seemed at low ebb, and on each, the boasting of the Kaiser and his generals appeared to be warranted by the military situation. In 1914, as in 1918, a French commander whose temperament favored aggressive fighting had been steadily retiring before the enemy.

But in both episodes the time came when, at a point deliberately selected by the Allied High Command, the retreat suddenly ceased, and the moment was one in which gross over-confidence on the part of the German High Command had induced reckless departure from ordinary rules of military safety. The advance of the Crown Prince's foremost army last July beyond the line where support by his reserves was obtainable, and the crushing attack on this exposed force by the French commander, almost exactly duplicated Von Kluck's experience of four years ago. That it should have done so on the very river where the German advance was turned into a disorderly retreat in 1914, certainly completed the parallel.

The first Battle of the Marne has been frequently referred to as a "miracle." In the light, however, of the careful study which has been applied to the strategy of the battle, military opinion is beginning to fix itself on conclusions which are quite able to dismiss the miraculous. The two Marne battles may to-day, indeed, be judged in the light of one another, and the general facts established by such consideration will go far to explain the result on both occasions.

German military over-confidence was combined, in the one case as in the other, with a rigid system of German strategy. In September 1914 the German line stretching from Paris to Verdun was in such shape that a serious break at any point was bound to disorganize the whole, and was located at such distance from its base that an actual reverse would upset the entire plan of campaign. On each occasion that condition had been created at the precise hour when the French commander had placed a substantial reserve army at exactly the point where he needed it, and had done so in face of absolute belief by the German commanders that no such reserve army did or could exist.

The result in 1914, as in 1918, was that when, the weak spot of the German line having been penetrated, the French dealt a vigorous blow along the whole opposing line, the German army fell into instant disorder. It is customary to refer to the German retreat on both occasions as masterly. But it is not to be forgotten that the 50-mile retreat, even in 1914, did not merely surrender the tangible fruits of the campaign, but that the loss of men and abandoned material by the Germans was as heavy as that of the Allies had been on their own retreat from Belgium. Even to-day, it is not certain whether Von Kluck's army would have gotten away at all, but for Sir John French's delay of nearly a day in following up its retreat—a delay which was the one flaw in the otherwise almost faultless Allied strategy at the first Marne.

On the other hand, it will be recognized to-day that, if the Allied army had then possessed its present training and equipment, the Germans would

hardly have been able to make a stand on the Aisne. What we have seen this summer has been repetition of the German strategic blunders of 1914. Their campaign plans have again been completely ruined by superior generalship on the other side, but with the fruits of victory gathered up through unrelenting pursuit, in a way which was not physically possible four years ago.

There are other conclusions of a broader character to be drawn from these comparisons; they tend on the whole to shatter certain pre-conceptions, long entertained regarding the European military institutions. One teaching of the two Marne battles is the undeniable inferiority of the German High Command to the French. This question has now been conclusively tested, and the test has placed the palm for better generalship altogether with the French. Experience of the war has shown convincingly that the German Staff, however skilled in applying German textbook methods and however competent in drilling its military units, is conspicuously lacking in that power of military imagination which constituted the genius of the Napoleons, the Marlboroughs, the Fredericks and the Stonewall Jacksons of history.

The second inference has to do with the qualities of the German soldier and the German army, as compared with the French. During many years, all of us had been educated in the belief that a French army's courage and capacity could be depended on only during a successful forward movement—"it is like their own champagne," people used to say—whereas the German soldier was the sure anchor to his army's cause, in retreat and adversity as in victory. This view can certainly be held no longer in the light of the four past years.

It has been the French soldier who, in the withdrawal to the Marne in 1914 as in the retreat before the German offensive of 1918, has displayed in the highest degree the qualities of tenacity, patience and endurance under military reverse. The magnificent manifestation of this spirit was what really won the first battle of the Marne after what had seemed to be disastrous defeat—which held the ranks to perfect discipline on a long and discouraging retreat, and which evoked the wearied army's brilliant response to Joffre's order of Sept. 5 1914, for it to "allow itself to be slain where it stands rather than give way." On the other hand, the conduct of the German army on its first retreat was one example of the shaking of morale which was bound to follow reverse, and the present seemingly complete demoralization in that army is the final proof of it.

Between the two opposing armies, skill of the High Command in conducting retreat under disadvantageous circumstances may perhaps be equally apportioned; the distinction won by von Kluck and von Boehn, in extracting their armies from a dangerous position, was greater than the distinction gained as yet by any German General on the offensive. But we are just beginning to discover the difference in human material with which the two commands had to deal. Both battles of the Marne proved one very grave defect of German generalship—its underestimate of its adversary and its consequent overestimate of the chances of a campaign. But this, in military science and tradition, is the unpardonable sin. That the German High Command should have committed that blunder, not once but twice, and on the second occasion under circumstances when it

was infinitely less excusable than on the first, is sufficient witness to the illusion which the world has long entertained regarding the perfection of German generalship.

The German Crown Prince appears now to recognize all these things—and he may well do so, seeing that he was in command of the army which lamentably failed to fulfill its own predictions on the east wing of the line in 1914, as he was of the army which engaged in the futile and disastrous fight at Verdun in 1916, and of that which was caught napping and overwhelmingly beaten on the Soissons front in 1918. Victory now means to him, as he has explained this week to a Hungarian correspondent, "only that we mean to hold our own and not let ourselves be vanquished."

That is very evidently the limitation to the present aspirations of the German General Staff; but we seem to have heard on previous occasions some rather different statements of their idea of victory; not least in the past utterances of a personage higher in station even than the Crown Prince. Germany did not want war in 1914, the Imperial apologist now explains; "no moment could have been more unfavorable for Germany." But that is a highly revised view of the situation. It only shows to what extent unexpected experiences may alter original judgment on fundamental questions.

#### AN AMERICAN LABOR MISSION ABROAD.

On Aug. 28 a statement was given out from the headquarters of the American Federation of Labor as follows: "The purpose of Mr. Gompers in going abroad is two-fold—to comply with the instructions of the convention of the American Federation of Labor in St. Paul in June and to lend his influence toward more closely uniting the workers of the Allied nations to win the war. To secure unity for victory is his sole aim and hope."

No one objects to "unity for victory." But that unity belongs by right to all classes of workers, to our citizenry as a body, and not solely to any self-constituted organization. And we need not beat around the bush. It is well understood that union labor in England does not occupy the ultra-victory attitude accredited through its representatives to union labor in the United States. It is accused of holding a leaning to a "compromise peace."

What would be said if the financiers of the United States were to elect to send a mission abroad to declare when and how peace shall come! This action of the American Federation of Labor is not in line with the highest and best in patriotism. *The Government* will decide when victory has been achieved sufficient to guaranty a peace that will not pass away, not any one citizen or leader, nor his peculiar following. This "mission" of union labor is not an accredited representative of this nation, and any action which it may take is an interference with the declared purposes of our Government, no matter how much it may boast of being in favor of a victory without "compromise." It is assuming to do something with which it has no just cause to meddle. Its purpose is intimated to be to convince English union labor of the error of its alleged belief, and to prevent the exercise of its assumed power. A quarrel between national labor leaders is of no consequence to the loyal citizen in any country doing his best to further the prosecution of the war.

No earnest man can view this continued activity of union labor with equanimity. It must awaken in him alarm. Union labor has no more lawful interest in our Government, in the triumph of world-democracy, than unorganized labor. Yet it chooses to exert its power, and let it be admitted in line with governmental policy, as an organization. It would have the same right as an organization to prejudice the policy of the nation. It cannot have a proper appreciation of true democracy while it continues to act as an autocracy. It has forced Congress more than once to do its bidding, why may it not sometime elect to force the Government to do its bidding? Bankers are in favor of prosecuting this war "to a finish," why does not the Bankers' Association send a mission abroad to "unify" the financial interests in favor of the war? If English labor is opposed in fact to "peace by victory" and no other, why do not bankers assume to send a mission abroad to try to convince these foreign unions of the error and peril of their way?

"Unity" of all organized labor the world over to do anything, is a menace to the very democracy we are striving to secure. We want unity of all peoples in good will. We want the independence of small States and large, from foes without and foes within. We do not want class rule anywhere. Labor, organized or unorganized, as such, holds no prerogative to declare the destiny of our State or any State. The loyal citizenry of every country under the sun, by the very privileges and processes of democratic rule, have a right, under justice and liberty, to declare what the State shall be and what it shall do. A self-heralded savior is always to be taken with some doubt. He may only be misguided. Often in such a case he is as dangerous as if he were a fraud. Why does union labor continue so active at a time when all citizens are equal before the draft law to fight. And equal before the conscience of "democracy" to expend every individual effort toward winning this war. Is it obsessed only with its own importance?

The time is fast coming when we will have to define democracy—and separate it from class rule. The very prosecution of this "mission" is an assumption of class righteousness. It has been heralded far and wide that certain union labor leaders in this country are holding "labor" in line for the war. Why need it be held in line? Is it that unionists may not "strike" so far, in their wage demands, as to make us lose the war? Are they to go so far in selfishness, and no further? Are they to voice their patriotism while they refuse to work at essential production, unless their demands are met? No other class sent them abroad. They cannot, as said before, speak for the Government, without misrepresentation. Why are they there? Are they not meddling with the powers and with the principles of a free government when they assume as a class to say how and when the war shall or shall not end? And we cannot repeat the statement too often to press home its truth. We are in *this* country all laborers and all democrats.

The A. F. of L. professes to have no political objects in view. It arrogates to itself the high and holy purpose of supporting the candidate most fit. Yet judging by the way in which the "labor vote" is held before the people, it comes near to being a political party, albeit one without a principle, except getting the most for the *poor* working man. Well—

that we may not be unjust—we distinctly acknowledge that the organization (or organized labor) has been the instrument of accomplishing many salutary and rightful benefits for "labor." But that has not prevented it from becoming arrogant in manner and lustful for more power. To-day, due to war and other causes, union labor is paid higher wages than ever before, is working less hours, and demanding still less, at increased pay. What right has a self-seeking organization of this kind to mix in the peace proposals of the time? It does not represent either government or people. When war calls for sacrifices, when patriotism demands the giving up of individual opinions and interests and following the plans of government *as administered*, it is still intent on its own affairs, and making hay while the sun of disaster shines.

But this "labor vote" is doomed to disappointment. It may strive for an international "unity" that it may dictate the course of empire, and fasten its own selfishness into the political policies of nations, but when "democracy" does come, the man who went out to fight at thirty dollars a month will not turn the world, or any government in it, over to the fellows who are getting, by their own insistence and threats, that much in one week, aye some of them from sixty to a hundred dollars a week, working in safety at home. No—the "soldier vote" will have something to say about human destiny and about "liberty under law," when in peace the time comes to take up the old lines of life. There are two ways to support a government, or if you choose "an administration," by word and act. And words are proverbially cheaper than acts. No one can object to any "organization" putting its "support" into resolutions—but its acts should tally with its talk. We conceive that it only intermeddles when it seeks to weld all "labor" together to dominate questions of war and peace, that are the sole prerogative of duly empowered Government, created by the consent of the governed, which, by the way, includes those who work but do not organize.

#### THE COMING CONVENTION OF THE AMERICAN BANKERS' ASSOCIATION.

The annual session of the Association to be held in Chicago beginning Sept. 23 has been heralded as a "war convention." Whether or not there be special intent to devote the meeting to this purpose, the work cannot fail to relate itself directly to the war, for all finance now follows this inevitable road. The burden of the billions necessary to the conduct of the war must fall on all business and on all citizens. And it is meet that the principles unfolded by the convention, and evolved out of the experience and wisdom of those who know, be related directly to the people, who must, collectively and individually, "carry on" the great task of the Government. For this reason we bespeak for the daily press of the country a larger publicity to the deliberations of the bankers than is customarily bestowed. The problems of war finance are too vast for the mind of the common man, and their elucidation, together with the principles involved, must serve an inestimable public benefit.

Announcement has only tentatively been made of the special features of the general session program. Examination of the titles of papers and discussions in the several sections indicates a broader outlook

and less attention to purely technical questions. Banking is so common a part of our domestic life as a people, the use of local institutions so universal, that the patrons do not much concern themselves with the intricate questions of internal procedure, of vital interest to bankers themselves. We have reached an era, due to world conditions, when citizens should, however, be brought closer to the principles involved in banking procedures, that they may know and fully realize that in relying implicitly on these indispensable intermediaries there arises a corresponding duty not only to maintain them by their patronage and sustain them by their goodwill, but to more readily conform to their requirements in order that the vast financial fabric may continue the mainstay of our Government, especially since these requirements are the result of vision and ability.

In undertaking war we are adventuring on unknown oceans of credit. Banks are our transports and bankers our captains. We, as toilers in "business," must do the actual fighting, while they serve to ferry us over. It is not enough to realize that the people as depositors own the banks. It is necessary that they obey orders while we are crossing from war to the peace that lies on the other side. If, for instance, the bankers declare that credit must be curtailed in one direction and extended in another, if as guardians of the flow of capital and labor they become guardians of the Government itself, the business world should accede to their requests and suggestions. For, while the banker is entitled to and is worthy of his dividend, his very life and success depend upon the soundness of his judgment, and no prosperity and integrity can come to the institutions over which he presides, that is not multiplied in good to the people and in aid to the Government. The private bank, as is true in equal degree of no other institution, transforms into a public use and benefit.

We are saying these things not for their intrinsic truth, but to suggest a reactionary requirement on bankers themselves. It is well, we think, that the more intensive technical subjects be laid aside for a time. But how shall the people be brought closer to these tremendous and overwhelming problems that now cast their "shadows before"? For these vast credits we are creating with an almost magical facility, are also debts. And it is as debts they will appear when the era of so-called reconstruction comes. What will they require of the business of the future, and what may we do now to prepare ourselves to meet them? It cannot cast any reflection on a "win-the-war" policy, that, as we financially fight for universal world peace, we consider the necessities of our domestic life to follow. If the suggestion seems to open only into a vague unknown, it is for that very reason that those who can pierce the gloom should show us the way.

Do we need a national budget system? Should we have some means of saving waste and loss in our present political system? Can we centralize our immense gold stock, as a base for issue of Federal Reserve notes, and withdraw it at will to meet the requirements of a hoped-for augmented foreign trade when the seas become free? Is it financial wisdom to provide huge Governmental loans without a sinking fund and expect to provide one later, at the same time we *resume* our internal improvements? Does not a commercial bank, whether State or na-

tional, assume an attitude of being no respecter of persons, and as such is it not interested in the avoidance of the growth of what is termed "class consciousness," and therefore a monitor to point the way to equality before the law, of say farmer and factory worker, to the end that industrial unrest shall not become too intense, in a period of return and readjustment?

And can bankers, from a wholly impartial standpoint, fail to see that "taking over" certain classes of industries is to the permanent prejudice of others, that, broadly, "control, operation and ownership" are contrary to freedom of banks and people, and that surrendering to the demands of "organized labor" is setting up a preferred class against another principal production class, the farmers? And can they not sound the alarm that a house divided against itself cannot stand?—as much an economic as a political truth? Is not a bank one of our most "democratic" institutions, and as such can it not serve to show by its announced principles, and, if you will, prophecies, just what "democracy" means in a commercial and financial sense? Is it not a fact that the foundation principle of all sound banking is the right to deal, the common law right, in credits, credits that are the spontaneous outgrowth of commerce and that multiply and divide, and cancel themselves as their work is done, thus perpetually sustaining the integers that live by them and help make them; and therefore ought not bankers to point out to the people that when this free dealing of credits is confined by iron moulds and bands of "Government," the liberties of the people are by so much curtailed and destroyed?

We have written these questions at random, and to illustrate what we mean by the open forum of a bankers' convention that shall become a beacon light to the common people. Every question is a "live wire," but we leave them all. We should be going beyond our province of editorial comment if we were to attempt suggestion of topics for discussion. No doubt these questions will be touched upon, and no doubt answered, incidentally to the treatment of leading subjects by banker members at the convention. But there is an opportunity to aid the people never offered to our bankers before, not only because of war but because of the relation of war to our domestic commerce and finance. If anywhere there is manifest a disposition to rush ahead at any cost and *without counting the cost*, no class of our people is so capable of *auditing our general Governmental finances* as our bankers, and it is a public duty to the people, and a public benefit to people and Government, that this be done.

The convention this year reverts to our great wealth producing centre. While Chicago is our second city, and Illinois a great manufacturing State, thousands of small banks and untold acres of our wheat and corn areas are tributary thereto. Here are provided the first sinews of war, the primal and perennial wealth, and here is the home of "democracy," for here is the heart of the country. In such an "atmosphere" there should be freedom of expression and vigor of thought, and from deliberations should result unity and strength. Our bankers' conventions are usually milestones on the way. We believe this one will set a new mark in helpfulness to the whole country, and we feel that the people will hear and heed its voice.

*PREPARING FOR BUSINESS AFTER THE WAR—AN ENGLISH EXAMPLE.*

Although advertisements seem to be viewed in a somewhat jaundiced manner by many of the Congressmen who are most actively concerned with constructing revenue legislation, they form, generally speaking, not the least suggestive position of most journals that have a close relation to the life of their times. They are all, as a class, worthy of attention, and some of them are worthy of reflective study. For a single instance, a full-page advertisement in a morning journal this week, "A Message to American Business," pointing out what is offered as "the lesson of British experience," is noteworthy. This is from an address made here by Mr. Val Fisher, a publisher in London, and a member of the London Chamber of Commerce, and an associate member of the American Chamber of Commerce there.

As to business conditions in England, he says that of all men there between 18 and 51 years one-half are in either land or naval service, which "means one-third of our entire male population, from infants in the cradle to the extremely old." To fill their places, five millions of women who have never worked before (or worked in any such manner) have voluntarily come forward, hundreds of them sacrificing all beauty of hair and skin by working on "TNT"; we have only one business in England now, he says, and "we are all concentrated on that one thing, even to the boys and girls." Under such conditions, retail business would seem bound to be bad, yet it is wonderfully good. American business men are now, he adds, much in the same position as British business men were at the end of their first year of war—wondering how increasing selective service will work, and anticipating restrictions on business.

So Mr. Fisher wanted to tell some British experience. The profits of the twelve leading department stores in London were \$4,950,000 in the fiscal year 1914-15, \$4,250,000 in the next, and \$5,585,000 in the year 1916-17. In the Provinces, nine leading stores made \$750,000 in 1914-15, \$945,000 in 1915-16, and \$1,150,000 in 1916-17. In the grocery trade, the leading chain-store concern made \$2,313,755 in 1916-17 and \$3,736,000 in 1917-18, the latter beating by a million the average for the previous five years. The Government has certified that there was no profiteering, and the reason given for the even abnormally good trade in England is that "never before have there been so many workers per 1,000 of population, never before has the wealth of the country been so evenly distributed."

This publisher frankly spoke with a moral on behalf of advertising, and his remarks are reproduced by associated advertising agencies, but this fact is helpful and not hurtful if it be (as is declared) "in the interest of American industry." The Selfridge store, he says, kept up and even increased its advertising from the outbreak of war, and its profits were successively \$573,000, \$750,000, and \$1,175,000; another store, at first much larger, made the mistake of cutting down, and its profits also went down in the second year, reacting in the third as the error was seen and abandoned.

British manufacturers, he continued, who have now not a particle of goods to sell, having turned

over their plants entirely to Government work and suffered their profits to cease and their business to come to a halt temporarily, are continuously advertising, because "they are not willing to sacrifice their goodwill; they are not willing to have their names or their products forgotten." So Mr. Fisher argues that this is a time when all business should take and keep a far look ahead and that to be unprepared for peace is almost as serious a mistake as to have been unprepared for war. Every factory should now run at full pressure and employment should be found for every available unit. He flatteringly tells us that no nation stands to gain as much commercially from the war as does America. He has been long engaged in fostering Anglo-American trade, and he warns manufacturing and export houses that "now is the time to prepare for peace," not the time to export, "but most emphatically now is the time to lay your plant and build goodwill."

Certainly there is some good practical sense in this. Not less certainly is there some encouragement in it, and we have an ample right to all the encouragement we can reasonably draw from any quarter. Is there not, also, a moral of enlightenment, and of caution as well, to be drawn from it? Of encouragement, in reassuring us that the strife must end and the call and the field for replacement of the waste (a process which only time can measurably accomplish) will follow immediately? A moral of enlightenment, in a needed reminder that a nation can thrive only as the business of producing and exchanging thrives? A moral of caution also, if our habitual politicians and our "set" reformers who are joined firmly to their idols of theory will only begin to take in the truth that the best assistance a Government can give to business is to let it alone and give it liberty to help itself?

*THE INEVITABLE PRICE TO BE PAID.*

The bill that is eventually presented to men or nations covering the cost of transgression is not made up at a Council table. The twenty-six States united in the war against Germany, coupled with the seven greatly injured neutrals and four or five others who have suspended diplomatic relations, may be counted upon to present at the final hearing claims the aggregate of which will be staggering.

Besides all this there is much figuring over the loss which the war entails to each belligerent in the destruction of human life, the waste of material, the arrest of profitable production, the closing of the channels of trade and the general break-up of the long established methods and means of daily life. The sum is so appalling that one wonders how war can ever be undertaken again.

As time advances the responsibility of Germany is established with growing certainty, and is gaining world-wide acceptance. Whatever may have been the wrongs committed by others in the past, whether near or remote, responsibility for the war now forced upon the world cannot be divided. The issue is sharply defined; the case is made up; the evidence is substantially all in; Germany stands arraigned; and the verdict cannot be a divided one. She must face the consequences, be the penalty what it may.

Meanwhile the world has a deep concern. It is not a case where one can suffer alone. The award

cannot mean so much taken from one and given to another. The loss is world-wide and in many forms. Much of it can never be restored. Humanity is one and its progress and welfare are essentially common to all. Herein lies the importance of knowing just what the loss is, not the material loss simply, that may be written down and charged up against any one nation, but that greater loss which is involved when there is moral transgression.

The important fact is that we live in a world of Law. It covers the whole realm of existence, it binds all together, material and spiritual, in relations which are innumerable, compelling and unchangeable. The Government is one; the interaction is complete. Here is a case of moral as well as physical transgression, its consequences and penalties cannot be summed up in a bill of particulars which enumerates solely material destruction. Even that is surcharged with moral injury and involves spiritual dereliction, and these represent wastage of values which the world has acquired only as the result of centuries of costly effort and sacrifice. We who are of the common humanity need to know what this means, even though, as with all moral transgression, the penalty falls primarily and sometimes almost exclusively upon the transgressor. We need to see what evil Germany has brought upon herself, what waging war as she conceives it and conducts it lays up for her, because in her we also suffer, and because in seeing this we learn our lesson.

As is often the case the world of nature brings us for this the needed truth, and that in a new disclosure. The paleontologists tell us of a singular law according to which when an organism has failed to make use of faculties it has gained and declines to advance, in a new opportunity, along the line making progress possible for it, invariably it begins a downward career. Later it struggles in vain to regain the lost ground. It will contribute nothing further to the line of developing life in which it may have been a leading feature; it gives place to others, and either disappears altogether, leaving its history told in some curious fossil, or continuing feebly a bewildered survival. They give definite instances from the earliest days of abundant and immensely vigorous life. There is a long record of vanished forms. The law seems to be abundantly established. Evolutionary progress has been made by holding true to some higher possibility, at the price of turning aside from something lower and easier, abandoning ways which, however accustomed or promising, would interfere. In a word, there is in the natural world an hour of determining choice, an implanted call to respond to the opportunity to move upward, to be obedient to a higher obligation at the price of decisions which may at the time seem "suicidal," but which "have eventually been the salvation of the race." The penalty of disobedience is retrogression and dropping out of the great movement.

The paleontologist joins with the humanist in the application of this law to man. He quotes Robert Louis Stevenson who writes "To touch the heart of man's mystery, we find in him one thought, strange to the point of lunacy, the thought of duty; the thought of something owing to himself, to his neighbor, to his God; the ideal of decency, to which he would rise if it were possible; a limit of shame, below which if it be possible, he will not stoop." And he adds, "The paleontologist, remembering

the fate of scores of organic phyla which like the trilobite, failed 'to keep the honor of a certain aim', and as a consequence were thrust into oblivion, is not surprised to find in man 'the thought of duty'. For geologic ages that thought has been persistently nurtured in his progenitors. His ancestral lineage includes no creature, which, when tried in the balance, was found wanting. In his germplasm there is no tainted heritage from nature's derelicts."\*

What now shall be said of Germany? She had her opportunity. Her course was clear. She had in abundance the "specific virtues" which ennobled her history and inspired her finer spirits. When the day came that appealed to her lower impulses she threw these virtues aside and staked her career on the rule of force. She clutched to her heart the prizes of military prowess. She proclaimed the virtues of humanity the mark of weakness; she branded them the folly of her enemies. Without reserve, with the amazing and approving voice of her teachers and her preachers, she revived the forces of barbarism; admitting the wrong, she violated her pledged word, rushed upon Belgium, Luxemburg and France and inaugurated a war which in its utter brutality and cruelty has no parallel in modern history. It was no sudden fury. The merciless cruelty of the first months in Belgium is followed up in the relentless deportations and the constant oppression of to-day; as the sinking of the Lusitania has its counterpart in the persistent attacks on hospital ships, and the early destruction of French cities goes on in the blowing up of chateaux and the devastating of farms and villages by the retreating armies. Not only the laws of war approved by the civilized world but the plainest and oldest laws of humanity are ruthlessly repudiated, and as far as yet appears the German people make no protest.

"The Day" came and Germany made her choice. How intelligently, how voluntarily does not matter. The law is inexorable. The price must be paid. A great nation, in a great age, its hands full of the prizes of life, the world full of admiration offering her every honor and every opportunity, ready to sit at her feet and be taught in her schools, deliberately descends from her high estate, places herself athwart the full stream of civilization and humanity, and undertakes to establish a new world in which Germany shall be over all, and the possession of force shall be at once the constituting title to lawful possession and the charter of right action. *Kultur* so introduced and so established becomes the mark of retrogression, the seal of decay. No generosity of thought, on the world's part, no gratitude for the past, no joy over the ending of the war when God gives that, can change the law, or re-establish the lost foothold. Whatever may be the immediate consequences of the war, or how far or by whom its losses shall be made good, the Germany of the great days, the Germany of the poets and philosophers, the historians and the thinkers whom the world trusted and looked up to, is past; the Germany of to-day has turned aside at the parting of the ways and the glory has departed. The friends of humanity may weep, but the die is cast and no issue of the battlefield can alter it.

\*Prof. K. F. Mather, Queen's University, Kingston, Ontario, "Parables of Paleontology," *Atlantic Monthly*, July 1918.

## Current Events and Discussions

### CONTINUED OFFERING OF BRITISH TREASURY BILLS.

J. P. Morgan & Co. this week disposed of the usual offering of ninety-day British Treasury Bills on a 6% discount basis. The bills are dated Sept. 3 and mature Dec. 2.

### RUSSIAN AGREEMENT TO PAY GERMANY SIX BILLION MARKS.

The following appeared in the "Financial America" of Aug. 30:

A press dispatch from Copenhagen quotes the "North German Gazette" as saying that the principles laid down by Germany in the supplementary agreements to the Brest-Litovsk treaty signed in Berlin Tuesday will not cause or support the disunion of former Russian territory. The independence of the Baltic Provinces is assured, it says, and Russia has consented to recognize the independence of Georgia in the Caucasus.

The newspaper adds that Russia has agreed to pay Germany 6,000,000,000 marks for German losses due to Russian revolutionary confiscatory legislation. Of this sum the Ukraine and Finland jointly will pay 1,000,000,000 marks.

Germany has obtained concessions in the oil fields around Baku.

### ARGENTINE BUDGET AND INCOME TAX APPROVED.

Press dispatches from Buenos Ayres on Sept. 1 announced the approval of Argentina's budget for 1919 by the Argentine Cabinet on Aug. 31. The Ministers are also said to have approved the income tax project, which is largely modeled after the American income tax. The measure provides for a tax of 2% on all salaries above 200 pesos. The income tax is designed to balance the deficit which otherwise appears would be apparent in the revenues as the result of the curtailment of imports.

### SPECIAL COMMISSIONERS FOR ASIA BANKING CORPORATION LEAVE FOR FAR EAST.

As special commissioners for the newly formed Asia Banking Corporation, William C. Lane, Vice-President of the Guaranty Trust Company of New York who is a director of the Asia Banking Corporation, and Ralph Dawson, recently elected Vice-President of the Corporation, on Sept. 3 departed for the Far East. They will be joined later by Crawford M. Bishop, former director of the Far Eastern Division of the Bureau of Foreign and Domestic Commerce of the Department of Commerce. The commissioners will study financial and economic conditions of Northern China, Manchuria and Siberia, spending a brief period in Japan before proceeding to Shanghai and Peking. The trip will extend over several months. The organization of the Asia Banking Corporation (mention of which has previously been made in these columns) with \$2,000,000 capital and \$500,000 surplus, all subscribed, is an important step in the development of American financing and trade in the Far East. The new corporation is prepared to increase its capital according to requirements. Among its stockholders are the Guaranty Trust Company of New York, the Bankers Trust Company, the Mercantile Bank of the Americas, the Anglo & London Paris National Bank of San Francisco, the First National Bank of Portland, Oregon, and the National Bank of Commerce of Seattle. The total capital and surplus of these banks is \$88,620,000. Charles H. Sabin, President of the Guaranty Trust Company of New York, is at the head of the new corporation. The Asia Banking Corporation purposes to engage in international and foreign banking in China, in the dependencies and insular possessions of the United States, and in Siberia. The head office is at 66 Liberty Street, New York City, and an agency will probably be established in San Francisco. Preparations are being made to open branches in China, and, as a preliminary step, a central branch will be established in Shanghai. The present plans contemplate also the establishment in the future of branches in Hankow, Peking, Tientsin, Harbin and Vladivostok.

### SHORT-TERM LOANS FOR CANADA.

A special Toronto dispatch to the New York "Sun," under date of Sept. 4, analyzes the July 31 statement of Canadian banks, particularly with a view to showing the effects of the special short date loans to the Dominion Finance Minister which the banks began to advance in that month. No definite announcement was made, it is stated as to the exact amount to be advanced each month, but the general impression had been that it was in the neighborhood of \$35,000,000 or \$40,000,000; and the figures of

the bank statement appear to confirm the correctness of that view. In speaking further of these short-term loans the "Sun" says:

The banks' total holdings of securities rose in July from \$424,000,000 to \$456,000,000—the net increase being \$32,000,000. However, the increase for the month in their holdings of Dominion and provincial Government securities was \$43,000,000, while the class of securities under which the holdings of British Treasury bills are reported show a decrease of \$11,000,000. This apparently indicates that the banks' methods of financing short date loans to the national Treasury are similar in some respects to the methods used by banks in the United States.

One might read the figures of the Canadian statement as indicating that the loans to the Dominion Government in July amounted to something over \$40,000,000, and that the banks rediscounted at the Dominion Treasury a part of this amount in British bills or other approved securities. In the United States, when paper is rediscounted in this way at the Federal Reserve banks, credits are created in the books of those banks, or an increase occurs in the circulation of Federal Reserve Bank notes. In Canada the rediscount of British bills or other securities at the Dominion Treasury directly causes expansion of the Dominion note circulation.

On referring to the monthly returns of Dominion note circulation it is seen that the total rose in July from \$281,300,000 to \$287,600,000; and a footnote to the return states that the amount outstanding against deposits of approved securities was \$114,800,000 on July 31, as against \$108,000,000 on June 30 1918. This increase of approximately \$6,800,000 in Dominion circulation points to rediscounts of about that amount by the banks; and probably the remainder of the \$11,000,000 reduction in the class of securities above referred to would be represented by sales of municipal or other bonds. As in case of similar transactions in the past the whole of the increase in Dominion note issue passes into the hands of the banks and stays there—practically none of it reaches the general public. However, the banks utilize a part of the increase as deposits in central gold reserves against overissues of their own notes. Thus the July increase of \$6,800,000 in Dominion notes outstanding is reflected in the bank statement by an increase of \$2,700,000 in Dominion notes held by the banks themselves, and an increase of \$4,400,000 in the balance of Dominion notes deposited by the banks in central reserves.

Altogether, in their own vaults and in central reserves the banks now control \$262,180,000 of the total Dominion note issue of \$287,600,000, leaving only a little more than \$25,000,000 in the hands of the public, mostly in \$1 and \$2 denominations.

At the commencement of the war the banks all told held only \$90,000,000 of these Dominion legal tender notes—so the increase of their holdings during the war has amounted to \$172,000,000. This will undoubtedly constitute one of the important matters for arrangement between the banks and the Dominion Government after the war. Against the \$287,600,000 notes outstanding the Dominion Treasury holds a gold reserve of \$115,000,000, and about the same amount in approved securities, leaving about \$58,000,000 uncovered. While it might appear to be a difficult proposition to arrange for redemption or cancellation of the unrequired issues, nevertheless it is expected the liquidation of British Treasury bills after the war will enable the Dominion Government to rectify the situation and return speedily to a specie basis.

Some light is thrown on the exchange situation in July and August by the movement of the foreign balances and call loans of the banks in July. The exchange rate in Montreal and Toronto for American funds held pretty firmly around the 2% premium throughout the last two months. The bank statement shows the bankers in July were obliged to draw upon all three departments of their external reserve. Net balances carried with London banks were drawn down by \$3,300,000; balances in banks elsewhere than Canada and Great Britain (meaning mostly in New York) were reduced \$5,100,000, and call loans in New York and London decreased \$2,900,000. Altogether the reduction effected in the external reserve amounted to \$11,400,000, and the aggregate fell to \$216,000,000, which is the lowest figure since February 1918. Notwithstanding the reduction the balance appears to be quite sufficient to enable the Canadian bankers to take care of the commitments of their customers in foreign markets. Apart from the \$76,000,000 of specie holdings this ranks as the best reserve the Canadian banks have for international purposes, and the bankers are apparently resolved that it shall not be depleted to a dangerous extent. The indications are that in the course of the next two months the banks will have the opportunity of rebuilding the external reserve and also improving the exchange situation as a result of exports of Canadian grain. Export bills make their appearance in the market during September, but it is not until October and November that they produce their full effect.

### QUESTIONNAIRE TO IMPORTERS AND EXPORTERS ON FOREIGN EXCHANGE BANK.

In referring to a questionnaire issued by Senator Owen respecting the proposal for the creation of a foreign exchange bank the New York "Tribune" of Aug. 30 said:

Senator Owen, bent on reviving interest in his proposal for a Federal Reserve Foreign Bank, has sent questionnaires to exporters and importers throughout the country to ascertain their views on the subject.

"The Federal Reserve Foreign Bank proposed," according to the statement sent broadcast by the Senator, who is chairman of the Committee on Banking and Currency, "is intended to begin with a capital only sufficient for a new establishment of this character, leaving open the expansion of the capital as the needs of the American commerce require.

"It will be controlled by the Federal Reserve Board and a board of directors representing the United States. Thus, the bank would have no selfish interest to serve, but would have exclusively the interests of the American commerce at heart and would, because of its constitution, co-operate with other banks and bring into the service of commerce on fair terms the full banking powers of the United States.

"It is believed that this bill, if enacted into law, will serve to stabilize the American dollar and make the dollar a standard measure of value in international contracts, and therefore very greatly promote American commerce, the value of which is always measured primarily in terms of dollars."

Friends of Senator Owen here said yesterday many favorable replies have been received. Representative bankers, who opposed the suggestion when first offered, repeated yesterday their opinion that the bill is patchwork legislation and unnecessary, as the Federal Reserve banks already have authorization and equipment to do what the Senator proposes. Moreover, it is understood that members of the Federal Reserve Board have privately said the bill, if enacted, would injure more than help in the foreign field.

Among the interrogations made in the questionnaire to foreign trade houses appear the following:

"Would it serve your interest as an importer or exporter to have established a Federal Reserve Foreign Bank through which you could obtain credit information with regard to foreign buyers and sellers, and conditions of shipments of exports and imports such as insurance and storage?"

"Would it serve your interests to have, through such an institution, international exchange stabilized on a basis of reasonable compensation for service rendered and the American dollar maintained at commercial par?"

When Senator Owen was pressing his plan several months ago questionnaires were sent to a selected list of bankers. This time the banks were not on the mailing list.

#### ORDER IN COUNCIL FIXING PRICE OF SILVER IN CANADA.

Last week, page 844, we referred to the fact that Canada had followed the course taken in the United States by fixing the price of silver at \$1.01½ per ounce. The following is the Canadian Order in Council under which the price is fixed.

AT THE GOVERNMENT HOUSE AT OTTAWA.

Saturday, Aug. 24 1918.

Present: His Excellency the Governor-General in Council.

Whereas serious difficulties have arisen in connection with the purchase of silver which is urgently needed for Silver Coinage by the Allied Governments;

And whereas the Government of the United States of America, under Treasury Regulation dated Aug. 19 1918, has prohibited the export of silver except for civil or military purposes in connection with the prosecution of the war, and where the price at which the silver was purchased does not directly or indirectly exceed \$1.01½ per ounce, 1,000 fine, at the point where the silver is refined in the case of silver refined in the United States, or at the point of importation in the case of imported silver;

And whereas the Imperial Government has fixed the maximum price of silver bullion in the United Kingdom at 49½ pence per ounce,—

Therefore His Excellency the Governor-General in Council, on the recommendation of the Minister of Finance, is pleased, under the provisions of the War Measures Act 1914, to order that the export of Canadian Silver Coin, Silver Bullion and Fine Silver Bars from the Dominion of Canada shall be and the same is hereby prohibited except under license issued by the Minister of Finance and under regulations prescribed by him, such regulations to provide that licenses shall be issued only where the silver is to be used for civil or military purposes of importance in connection with the prosecution of the war, and only in cases where the exporter certifies that the silver to be exported has been purchased at a price which does not directly or indirectly exceed \$1.01½ per ounce, 1,000 fine, at the point where the silver is refined or at the point of importation in the case of imported silver.

RODOLPHE BOUDREAU,  
Clerk of the Privy Council.

#### RESUMPTION OF GOLD SALES TO JEWELERS— DISTRIBUTION OF METAL TO BE REGULATED.

The sales of gold bars to jewelers and others which were suspended on Aug. 30 by the New York Assay Office under orders from Director of the U. S. Mint Raymond J. Baker, were resumed the following day with the same unexpectedness that had marked their discontinuance. The order to continue sales, for which the Assay Office is said to have had no explanation from Washington, is said to have carried with it no restrictions. Others affected besides jewelers were manufacturers of dental goods. It was reported yesterday (the 6th) that in order to conserve gold for monetary purposes and most essential arts, the War Industries Board will regulate the distribution of metal to manufacturers of jewelry, dental and optical goods, &c.

#### CHICAGO CLEARING HOUSE DEFERS ACTION ON PROPOSAL TO ADVANCE RATES ON TRANSFER DRAFTS.

The Clearing House Committee of the Chicago Clearing House Association deferred action on Aug. 29 on the proposition to increase the rate on out-of-town drafts deposited for immediate availability from 10 cents per thousand per day to 15 cents per thousand per day. The resolution had been referred back to the Clearing House Committee by the members of the Chicago Clearing House Association on Aug. 12.

#### JAPANESE LOAN TO CHINA.

In a copyrighted cable to it from Peking on Sept. 3, the New York "Times" said:

An agreement was signed to-day between the War Minister and the Taihoku Japanese Company for a loan of 30,000,000 yen, to be issued at 90 and bearing 7% interest. The issue will be secured by Chinese Treasury bonds. The scheme is the most extensive ever attempted in China, and consists of the formation of a company which will virtually monopolize all imports and exports requiring Government permits, including iron, rice, arms, ammunition, railway material, &c.

The Government agreement provides that Chinese only are eligible as shareholders of the company, but it is understood that the Japanese will provide the entire funds, while the Chinese will receive 40% of the shares.

Regulations have been issued forbidding the export of silver and copper money, which is needed in the Government's campaign against the rebels in the south.

#### NEW \$1 AND \$2 GREENBACKS IN CIRCULATION.

Two new greenbacks—the first of the nation's war-time currency—have been put in circulation. They are the \$1 and \$2 Federal Reserve bank notes, planned especially to

replace the silver certificates withdrawn from circulation as the Treasury's silver reserve is melted into bullion for export to the Allies. The \$1 note bears a portrait of George Washington in the upper left-hand corner of the face side, and otherwise resembles generally a Federal Reserve note. On the reverse side is shown in a centre oval an eagle in full flight, typifying the nation mobilized for war. The \$2 note is similar except that it bears a portrait of Thomas Jefferson on the front and a picture of a battleship on the back.

#### PIERRE JAY IN MONTHLY REPORT SEES GOVERNMENT DEMANDS GREATER THAN PRODUCTION.

In his monthly report of business conditions in the Federal Reserve District of New York, Pierre Jay, Chairman of the Board of the Federal Reserve Bank of New York refers to the Government demands exceeding the flow of products; incidentally he notes that approximately only 5% of the total supply of copper is said to be available for other than war purposes, that tin is at almost prohibitive prices, and that canning industries and oil refiners complain of a tin plate shortage. We quote from Mr. Jay's review as follows:

The very large proportion of the industries of the district engaged in war work continues to be augmented by the conversion of plants specifically to meet war needs. Production continues at a high level, though the steadily crystallizing demands of the Government exceed the flow of products. To an increasing extent of distribution of basic raw materials, despite large output, is restricted to those industries contributing directly and in major degree to war ends, and for even such collateral activity as the Government's housing program, calling for structural steel, brick, linseed oil for paint, &c., supplies are so inadequate that an index of building material prices, prepared by the American contractor shows recent sharp advances as compared with the earlier gradual rise.

With the increasing Government demand for steel, estimated for shell steel at probably 15% above present shipment rate, and for plate steel at about 12% more than recent record outputs, less essential industries are of necessity adjusting themselves to the scarcity of these and similar fundamental materials. Only approximately 5% of the total supply of copper is said to be available for other than war purposes at the fixed price of twenty-six cents. Tin, pending arrangements with the British Government in respect to imports, is at almost prohibitive prices, and canning industries and oil refiners complain of shortage of tin plate. Important chemicals, such as glycerine and nitrates, are diverted from normal use in the manufacture of such articles as soap and fertilizers, to use in the manufacture of munitions.

Because of limited imports, the allocation of rubber for August and September is on a basis of three-eighths of the consumption during the corresponding period last year. The small quantities of incoming hides and skins disposed of at prices fixed by the Government 7 to 8% lower than those prevailing, similarly permit the filling of only a portion of the need of manufacturers of leather goods to satisfy their active trade demand. Federal regulation, looking to a 15 to 20% reduction in the size of newspapers, follows decreased production of newsprint paper.

The textile industry is in an unsettled state, with somewhat opposite conditions obtaining as to supply of raw materials in the wool and cotton trades. A tendency appears to exist among manufacturers and distributors, to await full issue of Government price regulations before determining trade policy. With importation of wool, exclusively on Government account, it seems not improbable that the supply will be inadequate to permit the manufacture of pure wool fabrics for civilian trade, but as sufficient stocks of cloth for the near future are in the hands of merchants, they hesitate to contract for mixed goods. Trading in cotton goods is also light, owing to uncertainty as to how Government established prices for certain classes of goods affect the prices of others, and to expectations on the part of buyers, of lower prices, and to preference, by the mills, for large scale Government orders for goods of homogeneous character.

Collections in this district are reported uniformly good.

The shortage of unskilled labor is reported to be slightly less acute, and the turnover diminished, largely as a result of Federal supervision of employment, but the demand for labor above the completely unskilled grade and especially for men with some training along mechanical lines, is very keen.

#### MODIFICATION OF NEW YORK CLEARING HOUSE ACCEPTANCE CHARGE.

Following the protest made by the Boston Clearing House Association against the collection charge of one-tenth of 1% imposed by the New York Clearing House Association on notes and other time obligations purchased by member or non-member institutions and payable in Boston and other cities, the local Clearing House this week modified the charges. The regulations of the New York Clearing House, which called forth the protest, were announced in July and became effective Aug. 12. They were printed in our issue of Aug. 3, page 447. Section 6 of the regulations promulgated in July provided:

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 ½ 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.

It is this section which was amended at the special meeting of the Clearing House on Tuesday of this week; as a result of the change which has been made the charge for the

collection of bankers acceptances payable in Federal Reserve cities outside New York is fixed at one-fortieth of 1% on items payable at cities where credit is available at the Federal Reserve Bank of New York two days or less after receipt one-twentieth of 1% on items where credit is available three or four days after receipt and one-tenth of 1% on items where credit is available eight days after receipt. The following is the section in the form in which it has been amended.

Section 6 of the Rules and Regulations Regarding Collections Outside of the City of New York, as Amended Sept. 3 1918.

Section 6. (a) On acceptances of banks, bankers and trust companies located in Federal Reserve cities (except New York City) and cities where Federal Reserve bank branches are at present, or may hereafter, be established, purchased for their own account by member or clearing non-member institutions, the charge shall be 1-40 of 1% on items payable at such cities where credit is available at the Federal Reserve Bank of New York two days or less after receipt; 1-20 of 1% on such items where credit is available at said bank three or four days after receipt; and 1-10 of 1% on such items where credit is available at said bank eight days after receipt. The above charges apply to the above items whether collected through the Federal Reserve banks or otherwise.

(b) All notes or other time obligations, not provided for in Sub-Division (a) of this Section, purchased for their own account by member or clearing non-member institutions, payable elsewhere than in New York City, shall be subject to a charge of not less than 1-10 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  $\frac{1}{4}$  of 1%, provided, however, that on notes or other obligations for discount or purchase taken from banks, bankers or trust companies, with or without their endorsement, maintaining an account with the member bank discounting or purchasing the same, with the understanding that payment is to be provided at maturity in New York exchange at par, the charge shall be discretionary.

The protest, made by the Boston Clearing House and which brought about the change in the collection rate was referred to in our issue of Aug. 24, page 747. It is reported that the modification does not satisfy the Boston association.

#### PROPOSED AMENDMENT OF NEW YORK CLEARING HOUSE TO PREVENT EVASION OF RULE LIMITING INTEREST ON DEPOSITS.

Besides modifying its regulations governing collection charges, the New York Clearing House on Tuesday announced that action on the following proposed amendment would be taken next week:

##### ARTICLE XI.

Section 2. No member of this association, or bank, or trust company, or others clearing through any member shall pay exchange or other charges or allow time, in connection with the collection of any item collectible through the Federal Reserve banks, but which is collected through other sources, in excess of the charges which would have been payable or the time allowed had such items been collected through the Federal Reserve banks.

As indicating the purpose of the above, the New York "Sun" on Sept. 4 said:

Late last spring the committee (Clearing House) adopted a resolution limiting the amount of interest that member banks could pay on deposits. At that time the trust companies felt they were discriminated against and an important modification was secured. A uniform rule was adopted satisfactory to the trust companies and the prescribed rates of interest on a sliding scale basis have been paid ever since.

Some banks, however, have found a way to beat this ruling in the competition for out of town bank balances by paying the country banks unreasonably high exchange charges or granting them permission to remit once a week, giving the country bank virtually a week's use of the money and permitting it to pay larger dividends than otherwise could have been paid. To obviate this irregularity a resolution was presented at yesterday's Clearing House session to limit the payment of exchange or other charges or the allowance of time to the charges and time allowed by the Federal Reserve bank.

Important bankers here expect that the proposed amendment will stir up a vigorous protest from country bankers, but it has been presented at the request of the Federal Reserve bank, and in the interest of uniformity.

#### W. P. G. HARDING ON THE FEDERAL RESERVE NOTE.

"The Federal Reserve Note, Its Functions and Limitations," was discussed at considerable length by W. P. G. Harding, Governor of the Federal Reserve Board, before the annual convention of the Ohio Bankers' Association at Columbus, Ohio, on Sept. 5. From his remarks we take the following:

The Federal Reserve note should not be confused with fiat issues of other times, nor is it a bond secured currency. Its issue is carefully safeguarded, and while a gradual increase in the volume outstanding will no doubt be necessary for some time to come, thus testing one phase of its elastic quality, there is no doubt that whenever the requirements of the country permit, it will prove its flexibility by its contraction or by the increase of gold reserve against it to a point where it will more nearly approximate a gold certificate. It was originally intended that the Federal Reserve note supersede in the course of twenty years, the national bank note. Provision was made in the Federal Reserve Act for the purchase by the Federal Reserve banks of the bonds securing national bank notes and for the resale of the bonds to the Treasury for cancellation. This process was well under way when it was interrupted by the war, but the increase in national bank note circulation has been slight—only about \$11,000,000 since February 1917. Contraction of Federal Reserve note circulation, in so far as it is secured by eligible paper, will be natural and automatic as the discount operations of the banks are reduced, but the note is in no sense an emergency currency, for it is and will remain our

principal circulating medium, its dominance in this respect increasing as the remaining \$900,000,000 of gold which is outside of the Treasury and the Federal Reserve banks are absorbed by the Reserve banks.

Ever since the establishment of the Federal Reserve banks the Board has endeavored persistently and consistently to increase the aggregate gold holdings of the banks. Since the entry of the United States into the war, the necessity for such an effort has been emphasized, while the inclination of the public and of the banks to co-operate has been marked. More than \$2,000,000,000 of gold and gold certificates have been withdrawn from circulation and transferred into the vaults of the Federal Reserve banks, but, as already stated, there still remains in circulation and in bank vaults about \$900,000,000 of gold certificates and coin, most of which can be deposited and should be deposited, their place to be taken as far as necessary by Federal Reserve notes. It is the intention of the Board in the future, as in the past, to watch closely the loaning operations of the banks, and it is not its purpose in mobilizing the gold of the country into the vaults of the Federal Reserve banks, to increase the volume of loans beyond the amount actually required, but these are war times, and any inability on the part of Federal Reserve banks to respond to legitimate demands made upon them would be disastrous. It is clear that in proportion as the gold holdings of the Federal Reserve banks are increased, the ability of such banks to extend needed accommodation to other banks or to issue notes is enlarged. As reserve holdings are curtailed, the lending power of the banks is correspondingly reduced. As member banks are no longer required to carry reserves of lawful money in their own vaults, it follows that gold held by them is of no more value than any other form of currency, and every dollar of gold that is hoarded by individuals is withdrawn, not only from reserve use, but also from circulation; and is a net loss to the community. The effect of hoarding, therefore, is to impair the ability of the Board to provide the strongest possible gold cover for our growing volume of Federal Reserve notes and deposits—and deposits will necessarily continue to increase during the continuance of the war. It is desirable in the existing circumstances to have every dollar of gold in the Federal Reserve banks, letting the circulating medium consist of currency based on gold. Money of every kind, whether gold or silver, should be deposited in bank and used, but not hoarded. Surrender to the Federal Reserve banks of gold coin and gold certificates and abstention from hoarding means an increase in the volume of bank credit available for the community and increased ability to finance the war and the necessary requirements of business.

#### ALBERT STRAUSS REPORTED AS LIKELY TO SUCCEED PAUL M. WARBURG ON FEDERAL RESERVE BOARD.

According to press reports from Washington yesterday, President Wilson is said to have selected Albert Strauss, of J. & W. Seligman & Co., as successor to Paul M. Warburg as a member of the Federal Reserve Board. Mr. Strauss has served as the Treasury representative on the War Trade Board and the War Export Board, and has been associated with the Foreign Exchange Division of the Federal Reserve Board.

#### MINNESOTA COUNCIL OF STATE BANKERS AND TENDENCY OF STATE BANKS TO JOIN RESERVE SYSTEM.

On Aug. 15 the Minnesota Council of State Banking Institutions was organized in St. Paul by representatives of State banks in forty-two counties. It was stated at the time in the St. Paul "Pioneer Press" that the new body would co-operate with national and State organizations to promote the general efficiency and welfare of the American banking systems, and would urge the Minnesota Bankers' Association next June to create a State Bank Section, and if successful in that would dissolve, leaving its aims to be carried on by that branch. The Minnesota Council will be affiliated with the United States Council of State Banking Associations, organized in St. Louis on July 16, and will, the "Pioneer Press" points out, unite with other State and national banks toward obtaining sound, uniform and constructive banking legislation. It will advocate, it was added, modification of the Federal Reserve Bank Act to make eligible to the reserve system 907 of the 1,124 Minnesota banks now barred from membership.

The "Northwestern National Bank (Minneapolis) Review" of September, in commenting on the formation of the Minneapolis Council, said:

Country bankers in the Ninth Reserve District will be interested in what may result from the formation in Minnesota of an organization or council of State bankers, this following the recent meeting at St. Louis where representatives of State-chartered institutions from the country at large met and organized. While primarily this Minnesota organization has local interest only, its declaration that it purposes working for change of the Federal Reserve Act as it now restricts small State banks from joining the Reserve system gives it general importance. Coincident with the creation of the new council comes evidence of an increasing tendency of State banks in the Ninth District to join the Reserve system. It is remarkable that with 50 banks representing the total State-chartered membership that the Ninth District Federal Reserve Bank has acquired since it began business, no less than 14 have joined in the 60-day period since July 1 1913. Neither North Dakota nor South Dakota was represented by these later accretions, eight of the new member banks being located in Minnesota, three in Montana, two in Wisconsin and one in Michigan.

Just how the effort of the new council to effect a change and remove the limitation now upon the smaller State banks will shape itself is not yet clear, but it is a matter of urban as well as rural interest. In Minnesota, for example, only 211 of the 1,124 State-chartered institutions are eligible for Reserve system membership, a statement emanating from the council says. But while this reflects principally a condition in the smaller towns and rural communities it is found by reference to State banking department files that the larger cities are not without an active interest. It is natural to think of big banks in connection with big cities, yet it is true that in

Minneapolis, St. Paul and Duluth together there are 35 State banks capitalized at only \$25,000 each as against a \$200,000 minimum capitalization requirement for Reserve system membership qualification in cities of the size of Minneapolis.

S. B. Dueda of the Security Bank of Pipestone, Minn., is President of the Minnesota Council; Kelsey S. Chase, President of the People's Bank of St. Paul, is Vice-President of the Council, and G. H. Richards of Minneapolis is Secretary of the Council.

**GOVERNOR STRONG'S REQUEST FOR DAILY STATEMENT OF BORROWINGS OF STOCK EXCHANGE MEMBERS—RESOLUTION OF EXCHANGE.**

In compliance with the request made by Benjamin Strong, Governor of the Federal Reserve Bank of New York and Chairman of the Liberty Loan Committee, members of the New York Stock Exchange have been called upon to furnish to the Committee on Business Conduct a daily statement of the amount of money borrowed on time and on call. Mr. Strong's request was embodied in a letter addressed to President H. G. S. Noble of the Stock Exchange, in which Mr. Strong stated that the request was only one of a number of measures undertaken by the Committee with the object of exercising, by mutual understanding among the institutions and firms of the city, such reasonable and necessary control of the employment of credit as will insure no interference with the financial operations of the Government in conducting the war. We give the letter herewith:

Sept. 5 1918.

My Dear Sir, As you are aware, a sub-committee of the Liberty Loan Committee of this district was appointed on Sept. 5 1917, and has undertaken certain duties in connection with the New York City money market, for the purpose of securing the most complete co-operation with the Government in its financial program of all the financial interests of the city. The members of the Sub-Committee are the following gentlemen: Benjamin Strong, Chairman; James S. Alexander, George F. Baker, Walter F. Frew, Gates W. McGarragh, Charles H. Sabin, Frank A. Vanderlip, James N. Wallace and Albert H. Wiggin.

The work of the Sub-Committee has met with the cordial co-operation of the important interests connected with the New York money market and there has been maintained an orderly course of affairs in which the supply of funds has been ample for the essential needs. We believe this condition can be continued. It is obvious, however, that for the present there should be devoted to the security market no additional credit beyond the funds now so used. Any tendency to expand the collateral loan account should, for the general good, under present conditions, be checked.

In order that this important situation may be handled in a way that will result in the least possible inconvenience, it is desirable that we should have a complete daily view of Stock Exchange loans. We recognize the disposition of the Stock Exchange to co-operate in every way toward contributing to the orderly conduct of the money market and, depending upon that patriotic disposition, we now ask the governors of the Stock Exchange to collect for the confidential use of this Committee, daily statements from each member of the Exchange showing in such detail as may be agreed upon in conference, the amount of time and call loans of each Stock Exchange house.

This information will be for the confidential use of the Committee in whose hands has been placed the responsibility for maintaining an orderly money market. The reports will be asked for during a temporary period. At the present time it is impossible for us to say just how long a period they will be needed. We will be obliged if you will ask the members of the Exchange to begin these reports at the earliest date practicable.

Least any possible misunderstanding arise as to the objection of this request, I am directed by the Committee to explain that this is only one of a number of measures being undertaken by the Committee with the object of exercising, by mutual understanding among the institutions and firms in this city, such reasonable and necessary control of the employment of credit as will insure no interference with the financial operations of the Government in conducting the war.

Accurate information as to the amount of bank credit being employed for Stock Exchange purposes will be useful in attaining these objects.

I am also directed by the Committee to express its cordial appreciation of the spirit of co-operation which has always been shown by the officers and members of the Stock Exchange in matters of this kind, which feeling is shared by the officers of the Federal Reserve Bank.

Very truly yours,  
BENJAMIN STRONG.

Announcement of the adoption of the resolution calling for the statements was made as follows by Secretary Ely of the Exchange:

NEW YORK STOCK EXCHANGE.  
New York, Sept. 6 1918.

To the Members of the Exchange.

At a meeting of the Governing Committee, held this day, the following resolution was adopted:

"Resolved, That the Committee on Business Conduct be and it hereby is authorized to require from members of the Exchange, or their firms, a daily statement of the amount of money borrowed on time and on call."

Respectfully,  
GEORGE W. ELY,  
Secretary.

**FEDERAL RESERVE BANKS PREPARED TO RECEIVE APPLICATIONS FOR ADVANCES TO FINANCE CROP MOVEMENT.**

In addition to the announcements made by the Treasury Department within the past month regarding its plans to finance, under the War Finance Corporation Act, the movement of crops, the following further statement calling attention to the fact that the Federal Reserve banks of Richmond,

Atlanta, St. Louis, Minneapolis, Kansas City, Dallas and San Francisco are prepared to receive applications for advances was issued by the Treasury Department on Aug. 29:

Secretary McAdoo again calls attention to existing facilities for financing the movement of the crops.

Under the provisions of the Federal Reserve Act and the regulations issued by the Federal Reserve Board, the Federal Reserve banks are authorized to rediscount for member banks eligible commercial paper.

In order to supplement the rediscount facilities available to member banks in the Federal Reserve system, the War Finance Corporation at the suggestion of Secretary McAdoo announced on Aug. 5 that it was willing to make advances to banks under Sections 7 of the War Finance Corporation Act to assist them in financing the crop moving.

The Federal Reserve banks of Richmond, Atlanta, St. Louis, Minneapolis, Kansas City, Dallas and San Francisco as fiscal agents of the War Finance Corporation have notified all the banks of their districts, whether or not members of the Federal Reserve system, of the announcement, and are prepared to receive applications for advances. Under the terms of the War Finance Corporation Act the advances are limited to 75% of the amount of the loan made by the bank, or to 100% in case the bank itself furnishes collateral security to the amount of at least 33% of the loan.

The advances will be made by the War Finance Corporation on written application through the several Federal Reserve banks acting as its fiscal agents, but only after consideration of their recommendations, upon the promissory notes of the borrowing banks secured by the obligations of the farmers or merchants to whom loans have been made by the borrowing bank, together with any security taken for such obligations. Those obligations must evidence loans made by the bank for crop moving purposes or loans previously made to farmers and merchants, provided that the applying bank certifies that the proceeds of the advance will be used for crop moving purposes.

Inasmuch as these advances are for crop moving purposes only, the loans by the War Finance Corporation to the banks are limited to four months. On Aug. 5 the War Finance Corporation announced that the rate of interest on the loans would be 6% per annum, but on Aug. 15 it announced a reduction of the interest rate to 5%. Full information can be secured by any bank in the districts above mentioned from the Federal Reserve bank of the district.

The orderly movement of the crops is essential to the conduct of the war, and the Treasury Department hopes that the facilities of the Federal Reserve system available to member banks, supplemented by the offer of the War Finance Corporation, to both member and non-member banks, will be adequate to provide for financing the crop movement.

**BANKS IN BOSTON FEDERAL RESERVE DISTRICT ASKED TO REFER REQUESTS FOR NEW LOAN TO CAPITAL ISSUES COMMITTEE.**

The request has been made to banking institutions in the Boston Federal Reserve District by Frederic H. Curtiss, Chairman of the District Committee on Capital Issues, that in cases when they are asked to make loans for capital purposes they refer their clients to communicate with the committee. The letter follows:

Dear Sirs—The Capital Issues Committee has stated that while "borrowings in the ordinary course of business are usually done for reasonable requirements, through bank loans, advances, or through the use of short-time notes, nevertheless, borrowing may be done in the same manner for capital purposes, and in such cases bank loans, advances, or short-time notes come within its province."

In cases where you are requested to make loans for capital purposes, we should be glad to have you ask your clients to communicate first with our committee.

We trust we may have your co-operation in this important matter.

**CAPITAL ISSUES COMMITTEE NOT TO APPROVE ANY NEW SECURITIES DURING LIBERTY LOAN CAMPAIGN.**

The Capital Issues Committee at Washington, it was announced yesterday, will not approve the sale of any securities during the Fourth Liberty Loan campaign, between Sept. 28 and Oct. 19, except refunding issues to take care of maturities within that period. Companies with unissued portions of approved securities are asked to withhold them from the market until after the fourth loan is subscribed.

**BALTIMORE CLEARING HOUSE ENDORSES RESERVE BOARD'S SUGGESTION FOR CREDIT RESTRICTION.**

The Executive Committee of the Baltimore Clearing House Committee adopted the following resolution on Aug. 27:

The Clearing House Committee is in entire sympathy with the suggestion of the Federal Reserve Board as to the general necessity for the conservation of credit and commends its suggestions to the earnest consideration of the Clearing House members, banks and business public generally.

**CHICAGO CLEARING HOUSE ENDORSES RESERVE BOARD'S SUGGESTION AS TO CREDIT RESTRICTION.**

Following the action taken by the Federal Reserve banks of New York and Boston, and the New York Clearing House Association, the Clearing House Committee of the Chicago Clearing House on August 29 endorsed the views of the Federal Reserve Board with regard to the curtailment of bank credits not needed for the prosecution of the war. In its declaration on the subject the Chicago Clearing House says:

In hearty accord with the suggestion of the Federal Reserve Board, the Chicago Clearing House Committee recommends that the associated banks of Chicago and their customers should co-operate in the conservation of bank credits for war purposes.

To this end, discrimination should be exercised in favor of all bank credits applied for where the money is to be used for war purposes, or for the health and actual necessities of the people.

Credits for other purposes should be closely investigated and only granted where their refusal would bring about hardships or embarrassments to the applicants.

**WINDOW DISPLAYS FOR FOURTH LIBERTY LOAN.**

Scores of Liberty Loan representatives canvassed New York and Brooklyn on Thursday, Sept. 5, to procure window space for display material in furtherance of the Fourth Loan, which opens Sept. 28. This effective means to reach millions of persons in the two boroughs never has been undertaken before, it is stated. Ten thousand firms and stores have voluntarily signified their willingness to aid the Liberty Loan Committee. Chain-stores, such as restaurants, cigar stores, the larger department stores, drug stores and automobile salesrooms have planned to spend large sums of money in attractively dressed windows, arranged specially with war settings. Relics from the battlefields, material of every description captured from the retreating German armies, will be shown. Leading artists from all sections of the East will donate canvasses in oil and water-color for backgrounds. New slogans and new ideas will be originated, and window display advertising will be carried to a fuller scope than ever before. Incidentally it is expected that the co-operation of hundreds of well-known painters and artists will make 5th Avenue and Broadway a riot of color.

**7,000,000 PERSONS OF FOREIGN BIRTH SUBSCRIBED TO THIRD LIBERTY LOAN.**

The part played by foreigners in the subscriptions received to the Third Liberty Loan is indicated in a statement issued on Sept. 4 by the Publicity Department of the Liberty Loan Committee of the Federal Reserve District of New York, from which we quote as follows:

More than seven million persons of foreign birth subscribed a total of \$741,437,000 to the Third Liberty Loan, is the amazing announcement authorized by the Treasury Department to-day. This means that seven million persons born in foreign lands, including many who owe no allegiance to America, believe in doing their bit to help this Government win a just war.

These subscriptions were reported to the Treasury Department at Washington, directly or indirectly, through the Foreign Language Divisions of the several Reserve districts.

The figures which follow represent 55% of the total amount subscribed by the foreign born population, 45% not being reported for various reasons.

The grand total subscribed to the last loan being \$4,176,516,850, it is apparent from a hasty calculation that 17 3/4% of this huge sum was produced by the foreign born element. And they are not the big money holders.

Thirty-eight nationalities are included in the number of foreign born subscribers. Taking at random ten thousand individual subscribers, it is established that each of such persons gave \$105. With this figure as an average, 7,061,305 gave the total sum of \$741,437,000. The total number of individual subscriptions being about 17,000,000, it shows this contingent of foreign born formed 41 1/2% of that number.

Following are the subscriptions of persons of foreign birth or extraction who gave to the Third Liberty Loan, arranged by nationalities:

Scottish	\$5,000	Lithuanians	\$4,334,350
Albanians	230,150	Lettish	40,150
Armenians	303,850	Norwegians	5,987,550
Assyrians	90,450	Polish	37,583,700
Belgians	875,000	Roumanian	272,100
Bohemians	31,750,550	Ruthenian	13,100
Chinese	285,850	Portuguese	1,711,150
Bulgarians	2,100	Russians	2,599,600
Croatians	153,900	Serblans	142,150
Danish	2,353,950	Slovenians	1,569,900
French	2,107,850	Swedish	6,011,600
Finnish	191,750	Swiss	220,450
German	87,295,000	Scandinavians	72,950
English	337,100	Syrians	910,500
Greek	6,838,700	Ukrainians	129,500
Hollandish	80,200	*Miscellaneous	43,988,400
Hungarians	8,248,900	*Fed. Res. Dist. reports	
Italians	52,247,350	(unclassified)	66,272,600
Japanese	28,250	*Late subscriptions (un-	
Jewish	16,737,550	classified)	21,478,900
Jugosalvs	4,200,250		
			\$407,790,350

\* Amounts subscribed by Americans of foreign birth or immediate foreign extract on, unclassified by nationality for want of specific information.

**HOLDERS OF 4% LIBERTY BONDS URGED TO CONVERT TO 4 1/4% ISSUE.**

Holders of 4% Liberty bonds have been urged by Secretary of the Treasury McAdoo to take advantage of the privilege of converting their securities to those of the Third Liberty Loan, bearing 4 1/4%. They are reminded that the period of conversion expires on Nov. 9, and told they should not delay converting because of the danger of overburdening the banks and possibility of losing the privilege entirely. Mr. McAdoo, in his statement issued on Aug. 30, said:

Holders of these 4% bonds lose nothing by exercising the privilege of conversion and gain 1/4% interest per annum.

Holders of coupon bonds are strongly advised to request issue of registered bonds in order to protect themselves against the risk of loss, theft, and destruction of their bonds.

Official Department Circular No. 114, with forms of application, has been distributed to Federal Reserve banks and banks and trust companies throughout the United States. These institutions are asked, as a matter of patriotic service, to assist bondholders in exchanging 4% bonds for 4 1/4% bonds and in registering their bonds.

**SUBSCRIPTIONS IN RICHMOND RESERVE DISTRICT TO TREASURY CERTIFICATES IN ANTICIPATION OF LIBERTY LOAN.**

The following details with reference to the subscriptions in the Richmond Federal Reserve District to the three blocks of Treasury certificates of indebtedness in anticipation of the Fourth Liberty Loan (there have since been two additional offerings of the certificates) were issued under date of Aug. 9 by the Federal Reserve Bank of Richmond:

**SUBSCRIPTIONS TO TREASURY CERTIFICATES OF INDEBTEDNESS IN THE FIFTH FEDERAL RESERVE DISTRICT.**

1st Issue.	2d Issue.	3d Issue.	Total.
\$26,000,000	\$26,000,000	\$17,500,000	\$69,500,000
Total Apportionment of Three Issues.		Total Subscriptions to Three Issues.	
\$20,433,000		\$17,815,500	
States—			Percentage of Apportionment
Maryland	6,894,000	7,751,500	87.18
Dist. of Columbia	15,929,000	12,410,500	112.44
Virginia	8,424,000	3,977,000	47.21
West Virginia	9,959,000	5,114,500	51.35
North Carolina	7,861,000	3,905,500	49.68
South Carolina			
Total	\$69,500,000	\$50,972,500	73.34
Number of Banks Subscribing.		Number of Banks in District.	
Maryland		284	
Dist. of Columbia		42	
Virginia		481	
West Virginia		81	
North Carolina		108	
South Carolina		82	
Total	616	2,065	29.35

The Bank has since issued a table showing total subscriptions of \$65,369,500 to the four offerings of Treasury certificates (June 25, July 9, July 23 and Aug. 6). The total allotment for the four issues was \$85,000,000.

**WAR REVENUE BILL REPORTED TO HOUSE.**

The new war revenue bill, under which it is proposed to raise \$8,012,792,000 of the total \$24,328,561,428 estimated war expenditures for the next fiscal year, was reported to the house on the 3rd inst. by Chairman Kitchin of the House Ways and Means Committee. The bill was called up for consideration by the House yesterday (the 6th) at which time also the Senate Finance Committee began consideration of the House draft. In presenting the bill and a detailed report of the House Committee explaining the provisions of the bill, Chairman Kitchin said it was not the purpose to have extended debate on the bill as a whole, but to take the measure up for amendment at the start, with the view to a final vote within ten days. Senator Simmons on the 3rd stated that every effort would be made in the Senate to complete the legislation before the November elections. For this reason, he explained, Senate leaders would not consent to the suggestion from the House for adjournment of Congress over the elections, after the House passes the bill. Final approval of the bill as completed by the Ways and Means Committee of the House on Friday, Aug. 30, was given by the committee on the 2nd inst. One of the features of the legislation to which the committee devoted itself during the final consideration of the bill was with regard to the differential on distributed and undistributed profits of corporations. The committee determined to levy a corporation tax of 18% upon the amount of the net income, in excess of the credits allowed, but the bill carries a provision to the effect that the rate shall be 12% upon so much of this amount as does not exceed the sum of (1) the dividends paid during the taxable year plus (2) the amount paid during the taxable year out of the earnings or profits in discharge of bonds and other interest-bearing obligations outstanding prior to the beginning of that year. In his report Chairman Kitchin says:

An example will make clear the effect of this tax. Suppose the amount of the net income of a corporation in excess of its credits is \$100,000. Suppose it has paid out during the year \$50,000 in dividends and discharged \$10,000 worth of bonds. Its tax would then be 12% of \$60,000 and 18% of \$40,000.

The committee believes that the reduction of the rate to 12% on an amount equal to the amount of dividends paid will have a wholesome effect in many cases in stimulating the payment of dividends, which will be subject to surtax in the hands of the stockholders.

In announcing on Aug. 30 that the Treasury Department and the sub-committee of the House Ways and Means Committee had come to an agreement and had decided upon a flat rate of 12% on normal incomes above \$4,000 and a tax of 6% on normal incomes below \$4,000 down to the exemption limit, without a differential on unearned income, Chairman Kitchin said:

We have practically finished the bill except the final reading for correction and textual changes. The Treasury Department and the committee have gotten together absolutely and satisfactorily on a normal tax on incomes, which will be 12% and 6% on incomes below \$4,000 a year down to the exemption limit. By reason of the split normal rate and the many differences and complexities in administering the differentiated earned and unearned income tax plan, and the many questions that would arise under an unearned and earned income tax plan, all agreed that it is wiser to make no differential.

The surtaxes will be adjusted correspondingly with this 12% flat normal tax rate. All the surtaxes will be correspondingly reduced because of the change in the normal. The higher brackets, which will be substantially reduced, are the incomes between \$200,000 and \$300,000, those between \$300,000 and \$500,000, between \$500,000 and \$1,000,000, and between \$1,000,000 and \$5,000,000 and over.

The maximum surtax of 65% compares with the maximum surtax of 63% under existing law (or 67% with the present normal rate of 4%), making the maximum now agreed to 77%, as against 67%.

This plan, as agreed to, will produce substantially the same revenue as under the 10% normal tax plan heretofore planned by the committee. In other words, with a 12% normal flat tax and the surtaxes changed from the rates heretofore tentatively in the bill, the new plan will produce practically the same income as 10% would have with the higher surtaxes.

The committee struck out the provision under which it was proposed that all corporations having a capital stock of \$1,000,000, or more, shall pay at least 10% of their net income as an excess-profits tax, even though the net income does not amount to 10%. It was felt that this clause might hit a number of corporations with legitimate capital. Most of those that the 10% clause would have struck will be hit by the excess-profits tax with its 8% deduction.

The excess profits tax alternative stands, as heretofore placed in the bill, with the rates 35, 50 and 70%. The war profits tax stands at 80% flat.

Our conference with Secretary McAdoo was pleasant, harmonious and satisfactory. There were present Secretary McAdoo, Assistant Secretary Leffingwell, Mr. Cooley, assistant to the Secretary, and Dr. T. S. Adams, Chairman of the Treasury Excess Profits Advisory Board, and Representatives Fordney, Garner, Longworth and myself.

The income tax exemptions under the new bill are the same as under the old—\$1,000 for single persons and \$2,000 for married persons with \$200 additional allowed for each dependent child under 18 years of age. An exemption of \$200 for each dependent incapable of self-support because of mental or physical disability is also allowed. Under existing law, Chairman Kitchin's committee in its report to the House this week points out, only persons of lawful age have to make returns. A minor's income is either included in the income tax return of the parent or a return is made for the minor by his guardian. Single persons of lawful age and having a net income of \$1,000 or over and married persons having incomes of \$2,000 or over are required to make returns under existing law. The proposed bill requires every person, whether of lawful age or not, having a net income for the taxable year of \$1,000 or over, if single, or if married and not living with husband or wife, to make a return, and requires all married persons living with husband or wife having a net income of \$2,000 or over to make returns. The report likewise points out:

Under existing law a normal tax of 2% is levied under the Revenue Act of 1916 upon the amount of the net income of a head of a family or married person in excess of \$4,000 and upon the amount of the net income of a single person in excess of \$3,000. A like normal tax of 2% is also levied under the Revenue Act of 1917 upon the amount of the net income of a married person or head of a family in excess of \$2,000 and in the case of a single person in excess of \$1,000. In lieu of the rates now in effect the proposed bill levies upon citizens or residents of the United States a normal tax of 12% upon the amount of the net income in excess of credits provided in Section 216, but provides that upon the first \$4,000 of this amount the rate shall be only 6%.

The following table showing the income tax levied under existing law and under the proposed bill for specified incomes of married persons without dependents and without dividends from corporations or interest from tax-free securities is likewise taken from the report:

	Tax under		-Per cent of Tax to Net Inc.-	
	Existing Law.	Proposed Bill.	Existing Law.	Proposed Bill.
\$2,500	\$10	\$30	0.40%	1.20%
3,000	20	60	0.67%	2.00%
3,500	30	90	0.86%	2.57%
4,000	40	120	1.00%	3.00%
4,500	60	150	1.33%	3.33%
5,000	80	180	1.60%	3.60%
5,500	105	220	1.91%	4.00%
6,000	130	260	2.16%	4.33%
6,500	155	330	2.38%	5.08%
7,000	180	400	2.57%	5.71%
7,500	205	470	2.73%	6.27%
8,000	235	545	2.93%	6.81%
8,500	265	620	3.12%	7.29%
9,000	295	695	3.28%	7.72%
9,500	325	770	3.42%	8.11%
10,000	355	845	3.55%	8.45%
12,500	530	1,320	4.24%	10.56%
15,000	730	1,795	4.87%	11.97%
20,000	1,130	2,895	5.90%	14.48%
25,000	1,530	4,245	7.12%	18.98%
30,000	1,930	5,595	7.93%	20.56%
35,000	2,330	7,195	8.51%	20.56%
40,000	2,730	8,795	8.95%	21.99%
45,000	3,130	10,645	9.73%	23.66%
50,000	3,530	12,495	10.36%	24.99%
55,000	3,930	14,695	10.87%	26.72%
60,000	4,330	16,895	11.30%	28.16%
70,000	5,130	21,895	12.69%	31.26%
80,000	5,930	27,295	13.73%	34.12%
100,000	7,530	39,095	16.12%	39.10%
150,000	11,530	70,095	21.32%	46.73%
200,000	15,530	101,095	24.50%	50.55%
300,000	23,530	165,095	30.89%	55.03%
500,000	39,530	297,095	38.54%	59.42%
1,000,000	67,530	547,095	47.52%	64.71%
5,000,000	3,140,180	3,527,095	62.80%	70.54%

The largest source of estimated yield under the new taxation measure is \$3,100,000,000 which is expected to be derived from taxes on excess profits, including war profits; the next is from taxes on incomes, \$1,482,186,000 from individuals and \$828,000,000 from corporations. The estimated yield from sources other than incomes and excess and war profits include:

Transportation: Freight, \$75,000,000; express, \$20,000,000; passenger fares, \$60,000,000; seats and berths, \$5,000,000; oil by pipe lines, \$4,550,000.

Telegraph and telephone messages, \$16,000,000; insurance, \$12,000,000; admissions (theatres, circuses, &c.), \$100,000,000; club dues, \$9,000,000.

Excise taxes: Automobiles, &c., \$123,750,000; jewelry, sporting goods, &c., \$80,000,000; other taxes on luxuries at 10%, \$88,760,000; other taxes on luxuries, (apparel, &c., above certain prescribed prices) at 20%, \$181,095,000.

Gasoline, \$40,000,000; yachts and pleasure boats, \$1,000,000.

Beverages (liquors and soft drinks), \$1,137,600,000; stamp taxes, \$32,000,000; tobacco, cigars, \$61,364,000; cigarettes, \$165,240,000; tobacco, \$104,000,000; snuff, \$9,100,000; papers and tubes, \$1,500,000.

Special taxes: Capital stock, \$70,000,000; brokers, \$1,765,000; theatres, &c., \$2,143,000; mail order sales, \$5,000,000; bowling alleys, billiard and pool tables, \$2,200,000; shooting galleries, \$400,000; riding academies, \$50,000; business license tax, \$10,000,000; manufacturers of tobacco, \$69,000; manufacturers of cigars, \$850,000; manufacturers of cigarettes, \$240,000; use of automobiles and motor cycles, \$72,920,000.

The bill applies the war and excess profits taxes to corporations only. Provision is made to protect corporations whose invested capital is less than \$50,000 and those corporations in which invested capital is not a material producing factor.

Increases also were made in the estate tax, which will range from 3% to 40%. The increases as compared with the present bill follow: Not exceeding \$50,000, from 2 to 3%; \$50,000 to \$150,000, 4 to 6; \$150,000 to \$250,000, 6 to 9; \$250,000 to \$450,000, 9 to 12; \$450,000 to \$1,000,000, 10 to 15; \$1,000,000 to \$2,000,000, 12 to 18; \$2,000,000 to \$3,000,000, 14 to 21; \$3,000,000 to \$4,000,000, 16 to 24; \$4,000,000 to \$5,000,000, 18 to 27; \$5,000,000 to \$8,000,000, 20 to 30; \$8,000,000 to \$10,000,000, 22 to 35, and exceeding \$10,000,000, 25 to 40.

Under a new provision a deduction is granted of amounts which have been received by the decedent as a share in the estate of any person who died within five years prior to the death of the decedent. In explanation thereof the report says:

It has come to the attention of the committee that persons closely related have died within such a short space of time that the same estate, passing within a short period of time, has been subjected to the estate tax and thereby diminished unreasonably because of the short period within which the two levies have been made.

The transportation and insurance taxes include a new tax of 10% upon the amount paid to any telegraph or telephone company for any special leased wire or talking circuit, but does not apply to collection and dissemination of news through the public press or in the conduct by a common carrier or telegraph or telephone company of its business as such.

The text of the bill is given elsewhere in to-day's issue of our paper.

**SENATOR SMOOT DECLARES WAR REVENUE BILL WOULD PUT PROHIBITIVE TAX ON INDUSTRY.**

Senator Reed Smoot of Utah, a member of the Senate Finance Committee, in evincing his opposition to the War Revenue bill as drafted by the House, was quoted in the New York "Times" of the 5th inst. as saying:

The alternative system is a piece of bungling absurdity. The whole bill only adds to the grotesque absurdity of the War Revenue bill of last year. It for the most part stupidly follows the lines of that measure.

This bill of Mr. Kitchin's seems to have been designed so as to reach the fewest number of voters possible. It seeks to apply a tax on corporations that must end in driving some of them out of business. It would tax all the profits they could make.

The differential tax of 18% is an imposition in the first place. After that other taxes would be piled on so that many corporations would have nothing left. To attempt to put this bill into force would be to put a prohibitive tax on the productivity of American war industry.

According to the "Times," Senator Smoot favors a flat tax rate upon war profits instead of excess profits and expressed the view that a tax of that character would be supported by a majority of Republican Senators. The Utah Senator, it is stated, pointed out that the House bill failed to impose consumption taxes. Mr. Smoot advocates a tax of 1% on all articles purchased at anything over \$1 in price, to be levied as a consumption tax. This, he calculates, would yield \$1,000,000,000.

**COUNSEL FOR INVESTMENT BANKERS' ASSOCIATION ON EXCESS PROFITS PROVISION OF WAR REVENUE BILL.**

Speaking on behalf of the Investment Bankers' Association of America, which is in favor of an effective war profits tax instead of an increase in the rates of the alternative excess profits tax as proposed in the war revenue bill now before the House, Robert R. Reed, counsel for the Association, had the following to say on the 5th inst:

The excess profits and war profits provisions of the House bill demonstrate anew the impossibility of the capital percentage standard as a foundation for a so-called confiscatory profits tax as applied to corporations, the stocks of which have been bought and sold for years on their demonstrated earning value and represent both the cost and capital value to the stockholders of their present investment. It may be possible to ignore this fact in a relatively light graduated tax, but it cannot be safely ignored in a 70% or 80% tax. Cases have arisen and there are no doubt very many of them where practically all the stock has been bought just prior to the taxable year at a value several times the "invested capital" allowed under the Act. And, of course, individual stockholders in a large corporation have purchased at the going-value of recent years.

A 70 to 80% tax on the excess over say 10% of the invested capital of 1900 or 1910 in such cases practically confiscates the income over 2% to 5% on the actual investment of the stockholders. This is the fundamental far-reaching objection to the bill from the viewpoint of business and justice, which is, or should be just now that of the Government. But on the revenue standard alone there is an equally serious objection affecting a different class of corporations. The bill practically gives watered stock the presumptive value of full-paid invested capital and specifically denies to ultra-conservatively capitalized concerns even the actual values invested in the property.

Unless I misread the bill, invested capital includes tangible property paid in for stock at its actual value when acquired not exceeding the par value of the stock. A company which issued \$1,000,000 in stock for a going plant in 1910 and has earned say on an average \$80,000 a year since will probably get the cost value of \$1,000,000 for the plant. Although the plant was probably worth about \$500,000 in cash, no one can prove the actual value and the record valuation would be accepted. The company would have a practical exemption to-day from the excess profits tax.

There are hundreds of such over-capitalized concerns large and small which will enjoy relative immunity from this tax. Many of them will not be caught under the war profits tax. On the other hand, had the plant in the case supposed been undervalued and \$200,000 stock issued for it, the corporation would be taxed say 60% to 80% on everything over \$20,000 a year. I assume that all of these considerations have been in the minds of Secretary McAdoo and his aides and we hope the Senate Committee, which last year was unsuccessful in its efforts to secure a war profits tax, will this year have the support of the country and of the administration in working out and putting through a productive profits tax that will get all the revenue estimated for the House bill without penalizing conservative financing and granting immunity to watered capital.

#### PRESIDENT WILSON'S ORDER AUTHORIZING SALE OF EXCHANGE SEATS OWNED BY ENEMY ALIEN.

The Alien Property Custodian has been authorized, under an Executive order issued by President Wilson to sell at private sales seats on any stock, cotton, grain, produce or other incorporated exchanges owned by an enemy. The Executive order, dated Aug. 29, is issued under the "Trading with the Enemy Act." Among the reasons given by the President in calling for the sale of the seats by private sale are that seats of memberships may be sold to better advantage at the place and time of most favorable demand, and without unnecessary expense or delay. The order reads as follows:

##### EXECUTIVE ORDER.

An Executive Order Concerning Certain Sales to be Conducted by the Alien Property Custodian Pursuant to the "Trading-with-the-Enemy Act" and Amendments Thereof.

By virtue of the authority vested in me by "an Act to define, regulate, and punish trading with the enemy, and for other purposes," approved Oct. 6 1917, known as the "Trading-with-the-Enemy Act," and the amendment to such Act embodied in "an Act making appropriations to supply urgent deficiencies in appropriations for the fiscal ending June 30 1918, and prior fiscal years, on account of war expenses, and for other purposes," approved March 28 1918, I hereby, in the public interest, make the following determination, order, rule, and regulation:

The Alien Property Custodian may sell at private sale, without public or other advertisement, any seats upon or memberships in any stock, cotton, grain, produce, or other exchanges incorporated or organized and existing anywhere within the United States as defined in the "Trading-with-the-Enemy Act;" and any such sale or sales may be made and conducted wherever and upon such terms and conditions as the Alien Property Custodian or his authorized agent shall determine.

My reasons in the public interest, for the foregoing determination, order, rule, and regulations are:

(a) The methods required by law and the character of said property to be pursued in the sale thereof are such that the power of sale vested in the Alien Property Custodian cannot be exercised effectively except at private sale; in that such seats upon or memberships in said exchanges can be purchased only by persons who are already members of said exchange or who are approved by said exchange according to its constitution and by-laws, and such seats upon or memberships in said exchanges can be sold and transferred therefore only to persons who are members of or who are approved by the exchange the seat upon or membership in which is the subject matter of sale.

(b) The sales hereby authorized may be made at the time and place of most favorable demand and upon such terms and conditions as may be necessary to secure the best market price.

(c) Unnecessary expense, delay, and inconvenience may be avoided.

WOODROW WILSON.

The White House, Aug. 29 1918.

#### CANADA TO CONTROL WHEAT FOR EXPORT.

According to press dispatches from Ottawa Sept. 4, the Canadian Government will assume control of the purchase and sale of Canadian wheat for export instead of following last year's plan of having all wheat for exports purchased by the Export Company of England. It is further said:

The new arrangement provides a fixed price for the current crop. Purchase for internal demands will again be thrown open to dealers and shippers as before the war. The Government will apportion distribution for export and domestic milling and allot tonnage to move.

#### RULING OF CHICAGO BOARD ON WHEAT DISPOSALS.

A ruling on wheat disposition was issued as follows on Aug. 23 by F. J. Delaney, Chairman of the Joint Grain Committee of the Chicago Board of Trade:

Effective at once, the joint grain committee will not directly intervene in the disposition of any wheats.

Trading, however, must be conducted in accord with the preferential switching dispositions as a matter of permanent policy.

A sheet will shortly be issued by the United States Railway Administration giving preferential switch routings to all industries.

Commencing Aug. 24, sellers will file in the Board of Trade Secretary's office, during change hours and not later than 5 o'clock each afternoon, a report showing disposition made of that day's car lots.

Receivers should be prepared to furnish to the committee each day, if requested, a report showing the number of cars of each kind of grain in transit to Chicago.

Should congestion again threaten this market, the system lately applied by the joint committee will of necessity be reinstated.

#### WHEATLESS DAYS DISCONTINUED UNDER NEW WHEAT CONSERVATION PROGRAM.

Under new wheat regulations which became effective Sept. 1, all wheatless days and wheatless meals in the United States are discontinued, but all bread must correspond to that used by the Allies; it must contain 20% of other grains than wheat and not more than 80% of wheat. The new regulations supersede the 50-50 rule; other modifications of previous regulations are contained in the latest edict of the Food Administration, issued Aug. 27; earlier rules limiting licenses, millers, wholesalers, retailers and bakers to 30 days' supply of flour are changed to permit a 60 days' supply; likewise the rule limiting the sale of flour by mills to wholesalers, or wholesalers to retailers, in combination with substitutes or certificates therefor, and the rule restricting the sale to 70% of previous sales are rescinded. The following is the Federal Food Administration's announcement regarding the new wheat conservation program:

The recent careful survey by the Food Administrators of the United States, France, England and Italy of the food resources of the 220,000,000 people fighting against Germany shows that to maintain enough supplies and necessary reserves against disaster there must be maintained in all countries a conservation of wheat flour during the coming year.

It has been agreed that the wheat bread of the Allies shall contain 20% of other grains than wheat, and it is only just that we should bear our share in this saving and that our bread at least should be universal with those who are suffering more greatly from the war than ourselves.

Distribution and transportation circumstances in the United States render it necessary to rely very largely on the voluntary action of our homes to enforce this mixture. The "Victory bread" so made is wholesome and there is no difficulty in preparation. We desire to emphasize the fact that the mixtures outlined below are for wheat bread and the saving of wheat flour, but they are not intended to displace the large use of corn bread. We must use the mixture with wheat flour in addition to our normal consumption of corn bread.

For this purpose regulations are formulated below, effective Sept. 1, providing, first, for the preparation and marketing by the manufacturing and distributing trades of the country of a mixed flour complying with the international policy, which will be available for purchase by the household; second, in regulations covering the case where straight wheat flour is sold by retailers, that at the same time 20% of other cereal flours must be sold coincidentally; third, requiring that all bakers' bread shall contain 20% of other cereals, and the Food Administration relies upon the householders of the country to mix at least 20% of the substitute cereals into the wheat flour at home for all uses. Corn meal for the use of corn bread should be purchased separately from combination sales.

It is desired to insure a supply of ready mixed flours on the market, and to have millers and dealers of all kinds encourage the use and sale of this flour so that the country may be on a mixed flour basis without the necessity of retailers making combination sales of flour and substitutes.

All such mixed flours made according to the following regulations should be labeled "Victory mixed flour," and are to be labeled with the ingredients in order of their proportion. The flours so mixed must be milled in accordance with the standards of the United States Food Administration. No "mixed flours" (except pancake flours) shall be made or manufactured except in the exact proportions as outlined below:

Mixed wheat and barley flour shall be in the proportion of 4 pounds of wheat flour to 1 pound of barley flour.

Mixed wheat and corn flour shall contain the proportion of 4 pounds of wheat flour to 1 pound of corn flour.

Mixed wheat, barley, and corn flour shall contain the proportions of 8 pounds wheat flour to 1 pound barley and 1 pound corn flour.

Mixed wheat and rye flour shall contain the proportion of 3 pounds of wheat flour and not less than 2 pounds of rye flour.

Whole wheat, entire wheat, or graham flour or meal shall contain at least 95% of the wheat berry.

All the above "Victory flours" may be sold without substitutes, but at no greater price from the miller, wholesaler, or retail dealer than in the case of standard wheat flour.

##### Retail Sale of Standard Wheat Flour.

The new regulations supersede the 50-50 rule. The retail dealer selling standard wheat flour is required to carry in stock either barley flour, corn meal or corn flour, and with every sale of wheat flour must sell a combination of some one or more of these in the proportion of 1 pound of substitute to each 4 pounds of wheat flour. No dealer may force any other substitutes in combination upon the consumer, and these substitutes must conform to the standards fixed by the United States Food Administration.

There are some localities where other substitutes are available and which retailers may wish to carry. In order to meet this situation the following flours may be sold in such combination in lieu of the above flours if the consumer so demands at the ratio of 1 pound to each 4 pounds of wheat flour; that is, feretita flour and meals, rice flour, oat flour, kaffir flour, milo flour, peanut flour, bean flour, potato flour, sweet potato flour, and buck-wheat flour. Pure rye flour or meal may be sold as a substitute, but must be sold in proportion of at least 2 pounds of rye with 3 pounds of wheat flour.

The foregoing rules apply to all custom and exchange transactions, as well as sales of flour to farmers, unless modified by special announcement of the Federal Food Administrator of the State where the mill is located, acting with the approval of the zone committee.

**Bakers.**

In compliance with the general situation above, the following alterations are made in the rules and regulations governing the baking trade:

Rule 1-A. The consumption of wheat flour in bakery products not to exceed 70% of the 1917 consumption is hereby rescinded.

Rule 2-A. Wheat flour substitutes for bakers remain as heretofore with the exception of rye, which will be a substitute when used upon a basis of not less than 40%, which is 2 pounds of rye flour to every 3 pounds of standard wheat flour. When rye is used in this proportion or a greater proportion, no other substitutes are required. If less than this proportion of rye flour is used, the difference between such amount used and 40% must be made up of other substitutes.

Rule 6-A. Bakers will be required to use 1 pound of substitutes to each 4 pounds of wheat flour in all bakery products, including bread, except Class 3a—Crackers—in which only 10% of substitutes other than rye are required.

The use of the name "Victory" will be allowed in all products containing the above proportions of substitutes.

**Revisions of Previous Rules.**

The previous rules limiting licensees, millers, wholesalers, retailers and bakers to 30 days' supply of flour will be changed to permit a 60-days' supply.

The rules limiting sales by retailers of wheat flour to an eighth of a barrel in cities and a quarter of a barrel in sparsely settled districts are rescinded.

The rule limiting the sale of flour by millers to wholesalers, or wholesalers to retailers, in combination with substitutes or certificates therefor, and the rule restricting the sale to 70% of previous sales are rescinded.

Manufacturers of alimentary pastes and wheat breakfast foods are limited to their normal consumption of wheat or wheat flour, with the understanding that they are not to unduly expand their ordinary consumption of wheat.

Rules prohibiting the starting of new plants ready for operation prior to July 1 1918 are rescinded.

Where millers sell directly to consumers they shall obey the same regulations as retail store dealers.

Wheatless days and wheat less meals are discontinued.

Nothing in these regulations is to be construed to mean that there has been any setting aside or changing of the pure-food laws as promulgated by the Bureau of Chemistry, Department of Agriculture, or the internal revenue law as administered by the Internal Revenue Commissioner, which requirements must be conformed to by manufacturers and dealers in all cases.

The wheatless days, Monday and Thursday, had been in effect since March; the regulations promulgated at that time were printed in our issue of March 30. The New York Federal Food Board in calling attention on Aug. 29 to the changed rules issued a statement saying:

The Board is advised by the United States Food Administration that present stocks of mixed flours containing 20% or more of substitutes may be distributed and sold without substitutes until the stock is exhausted. If they contain less than 20% of substitutes one pound of substitutes must be sold with each four pounds of such mixed flour. The new rules prescribing the proportion of wheat and substitutes to be used in mixed flours apply to mixed flours manufactured after Sept. 1.

Pancake and self-raising flour containing substitutes may be manufactured only upon special permit from the Food Administration at Washington. After a permit is obtained such flours may be sold without substitutes provided they contain 20% or more substitutes other than rye flour.

While all limits on quantity sales to consumers, including the thirty days' supply to consumers and the supply for a specified period to farmers on exchange transactions, are removed under the new regulations, the Board asks every consumer of flour to practice moderation in making purchases and economize in its use.

Manufacturers of "victory mixed flour" under the new regulations are required to take out an internal revenue license and pay the special tax as heretofore.

On all custom and exchange transactions, mills, elevators or grain dealers must either deliver to the farmer whole wheat, graham, or prescribed mixed flours, or sell him required proportion substitute in combination with standard wheat flour; excepting that Federal Food Administrators, with the approval of their zone committees, may authorize in their States the usual certificates, to be accepted from the farmer, certifying that he has purchased or had ground the required amount of substitutes.

**CONDITIONS OF FLOUR PURCHASING PLAN OF FOOD ADMINISTRATION GRAIN CORPORATION.**

The conditions under which the Food Administration Grain Corporation will purchase flour for export shipment for the requirements of the Allies, the Army, Navy, Marine Corps, &c., were made public by the Flour Department of the Corporation on Aug. 26. The announcement, issued to "all flour mills and other interested sellers of wheat flour," reads as follows:

The Food Administration Grain Corporation will purchase flour for export shipment for the requirements of Allied countries, the Army, Navy, Marine Corps, Commission for Relief in Belgium, Red Cross, Y. M. C. A. and similar agencies. Purchases will be made weekly, excepting for shipment to Pacific Coast terminals, where special arrangements prevail. Bids will be received at New York office on Tuesday of each week, up to 12 o'clock noon, commencing Sept. 3 1918, for acceptance within forty-eight hours from time specified subject to the following specifications and conditions:

Note.—If legal holiday falls on Tuesday, purchases will be made the following day. Bids received after 12 o'clock may be held over and considered following week if so specified.

Character of Flour—100% straight, unbleached, milled in accordance with United States Food Administration regulations.

Grades—Spring or hard wheat straight, must contain at least 75% hard wheat; soft wheat straight; blended wheat straight, eastern mills only, may contain not more than 50% of soft wheat; durum wheat straight; hard Pacific coast straight must be milled from at least 85% hard wheats; soft Pacific coast straight.

Quantity—Mills may offer as much flour as can be supplied within time of shipment specified. The Grain Corporation reserves the right to ac-

cept all or part of amounts offered. Offers for less than minimum carload (310 barrels) will not be considered.

Army and Navy Requisitions—Right is also reserved to apply flour purchased against Army and Navy requisitions. If special packing and sack specifications necessitate an advance in price, proper adjustment will be made.

Quality Basis—Successful bidders will be asked to submit type samples representing flour to be shipped on contracts received, and deliveries against such contracts must be fully up to such samples. Flour shipments will be inspected at seaboard and samples of flour drawn from such shipments by authorized port agents must be accepted by the sellers as basis for adjustment of any quality claims.

Branding—Unless otherwise specified, full mill brand, showing firm name, address and weight marks, and special letters. Tagged sacks not acceptable.

Sacks—New 140-pound 10½-ounce jute or 140 pound 40-inch 2½-yard cotton sheeting or 140s osnaburgs of 40-inch 8-oz. goods. (Note—See special sack specifications following for Army and Navy flour shipments.) Price—Per barrel in above sacks f. o. b. cars seaboard "for export." Quote price basis for seaport reached at lowest rate. (Note—Mills west of Pittsburgh and Buffalo quoting Atlantic seaboard prices are requested to base quotations on Baltimore rate.)

Location of Mill—Name location of mill from which shipment will be made if not the same as office address.

Routing—Name railroad or railroads over which you can ship. Also state if "milling in transit" is to be applied.

Terms—Demand draft on Food Administration Grain Corporation.

Shipment—Thirty days from date of acceptance of offer. Shipping directions will be forwarded as soon as possible after acceptance of offer.

Manner of Submitting Offers—Offers may be submitted by mail or wire. The following form of telegram is suggested:

Grain Corporation, Bausman, New York—Offer, \_\_\_\_\_ barrels, (Brand) (Grade) (Price) (Basis) (Time shipment) According to your specifications and conditions. (Name of initial carrier.)

Note—May use Robinson code.

**Army and Navy Flour Requisitions.**

Army expeditionary sack specifications permit the shipment of part of the flour in 140-pound 10½ oz. jute sacks, and part in bags of the following specifications, either double or single. Three choices are given the shipper:

Single osnaburg bag to carry 100 lbs. net of flour from either 7 oz. 30 in. osnaburg cut 32x52, or 8.40 oz. 36 in. osnaburg cut 36x43, or

Single jute bag to carry 100 lbs. net of flour from 12 oz. jute (12 oz. to 40 in.) 36 in. goods cut 36x44, or

Double bag to carry 100 lbs. net of flour. Inner bag to be made from 4 yard cotton sheeting cut to 36x43. Outer bag 10 oz. jute (10 oz. to 40 in.) cut 36x44.

Navy specifications require that flour be packed in 100 lb. double sacks to carry 100 lbs. net of flour. Inner bag to be made from 4 yard cotton sheeting cut 36x43. Outer bag 10 oz. jute (10 oz. to 40 in.) cut 36x44.

Army camps and cantonment sack specifications require that flour be packed in single bag to carry 100 lbs. net flour made from 3½ yard cotton sheeting cut 36x43.

Note.—The above weights of material are minimum weights. No lighter bags are acceptable under these specifications.

If for any reason a mill receiving an Army Expeditionary contract calling for double bags is not in a position to supply them, we can undoubtedly arrange for the packing of the flour in single bags and the placing of that proportion of the requisition requiring double bags with some mills in a position to handle the requisition.

FOOD ADMINISTRATION GRAIN CORPORATION,  
R. F. BAUSMAN,  
Flour Department.

Aug. 26 1918.

**ALL SOLUBLE COFFEE IN UNITED STATES PURCHASED FOR USE OF ARMY.**

In making known that the entire output of all factories in the United States making soluble coffee was being purchased by the Quartermaster Corps for the use of the Army the War Department on Aug. 24 said:

The quantity at present being manufactured, however, is not sufficient to meet the great demand, and as a result new companies are being organized and large capital is being expended to insure a largely increased output of the soluble coffee for the near future.

Practically all the soluble coffee now being supplied to the Army is used in the front-line trenches. It is not always possible to have hot water in the trenches, for there are times when it cannot be brought up from the rear and the heating of water causes a raising of smoke, which invites the fire of the enemy. Cold water is nearly always to be found in the canteen carried by the men, and this assures the making of good, strong coffee, even though it is cold.

The subsistence division of the Quartermaster Corps sees to it that great care is exercised in the manufacture of the soluble coffee, so that it can easily be dissolved in cold water. Experiments have been made to have the soluble coffee put up in stick form, very similar to sticks of chewing gum, to be wrapped in waterproof wrappers.

An increased supply of the soluble coffee will mean an added comfort for the troops not only in the trenches but it will enable the men to have coffee when in isolated places or hidden in out-of-the-way sections and listening posts.

**PRICE FOR 1919 WHEAT CROP FIXED BY PRESIDENT WILSON AT \$2 20, SAME AS IN 1918.**

A proclamation issued by President Wilson fixing the Government's guarantee for the 1919 wheat crop at the same price as for the 1918 crop (\$2 20 per bushel) was made public on Sept. 2. In a memorandum accompanying his proclamation, the President made known that a disinterested commission will be appointed next spring to secure facts concerning the increased cost of farm labor and supplies from which it will be determined whether an increase in the price of wheat might be justified. The President also says:

In giving a guaranteed price for wheat one year in advance . . . there is involved a considerably national risk. If there should be peace or increased shipping available before the middle of 1920 Europe will naturally supply itself from the large stores of much cheaper wheat now in the Southern

Hemisphere, and therefore the Government is undertaking a risk which might in such an event result in a national loss of as much as \$500,000,000 through an unsalable surplus; or, in any event, in maintaining a high level of price to our own people for a long period subsequent to freedom of the world's markets.

The proclamation fixes as reasonable guaranteed prices for No. 1 Northern spring wheat and its equivalents at the principal markets the following:

New York, \$2 39½; Philadelphia, \$2 39; Baltimore and Newport News, \$2 38½; Duluth, \$2 22½; Minneapolis, \$2 21 1/2; Chicago, \$2 26; St. Louis, \$2 24; Kansas City and Omaha, \$2 18; New Orleans and Galveston, \$2 28; Tacoma, Seattle, Portland, Astoria, San Francisco and Los Angeles, \$2 20; Salt Lake City, Great Falls, Pocatello and Spokane, \$2.

The Joint Agricultural Advisory Committee of the Food Administration and the Department of Agriculture composed of farmers throughout the country, presided over by former Governor H. C. Stuart of Virginia, on Aug. 9 recommended to President Wilson the fixing of the minimum price for the 1919 crop at \$2 46. The price contained in the Agricultural Appropriation bill which caused the President's veto was \$2 40 per bushel. It is stated that if the President had accepted the Advisory Committee's suggested price at \$2 46 at Chicago, wheat would have been on a basic minimum of \$2 40 and the differentials now in effect for the various primary markets would have been plus this figure, making the price at New York \$2 59½. Under the new price schedule announced June 30 (resulting from the increased freight rates), No. 1 Northern spring and other wheat of the same grade which before the increase in freight rates, brought \$2 28 a bushel at New York was increased to \$2 39½ at this terminal; similarly the price in Chicago was advanced from \$2 20 to \$2 26. The following is President Wilson's memorandum issued with the proclamation made public Sept. 2:

In issuing to-day the Government's guarantee of the same price for the 1919 wheat crop that was guaranteed for the 1918 crop, I wish it to be understood that in the spring of 1919 I will appoint a disinterested commission who will secure for me the facts by that time disclosed as to the increased cost of farm labor and supplies, using the three-year pre-war average prices of wheat, of labor and of supply costs as a basis, and that from this information I shall determine whether there should be an increase in price above the present level and, if so, what advance, in order to maintain for the farmer a good return. Should it then appear that an increase is deserved over the present guarantee, however, it will be applied only to those who have by next harvest already marketed their 1918 wheat.

It is the desire and intention of all departments of the Administration to give to the wheat grower a fair and stimulative return in order that the present acreage in wheat may be maintained.

I find a great conflict of opinion among various sections of the country as to the price that should be named as a minimum guarantee. It must be obvious to all, however, that the factors which will make for increased or decreased cost of production of next year's harvest cannot be determined until the near approach to the harvest.

In giving a guaranteed price for wheat one year in advance (the only industry guaranteed by the Government), there is involved a considerably national risk. If there should be peace or increased shipping available before the middle of 1920, Europe will naturally supply itself from the large stores of much cheaper wheat now in the southern hemisphere; and, therefore, the Government is undertaking a risk which might in such an event, result in a national loss of as much as \$500,000,000 through an unsalable surplus; or, in any event, in maintaining a high level of price to our own people for a long period subsequent to freedom in the world's markets.

Despite this, the desirability of assuring a supply to the world of prime breadstuffs by insuring the farmer against the fluctuations in prices that would result from the uncertainties of the present situation and from the speculation those uncertainties entail, seems to me to make the continuation of the guarantee for another year desirable. On the other hand, it is clear that before increasing the liability by large sums with the risks set forth above and before increasing the burden of the consumer, the matter should be subjected to searching inquiry at the appropriate time—the time when the pertinent facts will be known.

I feel confident that with this preliminary fixed guarantee and with the assurance that justice will in any event be done to the grower, he will continue the fine patriotic effort by which he has served the country hitherto—that the Government will have acted prudently and that the consumer will be satisfied that his interests are not unduly sacrificed, but just and exhaustive consideration given to every element of the matter at the proper time.

#### ORDER FIXING CANADIAN WHEAT PRICES FOR 1919.

The Board of Grain Supervisors for Canada has issued an order, according to press advices Aug. 23, which provides that the price of wheat from Aug. 26 1918 until Aug. 31 1919, inclusive, shall be:

No. 1 hard, \$2 24½; No. 1 Manitoba Northern, \$2 24½; No. 2 Manitoba Northern, \$2 21½; No. 3, Manitoba Northern, \$2 17½; No. 1 Alberta red winter, \$2 24½; No. 2 Alberta red winter, \$2 21½; No. 3 Alberta red winter, \$2 17½.

These prices are basis in store public terminal elevators at Fort William and Port Arthur. Any deviation from these prices will be considered as violations of a legal order. Another order provides that the price of wheat grown in British Columbia shall be: No. 1, \$2 20; No. 2, \$2 17; No. 3, \$2 13, basis in store public terminal elevators, Vancouver, effective Aug. 22 1918, until Aug. 31 1919. Maximum allowance that the purchaser may make the seller for sacks shall be on basis of \$3 per ton; if purchaser does not

require sacks they shall be returned to sell at the latter's expense. It is stipulated that the price of Ontario wheat, No. 2 grade, shall be \$2 26 in store, Montreal, and premium of No. 1 grade shall be three cents; discount on No. 3 shall be 4c. per bushel, effective Aug. 23 1918 until June 30 1919, inclusive. A premium of 5c. shall be paid on Ontario winter wheat for the purpose of encouraging its production and to preserve its identity.

The financial statement of the Board of Grain Supervisors for Canada from the date of its creation in July 1917 to July 31 last shows, it is said, that the Board begins the new fiscal year with a surplus of over \$1,000,000; that receipts during the past year amounted to \$6,000,000, of which \$2,500,000 was returned to the Imperial authorities, owing to the fact that the 4c. assessment on "street" wheat was not needed to cover carrying charges. Board members do not accept salaries for their work, so that, deducting interest on unused balances amounting to \$3,122, the net cost of the Board for the 12 months is only a little more than \$3,000.

An order issued by the Board of Grain Supervisors for Canada provides that no grain shall be shipped out of the Province of Alberta, and that no grain shall be transferred by any railway company inside Alberta, without a permit from the Board. This prohibition is for the purpose of insuring a sufficient supply of good seed grain for the Province and a sufficient supply of grain for local consumption, other than seed. This embargo will continue in effect, it is stated, until proper authorities have had an opportunity to provide seed grain or until actual receipts of grain in country elevators warrant removal of the embargo.

#### H. C. HOOVER'S RETURN—STATEMENT AS TO ALLIES' NEEDS, UNITED STATES SUGAR SITUATION AND GERMANY'S GRAIN.

Herbert C. Hoover, U. S. Food Administrator, who went abroad in July to confer with the Food Ministries of the Allies, arrived in the United States from England on Aug. 23. Mr. Hoover was accompanied by Lewis Strauss, his private Secretary; Dr. Alonzo Taylor and Alexander H. Smith. In a statement given out on his return with regard to the food situation in the Allied countries Mr. Hoover said, in part:

The harvests in France, England and Italy are better than one could expect in the tremendous drain of man power to the front. This is due to the women. There is no sight in the world that would so appeal to the American heart as that of the literally millions of women doing all the work of getting in the harvests while their men are at work in the shops and driving back the Germans.

The total food that must be imported by the Allies for human consumption in the year beginning Sept. 1 is in round numbers as follows:

Cereals for human consumption, 500,000,000 bushels; fats (pork products and vegetable oils), 4,000,000,000 pounds; sugar, 1,500,000 tons; beef products for civilian consumption, 900,000,000 pounds. In addition to this, beef must be imported for army needs and oats for army horses.

If this program is fulfilled there will be no need for drastic rationing of their food as during last year, except in beef and sugar. The world shortage in these two commodities makes it hopeless to satisfy their whole need. On the other hand, this program provides an ample supply of bread and fats, without rationing of either, and together with their own production gives sufficient supplies. The restrictions on the consumption of pork products in Allied countries have already been removed, and bread will be in full supply by Sept. 1 and of better quality than last year—and it has been pretty bad in France the last few months. . . . Upon North America falls the burden of food supply and any failure means that much less food for the civil populations.

While Canada can export 100,000,000 bushels of grain this year (the major part of the Allied program for next year falls upon us. We have also to feed our own enormous army. It is the largest call for food exports we have ever undertaken. We can do it if we simply have the will to live with every economy and to waste nothing, and it will put us to no hardship.

By the great effort of our farmers our United States harvests are better year, but in order that we may build up a surplus of wheat this year as against possible crop failures such as we had last year, we have decided to mix 20% of other grains with flour as in all the countries fighting Germany. We cannot ask for better bread than France, and we propose the American people should maintain a common standard of bread with them. Under these arrangements, however, the bread situation in the United States will be much easier than last year, and in Allied countries an enormous improvement.

Bread to them is of the first importance, as it comprises 50% of their food intake. By supplying them with bread and fats in such amounts as will not necessitate rationing on their side, we can rest assured that their courage and strength in the war will remain high during next winter. It will be a bad winter in Europe because coal will be much shorter there than even last winter, and the health of the population cannot be maintained if they, in addition, are to be also restricted in their allowance of bread and fats. Our complete fulfillment of our last year's promises in food and our assurances to furnish even larger supplies this next year have removed from them the least fear of hunger.

The German drive and the apprehension of famine last spring brought a great deal of discouragement to the civilian population of England, France and Italy. The arrival, however, of the American army, their instant magnificent performance in action, the gradual overcoming of the submarine with the assistance of our navy, together with our assurances of all necessary food, have put a new heart into the Allies. Since the war began I have not seen their spirit so high or their determination to finish the job as fixed as it is to-day.

There is much bitter complaint abroad at the prices of our food products. It is necessary to remember that the working people and soldier's families of the Allied countries are upon a much lower average income than our own people. The average wage is not over \$10 per week. The Government allowance to the average soldier's family is considerably less than this. American bacon at 50 cents per pound is very difficult to them. Their Governments have found it necessary to sell our breadstuffs at a great loss in order to help the people out. On the other hand, the higher wage level in the United States renders our production costs higher in any event.

The only real difficulty in the United States is sugar, and that is a shortage that cannot be helped. We cannot take ships from our army or Allied bread and send them to the East Indies to fetch us candy and sweet drinks, and we will simply have to divide the West Indian sugar with the Allies and put up with what we have. There is even then enough sugar for the essential uses for everyone, and much more than our friends in Europe have.

Since I have been away I have been thanked time and again for what the American people have done in food saving during the past year. The men, women and children of the Allied countries at meetings and gatherings of all descriptions expressed heartfelt appreciation for the sacrifices we have made, which have meant to them their daily bread during last year. They universally express amazement at its accomplishment on a voluntary basis.

Upon the President's authority that we eat at a common table in a common cause, I have given assurance to my food colleagues in Europe that we will provide the enlarged demands for next year.

We have to make good.

A statement made by Mr. Hoover in London to the Associated Press just prior to his return was given out by the Associated Press on Aug. 17. In it Mr. Hoover announced that universal war bread for the Allies, of better quality than last year, would be one of the chief results of the Food Comptrollers' conferences at London. The statement was reported as follows by the Associated Press:

I am well satisfied with results from the conferences of food comptrollers which has been in progress during the last three weeks. These conferences were called at my request with a view to the formulation of policies and programs with regard to the entire import of food supplies to the countries at war with Germany.

An agreement has been reached with regard to policies which will effect a great measure of co-ordination in the purchase and transportation of supplies during the coming year and in their equitable distribution between all the countries, and a program has been agreed upon as to the different commodities that are required not only to maintain the health but the comfort of the armies and civil populations.

The people of North America are this year able to take upon their shoulders the movement of the great bulk of food supplies required, and it will therefore be possible to curtail the total length of voyage necessary to bring these supplies to the European Allies, thus effecting a considerable saving in tonnage as well as contributing a material factor of safety on account of the comparative immunity of the Atlantic lane over all others from interference by the enemy.

The great transportation problem within the next year is to move sufficient American troops into Europe to give an overpowering strength against any forces the Germans may be able to bring to bear, and in order to accomplish this economy in consumption is imperative in all the Allied countries.

On the other hand, the danger of privation is now passed. In the United States we have need for continued rigid economy in consumption so that we may meet the increased demands from Europe and to enable us to carry over from this more abundant harvest year a stock of foodstuffs that will form positive assurance against any possible climatic eventualities in the next harvest.

Arrangements have been made by the four food comptrollers not only to cover these matters of policy, but also to provide for the erection of machinery for continuous supervision of the necessary operations. The Food Council, which is a body that has just been created, will be maintained in continuous session by means of having representatives of each Government with their headquarters in London.

With the consummation of the work initiated at this conference, there will be a universal war bread of better quality than last year for all those fighting Germany, and this bread practically without rationing. There will be ample supplies of fats and meat if our populations are economical and avoid waste. We will be able to build up some stocks of cereals against the next harvest, and we shall save tonnage over last year by the shorter voyage upon which food ships must be sent.

The coal miners of Europe are now at the front. Consequently, this next winter will be a period of great suffering in Europe through a shortage of coal. If the people can have liberal supplies of bread, meat and fats there can be no fear of the morale among the civil populations of the European Allies. The promise of this has lifted a load of fear from the minds of the people on this side, particularly in France and Italy. It now remains for our people to make good, and as usual we have the resources to do it.

Mr. Hoover was also reported to have stated on Aug. 24 that the sugar situation seemed to have been solved; that there was enough sugar on hand to meet the demands of this country and the Allies, and no further regulations in sugar conservation other than those now imposed would be necessary if only the United States continued to live up to her program of sugar saving. The New York "Times" also printed the following on Aug. 25:

Mr. Hoover brought back word that, all in all, Germany would have less grain in 1918 than she had in 1917. He said the general grain situation inside the Central Powers was about similar to that of last year.

There is a little more grain in Hungary, but a little less in Austria. The extreme drought in Rumania, extending to Bulgaria and the Ukraine, has affected the grain yield, and Rumania is now sending for food from her Allies. This is regarded as significant, for Rumania has been one of the grain-producing countries, but neither she nor Bulgaria is shipping grain, whereas last year they supplied 3,000,000 to 4,000,000 bushels to the Central Powers.

The grain situation in Greater Russia and the Ukraine was very serious, Mr. Hoover said. The peasant lands were producing fairly well, but the Bolsheviks had split up the great estates of the nobles, and these were no longer being worked. In some places there were, as he put it, "acute areas" of starvation.

In an informal private talk with newspaper correspondents, Mr. Hoover paid high tribute to the American army in France.

### REQUEST THAT CANDY PURCHASES BE LIMITED TO A POUND AT A TIME.

Resolutions adopted by the Association of Manufacturers of Confectionery and Chocolate of the State of New York urging the public to limit purchases of candy to a pound at a time in order to conserve sugar, were made public as follows by the New York Federal Food Board on Aug. 21:

Whereas, Owing to the present scarcity of sugar the United States Food Administration has curtailed the allotments of sugar for domestic use to two pounds per person per month, and has likewise curtailed the confectioners' allotment of sugar to 50% of the quantity used during the corresponding period last year, and

Whereas, The Association of Manufacturers of Confectionery and Chocolate of the State of New York desires to co-operate in every way in its power with the United States Food Administration and all other Federal authorities, in all measures which may be conducive toward winning the war; therefore be it

Resolved, That this association urges the consuming public to limit its purchases of candies and chocolates to one pound at any one time and to limit its aggregate purchases to one-half its usual consumption. This restriction does not apply to the purchase of candies and chocolates for shipment to the men and women in the service.

In order to avoid any misunderstanding we add that this restriction applies only to the retail trade and that there is no intention to restrict the sale to dealers of the so-called manufacturers' standard five pound stock boxes or packages of count goods.

In its issue of Aug. 21 concerning the resolutions of the association, the "Journal of Commerce" said:

The somewhat surprising situation is presented in the confectionery trade of the Candy Conservation Committee of the New York Association of Manufacturers of Confectionery and Chocolate adopting at a recent meeting a resolution urging the consuming public to limit its purchases of candies and chocolates to one pound at any one time and to limit its aggregate purchases to one-half its usual consumption. After a conference with the Food Administration the committee, comprising F. A. Chappell, William F. Heide, M. L. Morgenthau and H. W. Hoops, has also issued the following recommendation to the retail trade:

1. That retailers of candies and chocolate reduce the amount of show window space now used for display of candies and chocolates by one-half and use the other half for war purposes, such as Food and Fuel Conservation, War Savings Stamps, Liberty Loan, Red Cross, Y. M. C. A., Knights of Columbus, and any other worthy war activity.

2. That the general display of candies and chocolates in show windows be reduced to a minimum, and that no filled or dummy boxes larger than the one pound size be displayed.

3. That all manufacturers and retailers make an inventory, as of Sept. 7, 1918, of all candy boxes, two pounds or more in size or capacity, whether filled or not, on hand or under contract—but this recommendation does not apply to the so-called manufacturers' standard five-pound stock boxes or packages of count goods. This inventory shall be kept on file by said manufacturers, retailers and dealers until called for by the United States Food Administration.

4. That all boxes containing more than one pound, now packed and wherever held, may be disposed of, but all further packing of such boxes should cease while conservation is necessary.

5. That, as the United States Army needs all the coconut shells it can secure—as coconut candies require but a limited amount of sugar and as patriotism can be expressed in the kinds of candies consumed, in so far as possible, the manufacture, display and sale of candies containing coconut be encouraged.

6. That publicity should be given to the fact that during the summer months, the period of our greatest sugar scarcity, the purchase and consumption of candies and chocolates can be greatly reduced and the desire for sweets can still be gratified by the more liberal use of fresh fruits.

It is not the aim of the Food Administration to discourage the purchasing of candy altogether, but to moderate its consumption, with a view to the saving of sugar, which must be saved in order to prevent shortage.

An appeal to the public to limit its candy purchases to a pound at a time was made by the New York Federal Food Board on Aug. 6 in a statement which said:

If you must eat candy let moderation rule your appetite. It is suggested that from now on nobody buy more than one pound of candy at any time. The heads of households also can assist the nation in explaining to children that by eating less sweets they may materially help their big brothers win the war. It is not the aim, however, of the Food Administration to discourage the purchasing of candy altogether, but to do the thing moderately with a view to saving a commodity which must be conserved to prevent a serious shortage.

It is suggested, too, that all dealers in candies from now on sell only one pound to a purchaser. Our retailers should set an example and place signs in their stores informing the public that at the request of the United States Food Administration not more than one pound of candy will be sold to patrons.

### RESTAURANTS CALLED ON TO REMOVE SUGAR BOWLS.

In calling upon all restaurants to banish sugar bowls from the tables, the New York Federal Food Board issued a statement on Aug. 19 saying:

While the sugar bowl has been banished from the table in dining cars, hotels and most of the large restaurants there are still numerous public eating places in the city which have failed to follow this patriotic example. Continuance of this practice on the part of these places is not only harmful to the sugar conservation program of the United States Food Administration but is unfair to those places which are co-operating with the Government by serving only a fixed quantity of sugar to each patron.

Restaurants which still have sugar bowls on the table are intentionally or otherwise catering to those persons who turn a deaf ear to the Government's appeal to reduce sugar consumption in order that there may be sufficient to carry us through to the next crop. A sugar bowl on the table in a public eating place to-day is an invitation to persons not in sympathy with the Government to go the limit in opposing this part of the food saving program.

The abolition of the open sugar bowl since the beginning of the sugar scarcity has resulted in a large saving of sugar and acted as an educational measure to the public as well. Reports which have reached the Board indicate that the retirement of the sugar bowl in public eating places is

saving thousands of pounds of sugar weekly. The proprietor of several lunch rooms, feeding approximately 25,000 persons a day, declared that he was saving about 1,250 pounds a month since he dispensed with the open sugar bowl. Sugar is served behind the counter, one teaspoonful to each cup of coffee or tea, in his restaurants. Another owner of two lunch rooms, serving 15,000 people a day, told of saving 750 pounds of sugar a month. Still another restaurant man, who feeds about 2,000 persons per day, said he had saved an average of 67 pounds of sugar a week since the sugar bowl was removed from the table.

#### FOOD ADMINISTRATION'S PLAN TO EQUALIZE PRICES OF OLD AND NEW SUGAR CROPS.

Announcement of the purpose of the United States Sugar Equalization Board to purchase, at a date to be announced later, all sugars in the country or in transit at the old prices and immediately resell them back to the holders at the new price, was made by the United States Food Administration on Aug. 25. In indicating the reason for this the Administration said:

As a consequence of the higher price for the domestic beet and cane sugars which will be soon coming into the market, and in order to minimize the inequalities that would result from having this new domestic crop at the new price and the old foreign crop at the old price in the market at the same time, the Food Administration announces that the United States Sugar Equalization Board will on a date to be announced later purchase all sugars in the country or in transit at the old price and immediately resell them back to the holders at the new price. The exact date at which the new price will become effective has not yet been determined, nor has it been settled yet what the new price will be.

The Administration's announcement also said:

By this device the extra profit which would otherwise accrue to the refiners, who purchased at the old price and would sell on the basis of the new, will be absorbed by the Sugar Equalization Board, which is the Government agency charged with the equalization of sugar prices, and which is handling the machinery of sugar distribution in the country.

The Food Administration is notifying all distributors or manufacturers using sugar and all refiners of the impending change and warning the distributors and manufacturers that all their contracts should be made subject to any change in price that is authorized. It is reminding the distributors also of the rule that requires them to sell on the basis of invoice cost without regard to market or replacement value.

The price difficulty which this action is designed to meet comes about through the fact that the sugar from Cuba sent to the United States refineries and the sugar from the domestic beet and cane fields overlap in the market. The Food Administration some time ago agreed with the domestic producers that an increase of price was justified on the new crop.

The Food Administration has also indicated that when the new sugar price becomes effective refiners will be allowed an increased margin for cost and profit over the present margin for cost and profit over the present margin of \$1.30 a hundred pounds. The new margin will be \$1.45 per hundred and will be retroactive, dating from Aug. 1. This is made known in the following notice sent to the cane refiners of the country:

In the near future the domestic beet and cane sugar crops will be coming on the market. The increased cost of producing these crops requires an increase in the price which can be charged for refined sugar. The Food Administration feels that it will be more satisfactory if a uniform price for sugar prevails throughout the United States after allowing for freight differentials, than a two-price system such as developed last fall. In any event it is not proper to allow refiners to sell refined sugar manufactured from raws, purchased at the price of the 1917-18 Cuban crop at the higher price to be arranged for new crop domestic sugars.

One of the purposes for which the United States Sugar Equalization Board has been incorporated is for equalizing the price of refined sugar in cases of this kind. The Food Administration requests you to transfer to the Equalization Board all of the sugar owned by you on the date when the price is raised, and all sugar which is still due you under the contract of Dec. 24 between the International Sugar Committee, the agents of various Cuban producers and others at cost plus a certain allowance hereafter referred to. The Sugar Equalization Board will immediately resell to you the same sugar at a price to be based on the increased price for domestic refined sugar. The entire stock of the Sugar Equalization Board is held by the United States, and any profit made on this transaction will be used by the Board in paying its expenses and for equalizing sugar conditions throughout the United States.

The old crop of domestic sugars will be purchased from the producers on the present basis and will be resold to the same parties on the basis of the advanced price.

The proposed change in price will become effective at 7 o'clock a. m. on a day to be indicated later, and will apply to all sugars then held by refiners, beet or cane sugar producers wherever located, and also to all shipments then in transit and undelivered by railroad or other carriers to purchasers of sugar, excepting only that the proposed change in price will not apply on any shipments or deliveries made before 7 a. m. on the date of its taking effect to the United States Government or its Allies, or for export or overseas shipment.

The Food Administration also announces that at the same time that the new sugar price becomes effective refiners will be allowed an increased margin for cost and profit over the present margin of \$1.30 a hundred pounds. The new margin will be \$1.45 per hundred and will be retroactive, dating from Aug. 1. The increase is granted on the evidence that from Aug. 1 1918, to Jan. 1 1919, the refiners will operate at a greatly reduced capacity, bringing about an increased cost per unit, due to a shorter supply of raw sugar and increased cost of labor, material and containers.

Upon the presentation of the refiners' request for an increased margin last May, the Food Administration, after considering the matter, turned it over to the Hon. Oscar S. Straus as a referee to determine whether an increase was justified. Mr. Straus called upon the Tariff Commission for expert advice, and after two months' investigation by the Tariff Commission and study by Mr. Straus he reported that from Jan. 1 to July 1 1918, the \$1.30 margin gave a fair and adequate profit, and that if the conditions should remain the same for the remainder of the year no additional margin would be justified, but that the possibilities of lack of raw sugar, increase of wages, and in cost of materials, fuel, and containers would have a bearing on the proper decision, and since he could not decide upon the probability of these contingencies he referred the settlement of this

matter to the Food Administration. Thereupon the Food Administration appointed a special committee to take the matter up. This committee consisted of F. W. Taussig, Theodore F. Whitmarsh, C. M. Woolley, Robert A. Taft, George A. Zabriske, and George M. Rolph. This committee has now determined that the increased margin is justified.

#### ARRANGEMENTS FOR DISTRIBUTION OF RICE AMONG MILLERS.

Plans for the distribution of the rice crop of the country among rice millers, arranged by the U. S. Food Administration after conferences with representatives of the trade, were announced as follows by the Food Administration on Aug. 27:

Equitable allocation of the rice crop of the country among all rice millers has been arranged by the Food Administration, after conferences with representatives of the trade. Last month rice millers agreed to pay certain basic prices for rough rice for milling, and the latest step is a further following-out of the Food Administration policy of assisting the trade in standardization, in order that the consumer may be able to purchase standard grades of rice products at equitable prices.

Sub-committees known as valuation committees have been appointed in various Southern and California cities, in which sales offices have been established. These committees were chosen by the Southern Rice Committee of the Food Administration, under whose direction all grading and classification will be done. This committee, the personnel of which was recently announced, is made up of Edgar A. Elgus and J. E. Broussard of Beaumont, Tex., and J. H. Roman, of New Orleans.

The valuation committee will have offices in the following cities: Louisiana headquarters, New Orleans, Crowley. Sales offices, Lake Charles, Welsh, Jennings, Crowley, Rayne, Bueydan, Abbeville, Eunice, Kinder, New Iberia, New Orleans.

Texas headquarters, Beaumont. Sales offices, Beaumont, Houston, Eagle Lake, El Campo, Bay City, Orange.

Arkansas headquarters, Stuttgart. Sales offices, Stuttgart, De Witt, Carlisle.

California offices will be announced later.

In order to save man power and expense, all rice is to be weighed at points of shipment to mills, where grading will be done by officials designated by the committees. No purchases will be made excepting at regular sales offices, unless with prior approval of one of the offices, and after a valuation has been set on the rice to be sold.

Each mill will have allotted to it the maximum amount it may purchase of the 1918 crop, based upon its present capacity and its average receipts during the three past seasons. Millers are required to furnish, not later than Sept. 1, a sworn statement covering these facts. All rice is to be bought at the valuation and on the grades fixed by the valuation committees.

Prices, based on rice in bags, will range from \$7.50 per barrel for Nos. 1 and 2, Honduras, Edith and Carolina (river type), to \$6.75 per barrel, Nos. 3 and 4, Japan and Early Prolific. All mills are to pay 6½ cents per barrel as administration fee, to be sent to the Food Administration Grain Corporation, New Orleans. If expenses amount to less than this fee, it will be reduced in subsequent months.

By agreement last month, millers pledged themselves to the Food Administration not to sell clean rice at more than 7¼ cents a pound for choice Japan, to 9½ cents for Fancy Honduras.

#### EXPORTATION OF COMPOUND LARD.

The War Trade Board on Aug. 23 announced that they would now consider applications for the exportation of compound lard to all countries in North, Central and South America and the West Indies. Applicants should file their applications on Form X. Applicants for licenses to export compound lard to Canada must obtain from the Canada Food Board the requisite import license and attach the same to their application to the United States War Trade Board for export license.

#### PROPOSED FIXING OF COTTON PRICE.

A break in the cotton market resulted on Thursday with reports from Washington that the War Industries Board was soon to appoint a committee to consider the desirability and feasibility of effecting a stabilization of cotton prices and other matters connected with the handling of the cotton crop. B. M. Baruch, Chairman of the Board, in indicating the intentions of that body, said:

The announcement of another short crop of cotton raises in acute form the problem of satisfying the needs of the nation as well as those of the Allies and of securing an equitable distribution for the purpose of winning the war. Involved in the distribution is the problem of bringing about a reasonable stabilization of prices in the interest of both the producer and consumer.

Mr. Baruch said the committee to be appointed would study the "present cotton situation, the problems of distribution, the marketing of low grade cottons, and the desirability and feasibility of effecting a stabilization of prices." The committee, it was added, would begin activities as soon as possible, and would hold hearings at convenient points in the cotton producing States and at such other places as may be found necessary so that interested parties may present their views.

Announcement by the Department of Agriculture on the 3rd that the severe drouth in July and August had reduced the production forecast from 15,235,000 equivalent 500-pound bales, as of June 25, to 11,137,000 bales, as of Aug. 25, was responsible for the Board's decision, which was understood to have been approved by the War Council. After the Department's forecast had been made public the price

of cotton went up more than \$10 a bale on the principal cotton exchanges of the country.

With regard to the proposed fixing of cotton prices Walter M. Johnson, President of the New York Cotton Exchange, was quoted in the New York "Commercial" of the 6th, as saying:

In my opinion it would be a great mistake for the Government to "fix" the price of cotton, and I do not believe that Mr. Baruch had this in mind when he gave out his statement. Such action by the Government would simply create an artificial situation and upset the machinery which keeps a balance between supply and demand. If a definite price for all sales of cotton should be fixed there would be no further use for the contract market. I do not believe that the Government desires this eventuality.

The situation in cotton is not parallel with that in wheat. Wheat is a necessity to keep the fighting machine going, and the supply was unequal to the demand of ourselves and our Allies. The Government fixed the price and made it high with the object of encouraging increased production. In the case of cotton no such necessity exists. Moreover, the Government might stand to lose a lot of money if it fixed the price of cotton. It would have to make it high enough to protect the farmer. Then, if peace should be suddenly declared or the price prove too high, to fit in with current supply and demand, the Government would stand to lose.

It probably will be some time before any committee that is to be appointed will be ready to make any recommendations, and I believe that the outcome of the crop and prevailing prices will be important factors in determining whether the price of cotton shall be regulated.

Senators from the cotton growing States at a conference on the 5th decided to protest to President Wilson against any action by the War Industries Board looking to the fixing of cotton prices. Senator Smith of South Carolina, was quoted yesterday as saying: "If any price for cotton is fixed it will be fixed by the cotton growers themselves."

A list of restrictions to apply to the spot cotton manufacturing industry, it was announced yesterday, has been issued by the Conservation Division of the War Industries Board. Conservation of labor, material, railroad equipment and capital are expected to result. The restrictions apply to sizes of spools, lengths, numbers and colors of thread as well as methods of packing. The letter to manufacturers states that while part of the schedule does not become effective until Jan. 1 1919, it is expected it will be put into effect as rapidly as the present stocks are exhausted.

#### INCREASE IN BASIC PRICE FOR PENNSYLVANIA HEMLOCK.

The War Industries Board authorizes the following:

The Price-Fixing Committee of the War Industries Board announced on Aug. 23 a base price of \$29, an increase of \$2 over the former price for Pennsylvania hemlock lumber. The entire output of No. 1 and No. 2 grades, it is further announced, will probably be required by the Government and the stock will be distributed subject to the control of the War Industries Board. Following is the official announcement:

After considering the information submitted by the Federal Trade Commission as to the cost of hemlock lumber production in the State of Pennsylvania, and the information submitted by the representatives of the manufacturers of such lumber at a hearing granted them on Wednesday, Aug. 14 1918, the Price-Fixing Committee of the War Industries Board, by agreement with the producers, passed a ruling fixing a maximum base price for mill shipments of Pennsylvania hemlock lumber at \$29 per 1,000 feet f. o. b. cars shipping point, such price to become effective midnight Aug. 15 1918, and to remain in effect to and including Oct. 20 1918.

The following companies, producing the greater part of Pennsylvania hemlock lumber, were present at the hearing: Goodyear Lumber Co., Norwich, Pa.; Wheeler & Dusenbury, Endeavor, Pa.; Pennsylvania Lumber Co., Killbuck, Pa.; Central Pennsylvania Lumber Co., Williamsport, Pa.

By reason of the construction program of the various Governmental departments, it is apparent that the Government will require substantially the entire output of No. 1 and No. 2 grades of Pennsylvania hemlock. It was, therefore, agreed at the hearing by all of the above manufacturers—

1. That their entire stock and production of Pennsylvania hemlock, grades Nos. 1 and 2, will be held available for the direct and indirect needs of the Government in the war, and will be distributed and dealt in subject to the control of the War Industries Board.

2. That such of the foregoing lumber as, in the judgment of the Chief of the Lumber Section of said board, can without detriment to Governmental requirements be released for urgent commercial or other needs, may be sold to car lot purchasers (with his consent) at prices which, per item, shall not exceed the prices as established by the attached list.

The "attached" list referred to above contains the item prices, which are unchanged from the old list, except that they apply to the new \$29 base.

#### DISCONTINUANCE OF FIXED PRICE FOR MANILA HEMP.

The discontinuance of a fixed price for Manila hemp was announced by the War Industries Board on Aug. 29 in a statement which said:

The Price-Fixing Committee of the War Industries Board at the request of the Philippine Government and of the Philippine Agricultural Congress, and after learning from investigation that war needs and commercial interests of the United States would not suffer, announces the expiration on Aug. 31 of price fixing on Manila hemp.

The action of the committee and its reasons therefor are set forth in the following statement:

The Price-Fixing Committee of the War Industries Board in fixing a tentative price on July 25 1918 on Manila hemp to remain in effect until Aug. 31 1918 announced that in the interim it would receive evidence from all interested parties, especially the Philippine Government and the Governor-General of the Philippines, and after a careful review of such evidence would determine its price-fixing policy on Manila hemp for the future.

Upon transmitting to the Governor-General of the Philippines and the Philippine Government evidence submitted here, we are in receipt of cables from the Governor-General, from both branches of the Philippine Government, and from the Philippine Agricultural Congress, requesting that the fixing of price by the Price-Fixing Committee on Manila hemp be discontinued; and as no evidence was submitted indicating that our war needs or the interests of our people would suffer from relinquishing price control, it was unanimously decided by the Price-Fixing Committee in consultation with our insular representatives and other representatives of the Philippine interests present at said meeting, that there was no justification in continuing to fix a price on Manila hemp.

Therefore the Price-Fixing Committee hereby announces that price fixing by the Price-Fixing Committee on Manila hemp expires Aug. 31 1918.

The earlier statement which announced the establishment of a maximum price of 14 cents f. o. b. Manila for 1 current hemp was published in our issue of Aug. 3, page 460.

#### CONSERVATION OF COAL THROUGH DISCONTINUANCE OF INEFFICIENT ELECTRIC LAMPS.

Announcement that a plan for eliminating the inefficient types of incandescent electric lamps is made by the Fuel Administration, which states that the manufacturers have agreed to abandon the manufacture of certain types; the program, it is stated, "will mean the saving of more than 1,000,000 tons of coal." The Fuel Administration's announcement, issued Aug. 30, follows:

The United States Fuel Administration, in connection with the manufacturers and dealers in incandescent electric lamps, has worked out a detailed plan for eliminating the inefficient types.

The lamp manufacturers, at a meeting held in Washington Aug. 28, voluntarily agreed to abandon the manufacture of certain types of the inefficient carbon filament lamp in accordance with the program which practically calls for the discontinuance of their manufacture and sale.

There are still a few isolated cases where the carbon lamp is required, such as on battleships, where excessive vibration or shock calls for a lamp of the sturdy type. But with few exceptions, and these are confined to essentially war industries, the program is expected to gradually eliminate the carbon lamp in favor of the more efficient tungsten lamp.

Central stations, public service corporations, municipal plants, and others who may be using carbon-filament lamps are being asked to assist the manufacturers as well as the Fuel Administration in working out this program, inasmuch as sweeping conservation measures are imperative if the war industries and essential public needs are to be supplied.

The importance of this radical step may be judged from the fact that the program as formally adopted at the meeting will mean the saving of more than 1,000,000 tons of coal.

#### BRASS MANUFACTURERS TO SPEED UP PRODUCTION.

Full co-operation with the Government officials in plans to expedite the rolled brass mills production to overcome the shortage in the supply of essential war materials was promised by representatives of the brass manufacturers in conference with members of the War Industries Board on Aug. 29. The latter announced this as follows:

At a conference yesterday with Bernard M. Baruch, Chairman of the War Industries Board, and other officials of the Board, representatives of the brass manufacturers promised full co-operation with the Government officials in plans to speed up the rolled brass mills production to cure a shortage in the supply of essential war material such as shells, cartridges, condenser tubes, &c. Plans suggested to this end were:

1. Each mill to take its full share of Government business.
2. Each mill to take work best suited to its equipment.
3. Cut of all nonessential uses of the products in which there is a shortage.
4. Determination by the manufacturers to get out the product in the face of obstacles—in other words, to work up to full capacity.

The meeting of the manufacturers to consider the Government's requirements for its own forces and to supply the needs of the Allies was called by Everett Morse, Chief of the Brass Section of the War Industries Board. The industry was largely represented.

The chief difficulty in the way of maximum production, it developed, was shortage in labor. It was stated that with 9,600 additional unskilled laborers the mills could increase their output 33 1-3%. Theoretically there is mill and machine capacity to meet demands, but full capacity is seldom attained at a mill. A number of plants are installing additional facilities, and the output of such plants will be increased shortly.

The cutting out of nonessential uses of the particular products needed in the war program was urged as a necessary move in the plan to give some relief immediately to a situation that is serious. This part of the program to prevent shortage in war material will be taken care of later by the War Industries Board, and the manufacturers pledged their best efforts to get the greatest production from their mills. Their gross production is now figured at about 2,910,000 pounds per day. An increase of a third would give a production of 3,388,000 pounds per day, while the gross demands, according to latest figures, are about 4,685,000 pounds per day.

#### SHELLAC AND OTHER LACS ON RESTRICTED IMPORTS LISTS.

The War Trade Board on Aug. 15 reported that shellac, button lac, seed lac, garnet lac and (or) keerie or refuse lac had been placed on the list of restricted imports. Its announcement says:

All outstanding licenses for the importation of these commodities have been revoked as to ocean shipments after Aug. 15 1918, and hereafter no licenses for their importation will be issued except such as will cover the following:

- (1) Shipments from Canada or Mexico by other than ocean transportation.
- (2) Shipments from Calcutta between Oct. 1 1918 and March 31 1919, inclusive, of a total of not to exceed 5,000 tons.
- (3) Shipments on vessels of the United States Navy of quantities for military or naval use.

#### IMPORTATION OF CREOSOTE OIL FROM JAPAN PERMITTED.

The list of restricted imports No. 1 has been so far modified, according to the War Trade Board on Aug. 15, as to permit the importation from Japan of 2,000,000 gallons of creosote oil (item 14) during the remainder of the present calendar year. Licenses for the importation of this quantity of creosote oil from Japan may be issued during the remainder of the present calendar year when the applications are otherwise in order, with the proviso that such oil is shipped on vessels approved for that purpose by the Shipping Control Committee of the United States Shipping Board. The amount so permitted to come forward will be allocated by the Bureau of Imports of the War Trade Board.

#### GENERAL IMPORT LICENSE FROM CANADA AND NEWFOUNDLAND.

An announcement made by the War Trade Board Aug. 14 said:

In view of the adoption by the Canadian Government of the same policy of import control as that endorsed by the War Trade Board through their import restrictions, the War Trade Board have determined to continue to permit the importation from Canada and Newfoundland under a general license, P.B.F.-3, of all articles except those mentioned in the President's import proclamation of Nov. 28 1917 and except calcium carbide, olive oil, tapioca, sago, peanuts, rabbit skins, toys, manufactures of cotton not produced in Canada, tallow, cocoa beans, feathers, pumice and wheat products.

Pursuant to the foregoing ruling (W.T.B.R. 200), the War Trade Board have rescinded the order heretofore issued (W.T.B.R. 161, amended July 21 1918), which provided for the revocation as of Aug. 15 1918 of the above-mentioned general license P.B.F.-3. As to restricted commodities, general license P.B.F.-3 authorizes their importation from Canada and Newfoundland only when they are shipped by other than ocean transportation and when they originate in Canada or Newfoundland or in a country from which their importation direct is permitted. Shipment from Newfoundland to Canada by boat and thence overland by lake or rail to the United States is not considered ocean transportation within the meaning of this ruling.

As a part of the new arrangement with Canada, the War Trade Board has issued a general license permitting the entry into the United States of commodities arriving at United States ports in bond for shipment to Canada upon presentation to the Collector of Customs of a Canadian import license number covering the shipment in question. The Canadian authorities on their part have agreed to authorize collectors of customs at their ports to permit the entry of shipments arriving at Canadian ports in bond for shipment to the United States upon submission of proper evidence of the issuance of a United States import license covering the importation in question.

#### BETTER OUTLOOK FOR BUILDING MATERIALS.

According to the "Dow Service Daily Building Reports" of Sept. 2, building material manufacturers, who earlier in the war were fearful of being relegated by Government edict to the ranks of non-essentials, have learned within the last few weeks that the promise of the War Industries Board to give to the building industry every consideration compatible with the war-winning program, are being amply fulfilled. Edwin B. Parker, Priorities Commissioner of the War Industries Board, has informed the manufacturers of lime that theirs is a partial war industry and that he will receive applications from any manufacturer for a place on the preference list. This action following a similar course in the case of Portland cement and certain clay products, notably hollow tile for special uses, has lifted one of the greatest perplexities from the building manufacturing and distributing interests that have rested heavily upon them since the war began, says "The Dow Service." Other commodities are to receive consideration of the Board in their turn and in consequence the trade on the dawn of the last quarter of the year looks with clearer vision into the immediate future, not so much, perhaps, on the basis of new prospective construction work as upon the prospects of being able to supply sufficient building materials for reserve so that when building money does become easier building materials will not be so scarce as to make even essential building construction well nigh prohibitive.

The plan to have a building material man represented on the War Industries Board has been taken up by various associations and, according to advices received in the trade last week, John A. Kling, President of the Kelley Island Lime and Transport Co. of Cleveland, has been recommended for the place. W. A. Fay, President of the National Builders' Supply Association, in speaking of the condition of the building material interests in war time said:

The building business of the country has been put in a distressing condition. Housing conditions have suffered greatly and many business firms have been forced to suspend, and one of the country's foremost enterprises is being rapidly disorganized. To hope for "business as usual" would be

at this time unpatriotic, because a degree of curtailment is admittedly necessary. But better things are already in sight through a closer understanding of the importance of building materials as a war time essential, at least in part, and the Government has itself expressed a desire to study the conditions closely so as not to make the situation any more distressing than actual necessities require.

Building material prices at the week end were, for the most part, without change. Common brick prevails at the \$14 level, although there is evidence that the quotations will stiffen. The demand for the last two weeks has been practically without change, the drop below \$14 having been due to overanxiousness of individual manufacturers to sell so as to release barges. Manufacturers seem confident that under the operation of the labor distribution law it will be easier for them to obtain necessary labor to burn the brick already stacked as well as fuel. Linseed oil prices remain at or near \$1 90 and in consequence the September circular to the paint trade emphasizes the desirability of general use of asphaltum paints for roofs, metals, farm buildings and other kinds of rough construction as a conservation measure. It is increasingly difficult to supply the trade with linseed oil paints. New bag rebates for Portland cement are 25 cents instead of ten, or \$1 a barrel. The export base price for this district is \$1 75.

#### FACILITIES DIVISION CREATED BY WAR INDUSTRIES BOARD TO SPEED INDUSTRIAL ACTIVITY.

Announcement of the creation of a Facilities Division in the War Industries Board, under the head of Samuel P. Bush, and which is called upon to devote itself to the speeding up of war production, was made as follows by the Board on Aug. 27:

Bernard M. Baruch, Chairman of the War Industries Board, announces the authorization of a new division in the Board—the Facilities Division—to which will be assigned a great deal of important work in speeding up industrial activity throughout the country to meet the demands of the war program and to supply the essential needs of the civilian population through the creation of new facilities. Conversion of existing industries into war facilities is handled by the Resources and Conversion Section, which is handled by C. A. Otis.

At the head of the new division is Samuel P. Bush, who has been directing ordnance facilities expansion for more than a year and had an important place in the War Industries Board since its organization. Associated with Mr. Bush will be D. R. McLennon of Chicago, who has been appointed Chief of the division section of civilian industrial facilities.

It will be the duty of the Facilities Division to consider and determine all questions of need or suggested need of new and additional industrial facilities for the conduct of the war.

In this connection, of course, the division will work in close co-operation with the Resources and Conversion Section of the Board, which has already turned to war work hundreds of plants made idle or partly so by the changed conditions of the times. Wherever the conversion or enlargement of existing facilities can be made to meet the requirements of any new or exceptional demand, full advantage will be taken of the information gathered by the Resources and Conversion Section regarding industrial and supply conditions in all parts of the country.

M. P. Chaso, Director of the Explosives Division of the Board, will co-operate with the facilities division in the matter of its chemical requirements and other sections of specialized war facilities will be authorized and established. A council to co-ordinate all the war demands of the Government will later be made a part of the divisions section of the organization. The Army, the Navy, the Emergency Fleet, and other departments will be represented.

Questions to be determined by the division will embrace:

1. Are new or additional facilities in any line of production necessary to the conduct of the war?
2. If necessary, is it not possible through expansion to make existing facilities meet the need?
3. If existing facilities cannot be adjusted to meet the need, how is it best to create and locate the facilities or facility?

Entering into determination of these questions will be considerations of economic matters, such as capital and available labor and housing accommodations; location with respect to material supplies, transportation and safety; character and capacity of facility.

#### FIXED PRICES OF UNITED STATES GOVERNMENT TO APPLY TO ALLIED GOVERNMENTS BUT NOT TO CIVILIANS OF LATTER.

Under a resolution of the Price Fixing Committee of the War Industries Board formally defining the Government's policy of applying maximum fixed prices it is ruled that prices are to apply to the Government and civilians of the United States, and to the Governments, but not civilians, of Great Britain, France, Italy, Belgium and Japan. Announcement of the adoption of the resolution was made as follows:

At a meeting of the Price Fixing Committee, held Aug. 27, the following resolution was passed:

*Be It Resolved*, That where prices are stated to be fixed for the United States Government, the Governments associated with it in this war, and the public (or primary civilian sales) the said prices are hereby declared to extend to the Government and civilians of the United States (including civilians of its territories and insular possessions) and to the following Governments, i. e., Great Britain, France, Italy, Belgium and Japan.

*And Be It Further Resolved*, That these maximum prices shall not extend to purchases made by the civilians of the latter-mentioned Allied nations nor to the Governments or civilians of nations other than those above enumerated.

### WAR INDUSTRIES BOARD RULES THAT NO NEW SCHOOL HOUSES ARE TO BE BUILT DURING WAR.

No new school houses, unless needed for replacement, are to be built during the war, according to an announcement of the War Industries Board. This announcement was contained in a statement, made public Aug. 28, in which the Board reported that Bernard M. Baruch had suggested to the Federal Reserve Board that it work out some plan under which financial aid might be extended to industries that would be hit by the war in the industrial curtailments that are now under way and to come. In part this statement was published in our issue of Saturday last, page 848. That part referring to school and public buildings said:

Mr. Baruch stated that the demand for steel was constantly increasing as the war needs and uses grow, and that the heavy war pressure on this material made any non-war use out of the question.

During the week, the War Industries Board had before it a question of material for new Federal post office buildings and for new States and municipal school buildings. The Chairman said that Secretary McAdoo had decided some time ago that new public buildings were not necessary during the period of the war. This position was taken by the War Industries Board. Also the War Industries Board has ruled that new school buildings unless needed for replacement, came within the same prohibition and could not be supplied with material in view of war need. He pointed out that the construction of buildings involved the use of labor, material, transportation and fuel, all of which are needed urgently in war work.

### PRESIDENT WILSON IN LABOR DAY MESSAGE SPURS LABOR TO SUPPORT OF WAR.

In a Labor Day message to all Americans whom he characterized as "all enlisted men, members of a single army" President Wilson urged that the day be made "a day of fresh comprehension not only for what we are about, and of consecration and of renewed and clear-eyed resolution but a day of consecration also in which we devote ourselves without pause or limit to the great task of setting our own country and the whole world free to render justice to all." The President described this as "the war of all wars which labor should support and support with all its concentrated power." "It is a war," he said, "which industry must sustain. The army of laborers at home is as important, as essential, as the army of fighting men in the far fields of actual battle. . . . To fail to win would be to imperil everything that the laborer has striven for and held dear since freedom first had its dawn and his struggle for justice began." The following is the message in full:

#### My Fellow-Citizens:

Labor Day, 1918, is not like any Labor Day that we have known. Labor Day was always deeply significant with us. Now it is supremely significant. Keenly as we were aware a year ago of the enterprise of life and death upon which the nation had embarked, we did not perceive its meaning as clearly as we do now. We knew that we were all partners and must stand and strive together, but we did not realize, as we do now, that we are all enlisted men, members of a single army, of many parts and many tasks, but commanded by a single obligation, our faces set toward a single object. We now know that every tool and every essential industry is a weapon, and a weapon welded for the same purpose that an army rifle is welded—a weapon which if we were to lay down no rifle would be of any use.

And a weapon for what? What is the war for? Why are we enlisted? Why should we be ashamed if we were not enlisted? At first it seemed hardly more than a war of defense against the military aggression of Germany. Belgium had been violated, France invaded, and Germany was afield again, as in 1870 and 1866, to work out her ambitions in Europe, and it was necessary to meet her force with force. But it is clear now that it is much more than a war to alter the balance of power in Europe. Germany, it is now plain, was striking at what free men everywhere desire and must have—the right to determine their own fortunes, to insist upon justice, and to oblige Governments to act for them and not for the private and selfish interest of a governing class. It is a war to make the nations and peoples of the world secure against every such power as the German autocracy represents. It is war of emancipation. Not until it is won can men anywhere live free from constant fear or breathe freely while they go about their daily tasks and know that Governments are their servants, not their masters.

This is, therefore, the war of all wars, which labor should support and support with all its concentrated power. The world cannot be safe, men's lives cannot be secure, no man's rights can be confidently and successfully asserted against the rule and mastery of arbitrary groups and special interests so long as Governments like that which after long premeditation drew Austria and Germany into the war are permitted to control the destinies and the daily fortunes of men and nations, plotting while honest men work, laying the fires of which innocent men, women, and children are to be the fuel.

You know the nature of this war. It is a war which industry must sustain. The army of laborers at home is as important, as essential, as the army of fighting men in the far fields of actual battle. And the laborer is not only needed as much as the soldier. It is his war. The soldier is his champion and representative. To fail to win would be to imperil everything that the laborer has striven for and held dear since freedom first had its dawn and its struggle for justice began. The soldiers at the front know this. It steels their muscles to think of it. They are crusaders. They are fighting for no selfish advantage for their own nation. They would despise any one who fought for the selfish advantage of any nation. They are giving their lives that homes everywhere as well as the homes they love in America may be kept sacred and safe, and men, everywhere be free as they insist upon being free. They are fighting for the ideals of their own land—great ideals, immortal ideals, ideals which shall light the way for all men to the places where justice is done and men live with lifted heads and emancipated spirits. That is the reason they fight with solemn joy and are invincible.

Let us make this, therefore, a day of fresh comprehension, not only for what we are about and of renewed and clear-eyed resolution but a day of consecration also in which we devote ourselves without pause or limit to the great task of setting our own country and the whole world free to render justice to all and of making it impossible for small groups of political rulers anywhere to disturb our peace or the peace of the world or in any way to make tools and puppets of those upon whose consent and upon whose power their own authority and their own very existence depend.

We may count upon each other. The nation is of a single mind. It is taking counsel with no special class. It is serving no private or single interest. Its own mind has been cleared and fortified by these days, which burn the dross away. The light of a new conviction has penetrated to every class amongst us. We realize as we never realized before that we are comrades dependent upon one another, irresistible when united, powerless when divided. And so we join hands to lead the world to a new and better day.

WOODROW WILSON.

### PRESIDENT WILSON'S PROCLAMATION PUTTING INTO EFFECT THE NEW DRAFT LAW.

Immediately following the signing of the new Man Power Bill on Aug. 31, President Wilson issued a proclamation putting the new law into effect. The proclamation makes ringing appeal to the manhood of the nation to respond to the new call. "We solemnly purpose," it reads, "a decisive victory of arms, and deliberately to devote the larger part of the military man power of the nation to the accomplishment of that purpose." And again, "This will be our final demonstration of loyalty, democracy and the will to win, our solemn notice to the world that we stand absolutely together in a common resolution and purpose."

After announcing his approval of the new Man Power Act and quoting the sections of the Selective Service Act as amended the President in his proclamation said:

Now, therefore, I, Woodrow Wilson, President of the United States, do call upon the Governors of each of the several States and Territories, the Board of Commissioners of the District of Columbia and all members of local boards and agents thereof appointed under the provisions of said Act of Congress approved May 18 1917 and all officers and agents of the several States and Territories, of the District of Columbia and of the counties and municipalities therein to perform certain duties in the execution of the foregoing law, which duties will be communicated to them directly in regulations of even date herewith.

And I do further proclaim and give notice to every person subject to registration in the several States and in the District of Columbia, in accordance with the above law, that the time and place of such registration shall be between 7 a. m. and 9 p. m. on Thursday, the 12th day of September 1918, at a registration place in the precinct wherein he then has his permanent home, or at such other place as shall be designated by public notice by the local board having jurisdiction of the area wherein he then has his permanent home. All male persons in the United States who shall have attained their eighteenth birthday, and who shall not have attained their forty-sixth birthday, on or before Thursday, Sept. 12 1918, the day herein named for registration, are required to register; provided, however, that the following persons are hereby exempted from registration, to wit:

Persons who, prior to the day herein set for registration, have registered under the terms of the Act approved May 18 1917, or under the terms of the public resolution of Congress approved May 20 1918, whether called for service or not; officers and enlisted men of the regular army; officers commissioned in the army of the United States and men of the forces drafted under the provisions of the Act approved May 18 1917; officers and enlisted men of the National Guard while in the service of the United States; officers of the officers' reserve corps and enlisted men in the enlisted reserve corps while in the service of the United States; officers and enlisted men of the navy and marine corps; officers and enlisted and enrolled men of the naval reserve force and marine corps reserve while in the service of the United States; and diplomatic representatives, technical attaches of foreign embassies and legations, consuls general, consuls, vice consuls and consular agents of foreign countries residing in the United States who are not citizens of the United States.

A day or days for registration in the Territories of Alaska, Hawaii and Porto Rico will be named in later proclamations.

As required by the regulations, every local board having jurisdiction in a city of 30,000 population or over will promptly cause the mayor thereof to be notified of the place or places designated for registration; every local board having jurisdiction in a county, parish or similar unit will promptly cause the clerk thereof to be notified of the place or places designated for registration, and every local board having jurisdiction in a State or Territory, the area of which is divided into divisions for the administration of the Act approved May 18 1917, will promptly cause the clerks of the townships within its division to be notified of the place or places designated for registration.

And I do call upon every mayor, county clerk or township clerk receiving such notification to have a list of said places of registration posted, and do charge him with the duty of having all persons make inquiry informed of the place or places at which they may register.

Any person who, on account of sickness, will be unable to present himself for registration may apply on or before the day of registration at the office of any local board for instructions as to how he may register by agent.

Any person who expects to be absent on the day designated for registration from the jurisdiction of the board in which he then permanently resides may register by mail, but his registration card must reach the local board having jurisdiction of the area wherein he then permanently resides by the day herein named for registration. Any such person should apply as soon as practicable at the office of a local board for instructions as to how he may register by mail.

Any person who has no permanent residence must register at the place designated for registration by the local board having jurisdiction of the area wherein he may be on the day herein named for registration.

Any person, who on account of absence at sea, or on account of absence without the territorial limits of the United States, may be unable to comply with the regulations pertaining to absentees, shall, within five days after reaching the United States, register with his proper local board, or as provided in the regulations for other absentees.

Fifteen months ago the men of the country from twenty-one to thirty years of age were registered. Three months ago, and again last month, those who had just reached the age of twenty-one were added. It now remains to include all men between the ages of eighteen and forty-five.

This is not a new policy. A century and a quarter ago it was deliberately ordained by those who were then responsible for the safety and defense of the nation that the duty of military service should rest upon all able-bodied men between the ages of eighteen and forty-five. We now accept and fulfill the obligation expressed in our national statutes from that time until now. We solemnly purpose a decisive victory of arms and deliberately plan to devote the larger part of the military man power of the nation to the accomplishment of that purpose.

The younger men have from the first been ready to go. They have furnished voluntary enlistments out of all proportions to their numbers. Our military authorities regard them as having the highest combatant qualities. Their youthful enthusiasm, their virile eagerness, their gallant spirit of daring make them the admiration of all who see them in action. They covet not only the distinction of serving in this great war, but also the inspiring memories which hundreds of thousands of them will cherish through the years to come of a great day and a great service for their country and for mankind.

By the men of the older group now called upon, the opportunity now opened to them will be accepted with the calm resolution of those who realize to the full the deep and solemn significance of what they do. Having made a place for themselves in their respective communities, having assumed at home the graver responsibilities of life in many spheres; looking back upon honorable records in civil and industrial life, they will realize as perhaps no others could, how entirely their own fortunes and the fortunes of all whom they love are put at stake in this war for right, and will know that the very records they have made render this new duty the commanding duty of their lives. They know how surely this is the nation's war, how imperatively it demands the mobilization and massing of all our resources of every kind. They will regard this call as the supreme call of their day and will answer it accordingly.

Only a portion of those who register will be called upon to bear arms. Those who are not physically fit will be excused; those exempted by alien allegiance; those who should not be relieved of their present responsibilities; above all, those who cannot be spared from the civil and industrial tasks at home upon which the success of our armies depends as much as upon the fighting at the front. But all must be registered in order that the selection for military service may be made intelligently and with full information. This will be our final demonstration of loyalty, democracy and the will to win, our solemn notice to all the world that we stand absolutely together in a common resolution and purpose. It is the call to duty to which every true man in the country will respond with pride and with the consciousness that in doing so he plays his part in vindication of a great cause at whose summons every true heart offers its supreme service.

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

Done in the District of Columbia this 31st day of August in the year of our Lord one thousand nine hundred and eighteen, and of the independence of the United States of America, the one hundred and forty-third.

By the President: WOODROW WILSON.  
 ROBERT LANSING,  
 Secretary of State.

**GOVERNMENT EDUCATION OF DRAFTED YOUTHS.**

Widespread misapprehension of the so-called educational clause of the new Draft Act was caused by the circulation of a report sent out from Washington by the correspondent of a "news syndicate" to the effect that it was the intention of the Government to educate all drafted men between the ages of 18 and 21 who saw service in the army. The article alleged that 400 colleges had been commandeered by the Government for this purpose. During the course of the debate in the Senate on Aug. 30, Senator Chamberlain, Chairman of the Military Committee, took occasion to deny this report, saying:

There is no provision in the man-power bill which would authorize the Government to educate these men. It is only the intention of official of the War Department to educate men for certain lines of duty in the army and such technical experts as are required.

The section of the new law referred to reads as follows:

Section 7. That the Secretary of War is authorized to assign to educational institutions, for special and technical training, soldiers who enter the military service under the provisions of this Act in such numbers and under such regulations as he may prescribe; and is authorized to contract with such educational institutions for the subsistence, quarters and military and academic instruction of such soldiers.

Youths eighteen years of age and older, however, who are either now in college or had planned to go this fall, are being urged by the War Department to enter just as if the legislation had not been passed. When the Government wants these young men for active service in the field they will be called, says a Washington dispatch to the "World" of this city. Meanwhile, officials want them to get all the schooling possible between the time college opens and the date of their call for active service. How long they will be permitted to remain is problematical, but Uncle Sam is anxious that they lose no time unnecessarily from their studies. Graduates of high schools, who are prepared to enter college, may apply to any college or university, it is stated, which has signified its willingness to become a part of the new co-operative educational system. They must pay their own expenses until the new system becomes effective, which will be as near Oct. 1 as practicable, and students who pass the physical and other required examinations will be inducted into military service, their tuition and subsistence paid, and they will receive the pay of privates in the army.

Equipment already is available, it is said, for approximately 100,000 young men, who will become members of the Students' Army Training Corps. Equipment for an additional 50,000 will be provided later. The first three months of the course, from Oct. 1 until the end of December, will

be largely in the nature of a try-out for men already in college or about to enter. When the student-soldiers have received the specified period of intensive training, they will be assigned to military duty in one of the following ways:

1. Transferred to a central officers' training camp.
2. Transferred to a non-commissioned officers' training school.
3. Assigned to the school where they are enrolled for further intensive work in a specified line for a limited time.
4. Assigned to the vocational training section of the corps for technical training of military value.
5. Transferred to a cantonment for duty with troops as a private.

**NEW DRAFT LAW IN EFFECT—SEPTEMBER 12 REGISTRATION DAY.**

The new Man Power Bill, as finally passed by the Senate on Friday last (Aug. 30), became a law with the signature of President Wilson on Aug. 31, and immediately thereafter was put into effect by Presidential proclamation, Sept. 12, being set as the day for registering all men between the age of 18 and 20 and 32 and 45, both inclusive. The President's proclamation and the full text of the new law will be found elsewhere in these columns. The registrants will be classified under the questionnaire system and their order in the various classes will be determined by a drawing to be held at Washington. The total number of men to be obtained for general military service under the new registration is estimated at 2,300,000, of whom two-thirds, it is thought will be between the ages of 18 and 20 years. The War Department will place youths in their nineteenth year in a separate group which will not be drawn on until the supply of other available men in the new classes is exhausted.

An estimate prepared by the Provost-Marshal-General's office gave the number of men who would be affected by the extension of the draft ages as 12,788,758, as compared with 9,568,508 who were registered under the original selective service law which included men between the ages of 21 and 31, inclusive. The statement as given out by the War Department said:

Estimates have been made by this office of the proportionate shares which the several States would contribute toward the total number of men to be registered under the recent Act of Congress extending the age limits of the selective draft. These estimates are based on the ratio which the total registration on June 5 1917 is expected to bear to the total registration under the new Act.

At the time preparations were first being made for the registration under the law extending the ages to 18 and 45, both inclusive, the calculations of the Provost Marshal-General, based on data furnished by the Census Bureau and by insurance actuaries, placed the total population of the new ages to be included at 13,000,000 in round numbers. More accurately stated, the number was 13,190,000. But, although this is the estimated number of males of those ages, the law does not require persons in active military or naval service to register, such registration being obviously impracticable for these men.

It cannot be stated with certainty just what is the number of men of these ages in the army and navy. But all of the inductions under the selective service law have been between the ages of 21 and 30; therefore, all men between the ages of 18 and 20 and 32 and 45 now in active service in the army and navy must have come in by enlistment.

The total number of enlistments in the army, navy and Marine Corps to date is estimated at nearly 1,400,000. Of this number it is estimated that those under the age of 21 (which includes a small number under the age of 18) total about 245,000; and that the number between the ages of 32 and 45 is about 165,000, or an estimated total of 410,000 men in active military and naval service between the ages of 18 to 20 and 32 to 45. These 410,000 are, under the law, not obliged to register and must, therefore, be deducted from the 13,190,000 in making estimates as to the number who are actually due to register. This deduction will leave about 12,780,000 as the approximate number of registrants to be expected if the maximum number is attained.

*State's Estimated Totals.*

To ascertain the estimated shares of those registrants to be expected in the several States the above figure of 12,780,000 has been distributed in the same ratio shown by the registration of ages 21 to 30 on June 5 1917. This ratio, of course, will not be exactly fulfilled in the coming registration owing to the shifting of the industrial population, the different distribution of ages in the different States, and certain other minor considerations, but it is the nearest ratio that is attainable. The results are the following estimates for the respective States:

Alabama	243,271	Nebraska	157,665
Arizona	49,794	Nevada	16,116
Arkansas	198,746	New Hampshire	50,013
California	398,552	New Jersey	405,509
Colorado	112,139	New Mexico	44,652
Connecticut	213,329	New York	1,345,457
Delaware	29,489	North Carolina	263,242
District of Columbia	43,152	North Dakota	87,929
Florida	110,940	Ohio	739,427
Georgia	309,972	Oklahoma	227,884
Idaho	55,461	Oregon	84,404
Illinois	859,834	Pennsylvania	1,087,692
Indiana	340,920	Rhode Island	71,431
Iowa	287,847	South Carolina	170,049
Kansas	200,413	South Dakota	77,179
Kentucky	254,108	Tennessee	251,865
Louisiana	212,580	Texas	546,187
Maine	80,770	Utah	58,863
Maryland	162,090	Vermont	36,316
Massachusetts	483,646	Virginia	241,974
Michigan	498,065	Washington	146,853
Minnesota	296,856	West Virginia	167,753
Mississippi	185,715	Wisconsin	326,377
Missouri	396,509	Wyoming	30,520
Montana	117,703		

#### VOLUNTARY ENLISTMENTS STOPPED EXCEPT FOR MEN BETWEEN 46 AND 56.

An order was issued by the War Department on Sept. 4 closing all recruiting stations and putting a stop to all voluntary enlistments except of men between the ages of 46 and 56, who will still be accepted as volunteers for special service. A statement issued by the Department read as follows:

Instructions have been issued to all recruiting officers in charge of recruiting districts to close the recruiting stations as soon as practicable. The enlisted men at the recruiting stations are to be sent to the nearest recruit depot, where they are to be physically examined and their qualification records made out, with a view to their assignment to appropriate duty. The six recruit depots, namely, Fort Slocum, New York; Columbus Barracks, Ohio; Fort Thomas, Kentucky; Jefferson Barracks, Missouri; Fort Logan, Colorado, and Fort McDowell, California, are to be utilized during the continuance of the war as mobilization places for selective service men, whence these men will be distributed to organizations.

The only original voluntary enlistments heretofore authorized will be of men over forty-six years of age and under fifty-six years. The enlistment of these men is authorized only for staff corps and departments. There are few applications for enlistment from among this class of men, and the enlistment of such as are found qualified can be effected at the mobilization depots enumerated above or any one of the military posts or encampments throughout the country.

Voluntary enlistments for both the army and navy have been suspended since Aug. 8, when an order to that effect was issued by Secretaries Baker and Daniels. At that time the new draft law was under discussion with age limits of 18 to 45, and it was feared that serious disruption of industry would result from a rush of men to enlist under the impression that they were going to be drafted any way and preferred to join the service voluntarily. A statement issued by Secretary Daniels then explained:

The large increase in enlistments in the Navy and Marine Corps has made it possible to suspend further enlistment until pending legislation affecting the draft for the army is disposed of. When it is resumed it will be in full co-operation with the War Department under arrangements which will secure all the men needed for both services.

The new draft law makes drafted men liable for service in the Navy and Marine Corps as well as the Army.

#### EXEMPT CLASS BROADENED TO INCLUDE BANKERS AND COMMERCIAL MEN HOLDING RESPONSIBLE POSITIONS.

In accordance with Section 2 of the new Draft Act, which broadens the basis of exemption by adding the words "occupations or employments" after the word "industries" in specifying who may be exempted on industrial grounds, Provost Marshal General Crowder announced on Sept. 4 that bankers and other highly trained persons engaged in employments not previously regarded as warranting deferred classification may now apply for exemption on grounds that their work is necessary to the nation. Men holding important positions in the Red Cross and similar organizations, those engaged in public health work, &c., are also entitled to deferred classification.

The widening of the draft ages to include men up to 45 years has greatly complicated the problem of how to avoid a serious disruption of industry. It is understood that plans are now being worked out by representatives of the Provost Marshal General and the War Industries Board for classifying the industries of the nation as to their essentiality, as a guide for the local draft boards in passing on claims for industrial exemption. Details of the new plans are expected to be published in a few days. Mere employment in an industry coming within any of these groups, it is explained, will not of itself be sufficient cause for exemption from military service.

#### RESOLUTION AUTHORIZING FREEDOM FROM DUTY OF IMPORTS OF ARTICLES DEVOTED TO RELIEF PURPOSES.

A resolution authorizing the importation, without duty, of articles for the American National Red Cross to be devoted or used by it solely to or for the benefit of the land or naval forces of the United States or its Allies, or for the relief of the civilian population of the United States or its allies was adopted by the House of Representatives on Aug. 21. The following is the text of the resolution:

*Be it enacted, &c.,* That during the continuance of the state of war now existing, and during the period of one year thereafter, there may be imported into the United States free of the payment of any import duty any articles of clothing, medicine, drugs, hospital supplies and equipment, goods, wool and cotton, and the products thereof, donated by any person or persons abroad and consigned to the American National Red Cross: *Provided,* That such articles or supplies are not to be sold but are only to be donated or used by it solely to or for the benefit of the land or naval forces of the United States or of the allies of the United States, or for the relief of the civilian population of the United States or any of its said allies.

Sec. 2. That the Secretary of the Treasury shall prescribe such regulations as may be necessary to carry this Act into effect.

#### UNITED STATES SENATE PASSES DRY ZONE RESOLUTION.

The U. S. Senate on Sept. 5 adopted, with only one dissenting vote, a joint resolution introduced by Senator Kellogg, authorizing and empowering the President to establish prohibition zones of such width as he may deem necessary around all munition plants, coal mines, shipyards and plants where essential war industries are in progress. The resolution, which follows, is yet to be acted upon by the House:

The President is hereby authorized and empowered at any time to establish zones of such size as he may deem advisable about coal mines, munition factories, shipbuilding plants, and such other plants for war material as may seem to him to require such action whenever, in his opinion, the creation of such zones is necessary to or advisable in the proper prosecution of the war. And he is hereby authorized and empowered to prohibit the sale, manufacture, and distribution of intoxicating liquors in such zones, and any violation of the President's regulations shall be punishable by a fine of \$1,000 or one year's imprisonment or both.

The above resolution carries practically the same regulation as to the declaration of military zones as Senator Sheppard's amendment, adopted by the Senate on Aug. 29, to the National Food Stimulation Bill, providing that national prohibition shall become effective July 1 1919 and continue during the war and until all the American troops are brought home and demobilized. On Account of the Sheppard amendment being tied up in the Senate, it was thought advisable to put through a separate resolution so as to enable the Government to deal immediately with conditions resulting from reported sales of intoxicating liquors to war workers.

The Sheppard amendment now pending in the Senate is a substitute both for the original amendment of Representative Randall of California, prohibiting the use of an appropriation of \$11,000,000, provided for in the Food Stimulation Bill (to which we referred in these columns on June 8) unless the President should exercise his present authority to stop manufacture of beer and wines (an amendment adopted by the House when it passed the bill May 23 last) and for the original Senate Agriculture Committee provision to stop sales of all intoxicating beverages Jan. 1 next. The full text of the Sheppard amendment approved on Aug. 29 follows:

That, after June 30 1919, until the conclusion of the present war, and thereafter until the termination of demobilization, the date of which shall be determined and proclaimed by the President of the United States, for the purpose of conserving the man power of the nation and to increase efficiency in the production of arms, munitions, ships, food and clothing for the Army and Navy, it shall be unlawful to sell for beverage purposes any distilled spirits, and during said time no distilled spirits held in bond shall be removed therefrom for beverage purposes, except for export.

After May 1 1919, until the conclusion of the present war, and thereafter until the determination of demobilization, the date of which shall be determined and declared by the President of the United States, no grains, cereals, fruit or other food products shall be used in the manufacture or production of beer, wine or other intoxicating malt or vinous liquor for beverage purposes.

After June 30 1919, until the conclusion of the present war, and thereafter until the termination of demobilization, the date of which shall be determined and proclaimed by the President of the United States, no beer, wine or other intoxicating malt or vinous liquor shall be sold for beverage purposes, except for export. The Commissioner of Internal Revenue is hereby authorized and directed to prescribe rules and regulations, subject to the approval of the Secretary of the Treasury, in regard to manufacture and sale of distilled spirits and the removal of distilled spirits held in bond after June 30 1919, until this Act shall cease to operate, for other than beverage purposes, also in regard to the manufacture, sale and distribution of wine for sacramental, medicinal or other than beverage uses.

After the approval of this Act no distilled malt, vinous or other intoxicating liquors shall be imported into the United States during the continuance of the present war and period of demobilization.

Any person who violates any of the foregoing provisions shall be punished by imprisonment not exceeding one year, or by a fine not exceeding \$1,000, or by both such imprisonment and fine.

Provided, that the President of the United States be, and hereby is, authorized and empowered, at any time after the passage of this act, to establish zones of such size as he may deem advisable about coal mines, munition factories, shipbuilding plants and such other plants for war materials as may seem to him to require such action whenever, in his opinion, the creation of such zones is necessary to and advisable in the proper prosecution of the war, and that he is hereby authorized and empowered to prohibit the sale, manufacture or distribution of intoxicating liquors in such zones, and that any violation of the President's regulations in this regard shall be punished by imprisonment for not more than one year, or by a fine of not less than \$1,000, or by both fine and imprisonment.

Provided further, that nothing in this Act shall be construed to interfere with the power conferred upon the President by Section 15 of the Food Control Act, approved Aug. 10 1917.

#### ONE MILLION DOLLARS FOR FIRE FIGHTING ON NATIONAL FORESTS.

The President has authorized a loan of one million dollars to the Forest Service for fire-fighting expenses, to meet the serious emergency conditions in the national forests of the Northwest and the Pacific Coast States. The loan was made from the special defense fund of \$50,000,000 placed at the disposal of the President by Congress. It is recognized that the protection of the national forests is an important and essential war activity. Forestry officials re-

gard the present fire season in the Northwest as in some ways the most serious with which the Government has ever had to cope. Early drouth, high winds, electrical storms, labor shortage, and depletion of the regular protective force as a result of the war have combined to make the fire conditions unprecedentedly bad. Necessity for resort to the Presidential fund is due to the fact that the appropriation bill for the Department of Agriculture for the current year has not yet been passed.

#### QUESTIONNAIRE TO TELEGRAPH AND TELEPHONE COMPANIES TO FIX COMPENSATION.

To assist in determining the compensation to the telegraph and telephone companies taken over by the Government, Postmaster General Burleson has sent to each telephone and telegraph company a questionnaire prepared by the Inter-State Commerce Commission at the request of the Post Office Department. The Post Office Department announces this in a statement which says:

The Act authorizing the President to take possession and assume control of the telegraph and telephone systems provided that just compensation to the companies shall be determined by the President. The telegraph and telephone committee which is engaged in determining a basis of compensation will make use of the information procured through these questionnaires before reporting on the subject.

The inquiry made of telegraph companies is as to operating revenues and operating expenses during the last six months of 1914, during the year 1915, 1916 and 1917, and the six months ending June 30 1918; and the estimated operating revenues and expenses for the year ending June 30 1919. Covering the same period information is sought as to telegraph and cable operating revenues, uncollectible operating revenues, taxes assignable to operations, deductions from net operating revenues, operating income, income from lease of plant, rent from lease of plant, miscellaneous rents in connection with telegraph and cable operations only; net interest on its debt other interest deductions, dividend appropriations of income, dividend appropriations of surplus, plant and equipment installed (net); total revenues from telegraph transmission, total revenues for cable transmission, total non-transmission revenues, contract revenues; and amount of depreciation charged to operating expense account.

The companies are asked what basis should be used in determining just compensation, and what factors have been used in reaching conclusion in answer to this question. Full information on the subject is requested.

"Are the conditions such under your company management," is asked, "keeping particularly in mind the present and prospective cost of labor and materials, that the estimated net earnings for the year beginning July 1 1918, will be sufficient to cover the compensation," etc. If this is not the case, the company is requested to state fully what increase in revenue is considered necessary to put the company on such a basis, and it is stated that estimates for operating expenses should be shown in budget form.

The companies are further required to state total investment in plant and equipment, capital stock outstanding, funded debt outstanding, amount of other interest-bearing securities outstanding, number of offices, miles of pole lines, miles of copper wire, and miles of iron wire.

The companies are instructed that answers should be complete; and full information as to the reasons for conclusions presented, as well as detailed information as to the records or conditions, which in the opinion of the reporting officer justify the conclusions.

The questionnaires are in a form blank to be filled out by each company and sworn to. The questionnaires addressed to telephone companies are similar in form, differing in the character of questions only in so far as the character of the service differs.

#### REINSTATEMENT OF DISCHARGED EMPLOYEES OF WESTERN UNION AND APPROVAL OF WAGE INCREASES.

Announcement was made on Aug. 19 by Newcombe Carlton, President of the Western Union Telephone & Telegraph Company that the 10% wage increase proposed by the company for its employees had been approved by the Postmaster General Burleson. The increase, the terms of which were recently announced, applies to about 45,000 workers belonging to the recently formed Association of Western Union Employees. It will add \$3,000,000 to the company's payroll. The advance aggregates 10% to all employees except messengers and others working on commissions, and those on salary receiving more than \$3,000 a year.

The Post Office Department in announcing on the 19th its approval of the wage increase said:

Postmaster General Burleson stated to-day that he had approved an increase in wages for the employees of the Western Union Telegraph Co., and that this increase was not discriminatory in any manner. Shortly after assuming control of the telegraph and telephone companies the Postmaster General was advised by the officers of the Western Union Telegraph Co. that they had under way negotiations for this increase, and he told them to proceed in the regular manner. When a conclusion had been reached the recommendation for an increase was submitted to him, and approved after very careful consideration.

It has also been announced that employees of the company who had been discharged for joining the Commercial Telegraphers' Union of America were eligible for reinstatement under a ruling by Postmaster General Burleson, vice-resident Atkins is credited with having stated on Aug. 21 that between 650 and 700 men discharged before and since the Government assumed control of the lines would be re-employed.

#### POSTMASTER-GENERAL BURLESON'S ORDER CALLING FOR INSTALLATION COST FOR NEW TELEPHONES.

Charges for new installations and all changes in locations of telephones were made effective Sept. 1 under the following order issued on Aug. 28 by Postmaster-General Burleson:

Aug. 28 1918.

Order No. 1931:

Owing to the necessity for conserving labor and material and to eliminate a cost which is now borne by the permanent user of the telephone, a readiness to serve or installation charge will be made on and after Sept. 1 1918, for all new installations, also a charge for all changes in location of telephones.

Installation charges to be as follows:

Where the rate is \$2 a month or less.....	\$5
Where the rate is more than \$2, but not exceeding \$4 a month.....	10
Where the rate is more than \$4 a month.....	15

The moving charge to the subscriber will be the actual cost of labor and material necessary for making the change.

In accordance with Bulletin No. 2, issued by me Aug. 1 1918, stating that "until further notice the telegraph and telephone companies shall continue operation in the ordinary course of business through regular channels," in all cases where rate adjustments are pending or immediately necessary they should be taken up by the company involved through the usual channels and action obtained wherever possible. In all cases, however, where rates are changed such changes should be submitted to me for approval before being placed in effect.

A. S. BURLESON, Postmaster-General.

#### FEATURES OF THE GOVERNMENT CONTRACT WITH THE RAILROADS.

The form of contract which the Government proposes to execute with the railroads, providing for the compensation to be paid the carriers while under Federal control, was made public by Director-General of Railroads W. G. McAdoo on Sept. 5. In announcing the terms of the final draft approved by the Government, Mr. McAdoo said:

Of course no railroad company is compelled to accept the form of contract the Government offers. The company is free to reject the contract and go into the Court of Claims to obtain such compensation as the Court of Claims will allow and to work out, under statutory and general legal principles, all the details of the relationship which will arise between the Government and the company on account of Federal control. I am convinced, however, that the contract offered by the Government is just and reasonable. The railroad owners have no right to assume more than that, and if the Government offers less they are fully protected by their right to reject the Government's offer and go into the Court of Claims.

The contract as made public by Mr. McAdoo this week is not acceptable to the special committees of the National Association of Owners' of Railroad Securities, and their opposition is referred to more at length in another article. In his statement explaining the contract, Mr. McAdoo said:

Frequently the arguments urged in opposition to certain features of the proposed contract have suggested the idea that under any such contract the railroads would be in a much worse position than if they remained in private management. It may be well, therefore, to look at the situation which confronted the railroads last December, and to consider what would probably be their present status if still in private management.

Last December the expenses of the railroads were increasing with great rapidity. They were hedged about in their efforts to obtain increased rates by the numerous and various restrictions imposed by the States, and also by the limitations imposed by the Inter-State Commerce Act. They were confronted by imperative demands for greatly increased wages and were without machinery to insure an amicable settlement of these demands.

They were finding it almost impossible to borrow money on any terms to make the improvements which were indispensable to enable them to perform their public service. The operation results for the first four months of 1918 indicate that if the railroads had been under private control during that period they would have lost in operating income, as compared with the corresponding period of the preceding year, \$136,116,533; and as compared with an average of the corresponding period for the three-year test period, \$96,061,356.

This takes no account of the wage increase subsequently made, which nevertheless was retroactive to Jan. 1. These adverse conditions, coupled with the extreme difficulty of borrowing money, would probably have resulted in the failure of some of the most important railroad companies in the country to meet their obligations under private management.

In disposing of one of the objections which had been made to the contract—that the Government ought to leave open for litigation at the end of Federal control the question whether the railroad had been damaged by diversion of its business during Federal control—Director-General McAdoo said:

This claim is untenable, because the railroads have been taken over for war purposes, which necessitates diversion of traffic, hence there can be no escape from the view that Congress intended the compensation which it authorized to cover this element. This demand for certain interests is, in effect, for an opportunity to litigate and is a demand which need not be urged if the railroad company, instead of making the contract offered, should instead go to the Court of Claims to get its compensation. In this event the railroad company would get only a single compensation, covering its entire claim, including any damages for alleged diversion, and would not be allowed to litigate at the end of Federal control the question of diversion of business. The contract ought not in this respect to put the railroad company in any better position than it would occupy if it made no contract.

It was stated on the 3d inst., when it was announced that the contract was about to be offered to the companies for signature, that without a formal contract during the eight months of Federal control the Government has paid 90% of compensation claims to needy roads and left the balance for adjudication after conclusion of the agreement. Each of the 170 roads under Federal management will be asked

to sign the contract, which will be identical for all except that the specific annual compensation for each will be the average net railway operating income for the three years ended June 30 1917. As a provision against disputes over questions of fact the contract specifies that the Inter-State Commerce Commission shall be called on to act as referee. Questions of law involved in disputes between any company and the Director-General may be submitted to a court. All operating revenues of the railroads are to go to the Government, to be used in paying the compensation. Experience so far this year has demonstrated, however, that these revenues will fall far short of the billion-dollar compensation which it is estimated the Government will have to pay. Property taken over by the Government must be returned in good condition at the end of the Federal control and provision made for depreciation, but the Government is permitted to make additional expenditures to insure safe operation. If any railroad property is destroyed by fire or other means the Government must replace it, but is not held responsible for destruction by "public enemies." This is taken to mean that if war were carried to this side of the Atlantic and railroads were destroyed it would be the companies' loss.

The Railroad Administration must notify a company of additions and betterments or road extensions to be made, but if these finally are held to be required by war needs, and not for proper operation of the line, the company will not be called on to stand the expense. During Federal control the Government is to assume all expenses growing out of settlement of claims arising since the roads were taken over, joint facility and equipment rents and of damage suits against railroads. Salaries of corporation officers or other corporation or railroad expenses not directly necessary to actual operation must be paid by the companies unless provided otherwise by the Director-General. Ordinary Federal, State and local taxes will be paid by the Government, but each company must pay special war taxes.

The contract specifically provides that since Government operation is to tide the nation over a war emergency nothing in the contract terms is to be construed as expressing or prejudicing the future policy of the Government concerning ownership, control or regulation of the company. Some of the main features of the contract are outlined as follows:

The railroad company accepts the contract and the compensation therein provided for in full satisfaction of all claims on account of Federal possession and control.

Provision is made for the numerous features of operation and accounting during Federal control, for the allocation of revenues and traffic in transit at midnight Dec. 31 1917, for the handling of "overlapping" items of expense, &c.

Provision is made for the maintenance of the company during Federal control, of course, at the expense of the Government, on substantially the same basis as during the three-year test period ended June 30 1917, and for the return of the company at the end of Federal control in substantially as good repair and substantially as complete in equipment as on Jan. 1 1918; it is provided in effect that if during the test period the maintenance expenses were not sufficient to put the property in condition for safe operation, the additional maintenance necessary for safe operation may be provided at the expense of the company, with the limitation that the cost of maintenance shall not be increased at the expense of the company over the normal standard of maintenance of railroad of like character and business during the test period.

Provision is made for the payment of taxes in accordance with the Federal Control Act.

Provision is made for the annual compensation (which will be fixed in in each case in accordance with the provisions of the Federal Control Act) to be paid to the company in quarterly instalments. This compensation will not be subject to any deduction which would prevent the company from supporting the corporate organization, keeping up its sinking fund, paying taxes and rents, and interest heretofore regularly paid, and interest on loans issued during Federal control. These requirements of the company for corporate expenses and fixed charges being thus provided for, the Government has the right to make deductions from the remaining compensation to satisfy indebtedness which the railroad company may owe to the Government; however, the contract declares the power of deduction to be an emergency power, to be used only when no other reasonable means is provided by the company to reimburse the United States, and not to be used so as to interrupt unnecessarily the regular payment of dividends made by the company during the test period.

Provision is made for the orderly presentation and disposition of claims on the part of the railroad company or amounts expended by the railway Administration for additions to its property, which, in the opinion of the railroad company, are not for its advantage and for which it believes it should not be charged.

Provisions are also made for final accounting at the end of Federal control.

In a statement dealing with questions involved in the negotiations and which were submitted to Mr. McAdoo for his personal decision by counsel representing the railroads and counsel for the National Association of Owners of Railroad Securities, Mr. McAdoo said:

A number of questions involved in the negotiations for a standard form of contract have been submitted for my personal decision by counsel representing the railroads and also counsel for the National Association of Owners of Railroad Securities. I have given careful consideration to the oral and printed arguments made in support of these contentions.

1. It is insisted that section 1 of the contract should be amended so as to give an appeal from the Inter-State Commerce Commission to the Court

of Claims as to all of the matters which by the terms of the contract are referred to the commission for decision. There are a number of matters purely administrative as to which an appeal ought not to be considered and as to which the contention of counsel cannot be sustained.

It is provided in the Federal Control Act (section 6) that any loss claimed by reason of additions, betterments or road extensions, or constructed pursuant to said section, may be determined by agreement between the President and such carrier. Failing such agreement the amount of such loss shall be ascertained as provided in section 3 hereof.

As to all such matters the contention of counsel is sustained, and provision will be made in the contract providing for an appeal to the Court of Claims. As to the other matters in the contract referred to the Inter-State Commerce Commission for decision the contention is disallowed.

2. The contract as drawn provided that each carrier should turn over to the Director-General a working capital which had been tentatively agreed upon as representing the expenses of the carrier for one month without interest. It was insisted that this provision should be stricken out, and that no working capital as such should be insisted upon, and that such balances as came over to the Railroad Administration from any carrier should bear interest at the average rate received by the company during the year 1917 or its daily cash balances in bank.

There is great force in the contention that the carriers should provide a working capital, but it has been decided to waive this and sustain the contention of counsel, and the contract has been directed changed accordingly.

3. The Acceptance Clause:

Counsel have insisted, especially the counsel representing the Association of Security Holders, that the acceptance clause of the contract, whereby it was required that all loss and damage to the business or traffic by reason of the diversion thereof or otherwise which has been or may be caused by the taking over or the possession, use, control or operation of the carriers, was unjust to the carriers and should be stricken out; that the carriers should have the right now or at the end of Federal control:

(a) To sue for the loss of good-will, loss of business, diversion of traffic or loss of corporate organization; or

(b) That if the road should not be returned to the carriers as now contemplated by the Federal Control Act, the effect of the acceptance clause as now written would be to deprive the carriers of the right to claim damages by reason of said items.

This presents the question as to whether the compensation provided to be paid by the Federal Control Act is intended to be inclusive and exclusive. By the terms of the Act of 1916 the President was authorized to take over the railroads for war purposes, to use the same as a unified system of transportation, to divert traffic and to make such use of the railroads as the war situation required.

The Federal Control Act not only contemplates the same use but definitely contemplates a unified control and use of the railroads as one great system of transportation. There can, in my judgment, be no doubt but that the methods provided in said Act of compensation, that is by agreement, if an agreement can be made, if not by the decision of the Court of Claims, was intended to embrace all of the damage which the owners have a right to claim. This was the view of the general counsel of the Railroad Administration and of all of my advisers, but the question was pressed upon me so strenuously that it seemed wise to refer it to the Attorney-General for an opinion, and an opinion was received, written by the Solicitor-General, as follows:

"The contention made by counsel for the security holders as to paragraph (a), section 3 should be rejected. They are not expected to have the contract so framed as to leave them, after the acceptance of the agreed compensation, with a right of action for further damages based upon the loss of good-will and the diversion of traffic.

"Unquestionably the just compensation which the statute provides is intended to cover these as well as all other elements of loss and damage."

The contention, therefore, must be rejected.

4. It was also contended that the Director-General should pay to the carriers a sufficient sum from operating expenses during Federal control to pay the corporate expenses of the carriers. I gave careful consideration to this subject some months ago and reached the conclusion to which I still adhere that this contention is unavailing and must be rejected.

5. It was insisted that paragraph b of section 5 should be stricken out. This provides that the Director-General may expend and charge to the carriers a sufficient sum to make such deferred maintenance as may be necessary to make the operation of the carrier safe, assuming a use of the road similar to the use during the test period, and not substantially enhancing the cost of maintenance over the normal standard of maintenance of railroads of like character and business during said period.

It does not seem to me open to dispute that the power to make deferred maintenance is a necessary power, and is one which the statute contemplates may be exercised, and the contention should, therefore, be rejected.

6. It was contended that section 7, providing for compensation, should be so amended that the power to deduct from the amount of compensation provided in the contract to be paid the carrier should not be exercised for deferred maintenance, additions and betterments or road extensions.

I have given very careful consideration to the arguments and have decided to provide in the contract that the power of deduction will not be exercised so as to prevent the payment of interest where interest was regularly paid during the three-year period, or to provide a sum sufficient to support the corporate organization, to keep up the sinking funds of the carriers required by contracts in force Dec. 31 1917; to pay taxes and other sums necessary for the payment of rents for leased, operated or controlled roads, nor shall such deduction be made in respect of additions and betterments which are for war purposes and not for the normal development of the company, nor in respect of road extensions.

This substantially grants the contention of the carriers and the security holders, except to the extent that they request that such power of deduction be not insisted upon when its exercise would interfere with the payment of dividends regularly paid during the three-year period. I must deny this portion of the request, because if I should accede to it the result would be that railroad companies would be permitted to pay improvident dividends when the funds so used ought to be employed in taking care of deferred maintenance and in payment of their just debts to the Government.

This ruling need not operate to embarrass any company which has paid dividends on a provident basis and has retained and does retain, as it is recognized all well-regulated companies should retain, a substantial surplus of its income to provide a margin of credit and cover unproductive improvements. In every such case the company will be in position to provide for deferred maintenance, if any, and to make reasonable provision for reimbursing the Government, and there need be no interference with the company's dividends as regularly paid during the test period.

7. It was also insisted that in determining the amount to be added to the compensation of the carriers upon the cost of any additions and betterments, less retirements provided for by section 4 of the Federal Control Act, the rate of interest to be allowed should be at least sufficient to offset the cost to the carrier of money borrowed where the money advanced by the company had been secured from outside loans.

It has seemed to me that this contention should be granted to the extent of providing that the rate of interest to be allowed where the money was advanced by the Director-General should be the same rate which the Director-General charged the carrier for the money loaned. The contract may be changed accordingly.

Other matters of less moment were discussed. These have been passed upon, and the contract as now drafted reflects my final view as to these several matters.

#### OBJECTIONS OF NATIONAL ASSOCIATION OF SECURITY OWNERS TO RAILROAD CONTRACT.

The special committee of the National Association of Owners of Railroad Securities held a special meeting in this city on Thursday to consider the final draft of contract to be executed between the Government and the railroads. A resolution adopted states that while the contract in its present form is materially improved as compared with the earlier drafts, it is still unsatisfactory and unacceptable in certain fundamental particulars. A meeting of the Association's Financial Committee of Seventy is to be held on Wednesday next for the purpose of deciding upon further action. Following Thursday's meeting Samuel Untermeyer of counsel for the association, issued the following statement:

Our committees fully agree with the Director-General in his statement that, "considering the opportunity for differences of opinion, there remain comparatively few objections," but unfortunately the remaining objections are the crucial ones. The security holders could well have afforded to have lost the concessions they have won with respect to many objections that have now been eliminated as the result of these protracted negotiations if they had had recognized these fundamental objections which they regard as necessary to the very existence of their companies.

The objections to this contract which have impelled the committees to declare it unsatisfactory and unacceptable, and to call upon the Committee of Seventy to determine its action and policy with respect to the contract may be briefly stated as follows:

First—That the railroads should not be required, in advance of any knowledge of the extent to which their operations are to be abandoned or their business and traffic diverted, to agree that the Government may return them their physical properties stripped of all business and connections, which might involve inestimable loss; all of which they must now release in consideration of the receipt of a compensation that was intended only for the use of their property and not for the possible destruction of its value in the process of unification.

If the present control should result in Government ownership it is claimed by the security holders that the effect of this contract would be to deprive them of all opportunity to claim loss or damage through the destruction of their goodwill; and that the physical assets might be valued as abandoned property.

(a) The security holders claim that when Congress enacted that the properties should be returned in

"Substantially as good repair and in as substantially complete equipment as it was in at the beginning of Federal control."

It meant what it said; and in this respect we cannot agree with the distinguished Director-General that "There can be no escape from the view that Congress intended the compensation which it authorized to cover this element." All that the companies ask is that the question be left open and that the companies be not now required to absolutely release and surrender their claims, whatever they may prove to be. If the act is capable of the meaning put upon it by the Director-General, the Government can lose nothing, and there is no necessity for this onerous condition. If the companies make no contract, the Government will certainly be required to return the properties in the condition in which they were received as to business and traffic.

Second—The security holders object to the requirement that they shall be charged with and shall finance all additions, improvements, betterments and extensions for war purposes and for other purposes not beneficial to the companies, and that thereby at the end of Federal control they may have piled up against them vast debts and charges which they would be unable to meet. They also complain that when the time comes to recover the loss that they may have suffered in this respect, the contract requires that these additions and extensions shall not only be taken over by them, but that they shall be taken, not at their then value to the companies, but on the basis of the inflated costs in these abnormal times; and the improvements which may be of no use whatever to them and may be a liability rather than an asset.

The Director-General does not discuss this fundamental objection except to refer "to the orderly presentation and disposition and claims for losses." The difficulties with this provision are:

(a) That the security holders must pay for improvements and extensions for war purposes by which the company cannot possibly be benefited, and  
(b) That when the company comes to claim its loss it is prevented from doing so by the provision of the contract that the abnormal cost is not to be considered, but is on the contrary regarded as conclusive on the question of value.

This may mean the waiving of losses of hundreds of millions of dollars.

All that we have asked is that the cost of these additions and extensions shall in the first instance be borne by the Government, which makes them for its own benefit, which gets all the revenues from them and in the making of which the companies should pay for them at their then value, and in the meantime they are willing to finance them on their own credit. Nothing more generous to the Government could possibly be asked.

Third—The security holders also complain that on important questions that may arise under the contract they are required to accept the decisions of the Inter-State Commerce Commission as final and conclusive and to be deprived of their right of appeal to the courts.

The security holders are content with the provision as it now stands, but did not stand until now, that the Government may maintain the property in safe condition and that the cost of such maintenance shall be deducted from the standard return after fixed charges. We appreciate this important concession to our protests.

The security holders are not unmindful of the difficulties against which the Government has had to contend and have made many concessions which might not otherwise be justified, but the heads of the great life insurance companies, banks, &c., are acting as trustees for fifty million people who are interested in these securities, the value of which they believe to be imperiled by these provisions. These are the men constituting the Committee of Seventy who will act on these questions on Wednesday next.

#### RAILWAY EXECUTIVES' ADVISORY COMMITTEE URGES ACCEPTANCE OF RAILROAD CONTRACT.

The Railway Executives' Advisory Committee, following a meeting in this city yesterday (the 6th) of its law and executive committees, made public advice to the S2 Class A railroads it represents, in which it said with regard to the Government railroad contract:

In the opinion of this committee, enlightened self-interest and dictates of patriotism alike require the acceptance of the proposed contract, and the committee, without doubt or hesitation, so advises.

The committee's advice to the railroads were made through Thomas De Witt Cuyler, its Chairman; in part the committee says:

We have the choice between the acceptance of this contract and the guarantee it gives of immediate compensation, on the one hand, and its rejection and a resort to litigation on the other. This committee cannot regard litigation, with its attendant uncertainties and delays, as a practical remedy in the circumstances, and cannot consent to become responsible for the disorder in our national finances and a weakening of the nation's financial power which would inevitably follow. If there is to be litigation the responsibility for it must rest elsewhere.

It does not reserve to the carriers a right to recover for a diversion of their traffic or a disruption of their working organization during Federal control. As you know, we have never thought it possible, under the law, to sustain the proposition that we are entitled to such a reservation. . . . It would be desirable to set a limit on the power of the Director-General to order additions and betterments for the company's property at its expense. The practical difficulty is that the power is conferred by the statute, and is not dependent upon contract. The Director-General declares that he does not feel it consistent with his duty as a public official to attempt to contract away a discretion in respect to so important a matter, which Congress deemed it necessary in the public interest to confer upon him.

The most dangerous situation which, in our opinion, will confront the railroads at the end of Federal control is a large accumulation of indebtedness represented by demand or short-term paper. With this danger in mind, we endeavored to secure the inclusion in the contract of a provision substantially as follows:

"It will be the policy of the Director-General, so far as in his judgment consistent with the interest of the Government, and as may be reasonable in view of the company's financial condition, to facilitate before the end of Federal control the funding of the obligations of the company to him in such a way as to place the company upon a sound, easy, and safe financial basis."

We must remember that the nation is engaged in a great war. War cannot be successfully conducted without concentration of power. When, in the national interest, every household is entered by the national authority and the treasures of its manhood are commandeered for the national safety and defence no business interest can expect or desire to stand immune and demand absolute safeguards before it is content to assume its share of the risks and sacrifice which in fairness should be universal.

We must realize we have already lost the possession and use of our properties for the whole period of Federal control; that at present we are without any assurance whatever of compensation; that our hope of compensation must be based on this statute, or on another appeal to Congress, or on an attempted litigation outside of this legislation.

We cannot escape the conclusion that a new appeal to Congress is beset by such dangers of unfortunate and disastrous consequences as render that course in the highest degree unwise, and that litigation . . . would involve such uncertainties and delays, and such impairment of security values during the period necessary to carry these cases through the courts, as to place litigation clearly outside the range of practical remedies. We cannot become responsible for the ruin likely to be the outcome of litigation. In this case a resort to the courts is no remedy.

We must not forget that the (Governmental discretionary) powers referred to were conferred by an Act of Congress and cannot be gotten rid of except by a judicial declaration that the Act is unconstitutional. But the Act furnishes the only method yet devised to secure to the railroads compensation for the use of their properties. They are, therefore, interested in having the Act stand and in avoiding all assaults upon its validity.

#### NEW WAGE ADVANCES TO RAILROAD EMPLOYEES.

Additional wage increases for track laborers, watchmen, other maintenance of way employees, clerks, station agents and other classes of men drawing relatively low pay, were approved by Director-General of Railroads McAdoo on Sept. 3. It is stated that nearly 1,000,000 men, or half the railroad employees of the United States, share in the new increases, which are the second granted in supplement to the Railroad Administration's general wage order. Most of the increases awarded this week range from 10 to 30% above present wages, and will add, it is said, nearly \$100,000,000 to the annual railroad pay-rolls. The increases were recommended to Director-General McAdoo by the Board on Railroad Wages and Working Conditions on Aug. 29. Most of the recommendations of the Board, which investigated the request of employees for more pay, were adopted. Wage increases for railroad telegraphers are the subject of another report to be made soon to the Director-General. This order, it is reported, will raise to nearly \$500,000,000 the annual increase in wages granted railway employees since the roads were taken over by the Government.

The increase approved this week results from protests made by representatives of clerks, maintenance of way men and other classes shortly after the original wage order was announced that they were granted little more money under

that order than they had received before. On investigation, the Board is said to have found that the unorganized groups have not been allowed wage increases in the past commensurate with those allowed strictly organized classes of employees. Even the general advance did not enable many of these to meet growing expenses under war prices, and the Board reported this to the Director-General, together with its recommendations. The advances are effective Sept. 1. Most of the employees to whom the new order applies are reported to have made considerably less than \$100 a month. Under the new order they will receive wage increases of \$25 a month over the pay they received on Jan. 1 last. The Associated Press dispatches from Washington, Sept. 5, said:

The order specified that eight hours is to be considered the basic day, but overtime up to ten hours is to be paid pro rata, with one and one-half the regular rate for overtime past the ten hours. Specific rules are laid down for the promotion of employees on the grounds of merit and seniority. Other regulations forbidding dismissal of employees without cause, and providing for hearing on appeal, resemble the rules now in effect under Government Civil Service. These restrictions will affect mainly the half-million railway clerks.

Thousands of women clerks employed by the railroads are to receive the same pay as men for similar work, but the interpretation of "similar work" is left to executives.

Back pay from January 1 will be made under the former general wage order, and the advances now granted will be figured on top of the wage last January 1, rather than on the pay received in the immediate past under the general wage increase. Minimum rates of pay are established for all classes covered by to-day's order, but the increases of \$25 a month applied if the employee worked on a monthly or weekly basis, and of 12 cents an hour, applied if the employee worked by the hour, in many cases will run the actual new rate above the minimum.

**INCREASE IN RAILROAD ADMINISTRATION'S BILLION-DOLLAR BUDGET.**

The fact that the so-called billion-dollar budget (\$941,041,902) approved early this year by Director-General McAdoo for railroad improvements and equipment had proved insufficient to meet war needs was disclosed in a detailed report of capital expenditures to Aug. 15, made public Aug. 16. In referring to the report the Chicago "Railway Review" of Aug. 24 said:

The budget estimates of the same companies submitted in response to the Director-General's request some months ago called for a total for additions, betterments, equipment and extensions chargeable to capital account of \$941,041,902, whereas the work actually authorized and the equipment actually ordered up to Aug. 15 aggregate \$1,097,398,578. The budgets called for only \$212,858,464 for freight cars, of which \$121,203,743 were ordered by the companies while the Government itself has ordered for the companies \$289,450,000, making the total for freight cars for 1918 delivery \$410,653,743, as against \$212,858,464 asked for by the companies on their budgets, or an increase over the budgets of \$197,795,279.

Additions and betterments, excluding equipment, actually authorized to Aug. 15 call for \$106,835,086 chargeable to operating expenses, and \$404,760,071 chargeable to capital account. Of these amounts, \$18,429,765 chargeable to operating expenses and \$102,172,314 chargeable to capital account, or practically 25%, had been spent to June 30.

Equipment actually authorized to Aug. 15 calls for \$18,793,574 chargeable to operating expenses, and \$655,686,551 chargeable to capital account. Of these amounts, \$4,056,688 chargeable to operating expenses, and \$111,229,376 chargeable to capital account had been spent to June 30.

We also take from the "Review" the following consolidated statement for all Class I roads having gross earnings in excess of \$1,000,000 per annum:

**AUTHORIZATIONS & EXPENDITURES IN CONNECTION WITH WORK CHARGEABLE TO CAPITAL ACCOUNT AS OF AUG. 15 1918.**

Class of Work. (1)	1918 Budget. (2)	Additions to Budget. (3)	Work Specifically Authorized to Aug. 15 1918.		Expenditures from Jan. 1 to June 30 1918.		Unexpended Balance.	
			Operating Expenses. (4)	Capital Account. (5)	Operating Expenses. (6)	Capital Account. (7)	Operating Expenses. (8)	Capital Account. (9)
<i>Additions and Betterments (Excluding Equipment)—</i>								
1. Widening cuts and fills, &c.	\$5,097,989	\$431,723	\$2,336,675	\$6,179,333	\$540,294	\$1,920,198	\$1,796,381	\$4,259,135
2. Ballasting	9,579,272	48,170	3,716,745	11,276,956	737,611	1,400,230	2,979,134	9,876,726
3. Rails and other track material	31,365,433	174	41,513,660	28,010,674	5,276,532	7,041,450	36,237,128	20,969,224
4. Bridges, trestles and culverts	33,135,921	701,597	20,341,497	32,156,700	4,671,763	9,323,351	15,669,734	22,833,349
5. Tunnel and subway improvements	2,183,242	47,071	732,973	2,434,253	176,036	426,003	559,937	2,008,232
6. Track elevations or depressions	4,112,536	—	1,302,039	14,279,887	250,159	1,239,104	1,071,880	13,040,723
7. Elimination of grade crossings	7,438,957	193,265	1,099,337	11,118,791	211,406	1,735,112	878,931	9,361,679
8. Grade crossings and crossing signals	621,082	14,915	156,493	1,214,017	56,295	333,532	100,182	680,485
9. Additional main tracks	44,574,583	1,085,427	6,780,655	66,522,416	872,545	13,293,897	5,888,111	33,258,619
10. Additional yard tracks, sidings, &c.	97,199,114	3,246,654	7,070,475	94,584,608	1,312,851	21,810,800	6,557,624	72,773,806
11. Changes of grade or alignment	6,359,027	117,544	2,544,511	7,917,518	408,078	1,552,525	2,136,433	6,364,993
12. Signals and interlocking plants	10,962,462	156,557	2,106,544	11,056,819	390,463	3,091,068	1,796,081	7,965,731
13. Telegraph and telephone lines	5,129,149	213,147	630,655	4,564,792	272,459	1,297,446	358,196	3,267,344
14. Roadway machinery and tools	955,057	36,718	18,236	1,304,897	8,022	637,707	10,208	687,186
15. Section house and roadway buildings	1,306,847	57,304	162,782	2,075,506	50,711	1,346,635	112,071	728,371
16. Fences and snowsheds	817,635	20,573	331,732	1,415,356	48,351	500,380	283,481	914,976
17. Stations and office buildings	20,138,359	857,198	2,936,754	26,239,012	620,298	9,439,200	2,366,276	16,799,812
18. Hotels and restaurants	199,282	61,142	15,865	547,203	2,391	165,397	13,474	391,806
19. Fuel stations and appurtenances	6,090,558	325,297	986,102	5,737,817	216,137	1,742,682	675,965	3,995,155
20. Water stations and appurtenances	13,430,017	191,515	1,481,064	7,722,733	333,868	2,644,634	1,147,196	5,078,999
21. Shop buildings, engine-houses, &c.	62,634,927	1,256,721	4,526,524	37,701,891	925,575	7,634,813	3,604,949	30,017,078
22. Shop machinery and tools	9,142,483	651,741	1,096,111	13,933,243	220,940	3,761,981	875,171	10,171,262
23. Electric power plants, &c.	10,781,347	890,339	1,889,968	18,637,395	154,658	2,964,919	1,735,510	15,672,476
24. Wharves and docks	3,236,167	75,233	871,288	3,326,930	211,091	587,887	660,197	1,939,043
25. Coal and ore wharves	7,024,937	103,401	457,187	3,195,544	270,332	1,777,080	386,855	3,417,664
26. Grain elevators and warehouses	2,914,202	62,095	413,250	2,349,563	64,147	1,439,640	349,103	909,925
27. Real estate	3,309,141	—	21,440	460,212	1,545	335,443	19,892	1,047,689
28. Assessments for improvements	1,179,306	119,451	78,722	1,632,530	35,076	873,448	43,647	759,022
34. All other improvements	27,889,352	9,000	210,992	6,165,499	116,226	1,814,892	94,766	4,350,607
<b>Total (excluding equipment)</b>	<b>\$433,731,488</b>	<b>\$12,986,561</b>	<b>\$106,835,086</b>	<b>\$404,760,071</b>	<b>\$18,429,765</b>	<b>\$102,172,314</b>	<b>\$88,403,321</b>	<b>\$302,587,757</b>
<i>Equipment—</i>								
35. Locomotives, steam	\$196,926,863	—	—	\$108,167,345	—	\$32,174,163	—	\$75,993,180
Ordered by Railroad Administration	—	—	—	76,404,323	—	6,000,000	—	70,404,323
36. Locomotives, other	—	—	—	2,354,925	—	82,861	—	2,272,064
37. Freight-train cars	212,858,464	496,056	121,203,743	280,450,000	—	52,951,152	—	65,252,591
Ordered by Railroad Administration	—	—	—	280,450,000	—	—	—	289,450,000
38. Passenger-train cars	28,459,830	—	—	14,692,415	—	6,607,537	—	8,084,878
39. Work equipment	12,927,109	246,042	—	5,072,853	—	1,075,610	—	3,997,243
40. Motor car and trailers	—	20,200	—	387,298	—	24,091	—	563,207
41. Floating equipment	—	75,000	—	1,890,082	—	343,263	—	1,546,819
42. Miscellaneous equipment	—	7,480	—	655,509	—	212,194	—	443,316
43. Improvements to equipment	35,807,654	546,726	18,793,574	35,203,060	4,056,688	11,758,505	14,736,886	23,449,555
<b>Total equipment</b>	<b>\$435,679,925</b>	<b>\$1,391,514</b>	<b>\$18,793,574</b>	<b>\$655,686,551</b>	<b>\$4,056,688</b>	<b>\$111,229,376</b>	<b>\$14,736,886</b>	<b>\$544,457,173</b>
44. Construction of extensions, &c.	20,530,480	230,894	24,136	35,951,956	—	8,513,036	26,136	28,438,920
<b>Total all work</b>	<b>\$941,041,902</b>	<b>\$14,608,969</b>	<b>\$123,652,706</b>	<b>\$1,097,398,578</b>	<b>\$22,486,453</b>	<b>\$221,914,726</b>	<b>\$103,166,343</b>	<b>\$875,483,852</b>

**ADVANCES TO RAILROADS BY GOVERNMENT.**

With advances by the Railroad Administration of \$38,137,370 made in August to roads under Government control, the total amount advanced by the Government since April 1 aggregates \$241,851,420. Of the latter, \$202,297,660 was taken from the Revolving Fund of \$500,000,000 and \$39,553,760 from the surplus earnings turned over to the Director-General by roads whose receipts for the period exceeded their needs. Director-General McAdoo in his statement made public on the 2d also says that it is estimated that the total amount of money which he has disbursed, over and above all current expenses of operation, out of earnings since Jan. 1 is between \$800,000,000 and \$900,000,000. In furnishing these figures, Mr. McAdoo takes occasion to correct an impression which prevails in some quarters to the effect that the United States Railroad Administration is withholding or has been withholding the standard rentals due to the various railroads under Government control, pending the execution of the contracts between the railroads and the Gov-

ernment, and that the omission of any railroad corporations to settle their debts or claims is due to any omission by the Railroad Administration to pay the accrued rentals. The following is the Director-General's statement in full:

The total amount of money which the United States Railroad Administration has advanced since April 1 1918 to all railroad companies (exclusive of the current earnings of the roads, applied directly by the individual roads to their current expenses and corporate needs) was \$241,851,420, to 64 different roads or systems, of which the amount advanced during the month of August was \$38,137,370.

Of the total amount advanced from April 1 to Sept. 1, \$202,297,660 was taken from the \$500,000,000 Revolving Fund, and \$39,553,760 was taken from the surplus earnings turned over to the Director-General by the limited number of roads whose receipts for the period exceeded their needs.

The total amount of money turned over to the Director-General April 1 to Sept. 1 by roads reporting surplus earnings was \$62,845,699, but of the amount thus turned over \$29,200,699 was returned to roads temporarily making the deposits, these same roads having subsequently called upon the Director-General to advance to them considerable sums in addition to the return of the deposits which they had temporarily made with the Railroad Administration.

The only railroads or systems which have deposited funds with the Director-General and have not asked for the return of any portion of the funds thus deposited were the following:

Atlantic Coast Line and Louisville & Nashville	\$8,450,000	Duluth & Iron Range	\$900,000
Aetblson Topeka & Santa Fe	3,300,000	Ft. Worth & Denver City	700,000
Northern Pacific	2,500,000	Pere Marquette	500,000
Duluth Missabe & Northern	2,400,000	El Paso & Southwestern	500,000
Union Pacific System	2,100,000	Chicago & Eastern Illinois	300,000
Norfolk & Western Ry.	1,500,000	Spokane Portland & Seattle	300,000
Bessemer & Lake Erie	1,500,000	Richmond Fred. & Potomac	300,000
Chicago & North Western	1,500,000	Lehigh & New England	300,000
Elgin Joliet & Eastern	1,500,000	International & Great Nor'n	150,000
		Grand Rapids & Indiana	100,000

Among the other railroads depositing funds with the Director-General which have not already gotten back sums as great or greater than those thus deposited were:

Amount deposited in excess of amount gotten back.	Amount deposited in excess of amount gotten back.		
Southern Pacific Lines	\$2,000,000	Hudson & Manhattan	\$100,000
Chicago Burlington & Quincy	400,000	Vicksburg Shreveport & Pac.	364,000
St. Louis-San Francisco	382,000	Alabama & Vicksburg Ry.	490,000
Colorado & Southern	1,109,000		

During the month of August the Director-General made the following advances to the railroads named over and above their current earnings:

Pennsylvania Railroad Lines	\$9,500,000	Minneapolis & St. Louis Ry.	\$500,000
Baltimore & Ohio Railroad	4,500,000	New York Ont. & Western Ry.	400,000
Illinois Central Railroad	2,700,000	St. Louis-San Francisco Lines	308,000
Seaboard Air Line Ry.	2,000,000	Cincinnati Northern Ry.	300,000
Buffalo Roch. & Pittsb. Ry.	1,800,000	Central New England Ry.	300,000
Missouri Pacific Ry.	1,750,000	Southern Railway Lines	245,000
Chicago Burl. & Quincy Ry.	1,600,000	Chicago Terre Haute & S. E.	229,201
Philadelphia & Reading Ry.	1,400,000	Mo. Kan. & Tex. Ry. of Tex.	225,000
Southern Pacific Ry.	1,300,000	Gulf Mobile & Northern RR.	200,000
Chic. St. P. Minn. & Om. Ry.	1,200,000	Kansas City Mexico & Orient.	180,000
Chic. Milw. & St. Paul Ry.	1,000,000	Western Maryland Ry.	160,000
Chesapeake & Ohio Ry.	1,000,000	Vicks. Shrev. & Pac. Ry.	136,000
Erie Railroad	900,000	Pittsburgh & Shawmut RR.	110,000
Wheeling & Lake Erie Ry.	700,000	Old Dominion Steamship Co.	95,000
Grand Trunk Western Lines	621,000	Ann Arbor RR.	55,000
Wabash Railway	575,000	San Antonio Uvalde & Gulf RR.	45,000
Chicago Great Western Ry.	507,600	Colorado & Southern Ry.	41,000
Florida East Coast Ry.	500,000	Franklin & Pittsylvania Ry.	35,000
Indiana Harbor Belt Ry.	500,000	Alabama & Vicksburg Ry.	10,000
Kansas City Southern Ry.	500,000		

The total amount advanced by the Director-General to all railroad companies from April 1 to Sept. 1 1918 (exclusive of the current earnings immediately applied by the respective companies) was \$241,851,420. The advances were made to the following roads:

N. Y. N. H. & Hartford RR.	\$46,964,000	Chicago Great Western Ry.	\$507,600
New York Central Lines	40,300,000	Hocking Valley Ry.	500,000
Pennsylvania Railroad Lines	40,000,000	Florida East Coast Ry.	500,000
Chic. Milw. & St. Paul Ry.	15,725,000	Kansas City Southern Ry.	500,000
Baltimore & Ohio RR.	13,200,000	St. Louis Southwestern Ry.	500,000
Illinois Central RR.	12,450,000	New York Ontario & Western	400,000
Erie Railroad	8,400,000	Ann Arbor RR.	330,000
Chic. Rock Isl. & Pac. Ry.	6,000,000	Central New England Ry.	300,000
Seaboard Air Line Ry.	4,350,000	Kan. City Mexico & Orient.	300,000
Denver & Rio Grande RR.	4,100,000	Central Vermont Ry.	285,000
Southern Railway Lines	3,940,000	Detroit Toledo & Ironton RR.	238,775
Southern Pacific Lines	3,800,000	Chicago T. H. & S. E. Ry.	229,201
Chesapeake & Ohio Ry.	3,750,000	Gulf Mobile & Northern RR.	200,000
Lehigh Valley RR.	3,500,000	San Antonio & Aransas Pass.	200,000
Wabash RR.	3,225,000	Chicago Junction Ry.	200,000
Chic. Burlington & Quincy	3,100,000	Atlanta Birm. & Atlantic Ry.	189,000
Missouri Pacific Ry.	2,750,000	Western Maryland Ry.	160,000
Missouri Kan. & Texas Lines	2,645,000	Illinois Southern Ry.	150,000
Buff. Roch. & Pittsb. Ry.	2,600,000	Balt. Ry. of Chicago	155,000
Delaware & Hudson Co.	2,000,000	Duluth So. Sh. & Atl. Ry.	150,000
Philadelphia & Reading Ry.	1,400,000	Vicksburg Shrev. & Pac. Ry.	136,000
Minneapolis & St. Louis RR.	1,350,000	New York Chicago & St. L.	132,275
Chicago Ind. & Loulav. Ry.	1,325,000	New Orleans Great Northern	120,000
Chicago St. P. Minn. & Om.	1,200,000	Chicago & Western Ind. Ry.	115,000
St. Louis-San Francisco Lines	1,115,000	Pittsburgh & Shawmut RR.	110,000
Hudson & Manhattan RR.	1,000,000	Old Dominion Steamship Co.	95,000
Central of Georgia Ry.	750,000	Wash. Branchville & Point	
Indiana Harbor Belt Ry.	720,000	Lookout RR.	50,000
Wheeling & Lake Erie Ry.	700,000	San Antonio Uvalde & Gulf.	45,000
Grand Trunk Western Lines	621,000	Colorado & Southern Ry.	41,000
Chicago & Alton RR.	600,000	Franklin & Pittsylvania Ry.	35,000
Norfolk Southern RR.	540,000	Alabama & Vicksburg Ry.	10,000
Terminal R.R. Assn. of St. L.	525,000		

Of the funds thus advanced to date, over 52% went to the three systems, the New Haven, the New York Central and the Pennsylvania.

The Director-General desires to correct the impression which prevails in some quarters to the effect that the United States Railroad Administration is withholding, or has been withholding, the standard rentals due to the various railroads under Government control, pending the execution of the contracts between the railroads and the Government, and that the omission of any railroad corporations to settle their debts or claims is due to any omission by the Railroad Administration to pay the accrued rentals.

The fact is that the equivalent of the standard rentals, which for the first eight months of the current year amounted to approximately \$650,000,000, has already very largely been paid to every railroad company in the United States under Government control, and in many cases the Director-General in addition to paying these roads an amount equal to 90% of their standard rental (which payments in advance of the execution of contracts are permissive and not compulsory under the Railroad Act), has advanced large additional sums of money to these railroad corporations to enable them to meet maturing bond issues which they and their financial agents were unable, under existing conditions, to provide for, and to pay large sums for new equipment and additions and betterments.

The total amount of money, therefore, which the Director-General has disbursed, over and above all current expenses of operation, out of earnings of the railroad properties since Jan. 1 and from current balances taken over on Jan. 1 1918, and from the Treasury's Revolving Fund, up to Sept. 1 1918, is estimated at between \$800,000,000 and \$900,000,000.

In addition to the large sums which have been advanced directly to railroads, either on account of compensation or as loans, the Director-General has advanced on account of orders placed by him for locomotives and cars now under construction, and which are being put in service as rapidly as completed, the further sum of \$11,727,870.

### W. G. McADOO FAVORS ELECTRIFICATION OF ALL RAILROADS.

The views held by Director-General of Railroads McAdoo as to the desirability of electrifying the railroads of the United States were expounded with his recent return to Washington after his two months' absence. His observations of the vast resources of water power are reported by the New York "Times" of Aug. 13 as having impressed Mr. McAdoo with the idea. Aside from the necessity of coal conservation, the fact that transportation limits the available power of our coal would of itself, according to Mr. McAdoo, justify transforming many of our railroads to elec-

trical systems. The following regarding his views is taken from the "Times":

If the Government were to continue the administration of the railroads of the country for any prolonged period, he said, he would be in favor of resorting to the use of electricity just as far as it could be practically employed.

Notwithstanding the great development throughout the country of water power properties, there remained, Mr. McAdoo said, a tremendous empire of power yet to be harnessed and turned to account in moving the industries and the transportation of the American people. This power, now almost entirely the property of the United States, could be commandeered with a cost slight in comparison with the advantages to be derived from it. This, in view of the continually troublesome problems connected with the supply and distribution of the coal necessary in manufactures and to heat homes and city apartments, was a consummation that sooner or later would be forced on the country by absolute necessity.

Secretary McAdoo said that for the present nothing could be done toward substituting water-power for coal-produced steam, but it might come as a plain matter of necessity while this war was on. It would first be desirable to keep up the volume of manufacturing power and then it would be required to relieve terminal needs. Ultimately electricity would be principally employed in moving freight and passengers and first of all in simplifying terminal problems.

The fact that the topography of the country was relieved by its many mountain ranges, all abounding in streams that would provide power, was a guarantee of the practical distribution of current in the sections that were now forging rapidly forward in manufacturing importance.

Some of the virgin ground of manufacturing development, such as the South along the Atlantic seaboard, especially invited the consideration of this plan to relieve the country from the thrall of coal mining and shipment, according to Mr. McAdoo. He held that even if there were no such great necessity to conserve our coal supply, the fact that transportation limits the available power of our coal would of itself justify transforming many of our railroads to electrical systems.

The Secretary suggested that probably electrification would be actually undertaken while the Government had control of the railroads, and that the problem would be attacked at the most favorable points in the country where the static value of water was most obvious and the cost of making the change from steam to electricity would be comparatively slight.

The saving in cost of subsequent operation, he said, would be such a convincing demonstration that electrification as a general policy would be demanded by public opinion. The incidental economy to be obtained from the use of electricity for manufacturing and transportation by use of water power would come at first in the saving of labor, Mr. McAdoo explained. Then the fuel needs of the people could be fully met by the labor released from producing coal for manufacturing plants and the railroads. This, in itself, he said, would be a very large justification for embarking in the experiment of electrification, if it could be called an experiment in the face of the numerous private electric plants operated by water power with such success and such economy.

The history of the work of the Government in the great system of reclamation in the arid West, Mr. McAdoo thought, amply supported the expectation that the Government could put through the conservation of water power for the needs of manufacturing and transportation and the welfare of the people in their homes.

### RAILROAD OFFICIALS AND EMPLOYEES DIRECTED TO KEEP OUT OF POLITICS.

An order forbidding railroad officials and employees to participate in politics has been issued by Director-General of Railroads W. G. McAdoo. In his order Mr. McAdoo says:

The approaching Federal and State elections, including the primary contests connected therewith, make it both timely and necessary that the attitude of the Director-General toward political activity on the part of officers and employees in the railroad service should be clearly stated.

It was a matter of common report that railroads under private control were frequently used for partisan political purposes, that railroad corporations were frequently adjuncts of political machines and that even sovereign States had been at times dominated by them.

Contributions to campaign funds and the skillful and effective coercion of employees were some of the means by which it was believed that many railroads exerted their power and influence in politics. Scandals resulted from such practices, the public interest was prejudiced and hostility to railroad managements was engendered.

Now that the Government controls and operates the railroads, there is no selfish or private interest to serve, and the incentive to political activity on the part of the railroads no longer exists. Under Government control there is no inducement to officers and employees to engage in politics. On the contrary, they owe a high duty to the public scrupulously to abstain therefrom.

It is, therefore, announced as a definite policy of the United States Railroad Administration that no officer, attorney or employee shall:

- (1) Hold a position as a member or officer of any political committee or organization that solicits funds for political purposes;
- (2) Be a delegate to, chairman or officer of any political convention;
- (3) Solicit or receive funds for any political purpose or contribute to any political fund collected by an official or employee of any railroad or any official or employee of the United States or of any State;
- (4) Assume the conduct of any political campaign;
- (5) Attempt to coerce or intimidate another officer or employee in the exercise of his right of suffrage. Violation of this will result in immediate dismissal from the service;
- (6) Become a candidate for any political office. Membership on a local school or park board will not be construed as a political office. Those desiring to run for political office or to manage a political campaign must immediately sever their connection with the United States railroad service.

I am sure that I can count on the loyal co-operation of all officers, attorneys, and employees engaged in the operation of the railroads under Federal control, to carry out in letter and spirit the policy here announced. This policy is intended to secure to all of them freedom of action in the exercise of their individual political rights, and, at the same time, to prevent any form of hurtful or pernicious political activity.

"Let us demonstrate to the American people," says Mr. McAdoo, "that under Federal control, railroad officers, attorneys and employees cannot be made a part of any political machine nor be used for any organized partisan or selfish purpose.

"Let us set such a high standard of public duty and service that it will be worthy of general emulation."

### LOCOMOTIVE BUILDERS PLAN TO DOUBLE NEW PRODUCTION.

A statement issued last week by the War Industries Board announced that at a meeting of representative locomotive builders with Bernard M. Baruch, Chairman of the Board, and other officials of the Board, the Railroad Administration and the Government departments, one of the heaviest problems connected with the direction of war work—an adequate supply of railroad locomotives—was solved. Plans were worked out, according to the announcement, whereby the output of the American locomotive manufacturing plants will be doubled, the increase being from more than 3,000 on a pre-war basis to more than 6,000 completed machines. An equable distribution of the output to meet the military needs in France and the needs of the Railroad Administration for the steam roads of the United States has been provided by the Chairman which has met the approval of the Government officials involved. Among those attending the meeting were Samuel Vauclein of the Baldwin Locomotive Co.; Mr. Fletcher, President of the American Locomotive Co.; Mr. Lassiter, General Manager of the American Locomotive Co.; Colonels Tyler and Wright of the Army Engineers Corps; Assistant General Manager Hines, Director of Operations Gray, and Director of Railroad Equipment J. R. Flannery of the Railroad Administration; and Henry Rea of the Committee on Munitions and Plants.

### ANGLO-AMERICAN DRAFT TREATY RATIFIED.

Ratifications were exchanged in London on July 30 of the military service treaties between the United States, Great Britain and Canada, thereby making effective the two conventions signed on June 3 last by Lord Reading, the British Ambassador at Washington, and Secretary of State Lansing. The treaties had been ratified by the American Senate on June 24, and provide for the mutual drafting of each other's citizens according to the laws of their respective countries. Under the terms of the treaty, American citizens residing in Great Britain or Canada, between the ages of 21 and 31, and British subjects residing in the United States, between 20 and 44, are to be subject to conscription for military service unless they shall within sixty days return to their native land for service there. An exception is made, however, in the case of Irish and Australian citizens residing in the United States, the treaty providing that no person usually resident in a part of the British Empire where compulsory service does not now apply shall be subject to draft here. Should compulsory service laws at any future time be extended to cover such territories, however, the change will also affect the citizens thereof residing here.

For a period of sixty days, from July 31 to Sept. 28, both inclusive, British subjects in the United States, including those who have declared their intention of becoming American citizens, who are at present United States draft age, have their last chance of enlisting, if they wish, in the British and Canadian armies. After Sept. 28 they become liable to compulsory service under the draft law in the United States Army. British subjects, including declarants, 20 years or more, and between 31 and 44, both inclusive, are also within the recruiting convention. For these men President Wilson will appoint a day on which they must register. For thirty days after that day they will have their last chance of enlisting voluntarily in the British and Canadian armies. On the thirty-first day after registration, if they have not so enlisted, they become liable to compulsory service under the American draft law.

Under Article 3 of the convention, the British Ambassador at Washington is authorized to grant exemption from military service in the United States within the respective periods of sixty and thirty days, aforesaid, as the case may be. British subjects and Canadians may now apply for such exemption, subject to certain rules and limitations, which will be made known by the Ambassador upon request.

The treaty had hung fire in the Senate for some time owing to the difference in the draft ages in Great Britain and the United States. The American Government insisted on inserting a clause fixing 21 to 31 as the age limits to be applied to our citizens residing in Great Britain. This would have involved changing the British law, and created delay. An agreement was reached, however, after an exchange of notes between Secretary Lansing and Lord Reading, under which the United States, without insisting on the insertion of this clause, was to take advantage of a provision that gives to either nation the right to exempt any of its citizens, either as individuals or as a class. It was provided, therefore, in

the Senate resolution approving the treaty, that the treaty should not become effective until President Wilson had issued A certificate of exemption applicable to all Americans in England who are under 21 or over 31 years old. Lord Reading's note to Secretary Lansing bearing on this phase of the negotiations was as follows:

The British Ambassador to the Secretary of State.  
British Embassy, Washington, June 3 1918.

Hon. Robert Lansing, Secretary of State of the United States:  
Sir—With reference to the military service convention between the United States and Great Britain signed to-day, I am instructed by his Majesty's Government to explain why the proviso to Article I does not limit the military service of citizens of the United States in Great Britain to those of the ages specified in the laws of the United States, prescribing compulsory military service, as requested by the United States Government. The reason for the omission of this clause in the proviso is a desire to avoid the delay that would be involved in modifying the Military Service Acts, 1916 to 1918, which control the operation of any convention of this character. I beg you, therefore, to be good enough not to press this proposal.

The effect of these acts is to make United States citizens in Great Britain under this convention liable to military service between the ages of 18 and 49, both inclusive. The limitation of the ages of United States citizens in Great Britain for the purpose of military service to those prescribed in the laws of the United States, relating to compulsory military service, may, however, be attained without amendment of these acts by exercise by the United States of its rights of exemption under Article III.

His Majesty's Government understand, therefore, that the United States Government will exercise their right under Article III to exempt from compulsory military service in Great Britain all citizens of the United States in Great Britain outside the ages specified in the laws of the United States prescribing compulsory military service.

I have the honor to be, with the highest consideration, Sir, your most obedient, humble servant.

READING.

To this Secretary Lansing replied:

The Secretary of State to the British Ambassador.

June 3 1918.

His Excellency the Earl of Reading, Ambassador of Great Britain on Special Mission:

I have the honor to acknowledge the receipt of your Excellency's note of this date in regard to the military service convention between the United States and Great Britain, signed to-day, in which you state that you are instructed to explain why the proviso to Article I does not limit the military service of citizens of the United States in Great Britain to those of the ages specified in the laws of the United States, prescribing compulsory military service, as requested by the United States Government. In explanation your Excellency states as follows: [Lord Reading's note is here quoted.]

In reply I have the honor to inform your Excellency that the Government of the United States is pleased to accept this explanation of said Article I, and, in lieu of a clause in this article limiting the military service of citizens of the United States in Great Britain to those of the ages specified in the laws of the laws of the United States prescribing compulsory military service, to exercise its right under Article III to exempt from compulsory military service in Great Britain all citizens of the United States in Great Britain, outside of the ages specified in the laws of the United States prescribing compulsory military service.

I have the honor to be, with the highest consideration,

Your Excellency's most obedient servant,

ROBERT LANSING.

The treaty is in two parts, one applying to the entire British Empire excepting Canada, and the other to Canada only. The only difference, however, is that the treaty dealing with Canada specifically provides that the age limits applying in the United States shall apply to Americans in Canada.

The text of the treaty follows:

### CONVENTION RELATING TO THE SERVICE OF CITIZENS OF THE UNITED STATES IN GREAT BRITAIN AND OF BRITISH SUBJECTS IN THE UNITED STATES.

The President of the United States of America and his Majesty the King of the United Kingdom of Great Britain and Ireland and of the British Dominions beyond the Seas, Emperor of India, being convinced that for the better prosecution of the present war it is desirable that citizens of the United States in Great Britain and British subjects in the United States shall either return to their own country to perform military service in its army or shall serve in the army of the country in which they remain, have resolved to enter into a convention to that end, and have accordingly appointed as their plenipotentiaries the President of the United States of America and Robert Lansing, Secretary of State of the United States, and his Britannic Majesty, the Earl of Reading, Lord Chief Justice of England, High Commissioner and Ambassador Extraordinary and Plenipotentiary on Special Mission to the United States, who, after having communicated to each their respective full powers, found to be in proper form, have agreed upon and concluded the following articles:

#### Article I.

All male citizens of the United States in Great Britain and all male British subjects in the United States shall, unless before the time limited by this convention they enlist or enroll in the forces of their own country or return to the United States or Great Britain, respectively, for the purpose of military service, be subject to military service and entitled to exemption or discharge therefrom under the laws and regulations from time to time in force of the country in which they are:

Provided, That in respect to British subjects in the United States, the ages for military service shall be for the time being 20 to 44 years, both inclusive;

Provided, however, That no citizen of the United States in Great Britain and no British subject in the United States who, before proceeding to Great Britain or the United States, respectively, was ordinarily resident in a place in the possessions of the United States or his Majesty's dominions, respectively, where the law does not impose compulsory military service shall, by virtue of this convention, be liable to military service under the laws and regulations of Great Britain or the United States, respectively;

Provided, further, That in the event of compulsory military service being applied to any part of his Majesty's dominions in which military service at present is not compulsory, British subjects who, before proceeding to the United States were ordinarily resident in such part of his Majesty's dominions, shall thereupon be included within the terms of this convention.

*Article II.*

Citizens of the United States and British subjects within the age limits aforesaid, who desire to enter the military service of their own country must, after making such application therefor as may be prescribed by the laws or regulations of the country in which they are, enlist or enroll or must leave Great Britain or the United States, as the case may be, for the purpose of military service in their own country before the expiration of sixty days after the date of the exchange of ratifications of this convention, if liable to military service in the country in which they are at the said date; or if not so liable, then before the expiration of thirty days, after the time when liability shall accrue; or as to those holding certificates of exemption under Article III of this convention, before the expiration of thirty days after the date on which any such certificates become inoperative unless sooner renewed; or as to those who apply for certificates of exemption under Article III and whose applications are refused, then before the expiration of thirty days after the date of such refusal, unless the application be sooner granted.

*Article III.*

The Government of the United States and his Britannic Majesty's Government may, through their respective diplomatic representatives, issue certificates of exemption from military service to citizens of the United States in Great Britain and British subjects in the United States, respectively, upon application or otherwise, within sixty days from the date of the exchange of ratifications of this convention or within thirty days from the date when such citizens or subjects become liable to military service, in accordance with Article I, provided that the applications be made or the certificates be granted prior to their entry into the military service of either country.

Such certificates may be special or general, temporary or conditional, and may be modified, renewed, or revoked in the discretion of the Government granting them. Persons holding such certificates shall, so long as the certificates are in force, not be liable to military service in the country in which they are.

*Article IV.*

The convention shall not apply to British subjects in the United States (a) who were born or naturalized in Canada and who before proceeding to the United States were ordinarily resident in Great Britain or Canada, or in any other part of his Majesty's dominions to which compulsory military service has been or may be hereafter by law applied, or outside the British dominions, or (b) who were not born or naturalized in Canada, but who before proceeding to the United States were ordinarily resident in Canada.

*Article V.*

The Government of the United States and his Britannic Majesty's Government will, respectively, so far as possible, facilitate the return of British subjects and citizens of the United States who may desire to return to their own country for military service, but shall not be responsible for providing transport or the cost of transport for such persons.

*Article VI.*

No citizen of either country, who under the provisions of this convention enters the military service of the other, shall by reason of such service be considered after this convention shall have expired or after his discharge, to have lost his nationality or to be under any allegiance to his Britannic Majesty or to the United States, as the case may be.

*Article VII.*

The present convention shall be ratified by the President of the United States of America by and with the advice and consent of the Senate of the United States and by his Britannic Majesty, and the ratifications shall be exchanged at Washington or at London as soon as possible. It shall come into operation on the date on which the ratifications are exchanged, and shall remain in force until the expiration of sixty days after either of the contracting parties shall have given notice of termination to the other; whereupon any subject or citizen of either country incorporated into the military service of the other under this convention shall be as soon as possible discharged therefrom.

In witness whereof the respective plenipotentiaries have signed the present convention and have affixed thereto their seals.

Done in duplicate at Washington, the 31 day of June, in the year of our Lord one thousand nine hundred and eighteen.

ROBERT LANSING. (Seal.)  
READING. (Seal.)

A press dispatch from Washington on June 24 stated that it was estimated that some 54,000 American citizens in the British Empire, including 36,000 in Canada, and 310,000 British subjects in the United States, including 60,000 Canadians, would be affected by the treaties. Similar treaties with France and Italy, now being negotiated, are expected to add some hundreds of thousands more to the available Allied forces.

#### NEW COMMERCIAL TREATY WITH SWEDEN MAKES IMPORTANT CONCESSIONS TO U. S. AND ALLIES.

As the result of months of negotiations, an agreement has finally been entered into between Great Britain, France and the United States on the one hand and Sweden on the other, under which the former agree to the rationing of Sweden in return for the use of 400,000 tons of Swedish shipping and certain Swedish products, including iron ore, steel, paper and pulp. In addition, Sweden undertakes to grant to the associated Governments suitable credits for the purchase of goods during the continuance of present unfavorable exchange conditions, and to give guarantees that no goods imported to Sweden will be re-exported to Germany or allowed to release similar Swedish products for such export.

The United States now has rationing agreements with four of the principal European neutrals—Sweden, Norway, Spain and Switzerland. There are no agreements yet with Holland and Denmark, but each of these neutrals has a commercial mission in the United States, and there is every reason to believe, it is said, that they, too, will come into line.

The terms of the new agreement, made public on Aug. 22 by Axel Robert Nordvall, head of the Swedish Government Commission to the United States, amount virtually to a commercial treaty, signed on May 29 last, between Sweden, the United States and the Entente countries. Mr. Nordvall's headquarters will be in Washington, but the Commission of which he is the head, which will have general supervisory powers over exports to Sweden from the United States, will maintain permanent offices in New York for the benefit of exporters, instructing them as to the forms required for export licenses from this country and import licenses into Sweden. Mr. Nordvall's statement was given out from the New York Produce Exchange, where he held a conference on Aug. 22 with representatives of leading firms interested in Swedish trade. It reads as follows:

In May, 1917, almost immediately after the United States had entered the war, the Swedish Government sent a commission to this country to try to make some arrangement with this Government by which it would be possible to obtain the import to Sweden of certain essentials—food as well as raw materials. When the Swedish Commission arrived last year the United States was just building up its huge war organization. The Food Administration and the War Trade Board were being formed, and before it was possible for the United States to decide what could be spared to the neutral countries it had to make sure what its own supplies were, the possibilities for the domestic consumption as well as for the consumption of the Allies. We all remember now dark the prospects were after the first estimate of resources had been made. It then seemed impossible to spare anything in the form of food for the neutrals; but, thanks to the marvelous response which the American people made to Herbert Hoover's demand for greater economy in foodstuffs, it became possible for the War Trade Board to open negotiations with the neutral countries with a view to providing them with much-needed foodstuffs and raw material in limited quantities.

Such negotiations were also started in Washington with the Swedish Commission, of which Axel Robert Nordvall was a member, but these negotiations were in the latter part of last year transferred to London, where an Inter-Allied Committee carried on and brought to a successful conclusion negotiations with a delegation from Sweden which Mr. Nordvall joined in the beginning of this year.

The agreement between the Swedish Government, the United States and the Associated Governments was signed at the end of last May, and the long time it took to arrive at a point where full harmony between the signatories to the agreement existed may, to some degree, give an idea of the many complicated problems which had to be solved before an agreement could be reached, and only the honest and openly expressed desire of all parties involved to reach an understanding whereby a friendly intercourse between neutral Sweden and the Allied countries might exist in the future made it possible to arrive at a solution of the difficult problem.

It can be said of the agreement that it is fair to all parties and is a result of the give and take policy which is the only safe basis for an understanding which is meant to be more than a temporary one. Sweden has put at the disposal of the Allies all the ships she can possibly spare, and has kept for herself only enough tonnage—and scarcely that—to bring home the goods of which she is in the greatest need. Swedish tonnage which is now chartered in the United States and Allied service amounts to 400,000 deadweight tons, of which 200,000 will be allowed to trade within and 200,000 outside the war zone.

Sweden has further guaranteed the associated Governments a fair proportion of Sweden's entire iron ore export, and the Executive order of President Wilson, dated the 29th of June, by which he appropriates "\$6,000,000, to be expended by the Secretary of Commerce in payment to the proper authorities of the Government of Great Britain of one-third part of the purchase price of 2,000,000 tons of Swedish iron ore, the purchase of which is provided for in the agreement of May 29 1918", shows that considerable quantities are involved.

Sweden has further undertaken to license the export to the associated Governments of wood pulp, paper, iron, steel, &c., and has also agreed to grant to the associated Governments suitable credit in Sweden for the purchase of Swedish goods during the continuance of the present unfavorable exchange on pounds sterling which exists in relation to the Swedish krona, and which, of course, directly affects the dollar exchange.

Furthermore, Sweden has given satisfactory guarantees that no goods imported to Sweden from the United States or Allied countries or from other countries where the associated Governments control shipping on account of their control over bunker fuels or for other reasons, will be exported to any country now at war with the associated Governments—neither will such imported goods release similar Swedish goods for such export. As a result of the agreement, Sweden has put an absolute embargo on the export of all kinds of foodstuffs, whether of domestic or foreign origin, and on a great many other commodities as well.

In exchange for these commodities, facilities, and guarantees, the associated Governments have undertaken to facilitate the successive import to Sweden of the following necessities in quantities which, in view of the present world scarcity of such goods, must be considered fair, viz.: Bread cereals, fodder, &c., to be purchased and shipped from Argentina or Australia; coal and coke from England; mineral oils and edible oils of various kinds; sugar; rubber and rubber goods; cotton and cotton goods; wool and woolen goods; textiles; hides, leather and tanning material; coffee, cocoa; tobacco; copper; ferro-alloys, tin, tinplate; nitrate of soda; raw phosphates; sulphur, and other goods and materials necessary for Sweden's economic life.

Of the above mentioned it is to be expected that the bread cereals, wool, hides, coffee, nitrate of soda, &c., will be imported to Sweden from South America, and mineral oils, certain edible oils, rubber goods, cotton textiles, leather, raw phosphates, copper and other metals, chemicals, dried fruit and canned fruit, canned and dried vegetables, syrups, certain products of wheat, corn and oats, &c., will be allowed to go from the United States.

The signing of the treaty indicates the continuance of the friendship and good-will between the United States and its allies and Sweden.

The position of a neutral country like Sweden is difficult and delicate. This is realized by the United States, which has given every indication that it will not add to the embarrassments now confronting the neutrals, and has shown every disposition to aid and lighten their burdens.

Benjamin Franklin in 1783 signed the first treaty of friendship and commerce with Sweden. That treaty contained the first "most favored nation" clause, and the present treaty assures a continuance of the expressions of confidence and friendship expressed by Franklin and by the Swedish Government when the American Republic was just embarking on its career as an independent nation.

Discussing informally the points covered by his statement, Mr. Nordvall, as quoted in the New York "Times" of Aug. 23, remarked that the agreement was practically a full acceptance by Sweden of the principle of the blockade and embargo for Germany, regarding which there has been so long controversy between Sweden and the Allies, inasmuch as it admits Allied control, through bunker licenses, of trade between Sweden and other neutral nations, such as Argentina, even in Swedish bottoms. He also remarked that granting to England, France and the United States a fair proportion of Swedish iron ore and iron and steel exports represented a direct gain for the Allies, as for 25 years before the war Germany was practically Sweden's only customer for iron ore, and until now, even during the war, has maintained that position. But since the Allies wanted to buy part of the Swedish ore production, Sweden, as a neutral, was bound to give them a fair proportion.

#### INCOME AND EXCESS PROFITS RETURN IN LATE FISCAL YEAR \$2,839,083,000.

Total internal revenue returns of \$3,694,703,000 for the fiscal year ended June 30 1918 were shown in a report presented to Secretary of the Treasury McAdoo by Internal Revenue Commissioner Roper on Aug. 6. Of the sum indicated income and excess profits payments in June yielded \$2,839,083,000. Next to income and excess profits taxes, liquor taxes brought in the most money, \$443,838,000, including \$317,553,000 from whiskey, brandy, wine and spirits, and \$126,285,000 from beer and other fermented liquors. Taxes on cigars, cigarettes and other tobacco products yielded \$156,188,000. These figures are somewhat higher than those reported soon after the close of the year by Commissioner Roper, and are subject to further slight modifications. After income, excess profits, liquor and tobacco taxes, the biggest yield from any other source came from levies on transportation and utilities which went into effect on Nov. 1, amounting to \$70,734,000, divided as follows: Freight, 3%, \$30,002,000; passenger tickets, 8%, \$24,306,000; express, 5%, \$6,458,000; berths and staterooms, 10%, \$2,236,000; telephone, telegraph and radio messages, 5% each, \$6,299,000; oil pipe lines, 5%, \$1,433,000. Levies on estates of deceased persons brought in \$47,452,000. Amusements, such as theatres, cabarets, pleasure parks and dance halls, taxed virtually 10% on the admission price, yielded for the eight months \$26,357,000.

A notable feature of the report was the item of only \$12,995,000 collected in excise taxes on sales of articles usually classed as luxuries—piano players, moving picture films, jewelry, perfumes, cosmetics, proprietary medicines, chewing gum, cameras and yachts. The Administration tax program this year calls for raising about a billion dollars from luxuries. Taxes on the value of capital stock of corporations last year amounted to \$24,996,000; on manufacturers or dealers in automobiles and motorcycles, \$23,981,000; on munition manufacturers, \$13,296,000. Documentary stamp taxes imposed since Dec. 1 1917 produced \$18,813,000. Club dues, taxed at 10%, yielded \$2,259,000. Taxes on insurance policies amounted to \$6,492,000; on oleomargarine, \$2,336,000; on bowling alleys, pool and billiard tables, \$1,086,000; on theatre, circus and museum proprietors, \$865,000, and on stock brokers, \$333,000. The volume of taxes collected during the year is shown by comparison with the total of the year preceding, \$809,393,000.

#### AUSTRIA-HUNGARY RESENTS ENTENTE RECOGNITION OF CZECHO-SLOVAKS.

The efforts of the Entente Governments to give the sanction of international law to the belligerency of the various Czecho-Slovak armies now fighting against the Central Empires in France, Italy and Russia, by extending formal recognition to the "Czecho-Slovak nation" and to the Czecho-Slovak National Council as its Government, has been repudiated by Austria-Hungary, whose subjects the Czecho-Slovaks technically are, in a statement which announces that they will be treated as traitors if taken with arms in hand. The Czecho-Slovaks have been formally recognized by France, England and Italy, and our State Department has declared its sympathy "with the nationalistic aspirations" of the Czecho-Slovak people. The realization of such aspirations would of course involve the dismemberment of the Austro-Hungarian Empire as at present constituted. The Austrian Government's statement as forwarded from Amsterdam on Aug. 17 reads as follows:

The form and contents of this latest declaration of the British Government must be emphatically repudiated. The Czecho-Slovaks' National Council is a committee of private persons who have no mandate from the Czecho-Slovak people and still less from the Czecho-Slovak "nation," which exists only in the imagination of the Entente.

Equally absurd is it to represent this committee as a future Government, which does not as yet exist.

In reference to the Czecho-Slovak "army," it may constitute a part of the Entente army, but it certainly cannot be an ally of the Entente in the sense of international law. It is well-known to us that only a slight fraction of the self-styled Czecho-Slovak army are Austrian or even Hungarian citizens of Slovak tongue.

These disloyal elements, guilty of perjury, will, notwithstanding the Entente's recognition, be regarded and treated as traitors. It cannot be permitted that the peoples who have always fulfilled their duties as Austrian and Hungarian citizens, and whose sons as members of the Austro-Hungarian Army fought bravely against the Entente, shall be subjected to the suspicions cast upon them by such methods as employed by the British official declaration. The Austro-Hungarian Government reserves its steps in this regard.

#### FEATURES OF PROGRAM OF CONVENTION OF AMERICAN BANKERS' ASSOCIATION.

An indication as to the program which will be presented at the annual convention of the American Bankers' Association which is to take place in Chicago from Sept. 23 to 28 is furnished in an announcement given out by the Association during the past week. The meeting will be a war convention and the various sessions will be devoted largely to addresses and discussions on topics of the day. The general convention will open Sept. 26 with a concert by one of Chicago's famous bands. Addresses of welcome will be made by Frank O. Lowden, Governor of the State of Illinois and a banker of Chicago. The annual addresses and response to addresses of welcome by President C. A. Hinsch will follow. Then will come annual reports of officers of the association and addresses. Among the prominent speakers who will address the convention are: Frank O. Lowden, who in addition to his message of welcome, will deliver an address; Harry A. Wheeler, President Chamber of Commerce of the United States, Chicago, Ill., will speak on "The Merchant Marine and the Railroads;" W. H. Vandervoort, of the Root & Vandervoort Engineering Company and the R. & V. Wagner Ordnance Company-East Moline, Ill., on "Relations Between Employer and Employee;" the Rt. Rev. Charles David Williams, Bishop of the Diocese of Michigan, Detroit, Mich., will speak on "The Red Cross." Tentative promises to address the convention have been received from Hon. Newton D. Baker, Secretary of War; Josephus Daniels, Secretary of the Navy; Charles M. Schwab, Director-General, Emergency Fleet Corporation, Philadelphia, Pa.; Otto H. Kahn, of New York City; Hon. George E. Chamberlain, Chairman, Committee on Military Affairs, United States Senate. Senator Chamberlain will speak on "Universal Military Training." A promise to address the convention has been received from the Earl of Reading provided he returns to this country from England in time. The bankers of Chicago do not wish to eliminate entirely the entertainment features and have planned for an automobile trip through the parks and boulevards of Chicago for Monday afternoon, Sept. 23. There will be theatre entertainments on Wednesday and Friday evening; a luncheon for the ladies at the South Shore Country Club on Thursday afternoon; and arrangements are about perfected to have their banker guests visit the Great Lakes Naval Station on Saturday forenoon, Sept. 28. Last week we gave details, as thus far arranged, of the programs to be presented by the various sections of the association. The general program of the week's proceedings is like that of former conventions:

Monday morning, Sept. 23—Committee meetings of the association and its various sections.

Monday afternoon, Sept. 23—Annual meeting of the Executive Council.

Tuesday and Wednesday, Sept. 24 and 25 general meetings of the Trust Company, Savings Bank, Clearing House, State Secretaries, National Bank and State Bank Sections.

There will be a joint meeting of the National Bank, Savings Bank, State Bank and Trust Company Sections on Tuesday evening.

The new executive council will meet for organization Saturday morning, Sept. 28. The Congress Hotel and Annex will be official headquarters for registration as well as all committee and section meetings. The general sessions of the convention will be held in the Auditorium Theatre. John R. Washburn, Chairman of the local Hotel Committee, care Continental and Commercial National Bank, Chicago, Ill., has charge of the hotel reservations. The various local committees of the entertaining city are holding meetings and are busily engaged to the end that the forty-fourth annual convention of the American Bankers Association will be the most successful in the history of the organization.

**TEXT OF \$8,000,000,000 WAR REVENUE BILL  
PROPOSED BY COMMITTEE ON  
WAYS AND MEANS.**

The following is the text of the \$8,000,000,000 War Revenue Bill as reported to the House of Representatives on Tuesday, Sept. 3, by the Committee on Ways and Means through its Chairman, Claude Kitchin. We publish the bill in full except that we omit Title VI dealing with the tax on beverages and Title VII dealing with the tax on cigars, tobacco and manufactures thereof. A reference to the explanatory report presented by Mr. Kitchin in submitting the Bill will be found in another article.

[H. R. 12863.]

[Report No. 767.]

A BILL to provide revenue, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

**TITLE I.—GENERAL DEFINITIONS.**

Section 1. That when used in this Act—

The term "person" includes partnerships, corporations and associations, as well as individuals;

The term "corporation" includes associations, joint-stock companies and insurance companies, as well as private corporations;

The term "domestic" when applied to a corporation or partnership means created or organized in the United States;

The term "foreign" when applied to a corporation or partnership means created or organized outside the United States;

The term "United States" when used in a geographical sense includes only the States, the Territories of Alaska and Hawaii and the District of Columbia;

The term "Secretary" means the Secretary of the Treasury;

The term "Commissioner" means the Commissioner of Internal Revenue;

The term "collector" means collector of Internal revenue;

The term "Revenue Act of 1916" means the Act entitled "An Act to increase the revenue, and for other purposes," approved Sept. 8 1916;

The term "Revenue Act of 1917" means the Act entitled "An Act to provide revenue to defray war expenses, and for other purposes," approved Oct. 3 1917;

The term "taxpayer" includes any person, trust or estate subject to a tax imposed by this Act;

The term "Government contract" means (a) a contract made with the United States, or with any department, bureau, officer, commission, board or agency under the United States and acting in its behalf, or with any agency controlled by any of the above if the contract is for the benefit of the United States, or (b) a subcontract made with a contractor performing such a contract if the products or services to be furnished under the sub-contract are for the benefit of the United States.

**TITLE II.—INCOME TAX.**

**PART I.—GENERAL PROVISIONS.**

*Definitions.*

Sec. 200. That when used in this title—

The term "taxable year" means the calendar year, or the fiscal year ending during such calendar year, upon the basis of which the net income is computed under section 212 or section 232. The term "fiscal year" means an accounting period of twelve months ending on the last day of any month other than December. The first taxable year, to be called the taxable year 1918, shall be the calendar year 1918 or any fiscal year ending during the calendar 1918;

The term "fiduciary" means a guardian, trustee, executor, administrator, receiver, conservator or any person acting in any fiduciary capacity for any person, trust or estate;

The term "withholding agent" means any person required to deduct and withhold any tax under the provisions of section 221 or section 237.

The term "dividend" means any distribution made by a corporation out of its earnings or profits, accrued since Feb. 28 1913 and payable to its shareholders or members, whether in cash or in other property or in stock of the corporation. Any distribution shall be deemed to have been made from earnings or profits unless all earnings and profits have first been distributed. Any distribution made in the year 1918 or subsequent years shall be deemed to have been made from earnings or profits accrued since Feb. 28 1913; but any earnings or profits accrued prior to March 1 1913 may be distributed in stock dividends or otherwise, exempt from the tax, after the earnings and profits accrued since Feb. 28 1913 have been distributed. If paid in stock of the corporation, a dividend shall be considered income to the amount of the earnings or profits distributed. Amounts distributed in the liquidation of a corporation shall be treated as payments in exchange for stock, and any gain or profit realized thereby shall be taxed to the distributee as other gains or profits.

*Basis for Determining Gain or Loss.*

Sec. 201. That for the purpose of ascertaining the gain derived or loss sustained from the sale or other disposition of property, real, personal or mixed, the basis shall be—

(a) In the case of property acquired before March 1 1913 the fair market price or value of such property as of that date; and

(b) In the case of property acquired on or after that date, (1) the cost thereof; or (2) the inventory value, if the inventory is made in accordance with section 202.

*Inventories.*

Sec. 202. That whenever in the opinion of the Commissioner the use of inventories is necessary in order clearly to determine the income of any taxpayer, inventories shall be taken by such taxpayer upon such basis as the Commissioner, with the approval of the Secretary, may approve or prescribe as most clearly reflecting the income of the taxpayer.

**PART II.—INDIVIDUALS.**

*Normal Tax.*

Sec. 210. That there shall be levied, collected and paid for each taxable year upon the net income of every individual a normal tax, as follows:

(a) in the case of a citizen or resident of the United States 12% of the amount of the net income in excess of the credits provided in section 216: *Provided*, That upon the first \$4,000 of this amount the rate shall be 6%;

(b) In the case of a non-resident alien, 12% of the amount of the net income in excess of the credits provided in section 216.

*Surtax.*

Sec. 211. That in addition to the normal tax imposed by section 210 there shall be levied, collected and paid for each taxable year upon the net income of every individual a surtax equal to the sum of the following:

2% of the amount by which the net income exceeds \$5,000 and does not exceed \$7,500;

3% of the amount by which the net income exceeds \$7,500 and does not exceed \$10,000;

7% of the amount by which the net income exceeds \$10,000, and does not exceed \$15,000;

10% of the amount by which the net income exceeds \$15,000, and does not exceed \$20,000;

15% of the amount by which the net income exceeds \$20,000 and does not exceed \$30,000;

20% of the amount by which the net income exceeds \$30,000 and does not exceed \$40,000;

25% of the amount by which the net income exceeds \$40,000 and does not exceed \$50,000;

32% of the amount by which the net income exceeds \$50,000 and does not exceed \$60,000;

38% of the amount by which the net income exceeds \$60,000 and does not exceed \$70,000;

42% of the amount by which the net income exceeds \$70,000 and does not exceed \$80,000;

46% of the amount by which the net income exceeds \$80,000 and does not exceed \$90,000;

48% of the amount by which the net income exceeds \$90,000 and does not exceed \$100,000;

50% of the amount by which the net income exceeds \$100,000 and does not exceed \$200,000;

52% of the amount by which the net income exceeds \$200,000 and does not exceed \$300,000;

54% of the amount by which the net income exceeds \$300,000 and does not exceed \$500,000;

58% of the amount by which the net income exceeds \$500,000 and does not exceed \$1,000,000;

60% of the amount by which the net income exceeds \$1,000,000 and does not exceed \$5,000,000; and

65% of the amount by which the net income exceeds \$5,000,000.

*Net Income Defined.*

Sec. 212 (a). That in the case of an individual the term "net income" means the gross income as defined in section 213, less the deductions allowed by section 214.

(b) The net income shall be computed upon the basis of the taxpayer's annual accounting period (fiscal year or calendar year, as the case may be) in accordance with the method of accounting regularly employed in keeping the books of such taxpayer; but if no such method of accounting has been so employed, or if it does not clearly reflect the income, the computation shall be made upon such basis and in such manner as in the opinion of the Commissioner does clearly reflect the income. If the taxpayer's annual accounting period is other than a fiscal year as defined in section 200 or if the taxpayer has no annual accounting period or does not keep books, the net income shall be computed on the basis of the calendar year.

If a taxpayer changes his accounting period from fiscal year to calendar year, from calendar year to fiscal year, or from one fiscal year to another, the net income shall, with the approval of the Commissioner, be computed on the basis of such new accounting period, subject to the provisions of section 226.

*Gross Income Defined.*

Sec. 213. That for the purposes of this title (except as otherwise provided in section 233) the term "gross income"—

(a) Includes gains, profits and income derived from salaries, wages, or compensation for personal service (including in the case of the President of the United States, the judges of the Supreme and inferior courts of the United States, and all other officers and employees, whether elected or appointed, of the United States, or of any State, Alaska, Hawaii, or any political subdivision thereof, or the District of Columbia, the compensation received as such), of whatever kind and in whatever form paid, or from professions, vocations, trades, businesses, commerce, or sales, or dealings in property, whether real or personal, growing out of the ownership or use of or interest in such property; also from interest, rent, dividends, securities, or the transaction of any business carried on for gain or profit, or gains or profits and income derived from any source whatever. The amount of all such items shall be included in the gross income for the taxable year in which received by the taxpayer, unless, under methods of accounting permitted under subdivision (b) of section 212, any such amounts are to be properly accounted for as of a different period; but

(b) Does not include the following items, which shall be exempt from taxation under this title:

(1) The proceeds of life insurance policies paid upon the death of the insured to individual beneficiaries or to the estate of the insured;

(2) The amount received by the insured as a return of premium or premiums paid by him under life insurance, endowment, or annuity contracts, either during the term or at the maturity of the term mentioned in the contract or upon surrender of the contract;

(3) The value of property acquired by gift, bequest, devise, or descent (but the income from such property shall be included in gross income);

(4) Interest upon (a) the obligations of a State, Territory, or any political subdivision thereof, or the District of Columbia, issued on or prior to the date of the passage of this Act, or (if authorized by law on or prior to the date of the passage of this Act) issued within six months after the passage of this Act and containing a statement of such authorization and its date, or (if issued after the passage of this Act) containing a statement that they are issued for the purpose of funding or refunding any interest-bearing indebtedness outstanding on the date of the passage of this Act or for the purpose of carrying out a contract entered into on or prior to the date of the passage of this Act: *Provided*, That there shall be excluded from gross income in the case of any person owning obligations of States, Territories, political subdivisions thereof, or the District of Columbia (the interest upon which is included in gross income), the interest upon an amount of such obligations the principal of which does not exceed in the aggregate of \$5,000; or (b) securities issued under the provisions of the Federal Farm Loan Act of July 17 1916; or (c) the obligations of the United States or its possessions. In the case of obligations of the United States issued after Sept. 1 1917, the interest shall be exempt only if and to the extent provided in the Act authorizing the issue thereof, and shall be excluded from gross income only if and to the extent it is wholly exempt from taxation both under this title and under Title III.

(5) The income of foreign Governments received from investments in the United States in stocks, bonds, or other domestic securities, owned by such foreign Governments, or from interest on deposits in banks in the United States of moneys belonging to such foreign Governments, or from any other source within the United States;

(6) Amounts received, through accident or health insurance or under workmen's compensation Acts, as compensation for personal injuries or sickness, plus the amount of any damages received whether by suit or agreement on account of such injuries or sickness;

(7) Income derived from any public utility or the exercise of any essential Governmental function and accruing to any State, Territory, or the District of Columbia, or any political subdivision of a State or Territory, or income accruing to the Government of the Philippine Islands or Porto Rico, or any political subdivision thereof.

Whenever any State, Territory, or the District of Columbia, or any political subdivision of a State or Territory, prior to Sept. 8 1916, entered in good faith into a contract with any person or corporation, the object and purpose of which is to acquire, construct, operate, or maintain a public utility, no tax shall be levied under the provisions of this title upon the income derived from the operation of such public utility, so far as the payment thereof will impose a loss or burden upon such State, Territory, District of Columbia, or political subdivision; but this provision is not intended to confer upon such person or corporation any financial gain or exemption or to relieve such person or corporation from the payment of a tax as provided for in this title upon the part or portion of such income to which such person or corporation is entitled under such contract;

(8) So much of the amount received by a person in the military or naval forces of the United States as salary or compensation in any form from the United States for services abroad or at sea in such forces, as does not exceed \$3,500.

(c) In the case of nonresident alien individuals, gross income includes only the gross income from sources within the United States, including interest on bonds, notes, or other interest-bearing obligations of residents, corporate or otherwise, and including dividends from resident corporations.

#### Deductions Allowed.

Sec. 214. (a) That in computing net income there shall be allowed as deductions:

(1) All the ordinary and necessary expenses paid or incurred during the taxable year in carrying on any trade or business, including a reasonable allowance for salaries or other compensation for personal services actually rendered and including rentals or other payments required to be made as a condition to the continued use or possession, for purposes of the trade or business, of property to which the taxpayer has not taken or is not taking title or in which he has no equity;

(2) All interest paid or accrued within the taxable year on indebtedness (or, in the case of a nonresident alien individual, the proportion of such interest paid which the amount of his gross income from sources within the United States bears to the amount of his gross income from all sources within and without the United States) in excess of interest received free from taxation under this title;

(3) Taxes paid or accrued within the taxable year imposed (a) by the authority of the United States, except income, war-profits and excess-profits taxes; or (b) by the authority of any of its possessions, except the amount of income, war-profits and excess-profits taxes allowed as a credit under section 222; or (c) by the authority of any State or Territory, or any county, school district, municipality, or other taxing subdivision of any State or Territory, not including those assessed against local benefits; or (d) in the case of a citizen or resident of the United States, by the authority of any foreign country, except the amount of income, war-profits and excess-profits taxes allowed as a credit under section 222;

(4) Losses sustained and charged off during the taxable year and not compensated for by insurance or otherwise, if incurred in trade or business;

(5) Losses sustained during the taxable year and not compensated for by insurance or otherwise, if incurred in any transaction entered into for profit, though not connected with the trade or business; but in the case of nonresident alien individual only as to such transactions within the United States;

(6) Losses sustained during the taxable year of property not connected with the trade or business (but in the case of a nonresident alien individual only property within the United States) if arising from fires, storms, shipwreck, or other casualty, or from theft, and if not compensated for by insurance or otherwise;

(7) Debts ascertained to be worthless and charged off within the taxable year;

(8) A reasonable allowance for the exhaustion, wear and tear of property used in the trade or business, but in the case of a nonresident alien individual only as to property within the United States;

(9) In the case of buildings, machinery, equipment, or other facilities, constructed, erected, installed, or acquired, on or after April 6 1917 for the production of articles contributing to the prosecution of the present war, there may be allowed a reasonable deduction for the amortization of such part of the cost of such facilities as has been borne by the taxpayer, but not again including amounts otherwise allowed under this title for depreciation, exhaustion, or wear and tear. At any time within three years after the termination of the present war with the Imperial German Government as declared by proclamation of the President, the Commissioner may, and at the request of the taxpayer shall, re-examine the return, and if he then finds as a result of an appraisal or from other evidence that the reduction originally allowed was incorrect, the necessary adjustment of the taxes for the year or years affected shall be made and the amount of tax due upon such readjustment, if any, shall be paid upon notice and demand by the collector, or the amount of tax overpaid, if any, shall be credited or refunded to the taxpayer in accordance with the provisions of section 252. In the case of a nonresident alien individual this deduction shall be allowed only as to facilities within the United States. In no case shall the deduction allowed under this paragraph exceed 25% of the taxpayer's net income as computed without the benefit of this paragraph or paragraph (11);

(10) (a) In the case of oil and gas wells a reasonable allowance for actual reduction in flow and production to be ascertained not by the flush flow, but by the settled production or regular flow; (b) in the case of mines a reasonable allowance for depletion; (c) in the case of mines, oil and gas wells, a reasonable allowance for depreciation of improvements; such reasonable allowance in all the above cases to be made according to the peculiar conditions in each case and under rules and regulations to be prescribed by the Commissioner with the approval of the Secretary. In the case of leases the deductions allowed by this paragraph shall be equitably apportioned between the lessor and lessee. In the case of a nonresident alien individual deductions under this paragraph shall be allowed only as to property within the United States;

(11) Contributions or gifts made within the taxable year to corporations organized and operated exclusively for religious, charitable, scientific, or educational purposes, or for the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any private stockholder or individual, to an amount not in excess of 15%

of the taxpayer's net income as computed without the benefit of this paragraph. Such contributions or gifts shall be allowable as deductions only if verified under rules and regulations prescribed by the Commissioner, with the approval of the Secretary. In the case of a nonresident alien individual this deduction shall be allowed only as to contributions or gifts made to domestic corporations.

(b) In the case of a nonresident alien individual the deductions allowed in paragraphs (1), (4), (7), (8), (9) and (10) of subdivision (a) shall be allowed only if and to the extent that they are connected with a trade or business carried on within the United States; and the proper apportionment and allocation of the deductions with respect to trade or business within and without the United States shall be determined under rules and regulations prescribed by the Commissioner with the approval of the Secretary.

#### Items Not Deductible.

Sec. 215. That in computing net income no deduction shall in any case be allowed in respect of—

(a) Personal, living or family expenses;

(b) Any amount paid out for new buildings or for permanent improvements or betterments made to increase the value of any property or estate;

(c) Any amount expended in restoring property or in making good the exhaustion thereof for which an allowance is or has been made; or

(d) Premiums paid on any life insurance policy covering the life of any officer or employee, or of any person financially interested in any trade or business carried on by the taxpayer, when the taxpayer or any one financially interested in such trade or business is a beneficiary under such policy.

#### Credits Allowed.

Sec. 216. That for the purpose of the normal tax only there shall be allowed the following credits:

(a) The amount received as dividends from a corporation which is taxable under this title upon its net income;

(b) The amount received as interest upon obligations of the United States, any State, Territory, any political subdivision thereof, or the District of Columbia, which is included in gross income under section 213;

(c) In the case of a single person, a personal exemption of \$1,000, or in the case of the head of a family or a married person living with husband or wife, a personal exemption of \$2,000. A husband and wife living together shall receive but one personal exemption of \$2,000 against their aggregate net income; and in case they make separate returns the personal exemption of \$2,000 may be taken by either or divided between them;

(d) \$200 for each person (other than husband or wife) dependent upon and receiving his chief support from the taxpayer, if such dependent person is under eighteen years of age or is incapable of self-support because mentally or physically defective;

(e) In the case of a nonresident alien individual who is a citizen or subject of a country which imposes an income tax, the credits allowed in subdivisions (c) and (d) shall be allowed only if such country allows a similar credit to citizens of the United States not residing in such country.

#### Non-Resident Aliens—Allowance of Deductions and Credits.

Sec. 217. That a nonresident alien individual shall receive the benefit of the deductions and credits allowed in this title only by filing or causing to be filed with the collector a true and accurate return of his total income received from all sources corporate or otherwise in the United States, in the manner prescribed by this title, including therein all the information which the Commissioner may deem necessary for the calculation of such deductions and credits: *Provided*, That the benefit of the credits allowed in subdivisions (c) and (d) of section 216 may, in the discretion of the Commissioner, and except as otherwise provided in subdivision (e) of that section, be received by filing a claim therefor with the withholding agent. In case of failure to file a return, the collector shall collect the tax on such income, and all property belonging to such nonresident alien individual shall be liable to distraint for the tax.

#### Partners.

Sec. 218. (a) That individuals carrying on business in partnership shall be liable for income tax only in their individual capacity. There shall be included in computing the net income of each partner his distributive share, whether distributed or not, of the net income of the partnership for the taxable year, or, if his net income for such taxable year is computed upon the basis of a period different from that upon the basis of which the net income of the partnership is computed, then his distributive share of the net income of the partnership for the last annual accounting period of the partnership prior to the close of the fiscal or calendar year upon the basis of which the partner's net income is computed.

The partner shall, for the purpose of the normal tax, be allowed as credits, in addition to the credits allowed to him under section 216, his proportionate share of such amounts specified in sub-divisions (a) and (b) of section 216 as are received by the partnership.

(b) If a fiscal year of a partnership ends during a calendar year for which the rates of tax differ from those for the preceding calendar year, then (1) the rates for such preceding calendar year shall apply to an amount of each partner's share of such partnership net income equal to the proportion which the part of such fiscal year falling within such calendar year bears to the full fiscal year, and (2) the rates for the calendar year during which such fiscal year ends shall apply to the remainder.

(c) In the case of an individual member of a partnership which makes return for a fiscal year beginning in 1917 and ending in 1918 his proportionate share of any excess-profits tax imposed upon the partnership under the Revenue Act of 1917 with respect to that part of such fiscal year falling in 1917, shall, for the purpose of determining the tax imposed by this title, be credited against that portion of the net income embraced in his personal return for the taxable year 1918 to which the rates for 1917 apply.

(d) The net income of the partnership shall be computed in the same manner and on the same basis as provided in section 212, except that the deduction provided in paragraph (11) of subdivision (a) of section 214 shall not be allowed.

#### Estates and Trusts.

Sec. 219. (a) That the tax imposed by sections 210 and 211 shall apply to the income of estates or of any kind of property held in trust, including—

(1) Income received by estates of deceased persons during the period of administration or settlement of the estate;

(2) Income accumulated in trust for the benefit of unborn or unascertained persons or persons with contingent interests;

(3) Income held for future distribution under the terms of the will or trust; and

(4) Income which is to be distributed to the beneficiaries periodically, whether or not at regular intervals.

(b) The fiduciary shall be responsible for making the return of income for the estate or trust for which he acts. The net income of the estate or trust shall be computed in the same manner and on the same basis as provided in section 212; and in cases under paragraph (4) of subdivision (a) of this section the fiduciary shall include in the return a statement of each beneficiary's distributive share of such net income, whether or not distributed before the close of the taxable year for which the return is made.

(c) In cases under paragraph (1), (2) or (3) of subdivision (a) the tax shall be imposed upon the net income of the estate or trust and shall be paid by the fiduciary. In such cases the estate or trust shall, for the purpose of the normal tax, be allowed the same credits as are allowed to single persons under section 216.

(d) In cases under paragraph (4) of subdivision (a) the tax shall not be paid by the fiduciary, but there shall be included in computing the net income of each beneficiary his distributive share, whether distributed or not, of the net income of the estate or trust for the taxable year, or, if his net income for such taxable year is computed upon the basis of a period different from that upon the basis of which the net income of the estate or trust is computed, then his distributive share of the net income of the estate or trust for the last annual accounting period of such estate or trust prior to the close of the fiscal or calendar year upon the basis of which such beneficiary's net income is computed. In such cases the beneficiary shall, for the purpose of the normal tax, be allowed as credits in addition to the credits allowed to him under section 216, his proportionate share of such amounts specified in subdivisions (a) and (b) of section 216 as are received by the estate or trust.

#### Undistributed Profits Subject to Surtax.

Sec. 220. That for the purpose of the surtax, the net income of any individual includes the share to which he would be entitled of the gains and profits, if divided or distributed, whether divided or distributed or not, of all corporations, however created or organized, formed or fraudulently availed of for the purpose of preventing the imposition of such tax through the medium of permitting such gains and profits to accumulate instead of being divided or distributed; and the fact that any such corporation is a mere holding company, or that the gains and profits are permitted to accumulate beyond the reasonable needs of the business, shall be prima facie evidence of a fraudulent purpose to escape such tax; but the fact that the gains and profits are in any case permitted to accumulate and become surplus shall not be construed as evidence of a purpose to escape the tax in such case unless the Secretary certifies that in his opinion such accumulation is unreasonable for the purposes of the business. When requested by the Commissioner, or any collector, every corporation shall forward to him a correct statement of such gains and profits and the names and addresses of the individuals or shareholders who would be entitled to the same if divided or distributed, and of the amounts that would be payable to each.

#### Payment of Tax at Source.

Sec. 221. (a) That all individuals, corporations and partnerships, in whatever capacity acting, including lessors or mortgagors of real or personal property, fiduciaries, employers and all officers and employees of the United States, having the control, receipt, custody, disposal or payment of interest, rent, salaries, wages, premiums, annuities, compensations, remunerations, emoluments or other fixed or determinable annual or periodical gains, profits and income, of any non-resident alien individual (other than income received as dividends from a corporation which is taxable under this title upon its net income) shall (except in the cases provided for in subdivision (b) and except as otherwise provided in regulations prescribed by the Commissioner under section 217) deduct and withhold from such annual or periodical gains, profits and income a tax equal to 12% thereof.

(b) In any case where bonds, mortgages or deeds of trust or other similar obligations of a corporation contain a contract or provision by which the obligor agrees to pay any portion of the tax imposed by this title upon the obligee, or to reimburse the obligee for any portion of the tax, or to pay the interest without deduction for any tax which the obligor may be required or permitted to pay thereon or to retain therefrom under any law of the United States, the obligor shall deduct and withhold a tax equal to 2% of the interest upon such bonds, mortgages, deeds of trust or other obligations, whether such interest is payable annually or at shorter or longer periods and whether payable to a non-resident alien individual or to an individual citizen or resident of the United States. Such deduction and withholding shall not be required in the case of a citizen or resident entitled to receive such interest, if he files with the withholding agent on or before Feb. 1 a signed notice in writing claiming the benefit of the credits provided in subdivisions (c) and (d) of section 216; nor in the case of a non-resident alien individual if so provided for in regulations prescribed by the Commissioner under section 217.

(c) Every individual, corporation or partnership required to deduct and withhold any tax under this section shall make return thereof on or before March first of each year and shall on or before June fifteenth pay the tax to the official of the United States Government authorized to receive it. Every such individual, corporation or partnership is hereby made liable for such tax and is hereby indemnified against the claims and demands of any individual, corporation or partnership for the amount of any payments made in accordance with the provisions of this section.

(d) Income upon which any tax is required to be withheld at the source under this section shall be included in the return of the recipient of such income, but any amount of tax so withheld shall be credited against the amount of income tax as computed in such return.

(e) If any tax required under this section to be deducted and withheld is paid by the recipient of the income, it shall not be re-collected from the withholding agent; nor in cases in which the tax is so paid shall any penalty be imposed or collected from the recipient of the income or the withholding agent for failure to return or pay the same, unless such failure was fraudulent and for the purpose of evading payment.

#### Credit for Foreign Taxes.

Sec. 222. (a) That in the case of a citizen of the United States the tax computed under this title shall be credited with the amount of any income, war profits and excess-profits taxes paid during the taxable year to any foreign country, Porto Rico or the Philippine Islands, upon income received from sources therein, including in the case of a member of a partnership or a beneficiary of an estate or trust his proportionate share of such taxes so paid during the taxable year by the partnership or by the estate or trust.

(b) In the case of an alien resident of the United States who is a citizen or subject of a country which imposes income, war-profits or excess-profits taxes, a like credit shall be allowed if such country allows a similar credit to citizens of the United States residing in such country.

(c) The credits allowed in subdivisions (a) and (b) shall be allowed only if the taxpayer furnishes evidence satisfactory to the Commissioner showing the amount of income received from sources within such foreign country, Porto Rico or the Philippine Islands, as the case may be, and all other information necessary for the computation of such credits.

#### Individual Returns.

Sec. 223. That every person having a net income for the taxable year of \$1,000 or over if single or if married and not living with husband or wife, or of \$2,000 or over if married and living with husband or wife, shall make under oath a return stating specifically the items of his gross income and the deductions and credits allowed by this title. If a husband and wife living together have an aggregate net income of \$2,000 or over, each shall

make such a return unless the income of each is included in a single joint return.

If the taxpayer is unable to make his own return, the return shall be made by a duly authorized agent or by the guardian or other person charged with the care of the person or property of such taxpayer.

#### Partnership Returns.

Sec. 224. That every partnership shall make a return for each taxable year, stating specifically the items of its gross income and the deductions allowed by this title, and shall include in the return the names and addresses of the individuals who would be entitled to share in the net income if distributed and the amount of the distributive share of each individual. The return shall be sworn to by any one of the partners.

#### Fiduciary Returns.

Sec. 225. That every fiduciary (except receivers appointed by authority of law in possession of part only of the property of an individual) shall make under oath a return for the individual, estate or trust for which he acts (1) if the net income of such individual is \$1,000 or over if single or if married and not living with husband or wife, or \$2,000 or over if married and living with husband or wife, or (2) if the net income of such estate or trust is \$1,000 or over or if any beneficiary of such estate or trust is a non-resident alien, stating specifically the items of the gross income and the deductions and credits allowed by this title. Under such regulations as the Commissioner with the approval of the Secretary may prescribe, a return made by one of two or more joint fiduciaries and filed in the district where such fiduciary resides shall be a sufficient compliance with the above requirement. The fiduciary shall make oath that he has sufficient knowledge of the affairs of such individual, estate or trust to enable him to make the return, and that the same is, to the best of his knowledge and belief, true and correct.

Fiduciaries required to make returns under this Act shall be subject to all the provisions of this Act which apply to individuals.

#### Returns when Accounting Period Changed.

Sec. 226. That if a taxpayer, with the approval of the Commissioner, changes the basis of computing net income from fiscal year to calendar year a separate return shall be made for the period between the close of the last fiscal year for which return was made and the following Dec. 31. If the change is from calendar year to fiscal year, a separate return shall be made for the period between the close of the last calendar year for which return was made and the date designated as the close of the fiscal year. If the change is from one fiscal year to another fiscal year a separate return shall be made for the period between the close of the former fiscal year and the date designated as the close of the new fiscal year. If a taxpayer making his first return for income tax keeps his accounts on the basis of a fiscal year he shall make a separate return for the period between the beginning of the calendar year in which such fiscal year ends and the end of such fiscal year.

In all of the above cases the net income shall be computed on the basis of such period for which separate return is made, and the tax shall be paid thereon at the rate for the calendar year in which such period is included; and the credits provided in subdivisions (c) and (d) of section 216 shall be reduced respectively to amounts which bear the same ratio to the full credits provided in such subdivisions as the number of months in such period bears to twelve months.

#### Time and Place for Filing Returns.

Sec. 227. (a) That returns shall be made on or before the fifteenth day of the third month following the close of the fiscal year, or, if the return is made on the basis of the calendar year, then the return shall be made on or before the fifteenth day of March. The Commissioner may grant a reasonable extension of time for filing returns whenever in his judgment good cause exists and shall keep a record of every such extension and the reason therefor. Except in the case of taxpayers who are abroad, no such extension shall be for more than two months.

(b) Returns shall be made to the collector for the district in which is located the legal residence or principal place of business of the person making the return, if he has no legal residence or principal place of business in the United States, then to the collector at Baltimore, Maryland.

#### Understatement in Returns.

Sec. 228. That if the collector or deputy collector has reason to believe that the amount of any income returned is understated, he shall give due notice to the taxpayer making the return to show cause why the amount of the return should not be increased, and upon proof of the amount understated may increase the same accordingly. Such taxpayer may furnish sworn testimony to prove any relevant facts and if dissatisfied with the decision of the collector may appeal to the Commissioner for his decision, under such rules of procedure as may be prescribed by the Commissioner with the approval of the Secretary.

### PART III.—CORPORATIONS.

#### Tax on Corporations.

Sec. 230. That there shall be levied, collected and paid for each taxable year upon the net income of every corporation a tax as follows:

(a) In the case of a domestic corporation 18% of the amount of the net income in excess of the credits provided in section 236; *Provided*, That the rate shall be 12% upon so much of this amount as does not exceed the sum of (1) the amount of dividends paid during the taxable year, plus (2) the amount paid during the taxable year out of earnings or profits in discharge of bonds and other interest-bearing obligations outstanding prior to the beginning of the taxable year; and

(b) In the case of a foreign corporation 18% of the amount of the net income in excess of the credits provided in section 236; *Provided*, That the rate shall be 12% upon so much of this amount as does not exceed the sum of (1) the amount of dividends paid during the taxable year to citizens or residents of the United States or to domestic corporations or partnerships, plus (2) the same proportion of the amount paid during the taxable year out of earnings or profits in discharge of bonds or other interest-bearing obligations outstanding at the beginning of the taxable year which the amount of gross income of the corporation from sources within the United States bears to the amount of its gross income from all sources within and without the United States.

#### Conditional and Other Exemptions.

Sec. 231. That the following organizations shall be exempt from taxation under this title—

- (1) Labor, agricultural or horticultural organizations;
- (2) Mutual savings banks not having a capital stock represented by shares;
- (3) Fraternal beneficiary societies, orders or associations, (a) operating under the lodge system or for the exclusive benefit of the members of a fraternity itself operating under the lodge system, and (b) providing for the payment of life, sick, accident or other benefits to the members of such society, order or association or their dependents;

(4) Domestic building and loan associations and co-operative banks without capital stock organized and operated for mutual purposes and without profit;

(5) Cemetery companies owned and operated exclusively for the benefit of their members;

(6) Corporations organized and operated exclusively for religious, charitable, scientific, or educational purposes, no part of the net earnings of which inures to the benefit of any private stockholder or individual.

(7) Business leagues, chambers of commerce, or boards of trade, not organized for profit and no part of the net earnings of which inures to the benefit of any private stockholder or individual;

(8) Civic leagues or organizations not organized for profit but operated exclusively for the promotion of social welfare;

(9) Clubs organized and operated exclusively for pleasure, recreation, and other non-profitable purposes, no part of the net earnings of which inures to the benefit of any private stockholder or member;

(10) Farmers' or other mutual hail, cyclone, or fire insurance companies, mutual ditch or irrigation companies, mutual or co-operative telephone companies, or like organizations of a purely local character, the income of which consists solely of assessments, dues, and fees collected from members for the sole purpose of meeting expenses;

(11) Farmers', fruit growers', or like organizations, organized and operated as sales agents for the purpose of marketing the products of members and turning back to them the proceeds of sales, less the necessary selling expenses, on the basis of the quantity of produce furnished by them.

(12) Corporations organized for the exclusive purpose of holding title to property, collecting income therefrom, and turning over the entire amount thereof, less expenses, to an organization which itself is exempt from the tax imposed by this title;

(13) Federal land banks and national farm-loan associations as provided in section 26 of the Act approved July 17, 1916, entitled "An Act to provide capital for agricultural development, to create standard forms of investment based upon farm mortgage, to equalize rates of interest upon farm loans, to furnish a market for United States bonds, to create Government depositaries and financial agents for the United States, and for other purposes."

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

*Net Income Defined.*

Sec. 232. That in the case of a corporation the term "net income" means the gross income as defined in section 233 less the deductions allowed by section 234, and the net income shall be computed on the same basis as is provided in subdivision (b) of section 212 or in section 235.

*Gross Income Defined.*

Sec. 233. (a) That in the case of a corporation the term "gross income" means the gross income as defined in section 213, except that:

(1) In the case of life insurance companies there shall not be included in gross income such portion of any actual premium received from any individual policyholder within the taxable year as is paid back or credited to or treated as an abatement of premium of such policyholder within the taxable year.

(2) Mutual marine insurance companies shall include in gross income the gross premiums collected and received by them less amounts paid for reinsurance.

(b) In the case of a foreign corporation gross income includes only the gross income from sources within the United States, including the interest on bonds, notes, or other interest-bearing obligations of residents, corporate or otherwise, and including dividends from resident corporations.

*Deductions Allowed.*

Sec. 234. (a) That in computing net income there shall be allowed as deductions:

(1) All the ordinary and necessary expenses paid or incurred during the taxable year in carrying on any trade or business, including a reasonable allowance for salaries or other compensation for personal services actually rendered, and including rentals or the payments required to be made as a condition to the continued use or possession of property to which the corporation has not taken or is not taking title, or in which it has no equity;

(2) All interest paid or accrued within the taxable year on its indebtedness (or, in the case of a foreign corporation, the proportion of such interest paid which the amount of its gross income from sources within the United States bears to the amount of its gross income from all sources within and without the United States) in excess of the interest received from taxation under this title;

(3) Taxes paid or accrued within the taxable year imposed (a) by the authority of the United States, except income, war-profits and excess-profits taxes; or (b) by the authority of any of its possessions, except the amount of income, war-profits and excess-profits taxes allowed as a credit under section 238; or (c) by the authority of any State or Territory, or any county, school district, municipality, or other taxing subdivision of any State or Territory, not including those assessed against local benefits; or (d) in the case of a domestic corporation, by the authority of any foreign country, except the amount of income, war-profits, and excess-profits taxes allowed as a credit under section 238; *Provided*, That in the case of obligors specified in subdivision (b) of section 221 no deduction for the payment of the tax imposed by this title or any other tax paid pursuant to the contract or provision referred to in that subdivision, shall be allowed;

(4) Losses sustained and charged off during the taxable year and not compensated for by insurance or otherwise;

(5) Debts ascertained to be worthless and charged off within the taxable year;

(6) Amounts received as dividends from a corporation which is taxable under this title upon its net income;

(7) A reasonable allowance for the exhaustion, wear and tear of property used in the trade or business, but in the case of a foreign corporation only as to property within the United States;

(8) In the case of buildings, machinery, equipment, or other facilities, constructed, erected, installed, or acquired, on or after April 6 1917, for the production of articles contributing to the prosecution of the present war, there may be allowed a reasonable deduction for the amortization of such part of the cost of such facilities as has been borne by the taxpayer, but not again including amounts otherwise allowed under this title for depreciation, exhaustion, or wear and tear. At any time within three years after the termination of the present war with the Imperial German Government as declared by proclamation of the President, the Commissioner may, and at the request of the taxpayer shall, re-examine the return, and if he then finds as a result of an appraisal or from other evidence that the deduction originally allowed was incorrect, the necessary adjustment of the taxes for the year or years affected shall be made and the amount of tax due upon such readjustment, if any, shall be paid upon notice and demand by the collector, or the amount of tax overpaid, if any, shall be credited or refunded to the taxpayer in accordance with the provisions of section 252. In the

case of a nonresident alien individual this deduction shall be allowed only as to facilities within the United States. In no case shall the deduction allowed under this paragraph exceed 25% of the taxpayer's net income as computed without the benefit of this paragraph;

(9) (a) In the case of oil and gas wells a reasonable allowance for actual reduction in flow and production to be ascertained not by the flush but by the settled production or regular flow; (b) in the case of mines a reasonable allowance for depletion; (c) in the case of mines, oil, and gas wells, a reasonable allowance for depreciation of improvements; such reasonable allowance in all the above cases to be made according to the peculiar conditions in each case and under rules and regulations to be prescribed by the Commissioner with the approval of the Secretary. In the case of leases the deduction allowed by this paragraph shall be equitably apportioned between the lessor and lessee. In the case of a foreign corporation the deductions under this paragraph shall be allowed only as to property within the United States;

(10) In the case of insurance companies, in addition to the above: (a) The net addition required by law to be made within the taxable year to reserve funds (including in the case of assessment insurance companies the actual deposit of sums with State or Territorial officers pursuant to law as additions to guarantee or reserve funds); and (b) the sums other than dividends paid within the taxable year on policy and annuity contracts;

(11) In the case of corporations issuing policies covering life, health, and accident insurance combined in one policy issued on the weekly premium payment plan continuing for life and not subject to cancellation, in addition to the above, such portion of the net addition (not required by law) made within the taxable year to reserve funds as the Commissioner finds to be required for the protection of the holders of such policies only;

(12) In the case of mutual marine insurance companies, there shall be allowed, in addition to the deductions allowed in paragraphs (1) to (10), inclusive, amounts repaid to policyholders on account of premiums previously paid by them, and interest paid upon such amounts between the ascertainment and the payment thereof;

(13) In the case of mutual insurance companies (other than mutual life or mutual marine insurance companies) requiring their members to make premium deposits to provide for losses and expenses, there shall be allowed, in addition to the deductions allowed in paragraphs (1) to (10), inclusive, the amount of premium deposits returned to their policyholders and the amount of premium deposits retained for the payment of losses, expenses, and reinsurance reserves.

(b) In the case of a foreign corporation the deductions allowed in subdivision (a), except those allowed in paragraphs (2) and (3), shall be allowed only if and to the extent that they are connected with a trade or business carried on within the United States; and the proper apportionment and allocation of the deductions with respect to trade or business within and without the United States shall be determined under rules and regulations prescribed by the Commissioner with the approval of the Secretary.

*Items Not Deductible.*

Sec. 235. That in computing net income no deduction shall in any case be allowed in respect of any of the items specified in section 215.

*Credits Allowed.*

Sec. 236. That there shall be allowed the following credits:

(a) The amount received as interest upon obligations of the United States, any State, Territory, any political subdivision thereof, or the District of Columbia, which is included in gross income under section 233;

(b) The amount of any war-profits or excess-profits taxes imposed by Act of Congress for the same taxable year; *Provided*, That in the case of a corporation which makes return for a fiscal year beginning in 1917 and ending in 1918, the portion of the excess-profits tax specified in clause (1) of section 335 shall be credited against that portion of the net income specified in clause (1) of section 239, and the portion of the war-profits or excess-profits tax specified in clause (2) of section 335 shall be credited against that portion of the net income specified in clause (2) of section 239; and

(c) In the case of a domestic corporation, \$2,000.

*Payment of Tax at Source.*

Sec. 237. That in the case of foreign corporations not engaged in trade or business within the United States and not having any office or place of business therein, there shall be deducted and withheld at the source in the same manner and upon the same items of income as is provided in section 231 a tax equal to 18% thereof, and such tax shall be returned and paid in the same manner and subject to the same conditions as provided in that section; *Provided*, That in the case of interest described in subdivision (b) of that section the deduction and withholding shall be at the rate of 2%.

*Credit for Foreign Taxes.*

Sec. 238. That in the case of a domestic corporation the total income, war-profits and excess-profits taxes imposed for the taxable year by Act of Congress shall be credited with the amount of any income, war-profits and excess-profits taxes paid during the taxable year to any foreign country, Porto Rico or the Philippine Islands, upon income received from sources therein.

This credit shall be allowed only if the taxpayer furnishes evidence satisfactory to the Commissioner showing the amount of income received from sources within such foreign country, Porto Rico, or the Philippine Islands, as the case may be, and all other information necessary for the computation of such credit.

*Rates for Fiscal Year 1917-1918.*

Sec. 239. That if a corporation makes return for a fiscal year beginning in 1917 and ending in 1918, the net income shall be divided into two parts, namely: (1) the portion which bears the same ratio to the total net income as the period between the beginning of such fiscal year and Dec. 31 1917, bears to the full fiscal year; and (2) the remaining portion of the net income.

The portion specified in clause (1) shall be subject to the rates prescribed by Title I of the Revenue Act of 1917 and by Title I of the Revenue Act of 1916 as amended by the Revenue Act of 1917; and the portion specified in clause (2) shall be subject to the rates prescribed by this title.

*Corporation Returns.*

Sec. 240. That every corporation not exempt under section 231 shall make a return, stating specifically the items of its gross income and the deductions and credits allowed by this title. The return shall be sworn to by the President, Vice-President, or other principal officer and by the Treasurer or Assistant Treasurer. If any foreign corporation has no office or place of business in the United States but has an agent in the United States, the return shall be made by the agent. In cases where receivers, trustees in bankruptcy, or assignees are operating the property or business of corporations, such receivers, trustees, or assignees shall make returns for such corporations in the same manner and form as corporations are required to make returns. Any tax due on the basis of such returns made by receivers, trustees, or assignees shall be collected in the same manner as if collected from the corporations of whose business or property they have custody and control.

Returns made under this section shall be subject to the provisions of sections 226 and 228.

*Time and Place for Filing Returns.*

Sec. 241. (a) That returns of corporations shall be made at the same time as is provided in subdivision (a) of section 227.

(b) Returns shall be made to the collector of the district in which is located the principal place of business or principal office or agency of the corporation, or, if it has no principal place of business or principal office or agency in the United States, then to the collector at Baltimore, Maryland.

**PART IV.—ADMINISTRATIVE PROVISIONS.**

*Payment of Taxes.*

Sec. 250. That except as provided in sections 221 and 237 the tax shall be paid in installments, one-third of the amount of the tax shown in the return to be paid at the time fixed by law for filing the return, one-third on the fifteenth day of the second month thereafter, and the remaining one-third on the fifteenth day of the fourth month after the time fixed by law for filing the return; but where an extension of time for filing the return is granted, the first installment shall be due upon the expiration of the period of such extension, and the second and third installments shall be due as above stated, except that in the case of any taxpayer who is abroad the Commissioner may extend the time for payment of the second and third installments not more than four months after the expiration of the period of any extension of time for filing his return. If any installment is not paid when due, the whole amount of the tax unpaid shall become due and payable upon notice and demand by the collector.

The tax may at the option of the taxpayer be paid in a single payment instead of installments, in which case the total amount shall be paid on or before the time fixed by law for filing the return, or, where an extension of time for filing the return has been granted, on or before the expiration of the period of such extension.

As soon as practicable after the return is filed, the Commissioner shall examine it. If it then appears that the correct amount of the tax is greater or less than that shown in the return, the installments shall be recomputed. If the amount already paid exceeds that which should have been paid on the basis of the installment as recomputed, the excess so paid shall be credited against the next installments falling due; and if the amount already paid exceeds the correct amount of the tax, the excess shall be credited or refunded to the taxpayer in accordance with the provisions of Section 252.

If the amount already paid is less than that which should have been paid, the difference shall, to the extent not covered by any credits then due to the taxpayer under Section 252, be paid upon notice and demand by the collector. In such case if the return is made in good faith and the understatement of the amount in the return is not due to any fault of the taxpayer, there shall be no penalty because of such understatement. If the understatement is due to negligence on the part of the taxpayer, but without intent to defraud, there shall be added as part of the tax 5% of the total amount of the deficiency, plus interest at the rate of 1% per month on the amount of the deficiency of each installment from the time the installment was due.

If the understatement is false or fraudulent with intent to evade the tax, then, in addition to other penalties provided by law for false or fraudulent returns, there shall be added as part of the tax 100% of the amount of the deficiency.

If the return is made pursuant to Section 3176 of the Revised Statutes as amended, the amount of tax determined to be due under such return shall be paid upon notice and demand by the collector.

Except in the case of false or fraudulent returns, the amount of tax due under any return shall be determined and assessed by the Commissioner within five years after the return was due or was made, and no suit or proceeding for the collection of any tax shall be begun after the expiration of five years after the date when the return was due or was made. In the case of false or fraudulent returns, the amount of tax due may be determined at any time after the return is filed, and the tax may be collected at any time after it becomes due.

If any tax remains unpaid after the date when it is due, and for ten days after notice and demand by the collector, then, except in the case of estates of insane, deceased, or insolvent persons, there shall be added as part of the tax the sum of 5% on the amount due but unpaid, plus interest at the rate of 1% per month upon such amount from the time it became due.

*Receipts For Taxes.*

Sec. 251. That every collector to whom any payment of any tax is made under the provisions of this title shall give to the person making such payment a full written or printed receipt, stating the amount paid and the particular account for which such payment was made; and whenever any debtor pays taxes on account of payments made or to be made by him to separate creditors the collector shall, if requested by such debtor, give a separate receipt for the tax paid on account of each creditor in such form that the debtor can conveniently produce such receipts separately to his several creditors in satisfaction of their respective demands up to the amount stated in the receipts; and such receipt shall be sufficient evidence in favor of such debtor to justify him in withholding from his next payment to his creditor the amount therein stated; but the creditor may, upon giving to his debtor a full written receipt acknowledging the payment to him of any sum actually paid and accepting the amount of tax paid as aforesaid (specifying the same) as a further satisfaction of the debt to that amount, require the surrender to him of such collector's receipt.

*Refunds.*

Sec. 252. That if, upon examination of any return of income made pursuant to this Act, the Act of Aug. 5 1909, entitled "An Act to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes," the Act of Oct. 3 1913, entitled "An Act to reduce tariff duties and to provide revenue for the Government, and for other purposes," the Revenue Act of 1916, as amended, or the Revenue Act of 1917, it appears that an amount of income, war-profits or excess-profits tax has been paid in excess of that properly due, then, subject to the provisions of Section 3228 of the Revised Statutes the amount of the excess shall be credited against any income, war-profits or excess-profits taxes, or installment thereof, then due from the taxpayer under any other return, and any balance of such excess shall be immediately refunded to the taxpayer.

*Penalties.*

Sec. 253. That any individual, corporation, or partnership required under this title to pay or collect any tax, to make a return or to supply information, who fails to pay or collect such tax, to make such return, or to supply such information at the time or times required under this title, shall be liable to a penalty of not more than \$1,000. Any individual, corporation, or partnership, or any officer or employee of any corporation or member or employee of a partnership, who willfully refuses to pay or collect such tax, to make such return, or to supply such information at the time or times required under this title, or who willfully attempts in any manner to defeat or evade the tax imposed by this title, shall be guilty

of a misdemeanor and shall be fined not more than \$10,000 or imprisoned for not more than one year, or both, together with the costs of prosecution.

*Returns of Payments of Dividends.*

Sec. 254. That every corporation subject to the tax imposed by this title shall, when required by the Commissioner, render a correct return duly verified under oath, of its payments of dividends, stating the name and address of each stockholder, the number of shares owned by him, and the amount of dividends paid to him.

*Returns of Brokers.*

Sec. 255. That every individual, corporation, or partnership doing business as a broker on any exchange or board of trade or other similar place of business shall, when required by the Commissioner, render a correct return duly verified under oath, under such rules and regulations as the Commissioner, with the approval of the Secretary, may prescribe, showing the names of customers for whom such individual, corporation, or partnership has transacted any business, with such details as to the profits, losses, or other information which the Commissioner may require, as to each of such customers, as will enable the Commissioner to determine whether all income tax due on profits or gains of such customers has been paid.

*Information of Source.*

Sec. 256. That all individuals, corporations, and partnerships, in whatever capacity acting, including lessees or mortgagors of real or personal property, fiduciaries, and employers, making payment to another individual, corporation, or partnership, of interest, rent, salaries, wages, premiums, annuities, compensations, remunerations, emoluments, or other fixed or determinable gains, profits, and income (other than payments described in sections 254 and 255), of \$1,000 or more in any taxable year, or, in the case of such payments made by the United States, the officers or employees of the United States having information as to such payments and required to make returns in regard thereto by the regulations hereinafter provided for, shall render a true and accurate return to the Commissioner, under such regulations and in such form and manner as may be prescribed by him with the approval of the Secretary, setting forth the amount of such gains, profits, and income, and the name and address of the recipient of such payment.

Such returns may be required, regardless of amounts, (1) in the case of payments of interest upon bonds, mortgages, deeds of trust, or other similar obligations of corporations, and (2) in the case of collections of items (not payable in the United States) of interest upon the bonds of foreign countries and interest upon the bonds and of dividends from foreign corporations by individuals, corporations, or partnerships, undertaking as a matter of business or for profit the collection of foreign payments of such interest or dividends by means of coupons, checks, or bills of exchange.

When necessary to make effective the provisions of this section the name and address of the recipient of income shall be furnished upon demand of the individual, corporation, or partnership paying the income.

The provisions of this section shall apply to the calendar year 1918 and each calendar year thereafter, but shall not apply to the payment of interest on obligations of the United States.

*Returns to be Public Records.*

Sec. 257. The returns upon which the tax has been determined by the Commissioner shall be filed in the office of the Commissioner and shall constitute public records; but they shall be open to inspection only upon order of the President and under rules and regulations prescribed by the Secretary and approved by the President: *Provided*, That the proper officers of any State imposing an income tax to which corporations are subject may, upon the request of the Governor thereof, have access to the returns of any corporation, or to an abstract thereof showing the name and income of the corporation, at such times and in such manner as the Secretary may prescribe.

The Commissioner shall as soon as practicable in each year cause to be prepared and made available to public inspection in the office of each collector, a list containing the names in alphabetical order and in the post-office addresses of all individuals making income-tax returns in such district.

*Publication of Statistics.*

Sec. 258. That the Commissioner, with the approval of the Secretary shall prepare and publish annually statistics reasonably available with respect to the operation of the income, war-profits and excess-profits-tax laws, including classifications of taxpayers and of income, the amounts allowed as deductions, exemptions, and credits, and any other facts deemed pertinent and valuable.

*Collection of Foreign Items.*

Sec. 259. That all individuals, corporations, or partnerships undertaking as a matter of business or for profit the collection of foreign payments of interest or dividends by means of coupons, checks, or bills of exchange shall obtain a license from the Commissioner and shall be subject to such regulations enabling the Government to obtain the information required under this title as the Commissioner, with the approval of the Secretary, shall prescribe; and whoever knowingly undertakes to collect such payments without having obtained a license therefor, or without complying with such regulations, shall be guilty of a misdemeanor and shall be fined not more than \$5,000, or imprisoned for not more than one year, or both.

*Porto Rico and Philippine Islands.*

Sec. 260. That in Porto Rico and the Philippine Islands the income tax shall be levied, assessed, collected and paid in accordance with the provisions of the Revenue Act of 1916, as amended by the Revenue Act of 1917: *Provided*, That the Porto Rican or Philippine Legislature shall have power by due enactment to amend, alter, modify, or repeal the income-tax laws in force in Porto Rico or the Philippine Islands, respectively.

**TITLE III.—WAR-PROFITS AND EXCESS-PROFITS TAX.**

**PART I.—GENERAL DEFINITIONS.**

Sec. 300. That when used in this title the terms "taxable year," "fiscal year," and "dividends" shall have the same meaning as provided for the purposes of income tax in section 200. The first taxable year for the purposes of this title shall be the same as the first taxable year for the purposes of the income tax under Title II.

**PART II.—IMPOSITION OF TAX.**

Sec. 301. That in lieu of the tax imposed by Title II of the Revenue Act of 1917, but in addition to the other taxes imposed by this Act, there shall (except as otherwise provided in section 303) be levied, collected, and paid for each taxable year upon the net income of every corporation, a tax computed according to whichever of the two following methods yields the higher amount of tax in the case of such corporation: (a) The war-profits method specified in Part III of this title, or (b) the excess-profits method specified in Part IV of this title.

Sec. 302. That in the case of a corporation whose invested capital for the taxable year is not more than \$25,000, the tax imposed by section 301 shall not be more than 35% of the amount of its net income for such

year in excess of \$3,000; and if its invested capital for the taxable year is more than \$25,000 but not more than \$50,000, such tax shall not be more than 40% of the amount of its net income for such year in excess of \$3,000. This section shall not apply to any corporation whose net income is more than \$50,000.

Sec. 303. That in the case of a corporation the earnings of which are to be ascribed primarily to the activities of the principal owners or stockholders who are themselves regularly engaged in the active conduct of the affairs of the corporation, and in which capital (whether invested, borrowed, rented, or otherwise secured) is not directly or indirectly a material income-producing factor, there shall be levied, collected, and paid for each taxable year upon its net income (in lieu of the tax imposed by Title II of the Revenue Act of 1917 and in lieu of the tax imposed by section 301 of this Act, but in addition to the other taxes imposed by this Act) a tax of 20% of the amount of its net income in excess of \$3,000. A foreign corporation shall not be entitled to the specific exemption of \$3,000.

A corporation 50% or more of whose gross income (as defined in section 213 for income tax purposes) consists of gains or profits derived from purchase and sale, or of gains, profits, or commissions derived from Government contracts, or whose invested capital is more than \$100,000, shall not be subject to the tax imposed by this section, but shall be subject to the tax imposed by section 301.

Wherever in this Act reference is made to "war-profits" or "excess-profits" taxes, and the context shows that taxes imposed by Act of Congress are referred to, such reference shall include the tax imposed by this section.

Sec. 304. (a) That the corporations enumerated in section 231 shall, to the extent that they are exempt from income tax under Title II, be exempt from the tax under Title II, be exempt from taxation under this title.

(b) The taxes imposed by this title shall not be imposed in the case of a foreign corporation the net income of which during the taxable year is less than \$3,000.

Sec. 305. That if a tax is computed under this title for a period of less than twelve months, the specific exemption of \$3,000, wherever referred to in this title, shall be reduced to an amount which is the same proportion of \$3,000 as the number of months in the period is of twelve months.

**PART III.—WAR PROFITS METHOD.**

Sec. 310. That as used in this title the term "pre-war period" means the calendar years 1911, 1912, and 1913, or, if a corporation was not in existence during the whole of such period, then as many of such years during the whole of which the corporation was in existence.

Sec. 311. That the tax, if computed by the war-profits method, shall be 80% of the amount of the net income in excess of the war-profits credit (determined under section 312).

Sec. 312. (a) That the war-profits credit shall consist of the sum of:

- (1) A specific exemption of \$3,000; and
- (2) An amount equal to the average net income of the corporation for the pre-war period, plus or minus, as the case may be, 10% of the invested capital added or withdrawn since the close of the pre-war period; but if the tax is computed for a period of less than twelve months such amount shall be reduced to the same proportion thereof as the number of months in the period is of twelve months.

(b) If the corporation was not in existence during the whole of any one calendar year during the pre-war period, or if it had no net income for the pre-war period, or if the amount computed under paragraph (2) of subdivision (a) is less than 10% of its invested capital for the taxable year, then the war-profits credit shall be the sum of:

- (1) A specific exemption of \$3,000; and
  - (2) An amount equal to 10% of the invested capital for the taxable year.
- (c) A foreign corporation shall not be entitled to a specific exemption of \$3,000.

**PART IV.—EXCESS-PROFITS METHOD.**

Sec. 315. That the tax, if computed by the excess-profits method, shall be the sum of the following:

- 35% of the amount of the net income in excess of the excess-profits credit (determined under section 316) and not in excess of 15% of the invested capital for the taxable year;
- 50% of the amount of the net income in excess of 15% and not in excess of 20% of such capital; and
- 70% of the amount of the net income in excess of 20% of such capital.

In any case where the full amount of the credit is not allowed under the first bracket above provided, by reason of the fact that such credit is in excess of 15% of the invested capital, the part not so allowed shall be deducted from the amount in the next succeeding bracket, and if not then fully allowed the remaining part shall be deducted from the amount in the last bracket.

Sec. 316. That the excess-profits credit shall consist of a specific exemption of \$3,000 plus an amount equal to 8% of the invested capital for the taxable year.

A foreign corporation shall not be entitled to the specific exemption of \$3,000.

**PART V.—NET INCOME.**

Sec. 320. (a) That for the purpose of this title the net income of a corporation shall be ascertained and returned—

(1) For the calendar years 1911 and 1912 upon the same basis and in the same manner as provided in section 38 of the Act entitled "An Act to provide revenue, equalize duties and encourage the industries of the United States, and for other purposes," approved August 5 1909, except that taxes imposed by such section and paid by the corporation within the year shall be included;

(2) For the calendar year 1913 upon the same basis and in the same manner as provided in Section II. of the Act entitled "An Act to reduce tariff duties and to provide revenue for the Government, and for other purposes," approved October 3 1913, except that taxes imposed by section 38 of such Act of August 5 1909 and paid by the corporation within the year shall be included, and except that the amounts received by it as dividends upon the stock or from the net earnings of other corporations subject to the tax imposed by Section II. of such Act of October 3 1913, shall be deducted; and

(3) For the taxable year upon the same basis and in the same manner as provided for income tax purposes in Title II. of this Act.

(b) The average net income for the pre-war period shall be determined by dividing the number of years within that period during the whole of which the corporation was in existence into the sum of the net income for such years, even though there may have been no net income for one or more of such years.

**PART VI.—INVESTED CAPITAL.**

Sec. 325. (a) That as used in this title—

The term "intangible property" means patents, copyrights, secret processes and formulae, good-will, trade-marks, trade-brands, franchises and other like property;

The term "tangible property" means stocks, bonds, notes and other evidences of indebtedness, bills and accounts receivable, leaseholds and other property other than intangible property;

The term "borrowed capital" means money or other property borrowed, whether represented by bonds, notes, open accounts or otherwise;

The term "inadmissible assets" means stocks, bonds and other obligations (other than obligations of the United States), the dividends or interest from which is not included in computing net income, but where the income derived from such assets consists in part of gain or profit derived from the sale or other disposition thereof, a corresponding part of the capital invested in such assets shall not be deemed to be inadmissible assets.

(b) For the purposes of this title, the par value of stock or shares shall, in the case of stock or shares having no par value, be deemed to be the fair market value as of the date or dates of issue of such stock or shares.

Sec. 326. (a) That as used in this title the term "invested capital" means (except as provided in subdivisions (b) and (c) of this section):

- (1) Actual cash bona fide paid in for stock or shares;
- (2) Actual cash value of tangible property, other than cash, bona fide paid in for stock or shares, at the time of such payment, but in no case to exceed the par value of the original stock or shares specifically issued therefor;

(3) Paid-in or earned surplus and undivided profits; not including surplus and undivided profits earned during the taxable year, and not including the increase in the value of any asset above the original cost until such increase is actually realized by sale;

(4) Intangible property bona fide paid in for stock or shares prior to March 3 1917, in an amount not exceeding (a) the actual cash value of such property at the time paid in, (b) the par value of the stock or shares issued therefor, or (c) in the aggregate 20% of the par value of the total stock or shares of the corporation outstanding on March 3 1917, whichever is lowest;

(5) Patents and copyrights bona fide paid in for stock or shares on or after March 3 1917, in an amount not exceeding (a) the actual cash value of such property at the time paid in, (b) the par value of the stock or shares issued therefor, or (c) in the aggregate 20% of the par value of the total stock or shares of the corporation outstanding at the beginning of the taxable year, whichever is lowest; but

(b) As used in this title the term "invested capital" does not include:

- (1) Borrowed capital; or
- (2) Intangible property (other than patents and copyrights) paid in for stock or shares on or after March 3 1917.

(c) There shall be deducted from invested capital as above defined an amount equal to the average amount of capital invested in inadmissible assets held by the corporation during the year: *Provided*, That at the option of the corporation the amount to be so deducted shall be reduced to the amount by which such average amount invested in inadmissible assets exceeds the average amount of borrowed capital of the corporation (other than indebtedness maturing within one year of its creation, all accounts payable and current liabilities) for such year, but in such case in computing the tax under this title there shall be included in the net income for such year the same proportion of the total amount of interest and dividends received during such year from such inadmissible assets as the amount of such capital invested in inadmissible assets not deducted from invested capital bears to the total amount of such inadmissible assets.

(d) In the case of a foreign corporation the term "invested capital" includes only its invested capital used or employed within the United States.

(e) The invested capital for any year shall be the average invested capital for such year, as above defined, but in the case of a corporation making a return for a fractional part of the year a corresponding reduction shall be made in the invested capital.

Sec. 327. (a) That in the following cases the invested capital shall be determined as provided in subdivision (b) of this section: (1) where the Commissioner is unable satisfactorily to determine the invested capital as provided in Section 326; or (2) where a mixed aggregate of tangible property and intangible property has been paid in for stock or for stock and bonds and the Commissioner is unable satisfactorily to determine the respective values of the several classes of property at the time of payment, or to distinguish the classes of property paid in for stock and for bonds, respectively; or (3) where capital is a material income-producing factor, but where, because of the fact that the capital employed is in large part borrowed, there is no invested capital or the invested capital is materially disproportionate to the net income as compared with representative corporations engaged in a like or similar trade or business. This section shall not apply in the case of a corporation 50% or more of whose gross income (as defined in Section 213 for income tax purposes) consists of gain, profits or commissions derived from Government contracts, unless the Commissioner is satisfied that such corporation is overcapitalized.

(b) In the cases specified in subdivision (a) the invested capital shall be the amount which bears the same ratio to the net income of the corporation for the taxable year as the average invested capital for the taxable year of representative corporations engaged in a like or similar trade or business bears to their average net income for such year.

Sec. 328. (a) That in cases where invested capital is to be determined in the manner provided in Section 327, the Commissioner shall compare the taxpayer only with representative corporations whose invested capital can be satisfactorily determined under Section 326 and which are, as nearly as may be, similarly circumstanced with respect to gross income, net income, profits per unit of business transacted and capital employed, the amount and rate of war or excess profits, and all other relevant facts and circumstances.

(b) For the purposes of section 327 the ratios between the average invested capital and the average net income of representative corporations shall be determined for each calendar year by the Commissioner in accordance with regulations prescribed by him with the approval of the Secretary.

In the case of a corporation making a return on the basis of a fiscal year the ratios determined for the calendar year ending during such fiscal year shall be used, except that in the case of a fiscal year ending during the calendar year 1918 the ratios based upon returns made under Title II of the Revenue Act of 1917 shall be used.

(c) The Commissioner shall keep a record of all cases in which invested capital is determined in the manner prescribed in section 327, containing the name and address of each taxpayer, the business in which engaged, the amount of invested capital and net income shown by the return, and the amount of invested capital as determined under such section. The Commissioner shall furnish a copy of such record and other detailed information with respect to such cases when required by resolution of either House of Congress, without regard to the restrictions contained in section 257.

**PART VII.—REORGANIZATIONS.**

Sec. 330. That in the case of the reorganization, consolidation, or change of ownership after Jan. 1 1911 of a trade or business now carried on by a corporation, the corporation shall for the purposes of this title be deemed to have been in existence prior to that date, and the net income and invested capital of such predecessor trade or business for all or any part of the pre-war period prior to the organization of the corporation now carrying on such trade or business shall be deemed to have been the net income and invested capital of such corporation.

If such predecessor trade or business was carried on by a partnership or individual the net income for the pre-war period shall be ascertained and returned upon the same basis and in the same manner as provided for income tax purposes in Title II, except that the credits provided in subdivisions (b) and (c) of section 216 shall be deducted.

Sec. 331. In the case of the reorganization, consolidation, or change of ownership of a trade or business after March 3 1917, if an interest or control in such trade or business of 50% or more remains in the same persons, or any of them, then no asset transferred or received from the predecessor trade or business shall, for the purpose of determining invested capital, be allowed a greater value than would have been allowed under this title in computing the invested capital of such prior trade or business if such asset had not been so transferred or received.

#### PART VIII.—MISCELLANEOUS.

Sec. 335. That if a corporation makes return for a fiscal year beginning in 1917 and ending in 1918, the tax for the first taxable year under this title shall be the sum of: (1) a tax computed under Title II of the Revenue Act of 1917 for the portion of such fiscal year falling in 1917; and (2) a tax computed under this title for the portion of such fiscal year falling in 1918.

The tax under clause (1) shall be computed upon the same proportion of the net income (as determined under Title II of this Act for income tax purposes) for such fiscal year as the portion of such fiscal year falling in 1917 if of the full fiscal year; and the tax under clause (2) shall be computed upon the remainder of such net income.

Sec. 336. That every corporation, not exempt under section 304, having a net income of \$3,000 or over for the taxable year, shall make a return for the purposes of this title. Such returns shall be made, and the taxes imposed by this title shall be paid, at the same times and places, in the same manner, and subject to the same conditions, as is provided in the case of returns and payment of income tax by corporations for the purposes of Title II, and all the provisions of that title not inapplicable, including penalties, are hereby made applicable to the taxes imposed by this title.

In no case shall the tax under this title or Title II be determined on the basis of a so-called consolidated return but shall in each case be determined upon the basis of the net income and invested capital of the corporation liable to the tax.

#### TITLE IV.—ESTATE TAX.

Sec. 400. That when used in this title—

The term "executor" means the executor or administrator of the decedent, or, if there is no executor or administrator, any person who takes possession of any property of the decedent; and

The term "collector" means the collector of internal revenue of the district in which was the domicile of the decedent at the time of his death, or, if there was no such domicile in the United States, then the collector of the district in which is situated the part of the gross estate of the decedent in the United States, or, if such part of the gross estate is situated in more than one district, then the collector of internal revenue of such district as may be designated by the Commissioner.

Sec. 401. That in lieu of the tax imposed by Title II of the Revenue Act of 1916, as amended, and in lieu of the tax imposed by Title IX of the Revenue Act of 1917 a tax equal to the sum of the following percentages of the value of the net estate (determined as provided in section 403) is hereby imposed upon the transfer of the net estate of every decedent dying after the passage of this Act, whether a resident or nonresident of the United States:

- 3% of the amount of the net estate not in excess of \$50,000;
- 6% of the amount by which the net estate exceeds \$50,000 and does not exceed \$150,000;
- 9% of the amount by which the net estate exceeds \$150,000 and does not exceed \$250,000;
- 12% of the amount by which the net estate exceeds \$250,000 and does not exceed \$450,000;
- 15% of the amount by which the net estate exceeds \$450,000 and does not exceed \$1,000,000;
- 18% of the amount by which the net estate exceeds \$1,000,000 and does not exceed \$2,000,000;
- 21% of the amount by which the net estate exceeds \$2,000,000 and does not exceed \$3,000,000;
- 24% of the amount by which the net estate exceeds \$3,000,000 and does not exceed \$4,000,000;
- 27% of the amount by which the net estate exceeds \$4,000,000 and does not exceed \$5,000,000;
- 30% of the amount by which the net estate exceeds \$5,000,000 and does not exceed \$8,000,000;
- 35% of the amount by which the net estate exceeds \$8,000,000 and does not exceed \$10,000,000; and
- 40% of the amount by which the net estate exceeds \$10,000,000.

Sec. 402. That the value of the gross estate of the decedent shall be determined by including the value at the time of his death of all property, real or personal, tangible or intangible, wherever situated—

(a) To the extent of the interest therein of the decedent at the time of his death which after his death is subject to the payment of the charges against his estate and the expenses of its administration and is subject to distribution as part of his estate;

(b) To the extent of any interest therein of the surviving spouse, existing at the time of the decedent's death as dower, courtesy, or by virtue of statute creating an estate in lieu of dower or courtesy;

(c) To the extent of any interest therein of which the decedent has at any time made a transfer, or with respect to which he has at any time created a trust, in contemplation of or intended to take effect in possession or enjoyment at or after his death (whether such transfer or trust is made or created before or after the passage of this Act), except in case of a bona fide sale for a fair consideration in money or money's worth. Any transfer of a material part of his property in the nature of a final disposition or distribution thereof, made by the decedent within three years prior to his death without such a consideration, shall, unless shown to the contrary, be deemed to have been made in contemplation of death within the meaning of this title;

(d) To the extent of the interest therein held jointly or as tenants in the entirety by the decedent and any other person, or deposited in banks or other institutions in their joint names and payable to either or the survivor, except such part thereof as may be shown to have originally belonged to such other person and never to have belonged to the decedent;

(e) To the extent of any property passing under a general power of appointment exercised by the decedent (1) by will, or (2) by deed executed in contemplation of, or intended to take effect in possession or enjoyment at or after, his death, except in case of a bona fide sale for a fair consideration in money or money's worth; and

(f) To the extent of the amount receivable by the executor as insurance under policies taken out by the decedent upon his own life; and to the extent of the excess over \$40,000 of the amount receivable by all other beneficiaries as insurance under policies taken out by the decedent upon his own life.

Sec. 403. That for the purpose of the tax the value of the net estate shall be determined—

(a) In the case of a resident, by deducting from the value of the gross estate—

(1) Such amounts for funeral expenses, administration expenses, claims against the estate, unpaid mortgages, losses incurred during the settlement of the estate arising from fires, storms, shipwreck, or other casualty, or from theft, when such losses are not compensated for by insurance or otherwise, and such amounts reasonably required and actually expended for the support during the settlement of the estate of those dependent upon the decedent, as are allowed by the laws of the jurisdiction, whether within or without the United States, under which the estate is being administered, but not including any income taxes upon income received after the death of the decedent, or any estate, succession, legacy, or inheritance taxes;

(2) An amount equal to the value at the time of the decedent's death of any property, real, personal, or mixed, which can be identified as having been received by the decedent as a share in the estate of any person who died within five years prior to the death of the decedent, or which can be identified as having been acquired by the decedent in exchange for property so received, if an estate tax under the Revenue Act of 1917 or under this Act was collected from such estate, and if such property is included in the decedent's gross estate; and

(3) An exemption of \$50,000;

(b) In the case of a nonresident, by deducting from the value of that part of his gross estate which at the time of his death is situated in the United States—

(1) That proportion of the deductions specified in paragraph (1) of subdivision (a) of this section which the value of such part bears to the value of his entire gross estate, wherever situated, but in no case shall the amount so deducted exceed 10% of the value of that part of his gross estate which at the time of his death is situated in the United States; and

(2) An amount equal to the value at the time of the decedent's death of any property, real, personal or mixed, which can be identified as having been received by the decedent as a share in the estate of any person who died within five years prior to the death of the decedent, or which can be identified as having been acquired by the decedent in exchange for property so received, if an estate tax under the Revenue Act of 1917 or under this Act was collected from such estate, and if such property is included in that part of the decedent's gross estate which at the time of his death is situated in the United States.

No deductions shall be allowed in the case of a non-resident unless the executor includes in the return required to be filed under section 404 the value at the time of his death of that part of the gross estate of the non-resident not situated in the United States.

For the purpose of this title stock in a domestic corporation owned and held by a non-resident decedent, and the amount receivable as insurance upon the life of a non-resident decedent where the insurer is a domestic corporation, shall be deemed property within the United States, and any property of which the decedent has made a transfer or with respect to which he has created a trust, within the meaning of subdivision (c) of section 402, shall be deemed to be situated in the United States, if so situated either at the time of the transfer or the creation of the trust, or at the time of the decedent's death.

Sec. 404. That the executor, within sixty days after qualifying as such, or after coming into possession of any property of the decedent, whichever event first occurs, shall give written notice thereof to the collector. The executor shall also, at such times and in such manner as may be required by regulations made pursuant to law, file with the collector a return under oath in duplicate, setting forth (a) the value of the gross estate of the decedent at the time of his death, or, in case of a non-resident, of that part of his gross estate situated in the United States; (b) the deductions allowed under section 403; (c) the value of the net estate of the decedent as defined in section 403; and (d) the tax paid or payable thereon; or such part of such information as may at the time be ascertainable and such supplemental data as may be necessary to establish the correct tax.

Return shall be made in all cases where the gross estate at the death of the decedent exceeds \$50,000, and in the case of the estate of every non-resident any part of whose gross estate is situated in the United States. If the executor is unable to make a complete return as to any part of the gross estate of the decedent, he shall include in his return a description of such part and the name of every person holding a legal or beneficial interest therein, and upon notice from the collector such person shall in like manner make a return as to such part of the gross estate. The Commissioner shall make all assessments of the tax under the authority of existing administrative special and general provisions of law relating to the assessment and collection of taxes.

Sec. 405. That if no administration is granted upon the estate of a decedent, or if no return is filed as provided in section 404, or if a return contains a false or incorrect statement of a material fact, the collector or deputy collector shall make a return and the Commissioner shall assess the tax thereon.

Sec. 406. That the tax shall be due one year after the decedent's death; but in any case where the Commissioner finds that payment of the tax within one year after the decedent's death would impose undue hardship upon the estate, he may grant an extension of time for the payment of the tax for a period not to exceed two years from the due date. If the tax is not paid within one year and 180 days after the decedent's death, interest at the rate of 6% per annum from the expiration of one year after the decedent's death shall be added as part of the tax.

Sec. 407. That the executor shall pay the tax to the collector or deputy collector. If the amount of the tax cannot be determined, the payment of a sum of money sufficient, in the opinion of the collector, to discharge the tax shall be deemed payment in full of the tax, except as in this section otherwise provided. If the amount so paid exceeds the amount of the tax as finally determined, the Commissioner shall refund such excess to the executor. If the amount of the tax as finally determined exceeds the amount so paid, the collector shall notify the executor of the amount of such excess and demand payment thereof. If such excess part of the tax is not paid within ten days after such notification, interest shall be added thereto at the rate of 10% per annum from the expiration of such ten days' period until paid, and the amount of such excess shall be a lien upon the entire gross estate, except such part thereof as may have been sold to a bona fide purchaser for a fair consideration in money or money's worth.

The collector shall grant to the person paying the tax duplicate receipts, either of which shall be sufficient evidence of such payment, and shall entitle the executor to be credited and allowed the amount thereof by any court having jurisdiction to audit or settle his accounts.

Sec. 408. That if the tax herein imposed is not paid within 180 days after it is due, the collector shall, unless there is reasonable cause for further delay, proceed to collect the tax under the provisions of general law, or commence appropriate proceedings in any court of the United States, in the name of the United States, to subject the property of the decedent or be sold under the judgment or decree of the court. From the proceeds of such sale the amount of the tax, together with the costs and expenses of every description to be allowed by the court, shall be first paid, and the

balance shall be deposited according to the order of the court, to be paid under its direction to the person entitled thereto.

If the tax or any part thereof is paid by, or collected out of that part of the estate passing to or in the possession of, any person other than the executor in his capacity as such, such person shall be entitled to reimbursement out of any part of the estate still undistributed or by a just and equitable contribution by the persons whose interest in the estate of the decedent would have been reduced if the tax had been paid before the distribution of the estate or whose interest is subject to equal or prior liability for the payment of taxes, debts, or other charges against the estate, it being the purpose and intent of this title that so far as is practicable and unless otherwise directed by the will of the decedent the tax shall be paid out of the estate before its distribution. If any part of the gross estate consists of proceeds of policies of insurance upon the life of the decedent receivable by a beneficiary other than the executor, the executor shall be entitled to recover from such beneficiary such portion of the total tax paid as the proceeds, in excess of \$40,000, of such policies bear to the net estate. If there is more than one such beneficiary the executor shall be entitled to recover from such beneficiaries in the same ratio.

Sec. 409. That unless the tax is sooner paid in full, it shall be a lien for ten years upon the gross estate of the decedent, except that such part of the gross estate as is used for the payment of charges against the estate and expenses of its administration, allowed by any court having jurisdiction thereof, shall be divested of such lien. If the Commissioner is satisfied that the tax liability of an estate has been fully discharged, he may, under regulations prescribed by him with the approval of the Secretary, issue his certificate releasing any or all property of such estate from the lien herein imposed.

If (a) the decedent makes a transfer of, or creates a trust with respect to, any property in contemplation of or intended to take effect in possession or enjoyment at or after his death (except in the case of a bona fide sale for a fair consideration in money or money's worth) or (b) if insurance passes under a contract executed by the decedent in favor of a specific beneficiary, and if in either case the tax in respect thereto is not paid when due, then the transferee, trustee, or beneficiary shall be personally liable for such tax, and such property, to the extent of the decedent's interest therein at the time of such transfer, or to the extent of such beneficiary's interest under such contract of insurance, shall be subject to a like lien equal to the amount of such tax. Any part of such property sold by such transferee or trustee to a bona fide purchaser for a fair consideration in money or money's worth shall be divested of the lien and a like lien shall then attach to all the property of such transferee or trustee, except any part sold to a bona fide purchaser for a fair consideration in money or money's worth.

Sec. 410. That whoever knowingly makes any false statement in any notice or return required to be filed under this title shall be liable to a penalty of not exceeding \$5,000, or imprisonment not exceeding one year, or both.

Whoever fails to comply with any duty imposed upon him by Section 404, or, having in his possession or control any record, file, or paper, containing or supposed to contain any information concerning the estate of the decedent, or, having in his possession or control any property comprised in the gross estate of the decedent, fails to exhibit the same upon request to the Commissioner or any collector or law officer of the United States, or his duly authorized deputy or agent, who desires to examine the same in the performance of his duties under this title, shall be liable to a penalty of not exceeding \$500, to be recovered, with costs of suit, in a civil action in the name of the United States.

#### TITLE V.—TAX ON TRANSPORTATION AND OTHER FACILITIES, AND ON INSURANCE.

Sec. 500. That from and after Nov. 1 1918, there shall be levied, assessed, collected, and paid, in lieu of the taxes imposed by Section 500 of the Revenue Act of 1917—

(a) A tax equivalent to 3% of the amount paid for the transportation on or after such date, by rail or water or by any form of mechanical motor power when in competition with carriers by rail or water, of property by freight transported from one point in the United States to another; and a like tax on the amount paid for such transportation within the United States of property transported from a point without the United States to a point within the United States;

(b) A tax of 1 cent for each 20 cents or fraction thereof of the amount paid to any person for the transportation on or after such date, by rail or water or by any form of mechanical motor power when in competition with express by rail or water, of any package, parcel, or shipment, by express, transported from one point in the United States to another; and a like tax on the amount paid for such transportation within the United States of property transported from a point without the United States to a point within the United States.

(c) A tax equivalent to 8% of the amount paid for the transportation on or after such date of persons by rail or water, or by any form of mechanical motor power on a regular established line when in competition with carriers by rail or water, from one point in the United States to another or to any point in Canada or Mexico, where the ticket or order therefor is sold or issued in the United States, not including the amount paid for commutation or season tickets for trips less than thirty miles, or for transportation the fare for which does not exceed 35 cents;

(d) A tax equivalent to 8% of the amount paid for seats, berths and staterooms in parlor cars, sleeping cars or on vessels used on or after such date;

(e) A tax equivalent to 6½% of the amount paid for the transportation on or after such date of oil by pipe line;

(f) In the case of each telegraph, telephone, cable or radio dispatch, message or conversation, which originates on or after such date within the United States, and for the transmission of which the charge is more than 14 cents and not more than 50 cents, a tax of 5 cents; and if the charge is more than 50 cents, a tax of 10 cents; *Provided*, That only one payment of such tax shall be required, notwithstanding the lines or stations of one or more persons are used for the transmission of such dispatch, message or conversation; and

(g) A tax equivalent to 10% of the amount paid after such date to any telegraph or telephone company for any leased wire or talking circuit special service furnished after such date. This subdivision shall not apply to the amount paid for so much of such service as is utilized (1) in the collection and dissemination of news through the public press, or (2) in the conduct, by a common carrier or telegraph or telephone company, of its business as such.

Sec. 501. (a) That the taxes imposed by section 500 shall be paid by the person paying for the services or facilities rendered.

(b) If a mileage book used for transportation or accommodation was purchased before Nov. 1 1917, or if cash fare is paid, the tax imposed by section 500 shall be collected from the person presenting the mileage book, or paying the cash fare, by the conductor or other agent, when presented for such transportation or accommodation, and the amount so collected shall be paid to the United States in such manner and at such times as the

Commissioner, with the approval of the Secretary, may prescribe; if a ticket (other than a mileage book) was bought and partially used before Nov. 1 1917 it shall not be taxed, but if bought but not so used before section 500 takes effect, it shall not be valid for passage until the tax has been paid and such payment evidenced on the ticket in such manner as the Commissioner, with the approval of the Secretary, may by regulation prescribe.

(c) The taxes imposed by section 500 shall apply to all services or facilities specified in such section when rendered for hire, whether or not the agency rendering them is a common carrier. In case a carrier (other than a pipe line) principally engaged in rendering transportation services or facilities for hire does not, because of its ownership of the goods transported, or for any other reason, receive the amount which as a carrier it would otherwise charge, such carrier shall pay a tax equivalent to the tax which would be imposed upon the transportation of such goods if the carrier received payment for such transportation, such tax, if it cannot be computed from actual rates or tariffs of the carrier, to be computed on the basis of the rates or tariffs of other carriers for like services as determined by the Commissioner. In the case of any carrier (other than a pipe line) the principal business of which is to transport goods belonging to it on its own account and which only incidentally renders services for hire, the tax shall apply to such services or facilities only as are actually rendered by it for hire. Nothing in this or the preceding section shall be construed as imposing a tax (1) upon the transportation of any commodity which is necessary for the use of the carrier in the conduct of its business as such and is intended to be so used or has been so used; or (2) upon the transportation of company material transported by one carrier, which constitutes a part of a railroad system, for another carrier which is also a part of the same system.

(d) The tax imposed by subdivision (e) of section 500 shall apply to all transportation of all by pipe line. In case no charge for transportation is made, by reason of ownership of the commodity transported, or for any other reason, the person transporting by pipe line shall pay a tax equivalent to the tax which would be imposed if such person received payment for such transportation, and if the tax cannot be computed from actual bona fide rates or tariffs, it shall be computed (1) on the basis of the rates or tariffs of other pipe lines for like services, as determined by the Commissioner, or (2) if no such rates or tariffs exist, on the basis of a reasonable charge for such transportation, as determined by the Commissioner.

Sec. 502. That each person receiving any payments referred to in section 500 shall collect the amount of the tax, if any, imposed by such section from the person making such payments, and shall make monthly returns under oath, in duplicate, and pay the taxes so collected and the taxes imposed upon it under subdivision (c) or (d) of section 501 to the collector of the district in which the principal office or place of business is located.

No carrier collecting the taxes imposed by subdivision (a) or (b) of section 500 shall be required to list the amount of such tax separately in any bill of lading, freight or express receipt, or other similar document, if the total amount of the transportation charge and the tax is stated therein.

Any person making a refund of any payment upon which tax is collected under this section may repay therewith the amount of the tax collected on such payment; and the amount so repaid may be credited against amounts included in any subsequent monthly return.

The returns required under this section shall contain such information, and be made at such times and in such manner as the Commissioner, with the approval of the Secretary, may by regulation prescribe.

#### INSURANCE.

Sec. 503. That from and after Nov. 1 1918 there shall be levied, assessed, collected and paid in lieu of the taxes imposed by section 504 of the Revenue Act of 1917, the following taxes on the issuance of insurance policies, including, in the case of policies issued outside the United States, their delivery within the United States by any agent or broker, whether acting for the insurer or the insured; such taxes to be paid by the insurer or by such agent or broker:

(a) Life insurance: A tax equivalent to 8 cents on each \$100 or fractional part thereof of the amount for which any life is insured under any policy of insurance, or other instrument, by whatever name the same is called; *Provided*, That on all policies for life insurance only by which a life is insured not in excess of \$500, issued on the industrial or weekly or monthly payment plan of insurance, the tax shall be 40% of the amount of the first weekly premium or 20% of the amount of the first monthly premium, as the case may be; *Provided further*, That on policies of group life insurance, covering groups of not less than 25 lives in the employ of the same person, for the benefit of persons other than the employer, the tax shall be equivalent to 4 cents on each \$100 of the aggregate amount for which the group policy is issued and of any net increase in the amount of the insurance under such policy;

(b) Marine, inland and fire insurance: A tax equivalent to 1 cent on each dollar or fractional part thereof of the premium charged under each policy of insurance or other instrument by whatever name the same is called whereby insurance is made or renewed upon property of any description (including rents or profits), whether against peril by sea or inland waters, or by fire or lightning, or other peril;

(c) Casualty insurance: A tax equivalent to 1 cent on each dollar or fractional part thereof of the premium charged under each policy of insurance or obligation of the nature of indemnity for loss, damage or liability (except bonds and policies taxable under subdivision 2 of schedule A of Title XI.) issued or executed or renewed by any person transacting the business of employers' liability, workmen's compensation, accident, health, tornado, plate glass, steam boiler, elevator, burglary, automatic sprinkler, automobile or other branch of insurance (except life insurance and insurance described and taxed in the preceding subdivision); *Provided*, That in case of policies of insurance issued on the industrial or weekly or monthly payment plan the tax shall be 40% of the amount of the first weekly premium or 20% of the amount of the first monthly premium, as the case may be;

(d) Policies issued by any corporation enumerated in section 231, and policies of reinsurance, shall be exempt from the taxes imposed by this section.

Sec. 504. That every person issuing policies of insurance upon the issuance of which a tax is imposed by section 503 shall make monthly returns under oath, in duplicate, and pay such tax to the collector of the district in which the principal office or place of business of such person is located. Such returns shall contain such information and be made at such time and in such manner as the Commissioner, with the approval of the Secretary, may by regulation prescribe.

#### TITLE VI.—TAX ON BEVERAGES.

We omit the matter under this Title.

#### TITLE VII.—TAX ON CIGARS, TOBACCO, AND MANUFACTURES THEREOF.

We also omit the matter under this Title.

## TITLE VIII.—TAX ON ADMISSIONS AND DUES.

Sec. 800 (a) That from and after Nov. 1 1918, there shall be levied, assessed, collected, and paid, in lieu of the taxes imposed by section 700 of the Revenue Act of 1917—

(1) A tax of 2 cents for each 10 cents or fraction thereof of the amount paid for admission to any place on or after such date, including admission by season ticket or subscription, to be paid by the person paying for such admission: *Provided*, That in cases where the charge for admission is 7 cents or less, and in the case of children under twelve years of age where an admission charge for such children is made, the tax shall be 1 cent;

(2) In the case of persons (except bona fide employees, municipal officers on official business, persons in the military or naval forces of the United States when in uniform, and children under twelve years of age) admitted free or at reduced rates to any place at a time when and under circumstances under which an admission charge is made to other persons, a tax of 2 cents for each 10 cents or fraction thereof of the price so charged to such other persons for the same or similar accommodations, to be paid by the person so admitted;

(3) Upon tickets or cards of admission to theatres, operas, and other places of amusement, sold at news stands, hotels, and places other than the ticket offices of such theatres, operas, or other places of amusement, at not to exceed 50 cents in excess of the sum of the established price therefor at such ticket offices plus the amount of any tax imposed under paragraph (1), a tax equivalent to 5% of the amount of such excess; and if sold for more than 50 cents in excess of the sum of such established price plus the amount of any tax imposed under paragraph (1), a tax equivalent to 30% of the whole amount of such excess, such taxes to be returned and paid, in the manner provided in section 904, by the person selling such tickets;

(4) A tax equivalent to 50% of the amount for which the proprietors, managers, or employees of any opera house, theatre, or other place of amusement sell or dispose of tickets or cards of admission in excess of the regular or established price or charge therefor, such tax to be returned and paid, in the manner provided in section 904, by the person selling such tickets;

(5) In the case of persons having the permanent use of boxes or seats in an opera house or any place of amusement or a lease for the use of such box or seat in such opera house or place of amusement (in lieu of the tax imposed by paragraph (1), a tax equivalent to 25% of the amount for which a similar box or seat is sold for each performance or exhibition at which the box or seat is used or reserved by or for the lessee or holder, such tax to be paid by the lessee or holder; and

(6) A tax of 2 cents for each 10 cents or fraction thereof of the amount paid for admission to any public performance for profit at any roof garden, cabaret, or other similar entertainment, to which the charge for admission is wholly or in part included in the price paid for refreshment, service, or merchandise; the amount paid for such admission to be deemed to be 20% of the amount paid for refreshment, service, and merchandise; such tax to be paid by the person paying for such refreshment, service, or merchandise.

(b) No tax shall be levied under this title in respect to any admissions all the proceeds of which inure exclusively to the benefit of religious, educational, or charitable institutions, societies, or organizations, or admissions to agricultural fairs none of the profits of which are distributed to stockholders or members of the association conducting the same.

(c) The term "admission" as used in this title includes seats and tables, reserved or otherwise, and other similar accommodations, and the charges made therefor.

(d) The price (exclusive of the tax to be paid by the person paying for admission) at which every admission ticket or card is sold shall be conspicuously and indelibly printed, stamped, or written on the face or back thereof, together with the name of the vendor if sold other than at the ticket office of the theatre, opera, or other place of amusement. Whoever sells an admission ticket or card on which the name of the vendor and price is not so printed, stamped, or written, or at a price in excess of the price so printed, stamped, or written thereon, is guilty of a misdemeanor, and upon conviction thereof shall be fined not more than \$100.

Sec. 801. That from and after Nov. 1 1918, there shall be levied, assessed, collected, and paid, in lieu of the taxes imposed by section 701 of the Revenue Act of 1917, a tax equivalent to 20% of any amount paid on or after such date, for any period after such date, (a) as dues or membership fees (where the dues or fees of an active resident annual member are in excess of \$10 per year) to any social, athletic, or sporting club or organization, or to any produce exchange, board of trade, or other similar organization maintaining a place where produce or merchandise is sold, or to any stock exchange; or (b) as initiation fees to such a club, exchange, or organization, if such fees amount to more than \$10, or if the dues or membership fees (not including initiation fees) of an active resident annual member are in excess of \$10 per year; such taxes to be paid by the person paying such dues or fees: *Provided*, That there shall be exempted from the provisions of this section all amounts paid as dues or fees to a fraternal society, order, or association, operating under the lodge system. In the case of life memberships a life member shall pay annually, at the time for the payment of dues by active resident annual members, a tax equivalent to the tax upon the amount paid by such a member, but shall pay no tax upon the amount paid for life membership.

Sec. 802. That every person (a) receiving any payments for such admission, dues, or fees shall collect the amount of the tax imposed by section 800 or 801 from the person making such payments, or (b) admitting any person free to any place for admission to which a charge is made, shall collect the amount of the tax imposed by section 800 from the person so admitted. Every club, organization, or exchange having life members, shall collect from such members the amount of the tax imposed by section 801. In all the above cases returns and payments of the amount so collected shall be made at the same time and in the same manner as provided in section 502.

## TITLE IX.—EXCISE TAXES.

Sec. 900. That there shall be levied, assessed, collected, and paid in lieu of the taxes imposed by section 600 of the Revenue Act of 1917, upon the following articles sold or leased by the manufacturer, producer, or importer, a tax equivalent to the following percentages of the price for which so sold or leased—

(1) Automobile trucks, automobile wagons, automobile trailers or tractors (including tires, inner tubes, parts, and accessories therefor sold on or in connection therewith or with the sale thereof), 5%;

(2) Other automobiles or motorcycles (including tires, inner tubes, parts, and accessories therefor sold on or in connection therewith or with the sale thereof), 10%;

(3) Tires, inner tubes, parts, or accessories, for any of the articles enumerated in subdivision (1) or (2), sold to any person other than a manufacturer or producer of any of the articles enumerated in subdivision (1) or (2), 10%;

(4) Pianos, pipe organs, piano players, graphophones, phonographs, talking machines, and records used in connection with any musical instrument, piano player, graphophone, phonograph, or talking machine, 10%;

(5) Positive moving-picture films containing a picture ready for projection, 10%;

(6) Tennis rackets, golf clubs, baseball bats, lacrosse sticks, balls of all kinds, including baseballs, foot balls, tennis, golf, lacrosse, billiard and pool balls, fishing rods and reels, billiard and pool tables, chess and checker boards and pieces, dice, games and parts of games, except playing cards and children's toys and games, 10%;

(7) Chewing gum or substitutes therefor, 5%;

(8) Cameras, weighing not more than 100 pounds, 10%;

(9) Photographic films and plates, other than moving-picture films, 10%;

(10) Candy, 10%;

(11) Firearms, shells, and cartridges, except those sold for the use of the United States, any State, Territory, or possession of the United States, any political subdivision thereof, the District of Columbia, or any foreign country while engaged in the present war with the Imperial German Government, 25% in the case of pistols and revolvers and 10% in the case of all other firearms and shells and cartridges;

(12) Dirk knives, bowie knives, daggers, sword canes, stiletos, and brass or metallic knuckles, 100%;

(13) Electric fans, 10%;

(14) Thermos and thermostatic bottles, carafes, jugs, or other containers, 10%;

(15) Tapestries and textiles for furniture coverings or hangings in the interior decoration of buildings, 10%;

(16) Cigar or cigarette holders and pipes, composed wholly or in part of meerschaum or amber, humidors, and smoking stands, 10%;

(17) Photographs, productions or reproductions, 10%;

(18) Cash registers, 10%;

(19) Duplicating machines, 10%;

(20) Adding machines, 10%;

(21) Automatic slot-device weighing or vending machines, 10%;

(22) Liveries and livery boots and hats, 10%;

(23) Hunting garments and riding habits, 10%;

(24) Bathing suits, 10%;

(25) Articles made out of any of the following furs: Seal, Hudson seal, Russian or Hudson Bay sable, ermine, silver fox, natural black fox, natural blue fox, natural American mink, fisher, otter, kolinsky, squirrel, skunk or mole; or articles of which any such fur is the component material of chief value, 10%; and

(26) Yachts and motor boats; and pleasure boats and canoes if sold for more than \$15, 10%.

If any manufacturer, producer, or importer of any of the articles enumerated in this section customarily sells such articles both at wholesale and at retail, the tax in the case of any article sold by him at retail shall be computed on the price for which like articles are sold by him at wholesale.

Sec. 901. That if any person manufactures, produces or imports any article enumerated in Section 900 and, whether through any agreement, arrangement, or understanding, or otherwise, sells or leases such article at less than the fair market price obtainable therefor, either (a) in such manner as directly or indirectly to benefit such person or any person directly or indirectly interested in the business of such person, or (b) with intent to cause such benefit, the amount for which such article is sold or leased shall be taken to be the amount which would have been received from the sale or lease of such article if sold or leased at the fair market price.

Sec. 902. That there shall be levied, assessed, collected, and paid upon all gasoline, naphtha, and other similar petroleum products, having a flash point below 100 degrees Fahrenheit, as tested by the Tagliabue open cup tester, and suitable for motor power, sold by the manufacturer, refiner, or importer, a tax of 2 cents a wine gallon.

Sec. 903. That there shall be levied, assessed, collected, and paid upon sculpture, paintings, and statuary, sold by any person other than the artist, a tax equivalent to 10% of the price for which so sold.

Sec. 904. That each manufacturer, producer, or importer of any of the articles enumerated in Section 900 or 902, and every person selling any article enumerated in Section 903, shall make monthly returns under oath in duplicate and pay the taxes imposed on such articles by this title to the collector for the district in which is located the principal place of business. Such returns shall contain such information and be made at such times and in such manner as the Commissioner, with the approval of the Secretary, may by regulations prescribe.

Sec. 905. (a) That on and after Nov. 1 1918, there shall be levied, assessed, collected, and paid a tax equivalent to 20% of so much of the amount paid for any of the following articles as is in excess of the price hereinafter specified as to each such article, when such article is sold for consumption or use—

(1) Carpets and rugs, including fiber, on the amount in excess of \$5 per square yard;

(2) Picture frames, on the amount in excess of \$10 each;

(3) Trunks, on the amount in excess of \$50 each;

(4) Valises, traveling bags, suit cases, hat boxes used by travelers, and fitted toilet cases, on the amount in excess of \$25 each;

(5) Purses, pocketbooks, shopping and hand bags, on the amount in excess of \$7 50 each;

(6) Portable lighting fixtures, including lamps of all kinds and lamp shades, on the amount in excess of \$25 each;

(7) Umbrellas, parasols, and sun shades, on the amount in excess of \$4 each;

(8) Fans, on the amount in excess of \$1 each;

(9) House or smoking coats or jackets, and bath or lounging robes, on the amount in excess of \$7 50 each;

(10) Men's waistcoats, sold separately from suits, on the amount in excess of \$5 each;

(11) Men's and boy's suits or overcoats, not including uniforms of officers in the military or naval forces of the United States, on the amount in excess of \$50 each;

(12) Women's and misses' suits, cloaks, and coats, on the amount in excess of \$50 each, or, when made up by a tailor or seamstress, on the amount in excess of \$50 in value each;

(13) Women's and misses' dresses, on the amount in excess of \$40 each, or, when made up by a tailor or seamstress, on the amount in excess of \$40 in value each;

(14) Women's and misses' hats, bonnets, and hoods, on the amount in excess of \$15 each;

(15) Men's and boys' hats, on the amount in excess of \$5 each;

(16) Men's and boys' caps, on the amount in excess of \$2 each;

(17) Men's, women's, misses', and boys' boots, shoes, pumps, and slippers, on the amount in excess of \$10 per pair;

(18) Men's and boy's neckties and neckwear, on the amount in excess of \$2 each;

(19) Men's and boys' silk stockings or hose, on the amount in excess of \$1 per pair;

(20) Women's and misses' silk stockings or hose, on the amount in excess of \$2 per pair;

(21) Men's shirts, on the amount in excess of \$3 each;

(22) Men's, women's, misses', and boys' pajamas, night gowns, and underwear, on the amount in excess of \$5 each; and

(23) Kimonos, petticoats and waists, on the amount in excess of \$15 each.

(b) The tax imposed by this section shall not apply to any article enumerated in paragraphs (2) to (8), both inclusive, of subdivision (a), if such article is made of, or ornamented, mounted, or fitted with, precious metals or imitations thereof or ivory, or to any article enumerated in subdivision (22) or (23) of section 900.

(c) The taxes imposed by this section shall be paid by the purchaser to the vendor, and shall be collected, returned and paid to the United States by such vendor in the same manner as provided in section 502. As used in this subdivision the term "vendor" includes a tailor or dressmaker making up women's or misses' suits, cloaks, coats or dresses.

Sec. 906. That on and after Nov. 1 1918 there shall be levied, assessed, collected, and paid (in lieu of the tax imposed by subdivision (e) of section 600 of the Revenue Act of 1917) upon all articles commonly or commercially known as jewelry, whether real or imitation; pearls, precious and semi-precious stones, and imitations thereof; articles made of, or ornamented, mounted or fitted with, precious metals or imitations thereof or ivory; watches; clocks; opera glasses; lorgnettes; marine glasses; field glasses; and binoculars; upon any of the above when sold for consumption or use, a tax equivalent to 10 per centum of the price for which so sold. This section shall not apply to any such articles sold by any person whose principal business is not the sale of such articles for consumption or use and whose gross receipts from the sale of such articles (during the preceding year ending June 30) for consumption or use does not exceed \$200.

Every person selling any of the articles enumerated in this section shall make returns under oath in duplicate (monthly or quarterly as the Commissioner, with the approval of the Secretary, may prescribe) and pay the taxes imposed on such articles by this Section to the collector for the district in which is located the principal place of business. Such returns shall contain such information and be made at such times and in such manner as the Commissioner, with the approval of the Secretary, may by regulations prescribe.

Sec. 907. That on and after Nov. 1 1918, in addition to the tax imposed by section 906, there shall be levied, assessed, collected, and paid, a tax equivalent to 10% of the amount paid for any article commonly or commercially known as jewelry, composed in whole or in part of platinum, when sold for consumption or use.

Such tax shall be paid by the purchaser to the vendor and shall be collected, returned and paid to the United States by such vendor in the same manner as provided in section 502. The vendor shall include in all returns made under this section the name and address of each purchaser, the price of each article sold to him and a description thereof, including the quantity and value of the platinum contained therein.

Sec. 908. (a) That on and after Nov. 1 1918 there shall be levied, assessed, collected and paid (in lieu of the taxes imposed by subdivisions (g) and (h) of section 600 of the Revenue Act of 1917) a tax of 1 cent for each 10 cents or fraction thereof of the amount paid for any of the following articles when sold for consumption or use:

(1) Perfumes, essences, extracts, toilet waters, cosmetics, petroleum jellies, hair oils, pomades, hair dressings, hair restoratives, hair dyes, tooth and mouth washes, dentifrices, tooth pastes, aromatic cachous, toilet soaps and powders, or any similar substance, article, or preparation by whatsoever name known or distinguished, any of the above which are used or applied or intended to be used or applied for toilet purposes;

(2) Pills, tablets, powders, tinctures, troches or lozenges, syrups, medicinal cordials or bitters, anodynes, tonics, plasters, liniments, salves, ointments, pastes, drops, waters (except those taxed under section 628 of this Act), essences, spicils, oils and other medicinal preparations, compounds, or compositions (not including serums and antitoxins), upon the amount paid for any of the above as to which the manufacturer or producer claims to have any private formula, secret, or occult art for making or preparing the same, or has or claims to have any exclusive right or title to the making or preparing the same, or which are prepared, uttered, vended, or exposed for sale under any letters patent, or trade-mark, or which (if prepared by any formula, published or unpublished) are held out or recommended to the public by the makers, vendors, or proprietors thereof as proprietary medicines or medicinal proprietary articles or preparations, or as remedies or specifics for any disease, diseases, or affection whatever affecting the human or animal body.

(b) The taxes imposed by this section shall be collected by whichever of the following methods the Commissioner may deem expedient: (1) by stamp affixed to such article by the vendor, the cost of which shall be reimbursed to the vendor by the purchaser; or (2) by payment to the vendor by the purchaser, the taxes so collected being returned and paid to the United States by such vendor in the same manner as provided in section 502.

Sec. 909. That upon all articles (other than second-hand articles) enumerated in section 900 upon the sale of which no tax was imposed by section 600 or 602 of the Revenue Act of 1917, and which on the day after the passage of this Act are held and intended for sale by any person, there shall be levied, assessed, collected, and paid a floor tax equivalent to the tax imposed by section 900 of this Act upon the sale of such articles. This tax shall be paid by the person so holding such articles.

The taxes imposed by this section shall be assessed, collected, and paid in the same manner as provided in section 1306 in the case of floor taxes upon articles upon which the tax imposed by existing law has been paid.

Sec. 910. That upon all articles (other than second-hand articles) enumerated in section 900 in respect to which the tax imposed by section 600 or 602 of the Revenue Act of 1917 was payable, and which on the day after the passage of this Act are held and intended for sale by any person, there shall be levied, assessed, collected, and paid a floor tax equivalent to the difference between (a) the tax imposed by section 900 of this Act upon the sale of such articles and (b) the corresponding tax imposed by section 600 of the Revenue Act of 1917.

#### TITLE X.—SPECIAL TAXES.

Sec. 1000. (a) That on and after July 1 1918, in lieu of the tax imposed by the first subdivision of section 407 of the Revenue Act of 1916—

(1) Every domestic corporation shall pay annually a special excise tax with respect to carrying on or doing business, equivalent to \$1 for each \$1,000 of so much of the fair average value of its capital stock for the preceding year ending June 30 as is in excess of \$5,000. In estimating the value of capital stock the surplus and undivided profits shall be included;

(2) Every foreign corporation shall pay annually a special excise tax with respect to carrying on or doing business in the United States, equivalent to \$1 for each \$1,000 of the average amount of capital actually invested in the transaction of its business in the United States during the preceding year ending June thirtieth.

(b) In computing the tax in the case of insurance companies such deposits and reserve funds as they are required by law or contract to maintain or hold for the protection of or payment to or apportionment among policyholders shall not be included.

(c) The taxes imposed by this section shall not apply in any year to any corporation which was not engaged in business (or in the case of a foreign corporation not engaged in business in the United States) during the preceding year ending June 30, nor to any corporation enumerated in section 231.

(d) Section 257 shall apply to all returns filed with the Commissioner for purposes of the tax imposed by this section.

Sec. 1001. That on and after Jan. 1 1919 there shall be levied, collected, and paid annually, in lieu of the taxes imposed by section 407 of the Revenue Act of 1916, the following special taxes—

(1) Brokers shall pay \$100. Every person whose business it is to negotiate purchases or sales of stocks, bonds, exchange, bullion, coined money, bank notes, promissory notes, other securities, produce or merchandise, for others; shall be regarded as a broker. If a broker is a member of a stock exchange, or if he is a member of any produce exchange, board of trade, or similar organization, where produce or merchandise is sold, he shall pay an additional amount as follows: If the average value, during the preceding year ending June 30, of a seat or membership in such exchange or organization was not more than \$2,000, \$50; if such value was more than \$2,000 and not more than \$5,000, \$100; if such value was more than \$5,000, \$150.

(2) Pawnbrokers shall pay \$100. Every person whose business or occupation it is to take or receive, by way of pledge, pawn, or exchange, any goods, wares, or merchandise, or any kind of personal property whatever, as security for the repayment of money loaned thereon, shall be regarded as a pawnbroker.

(3) Ship brokers shall pay \$50. Every person whose business it is as a broker to negotiate freights and other business for the owners of vessels, or for the shippers or consignors or consignees of freight carried by vessels, shall be regarded as a ship broker.

(4) Customhouse brokers shall pay \$50. Every person whose occupation it is, as the agent of others, to arrange entries and other customhouse papers, or transact business at any port of entry relating to the importation or exportation of goods, wares, or merchandise, shall be regarded as a customhouse broker.

(5) Proprietors of theatres, museums, and concert halls, where a charge for admission is made, having a seating capacity of not more than 250, shall pay \$50; having a seating capacity of more than 250 and not exceeding 500, shall pay \$100; having a seating capacity exceeding 500 and not exceeding 800, shall pay \$150; having a seating capacity of more than 800, shall pay \$200. Every edifice used for the purpose of dramatic or operatic or other representations, plays, or performances, for admission to which entrance money is received, not including halls or armories rented or used occasionally for concerts or theatrical representations, shall be regarded as a theatre: *Provided*, That in cities, towns or villages of 5,000 inhabitants or less the amount of such payment shall be one-half of that above stated: *Provided further*, That whenever any such edifice is under lease at the time the tax is due, the tax shall be paid by the lessee, unless otherwise stipulated between the parties to the lease.

(6) The proprietor or proprietors of circuses shall pay \$200. Every building, space, tent, or area, where feats of horsemanship or acrobatic sports or theatrical performances not otherwise provided for in this section are exhibited shall be regarded as a circus: *Provided*, That no special tax paid in one State, Territory, or the District of Columbia shall exempt exhibitions from the tax in another State, Territory, or the District of Columbia, and but one special tax shall be imposed for exhibitions within any one State, Territory or District.

(7) Proprietors or agents of all other public exhibitions or shows for money not enumerated in this section shall pay \$20: *Provided*, That a special tax paid in one State, Territory, or the District of Columbia shall not exempt exhibitions from the tax in another State, Territory, or the District of Columbia, and but one special tax shall be required for exhibitions within any one State, Territory, or the District of Columbia: *Provided further*, That this paragraph shall not apply to Chautauques, lecture lyceums, agricultural or industrial fairs, or exhibitions held under the auspices of religious or charitable associations: *Provided further*, That an aggregation of entertainments, known as a street fair, shall not pay a larger tax than \$200 in any State, Territory, or in the District of Columbia.

(8) Proprietors of bowling alleys and billiard rooms shall pay \$10 for each alley or table. Every building or place where bowls are thrown or where games of billiards or pool are played, except in private homes, shall be regarded as a bowling alley or a billiard room, respectively.

(9) Proprietors of shooting galleries shall pay \$20. Every building, space, tent, or area, where a charge is made for the discharge of firearms at any form of target shall be regarded as a shooting gallery.

(10) Proprietors of riding academies shall pay \$100. Every building, space, tent, or area, where a charge is made for instruction in horsemanship or for facilities for the practice of horsemanship shall be regarded as a riding academy.

(11) Persons carrying on the business of operating sightseeing automobiles shall pay a tax equivalent to 10% of the gross receipts, during the preceding year ending June 30, from the operation of each such automobile having a seating capacity of more than seven.

(12) Every person carrying on the business of operating for hire three or more passenger automobiles (other than sightseeing automobiles having a seating capacity of more than seven) shall pay a tax equivalent to 5% of the gross receipts during the preceding year ending June 30 from the operation of each such automobile.

(13) Every person carrying on the business of a brewer, distiller, wholesale liquor dealer, retail liquor dealer, wholesale dealer in malt liquor, retail dealer in malt liquor, or manufacturer of stills, as defined in section 3214 as amended and section 3247 of the Revised Statutes, in any State, Territory, or District of the United States contrary to the laws of such State, Territory or District, or in any place therein in which carrying on such business is prohibited by local or municipal law, shall pay, in addition to all other taxes, special or otherwise, imposed by existing law or by this Act, \$1,000.

The payment of the tax imposed by this subdivision shall not be held to exempt any person from any penalty or punishment provided for by the laws of any State, Territory, or District for carrying on such business in such State, Territory or District, or in any manner to authorize the commencement or continuance of such business contrary to the laws of such State, Territory or District, or in places prohibited by local or municipal law.

(14) Proprietors of any trade, business, or profession, the gross receipts of which for the preceding year ending June 30 exceed \$2,000, shall pay \$10. If such gross receipts from sources other than sales directly to the consumer exceed \$100,000, the proprietor shall pay \$15 additional.

This subdivision shall not apply to agriculture, to any person subject to any special tax under this section or under sections 1002, 1005, 1007, or to proprietors paying special taxes upon the business of manufacturing, rectifying, or dealing in distilled spirits, malt liquors, stills, oleomargarine, adulterated, process, or renovated butter, filled cheese, or mixed flour.

Sec. 1002. That on and after Jan. 1 1919 there shall be levied, collected, and paid annually, in lieu of the taxes imposed by section 408 of the Reva-

nue Act of 1916, the following special taxes, the amount of such taxes to be computed on the basis of the sales for the preceding year ending June 30—

Manufacturers of tobacco whose annual sales do not exceed 50,000 pounds shall each pay \$6;

Manufacturers of tobacco whose annual sales exceed 50,000 and do not exceed 100,000 pounds shall each pay \$12;

Manufacturers of tobacco whose annual sales exceed 100,000 and do not exceed 200,000 pounds shall each pay \$24;

Manufacturers of tobacco whose annual sales exceed 200,000 pounds shall each pay at the rate of 16 cents per thousand pounds, or fraction thereof;

Manufacturers of cigars whose annual sales do not exceed 50,000 cigars shall each pay \$4;

Manufacturers of cigars whose annual sales exceed 50,000 and do not exceed 100,000 cigars shall each pay \$6;

Manufacturers of cigars whose annual sales exceed 100,000 and do not exceed 200,000 cigars shall each pay \$12;

Manufacturers of cigars whose annual sales exceed 200,000 and do not exceed 400,000 cigars shall each pay \$24;

Manufacturers of cigars whose annual sales exceed 400,000 cigars shall each pay at the rate of 10 cents per thousand cigars, or fraction thereof;

Manufacturers of cigarettes, including small cigars weighing not more than three pounds per thousand shall each pay at the rate of 6 cents for every 10,000 cigarettes, or fraction thereof.

In arriving at the amount of special tax to be paid under this section, and in the levy and collection of such tax, each person engaged in the manufacture of more than one of the classes of articles specified in this section shall be considered and deemed a manufacturer of each class separately.

Sec. 1003. That sixty days after the passage of this Act, and thereafter on July 1 in each year, and also at the time of the original purchase of a new boat by a user, if on any other date than July 1, there shall be levied, assessed, collected and paid in lieu of the tax imposed by section 603 of the Revenue Act of 1917, upon the use of yachts, pleasure boats, power boats and sailing boats, of over five net tons, and motor boats with fixed engines, not used exclusively for trade or national defense, or not built according to plans and specifications approved by the Navy Department, a special excise tax to be based on each yacht or boat, at rates as follows: Yachts, pleasure boats, power boats, motor boats with fixed engines and sailing boats, of over five net tons, length not over fifty feet, \$1 for each foot; length over fifty feet and not over one hundred feet, \$2 for each foot; length over one hundred feet, \$4 or each foot; motor boats of not over five net tons with fixed engines, \$10.

In determining the length of such yachts, pleasure boats, power boats, motor boats with fixed engines, and sailing boats, the measurement of over-all length shall govern.

In the case of a tax imposed at the time of the original purchase of a new boat on any other date than July 1, and in the case of the tax taking effect sixty days after the passage of this Act, the amount to be paid shall be the same number of twelfths of the amount of the tax as the number of calendar months (including the month of sale, or the month in which is included the sixty-first day after the passage of this Act, as the case may be) remaining prior to the following July 1.

If the tax imposed by section 603 of the Revenue Act of 1917 for the fiscal year ending June 30 1919 has been paid in respect to the use of any boat, the amount so paid shall under such regulations as the Commissioner, with the approval of the Secretary, may prescribe, be credited upon the first tax due under this section in respect to the use of such boat, or be refunded to the person paying the first tax imposed by this section in respect to the use of such boat.

Sec. 1004. That if the tax imposed by section 407 or 408 of the Revenue Act of 1916 for the fiscal year ending June 30 1919 has been paid by any person subject to the corresponding tax imposed by this title, collectors may issue a receipt in lieu of special tax stamp for the amount by which the tax under this title is in excess of that paid or payable and evidenced by stamp under the Revenue Act of 1916. Such receipt shall be posted as in the case of the special tax stamp, as provided by law, and with it, within the place of business of the taxpayer.

Sec. 1005. That on and after Jan. 1 1919 every person, any part of whose business consists of the retailing of merchandise through or upon orders received by mail, shall pay annually a special excise tax equivalent to 1% of the gross amount in excess of \$100,000 received by such person from such retail sales during the preceding year ending June 30.

Sec. 1006. That sixty days after the passage of this Act, and thereafter on July 1 in each year, and also at the time of the purchase of a new or used automobile or motorcycle by a user, if on any other date than July 1, there shall be levied, assessed, collected and paid upon the use of automobiles and motorcycles, a special excise tax at rates as follows: Motorcycles, \$5; automobiles (other than electric) of 23 horse power or less, \$10; more than 23 horse power and not more than 30 horse power, \$20; more than 30 horse power and not more than 40 horse power, \$30; and more than 40 horse power, \$50; electric automobiles, \$5 per horse power and 50 cents for each 100 pounds of weight.

In the case of a tax imposed at the time of the purchase of an automobile or motorcycle on any other date than July 1, and in the case of the tax taking effect sixty days after the passage of this Act, the amount to be paid shall be the same number of twelfths of the amount of the tax as the number of calendar months (including the month of sale or the month in which is included the sixty-first day after the passage of this Act, as the case may be) remaining prior to the following July 1.

For the purposes of this section the horsepower of all automobiles other than steam or electric shall be computed as follows: Square the diameter of the cylinder in inches, multiply by the number of cylinders, and divide by two and one-half. In the case of steam or electric automobiles, the horsepower for the purposes of this section shall be the horsepower rating fixed and advertised by the manufacturer or importer thereof at the time when sold by him.

Sec. 1007. That on and after Jan. 1 1919, every manufacturer of automatic vending or weighing machines who operates such machines shall pay annually a special excise tax equivalent to 5% of the gross amount received by him from such operation during the preceding year ending June 30.

Sec. 1008. That Section 1 of the Act of Congress approved Dec. 17 1914, is hereby amended to read as follows:

"Section 1. That on and after Jan. 1 1919, every person who imports, manufactures, produces, compounds, sells, deals in, dispenses, or gives away opium or coca leaves, or any compound, manufacture, salt, derivative, or preparation thereof, shall register with the collector of internal revenue of the district his name or style, place of business and place or places where such business is to be carried on, and on or before the first day of July, annually thereafter, and pay special taxes as follows:

"Importers, manufacturers, producers, or compounders, \$24 per annum; wholesale dealers, \$12 per annum; retail dealers, \$6 per annum; physicians, dentists, veterinary surgeons, and other practitioners lawfully entitled

to distribute, dispense, give away, or administer any of the aforesaid drugs to patients upon whom they are in attendance, shall pay \$3 per annum.

"Every person who imports, manufactures, compounds, or otherwise produces for sale or distribution any of the aforesaid drugs shall be deemed to be an importer, manufacturer, or producer.

"Every person who sells or offers for sale any of said drugs in the original stamped packages, as hereinafter provided, shall be deemed a wholesale dealer.

"Every person who sells or dispenses from original stamped packages, as hereinafter provided, shall be deemed a retail dealer: *Provided*, That the office, or if none, the residence, of any person shall be considered for the purpose of this Act his place of business; but no employee of any person who has registered and paid special tax as herein required, acting within the scope of his employment, shall be required to register and pay special tax provided by this section: *Provided further*, That officials of the United States, Territorial, District of Columbia, or Insular possessions, State or municipal governments, who in the exercise of their official duties engage in any of the business herein described, shall not be required to register, nor pay special tax, nor stamp the aforesaid drugs as hereinafter prescribed, but their right to this exemption shall be evidenced in such manner as the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, may by regulations prescribe.

"It shall be unlawful for any person required to register under the provisions of this Act to import, manufacture, produce, compound, sell, deal in, dispense, distribute, administer, or give away any of the aforesaid drugs without having registered and paid the special tax as imposed by this section.

"That the word 'person' as used in this Act shall be construed to mean and include a partnership, association, company, or corporation, as well as a natural person; and all provisions of existing law relating to special taxes, as far as necessary, are hereby extended and made applicable to this section.

"That there shall be levied, assessed, collected, and paid upon opium, coca leaves, any compound, salt, derivative, or preparation thereof, produced in or imported into the United States, and sold, or removed for consumption or sale, an internal-revenue tax at the rate of 1 cent per ounce, and any fraction of an ounce in a package shall be taxed as an ounce, such tax to be paid by the importer, manufacturer, producer, or compounder thereof, and to be represented by appropriate stamps, to be provided by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury; and the stamps herein provided shall be so affixed to the bottle or other container as to securely seal the stopper, covering, or wrapper thereof.

"The tax imposed by this section shall be in addition to any import duty imposed on the aforesaid drugs.

"It shall be unlawful for any person to purchase, sell, dispense, or distribute any of the aforesaid drugs except in the original stamped package or from the original stamped package; and the absence of appropriate tax-paid stamps from any of the aforesaid drugs shall be prima facie evidence of a violation of this section by the person in whose possession same may be found; and the possession of any original stamped package containing any of the aforesaid drugs by any person who has not registered and paid special taxes as required by this section shall be prima facie evidence of liability to such special tax: *Provided*, That the provisions of this paragraph shall not apply to any person having in his or her possession any of the aforesaid drugs which have been obtained from a registered dealer in pursuance of a prescription, written for legitimate medical uses, issued by a physician, dentist, veterinary surgeon, or other practitioner registered under this Act; and where the bottle or other container in which such drug may be put up by the dealer upon said prescription bears the name and registry number of the druggist, serial number of prescription, name and address of the patient, and name, address, and registry number of the person writing said prescription; or to the dispensing, or administration, or giving away of any of the aforesaid drugs to a patient by a registered physician, dentist, veterinary surgeon, or other practitioner in personal attendance upon such patient, and where said drugs are dispensed or administered to the patient for legitimate medical purposes, and the record kept as required by this Act of the drugs so dispensed, administered, distributed, or given away.

"And all the provisions of existing laws relating to the engraving, issuance, sale, accountability, cancellation, and destruction of tax-paid stamps provided for in the internal-revenue laws are, in so far as necessary, hereby extended and made to apply to stamps provided by this section.

"That all unstamped packages of the aforesaid drugs found in the possession of any person, except as herein provided, shall be subject to seizure and forfeiture, and all the provisions of existing internal-revenue laws relating to searches, seizures, and forfeitures of unstamped articles are hereby extended to and made to apply to the articles taxed under this Act and the persons upon whom these taxes are imposed.

"Importers, manufacturers, and wholesale dealers shall keep such books and records and render such monthly returns in relation to the transactions in the aforesaid drugs as the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, may by regulations require.

"The Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, shall make all needful rules and regulations for carrying the provisions of this Act into effect."

Sec. 1009. That Section 6 of such Act of Dec. 17 1914, is hereby amended to read as follows:

"Sec. 6. That the provisions of this Act shall not apply to decocinated coca leaves from which all cocaine and other related alkaloids or associated salts have been extracted, nor to preparations of such decocinated coca leaves."

Sec. 1010. That all opium, its salts, derivatives, and compounds, and coca leaves, salts, derivatives, and compounds thereof, which may now be under seizure or which may hereafter be seized by the United States Government from any person or persons charged with any violation of the Act of Oct. 1 1890, as amended by the Acts of March 3 1897, Feb. 9 1909, and Jan. 17 1914, or the Act of Dec. 17 1914, shall upon conviction of the person or persons from whom seized be confiscated by and forfeited to the United States; and the Secretary is hereby authorized to deliver for medical or scientific purposes to any department, bureau, or other agency of the United States Government, upon proper application therefor under such regulation as may be prescribed by the Commissioner, with the approval of the Secretary, any of the drugs so seized, confiscated, and forfeited to the United States.

The provisions of this section shall also apply to any of the aforesaid drugs seized or coming into the possession of the United States in the enforcement of any of the above-mentioned Acts where the owner or owners thereof are unknown. None of the aforesaid drugs coming into possession of the United States under the operation of said Acts, or the provisions of this section, shall be destroyed without certification by a com-

mittee appointed by the Commissioner, with the approval of the Secretary, that they are of no value for medical or scientific purposes.

Sec. 1011. That the Act approved Oct. 22 1914, entitled "An Act to increase the Internal revenue, and for other purposes," and the joint resolution approved Dec. 17 1915, entitled "Joint resolution extending the provisions of the Act, entitled 'An Act to increase the internal revenue, and for other purposes,' approved Oct. 22 1914, to Dec. 31 1916," are hereby repealed, except that the provisions of such Act shall remain in force for the assessment and collection of all special taxes imposed by Sections 3 and 4 thereof, or by such sections as extended by such joint resolution, for any year or part thereof ending prior to Jan. 1 1917, and of all other taxes imposed by such Act, or by such Act as so extended, accrued prior to Sept. 8 1916, and for the imposition and collection of all penalties or forfeitures which have accrued or may accrue in relation to any of such taxes.

#### TITLE XI.—STAMP TAXES.

Sec. 1100. That on and after Nov. 1 1918, there shall be levied, collected, and paid, for an in respect of the several bonds, debentures, or certificates of stock and of indebtedness, and other documents, instruments, matters, and things mentioned and described in Schedule A of this title, or for or in respect of the vellum, parchment, or paper upon which such instruments, matters, or things, or any of them, are written or printed, by any person who makes, signs, issues, sells, removes, consigns, or ships the same, or for whose use or benefit the same are made, signed, issued, sold, removed, consigned, or shipped, the several taxes specified in such schedule. The taxes imposed by this section shall, in the case of any article upon which a corresponding stamp tax is now imposed by law, be in lieu of such tax.

Sec. 1101. That there shall not be taxed under this title any bond, note, or other instrument, issued by the United States, or by any foreign Government, or by any State, Territory, or the District of Columbia, or local subdivision thereof, or municipal or other corporation exercising the taxing power; or any bond of indemnity required to be filed by any person to secure payment of any pension, allowance, allotment, relief or insurance by the United States; or stocks and bonds issued by co-operative building and loan associations which are organized and operated exclusively for the benefit of their members and make loans only to their shareholders, or by mutual ditch or irrigating companies.

Sec. 1102. That whoever—

(a) Makes, signs, issues, or accepts, or causes to be made, signed, issued, or accepted, any instrument, document, or paper of any kind or description whatsoever without the full amount of tax thereon being duly paid;

(b) Consigns or ships, or causes to be consigned or shipped, by parcel post any parcel, package, or article without the full amount of tax being duly paid;

(c) Manufactures or imports and sells, or offers for sale, or causes to be manufactured or imported and sold, or offered for sale, any playing cards, package, or other article without the full amount of tax being duly paid;

(d) Makes use of any adhesive stamp to denote any tax imposed by this title without cancelling or obliterating such stamp as prescribed in Section 1104;

Is guilty of a misdemeanor and upon conviction thereof shall pay a fine of not more than \$100 for each offense.

Sec. 1103. That whoever—

(a) Fraudulently cuts, tears, or removes from any vellum, parchment, paper, instrument, writing, package, or article, upon which any tax is imposed by this title, any adhesive stamp or the impression of any stamp, die, plate, or other article provided, made, or used in pursuance of this title;

(b) Fraudulently uses, joins, fixes, or places to, with, or upon any vellum, parchment, paper, instrument, writing, package, or article, upon which any tax is imposed by this title, (1) any adhesive stamp, or the impression of any stamp, die, plate, or other article which has been cut, torn or removed from any other vellum, parchment, paper, instrument, writing, package, or article, upon which any tax is imposed by this title; or (2) any adhesive stamp or the impression of any stamp, die, plate, or other article of insufficient value; or (3) any forged or counterfeited stamp, or the impression of any forged or counterfeited stamp, die, plate, or other article;

(c) Willfully removes, or alters the cancellation, or defacing marks of, or otherwise prepares, any adhesive stamp, with intent to use, or cause the same to be used, after it has been already used, or knowingly or willfully buys, sells, offers for sale, or gives away, any such washed or restored stamp to any person for use, or knowingly uses the same;

(d) Knowingly and without lawful excuse (the burden of proof of such excuse being on the accused) has in possession any washed, restored, or altered stamp, which has been removed from any vellum, parchment, paper, instrument, writing, package, or article;

Is guilty of a misdemeanor, and upon conviction shall be punished by a fine of not more than \$1,000, or by imprisonment for not more than five years, or both, and any such re-used, canceled, or counterfeited stamp and the vellum, parchment, document, paper, package, or article upon which it is placed or impressed shall be forfeited to the United States.

Sec. 1104. That whenever an adhesive stamp is used for denoting any tax imposed by this title, except as hereinafter provided, the person using or affixing the same shall write or stamp or cause to be written or stamped thereupon the initials of his or its name and the date upon which the same is attached or used, so that the same may not again be used: *Provided*, That the Commissioner may prescribe such other method for the cancellation of such stamps as he may deem expedient.

Sec. 1105. (a) That the Commissioner shall cause to be prepared and distributed for the payment of the taxes prescribed in this title suitable stamps denoting the tax on the document, articles, or thing to which the same may be affixed, and shall prescribe such method for the affixing of said stamps in substitution for or in addition to the method provided in this title, as he may deem expedient.

(b) The Commissioner, with the approval of the Secretary, is authorized to procure any of the stamps provided for in this title by contract whenever such stamps cannot be speedily prepared by the Bureau of Engraving and Printing; but this authority shall expire on Jan. 1 1920, except as to imprinted stamps furnished under contract, authorized by the Commissioner.

(c) All internal revenue laws relating to the assessment and collection of taxes are hereby extended to and made a part of this title, so far as applicable, for the purpose of collecting stamp taxes omitted through mistake or fraud from any instrument, document, paper, writing, parcel, package, or article named herein.

Sec. 1106. That the Commissioner shall furnish to the Postmaster-General without prepayment a suitable quantity of adhesive stamps to be distributed to and kept on sale by the various postmasters in the United States. The Postmaster-General may require each such postmaster to give additional or increased bond as postmaster for the value of the stamps so furnished, and each such postmaster shall deposit the receipts from the sale

of such stamps to the credit of and render accounts to the Postmaster-General at such times and in such form as he may by regulations prescribe. The Postmaster-General shall at least once monthly transfer all collections from this source to the Treasury as internal revenue collections.

Sec. 1107. That the collectors of the several districts shall furnish without prepayment to any assistant treasurer or designated depository of the United States located in their respective collection districts a suitable quantity of adhesive stamps for sale. In such cases the collector may require a bond, with sufficient sureties, to an amount equal to the value of the adhesive stamps so furnished, conditioned for the faithful return, whenever so required, of all quantities or amounts undisposed of, and for the payment monthly of all quantities or amounts sold or not remaining on hand. The Secretary may from time to time make such regulations as he may find necessary to insure the safekeeping or prevent the illegal use of all such adhesive stamps.

#### SCHEDULE A.—STAMP TAXES.

1. Bonds of indebtedness: On all bonds, debentures, or certificates of indebtedness issued by any person, and all instruments, however termed, issued by any corporation with interest coupons or in registered form, known generally as corporate securities, on each \$100 of face value or fraction thereof, 5 cents: *Provided*, That every renewal of the foregoing shall be taxed as a new issue: *Provided further*, That when a bond conditioned for the repayment or payment of money is given in a penal sum greater than the debt secured, the tax shall be based upon the amount secured.

2. Bonds, indemnity and surety: On all bonds executed for indemnifying any person who shall have become bound or engaged as surety, and on all bonds executed for the due execution or performance of any contract, obligation, or requirement, or the duties of any office or position, and to account for money received by virtue thereof, and on all policies of guaranty and fidelity insurance, including policies guaranteeing titles to real estate and mortgage guarantee policies, and on all other bonds of any description, made, issued, or executed, not otherwise provided for in this schedule, except such as may be required in legal proceedings, 50 cents: *Provided*, That where a premium is charged for the execution of such bond the tax shall be 1 cent on each dollar or fractional part thereof of the premium charged: *Provided further*, That policies of reinsurance shall be exempt from the tax imposed by this subdivision.

3. Capital stock, issue: On each original issue, whether on organization or reorganization, of certificates of stock, or of profits, or of interest in property or accumulations, by any corporation, on each \$100 of face value or fraction thereof, 5 cents: *Provided*, That where a certificate is issued without face value, the tax shall be 5 cents per share, unless the actual value is in excess of \$100 per share, in which case the tax shall be 5 cents on each \$100 of actual value or fraction thereof.

The stamps representing the tax imposed by this subdivision shall be attached to the stock books and not to the certificates issued.

4. Capital stock, sales or transfers: On all sales, or agreements to sell, or memoranda of sales or deliveries of, or transfers of legal title to shares or certificates of stock or of profits or of interest in property or accumulations in any corporation, or to rights to subscribe for or to receive such shares or certificates, whether made upon or shown by the books of the corporation, or by any assignment in blank, or by any delivery, or by any paper or agreement or memorandum or other evidence of transfer or sale, whether entitling the holder in any manner to the benefit of such stock, interest, or rights, or not, on each \$100 of face value or fraction thereof, 2 cents, and where such shares are without par or face value, the tax shall be 2 cents on the transfer or sale or agreement to sell on each share, unless the actual value thereof is in excess of \$100 per share, in which case the tax shall be 2 cents on each \$100 of actual value or fraction thereof: *Provided*, That it is not intended by this title to impose a tax upon an agreement evidencing a deposit of certificates as collateral security for money loaned thereon, which certificates are not actually sold, nor upon the delivery or transfer for such purpose of certificates so deposited: *Provided further*, That the tax shall not be imposed upon deliveries or transfers to a broker for sale, nor upon deliveries or transfers by a broker to a customer for whom and up whose order he has purchased same, but such deliveries or transfers shall be accompanied by a certificate setting forth the facts: *Provided further*, That in case of sale where the evidence of transfer is shown only by the books of the corporation the stamp shall be placed upon such books; and where the change of ownership is by transfer of the certificate the stamp shall be placed upon the certificate; and in cases of an agreement to sell or where the transfer is by delivery of the certificate assigned in blank there shall be made and delivered by the seller to the buyer a bill or memorandum of such sale, to which the stamp shall be affixed; and every bill or memorandum of sale or agreement to sell before mentioned shall show the date thereof, the name of the seller, the amount of the sale, and the matter or thing to which it refers. Any person liable to pay the tax as herein provided, or anyone who acts in the matter as agent or broker for such person, who makes any such sale, or who in pursuance of any such sale delivers any certificate or evidence of the sale of any stock, interest or right, or bill or memorandum thereof, as herein required, without having the proper stamps affixed thereto with intent to evade the foregoing provisions, shall be deemed guilty of a misdemeanor, and upon conviction thereof shall pay a fine of not exceeding \$1,000, or be imprisoned not more than six months, or both.

5. Produce, sales of, on exchange: Upon each sale, agreement of sale, or agreement to sell (not including so-called transferred or scratch sales), any products or merchandise at any exchange, or board of trade, or other similar place, for future delivery, for each \$100 in value of the merchandise covered by said sale or agreement of sale or agreement to sell, 2 cents, and for each additional \$100 or fractional part thereof in excess of \$100, 2 cents: *Provided*, That on every sale or agreement of sale or agreement to sell as aforesaid there shall be made and delivered by the seller to the buyer a bill, memorandum, agreement, or other evidence of such sale, agreement of sale, or agreement to sell, to which there shall be affixed a lawful stamp or stamps in value equal to the amount of the tax on such sale: *Provided further*, That sellers of commodities described herein, having paid the tax provided by this subdivision, may transfer such contracts to a clearing-house corporation or association, and such transfer shall not be deemed to be a sale, or agreement of sale, or an agreement to sell within the provisions of this Act, provided that such transfer shall not vest any beneficial interest in such clearing-house association but shall be made for the sole purpose of enabling such clearing-house association to adjust and balance the accounts of the members of such clearing-house association on their several contracts. Every such bill, memorandum, or other evidence of sale or agreement to sell shall show the date thereof, the name of the seller, the amount of the sale, and the matter or thing to which it refers; and any person liable to pay the tax as herein provided, or anyone who acts in the matter as agent or broker for such person, who makes any such sale or agreement of sale, or agreement to sell, or who, in pursuance of any such sale, agreement of sale or agreement to sell, delivers any such products or merchandise without a bill, memorandum, or other evidence thereof as herein required, or who delivers such bill, memorandum, or other evidence of sale, or agreement to sell, without having the proper stamps affixed thereto, with intent to evade the foregoing provisions, shall be deemed guilty of a misdemeanor

and upon conviction thereof shall pay a fine of not exceeding \$1,000 or be imprisoned not more than six months, or both.

No bill, memorandum, agreement, or other evidence of such sale, or agreement of sale, or agreement to sell, in case of cash sales of products or merchandise for immediate or prompt delivery which in good faith are actually intended to be delivered shall be subject to this tax.

6. Drafts or checks (payable otherwise than at sight or on demand) upon their acceptance or delivery within the United States whichever is prior, promissory notes, except bank notes issued for circulation, and for each renewal of the same, for a sum not exceeding \$100, 2 cents; and for each additional \$100 or fractional part thereof, 2 cents.

This subdivision shall not apply to a promissory note secured by the pledge of bonds or obligations of the United States issued after April 24 1917, or secured by the pledge of a promissory note which itself is secured by the pledge of such bonds or obligations; *Provided*, That in either case the par value of such bonds or obligations shall be not less than the amount of such note.

7. Conveyances: Deed, instrument, or writing, whereby any lands, tenements, or other realty sold shall be granted, assigned, transferred, or otherwise conveyed to, or vested in, the purchaser or purchasers, or any other person or persons, by his, her, or their direction, when the consideration or value of the interest or property conveyed, exclusive of the value of any lien or encumbrance remaining thereon at the time of sale, exceeds \$100 and does not exceed \$500, 50 cents; and for each additional \$500 or fractional part thereof, 50 cents. This subdivision shall not apply to any instrument or writing given to secure a debt.

8. Entry of any goods, wares, or merchandise at any customhouse, either for consumption or warehousing, not exceeding \$100 in value, 25 cents; exceeding \$100 and not exceeding \$500 in value, 50 cents; exceeding \$500 in value, \$1.

9. Entry for the withdrawal of any goods or merchandise from customs bonded warehouse, 50 cents.

10. Passage ticket, one way or round trip, for each passenger, sold or issued in the United States for passage by any vessel to a port or a place not in the United States, Canada, or Mexico, if costing not exceeding \$30, \$1; costing more than \$30 and not exceeding \$60, \$3; costing more than \$60, \$5. This subdivision shall not apply to passage tickets costing \$10 or less.

11. Proxy for voting at any election for officers, or meeting for the transaction of business, of any corporation, except religious, educational, charitable, fraternal, or literary societies, or public committees, 10 cents.

12. Power of attorney granting authority to do or perform some act for or in behalf of the grantor, which authority is not otherwise vested in the grantee, 5 cents. This subdivision shall not apply to any papers necessary to be used for the collection of claims from the United States or from any State for pensions, back pay, bounty, or for property lost in the military or naval service, or to powers of attorney required in bankruptcy cases.

13. Playing cards: Upon every pack of playing cards containing not more than fifty-four cards, manufactured or imported, and sold, or removed for consumption or sale, a tax of 8 cents per pack.

14. Parcel-post packages: Upon every parcel or package transported from one point in the United States to another by parcel post on which the postage amounts to 25 cents or more, a tax of 1 cent for each 25 cents or fractional part thereof charged for such transportation, to be paid by the consignor.

No such parcel or package shall be transported until a stamp or stamps representing the tax due shall have been affixed thereto.

#### TITLE XII.—ADVISORY TAX BOARD.

Sec. 1200. That there is hereby created a board to be known as the "Advisory Tax Board," hereinafter called the Board, and to be composed of five members to be appointed by the President of the United States, by and with the advice and consent of the Senate. The Board shall remain in existence during the continuance of the present war with the Imperial German Government and for a period of twelve months after the termination of such war as declared by proclamation of the President.

Vacancies in the membership of the Board shall be filled in the same manner as an original appointment. Any member shall be subject to removal by the President. The President shall designate the chairman of the Board. Each member shall receive an annual salary of \$9,000, payable monthly, together with actual necessary expenses when absent from the District of Columbia on official business.

Sec. 1201. That the Secretary or the Commissioner may, and on the request of any taxpayer directly interested shall, submit to the Board any question relating to the interpretation or administration of the internal-revenue laws, and the Board shall report its findings and recommendations to the Secretary or Commissioner, as the case may be.

Sec. 1202. That the Board shall have its office in the Bureau of Internal Revenue in the District of Columbia. The expenses and salaries of members of the Board shall be audited, allowed, and paid out of appropriations for collecting internal revenue, in the same manner as expenses and salaries of employees of the Bureau of Internal Revenue are audited, allowed, and paid.

Sec. 1203. That the Board shall have the power to summon witnesses, take testimony, administer oaths, and to require any person to produce books, papers, documents, or other data relating to any matter under investigation by the Board. Any member of the Board may sign subpoenas and members and employees of the Bureau of Internal Revenue designated to assist the Board, when authorized by the Board, may administer oaths, examine witnesses, take testimony, and receive evidence.

#### TITLE XIII.—GENERAL ADMINISTRATIVE PROVISIONS.

Sec. 1300. That hereafter the salary of the Commissioner shall be \$10,000 a year. The difference between the amount appropriated under existing law and the salary herein established shall, for the period between the passage of this Act and July 1 1919 be paid out of the appropriations for collecting internal revenue.

Sec. 1301. (a) That hereafter there may be employed in the Bureau of Internal Revenue, in lieu of the deputy commissioners whose salaries are now fixed by law, five deputy commissioners and an assistant to the Commissioner, who shall each receive a salary of \$5,000 a year, payable monthly. The assistant to the Commissioner may be authorized by the Commissioner to perform any duties which the deputy commissioners may perform under existing law.

(b) The salaries of collectors may be readjusted and increased under such regulations as may be prescribed by the Commissioner, subject to the approval of the Secretary, but no collector shall receive a salary in excess of \$6,000 a year.

(c) There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending June 30 1919 the sum of \$7,500,000 for the expenses of assessing and collecting the internal-revenue taxes as provided in this Act, including the employment of necessary officers, attorneys, experts, agents, inspectors, deputy collectors, clerks,

janitors, and messengers, in the District of Columbia and the several collection districts, to be appointed as provided by law, telegraph and telephone service, rental and repair of quarters, postage, and the purchase of such supplies, equipment, mechanical devices, printing, stationery, law books and books of reference, and such other articles as may be necessary for use in the District of Columbia and the several collection districts; *Provided*, That not more than \$2,750,000 of the total amount appropriated by this section may be expended in the Bureau of Internal Revenue, in the District of Columbia.

Sec. 1302. That all internal-revenue agents and inspectors shall be granted leave of absence with pay, which shall not be cumulative, not to exceed thirty days in any calendar year, under such regulations as the Commissioner, with the approval of the Secretary, may prescribe.

Sec. 1303. (a) That there is hereby created a Legislative Drafting Service under the direction of two draftsmen, one of whom shall be appointed by the President of the Senate, and one by the Speaker of the House of Representatives, without reference to political affiliations and solely on the ground of fitness to perform the duties of the office. Each draftsman shall receive a salary of \$5,000 a year payable monthly. The draftsman shall, subject to the approval of the President of the Senate and the Speaker of the House of Representatives, employ and fix the compensation of such assistant draftsmen, clerks, and other employees, and purchase such furniture, office equipment, books, stationery, and other supplies, as may be necessary for the proper performance of the duties of the service and as may be appropriated for by Congress.

(b) The Drafting Service shall aid in drafting public bills and resolutions or amendments thereto on the request of any committee of either House of Congress, but the Joint Committee on the Library may determine the preference, if any, to be given to such requests. The draftsman shall, from time to time, prescribe rules and regulations for the conduct of the work of the service, subject to the approval of the Joint Committee on the Library.

(c) For the remainder of the current fiscal year there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$25,000, or so much thereof as may be necessary, for the purpose of defraying the expenses of the establishment and maintenance of the service, including the payment of salaries herein authorized.

Sec. 1304. That there shall be levied, collected, and paid in the United States, upon articles coming into the United States from the West Indian Islands acquired from Denmark, a tax equal to the internal-revenue tax imposed in the United States upon like articles of domestic manufacture; such articles shipped from such islands to the United States shall be exempt from the payment of any tax imposed by the internal-revenue laws of such islands; *Provided*, That there shall be levied, collected, and paid in such islands, upon articles imported from the United States, a tax equal to the internal-revenue tax imposed in such islands upon like articles there manufactured; and such articles going into such islands from the United States shall be exempt from payment of any tax imposed by the internal-revenue laws of the United States.

Sec. 1305. That all administrative, special, or stamp provisions of law, including the law relating to the assessment of taxes, so far as applicable, are hereby extended to and made a part of this Act, and every person liable to any tax imposed by this Act, or for the collection thereof, shall keep such records and render, under oath, such statements and returns, and shall comply with such regulations as the Commissioner, with the approval of the Secretary, may from time to time prescribe.

Whenever in the judgment of the Commissioner necessary he may require any person, by notice served upon him, to make a return or such statements as he deems sufficient to show whether or not such person is liable to tax.

The Commissioner, for the purpose of ascertaining the correctness of any return or for the purpose of making a return where none has been made, is hereby authorized, by any revenue agent or inspector designated by him for that purpose, to examine any books, papers, records or memoranda bearing upon the matters required to be included in the return, and may require the attendance of the person rendering the return or of any officer or employee of such person, or the attendance of any other person having knowledge in the premises, and may take his testimony with reference to the matter required by law to be included in such return, with power to administer oaths to such person or persons.

Sec. 1306. That where floor taxes are imposed by this Act in respect to articles or commodities, in respect to which the tax imposed by existing law has been paid, the person required by this Act to pay the tax shall, within thirty days after its passage, make return under oath in such form and under such regulations as the Commissioner, with the approval of the Secretary, shall prescribe. Payment of the tax shown to be due may be extended to a date not exceeding seven months from the passage of this Act, upon the filing of a bond for payment in such form and amount and with such sureties as the Commissioner, with the approval of the Secretary, may prescribe.

Sec. 1307. That in all cases where the method of collecting the tax imposed by this Act is not specifically provided in this Act, the tax shall be collected in such manner as the Commissioner, with the approval of the Secretary, may prescribe. All administrative and penalty provisions of Title XI of this Act, in so far as applicable, shall apply to the collection of any tax which the Commissioner determines or prescribes shall be paid by stamp.

Sec. 1308. That, except as otherwise specially provided for in this Act, whoever fails to make any return required by this Act or the regulations made under authority thereof within the time prescribed or who makes any false or fraudulent return, and whoever evades or attempts to evade any tax imposed by this Act or fails to collect or truly to account for and pay over any such tax, shall be subject to a penalty of not more than \$1,000 or to imprisonment for not more than one year, or both, and in addition thereto a penalty of double the tax evaded, or not collected or accounted for and paid over, to be assessed and collected in the same manner as taxes are assessed and collected.

Sec. 1309. That the Commissioner, with the approval of the Secretary, is hereby authorized to make all needful rules and regulations for the enforcement of the provisions of this Act.

Sec. 1310. That in the case of any overpayment or overcollection of any tax imposed by sections 628 or 630 or by Title V, Title VIII or Title IX, the person making such overpayment or overcollection may take credit therefor against taxes due upon any monthly return, and shall make refund of any excessive amount collected by him upon proper application by the person entitled thereto.

Sec. 1311. That where the rate of tax imposed by this Act, payable by stamps, is an increase over previously existing rates, stamps on hand in the collectors' offices and in the Bureau of Internal Revenue may continue to be used until the supply on hand is exhausted, but shall be sold and accounted for at the rates provided by this Act, and assessment shall be made against manufacturers and other taxpayers having such stamps on hand on the day this Act takes effect for the difference between the amount paid for such stamps and the tax due at the rates provided by this Act.

Sec. 1312. (1) That (a) if any person has prior to May 9 1917 made a bona fide contract with a dealer for the sale or lease, after the tax takes effect, of any article in respect to which a tax is imposed under Title VI,

VII or IX, or under subdivision 13 of Schedule A of Title XI, or under this subdivision, and (b) if such contract does not permit the adding of the whole of such tax to the amount to be paid under such contract, then the vendee or lessee shall, in lieu of the vendor or lessor, pay so much of such tax as is not so permitted to be added to the contract price.

(2) If (a) any person has prior to Sept. 3 1918 made a bona fide contract with a dealer for the sale or lease, after the tax takes effect, of any article in respect to which a tax is imposed under Title VI, VII or IX, or under subdivision 13 of Schedule A of Title XI, or under this subdivision, and (b) such contract does not permit the adding, to the amount to be paid under such contract, of the whole of the difference between such tax and the corresponding tax imposed by the Revenue Act of 1917 (or, in the case of articles in respect to which no corresponding tax was imposed by such Act, the whole of the tax imposed by this Act), then the vendee or lessee shall, in lieu of the vendor or lessor, pay so much of such difference (or, in the case of articles in respect to which no corresponding tax was imposed by such Act, so much of the tax imposed by this Act) as is not so permitted to be added to the contract price.

(3) The taxes payable by the vendee or lessee under this section shall be paid to the vendor or lessor at the time the sale or lease is consummated, and collected, returned and paid to the United States by such vendor or lessor in the same manner as provided in section 502.

(4) The term "dealer" as used in this section includes a vendee who purchases any article with intent to use it in the manufacture or production of another article intended for sale.

Sec. 1313. That in the payment of any tax under this Act not payable by stamp a fractional part of a cent shall be disregarded unless it amounts to one-half cent or more, in which case it shall be increased to 1 cent.

Sec. 1314. That under rules and regulations prescribed by the Secretary, collectors may receive, at par and accrued interest, certificates of indebtedness issued by the United States and uncertificated checks in payment of income, war profits and excess-profits taxes, during such time and under such regulations as the Commissioner, with the approval of the Secretary, shall prescribe; but if a check so received is not paid by the bank on which it is drawn the person by whom such check has been tendered shall remain liable for the payment of the tax and for all legal penalties and additions the same as if such check had not been tendered.

Sec. 1315. (a) That section 3220 of the Revised Statutes is hereby amended to read as follows:

"Sec. 3220. The Commissioner of Internal Revenue, subject to regulations prescribed by the Secretary of the Treasury, is authorized to remit, refund and pay back all taxes erroneously or illegally assessed or collected, all penalties collected without authority, and all taxes that appear to be unjustly assessed or excessive in amount, or in any manner wrongfully collected; also to repay to any collector or deputy collector the full amount of such sums of money as may be recovered against him in any court, for any Internal revenue taxes collected by him, with the cost and expenses of suit; also all damages and costs recovered against any assessor, assistant assessor, collector, deputy collector, agent or inspector, in any suit brought against him by reason of anything done in the due performance of his official duty."

(b) Section 3225 of the Revised Statutes of the United States is hereby amended to read as follows:

"Sec. 3225. When a second assessment is made in case of any list, statement, or return, which in the opinion of the collector or deputy collector was false or fraudulent, or contained any understatement or undervaluation, such assessment shall not be remitted, nor shall taxes collected under such assessment be refunded, or paid back, or recovered by any suit, unless it is proved that such list, statement, or return was not willfully false or fraudulent and did not contain any willful understatement or undervaluation."

Sec. 1316. That sections 3167, 3172, 3173, and 3176 of the Revised Statutes as amended are hereby amended to read as follows:

"Sec. 3167. It shall be unlawful for any collector, deputy collector, agent, clerk, or other officer or employee of the United States to divulge or to make known in any manner whatever not provided by law to any person the operations, style of work, or apparatus of any manufacturer or producer visited by him in the discharge of his official duties, or the amount or source of income, profits, losses, expenditures, or any particular thereof, set forth or disclosed in any income return, or to permit any income return or copy thereof or any book containing any abstract or particulars thereof to be seen or examined by any person except as provided by law; and it shall be unlawful for any person to print or publish in any manner whatever not provided by law any income return, or any part thereof or source of income, profits, losses, or expenditures appearing in any income return; and any offense against the foregoing provision shall be a misdemeanor and be punished by a fine not exceeding \$1,000 or by imprisonment not exceeding one year, or both, at the discretion of the court; and if the offender be an officer or employee of the United States he shall be dismissed from office or discharged from employment.

"Sec. 3172. Every collector shall, from time to time, cause his deputies to proceed through every part of his district and inquire after and concerning all persons therein who are liable to pay any Internal revenue tax, and all persons owning or having the care and management of any objects liable to pay any tax, and to make a list of such persons and enumerate said objects.

"Sec. 3173. It shall be the duty of any person, partnership, firm, association, or corporation, made liable to any duty, special tax, or other tax imposed by law, when not otherwise provided for, (1) in case of a special tax, on or before the thirty-first day of July in each year, and (2) in other cases before the day on which the taxes accrue, to make a list or return, verified by oath, to the collector or a deputy collector of the district where located, of the articles or objects, including the quantity of goods, wares, and merchandise, made or sold and charged with a tax, the several rates and aggregate amount, according to the forms and regulations to be prescribed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, for which such person, partnership, firm, association, or corporation is liable: *Provided*, That if any person liable to pay any duty or tax, or owning, possessing, or having the care or management of property, goods, wares, and merchandise, article or objects liable to pay any duty, tax, or license, shall fail to make and exhibit a list or return required by law, but shall consent to disclose the particulars of any and all the property, goods, wares, and merchandise, articles, and objects liable to pay any duty or tax, or any business or occupation liable to pay any tax as aforesaid, then, and in that case, it shall be the duty of the collector or deputy collector to make such list or return, which, being distinctly read, consented to, and signed and verified by oath by the person so owning, possessing, or having the care and management as aforesaid, may be received as the list of such person: *Provided further*, That in case no annual list or return has been rendered by such person to the collector or deputy collector as required by law, and the person shall be absent from his or her residence or place of business at the time the collector or a deputy collector shall call for the annual list or return, it shall be the duty of such collector or deputy collector to leave at such place of residence or business, with some one of suitable age or discretion, if such be present, otherwise to deposit

in the nearest post office, a note or memorandum addressed to such person, requiring him or her to render to such collector or deputy collector the list or return required by law within ten days from the date of such note or memorandum, verified by oath. And if any person, on being notified or required as aforesaid, shall refuse or neglect to render such list or return within the time required as aforesaid, or whenever any person who is required to deliver a monthly or other return of objects subject to tax fails to do so at the time required, or delivers any return which, in the opinion of the collector, is erroneous, false, or fraudulent, or contains any undervaluation or understatement, or refuses to allow any regularly authorized Government officer to examine the books of such person, firm, or corporation, it shall be lawful for the collector to summon such person, or any other person having possession, custody, or care of books of account containing entries relating to the business of such person or any other person, he may deem proper, to appear before him and produce such books at a time and place named in the summons, and to give testimony or answer interrogatories, under oath, respecting any objects or income liable to tax or the returns thereof. The collector may summon any person residing or found within the State or Territory in which his district lies; and when the person intended to be summoned does not reside and cannot be found within such State or Territory, he may enter any collection district where such person may be found and there make the examination herein authorized. And to this end he may there exercise all the authority which he might lawfully exercise in the district for which he was commissioned: *Provided*, That "person," as used in this section, shall be construed to include any corporation, joint-stock company or association, or insurance company when such construction is necessary to carry out its provisions.

"Sec. 3176. If any person, corporation, company, or association fails to make and file a return or list at the time prescribed by law, or makes, willfully or otherwise, a false or fraudulent return or list, the collector or deputy collector shall make the return or list from his own knowledge and from such information as he can obtain through testimony or otherwise. In any such case the Commissioner may, from his own knowledge and from such information as he can obtain through testimony or otherwise, make a return or amend any return made by a collector or deputy collector. Any return or list so made and subscribed by the Commissioner, or by a collector or deputy collector and approved by the Commissioner, shall be prima facie good and sufficient for all legal purposes.

"If the failure to file a return or list is due to sickness or absence, the collector may allow such further time, not exceeding thirty days, for making and filing the return or list as he deems proper.

"The Commissioner of Internal Revenue shall determine and assess all taxes, other than stamp taxes, as to which returns or lists are so made under the provisions of this section. In case of any failure to make and file a return or list within the time prescribed by law, or prescribed by the Commissioner of Internal Revenue or the collector in pursuance of law, the Commissioner of Internal Revenue shall add to the tax 50% of its amount, except that when a return is filed after such time and it is shown that the failure to file it was due to a reasonable cause and not to willful neglect, no such addition shall be made to the tax. In case a false or fraudulent return or list is willfully made, the Commissioner of Internal Revenue shall add to the tax 100% of its amount.

"The amount so added to any tax shall be collected at the same time and in the same manner and as part of the tax unless the tax has been paid before the discovery of the neglect, falsity, or fraud, in which case the amount so added shall be collected in the same manner as the tax."

Sec. 1317. That if any person is summoned under this title to appear, to testify, or to produce books, papers or other data, the district court of the United States for the district in which such person resides shall have jurisdiction by appropriate process to compel such attendance, testimony, or production of books, papers, or other data.

Sec. 1318. That whoever in connection with the sale or lease, or offer for sale or lease, of any article, or for the purpose of making such sale or lease, makes any statement, written or oral, (1) intended or calculated to lead any person to believe that any part of the price at which such article is sold or leased, or offered for sale or lease, consists of a tax imposed under the authority of the United States, or (2) ascribing a particular part of such price to a tax imposed under the authority of the United States, knowing that such statement is false or that the tax is not so great as the portion of such price ascribed to such tax, shall be guilty of a misdemeanor and upon conviction thereof shall be fined not more than \$1,000.

Sec. 1319. That wherever by the laws of the United States or regulations made pursuant thereto any person is required to furnish surety or sureties on any bond, such person may, in lieu of surety or sureties, and under regulations prescribed by the Secretary, deposit with the United States an amount of bonds of the United States issued after April 24 1917, equal to the amount of such bond, together with an agreement authorizing the United States to sell such bonds in case of any default in payment of the bond. As soon as the bond becomes void and of no effect such bonds shall be returned to the depositor.

#### TITLE XIV.—GENERAL PROVISIONS.

Sec. 1400. (a) That any provision of any Act inconsistent with any provision of this Act is hereby repealed, subject to the limitations provided in subdivision (b):

(b) Such provisions shall remain in force for the assessment and collection of all taxes which have accrued thereunder, and for the imposition and collection of all penalties or forfeitures which have accrued and may accrue in relation to any such taxes, and except that the unexpended balance of any appropriation heretofore made and now available for the administration of any such provision shall be available for the administration of this Act and the corresponding provision thereof: *Provided*, That the assessment and collection of all estate taxes, and the imposition and collection of all penalties or forfeitures, which have accrued under Title II of the Revenue Act of 1916 as amended or Title IX of the Revenue Act of 1917, shall be according to the provisions of Title IV of this Act: *Provided further*, That in the case of any tax imposed by any part of an Act herein repealed, if there is a tax imposed by this Act in lieu thereof, the provision imposing such tax shall remain in force until the corresponding tax under this Act takes effect under the provisions of this Act.

Sec. 1401. That if any clause, sentence, paragraph, or part of this Act shall for any reason be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder of this Act, but shall be confined in its operation to the clause, sentence, paragraph, or part thereof directly involved to the controversy in which such judgment has been rendered.

Sec. 1402. That the Revenue Act of 1916 is hereby amended by adding at the end thereof a section to read as follows:

"Sec. 903. That this Act may be cited as the 'Revenue Act of 1916.'"

Sec. 1403. That the Revenue Act of 1917 is hereby amended by adding at the end thereof a section to read as follows:

"Sec. 1393. That this Act may be cited as the 'Revenue Act of 1917.'"

Sec. 1404. That this Act may be cited as the "Revenue Act of 1918."

Sec. 1405. That unless otherwise herein specially provided, this Act shall take effect on the day following its passage.

## ITEMS ABOUT BANKS, TRUST COMPANIES, &amp;c.

Six shares of bank stock were sold at the Stock Exchange this week. No sales of bank or trust company stocks were made 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 September 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 995.

Shares. BANK—New York. Low. High. Close. Last previous sale.  
6 Nat. Bank of Commerce..... 175 175 175 May 1918—172

Considerable information with regard to the capital and resources of the State-chartered institutions in the United States is furnished in a statement compiled by R. N. Sims, Examiner of State Banks in Louisiana. The statement has been compiled from reports furnished by heads of State banking departments. Mr. Sims finds 20,423 institutions, with resources of \$22,275,104,144. This compares with total resources of all national banks on May 10 1918 of \$18,249,000,000. The figures presented by Mr. Sims for the 20,423 State institutions also show aggregate capital of \$1,198,583,842; surplus of \$1,217,070,794; undivided profits of \$236,168,465, and total, capital, surplus and undivided profits of \$2,651,823,101.

The Governing Committee of the Stock Exchange announced yesterday that the Exchange would be closed on Thursday, Sept. 12, the day fixed by the President for the registration of men from 18 to 45 years under the new Selective Service Law.

The Chatham & Phenix National Bank of New York has taken over the business of the People's Bank of this city, situated at 393 and 395 Canal Street. The People's Bank, which was organized about fifty years ago, is a State institution. After the consolidation becomes effective, the People's will be operated as a branch of the Chatham & Phenix National. The capital of the People's Bank is \$200,000, while its surplus and undivided profits amount to \$534,000. Its deposits aggregate about \$5,000,000.

The funeral of John Burekhardt, Cashier of the Commonwealth Bank, formerly the Germania Bank, took place from his late home, 433 East 139th Street, on Thursday. Mr. Burekhardt was connected with the bank for forty-three years and was made Assistant Cashier in 1906 and appointed Cashier last December. He was born in this city sixty-three years ago and was a member of the Metropolitan Museum of Art, Monroe Democratic Club, Pastime Athletic Club and Lincoln Lodge F. & A. M.

Jason A. Neilson, manager of foreign exchange for Brown Brothers & Co., and for more than 26 years with that firm, will hereafter devote all his attention to the Mercantile Bank of the Americas as active Vice-President. Mr. Neilson has given a great deal of his time during the last two years to the Mercantile Bank of the Americas, but the growing business of this American bank for foreign trade has made it necessary for him it is said, to give it his sole consideration.

A special meeting of the stockholders of the Public National Bank of this city has been called for Sept. 30 1918 to vote upon the following propositions:

To amend Section 2 of the Articles of Association so as to change the location of the branch now at the southwest corner of Broadway and 26th Street to 1121 and 1123 Broadway and 7 West 25th Street.

To amend Section 5 of the Articles of Association of this bank so as to increase the capital (par \$100) from \$750,000 to \$1,000,000.

To adopt the necessary resolutions fixing the time when and the terms and conditions under which the increase of \$250,000 in the capital shall be issued to shareholders.

The State Bank of this city has increased its capital stock from \$1,500,000 to \$2,000,000. The enlarged capital became effective Aug. 31.

The National City Company, 55 Wall St., this city, announces the opening of an uptown office at 514 Fifth Ave. on the southeast corner of 43d St., for the convenience of its men and women patrons who do not desire to come down town to the Wall Street district to attend to their investments. The new office will be under the personal management of Colonel John B. Young, who has been identified with the National City Company since its formation as a

bond distributing organization, and prior to that with the National City Bank.

W. H. MacIntyre, New York Agent for the Standard Bank of South Africa, 68 Wall Street, this city, has received a cable from the head office of the Bank, in London, reading as follows: "Subject audit directors declare interim dividend 14% per annum less income tax. Bank's investments stand in the books at less than the market value at 30th June last, and all other usual and necessary provisions have been made." Mr. Macintyre has also received advices to the following effect:

Arrangements have been completed for establishment of agency of this bank in Rotterdam and it is hoped that the office may be open for business in about three weeks' time.

The Webster National Bank of Webster, Mass., (capital \$100,000) has been granted a charter by the Comptroller of the Currency.

At the special meeting of the stockholders of the Farmers & Mechanics National Bank, of Philadelphia, held on Aug. 30 and to which we referred in our issue of Aug. 3, the proposed amalgamation with the Philadelphia National Bank was ratified. The merger went into effect on Sept. 3. By the taking over of the Farmers & Mechanics Bank, the deposits of the Philadelphia National Bank now aggregate \$104,627,223, being the largest amount of deposits ever held by a Philadelphia institution.

Greenebaum Sons Bank & Trust Co., of Chicago, has absorbed the Illinois State Bank, taking over all of the accounts and other business of the latter institution. The Illinois State Bank was established in 1913 with capital of \$200,000 and surplus of over \$30,000. Deposits, according to statement of July 1, amounted to approximately \$800,000, including about \$200,000 of savings accounts. Total number of depositors, between 3,000 and 4,000. Alfred Decker, of Alfred Decker & Cohn, President and one of the principal stockholders of the Illinois State Bank, was unable to give this institution sufficient attention and preferred to discontinue business. The transfer of business was made to Greenebaum Sons Bank & Trust Co., southeast corner LaSalle and Madison streets, during the double holiday, and all of the customers of the Illinois State Bank are now being served at the Greenebaum institution.

Charles O. Fetscher, formerly Cashier of the West Side Trust & Savings Bank, of Chicago, on Aug. 6 was promoted to the Vice-Presidency of the institution. At the same time Herman S. Gottlieb, for many years identified with the Bank of the United States, of this city, was elected Cashier to succeed Mr. Fetscher, and not "Vice-President," as erroneously stated in these columns in our issue of Aug. 24.

The Anglo-South American Bank, Ltd. will open a new branch in Vigo, Spain, early in November. The New York agents of the bank are John Cone, F. C. Harding and W. M. Dawkin. The capital and reserves of the institution are £6,338,794. Head office, London.

Mr. Frank Merrill of the Northwestern National Bank of Minneapolis who for nearly two years has had charge of the bank's monthly review, collecting the information and preparing the articles in consonance with the policy of the institution, will soon enter Y. M. C. A. service overseas. James E. Neville, for some years past financial writer on the Minneapolis "Journal," has associated himself with the bank and will continue the effort to present a comprehensive and accurate review of conditions as they exist in the Northwest.

The Interstate National Bank of Helena, Ark., which is a conversion of the Interstate Banking & Trust Co. of that city, has been granted a charter by the Comptroller of the Currency. The capital of the institution is \$200,000.

Joseph A. Swalwell has been elected President and Guy F. Clark Vice-President of the Union Savings and Trust Company of Seattle, Washington. They had originally planned to take up their new duties on Aug. 15 but the effective date was changed to Sept. 1; the directors of the National Bank of Commerce, of which Mr. Swalwell has been Vice-President for some time, urged his continuance with that institution until that date, while Mr. Clark decided to avail of a brief rest before entering upon his new office.

**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 25 1918:

**GOLD.**

The Bank of England gold reserve against its note issue shows an increase of £648,400 as compared with last week's return. The "Review of the Trade of India" in 1916-17 states as follows:

As a result of the difficulties placed in the way of exporting gold by belligerent countries, the imports into India were only 40% of the average imports during the pre-war quinquennium. There was also a notable change in the source of these imports. Before the war gold was imported at certain times of the year in large quantities by the exchange banks and bullion brokers from the United Kingdom, and sovereigns in transit from Australia or ready for export from Egypt were frequently diverted to India. The United Kingdom, Egypt and Australia were, in fact, the chief source of supply. In 1916-17, however, Natal, China and Japan were the chief countries of consignment. The shipments from Natal amounted to £5,091,000, of which £6,054,000 were in bar gold. The whole of this bar gold is warehoused in Bombay on behalf of the Bank of England. The shipments from China were also in bullion, while those from Japan were in sovereigns. The imports from the United States were abnormally high, since the United States rarely ships gold in any quantity direct to India. The exports out of India were comparatively unimportant, and were chiefly in the form of sovereigns to meet the requirements of troops in Mesopotamia and Egypt. The absorption of gold coin and gold bullion was £5,393,000. This figure, although greater than that of the preceding year, was still much below the average of the pre-war quinquennial period.

**SILVER.**

No change has taken place in the market—the tons continues good. The Shanghai exchange has hardened to 4s. 9½d.

**INDIAN CURRENCY RETURNS.**

(In Lacs of Rupees.)	June 30.	July 7.	July 15.
Notes in circulation	114.79	115.58	118.74
Reserve in silver coin and bullion (within and without India)	14.95	14.81	16.95
Gold coin and bullion in India	21.00	20.89	20.42
Gold out of India	45	45	45

The stock in Shanghai on July 22 consisted of about 26,100,000 ounces in sycee and \$15,500,000, as compared with about \$26,700,000 ounces in sycee and \$15,200,000 on the 15th inst.

The movements in the cash price of bar silver per ounce from day to day during this week have been as follows:

July 20.	July 22.	July 23.	July 24.	July 25.	July 26.
48 13-16d.					

Comparing with previous years as follows:

July 29 '12.	July 28 '13.	July 28 '14.	July 28 '15.	July 28 '16.	July 27 '17.
27 13-16d.	27 ¾d.	24 7-16d.	23 ¾d.	30 5-16d.	39 ¾d.

**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, Week ending Aug. 30.	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
Silver, per oz. .... d.	49 ½	49 ½	49 ½	49 ½	49 ½	49 ½
Consols, 2½ per cents. ....	Holiday	59 ¾	57	57	57	57 ½
British 5 per cents. ....	Holiday	94 ½	95	95	95	95 ½
British 4½ per cents. ....	Holiday	100 ¾	100 ¾	100 ¾	100 ¾	100 ¾
French Renten (in Paris) fr.	Closed	63	63.20	63.50	63.70	63.90
French War Loan (in Paris) fr.	Closed	87.85	87.85	87.85	87.85	87.85

The price of silver in New York on the same days has been:

Silver in N. Y., per oz. .... cts.	101 ¾	101 ¾	101 ¾	101 ¾	101 ¾	101 ¾
London, Week ending Sept. 6—	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
Silver, per oz. .... d.	49 ½	49 ½	49 ½	49 ½	49 ½	49 ½
Consols, 2½ per cents. ....	Holiday	57	57 ½	57 ½	57 ½	58
British 5 per cents. ....	Holiday	95 ½	95 ½	95 ½	95 ½	95
British 4½ per cents. ....	Holiday	100 ¾	100 ¾	100 ¾	100 ¾	100 ¾
French Renten (in Paris) fr.	Closed	64.10	64.10	64.10	64.10	64.10
French War Loan (in Paris) fr.	Closed	87.90	87.95	87.95	87.95	87.95

The price of silver in New York on the same day has been:

Silver in N. Y., per oz. .... cts.	101 ¾	101 ¾	101 ¾	101 ¾	101 ¾	101 ¾
------------------------------------	-------	-------	-------	-------	-------	-------

**TRADE AND TRAFFIC MOVEMENTS.**

**LAKE SUPERIOR IRON ORE SHIPMENTS.**

The shipments of Lake Superior iron ore during the month of August 1918 aggregated 9,725,331 tons. Compared with the record shipments of the previous month the current figures show a decline of 933,872 tons. The amounts at this time in 1917 and 1916 were 10,146,786 tons and 9,850,140 tons, respectively. The dock strike at Superior and the heavier coal and grain shipments were instrumental, it is stated, in retarding the ore shipments. The shipments for the season to Sept. 1 1918 amount to 39,334,264 tons, exceeding those for the same period in 1917 by 2,810,710 tons and those for 1916 by 118,400 tons.

Below we compare the shipments from different ports for August 1917, 1916 and 1915 and for the season to Sept. 1:

	August			Season to Sept. 1		
	1918.	1917.	1916.	1918.	1917.	1916.
Escanaba..... tons	1,105,604	951,520	1,061,285	4,011,481	4,089,191	4,708,477
Marquette.....	592,073	629,426	634,786	2,276,692	1,859,062	2,469,705
Ashland.....	1,309,394	1,375,118	1,289,439	4,582,950	4,425,912	4,796,384
Superior.....	2,146,689	2,444,632	1,950,249	9,197,933	8,202,216	7,315,795
Duluth.....	3,243,806	3,326,254	3,380,066	13,156,893	11,909,021	12,718,548
Two Harbors.....	1,364,765	1,516,736	1,534,315	6,109,356	5,908,182	6,706,955
Total.....	9,725,331	10,146,786	9,850,140	39,334,264	36,523,554	39,215,864

**Clearings by Telegraph—Sales of Stocks, Bonds, &c.**

The subjoined table, covering clearings for the current week, usually appears on the first page of each issue, but on account of the length of the other tables is crowded out once a month. The figures are received by telegraph from other leading cities.

Clearings—Returns by Telegraph. Week ending September 7.	1918.	1917.	Per Cent.
New York.....	\$2,628,031,722	\$2,540,959,448	+3.4
Chicago.....	360,017,150	335,926,120	+7.2
Philadelphia.....	300,246,830	225,889,883	+32.9
Boston.....	197,168,652	152,313,649	+29.4
Kansas City.....	158,862,869	107,693,917	+47.5
St. Louis.....	110,559,064	92,322,545	+19.8
San Francisco.....	86,409,766	70,886,444	+21.9
Pittsburgh.....	88,799,994	47,650,183	+86.4
Detroit.....	45,436,435	35,414,044	+28.0
Baltimore.....	52,408,437	29,065,784	+74.9
New Orleans.....	42,385,045	27,536,119	+55.0
Eleven cities, 5 days.....	\$4,070,326,054	\$3,664,358,136	+11.1
Other cities, 5 days.....	649,862,041	694,723,418	+7.5
Total all cities, 5 days.....	\$4,720,188,105	\$4,269,081,554	+10.6
All cities, 1 day.....	1,040,274,817	909,831,798	+14.3
Total all cities for week.....	\$5,760,462,922	\$5,178,913,352	+11.2

Our usual monthly detailed statement of transactions on the New York Stock Exchange is appended. The results for the eight months of 1918 and 1917 are given below:

Description.	Eight Months 1918.			Eight Months 1917.		
	Par Value or Quantity.	Actual Value.	Aver. Price.	Par Value or Quantity.	Actual Value.	Aver. Price.
Stock (Shs.)	89,106,917	126,853,695	141.28	116,513,999,255	\$11,095,146,182	95.2
RR. bonds	\$8,317,425,565	\$7,669,967,343	92.2	11,651,399,255	\$27,849,040	91.4
U. S. bonds	181,253,000	166,094,113	86.1	358,772,000	53,819,779	99.9
State, city & for'n bds.	697,756,000	673,664,014	96.6	53,859,250	220,541,099	96.7
Bank stks.	145,624,000	134,864,284	92.8	228,172,500	118,112,192.3	96.7
	14,300	28,942,202.4	61,400			
Total.....	\$9,342,071,865	\$8,634,618,696	92.4	\$11,229,254,405	\$11,697,475,102	95.2

The volume of transactions in share properties on the New York Stock Exchange each month since Jan. 1 in 1908 and 1917 is indicated in the following:

Month.	Clearings, Total All.			Clearings Outside New York.		
	1918.	1917.	%	1918.	1917.	%
	\$	\$		\$	\$	
Jan.....	26,538,574,018	25,640,505,405	+3.5	11,819,506,488	10,513,130,790	+12.6
Feb.....	22,257,368,866	21,629,473,389	+2.8	9,998,002,811	8,835,386,145	+13.2
Mar.....	26,084,799,579	24,792,414,566	+5.2	12,244,518,108	10,563,287,306	+15.9
1st qu.	74,880,732,462	72,062,393,360	+3.9	34,062,027,497	29,911,813,241	+13.0
April.....	26,485,086,036	25,012,249,100	+5.9	12,391,079,089	10,360,027,203	+19.6
May.....	28,299,233,579	26,316,510,561	+7.4	12,709,535,903	10,733,053,558	+18.4
June.....	27,314,671,217	26,734,347,702	+2.2	12,457,025,697	10,635,269,435	+17.2
2d. qr.	82,085,992,832	78,063,107,363	+5.1	37,558,140,095	31,728,350,196	+18.4
6 mos.	1,569,472,294	1,601,255,509,723	+4.6	716,200,168,192	61,640,163,237	+16.2
July.....	28,644,789,823	25,654,326,634	+11.6	13,243,582,672	10,479,033,048	+26.4
Aug.....	28,141,832,108	25,093,230,233	+12.1	13,183,405,484	10,413,908,705	+26.6

The following compilation covers the clearings by months since Jan. 1 1918 and 1917:

Mth.	1918.			1917.		
	Number of Shares.	Par.	Actual.	Number of Shares.	Par.	Actual.
	\$	\$	\$	\$	\$	\$
Jan.....	13,616,357	1,279,740,700	1,175,427,682	16,939,440	1,537,971,930	1,465,687,290
Feb.....	11,418,079	1,083,216,900	996,548,289	13,588,465	1,219,250,130	1,170,569,988
Mar.....	8,419,477	772,475,950	710,581,417	18,658,267	1,654,197,470	1,588,437,263
1st qr.	33,453,913	3,135,433,550	2,882,557,388	49,186,172	4,411,449,530	4,224,694,541
April.....	7,401,174	687,371,800	631,497,841	14,258,162	1,289,483,950	1,217,415,208
May.....	21,139,092	1,984,405,900	1,826,464,917	19,354,400	1,780,716,450	1,709,948,702
June.....	11,772,261	1,037,605,150	1,010,478,462	19,092,653	1,787,372,075	1,712,444,200
2d. qr.	40,315,527	3,759,382,850	3,468,441,220	52,705,216	4,857,572,475	4,659,808,116
6 mos.	73,769,440	6,894,816,400	6,350,998,698	101,891,387	9,269,022,005	8,884,502,657
July.....	8,449,888	771,723,890	718,468,917	13,325,365	1,273,055,300	1,197,403,416
Aug.....	5,887,889	651,885,275	600,499,818	11,936,853	1,099,321,950	1,033,240,109

The course of bank clearings at leading cities of the country for the month of August and since Jan. 1 in each of the last four years is shown in the subjoined statement:

BANK CLEARINGS AT LEADING CITIES.	August				Jan. 1 to Aug. 31			
	1918.	1917.	1916.	1915.	1918.	1917.	1916.	1915.
(000,000)	\$	\$	\$	\$	\$	\$	\$	\$
New York.....	14,858	14,679	11,767	8,537	115,689	118,350	95,925	64,040
Chicago.....	2,351	2,027	1,097	1,235	17,113	16,991	12,874	10,351
Boston.....	1,288	1,025	733	577	10,058	8,129	5,869	5,146
Philadelphia.....	1,735	1,368	998	656	12,666	11,208	8,129	5,314
St. Louis.....	679	559	422	298	5,113	4,378	3,298	2,624
Pittsburgh.....	555	330	258	212	3,477	2,633	2,181	1,684
San Francisco.....	489	431	287	222	3,597	3,076	2,109	1,700
Cincinnati.....	254	179	132	109	1,841	1,300	1,110	870
Baltimore.....	322	189	130	129	2,014	1,490	1,480	1,151
Kansas City.....	906	644	453	282	6,805	4,534	2,917	2,351
Cleveland.....	390	327	207	126	2,761	2,379	1,451	956
New Orleans.....	201	107	62	62	1,703	1,160	773	599
Minneapolis.....	134	109	123	75	1,005	979	873	701
Louisville.....	95	80	71	61	754	677	619	493
Detroit.....	300	248	209	147	1,983	1,863	1,383	925
Milwaukee.....	121	106	81	61	951	835	645	543
Los Angeles.....	129	120	105	82	1,002	1,020	816	681
Providence.....	48	40	37	29	398	351	327	261
Omaha.....	230	137	111	72	1,835	1,138	783	617
Buffalo.....	103	83	67	48	724	637	502	384
St. Paul.....	61	57	60	47	485	482	5	

**Canadian Bank Clearings.**—The clearings of the Canadian banks for the month of August 1918 show an increase over the same month of 1917 of 10.9%, and for the eight months the gain reaches 4.5%.

Clearings at—	August						Eight Months.					
	1918.		Inc. or Dec.	1917.		Inc. or Dec.	1918.		1917.		Inc. or Dec.	
	\$	%		\$	%		\$	%	\$	%		
Montreal	391,761,808	354,434,157	+10.8	2,906,730,039	2,777,043,545	+4.7						
Toronto	277,868,996	244,647,085	+13.6	2,187,915,878	1,993,550,667	+9.7						
Winnipeg	136,330,736	150,156,145	-9.2	1,335,571,180	1,550,607,635	-13.9						
Vancouver	54,436,964	58,527,759	-41.3	339,725,406	253,735,623	+33.9						
Ottawa	25,768,244	23,983,615	+7.4	213,309,867	191,811,443	+11.2						
Quebec	20,339,523	16,932,194	+20.4	148,606,246	139,062,159	+6.2						
Halifax	15,557,108	12,840,010	+44.5	139,484,697	90,008,484	+40.9						
Hamilton	22,315,718	20,103,111	+11.0	169,771,519	157,924,034	+7.5						
St. John	10,738,841	8,820,379	+21.7	76,958,011	70,929,180	+8.5						
Calgary	25,511,293	25,820,413	-1.2	205,691,254	200,608,975	+2.5						
London	9,445,412	7,826,590	+21.2	80,485,293	73,809,251	+9.0						
Victoria	9,180,059	7,118,946	+29.7	65,808,427	54,047,694	+21.8						
Edmonton	1,833,751	10,294,294	-26.5	109,161,248	86,082,140	+26.8						
Regina	13,193,773	11,384,312	+15.9	104,687,132	94,600,844	+10.5						
Brandon	3,481,867	2,146,939	+15.6	19,104,090	17,148,682	+11.4						
Saskatoon	6,310,967	7,049,633	-3.4	55,277,939	55,225,851	+0.1						
Moose Jaw	5,571,916	5,146,701	+8.3	41,838,659	37,194,877	+12.5						
Lethbridge	4,100,900	4,110,272	-0.2	26,793,476	26,554,000	+0.6						
Brantford	3,689,693	3,279,500	+12.5	31,301,475	27,070,200	+15.6						
Fort William	2,216,615	2,652,692	-10.1	22,822,750	20,138,940	+12.2						
New Westminster	2,303,282	1,558,142	+48.1	14,509,441	10,668,651	+36.9						
Medicine Hat	1,500,000	2,248,301	-33.3	15,163,396	19,271,957	-11.4						
Peterborough	2,769,225	2,728,779	+1.5	23,140,613	20,556,049	+10.4						
Sherebrooke	3,776,187	2,728,626	+38.6	27,357,359	22,361,319	+22.3						
Kitchener	2,475,422	2,295,656	+7.8	20,601,758	19,657,702	+4.8						
<b>Tot. Canada</b>	<b>1,989,271,907</b>	<b>1,970,661,525</b>	<b>+10.8</b>	<b>17,492,278,020</b>	<b>16,657,357,415</b>	<b>+4.5</b>						

\* Not included in total; comparison incomplete.

The clearings for the week ending Aug. 29 at Canadian cities, in comparison with the same week of 1917, show an increase in the aggregate of 15.6%.

Clearings at—	Week ending August 29.					
	1918.		Inc. or Dec.	1917.		Inc. or Dec.
	\$	%		\$	%	
Canada—	\$ 7,760,074	74,099,187	+22.4	\$ 54,554,504	49,393,867	
Montreal	63,953,331	55,782,798	+18.9	43,438,469	35,525,308	
Toronto	27,022,370	23,437,148	+13.2	40,132,678	15,944,597	
Winnipeg	10,643,210	8,315,899	+28.0	6,550,000	5,564,629	
Ottawa	2,930,771	4,853,728	-35.5	3,982,030	3,279,278	
Quebec	4,173,276	4,853,728	-16.7	3,313,901	3,259,340	
Halifax	3,755,108	2,584,091	+43.9	1,754,278	1,453,856	
St. John	2,202,971	1,831,007	+21.3	1,635,385	1,453,856	
Hamilton	5,061,621	4,318,059	+17.2	3,197,312	2,867,227	
Calgary	4,674,927	5,055,353	-7.6	4,070,172	2,441,230	
Victoria	1,647,652	1,859,000	-11.4	1,848,070	1,197,004	
London	1,892,654	1,654,636	+14.4	1,452,059	1,660,176	
Edmonton	2,796,147	2,292,985	+22.0	1,690,226	1,779,653	
Regina	2,692,524	3,435,894	-10.6	2,042,362	1,228,715	
Brandon	518,631	445,327	+16.4	469,152	433,053	
Lethbridge	798,000	875,440	-9.4	569,745	328,548	
Saskatoon	1,350,000	1,398,000	-3.4	1,091,826	862,067	
Moose Jaw	1,071,915	849,176	+26.1	874,034	706,355	
Brantford	814,020	687,588	+18.5	523,193	423,123	
Fort William	642,307	568,071	+13.0	643,357	302,860	
New Westminster	493,755	319,087	+54.6	271,870	243,463	
Medicine Hat	355,191	488,917	-27.2	321,594	150,150	
Peterborough	569,540	529,032	+7.6	444,559	362,662	
Sherebrooke	719,885	583,017	+23.3	484,775	362,662	
Kitchener	531,871	458,441	+15.9	341,326	-----	
<b>Total Canada</b>	<b>235,183,286</b>	<b>203,509,930</b>	<b>+15.6</b>	<b>175,615,451</b>	<b>133,866,542</b>	

**Other Western and Southern Clearings** brought forward from first page:

Clearings at—	Week ending August 31.					
	1918.		Inc. or Dec.	1917.		Inc. or Dec.
	\$	%		\$	%	
Kansas City	180,299,676	130,648,088	+38.0	101,947,908	68,274,682	
Minneapolis	34,333,716	26,622,298	+30.2	27,769,705	20,061,760	
Omaha	5,000,000	29,810,485	+74.1	25,459,664	18,841,073	
St. Paul	12,900,366	14,112,315	-8.6	13,457,089	10,669,410	
Denver	23,211,765	14,490,196	+60.5	13,894,128	8,923,496	
St. Joseph	15,092,180	11,663,144	+29.4	8,986,347	7,005,054	
Des Moines	7,553,132	5,806,709	+30.2	5,417,523	5,093,773	
Sioux City	7,235,639	5,063,550	+42.9	4,182,346	3,983,760	
Wichita	9,533,529	5,615,175	+69.8	5,404,494	3,440,931	
Duluth	4,528,140	4,491,705	+0.8	5,290,241	4,080,935	
Topeka	2,937,359	2,379,000	+24.3	1,840,499	1,377,918	
Lincoln	3,573,501	3,111,671	+14.5	2,805,210	1,611,152	
Davenport	2,900,000	2,325,288	+24.7	1,671,776	1,020,235	
Cedar Rapids	1,756,944	1,976,656	-11.1	1,671,377	1,620,235	
Colorado Springs	550,000	609,000	-9.7	580,000	480,420	
Fargo	1,700,000	1,419,582	+19.8	1,372,791	1,105,003	
Pueblo	587,844	582,209	+0.9	435,963	351,854	
Fremont	726,924	426,931	+70.1	530,995	344,205	
Waterloo	1,355,529	1,922,802	-29.5	1,779,849	1,328,503	
Helena	1,355,529	1,280,833	+5.8	1,321,343	1,012,138	
Aberdeen	1,329,903	1,400,785	-7.5	761,115	646,166	
Hastings	525,000	467,036	+12.4	502,684	228,608	
Billings	1,992,903	930,734	+11.4	706,000	445,000	
<b>Tot. oth. West.</b>	<b>266,791,230</b>	<b>266,507,040</b>	<b>+37.6</b>	<b>227,797,550</b>	<b>167,346,872</b>	

Clearings at—	Week ending August 31.					
	1918.		Inc. or Dec.	1917.		Inc. or Dec.
	\$	%		\$	%	
St. Louis	143,985,010	120,257,447	+19.7	92,673,383	71,505,995	
New Orleans	47,333,290	31,064,855	+52.3	25,186,023	15,084,039	
Louisville	19,589,235	16,485,158	+19.5	15,834,070	14,579,854	
Houston	20,139,932	14,484,831	+39.2	10,588,876	6,900,000	
Galveston	6,088,982	5,200,000	+17.1	5,329,957	3,464,869	
Richmond	44,470,346	28,291,686	+57.2	16,508,919	9,144,930	
Atlanta	3,476,307	22,992,315	+54.1	15,429,077	11,149,135	
Memphis	3,593,874	3,111,671	+15.4	2,805,210	1,611,152	
Nashville	13,545,480	8,140,153	+67.4	5,689,149	4,975,137	
Fort Worth	10,614,342	10,234,829	+3.7	7,109,907	5,009,632	
Savannah	8,859,478	8,743,758	+1.0	8,622,904	4,749,782	
Norfolk	7,085,538	4,832,269	+46.5	3,560,130	2,938,045	
Birmingham	4,613,454	3,173,071	+45.4	2,281,635	2,063,529	
Knoxville	2,509,000	2,400,000	+4.2	2,000,000	1,800,105	
Chattanooga	4,397,945	3,072,360	+43.1	1,783,676	1,971,193	
Jacksonville	5,040,206	3,810,472	+31.7	2,287,871	2,138,988	
Mobile	1,426,238	1,470,000	-3.0	1,400,859	1,097,502	
Augusta	2,555,163	1,897,539	+35.3	1,332,443	1,060,095	
Little Rock	3,785,107	2,802,069	+35.4	2,034,896	1,516,791	
Charleston	2,400,000	1,819,391	+31.9	1,257,472	1,158,827	
Oklahoma	3,091,000	2,307,995	+34.7	4,636,108	2,445,900	
Macon	1,000,000	1,216,741	-17.9	5,641,598	2,225,801	
Austin	2,393,442	2,100,000	+14.0	2,400,000	1,394,517	
Vicksburg	204,144	199,932	+2.1	156,662	163,575	
Jackson	635,700	320,198	+98.6	335,427	217,478	
Tulsa	7,337,309	5,693,539	+28.9	2,888,221	1,122,768	
Muskogee	2,164,411	1,650,331	+30.8	1,027,535	697,458	
Dallas	22,128,811	11,751,225	+93.8	5,688,758	-----	
Shreveport	1,000,000	1,200,000	-16.7	-----	-----	
<b>Total Southern</b>	<b>4,407,087,2</b>	<b>3,287,710,978</b>	<b>+34.1</b>	<b>2,482,400,443</b>	<b>1,747,708,789</b>	

Clearings at—	August.			Eight Months.		
	1918.		Inc. or Dec.	1917.		Inc. or Dec.
	\$	%		\$	%	
Kansas City	905,773,343	643,501,431	+40.8	6,505,188,721	4,533,840,695	+43.5
Minneapolis	333,877,098	109,093,440	+22.7	1,004,835,119	979,413,033	+2.6
Omaha	230,000,000	136,650,213	+68.3	1,831,429,804	1,138,368,040	+61.2
St. Paul	60,944,445	56,548,580	+7.8	495,291,370	481,781,405	+2.8
Denver	98,383,500	69,133,645	+42.8	751,479,930	501,538,398	+49.8
St. Joseph	75,123,017	60,079,609	+25.0	607,610,923		

The exports from the several seaboard ports for the week ending Aug. 31 are shown in the annexed statement:

Exports from—	Wheat.	Corn.	Flour.	Oats.	Rye.	Barley.	Peas.
New York	Bushels. 1,119,688	Bushels. 160,091	Barrels. 19,085	Bushels. 373,171	Bushels. —	Bushels. —	Bushels. 4,134
Boston	340,841	—	—	31,452	—	—	—
Baltimore	840,132	—	8,000	77,000	—	—	—
Newport News	—	—	—	—	—	—	—
Total week	2,300,641	160,091	27,085	481,623	—	—	4,134
Week 1917	667,880	85,430	74,345	1,877,127	—	—	55,205

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 Aug. 31	Since July 1	Week Aug. 31	Since July 1	Week Aug. 31	Since July 1
United Kingdom	Barrels. 17,954	169,497	Bushels. 730,081	1,482,308	Bushels. 100,091	859,186
Continent	9,131	629,561	1,570,560	3,869,102	—	542,130
So. & Cent. Amer.	—	5,546	—	—	—	5,546
West Indies	—	30,084	—	—	—	30,084
Brit. No. Am. Colonies	—	—	—	—	—	—
Other countries	—	7,802	—	—	—	7,882
Total	27,085	842,870	2,300,641	5,351,410	160,091	1,444,828
Total 1917	74,345	1,150,826	667,880	14,680,389	85,430	3,537,149

The world's shipments of wheat and corn for the week ending Aug. 31 1918 and since July 1 1918 and 1917 are shown in the following:

Exports.	Wheat.		Corn.	
	1918.		1917.	
	Week Aug. 31	Since July 1	Week Aug. 31	Since July 1
North Amer*	Bushels. 3,298,000	26,497,000	Bushels. 60,752,000	422,000
Russia	—	—	—	3,560,000
Danube	—	—	—	7,733,000
Argentina	2,372,000	39,588,000	1,937,000	1,009,000
Australia	720,000	6,820,000	13,750,000	2,404,000
India	210,000	2,330,000	5,608,000	2,850,000
Oth. countr's	—	280,000	332,000	92,000
Total	6,600,000	75,513,000	82,379,000	1,523,000

\* North America.—The Canadian Government has officially prohibited the issuance of both manifests and exports until after ten days. This is effective during the continuance of the war. a Revised.

The quantity of wheat and corn afloat for Europe on dates mentioned was as follows:

	Wheat.		Corn.	
	United Kingdom.	Continent.	United Kingdom.	Continent.
Aug. 31 1918	Bushels. Not available	Bushels. Not available	Bushels. Not available	Bushels. Not available
Sept. 1 1917	—	—	—	—
Sept. 2 1916	—	—	45,656,000	20,961,000

**National Banks.**—The following information regarding national banks is from the office of the Comptroller of the Currency, Treasury Department:

APPLICATIONS FOR CHARTER.

For organization of national banks:	Capital.
The First National Bank of Lake Village, Ark.	\$50,000
The First National Bank of Salt Springs, Okla.	25,000
The First National Bank of Lagger, W. Va.	25,000
The First National Bank of Montebello, Cal.	25,000
To succeed the Commercial Department of the Montebello State Bank.	—
Total	\$125,000

CHARTERS ISSUED.

Original organizations:	
The Webster National Bank, Webster, Mass.	\$100,000
The First National Bank of Trenton, N. Y. (P. O. Barneveld, N. Y.)	25,000
The First National Bank of Pollock, So. Dak.	25,000
The First National Bank of Montgomery City, Mo.	75,000
Succeeds Union Savings Bank of Montgomery City.	—
Conversion of State Banks:	
The Interstate National Bank of Helena, Ark.	\$200,000
Conversion of the Interstate Banking & Trust Co. of Helena.	—
The Liberty National Bank of Dawson, Texas.	50,000
Conversion of the First State Bank of Dawson.	—
Total	\$475,000

CHARTERS EXTENDED.

The National Bank of Sidney, Iowa. Until close of business Sept. 2 1938.	
The First National Bank of McKees Rocks, Pa. Until close of business Sept. 5 1938.	

INCREASES OF CAPITAL APPROVED.

	Amount.
The Jackson National Bank, Jackson, Minn. From \$30,000 to \$80,000	\$50,000
The First National Bank of Adams, Nebr. From \$25,000 to \$50,000	25,000
The Third National Bank of Union City, Tenn. From \$60,000 to \$84,000	24,000
The First National Bank of Thermopolis, Wyo. From \$40,000 to \$50,000	10,000
The First National Bank of Fond du Lac, Wis. From \$125,000 to \$100,000	275,000
Total	\$384,000

CHANGE OF TITLE APPROVED.

The First National Bank of Fond du Lac, Wis., to "First - Fond du Lac National Bank."	
---	--

VOLUNTARY LIQUIDATIONS.

For consolidation with other national bank:	Capital.
The Fond du Lac National Bank, Fond du Lac, Wis.	\$200,000
Liquidating Committee: T. C. Ebernau, Fond du Lac and F. A. Foster. Consolidated with the First-Fond du Lac Nat. Bank.	—

**Auction Sales.**—Among other securities, the following not usually dealt in at the Stock Exchange were recently sold at auction in New York, Boston and Philadelphia:

By Messrs. Adrian H. Muller & Sons, New York:

Shares. Stocks.	Per cent.	Bonds.	Per cent.
1 Cit. N. Bk. of Long Br., N. J. 251	—	\$10,000 Federal Dye-stuff & Chem. Corp. 1st 2-year 6s, 1918.	Dec. 1917 coupon on. 31
2,000 Chic. & E. Ill. RR., com.	14-1 1/2	—	—
2,000 Chic. & E. Ill. RR., pref.	2 1/2-4 1/2	—	—
47 Gen. Manif. & Ptg., \$50 ea. \$101 lot	—	—	—

By Messrs. Millett, Roe & Hagen, Boston:

Shares. Stocks.	\$ per sh.	Shares. Stocks.	\$ per sh.
55 Lyman Mills	136	30 Androsoggin Pulp, 1st pref.	90
25 Bigelow-Hartf. Carpet, com.	61 1/2	20 New England Power, pref.	90
4 Pemigewasset Valley RR.	75 1/2	40 Merrimac Chemical, \$50 each.	100

By Messrs. R. L. Day & Co., Boston:

Shares. Stocks.	\$ per sh.	Shares. Stocks.	\$ per sh.
6 Second National Bank, Boston	280	28 Bausch Machine Tool, com.	30
1 First Nat. Bank, Clifton Hgts.	200	45 Merrimac Chemical, \$50 each.	100
1 Franklin Trust	158	30 Collateral Loan Co.	99
1 Danielson Cotton, 1st pref.	80	5 Acme W. Lead & Color, com.	16 1/2
10 Great Falls Manufacturing	180	\$25 each	—
1 Merrimack Mfg. com.	73 1/2	1 U. S. Envelope, preferred	102
7 U. S. Worsted 1st pref. (div. on)	101 1/2	10 Walworth Manufacturing	25
16 Mass. Mills in Georgia	70-30	—	—
43 Manchester & Lawrence RR.	100	—	—

By Messrs. Barnes & Lofland, Philadelphia:

Shares. Stocks.	\$ per sh.	Bonds.	Per cent.
14 Riverton & Palmyra Water	120	\$4,000 Wilkes-Barre Co. 1st & ref.	72
1 First Nat. Bank, Clifton Hgts.	200	\$1,000 Second Ave. Trac. (Pittsb.)	55
10 Guarantee Trust & Safe Deposit	120	1st 5s, 1934	—
10 Market St. Title & Tr., \$50 ea.	120	\$3,000 Ft. Wayne & Wabash Vall. Trac. 1st 5s, 1934, cfs. of dep.	30
1 13th & 15th Sts. Passenger Ry.	200	\$1,000 Lake Shore Elec. Ry. 1st cons. 5s, 1923	70
12 Phila. & Camden Ferry, \$50 ea.	106 1/2	—	—
6 United Gas & Elec., 1st pref.	40 1/2	—	—
1 Land Title & Trust	489 3/4	—	—
14 Philadelphia Bourse, com.	6	—	—

DIVIDENDS.

The following shows all the dividends announced for the future by large or important corporations.

Dividends announced this week are printed in italics.

Name of Company.	Per Cent.	When Payable.	Books Closed. Days Inclusive.
<b>Railroads (Steam).</b>			
Atlantic Coast Line Co. (quar.)	\$1.50	Sept. 10	Sept. 1 to Sept. 9
Boston & Albany (quar.)	2	Sept. 30	Holders of rec. Aug. 31a
Canadian Pacific, common (quar.)	2 1/2	Oct. 1	Holders of rec. Aug. 31a
Chicago & North Western, com. (quar.)	1 1/2	Oct. 1	Holders of rec. Sept. 5r
Delaware & Hudson Co. (quar.)	2 1/2	Sept. 20	Holders of rec. Aug. 25r
Eric & Pittsburgh (quar.)	\$7.50	Sept. 10	Holders of rec. Aug. 31a
Fonda Johnstown & Gloverav., pt. (qu.)	1 1/2	Sept. 15	Holders of rec. Sept. 10a
Interborough Rapid Transit (quar.)	*2 1/2	Oct. 1	Holders of rec. Sept. 20a
Lehigh Valley, com. & pref. (quar.)	*\$1.25	Oct. 5	Holders of rec. Sept. 14a
Manhattan Railway (quar.)	1 1/2	Oct. 1	Holders of rec. Sept. 16a
Norfolk & Western, common (quar.)	1 1/2	Sept. 19	Holders of rec. Aug. 31a
Pittsb. Ft. Wayne & Wabash, reg. gu. (qu.)	1 1/2	Oct. 8	Holders of rec. Sept. 10a
Reading Company, 1st preferred (quar.)	500	Sept. 12	Holders of rec. Aug. 27a
St. Joseph South Bend & Southern, com.	1	Sept. 16	Sept. 11 to Sept. 16
Southern Pacific Co. (quar.) (No. 48)	1 1/2	Oct. 1	Holders of rec. Aug. 31a
Union Pacific, common (quar.)	2 1/2	Oct. 1	Holders of rec. Sept. 3a
Preferred	2	Oct. 1	Holders of rec. Sept. 3a
<b>Street &amp; Electric Railways.</b>			
Boston Trac., L. & Pow., pref. (qu.)	1 1/2	Oct. 1	Holders of rec. Sept. 16
Cities Service Co., com. & pref. (monthly)	3	Oct. 1	Holders of rec. Sept. 14
Common (payable in common stock)	3 1/2	Oct. 1	Holders of rec. Sept. 14
El Paso Elec. Co., com. (qu.) (No. 29)	2 1/2	Sept. 16	Holders of rec. Sept. 3a
Frankford & Southwark Passenger (qu.)	\$4	Oct. 1	Holders of rec. Aug. 31a
Galveston-Houston Elec. Co. pt. (No. 23)	3	Sept. 16	Holders of rec. Sept. 3a
Manila Elec. RR. & Lig. Corp. (quar.)	1 1/2	Oct. 1	Holders of rec. Sept. 18
Philadelphia Traction	*\$2	Oct. 1	*Sept. 11 to Sept. 30 1
San Joaquin Light & Power, pref. (qu.)	1 1/2	Sept. 14	Holders of rec. Aug. 31a
Second & Third Sts. Pass., Phila. (qu.)	\$3	Oct. 1	Holders of rec. Aug. 31a
Springfield (Mo.) Ry. & L., pref. (quar.)	1 1/2	Oct. 1	Holders of rec. Sept. 16a
United Light & Ry. com. (qu.) (No. 15)	*1 1/2	Oct. 1	Holders of rec. Sept. 16
West End Street Ry., Boston, common	*1 1/2	Oct. 1	Holders of rec. Sept. 16
West Penn Ry., pref. (qu.) (No. 5)	1 1/2	Sept. 15	Holders of rec. Sept. 1
West Penn Tr. & W. P., pt. (qu.) (No. 15)	1 1/2	Sept. 15	Holders of rec. Sept. 1
<b>Banks.</b>			
Battery Park National (special)	25	Sept. 16	Holders of rec. July 22
Commerce, Nat. Bank of (quar.)	2 1/2	Oct. 1	Holders of rec. Sept. 20a
Yorkville (quar.)	5	Sept. 30	Holders of rec. Sept. 20a
<b>Trust Companies.</b>			
Guaranty (quar.)	5	Sept. 30	Holders of rec. Sept. 20
Lawyers Title & Trust (quar.)	1 1/2	Oct. 1	Sept. 15 to Oct. 1
<b>Miscellaneous.</b>			
Ahmek Mining (quar.) (No. 27)	\$2	Sept. 27	Holders of rec. Sept. 47
Ajax Rubber, Inc. (quar.)	\$1.50	Sept. 14	Holders of rec. Aug. 30a
Allis Chalmers Mfg., pref. (quar.)	1 1/2	Oct. 15	Holders of rec. Sept. 30a
Preferred (account of accumulated divs.)	1 1/2	Oct. 15	Holders of rec. Sept. 30a
Allouez Mining (quar.) (No. 13)	*\$1.50	Sept. 25	Holders of rec. Sept. 11
American Bank Note, pref. (quar.)	75c.	Oct. 1	Holders of rec. Sept. 16a
American Beet Sugar, pref. (qu.) (No. 77)	1 1/2	Oct. 2	Holders of rec. Sept. 14a
American Can, preferred (quar.)	1 1/2	Oct. 1	Holders of rec. Sept. 14a
Amer. Car. & Ferry, com. (qu.) (No. 64)	2	Oct. 1	Holders of rec. Sept. 13
Preferred (quar.) (No. 78)	1 1/2	Oct. 1	Holders of rec. Sept. 13
American Chicle, pref. (quar.)	1 1/2	Oct. 1	Holders of rec. Sept. 20
American Cigar, pref. (quar.)	*1 1/2	Oct. 1	Holders of rec. Sept. 14
American Express (quar.)	1 1/2	Oct. 1	Holders of rec. Aug. 31a
American Fork & Hoe, common (quar.)	1 1/2	Sept. 15	Holders of rec. Sept. 5a
Preferred	3 1/2	Oct. 15	Holders of rec. Oct. 5a
American Hide & Leather, pref.	2 1/2	Oct. 1	Holders of rec. Aug. 31a
Preferred (extra, payable in Lib. L. bonds)	42	Oct. 1	Holders of rec. Aug. 31a
Amer. Intern. Corporation, com. & pref.	90c.	Sept. 30	Holders of rec. Sept. 15
American Locomotive, common (quar.)	1 1/2	Oct. 3	Sept. 17 to Oct. 15
Preferred (quar.)	1 1/2	Oct. 21	Sept. 17 to Oct. 15
American Machine & Foundry	95	Sept. 16	Holders of rec. Aug. 15a
American Pneumatic Service, first pref.	*\$1.75	Sept. 30	*Sept. 15 to Sept. 22
Amer. Power & Light, com. (quar.)	1	Sept. 1	Holders of rec. Aug. 23a
Amer. Public Service, pref. (quar.)	1 1/2	Oct. 1	Holders of rec. Sept. 14
American Radiator, common (quar.)	3	Sept. 30	Sept. 22 to Sept. 30
American Sewer Pipe (quar.)	1 1/2	Sept. 20	Holders of rec. Sept. 10a
Amer. Smelters Securities, pref. A (qu.)	*1 1/2	Oct. 1	*Sept. 14 to Sept. 22
Preferred B (quar.)	*1 1/2	Oct. 1	*Sept. 14 to Sept. 22
Amer. Smelting & Refining, com. (quar.)	1 1/2	Sept. 16	Aug. 24 to Sept. 2
American Snuff, common (quar.)	1 1/2	Oct. 1	Holders of rec. Sept. 14
Preferred (quar.)	1 1/2	Oct. 1	Holders of rec. Sept. 14
American Steel Foundries (quar.)	*1 1/2	Sept. 30	Holders of rec. Sept. 14
Extra (payable in L. L. 2d A% bonds)	*1 1/2	Sept. 30	Holders of rec. Sept. 14
Amer. Sugar Ref., com. (qu.) (No. 108)	1 1/2	Oct. 2	Holders of rec. Sept. 2a
Common (extra)	1 1/2	Oct. 2	Holders of rec. Sept. 2a
Preferred (quar.) (No. 107)	1 1/2	Oct. 2	Holders of rec. Sept. 2a

Name of Company.	Per Cent.	When Payable.	Books Closed, Days Inclusive.	Name of Company.	Per Cent.	When Payable.	Books Closed, Days Inclusive.
<b>Miscellaneous (Continued).</b>				<b>Miscellaneous (Concluded).</b>			
Amer. Telegraph & Telegraph (quar.)	2	Oct. 15	Holders of rec. Sept. 20a	Manati Sugar, preferred (quar.)	1 1/2	Oct. 1	Holders of rec. Sept. 14
American Tobacco, preferred (quar.)	1 1/2	Oct. 1	Holders of rec. Sept. 14	Manhattan Electrical Supply, com. (quar.)	*1	Oct. 1	Holders of rec. Sept. 20
American Woolen, common (quar.)	1 1/2	Oct. 15	Sept. 17 to Sept. 26	First and second preferred (quar.)	*1 1/2	Oct. 1	Holders of rec. Sept. 20
Associated Oil (quar.)	*1 1/2	Oct. 15	Holders of rec. Sept. 26	Mergenthaler Linotype (quar.) (No. 91)	2 1/2	Sept. 30	Holders of rec. Sept. 4a
Atlantic Refining (quar.)	5	Sept. 14	Holders of rec. Aug. 20a	Mexican Petroleum, common (quar.)	1	Oct. 10	Holders of rec. Sept. 14a
Atlas Powder, common (quar.)	2	Sept. 10	Sept. 1 to Sept. 9	Common (payable in Lib. Loan bonds)	4 1/2	Oct. 10	Holders of rec. Sept. 14a
Common (extra)	3	Sept. 10	Sept. 1 to Sept. 9	Preferred (quar.)	1 1/2	Oct. 1	Holders of rec. Sept. 14a
Autosax Corporation, preferred (quar.)	500	Sept. 30	Holders of rec. Sept. 16	Montana Power, com. (qu.) (No. 24)	1 1/2	Oct. 1	Holders of rec. Sept. 14a
Baltimore Tube, com. & pref. (quar.)	1 1/2	Oct. 1	Sept. 21 to Sept. 30	Preferred (quar.) (No. 24)	1 1/2	Oct. 1	Holders of rec. Sept. 14a
Barrett Co., common (quar.)	1 1/2	Oct. 1	Holders of rec. Sept. 12a	Montreal Cottons, Ltd., common (qu.)	1	Sept. 14	Holders of rec. Aug. 31a
Preferred (quar.)	1 1/2	Oct. 15	Holders of rec. Sept. 26a	Preferred (quar.)	1 1/2	Sept. 14	Holders of rec. Aug. 31a
Balding Paul Corticelli, Ltd., pref. (quar.)	3 1/2	Sept. 16	Holders of rec. Sept. 3	Montgomery Ward & Co., pref. (quar.)	*1 1/2	Oct. 1	Holders of rec. Sept. 20
Bethlehem Steel, common (quar.)	2 1/2	Oct. 1	Holders of rec. Sept. 16a	Muskogee Gas & Elec., preferred (quar.)	1 1/2	Sept. 10	Holders of rec. Aug. 31
Class B common (quar.)	2 1/2	Oct. 1	Holders of rec. Sept. 16a	National Bluecut, com. (quar.) (No. 81)	1 1/2	Oct. 15	Holders of rec. Sept. 30
Blumenthal (F.) Co., com. (qu.) (No. 28)	1 1/2	Oct. 1	Holders of rec. Sept. 30a	National Candy, common	2 1/2	Sept. 11	Aug. 21 to Aug. 27
Preferred (quar.) (No. 33)	1 1/2	Oct. 1	Holders of rec. Sept. 30a	First and second preferred	3 1/2	Sept. 11	Aug. 21 to Aug. 27
Booth Fisheries, common (quar.)	50c	Oct. 1	Holders of rec. Sept. 16a	National Grocer, common (quar.)	2	Oct. 1	Sept. 21 to Oct. 1
Preferred (quar.)	1 1/2	Oct. 1	Holders of rec. Sept. 16a	National Lead, common (quar.)	1 1/2	Sept. 30	Holders of rec. Sept. 13a
Borden's Condensed Milk, pt. (qu.) (No. 67)	1 1/2	Oct. 1	Holders of rec. Sept. 14	Preferred (quar.)	1 1/2	Sept. 14	Holders of rec. Aug. 23a
Borne, Sycamore (quar.)	20	Oct. 15	Sept. 14 to Oct. 14	National Sugar Refining (quar.)	1 1/2	Oct. 2	Holders of rec. Sept. 9
Brier Hill Steel, common (quar.)	1 1/2	Oct. 1	Sept. 21 to Oct. 1	National Surety (quar.)	3	Oct. 1	Holders of rec. Sept. 20a
Common (extra)	3 1/2	Oct. 1	Sept. 21 to Oct. 1	New York Air Brake (qu.) (No. 63)	5	Sept. 20	Holders of rec. Sept. 3a
Preferred (quar.)	1 1/2	Oct. 1	Sept. 21 to Oct. 1	New York Transit (quar.)	4	Oct. 15	Holders of rec. Sept. 21
British-American Tobacco, ordinary	6	Sept. 30	Holders of coup. No. 68a	Niagara Falls Power (quar.)	2	Oct. 1	Holders of rec. Sept. 14a
Preferred	2 1/2	Sept. 30	Holders of coup. No. 30	Extra	3	Oct. 1	Holders of rec. Sept. 14a
Brooklyn Union Gas (quar.)	*1 1/2	Oct. 1	Holders of rec. Sept. 14	Niles-Bement-Pond, com. (qu.) (No. 65)	3	Sept. 20	Holders of rec. Sept. 3a
Buckeye Pipe Line (quar.)	2	Sept. 14	Holders of rec. Aug. 24	North American Co. (quar.) (No. 58)	1 1/2	Oct. 1	Holders of rec. Sept. 16a
Calif. Packing Corp., com. (qu.) (No. 6)	2	Sept. 16	Holders of rec. Aug. 31a	Ohio Cities Gas, preferred (quar.)	1 1/2	Oct. 1	Holders of rec. Sept. 15
Preferred	1 1/2	Oct. 1	Holders of rec. Sept. 16	Ohio Oil (quar.)	*1 25	Sept. 30	Holders of rec. Sept. 23
Calif. Petroleum Corp., pref. (quar.)	*1 1/2	Oct. 1	Holders of rec. Sept. 20	Extra	34 7/8	Sept. 30	Aug. 31 to Sept. 23
Calumet & Arizona Mining (quar.)	53	Sept. 23	Holders of rec. Sept. 26a	Oklahoma Gas & Electric, pref. (quar.)	1 1/2	Sept. 16	Holders of rec. Aug. 31
Calumet & Hecla Mining (quar.)	\$15	Sept. 20	Holders of rec. Sept. 3	Old Dominion Co. (quar.)	\$1	Sept. 30	Holders of rec. Sept. 17a
Cambria Iron	*81	Oct. 1	Holders of rec. Sept. 14	Ontario Silver Mining (quar.)	50c	Oct. 5	Holders of rec. Sept. 20
Cambria Steel (quar.)	75c	Sept. 14	Holders of rec. Aug. 31a	Oseola Cons. Mining (quar.) (No. 92)	\$2	Sept. 27	Holders of rec. Sept. 7
Extra	75c	Sept. 14	Holders of rec. Aug. 31a	Otis Elevator, common (quar.)	1 1/2	Oct. 15	Holders of rec. Sept. 30
Canada Steamship Lines, pref. (quar.)	1 1/2	Oct. 1	Holders of rec. Sept. 15a	Preferred (quar.)	1 1/2	Oct. 15	Holders of rec. Sept. 30
Canadian Consol. Rubber, pref. (quar.)	1 1/2	Sept. 30	Holders of rec. Sept. 20	Owens Bottle-Machine, common (quar.)	75c	Oct. 1	Holders of rec. Sept. 21a
Canadian Cracker-Wheeler, com. (qu.) (No. 77)	*1 1/2	Sept. 30	Holders of rec. Sept. 14	Common (pay. in 4 1/2% Lib. L. bds.)	9c	Oct. 1	Holders of rec. Sept. 21a
Canadian Gen. Elec., com. (qu.) (No. 77)	3 1/2	Oct. 1	Holders of rec. Sept. 14	Preferred (quar.)	1 1/2	Oct. 1	Holders of rec. Sept. 21a
Preferred (No. 45)	3 1/2	Oct. 1	Holders of rec. Sept. 14	Pabst Brewing, preferred (quar.)	1 1/2	Sept. 14	Sept. 7 to Sept. 15
Casa (J. I.) Thresh. Mach., pref. (quar.)	1 1/2	Oct. 1	Holders of rec. Sept. 16a	Packard Motor Car, pref. (quar.)	1 1/2	Sept. 15	Holders of rec. Aug. 30a
Celluloid Company (quar.)	*2	Sept. 30	Holders of rec. Sept. 16	Pan-Amer. Petrol. & Transp., com. (qu.)	62 1/2	Oct. 10	Holders of rec. Sept. 14a
Central Leather, preferred (quar.)	1 1/2	Oct. 1	Holders of rec. Sept. 16a	Common (payable in Lib. Loan bonds)	62 1/2	Oct. 10	Holders of rec. Sept. 14a
Central States Elec. Corp., pref. (quar.)	1 1/2	Oct. 1	Holders of rec. Sept. 10	Preferred (quar.)	62 1/2	Oct. 10	Holders of rec. Sept. 14a
Chesebrough Mfg. (quar.)	3	Sept. 20	Holders of rec. Aug. 31a	Paton Manufacturing	4	Sept. 16	Holders of rec. Aug. 31
Extra	50c	Sept. 20	Holders of rec. Aug. 31a	Bonus	2	Sept. 16	Holders of rec. Aug. 31
Chicago Telephone (quar.)	2	Sept. 30	Holders of rec. Sept. 23a	Pennsylvania Rubber (quar.)	*1 1/2	Sept. 30	Holders of rec. Sept. 15
Childs Company, common (quar.)	1 1/2	Sept. 10	Aug. 30 to Sept. 10	Preferred (quar.)	*1 1/2	Sept. 30	Holders of rec. Sept. 15
Preferred (quar.)	1 1/2	Sept. 10	Aug. 30 to Sept. 10	Pennsylvania Water & Pow. (qu.) (No. 19)	1 1/2	Oct. 1	Holders of rec. Sept. 19
Chilena Gas of Indianapolis (No. 18)	2 1/2	Sept. 28	Sept. 13 to Sept. 28	Peabody, Mulliken & Co., 1st & 2d pf. (qu.)	*1 25	Oct. 1	Holders of rec. Sept. 10
Cleveland-Akron Bag (quar.)	2 1/2	Sept. 30	Sept. 22 to Sept. 30	Philadelphia Electric (quar.)	43 1/2	Sept. 14	Holders of rec. Aug. 20a
Cleveland, Peabody & Co., Inc., pref. (quar.)	1 1/2	Oct. 1	Holders of rec. Sept. 20	Pierce-Arrow Motor Car, pref. (quar.)	2	Oct. 1	Holders of rec. Sept. 16a
Colorado Power, preferred (quar.)	1 1/2	Sept. 16	Holders of rec. Aug. 31	Philadelphia Brewing, common	50c	Sept. 14	Holders of rec. Sept. 1
Columbia Graphophone, com. (qu.) (No. 2)	\$1 75	Oct. 1	Holders of rec. Sept. 16a	Price Bros. & Co., Ltd. (quar.)	2	Oct. 1	Sept. 15 to Sept. 30
Preferred (quar.) (No. 2)	1 1/2	Oct. 1	Holders of rec. Sept. 16a	Quaker Oats, common (quar.)	3	Oct. 15	Holders of rec. Oct. 1a
Computing-Tabul-a-Record, com. (qu.)	1	Oct. 10	Holders of rec. Sept. 25a	Common (special)	1	Oct. 15	Holders of rec. Oct. 1a
Consolidated Arizona Smelting	5c	Sept. 14	Holders of rec. Aug. 31a	Preferred (quar.)	1 1/2	Nov. 30	Holders of rec. Nov. 1a
Consolidated Gas (quar.)	1 1/2	Sept. 16	Holders of rec. Aug. 7a	Quincy Mining (quar.)	\$2	Sept. 30	Holders of rec. Sept. 5a
Cons. Gas Elec. L. & P., Balt., com. (qu.)	2	Oct. 1	Holders of rec. Sept. 14a	Railway Steel-Spring, common (quar.)	1 1/2	Sept. 30	Holders of rec. Sept. 16a
Continental Can, Inc., com. (quar.)	1 1/2	Oct. 1	Holders of rec. Sept. 20a	Preferred (quar.)	1 1/2	Sept. 30	Holders of rec. Sept. 17a
Preferred (quar.)	1 1/2	Oct. 1	Holders of rec. Sept. 20a	Republic Iron & St., com. (qu.) (No. 8)	1 1/2	Nov. 1	Holders of rec. Sept. 21
Continental Oil (quar.)	2 1/2	Sept. 16	Sept. 27 to Sept. 15	Republic Iron & St., com. (qu.) (No. 60)	1 1/2	Oct. 1	Holders of rec. Sept. 18a
Continental Refining (monthly)	*10c	Sept. 10	Holders of rec. Aug. 31	St. Joseph Lead (quar.)	50c	Sept. 20	Sept. 10 to Sept. 20
Copper Range Co. (quar.) (No. 47)	\$1 50	Sept. 14	Holders of rec. Aug. 21a	Savage Arms Corp., com. (quar.)	1 1/2	Sept. 15	Holders of rec. Aug. 31a
Crescent Pipe Line (quar.)	75c	Sept. 14	Aug. 24 to Sept. 15	First preferred (quar.)	1 1/2	Sept. 15	Holders of rec. Aug. 31
Crescent Pipe Line (quar.)	75c	Sept. 14	Aug. 24 to Sept. 15	Second preferred (quar.)	1 1/2	Sept. 15	Holders of rec. Aug. 31
Crescent Cons. Gold Min. & Mill. (mthly)	10c	Sept. 10	Holders of rec. Aug. 31	Sears Roebuck & Co., pref. (quar.)	1 1/2	Oct. 1	Holders of rec. Sept. 14
Cruible Steel, pref. (quar.) (No. 64)	1 1/2	Sept. 30	Holders of rec. Sept. 16a	Shattuck-Arizona Copper (quar.)	25c	Oct. 19	Holders of rec. Sept. 30a
Cuba Cane Sugar, pref. (quar.)	1 1/2	Oct. 1	Holders of rec. Sept. 14	Capital distribution (quar.)	25c	Oct. 19	Holders of rec. Sept. 30a
Cuban-American Sugar, com. (quar.)	2 1/2	Oct. 1	Holders of rec. Sept. 14a	Shattuck-Arizona Copper (quar.)	1 1/2	Oct. 1	Holders of rec. Sept. 10
Preferred (quar.)	1 1/2	Oct. 1	Holders of rec. Sept. 14a	South Penn Oil (quar.)	5	Sept. 30	Sept. 13 to Sept. 30
Cudahy Packing, common (quar.)	1 1/2	Sept. 16	Sept. 7 to Sept. 15	South Penn Oil (quar.)	5	Sept. 30	Sept. 13 to Sept. 30
Diamond Match (quar.)	1 1/2	Sept. 16	Sept. 7 to Sept. 15	South Penn Oil (quar.)	5	Sept. 30	Sept. 13 to Sept. 30
Dominion Glass & Co., common (quar.)	1	Oct. 1	Holders of rec. Sept. 14	Standard Gas & Electric, pref. (quar.)	1 1/2	Oct. 1	Holders of rec. Sept. 14a
Preferred (quar.)	1 1/2	Oct. 1	Holders of rec. Sept. 14	Standard Gas & Electric, pref. (quar.)	1 1/2	Oct. 1	Holders of rec. Sept. 14a
Dominion Iron & Steel, Ltd., pf. (No. 35)	3 1/2	Oct. 1	Holders of rec. Sept. 14a	Standard Gas & Electric, pref. (quar.)	1 1/2	Oct. 1	Holders of rec. Sept. 14a
Dominion Steel Corp., com. (qu.) (No. 18)	1 1/2	Oct. 1	Holders of rec. Sept. 5a	Standard Oil (Ohio) (quar.)	3	Oct. 1	Aug. 31 to Sept. 18
Draper Corporation (quar.)	*2	Sept. 30	Holders of rec. Sept. 7	Standard Oil (Ohio) (quar.)	3	Oct. 1	Aug. 31 to Sept. 18
du Pont (E. I.) de Nem. & Co., com. (qu.)	4 1/2	Sept. 16	Holders of rec. Aug. 31a	Standard Oil (Ohio) (quar.)	3	Oct. 1	Aug. 31 to Sept. 18
Debutene stock (quar.)	1 1/2	Oct. 25	Holders of rec. Oct. 10a	Standard Oil (Ohio) (quar.)	3	Oct. 1	Aug. 31 to Sept. 18
du Pont (E. I.) de Nem. Powd., com. (qu.)	*1 1/2	Nov. 1	Holders of rec. Oct. 19	Standard Oil (Ohio) (quar.)	3	Oct. 1	Aug. 31 to Sept. 18
Preferred (quar.)	*1 1/2	Nov. 1	Holders of rec. Oct. 19	Standard Oil (Ohio) (quar.)	3	Oct. 1	Aug. 31 to Sept. 18
Eastern Steel, com. (quar.)	2 1/2	Oct. 15	Holders of rec. Oct. 1	Standard Oil (Ohio) (quar.)	3	Oct. 1	Aug. 31 to Sept. 18
First and second preferred (quar.)	1 1/2	Oct. 15	Holders of rec. Oct. 1	Standard Oil (Ohio) (quar.)	3	Oct. 1	Aug. 31 to Sept. 18
Eastman Kodak, common (quar.)	2 1/2	Oct. 1	Holders of rec. Aug. 31a	Standard Oil (Ohio) (quar.)	3	Oct. 1	Aug. 31 to Sept. 18
Common (extra)	2 1/2	Oct. 1	Holders of rec. Aug. 31a	Standard Oil (Ohio) (quar.)	3	Oct. 1	Aug. 31 to Sept. 18
Preferred (quar.)	1 1/2	Oct. 1	Holders of rec. Aug. 31a	Standard Oil (Ohio) (quar.)	3	Oct. 1	Aug. 31 to Sept. 18
Edmunds & Jones Corp., pref. (quar.)	1 1/2	Oct. 1	Holders of rec. Sept. 20	Standard Oil (Ohio) (quar.)	3	Oct. 1	Aug. 31 to Sept. 18
Electric Storage Battery, com. & pf. (qu.)	1	Oct. 1	Holders of rec. Sept. 16	Standard Oil (Ohio) (quar.)	3	Oct. 1	Aug. 31 to Sept. 18
Elk Horn Coal Corp., common	\$1	Sept. 10	Holders of rec. Aug. 31a	Standard Oil (Ohio) (quar.)	3	Oct. 1	Aug. 31 to Sept. 18
Federal Mining & Smelt., pref. (quar.)	1 1/2	Sept. 15	Holders of rec. Aug. 26a	Standard Oil (Ohio) (quar.)	3	Oct. 1	Aug. 31 to Sept. 18
Federal Sugar Refg., common (quar.)	1 1/2	Sept. 16	Holders of rec. Sept. 6	Standard Oil (Ohio) (quar.)	3	Oct. 1	Aug. 31 to Sept. 18
Firestone Tire & Rubber, com. (quar.)	\$1 25	Sept. 20	Holders of rec. Sept. 10a	Standard Oil (Ohio) (quar.)	3	Oct. 1	Aug. 31 to Sept. 18
Common (special)	\$1	Sept. 20	Holders of rec. Sept. 10a	Standard Oil (Ohio) (quar.)	3	Oct. 1	Aug. 31 to Sept. 18
General Chemical, preferred (quar.)	1 1/2	Oct. 15	Holders of rec. Sept. 17a	Standard Oil (Ohio) (quar.)	3	Oct. 1	Aug. 31 to Sept. 18
General Electric (quar.)	1 1/2	Oct. 15	Holders of rec. Sept. 14a	Standard Oil (Ohio) (quar.)	3	Oct. 1	Aug. 31 to Sept. 18
General Ry. Signal, com. (qu.) (No. 21)	1 1/2	Oct. 1	Holders of rec. Sept. 20	Standard Oil (Ohio) (quar.)	3	Oct. 1	Aug. 31 to Sept. 18
Preferred (quar.) (No. 67)	1 1/2	Oct. 1	Holders of rec. Sept. 20	Standard Oil (Ohio) (quar.)	3	Oct. 1	Aug. 31 to Sept. 18
Gillette Safety Razor (quar.)	\$2	Nov. 30	Holders of rec. Nov. 1	Standard Oil (Ohio) (quar.)	3	Oct. 1	Aug. 31 to Sept. 18
Extra	\$1	Nov. 30	Holders of rec. Nov. 1	Standard Oil (Ohio) (quar.)	3	Oct. 1	Aug. 31 to Sept. 18
Globe Oil (monthly)	*1 1/2	Sept. 10	Holders of rec. Aug. 21	Standard Oil (Ohio) (quar.)	3	Oct. 1	Aug. 31 to Sept. 18
Globe Oil (monthly)	*1 1/2	Oct. 10	Holders of rec. Sept. 20	Standard Oil (Ohio) (quar.)	3	Oct. 1	Aug. 31 to Sept. 18
Globe Soap, com. 1st, 2d & 3d pf. (qu.)	1 1/2	Sept. 16	Sept. 1 to Sept. 10	Standard Oil (Ohio) (quar.)	3	Oct. 1	Aug. 31 to Sept. 18
Globe-Werke, common (quar.)	2	Sept. 10	Holders of rec. Aug. 31	Standard Oil (Ohio) (quar.)	3	Oct. 1	Aug. 31 to Sept. 18
Goodrich (B. F.) Co., common (quar.)	1	Nov. 15	Holders of rec. Nov. 5a	Standard Oil (Ohio) (quar.)	3	Oct. 1	Aug. 31 to Sept. 18
Preferred (quar.)	1 1/2	Nov. 15	Holders of rec. Nov. 5a	Standard Oil (Ohio) (quar.)	3	Oct. 1	Aug. 31 to Sept. 18
Grassell Chemical, common (quar.)	1 1/2	Sept. 30	Holders of rec. Sept. 15a	Standard Oil (Ohio) (quar.)	3	Oct. 1	Aug. 31 to Sept. 18
Common (extra)	2	Sept. 30	Holders of rec. Sept. 15a	Standard Oil (Ohio) (quar.)	3	Oct. 1	Aug. 31 to Sept. 18
Preferred (quar.)	1 1/2	Sept. 30	Holders of rec. Sept. 15a	Standard Oil (Ohio) (quar.)	3	Oct. 1	Aug. 31 to Sept. 18
Gulf States Steel, common (quar.)	2 1/2	Oct. 1	Holders of rec. Sept. 16a	Standard Oil (Ohio) (quar.)	3	Oct. 1	Aug. 31 to Sept. 18
Harbison-Walker Refract., pref. (quar.)	1 1/2	Oct. 19	Holders of rec. Oct. 9a	Standard Oil (Ohio) (quar.)	3	Oct.	

**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. 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 SELEVEDT CITIES AS AT CLOSE OF BUSINESS AUGUST 23 1918.**

Substantial liquidation of loans and investments, including U. S. war obligations, also large withdrawals of Government funds from depositary institutions, are indicated in the Aug. 23 report of condition of 735 member banks in leading cities.

U. S. bonds, other than circulation bonds, on hand indicate an aggregate decrease of 27.0 millions, of which 14.0 millions represents the decrease at the central reserve city banks. Treasury certificates on hand fell off 19.7 millions, of which about 17 millions represent the decrease at the member banks in the three central reserve cities. Loans secured by these Government obligations show a gain during the week of 4.1 millions. Other loans and investments decreased about 73 millions, by far the larger portion of the decrease falling to the share of the central reserve city banks. Of the total loans and investments the combined share of U. S. war securities and loans supported by such securities constitutes 15.2%, as against 15.4 the week before. For the central reserve city banks this share shows a similar decline from 16.7 to 16.5%.

Net withdrawals of Government deposits for the week totaled 177.3 millions, withdrawals of these funds from the Greater New York banks alone aggregating 130.9 millions. Net demand deposits show a gain of 10.6 millions largely outside the central reserve cities, while total time deposits declined 5.5 millions. A gain of about 8 millions in reserve (all with the Federal Reserve banks) is largely offset by a loss of nearly 7 millions in cash in vault.

For all reporting banks the ratio of total investments to net deposits works out at 125%, as against 124.1% the week before. For the central reserve city banks a like increase in this ratio from 115 to 116.3% is noted. The ratio of combined reserve and cash to total net deposits shows a rise from 14.4 to 14.6% for all reporting banks. For the central reserve city banks, because of the heavy withdrawals of Government funds above noted, this ratio shows a much larger rise from 14.9 to 15.9%.

Excess reserves of all reporting banks shows a gain from 77.2 to 84.3 millions. This gain is confined largely to the banks in the central reserve cities, which show an increase in this item from 30.2 to 64.6 millions.

1. Data for all reporting banks in each district. Two ciphers (00) omitted.

Member Banks.	Boston.	New York.	Philada.	Cleveland.	Richm'd.	Atlanta.	Chicago.	St. Louis.	Minneap.	Kan. City.	Dallas.	San Fran.	Total.
Number of reporting banks...	42	102	50	85	79	45	96	32	35	73	45	52	735
U. S. bonds to secure circula't'n	\$ 14,371.0	\$ 50,164.0	\$ 12,770.0	\$ 42,131.0	\$ 24,621.0	\$ 15,465.0	\$ 18,822.0	\$ 17,070.0	\$ 6,369.0	\$ 13,772.0	\$ 17,920.0	\$ 34,505.0	\$ 207,979.0
Other U. S. bonds, including Liberty bonds	12,405.0	226,264.0	29,118.0	52,219.0	30,347.0	23,051.0	65,011.0	18,049.0	12,371.0	10,224.0	14,974.0	26,886.0	526,019.0
U. S. certifs. of indebtedness	51,271.0	481,062.0	50,030.0	70,539.0	26,057.0	27,107.0	107,769.0	28,973.0	18,547.0	31,449.0	14,512.0	51,055.0	959,361.0
Total U. S. securities	78,047.0	757,490.0	91,918.0	164,889.0	81,925.0	65,713.0	191,602.0	64,092.0	37,287.0	61,445.0	47,415.0	112,446.0	1,754,259.0
Loans sec. by U. S. bonds, &c.	39,891.0	219,889.0	44,040.0	35,955.0	20,760.0	7,683.0	61,854.0	15,182.0	10,389.0	4,320.0	5,325.0	9,233.0	473,527.0
All other loans & investments	770,659.0	4,379,941.0	607,474.0	982,190.0	397,677.0	288,476.0	1,434,308.0	383,598.0	267,876.0	465,081.0	178,273.0	332,933.0	10,658,447.0
Reserve with Fed. Res. Bank	64,145.0	613,978.0	52,392.0	80,030.0	30,757.0	27,419.0	138,724.0	35,510.0	18,107.0	44,859.0	14,771.0	44,610.0	1,165,803.0
Cash in vault	24,376.0	119,679.0	20,224.0	29,440.0	16,020.0	13,055.0	53,344.0	11,897.0	5,121.0	15,377.0	10,001.0	10,881.0	342,921.0
Net demand deposits	644,017.0	4,207,813.0	579,239.0	720,989.0	296,269.0	205,323.0	1,036,635.0	271,870.0	158,823.0	373,431.0	137,921.0	389,194.0	9,111,038.0
Time deposits	96,953.0	289,825.0	14,201.0	235,258.0	53,670.0	90,282.0	339,965.0	75,575.0	45,367.0	63,738.0	24,579.0	116,000.0	1,445,563.0
Government deposits	63,230.0	305,040.0	45,656.0	61,815.0	19,470.0	17,700.0	82,880.0	20,393.0	28,232.0	9,238.0	10,625.0	12,153.0	765,779.0

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.	
	Aug. 23.	Aug. 16.	Aug. 23.	Aug. 16.	Aug. 23.	Aug. 16.	Aug. 23.	Aug. 16.	Aug. 23.	Aug. 16.	Aug. 23.	Aug. 16.	Aug. 23.	Aug. 16.
Number of reporting banks...	69	69	40	14	123	123	447	447	105	165	785	785	735	735
U. S. bonds to secure circula't'n	\$ 38,360.0	\$ 36,340.0	\$ 1,132.0	\$ 9,970.0	\$ 47,362.0	\$ 47,592.0	\$ 172,500.0	\$ 172,135.0	\$ 48,117.0	\$ 48,525.0	\$ 267,979.0	\$ 268,252.0	\$ 267,979.0	\$ 268,252.0
Other U. S. bonds, including Liberty bonds	205,985.0	215,140.0	28,842.0	21,998.0	244,825.0	259,683.0	230,407.0	241,249.0	51,687.0	53,567.0	526,019.0	554,499.0	526,019.0	554,499.0
U. S. certifs. of indebtedness	456,880.0	473,252.0	56,654.0	21,410.0	534,944.0	551,906.0	361,072.0	364,351.0	63,445.0	62,795.0	959,361.0	979,052.0	959,361.0	979,052.0
Total U. S. securities	697,125.0	724,733.0	86,638.0	43,378.0	827,131.0	869,181.0	703,979.0	707,735.0	163,149.0	164,887.0	1,754,259.0	1,801,803.0	1,754,259.0	1,801,803.0
Loans sec. by U. S. bonds, &c.	198,817.0	196,828.0	44,412.0	9,761.0	252,990.0	251,182.0	193,058.0	190,632.0	27,479.0	27,623.0	473,527.0	459,437.0	473,527.0	459,437.0
All other loans & investments	4,035,712.0	4,087,862.0	875,537.0	280,619.0	5,191,868.0	5,250,119.0	4,850,667.0	4,687,026.0	815,912.0	824,287.0	10,658,447.0	10,731,422.0	10,658,447.0	10,731,422.0
Reserve with Fed. Res. Bank	588,019.0	561,527.0	96,914.0	27,533.0	712,486.0	678,183.0	397,888.0	426,062.0	55,249.0	53,515.0	1,165,803.0	1,157,759.0	1,165,803.0	1,157,759.0
Cash in vault	106,593.0	106,005.0	31,964.0	5,960.0	144,617.0	148,186.0	161,886.0	165,120.0	36,418.0	36,589.0	342,921.0	349,895.0	342,921.0	349,895.0
Net demand deposits	3,092,145.0	3,909,899.0	695,634.0	198,984.0	4,889,814.0	4,889,176.0	3,568,586.0	3,554,423.0	654,638.0	656,852.0	9,111,038.0	9,160,431.0	9,111,038.0	9,160,431.0
Time deposits	218,515.0	225,840.0	133,320.0	53,705.0	405,544.0	418,077.0	385,257.0	387,019.0	191,762.0	191,341.0	1,445,563.0	1,451,037.0	1,445,563.0	1,451,037.0
Government deposits	336,569.0	467,446.0	51,124.0	20,631.0	408,224.0	346,033.0	309,796.0	338,144.0	47,759.0	58,908.0	765,779.0	765,779.0	765,779.0	765,779.0
Ratio of combined reserve and cash to total net deposits	15.9	14.6	16.5	14.5	15.0	14.9	13.6	13.6	14.3	14.3	14.6	14.6	14.6	14.4

**The Federal Reserve Banks.**—Following is the weekly statement issued by the Federal Reserve Board on Aug. 31:

Increases of about 34.5 millions in the banks' holdings of discounted bills and of 11.7 millions in their total cash reserves accompanied by an increase of about 60 millions in their Federal Reserve note circulation are indicated by the Board's weekly bank statement issued as at close of business Aug. 31 1918.

**INVESTMENTS.**—Holdings of war paper, i. e., member banks' notes and customers' paper secured by Liberty bonds and Treasury certificates, show an increase for the week of 43.7 millions and now aggregate \$96.2 millions, all the banks except those at Chicago and Kansas City reporting substantial increases in the amounts of this class of paper on hand. Of the total discounted bills held the percentage of war paper was 62.8%, as against 61.2 the week before. Acceptances on hand show no liquidation of about 4 millions, the larger decreases being reported for the New York and San Francisco banks. Additional issues of 2 millions of 1-year 2% Treasury certificates to secure Federal Reserve bank notes account for a like increase in U. S. Government short-term securities. Total earning assets show an increase for the week of 32.5 millions.

**DEPOSITS.**—Net withdrawals of 68.3 millions of Government funds from the banks in the interior are noted, all the banks except New York and Minneapolis reporting substantial reductions in Government deposits held. Members' reserve deposits increased 19.2 millions, while net deposits declined 93.2 millions.

**RESERVES.**—A further gain of 10.7 millions in gold reserves is shown, besides considerable transfers of credits in the Gold Settlement Fund from New York and San Francisco to other banks. The banks' reserve percentage declined during the week from 50.7 to 50.4%.

**NOTE CIRCULATION.**—Federal Reserve agents report a net addition of 55.1 millions to outstanding Federal Reserve notes. The banks show a total increase in Federal Reserve note circulation of 59.9 millions, besides an increase of 3.8 millions in their aggregate liabilities on Federal Reserve bank notes in circulation.

**CAPITAL.**—A gain of \$418,000 in paid-in capital is due largely to payment for Federal Reserve bank stock by newly admitted members, considerable increases in capital account being shown for the New York, Chicago, Philadelphia and Cleveland banks.

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.

**FEDERAL RESERVE BANK OF NEW YORK.**—The weekly statement issued by the bank sub-divides some certain items that are included under a more general classification in the statement prepared at Washington. Thus, "Bills discounted for members and F. R. Banks," as of Aug. 31, consisted of "Redeemments and advances—Commercial paper," \$163,005,140, and "Redeemments and advances—U. S. obligations," \$398,633,498. Similarly, "Other deposits, &c.," are shown to comprise "Foreign Government deposits," \$107,431,067; "Non-member banks deposits," \$4,184,070, and "Due to War Finance Corporation," \$3,280,704.

**COMBINED RESOURCES AND LIABILITIES OF THE FEDERAL RESERVE BANKS AT THE CLOSE OF BUSINESS AUG. 30 1918.**

	Aug. 30 1918.	Aug. 23 1918.	Aug. 16 1918.	Aug. 9 1918.	Aug. 2 1918.	July 26 1918.	July 19 1918.	July 13 1918.	Aug. 31 1917.
<b>RESOURCES.</b>									
Gold in vault and in transit	\$ 384,009,000	\$ 385,072,000	\$ 385,017,000	\$ 395,410,000	\$ 408,470,000	\$ 418,012,000	\$ 428,823,000	\$ 422,738,000	\$ 426,741,000
Gold settlement fund—F. R. Board	520,928,000	553,060,000	600,083,000	606,354,000	623,119,000	598,777,000	556,154,000	524,225,000	397,067,000
Gold with foreign agencies	5,829,000	5,829,000	5,829,000	5,829,000	5,696,000	11,628,000	15,496,000	15,529,000	52,500,000
Total gold held by banks	910,766,000	943,961,000	990,929,000	1,011,460,000	1,041,285,000	1,028,417,000	1,000,503,000	962,492,000	876,308,000
Gold with Federal Reserve Agents	1,051,597,000	1,018,767,000	961,498,000	940,692,000	902,793,000	910,420,000	940,200,000	965,147,000	488,526,000
Gold redemption fund	41,453,000	40,323,000	40,116,000	38,149,000	35,818,000	36,363,000	34,655,000	34,415,000	7,375,000
Total gold reserves	2,013,716,000	2,003,051,000	1,992,543,000	1,990,301,000	1,980,896,000	1,974,200,000	1,975,448,000	1,960,052,000	1,372,219,000
Legal tender notes, silver, &c.	53,168,000	52,215,000	52,989,000	54,222,000	54,022,000	55,129,000	55,047,000	55,932,000	52,550,000
Total reserves	2,066,884,000	2,055,266,000	2,045,532,000	2,044,523,000	2,034,918,000	2,029,329,000	2,031,095,000	2,015,984,000	1,424,769,000
Bills discounted—members	1,428,235,000	1,393,795,000	1,286,369,000	1,332,473,000	1,270,919,000	1,202,151,000	1,203,346,000	1,159,882,000	128,447,000
Bills bought in open market	232,563,000	236,526,000	212,204,000	208,567,000	209,185,000	205,274,000	202,151,000	218,604,000	159,537,000
Total bills on hand	1,660,798,000	1,630,321,000	1,498,573,000	1,541,040,000	1,480,104,000	1,407,425,000	1,409,278,000	1,378,346,000	287,984,000
U. S. Government long-term securities	30,359,000	30,624,000	31,497,000	34,931,000	36,237,000	40,090,000	40,259,000	40,273,000	45,226,000
U. S. Government short-term securities	25,772,000	23,479,000	32,546,000	17,404,000	17,573,000	16,922,000	16,358,000	31,925,000	30,450,000
All other earning assets	67,000	62,000	82,000	102,000	101,000	103,000	68,000	72,000	1,457,000
Total earning assets	1,716,987,000	1,684,486,000	1,561,697,000	1,593,467,000	1,534,015,000	1,564,540,000	1,465,993,000	1,450,614,000	365,127,000
Uncollected items (deduct from gross deposits)	568,655,000	601,983,000	623,495,000	584,758,000	531,558,000	558,392,000	658,588,000	640,410,000	210,630,000
5% redemp. fund agst. F. R. bank notes	1,164,000	958,000	896,000	735,000	496,000	701,000	751,000	735,000	500,000
All other resources	11,787,000	11,294,000	10,803,000	11,410,000	10,561,000	12,441,000	9,695,000	9,979,000	114,000
<b>Total resources</b>	<b>4,365,555,000</b>	<b>4,333,987,000</b>	<b>4,242,384,000</b>	<b>4,234,893,000</b>	<b>4,111,538,000</b>	<b>4,165,403,000</b>	<b>4,166,122,000</b>	<b>4,117,722,000</b>	<b>2,901,140,000</b>

a Includes amount formerly shown against items due from or due to other Federal Reserve banks net.

	Aug. 30 1918.	Aug. 23 1918.	Aug. 16 1918.	Aug. 9 1918.	Aug. 2 1918.	July 26 1918.	July 19 1918.	July 12 1918.	Aug. 31 1917.
<b>LIABILITIES.</b>									
Capital paid in.....	\$ 78,168,000	\$ 77,750,000	\$ 76,900,000	\$ 76,876,000	\$ 76,518,000	\$ 76,441,000	\$ 76,383,000	\$ 76,324,000	\$ 58,484,000
Surplus.....	1,134,000	1,134,000	1,134,000	1,134,000	1,134,000	1,134,000	1,134,000	1,134,000	1,134,000
Government deposits.....	104,729,000	173,027,000	95,555,000	179,978,000	161,230,000	233,040,000	144,828,000	169,393,000	59,972,000
Due to members—reserve account.....	1,478,639,000	1,459,480,000	1,464,011,000	1,430,705,000	1,423,532,000	1,435,196,000	1,488,047,000	1,439,346,000	1,121,929,000
Collection items.....	437,885,000	450,947,000	401,202,000	433,347,000	390,911,000	401,189,000	480,341,000	477,520,000	32,933,000
Other deposits, incl. for Gov't credits.....	120,300,000	112,597,000	116,234,000	127,050,000	114,718,000	111,840,000	112,052,000	107,809,000	148,955,000
Total gross deposits.....	2,141,553,000	2,196,051,000	2,136,002,000	2,161,080,000	2,090,397,000	2,181,262,000	2,225,268,000	2,194,074,000	1,362,999,000
F. R. notes in actual circulation.....	2,092,708,000	2,032,837,000	1,985,419,000	1,955,276,000	1,906,465,000	1,870,835,000	1,829,045,000	1,813,425,000	573,049,000
F. R. bank notes in circulation, net liab.....	20,657,000	16,304,000	15,167,000	13,716,000	11,479,000	11,084,000	11,000,000	10,800,000	5,473,000
All other liabilities.....	31,305,000	29,351,000	27,702,000	26,811,000	25,545,000	24,647,000	23,292,000	21,965,000	1,145,000
Total liabilities.....	4,365,555,000	4,353,987,000	4,242,384,000	4,234,893,000	4,111,538,000	4,165,403,000	4,166,122,000	4,117,722,000	2,001,140,000
Gold reserve against net deposit liab.....	57.9%	59.2%	59.2%	59.5%	66.8%	63.4%	63.9%	61.9%	76.0%
Gold res. agst. F. R. notes in act. circ'n.....	52.7%	52.1%	50.5%	50.1%	49.3%	50.6%	53.3%	55.0%	86.5%
Ratio of gold reserves to net deposit and Fd. Res. note liabilities combined.....	55.3%	56.7%	57.0%	56.4%	57.2%	56.5%	58.2%	58.2%	79.6%
Ratio of total reserves to net deposit and Fed. Res. note liabilities combined.....	56.4%	56.7%	58.5%	57.9%	58.7%	58.1%	59.8%	59.9%	81.7%
Ratio of gold reserves to F. R. notes in actual circulation, after setting aside 35% against net deposit liabilities.....	72.5%	73.7%	76.4%	76.3%					
<b>Distribution by Maturity—</b>									
1-15 days bills discounted and bought.....	\$ 1,047,516,000	\$ 1,009,967,000	\$ 901,700,000	\$ 946,125,000	\$ 901,084,000	\$ 884,111,000	\$ 797,513,000	\$ 772,072,000	\$ 108,291,000
1-15 days U. S. Govt. short-term sec's.....	4,945,000	4,680,000	17,235,000	2,085,000	2,580,000	2,045,000	1,675,000	17,031,000	
1-15 days municipal warrants.....				4,000		4,000			1,026,000
16-30 days bills discounted and bought.....	141,558,000	169,570,000	151,740,000	178,593,000	166,603,000	200,758,000	220,406,000	181,544,000	55,508,000
16-30 days U. S. Govt. short-term sec's.....				750,000				10,000	
16-30 days municipal warrants.....					4,000				
31-60 days bills discounted and bought.....	219,928,000	223,723,000	231,550,000	233,110,000	238,100,000	240,900,000	208,306,000	250,526,000	89,170,000
31-60 days U. S. Govt. short-term sec's.....	4,890,000	4,685,000	4,355,000	3,491,000	3,425,000	3,500,000	750,000		
31-60 days municipal warrants.....	41,000	41,000	50,000	56,000	51,000	51,000	61,000	50,000	116,000
61-90 days bills discounted and bought.....	223,655,000	216,473,000	187,526,000	164,347,000	133,922,000	141,331,000	142,630,000	131,354,000	46,124,000
61-90 days U. S. Govt. short-term sec's.....	798,000	771,000	2,123,000	1,669,000	1,984,000	4,155,000	4,135,000	4,890,000	
61-90 days municipal warrants.....	5,000	5,000	6,000	1,000		1,000			
Over 90 days bills disc'd and bought.....	28,141,000	22,588,000	25,056,000	28,854,000	40,395,000	40,325,000	40,373,000	42,850,000	2,813,000
Over 90 days U. S. Govt. short-term sec's.....	15,339,000	13,365,000	8,830,000	9,409,000	9,604,000	10,372,000	9,798,000	9,992,000	
Over 90 days municipal warrants.....	21,000	16,000	20,000	16,000	17,000	10,000	10,000		58,000
<b>Federal Reserve Notes—</b>									
Issued to the banks.....	2,218,938,000	2,163,837,000	2,118,948,000	2,088,473,000	2,028,180,000	1,999,480,000	1,982,603,000	1,963,729,000	644,911,000
Held by banks.....	129,230,000	131,000,000	133,529,000	133,197,000	121,715,000	128,645,000	153,558,000	150,304,000	56,996,000
In circulation.....	2,092,708,000	2,032,837,000	1,985,419,000	1,955,276,000	1,906,465,000	1,870,835,000	1,829,045,000	1,813,425,000	587,915,000
<b>Fed. Res. Notes (Agents' Accounts)—</b>									
Received from the Comptroller.....	2,995,480,000	2,940,240,000	2,895,020,000	2,832,740,000	2,789,700,000	2,783,940,000	2,742,600,000	2,691,600,000	1,959,560,000
Returned to the Comptroller.....	516,032,000	497,152,000	499,820,000	489,092,000	478,470,000	471,870,000	460,127,000	450,501,000	178,124,000
Amount chargeable to Agent in hands of Agent.....	2,479,448,000	2,443,088,000	2,395,198,000	2,343,648,000	2,311,230,000	2,292,070,000	2,282,533,000	2,241,099,000	872,436,000
Issued to Federal Reserve banks.....	2,218,938,000	2,163,837,000	2,118,948,000	2,088,473,000	2,028,180,000	1,999,480,000	1,982,603,000	1,963,729,000	644,911,000
<b>How Secured—</b>									
By gold coin and certificates.....	219,239,000	220,239,000	217,238,000	212,424,000	201,239,000	202,239,000	197,944,000	203,444,000	269,170,000
By lawful money.....									
By eligible paper.....	1,157,341,000	1,145,070,000	1,157,450,000	1,147,781,000	1,125,387,000	1,089,090,000	1,042,313,000	1,000,582,000	151,726,000
Gold redemption fund.....	61,708,000	63,419,000	60,959,000	60,296,000	59,851,000	59,859,000	60,602,000	58,378,000	24,974,000
With Federal Reserve Board.....	780,650,000	735,109,000	683,301,000	668,166,000	641,703,000	648,322,000	681,744,000	701,325,000	199,941,000
Total.....	2,218,938,000	2,163,837,000	2,118,948,000	2,088,473,000	2,028,180,000	1,999,480,000	1,982,603,000	1,963,729,000	644,911,000
Eligible paper delivered to F. R. Agent.....	1,613,814,000	1,573,109,000	1,463,844,000	1,480,179,000	1,425,437,000	1,453,246,000	1,356,726,000	1,313,041,000	156,219,000

WEEKLY STATEMENT OF RESOURCES AND LIABILITIES OF EACH OF THE 12 FEDERAL RESERVE BANKS AT CLOSE OF BUSINESS AUG. 30 1918

Two ciphers (00) omitted.	Boston.	New York.	Phildel.	Cleveland.	Richm'd.	Atlanta.	Chicago.	St. Louis.	Minneapolis.	Kan. City.	Dallas.	San Fran.	Total.
<b>RESOURCES.</b>													
Gold coin and certifs. in vault.....	\$ 3,698,000	\$ 289,110,000	\$ 268,000	\$ 22,823,000	\$ 6,179,000	\$ 6,782,000	\$ 20,577,000	\$ 1,416,000	\$ 8,226,000	\$ 207,000	\$ 6,951,000	\$ 11,872,000	\$ 384,000,000
Gold settlement fund.....	76,874,000	73,052,000	53,030,000	68,372,000	29,919,000	19,878,000	30,216,000	12,667,000	30,060,000	30,000,000	8,833,000	28,682,000	530,926,000
Gold with foreign agencies.....	408,000	2,011,000	408,000	525,000	204,000	175,000	816,000	233,000	233,000	291,000	204,000	321,000	5,829,000
Total gold held by banks.....	80,880,000	364,173,000	53,706,000	91,720,000	36,302,000	26,535,000	117,036,000	31,865,000	21,126,000	30,558,000	15,988,000	40,875,000	910,784,000
Gold with Federal Res. Agents.....	59,953,000	297,613,000	112,195,000	135,052,000	39,091,000	21,769,000	168,013,000	51,719,000	22,751,000	52,643,000	13,862,000	86,936,000	1,061,597,000
Gold redemption fund.....	4,199,000	14,955,000	5,000,000	1,478,000	846,000	2,456,000	4,632,000	2,602,000	2,499,000	1,159,000	1,546,000	61,000	41,433,000
Total gold reserves.....	145,032,000	676,741,000	170,901,000	228,250,000	76,239,000	50,760,000	289,681,000	86,186,000	46,376,000	84,360,000	31,396,000	127,872,000	2,013,794,000
Legal-tender notes, silver, &c.....	2,371,000	45,175,000	784,000	310,000	847,000	317,000	1,448,000	425,000	56,000	251,000	964,000	220,000	53,168,000
Total reserves.....	147,403,000	721,916,000	171,685,000	228,560,000	77,086,000	51,077,000	291,129,000	86,611,000	46,432,000	84,611,000	32,360,000	128,092,000	2,066,962,000
Bills discounted for members and Federal Reserve banks.....	72,188,000	561,639,000	91,270,000	89,992,000	58,842,000	49,856,000	214,152,000	52,633,000	59,941,000	58,935,000	42,431,000	76,556,000	1,428,235,000
Bills bought in open market.....	28,744,000	121,875,000	9,762,000	26,077,000	4,742,000	3,557,000	15,740,000	1,661,000	336,000	136,000	619,000	19,312,000	232,563,000
Total bills on hand.....	100,934,000	683,514,000	101,032,000	116,069,000	63,584,000	53,413,000	229,892,000	54,294,000	60,277,000	59,071,000	43,050,000	95,868,000	1,660,798,000
U. S. long-term securities.....	942,000	1,452,000	1,348,000	2,292,000	1,253,000	620,000	4,509,000	1,163,000	122,000	8,871,000	4,347,000	3,491,000	30,350,000
U. S. short-term securities.....	1,416,000	12,438,000	1,211,000	1,935,000	1,510,000	991,000	2,112,000	321,000	912,000	1,244,000	902,000	1,030,000	25,772,000
All other earning assets.....					67,000								67,000
Total earning assets.....	103,292,000	697,404,000	103,591,000	120,056,000	66,127,000	55,091,000	236,513,000	55,708,000	61,311,000	69,186,000	48,299,000	100,349,000	1,716,987,000
Uncollected items (deducted from gross deposits).....	38,683,000	162,779,000	53,084,000	48,805,000	38,311,000	26,064,000	60,247,000	40,328,000	11,650,000	45,441,000	20,071,000	25,192,000	568,655,000
5% redemption fund against Federal Reserve bank notes.....		274,000	50,000			19,000	200,000			400,000	137,000	84,000	1,104,000
All other resources.....	839,000	1,939,000	1,558,000	631,000	1,049,000	784,000	1,262,000	624,000	215,000	904,000	710,000	1,292,000	11,787,000
Total resources.....	290,217,000	1,584,312,000	329,968,000	396,052,000	182,573,000	133,015,000	589,351,000	183,331,000	119,608,000	200,542,000	101,577,000	255,009,000	4,365,555,000
<b>LIABILITIES.</b>													
Capital paid in.....	\$ 6,510,000	\$ 20,092,000	\$ 7,302,000	\$ 8,746,000	\$ 3,921,000	\$ 3,126,000	\$ 10,760,000	\$ 3,687,000	\$ 2,870,000	\$ 3,580,000	\$ 3,052,000	\$ 4,513,000	\$ 78,168,000
Surplus.....	75,000	649,000		116,000	40,000	216,000		38,000					1,134,000
Government deposits.....	13,070,000												

Statement of New York City Clearing House Banks and Trust Companies.—The following detailed statement shows the condition of the New York City Clearing House members for the week ending Aug. 31. The figures for the separate banks are the averages of the daily results. In the case of totals, actual figures at end of the week are also given.

NEW YORK WEEKLY CLEARING HOUSE RETURN.

CLEARING HOUSE MEMBERS.	Net Profits.		Loans, Discounts, Investments, &c.	Gold.	Legal Tender.	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.
	Capital.	June 29 State Banks June 20 Trust Co's June 20										
Members of Federal Reserve Bank.	\$	\$	Average.	Average.	Average.	Average.	Average.	Average.	Average.	Average.	Average.	Average.
Bank of N. Y. N. B. A.	2,000,000	5,267,600	45,849,000	34,000	95,000	95,000	148,000	5,038,000	32,699,000	1,849,000	773,000	
Bank of Manhattan Co.	2,500,000	6,789,400	56,615,000	480,000	335,000	618,000	966,000	9,530,000	54,357,000	---	---	---
Merchants' National.	2,000,000	2,630,400	27,494,000	50,000	57,000	231,000	124,000	3,117,000	21,000	---	---	---
Mech & Metals Nat.	6,000,000	10,526,100	177,311,000	7,522,000	146,000	1,903,000	482,000	25,378,000	148,831,000	13,378,000	3,769,000	---
Bank of America.	1,500,000	6,744,200	28,704,000	266,000	---	---	348,000	3,033,000	23,660,000	---	---	---
National City.	2,000,000	49,678,000	577,327,000	8,251,000	3,055,000	749,000	1,807,000	91,229,000	532,071,000	12,946,000	4,142,000	1,445,000
Chemical National.	3,000,000	9,232,500	85,712,000	180,000	288,000	356,000	784,000	9,371,000	60,570,000	---	---	---
Atlantic City.	1,000,000	850,700	17,440,000	82,000	123,000	191,000	112,000	1,922,000	13,891,000	---	---	---
Nat Butch & Drovers	300,000	95,300	3,227,000	12,000	54,000	31,000	6,000	378,000	2,112,000	---	---	---
American Exch Nat.	5,000,000	5,763,000	118,690,000	555,000	171,000	386,000	630,000	10,705,000	79,374,000	6,079,000	4,559,000	---
Nat Bank of Comm.	25,000,000	22,187,700	358,638,000	88,000	193,000	541,000	1,490,000	40,026,000	301,540,000	5,258,000	---	---
Pacific.	500,000	1,055,300	14,476,000	49,000	288,000	318,000	323,000	1,477,000	11,975,000	---	---	---
Chas & Phenix Nat.	3,500,000	2,735,100	95,240,000	803,000	438,000	797,000	2,225,000	9,930,000	74,845,000	7,451,000	2,231,000	---
Hanover National.	3,000,000	17,710,700	130,023,000	4,192,000	330,000	585,000	571,000	16,388,000	122,263,000	---	---	---
Citizens' National.	2,500,000	699,000	42,359,000	110,000	35,000	617,000	331,000	4,155,000	28,070,000	---	---	---
Metropolitan.	2,000,000	3,207,700	25,054,000	675,000	258,000	555,000	746,000	4,074,000	25,715,000	---	---	---
Corn Exchange.	3,500,000	7,892,800	114,212,000	126,000	189,000	2,402,000	4,074,000	14,509,000	108,347,000	---	---	---
Importers & Trad Nat	1,500,000	7,693,300	34,600,000	70,000	319,000	45,000	283,000	3,125,000	23,312,000	---	---	---
National Park.	5,000,000	17,544,900	202,209,000	52,000	353,000	329,000	801,000	18,773,000	143,625,000	2,936,000	4,969,000	---
East River National.	250,000	74,800	2,889,000	2,000	98,000	14,000	37,000	456,000	2,943,000	---	---	---
Second National.	1,000,000	3,886,300	18,202,000	61,000	18,000	241,000	434,000	3,069,000	13,801,000	---	---	---
First National.	10,000,000	30,492,500	249,995,000	11,000	361,000	750,000	552,000	20,419,000	139,523,000	1,919,000	8,441,000	---
Irving National.	4,500,000	5,609,700	93,305,000	1,014,000	385,000	2,033,000	1,246,000	13,765,000	93,239,000	851,000	600,000	---
N Y County National	1,000,000	342,800	10,191,000	61,000	17,000	128,000	481,000	1,217,000	9,702,000	---	---	---
Continental.	1,000,000	699,000	6,137,000	29,000	27,000	14,000	116,000	693,000	4,945,000	---	---	---
Chase National.	10,000,000	12,833,300	299,835,000	2,609,000	2,096,000	1,644,000	1,211,000	33,228,000	240,312,000	12,510,000	1,100,000	---
Fifth Avenue.	200,000	2,347,700	16,706,000	56,000	157,000	411,000	407,000	2,309,000	16,895,000	---	---	---
Commercial Exch.	200,000	589,700	5,907,000	44,000	15,000	68,000	88,000	762,000	5,063,000	---	---	---
Commonwealth.	400,000	811,700	6,435,000	40,000	27,000	156,000	110,000	895,000	6,408,000	---	---	---
Lincoln National.	1,000,000	1,969,300	16,487,000	132,000	362,000	143,000	853,000	2,629,000	15,740,000	100,000	210,000	---
Garfield National.	1,000,000	1,337,600	11,256,000	2,000	6,000	204,000	135,000	881,000	8,833,000	---	---	---
Fifth National.	250,000	421,700	7,924,000	45,000	20,000	85,000	141,000	589,000	5,853,000	---	---	---
Seaboard National.	1,000,000	3,607,600	45,147,000	352,000	258,000	125,000	394,000	6,210,000	42,830,000	---	---	---
Liberty National.	3,000,000	3,985,400	73,379,000	114,000	16,000	71,000	410,000	9,666,000	61,249,000	2,285,000	799,000	---
Coal & Iron National	1,000,000	932,100	13,113,000	6,000	54,000	42,000	565,000	1,688,000	12,789,000	---	---	---
Union Exchange Nat.	1,000,000	2,247,100	33,590,000	13,000	35,000	229,000	151,000	1,552,000	11,641,000	---	---	---
Brooklyn Trust Co.	2,000,000	2,227,500	35,879,000	76,000	37,000	152,000	417,000	3,313,000	30,442,000	---	---	---
Bankers Trust Co.	11,250,000	14,843,300	255,419,000	90,000	111,000	87,000	632,000	26,791,000	218,401,000	14,626,000	---	---
U S Mfg & Tr Co.	2,000,000	4,791,000	59,402,000	337,000	81,000	80,000	322,000	7,141,000	49,365,000	2,210,000	---	---
Guaranty Trust Co.	25,000,000	26,725,700	468,074,000	1,775,000	120,000	312,000	2,588,000	50,925,000	373,255,000	27,585,000	---	---
Fidelity Trust Co.	1,000,000	1,288,600	11,302,000	90,000	37,000	50,000	136,000	1,121,000	10,181,000	---	---	---
Columbia Trust Co.	5,000,000	6,693,200	82,545,000	30,000	51,000	359,000	484,000	10,030,000	60,964,000	11,288,000	---	---
Peoples Trust Co.	1,000,000	1,274,400	25,599,000	44,000	71,000	272,000	476,000	2,321,000	22,326,000	1,659,000	---	---
New York Trust Co.	3,000,000	10,510,700	85,460,000	30,000	6,000	13,000	241,000	6,898,000	50,474,000	3,406,000	---	---
Franklin Trust Co.	1,000,000	1,106,900	19,991,000	81,000	19,000	108,000	211,000	2,092,000	14,817,000	1,763,000	---	---
Lincoln Trust Co.	1,000,000	552,100	15,029,000	14,000	13,000	96,000	276,000	1,814,000	12,196,000	1,800,000	---	---
Metropolitan Trust.	2,000,000	4,312,000	53,305,000	291,000	35,000	69,000	490,000	4,279,000	31,461,000	1,135,000	---	---
Nassau Nat. City.	1,000,000	1,170,100	12,955,000	8,000	36,000	196,000	79,000	1,096,000	9,173,000	760,000	50,000	---
Irving Trust Co.	1,500,000	1,100,700	36,586,000	121,000	255,000	483,000	1,052,000	4,044,000	35,392,000	1,160,000	---	---
Farmers Loan & Tr.	5,000,000	10,965,200	141,898,000	3,758,000	23,000	60,000	257,000	14,807,000	112,076,000	9,700,000	---	---
Average for week.	192,900,000	338,372,600	4,310,292,000	34,933,000	11,797,000	19,997,000	31,895,000	508,571,000	3,532,067,000	157,123,000	35,743,000	---
Totals, actual condition on Aug. 31	---	---	4,292,323,000	34,792,000	11,516,000	18,909,000	29,986,000	523,628,000	3,539,526,000	158,424,000	35,705,000	---
Totals, actual condition on Aug. 24	---	---	4,322,674,000	35,404,000	11,969,000	19,601,000	31,545,000	522,225,000	3,523,624,000	159,520,000	35,806,000	---
Totals, actual condition on Aug. 17	---	---	4,376,213,000	35,333,000	12,346,000	19,951,000	29,561,000	489,122,000	3,499,000,000	160,725,000	35,593,000	---
Totals, actual condition on Aug. 10	---	---	4,405,883,000	35,285,000	12,082,000	20,145,000	31,568,000	499,926,000	3,496,581,000	157,521,000	35,736,000	---
State Banks.	Not Members of Federal Reserve Bank.											
Greenwich.	500,000	1,463,400	14,657,000	799,000	160,000	216,000	910,000	655,000	14,035,000	4,000	---	---
People's.	200,000	534,000	4,056,000	49,000	22,000	71,000	340,000	183,000	3,803,000	---	---	---
Bowery.	250,000	810,900	4,846,000	282,000	16,000	20,000	251,000	271,000	4,508,000	---	---	---
N Y Produce Exch.	1,000,000	1,159,800	20,632,000	1,344,000	442,000	404,000	568,000	1,233,000	21,883,000	---	---	---
State.	1,500,000	707,500	29,888,000	2,005,000	519,000	346,000	866,000	1,075,000	29,996,000	---	---	---
Totals, avge for wk	3,450,000	4,675,000	74,079,000	4,479,000	1,159,000	1,057,000	2,905,000	4,017,000	74,622,000	72,000	---	---
Totals, actual condition on Aug. 31	---	---	73,570,000	4,460,000	1,034,000	1,041,000	2,986,000	4,210,000	250,000	74,630,000	38,000	---
Totals, actual condition on Aug. 24	---	---	74,842,000	4,470,000	1,088,000	1,037,000	2,960,000	4,029,000	70,000	74,910,000	80,000	---
Totals, actual condition on Aug. 17	---	---	75,094,000	4,483,000	1,146,000	975,000	3,068,000	4,095,000	654,000	74,995,000	81,000	---
Totals, actual condition on Aug. 10	---	---	76,833,000	4,469,000	1,089,000	975,000	3,014,000	4,036,000	197,000	73,677,000	81,000	---
Trust Companies.	Not Members of Federal Reserve Bank.											
Title Guar & Trust.	5,000,000	11,834,800	39,697,000	100,000	145,000	112,000	587,000	2,686,000	615,000	23,991,000	657,000	---
Lawyers Title & Tr.	4,000,000	5,205,300	23,635,000	451,000	187,000	61,000	168,000	1,268,000	104,000	14,764,000	281,000	---
Totals, avge for wk	9,000,000	17,040,100	63,332,000	551,000	332,000	173,000	745,000	3,954,000	719,000			

The State Banking Department reports weekly figures showing the condition of State banks and trust companies in New York City *not in the Clearing House*, as follows:

**SUMMARY OF STATE BANKS AND TRUST COMPANIES IN GREATER NEW YORK, NOT INCLUDED IN CLEARING HOUSE STATEMENT.**

	Aug. 31.	Differences from previous week.
Loans and Investments.....	\$725,378,500	Dec. \$9,611,900
Specie.....	19,663,100	Inc. 29,900
Current and bank notes.....	14,139,500	Inc. 83,000
Deposits with the F. R. Bank of New York.....	55,237,700	Dec. 36,000
Total deposits.....	709,716,000	Dec. 14,699,000
Deposits, eliminating amounts due from reserve depositaries and from other banks and trust companies in N. Y. City, exchanges and U. S. deposits.....	692,729,000	Dec. 4,157,200
Reserve on deposits.....	122,092,700	Dec. 589,300
Percentage of reserve, 19.8%.		

**RESERVE.**

	State Banks	Trust Companies
Cash in vaults.....	\$13,698,400	\$66,361,900
Deposits in banks and trust cos.....	13,752,000	28,280,400
Total.....	\$27,450,400	\$94,642,300
	19.8%	19.28%

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 ciphers omitted.)**

Week Ended—	Loans and Investments	Demand Deposits	Specie	Legal Tenders	Total Cash in Vault	Reserve in Depositories
May 4.....	5,286,693.4	4,482,747.3	90,948.5	85,057.7	176,006.2	588,899.3
May 11.....	5,306,256.9	4,415,207.5	91,076.0	85,279.8	176,355.8	573,373.4
May 18.....	5,368,727.3	4,302,189.7	89,363.8	83,001.4	172,365.2	567,941.1
May 25.....	5,335,545.7	4,365,620.5	87,653.3	86,740.1	174,393.4	570,237.7
June 1.....	5,290,958.7	4,422,114.8	85,139.9	84,442.7	169,572.6	575,891.0
June 8.....	5,255,139.0	4,454,909.7	81,894.4	87,724.4	169,318.8	570,049.4
June 15.....	5,293,378.3	4,473,266.6	82,145.6	86,257.3	168,403.9	581,941.7
June 22.....	5,242,919.0	4,453,580.1	80,450.7	85,787.6	166,238.3	594,047.9
June 29.....	5,147,055.5	4,401,117.1	80,119.9	80,728.9	160,848.8	609,593.9
July 6.....	5,107,950.8	4,355,634.9	78,499.8	88,676.0	167,175.8	588,136.5
July 13.....	5,143,094.5	4,328,256.7	78,372.1	89,309.8	167,681.9	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	4,239,235.8	75,037.7	87,536.0	162,573.7	561,439.9
Aug. 3.....	5,137,068.5	4,295,324.2	74,037.6	88,453.1	162,490.7	578,562.0
Aug. 10.....	5,231,510.0	4,297,645.1	73,349.2	87,040.8	160,390.0	557,064.2
Aug. 17.....	5,281,083.9	4,317,718.7	72,650.0	90,058.1	162,708.1	549,748.1
Aug. 24.....	5,230,921.4	4,314,490.2	72,410.2	86,589.3	159,979.5	551,742.5
Aug. 31.....	5,173,081.5	4,406,150.0	71,853.1	86,335.2	158,188.3	553,574.4

\*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 were 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, Investments, &c.	Gold.	Legal Tenders.	Silver.	National Bank & 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)	(Trust eos. June 29)										
<b>Members of Federal Reserve Bank</b>												
Battery Park Nat. Bank.....	400,000	591,000	9,373,000	11,000	15,000	38,000	97,000	1,097,000	230,000	7,291,000	80,000	195,000
New Netherland Bank.....	200,000	204,600	3,539,000	31,000	3,000	44,000	127,000	585,000	217,000	3,842,000	92,000	-----
W. R. Grace & Co.'s bank.....	500,000	964,500	6,853,000	3,000	2,000	-----	-----	965,000	-----	5,112,000	720,000	-----
First Nat. Bank, Brooklyn.....	300,000	665,000	7,295,000	14,000	7,000	104,000	65,000	641,000	450,000	5,084,000	548,000	293,000
Nat. City Bank, Brooklyn.....	300,000	603,900	6,340,000	1,000	21,000	77,000	109,000	733,000	547,000	5,481,000	459,000	120,000
First Nat. Bank, Jersey City.....	400,000	1,308,200	8,437,000	81,000	177,000	40,000	210,000	883,000	2,982,000	7,022,000	324,000	394,000
Hudson Co. Nat., Jersey City.....	250,000	785,100	4,603,000	64,000	5,000	68,000	140,000	239,000	612,000	3,451,000	469,000	198,000
<b>Total.....</b>	<b>2,350,000</b>	<b>4,792,300</b>	<b>46,441,000</b>	<b>205,000</b>	<b>230,000</b>	<b>371,000</b>	<b>748,000</b>	<b>5,162,000</b>	<b>5,038,000</b>	<b>37,863,000</b>	<b>2,368,000</b>	<b>1,200,000</b>
<b>State Banks. Not Members of the Federal Reserve Bank.</b>												
Bank of Washington Heights.....	100,000	478,000	2,368,000	70,000	5,000	35,000	128,000	126,000	-----	2,105,000	-----	-----
Colonial Bank.....	500,000	1,040,300	9,696,000	355,000	295,000	423,000	254,000	618,000	310,000	10,263,000	-----	-----
Columbia Bank.....	1,000,000	627,100	13,297,000	662,000	-----	333,000	448,000	730,000	230,000	12,163,000	-----	-----
International Bank.....	500,000	168,800	5,350,000	155,000	11,000	57,000	411,000	253,000	-----	5,114,000	362,000	-----
Mutual Bank.....	200,000	534,600	7,246,000	2,000	40,000	211,000	204,000	952,000	259,000	7,123,000	167,000	-----
Yorkville Bank.....	100,000	573,900	7,549,000	269,000	10,000	528,000	103,000	487,000	123,000	8,113,000	71,000	-----
Mechanics' Bank, Brooklyn.....	1,600,000	833,900	23,496,000	125,000	335,000	575,000	1,185,000	1,425,000	334,000	23,807,000	62,000	-----
North Side Bank, Brooklyn.....	200,000	204,600	5,080,000	25,000	12,000	139,000	242,000	237,000	316,000	4,427,000	400,000	-----
<b>Total.....</b>	<b>4,200,000</b>	<b>4,481,200</b>	<b>75,282,000</b>	<b>1,663,000</b>	<b>817,000</b>	<b>2,299,000</b>	<b>2,975,000</b>	<b>4,829,000</b>	<b>1,781,000</b>	<b>73,120,000</b>	<b>1,062,000</b>	<b>-----</b>
<b>Trust Companies. Not Members of the Federal Reserve Bank.</b>												
Ham on Trust Co., Brooklyn.....	500,000	1,012,400	7,954,000	369,000	13,000	18,000	91,000	290,000	345,000	5,796,000	1,124,000	-----
Mechanics' Tr. Co., Bayonne.....	200,000	368,600	7,623,000	18,000	29,000	105,000	143,000	394,000	145,000	4,375,000	3,255,000	-----
<b>Total.....</b>	<b>700,000</b>	<b>1,381,000</b>	<b>15,577,000</b>	<b>387,000</b>	<b>42,000</b>	<b>123,000</b>	<b>234,000</b>	<b>684,000</b>	<b>490,000</b>	<b>10,171,000</b>	<b>4,379,000</b>	<b>-----</b>
<b>Grand aggregate.....</b>	<b>7,250,000</b>	<b>10,654,500</b>	<b>137,300,000</b>	<b>2,255,000</b>	<b>1,089,000</b>	<b>2,793,000</b>	<b>3,967,000</b>	<b>10,675,000</b>	<b>7,309,000</b>	<b>a121,174,000</b>	<b>7,809,000</b>	<b>1,200,000</b>
Comparison previous week.....	-----	-----	-3,501,000	-6,000	-301,000	-1,000	-7,000	-37,000	-234,000	+829,000	+59,000	-3,000
Excess reserve.....	\$37,350	decrease	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Grand aggregate Aug. 24.....	7,595,000	11,559,700	140,801,000	2,261,000	1,399,000	2,794,000	3,964,000	10,712,000	7,543,000	a120,345,000	7,750,000	1,203,000
Grand aggregate Aug. 17.....	7,895,000	11,466,300	142,476,000	2,295,000	1,038,000	2,666,000	4,160,000	10,539,000	8,159,000	a121,107,000	7,715,000	1,204,000
Grand aggregate Aug. 10.....	7,595,000	11,468,300	154,991,000	2,329,000	1,511,000	3,004,000	3,997,000	11,115,000	8,047,000	a126,149,000	13,783,000	1,505,000
Grand aggregate Aug. 3.....	7,595,000	11,346,600	153,897,000	2,760,000	844,000	2,915,000	3,944,000	11,282,000	8,847,000	a126,020,000	13,983,000	1,623,000

a U. S. deposits deducted, \$4,878,000.

**STATE BANKS AND TRUST COMPANIES IN NEW YORK CITY**

Week ended Aug. 31.	State Banks.		Trust Companies.	
	Aug. 31 1918.	Differences from previous week.	Aug. 31 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.....	470,965,200	Dec. 7,892,000	1,911,885,100	Dec. 14,285,200
Specie.....	11,665,500	Dec. 170,000	14,691,100	Dec. 1,628,200
Current & bk. notes.....	25,085,300	Inc. 273,000	17,993,100	Inc. 1,782,400
Deposits with the F. R. Bank of N. Y.....	39,086,700	Dec. 1,381,500	192,250,700	Dec. 1,035,200
Deposits.....	574,601,000	Dec. 2,990,000	1,943,342,400	Dec. 7,024,700
Reserve on deposits.....	96,280,300	Dec. 2,286,200	285,630,000	Inc. 592,700
P. C. reserve to dep.....	21.5%	Dec. 0.2%	18.4%	Dec. 0.1%

**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.**

	Aug. 31 1918.	Change from previous week.	Aug. 24 1918.	Aug. 17 1918.
Circulation.....	\$4,773,000	Inc. \$3,000	\$4,770,000	\$4,743,000
Loans, disc'ts & investments.....	478,193,000	Dec. 5,598,000	483,791,000	495,295,000
Individual deposits, incl. U.S. Due to banks.....	415,140,000	Dec. 12,345,000	427,485,000	441,073,000
Time deposits.....	108,276,000	Dec. 4,682,000	112,958,000	117,911,000
Exchanges for Clear. House.....	18,678,000	Dec. 112,000	18,790,000	18,556,000
Due from other banks.....	13,378,000	Inc. 503,000	12,873,000	16,838,000
Cash in bank & in F. R. Bank.....	67,910,000	Dec. 7,014,000	74,924,000	82,261,000
Reserve excess in bank and Federal Reserve Bank.....	57,160,000	Dec. 843,000	57,503,000	61,392,000
Total.....	12,447,000	Inc. 712,000	11,735,000	14,909,000

**Philadelphia Banks.**—The Philadelphia Clearing House statement for the week ending Aug. 31, 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" is 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 ciphers (00) omitted.	Week ending Aug. 31 1918.			Aug. 24 1918.	Aug. 17 1918.
	Members of F. R. Syst.	Trust Cos.	Total.		
Capital.....	\$29,475.0	\$3,500.0	\$32,975.0	\$32,975.0	\$32,975.0
Surplus and prof.....	76,291.0	5,036.0	81,327.0	84,031.0	84,031.0
Loans, disc'ts & investments.....	579,512.0	29,944.0	609,456.0	613,842.0	616,090.0
Exchanges for Clear. House.....	24,095.0	371.0	24,466.0	24,595.0	24,037.0
Due from banks.....	129,198.0	28.0	129,226.0	134,081.0	134,208.0
Bank deposits.....	163,448.0	442.0	163,890.0	166,494.0	162,541.0
Individual deposits.....	433,848.0	19,928.0	453,776.0	447,692.0	447,460.0
Time deposits.....	3,457.0	-----	3,457.0	3,452.0	3,478.0
Total deposits.....	600,733.0	20,370.0	621,123.		

# Bankers' Gazette.

Wall Street, Friday Night, Sept. 6 1918.

**The Money Market and Financial Situation.**—There has been somewhat more animation in Wall Street this week and the business there less routine and monotonous, especially at the Stock Exchange, than for some time past. This change began with the sharp upward movement in U. S. Steel shares noted last week. There were then suggestions of an old time general advance in market values, but failure of the money market to respond to a demand for call loans thus created and further discussion of the undesirability of additional loan expansion, even if such a thing were possible at the present time, proved too much for the enthusiasm of those who would have been pleased to see the movement go forward. The result has been a declining market, beginning on Thursday and continuing to-day. Other factors than those mentioned have, however, contributed to this result. Even a casual reading of the new War Tax Schedules shows that the measure is the most drastic ever adopted in any country and suggests the possibility of a more or less severe paralysis of business. Then the Government report on the cotton crop indicates a shrinkage of condition to 55.7% for the whole country, as against an estimate of 73.6% in August. In Texas the damage has been most severe, leaving the condition for that State at only 43%. Following this report cotton advanced in this market to 38.20 cents per pound. Reports from the iron industry show that the output for August was almost exactly 1,000 tons per day less than in July, notwithstanding the steadily increasing demand therefor.

On the other hand news of the military operations in France are decidedly favorable for the Allies—the long delayed railroad contract is believed to be approaching a satisfactory adjustment—foreign Government and foreign City bonds have substantially advanced in this market and the foreign exchanges have moved steadily in favor of New York.

The local money market was reported easier on Wednesday but to-day has been at the old rate of 6 to 6½% for call loans.

**Foreign Exchange.**—Sterling exchange has been maintained during the week, without, however, developing any particularly new features. In the Continental exchanges weakness in neutral bills has been evident.

To-day's (Friday's) actual rates for sterling exchange were 4 73@4 73½ for sixty days, 4 75 7-16@4 75½ for checks and 4 7655@4 76 9-16 for cables. Commercial on banks, sight 4 75@4 75½, sixty days 4 71½@4 71¾, 90 days 4 70@4 70¾ and documents for payment (sixty days), 4 71@4 71¾. Cotton for payment 4 75@4 75½ and grain for payment 4 75@4 75½.

To-day's (Friday's) actual rates for Paris bankers' francs were 5 54½@5 55¾ for long and 5 47¾@5 50¾ for short. Germany bankers' marks were not quoted. Amsterdam bankers' guilders were 47 13-16@46 11-16 for long and 47 15-16@46 15-16 for short.

Exchange at Paris on London, 26.10 fr.; week's range, 26.10 fr. high and 26.14 fr. low.

Exchange at Berlin on London, not quotable.

The range for foreign exchange for the week follows:

Sterling, Actual—	Sixty days.	Checks.	Cables.
High for the week—	4 73½	4 75½	4 76 9-16
Low for the week—	4 73	4 75 7-16	4 7055
<b>Paris Bankers' Francs—</b>			
High for the week—	5 53½	5 47	5 46
Low for the week—	5 54½	5 50	5 49
<b>Amsterdam Bankers' Guilders—</b>			
High for the week—	50 5-16	50½	51
Low for the week—	46 11-16	47	47¾

**Domestic Exchange.**—Chicago, par. Boston, par. St. Louis, 25c@15c. per \$1,000 discount. San Francisco, par. Montreal, \$20 00 per \$1,000 premium. Cincinnati, par.

**State and Railroad Bonds.**—Sales of State bonds at the Board are limited to \$220,000 Virginia 6s, def. tr. reets., at 57½ to 65.

The market for railway and industrial bonds has been dull and neglected, attention having been absorbed by enormous dealings in the Liberty Loan and foreign issues, both of which have been in request and have advanced.

Of the railway issues Lehigh Valley 6s, w. i., have been by far the most active, but failed to maintain the price at which they closed last week. They are, however, only ½ point lower. Interboro Rap. Transits are conspicuous for an advance of 1½ points. Rock Island 4s and So. Pac. conv. 4s are fractionally higher. On the other hand, as against these, in a list of 15 representative bonds dealt in 11 have declined and one—Steel 5s—is unchanged.

**United States Bonds.**—Sales of Government bonds at the Board this week include only Liberty Loan 3½s at 101.50

to 102.00, L. L. 1st 4s at 94.42 to 95.10, L. L. 2d 4s at 94.12 to 94.60, L. L. 4½s at 94.46 to 95.10, L. L. 2d 4½s at 94.12 to 94.58, and L. L. 3d 4½s at 94.94 to 95.80. For to-day's prices of all the different issues and for the week's range see third page following.

**Railroad and Miscellaneous Stocks.**—The stock market has been decidedly more active than for some time past. It was buoyant early in the week on the favorable news from abroad and expectation that the railroad-contract matter will be settled this week. Practically all active railway shares moved up from 1 to 2½ points and many industrial stocks made a similar record. On Thursday the tendency was reversed, but the reaction was then comparatively unimportant and the volume of business declined to about the recent average.

Under the influences noted above and publication to-day of a letter from the "Money Committee" showing its opposition to any enlargement of bank loans for Stock Exchange operations the market to-day was by far the most active in recent months and of a list of 15 prominent issues all except one declined from 1 to 1½ points. This leaves the result of the week's operations a good deal mixed—that is, while a majority of the stocks are lower than last week, several are substantially higher. In to-day's session Canadian Pacific dropped 1½ points and General Motors 4, the latter closing 7 points lower than last week. On the other hand, St. Paul shows a net gain of 2¾ points and several issues are fractionally higher. U. S. Steel has again been very much the most active stock traded in. It advanced 5½ points early in the week and lost heavily to-day, now showing a net gain of fractionally more than a point.

For daily volume of business see page 994.

The following sales have occurred this week of shares not represented in our detailed list on the pages which follow:

STOCKS. Week ending Sept. 6.	Sales for Week.	Range for Week.		Range since Jan. 1.		
		Lowest.	Highest.	Lowest.	Highest.	
Adams Express	100	51¼	Sept 5 51¼	Sept 5 50½	Aug 80 50½	
Am Sumatra Tob, pf.100	100	88	Sept 4 88	Sept 4 81	Jan 103 81	
Associated Oil	100	270	62¼	Sept 6 64	Sept 3 54	Apr 65 54
Atlanta Birm & Atl	100	100	9¼	Aug 31 9¼	Aug 31 7¼	July 10½ 7¼
Barrett, pref.100	100	100	5	Sept 5 100	Sept 5 99½	June 102 99½
Batopilas Mining	20	200	1¼	Sept 3 1¼	Sept 3 1	Jan 1¼ 1
Butterick Terminal	100	700	12½	Aug 31 13	Sept 3 6½	Jan 16½ 6½
Butterick	100	200	8¼	Sept 4 8¼	Sept 4 7½	May 11½ 7½
Calumet & Arizona	10	100	70	Sept 4 70	Sept 4 63½	Jan 71 63½
Central Foundry	100	100	32	Aug 31 32	Aug 31 26	Mar 41½ 26
Cent & So Am Telex	100	26105	Sept 6 105	Sept 6 103	July 110 103	
Cons Interstate Call	10	360	10	Sept 5 10	Sept 5 7¼	Apr 13 7¼
Continental Can, pf.100	500	100	Sept 4 100	Sept 4 99	July 105 99	
Duluth S S & A, pref.100	100	7½	Aug 31 7½	Aug 31 4½	May 8 4½	
Elk Horn Coal	100	300	27½	Sept 6 29	Aug 31 22	Jan 30½ 22
Federal M & S, pref.100	250	100	Sept 4 100	Sept 4 99½	June 103½ 99½	
Gen Chemical, pref.100	1,600	48	Sept 6 48½	Sept 4 54	Jan 58 54	
Int Harvester Corp.	100	600	62½	Sept 6 63½	Sept 6 53	Jan 72 53
Int Harv Corp, pref.100	100	106½	Sept 4 106½	Sept 4 95	May 106½ 95	
Int Nickel, pref.100	100	92	Sept 4 92	Sept 4 88½	May 98 88½	
Laclede Gas	100	83	Sept 4 83	Sept 4 82	July 90 82	
Liggett & Myers, pf.100	100	102½	Sept 6 102½	Sept 6 100½	June 107½ 100½	
Lorillard (P)	100	581	147	Sept 6 148	Sept 5 144½	Aug 200 144½
May Dept. Stores	100	300	33¼	Sept 6 54	Sept 6 47	Jan 54¼ 47
Minn St P & S S M	100	100	31¾	Sept 3 31¾	Sept 3 26½	Jan 33 26½
National Aene	50	200	21¾	Sept 4 21¾	Sept 4 17	Apr 24½ 17
N Tex & Mex Y T	100	1,000	22	Sept 6 24	Sept 3 17	Apr 24½ 17
New York Dock, pref.100	100	40	Sept 4 46	Sept 4 42	Jan 48 42	
Norfolk & West, pref.100	100	70	Sept 3 70	Sept 3 70	Sept 79 70	
Nova Scotia S & C	100	700	66	Sept 5 67	Sept 4 56½	July 70 56½
Ohio Fuel Supply	25	200	42½	Sept 3 42½	Sept 4 41½	Mar 46½ 41½
Owens Bottle-Mach	25	1,600	65	Sept 6 69½	Sept 3 55½	Jan 70½ 55½
Preferred	100	100	109	Aug 31 109	Aug 31 107	May 109 107
Pacific Mail rights	100	2¼	Aug 31 2¼	Aug 31 ¼	July 2½ ¼	
Peoria & Eastern	100	300	5½	Aug 31 6	Sept 3 4½	Apr 6 4½
Pitts Clin Ch & St L	100	250	54	Sept 5 54½	Sept 6 25½	June 54½ 25½
St L S Fran pref A	100	100	28½	Sept 3 28½	Sept 3 21	Apr 30 21
Seas, Roebuck, pref.100	300	118	Aug 31 120	Sept 4 116	Aug 120 116	
Tol St L & N Y trust reets.	1,000	5½	Sept 6 6¼	Sept 3 4	June 7¼ 4	
Preferred trust reets.	100	12	Sept 5 12	Sept 3 8½	Mar 16 8½	
Underw'd Typew, pf.100	200	107	Sept 4 107	Sept 4 104	July 112 104	
United Drug, 1st pf. 50	100	48	Sept 4 48	Sept 4 46	Jan 50 46	
Yulean Dett'g, pref.100	120	42	Sept 6 42	Sept 6 25½	Mar 42 25½	

**Outside Market.**—One day's trading this week was practically like another—business limited to few transactions and price changes within a narrow range. To-day's market took a weaker turn on a somewhat increased business. Motor stocks were about the most active issues. United Motors from 32¾ advanced to 33½ but reacted to 31¼, with the close to-day at 31¾. Chevrolet Motor rose from 129 to 131 and fell back finally to 127. Standard Motor Construction sold down from 12¼ to 12¾. Aetna Explosives, Com. weakened from 11¾ to 10¾. Burns Bros. Ice com., after an early rise from 38½ to 39, declined to 37¾, then recovered to 38¾. To-day's business was down to 36½. A few shares of General Asphalt com. changed hands down from 31¼ to 30. Keystone Tire & Rubber com. lost a point to 17. Submarine Boat improved at first from 18 to 18½ but lost a point subsequently and closed to-day at 17½. Wright-Martin Aire. com. went up from 8¾ to 8½ and declined during the week to 8, to-day's business carrying the price down to 7¾, the close being at 7¾. Oil stocks were extremely quiet. Houston Oil com. dropped from 79 to 78 and to-day to 75¾, with a recovery to 77 at the close. Island Oil & Trans. improved from 3¼ to 3¾ but reacted finally to 3¾. Sinclair Gulf Corp. lost about a point to 16. Mining stocks without material change. Bonds in fair demand and show fractional improvement. Russian Govt. 6½s advanced from 59 to 63 but reacted finally to 59½. The 5½s after an advance of half a point to 58½ dropped to 55.

A complete record of "curb" market transactions for the week will be found on page 994.

Occupying two pages. 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. (Saturday Aug. 31, Monday Sept. 2, Tuesday Sept. 3, Wednesday Sept. 4, Thursday Sept. 5, Friday Sept. 6), Sales for the Week Shares, STOCKS NEW YORK STOCK EXCHANGE, PER SHARE Range since Jan. 1. On basis of 100-share lots. (Lowest, Highest), PER SHARE Range for Previous Year 1917 (Lowest, Highest).

STOCK EXCHANGE CLOSED—LABOR DAY

\* Bid and asked prices; no sales on this day. † Ex-rights. ‡ Less than 100 shares. § Ex-div. and rights. ¶ Ex-dividend. \*\* Before payment of first installment.

For record of sales during the week of stocks usually inactive, see second page preceding.

HIGH AND LOW SALE PRICES—PER SHARE, NOT PER CENT.						Sales for the Week Shares	PER SHARE Range since Jan. 1. On basis of 100-share lots.		PER SHARE Range for Previous Year 1917	
Saturday Aug 31	Monday Sept 2	Tuesday Sept 3	Wednesday Sept 4	Thursday Sept 5	Friday Sept 6		Lowest.	Highest.	Lowest.	Highest.
\$ per share	\$ per share	\$ per share	\$ per share	\$ per share	\$ per share					
148 148 1/2	148 1/2	148 1/2	148 1/2	147 1/2	148 1/2	5,400	108 Feb 25	125 Sept 4	\$ per share	
*107 1/2	111 1/2	111 1/2	111 1/2	111 1/2	111 1/2	1,000	85 Apr 25	127 1/2 July 10	89 Jan 125 1/2 Apr	
*26 26 1/2	26 1/2	25 3/4	26 1/2	26 1/2	27 1/2	4,100	16 1/2 Jan 2	33 1/2 May 14	12 1/2 Dec 52 1/2 Jan	
*41 1/2	42 1/2	41 1/2	41 1/2	41 1/2	41 1/2		36 1/2 Jan 3	45 1/2 May 14	33 1/2 Nov 42 1/2 Aug	
*19 20 1/2	20 1/2	20 1/2	20 1/2	20 1/2	20 1/2	3,100	12 Jan 7	21 1/2 June 17	10 1/2 Dec 30 1/2 Jan	
*63 63 1/2	63 1/2	63 1/2	64	64	64 1/2	1,100	26 Jan 5	65 1/2 Sept 5	23 1/2 Nov 62 1/2 Jan	
*70 70 1/2	70 1/2	69 3/4	70 1/2	69 3/4	67 3/4	9,100	6 1/2 Jan 15	7 3/4 Feb 27	55 Dec 10 1/2 June	
*103 105	103 1/2	103 1/2	104 1/2	104 1/2	103 1/2		102 1/2 Mar 14	107 Mar 8	97 Dec 11 1/2 Jan	
34 1/2	34 1/2	34 1/2	34 1/2	34 1/2	34 1/2	1,850	29 1/2 Mar 6	35 1/2 May 16	25 Dec 41 Feb	
*80 80 1/2	80 1/2	80 1/2	80 1/2	80 1/2	80 1/2	1,900	68 1/2 Jan 2	95 Feb 25	56 Nov 10 1/2 Mar	
16 1/2	16 1/2	16 1/2	16 1/2	16 1/2	16 1/2	2,000	18 1/2 Jan 4	17 1/2 Jan 2	11 1/2 Nov 27 1/2 Mar	
39 1/2	39 1/2	39 1/2	40	40 1/2	39 1/2	2,900	36 1/2 Jan 10	47 1/2 May 16	11 1/2 Nov 63 1/2 Mar	
47 1/2	47 1/2	47 1/2	48 1/2	47 1/2	47 1/2	8,200	24 1/2 Jan 29	51 1/2 May 24	29 1/2 Nov 58 June	
35 1/2	35 1/2	35 1/2	35 1/2	35 1/2	35 1/2	3,600	28 1/2 Mar 25	37 1/2 Aug 21	25 1/2 Nov 47 1/2 Apr	
90 90	90	89 1/2	90	90	89 1/2	1,600	82 1/2 July 15	92 1/2 Feb 7	76 1/2 Dec 13 1/2 Jan	
*70 72	71 1/2	71 1/2	72	70 1/2	70 1/2	500	67 1/2 May 10	95 Feb 19	76 Nov 10 1/2 June	
43 1/2	43 1/2	43 1/2	44 1/2	43 1/2	43 1/2	18,900	29 1/2 Jan 15	45 1/2 July 18	18 Feb 37 1/2 Jan	
*100 100 1/2	100 1/2	100 100 1/2	100 100 1/2	100 100 1/2	100 100 1/2		200 1/2 Jan 7	70 1/2 Jan 2	88 1/2 Nov 11 1/2 Jan	
67 1/2	68 1/2	69 1/2	68 1/2	68 1/2	68 1/2	10,900	62 Jan 12	74 1/2 May 16	45 1/2 Dec 0 1/2 July	
*90 91	91 1/2	91 1/2	91 1/2	90 1/2	90 1/2	100	83 Jan 31	91 1/2 June 4	83 Dec 11 1/2 Jan	
*80 82	81 1/2	81 1/2	81 1/2	80 1/2	80 1/2	12,700	27 1/2 Apr 10	33 1/2 Feb 20	24 1/2 Nov 55 1/2 Jan	
*80 1/2	82 1/2	80 1/2	80 1/2	80 1/2	81 1/2	2,600	78 1/2 Mar 25	85 Feb 18	74 1/2 Dec 9 1/2 Jan	
58 1/2	59	58 1/2	58 1/2	57 1/2	57 1/2	25,300	24 1/2 Jan 17	45 1/2 Sept 4	11 1/2 Nov 44 1/2 Oct	
*84 84 1/2	84 1/2	84 1/2	84 1/2	84 1/2	84 1/2	4,800	6 Jun 19	10 Jan 4	6 1/2 Nov 29 1/2 Jan	
*28 1/2	29 1/2	29 1/2	29 1/2	29 1/2	29 1/2	1,300	26 1/2 Jan 9	39 Feb 13	28 Feb 41 1/2 Aug	
14 1/2	14 1/2	14 1/2	14 1/2	14 1/2	14 1/2	800	147 1/2 Jan 7	153 May 18	118 Dec 17 1/2 Jan	
130 136	126 1/2	122 1/2	126 1/2	127 1/2	131 1/2	10,710	106 1/2 Jan 15	164 Aug 21	74 1/2 Nov 14 1/2 Jan	
*78 1/2	80	78 1/2	78 1/2	78 1/2	78 1/2	400	78 Sept 3	88 Feb 1	72 1/2 Dec 9 1/2 Jan	
44 1/2	45 1/2	45 1/2	46 1/2	46 1/2	46 1/2	2,900	38 Jan 2	50 1/2 Feb 5	32 1/2 Dec 6 1/2 Jan	
*99 100 1/2	100 1/2	100 1/2	100 1/2	100 1/2	100 1/2	1,100	96 Jan 10	100 1/2 Sept 5	20 1/2 Dec 11 1/2 Jan	
*82 83	82 1/2	82 1/2	83	82 1/2	82 1/2	2,600	74 Jan 25	84 Sept 5	65 Nov 9 1/2 Jan	
45 1/2	45 1/2	45 1/2	45 1/2	44 1/2	44 1/2	2,500	79 1/2 Aug 27	111 1/2 Apr 25	77 Nov 40 Jan	
*80 1/2	81 1/2	81 1/2	81 1/2	81 1/2	81 1/2	2,800	99 1/2 Aug 1	102 Jan 10	10 1/2 Nov 13 1/2 Jan	
*102 1/2	102 1/2	102 1/2	102 1/2	102 1/2	102 1/2		34 Jan 5	40 1/2 July 30	27 1/2 Nov 40 June	
*40 1/2	41 1/2	41 1/2	41 1/2	41 1/2	41 1/2	1,400	42 1/2 Jan 15	50 1/2 May 16	38 Nov 6 1/2 June	
53 1/2	53 1/2	53 1/2	54 1/2	53 1/2	54 1/2	20,500	10 Jan 8	19 June 20	7 1/2 Nov 2 1/2 May	
*16 17 1/2	16 1/2	16 1/2	17 1/2	16 1/2	17 1/2		38 Jan 5	45 June 18	26 1/2 Nov 6 1/2 July	
*62 63	62 1/2	62 1/2	62 1/2	62 1/2	62 1/2	700	83 Jan 5	95 June 18	20 1/2 Nov 10 1/2 July	
*126 127 1/2	126 1/2	127 1/2	127 1/2	127 1/2	127 1/2	300	111 1/2 Jan 2	131 1/2 May 8	100 1/2 Nov 12 1/2 Jan	
28 1/2	28 1/2	27 1/2	28 1/2	28 1/2	28 1/2	12,800	21 Jan 15	31 1/2 Feb 23	17 1/2 Dec 3 1/2 Mar	
102 1/2	103 1/2	102 1/2	103 1/2	102 1/2	103 1/2	55,000	83 1/2 Jan 2	109 1/2 June 1	62 1/2 Feb 10 1/2 Oct	
29 1/2	29 1/2	29 1/2	29 1/2	29 1/2	29 1/2	2,100	27 Jan 15	45 1/2 July 8	24 1/2 Dec 47 1/2 Mar	
35 35 1/2	35 1/2	35 1/2	35 1/2	35 1/2	35 1/2	2,100	58 Jan 22	65 1/2 Jan 3	50 1/2 Nov 49 1/2 Jan	
60 60	59 1/2	59 1/2	60 1/2	62 1/2	61 1/2	500	41 Apr 2	51 1/2 July 30	36 1/2 Dec 6 1/2 Jan	
*47 48	47 1/2	47 1/2	48 1/2	47 1/2	47 1/2	100	29 Mar 25	34 1/2 May 16	26 Nov 50 1/2 May	
34 34	33 1/2	33 1/2	34 1/2	34 1/2	34 1/2	12,000	73 1/2 Jan 12	91 1/2 May 16	68 Nov 10 1/2 June	
*84 1/2	84 1/2	85 1/2	86 1/2	85 1/2	84 1/2	4,800	12 Apr 2	22 1/2 July 30	10 1/2 Nov 30 Jan	
20 20	20 1/2	20 1/2	20 1/2	20 1/2	20 1/2	600	17 1/2 Jan 8	31 Aug 1	12 1/2 Nov 27 1/2 Jan	
*28 28 1/2	28 1/2	28 1/2	28 1/2	28 1/2	28 1/2	400	53 Feb 15	75 July 30	55 Jan 6 1/2 Jan	
*77 1/2	81	77 1/2	81	77 1/2	81		71 1/2 June 18	78 Feb 28	70 Nov 8 1/2 Feb	
*74 74	75 1/2	75 1/2	75 1/2	75 1/2	74 1/2	3,000	57 Jan 4	65 1/2 May 28	57 1/2 Dec 6 1/2 Jan	
*64 1/2	65 1/2	64 1/2	65 1/2	64 1/2	64 1/2	2,000	23 Jan 25	32 1/2 Feb 8	19 1/2 Nov 6 1/2 Jan	
*26 1/2	27 1/2	26 1/2	27 1/2	26 1/2	27 1/2	1,400	51 Apr 24	58 Feb 5	49 Dec 7 1/2 Jan	
*50 1/2	51 1/2	50 1/2	51 1/2	50 1/2	51 1/2	77,300	79 Jan 5	104 1/2 Sept 5	67 Dec 10 1/2 Jan	
*20 21	20 1/2	20 1/2	20 1/2	20 1/2	20 1/2	100	94 Jan 15	96 July 10	84 1/2 Nov 9 1/2 June	
100 100 1/2	101 100 1/2	102 104 1/2	103 104 1/2	101 104 1/2	101 104 1/2	1,800	26 1/2 Jun 7	33 1/2 Jan 31	25 Nov 43 1/2 Apr	
05 1/2	05 1/2	05 1/2	05 1/2	05 1/2	05 1/2	20,700	43 1/2 Mar 23	61 May 16	39 1/2 Dec 6 1/2 June	
28 1/2	28 1/2	28 1/2	28 1/2	28 1/2	28 1/2	400	64 June 25	73 Jan 4	58 1/2 Dec 10 1/2 Jan	
53 1/2	53 1/2	53 1/2	54 1/2	53 1/2	54 1/2		95 Mar 19	101 1/2 July 26	95 1/2 Dec 11 1/2 Mar	
*68 71	69 1/2	68 1/2	71	70 1/2	70 1/2	1,200	13 1/2 Apr 8	21 1/2 July 5	13 1/2 Dec 3 1/2 Jan	
*101 1/2	101 1/2	101 1/2	101 1/2	101 1/2	101 1/2	2,400	37 1/2 Jan 7	54 1/2 May 20	24 Feb 4 1/2 Oct	
16 16	16 1/2	16 1/2	16 1/2	16 1/2	16 1/2	100	94 1/2 June 18	99 Feb 20	90 1/2 May 9 1/2 July	
*51 1/2	52 1/2	52 1/2	52 1/2	52 1/2	51 1/2	300	61 1/2 Apr 4	64 1/2 Apr 4	24 Nov 40 Jan	
*95 100	95 100	95 100	95 100	95 100	95 100	100	99 1/2 Mar 27	28 Feb 5	13 Nov 40 Jan	
59 59	58 1/2	58 1/2	59 1/2	59 1/2	59 1/2	100	99 1/2 Mar 2	105 1/2 May 18	99 Dec 11 1/2 Jan	
*101 1/2	102 1/2	102 1/2	102 1/2	101 1/2	102 1/2		99 1/2 Mar 2	105 1/2 May 18	99 Dec 11 1/2 Jan	
20 1/2	20 1/2	20 1/2	20 1/2	20 1/2	20 1/2	1,300	17 1/2 Mar 25	21 1/2 May 16	16 Nov 26 1/2 June	
*127 129 1/2	127 1/2	124 124 1/2	124 1/2	125 1/2	124 1/2	1,300	117 1/2 Jan 12	139 May 22	98 Nov 15 1/2 Mar	
*37 41	37 1/2	37 1/2	38 1/2	37 1/2	37 1/2	8,800	37 1/2 Aug 16	46 1/2 Feb 23	39 Dec 7 1/2 Mar	
94 94	93 1/2	93 1/2	94 1/2	94 1/2	94 1/2	2,200	30 1/2 Mar 25	42 1/2 May 16	31 1/2 Oct 14 1/2 Apr	
32 1/2	32 1/2	31 1/2	32 1/2	32 1/2	32 1/2	600	4 1/2 Jan 22	13 June 17	3 1/2 Nov 7 1/2 Sept	
*93 93 1/2	93 1/2	92 93 1/2	93 1/2	93 1/2	93 1/2	1,000	23 1/2 Jan 21	33 1/2 Aug 3	18 Feb 30 1/2 Jan	
44 1/2	44 1/2	44 1/2	45 1/2	45 1/2	45 1/2	3,000	86 Jan 8	95 Feb 27	87 Nov 9 1/2 Jan	
*27 1/2	28 1/2	29 1/2	29 1/2	29 1/2	29 1/2	1,000	39 1/2 Jan 2	55 Jan 31	35 Dec 10 1/2 Jan	
*38 38 1/2	38 1/2	37 1/2	38 1/2	38 1/2	38 1/2	3,800	31 Apr 12	31 May 24	24 Nov 40 Jan	
*96 98	96 1/2	96 1/2	98	98 1/2	98 1/2	200	34 Jan 16	43 1/2 Mar 1	25 Dec 11 1/2 Jan	
17 1/2	17 1/2	16 1/2	17 1/2	16 1/2	16 1/2	14,400	89 1/2 Jan 20	98 1/2 Sept 6	88 Nov 9 1/2 Aug	
*60 61 1/2	61 1/2	61 1/2	61 1/2	61 1/2	61 1/2	2,000	15 1/2 Sept 6	17 1/2 Aug 29	37 1/2 Dec 5 1/2 Sept	
*82 1/2	84	82 1/2	84	82 1/2	82 1/2	100	42 Jan 15	58 1/2 Feb 28	37 1/2 Dec 5 1/2 Sept	
71 1/2	71 1/2	71 1/2	70 1/2	71 1/2	70 1/2	2,900	79 1/2 Jan 2	84 Feb 19	74 Dec 9 1/2 Aug	
*95 98	95 98	95 98	95 98	95 98	95 98		56 1/2 May 23	73 Aug 13	49 Dec 8 1/2 Jan	
*111 1/2	112	111 1/2	111 1/2	111 1/2	111 1/2	100	93 Apr 27	100 Aug 5	200 Nov 10 1/2 Jan	
68 1/2	69 1/2	68 1/2	69 1/2	68 1/2	69 1/2	600	89 Aug 13	109 1/2 Mar 5	99 Dec 13 1/2 Jan	
*102 1/2	102 1/2	102 1/2	102 1/2	102 1/2	102 1/2	5,900	100 1/2 Jan 7	111 May 10	106 1/2 Dec 16 1/2 Jan	
24 1/2	24 1/2	24 1/2	24 1/2	24 1/2	24 1/2	2,500	45 1/2 Jan 7	70 1/2 Aug 28	36 1/2 Nov 5 1/2 June	
92 1/2	94	93 1/2	94 1/2	92 1/2	93 1/2	32,300	91 1/2 Jan 2	102 1/2 Aug 29	82 1/2 Dec 24 1/2 Jan	
*101 104	102 102	102 105	101 105	102 105	102 105	100	22 1/2 Jan 15	25 1/2 May 16	19 1/2 Nov 35 1/2 Jan	
*100 104	100 10									

# 988 New York Stock Exchange—Bond Record, Friday, Weekly and Yearly

*In Jan. 1930 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 Sept. 6.										Week Ending Sept. 6.															
Interest	Period	Price	Friday	Week's	Range	Bonds	Range	Since	Jan. 1	Bid	Ask	Low	High	No.	Low	High	Bid	Ask	Week's	Range	Bonds	Range	Since	Jan. 1	
																									Sale
<b>U. S. Government.</b>																									
	J	D	101.81	Sale	101.50	102.00	2920	97.30	102.50																
	J	D	95.02	Sale	94.42	95.10	197	93.00	98.40																
	M	N	94.34	Sale	94.12	94.60	2496	93.00	97.90																
	J	D	95.10	Sale	94.45	95.10	269	93.99	95.10																
	J	D	94.32	Sale	94.12	94.58	4715	93.10	94.55																
	M	N	95.72	Sale	94.94	95.82	1023	94.77	99.10																
	J	D	98	Sale	98	98	197	97	99																
	M	N	98	Sale	98	98	197	97	99																
	J	D	98	Sale	98	98	197	97	99																
	M	N	98	Sale	98	98	197	97	99																
	J	D	98	Sale	98	98	197	97	99																
	M	N	98	Sale	98	98	197	97	99																
	J	D	98	Sale	98	98	197	97	99																
	M	N	98	Sale	98	98	197	97	99																
	J	D	98	Sale	98	98	197	97	99																
	M	N	98	Sale	98	98	197	97	99																
	J	D	98	Sale	98	98	197	97	99																
	M	N	98	Sale	98	98	197	97	99																
	J	D	98	Sale	98	98	197	97	99																
	M	N	98	Sale	98	98	197	97	99																
	J	D	98	Sale	98	98	197	97	99																
	M	N	98	Sale	98	98	197	97	99																
	J	D	98	Sale	98	98	197	97	99																
	M	N	98	Sale	98	98	197	97	99																
	J	D	98	Sale	98	98	197	97	99																
	M	N	98	Sale	98	98	197	97	99																
	J	D	98	Sale	98	98	197	97	99																
	M	N	98	Sale	98	98	197	97	99																
	J	D	98	Sale	98	98	197	97	99																
	M	N	98	Sale	98	98	197	97	99																
	J	D	98	Sale	98	98	197	97	99																
	M	N	98	Sale	98	98	197	97	99																
	J	D	98	Sale	98	98	197	97	99																
	M	N	98	Sale	98	98	197	97	99																
	J	D	98	Sale	98	98	197	97	99																
	M	N	98	Sale	98	98	197	97	99																
	J	D	98	Sale	98	98	197	97	99																
	M	N	98	Sale	98	98	197	97	99																
	J	D	98	Sale	98	98	197	97	99																
	M	N	98	Sale	98	98	197	97	99																
	J	D	98	Sale	98	98	197	97	99																
	M	N	98	Sale	98	98	197	97	99																
	J	D	98	Sale	98	98	197	97	99																
	M	N	98	Sale	98	98	197	97	99																
	J	D	98	Sale	98	98	197	97	99																
	M	N	98	Sale	98	98	197	97	99																
	J	D	98	Sale	98	98	197	97	99																
	M	N	98	Sale	98	98	197	97	99																
	J	D	98	Sale	98	98	197	97	99																
	M	N	98	Sale	98	98	197	97	99																
	J	D	98	Sale	98	98	197	97	99																
	M	N	98	Sale	98	98	197	97	99																
	J	D	98	Sale	98	98	197	97	99																
	M	N	98	Sale	98	98	197	97	99																
	J	D	98	Sale	98	98	197	97	99																
	M	N	98	Sale	98	98	197	97	99																
	J	D	98	Sale	98	98	197	97	99																
	M	N	98	Sale	98	98	197	97	99																
	J	D	98	Sale	98	98	197	97	99																
	M	N	98	Sale	98	98	197	97	99																
	J	D	98	Sale	98	98	197	97	99																
	M	N	98	Sale	98	98	197	97	99																
	J	D	98	Sale	98	98	197	97	99																
	M	N	98	Sale	98	98	197	97	99																
	J	D	98	Sale	98	98	197	97	99																
	M	N	98	Sale	98	98	197	97	99																
	J	D	98	Sale	98	98	197	97	99																
	M	N	98	Sale	98	98	197	97	99																
	J	D	98	Sale	98	98	197	97	99																
	M	N	98	Sale	98	98	197	97	99																
	J	D	98	Sale	98	98	197	97	99																
	M	N	98	Sale	98	98	197	97	99																
	J	D	98	Sale																					



N. Y. STOCK EXCHANGE Week Ending Sept. 6.										N. Y. STOCK EXCHANGE Week Ending Sept. 6.									
Interest Period		Price Friday Sept. 6		Week's Range or Last Sale		Range Since Jan. 1		Bonds Sold		Interest Period		Price Friday Sept. 6		Week's Range or Last Sale		Range Since Jan. 1		Bonds Sold	
Bid	Ask	Low	High	No.	Low	High	Low	High		Bid	Ask	Low	High	No.	Low	High	Low	High	
N Y Cent & H R RR (Con.)		67 1/2	74 1/2	103	Mar 18	72 1/2	74 1/2			P C O & St L (Con.)		86 1/2	90	88 1/2	90	Aug 18	87 1/2	90	
N Y & Pu Ist cona gu 4 1/2 1903 A	D	101	101	113	May 15	101	101			Series G 4 1/2 guars	M	90	90 1/2	90	Aug 18	90	90		
Pine Creek reg guar 6 1/2	D	101	101	98	July 18	97 1/2	98 1/2			Series I cona gu 4 1/2	F	90 1/2	93	92 1/2	Oct 17	92 1/2	93		
R W & O con lat ext 5 1/2 1912 A	O	95 1/2	98	93	July 18	90 1/2	95 1/2			C St L & P 1st cona gu 5 1/2	A	97 1/2	98	97 1/2	May 15	97 1/2	98		
Rutland lat con 4 1/2 1911 J	J	68 1/2	67 1/2	60	June 18	67 1/2	67 1/2			Peoria & Pekin Un lat 6 1/2	Q	97 1/2	97 1/2	100	June 17	97 1/2	97 1/2		
Og & L Cham lat con 4 1/2 1918 J	J	60	60	60	June 18	60	60			2d sold 4 1/2 1911	M	81	81	87	Mar 18	87	87		
St Lawrence Adm lat 5 1/2 1909 J	J	55	55	55	Nov 16	55	55			Pere Marquette 1st Ser A 5 1/2 1936		81 1/2	Sale	80 1/2	S 17	12	79 1/2	82 1/2	
2d gold 6 1/2 1909 A	O	82	82	101	Nov 16	82	82			Philippine Ry lat 30-yr 5 1/2 1917 J	J	63 1/2	Sale	60 1/2	Aug 18	60 1/2	60 1/2		
Utica & Bk Riv gu 4 1/2 1922 J	J	91	91	94	Aug 18	90 1/2	91 1/2			Pitts 5 1/2 & L E lat 5 1/2 1940 A	O	96	96	99	Jan 17	99	99		
Lake Shore gold 3 1/2 1927 J	D	72	72	70 1/2	Aug 18	70 1/2	75			1st consol gold 5 1/2 1943 J	J	90	97 1/2	97 1/2	Dec 17	97 1/2	97 1/2		
Registered		65	71	73	May 18	72 1/2	73			Reading Co gen gold 4 1/2 1927 J	J	82 1/2	Sale	81 1/2	82 1/2	5	81	86	
Dobson gold 4 1/2 1925 M	S	85 1/2	Sale	85 1/2	85 1/2	1	82 1/2			Registered		80	82 1/2	81 1/2	June 18	81 1/2	81 1/2		
25-year gold 4 1/2 1931 M	N	84 1/2	84 1/2	84	84	1	81 1/2	86 1/2		Jersey Central coll 4 1/2 1951 A	O	81 1/2	Sale	81 1/2	81 1/2	1	81 1/2	86	
Registered		83 1/2	83 1/2	83 1/2	Nov 17	83 1/2	83 1/2			Atlantic City guar 4 1/2 1951 J	J	60	63	Aug 18	63	63			
Ka A & G R 1st gu 6 1/2 1933 J	J	90	104 1/2	104 1/2	Dec 15	104 1/2	104 1/2			St Jos & Green 1st lat 4 1/2 1947 J	J	60	63	Aug 18	63	63			
Mahon C 1 RR lat 5 1/2 1934 J	J	90	104 1/2	104 1/2	Dec 15	104 1/2	104 1/2			St Louis & San Fran (cons) Co		59 1/2	Sale	59 1/2	59 1/2	62	55 1/2	61	
Pitts & L Erie 2d gu 5 1/2 1938 A	O	101 1/2	103 1/2	103 1/2	May 17	103 1/2	103 1/2			Prior lien Ser A 4 1/2 1950 J	J	72 1/2	Sale	72 1/2	73 1/2	61	65 1/2	70	
Pitts & L Erie 1st gu 5 1/2 1938 A	O	101 1/2	103 1/2	103 1/2	May 17	103 1/2	103 1/2			Caro Cent lat con 4 1/2 1955 J	J	70	Sale	70	70	52	60	70	
2d guaranteed 1934 J	J	101 1/2	103 1/2	103 1/2	May 17	103 1/2	103 1/2			Income Series A 6 1/2 1950 Oct	O	83	Sale	81 1/2	81 1/2	51	83 1/2	84	
Michigan Central 5 1/2 1931 M	S	89	99 1/2	99 1/2	Aug 17	92	92			St Louis & San Fran gen 5 1/2 1931 J	J	100 1/2	100 1/2	100 1/2	July 18	100 1/2	101 1/2		
Registered		98	92	92	Apr 17	92	92			General gold 5 1/2 1931 J	J	97	98	95	1	91	97 1/2		
4 1/2 1940 J	J	70	74 1/2	Aug 18	74 1/2	75				St L & S F RR cona gu 4 1/2 1906 J	J	90	92	78	May 16	78	78		
Registered		90	90	June 18	90	90				South Div 1st gu 5 1/2 1947 A	O	80	80	90	May 17	90	90		
J L & S lat gold 3 1/2 1915 M	S	70	79 1/2	79 1/2	July 17	72 1/2	80 1/2			K C Pt S & M cona gu 5 1/2 1923 M	N	90 1/2	100	100	1	100	102 1/2		
1st gold 3 1/2 1915 M	S	70	79 1/2	79 1/2	July 17	72 1/2	80 1/2			K C Pt S & M Ry ref 4 1/2 1933 J	J	85	85 1/2	85	6 1/2	62	69		
30-year debenture 4 1/2 1920 A	O	77 1/2	80	77 1/2	77 1/2	1	73 1/2	82 1/2		K C Pt S & M R 1st gu 5 1/2 1929 A	O	87	87	85	Aug 18	85 1/2	85 1/2		
N Y Chic & St L lat 4 1/2 1937 A	O	75 1/2	77	Aug 18	75 1/2	82				St L & W lat 4 1/2 bond cfs 1930 M	D	63	63	63 1/2	6 1/2	1	63 1/2	63 1/2	
Registered		75 1/2	75 1/2	85	Nov 17	75 1/2	82			2d 4 1/2 income bond cfs 1930 J	J	59	54 1/2	55	Aug 18	55	55		
Debenture 4 1/2 1931 M	N	63	65	64	84	10	61	65		Consol gold 4 1/2 1932 J	J	69	69	69	69	4	62	59 1/2	
West Shore lat 4 1/2 guar 2361 J	J	73 1/2	Sale	73 1/2	73 1/2	8	73	80		1st terminal & unifying 5 1/2 1952 J	J	66	67 1/2	67	57	4	62	59 1/2	
Registered		71 1/2	74	71 1/2	Aug 18	71 1/2	76 1/2			Gray's Pt Ter lat gu 4 1/2 1947 J	D	93 1/2	Sale	93 1/2	93 1/2	1	93 1/2	93 1/2	
N Y C Lines eq tr 5 1/2 1918-22 M	N	100	100 1/2	Jan 17	98 1/2	100 1/2				A & A Pass lat gu 4 1/2 1943 J	J	54 1/2	55	55	55	5	54 1/2	60 1/2	
Equip trust 4 1/2 1919-25 J	J	77 1/2	85 1/2	85 1/2	May 17	85 1/2	88			S F & N P 1st ad 6 1/2 1919 J	J	100	100	100	100	1	100	100	
N Y N H & Hartford		55	59	59	Sep 17	55	59			Seaboard Air Line 4 1/2 1950 A	O	80	87	July 18	87	71 1/2			
Non-conv debon 4 1/2 1947 M	S	55	59	59	Sep 17	55	59			Gold 4 stamped 1950 A	O	67 1/2	72 1/2	70	70	1	68 1/2	71 1/2	
Non-conv debon 3 1/2 1947 M	S	55	59	59	Sep 17	55	59			Adjustment 5 1/2 1949 F	A	55 1/2	Sale	54 1/2	55 1/2	20	49	57 1/2	
Non-conv debon 3 1/2 1947 M	S	55	59	59	Sep 17	55	59			Refunding 4 1/2 1950 A	O	55	57	57	Aug 18	57 1/2	57 1/2		
Non-conv debon 4 1/2 1947 M	S	55	59	59	Sep 17	55	59			Atl Brn 30-yr lat 4 1/2 1933 M	S	63	70	75	Mar 18	75	75		
Non-conv debon 4 1/2 1947 M	S	55	59	59	Sep 17	55	59			Caro Cent lat con 4 1/2 1949 J	J	78	78	75	Aug 18	75	75		
Non-conv debon 4 1/2 1947 M	S	55	59	59	Sep 17	55	59			Fla Cent & Pen lat 5 1/2 1928 J	J	99 1/2	99 1/2	99 1/2	99 1/2	1	99 1/2	99 1/2	
Conv debenture 3 1/2 1955 J	J	55	59	59	Aug 18	55 1/2	61			1st land grant ext 6 1/2 1930 J	J	90	101	Dec 17	101	101			
Conv debenture 4 1/2 1948 J	J	90	Sale	88 1/2	90	6	82	90		Consol gold 5 1/2 1943 J	J	92 1/2	92 1/2	92 1/2	92 1/2	1	92 1/2	93 1/2	
Cons Ry non-conv 4 1/2 1930 F	A	55	59	59	Oct 17	55	59			Ga & Ala Ry lat con 5 1/2 1945 J	J	90 1/2	100 1/2	90 1/2	100 1/2	1	90 1/2	90 1/2	
Non-conv debon 4 1/2 1954 J	J	55	59	59	Jan 12	55	59			Ga Car & No lat gu 4 1/2 1929 J	J	89 1/2	94	94	June 18	94	94		
Non-conv debon 4 1/2 1954 J	J	55	59	59	Jan 12	55	59			Seaboard & Roan lat 5 1/2 1926 J	J	87	95	91 1/2	June 18	91 1/2	91 1/2		
Non-conv debon 4 1/2 1954 J	J	55	59	59	Jan 12	55	59			Southern Pacific Co		70 1/2	72 1/2	72	72 1/2	6	70	76	
Non-conv debon 4 1/2 1954 J	J	55	59	59	Jan 12	55	59			Gold 4 (Cent Pac coll) 1919 J	D	69 1/2	72 1/2	70	70	1	69 1/2	70 1/2	
Harlem R-P Ches lat 4 1/2 1934 M	N	69 1/2	73	Aug 18	69 1/2	73				Registered 1949 J	D	69 1/2	72 1/2	70	70	1	69 1/2	70 1/2	
E & N Y Air Line lat 4 1/2 1935 F	A	60	70	74	Apr 17	60	70			30-year conv 4 1/2 1929 M	S	79 1/2	Sale	78 1/2	79 1/2	34	73 1/2	80 1/2	
Cent New Eng lat 4 1/2 1911 J	J	89	106 1/2	106 1/2	May 16	89	106 1/2			Cent Pac lat ref gu 4 1/2 1949 F	F	70 1/2	77	75 1/2	Aug 18	75 1/2	75 1/2		
Hartford St Ry lat 4 1/2 1930 M	S	89	106 1/2	106 1/2	May 16	89	106 1/2			Cent Pac lat ref gu 4 1/2 1949 F	F	70 1/2	77	75 1/2	Aug 18	75 1/2	75 1/2		
Toussaint R cona gu 5 1/2 1937 M	N	89	106 1/2	106 1/2	May 16	89	106 1/2			Fla Cent & Pen lat 5 1/2 1928 J	J	99 1/2	99 1/2	99 1/2	99 1/2	1	99 1/2	99 1/2	
Naugatuck RR lat 4 1/2 1942 A	O	87	87	87	July 14	87	87			1st land grant ext 6 1/2 1930 J	J	90	101	Dec 17	101	101			
N Y Prov & Boston 4 1/2 1942 A	O	83	83	83	Aug 18	83	83			Consol gold 5 1/2 1943 J	J	92 1/2	92 1/2	92 1/2	92 1/2	1	92 1/2	93 1/2	
N Y W Ches & B lat ser 1 1/2 1943 J	J	55	Sale	52 1/2	60	41	45	60		Ga & Ala Ry lat con 5 1/2 1945 J	J	90 1/2	100 1/2	90 1/2	100 1/2	1	90 1/2	90 1/2	
Boston Terminal lat 4 1/2 1939 A	O	55	Sale	52 1/2	60	41	45	60		Ga Car & No lat gu 4 1/2 1929 J	J	89 1/2	94	94	June 18	94	94		
New England cona 5 1/2 1945 J	J	70	70	70	Sep 17	70	70			Seaboard & Roan lat 5 1/2 1926 J	J	87	95	91 1/2	June 18	91 1/2	91 1/2		
Consol 4 1/2 1945 J	J	70	70	70	Sep 17	70	70			Southern Pacific Co		70 1/2	72 1/2	72	72 1/2	6	70	76	
Providence Secur deb 4 1/2 1947 M	S	47	57	Apr 18	47	57				Registered 1949 J	D	69 1/2	72 1/2	70	70	1	69 1/2	70 1/2	
Prov & Springfield lat 5 1/2 1924 F	A	99 1/2	99 1/2	99 1/2	Dec 15	99 1/2	99 1/2			30-year conv 4 1/2 1929 M	S	79 1/2	Sale	78 1/2	79 1/2	34	73 1/2	80 1/2	
Providence Term lat 4 1/2 1955 M	S	88 1/2	88 1/2	88 1/2	Feb 17	88 1/2	88 1/2			Cent Pac lat ref gu									

BONDS		Price		Week's		Range	Range
N. Y. STOCK EXCHANGE		Friday		Range or			
Week ending Sept. 6.		Sept. 6		Last Sale		Jan. 1	
Interest	Par	Bid	Ask	Low	High	Low	High
Virginia 1st 5s series A	1902	M	N	87	87	85	93
Wabash 1st gold 5s	1939	M	N	91	91	90 1/2	92 1/2
2d gold 5s	1939	F	A	81	82 1/2	82	86 1/2
Debutante series B	1939	J	J	90	90	90	90
1st lieu equip a fd g 5s	1921	M	S	96 1/2	98	98	100 1/4
1st lieu 50-yr term 4s	1954	J	J	66	78	May '17	
Det & Ch Ext 1st g 5s	1941	J	J	87 1/2	102	99 1/2	102
Des Moines Div 1st g 4s	1939	J	J	77	80	Aug '12	
Om Div 1st g 3 1/2s	1941	A	O	70	75	Apr '17	
Tol & Ch Div 1st g 4s	1941	M	S	70	80	Dec '17	
Wash Term 1st g 3 1/2s	1941	F	A	80	80	Aug '18	
1st 40-yr guar 4s	1945	F	A	70	80	Aug '17	
West Maryland 1st g 4s	1932	A	O	53 1/2	58	58 1/2	63
West N Y & P 1st g 4s	1937	J	J	99 1/2	100	99	100
Gen gold 4s	1943	A	O	80	80	Aug '18	
Income 5s	1943	N	O	45	36	Oct '17	
Western Pac 1st ser A 5s	1946	M	S	80 1/2	81 1/2	81	81
Wheeling & L E 1st g 5s	1946	A	O	88 1/2	93	100 1/2	100 1/2
Wheel Div 1st gold 5s	1928	J	J	99 1/2	100	Feb '17	
Exten & Imp 1st gold 5s	1930	F	A	95 1/2	95 1/2	Mar '17	
Refunding 4 1/2s series A	1906	M	S	99	99	99	99
Rt Ry & L 1st & ref g 4 1/2s	1921	J	J	67 1/2	75	60	60
Winston-Salem S B 1st 4s	1900	J	J	67 1/2	73	67 1/2	67 1/2
Wis Cent 50-yr 1st gen 4s	1949	J	N	70	70 1/2	69 1/2	69 1/2
Sup & Dul div & term 1st 4s	1878	M	N	69 1/2	70	75	77 1/2

Street Railway

Brooklyn Rapid Tran g 5s	1945	A	O	81 1/2	83 1/2	82 1/2	82 1/2
1st refund conv gold 4s	2002	J	J	95 1/2	96 1/2	95 1/2	95 1/2
6-year secured notes 5s	1915	J	J	96	96 1/2	96 1/2	96 1/2
Cts 3-yr acc 7% notes op A 1921	J	J	J	95 1/2	95 1/2	95 1/2	95 1/2
Cts 3-yr acc 7% notes op B 1921	J	J	J	95 1/2	95 1/2	95 1/2	95 1/2
Bk City 1st cons 4s	1916	1941	J	J	92	94	Oct '17
Bk Q Co & S con gu g 5s	1941	M	N	90	90	May '17	
Bklyn Q Co & S 1st 5s	1941	J	J	90	101	May '18	
Bklyn Un El 1st g 4-6s	1950	F	A	85	80 1/2	82 1/2	82 1/2
Stamped guar 4-6s	1950	F	A	85	85	79 1/2	85 1/2
Kings County E 1st g 4s	1949	F	A	85	85	85	85
Stamped guar 4s	1949	F	A	85	85	85	85
Nassau Elec guar gold 4s	1951	J	J	82 1/2	83 1/2	82 1/2	83 1/2
Chicago Rys 1st 5s	1951	J	J	82 1/2	86	100 1/2	100 1/2
Conn Ry & L 1st & ref g 4 1/2s	1951	J	J	82 1/2	86	85	85
Stamped guar 4 1/2s	1951	J	J	82 1/2	86	85	85
Del United 1st cons g 4 1/2s	1932	J	J	69 1/2	71	69 1/2	70
Ft Smith L & T 1st g 5s	1936	M	S	84	84	Jan '14	
Hud & Manhat 5s ser A	1957	F	A	59 1/2	59 1/2	59 1/2	59 1/2
Adjut Income 5s	1957	F	A	20	20	20 1/2	20 1/2
N Y & Jersey 1st 5s	1932	F	A	92 1/2	92 1/2	90	90
Interboro-Metrop coll 4 1/2s	1956	F	A	79 1/2	79 1/2	79 1/2	79 1/2
Interboro Rap Tran 1st 5s	1956	F	A	79 1/2	79 1/2	79 1/2	79 1/2
Manhat Ry (N Y) cons g 4s	1930	A	O	75 1/2	76 1/2	76 1/2	76 1/2
Stamped tax-exempt	1930	A	O	75 1/2	76 1/2	76 1/2	76 1/2
Manila Elec Ry & P 1st 5s	1953	M	N	77	77	80	80

Metropolitan Street Ry

Bway & 7th Av 1st g 5s	1943	J	D	76	78 1/2	78 1/2	80 1/2
Col & 9th Av 1st g 5s	1933	M	S	85	85	85	85
Lex Av & P 1st g 5s	1933	M	S	75	80	80	80
Met W S El (Chic) 1st g 4s	1938	F	A	92	92	92	92
Milw Elec Ry & L 1st cons g 5s	1928	F	A	92	100 1/2	100 1/2	100 1/2
Refunding & exten 4 1/2s	1931	J	J	81 1/2	81 1/2	81 1/2	81 1/2
Minneapolis 1st cons g 5s	1941	J	J	90 1/2	90 1/2	90 1/2	90 1/2
Montreal Tram 1st & ref 5s	1941	J	J	78	78	78	78
New Or Ry 1st & ref 4 1/2s	1936	J	J	87 1/2	94	99	99
N Y Munclp Ry 1st g 4s	1966	J	J	46	46	46	46
N Y Rys 1st R E & ref 4s	1942	J	J	20 1/2	20 1/2	20 1/2	20 1/2
30-year adj inc 6s	1942	A	O	62 1/2	66	66	66
N Y State Rys 1st cons 4 1/2s	1962	M	N	71	99	84 1/2	84 1/2
Portland Ry 1st & ref 5s	1930	M	N	65	72	67	67
Portland Ry & P 1st ref 6s	1942	F	A	83	83	83	83
Portland Gen Elec 1st 5s	1935	J	J	83	83	83	83
St Joe Ry L H & P 1st g 5s	1937	J	J	83	83	83	83
St Paul City Cab cons g 5s	1937	J	J	57 1/2	58	57 1/2	57 1/2
Third Ave 1st ref 4s	1920	J	J	33	33	35	35
Adj Income 5s	1920	J	J	104	104	104	104
Third Ave Ry 1st 5s	1937	J	J	91	93 1/2	91	91
Tri-City Ry & L 1st g 5s	1923	A	O	78	78	78	78
Undergr of London 4 1/2s	1933	J	J	54	58	58	58
Income 6s	1948	N	N	59	59	59	59
United Rys Inv 5s Pltts Ins.	1926	M	N	52	51	51	51
United Rys St L 1st g 4s	1934	J	J	89	89	89	89
St Louis Transit gu 5s	1924	A	O	77	80	77 1/2	77 1/2
United Rts San Fr & f 4s	1927	A	O	77	80	77 1/2	77 1/2
Va Ry & Pow 1st & f 4s	1934	J	J	77	80	77 1/2	77 1/2

Gas and Electric Light

Atlanta G L Co 1st g 5s	1947	J	D	93 1/2	103	93 1/2	93 1/2
Bklyn Un Gas 1st cons g 5s	1945	M	N	85	87	87	87 1/2
Buffalo City Gas 1st g 5s	1947	A	O	85	91 1/2	90	90
Cincin Gas & Elec 1st ser 6s	1956	A	O	79 1/2	81	79 1/2	80
Columbia G & E 1st 5s	1927	J	J	97	97	97	97
Columbus Gas 1st gold 5s	1932	J	J	99 1/2	99 1/2	99 1/2	99 1/2
Consol Gas conv deb 6s	1920	J	J	93	91 1/2	91 1/2	91 1/2
Cons Gas EL&P of Balt 6-yr 5s	21	M	N	94 1/2	95 1/2	94 1/2	94 1/2
Detroit City Gas gold 5s	1923	J	J	89 1/2	91 1/2	91 1/2	91 1/2
Detroit Edison 1st coll tr 6s	1933	J	J	91 1/2	91 1/2	91 1/2	91 1/2
1st & ref 5s ser A	1910	M	S	91 1/2	91 1/2	91 1/2	91 1/2
Eq G L N Y 1st cons g 5s	1932	M	S	90	90 1/2	90 1/2	90 1/2
Gas & Elec Berz Co 1st 5s	1949	J	D	90	90 1/2	90 1/2	90 1/2
Havana Elec consl g 5s	1952	F	A	90	90 1/2	90 1/2	90 1/2
Hudson Co Gas 1st g 5s	1949	M	N	81 1/2	81 1/2	81 1/2	81 1/2
Kan City (Mo) Gas 1st g 5s	1922	A	O	86 1/2	86 1/2	86 1/2	86 1/2
Kings Co EL L & P 5s	1937	A	O	94 1/2	94 1/2	94 1/2	94 1/2
Purchase money 6s	1907	A	O	98	100	97	97 1/2
Convertible deb 6s	1925	M	N	98	98	98	98
Ed El H 3km 1st con g 4s	1933	J	J	98 1/2	98 1/2	98 1/2	98 1/2
Lao Gas L of St L 1st g 5s	1919	J	F	90 1/2	93	90	90
Ref and ext 1st g 5s	1934	A	O	90 1/2	93	90	90
Milwaukee Gas L 1st 4s	1927	M	N	84 1/2	84 1/2	84 1/2	84 1/2
Newark Con Gas g 5s	1948	J	D	86	87 1/2	87 1/2	87 1/2
N Y G E L H & P g 5s	1948	J	D	86	87 1/2	87 1/2	87 1/2
Purchase money 4s	1949	F	A	88 1/2	89	88 1/2	88 1/2
Ed Elec 1st con g 5s	1949	F	A	98	104 1/2	104 1/2	104 1/2
NY&Q El L&P 1st con g 5s	1930	F	A	101	96 1/2	96 1/2	96 1/2
Pacific G & E Co—Cal G & E	1937	M	N	87 1/2	92	88	88 1/2
Corp unifying & ref 5s	1942	J	J	77	79	78	78 1/2
Pacific G & E gen & ref 5s	1942	J	J	77	79	78	78 1/2
Pao Pow & L 1st g 5s	1940	F	A	92	95	95	95
Pa & Passaic G & El 5s	1940	M	S	90	100	100	100
Peop Gas & C 1st cons g 5s	1943	A	O	96	100	100	100
Refunding gold 5s	1947	M	S	72 1/2	74 1/2	74 1/2	74 1/2
Ch G-L & Coke 1st g 5s	1937	J	J	95 1/2	96	95 1/2	95 1/2
Con G Co of Ch 1st g 5s	1936	M	N	99 1/2	100	100	100
Ind Nat Gas & Oil 30-yr 5s	1936	M	N	93	94	94	94
Mt Fuel Gas 1st g 5s	1947	M	N	96 1/2	99 1/2	99 1/2	99 1/2
Philadelphia Co conv 5s	1919	F	A	96 1/2	99 1/2	99 1/2	99 1/2
Conv debon gold 5s	1922	M	S	78	85	78	78
Stand Gas & El conv s f 6s	1926	J	D	80 1/2	87 1/2	87 1/2	87 1/2
Syracuse Light & Power 5s	1954	J	D	70	73 1/2	73 1/2	73 1/2
Trenton G & El 1st g 5s	1940	M	S	92 1/2	92 1/2	92 1/2	92 1/2
Union Elec L & P 1st g 5s	1932	M	S	85	92 1/2	92 1/2	92 1/2
Refunding & extension 5s	1933	N	N	85	101 1/2	101 1/2	101 1/2
United Fuel Gas 1st f 5s	1936	J	N	92 1/2	92 1/2	92 1/2	92 1/2
Utah Power & L 1st 5s	1944	F	A	80	81 1/2	81 1/2	81 1/2
Utah Elec L & P 1st g 5s	1950	J	J	89 1/2	90	90	90
Utah Gas & Elec ref 5s	1957	J	J	89 1/2	90	90	90
Westchester L&G gold 5s	1930	J	D	90	105	105	105

BONDS N. Y. STOCK EXCHANGE Week Ending Sept. 6.

Miscellaneous		Price		Week's		Range	Range
N. Y. STOCK EXCHANGE		Friday		Range or			
Week ending Sept. 6.		Sept. 6		Last Sale		Jan. 1	
Interest	Par	Bid	Ask	Low	High	Low	High
Adams Ex coll tr g 4s	1948	M	S	63 1/2	65	64	64
Alaska Gold M deb 6s A	1926	M	S	28 1/2	3		

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 Aug. 31	Monday Sept. 2	Tuesday Sept. 3	Wednesday Sept. 4	Thursday Sept. 5	Friday Sept. 6		Lowest.	Highest.	Lowest.	Highest.						
130 130		130 130	130 130	130 130	130 130	41	Railroads	122 1/2	Apr 17	135	June 24	120	Dec 17	Jan		
70 1/2	70 1/2	70 1/2	70 1/2	70 1/2	70 1/2	417	Boston Elevated	37	Jan 2	70 1/2	May 29	27	Dec 7	Jan		
*87 90		*87 90	*87 90	*87 90	*87 90	947	Boston & Lowell	80	July 11	100	Jan 2	70 1/2	Dec 13	Mar		
36 36 1/2		36 37	36 37	36 37	36 37		Boston & Maine	19	Jan 2	37 1/2	July 29	15	Dec 4	Mar		
*160 170		*160 170	*160 170	*160 170	*160 170		Boston & Providence	150	Apr 15	170	Aug 9	160	Dec 21	Jan		
*14		*14	*14	*14	*14		Boston Suburban Elec. no par		2	June 5	2	July 3	July			
*26 1/2		*26 1/2	*26 1/2	*26 1/2	*26 1/2		Do pref. no par	104	Mar 1	15	June 17	9	June 30	July		
*138 145		*138 145	*138 145	*138 145	*138 145		Boston & Worcester Elec. no par		25	July 19	30	Mar 6	30	Aug 38	Feb	
*83 84		*83 84	*83 84	*83 84	*83 84	20	Do pref.	138	July 2	147	Apr 17	143	Nov 15	Jan		
*108 114		*108 114	*108 114	*108 114	*108 114		Chic June Ry & U S Y.	100	82 1/2	Apr 18	85	Jan 30	83 1/2	Dec 10	Jan	
*60 1/2 62 1/2		*60 1/2 62 1/2	*60 1/2 62 1/2	*60 1/2 62 1/2	*60 1/2 62 1/2		Connecticut River	104	Feb 19	120	Mar 6	102 1/2	Nov 14	Mar		
*110 114 1/4		*110 114 1/4	*110 114 1/4	*110 114 1/4	*110 114 1/4		Fitchburg pref.	53	Jan 22	65	Jan 3	44	Dec 7	Mar		
*80 81		*80 81	*80 81	*80 81	*80 81	50	Georgia Ry & Elec stamp	111 1/2	Aug 29	116 1/2	Jan 9	116	Dec 13	Jan		
*21 27 1/2		*21 27 1/2	*21 27 1/2	*21 27 1/2	*21 27 1/2		Do pref.	77 1/2	Aug 8	81	Feb 25	53	June 9	Jan		
16 16		16 16	16 16	16 16	16 16	1,310	Maine Central	100	77 1/2	Aug 8	85	Jan 3	78	Dec 10	Jan	
44 44 1/2		44 1/2 45 1/2	44 1/2 45 1/2	44 1/2 45 1/2	44 1/2 45 1/2	1,559	Mass Electric Cos.	100	8 1/2	Sept 6	7 1/2	May 16	6	June 1		
*97 99		*97 99	*97 99	*97 99	*97 99		Do pref. stamped.	100	8 1/2	Jan 22	33	May 16	6	Dec 31	July	
*22 1/2 23		*22 1/2 23	*22 1/2 23	*22 1/2 23	*22 1/2 23		N Y N H & Hartford	100	27	Feb 25	46	May 29	21 1/2	Sept 5	Jan	
*80 95		*80 95	*80 95	*80 95	*80 95		Northern New Hampshire	100	90	Jan 10	90	Jan 10	90	Oct 15	Apr	
49 1/2 49 1/2		49 1/2 49 1/2	49 1/2 49 1/2	49 1/2 49 1/2	49 1/2 49 1/2		Old Colony	100	28 1/2	June 14	99	Sept 3	85	Dec 13	Jan	
*55 1/2 56 1/2		*55 1/2 56 1/2	*55 1/2 56 1/2	*55 1/2 56 1/2	*55 1/2 56 1/2		Rutland, pref.	100	20	Jan 2	25	Jan 8	18 1/2	Dec 8	Feb	
98 99		99 99	99 99	99 99	99 99		Vermont & Massachusetts	100	80	Aug 6	88	Apr 18	83	Dec 11	Jan	
93 93		92 92 1/2	92 1/2 92 1/2	92 1/2 92 1/2	92 1/2 92 1/2		West End Street	50	37	Feb 20	50	July 5	34	Dec 5	Mar	
*21 1		*21 1	*21 1	*21 1	*21 1	265	Do pref.	47	Jan 16	62	Apr 1	24 1/2	Dec 7	Jan		
*4 1/2 5		*4 1/2 5	*4 1/2 5	*4 1/2 5	*4 1/2 5		Miscellaneous									
108 1/2 108 1/2		110 1/2 110 1/2	109 1/2 109 1/2	109 1/2 109 1/2	109 1/2 109 1/2		Amer Agri Cult Chem.	100	78 1/2	Jan 2	100 1/2	Aug 27	73	Dec 9	Jan	
108 1/2 108 1/2		108 1/2 108 1/2	108 1/2 108 1/2	108 1/2 108 1/2	108 1/2 108 1/2		Do pref.	100	88 1/2	Jan 2	95 1/2	May 21	88	Dec 10	Jan	
97 1/2 98		97 98 1/2	97 98 1/2	97 98 1/2	97 98 1/2		Amer Pneumatic Service	25	40	July 1	2 1/2	Mar 2	1	Dec 28	Jan	
*58 58 1/2		*58 59	*58 58 1/2	*57 1/2 58	*57 58		Do pref.	50	4 1/2	July 13	15 1/2	Mar 4	7 1/2	Dec 14	Mar	
95 1/2 95 1/2		95 1/2 95 1/2	95 1/2 95 1/2	95 1/2 95 1/2	95 1/2 95 1/2		Amer Sugar Refining	100	99	Jan 2	116 1/2	May 15	90	Nov 12	Jan	
74 76		74 76	76 76	77 79	79 80		Do pref.	100	107	June 4	113 1/2	May 9	105	Dec 12	Jan	
*80 82		*80 82	*80 82	*80 82	*80 82		Amer Teleg & Teleg	100	90 1/2	Aug 5	109	Feb 5	96	Dec 12	Jan	
*15 15 1/2		*15 15 1/2	*15 15 1/2	*15 15 1/2	*15 15 1/2		American Woolen of Mass.	100	40 1/2	Jan 8	60 1/2	May 24	37 1/2	Nov 5	Jan	
*103 105		*104 105	*103 104 1/2	*103 104 1/2	*103 104 1/2		Do pref.	100	96 1/2	Mar 13	105 1/2	Mar 27	87 1/2	Dec 10	Jan	
*63 64		*63 64	*63 64	*63 64	*63 64		Amspack Manufacturing	295	60 1/2	Jan 2	80	Aug 23	60	Dec 7	Jan	
27 1/2 27 1/2		27 1/2 27 1/2	27 1/2 27 1/2	27 1/2 27 1/2	27 1/2 27 1/2		Art Metal Construc Inc.	10	11	Feb 21	15	July 8	6	Dec 14	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		At Gulf & W I S S Lines	100	98	Jan 15	120 1/2	Feb 16	88	Sept 12	Jan	
*12 1/2 13 1/2		*12 1/2 13 1/2	*12 1/2 13 1/2	*12 1/2 13 1/2	*12 1/2 13 1/2		Do pref.	100	58 1/2	Jan 17	64	July 19	55 1/2	Feb 6	Jan	
4 1/2 4 1/2		4 1/2 4 1/2	4 1/2 4 1/2	4 1/2 4 1/2	4 1/2 4 1/2		Booth Fisheries	9,850	31	Jan 25	28 1/2	Sept 5	5	Dec 20	June	
148 1/2 148 1/2		149 149	149 149	148 149	148 149		Century Steel of Amer Inc.	10	10 1/2	May 18	14 1/2	Aug 19	9	Dec 10	Jan	
54 1/2 55		54 1/2 55 1/2	53 1/2 54 1/2	54 1/2 55 1/2	54 1/2 55 1/2		Cuban Port Cement	10	12	Jan 29	17 1/2	May 1	9	Dec 20	June	
*146 146 1/2		*147 1/2 148 1/2	*147 1/2 148 1/2	*147 1/2 148 1/2	*147 1/2 148 1/2		East Boston Land	10	4	Jan 31	5 1/2	May 15	3 1/2	Dec 10	Jan	
32 1/2 33 1/2		32 1/2 33 1/2	31 1/2 32 1/2	31 1/2 32 1/2	31 1/2 32 1/2		Edison Electric Illum	100	134	Jan 21	164 1/2	Jan 2	133 1/2	Dec 22	Jan	
*41 1/2 50 1/2		*41 1/2 50 1/2	*41 1/2 50 1/2	*41 1/2 50 1/2	*41 1/2 50 1/2		Fairbanks Co.	3,218	25	12 1/2	June 27	55 1/2	Aug 30	Jan		
*16 1/2 17 1/2		*16 1/2 17 1/2	*16 1/2 17 1/2	*16 1/2 17 1/2	*16 1/2 17 1/2		General Electric	100	127 1/2	Jan 27	151 1/2	May 16	118 1/2	Dec 17	Jan	
3 1/2 3 1/2		3 1/2 3 1/2	3 1/2 3 1/2	3 1/2 3 1/2	3 1/2 3 1/2		Internat Port Cement	5,261	27	Apr 29	35	Aug 30	4	Dec 17	Jan	
*90 92		*90 92	*90 92	*90 92	*90 92		Do pref.	10	10	Dec 23	18	July 19	10	Dec 33	Jan	
*82 84		*84 84	*83 84	*84 84	*84 84		Island Oil & Trans Corp.	2,075	10	3 1/2	Apr 23	5 1/2	Mar 18	5	Dec 10	Jan
*63 66		*63 66	*63 66	*63 66	*63 66		McElwain (W II) Ist pref.	100	89	May 28	92 1/2	Feb 28	92 1/2	Dec 10	Jan	
*112 115		*113 113	*113 113	*113 113	*113 113		Massachusetts Gas Cos.	100	77 1/2	Jan 15	91	May 16	71	Dec 10	Jan	
*88 1/2 95		*88 1/2 95	*88 1/2 95	*88 1/2 95	*88 1/2 95		Do pref.	100	62	June 17	70	Jan 3	63	Dec 8	Mar	
86 1/2 86 1/2		86 1/2 87 1/2	86 1/2 87 1/2	86 1/2 87 1/2	86 1/2 87 1/2		Mergenthaler Linotype	100	107	June 11	124	Jan 31	110	Dec 16	Jan	
*66 68		*66 68	*66 68	*66 68	*66 68		New Eng Cotton Yarn	100	88	Jan 15	89 1/2	May 16	65	Jan 9	Mar	
*111 112 1/2		*112 112 1/2	*112 112 1/2	*112 112 1/2	*112 112 1/2		Do pref.	100	82 1/2	July 30	100	Jan 3	60	Jan 9	Mar	
*34 35		*35 35 1/2	*35 35 1/2	*35 35 1/2	*35 35 1/2		New England Telephone	95	56	July 5	69	Jan 2	59	Dec 12	Mar	
*12 1/2 13 1/2		*12 1/2 13 1/2	*12 1/2 13 1/2	*12 1/2 13 1/2	*12 1/2 13 1/2		Nova Scotia Steel & C.	100	102	Jan 7	119 1/2	May 16	107	Dec 16	Jan	
102 1/2 103 1/2		103 104 1/2	104 1/2 105	104 104 1/2	103 1/2 104 1/2		Pullman Company	100	29	Jan 3	36 1/2	Sept 6	29	Dec 4	Jan	
52 52		52 52	52 52	52 52	52 52		Reece Bu ton-Hols.	10	11	Jan 29	13 1/2	Mar 16	10	Dec 16	Mar	
130 1/2 130 1/2		130 1/2 131 1/2	131 1/2 132 1/2	131 1/2 132 1/2	130 1/2 131 1/2		Swift & Co.	2,536	102	Aug 30	146 1/2	Apr 9	116	Nov 15	Jan	
40 1/2 40 1/2		40 1/2 40 1/2	40 1/2 40 1/2	40 1/2 40 1/2	40 1/2 40 1/2		Torrington	25	45	Jan 29	52 1/2	Aug 7	40	Nov 6	Apr	
35 1/2 35 1/2		35 1/2 35 1/2	35 1/2 35 1/2	35 1/2 35 1/2	35 1/2 35 1/2		United Fruit	100	115 1/2	Jan 17	133	Feb 18	116 1/2	Dec 15	Jan	
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 1/2 111 1/2		United Shoe Mach Corp.	25	33 1/2	July 9	43 1/2	May 16	37 1/2	Dec 5	Jan	
*67 1/2 74		*67 1/2 74	*67 1/2 74	*67 1/2 74	*67 1/2 74		Do pref.	174	25	Mar 25	25	Oct 25	20	Mar 30	Mar	
*60 1		*60 1	*60 1	*60 1	*60 1		U S Steel Corporation	8,507	108	Mar 25	116 1/2	Aug 28	79 1/2	Dec 13	May	
*75 1/2 77		*75 1/2 77	*75 1/2 77	*75 1/2 77	*75 1/2 77		Do pref.	15	104	Mar 25	112 1/2	July 17	103 1/2	Dec 12	Jan	
*3 3 1/2		*3 3 1/2	*3 3 1/2	*3 3 1/2	*3 3 1/2		Ventura Consol Oil Fields	5	5	Jan 2	8 1/2	Aug 9	4 1/2	Dec 8 1/2	Jan	
*30 40		*30 40	*30 40	*30 40	*30 40		Miscellaneous									
50 50		50 50 1/2	50 50 1/2	50 1/2 50 1/2	50 1/2 50 1/2		Adventure Con.	25	1 1/2	June 27	1 1/2	Jan 25	1	Oct 4	Jan	
*17 17 1/2		*17 17 1/2	*17 17 1/2	*17 17 1/2	*17 17 1/2		Ahneck	25	7 1/2	Jan 13	8 1/2	Jan 3	7	Dec 10	Jan	
15 1/2 16		15 1/2 16														

Outside Stock Exchanges

Boston Bond Record.—Transactions in bonds at Boston Stock Exchange Aug. 31 to Sept. 6, 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% 1932-47, 1st Lib Loan 4% 1932-47, etc.

Chicago Stock Exchange.—The complete record of transactions at the Chicago Stock Exchange from Aug. 31 to Sept. 6, both inclusive, compiled from the official sales lists, is given below. Prices for stocks are all dollars per share, not per cent. For bonds the quotations are per cent of par value.

Table with columns: Stocks—, Par., Friday Last Sale Price, Week's Range of Prices, Sales for Week, Range since Jan. 1. (Low, High). Includes entries like Amer Shipbuilding, Preferred, Booth Fish com new, no par, etc.

Philadelphia Stock Exchange.—The complete record of transactions at the Philadelphia Stock Exchange from Aug. 31 to Sept. 6, both inclusive, compiled from the official sales lists, is given below. Prices for stocks are all dollars per share, not per cent. For bonds the quotations are per cent of par value.

Table with columns: Stocks—, Par., Friday Last Sale Price, Week's Range of Prices, Sales for Week, Range since Jan. 1. (Low, High). Includes entries like American Gas of N. J., American Milling, American Railways, P. 100, etc.

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% 1932-47, 1st Lib Loan 4% 1932-47, etc.

Pittsburgh Stock Exchange.—The complete record of transactions at the Pittsburgh Stock Exchange from Aug. 31 to Sept. 6, both inclusive, compiled from the official sales lists, is given below. Prices for stocks are all dollars per share, not per cent. For bonds the quotations are per cent of par value.

Table with columns: Stocks—, Par., Friday Last Sale Price, Week's Range of Prices, Sales for Week, Range since Jan. 1. (Low, High). Includes entries like American Sewer Pipe, Am Wind Glass Mach, Booth Fish com new, no par, etc.

Baltimore Stock Exchange.—Complete record of the transactions at the Baltimore Stock Exchange from Aug. 31 to Sept. 6, both inclusive, compiled from the official sales lists, is given below. Prices for stocks are all dollars per share, not per cent. For bonds the quotations are per cent of par value.

Table with columns: Stocks—, Par., Friday Last Sale Price, Week's Range of Prices, Sales for Week, Range since Jan. 1. (Low, High). Includes entries like Arundel Sand & Gravel, Ailan Coast L. (Conn), Atlantic Petroleum, etc.

Volume of Business at Stock Exchanges

TRANSACTIONS AT THE NEW YORK STOCK EXCHANGE DAILY, WEEKLY AND YEARLY.

Week ending Sept. 6 1918.	Stocks.		Railroad, &c., Bonds.	State, Mun. & Foreign Bonds.	U. S. Bonds.
	Shares.	Par Value.			
Saturday	168,800	\$16,233,000	\$581,000	\$571,000	\$2,763,000
Monday	512,394	49,502,400	1,243,000	2,786,000	4,376,000
Tuesday	558,500	52,523,000	1,470,000	1,540,000	4,915,000
Wednesday	392,800	35,867,000	1,569,000	1,619,000	4,566,000
Thursday	532,226	45,865,000	1,201,000	1,654,000	4,087,500
Friday					
Total	2,104,720	\$202,794,000	\$6,064,000	\$8,170,000	\$20,707,500

DAILY TRANSACTIONS AT THE BOSTON, PHILADELPHIA AND BALTIMORE EXCHANGES.

Week ending Sept. 6 1918.	Boston.		Philadelphia.		Baltimore.	
	Shares.	Bond Sales.	Shares.	Bond Sales.	Shares.	Bond Sales.
Saturday	7,608	\$13,250	1,592	\$25,000	609	\$1,000
Monday	34,457	33,150	28,150	558	22,200	
Tuesday	16,407	62,700	4,909	54,350	810	7,000
Wednesday	17,037	28,300	3,056	63,100	943	15,000
Thursday	15,653	27,400	2,870	13,000	543	25,000
Friday						
Total	91,192	\$164,800	19,694	\$173,600	3,361	\$70,200

New York "Curb" Market.—Below we give a record of the transactions in the outside security market from Aug. 31 to Sept. 6, 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. Every precaution, too, is taken to insure that quotations coming over the "tape," or reported in the official list at the end of the day, are authentic.

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. The possibility that fictitious transactions may creep in, or even that dealings in spurious securities may be included, should, hence, always be kept in mind, particularly as regards mining shares. In the circumstances, it is out of the question for any one to vouch for the absolute trustworthiness of this record of "Curb" transactions, and we give it for what it may be worth.

Week ending Sept. 6.	Friday Last Sale.	Week's Range of Prices.	Sales for Week.	Range since Jan. 1.	
				Low.	High.
Aetna Explos. r. (no par)	10 1/4	10 1/4 11 1/4	9,800	6 1/2 Feb	10 1/4 May
Am Writing Paper com 100	4 1/4	3 1/4 4 1/4	2,200	2 Jan	4 1/4 Aug
Brit Am Tob ordinary—E1	18	18 1/8	100	14 1/4 Apr	18 1/8 Aug
Ordinary bearer	18	17 1/4 18 1/4	2,300	14 1/4 Apr	18 1/8 July
Buenite Coat Brk. r.—1	3 1/4	3 1/4 5 1/4	41,875	1 1/2 Aug	5 1/4 Sept
Burma Bros Ice r.—100	36 1/2	36 1/2 39	3,300	18 1/2 June	39 1/2 Aug
Chevrolet Motor r.—100	127	127 1/2 131	4,600	100 Jan	144 June
Columbiaville Woolen r. 10	11	10 1/2 11	2,350	10 1/2 Sept	11 Feb
Cuprite Sulphur r.—1	9-16	9 1/2	1,500	100 Jan	11 Sept
Curtiss Aerop & M com (?)	35	35 1/2	100	25 Jan	42 Feb
Emerson Phonograph—5	1 1/4	1 1/4 1 1/2	150	1 Aug	4 1/2 Jan
General Asphalt. com r100	30	30 31 1/2	600	23 1/2 June	37 July
Grape Oil com.—1	13-16	11-16 13-16	9,000	5 1/2 June	5 1/2 Aug
Preferred	2 1/2	2 1/2 2 1/4	17,200	1 1/2 June	2 1/4 Aug
Keyst Tire & Rub com—10	17	17 1/8	900	12 1/2 Jan	20 1/2 June
Mareon Wheel Tel of Am—5	3 1/4	3 1/4 3 1/2	2,600	2 1/2 July	3 1/4 Mar
Maxim Munitions. (no par)	9 1/2	9 1/2 10 1/2	16,000	5 1/2 June	10 1/2 Jan
N Y Shipbuilding. (no par)	40 1/2	40 1/2 40 3/4	100	39 Feb	47 1/2 Aug
North Am Pulp & Pap (?)	29	28 1/2 29 1/2	1,700	2 Apr	4 1/2 Aug
Penn Coal & Coke r.—50	12 1/2	11 1/2 12 1/2	875	25 June	34 July
Refe Equipment r.—10	2 1/2	1 1/2 2 1/2	3,350	10 1/4 July	12 1/2 Sept
Smith Motor Truck r.—10	7-16	5 1/2 7 1/2	6,700	3 1/2 Sept	7 1/2 Apr
Standard Motor Const. r. 10	12 1/2	12 1/2 12 3/4	200	8 1/2 Jan	13 1/2 June
Submarine Boat v. o. (no par)	17 1/2	17 1/2 18 1/2	3,000	11 1/2 Mar	20 1/2 May
Thelma Co of Amer r.—5	5 1/2	5 1/2 5 1/4	3,230	4 Mar	6 1/2 July
United Motors r. (no par)	31 1/4	31 1/4 33 1/4	11,800	19 1/2 Jan	34 1/2 June
U S Steamship—10	6 1/2	6 1/2 6 1/4	6,300	4 1/2 Jan	7 1/2 May
Wright-Martin Aire r.—(1)	7 1/4	7 1/4 8 1/4	8,700	6 1/2 Jan	11 1/2 May
Preferred r.—100	65	65	100	45 Feb	69 June

Former Standard Oil Subsidiaries.	Friday Last Sale.	Week's Range of Prices.	Sales for Week.	Range since Jan. 1.	
				Low.	High.
Illinois Pipe Lines.....100	146	146	10	146 Sept	192 Jan
Standard Oil (Calif) r. 100	213	215	10	210 June	237 Jan
Standard Oil of N. J. r. 100	520	518 521	55	510 Mar	579 Feb
Standard Oil of N. Y. r. 100	258	259	20	252 Jan	285 Feb
<b>Other Oil Stocks.</b>					
Amer Ventura Oil r.....1	7e	6e 8e	5,500	6e Jan	21e June
Barnett Oil & Gas r.....1	3 1/4	3 1/4 3 1/2	1,600	3 1/4 Aug	13-16 Jan
Boston-Wyoming Oil r. 1	17e	17e	1,000	16e Aug	33e Jan
Cosden & Co common r. 5	6 1/4	6 1/4 6 3/4	5,100	6 1/4 July	8 1/2 Feb
Crystal Oil & Ref r.....1	1 1/2	1 1/2 1 1/4	2,395	1 June	1 1/2 July
E. I. Basin Petroleum r. 5	3e	3e 3 1/2	600	5 1/4 July	7 Feb
Emerald Oil Corp r.....1	3e	3e 4e	7,700	3e Sept	5-16 Jan
Federal Oil r.....1	1 1/2	1 1/2 1 1/4	8,500	1 1/2 Aug	4 Feb
General Petroleum r.....1	3 1/2	3 1/2 3 1/4	6,800	3 1/2 Aug	3 1/2 Jan
Glenrock Oil r.....10	3 1/2	3 1/2 3 1/4	6,800	3 1/2 Aug	3 1/2 Jan
Globe Oil r.....1	1 1/2	1 1/2 1 1/4	1,900	15-16 Aug	1 1/2 Jan
Houston Oil com r.....100	77	75 1/2 79	1,800	89 1/2 Jan	84 1/2 June
Imperial Oil f. r.....1	13-32	7-16	2,300	5 1/2 June	7 1/2 Aug
Internat Petrol. r.....1	13	13 13 1/4	900	12 1/2 Feb	14 1/2 July
Island Oil & Trans r.....10	3 1/2	3 1/2 3 1/4	14,250	3 1/2 Jan	5 1/2 Mar
Kinney Oil r.....1	3 1/4	3 1/4 3 1/2	850	3 1/4 May	1 Apr
Merritt Oil Corp r.....10	21 1/4	21 1/4 22	250	17 1/2 Mar	20 1/2 June
Security Prod & Ref.....1	1 1/2	1 1/2 1 1/4	14,440	3 1/2 Jan	1 1/2 July
Midwest Oil com r.....1	94e	93e 97e	9,000	87e Jan	1 1/2 Jan
Mineral Wells Petroleum 1	3	2 3/4 3 1/4	37e	3e Jan	1 1/2 Sept
Northwestern Oil com r. 1	5 1/2	5 1/2 5 1/4	6,000	5 1/2 Aug	5 1/2 Feb
Oklahoma Prod & Ref.....5	6 1/2	6 1/2 6 1/4	800	6 1/2 Apr	8 May
Okmulgee Prod & Ref.....5	2 1/2	2 1/2 2 1/4	17,400	2 1/2 Jan	11 1/2 Mar
Omar Oil & Gas com.....1	28e	26e 28e	4,500	21e Apr	40e Jan
Red Rock Oil & Gas r.....1	50e	50e	400	4 1/2 July	1 Jan
Sappula Refining r.....5	6 1/4	6 1/4 6 1/2	300	6 1/4 Aug	10 1/4 May
Security Prod & Ref.....5	1 1/2	1 1/2 1 1/4	11,000	1 1/2 Sept	1 1/2 Sept
Sequoyah Oil & Ref.....1	9-16	9-16 9-16	4,900	1 1/2 July	1 1/2 Mar
Sinclair Gulf Corp. r.....(1)	16	16 17	900	15 Jan	23 1/2 Feb
Sinclair Oil warrants.....1	31	30 33	90	20 June	40 Jan
Southwest Oil r.....1	42e	41e 45e	6,800	32e July	58e Mar
Stanton Oil r.....1	1 1/2	1 1/2 1 1/4	13,100	1 1/2 Mar	2 1/2 Mar
Texasa Oil & Ref. r.....1	13-16	13-16 1	16,650	30e July	1 1/2 May
Tuxpam Star Oil r.....1	2e	1 1/2e 2 1/2e	30,000	1e June	2 1/2e Mar
United Western Oil, new r.	3 1/4	3 1/4 1	4,300	3 1/4 Aug	2 1/4 Feb
Victoria Oil r.....10	2 1/4	2 1/4 2 1/2	3,800	2 1/4 Aug	6 1/4 Mar
<b>Mining Stocks.</b>					
Alaska-Brit Col Metals.....1	45e	42e 50e	17,000	5-16 Apr	70e May
America Mines r.....1	51e	78e 82e	8,400	34e July	82e Sept
Amer Tin & Tungsten r. 1	1 1/2	7-16 1 1/2	10,500	5-16 May	11-16 June
Arizona Bing Cop.....5	5 1/4	5 1/4 5 1/2	5,300	5 July	6 Aug
Atlanta Mines.....1	4e	4e 4 1/2e	3,500	3e July	13e Feb
Big Ledge Copper.....5	13-16	14 13-16	16,100	3e Jan	1 1/2 Mar
Booth r.....1	4e	4e	1,000	3e Jan	6e Apr
Boston & Montana Dev.....5	40e	45e 50e	68,000	41e Jan	96e Mar
Butte-Det Cop & Zinc.....1	7e	7e 11e	28,500	7e Sept	3 1/2 Mar
Cadelloma Mining.....1	45e	42e 45e	20,950	39e May	56e Jan
Calumet & Jerome Cop. r 1	13-16	1 1/2 1	14,500	1 1/2 Apr	1 1/2 Jan
Canada Copper Co Ltd.....5	1 1/2	1 1/2 1 1/4	5,500	1 1/2 Apr	2 1/2 Jan
Candelaria Silver r.....1	42e	41e 42e	21,900	37e Aug	43e Aug
Cash Boy.....1	5e	5e 5 1/2e	2,000	42e Jan	10e Feb
Cerbat Silver M & M r.....1	1 1/2	1 1/2 1 1/4	900	1 1/2 Jan	1 1/2 July
Coco River Mining r.....1	1 1/4	1 1/4 2	500	1 1/2 Sept	2 1/2 Jan
Consol Arizona Smelt.....5	1 1/2	1 1/2 1 1/4	100	1 1/2 Feb	2 1/2 Jan
Consol Copper Mines.....5	5 1/2	5 1/2 5 1/4	2,200	4 1/2 Aug	7 1/2 May
Cresson Cons Gold M & M 1	4 1/2	4 1/2 5	3,300	4 1/2 Mar	5 1/2 Jan
Debnigh Mines r.....1	1	1 2-16	9,000	1 Sept	2 1/2 July
El Salvador Silver r.....1	1 1/4	1 1/4 1 1/2	1,500	55e Mar	1 1/2 Aug
Eureka Cons Mtn r.....1	1 1/2	1 1/2 1 1/4	4,600	3e Feb	2 1/2 June
Fortuna Com.....1	45e	40e 45e	9,300	30e June	40e Aug
Gibson Cons Copper r.....1	2 1/2	2 1/2 3	15,500	1 1/2 Aug	3 Sept
Golden Rule Mines r.....1	9-16	9-16 9-16	1,665	1 1/2 Aug	3 1/2 July
Goldfield Consolidated.....10	20e	22e 23e	1,200	3-16 June	7-18 Jan
Hattie Gold Min. f. r.....1	74e	70e 86e	10,600	33e June	86e Sept
Hecla Mining.....25e	413-16	4 1/4 4 1/2	2,895	2 1/2 Jan	5 1/2 Aug
Jim Butler r.....1	55e	54e 55e	6,300	54e Sept	60e Jan
Jumbo Extension.....1	9e	10e 10e	4,000	8e July	24e Jan
La Rose Consol Mines.....5	7-16	4e 4 1/2e	5,300	25e Jan	11-16 Apr
Liberty Silv (corp) r.....1	51e	56e	8,600	28e Feb	62e July
Lone Star Consol r.....1	25e	25e 10e	14,000	1e May	3 1/2 July
Magma Chief r.....1	30	30 25e	1,300	27e Apr	42e Jan
Magma Copper.....5	4	4 4	1,200	3 1/2 Aug	6 1/4 Jan
Mason Valley.....5	45e	46e 46e	8,800	37e Apr	60e Jan
McKinley-Darragh-Sav.....1	34e	33e 35e	7,300	25e Jan	50e Apr
Mother Lode r.....1	2 1/4	2 1/4 2 1/2	6,400	1 Feb	2 1/2 Sept
Mutual Min & Leas pf r 1	16e	15e 18e	6,900	13e July	38e Feb
Nat Zinc & Lead r.....1	18 1/2	18 1/2 18 1/2	110	15 1/2 Jan	20 May
New Cornelia r.....5	8 1/4	8 1/4 8 1/4	300	8 Jan	9 May
Nipissing Mines.....1	33e	33e 43e	8,300	33e Sept	1 1/2 Mar
Ohio Copper.....1	13-16	1 1/2 1 1/2	14,200	1 1/2 June	1 1/2 July
Onondago Mines r.....1	1 1/2	1 1/2 1 1/4	29,300	1 1/2 Jan	2 1/2 July
Pacific Tungsten r.....1	19-16	19-16 13	16,500	13-16 June	2 1/2 July
Ray Hercules Mining r.....5	4 1/4	4 1/4 4 1/2	2,600	3 1/2 Jan	4 1/2 Jan
Rochester Combined r. 1	36e	36e 36e	300	35e Aug	43e July
Rochester Mines.....1	36e	34e 35e	7,700	27e Jan	43e May
San Toy Mining.....1	7e	7 1/2e	2,100	7e Sept	15e Jan
Senece Cop Corp. (no par)	11 1/4	11 1/4 12 1/4	1,000	7 1/2 Jan	12 1/2 May
Silver Canon Mining.....1	67e	60e 67e	7,100	60e Sept	67e Sept
Silver Fissure Silver r.....1	15-16	15-16 15-16	5,200	4 Mar	1 Aug
Silver King of Arizona.....1	3 1/2	3 1/2 17-32	7,000	7-32 Apr	7 1/2 June
Silver Plck Consol r.....1	4e	4e 4e	1,000	3e July	7e Feb
Standard Silver-Lead.....1	5-16	5 1/4 5 1/2	2,500	4 1/2 Aug	1 1/2 Apr
Stewart.....1	13e	12e 13e	14,500	11e Aug	1 1/2 Jan
Success Mining.....1	11 1/2e	11 1/2e	2,000	7 1/2 Jan	16e Apr
Tonopah Extension.....1	1 1/4	1 1/4 1 1/2	3,550	1 1/4 Jan	1 1/2 Jan
Tonopah Mining.....1	2 1/2	2 1			

CURRENT NOTICE

A banking syndicate headed by the Central Trust Co. of Illinois, 125 West Monroe St., Chicago, is offering \$500,000 Stewart Manufacturing Corporation first mortgage...

Haskins & Sells, the well-known firm of public accountants, announce the opening of an office at 84 State Street (India Building), Boston.

William R. Compton Co. of New York, St. Louis and Chicago, Mercantile Trust Co. of St. Louis, and Kauffman-Smith-Emert of St. Louis, are jointly offering and advertising in to-day's issue \$1,028,000 Lake Worth Drainage District of Palm Beach County, Florida...

At 97 1/2 and interest, Montgomery & Co., 14 Wall St., this city, and 133 South Fourth St., Philadelphia, is offering a new issue of \$1,500,000 Pennsylvania Electric Co. 5-year 7% secured gold notes...

Holmes, Bulkley & Wardrop, 2 Wall St., members New York Stock Exchange, announce that Jay Edson Eddy, formerly with the Equitable Trust Co., has been admitted to partnership in their firm.

D. C. Knickerbocker has been appointed Manager for the Buffalo office of Liggett & Drexel, taking the place of J. B. McCreary, who has entered the Red Cross service to work in England.

The July 1918 number of the Hand-Book of Securities, issued July 31 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 Realty and Surety Companies

Table with columns: Bid, Ask, Bid, Ask, Bid, Ask. Lists various companies like Alliance R'ty, Amer Surety, Bond & M.G., Casualty Co., City Investing, Preferred, Lawyers Mtge, Mtge Bond, Nat Surety, N Y Title & Mtge, Realty Assoc, U S Realty, U S Title Guar, West & Broox Title & M.G.

Quotations for Sundry Securities

All bond prices are "and interest" except where marked "f".

Table with columns: Standard Oil Stocks, RR. Equipments-Per Cl, Basis, Bid, Ask. Lists various oil stocks and railroad equipment companies.

Table with columns: Ordnance Stocks-Per Share, Bid, Ask. Lists various ordnance and military supply companies.

Table with columns: Public Utilities, Bid, Ask. Lists various utility companies like Amer Gas & Elec, Amer Lt & Trac, Amer Power & Lt, Amer Public Utilities, Cities Service Co, Com'wth Pow Ry & L, Elec Bond & Share, Federal Light & Traction, Great West Pow, Hudson, North States Pow, Pacific Gas & Elec, Publix, Republic Ry & Light, South Calif Edison, Standard Gas & El, Tennessee Ry L & P, United Gas & Elec Corp.

New York City Banks and Trust Companies

Table with columns: Bid, Ask, Bid, Ask, Bid, Ask. Lists various banks and trust companies like Bank of N.Y., Amherst, Amer Exch, Atlantic, Battery Park, Bowery, Bronx Bor, Bronx Nat, Bryant Park, Chase, Chat & Chen, Chelsea Ex, Chemical, Citizens, City, Coal & Iron, Colonial, Columbia, Commerce, Comm'l Ex, Commons, Continental, Corn Exch, Compostitan, Cuba (Bk of), East River, Fifth Ave, Fifth, First, Garfield, Gotham, Greenwich, Hanover, Harriman, Imp & Trad, Irving (tr certificates), Liberty, Lincoln, Manhattan, Mech & Met, Merchants, Metropolitan, Mutual, New York, New York Co, New York, Pacific, Park, People's, Prod Exch, Public, Seaboard, Sherman, States, 23d Ward, Union Exch, United States, Wash H's, West Ave, Yorkville, Brooklyn, Coney Island, Flatbush, Greenpoint, Hillside, Homestead, Mechanics, Montauk, Nassau, National City, North Side, People's.

\* Banks marked with a (\*) are State banks. † Sale at auction or at Stock Exchange this week. ‡ Includes one-third share Irving Trust Co. (New 8603 k, Ex-right).

\* Per share, b Basis, d Purchaser also pays accrued dividend, e New stock, f Flat price, n Nominal, z Ex-dividend, y Ex-rights, (1) 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.

Table with columns: ROADS, Latest Gross Earnings (Week or Month, Current Year, Previous Year), Jan. 1 to Latest Date (Current Year, Previous Year). Lists various railroads and their earnings data.

AGGREGATE OF GROSS EARNINGS—Weekly and Monthly.

Table with columns: Weekly Summaries (Current Year, Previous Year, Increase or Decrease, %), Monthly Summaries (Cur. Yr. Prev. Yr., Current Year, Previous Year, Increase or Decrease, %). Shows aggregate earnings trends.

\* Method of reporting changed figures are now for the Colorado & Southern Railway Company only.

**Latest Gross Earnings by Weeks.**—In the table which follows we sum up separately the earnings for the fourth week of August. The table covers 8 roads and shows 16.93% increase in the aggregate over the same week last year.

Fourth Week of August.	1918.	1917.	Increase.	Decrease.
Buffalo Rochester & Pittsburgh	\$ 996,682	\$ 508,621	\$ 188,091	-----
Canadian Northern	1,341,700	1,134,400	207,300	-----
Canadian Pacific	4,130,000	4,018,000	112,000	-----
Colorado & Southern	442,606	351,727	90,879	-----
Grand Trunk of Canada	-----	-----	-----	-----
Grand Trunk Western	2,238,804	1,555,987	682,817	-----
Detroit Grt Haven & Milw.	-----	-----	-----	-----
Canada Atlantic	-----	-----	-----	-----
Total (8 roads)	8,849,792	7,558,735	1,281,057	-----
Net increase (16.93%)	-----	-----	-----	-----

For the third week of August our final statement covers 14 roads and shows 15.17% increase in the aggregate over the same week last year.

Third Week of August.	1918.	1917.	Increase.	Decrease.
Previously reported (12 roads)	\$ 6,063,180	\$ 5,270,812	\$ 793,772	\$ 1,404
Detroit & Mackinac	35,695	25,874	9,821	-----
Tennessee Alabama & Georgia	3,883	2,361	1,519	-----
Total (14 roads)	6,102,758	5,299,050	805,112	1,404
Net increase (15.17%)	-----	-----	803,708	-----

**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.	Gross Earnings Previous Year.	Net Earnings Current Year.	Net Earnings Previous Year.
Ann Arbor	333,204	278,955	72,127	101,333
Jan 1 to July 31	1,845,725	1,807,173	126,072	428,139
Ach Top & Santa Fe System	-----	-----	-----	-----
Gulf Colo & S F	1,569,782	1,426,017	531,371	480,576
Jan 1 to July 31	10,443,194	9,453,989	2,569,723	2,575,709
Panhandle & Santa Fe	498,841	623,936	126,585	282,359
Jan 1 to July 31	3,350,495	3,893,319	657,516	1,510,862
Atlanta Birm & Atl	418,538	325,935	20,181	47,521
Jan 1 to July 31	2,423,307	2,221,749	def140,816	350,916
Atlanta & West Point	220,388	135,956	80,709	38,304
Jan 1 to July 31	1,325,341	928,702	415,227	249,318
Atlantic Coast Line	4,945,137	3,141,755	1,398,744	626,338
Jan 1 to July 31	31,171,372	25,262,999	7,433,968	8,175,963
Bangor & Aroostook	374,149	269,653	34,187	45,250
Jan 1 to July 31	2,607,200	2,064,900	307,263	869,523
Belt Ry of Chicago	385,393	325,734	69,881	105,096
Jan 1 to July 31	2,209,735	2,213,236	149,711	609,671
Birmingham Southern	212,226	95,014	96,657	3,446
Jan 1 to July 31	921,097	663,706	155,494	29,149
Buffalo & Susquehanna	205,055	146,701	10,961	31,184
Jan 1 to July 31	1,284,058	977,011	55,014	179,769
Can Pac Lines in Mo.	130,381	116,283	def25,997	def2,199
Jan 1 to July 31	1,447,084	1,627,377	def159,754	403,005
Carolina Clinch & Ohio	441,666	302,880	98,538	111,488
Jan 1 to July 31	2,498,346	2,290,496	582,799	973,828
Central RR of N J	4,812,290	3,397,293	1,949,601	1,240,293
Jan 1 to July 31	23,928,463	20,856,714	4,284,956	6,584,411
Central Vermont	468,065	389,861	46,271	77,461
Jan 1 to July 31	2,801,011	2,503,383	def148,215	481,700
Chesapeake & Ohio	6,972,839	4,441,551	2,407,242	1,167,633
Jan 1 to July 31	37,013,813	30,473,763	7,425,453	8,839,057
Chic Peoria & St Louis	196,480	163,572	12,026	17,385
Jan 1 to July 31	1,234,312	1,206,951	def14,576	207,695
Chic Rock Isl & Pac System	-----	-----	-----	-----
Chic R I & Gulf	322,958	283,918	72,585	94,772
Jan 1 to July 31	2,447,914	2,122,321	660,578	661,212
Chic Terre Haute & S E	555,284	334,131	197,530	105,567
Jan 1 to July 31	2,548,644	2,065,115	104,904	557,337
Cincin Ind & Western	205,985	212,388	8,259	45,015
Jan 1 to July 31	1,716,205	1,561,596	34,488	346,959
Cincin New Or & Tex P	1,353,327	1,113,426	428,134	408,060
Jan 1 to July 31	8,057,446	7,426,912	1,577,687	4,055,175
Coal & Coke	121,608	113,607	def94,261	23,016
Jan 1 to July 31	764,182	748,566	def137,223	103,711
Colorado & Southern	1,046,213	917,827	277,620	358,863
Jan 1 to July 31	6,779,350	6,009,335	1,045,471	2,231,339
Ft Worth & Den City	585,978	511,339	159,820	203,461
Jan 1 to July 31	4,097,929	3,434,363	821,591	1,276,398
Trinity & Brazos Val	93,056	68,969	def31,351	def28,154
Jan 1 to July 31	637,827	531,711	def155,673	def228,571
Cripple Crk & Col Sprngs	84,311	36,601	46,031	15,958
Jan 1 to July 31	546,699	647,888	221,908	328,033
Denver & Rio Grande	2,446,227	2,105,131	461,597	620,180
Jan 1 to July 31	15,965,472	15,695,437	3,196,356	5,038,600
Denver & Salt Lake	260,529	215,806	11,619	18,850
Jan 1 to July 31	1,137,787	1,113,386	def273,433	def673,102
Detroit & Mackinac	145,726	119,970	27,853	28,819
Jan 1 to July 31	856,980	757,509	70,970	169,324
Det & Toledo Sh Line	156,143	157,526	62,828	80,006
Jan 1 to July 31	1,102,537	1,099,347	474,736	685,045
Duluth & Iron Range	1,692,531	1,033,374	1,225,030	513,244
Jan 1 to July 31	4,499,385	3,295,046	1,883,363	990,614
Duluth Missabe & Nor	3,975,899	2,250,666	3,111,251	1,484,398
Jan 1 to July 31	9,567,785	6,415,351	5,296,637	2,881,391
East St Louis Connect	99,876	91,933	def1,006	24,531
Jan 1 to July 31	590,488	597,290	def112,207	139,925
Elgin Joliet & Eastern	2,097,872	1,445,754	980,201	485,890
Jan 1 to July 31	10,159,607	9,086,191	2,457,141	2,498,377
Fonda Johns & Glovers	97,962	96,205	37,144	43,903
Jan 1 to July 31	616,952	607,305	243,378	260,663
Ft Smith & Western	97,755	83,406	16,346	8,719
Jan 1 to July 31	695,882	571,454	60,347	41,735
Georgia	634,682	291,779	357,482	69,734
Jan 1 to July 31	3,377,238	2,033,753	1,131,714	507,326
Gulf Mobile & North	200,668	226,791	31,188	78,918
Jan 1 to July 31	1,318,563	1,247,278	234,886	380,362
Gulf & Ship Island	274,014	210,246	109,681	82,747
Jan 1 to July 31	1,489,820	1,184,933	379,407	377,991
Illinois Central	10,654,110	7,334,901	3,437,587	2,012,898
Jan 1 to July 31	58,175,231	48,954,124	9,040,055	14,126,055
Internat & Grt North	1,042,559	886,138	140,561	226,858
Jan 1 to July 31	7,277,121	6,526,582	1,008,059	1,790,474
Ivan City Mex & Orient	115,739	113,075	def6,783	8,886
Jan 1 to July 31	686,493	669,021	def201,820	def30,041

Roads.	Gross Earnings Current Year.	Gross Earnings Previous Year.	Net Earnings Current Year.	Net Earnings Previous Year.
Kansas City Southern	1,118,610	1,000,164	232,625	371,850
Jan 1 to July 31	8,334,874	6,887,811	2,476,223	2,653,527
Texark & Ft Smith	101,957	102,152	39,571	51,754
Jan 1 to July 31	681,356	630,322	196,049	266,671
Lehigh & Hudson River	255,062	192,544	82,684	64,262
Jan 1 to July 31	1,284,289	1,298,918	227,359	440,291
Lehigh & New England	471,175	344,694	243,419	145,965
Jan 1 to July 31	2,223,777	2,044,702	633,394	775,000
Los Angeles & Salt Lake	1,327,584	1,009,787	483,127	377,467
Jan 1 to July 31	7,887,140	7,298,935	1,775,912	2,880,940
Louisville Hnd & St L	230,811	195,217	84,083	62,317
Jan 1 to July 31	1,490,004	1,232,325	378,013	448,005
Louisville & Nashville	9,598,722	6,576,473	3,065,437	2,007,010
Jan 1 to July 31	52,503,516	42,472,814	11,091,873	13,141,150
Midland Valley	292,907	270,240	87,710	103,170
Jan 1 to July 31	1,801,394	1,593,122	578,689	425,026
Mineral Range	98,044	89,271	6,975	3,269
Jan 1 to July 31	636,130	676,106	22,464	def3,487
Minneapolis & St Louis	998,856	924,959	96,577	271,463
Jan 1 to July 31	6,354,275	6,065,835	296,807	1,708,944
Mississippi Central	148,207	71,672	67,088	16,519
Jan 1 to July 31	718,944	419,344	204,700	94,284
Mo Kan & Tex of Texas	1,775,074	1,258,958	316,434	187,207
Jan 1 to July 31	10,524,844	8,286,055	300,084	441,882
Missouri & Nor Ark	126,217	113,469	23,235	15,377
Jan 1 to July 31	809,041	795,997	63,827	154,564
Missouri Okla & Gulf	170,069	170,622	def12,006	46,751
Jan 1 to July 31	1,030,116	1,081,596	def202,667	187,407
Monongahela Connectg	245,126	130,385	46,114	def50,087
Jan 1 to July 31	1,302,330	1,118,384	159,036	140,585
Nashv Chat & St Louis	2,119,002	1,194,499	793,074	243,611
Jan 1 to July 31	11,173,656	8,310,176	2,265,297	1,923,274
Nevada Northern	216,344	208,148	105,705	121,117
Jan 1 to July 31	1,420,330	1,387,897	707,774	811,664
Newburgh & So Shore	149,393	92,624	36,145	def1,375
Jan 1 to July 31	674,991	563,995	73,538	def9,707
New Or Great North	226,939	195,746	84,906	64,163
Jan 1 to July 31	1,234,528	1,029,425	355,202	354,362
New Or Tex & Mex	119,399	121,703	9,347	36,270
Jan 1 to July 31	1,167,345	786,084	320,767	238,511
Beaumont Sour L & W	83,937	71,146	7,908	17,048
Jan 1 to July 31	827,016	649,464	280,647	178,943
St L Browns & Mex	343,165	239,835	104,574	64,266
Jan 1 to July 31	2,153,755	2,314,236	504,382	920,772
New York Central System	-----	-----	-----	-----
Cincinnati Northern	269,124	203,573	92,745	54,499
Jan 1 to July 31	1,435,221	1,324,089	186,492	303,830
Cleve C & St Louis	7,084,144	4,462,950	2,904,215	1,312,625
Jan 1 to July 31	36,385,712	29,040,392	8,841,152	7,893,638
Indiana Harbor Belt	545,950	416,992	48,632	105,627
Jan 1 to July 31	2,996,580	3,070,229	def301,043	756,172
Kanawha & Michigan	653,016	325,360	303,157	114,664
Jan 1 to July 31	3,014,377	1,965,163	896,338	546,616
Lake Erie & Western	898,559	679,634	158,220	177,961
Jan 1 to July 31	4,982,875	4,696,213	597,802	1,398,875
Michigan Central	6,450,466	4,300,695	2,477,546	1,287,663
Jan 1 to July 31	35,809,133	29,246,320	7,982,350	7,173,462
N Y Susq & Western	344,724	316,829	31,767	78,243
Jan 1 to July 31	2,193,415	2,065,968	84,044	516,458
Norfolk Southern	508,531	428,294	18,076	161,532
Jan 1 to July 31	3,144,887	3,119,801	357,114	1,08

Roads.	Gross Earnings		Net Earnings	
	Current Year.	Previous Year.	Current Year.	Previous Year.
Southern Ry System—				
Alabama Gt South—	847,476	605,747	267,667	220,521
Jan 1 to July 31—	4,751,922	3,856,610	1,256,290	1,248,101
Ga Southern & Fla—	290,025	213,408	35,274	32,229
Jan 1 to July 31—	1,974,822	1,573,722	272,581	280,743
Mobile & Ohio—	1,353,270	1,148,904	8,038,855	7,791,188
Jan 1 to July 31—	205,613	252,122	421,630	2,056,703
South Ry in Mississipp.—	107,459	99,198	def2,869	19,225
Jan 1 to July 31—	730,759	663,276	26,182	123,181
Spokane International—	95,869	80,656	41,003	28,327
Jan 1 to July 31—	564,178	503,548	189,822	143,190
Spokane Port & Seattle—	738,963	649,712	345,018	352,735
Jan 1 to July 31—	4,544,909	3,765,976	2,020,703	1,988,122
Tennessee Central—	304,110	138,757	83,922	25,984
Jan 1 to July 31—	1,540,463	993,164	213,668	213,177
Term RR Assn of St. L.—	316,852	322,766	60,530	141,227
Jan 1 to July 31—	2,062,251	2,242,843	312,453	1,126,658
St. L. Mer Bdg & Term—	1,342,075	251,624	60,356	62,940
Jan 1 to July 31—	394,048	1,744,365	51,514	471,247
Texas & Pacific—	2,266,303	1,692,333	679,364	463,541
Jan 1 to July 31—	13,915,673	12,235,568	2,863,358	3,529,726
Ulster & Delaware—	136,245	124,866	34,152	61,532
Jan 1 to July 31—	550,504	556,115	def12,613	129,523
Union Pacific System—				
Ore Wash RR & Nav.—	2,330,269	1,813,783	745,606	595,816
Jan 1 to July 31—	13,959,017	12,238,024	3,364,757	4,163,958
Utah Railway—	129,024	-----	73,224	-----
Jan 1 to July 31—	731,302	-----	388,213	-----
Western Maryland—	1,415,623	1,203,981	207,869	394,706
Jan 1 to July 31—	8,046,491	7,527,939	148,418	2,114,588
Western Pacific—	1,012,517	820,588	425,275	294,830
Jan 1 to July 31—	6,024,794	5,267,698	1,866,614	2,035,051
Western RR of Ala—	183,718	127,365	38,852	30,020
Jan 1 to July 31—	1,319,204	871,715	344,465	204,446
Wichita Falls & No W.—	76,908	81,395	def37,354	12,223
Jan 1 to July 31—	548,882	581,126	def185,166	def5,133
Yazoo & Miss Valley—	1,914,784	1,474,860	731,366	395,841
Jan 1 to July 31—	11,669,005	9,623,579	2,549,144	2,724,174

Companies.	Gross Earnings		Net Earnings		Balance, Surplus.
	Current Year.	Previous Year.	Current Year.	Previous Year.	
Illinois Traction a—	1,189,276	1,073,653	303,315	357,212	
Jan 1 to July 31—	8,283,416	7,563,113	2,284,195	2,672,631	
Western Pow of Can—	39,219	37,316	28,083	30,725	
June 1 to June 30—	447,679	432,540	314,515	309,552	

ELECTRIC RAILWAY AND PUBLIC UTILITY COS.

Name of Road or Company.	Latest Gross Earnings.		Jan. 1 to Latest Date.	
	Week or Month.	Current Year.	Previous Year.	Current Year.
Alabama Power Co.—	July	262,596	174,952	1,615,508
Amer Power & Lt Co	June	1029,205	860,265	6,410,710
Atlantic Shore Ry—	July	20,997	23,326	98,600
Bangor Ry & Electric	June	73,723	55,662	441,121
Baton Rouge Elec Ry	July	21,578	10,993	147,822
Blackstone V G & El	July	201,055	155,180	1,332,306
Brazilian Trac. L & P	June	19087000	7642000	74963000
Brook & Plym St Ry—	June	9,918	11,493	48,849
Bklyn Bay Trac Syst	May	2761,039	2607,401	12,468,574
Cape Breton Elec Co	July	44,532	40,500	278,459
Cent Miss V El Prop.	July	28,981	26,190	190,036
Chattanooga Ry & Lt	June	149,073	128,805	884,927
Cities Service Co.—	July	1789,252	1365,312	13,265,501
Cleve Paines & East	June	50,170	47,431	256,193
Columbia Gas & El	June	783,150	762,992	6,096,573
Columbus (Ga) El Co	June	95,152	83,127	592,028
Colum (O) Ry & L	June	340,168	311,975	2,124,532
Conn'w'th P. Ry & L	July	1831,428	1550,770	10,338,999
Connecticut Power Co	July	78,499	68,636	540,125
Consum Pow (Mich)	June	856,256	859,187	3,053,127
Cumb Co (Mo) P & L	June	27,214	24,435	1,466,991
Dayton Pow & Light	July	175,829	129,772	1,297,154
g Detroit Edison—	July	1029,512	877,283	7,722,345
g Detroit United Lines	July	1680,380	1557,665	10,693,170
Duluth Superior Trac	July	142,904	140,740	989,566
East St Louis & Sub.	June	318,857	296,753	1,915,940
Eastern Texas Elec.	June	102,080	80,026	538,121
El Paso Electric Co.—	July	99,958	103,172	730,202
a Federal Lt & Trac.	June	271,226	206,827	1,728,476
Ft Worth Pw & Lt.	July	100,550	79,980	1,489,020
Galv-Hous Elec Co—	July	25,824	175,144	1,115,108
Georgia Lt Pw & Lys	June	9,163	81,960	589,347
Grand Rapids Ry & Co	June	103,195	104,828	627,472
Great West Pow Syst	May	339,755	323,929	1,727,952
Harrisburg Railways	June	117,572	99,664	623,768
Havana El Ry & L P	June	666,817	554,982	3,920,085
Honolulu R T & Land	June	67,737	60,182	348,658
Houghton Co El Co.	July	30,779	29,667	235,603
Houghton Co Tr Co.	July	29,610	31,927	194,114
b Hud & Manhat RR	July	421,724	368,582	2,073,755
Illinois Traction—	July	1189,276	1073,653	8,283,416
Interboro Rap Tran.	May	3524,432	3511,496	17,539,100
Jacksonville Trac Co	July	71,731	54,322	500,717
Keokuk Electric Co.	July	23,086	21,442	148,738
Key West Electric Co.	July	18,423	12,092	106,028
Lake Shore Elec Ry.	June	186,673	152,996	958,841
Lewist Aug & Watery	June	86,842	75,669	386,802
Long Island Electric.	May	19,131	21,111	88,390
Louisville Railway—	May	326,155	268,675	1,465,288
Manhat Bdge 3c Line	July	12,417	10,542	57,575
Milw El Ry & Lt Co.	July	700,671	618,717	5,921,413
Georgia Lt Pw & Lys	June	231,950	210,455	1,598,631
Nashville Ry & Light	June	238,570	194,493	1,311,731
Newp N-Gal Ry G&E	June	196,481	111,929	944,848
Nevada-C&H El Corp.	June	211,603	219,461	1,285,688
N Y & Long Island—	May	40,928	36,654	166,154
N Y & North Shore.	May	13,018	14,525	54,141
N Y & Queens Co.—	May	83,921	97,584	358,846
New York Railways.	May	1017,842	1045,802	4,679,714
Nlag Lockp't & Ont.	June	251,264	192,839	1,497,592
Northampton Trac.	April	17,678	17,334	70,687
Northern Ohio Elec.	June	593,513	527,232	3,468,300
North Texas Electric	June	259,163	179,406	1,560,931
Ocean Electric (L I).	May	11,854	10,134	36,896
Pacific Gas & Electric	May	1696,260	1568,814	-----
Pacific Pow & Light.	July	154,809	139,597	-----
g Paducah Tr & Lt Co	July	26,548	25,180	178,254
Pensacola Electric Co	July	44,388	32,947	270,142
Phila Rapid Transit.	July	2726,263	2437,394	18,130,755

Name of Road or Company.	Latest Gross Earnings.		Jan. 1 to Latest Date.	
	Week or Month.	Current Year.	Previous Year.	Current Year.
Phila & Western—	May	52,109	47,778	-----
Portland Gas & Coke	July	144,119	117,812	-----
Port(Ore) Ry, L&P Co.	June	632,552	490,652	3,657,639
Porto Rico Railways.	July	87,255	84,791	594,001
g Puget Sd Tr, L & P	June	939,382	755,872	5,608,092
g Republic Ry & Light	June	453,489	388,002	3,261,633
Richmond Lt & RR.	May	39,705	36,881	167,111
St L Rock Mtn & Pac	June	409,047	341,143	2,548,396
Santiago El Lt & Tr.	June	55,718	47,040	325,078
Savannah Electric Co	July	97,977	78,073	653,205
Second Avenue (Rec)	May	77,890	69,222	312,004
Southern Boulevard	May	18,639	18,541	85,010
Southern Cal Edison.	July	807,210	719,114	4,366,489
Staten Isl Midland.	May	25,600	29,128	140,205
Tampa Electric Co.—	July	86,236	78,624	604,106
Tenn Ry, Lt & P Co.	June	525,836	470,261	-----
Texas Power & Lt Co	July	234,491	185,971	-----
Third Avenue Ry—	May	330,733	350,327	1,593,223
D D E B & B RR.	May	40,461	37,730	189,439
42d St M & St N A Ry	May	149,763	150,474	658,863
Union Ry Co(NY)	May	237,919	250,676	1,165,959
Yonkers Railroad.	May	72,069	72,489	323,046
N Y City Inter Ry	May	60,725	64,502	307,661
Belt Line Ry Corp.	May	54,282	40,290	237,556
Third Avenue System	July	888,579	983,815	3,907,722
Twin City Rap Tran.	July	816,958	858,177	5,664,531
Virginia Ry & Power.	July	706,890	561,753	4,580,007
Wash Balt & Annap.	June	242,959	93,503	1,199,668
Westchester Electric.	May	50,632	44,570	217,326
York Railways—	July	86,586	83,717	-----
Youngstown & Ohio.	June 1	32,575	29,228	194,505

a Now covers only the lines east of York Beach, Me.; in the first four months of 1917 covered also the lines west of York Beach, Me. b Represents income from all sources. c These figures are for consolidated company. f Earnings now given in milreis. g Includes constituent companies.

Electric Railway and other Public Utility Net Earnings.—The following table gives the returns of ELECTRIC railway and other public utility gross and net earnings with charges and surplus reported this week:

Companies.	Gross Earnings		Net Earnings		Balance, Surplus.
	Current Year.	Previous Year.	Current Year.	Previous Year.	
Illinois Traction a—	1,189,276	1,073,653	303,315	357,212	
Jan 1 to July 31—	8,283,416	7,563,113	2,284,195	2,672,631	
Western Pow of Can—	39,219	37,316	28,083	30,725	
June 1 to June 30—	447,679	432,540	314,515	309,552	

a Net earnings here given are after the deduction of taxes.

Name of Road or Company.	Latest Gross Earnings.		Jan. 1 to Latest Date.	
	Week or Month.	Current Year.	Previous Year.	Current Year.
Baton Rouge Elect—	July	21,578	19,993	9,415
12 mos	247,095	224,723	119,128	114,990
Blackstone Val G & El—	July	201,055	155,180	61,488
12 mos	2,214,840	1,864,697	678,746	681,543
Cape Breton Elect—	July	44,532	40,500	9,667
12 mos	490,080	433,185	141,122	174,006
Central Miss Val El Prop.	July	28,981	26,190	6,698
12 mos	327,864	300,373	84,967	91,863
Connecticut Power—	July	78,499	68,636	21,765
12 mos	926,502	831,773	370,942	403,740
Edison Illum Co of Brockton—	July	65,759	56,619	16,156
12 mos	790,285	635,749	271,945	255,471
Elce Lt & Pow Co—	July	18,950	17,235	3,313
12 mos	214,630	204,621	48,640	46,942
El Paso Elect—	July	99,958	103,172	29,003
12 mos	1,263,850	1,243,515	431,939	476,500
Galv-Hous Elect—	July	25,824	175,144	91,974
12 mos	2,462,035	1,902,080	862,564	660,487
Haverhill Gas Lt Co—	July	26,991	24,329	3,076
12 mos	316,766	301,227	3	

	Gross Earnings.	Net Earnings.	Fixed Chgs. & Taxes.	Balance, Surplus.
Detroit United	July '18 1,680,380	360,550	181,760	2149,548
Lines	'17 1,557,665	360,614	143,394	2187,579
	7 mos '18 10,893,170	2,514,309	1,557,036	21,230,921
	'17 10,110,586	2,735,674	1,387,293	21,551,954

x After allowing for other income received.

**General Gas & Electric Company.**  
Estimated Gross Revenue for August.

System	1918.	1917.	Inc. (+) or Dec. (-)	%
Rutland	\$48,091	\$45,155	+\$2,936	6.5
Northwestern Ohio	44,000	32,614	+11,386	34.9
Sandusky	32,799	38,208	-5,409	14.2
Binghamton	34,662	38,615	-6,047	21.1
Sayre	10,417	8,103	+2,314	28.6
New Jersey	25,449	19,168	+6,281	32.8
Interurban Gas	1,292	1,139	+153	13.5
Total	\$106,710	\$173,092	+\$23,708	13.7

**Eastern Power & Light Corporation.**  
Estimated Gross Revenue for August.

System	1918.	1917.	Inc. (+) or Dec. (-)	%
Reading	\$336,607	\$280,809	+\$55,798	19.9
Pennsylvania Utilities	131,712	96,459	+35,253	36.5
West Virginia	96,830	82,903	+13,927	16.8
Claremont	36,256	26,274	+9,982	37.9
Total	\$601,405	\$486,445	+\$114,960	23.6

**FINANCIAL 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 Aug. 30. The next will appear in that of Sept. 28.

**Union Pacific Railroad.**

(21st Annual Report—Year ending Dec. 31 1917.)

On subsequent pages will be found the remarks of President C. B. Seger, in addition to comparative income accounts and balance sheet for two years.

**INCOME ACCOUNT FOR CALENDAR YEARS 1915 TO 1917 AND YEAR ENDING JUNE 30 1914.**

Years ending—	Dec. 31 '17.	Dec. 31 '16.	Dec. 31 '15.	June 30 '14.
Average miles	7,987	7,933	7,853	7,597
Operating revenue	130,101,864	114,412,607	91,952,244	92,115,332
Operating exp. & taxes	85,746,849	69,355,937	58,791,940	60,489,118
Net revenue	44,355,015	45,056,670	33,160,304	31,626,214
Other income, rents, &c.	1,378,994	1,258,501	1,481,516	1,083,795
Divs. on stocks owned	4,362,242	4,569,404	4,500,124	9,258,794
Int. on bonds, notes and equip. trust certifs.	6,751,289	6,532,203	6,898,338	2,883,791
Int. on loans & open accounts	619,500	996,028	725,311	4,209,330
Miscellaneous income	58,275	49,337	46,768	
Total income	57,525,376	58,562,142	46,812,361	49,061,933
Fixed charges	16,000,501	15,390,356	15,237,751	15,967,989
Addns and betterments	15,313,973	4,367,075	1,083,459	
Preferred dividend (4%)	3,981,740	3,981,740	3,981,740	3,981,740
Common dividends	22,229,160	17,783,328	17,783,328	19,780,778
Per cent on com. divs.	(10%)	(8%)	(8%)	(9%)
Balance, surplus	None	17,039,043	8,726,083	9,331,426

**DIVIDENDS ON STOCKS OWNED CREDITED TO INCOME ACCOUNT.**

	1917.	1916.	1915.
Balto. & Ohio RR. preferred stock	\$72,240	\$72,240	\$72,240
do do common stock	179,705	179,705	179,705
Chicago & N. W. Ry. com. M. 4s & 5s	302,409	281,309	281,309
Chicago Milw. & St. Paul pref. stock	129,150	129,150	129,150
Illinois Central RR. capital stock	1,575,000	1,462,500	1,125,000
New York Central RR. capital stock	1,037,500	1,000,000	1,000,000
Pacific Fruit Express Co. cap. stock	540,000	540,000	540,000
Union Pacific Coal Co. capital stock	500,000	1,000,000	1,000,000
Affiliated companies' capital stock	26,239	4,500	173,720
Total as per income account above	\$4,362,242	\$4,069,404	\$4,500,124

**INTEREST ON BONDS, NOTES AND EQUIPMENT TRUST CERTIFICATES OWNED, CREDITED TO INCOME ACCOUNT.**

	1917.	1916.	1915.
B. & O. RR. Ref. & Gen. M. 5s and S. W. Div. 3 1/2s	\$270,000	\$254,373	\$200,279
Chicago & N. W. Ry. Gen. M. 4s & 5s	235,163	235,163	205,000
Chic. Milw. & St. P. Ry. various bds.	225,028	225,235	353,461
Denver Union Term. Ry. 1st M. 4 1/2s	180,000	180,000	180,000
Illinois Cent. RR. & Ca. St. L. & New Orleans joint 5s	250,000	250,000	250,000
Los Ang. & Salt Lake RR. 1st M. 4s	1,151,040	1,141,040	1,138,700
New York Central RR. Conv. 6s and Ref. & Imp. 4 1/2s	615,000	626,667	737,567
Northern Pacific-Grand Northern (C. B. & Q. coll.) joint 4s	165,280	162,418	115,587
Pennsylvania Co. Gold Loan 4 1/2s	225,000	213,083	45,000
Gen. Mfg. 4 1/2s	175,950	167,500	225,469
Southern Pacific Co. various bonds	536,010	536,010	536,010
Southern Pacific RR. 1st & Ref. 4s	582,720	582,720	582,720
Utah Lt. & Traction 1st & Ref. M. 5s	690,800	598,262	590,663
Miscell. bonds, notes & equip. trusts	1,533,298	1,353,423	1,737,842
Total as per income account above	\$6,751,289	\$6,532,203	\$6,898,338

**The Minneapolis & St. Louis Railroad.**

(Report for Fiscal Year ending Dec. 31 1917.)

Chairman Charles Hayden, New York, July 15, wrote in substance:

**Results.**—The total gross revenues and the total freight tonnage moved during the year were the largest in the history of the company. The total operating revenues increased \$9,840. Receipts from freight traffic decreased \$44,728; receipts from passenger traffic decreased \$23,169, or 1.42%; all other revenues increased \$82,737, or 12.97%.

The decrease in the receipts from freight traffic is attributable to the car shortage in the territory served by your company, which prevailed during the last five months of the fiscal year. The increase in freight tonnage moved is due to a heavy increase in coal tonnage, which more than offset the decrease in the tonnage of other commodities handled.

The operating expenses increased \$50,843, being 7.97% taxes increased \$34,559, or 6.80%. The net operating revenues over expenses and taxes decreased \$605,662, or 13.93%.

The surplus for the year after payment of interest on funded debt and all other fixed charges amounted to \$651,050, a decrease of \$99,063 as compared with the preceding year.

There is charged to the year's income \$111,024 for amortization of discount on funded debt.

**Funded Debt.**—There was a net decrease in interest on funded debt of \$28,715, resulting from:

(1) Decreases in Interest Charge Aggregating \$98,604—  
On account of Two-Year 6% Gold Notes retired Aug. 1 1916.....\$87,500  
On account of equipment trust notes retired.....9,600  
On account of retirement of 8% notes held by Am. Locom. Co., 1,500  
On Redg. & Ext. bonds acc'y requirement of one bond in 1916.....4

(2) Less—Int. on equipment trust notes Series "K," issued Feb. 1 1917 (V. 104, p. 952).....\$69,880  
**Hire of Equipment.**—There was a decrease of \$264,357, or 102.88%, in the hire of equipment balance, resulting in a net credit balance for the year of \$7,410, due to more efficient handling of foreign cars, aided very materially by the acquisition of 1,000 new box cars in August and September and 500 new gondola cars in October and November, 1917. The extreme car shortage prevailing during the latter part of the year in the territory served by your company made it impossible to retain a normal number of home car on the line.

**Capital Expenditures.**—Expenditures were made for additions and betterments, aggregating (net) \$2,325,093, viz.:  
Roadway, track and appurtenances.....\$217,697  
Buildings, structures and appurtenances.....94,189  
Equipment, 1,000 box cars, 40-ton capacity, \$1,339,343; 500 gondola cars, 50-ton capacity, \$708,275; Improvements, \$79,963.....2,127,581  
Less—Cost of equipment vacated during year.....\$114,375

**General.**—Conditions under which your road was operated during the major portion of the year 1917 were very abnormal. Previous to the entry of the United States into the great world war there had been a concentration of cars in Eastern territory due to the demand for materials to be used in the manufacture of munitions and supplies for various European nations and due to the demand for cars for the carrying of grain and grain products to the seaboard for export. This created a condition of car shortage which was not relieved during the year. The winter of 1916-1917 was the most severe experienced in a great many years in the territory served by your lines. The fall of snow was so great that all previous records were eclipsed. The result was that operating conditions over a very considerable portion of your lines, particularly during all of January and February and the forepart of March, were very bad. The line west of Watertown was practically closed the entire month of February. This condition caused a serious reduction in your revenues during the months of Feb. and March, and particularly the month of Feb.

During the year the Government established at Camp Dodge, about 11 miles north of Des Moines, Ia., on the line of the Inter-Urban Railway Co., a camp of sufficient size to accommodate approximately 40,000 men and a remount station designed for about 30,000 horses. This camp is located about 18 miles from the City of Perry, Iowa, on your line and your company has during the year handled a large number of drafted men and others and a considerable freight tonnage destined theroeto.

During the year a new shaft was put down by the Hoelck Coal Co. and development entries are now being driven. By the fall of 1918 this new mine, known as No. 5, should be producing a fair tonnage and this production will steadily increase for a considerable period of time.

**ROLLING STOCK OWNED—BRIDGES, BALLAST, RAILS, DEC. 31.**

	Locomotives	Pass. Equip.	Freight Equip.	Work
	No.	Tractive Power.	No.	Cap. (tons).
1917	229	6,555,770 lbs.	142	8,800
1916	232	6,646,439 lbs.	144	7,475
1915	223	6,112,470 lbs.	139	7,183

**CLASSIFICATION OF FREIGHT—PRODUCTS OF (TONS).**

	1917	1916	1915	1914
1917	1,706,310	2,611,018	2,301,134	398,135
1916	1,883,959	293,803	2,112,774	354,595
1915	2,060,363	271,890	1,690,244	350,159

**OPERATIONS, REVENUES, EXPENSES, INCOME ACCOUNT AND GENERAL EXPENSES.**

Years ending—	Dec. 31 '17.	Dec. 31 '16.	Dec. 31 '15.	June 30 '16.
Average miles operated	7,987	7,933	7,853	7,597
No. passengers carried	2,217,112	2,457,850	2,543,180	2,514,856
Pass. carried one mile	88,013,326	92,842,539	91,707,405	92,672,422
Rate per pass. per mile	2.218 cts.	2.133 cts.	2.072 cts.	2.105 cts.
Revenue freight tons	6,607,644	6,502,405	5,949,668	6,194,332
Rev. frt. car. 1 m. (000)	1,119,921	1,060,813	979,958	1,023,688
Rate per ton per mile	0.744 cts.	0.790 cts.	0.709 cts.	0.708 cts.
Earns. per pass. train mile	\$1.06	\$1.02	\$1.01	\$1.02
Earns. per frt. train mile	\$3.00	\$2.91	\$2.63	\$2.77
Gross car. per mile	\$6.653	\$6.677	\$6.297	\$6.512
Tons per train mile	464.18	427.60	382.53	404.54
<b>Earnings</b>				
Passenger	1,952,182	1,980,351	1,899,865	1,951,088
Freight	8,332,446	8,377,174	7,828,515	8,166,056
Mail, express, &c.	720,435	697,958	590,829	604,369
Total oper. revenue	11,005,063	10,995,223	10,319,210	10,721,512
<b>Expenses</b>				
Maintenance of way, &c.	1,535,250	1,269,091	1,146,254	1,116,265
Maint. of equipment	1,270,519	1,541,245	1,373,961	1,525,268
Transportation expenses	4,575,866	3,890,973	3,850,813	3,896,217
Traffic expenses	215,074	213,672	213,857	212,151
General, &c.	272,482	283,367	269,074	272,106
Taxes	542,601	508,243	437,325	469,903
Total exp. & taxes	8,411,892	7,796,591	7,288,284	7,409,001
Net operating revenue	2,593,071	3,198,632	3,030,925	3,229,511
Interest on bonds	63	11,169	45,462	30,022
Divs. on stocks owned	78,461	24,144	24,144	24,144
Net rent, lease of r'd, &c.	163,023	65,314	31,252	43,836
Total net income	2,334,618	3,278,250	3,131,718	3,327,513
<b>Deduct</b>				
Interest on funded debt	2,063,789	2,092,504	2,143,803	2,149,928
Int., disc't. & exchange	449	34,142	31,488	61,327
Miscellaneous charges	126,230	145,647	420,035	109,032
Hire of equip., balance	67,410	256,948	42,659	354,481
Total fixed, &c., chgs.	2,183,567	2,529,141	2,687,985	2,675,268
Balance, surplus	651,051	750,118	443,798	652,245

**American Public Utilities Co., Grand Rapids, Mich.**

(Report Made at Annual Meeting Aug. 19 1918.)

The report read at annual meeting Aug. 19 says in subst.:

**Extraordinary War Conditions.**—Every utility company of importance in the country has had to undergo, during the last half of 1917 and the first half of 1918, a period of hardship before new conditions could be set up under which the returns from operations would be equal to or greater than the costs thereof. Your directors during the year 1917-18 decided: (1) That all expenditures should be solely in the direction of the most economical service for business already engaged; and for completing projects already under way; (2) That the net cash income of the properties should be kept in hand for payment of fixed charges and current necessities; and to avoid recourse to the public markets for funds for permanent investment.

**Results.**—Happily, during the past fiscal year our subsidiaries, notably the Wisconsin-Minnesota Light & Power Co., have more fully than heretofore realized income from large investments made in them at earlier dates. The gross sales of all the companies for the year aggregated \$4,452,125, against \$3,819,820 for the previous year, being an increase of approximately 16.6% in excess of the showing of growth made in the two preceding years and very much greater in actual amount when the constantly increasing base upon which increase was realized is taken into consideration. Notwithstanding the increased investment in the properties of the subsidiary companies, the \$632,305 increased earnings for the last fiscal year were \$11,438 less than the increased costs of operation, leaving fixed charges of the added investments to be borne by the companies.

On the whole, we feel that the company has so far come through the present period of difficulty occasioned by war conditions as well as could have been expected.

**Rates.**—During the last fiscal year several applications were made for advances in rates, which, when granted, were found inadequate by reason of the advancement of costs during the period of investigation and determination. Before and since June 30 1918 we have been authorized to increase rates charged by subsidiaries in Wisconsin and Indiana which promise to add approximately \$750,000 to the gross earnings of these companies. Of these advances about \$300,000 were realized during the past fiscal year, leaving a substantial additional amount of increase to apply to the present year's earnings. An advance authorized by the Utah Public Utilities Commission in gas rates charged by the Utah Gas & Coke Co. is

calculated to add \$50,000 to gross earnings of that company as compared with the last fiscal year. These increases will, it is hoped, be a substantial offset to the enhanced costs of operation.

**Holland City Gas Co.**—After vainly endeavoring to secure from the public authorities of the city of Holland, Mich., an adequate rate for gas service rendered by Holland City Gas Co., the directors took steps during the latter part of the fiscal year which put that company into bankruptcy. American Public Utilities Co. is the owner of the bonds and stock of this company and its principal creditor, but since Feb. 1 1918 has not operated the property. By agreement between the receiver and the city authorities an advance from 90 cents to \$1.25 per 1,000 feet was made in gas rates, putting the property on a basis where it is earning its operating costs. Your directors are hopeful that a purchaser will be found for this property, which will release the investment therein and make it available for more remunerative employment in some other division of the co.'s activities.

**Dividends in Scrip.**—For the purpose of conserving its cash resources during this emergency, the directors of the company have deferred the payment in cash of the preferred stock dividends of April 1 and July 1 of the current year; and believe similar dividends hereafter accruing should be deferred until such time as better conditions ensue. These dividends have been paid in scrip, bearing 6% interest.

**Growth of Revenue.**—Gross earnings for years ended June 30 were:

	1912.	1913.	1914.	1915.	1916.	1917.	1918.
	\$	\$	\$	\$	\$	\$	\$
	738,102	1,981,321	2,310,595	2,932,070	3,309,586	3,819,821	4,452,425

**Wisconsin-Minnesota Light & Power Co.**—The installation of generating machinery at Wisconsin Dam has been completed during the year by the addition of three 7,500 h. p. turbines and generators. The company has acquired the lighting business of Thorpe, Stanley, Bloomer and Glenwood City during the year. The transmission line from Winona to Nelson has been completed, providing for the supply of LaCrosse with electric energy generated at Wisconsin. Substantial gas main extensions have been made at Winona, Eau Claire, Chippewa Falls and LaCrosse. The gas-producing capacity at LaCrosse has been increased.

The gross income for the past fiscal year was \$1,773,874, as compared with \$1,532,347 for the year 1916-17.

Orders made by the Wisconsin Railroad Commission during and since the end of the fiscal year provide for increased rates affecting various Wisconsin communities served by the company. These, taken with advances of rates affecting Minnesota properties, are expected to provide additions to gross income for the fiscal year 1918-19 amounting to approximately \$275,000. Only a small portion of this increase was reflected in the income of the past fiscal year.

**Merchants' Heat & Light Co. of Indianapolis.**—The gross income for the year ended June 30 1918 was \$1,557,921, as against \$1,225,543 for year 1916-17. The physical condition of the property has been bettered by the installation of two 800 h. p. boilers, two more of the same capacity having been contracted for; four 500 h. p. Westinghouse stokers, and the completion of the installation of one 5,000 k. w. generator of the turbine type.

The situation for fuel supply has been strengthened by the control of the output of the Ayrdale Coal Co., with a mining capacity of 240,000 tons per year, the present consumption of the company being 225,000 tons per year. Revisions of rates by the Indiana Commission promise to add approximately \$200,000 to the gross earnings for the fiscal year 1918-19, to that extent offsetting the advanced operating costs.

**Utah Gas & Coke Co.**—The lack of manufacturing capacity has been corrected by the addition of six new benches, nearly doubling the productive capacity of the coal gas plant. Six old benches have been refilled. The Utah Public Utilities Commission has authorized an increase of 20 cents per 1,000 feet for gas, indicating additional revenue for the current fiscal year of approximately \$80,000.

**Jackson (Mich.) Light & Traction Co.**—Difficulties in relation to the necessity for higher rates have been experienced, which have resulted in litigation now pending in which the company is enjoined from raising its rates and the city from setting up a scale of unsatisfactory rates.

**Albion Gas Light Co.**—Gross earnings gained 3.2%. Net fell off 14.1%.

**Elkhart Gas & Fuel Co.**—Gross earnings increased 11.7%. Net earnings fell off 10.6%.

**Valparaiso Lighting Co.**—Gross earnings increased 2.7%. Net earnings fell off 5.4%.

**Boise Gas Light & Coke Co.**—Gross earnings increased 6.3%. Net earnings fell off 23.2%.

**Financial Transactions During Year.**—An increase in American Public Utilities Co.'s obligations outstanding in the form of Two-Year 6% Secured Notes, in the amount of \$489,000, collateral being bonds of Wisconsin-Minnesota Light & Power Co., which it was deemed inadvisable to market under existing conditions. [These notes, forming part of a total authorized issue of \$1,000,000 dated Sept. 1 1917, were offered by Bioren & Co. of Philadelphia on 98 and int. They are due Sept. 1 1919, but are callable at 101 and int. Demand \$500 and \$1,000. Trustees, Logan Trust Co., Phila. Interest M. & S. Penn. State tax of 4 mills refunded. Collateral for all notes issued or issuable, First & Ref. Mfg. 5% bonds of Wis.-Minn. Lt. & P. Co. at 75% of their par value.—Ed.]

An increase of \$66,500 Elkhart Gas & Fuel Co. 1st & Ref. M. 5% bonds outstanding on account of general construction.

An increase of \$15,000 of Jackson Light & Traction Co. 1st M. 5% bonds for general construction.

An increase of \$387,500 Merchants' Heat & Light Co. bonds and of \$178,000 of its common stock for general construction. All of the common stock was purchased by American Public Utilities Co. at par (V. 106, p. 1799).

\$20,000 Utah Gas & Coke Co. bonds, retired by sinking fund.

An increase of \$700,000 of pref. stock of Wisconsin-Minnesota Light & Power Co. (see V. 106, p. 1797), and of \$1,509,500 of the bonds of the same company, the proceeds of which were devoted, as to \$1,035,500, to general construction; as to \$1,150,000 to expenditures on Wisconsin Dam; as to \$102,500 to acquisition of new properties, and as to \$10,500 to the retirement of underlying bonds.

Chippewa Valley Ry., Lt. & Power Co. bonds, \$8,000, exchanged for Wis.-Minn. Lt. & Power Co. bonds.

A decrease of \$2,500 of O. I. Newton's Sons Co., Sparta, Wis., bonds.

**Outlook.**—The discussion of the necessity for higher charges may prove a blessing in disguise, by convincing the public to consideration of the elements of operating costs. The rate advances already secured by the management give promise of enough additional income to enable the company to conserve its properties, meet its fixed obligations and take care of current necessities. More than this need hardly be expected until the return of peace puts finance and industry on a stable footing once more.

**EARNINGS OF SUBSIDIARY COS. FOR YEAR ENDING JUNE 30.**

	1917-18.	1916-17.	1915-16.	1914-15.
<b>Gross Earnings—</b>				
Albion Gas Light Co. . . . .	\$45,341	\$43,839	\$45,224	\$ 40,278
Boise Gas L. & Coke Co. . . . .	63,935	59,889	58,969	65,086
Danville L. H. & P. Co. . . . .	34,365	32,344	(Purchased in 1916-17)	
Elkhart Gas & Fuel Co. . . . .	156,550	421,277	118,912	109,100
Holland City Gas Co. . . . .	331,948	418,544	42,694	37,131
Jackson Lt. & Trac. Co. . . . .	331,093	314,281	288,043	291,795
Merchants' Ht. & L. Co. . . . .	1,567,922	1,225,542	1,118,226	879,778
Utah Gas & Coke Co. . . . .	378,125	344,543	323,477	347,683
Valparaiso Ltr. Co. . . . .	98,979	98,903	87,420	78,281
Wis.-Minn. Lt. & P. Co. . . . .	1,773,874	1,532,347	1,226,651	1,082,939
<b>Gross earnings</b> . . . . .	\$4,452,425	\$3,819,820	\$3,309,586	\$2,932,070
<b>Operating expenses</b> . . . . .	2,794,743	2,151,001	1,842,801	1,618,239
<b>Net earnings</b> . . . . .	\$1,657,382	\$1,668,819	\$1,466,785	\$1,313,831
<b>Other income</b> . . . . .	80,703	100,355	81,743	25,030
<b>Gross income</b> . . . . .	\$1,738,085	\$1,769,174	\$1,548,528	\$1,339,761
<b>Expenses</b> . . . . .	111,580	80,765	39,437	88,101
<b>Net income</b> . . . . .	\$1,626,505	\$1,688,409	\$1,509,091	\$1,251,660
Int. on underlying secur. . . . .	\$1,143,893	\$1,025,165	\$993,850	\$862,300
Int. on coll. trust bonds . . . . .	172,815	172,858	64,867	34,667
Int. on 2-year notes . . . . .	21,225			
Interest on gold notes . . . . .		48,549		11,163
Miscellaneous . . . . .	38,921	19,448	6,743	43,938
Prof. dividends (6%) . . . . .	257,954	255,897	234,840	234,840
<b>Total deductions</b> . . . . .	\$1,644,808	\$1,473,368	\$1,348,858	\$1,186,948
<b>Balance, surplus</b> . . . . .	def. \$18,303	\$215,041	\$160,233	\$114,711

x Seven months to Feb. 1 1918. Since Feb. 1 1918 the Holland City Gas Co. has not been operated by American Public Utilities Co.

y This item of dividends paid includes two cash dividends of 1 1/2% each, two scrip dividends of the same amount, the July and April 1918 dividends having been paid in 6% 5-year scrip, owing to war conditions.

**BALANCE SHEET OF AMERICAN PUBLIC UTILITIES CO. JUNE 30.**

	1918.	1917.		1918.	1917.
<b>Assets—</b>			<b>Liabilities—</b>		
Stocks owned . . . . .	10,812,230	9,430,642	Preferred stock . . . . .	4,965,000	4,965,000
Bonds owned . . . . .	77,300	77,300	Common stock . . . . .	2,995,000	2,995,000
Bds. shp. as collat. . . . .	1,439,250	893,300	Bonds . . . . .	2,950,300	2,950,300
Preferred stock . . . . .	x350,000	350,000	Secured notes 6% . . . . .	489,000	—
Disc. on sec., &c. . . . .	—	411,015	Prof. div. scrip . . . . .	129,480	—
Miscellaneous . . . . .	1,427	19,256	Accrued bond, &c., interest . . . . .	84,120	45,105
Cash . . . . .	y996,770	122,021	Acc'ts and notes payable . . . . .	997,500	1,367,516
Acc'ts receivable . . . . .	—	1,337,402	Insurance reserve . . . . .	24,735	10,745
Ins. dept. cash & acc'ts receivable . . . . .	24,735	—	Surplus . . . . .	585,374	505,169
Undistributed surplus, sub. cos. . . . .	—	204,788			
<b>Total</b> . . . . .	13,224,418	12,845,725	<b>Total</b> . . . . .	13,224,418	12,845,725

x The item preferred stock \$4,965,000 includes 5,000 shares, par \$100 each, owned by the company and carried by it among its assets at \$70 per share, or \$350,000, as above shown.

y Includes accounts and notes receivable due from subsidiary companies, \$5,150,911, and miscellaneous cash and accounts receivable, \$51,979.—V. 107, p. 907.

**Certain-tyed Products Corporation.**

(Reports for Cal. Year 1917 and Half-Year 1918 as Amplified by Statement to New York Stock Exchange April 1 1918.)

For the half-year Pres. Geo. M. Brown reports in substance:

For the first six months of 1918 our business shows a very substantial increase in amount of roofing and paint sold over a like period last year. This increased volume of business was secured (with general building construction greatly curtailed and with practically no Government business taken) at very heavy expenditures for selling, warehouse and other expenses tending toward building our regular business and resulting in a reduction of net earnings. These net earnings, however, are in excess of the dividends on the outstanding pref. stocks and the sinking fund requirements for that period. After providing for all these items, there is still a small balance remaining to the credit of the common stock.

We found much difficulty in running our plants, getting raw materials in and finished goods out, fuel, &c., especially during January and February. Our losses on account of shutdowns, delays and embargoes were very heavy, but conditions are now more nearly normal.

On account of delays in shipping, we have been forced to carry much more than our usual amounts of both raw and finished products. These, however, are inventoried at substantially lower values than it would cost to replace them to-day. With their increased values, they have caused us to borrow more freely than we anticipated. We anticipate, however, a reduction to more nearly normal holdings of both raw and finished goods before Dec. 31.

We have always found that the earnings of the business are larger for the second half of the year than the first half. We have paid out and charged off the largest amounts for advertising that we have ever charged off in the first half of any year. We have also charged off more for depreciation and repairs and, while the net earnings have decreased, we feel that our company is more firmly established than ever before. We are not anticipating any further developments in the way of new plants or extensions of old plants.

President Brown in annual report Feb. 25 wrote in subst:

**Results.**—All of our business estimates for 1917 were surpassed by the actual records. The volume of sales and earnings was very satisfactory. Expense accounts of every kind and description were at high-water mark, wages and salaries being advanced freely, except for the higher paid.

In the old lines of roofing, building papers and insulating papers, we have received much encouragement. Barracks, hospitals, warehouses—all kinds of buildings have used these materials for keeping out dampness, cold and discomfort and keeping in warmth and comfort. While business in many lines has changed largely to some form of "war business," our regular business showed a nice gain for the year over the previous year. Shipments for war purposes were not an important part of our business.

Before arriving at the net profits secured, we charged off the expense of our biggest advertising campaign for the upbuilding of future business. In addition to making all necessary repairs, a reserve was set aside for obsolescence and depreciation. The final net profits were greatly reduced by heavy war taxes. We feel gratified with our final net profits when we consider the heavy increases in taxes and all kinds of expenses during the year.

**Dividends and Sinking Fund.**—The \$150,000 first preferred stock needed for cancellation by the sinking fund on or before April 1 1918 was purchased (for \$137,858) out of the year's net earnings. All first and second preferred dividends were paid promptly and a cash dividend of \$4 per share on the common stock was paid in January of this year, out of last year's earnings. The common stock was not placed on a regular dividend basis because of the business uncertainties of the times, the directors thinking it wise to delay such action until a very ample reserve can be set aside to insure dividends on the first and second preferred, with ample provision to take care of our sinking fund over any reasonable period of depression.

**New Plants.**—During the year we completed our new plant at Niagara, so that it makes practically all of our lines except paints and varnishes. We expect our new felt and paper mill to be finished on the Pacific Coast previous to July 1 1918. The plant built during 1916 for making roofing, insulating paper, &c., at Richmond, Cal., just across the bay from San Francisco, has proved to be entirely satisfactory. We plan to build a new paint and varnish plant in St. Louis, and have recently acquired a well-located tract of land on Union Ave., north of Natural Bridge Road, for this purpose. As the roofing factory at Niagara Falls was not completed until Sept. 1 1917, and as other improvements and additions were not made until later in the year, increased production resulting from such improvements should show up better in 1918 than in 1917, other things being equal.

**Proposed Development of Paint and Varnish Business.**—During the year we secured much valuable information in the paint and varnish division, and it is our unanimous opinion that we should in time be able to make the paint and varnish division large enough in volume to pay its expense accounts and then leave net profits equal to those in the roofing division. The profits on these new lines to date have been comparatively small, because considerable expense has been incurred in laying foundations. The outlook is most satisfactory.

**Foreign Business.**—We have incurred considerable expense in the foreign field, where ability to do business has been small, due to shipping troubles, but we look for substantial yields in future.

**Financial.**—The company did not have to borrow a dollar last year for the carrying on of its regular business. It did borrow temporarily for handling some Government bonds and its sinking fund, but every dollar of this was paid off previous to Dec. 1 1917, when the company did not have a dollar borrowed for any purpose, although we were nominal borrowers on Jan. 1 1918, due to delay in collecting Government accounts.

**Outlook.**—We expect our business to grow substantially again during this year, although we have found it most difficult to do business recently because of coal, transportation and other troubles. We are not planning to increase the size of our company in the immediate future, as we have the highest credit and can use that in a way to cover the increases which we expect in the business during the coming season.

Our plants are in prime condition, and as the style of our products does not change with the seasons, nor deteriorate in storage, we can make them up and store them as opportunity permits. We can see no reason why we should not have a steady future growth, which should equal, at least, anything done in the past.

**Warehousing.**—Our warehouse service is being used continually by the trade, and our plans along this line have worked out in a very practical and satisfactory manner.

[All of the stocks are listed on the St. Louis and N. Y. stock exchanges.]

**Description of Properties.**—All located on real property owned in fee excepting plant No. 5 at Niagara Falls, N. Y., which is located on leased properties. The corporation owns and operates the following described plants (buildings being of brick and concrete):

Opened by Company.	Acres Land.	Acres Floor Sp.	Paper Mach. Daily Cap.	Asphalt Roof. Cap.	Property Valued.
1. 17th St., St. Louis	6.63	2.63	50 tons	200 sqrs. hrlly.	\$653,441
2. Marselles, Ill.	8.50	3.58	60 tons	200 sqrs. hrlly.	704,173
2,300 h. p. water power leases from Marselles Land & W. P. Co., 87-90 years to run					
3. York, Pa.	6.56	2.70	45 tons	200 sqrs. hrlly.	289,630
4. Richmond, Cal.	8.32	1.17	30 tons	200 sqrs. hrlly.	455,354
5. Niagara Falls, N. Y.	5.259	3.08	30 tons	200 sqrs. hrlly.	507,753
6. Union Ave., St. Louis	(particulars furnished)				
Mound City Paint & Color Co.					
7. St. Louis	0.45	0.41	Leased to Gregg Varnish Co. (see below)		50,854
7. St. Louis	1.40 1/2	1.61	(capacity 8,000 gals. paint daily)		72,155

z Including \$275,000 (est.) for work under construction Feb. 1 1918. y Held under lease.

The plant at 17th St., St. Louis, includes a tar distillation plant with crude tar capacity of 5,000 gallons daily.

The Certain-teed Products Corporation of Missouri holds the legal title in fee simple to two pieces of ground comprising approximately 6.34 acres, recently purchased as a site for a new paint and varnish plant for \$37,071.

Mound City Paint & Color Co. (1) owns in fee simple and rents to Gregg Varnish Co., which owns the machinery and equipment, plant No. 6, Gregg Varnish Plant, corner of East Grand Ave. and McKissick Ave., St. Louis, equipped to produce approximately 1,000 gallons of varnish per day. (2) Operates under lease plant No. 7, corner Mullany and 11th Sts., St. Louis, equipped to produce approximately 8,000 gallons of paint per day. The leases on the ground and buildings expire Nov. 30 1919. The annual rentals under the leases are \$7,140. Provision has been made for a permanent plant for the Mound City Paint & Color Co., through the purchase by Certain-teed Products Corp. of Missouri of real property in St. Louis, hereinafter referred to.

Neither the corporation or any of its subsidiaries have any funded debt. None of the subsidiary corporations, except as hereinbefore mentioned, own or operate any manufacturing plants, being organized principally for selling purposes.

**OUTPUT OF THE CORPORATION FOR THE YEAR END, DEC. 31 1917.**

Dry felts	39,022 tons	Pitch	436,954 pounds
Building papers	10,398 tons	Paints (liquid)	335,059 gallons
Roofings	5,201,734 squares	Paints (paste)	340,081 pounds
Tarred felts	17,940 tons	Putty	1,802,442 pounds
Insulating papers	37,771 rolls	Cans	897,847
Paint cement	635,360 pounds	Varnish	150,000 gallons
Croosote & light oils	176,582 gallons		

**INCOME ACCOUNT FOR 6 MONTHS ENDING JUNE 30 1918.**

Gross income from operations	\$1,344,267
Depreciation, reserve for taxes, &c.	1,122,599
Net income	\$221,668
Dividends: On 1st pref. stock, \$119,875; 2d pref., \$67,375	187,250
Balance (inserted by Ed.)	\$34,418

**INCOME ACCOUNT FOR CALENDAR YEAR 1917.**

Earnings for the year 1917, as certified by chartered accountants, after providing for reserve for depreciation of physical properties \$97,818 and reserve for income taxes \$76,079; and also after charging off advertising \$294,226, and repairs and maintenance over \$236,000.

Deduct—Dividends on the 1st and 2nd pref. stocks (see below) amounting to (6.44%)	\$49,362
Purchase of \$150,000 first preferred stock for redemption	137,858
Organization expenses	9,201
Balance surplus as per balance sheet	\$950,133

Further Deductions (inserted by Ed.)—Dividend No. 1 on common shares \$4 each paid in Jan. 28 1918—240,000

Additions to plants and equipment—401,999

Balance surplus for year subject, however, to the War Excess Profits taxes payable in 1918 (estimated at \$210,000 but actually we learn \$297,825—Ed.)—\$308,134

Dividends Paid on \$3,500,000 1st Pref. and \$1,925,000 2nd Pref. Stock—No. 1 1st pref. and 2nd pref., \$1 19 per share Apr. 1917; No. 2 1st pref. and 2nd pref., \$1 75 per share July 1917; No. 3 1st pref. and 2nd pref., \$1 75 per share Oct. 1917; No. 4 1st pref. and 2nd pref., \$1 75 per share Jan. 1918. (Dividends Nos. 5 and 6 were paid April and July 1918.—Ed.)

Also paid on 60,000 shares of common stock \$4 00 per share Jan. 28 1918.

**CONSOL PROFIT ACCT., INCL. SUBSIDIARIES EXCEPT LONDON CO.**

[For 1914 to 1916 are shown combined results prior to merger.]

	1914.	1915.	1916.	1917.
Gross sales	\$2,945,877	\$3,757,963	\$5,289,512	\$9,375,918
Discounts & allowances	76,157	81,394	96,558	160,571
Net sales	\$2,869,720	\$3,676,569	\$5,192,954	\$9,215,347
Cost of goods	2,047,707	2,530,031	3,546,435	6,043,563
Gross profit	\$822,013	\$1,146,538	\$1,646,519	\$3,171,784
Expenses	571,053	696,273	950,964	1,725,221
Net profits	\$250,955	\$450,265	\$695,555	\$1,446,563

**COMPARATIVE BALANCE SHEET.**

Jan 30 '18, Dec. 31 '17		Jan 30 '18, Dec. 31 '17		
Assets	Liabilities	Assets	Liabilities	
*Real estate, &c.	1,398,265	2,585,669	First pref. 7% stock, 3,350,000	
*Water power rights	289,430	2d pref. 7% stock, 1,925,000	3,500,000	
Cash	249,949	235,622	Common stock—no par val., declared	
Customers' notes	7,141	60,000 sh. at \$30	1,800,000	
Accts. receivable	1,293,144	5,000 sh. at \$40	200,000	
Custom' m's, lessors	1,226,649	Notes payable	1,683,000	
Subsidi. & affil. cos. indus.	58,232	Accounts payable	513,741	
Salesmen & employ.	250,577	Res. per bal. accts.	20,557	
Miscell. accounts	26,063	Preferred dividends	92,313	
Raw mat'l, &c.	2,292,976	Accrued taxes	18,710	
Exp. paid in adv.	113,381	Surplus paid in and	712,145	
Invest. in other cos.	10,000	16,000 accretions	1,232,880	
Sk. fd. 1st. pf. stock	107,678	Surplus earnings	950,133	
Good-will, trade-mks., patents, &c.	3,297,631	3,297,631		
Liberty Loan	24,600			
Total	10,838,200	9,646,681	Total	10,838,200

\* Based on appraisal made by American Appraisal Co. as at Dec. 31 1916, plus, in case of plant and equipment, sundry additions made since 1916, less reserve for depreciation.

x 5,000 shares of preferred stock, since deducted from amount outstanding, reducing it to \$3,350,000.

y After deducting preferred dividends and proportion of organization expenses, but before payment of excess profits tax, common dividends and additions to plant during calendar year 1917.

Although the corporation was organized Jan. 30 1917, it took over the assets, liabilities and business of the General Roofing Mfg. Co. as of Jan. 1 1917. The general balance sheet, therefore, shows operations of the corporation for the entire year.

Directors.—George M. Brown, C. C. Collins, George L. Edwards, Philip B. Fouke and W. A. Layman, all of St. Louis, Mo.; and Walter Birge and Elsie Walker, both of N. Y. City.

Officers.—President, George M. Brown, St. Louis; Vice-Presidents, C. C. Collins, Audenried Whittemore, John C. Collins, J. S. Porter of St. Louis, and Smith E. Allison of New York; Sec. and Treas., Robert M. Nelson, St. Louis.—V. 106, p. 2232.

**The Casin Co. of America (of Delaware), N. Y. City.**  
(Report for Fiscal Year ending Dec. 31 1917.)

Pres. George J. Gillespie, May 15, wrote in substance:

Of the outstanding capital of the New Jersey Casin Co. of America (10,000 shares of pref. and 54,920 shares of com. stock), 10,000 shares of pref. and 53,905 shares of com. stock were owned by your company on Dec. 31 1917, against which stock there had been issued 21,077 and 3,960 shares (\$2,107,739 60) of the capital stock of your company.

During 1917 two new factories, one at Charlotte, Wis., and one at Pennellville, N. Y., were erected and put in operation. They cost \$198,881. The buildings are of concrete and represent up-to-date mill construction.

Trade conditions in 1917 were somewhat disturbed, but on the whole did not seriously affect our business, the falling off in sales in some departments being offset by increased sales in others. High prices, however, had to be paid for the raw materials. Taking all conditions into account, the earnings of our various departments (as a matter of convenience in separate subsidiary companies) were satisfactory. We are endeavoring to put the business on a sound basis so that unusual conditions may be met without loss in the aggregate of sales or shrinkage in the normal earnings.

**PROFIT AND LOSS ACCOUNT OF THE CASIN CO. OF AMER A (OF DELAWARE)**

	1917.	1916.	1915.
Previous surplus	\$184,763	\$200,680	\$9,298
Income for year	85,680		
Total	\$270,443	\$200,680	\$3,298
Less expenses			2,660
Less dividends	(4%)\$84,150	(1%)\$20,040	
Balance, surplus	\$186,293	\$179,740	\$738

x Surplus as of Dec. 31 1916, \$179,740; assessments paid during 1917, \$5,023; total, \$184,763.

Note.—This Delaware corporation, the parent company, has paid regular quarterly dividends of 1% from Nov. 10 1916 to Aug. 1918, both inclusive.

**Casin Co. of America (of N. J.) and of Its Subsidiary Companies.**

**PROFIT AND LOSS ACCOUNT FOR CALENDAR YEARS.**

	1917.	1916.	1915.	1914.
Gross sales, sub companies			\$1,516,645	\$1,274,941
Earnings and income, sub. cos.	\$388,881	\$425,615	140,838	109,333
Depreciation & acc't written off	63,476	59,598	41,649	42,063
Net earnings	\$325,405	\$365,717	\$99,180	\$67,270
Less: Divs. on pref. stock	(3%)\$0,000			
Divs. on Dry Milk Co. stock	2,079	2,079	5,998	
Balance	\$243,326	\$363,638	\$94,091	\$67,270
Surplus of previous year	\$446,936	\$97,699	\$208,889	\$141,619
Adjustments	850	deb14,400	deb8,687	
Payment of judgment in full			deb198,595	
Surplus	\$691,112	\$446,937	\$97,698	\$208,889

\* After deducting adjustments.

Note.—The Casin Co. of America (of N. J.), all of whose \$1,000,000 8% cum. pref. stock and \$5,300,500 of whose \$5,492,000 common stock is owned by the Casin Co. of America (of Del.), paid regular dividends of 4% (\$40,000) yearly on its pref. stock until and including May 1912; under plan of March 12 1915 the accumulations then amounting 24% were discharged by an issue of that amount of stock of the Delaware co. Thereafter the pref. div. remained unpaid until Feb. 1917, when quarterly distributions of 2% each were begun and have been continued till and including Aug. 1918, with an extra 1/2 of 1% on May 1 1918, this extra being on account of the accumulated dividends of 36% (4 1/2 years, 1912 to 1917), reducing same to 35 1/2%.

**Casin Co. of America (of Delaware), Parent Holding Co.**

**BALANCE SHEET DEC. 31.**

Assets	1917.	1916.	Liabilities	1917.	1916.
Casin Co. of Am. (N. J.) stock	\$2,107,740	\$2,103,703	Cap. stock, issued	\$2,106,990	\$2,102,200
U. S. Lib. Loan bds.	111,830		Surp.	1,140	1,593
Notes receivable	110,000	130,000	Notes payable	105,092	
Accounts receiv'le	54,062	7,074	Assoc'm't's acc'ts.	1,899	6,864
Cash	17,422	49,530	Surplus	186,293	179,740
Total	\$2,401,024	\$2,290,307	Total	\$2,401,024	\$2,290,307

**CONSOL. BAL. SHEET OF CASIN CO. OF AMERICA (OF N. J.) AND SUBSIDIARY COMPANIES.**

Assets	1917.	1916.	Liabilities	1917.	1916.
Land, buildings, machinery, &c.	\$646,079	\$485,049	Casin Co. of America (of N. J.) com. stock	\$5,492,000	\$5,492,000
Pat's, trade-mks., goodwill, &c.	5,741,001	5,321,829	Preferred stock	1,000,000	1,000,000
Invested in stocks of affiliated cos.	198,844	617,586	Dry Milk Co. pref. stock		29,699
Experiments & dev. of new products	533	5,106	Notes payable	110,000	130,000
Cash	91,214	329,614	Accounts payable	229,445	72,034
Ac'cs & notes rec., net	252,781	213,736	Surplus	691,113	446,936
Inventories, raw materia's & sup.	606,127	193,343			
Insur. prem's, &c.	15,679	4,406			
Total	\$7,552,257	\$7,170,670	Total	\$7,552,257	\$7,170,670

—V. 106, p. 2232.

**Taylor-Wharton Iron & Steel Company.**

(26th Annual Report—Year ended Dec. 31 1917.)

President Knox Taylor, March 5, wrote in brief:

Operations.—The improvement in our business for 1916 has been continued and greatly increased in 1917. We have again broken all records at Tioga and High Bridge, making truly a remarkable showing at both places. The most notable advance, however, has been a realization of the promised improvement at our Easton plant, where all divisions of work show a good record, except the street railway department. Labor continues scarce and much of it is inefficient. The securing of materials is an increasingly difficult problem, and the money requirements to carry our stocks of materials and supplies, as well as to take care of the rest of our business, have increased much more rapidly than the business itself.

Additions, &c.—Owing to our pressing needs for money, we have been most stringent in restricting property expenditures, but it has been essential, with the continued operation at full capacity and high pressure, to spend some money to retain our competitive position and to relieve congested departments; to give us facilities for the employment of women, and to protect us with some factor of safety in the power plants at Tioga and High Bridge.

The progress made by the electric furnace and the competitive need for it in our business, brought forth a most urgent recommendation for the purchase of two units. One unit has been installed, paid for and was successfully started before Dec. 31. The second is on the schedule for the first half of the present year. In order to find space for the Government plant, which is mentioned in the next paragraph, and to provide room for additional buildings, if needed, for the expansion of our regular lines of forging work at the Tioga plant, in Philadelphia, we acquired \$150,000 worth of adjoining land, paying \$30,000 in cash and are carrying \$120,000 on a ground rent.

Besides turning over the capacity of all our plants to producing as far as possible, either directly or indirectly, Government material, the Administration at Washington desired us to manufacture heat-treated gun forgings. We therefore undertook the construction of a Government plant on our new property next to the Tioga works in Philadelphia where we will manufacture these forgings. The plant has been completed, and we are about to begin the production work.

Outlook for Dividends on Common Stock.—Taking our business as a whole, we have had by far the most profitable year in our history, but owing to the questions in connection with the excess profits tax we can only esti-

mate the earnings at approximately 20% on the common stock, after having provided for taxes, liberal charges to reserves and the payment of all of our fixed charges. It is the desire of your directors, who own, or personally and directly represent, thousands of shares of the common stock, to resume common dividends as soon as conditions warrant. It is believed, however, that we owe it to the banks upon whom we have been obliged to call for such liberal accommodation that we should first be in a position to reduce our indebtedness to them. Furthermore, it is our part not only to furnish shares of war, but also provide taxes in big measure to help pay the cost of this terrific conflict. The common stockholders are, therefore, called upon to be patient yet a while longer. The value for their stock is there and increasing, although nothing is being distributed in dividends.

**STATEMENT OF EARNINGS FOR YEAR ENDING DEC. 31 1916.**

Earnings after deducting operating and general expenses, including repairs, maintenance and depreciation	\$1,619,570
Deduct—Bond and loan interest	211,053
Dividends on pref. stock of the Taylor-Wharton Iron & Steel Co.	131,341
Provision for war, excess profits and income taxes	410,000
Reserve for removal and other contingencies	458,363
Surplus for calendar year 1917	\$408,818

**CONSOLIDATED BALANCE SHEET DECEMBER 31.**

1917.		1916.	
Assets—	\$	Liabilities—	\$
Plants and properties	5,814,015	7% cum. pt. stock	1,876,300
Sinking fund for Taylor-Wharton first mortgage	731	Common stock	1,600,000
Invest'm'ts, less res.	5,416	T. W. I. & S. Co.	2,000,000
Inventories, less res.	2,881,993	First mortgage	2,856,000
Notes and accounts receivable, less reserves	1,884,053	Convertible bds.	800,000
Cash	253,276	Phila. Roll. & Mach. Co. 1st M. bds.	240,500
Deferred charges	113,399	Real estate mtgs.	138,500
U. S. Lib. bonds	3212,853	Notes payable	1,221,100
		Accounts payable	1,138,865
		Bond Int. acc'r. & res for div. declared	89,995
		Res. for removal of plant & cont'g.	717,953
		Res. for war taxes	410,000
		Surplus	1,076,560
			945,925
Total	11,165,733	Total	11,165,733

\* Includes plants and properties, Jan. 1 1917, \$5,969,477, and net additions during year, \$741,094, less \$896,560 accum. reserves for deprec'n. &c. Contingent liability on notes receivable discounted, \$18,000. y U. S. Liberty Loan bonds, \$250,000, less \$37,147 payments by employees. z Taylor-Wharton Iron & Steel Co. 5-year convertible bonds, due 1932, \$2,000,000; less \$144,000 held by trustee for sinking fund.—V. 107, p. 805. Plants and Properties.—(1) Taylor-Wharton Iron & Steel Co., High Bridge, N. J.; (2) Wm. Wharton Jr. & Co., Inc., Easton, Pa.; (3) Philadelphia Roll & Machine Co., Philadelphia; (4) Toga Steel & Iron Co. (forge and gun plants), Philadelphia; (5) Manganese Steel Safe Co., Plainfield, N. J.; (6) Hunterdon Electric & Power Co., High Bridge, N. J.; (7) Jersey Electric Co., High Bridge and Clinton, N. J.—V. 106, p. 1466, 714.

**Chicago Railway Equipment Co.**

(25th Annual Report—Year ended Dec. 31 1917.)

President E. B. Leigh, Feb. 5, wrote in substance:

**General.**—Of the total output of steel and iron in the United States, the railroads, directly and indirectly, consume from 40% to 50%—this in normal times. It has been reliably estimated within the past month that over 75% of the iron and steel production is now being used directly or indirectly for war purposes.

This is significant, as not only indicating the almost complete change in economic conditions and influences, but also in its adverse effect upon our railroads themselves, as well as their needs, in view of the unprecedented demands brought upon them by war conditions.

The history of the railroads for the last ten years leaves no room to doubt the almost insuperable handicap under which they have operated. The advent of Government control brings a quickening sense of appreciation of what our railroads really mean to the people, while the lack of equipment and rolling stock, long a sore trial to railway managers, has been brought to the attention of the householders in a deprivation of his coal supply and in other restrictions. What will be the status of the railroads at the close of the war it is difficult to prophesy.

All conditions point clearly to the wisdom of continuing your policy of conservatism, conserving your resources so as to insure the stability of your company in any period of stress or in any storm.

**Business.**—The large volume of railway business on our books Jan. 1 1917, together with the fair share of new business obtained during the year, has placed this branch upon a very favorable basis. Nevertheless, the earnings from railway business were again relatively small as compared to our total earnings. And they would have been much less had we been obliged to pay to others the higher prices for the material and parts which we ourselves have manufactured.

Your other departments have again made unusual profits; participating in the advantages of the extraordinary conditions prevailing throughout a large part of the year. Thus the aggregate net earnings of all your plants for 1917 exceed those of any other year within the history of your company.

**Properties.**—The Franklin plant is again in the front rank as a contributor to your earnings. The Franklin brake-beam plant, handling a large volume of both foreign and domestic business, has also played a substantial part in its earnings.

The Marion malleable plant has handled a large volume of business, and with earnings considerably in excess of those of any previous year. This plant is not only doing a larger variety of work in its field, but has added a number of specialties which are proving both desirable and profitable.

A new foundry has been completed and several additional buildings are under way. Substantially all the steel work for these buildings has been designed at your Chicago plant, rolled at your Franklin plant and fabricated at your Detroit plant.

The management of your Grand Rapids plant, your model plant, deserves the highest praise for most excellent work, and at times under discouraging conditions, due to the scarcity of its special quality of coal and to location in a community largely devoted to "non-essential" work. This plant, while continuing to carry the burden of the greater part of your work, has been a splendid contributor to profits, and closes the year with its earnings the largest in its history.

The track department, operated as the "Positive Rail Anchor Co.," has recently felt the discouraging position of the railroads during the past year; however, it has maintained itself very creditably. Some valuable devices have been added to its list, and when railroads are more freely rehabilitating, this department should render a good account of itself.

**Stockholders.**—The total number of shareholders is 713, a decrease of 7. Of this number 364 are women, an increase of 11.

The price of the stock throughout the year has ranged between \$110 and \$120 per share. Of the 713 shareholders of your stock, 187 hold 5 shares or less, 331 hold 10 shares or less, 503 (70%) hold 25 shares or less, while 161 or 23% hold 100 shares or more.

**Dividends.**—On Dec. 31 1917 we paid our 85th dividend, being the 2d consecutive quarterly dividend paid, without reduction. From 1895 to Jan. 1 1918 your company has paid in cash dividends a total of \$3,355,702.

**BALANCE SHEET DEC. 31.**

1917.		1916.	
Assets—	\$	Liabilities—	\$
Real estate, build- ings, &c.	\$2,131,343	Stock outstanding	\$2,486,000
Patents, good-will.	793,225	Acc'ts pay'le, &c.	318,312
Material on hand.	782,887	Div. pay'le Jan. 1.	285
Investments	3,476	Reserve for—	
Accounts and bills		Inventories, &c.	153,021
receiv. & cash	1,120,208	Depr. & renew.	639,292
U. S. Lib. bonds	749,749	General reserve	750,000
Deferred charges	412	Undivided profits.	1,244,174
	1,063		606,083
Total	\$5,581,799	Total	\$5,581,799

a In Chicago, Detroit, Grand Rapids, Marion, Franklin and Montreal. b Includes 4% Treasury certificates at par, less payments by employees (subscriptions).

Dividends amounting to \$174,020, aggregating 7%, paid in 1917, 1916, 1915, 1914, 1913 and 1912; 1911, \$175,950; 1910, \$173,906; 1909, \$173,600, and in 1908 and 1907, \$173,602, charged to undivided profit account. There was also provided out of the earnings \$160,181 for depreciation and accruing renewal fund, from which was deducted \$15,860 for expenditures for replacements, &c., leaving \$330,292.—V. 106, p. 609.

**Arkansas Natural Gas Co., Pittsburgh, Pa.**

(8th Annual Report—Year ended Dec. 31 1917.)

Pres. J. C. Trees, in the report issued several months ago, says in substance:

During the year 1917 the company retired, by purchase from the sinking fund, \$119,000 General Mtge. bonds of 1916 and \$20,000 First Mtge. bonds; also out of general funds, \$5,000 Pine Bluff Natural Gas Co. bonds, a total of \$142,000 of par value bonds, redeemed and retired, and in addition, reduced the amount of the notes and accounts payable \$184,358.

The general mortgage sinking fund was credited from May 1 to Dec. 31 1916 with \$41,240 and in year 1917 with \$82,670, and the First Mtge. sinking fund with \$22,500 from March 1 to Dec. 31 1917.

The total number of consumers supplied in December 1917 was 18,397, an increase for the year of 1,631 consumers. The earnings from gas sales during 1917 were \$1,360,495, an increase of \$344,648 over 1916, the highest previous year.

The company holds leases on 177,611 acres, of which 16,287 acres are operated and 161,324 acres are unoperated. Of this acreage the company owns oil and gas rights in 155,394 acres; gas rights only in 8,211 acres, one-third of oil and gas rights in 14,095 acres.

On Dec. 31 1917 the company owned and operated 28 wells in Louisiana, of which 23 are gas wells and 5 oil wells. During the year 11 wells were drilled—5 of which were productive of gas and 6 were non-productive. Six wells were drilling as of Dec. 31 1917. In addition to the wells owned and operated by the company, we are purchasing gas from 13 other producing companies.

During 1917 the company laid 19,120 ft. of various sizes of pipe in the field and 17,642 ft. of various sizes of pipe in the plants. It reclaimed 4,749 ft. of various sizes of pipe from the field and 7,521 ft. of various sizes of pipe from the plant.

A new schedule of rates was adopted, effective Jan. 1 1918, which will bring a material increase from all consumers using more than 100,000 cu. ft. per month.

From the present outlook we are assured an ample supply of gas for the coming year and winter.

**INCOME ACCOUNT FOR YEARS ENDING DEC. 31.**

	1917.	1916.	1915.	1914.
Gas sales	\$1,360,495	\$1,015,847	\$847,850	\$942,277
Oil, &c., sales	87,808	19,608	6,796	9,318
Gross earnings	\$1,448,303	\$1,035,455	\$854,646	\$951,595
Gas purchased	\$350,067	\$260,806	\$211,172	\$120,840
Production expense	97,460	64,004	17,886	96,701
Miscellaneous	302,569	231,874	226,565	132,689
Taxes	56,034	39,828	46,407	79,441
Total expenses, &c.	\$806,130	\$596,512	\$502,030	\$429,671
Net earnings	\$642,173	\$438,943	\$352,616	\$521,924
Bond interest	\$156,624	\$173,145	\$242,925	\$243,105
Other interest	24,320	71,998	73,751	77,726
Field developm't work, adj. & uncollect. gas accts. charged off	23,949	74,638	30,951	35,687
Total deductions	\$204,903	\$319,781	\$347,627	\$356,518
Balance, surplus	\$437,270	\$119,161	\$4,989	\$165,406

\* Against this surplus of \$437,270 for 1917 there was charged off profit and loss deficit and depreciation \$318,246, leaving a profit and loss surplus as per balance sheet of \$119,024.

**BALANCE SHEET DEC. 31.**

1917.		1916.	
Assets—	\$	Liabilities—	\$
Investment	12,643,640	Common stock	7,500,000
Cash	52,541	Preferred stock	2,365,000
Accounts receiv'le	652,973	Bonds outstanding	2,538,000
		Bills and accounts payable (net)	522,120
		Surplus	119,024
Deduct—Depr'n.	305,019		119,024
Balance	13,044,144	Total	13,044,144

—V. 106, p. 913.

**GENERAL INVESTMENT NEWS**

**RAILROADS, INCLUDING ELECTRIC ROADS.**

**Advances to Railroads by United States Government.**

—Amounts Advanced in August and Since Jan. 1.—Payments to Government.—Director-General McAdoo of the Railroad Administration in a statement given in detail under "Current Events and Discussions," on preceding pages in this issue makes public the total advances to railroads under the Administration from Jan. 1 up to Sept. 1, as being between \$800,000,000 and \$900,000,000. The total for August amounts to \$38,137,370, while the amount for the period from April 1 to Sept. 1 is \$241,851,420.

The total amount of money turned over to the Director-General April 1 to Sept. 1 by roads reporting surplus earnings, was \$62,845,699, but of the amount thus turned over, \$29,200,399 was returned to roads temporarily making the deposits, these same roads having subsequently called upon the Director-General to advance to them considerable sums in addition to the return of the deposits which they had temporarily made with the Railroad Administration. The railroads or systems which have deposited funds with the Director-General and have not asked for the return of any portion of the funds thus deposited are listed on preceding pages.—V. 107, p. 180.

**Alabama & Vicksburg Ry.—Payments to U. S. Govt.—**

See "Government Advances to Railroads" etc. above and also "Current Events and Discussions" on a preceding page.—V. 107, p. 904.

**Ann Arbor RR.—Payments to U. S. Government.—**

See "Government Advances to Railroads" above and also under "Current Events and Discussions" on a preceding page.—V. 107, p. 904.

**Atchison Topeka & Santa Fe Ry.—Payments to Govt.—**

See "Government Advances to Railroads" above, and also under "Current Events and Discussions" on a preceding page.—V. 107, p. 663.

**Atlantic Coast Line Co.—Payments to Government.—**

See "Government Advances to Railroads" above and also under "Current Events and Discussions" on a preceding page.—V. 107, p. 180.

**Baltimore & Ohio RR.—Jurisdiction Extended.—**

The jurisdiction of A. W. Thompson, Federal Manager for the Baltimore & Ohio RR. (east of Parkersburg and Pittsburgh), Cumberland Valley RR., Western Maryland RR., Coal & Coke RR., Cumberland & Pennsylvania RR., and Wheeling Terminal RR., has been extended over the Gettysburg & Harrisburg RR., and over that portion of the Philadelphia & Reading

RR. from Shippensburg, Pa., to Harrisburg, Pa., which lines have been released from the jurisdiction of C. H. Ewing, Federal Manager; effective Sept. 1.

**Advances by U. S. Govt.**—See "Government Advances to Railroads" above and also under "Current Events and Discussions" on a preceding page.—V. 107, p. 500.

**Bay State Street Ry.—Reorganization Matters.**—See Massachusetts Electric Companies below.—V. 106, p. 694, 500.

**Bessemer & Lake Erie RR.—Payments to Government.**—See "Government Advances to Railroads" above, and also under "Current Events and Discussions" on a preceding page.—V. 107, p. 80.

**Buffalo Rochester & Pittsburgh RR.—Advances.**—See "Government Advances to Railroads" above and also under "Current Events and Discussions" on a preceding page.—V. 107, p. 802.

**Canadian Northern Ry.—Notes Paid in Cash.**—Announcement is made that the \$10,000,000 notes due Sept. 1 have been paid off in cash at the office of the Columbia Trust Co., New York City, trustee. We are authoritatively informed that no new issue is to be made or is contemplated in connection with this payment.—V. 107, p. 290, 180.

**Central of Georgia RR.—Income Interest.**—Announcement has been made that full interest of 5% for the 12 months ended June 30 on the First, Second and Third preference income bonds will be paid by the Guaranty Trust Co. of New York, and the Chatham Bank of Savannah on Oct. 1.—V. 107, p. 694, 603.

**Central New England RR.—Advances by U. S. Govt.**—See "Government Advances to Railroads" above and also under "Current Events and Discussions" on a preceding page.—V. 106, p. 2755.

**Chesapeake & Ohio RR.—Advances by U. S. Govt.**—See "Government Advances to Railroads" above and also under "Current Events and Discussions" on a preceding page.—V. 107, p. 603.

**Chesapeake & Ohio RR. of Indiana.—Federal Manager.**—See Cleveland Cincinnati Chicago & St. Louis RR. below.—V. 106, p. 2559.

**Chicago Burlington & Quincy Ry.—Payments to U. S.**—See "Government Advances to Railroads" etc. above and also "Current Events and Discussions" on a preceding page.—V. 107, p. 802.

**Chicago & Eastern Illinois RR.—Payments to Govt.**—See "Government Advances to Railroads" above, and also under "Current Events and Discussions" on a preceding page.—V. 107, p. 180.

**Chicago Great Western Ry.—Advances by U. S. Govt.**—See "Government Advances to Railroads" above and also under "Current Events and Discussions" on a preceding page.—V. 107, p. 694.

**Chicago Terre Haute & S. E. Ry.—Advances by U. S.**—See "Government Advances to Railroads" above and also under "Current Events and Discussions" on a preceding page.—V. 107, p. 82.

**Chicago Milwaukee & St. Paul RR.—Advances by U. S.**—See "Government Advances to Railroads" above and also under "Current Events and Discussions" on a preceding page.—V. 107, p. 905.

**Chicago & North Western Ry.—Dividends on Common and Preferred Stock Provided Sufficient Money is Received from RR. Administration—Payments to Govt.**

This company has declared the usual quarterly dividends of \$2 a share on the preferred stock and \$1.75 a share on the common stock, both payable Oct. 1 to holders of record Sept. 5. "Provided that the company shall have then received from the Federal Administration of Railroads sufficient money therefor either by way of advancement on just compensation or otherwise."

See "Government Advances to Railroads" above, and also under "Current Events and Discussions" on a preceding page.—V. 107, p. 694.

**Chicago St. Paul Minn. & Omaha RR.—Advances.**—See "Government Advances to Railroads" above and also under "Current Events and Discussions" on a preceding page.—V. 107, p. 905.

**Chicago & Western Indiana RR.—\$15,000,000 Matured Notes Unpaid.**—The issue of \$15,000,000 One-Year 6% Collateral Trust Notes of this company, due Sept. 1, remain unpaid, no funds having been received with which to meet either the principal or semi-annual interest on this obligation. The following statement from the New York "Times" of Sept. 4, while not officially confirmed for the "Chronicle," is understood to be substantially correct:

It had been expected that the Railroad Administration would furnish the necessary funds out of the Revolving Fund at its disposal, but despite the efforts made to obtain assistance, no money has come forward. It was suggested that a bank loan be arranged for the period of one year at 6%. This proposal, it was said, did not meet the approval of the bankers.

It was also thought hopeless to sell the public a note at 6% when equally good railroad short-term securities were being offered on a more attractive basis. It appears that the Administration declined to grant permission to float a loan at a rate higher than 6%. One of the difficulties in the way of financing was the fact that the railroad contract has not yet been signed and the road has no assurance in respect to its future earnings.

The notes of the company are secured by \$21,000,000 First and Refunding bonds, which enjoy a first lien upon extensive freight-terminal property in and around Chicago which is used by the Pennsylvania, Atchafson, Erie, Wabash, Chesapeake & Ohio, and other roads.

It is understood that under the terms of the indenture, the Bankers Trust Co. of New York, which is the trustee, may sell the security behind the notes for the benefit of the noteholders five days after the payment has been defaulted.

The \$15,000,000 of one-year notes were offered to the public at 99 1/4 by a syndicate composed of J. P. Morgan & Co., the First National Bank, the National City Company and Harris, Forbes & Co. (See offering, etc., V. 105, p. 388, 176.)

**Committee.**—Arrangements are being made by the Bankers Trust Co., as trustee, it is understood, for the formation of a protective committee for holders of the \$15,000,000 notes.—V. 107, p. 695, 603.

**Cincinnati Northern.—Advances by U. S. Government.**—See "Government Advances to Railroads" above and also under "Current Events and Discussions" on a preceding page.—V. 106, p. 2345.

**Cincinnati (O.) Traction Co.—Service-at-Cost—Ordinance Expiring in 1931.**—The revised traction ordinance as passed by the Common Council of Cincinnati on Aug. 23 by a vote of 23 to 3 will become binding Sept. 23 unless stopped by referendum proceedings (possible only on petition by 10,000 voters), and will remain in effect until the expiration of the revision period April 27 1931. The original draft was amended in numerous minor particulars. The principal amendment adopted with the approval of the company substitutes an initial fare of 5 cents for one of 6 cents, as provided in the original draft.

The initial 5-cent rate will continue three months, after which readjustment will be made every two months, with one month additional each

time for putting the new rate into operation. The change in rate of fare schedule is fixed at 1/4 of 1 cent at a time, so that if, at the end of the first three months, it is found that there is a deficit the rate will be advanced to 5 1/2 cents, should a deficit continue two months thereafter, the 6-cent rate will go into effect at the expiration of the third month. On the other hand, the fare will be reduced automatically 1/4 of 1 cent each time, when it is shown that an unnecessary surplus is accumulating.

For regulating the fare a reserve fund of \$400,000 is provided for, into which will be paid all surplus remaining after the payment of operating expenses, taxes and returns on investment and for rentals. When this fund shall have reached \$650,000, the fare is to be reduced to the next lower rate. It is provided that when the income is insufficient to meet the expenses and payments mentioned, the deficiency shall be made up from the reserve fund. When the fund reaches a minimum of \$250,000, the fare shall be advanced to the next higher rate. The company must provide the minimum of \$250,000 and the amount must remain above this to preserve the initial rate.

As an incentive to lower fares, when the rate of fare is 5 cents or less, 55% of the surplus gross receipts is to be paid to the reserve fund and 45% to the company. When the rate is 5 1/2 cents, 70% is to go to the reserve fund and 30% to the company. When it is 6 cents, 80% will go to the reserve fund and 20% to the company and when the rate is above 6 cents, all the surplus receipts are to be paid into the reserve fund.

Provisions in the former revision ordinance and embodied in the new ordinance include the universal rental system, privilege of police and fire men to ride free, rental of viaducts, an increase in the annual franchise tax payable to the city from \$325,000 to 350,000, payable quarterly, amortization of the reducible debt of 4,000,000, annual rental to be paid the Cincinnati Street RR. Co., retention of routes, inclusion of the Mill-creek Valley lines as a city route, and the right of the city to purchase, either by condemnation or at the valuation of \$26,238,950. Compare V. 107, p. 802, 905.

**Cleveland Cincinnati Chicago & St. Louis RR.**—E. M. Costin, Federal Manager of this company, has had his jurisdiction extended to cover the Chesapeake & Ohio RR. of Indiana (V. 107, p. 2559), which property has been joined to the Big Four for administration purposes.—V. 107, p. 905, 695.

**Colorado & Southern Ry.—Payments to Government.**—See "Government Advances to Railroads" etc. above and also "Current Events and Discussions" on a preceding page.—V. 107, p. 401.

**Denver Tramways Co.—Fare Ordinance Passed.**—The Denver (Colo.) City Council on Sept. 6 passed an ordinance for a six-cent fare on city lines.

**Strike Postponed.**—Following a meeting of representatives of the company and of the Employees' Association, an agreement was reached to await action by the War Labor Board in the wage dispute, the threatened strike of about 1,000 car men being postponed in the meantime.—V. 107, p. 401.

**Detroit United Rys.—Fare Litigation.**—The city of Detroit has filed its answer to the petition of the company to the U. S. Supreme Court for an order restraining the enforcement of the 5 cent fare ordinance. Supreme Court Justice William R. Day will hear the argument at Canton, Ohio, on Sept. 10. Compare V. 107, p. 802, 905.

**Duluth & Iron Range RR.—Payments to Government.**—See "Government Advances to Railroads" above, and also under "Current Events and Discussions" on a preceding page.—V. 107, p. 176.

**Duluth Missabe & Northern Ry.—Payments to Govt.**—See "Government Advances to Railroads" above, and also under "Current Events and Discussions" on a preceding page.—V. 107, p. 181.

**East St. Louis & Suburban Ry.—No Federal Contract.**—This property has been released from Federal control.—V. 107, p. 695.

**Elgin Joliet & Eastern Ry.—Payments to Government.**—See "Government Advances to Railroads" above, and also under "Current Events and Discussions" on a preceding page.—V. 107, p. 696.

**El Paso & Southwestern RR.—Payments to Government.**—See "Government Advances to Railroads" above, and also under "Current Events and Discussions" on a preceding page.—V. 107, p. 691.

**Erie RR.—Advances by U. S. Government.**—See "Government Advances to Railroads" above and also under "Current Events and Discussions" on a preceding page.—V. 107, p. 901.

**Florida East Coast Ry.—Advances by U. S. Government.**—See "Government Advances to Railroads" above and also under "Current Events and Discussions" on a preceding page.—V. 107, p. 396.

**Ft. Dodge Des Moines & Southern (Elec.) RR.**—This company's property has been taken over and is operated by the United States RR. Administration.—V. 106, p. 395.

**Ft. Smith & Western Ry.—Released from Federal Control.**—This co's. property is no longer under Federal control.—V. 106, p. 2757.

**Ft. Worth & Denver City Ry.—Payments to Government.**—See "Government Advances to Railroads" above, and also under "Current Events and Discussions" on a preceding page.—V. 106, p. 2559.

**Georgia Ry. & Power Co.—Injunction Proceedings.**—The city of Atlanta in the Fulton Superior Court on Aug. 29 instituted injunction proceedings against both the Georgia Ry. & Power Co., and the Atlanta Gas Light Co., and also against the Georgia RR. Commission, seeking to stay the proposed increases which were ordered, effective Sept. 1, and asking that the court decree the action of the Commission to be null and void. Compare V. 107, p. 802.

**Grand Rapids & Indiana Ry.—Payments to Government.**—See "Government Advances to Railroads" above, and also under "Current Events and Discussions" on a preceding page.—V. 107, p. 905.

**Grand Trunk Ry.—New Director.**—Announcement is made that Lord Southborough has been named a director of this company.—V. 107, p. 696.

**Grand Trunk Western Lines.—Advances by U. S. Govt.**—See "Government Advances to Railroads" above and also under "Current Events and Discussions" on a preceding page.—V. 106, p. 2559.

**Gulf Mobile & Northern.—Advances by U. S. Govt.**—See "Government Advances to Railroads" above and also under "Current Events and Discussions" on a preceding page.—V. 107, p. 802.

**Hudson & Manhattan RR.—Payments to Government.**—See "Government Advances to Railroads" above and also under "Current Events and Discussions" on a preceding page.—V. 107, p. 603.

**Illinois Central RR.—Advances by U. S. Govt.**—See "Government Advances to Railroads" above and also under "Current Events and Discussions" on a preceding page.—V. 107, p. 802.

**Illinois Terminal RR.—Federal Manager.**—The jurisdiction of Federal Manager C. G. Burnham has been extended over this company and the Missouri & Illinois Bridge & Belt RR. (V. 103, p. 2156).—V. 101, p. 370.

**Indiana Harbor Belt Ry.—Advances by U. S. Govt.**—See "Government Advances to Railroads" above and also under "Current Events and Discussions" on a preceding page.—V. 107, p. 696.

**Interborough Rapid Transit Co.—Offering of \$33,400,000 Three-Year Convertible Notes.**—A syndicate composed of J. P. Morgan & Co., First National Bank, New York, National City Co., New York, Harris Trust & Savings Bank, Chicago, Lee, Higginson & Co., Kissel, Kinnicut & Co. and Halsey, Stuart & Co., have purchased from the com-

pany an issue of \$33,400,000 Three-Year 7% Secured Convertible Notes, dated Sept. 1 1918, due Sept. 1 1921.

The notes are to be redeemable at 103 and int. during their first year, 102 and int. during their second year, 101 and int. during their third year. Notes in temporary form for J. P. Morgan & Co. trust receipts will be ready for delivery about Sept. 16. A circular shows:

**Collateral.**—These \$33,400,000 notes are to be secured by pledge under a collateral indenture to be executed by the company with the Bankers Trust Co., as trustee, of \$52,187,000 Interborough Rapid Transit Co. First & Refunding Mortgage 5% bonds (the bonds being thus pledged at a price of 64%), and to carry the privilege of conversion into such bonds at 87½% with adjustment of interest.

**Earnings for Year Ended June 30 1918.**

Gross earnings	\$40,497,728
Income available for charges on company's bonds	9,428,756
Charges for interest and sinking fund payable out of income	4,765,998
<b>Balance</b>	<b>\$4,862,758</b>

The figures for 1918 do not include about \$2,500,000 for the partial operation of new lines in 1918 for which the company under its contract with the city is entitled to be reimbursed with interest out of future earnings before making payment of interest to the city on its investment, which already exceeds \$50,000,000, and which it is estimated will approximate \$100,000,000 upon the completion of the Interborough subway.

**Wage Increase Granted.**—Effective as of Sept. 1, employees of this company are to receive a wage increase totaling about \$3,000,000, or amounting, in fact, to an increase of about \$1 a day per man. It is understood that the new agreement abolishes the bonus system and gives a straight increase in wages.

Under the new agreement the men will get an increase of 40 cents a day provided they work 25 days in a month. In addition they are to receive a 20% increase in wages and this will make their increase about \$1 a day. The top rate for station department men is now 33-1/3 cents an hour and for transportation men 41 cents an hour.—V. 107, p. 501, 401.

**International & Great Northern Ry.—Payments to Govt.**—See "Government Advances to Railroads" above, and also under "Current Events and Discussions" on a preceding page.—V. 107, p. 802.

**Jersey Central Traction Co.—Fare Increase.**—The New Jersey P. U. Commission has granted this company permission to charge 6 cents in zones where a 5 cent fare is now the rate. The company therefore applied for a 7-cent fare in each zone with an additional charge of 2 cents for each transfer. No additional charges for transfers will be permitted.—V. 105, p. 1309.

**Kankakee (Ill.) Electric Ry.—Fare Petition.**—This company has filed a petition with the Illinois P. U. Commission asking for an increase in fares from 5 to 6 cents.—V. 81, p. 725.

**Kansas City Mexico & Orient Ry.—Advances by U. S.**—See "Government Advances to Railroads" above and also under "Current Events and Discussions" on a preceding page.—V. 107, p. 905.

**Kansas City Rys.—Fare Decision.**—Justice Mason in the Kansas Supreme Court at Topeka on Aug. 28 reversed the decision of Judge E. J. Fischer of Division No. 1, Wyandotte County District Court, and rescinded the injunction granted by Judge Fischer enjoining the Public Utilities Commission from hearing this company's application for a 6 cent car fare on the Kansas side.—V. 107, p. 995, 402.

**Kansas City Southern Ry.—Advances by U. S. Govt.**—See "Government Advances to Railroads" above and also under "Current Events and Discussions" on a preceding page.—V. 107, p. 802.

**Kansas Electric Utilities Co., Lawrence, Kan.—Fares.**—This company has announced a proposed application for an increase in fares to 7 cents.—V. 102, p. 899.

**Lehigh & New England RR.—Payments to Government.**—See "Government Advances to Railroads" above, and also under "Current Events and Discussions" on a preceding page.—V. 107, p. 603.

**Lewis County Ry.—Tenders.**—The National Trust Co., Ltd., as trustee, will until Sept. 12 receive tenders for the sale of \$348,900 First Mtge. 5% gold bonds at par and int.

**Mahoning Coal RR.—Compensation.**—The shareholders will vote Sept. 27 on ratifying and approving the amount of compensation to be received annually by the company for the possession and use of its property, either from the New York Central RR. or the Federal Government during the period of Federal control.—V. 106, p. 2560.

**Mahoning & Shenango Ry. & Light Co.—Cost Plan.**—The City Council of Youngstown, Ohio, on Aug. 16 adopted the report of the Street Railway Committee, which recommended that the Cleveland plan be applied in Youngstown in operating this company's lines. The plan calls for a cost basis plus a fair return on the investment.—V. 106, p. 2229.

**Massachusetts Electric Cos.—Reorganization.**—The Massachusetts Electric-Bay State Street Railway reorganization plan will probably call for an assessment of \$10 a share on Massachusetts Electric preferred and \$5 a share on the common. In all of the discussion on plans of reorganization, assessments at these rates have been considered. Whether to give the shareholders bonds or preferred stock in the new company for the assessment has not been decided.

Inasmuch as there are 241,303 shares of preferred and 142,931 shares of Massachusetts Electric common outstanding, assessments of \$10 and \$5 per share, respectively, will, if paid by all the stock, produce a total of \$3,127,685.

The number of classes of securities interested in the Massachusetts Electric-Bay State system explains the apparent delay in completing a plan of reorganization. The task of the reorganizers is to reconcile the conflicting claims of the leased line securities, prior lien bonds, equipment notes, refunding bonds, bank loans, Massachusetts Electric notes and preferred and common stocks of both the operating company and holding company. "Boston News Bureau."—V. 116, p. 2245.

**Metropolitan West Side Elevated Co., Chicago.—Chicago "L" Lines Ask Fare Increase.**

This company, the Northwestern Elevated Ry., Chicago, and the South Side Elevated RR. and Samuel Insull as Receiver for the Chicago & Oak Park Line have filed an application with the Illinois P. U. Commission for permission to increase fares from 5 to 7 cents.—V. 106, p. 2272.

**Michigan Central RR.—Jurisdiction Extended.**—Federal Manager E. D. Bronner has had his authority extended over the Grand Rapids & Indiana Ry., effective Aug. 15.—V. 106, p. 2560.

**Michigan Ry.—Strike Called Off.**—Pending the submission of the wage dispute to the National War Labor Board, the threatened strike of the employees has been called off.—V. 107, p. 697, 181.

**Middlesex & Boston Street Ry.—Strike.**—Because the company refused to submit the wage dispute with its employees to the National War Labor Board, a strike was called Aug. 29 bringing service practically to a standstill.—V. 107, p. 181.

**Minneapolis Northfield & Southern Ry.—Licensed.**—This company, successor to the St. Paul Rochester & Dubuque Electric Traction Co., Dan Patch lines, incorporated under South Dakota laws on Aug. 7, was licensed for business in Minnesota on the filing of incorporation articles with the Secretary of State. Compare V. 107, p. 697, 501.

**Minneapolis & St. Louis RR.—Advances by U. S. Govt.**—See "Government Advances to Railroads" above and also under "Current Events and Discussions" on a preceding page.—V. 107, p. 697.

**Missouri & Illinois Bridge & Belt RR.—Federal Mgr.**—See Illinois Terminal RR. above.—V. 103, p. 2156.

**Missouri Kansas & Texas of Tex.—Advances by United States Government—Jurisdiction Extended.**

See "Government Advances to Railroads" above and also under "Current Events and Discussions" on a preceding page. Federal Manager L. Kramer has had his jurisdiction extended to include the Kansas City Clinton & Springfield Ry., effective Aug. 10.—V. 107, p. 802, 697.

**Missouri Pacific RR.—Advances by U. S. Govt.**—See "Government Advances to Railroads" above and also under "Current Events and Discussions" on a preceding page.—V. 107, p. 182.

**Monongahela Valley Traction Co.—Offering of General Mtge. 7% Bonds.**—The National City Co. is offering at 97 and int., yielding over 7.75% \$5,500,000 General Mtge. 7% Five-Year gold bonds, dated July 1 1918, due July 1 1923. Int. J. & J. Redeemable all or part at 101 and int. at any time on four week's notice. Total auth. \$15,000,000.

**Purposes of Issue.**—For the retirement of \$2,829,000 One-Year 6% gold notes due Feb. 1 1919 (V. 106, p. 396) and to complete a construction program including the new Rivesville power plant which will cost \$2,000,000, the Lynn producer plant, new transmission lines, new cars, extensions to the gasogene extraction plant, development of gas acreage, the cost of new coal tracts, etc., &c.

**Earnings (Including Kanawha Traction & El. Co.) for Years ended May 31.**

	*1917.	1918.
Gross earnings	\$2,618,271	\$3,708,168
Net, after maint. and taxes (excl. deprec'n & dop'n)	\$1,327,226	\$1,573,718
Annual interest on funded debt, incl. the present issue		842,500
<b>Balance</b>		<b>\$731,218</b>

\* Earnings from coal property included for only 6½ months. See "Electric Ry." Section, page 42, for further data. Compare V. 106, p. 396.—V. 107, p. 501.

**New Orleans Ry. & Light Co.—Wage Decision.**—The War Labor Board has decided that the application of the new wage scale recently awarded employees of this company must be based on the length of service of the individual. The decision upholds the interpretation placed on the award by the street carmen. Under the ruling, employees in the service of the company less than three months will receive 38 cents an hour; for the next nine months they will receive 40 cents an hour; and thereafter they will get 42 cents an hour. Most of the men have been in the employ of the company for a year and will get the 42-cent wage.—V. 107, p. 697.

**New York Central RR.—Sub. Co. Compensation.**—See Mahoning Coal RR. above.—V. 107, p. 803, 604.

**New York Ontario & Western RR.—Advances by U. S.**—See "Government Advances to Railroads" above and also under "Current Events and Discussions" on a preceding page.—V. 106, p. 2649.

**Norfolk & Western Ry.—Payments to Government.**—See "Government Advances to Railroads" above, and also under "Current Events and Discussions" on a preceding page.—V. 107, p. 697.

**Northampton (Pa.) Traction Co.—Fare Increase.**—This company has filed notice of an increase of fares from 6 to 7c. for local traffic, and an advance in freight rates.—V. 102, p. 345.

**Northern Indiana Ry., South Bend, Ind.—Wages.**—This company has increased wages as follows: The interurban scale, formerly from 26 cents to 35 cents an hour, has been increased to 35 cents to 43 cents an hour. The city scale, now from 35 cents to 30 cents an hour has been increased to 28 cents to 33 cents an hour.—V. 103, p. 2429.

**Northern Pacific Ry.—Payments to Government.**—See "Government Advances to Railroads" above and also under "Current Events and Discussions" on a preceding page.—V. 107, p. 679.

**Northwestern Elevated Ry., Chicago.—Fares.**—See Metropolitan West Side Elevated Ry. above.—V. 103, p. 2273.

**Ottawa Electric Ry.—Possible City Operation.**—This company has offered the suggestion, because of its difficulties with its employees, that the properties be taken over by the city of Ottawa. The franchises expire on Aug. 13 1923. The "Monetary Times" in this regard gives the following:

"Even if the City Council and the company were willing to do so, it would, of course, be some months before the transaction could be completed. It is expected, however, that the strikers, in the event of such a transaction being agreed upon, would be willing to go back to work, trusting to receiving favorable consideration from the city. The award of the Board of Conciliation and Arbitration, which the company was willing to accept, although it involved additional expenditure of \$140,000 per annum, was turned down by the men. The company is powerless to increase rates excepting to charge five cents straight instead of six for a quarter, but the city would have the power to charge any rates it thought fit. It is very probable, of course, that difficulty would be experienced in finding a value of the assets and franchise which would be satisfactory to both the company and the city."

**Earnings Showing Growth of Business Since 1892.**

Year—	1892.	1902.	1912.	1916.	1917.
Gross receipts	\$71,699	\$310,192	\$934,398	\$1,154,912	\$1,240,627
Total expenses	45,200	233,657	578,541	776,588	830,961
Net income	\$26,499	\$76,534	\$355,857	\$378,325	\$409,666
Pass'gers carried	1,520,405	7,097,232	21,815,798	27,033,778	29,347,692
* Including mileage payments, taxes and interest.					V. 106, p. 2229.

**Pennsylvania RR.—Philadelphia Terminal Manager.**—Ernest J. Cleave, Supt. of the Philadelphia Terminal Division of this company, has been appointed Terminal Manager, under the United States Government, and will have charge of this company, the Reading Co. and the Balt. & Ohio RR. Co. within the so-called Phila. Terminal District.

**Advances by U. S. Government—Stockholders.**—See "Government Advances to Railroads" above and also under "Current Events and Discussions" on a preceding page.

The report of the Secretary shows that there are now 104,228 stockholders and that they own an average of 96 shares apiece. The number of stockholders has increased 9,979 in the last year and the average holding has decreased 10 shares. Of the total stockholders, 51,439 are women and their average holdings are 57 shares apiece. They are the owners, altogether, of nearly 146,500,000 in par value of the stock. The company has gained 4,454 women stockholders in a year.—V. 107, p. 906, 697.

**Peoria & Pekin Union RR.—Federal Manager.**—W. G. Bled has had his jurisdiction as Federal Manager extended over this company and the Peoria Ry. & Terminal Co. (V. 105, p. 1708.)—V. 106, p. 1231.

**Peoria Ry. & Terminal Co.—Federal Manager.**—See Peoria & Pekin Union RR. above.—V. 105, p. 1708.

**Pere Marquette Ry.—Payments to Government.**—See "Government Advances to Railroads" above, and also under "Current Events and Discussions" on a preceding page.—V. 107, p. 906.

**Philadelphia & Reading RR.—Advances by U. S. Govt.**—See "Government Advances to Railroads" above and also under "Current Events and Discussions" on a preceding page.—V. 107, p. 292.

**Pittsburgh & Shawmut RR.—Advances by U. S. Govt.**—See "Government Advances to Railroads" above and also under "Current Events and Discussions" on a preceding page.—V. 107, p. 599.

**Puget Sound Traction Light & Power Co.—Lease Proposal Rejected.**—Following conference between representatives of this company and the city of Seattle, the company rejected the city's offer to lease the traction company's property, but stated that it (the company) would consider a bona fide proposition to sell its lines.

**Counter Proposition Made to the City.**—The company on Aug. 28 submitted to the Seattle authorities a proposition for the settlement of the existing fare controversy based on an offer to sell its traction lines to the city at some future date at a price to be mutually agreed upon, the difference in the earnings of the company under the proposed agreement and the earnings for the five-year pre-war period to be deducted from the sale price. The Seattle "Post-Intelligencer" of Aug. 29 says:

- In its offer the company asked that the city grant:
- (1) Straight fare for continuous ride, with 1c. additional for transfers.
  - (2) Prohibition of the operation of jitneys over the streets occupied by the street railway company.
  - (3) Waiving of all paving or other construction requirements not essential to public health and safety.
  - (4) Adoption of skip-stop system, as recommended by superintendent of public utilities.
  - (5) Right to eliminate operation over certain short lines.
  - (6) Right to operate additional one-man cars of large type.
  - (7) Regulation of parking of automobiles on downtown streets.
  - (8) Relief from further payment of gross earnings tax.
  - (9) Elimination of charge for crossing policemen.
  - (10) Use of 15th Ave. northwest bridge, city to waive payment for use of this bridge and Fremont bridge during term of agreement.

In return for the benefits outlined above, the company agreed "to proceed in good faith to join with the representatives of the city and of the Rainier Valley company in putting into effect such plan of operation involving common use of rolling stock and universal transfers as will best serve the traveling public and preserve the interests of all three parties." The company also agreed to construct a single-track railway line on Avalon Way, when its application now pending before the U. S. Shipping Board is favorably acted upon.

The company's letter further says: "Pending the consummation of the sale of the company's street railway system, the company will retain only the same street railway net earnings, after payment of taxes, as for the average over five years ending Dec. 31 1917, plus interest, depreciation and insurance on new property added since that date, plus an amount necessary to make the cost to the street railway system 1% per kilowatt hour for all power used in operation of the system, with the understanding that if the earnings are less than the pre-war earnings, with the above necessary additions, further relief will be granted up to the date of passing title to the property. Any balance in excess of the above will be turned over by the company to the city toward a fund to be used for the purchase of the company's street railway system, this amount to be turned over when negotiations are finally consummated.

"This agreement is to remain in effect during the period of the war, subject to the obligation on the part of the city from time to time to co-operate with the company in securing such increase in fares or other relief to enable it to meet demands for service and increasing costs if such further help is necessary. Provided, however, that it will be terminated if and when the city purchases the railway property of the company."

**Government Representatives Insisting on Settlement.**

Looking to an immediate settlement of the transportation problem in Seattle, J. F. Blain, district officer of the U. S. Shipping Board Emergency Fleet Corp., and Edward A. West, Pacific Coast representative of the Passenger Transportation and Housing Division, on Aug. 29 sent a letter to the Mayor and City Council, stating that it is imperative that steps be taken immediately to put into effect the following operating agreement between the city and the Puget Sound Traction, Light & Power Co. and Seattle & Rainier Valley Ry for the period of the war or as hereinafter noted:

**Operation.**—(1) That so far as service to the shipyards is concerned, the lines be unified for operation to the extent that through a proper committee certain cars of each of the three systems be permitted to operate over existing and proposed trackage serving the shipyards. It is suggested that this committee be composed of an operating official of each of the two traction companies interested and the Commissioner of Public Utilities. That the three interested elect one of their number as Chairman of the committee. It will be the duty of this committee to work out the schedules, routes and a proper proportion of the expenses between the parties concerned.

**Fare.**—(2) That each of the parties concerned be authorized to charge a fare for a straight ride with 1c. additional charge for transfers. That this method of operation under the control of this committee be begun at once and continued for a period of 90 days after the beginning of operation over the elevated line, during which time the adjustment of all other questions between the city and the company shall be worked out.

(3) If a satisfactory adjustment cannot be made within this period of 90 days aforesaid, the city shall be free to withdraw from this agreement.

**Loan.**—(4) If the foregoing principles are put in effect, the above named Government representatives will recommend a loan on an equitable basis sufficient to complete the existing projects connected with the necessary service to shipyards for both trackage and cars, provided satisfactory security can be obtained. Will further state in event of failure on the part of those concerned to take the necessary steps, some drastic action by the Government will be taken.—V. 107, p. 906, 604.

**Quebec Railway Light & Power Co.—New Director.**

A. E. Labelle has been elected a director of this co.—V. 103, p. 1110.

**Rapid Transit in New York.—Clark Street Tunnel.**

It is stated that construction work on the Clark St. tunnel between Manhattan and Brooklyn is to be completed by Oct. 1 and the operation of the Brooklyn end of the "H" system will begin as soon after as signal systems, etc. can be installed.—V. 107, p. 592, 292.

**Reading Co.—Jurisdiction Extended.**

The jurisdiction of C. H. Ewing, Federal Manager for the Philadelphia & Reading Ry., Central R.R. of New Jersey, New York & Long Branch RR., Atlantic City RR., Port Reading RR. and Philadelphia Belt Line RR. (north of Port Richmond yard), has been extended over the Staten Island Rapid Transit RR., which line has been released from the jurisdiction of Federal Manager A. W. Thompson, effective Sept. 1.  
\* See Baltimore & Ohio RR. above.—V. 107, p. 697, 402.

**Reading (Pa.) Transit & Light Co.—Fares.**

This company has given notice that it intends to ask another increase in fares from 6c. to 7c. in Reading and Lebanon. Fares on the remainder of the system have been increased to 8c.—V. 107, p. 182.

**Richmond & Chesapeake Bay RR.—No Sale.**

This property was offered for sale on Aug. 28 at Richmond, Va., but the liquidation trustees refused an offer of \$96,000 made by B. Coblitz, a junk dealer of Chicago. It is the hope of the trustees that the property may be sold to a purchaser who will continue its operation.

**Richmond Fred. & Potomac RR.—Payments to Govt.**

See "Government Advances to Railroads" above, and also under "Current Events and Discussions" on a preceding page.—V. 107, p. 697.

**St. Louis-San Francisco RR.—Payments to Government.**

See "Government Advances to Railroads" etc. above and also "Current Events and Discussions" on a preceding page.

**Interest Payment.**

This company will pay on Oct. 1 an annual installment of 3% on its adjustment bonds and 6% on the income bonds.—V. 107, p. 604.

**St. Antonio Uvalde & Gulf RR.—Advances by U. S. Govt.**

See "Government Advances to Railroads" above and also under "Current Events and Discussions" on a preceding page.—V. 107, p. 402.

**Scranton (Pa.) Railway.—New Fare Tariff.**

This company has filed with the Pennsylvania P. S. Commission a new tariff calling for an increase in fares in all zones from 6c. to 8c.—V. 107, p. 502.

**Seaboard Air Line RR.—Advances by U. S. Govt.**

See "Government Advances to Railroads" above and also under "Current Events and Discussions" on a preceding page.—V. 107, p. 803.

**Southern Pacific RR.—Payments to Government.**

See "Government Advances to Railroads" etc. above and also under "Current Events and Discussions" on a preceding page.—V. 107, p. 697.

**Southern Railway.—Advances by U. S. Government.**

See "Government Advances to Railroads" above and also under "Current Events and Discussions" on a preceding page.—V. 107, p. 604.

**South Side Elevated RR., Chicago.—Fares.**

See Metropolitan West Side Elevated RR. above.—V. 105, p. 2273.

**Spokane Portland & Seattle Ry.—Payments to Govt.**

See "Government Advances to Railroads" above, and also under "Current Events and Discussions" on a preceding page.—V. 107, p. 697.

**Topeka Railway, Topeka, Kan.—Fares.**

This company has applied to the Kansas P. U. Commission for permission to establish a 6-cent fare in Topeka and Oakland.—V. 104, p. 74; V. 103, p. 62.

**Union Pacific RR.—Payments to Government.**

See "Government Advances to Railroads" above, and also under "Current Events and Discussions" on a preceding page.—V. 107, p. 697.

**United Railways Co., St. Louis.—6-Cent Fare Annulled.**

Judge J. G. Slate in the Cole County (Mo.) Circuit Court at Jefferson City on Aug. 31 annulled the 6-cent street car fare recently granted the company by the Missouri P. S. Commission. The case will go now to the Missouri Supreme Court for final disposition, and unless superseded bonds are filed, the company will be enjoined from collecting the extra 1-cent fare. Attorneys say the bonds will be filed. The company then will be required to issue receipts to all passengers for each fare. The Court held that the Commission was without jurisdiction under the State constitution to pass on the application of the company.—V. 107, p. 907, 697.

**Vicksburgh Shreveport & Pacific Ry.—Payments to Government.**

See "Government Advances to Railroads" etc. above and also "Current Events and Discussions" on a preceding page.—V. 107, p. 182.

**Wabash Ry.—Advances by United States Government.**

See "Government Advances to Railroads" above and also under "Current Events and Discussions" on a preceding page.—V. 107, p. 605.

**Wages.—United States and Canadian Rail Wages.**

Director-General McAdoo has approved increases ranging from about 10 to 30% for nearly 1,000,000 men employed as truck laborers, watchmen, other maintenance of way employees, clerks, station agents and other classes of employees drawing relatively low pay. It is understood that the new wage order will add nearly \$100,000,000 to the annual railroad pay roll. After an agreement effected in the Dominion of Canada on Sept. 3 between the Canadian War Board and representatives of the Railroad Shopmen's Federation, wage increases amounting to \$15,000,000 annually will be granted to 30,000 men in railroad shops throughout Canada.—V. 107, p. 907, 403.

**Waterloo Cedar Rapids (Elec.) Ry.—Federal Control.**

This company's property has been taken over by the United States Railroad Administration.—V. 106, p. 398.

**Western Maryland RR.—Advances by U. S. Govt.**

See "Government Advances to Railroads" above and also under "Current Events and Discussions" on a preceding page.—V. 107, p. 698, 493.

**Wheeling & Lake Erie RR.—Advances by U. S. Govt.**

See "Government Advances to Railroads" above and also under "Current Events and Discussions" on a preceding page.—V. 107, p. 285.

INDUSTRIAL AND MISCELLANEOUS.

**Air Nitrates Corporation.—Government Control.**

Announcement is made that the United States Government has taken over the entire construction of the air nitrates plant at Toledo, Ohio, which the corporation was to build and operate in the Govt.'s behalf.—V. 107, p. 605.

**Alaska Gold Mines Co.—Ore Milled Tons.**

1918—Aug.—1917.	Decrease.	1918—8 Mos.—1917.	Decrease.
96,250	179,150	\$2,900,950,013	1,529,728
—V. 107, p. 907, 605.			579,715

**Albion Gas Co.—Earnings, &c.**

See American Public Utilities Co. under "Reports" above.—V. 86, p. 170.

**Allis-Chalmers Mfg. Co.—Div. on Accumulations.**

The directors have declared a dividend of 1/4 of 1% on account of accumulations on the preferred stock, payable Oct. 15 to holders of record Sept. 30. Accumulations at present amount to 4 1/4%. A like amount was paid for the last three quarters.—V. 107, p. 606, 403.

**Amalgamated Petroleum Corp.—Stock Increase.**

This company has filed notice in Delaware of an increase in its authorized capital stock from \$2,125,000 to \$2,250,000.

**American District Telegraph Co.—President Resigns.**

Wm. L. Jacoby, President, has resigned from that position; it is said.—V. 106, p. 1579.

**American Factors, Ltd., Honolulu, T. H.—Offering of Stock Trust Certificates.**

The Trent Trust Co., Ltd., Honolulu, between Aug. 5 and Aug. 20, received subscriptions at \$150 per share for stock trust certificates of this company which has been formed by the Americanization of H. Hackfeld & Co., Ltd.

**Organization.**—In accordance with the reorganization plan proposed by the Alien Property Custodian and adopted by the stockholders of H. Hackfeld & Co., Ltd., a corporation has been organized in the Territory of Hawaii known as the American Factors, Ltd., having a capital stock (\$5,000,000), fully paid, par \$100, for the purpose of taking over the entire business and property of H. Hackfeld & Co., Ltd.

**Trustship.**—All of the 50,000 shares will be transferred to seven trustees, namely: George Sherman, R. A. Cooke, F. C. Altherton, C. R. Hemenway, Richard H. Trent, A. W. T. Bottomley and G. P. Wilcox, all of Honolulu, under a trust agreement to continue during the present war with Germany and thereafter for a period of three additional years, under which agreement trust certificates will be issued by the trustees in lieu of the 50,000 shares of stock, which trust certificates will entitle the holders to all of the benefits of stockholders, except the privilege of voting, which will be exercised by the trustees, and except that sales or pledges may be made only with the approval of the trustees. Holders of trust certificates will receive payments equal to the dividends, if any, collected by the trustees upon a like number of shares.

**Business.**—The enterprise will conduct a general agency business, representing plantations, fertilizer works, insurance companies, and manufacturers, and will have agency contracts with many large sugar plantations.

Statement of Assets and Liabilities.

<b>Assets</b>	<b>Liabilities</b>	
Cash in bank & on hand, \$1,410,874	Preferred stock, .....	\$200,000
Roads and stocks, 5,235,374	Common stock, .....	3,700,000
Road est. and invest., &c., 1,612,489	Undiv. profits & reserves, .....	3,924,994
Merchandise inventories, 1,232,400	Agency & personal accts., .....	
Loans receivable, .....	and trade creditors, .....	4,527,666
Notes receivable, .....	Sundry credit balances, .....	56,839
Agency & personal accts., .....	(Total each side), .....	\$12,509,560
rec. and trade debtors, 2,121,716		
Other assets, .....		28,550

**Statement of Earnings and Dividends of H. Hackfeld & Co. Since 1910.**  
 Col. Yrs.— 1912—1914. 1915. 1916. 1917.  
 Net earnings—\$718,063 \$864,894 \$590,979 \$840,306 \$1,491,780 \$1,661,624  
 Divs. paid—511,000 548,000 326,000 474,000 770,000 955,000  
 Average net earnings, eight years—\$934,945  
 Average annual dividends paid eight years—\$548,000  
**Directors (Officers).—**George Sherman, Chairman; R. A. Cooke (V.-Pres.), Richard H. Trent, A. W. T. Bottomley (Pres.), F. J. Lowrey, R. C. Walker (Treas. & Asst. Mgr.), F. C. Atherton, C. R. Hemenway (V.-Pres.), W. F. Dillingham, G. P. Wilcox (Sec'y & Asst. Mgr.), Norman Watkins.—V. 107, p. 804.

**American Hide & Leather Co.—Board Increased.**  
 Henry Evans, Thomas B. Yuille and Mell O. Branch have been elected directors of this company, increasing the board from 14 to 17 members.—V. 107, p. 804.

**American Pneumatic Service Co.—No Action on Second Preferred Dividend.**  
 The directors have declared the regular semi-annual dividend of 3 1/4% (\$1.75 per share) on first pref. stock, payable Sept. 30 to holders of record Sept. 14, while no action was taken on the \$6,328,000 outstanding second preferred stock dividend. Compare V. 107, p. 907.

**American Snuff Co.—Common Dividend Decreased.**  
 The directors, it is said, have declared a quarterly dividend of 2% on the \$11,000,000 outstanding common stock, along with the regular quarterly dividend of 1 1/4% on the preferred stock, both dividends being payable Oct. 1 to holders of record Sept. 14.

**Record of Common Dividends.**  
 Year— '03-'06. '07-'08. '09-'10. '11-'12. '13-'14. '15-'17. 1918.  
 Common % 10 y'ly 1915 13 19 20 20 12 1/2 12 9 12 y'ly 2, 3, 3, 2  
 do extra ————— 4 9 3 3 2 1/2  
 —V. 106, p. 1227.

**American Steel Foundries Co.—Extra Liberty Bond Div.**  
 The directors, it is said, have declared an extra dividend of 1 1/4% along with the regular quarterly dividend of 1 1/4%, both payable Sept. 30 to holders of record Sept. 14. The extra dividend is payable in Liberty Loan (4%) bonds of the second issue.—V. 107, p. 504.

**American Tobacco Co.—Financing—Permission for New Issue Delayed by Capital Issues Committee.**  
 This company, which has maturing on Nov. 22 bankers' acceptance credits amounting to \$25,000,000, has had under contemplation the replacing of the same by a like amount of serial notes. Announcement was made yesterday that the Capital Issues Committee has refused permission to the company to sell the \$25,000,000 notes at the present time. The Tobacco company, however, is permitted to renew its request for the necessary Government sanction at a future date.

While no time has been set, it is regarded as probable that it will be late in October, after the closing of the forthcoming Liberty Loan offering. A syndicate headed by the Guaranty Trust Co., Chase Securities Co. and Kidder, Peabody & Co. was formed about one year ago to purchase the \$25,000,000 90-day notes of the company, which notes were accepted by a group of banks and trust companies and distributed among financial institutions. Under the terms of the arrangement, the members of the syndicate arranged for renewals of 90 days, each, the life of the credit being 12 months. It is understood that the same group of bankers was arranging for the new financing.—V. 107, p. 604.

**American Woolen Co.—Prices Fixed for New Woolen Clips.**  
 See page 854 in last week's issue.—V. 107, p. 804.

**American Zinc, Lead & Smelting Co.—Price Continuation Approved.**  
 See page 858 in last week's issue.—V. 107, p. 908, 804.

**Anaconda Copper Mining Co.—Output (in Lbs.).**  
 1918—Aug.—1917. Increase. 1918—8 Mos.—1917. Increase.  
 24,900,000 11,175,000 13,725,000 208,084,000 186,225,000 21,859,000  
**New President.**  
 C. F. Kelley, formerly Vice-President, has been elected President to succeed John D. Ryan, resigned.—V. 107, p. 804, 606.

**Appalachian Power Co.—Note Extension.**  
 We are informed that this company's issue of \$2,170,700 7% notes, due Sept. 1, has been extended through the issuance of a like amount of 7% notes dated Sept. 1 1918, due Jan. 31 1920. Compare V. 107, p. 804.

**Armour & Co.—Debenture Conversion—Listed in Chicago.**  
 The Continental & Commercial Trust Savings Bank and Halsey, Stuart & Co., Chicago, announce that interim certificates, calling for delivery of 6% debentures may be converted at the option of the holder, par for par, commencing Sept. 3, into interim certificates for 7% Cumulative preferred stock. Permanent stock certificates will probably be ready on or about Dec. 1.

The Chicago Stock Exchange has admitted to regular list this company's \$60,000,000 7% cumulative preferred stock, par \$100, issued in exchange for 6% Convertible debentures, on and after Sept. 1 1918.—V. 107, p. 804, 606.

**Binghamton Light, Heat & Power Co.—Bonds.**  
 The New York P. S. Commission has authorized this company to sell \$100,000 5% 30-year First Refunding & Impt. bonds, under a petition filed early in 1917.—V. 106, p. 2453, 931, 299.

**Blaw-Knox Pressed & Welded Steel Co.—Stock.**  
 This company has increased its authorized capital stock from \$2,000,000 to \$3,000,000.

**Boise Gas Light & Heat Co.—Earnings, &c.**  
 See American Public Utilities Co. under "Reports" above.—V. 93, p. 1536.

**Buffalo Mines, Ltd.—Capital Reduced.**  
 Issuance of letters patent by the Province of Ontario reduces the capital stock of this company from \$750,000, divided into 1,000,000 shares of 75c. each, to \$500,000, divided into 1,000,000 shares of 50c. each.—V. 105, p. 718.

**Canada Bread Co., Ltd., Toronto.—Earnings.**  
 June 30 Years. 1918. 1917. 1918. 1917.  
 Total profits—\$226,206 \$212,812 Pref. divs. (7%)—\$87,500 \$87,500  
 Bond interest, &c. 48,938 71,028 Common div. (2%) 50,000 ———  
 Bond redemption. 12,500 12,522 Patriotic fund. 1,500 ———  
 Balance, surp.— 5,768 41,762  
 Total profit and loss surplus June 30 1918. \$153,523.—V. 105, p. 2186.

**Cerro de Pasco Copper Corp.—Production (in Lbs.).**  
 1918—Aug.—1917. Decrease. 1918—8 Mos.—1917. Increase.  
 5,786,000 6,036,000 250,000 48,112,000 45,534,000 2,578,000  
 —V. 107, p. 698, 184.

**Champion Lumber Co.—Sale at Auction.**  
 A. B. Kimball and Henry B. Stevens, as commissioners, will sell an entirety at public auction to the highest bidder at the Court House in Waynesville, N. C., on Sept. 23, the property, &c., of this company.—V. 103, p. 1033.

**Chevrolet Motor Co.—General Motors Stock.**  
 A marked decline in the price of the shares of the General Motors Co. is explained as due to the report that the directors of the Chevrolet Motor Co. have practically decided to distribute to the holders of that company's \$64,004,800 stock, probably by Oct. 15, the 732,684 shares (\$73,268,400) of the common stock of the General Motors Corp. held in its treasury (see V. 106, p. 824), amounting to 1 1/7 shares of the latter for each share of Chevrolet outstanding.—V. 107, p. 504.

**China Mail Steamship Corporation.—Bonds.**  
 It is understood that the entire issue of \$1,750,000 7% bonds of this company, recently offered by Blyth, Witter & Co., has been sold. See offering, V. 107, p. 698.

**Commonwealth Edison Co. of Chicago.—Sub. Co. Notes.**  
 See Midland Counties Coal Co. below.—V. 106, p. 922.

**Connecticut Brass Corp.—Receivership.**  
 The courts of Connecticut and Delaware have appointed Wm. H. Coverdale receiver to administer the affairs of this corporation. A report recently made by the present receiver says in part:

When the Connecticut Brass Corporation and the Pilling Brass Co. were merged last November working capital was provided based upon statements of the management as to the amount of money necessary to complete the several units which were then in the process of construction to care for the increased production resulting therefrom. It was found necessary to spend more than \$200,000 in excess of the amount figured upon to complete these units, and due to priority orders of the Government and various other causes beyond the control of the management the increased production was delayed several months.

The products of the plant were sold ahead based on the expected increase in production last January. The result, on account of the delayed construction, was to find the company facing a sales situation which was intolerable, the production of the plant being oversold several million pounds. A note-holders' and creditors' protective committee has been formed to protect the various interests involved, composed of Henry E. Cooper, Vice-Pres. of the Equitable Trust Co., as Chairman; George F. Naplien, of Liggett & Drexel, and Arthur J. Skinner, Pres. of the Commercial Trust Co., of Springfield, Mass. The holders of the 6% notes and the general creditors are asked to deposit their claims with the committee at the Equitable Trust Co. The Equitable Trust Co. has been named as depository, and Murray, Prentice & Howland are the counsel for committee.

**Call for Deposits by Protective Committee.**  
 The committee named above by advertisement on another page invites the holders of the Two-year 6% Convertible gold notes and all other creditors of the corporation to deposit their notes or claims with the depository.—V. 106, p. 89.

**Crew-Levick Co.—New President.**  
 J. C. McDowell has been elected President to succeed William Muir.—V. 103, p. 1034.

**Danville Light, Heat & Power Co.—Earnings, &c.**  
 See American Public Utilities Co. under "Reports" above.

**Eagle & Blue Bell Mining Co.—Liberty Bond Dividend.**  
 The directors have declared a dividend of 10c. per share on the \$893,146 outstanding capital stock, par \$1, it is said, payable in Liberty Loan 4 1/2% bonds or War Savings stamps, on Sept. 20 to holders of record Sept. 10, out of reserve for depletion. A like amount was paid on June 10 last.—V. 106, p. 2013.

**East Butte Copper Mining Co.—Production (Lbs.).**  
 1918—Aug.—1917. Increase. 1918—8 Mos.—1917. Increase.  
 1,74,358 1,676,360 37,990 17,104,358 11,822,040 5,282,318  
 Smelter operations were resumed in Aug. 1917 after 1 1/2 months' shut-down.—V. 107, p. 608, 184.

**Elkhart Gas & Fuel Co.—Earnings, &c.**  
 See American Public Utilities Co. under "Reports" above.—V. 78, p. 231.

**General Motors Corp.—Output of Automobiles in Last Half of 1918 Limited to 25% of 1917 Output.**  
 See page 857 in last week's issue.

**Possible Distribution of Stock.**  
 See Chevrolet Motor Co. above.—V. 107, p. 908, 805.

**General Petroleum Corp., San Francisco.—Earnings.**  
 Earnings for Years ending June 30 (Incl. General Pipe Line Co.).  
 1917-18. 1916-17. 1917-18. 1916-17.  
 Gross profits—\$1,833,106 4,884,889 Other deduc'ns. 459,338 407,691  
 Net earnings—7,212,295 4,278,042 Pref. divs. (7%) 224,851 224,851  
 Other income—118,694 94,143 Com. div. (10%) 1,349,018 ———  
 Prov. for Fed. inc. ———  
 & exc. prof. tax. 1,097,520 ———  
 Gross income 7,330,989 4,372,185  
 Int. on fund. dt. 341,273 314,870  
 Depor. on equip. 804,588 647,794 Bal. surplus 2,188,621 2,118,816  
 Exh. of oil lands 865,780 658,163 Tot. p. & l. sur. 4,382,090 2,479,345  
 —V. 107, p. 295.

**Gillette Safety Razor Co.—Bonds Retired.**  
 It is announced that this company has retired \$700,000 of its 5-year 6% notes, making \$1,900,000 of this issue already called.—V. 107, p. 699.

**Gorton-Pew Fisheries Co.—Further Data.**  
 The offering by Richardson, Hill & Co., Boston, of this company's 8% cumulative pref. stock was announced by advertisement in a recent issue of the "Chronicle" (stock now all sold).

**ata from Letter of Pres. Benjamin A. Smith, Dated Aug. 20 1918.**  
**Capital (on Completion of Present Financing) Authorized, Outstanding.**  
 8% Cumulative preferred stock, par value \$100—\$2,000,000 \$2,000,000  
 Common stock, par value \$50—3,250,000 3,250,000  
**Organization.**—Formerly a Maine corporation for 10 years, was incorporated in Mass. in Dec. 1916 and is the largest producer of salt fish in the United States. The company owns extensive plants at Gloucester, Mass., on the water front, including docks, warehouses and factories engaged in the curing of all kinds and grades of salt codfish, pickled mackerel, smoked herring, finnan haddies and the canning of various kinds of fish. These factories are equipped with the most modern machinery for preparing, packing and canning fish. Its principal plants were equipped about a year ago with a sprinkler system for fire protection.

The company also operates a canning plant at East Boston, a sardine plant at Stockton Springs, Me., and three other branch factories in Newfoundland. The total number employed in both its main and subsidiary plants is approximately 1,400 persons.

The company's fishing fleet consists of 88 vessels, including two beam trawlers, fully covered by marine and war risk insurance; cargo insurance is also carried. Nearly all of these vessels are equipped with auxiliary power, greatly increasing their efficiency. Approximately 1,600 persons are engaged in the vessel service on a profit-sharing plan.

**Distribution.**—Chiefly from the Gloucester headquarters, through its selling organization. In addition distributing branches are maintained in New York, Chicago, Milwaukee and San Francisco. The company also exports to Mediterranean ports, Cuba, Brazil and the Argentine, through reputable merchants established in the United States.

**Consolidated Income Account for Fiscal Year Ending March 31 1918.**  
 Total sales of manufactured products—\$9,376,821  
 Total income—1,251,761

Amount available for pref. dividends after deductions for war taxes, interest charges, &c.—\$813,971  
**Sinking Fund.**—Beginning with 1919 fiscal year, for the retirement of the pref. stock, 5% annually of all pref. stock issued, without deductions for stock purchased, redeemed or retired.

**Preferred Stock Provisions.**—No new prior stock or mortgage, except with consent of two-thirds of the pref. stock outstanding. No dividend on the common stock if such dividend will reduce the net quick assets, incl. as quick assets vessels and securities of companies owning vessels to an amount less than 125% of all pref. shares outstanding.

Holders of pref. stock shall have no voting power unless: (1) Four successive quarterly dividends upon the pref. stock or payments to the sinking fund shall have accrued and shall not have been paid; or (2) any other of the terms, conditions and restrictions concerning the pref. stock shall have been violated.

**Officers and Directors.**—Benjamin A. Smith, Pres.; Thomas J. Carroll, V.-Pres. & Gen. Mgr.; John J. Pew, Chairman of Board; Wm. T. Gamage, Mgr. Canning Dept.; Chas. A. Andrews, Treas.; Chas. H. Gamage, Sec.; Thomas S. Gorton, James E. Lunkert, J. Williams, Darcy, Charles B. Wiggin, Daniel W. Gurnett, Jos. O. Procter Jr., William J. Bigelow, William F. Moore, Frederick H. Tarr.—Compare V. 107, p. 805.

**Listed in Boston.**—The Boston Stock Exchange has admitted to list the 65,000 common shares, par \$50, of this company.—V. 107, p. 805.

**(A. P.) Green Fire Brick Co.—Bonds Called.**—This company has called for payment on Oct. 1, at par and int., 14 of its 6% First Mtge. (\$1,000) gold bonds, due Oct. 1 1919, Nos. 37 to 50, incl., and bonds numbering from 51 to 100, incl., of \$1,000 denom., but due Oct. 1 1920 at the St. Louis Union Trust Co., St. Louis, Mo.

**Haverhill (Mass.) Electric Co.—Stock Increase.**—The Massachusetts Commissioner of Corporations has received notice of an increase in this company's authorized capital stock by \$175,000 bringing the total capital to \$945,900.—V. 106, p. 767.

**Hercules Powder Co.—Extra Dividend.**—The directors, it is said, have declared an extra dividend of 2% on the \$7,150,000 outstanding common stock along with the regular disbursement of 2%, both payable Sept. 25 to holders of record Sept. 15.

**Record of Common Dividends Declared.**

	1913.	1914.	1915.	1916.	1917.	1918.
Regular (%)	3	8	8	8	8	2 1/2
Extra, cash (%)	—	0	8	3 1/2	14	2 1/2
Extra, Red Cross (%)	—	—	—	—	1	—

—V. 107, p. 295.

**Holland City Gas Co.—Earnings, &c.**—See American Public Utilities Co. under "Reports" above.—V. 106, p. 611.

**Hupp Motor Car Corporation.—Annual Earnings.**—Results for Periods ending June 30 (Incl. Amer. Gear & Mfg. Co.)

	Year ending—	Six Mos. ending—
	June 30 '18.	June 30 '17.
Net profits	\$836,691	\$271,479
Prof. divs. (7% p. a.)	91,553	91,554
Balance, surplus	\$745,138	\$179,925

—V. 106, p. 611.

**Hydro-Electric Commission of Ontario.—Acquisition.**—Negotiations have been instituted with the Windsor Essex & Lake Shore Ry. for the purchase of that company's system, which operates between Windsor and Kingsville and Leamington. The price asked by the company is said to be about \$1,000,000.—V. 106, p. 1581.

**Imperial Valley Gas Co., Redlands, Cal.—Rate Increase.**—The California R.R. Commission has granted this company, the Modesto Gas Co., the Turlock Gas Co. and the Needles Gas & Electric Co. permission to increase their rates, so as to permit the earning of a fair return on the investment.—V. 94, p. 211.

**Inspiration Consol. Copper Co.—Production (in Lbs.).**

1918—	1917—	1918—	1918—
9,000,000	Aug.	(Strike) 67,750,000	8 Months
			67,400,000

—V. 107, p. 608, 185.

**Island Oil & Transport Co.—Contract.**—It is reported that a contract involving over 1,000,000 bbls. of oil has just been closed by the corporation with one of the Standard Oil subsidiaries. The oil to be delivered at Gulf ports in the Transport Corporation's own equipment. Deliveries, it is reported, are to begin in Oct. It is also reported that the company has made a contract with one of the New York refining concerns for a substantial amount of oil to be delivered aboard the refinery company's tankers at the Island Oil Corporation's Palo Blanco terminal.—V. 106, p. 2653.

**Jackson Light & Power Co.—Earnings, &c.**—See Am. Public Utilities Co. under "Reports" above.—V. 105, p. 1104.

**Knoxville Gas Co.—Bonds Called.**—Five (\$5,000) First Mtge. 5% gold bonds, Nos. 10, 15, 264, 268, 367, due Oct. 1 1933, have been called for payment on Oct. 1 at 103% and int. at the U. S. Mtge. & Trust Co.—V. 107, p. 85.

**Lake Superior Corp.—Interest on Income Bonds.**—This corporation has announced that interest will be paid on its income bonds at 5% on Oct. 1 1918 in respect to the coupons due that date. This represents interest for the fiscal year ended June 30 1918. Coupons will be paid at the First National Bank, Philadelphia.—V. 105, p. 952, 806.

**Laurentide Company, Ltd., Montreal.—Earnings.**

June 30 Year	1917-18.	1917-18.	1916-17.
Total profits	\$2,593,335	\$2,260,660	
Bond int., &c.	\$277,294	\$115,797	
War tax	240,000	268,182	
Emp'l. pen. fd.	150,000		

—V. 105, p. 1205.

**Louisville Gas & Electric Co.—Litigation.**—In the case of the City of Louisville against the company to recover from the company \$250,000 on a bond executed for the faithful performance of its contract, Judge Chas. T. Ray has ruled that the company cannot rely on an act of God or an order of the United States Government as an excuse for its failure to comply with the provisions of the franchise ordinance to furnish natural gas to the Louisville public last winter.—V. 107, p. 185.

**Main Belting Co.—New Stock.**—The stockholders will vote on Oct. 8 on increasing the capital stock from \$100,000 to \$1,300,000, of which increase \$600,000 shall be common stock and \$600,000 6% cumulative preferred stock par \$100.

**Maxwell Motors Corp., Inc.—First Preferred Dividend Subject to the Approval of the Capital Issues Committee.**—This company has declared a dividend of \$1 75 on the first preferred stock, payable in first preferred dividend certificates on Oct. 1 1918 to shareholders of record Sept. 10, "subject to the approval of the Capital Issues Committee." Compare V. 107, p. 909, 806.

**Merchants' Heat & Light Co., Indpls.—Tax Settlement.**—This company and the city of Indianapolis have reached an agreement whereby the company will pay to the city one-half of the city lighting contract tax and the city will pay the company for service given to the city since January, minus the surcharges asked by the company. The city has been holding up payments to the company because the company had not paid its contract tax of 5% of the gross revenue from the street-lighting contract.

**Earnings, &c.**—See Am. Public Utilities Co. under "Reports" above.—V. 106, p. 1799.

**Miami Copper Co.—Output.**

	1918.	1917.	1916.	1915.
Output, month of August	5,374,198	250,000	4,698,795	4,038,000
Output, eight months	39,260,585	30,161,611	34,461,792	26,701,292

—V. 107, p. 506, 185.

**Midland Counties Coal Co.—Note Offering.**—Peabody Houghtling & Co., Chicago, are offering at a price to yield

8% \$500,000 7% Convertible notes, maturing \$100,000 in 1919, \$200,000 in 1920 and \$200,000 in 1921. The entire capital stock of the company is owned by the Commonwealth Edison Co. of Chicago. Further data should appear another week.—V. 105, p. 75.

**Midvale Steel & Ordnance Co.—Eddystone Rifle Output.**—It is reported that the output of rifles from this company's Eddystone plant during Aug. was 103,000 pieces, compared with 130,000 in July, thus bringing the total production by the company for the United States Government to the end of August up to 937,000.—V. 107, p. 610.

**Mining Corporation of Canada, Ltd.—Earnings.**

Year ending June 30—	1918.	1918.
Gross income	\$3,964,494	\$373,730
Net profits	2,604,434	1,556,297
Dividends from Cobalt	223,114	1,000,795
Interest	103,274	2,447,583

—V. 107, p. 610.

**Minute Tapioca Co., Orange, Mass.—Stock Increase.**—This company has received permission from the Capital Issues Committee to increase its stock by \$200,000, consisting of \$50,000 common stock and \$150,000 preferred. The company petitioned for an increase of \$300,000.

**Montgomery Ward & Co., Chicago.—Sales.**—Press reports state that gross sales for August show an approximate increase of 35% over August 1917.—V. 106, p. 933, 825.

**Murray-Kay, Ltd., Toronto.—Financing.**—The shareholders of this company will vote on Sept. 16 on a plan of reorganization and issue of \$200,000 additional capital stock.—V. 103, p. 243.

**New Jersey Gas & Electric Co. (Dover).—Rate Increase.**—The New Jersey P. U. Commission has granted this company permission to increase its rates for gas. The rate per thousand for the first 3,000 cu. ft. will be \$1 60, as compared with \$1 25 at present. A sliding scale is provided for increased consumption.—V. 104, p. 2016.

**Northwestern Knitting Co.—Stock Increase.**—Referring to the recent notice of the increase in the authorized common stock of this company from \$1,500,000 to \$1,600,000, we are informed that the increase in the outstanding amount has been made from \$1,500,000 to \$1,637,000. No change has been made in the issue of the preferred stock. Officers of the company are: F. M. Stowell, Pres.; Franklin Chaffield, V.-Pres.; Milton B. Kerr, V.-Pres.; John R. Van Derslip, Sec.; Chas. L. Pillsbury, Treas.—V. 107, p. 807.

**Ohio Oil Co.—Production, &c.**—President J. C. Donnell is quoted in substance as saying that during 1917 the company drilled and purchased 920 wells, and on Jan. 1 1918 its production showed a decrease of 2,300 bbls. a day, compared with Jan. 1 1917. Notwithstanding the large amount expended in drilling and purchasing new production, actual oil receipts thus suffered a decrease of about 7% a day. The Ohio Oil Co. has entered the North Central Texas field through its subsidiary, the Mid-Kansas Oil & Gas Co. The Ohio Oil Co. is one of the largest dividend payers in the Standard Oil group. At the end of 1917 it had a surplus of \$65,950,000 and its cash, accounts receivable and merchandise totaled \$68,180,000, with accounts payable of \$4,533,000.—V. 106, p. 2344.

**Oklahoma Natural Gas Co., Tulsa, Okla.—Stockholders of Record Sept. 5 Offered Right to Subscribe at Par for \$1,356,500 New Stock (about 16% of present holdings) at Tulsa on or Before Sept. 10—Proposed 30% Dividend in Stock of New Subsidiary Which Will Own Oil Leases and Interests and Gasoline Plants.**—President G. T. Braden in circular dated at Tulsa Aug. 24 says in substance:

The authorized capital stock is \$10,000,000; there are now outstanding 345,740 shares of \$25 each (\$8,643,500), leaving in the treasury 54,260 shares for \$1,356,500. There is at the present time a floating debt of approximately \$1,120,000. It has been decided to issue the treasury stock at par, first offering it to stockholders of record Sept. 5 pro rata at par in amounts equal to 15.6933% of present holdings (omitting amounts less than one share which will not be considered). The portion which may not be subscribed by the present stockholders has been underwritten and will be sold to the underwriters at par. Subscriptions must reach the office of the company in Tulsa, Okla., on or before Sept. 10 1918, covering full shares only. Subscriptions are payable 25% cash (certified check) and the balance upon delivery of a certificate for the stock allotted. The company intends to convey its oil leases and interests and its gasoline plants to another corporation which is to be capitalized at \$3,000,000, which is 30% of the entire authorized capital stock of this company. After the treasury stock has been sold, the \$3,000,000 capital stock of the corporation to which is to be conveyed the oil and gasoline properties is to be distributed to the stockholders of the Oklahoma Natural Gas Co., each of whom is to receive in stock of that company 30% of his holdings in the Oklahoma Natural Gas Co.

**Detailed Inventory and Appraisal.**—Hagenah & Erickson, engineers, as of Aug. 17 report in brief:

The inventory was made in great detail to serve as the basis for a more subdivided appraisal at a later date, and also to form the basis for a system of property records. Every part of the property was visited, inspected and classified as to character and physical condition. In order to determine the normal reproduction cost and the reproduction cost new less the then existing depreciation on a basis of costs for labor and material as reflected by the level of commodity prices as of 1916.

We have made an allowance for the cost of establishing the business, based on the conclusions of public service commissions and courts in the case of similar items for other companies; also an allowance for overhead charges to the amount of 12% designed to cover engineering, interest, taxes, legal and administrative expenses during construction, &c. This 12% allowance has not been applied to the company's appraised value of leaseholds and oil wells and gas wells. The value of the latter classes of property was determined by appraisers selected for such purpose by the company, whose conclusions we have adopted and incorporated in our report without change.

**Summary Showing as of July 1 1918 (1) the Reproduction Cost of the Property New and (2) the Reproduction Cost New Less Existing Depreciation.**

	(1) Reproduction Cost New.	(2) Present Value.
Production property	\$6,359,271	\$6,359,271
Transmission system	11,257,326	10,156,184
Local utilities	1,409,264	1,153,236
Gasoline plants	211,642	185,511
Utility equipment	50,378	35,332
Furniture and fixtures	39,795	34,360
Material and supplies	912,716	821,444

Total physical property \$20,240,392 \$18,745,328  
Cost of establishing the business 1,296,640 1,296,640  
Working capital, cash and cash items only 426,000 426,000

Total \$21,963,032 \$20,467,968

According to the above table, the reproduction cost new and the reproduction cost new less existing depreciation, or the so-called "present value," were \$21,963,032 and \$20,467,968, respectively, and we hereby certify that on the basis herein set forth, the above results are true and accurate and reflect the fair value of such property as of July 1 1918.—V. 106, p. 2762.

**Ottawa Light, Heat & Power Co.—Sub. Co. Stock.**—The Private Bills Committee of the Legislature at Ottawa has allowed this Ottawa Gas Co., a subsidiary, to increase its authorized capital stock to \$3,500,000, the new stock to be sold at par.—V. 107, p. 186.

**Oval Wood Dish Co.—Note Offering.**—Lyon, Gary & Co., Chicago, are offering, at 98.67 and int., \$450,000 7% Collateral Trust gold notes, due Aug. 1 1921.

**Digest of Letter from W. C. Hull, Vice-President and General Manager, Tupper Lake, N. Y., June 27 1918.**

**History.**—The business was originally established at Delta, Ohio, in 1883, manufacturing the "oval wood dish" (the first article of its kind). The main business has been the manufacture of wood dishes or containers and clothes pins.

**Security.**—A closed issue, the direct obligation of the company and collateral secured by pledge of \$538,400 of our First Mtge. 6% gold bonds (due serially 1923 to 1928, incl.) out of an authorized and closed first mortgage issue of \$1,000,000. The notes provide that the principal and interest are payable without deduction for any income or other taxes which the maker or the trustee may be required or permitted to pay or deduct, which provision under the present law obligates the company to pay the normal 2% income tax.

**Security for Pledged Bonds.**—The 1st Mtge. bonds pledged, coupled with the \$461,600 of outstanding bonds are a first mortgage upon all of the real estate, timber (approximately 49,842 acres), plants and machinery owned in fee simple in the Upper Peninsula of Michigan and in N. Y. State, and by a first mortgage upon all the real estate and timber owned under contracts subject to payments due in installments extending over several years. (See V. 105, p. 1063.)

**Plant.**—The new manufacturing plant at Tupper Lake, N. Y., is of modern fireproof concrete and steel construction. Aside from appurtenances the plant departments consist of a sawmill, dry kilns and box factory; separate units for the manufacture of oval dishes, wire end dishes, clothes pins and pie plates, veneer department with steam vats, etc., and all necessary tramways. The entire plant is motor-driven. Ample fire protection is afforded through the company's own water-works system, also connection with the city water mains. An automatic sprinkler system is installed.

**Valuations of Property.**—We have had our timber estimated and appraised and together with the cash cost of the remainder of the property, we have the valuation of the property specifically mortgaged as \$3,066,262.

**Financial Statement as of April 20 1918, Including Present Financing and Issue of \$250,000 Pref. Stock Purch. with Cash by Stockholders on May 22.**

<b>Assets (Total Each Side, \$3,925,203)—</b>		
Cash, \$163,813; bills and accts. receivable, less reserve, \$97,810; merchandise inventory, \$261,193		\$522,815
Manufacturing plants and sawmill, \$1,116,913; wood equipment and railroad equipment, \$189,928		1,286,843
Upper Peninsula Timber lands, \$986,151; N. Y. State timber lands owned in fee, \$427,018; timber and timber lands in N. Y. State on contract (less 5,100,000 feet removed at \$5 per 1,000), \$599,500; stump and timber lands and real estate in lower Michigan, \$92,630		2,105,299
Land contracts		7,193
Insurance premium prepaid		2,752
Miscellaneous stocks and bonds		300
<b>Liabilities—</b>		
Bills payable, \$33,700; accounts payable, \$127,476; accrued interest, etc., \$8,112		\$169,288
Lands and timber purchase contracts		358,750
Funded debt (bonds and collateral trust notes)		911,000
Pref. stock, \$250,000; com. stock, \$1,000,000; surp., \$1,235,564		2,485,564
<b>Officers.—</b> H. S. Hull, Pres.; J. M. Longnecker, Sec.-Treas.; W. C. Hull, Vice-Pres. and Gen. Mgr.—V. 105, p. 1063.		

**Pennsylvania Electric Co.—Offering of 5-Year 7% Secured Gold Notes.**—Montgomery & Co. are offering by advertisement on another page at 97½ and int. a new issue of \$1,500,000 Five-Year 7% Secured gold notes, to be dated July 1 1918. Due July 1 1923. Authorized, \$2,500,000; to be presently issued, \$1,500,000.

"Passed by the Capital Issues Committee as not incompatible with the national interest, but without approval of legality, validity, worth or security. Opinion No. A-1266."

Interest J. & without deduction of normal Federal income tax of 2%. Pennsylvania personal property tax of 4 mills refunded. Callable in whole on 30 days' notice, or in part for the sinking fund at 101½ and int. until July 1 1920, and at 100½ and int. thereafter. Denom. \$1,000 and \$500 c. Bankers Trust Co., trustee.

**Digest of Letter of H. J. Walbridge, Dated Aug. 23 1918.**

**Company.**—Chartered in Del. in March 1913. It controls, through ownership of substantially all of the common stocks, (a) Citizens' Light, Heat & Power Co. of Pa., (b) Penn Public Service Co., (c) Penn Electric Service Co., and (d) public utility companies operating in Clearfield, Indiana, Cambria, Westmoreland, Somerset and Centre counties, Pa., serving about 390,000.

**Capitalization (Completion of Present Financing).**—

Auth.	Outst'd.
Five-year 7% Secured gold notes due July 1 1923	\$2,500,000
Preferred stock, 6% cumulative	2,000,000
Common stock	2,700,000
	2,646,630

**Property.**—The electric properties of the subsidiaries are operated as a single system. Generating stations have an installed capacity of 28,000 k.w. Companies have a total of 352 miles of high-tension transmission lines.

The company through its subsidiaries supplies natural gas to Johnstown, Pa., and the adjacent territory, and heat in Johnstown and the boroughs of Clearfield and Philipsburg, Pa., artificial gas service in Clearfield, Pa., and electric interurban railway service in the mining district north of Philipsburg, Pa. Through control of the sub. cos. the company supplies electric light and power to over 50 communities and to 175 coal mines.

**Valuation.**—Reproduction cost of all properties owned, on a basis of the average of prices of the past five years, is reported in excess of \$10,500,000. The total of First Mortgage bonds now outstanding in the hands of the public and of this issue of notes will be \$5,553,000.

**Combined Statement of Earnings of Pennsylvania Elec. Co. and Subsidiaries.**

12 Months ended—	Dec. 31 '16.	Dec. 31 '17.	June 30 '18.
Gross earnings	\$1,627,579	\$1,856,346	\$2,082,490
Net, after taxes	\$513,763	\$507,627	\$606,759
Int. on bonds of sub. cos. in hands of the public	186,395	198,489	202,678
Annual int. on \$1,500,000 notes			105,000

Balance \$327,368 \$309,138 \$299,081

**Security.**—The notes will be secured by deposit and pledge with the trustee of the following collateral, aggregating \$2,000,000:

Citizens' Light, Heat & Power Co. of Pa. 1st M. 5s, due 1934	\$700,000
Penn Electric Service Co. 1st M. 5s, due 1943	500,000
Penn Public Service Co. 1st M. 5s, due 1962	500,000
Centre & Clearfield Ry. 1st M. 5s, due 1943 (guar. by endorsement as to principal and interest and all covenants of the mortgage, by Penn Public Service Co.)	300,000

**Sinking Fund.**—Not less than 6% per annum of notes outstanding, semi-annually from July 1 1919. Notes so purchased will be canceled.

Additional notes may be issued against deposit and pledge of 1st M. bonds of the Citizens' Light, Heat & Power Co., the Penn Electric Service Co. and Penn Public Service Co., on the basis of 75% of bonds pledged, providing net earnings of the companies whose bonds are pledged, together with those of the Pennsylvania Electric Co. (not incl. int. or divs. from subsidiaries whose bonds are pledged) are not less than twice the total interest charges on all bonds of such subsidiary companies, and the notes of this issue outstanding and those to be issued.

All, but not part, of any of the issues of bonds pledged as collateral may be released upon receipt in cash of an amount equal to 100% of the principal of bonds released. The proceeds will be used to retire notes of this issue.

**Franchises.**—Without burdensome restrictions and the life of practically all is without time limit.

**Purpose of Issue.**—Will provide funds for the retirement of floating debt and funds covering cost of extension and improvements to the properties of the subsidiary companies.

**Phelps Dodge Corp.—Copper Output (in Lbs.).**—

1918—Aug.—1917.	Increase.	1918—8 Mos.—1917.	Increase.
17,101,201	15,760,727	1,340,534	148,521,621
—V. 107, p. 611.			133,798,842
			14,722,779

**Portland (Ore.) Flouring Mills Co.—New Control.**—

Announcement has been made that financial control of this company has passed from the Wilcox Estate to Max H. Houser, V.-Pres. of the Grain Corporation, and associates, for an amount said to be about \$10,000,000. The purchase involves control of the Portland Flouring Mills Co., Puget Sound Flouring Mills Co., Puget Sound Warehouse Co., Pacific Coast Elevator Co. and subsidiary corporations. The company owns and operates 11 mills in the Northwest having an aggregate capacity of more than 11,000 barrels of flour daily.—V. 92, p. 1037.

**Queens Borough Gas & Electric Co.—Rate Denied.**—

The New York P. S. Commission has denied this company's application for permission to increase the price of gas from \$1.15 per M. cu. ft. to \$1.40, and the price of electricity from 12 to 14c. per k. w. h.—V. 106, p. 2457.

**Rochester (N. Y.) Ry. & Light Co.—Notes.**—

This company has applied to the New York P. S. Commission for the authority to issue \$3,900,000 2-year 7% notes.—V. 107, p. 611.

**Rochester (N. Y.) Telephone Co.—Merger Approved.**—

Consolidation of competing telephone systems in Rochester has received the Government approval, although the consummation of the proposals must also have approval of the city and State through the P. S. Commission.—V. 100, p. 479.

**St. Louis County Gas Co.—Rate Increase.**—

The Missouri P. S. Commission has granted this company an increase of from 18 to 30% in gas rates for lighting and cooking. An increase of 100% in the rates for industrial gas was also granted, both increases effective Sept. 1.—V. 104, p. 1805.

**St. Maurice Lumber Co.—Bonds Called.**—

This company has called for payment on Sept. 20 at par and int., at the New York Trust Co., 15 of its 5% bonds, ranging from No. 8 to 300, incl.

**Sears Roebuck & Co.—Appeal—Sales.**—

Attorneys for this company have appealed from the Federal Trade Commission's recent order requiring it to "cease and desist from unfair and misleading advertising."

1918—Aug.—1917.	Increase.	1918—8 Mos.—1917.	Increase.
\$13,974,722	\$11,399,184	\$2,575,538	\$115,930,320
—V. 107, p. 508, 86.			\$107,924,385
			\$8,005,935

**Shasta Land & Timber Co.—Mortgage Foreclosure.**—

Through friendly proceedings in the Superior Court by the Mercantile Trust Co., San Francisco, the mortgage on this company's property, Redding, Cal., has been foreclosed, the judgment calling for the sum of \$189,213. It is stated that the Trust Co. desired foreclosure because of a prospective purchaser for the properties. The Mercantile Trust Co. was trustee of the company, which sold \$250,000 bonds issued in April 1911.—V. 106, p. 1132.

**Shell Transport & Trading Corp.—Capitalization of Reserve Fund.**—

Holders of share warrants to bearer are informed that on July 30 1918 it was resolved to capitalize part of the reserve fund by distributing among the holders of the issued ordinary shares new ordinary shares credited as paid up at the rate of three such new ordinary shares of £1 each for every five issued ordinary shares of £1 each. Share warrants to bearer must be deposited at the Capital & Counties Bank, Ltd., 39 Threadneedle St., E. C. 2, or in respect of warrants held abroad with any approved agent of the above named bank, and must in either case sign an application in a form that will be supplied for the purpose. Warrants must not be transmitted to the Capital & Counties Bank, Ltd., through the post, but must be lodged personally or through a banker. If any share warrant be not so deposited on or before Oct. 15 next or such later date as the board may in any case allow, the new shares may be sold and the net proceeds divided. The new shares when allotted will in due course be registered and may be exchanged later on if desired for bearer warrants upon payment of the usual fee and stamp duty. Bearer and registered shares cannot be added together for allotment purposes. Allotment letters to registered shareholders will be posted as soon as printed matter can be prepared.—V. 107, p. 808, 86.

**Southern California Edison Co.—Extensions.**—

The California RR. Commission has granted this company permission to provide an appropriation of \$223,793 for extensions to its hydro-electric power plants in the Big Creek section, with a further fund of \$842,000 for the construction of two additional power plants.—V. 107, p. 508, 186.

**Southwestern Telephone & Telegraph Co.—Valuation.**—

The County Commissioners at Fort Worth, Tex., on Aug. 26 increased the valuation of the property of this company to \$1,500,000, compared with the last year's valuation of \$995,000.—V. 106, p. 2763.

**Spring Valley Water Co.—Valuation.**—

Judge Frank Rudkin in the United States District Court at San Francisco has refused the company's petition to retain \$5,000,000 upon the valuation of its properties fixed by the Court in the decision awarding \$2,000,000 of impounded money to the company. Judge Rudkin also refused to grant the petition of the City of San Francisco to disallow costs of \$75,000. The Court ordered the city to turn over to the impounded rate money to the company. Compare V. 107, p. 508.

**Standard Chemical, Iron & Lumber Co.—Div. Status.**—

In connection with the declaration of a dividend of 3¼% on account of arrears (see V. 107, p. 910), President M. L. Wood announced: "The war which we commenced this company has utilized all its profits in improving its financial position and in extending to its physical properties. The directors had a twofold object in view in improving and extending its plants: (1) Some of our products being urgently required in the development of the aeroplane industry and other phases of the war, it was of the greatest national importance that our production should be increased as much as possible. (2) Owing to the war it was necessary to place the company's plants on the highest possible basis of efficiency in order that the company may enter the post-war period able to compete in foreign markets on even terms with the wood distillation industry in other countries."

"It should be a compensating factor to the shareholders, in view of the long postponement of dividends, to know that after working full capacity for four years the company's production and operating efficiency are at a higher point than ever before in its history."—V. 107, p. 910.

**Standard Steel Car Co.—Sub. Co. New Plant.**—

A press report states that this company's subsidiary, the Baltimore Car & Foundry Co., will establish a plant at Curtis Bay, Md., for fabricating steel plates for Government ships. The investment in new machinery is placed at about \$1,000,000.—V. 106, p. 2014.

**Stewart Manufacturing Corp.—Offering of First Mtge. Bonds.**—

The Central Trust Co. of Illinois, Chas. S. Kidder & Co., Taylor, Ewart & Co. and C. W. Anderson & Co. are offering at prices ranging from 98½ and int. to 95½ and int., yielding 7%, \$500,000 First Mtge. 6% Serial Gold bonds, dated July 1 1918, due serially July 1, \$100,000 annually 1920 to 1924, inclusive. (See also advertising 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. A-1429."

The bonds are optional at 100 and int. on any interest date. Int. J. & J. Trustee, Central Trust Co. of Illinois. The bonds are a first and only mortgage on the company's modern manufacturing plant at Chicago, recently completed. The company was originally incorporated to manufacture dies and special parts for the Stewart-Warner Speedometer Corp. Further data should appear another week.

**Stewart-Warner Speedometer Corp.—Sub. Co. Bonds.**

See Stewart Manufacturing Co. above.—V. 107, p. 508, 409.

**Stutz Motor Car Co. of America.—Earnings.—**

6 Mos.— 1918.	1917.	6 Mos.— 1918.	1917.
Net sales—\$1,935,357	\$2,489,021	Sell. admin. \$35,374	\$50,317
Cost of sales—1,511,704	1,843,456	Int. & disc. Cr. 9,187	Cr. 25,927
Gross profits—\$424,253	\$646,165	Net profit—\$398,063	\$621,775
Dividends for half-year (\$1 25 per sh. quarterly)—	187,500		187,500
Bal. after divs. as aforesaid, but before war taxes.	\$210,506	\$434,275	

No provision has been made for war excess profits and income taxes in the above figures. The total profit and loss surplus June 30 1918 was \$2,947,034. This amount is shown in the balance sheet of that date after deducting \$380,207 paid for 1917 war taxes, \$12,000 for "war chest," and also \$98,750 for July 1918 dividend (in addition to Jan. and July dividends charged in foregoing statement of earnings for the first six months of 1918—Ed.—V. 106, p. 321, 392.

**Union Tank Line Co.—"Private Car" Decision.—**

In the recent car decision of the "private car case," this company, which is the largest owner of tank cars in the United States, received an increase in its lines over railroads from 3/4 of 1c. to 1c. per mile for the use of private tank cars, the new rate being effective Oct. 1.—V. 106, p. 1583.

**United Cigar Stores, Inc.—Sales.—**

Press reports state that sales in August exceeded \$5,000,000, which is an increase of nearly \$1,000,000 over August 1917. Total sales for the year 1917 aggregated, it is said, \$43,000,000.—V. 107, p. 410, 86.

**United Drug Co., Boston.—Earnings.—**

Earnings for the Half-Year ended June 30 1918 and the Entire Cal. Year 1917.		6 Mos. 18. Year 1917.	
Net sales—\$22,383,425	\$40,716,290	Deprec'n, &c.—\$221,193	\$390,364
Misc. profit—2,268,011	3,915,658	Doubt'l acc'ts—28,299	85,193
Other income—20,312	48,101	Current taxes (?)	232,874
Total net profit—\$2,288,323	\$3,963,759	War inc. tax.—319,663	315,506

Bal., surp.—\$1,719,168

The surplus for the year 1917 was subject to reduction by the amount of excess profits tax for 1917, estimated in the annual report at \$150,000. The company is paying dividends aggregating 7% yearly on \$7,500,000 1st pref. stock, 6% on \$9,109,000 2d pref. stock and 5% on \$20,050,000 common stock.—V. 106, p. 2438, 2127.

**United Metals Selling Co.—New President.—**

Percy Rockefeller has succeeded President John D. Ryan, resigned.—V. 90, p. 788.

**United States Rubber Co.—Financing.—**

It is understood that negotiations are pending between the company and bankers with a view to provide for the \$9,000,000 General Rubber Co. debenture 5%, which fall due Dec. 1 next. It is thought that an issue of \$5,000,000 short-term notes may be sold to apply to this maturity, the balance to be paid out of earnings. Definite details, however, are not as yet available.—V. 107, p. 702, 187.

**United States Steel Corp.—Conference to Consider Increased Steel Output.—**

See page 857 in last week's issue.

**Neville Island Gun Plant.**

Announcement has been made by Assistant Secretary of War Crowell that the Neville Island ordnance plant now being built by the Steel corporation near Pittsburgh will cost \$150,000,000. The plant will cover about 1,000 acres and the product will be giant guns, the smallest to be 14-inch pieces and some 16-inch pieces.—V. 107, p. 910, 702.

**United States Worsted Co., Boston.—Discharge of All Accumulated Dividends (36 3/4%) on First Pref. Stock—Regular Cash Distributions Begun.—**

The shareholders having voted on Sept. 3 to increase the authorized issue of 7% cum. pref. stock from \$6,000,000 (\$5,000,000 outstanding, par \$100) to \$7,000,000, the directors voted to distribute at par \$1,837,500 of the \$2,000,000 treasury stock, as thus increased, in the form of a stock dividend of 36 3/4% to holders of first pref. shares of record Sept. 3, in payment of all accumulated dividends thereon up to and including the dividend accrued July 15 1918.

The directors have also declared regular quarterly cash dividends thereon up to and including July 15 1918.

The directors have also declared a quarterly cash dividend on the full issue of first pref. stock of \$1 75 per share, payable Oct. 15 on stock of record Oct. 12.

The balance of the new preferred stock, \$102,500, will be distributed among the stockholders who desire to purchase it at par.

"Boston News Bureau" Aug. 9 said in substance: "The next step in the financial program is the payment in the near future of the \$1,650,000 sinking fund (6% income) certificates which the bankers took when they came to the rescue of the company back in 1913. After that the second pref. [\$3,882,200 6% non-cum., par \$100] and common stock [\$817,800, par \$10] will be in line for consideration. The 7% dividends on the \$7,000,000 first pref. stock call for \$490,000. Last year U. S. Worsteds earned net after taxes in excess of four times this sum, and this year it should do better in view of the splendid record of the half-year to June 30. Devoting all the machinery suitable to war orders, the company is running between 70% and 75% on Government account, its military capacity is taken up to Jan. 1. From present indications the gross overturn of the entire system should be about \$25,000,000, or roughly \$3 of sales for every \$1 of share capital. The net quick assets now exceed \$7,000,000, while including fixed assets, the net tangible asset value is \$176 a share on the first pref. stock."—Compare V. 107, p. 702.

**Utah Gas & Coke Co.—Earnings, &c.—**

See American Public Utilities Co. under "Reports" above.—V. 106, p. 711.

**Valparaiso Lighting Co.—Earnings, &c.—**

See American Public Utilities Co. under "Reports" above.—V. 83, p. 499.

**Victor Talking Machine Co.—Government Contract.—**

This company, it is reported, is proceeding satisfactorily with the manufacture of aeroplane and hydroplane parts under a contract with the United States Government.

A press report states that the company has received a contract from the Government to make rifle parts, including the wooden stocks to be manufactured by the cabinet department and certain other parts to be manufactured by the metal factory. The value of the contract is said to be \$1,000,000.—V. 106, p. 2015.

**Virginia-Carolina Chemical Co.—Annual Meeting.—**

Pres. Morgan, at the annual meeting on Sept. 5, said in part:

The large increase in turnover for the year is accounted for not only by the higher prices existing for all materials that go into the cost of products, but also on account of the larger tonnage in almost every branch of your business, the total turnover this year being \$122,463,670, as against \$83,774,550 the previous year. Your company has doubled its turnover within the past five years.

The percentage of net profits to turnover is 6.85%, against 5.56% the previous year and 6.64% in year 1915-16. This percentage cannot in our opinion be considered in any way excessive since for a large amount of our business we have only one turnover in 12 months. The large increase in profits is readily accounted for by the large increase in business and the very favorable inventory carried over from our last year's statement. The consumption of fertilizers and phosphate rock the past season was much larger than during the previous two years. In fact the manufactured goods were the largest the company has ever produced.

While the Southern Cotton Oil Co. did not crush quite so many tons of cotton seed as in some previous years, still the tonnage was materially increased this year by the crushing of beans, peanuts and copra. A ton of

peanuts or of copra produces much more oil than a ton of cotton seed, and consequently involves considerably more money in its manufacture than would the same amount of tonnage in cotton seed.

Your company has a continuously growing demand for its strictly proprietary brand business, which applies not only to fertilizers, but to the cotton oil department as well. The indications at present point to an increased demand this year for fertilizers. The same may be said about the consumption of edible oils. Unless something unforeseen happens, we look for a good demand for all our products the coming year. We have not a plant in operation at present that is not short of labor. The labor is not only scarce, but inefficient. Your business is absolutely necessary for the production and manufacture of food products, and it is hoped that the Government will come to the rescue and see that such industries have a reasonable supply and proportion of the labor. It is also about as difficult to get ordinary supplies as it is to get labor, and there is nothing in sight that would indicate that these conditions will be improved. (Compare annual figures in V. 107, p. 498.)

**Virginia-Western Power Co.—Rate Decision.—**

The Virginia State Corporation Commission in the case of the Commonwealth of Virginia at the relation of the city of Clifton Forge against the company, in a decision which in effect denies an increase in rates for light and power desired, ruled that it was without jurisdiction to authorize the raising of rates for light, power, gas, water and other public utility companies, when such rates have been fixed in franchises granted the companies by cities or towns in which they operate.—V. 104, p. 499.

**Vulcan Detinning Co.—Earnings.—**

—3 mos. to June 30—		—6 mos. to June 30—	
1918.	1917.	1918.	1917.
Total sales—\$423,519	\$262,256	\$758,092	\$514,861
Other income—4,171	575	6,738	796
Inventories—+5,643	+26,739	-10,075	+26,227
Total—\$433,333	\$289,570	\$758,655	\$542,584
Costs and general exp.—322,333	240,325	565,022	457,287
Reserve for depr. tax, &c.—65,000		95,000	
Fed. taxes for yrs. '09-'13		4,645	
Net profit, surplus—\$45,999	\$49,245	\$90,957	\$85,296

—V. 106, p. 2350, 1143.

**Walworth Manufacturing Co.—Stock Listed in Boston.—**

The Boston Stock Exchange has admitted to trading 200,000 shares of this company's common stock, par \$20.—V. 107, p. 910.

**Western States Gas & Electric Co.—Offering of 5-Year Coll. Trust Notes.—**

Blyth, Witter & Co. and the National City Co., San Francisco, Cal., are offering at 98 and int., to yield about 7%, \$690,000 5-year 6 1/2% Coll. Trust notes dated Aug. 1 1918, due Aug. 1 1923, but callable upon any interest date prior to Feb. 1 1921 at 102, thereafter and prior to Feb. 1 1923 at 101, on Feb. 1 1923 at 100 1/2.

"Passed by the Capital Issues Committee as not incompatible with the national interest, but without approval of legality, validity, worth or security. Opinion No. A1182, A1189.

Interest F. & A. at the Union Trust Co. of San Francisco, trustee. Denom. \$1,000 c\*. Total authorized, \$1,500,000. Federal income tax to the extent of 2% paid by the company.

The company, incorporated in 1910, owns and operates hydro-electric power and gas utilities in Central and Northern California, which supply more than 30 communities, including Stockton, Richmond and Eureka, having a total population of about 90,000.

**Digest of Letter from Samuel Kahn, Dated Stockton, Cal., Aug. 6.**

Capitalization—	Authorized.	Outstg.
Amer. River El. Co. 5s, due 1933—	Mts. closed—	\$307,000
First & Ref. Mts. 5s, due 1941—	\$10,000,000	4,415,500
6 1/2% Collateral Trust notes, due 1923—	1,500,000	690,000
6% gold notes, 1927 (unsecured)—	5,000,000	1,564,000
Preferred 7% stock—	10,000,000	2,303,000
Common stock—	5,000,000	3,231,500

Security.—The notes will be at all times secured by sufficient 1st & Ref. Mts. 5s to make them a legal investment for savings banks in Calif.

Purpose of Issue.—The proceeds will retire floating debt incurred in extending system, and to provide funds for additions, incl. work on storage reservoirs on the American River.

Properties.—The company owns and operates water-power, electric and gas utilities in Central and Northern California, and has recently acquired water rights and partially developed storage reservoirs on the South Fork of the American River, together with approximately 200 miles of diversion and irrigation ditches, the use of which will add greatly to the annual k.w.h. output. By increasing the storage capacity of these lakes there will be provided a situation which will make possible an additional water-power development of approximately 30,000 h.p.

**Earnings for Year ended May 31.**

Gross earnings—	1917.	1918.
Net, after taxes and maintenance—	\$1,295,224	\$1,494,523
Annual interest charges on bonds (V. 102, p. 1644)—	\$620,185	\$605,053
Annual int. charges on \$690,000 Collateral Trust notes (this issue)—		239,034
Annual int. charges on \$1,564,000 gold notes (unsecured)—		44,850
Balance—		\$3,840

**Statistics Showing Growth of the Company's Business as of Dec. 31.**

	1914.	1915.	1916.	1917.	May '18.
Electric customers—	16,172	17,373	18,825	20,869	21,479
Gas customers—	7,909	8,438	9,011	9,908	10,058
Total customers—	24,081	25,811	27,836	30,777	31,537
Incandescent lamps (16-c.p. equiv.)—	1223,355	238,548	252,984	271,976	287,947
Municipal arc lamps—	950	1,046	1,099	1,141	1,150
H. P. stationary motors served—	23,722	24,103	28,089	31,421	34,771
K.W. lighting load—	15,831	17,248	19,209	20,856	21,752
Total K. W. all purposes—	33,974	36,633	42,275	45,676	49,013

—V. 107, p. 612, 187.

**Willys-Overland Co.—Price Advances.—**

Effective Sept. 1, this co. has made a general price advance as follows:

	New Price.	Old Price.	Advance.
Light "four"—	\$1.095	\$3.05	\$2.00
Willys "six"—	1.495	1.300	16
Willys "six"—	1.775	1.525	250
Willys-Knight "four"—	1.925	1.675	250
Willys-Knight "eight"—	2.750	2.500	250

—V. 107, p. 910, 298.

**Wisconsin-Minnesota Light & Heat Co.—Earnings, &c.—**

See American Public Utilities Co. under "Reports" above.—V. 107, p. 516.

**Yukon Gold Co.—Dividend Omitted.—**

The dividend on the \$17,500,000 outstanding capital stock (par \$5) due Sept. 30 was omitted yesterday at the directors' meeting. Three months ago 2 1/2% (1/2 of 1%) was paid.

William Lech, Jr., President, had the following to say:

"This action is absolutely necessary in order to conserve our cash resources. The estimated income for the year is a disappointment, as it has been to all gold companies, due to the abnormally high and constantly rising cost of labor, material, supplies and freight. Owing to the high wages paid to the miners of base metals, efficient miners are attracted away from the gold mines, and the labor left in the gold mines is only 60% efficient, and even these are not obtainable in sufficient numbers.

"Notwithstanding these increasing burdens on this industry the value of our product is stationary. The gold companies of the different gold producing countries are petitioning their respective Governments for relief and it is hoped that the showing that will be made of the danger of a complete shutdown of gold mining will induce the Governments to take some kind of action to relieve the situation.

"In California, where this company operates several dredges, the Public Utilities Commission has curtailed all electric power one-third, due to the shortage of water, and this will correspondingly reduce our output.

"In view of the above it seemed to the board that ordinary prudence called for the action which it has taken."—V. 107, p. 79.

# Reports and Documents.

## UNION PACIFIC SYSTEM

TWENTY-FIRST ANNUAL REPORT—FOR THE YEAR ENDED DECEMBER 31 1917.

New York, July 11 1918.

To the Stockholders of the Union Pacific Railroad Company:

The Board of Directors submits the following report of the operations and affairs of the Union Pacific Railroad Company for the calendar year ended December 31 1917, including the Oregon Short Line Railroad Company, whose entire Capital Stock is owned by the Union Pacific Railroad Company, and the Oregon-Washington Railroad & Navigation Company, whose entire Capital Stock is owned by the Oregon Short Line Railroad Company. For convenience, the three companies are designated by the term "Union Pacific System."

### TRANSPORTATION OPERATIONS.

The results of Transportation Operations this year, compared with those of last year, were as follows:

	Calendar Year 1917.	Calendar Year 1916.	Increase.	Decrease.	Per Cent.
Average miles of road operated.....	7,986.85	7,932.93	53.93	-----	.7
<b>Operating Revenues—</b>					
Freight revenue.....	\$93,347,832 38	\$84,012,145 23	\$9,335,687 15	-----	11.1
Passenger revenue.....	25,207,229 20	20,092,807 08	5,114,422 12	-----	25.5
Mail revenue.....	2,666,383 91	3,704,528 54	-----	\$1,038,144 63	28.0
Express revenue.....	3,263,570 74	2,430,721 55	832,849 19	-----	34.3
Other passenger-train revenue.....	2,081,469 53	1,562,985 14	518,484 39	-----	33.2
Other train revenue.....	82,360 05	36,933 09	45,426 96	-----	45.3
Switching revenue.....	623,268 21	624,680 84	-----	1,412 63	.2
Water line revenue.....	169,002 16	161,219 30	7,782 86	-----	4.8
Other revenue.....	2,690,748 08	1,787,486 03	903,262 05	-----	50.5
<b>Total operating revenues.....</b>	<b>\$130,101,864 26</b>	<b>\$114,412,606 80</b>	<b>\$15,689,257 46</b>	-----	<b>13.7</b>
<b>Operating Expenses—</b>					
Maintenance of way and structures.....	\$15,348,222 37	\$14,405,827 75	\$942,394 62	-----	6.5
Maintenance of equipment.....	15,812,795 08	13,171,652 78	2,641,142 30	-----	20.1
<b>Total maintenance.....</b>	<b>\$31,161,017 45</b>	<b>\$27,577,480 53</b>	<b>\$3,583,536 92</b>	-----	<b>13.0</b>
Traffic expenses.....	2,355,942 91	2,176,939 34	179,003 57	-----	8.2
Transportation expenses—rail line.....	37,728,206 07	29,202,447 58	8,525,758 49	-----	29.2
Transportation expenses—water line.....	164,257 73	147,112 62	17,145 11	-----	4.9
Miscellaneous operations expenses.....	2,511,801 26	1,684,966 59	826,834 67	-----	49.1
General expenses.....	4,035,470 37	3,225,560 66	809,909 71	-----	25.1
Transportation for investment—Credit.....	651,537 82	310,114 41	341,423 41	-----	---
<b>Total operating expenses.....</b>	<b>\$77,295,158 27</b>	<b>\$63,704,392 91</b>	<b>\$13,590,765 36</b>	-----	<b>21.3</b>
Revenues over expenses.....	\$52,806,705 99	\$50,708,213 89	\$2,098,492 10	-----	4.1
<b>Taxes—</b>					
State and County.....	\$5,452,982 25	\$4,540,935 79	\$912,046 46	-----	20.1
Federal capital stock.....	291,677 45	-----	291,677 45	-----	---
Federal income.....	1,063,927 18	1,110,607 74	-----	\$46,680 56	4.2
Federal war revenue.....	15,132 21	-----	15,132 21	-----	---
Federal war income.....	1,591,922 65	-----	1,591,922 65	-----	---
Federal excess profits.....	36,049 71	-----	36,049 71	-----	---
<b>Total taxes.....</b>	<b>\$8,451,691 45</b>	<b>\$5,651,543 53</b>	<b>\$2,800,147 92</b>	-----	<b>49.5</b>
<b>Net operating income.....</b>	<b>\$44,355,014 54</b>	<b>\$45,056,670 36</b>	-----	<b>\$701,655 82</b>	<b>1.6</b>
Operating ratio (excluding Taxes).....	59.41	55.68	3.73	-----	6.7
<b>Freight Traffic (Commercial Freight only)—</b>					
Tons of revenue freight carried.....	23,874,511	21,627,160	2,247,351	-----	10.4
Ton-miles, revenue freight.....	10,702,976,670	9,510,219,144	1,192,757,526	-----	12.5
Average distance hauled per ton (miles).....	448.30	439.74	8.56	-----	1.9
Average revenue per ton-mile (cents).....	.851	.856	-----	.005	.6
Average revenue per freight-train mile.....	\$4 24	\$4 26	-----	\$.02	.5
<b>Passenger Traffic (Excluding Motor Car)—</b>					
Revenue passengers carried.....	9,315,764	8,019,647	1,296,117	-----	16.2
Revenue passengers carried one mile.....	1,072,053,565	868,607,454	203,446,211	-----	23.4
Average distance hauled per passenger (miles).....	115.08	108.31	6.77	-----	6.3
Average passengers per passenger-train mile.....	66.10	56.04	10.06	-----	18.0
Average revenue per passenger-mile (cents).....	2.326	2.277	.049	-----	2.2
Average revenue per passenger-train mile, passengers only.....	\$1 54	\$1 28	\$.26	-----	20.3
Average total passenger-train revenue per passenger-train mile.....	\$2 03	\$1 77	\$.26	-----	14.7

### MAINTENANCE OF WAY AND STRUCTURES.

	Calendar Year 1917.	Calendar Year 1916.	Increase.	Decrease.	Per Cent.
Superintendence.....	\$1,167,141 24	\$935,201 19	\$231,940 05	-----	24.8
Roadway and track—ordinary.....	5,603,219 85	5,233,819 24	369,400 61	-----	7.1
Extraordinary repairs of roadway and track.....	427,831 75	511,091 96	-----	\$83,260 21	16.3
Tunnels, bridges and elevated structures.....	992,748 82	1,590,715 27	-----	596,966 95	37.5
Ties.....	1,627,255 89	1,704,945 77	-----	77,689 88	4.6
Rails.....	123,874 69	752,854 73	-----	628,980 04	83.5
Other track material.....	722,351 72	684,521 71	37,830 01	-----	5.5
Ballast.....	84,195 15	110,165 76	-----	25,970 61	23.6
Fences, crossings and signs.....	313,561 60	277,575 60	36,086 00	-----	13.0
Buildings and other structures.....	1,945,125 80	1,313,110 30	632,015 50	-----	48.1
Signals and telegraph lines.....	571,322 96	416,100 43	155,222 53	-----	37.3
Removing snow, ice and sand.....	584,691 42	405,423 77	179,267 65	-----	44.2
Paving and assessments for public improvements.....	45,378 69	17,345 10	28,033 59	-----	---
Roadway tools and supplies.....	548,272 16	391,438 97	156,833 19	-----	40.1
Miscellaneous.....	647,033 29	152,751 07	494,282 22	-----	---
Depreciation—miscellaneous structures.....	22,626 84	29,561 90	-----	6,935 06	23.5
<b>Total.....</b>	<b>\$15,427,931 45</b>	<b>\$14,526,822 77</b>	<b>\$901,108 69</b>	-----	<b>6.2</b>
Maintaining joint facilities—Credit.....	79,709 09	120,995 02	-----	\$41,285 93	---
<b>Total.....</b>	<b>\$15,348,222 37</b>	<b>\$14,405,827 75</b>	<b>\$942,394 62</b>	-----	<b>6.5</b>

The increase in Miscellaneous Expenses was due principally to expenses of \$436,413 17 incurred in the employment of special watchmen in guarding bridges and tunnels which was considered necessary under existing war conditions.

### MAINTENANCE OF EQUIPMENT.

	Calendar Year 1917.	Calendar Year 1916.	Increase.	Decrease.	Per Cent.
Superintendence.....	\$635,132 87	\$557,229 91	\$77,902 96	-----	14.0
Shop and power plant machinery.....	433,335 30	341,485 80	91,849 50	-----	26.9
Steam locomotives—repairs.....	7,043,702 28	5,177,544 86	1,866,157 42	-----	36.1
Freight-train cars—repairs.....	3,451,669 35	2,906,518 59	545,150 76	-----	18.5
Passenger-train cars—repairs.....	1,042,959 28	940,667 78	102,291 50	-----	10.9
Motor equipment of cars—repairs.....	93,135 84	83,042 41	10,093 43	-----	12.2
Floating equipment—repairs.....	16,667 71	9,429 33	7,238 38	-----	76.7
Work equipment—repairs.....	297,213 54	217,337 79	79,875 75	-----	36.7
Miscellaneous equipment—repairs.....	1,267 94	388 28	879 66	-----	---
Miscellaneous.....	280,806 10	270,747 30	10,058 80	-----	3.7
Maintaining joint equipment at terminals.....	17,652 58	*3,653 73	21,206 31	-----	---
<b>Totals, excluding depreciation and retirements.....</b>	<b>\$13,313,542 79</b>	<b>\$10,500,738 32</b>	<b>\$2,812,804 47</b>	-----	<b>26.8</b>
Depreciation.....	2,491,586 32	2,463,314 27	28,272 05	-----	1.2
Retirements.....	7,665 97	207,600 19	-----	\$199,934 22	96.3
<b>Total.....</b>	<b>\$15,812,795 08</b>	<b>\$13,171,652 78</b>	<b>\$2,641,142 30</b>	-----	<b>20.0</b>

\*Credit.

TRAFFIC EXPENSES.

	Calendar Year 1917.	Calendar Year 1916.	Increase.	Decrease.	Per Cent.
Superintendence.....	\$494,500 43	\$482,930 88	\$11,569 55	-----	2.4
Outside agencies.....	1,102,541 88	1,018,540 87	84,001 01	-----	8.3
Advertising and Industrial and Immigration bureaus.....	554,864 40	447,953 83	107,210 57	-----	24.0
Miscellaneous.....	204,036 20	227,813 76	-----	\$23,777 56	10.4
<b>Total</b> .....	<b>\$2,355,942 91</b>	<b>\$2,176,939 34</b>	<b>\$179,003 57</b>	-----	<b>8.2</b>

TRANSPORTATION AND MISCELLANEOUS OPERATIONS EXPENSES.

	Calendar Year 1917.	Calendar Year 1916.	Increase.	Decrease.	Per Cent.
Superintendence and dispatching.....	\$1,370,197 40	\$1,100,735 73	\$269,461 67	-----	24.5
Station expenses.....	4,339,735 72	3,666,482 19	673,253 53	-----	18.4
Yard labor.....	2,986,461 01	2,165,866 36	820,594 65	-----	37.9
Fuel for yard locomotives.....	1,101,196 20	696,819 86	404,376 34	-----	58.0
Yard supplies and expenses.....	174,779 52	128,901 20	45,878 32	-----	35.6
Engine house expenses—yard.....	440,890 78	276,716 81	164,173 97	-----	59.3
Train engine men and motormen.....	4,837,713 22	3,993,765 64	843,947 58	-----	21.1
Fuel for train locomotives.....	10,406,632 88	7,505,303 06	2,901,329 82	-----	38.7
Supplies for train locomotives.....	913,412 58	693,585 69	219,826 89	-----	31.7
Enginehouse expenses—train.....	1,543,997 81	1,182,212 06	361,785 75	-----	30.6
Trainmen.....	4,737,728 98	3,934,692 03	803,036 95	-----	20.5
Train supplies and expenses.....	1,814,137 72	1,625,943 43	191,094 29	-----	11.8
Miscellaneous.....	1,062,069 09	873,943 06	188,126 03	-----	21.5
Loss, damage and casualties.....	1,804,129 20	1,221,604 45	582,524 75	-----	47.7
Operating joint facilities.....	195,123 96	138,806 01	56,317 95	-----	40.6
<b>Total Transportation Expenses—Rail</b> .....	<b>\$37,728,206 07</b>	<b>\$29,202,447 58</b>	<b>\$8,525,758 49</b>	-----	<b>29.2</b>
Transportation Expenses—Water Line.....	\$154,257 73	\$147,112 62	\$7,145 11	-----	4.8
Dining cars and hotels.....	\$2,445,810 33	\$1,572,205 42	\$873,604 91	-----	55.5
Other miscellaneous operations.....	65,990 93	112,761 17	-----	\$46,770 24	41.5
<b>Total Miscellaneous Operations Expenses</b> .....	<b>\$2,511,801 26</b>	<b>\$1,684,966 59</b>	<b>\$826,834 67</b>	-----	<b>49.1</b>
<b>Total Transportation and Miscellaneous Operations Expenses</b> .....	<b>\$40,394,265 06</b>	<b>\$31,034,526 79</b>	<b>\$9,359,738 27</b>	-----	<b>30.2</b>

GENERAL EXPENSES.

	Calendar Year 1917.	Calendar Year 1916.	Increase.	Decrease.	Per Cent.
Salaries and expenses of officers, clerks and attendants.....	\$2,135,019 84	\$2,000,552 37	\$134,467 47	-----	6.8
General office supplies and expenses.....	184,443 85	162,904 23	21,539 62	-----	13.4
Law expenses.....	316,535 68	324,553 77	-----	\$8,018 00	2.4
Pensions.....	192,662 26	171,254 51	21,407 75	-----	12.5
Valuation expenses.....	296,539 56	226,453 89	70,085 67	-----	30.9
Miscellaneous.....	898,546 03	320,916 64	577,629 39	-----	180.0
General joint facilities.....	11,723 15	19,225 25	-----	7,502 10	39.0
<b>Total</b> .....	<b>\$4,035,470 37</b>	<b>\$3,225,560 66</b>	<b>\$809,909 71</b>	-----	<b>25.1</b>

The increase in Miscellaneous Expenses was due principally to premiums of \$565,221 71 on life and casualty insurance for employees effective on January 1 1917.

MILEAGE.

	Miles of Road.	Miles of Second Main Track.	Miles of Yard Tracks and Sidings.
Total Mileage operated as of December 31 1917.....	8,002.65	1,265.96	2,724.63
Total Mileage operated as of December 31 1916.....	7,962.38	1,136.19	2,575.97
Increase in Mileage operated during the year.....	40.27	129.77	148.66
Average Mileage operated during Calendar year 1917.....	7,986.86	1,171.15	2,643.61
Mileage maintained as of December 31 1917.....	7,715.82	1,116.90	2,532.33
Average Mileage maintained during Calendar year 1917.....	7,698.00	1,020.00	2,472.00

The Oregon-Washington Railroad & Navigation Company operates "Water Lines" over a distance of 187 miles.

INCOME ACCOUNT.

(Excluding all offsetting accounts between the Union Pacific Railroad Co., Oregon Short Line Railroad Co. and Oregon-Washington Railroad & Navigation Co.)

	Calendar Year 1917.	Calendar Year 1916.	Increase.	Decrease.
<b>TRANSPORTATION OPERATIONS.</b>				
Operating Revenues.....	\$130,101,864 26	\$114,412,696 80	\$15,689,257 46	-----
Operating Expenses.....	77,295,158 27	63,704,392 91	13,590,765 36	-----
<b>Revenues over Expenses</b> .....	<b>\$52,806,705 99</b>	<b>\$50,708,213 89</b>	<b>\$2,098,492 10</b>	-----
Taxes.....	8,451,691 45	5,651,543 53	2,800,147 92	-----
<b>Operating Income</b> .....	<b>\$44,355,014 54</b>	<b>\$45,056,670 36</b>	-----	<b>\$701,655 82</b>
<b>Other Income.</b>				
<i>(Excluding Income from Investments, and Sources other than Transportation Operations.)</i>				
Rents from use of road.....	\$75,014 36	\$71,190 22	\$3,824 14	-----
Rents from use of joint tracks, yards and terminal facilities.....	1,095,785 11	991,452 28	104,332 83	-----
Miscellaneous rents.....	68,502 24	65,401 45	3,100 79	-----
Miscellaneous income.....	139,691 94	130,457 29	9,234 65	-----
<b>Total</b> .....	<b>\$1,378,993 65</b>	<b>\$1,258,501 24</b>	<b>\$120,492 41</b>	-----
<b>Total Operating and Other Income</b> .....	<b>\$45,734,008 19</b>	<b>\$46,315,171 60</b>	-----	<b>\$581,163 41</b>
<b>Deductions.</b>				
<i>(Excluding Interest on Funded Debt, and Miscellaneous Charges, other than Transportation Operations.)</i>				
Hire of equipment—balance.....	\$414,303 40	*\$80,725 79	\$495,029 19	-----
Rents or use of joint tracks, yards and terminal facilities.....	1,335,423 92	1,263,182 51	72,241 41	-----
Miscellaneous rents.....	115,390 90	106,975 92	8,414 98	-----
Miscellaneous charges.....	131,122 43	191,901 09	-----	\$60,778 66
<b>Total</b> .....	<b>\$1,996,240 65</b>	<b>\$1,481,333 73</b>	<b>\$514,906 92</b>	-----
<b>Income from Transportation Operations</b> .....	<b>\$43,737,767 54</b>	<b>\$44,833,837 87</b>	-----	<b>\$1,096,070 33</b>
<b>Income from Investments and Sources other than Transportation Operations.</b>				
Dividends on stocks owned.....	\$4,362,242 40	\$4,669,404 00	-----	\$307,161 60
Interest on bonds, notes and equipment trust certificates owned.....	6,751,289 05	6,532,202 54	\$219,086 51	-----
Interest on loans and open accounts—balance.....	619,560 49	996,027 54	-----	376,467 05
Miscellaneous income.....	58,274 85	49,336 82	8,938 03	-----
<b>Total</b> .....	<b>\$11,791,366 79</b>	<b>\$12,246,970 60</b>	-----	<b>\$455,603 81</b>
<b>Total Income</b> .....	<b>\$55,529,134 33</b>	<b>\$57,080,808 47</b>	-----	<b>\$1,551,674 14</b>
<b>Deduct:</b>				
Interest on Funded Debt.....	\$13,842,729 68	\$13,826,196 73	\$16,532 95	-----
Miscellaneous Charges, other than Transportation Operations.....	149,904 66	71,202 35	78,702 31	-----
<b>Total</b> .....	<b>\$13,992,634 34</b>	<b>\$13,897,399 08</b>	<b>\$95,235 26</b>	-----
<b>Net Income from all Sources</b> .....	<b>\$41,536,499 99</b>	<b>\$43,183,409 39</b>	-----	<b>\$1,646,909 40</b>

\*Credit.

INCOME ACCOUNT (Concluded).  
DISPOSITION OF NET INCOME FOR CALENDAR YEAR 1917.

Dividends on Stock of Union Pacific Railroad Co.:		
Preferred stock:		
2 per cent paid April 2 1917	\$1,990,870 00	
2 per cent paid October 1 1917	1,990,870 00	\$3,981,740 00
Common stock:		
2 1/2 per cent paid April 2 1917	\$5,557,290 00	
2 1/2 per cent paid July 2 1917	5,557,290 00	
2 1/2 per cent paid October 1 1917	5,557,290 00	
2 1/2 per cent payable January 2 1918	5,557,290 00	22,229,160 00
<b>Total Dividends</b>		<b>\$26,210,900 00</b>
Appropriated for Additions and Betterments		15,313,973 32
Sinking Fund Requirements		11,626 67
<b>Total</b>		<b>\$41,536,499 99</b>

The decrease of \$1,646,909 in "Net Income from All Sources" is more than accounted for by the increase in Taxes of \$2,800,147, of which \$1,919,649 represented Federal Capital Stock Taxes under the Act of September 8 1916 and War Income and Excess Profits Taxes under the Act of October 3 1917, all of which were effective with the calendar year 1917, there being no corresponding taxes for the previous year.

The "Net Income from All Sources" for the calendar year 1917, after deducting all fixed and other charges, and dividend on preferred stock, is equivalent to 16.89% on the outstanding common stock, as against 17.64% for the calendar year 1916.

The entire amount of the year's surplus income after appropriations for dividends was appropriated to cover a like amount of expenditures made during the year for purposes chargeable under the requirements of the Inter-State Commerce Commission, to "Investment in Road and Equipment Accounts." This appropriation was deemed expedient in view of the new 10% tax imposed by the Revenue Law of October 3 1917 upon the entire undistributed net income of corporations for each year unless invested or employed or retained for employment in the business or invested in Government bonds. An amount in excess of the whole surplus income of the year having been expended for property investment purposes, and there being no present intention of capitalizing such expenditures, it was considered that the year's surplus income should be specifically allocated to those expenditures by formal appropriation, thereby making the bookkeeping conform to the facts.

The "Average Miles of Road Operated" during the year was 7,986.86.

PROFIT AND LOSS ACCOUNT.

(Excluding all offsetting accounts between the Union Pacific Railroad Co., Oregon Short Line Railroad Co., and Oregon-Washington Railroad & Navigation Co.)

CREDIT.		
Balance, December 31 1916, as shown by Annual Report for year ended December 31 1916		\$138,739,916 74
Proceeds from sale of bonds of Union Pacific Coal Co. to its sinking fund	\$278,000 00	
Difference between proceeds from sale of property and book cost thereof	29,426 58	
Liabilities written off, being unclaimed	59,312 67	
Miscellaneous credits	147,801 42	
<b>Total</b>		<b>\$514,540 67</b>
DEBIT.		
Difference between cost of property retired and not to be replaced and net value of salvage covered	\$241,183 14	
Uncollectible accounts	7,559 17	
Cost of surveys of projected lines not constructed, surveys abandoned	61,231 06	
Miscellaneous debits	8,431 56	
Reserve for depreciation of securities	14,581,948 00	
<b>Total</b>		<b>14,900,352 93</b>
<b>Net debit during the year</b>		<b>14,385,312 26</b>
<b>Profit and Loss—Credit Balance, December 31 1917</b>		<b>\$124,354,104 48</b>

GENERAL BALANCE SHEET—ASSETS.

(Excluding all offsetting securities and accounts between the Union Pacific Railroad Co., Oregon Short Line Railroad Co., and Oregon-Washington Railroad & Navigation Co.)

ASSETS.	December 31 1917.	December 31 1916.	Increase.	Decrease.
<b>Investments:</b>				
Road and Equipment	\$632,813,456 53	\$612,173,099 06	\$20,640,357 47	
Less:				
Receipts from improvements and equipment fund	\$23,111,091 13	\$22,611,091 13	\$500,000 00	
Appropriations from income and surplus prior to July 1 1907, credited to this account	13,310,236 52	13,310,236 52		
<b>Total</b>	<b>\$36,421,327 65</b>	<b>\$35,921,327 65</b>	<b>\$500,000 00</b>	
<b>Investment in road and equipment</b>	<b>\$596,392,128 88</b>	<b>\$576,261,771 41</b>	<b>\$20,140,357 47</b>	
Improvements on leased railway property	\$7,696 42	\$7,696 42		
Deposits in lieu of mortgaged property sold	105,671 03	333,756 17		\$228,085 14
Miscellaneous physical property	1,111,291 10	1,088,004 85	\$23,196 25	
<b>Total</b>	<b>\$1,224,568 55</b>	<b>\$1,429,457 44</b>		<b>\$204,888 89</b>
<b>Investments in affiliated companies:</b>				
Stocks	\$13,221,685 47	\$13,099,798 24	\$121,887 23	
Bonds and notes	37,861,586 55	36,124,631 24	1,736,955 31	
Advances	13,072,894 31	11,411,850 10	1,661,044 21	
<b>Total</b>	<b>\$64,156,166 33</b>	<b>\$60,636,279 58</b>	<b>\$3,519,886 75</b>	
<b>Investments in other companies:</b>				
Stocks	\$90,477,274 90	\$89,095,498 25	\$1,351,776 65	
Bonds, notes and equipment trust certificates	114,130,544 61	107,935,216 10	6,195,328 51	
<b>Total</b>	<b>\$204,577,819 51</b>	<b>\$197,030,714 35</b>	<b>\$7,547,105 16</b>	
<b>Sinking Funds</b>	<b>\$384,076 81</b>	<b>\$354,880 94</b>	<b>\$29,195 87</b>	
<b>Total Investments</b>	<b>\$866,734,759 08</b>	<b>\$835,703,103 73</b>	<b>\$31,031,655 36</b>	
<b>Current Assets:</b>				
Cash	\$6,741,726 58	\$17,170,065 90		\$10,428,339 32
United States Liberty Loan Bonds	6,245,300 00		\$6,245,300 00	
Time deposits		11,000,000 00		11,000,000 00
Special Deposits	250,668 10	212,678 23	37,989 87	
Loans and bills receivable	127,382 58	10,993,495 98		10,866,113 40
Traffic and car-service balances receivable	1,895,335 39	2,452,568 15		557,232 76
Net balance receivable from agents and conductors	1,779,355 47	946,857 08	\$832,498 39	
Miscellaneous accounts receivable	5,467,096 05	3,248,564 32	2,218,441 73	
Material and supplies	21,440,077 43	11,784,199 93	9,655,877 50	
Interest and dividends receivable	2,340,507 29	2,528,554 73		188,047 44
Rents receivable	81,181 32	67,976 71	13,204 61	
Other current assets				
Baltimore & Ohio Railroad Co. capital stock applicable to payment of 1917 dividend	\$429,078 20	641,538 20		212,460 00
Miscellaneous items	48,607 83	51,103 27		2,495 44
<b>Total Current Assets</b>	<b>\$46,849,226 24</b>	<b>\$61,097,602 50</b>		<b>\$14,248,376 26</b>
<b>Deferred Assets:</b>				
Working fund advances	\$30,734 39	\$28,397 79	\$2,336 60	
Other deferred assets:				
Land contracts, as per contra	543,006 49	597,562 53		\$54,556 04
Miscellaneous items	14,900,327 16	2,419,055 47	2,480,671 69	
United States Liberty Loan Bonds subscriptions for employees	1,253,563 17	1,253,563 15		
<b>Total Deferred Assets</b>	<b>\$6,727,631 19</b>	<b>\$3,045,615 79</b>	<b>\$3,682,015 40</b>	
<b>Unadjusted Debts:</b>				
Rents and insurance premiums paid in advance	\$1,587 95	\$1,605 13		\$17 18
Other unadjusted debts	960,087 33	627,682 05	\$332,405 28	
<b>Total Unadjusted Debts</b>	<b>\$961,675 28</b>	<b>\$629,287 18</b>	<b>\$332,388 10</b>	
<b>Grand Total</b>	<b>\$921,273,291 79</b>	<b>\$900,476,609 19</b>	<b>\$20,797,682 60</b>	

\* On December 31 1917 there remained unpaid on account of the Extra Dividend on Common Stock declared January 8 1914, payable to stockholders of record March 2 1914, \$467,824 18, which is carried as Current Liabilities under account 763. Of this amount \$429,078 20 is represented by \$178,508 par value preferred and \$311,165 par value common stock of the Baltimore & Ohio Railroad Company. The cash portion of the dividend unpaid amounted to \$38,745 98 and is included in account 708, "Cash."

† Includes \$757,530 Demand Notes of The Chicago & Alton Railroad Company accepted in payment of interest on General Mortgage 6% Bonds. The amount was not included in Income Account, and, pending collection of notes, is carried in Account 778, "Contingent Interest."

GENERAL BALANCE SHEET—LIABILITIES.

(Excluding all offsetting securities and accounts between the Union Pacific Railroad Co., Oregon Short Line RR. Co. and Oregon-Washington RR. & Navigation Co

LIABILITIES.	December 31 1917.	December 31 1916.	Increase.	Decrease.
<b>Capital Stock—</b>				
Common Stock	\$222,293,100 00	\$222,293,100 00		
Preferred Stock	99,543,500 00	99,543,500 00		
Total Capital Stock	\$321,836,600 00	\$321,836,600 00		
<b>Funded Debt</b>	335,099,365 00	334,967,305 00	\$132,060 00	
Total	\$656,935,965 00	\$656,803,905 00	\$132,060 00	
<b>Current Liabilities—</b>				
Traffic and Car-Service Balances Payable	\$1,137,430 21	\$593,017 43	\$244,412 78	
Audited Accounts and Wages Payable	10,872,678 57	9,487,096 94	1,385,581 63	
Miscellaneous Accounts Payable:				
Due to Affiliated Companies	6,444,352 15	6,499,007 22		\$54,655 07
Other accounts payable	814,191 95	168,913 55	645,278 40	
Interest Matured Unpaid:				
Coupons matured, but not presented	547,844 05	399,015 65	148,828 40	
Coupons and interest on registered bonds, due first proximo	3,785,106 40	3,784,373 40	733 00	
Dividends Matured Unpaid:				
Dividends due but uncalled for	153,266 00	114,623 50	38,642 50	
Extra Dividend on Common Stock declared January 8 1914, payable to stockholders of record March 2 1914, unpaid	*467,824 18	699,073 73		231,249 55
Dividend on Common Stock payable first proximo	5,557,290 00	4,445,832 00	1,111,458 00	
Funded Debt Matured Unpaid	3,000 00	3,000 00		
Unmatured Dividends Declared:				
Extra Dividend on Common Stock payable Jan. 15 1917		4,445,832 00		4,445,832 00
Unmatured Interest Accrued	1,482,976 03	1,481,685 66	1,290 37	
Unmatured Rents Accrued	246,351 40	204,666 42	41,684 98	
Other Current Liabilities	1,034,909 85	587,679 72	447,230 13	
Total Current Liabilities	\$32,547,220 79	\$33,213,817 22		\$666,596 43
<b>Deferred Liabilities—</b>				
Other Deferred Liabilities:				
Principal of deferred payments on land contracts, <i>as per contra</i>	\$543,006 49	\$597,562 53		\$54,556 04
Contracts for purchase of real estate	1,660,000 00	1,660,000 00		
Miscellaneous items	636,568 44	356,040 49	\$280,527 95	
Tax Liability	4,926,779 86	3,274,975 52	1,651,804 34	
Total Deferred Liabilities	\$7,766,354 79	\$5,888,578 54	\$1,877,776 25	
<b>Unadjusted Credits—</b>				
Insurance Reserve:				
Reserve for Fire Insurance	\$809,617 64	\$840,583 49		\$30,965 85
Reserve for Depreciation	22,671,108 07	20,853,540 06	\$1,817,568 01	
Other Unadjusted Credits:				
Contingent interest	1,174,264 38	1,174,264 38		
Miscellaneous items	3,761,370 01	1,633,033 32	2,128,336 69	
Total Unadjusted Credits	\$28,416,360 10	\$24,501,421 25	\$3,914,938 85	
Total Liabilities	\$725,665,900 68	\$720,407,722 01	\$5,258,178 67	
<b>Corporate Surplus—</b>				
Appropriated for Additions and Betterments	\$20,764,507 35	\$5,450,534 03	\$15,313,973 32	
Reserved for Depreciation of Securities	50,000,000 00	35,418,052 00	14,581,948 00	
Funded Debt Retired Through Income and Surplus	91,300 14	91,300 14		
Sinking Fund Reserves	397,479 14	368,084 27	\$29,394 87	
Total Appropriated Surplus	\$71,253,286 63	\$41,327,970 44	\$29,925,316 19	
<b>Profit and Loss—Credit Balance</b>	124,354,104 48	138,739,916 74		14,385,812 26
Total Corporate Surplus	\$195,607,391 11	\$180,067,887 18	\$15,539,503 93	
Grand Total	\$921,273,291 79	\$900,475,609 19	\$20,797,682 60	

\*See explanation in foot note of General Balance Sheet—Assets.

The increase in "Investment in Road and Equipment" is made up as follows:

Extensions and Branches	\$1,004,998 64
Additions and Betterments, <i>excluding Equipment</i>	13,729,473 16
Equipment	7,539,845 15
Total Increase	\$22,274,316 95
From which there was deducted:	
Cost of Property Retired from Service and Not to be Replaced, charged (less salvage) to Profit and Loss, in conformity with regulations of Inter-State Commerce Commission	\$314,442 64
Cost of real estate sold	84,881 87
Cost of equipment retired from service	1,234,634 97
Amount received from the Trustee of the Union Pacific Railroad Co., First Railroad and Land Grant Four Per Cent Mortgage in payment for expenditures for Additions, Betterments and Equipment	500,000 00
Total Deductions	2,133,959 48
Net increase in "Investment in Road and Equipment"	\$20,140,357 47

A reserve for depreciation of securities was set up in the fiscal year ended June 30 1913 by appropriation of surplus to the amount of \$50,000,000. In the fiscal year ended June 30 1914, incident to the extra dividend on the Common Stock of the Union Pacific Railroad Company declared January 8 1914, Baltimore & Ohio Railroad Company stock owned by Oregon Short Line Railroad Company was transferred to Union Pacific Railroad Company and Illinois Central Railroad Company stock owned by Union Pacific Railroad Company was transferred to Oregon Short Line Railroad Company, in each case at substantially the then prevailing market prices and the differences between the prices at which these inter-company transfers were made and the cost prices at which said stocks had been theretofore carried on the books of the own ng companies were charged to the reserve for depreciation of securities, reducing the same to \$35,418,052. In view of the market prices of securities owned, prevailing in the latter part of the calendar year 1917, it was deemed desirable to restore the reserve for depreciation of securities to its original amount of \$50,000,000. Accordingly an additional appropriation of surplus of \$14,581,948 was made and credited to said reserve account at the end of the fiscal year (see Profit and Loss Account and General Balance Sheet).

By order of the Board of Directors.

C. B. SEGER, Vice-President and Controller.

SUPPLEMENTAL STATEMENT.

Federal Control of Railroads:

Changes in Corporate Organization:

New York, August 15 1918.

The President of the United States, by Proclamation on December 26 1917, took possession and assumed control of all systems of railroad transportation and the appurtenances thereof within the United States, effective at noon on December 28 1917, except that for accounting purposes the effective date was midnight on December 31 1917.

In March 1918 Mr. Robert S. Lovett resigned the Chairmanship of the Executive Committee to accept the office of Director of Division of Capital Expenditures for the Director-General of Railroads, and Mr. C. B. Seger, the Vice-President and Controller of the System companies, was elected Acting Chairman of the Executive Committee.

On or about July 1 1918 the Director-General of Railroads designated Federal Managers for the conduct of the operations of the railroad lines in behalf of the Federal Government, and required the Federal Managers to resign any official positions held by them in the corporate organizations. All operating officers of the System companies who have accepted positions in the Federal operating organizations have tendered their resignations as officers of the System corporations and the same have been accepted. This final and complete elimination of the corporations from any connection with the operations necessitated the creation of a distinct organization to represent the corporate interests in the operating properties as well as to administer the extensive non-operating properties. Mr. C. B. Seger has been elected President of the three System companies. Mr. J. D. Farrell, formerly President of the Oregon-Washington Railroad & Navigation Company, has been elected Vice-President of the three System companies to represent the corporate interests in the West.

C. B. SEGER, President.

# The Commercial Times.

## COMMERCIAL EPITOME.

Friday Night, Sept. 6 1918.

The general business situation in this country is unchanged. That is to say, most businesses are overshadowed by the Government needs. The Government orders largely monopolize the productive power of the country in many different lines of industry. It is using most of the production of iron, steel and copper. Meanwhile, civilian trade goes as far as it can. Retail business is in the main satisfactory and jobbers are also doing a brisk trade wherever opportunity offers. The war news is attracting more and more attention, and recent developments encourage the hope, now widely entertained in this country, of peace along the right lines in the autumn of 1919. Violent fluctuations have occurred in cotton prices, the range being nearly 6 cents. A committee will be appointed by the War Industries Board to inquire into the feasibility and the desirability of stabilizing cotton prices and also providing for an equitable distribution among consumers, including the United States Government and the Allies. But it may take several months to bring about price-fixing, if it comes to this, as an exhaustive investigation will be made of the conditions existing in the trade in different parts of the country. President Wilson has renewed the Government price of \$2.20 per bushel for wheat. Before harvest next spring, however, he will appoint a commission to report on the increased costs of farm labor and supplies to guide him in determining whether there shall be an advance in the price for the spring crop. Meanwhile there are predictions that the winter wheat acreage this fall will be greatly increased. Recent rains have greatly improved the soil. Some seeding has already begun in the plains States and in the Northwest; some wheat is actually up and looking well in Montana. Labor is growing scarcer all over the country. Complaint is heard from parts of the cotton belt of the scarcity of hands for the fields. Shipping men fear the effects of the draft. The widening of the age limits from 18 to 45 years will make men occupying essential positions subject to call. It is claimed that shipping workers should be exempt from the draft. They number about half a million. As a measure to conserve the labor supply retail interests represented at a conference called by the War Industries Board have agreed not to increase their working forces for normal hours for the holiday trade this year, and to urge in their newspaper advertisements that Christmas gifts, except in the case of children, shall be confined to useful articles. Merchants have also agreed to restrict deliveries and to urge customers to carry packages. Meanwhile in the Pittsburgh district alone the number of men employed in some 3,200 industrial plants including 2,000 engaged in war work, is said to be nearly 250,000, of whom 150,000 are said to be actively engaged in producing war material. The pay-roll in the Pittsburgh district is said to be not far from \$2,000,000 a day. Naturally the labor question there, as well as elsewhere in the country, is one of vital importance. Just how it is to be met remains to be seen. Certainly the labor situation in the iron and steel trade is of an importance that it would be hard to exaggerate. Shipbuilding is still being pushed. The program for the United States calls for 15,000,000 tons, enough to sustain 5,000,000 men in France. Seagoing shipping has expanded to nearly 8,000,000 tons. The American output of ships exceeds that of any other nation. It points to a rate of 500,000 tons a month by the end of this year. During the past year 277 seagoing vessels have been built, according to the Chairman of the United States Shipping Board, totaling 1,710,121 tons deadweight completed, and only four of these vessels have been sunk. Twenty ships are now to be built for carrying locomotives, motor trucks, and possibly heavy guns abroad. In such ships a locomotive could be loaded in the hull without removing any part of the machinery and could be moved away from the dock in France under its own steam. Ship deliveries by American yards in August amounted to 66 ships of 340,145 tons dead weight, which is a new high record for this country and supposedly eclipses the previous records of Great Britain also. The British merchant ship building completed and entered for service in the month of August amounted to 124,675 gross tons. It is stated that the fact that the Allies are producing shipping faster than it is sunk by U-boats has become a permanent factor. The question is now being discussed at Washington of the possibility of the Government restoring to their original trade routes vessels diverted from American coastwise and Central and South American trade to transatlantic war service. The coal situation, of course, still attracts wide attention. Meanwhile the Fuel Administration estimates that the "skip-stop" system, expected to be adopted throughout the nation Sept. 15 by street railways will save 1,500,000 tons of coal annually. It requires, it is said, three times as much electric current to start a car as to run it a block. The cost of living is, if anything, increasing. Certainly during the month of July retail prices of food increased 3% over those for June, according to the Department of Labor. They were also 15% higher than in July last year. It is stated that the war now consumes 97 1/2% of the copper supply. Gasoline is being saved by the Sunday curtailment suggestion. It was obeyed with remarkable unanimity on

Sunday, Sept. 1. Self-appointed committees held up would-be violators on the roads to Coney Island and other Long Island beaches, as well as to other pleasure resorts around New York, backed by public opinion. Of course, there was nothing mandatory in the suggestion of the Fuel Administration that this curtailment be practiced on Sundays. But the people acquiesced promptly, and the saving was enormous, estimated at about 1,000,000 gallons hereabouts in New York and vicinity, to say nothing of millions of gallons elsewhere east of the Mississippi River. Certain officials during the past week, curious as it may sound, arrested about 70,000 men in New York City and within a radius of about 10 miles of it as suspected draft evaders, but only a very small percentage proved to be such. Slackers are everywhere despised and nowhere more than in this country. Sharp comments have been made in the United States Senate on the fact that a great host of loyal men were treated as criminals. And, according to Washington dispatches, some of the officials who arrested, it is said, nearly 40,000 men in New York alone without warrants or legal process of any kind will be severely disciplined. In any case, the President has ordered an investigation into this none too creditable business. Thursday, Sept. 12, Registration Day for the coming draft in which it is supposed that some 12,000,000 men will be registered in this country, will be observed here by the closing of some of the Exchanges, including the Stock and Cotton Exchanges.

### STOCKS OF MERCHANDISE IN NEW YORK.

	Sept. 1 1918.	Aug. 1 1918.	Sept. 1 1917.
Coffee, Brazil.....bags	998,513	1,172,958	1,364,406
Coffee, Java.....bats	14,705	7,030	8,026
Coffee, other.....bags	629,110	648,037	681,527
Sugar.....tons	55,350	46,961	129,525
Hides*.....No.			
Cotton.....bales	80,828	77,564	55,736
Manila hemp.....bales		3,000	625
Flour.....bbls.	24,100	5,400	20,300

\* Not published during the war.

LARD higher; prime Western, 27.65@27.75c.; refined for the Continent, 28.50c.; South America, 28.90c.; Brazil, 29.90c. Futures have fluctuated within very narrow bounds. They advanced slightly. Deliveries were rather small on September contracts. Also hog prices advanced. Finally the monthly stock statement was rather bullish. The stock of contract lard in Chicago on Sept. 1 was 16,096,402 lbs., against 18,011,643 lbs. on Aug. 1 this year and 45,749,490 lbs. on Sept. 1 last year. The total stock of lard at Chicago was 34,722,029 lbs. on Sept. 1, 38,148,697 on Aug. 1 and 53,437,570 on Sept. 1 last year. To-day lard declined, but shows very little net change for the week. Lately spot lard at Chicago has been at a premium over September there.

### DAILY CLOSING PRICES OF LARD FUTURES IN CHICAGO.

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
Sept. delivery.....cts.	26.85	Holi- 26.92	27.00	27.00	27.00	26.75
October delivery.....cts.	26.80	day 26.87	26.90	26.82	26.82	26.52

PORK firm; mess \$49@54.90, clear \$48@54. Beef products firm; mess \$35@35.50, extra India mess \$57@59. Cut meats higher; pickled hams, 10 to 20 lbs., 28 1/2@29 1/2c.; pickled bellies, 37@39c. The stock of bacon, short ribs, at Chicago was 14,115,616 lbs. on Sept. 1, as against 14,933,194 last month and 13,656,436 on Sept. 1 last year; stock of bacon, ex. S. C., was 7,066,913 lbs., against 11,137,421 on Aug. 1, and 1,504,609 lbs. on Sept. 1 last year; total stock of cut meats 140,205,181 lbs., against 159,004,840 last month and 121,129,195 lbs. on Sept. 1 1917. To-day September pork was \$41.45, showing a decline of \$1.75 for the week. Butter, creamery, 50 1/2@51c. Cheese, flats, 22@27 1/2c. Eggs, fresh, 51@52c.

COFFEE higher; No. 7 Rio, 9 1/2c.; No. 4 Santos, 12 1/2c.; fair to good Cueuta, 11 1/4@12c. Futures have moved within very contracted limits with little trading. At the same time Brazilian markets advanced. At one time Santos futures rose 975 to 1,100 reis. It is not altogether clear just what this meant. But the 1919-20 crop is estimated in some quarters at not over 4,000,000 bags. Also, though it is a rather long look ahead, it is asserted that the next two crops are likely to be much reduced, owing to cold weather early this summer. Later on Santos, however, turned downward, losing most of the sharp rise. Rio on the same day that Santos showed so marked an advance rose only 50 reis, later it rose 175 reis further. The trade is cautious as regards extremely low crop estimates, although the spot demand here is said to have improved. Receipts at Brazilian ports are 50% of the normal, but stocks at seaports are increasing. Including Government purchases they are 6,882,000 bags against 2,608,000 last year. To-day prices closed unchanged to 5 points lower. There is a trifling net decline for the week.

Sept.....cts.	8.50@	January.....cts.	9.05@9.10	April.....cts.	9.37@9.40
October.....8.65@		February.....9.16@9.20		May.....9.47@9.50	
November.....8.80@		March.....9.27@9.30		June.....9.54@9.57	
December.....8.95@				July.....9.60@9.64	

SUGAR steady; centrifugal, 96-degrees test, 6.055c.; granulated, 7.50c. Everybody is awaiting the new prices. That is, the price to be fixed on the growing Cuban crop and also the price of refined sugar to the jobber, manufacturer and the consumer. They will apply to all sugars held by refiners, beet or cane sugar producers. The International Sugar Committee has bought Porto Rico 96-degree test sugar for September shipment at 6.055c., c.i.f.; some Cuba, 96-degree test, at 4.985c., c.i.f., and San Domingo, afloat to New York, at 4.799c., c.i.f., for Canada. Exports from Cuba increased last week, the total being 70,066

tons, against 40,753 in the previous week and 72,966 last year; receipts, 27,361 tons, against 24,259 in the previous week and 14,321 last year; stocks, 556,251 tons, against 598,956 in the previous week and 232,000 last year.

**OILS.**—Linseed firm; city raw, carloads, \$1 90; five-barrel lots, \$1 90; Calcutta, \$1 95. Lard, prime edible, \$2 30. Coconut, Ceylon, bbls., 16 1/2@16 3/4c.; Cohnin 17 3/4@18c. Soya bean, 18@18 1/2c. Corn oil, crude, bbls., 17 3/4@18c. Spirits of turpentine, 66 1/2@67c. Strained rosin, common to good, \$12 90. Prime, crude, Southwest, 17.50c.

**PETROLEUM** steady; refined in barrels, cargo, \$15 50 @ \$16 50; bulk, New York, \$8 25 @ \$9 25; cases, New York, \$18 75 @ \$19 75. Gasoline firm; motor gasoline in steel barrels to garages, 24 1/2c.; to consumers, 26 1/2c.; 68 to 76 degrees, steel, 30 1/2@33 1/2c.; gas machine, 41 1/2c. The scarcity of gasoline, especially in the East, is an important factor. It is being offset by the curtailment of Sunday auto pleasure riding in the States east of the Mississippi. It is estimated that this may save between 8,000,000 and 10,000,000 gallons for each day. Supplies are taxed heavily, of course, owing to export necessities. From one local port clearances from Jan. 1 to Aug. 29 amounted to 82,363,513 gallons as compared with 23,483,791 gallons for the same time last year. Meanwhile Texas field operations have been seriously curtailed by drought, but the Ranger field in Eastland County and the Burkburnett pool in Wichita County have been the scene of important operations.

Pennsylvania dark \$4 00 South Lima.....\$2 38 Illinois, above 30  
Cabell.....2 77 Indiana.....2 28 degrees.....\$2 42  
Crichton.....1 40 Princeton.....2 42 Kausas and Okla-  
Cornig.....2 85 Somerset, 32 deg.....2 60 homa.....2 25  
Wooster.....2 68 Ragland.....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 Healdton.....1 45  
North Lima.....2 38 Henrietta.....2 25

**TOBACCO.**—The ordinary trade of this time of the year is in progress and prices show little, if any, change. In fact, there is a lack of new features. Naturally the consumption in these times is large and the general idea is that supplies will be anything but burdensome. During the past week the harvest of tobacco continued under generally favorable conditions; the crop is earlier than usual in New England. Late tobacco was greatly improved in the Ohio Valley and Tennessee by recent general rains.

**COPPER** unchanged at 26c. Government needs are well supplied. Though the production has been interfered with by the shortage of labor it is still heavy. For the first six months of this year it was 172,000,000 pounds per month, as against 158,000,000 pounds last year and close to 160,700,000 pounds during the same time in 1916. The consumption, however, is necessarily heavy. Tin dull and easier at 80@81c. for spot at New York. London prices continue to decline. Buyers seem well supplied for the time being and are satisfied to await developments. In the local market Chinese tin is not in evidence; spot Banca is offered at 80 to 80 1/2c. Straits for shipment from Singapore was quoted at 74 1/2c. Lead continues scarce and firm at 8.05@8.90c. Government contracts are, of course, first attended to; others must wait. Strictest economy is necessary. Spelter firm at 9.40@9.60c. with light offerings. The production of all grades of spelter during the week ended Aug. 24 was 9,986 tons, as against 10,085 tons during the previous week.

**PIG IRON** output still falls below the demand. The August total was smaller than that of July. The "Iron Age" puts it at 3,389,585 tons, against 3,420,988 in July. But it was larger than in June when it was 3,323,791 tons, though smaller again than in May when it was 3,446,412 tons. In August last year it was 3,247,947 tons and in August 1916, 3,203,713. The trouble is that the demand outruns the production by far. Yet the current year may see a high record output. Certainly the number of blast furnaces is increasing. The situation is such, however, that only pressing Government orders can be filled. The production in the United States this year is estimated at about 40,000,000 tons, or an increase over last year of about 1,000,000 tons. In 1916 the total was 39,434,797 tons. On Sept. 1 there were 372 iron furnaces in blast with a daily capacity of about 112,390 tons, as compared with 363 furnaces on Aug. 1 and a daily output of 111,300 tons. Foundrymen are keeping their works going with the aim of securing as much Government work as possible. Naturally they hope for a fair distribution of Government orders and of raw material. There ought not to be any doubt about it. Every effort is being made to increase the output of pig iron.

**STEEL** remains in much the same situation as heretofore. All departments of the trade are active. Work is being pushed with feverish activity in mills and finishing shops. Getting raw steel, however, is hard, even for some preferred industries. Much of the output consists of plates. The Government is devising plans for an increase of production and its equitable distribution. The War Industries Board in conjunction with the Census Bureau will endeavor to ascertain the amount of steel stocks held by manufacturing consumers in the United States. A questionnaire will be sent to some 40,000 American manufacturers. The idea is to conserve steel as far as possible. And there will be a conference at Washington on iron and steel prices between the General Steel Committee and the War Industries Board on Sept. 18.

**COTTON.**

Friday Night, Sept. 6 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 89,652 bales, against 75,988 bales last week and 47,901 bales the previous week, making the total receipts since Aug. 1 1918 294,888 bales, against 407,447 bales for the same period of 1917, showing a decrease since Aug. 1 1918 of 112,559 bales.

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.	Total.
Galveston	4,601	9,278	16,112	6,492	5,086	8,359	49,928
Texas City	---	---	---	---	---	---	192
Port Arthur, &c.	---	---	---	---	---	---	192
New Orleans	3,439	286	1,220	2,542	2,145	3,304	12,936
Mobile	234	411	100	207	100	1,370	2,518
Pensacola	---	---	---	---	---	---	2
Jacksonville	---	---	---	---	---	---	2
Savannah	2,894	---	3,569	6,269	3,748	3,518	19,998
Brunswick	---	---	---	---	---	1,500	1,500
Charleston	---	84	---	---	163	153	400
Wilmington	---	---	---	---	---	---	---
Norfolk	20	---	496	169	75	90	850
N'port News, &c.	---	---	---	---	---	86	86
New York	---	---	---	44	---	---	44
Boston	354	---	---	138	320	340	1,152
Baltimore	---	---	---	---	---	46	46
Philadelphia	---	---	---	---	---	---	---
Totals this wk.	11,542	10,059	21,497	15,951	11,637	18,966	89,652

The following shows the week's total receipts, total since Aug. 1 1918 and stocks to-night, compared with last year:

Receipts to Sept. 6.	1918.		1917.		Stock.	
	This Week.	Since Aug. 1 1918.	This Week.	Since Aug. 1 1917.	1918.	1917.
Galveston	49,928	150,072	49,208	145,374	184,652	111,406
Texas City	192	1,614	---	---	6,504	90
Port Arthur, &c.	192	832	---	---	---	---
New Orleans	12,936	47,132	12,587	59,617	229,392	72,567
Mobile	2,518	7,694	5,679	11,512	11,552	11,634
Pensacola	---	---	---	---	115	---
Jacksonville	---	---	---	---	1,070	3,000
Savannah	19,998	63,852	35,167	98,547	155,371	66,753
Brunswick	1,500	7,300	2,000	25,000	3,000	7,000
Charleston	400	2,481	615	5,041	27,750	3,498
Wilmington	---	---	---	---	27,364	41,324
Norfolk	850	4,102	596	21,580	53,934	57,239
N'port News, &c.	86	359	112	382	---	---
New York	44	1,340	2,338	8,639	86,324	49,563
Boston	1,152	7,524	1,268	15,287	15,467	7,947
Baltimore	46	415	1,142	11,366	6,768	21,801
Philadelphia	---	---	278	1,267	4,825	3,728
Totals	89,652	294,888	112,138	407,447	823,313	457,550

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	49,928	49,208	74,946	36,854	26,689	115,677
Texas City, &c.	192	274	2,377	4,753	1,288	10,958
New Orleans	12,936	12,587	28,604	10,215	2,527	8,832
Mobile	2,518	5,679	4,383	1,931	1,825	4,655
Savannah	19,998	35,167	53,251	37,694	11,468	50,702
Brunswick	1,500	2,000	4,000	500	623	8,400
Charleston, &c.	400	615	5,056	2,385	1,649	12,875
Wilmington	---	423	2,177	598	811	3,494
Norfolk	850	596	10,591	4,318	1,059	1,028
N'port N., &c.	86	113	741	---	913	---
All others	1,244	5,376	970	1,365	275	1,029
Lot. this week	89,652	112,138	187,016	100,526	49,127	217,200
Since Aug. 1.	294,888	407,447	552,058	263,745	116,816	620,177

The exports for the week ending this evening reach a total of 38,961 bales, of which 37,161 were to Great Britain, to France and 1,800 to the rest of the Continent. Exports for the week and since Aug. 1 1918 are as follows:

Exports from—	Week ending Sept. 6 1918.			From Aug. 1 1917 to Sept. 6 1918.		
	Great Britain.	France.	Other.	Great Britain.	France.	Other.
Galveston	16,849	---	---	16,849	---	41,655
Texas City	---	---	---	---	---	12,200
New Orleans	14,377	---	---	34,284	40,224	17,928
Mobile	---	---	---	4,910	---	4,910
Savannah	---	---	---	---	20,000	31,594
Brunswick	5,935	---	---	5,935	---	5,935
Wilmington	---	---	---	---	---	5,646
New York	---	---	---	23,029	9,425	41,646
Baltimore	---	---	---	2,352	---	3,252
Pacific ports	---	1,800	1,800	---	---	17,772
Total	37,161	1,800	38,961	87,330	69,649	168,341
Total 1917.	46,093	5,020	51,113	295,666	48,646	58,671
Total 1918.	65,632	3,083	68,715	217,160	76,848	187,770

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.

Sept. 6 at—	On Shipboard, Not Cleared for—					Leaving Stock.
	Great Britain.	France.	Germany.	Other Cont.	Coast-wis.	
Galveston	32,931	---	---	500	5,000	42,931
New Orleans	5,000	8,000	---	8,000	2,000	23,000
Savannah	---	---	---	20,000	4,000	24,000
Charleston	---	---	---	---	500	500
Mobile	7,006	---	---	---	---	7,006
Norfolk	---	---	---	---	150	150
New York	5,000	4,000	---	3,000	---	12,000
Other ports	4,000	---	---	---	---	4,000
Total 1918.	53,937	12,000	---	36,000	11,650	113,587
Total 1917.	39,251	2,000	---	30,670	8,706	80,627
Total 1916.	52,167	8,713	---	26,277	8,537	95,694

\* Estimated.

Speculation in cotton for future delivery has been more active at a sharp rise in prices. On the 3rd instant there was an advance of 230 to 270 points, owing to a Government report stating the condition of the belt at 55.7%, which was lower than expected. It means a crop, according to the Government estimate, of 11,137,000 bales of 500 lbs., or 4,098,000 bales, less than the Government forecast at the beginning of the season. The depreciation during August was 2,482,000 bales. The crop indicated is slightly smaller than those of the last three years. Last year the production, exclusive of linters, was 11,300,254 bales; two years ago 11,449,930 bales; three years ago 11,191,820 bales; and in 1914-15, 16,134,930 bales. In other words, the present crop will be the fourth semi-failure in succession. It is the lowest condition on record, comparing with 67.8 last year, 61.2 in 1916, and a ten-year average of 70.4. Texas is put at the unprecedentedly low figure of 43, and Oklahoma at 33. Some of the Texas crop estimates emanating from private sources are 2,000,000 to 2,500,000 bales. The belt as a whole suffered a decline during August of 17.9 points, equivalent to a depreciation in a single month of 24%. The principal cause of the deterioration was the extreme drouth, hot weather, boll weevil, red spider and rust. Drouth and hot weather did the most damage, especially west of the Mississippi, more particularly in Texas and Oklahoma. Liverpool prices have rapidly risen. Finally, the war news has been decidedly encouraging. To some this has seemed quite as stimulating a factor as the bad crop news. Liverpool has bought freely. So have American trade interests. Needless to say, shorts have covered hastily. Japanese interests of late have bought December and January freely. And as a rule there has been no great amount of Southern hedge selling. The West and Wall Street have bought heavily. Western traders were buyers for long account. Operators there are impressed by the unfavorable character of the crop news. On the other hand, some of the Wall Street element were short. So were not a few local operators. On the other hand, Texas of late has had beneficial rains. So has Oklahoma; also States east of the Mississippi. Louisiana, Mississippi, Alabama, Georgia have all been benefited. And there are some hopes of a top crop in parts of Texas. The plant is growing and blooming again in Oklahoma, where it has been favored by sufficient rains. Last week Louisiana, on the whole, had favorable weather, and at least in some parts of that State the plant made a good advance. Picking and ginning are progressing rapidly everywhere. Mississippi last week had a more favorable condition. Boll weevil there were not active, and no great harm has come from rust and shedding. The late crop in the lowlands of Arkansas has been helped by recent rains, especially in the central and northern portions. In fact new squares have formed there. Tennessee also had a good week; bolls are opening rapidly and picking is making satisfactory progress. In the northern part of North Carolina satisfactory to good progress occurred last week, and bolls are opening rapidly. Intermediate and late cotton has been benefited in South Carolina, by good rains. Shedding there has noticeably lessened. In a word, good rains last week caused a certain amount of improvement in many localities, especially in North Carolina, Tennessee, Oklahoma, Louisiana and southern Alabama. It is hoped that with fairly good weather in September and a comparatively late date of general killing frost the damage done in August may be in a measure retrieved. But this is not being counted on by the Government. That is evident from the fact that Chairman Baruch of the War Industries Board is taking preparatory steps towards the stabilization of raw cotton prices and Government distribution of the staple if it should be found necessary to insure an adequate supply of cotton for war industries. It is stated that this action of the Board has resulted from the prospect of a short cotton crop and the problem of satisfying the needs of the United States, as well as those of the Allies, if such a prospect becomes certain. The Board will appoint a committee with the approval of the President, to study the present situation, with a view of ascertaining the true conditions. This committee will also take up the problem of distribution, the marketing of low-grade cotton and the desirability and feasibility of affecting a stabilization of prices. The committee will hold conferences at convenient places. All the parties in interest will have an opportunity to be heard. In other words, what has long been dreaded is now, it is supposed, impending, i. e., a regulation of prices for raw cotton, even though it may not come for some time. On the 5th inst. prices broke 215 to 235 points on the talk to the effect that the Government will stabilize prices of raw cotton. Good rains in Texas and heavy selling by Liverpool, Wall Street and the West, as well as more or less Southern selling, also contributed to the decline. Meanwhile exports are small. Stocks at Southern points are large. World's spinners' takings are running behind those of last year; also exports. Latterly Southern hedge selling has increased. If violent advances in prices are stopped it is supposed that this hedge selling will steadily increase. That would remove the chronic scarcity of contracts here which has been a sore point for over a year. Finally after a recent rise of about 13 cents a pound a reaction was due. Latterly prices have declined, although the net gain within a month is still enormous. But speculative shorts have been largely driven out. Latterly Liverpool has sold distant months to

some extent and so have Wall St. and local interests. The scarcity of labor in this country is increasing. And the draft makes it certain that it will continue to increase. What with light exports and a curtailed domestic consumption many believe that there will be cotton enough. They figure that not improbably the season's supply will reach something like 16,500,000 bales, counting the carry-over visible and invisible from last season, as well as the winter crop. The world's consumption of American cotton is estimated in some quarters at not over 12,250,000 bales. If these figures are anywhere near correct it would mean a carryover into next season of say 4,250,000 bales, with another crop then due. To-day prices advanced 90 to 95 points, but lost about two-thirds of this later on. But the market had become somewhat oversold and Liverpool, Japanese and other interests were buying. Mills bought rather more freely. Not a little of the buying was covering. Hedge selling was smaller. Finally there was less fear of price fixing in the immediate future. It may take a long time to bring it about. Prices, after showing an advance at one time of nearly 3 cents, dropped sharply later on and, in spite of to-day's advance, end lower for the week. Middling upland closed at 35.85c., a decline of 65 points for the week.

The official quotation for middling upland cotton in the New York market each day for the past week has been:

Aug. 31 to Sept. 6—	Sat. Mon. Tues. Wed. Thurs. Fri.
Middling uplands.....	Hol. Hol. 35.20 37.00 35.55 35.85

NEW YORK QUOTATIONS FOR 32 YEARS.

1918.....	35.85	1910.....	14.25	1902.....	8.88	1894.....	6.94
1917.....	22.20	1909.....	12.85	1901.....	8.62	1893.....	8.00
1916.....	15.80	1908.....	9.30	1900.....	10.12	1892.....	7.12
1915.....	9.85	1907.....	13.50	1899.....	6.31	1891.....	8.81
1914.....	11.75	1906.....	10.00	1898.....	5.75	1890.....	10.62
1913.....	12.75	1905.....	10.75	1897.....	7.50	1889.....	11.38
1912.....	11.75	1904.....	11.10	1896.....	8.50	1888.....	10.50
1911.....	11.60	1903.....	12.50	1895.....	8.25	1887.....	10.00

MARKET AND SALES AT NEW YORK.

	Spot Market Closed.	Futures Market Closed.	SALES.		
			Spot.	Contract.	Total.
Saturday	HOLI	DAY			
Monday	HOLI	DAY			
Tuesday	Steady, 170 pts. adv.	Barely steady	100		100
Wednesday	Quiet, 120 pts. dec.	Barely steady			
Thursday	Quiet, 145 pts. dec.	Barely steady			
Friday	Quiet, 30 pts. adv.	Barely steady			
Total			100		100

FUTURES.—The highest, lowest and closing prices at New York for the past week have been as follows:

	Saturday, Aug. 31.	Monday, Sept. 2.	Tuesday, Sept. 3.	Wed. day, Sept. 4.	Thurs. day, Sept. 5.	Friday, Sept. 6.	Week.
September—							
Range.....			36.24	35			36.24-25
Closing.....			36.15	35.07	33.75	34.09	
October—							
Range.....			34.85	32.50	32.80	33.45	32.80-32.50
Closing.....			30.15	25	35.02	33.75	34.07-10
November—							
Range.....			35.70	34.55	33.33	33.09	36.40
Closing.....			35.55	34.40	32.05	33.00	32.05-150
December—							
Range.....			34.44	33.15	32.00	33.05	32.00-135
Closing.....			35.45	34.31	35	33.05	33.42-45
January—							
Range.....			34.35	34.06	32.11	33.95	32.97-88
Closing.....			35.30	34.17	33	33.00	31.95-105
February—							
Range.....			35.30	34.15	33.00	33.30	
Closing.....			34.40	34.03	32.00	33.00	32.00-100
March—							
Range.....			34.50	34.00	31.85	32.95	31.85-749
Closing.....			35.20	34.07	32.90	33.10	
April—							
Range.....			34.50	34.07	32.85	33.00	32.80-10
Closing.....			35.20	34.07	32.85	33.00	32.80-155

137c. 136c. 135c. 134c. 133c.  
 QUOTATIONS FOR MIDDLING COTTON AT OTHER MARKETS.

Week ending Sept. 6.	Closing Quotations for Middling Cotton on—					
	Saturday.	Monday.	Tuesday.	Wed. day.	Thurs. day.	Friday.
Galveston.....			36.35	35.50	34.25	34.25
New Orleans.....			34.50	34.50	33.75	33.75
Mobile.....			34.75	34.50	32.50	33.38
Savannah.....			35.25	34.00	33.00	33.25
Charleston.....				35.00	33.00	33.00
Wilmington.....						
Norfolk.....	HOLI-DAY	HOLI-DAY	35.75	35.50	34.00	34.00
Baltimore.....			35.50	35.50	35.00	35.00
Philadelphia.....			38.45	37.25	35.80	36.10
Augusta.....			35.75	34.37	32.62	33.25
Memphis.....			35.00	35.00	35.00	35.00
Dallas.....			35.80	34.65	33.50	33.85
Houston.....			35.75	34.65	33.50	33.80
Little Rock.....			35.00	34.00	34.00	34.50

NEW ORLEANS CONTRACT MARKET.

	Saturday, Aug. 31.	Monday, Sept. 2.	Tuesday, Sept. 3.	Wed. day, Sept. 4.	Thurs. day, Sept. 5.	Friday, Sept. 6.
September.....			33.91	32.57	31.58	31.91
October.....			34.45	33.11	32.12	32.45-49
December.....			34.45	33.04	32.00	32.47-50
January.....			34.50	33.16	32.15	32.46-50
March.....	HOLI-DAY	HOLI-DAY	34.62	33.20	32.08	32.61-64
May.....			34.67	33.23	32.10	32.63-66
Tone.....						
Spot.....			Steady	Steady	Steady	Quiet
Options.....			Easy	Steady	Very st'y	Steady

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.

Sept. 6—	1918.	1917.	1916.	1915.
Stock at Liverpool.....	bales. 204,000	243,000	621,000	1,154,000
Stock at London.....	20,000	22,000	32,000	72,000
Stock at Manchester.....	55,000	18,000	25,000	68,000
<b>Total Great Britain.....</b>	<b>280,000</b>	<b>283,000</b>	<b>678,000</b>	<b>1,429,000</b>
Stock at Hamburg.....	.....	.....	*1,000	*1,000
Stock at Bremen.....	.....	.....	*1,000	*11,000
Stock at Havre.....	101,000	144,000	189,000	218,000
Stock at Marseilles.....	1,000	3,000	10,000	7,000
Stock at Barcelona.....	21,000	78,000	52,000	84,000
Stock at Genoa.....	10,000	10,000	136,000	137,000
Stock at Trieste.....	.....	.....	*1,000	*1,000
<b>Total Continental stocks.....</b>	<b>133,000</b>	<b>235,000</b>	<b>390,000</b>	<b>459,000</b>
<b>Total European stocks.....</b>	<b>413,000</b>	<b>518,000</b>	<b>1,068,000</b>	<b>1,783,000</b>
India cotton afloat for Europe.....	18,000	22,000	23,000	70,000
Amer. cotton afloat for Europe.....	155,000	277,000	300,543	149,914
Egypt, Brazil, &c. afloat for Europe.....	59,000	32,000	10,000	17,000
Stock in Alexandria, Egypt.....	185,000	54,000	8,000	102,000
Stock in Bombay, India.....	*641,000	880,000	461,000	557,000
Stock in U. S. ports.....	823,313	457,550	507,972	761,443
Stock in U. S. interior towns.....	628,183	253,166	325,618	454,818
U. S. exports to-day.....	20,312	6,947	28,243	3,301
<b>Total visible supply.....</b>	<b>2,942,508</b>	<b>2,500,663</b>	<b>2,731,476</b>	<b>3,823,466</b>

Of the above, totals of American and other descriptions are as follows

American	1918.	1917.	1916.	1915.
Liverpool stock.....	bales. 82,000	143,000	494,000	900,000
Manchester stock.....	22,000	11,000	22,000	56,000
Continental stock.....	*115,000	*202,000	*294,000	*378,000
American afloat for Europe.....	151,000	277,000	300,543	149,914
U. S. port stocks.....	823,313	457,550	507,972	716,443
U. S. interior stocks.....	628,183	253,166	325,618	454,818
U. S. exports to-day.....	20,312	6,947	28,243	3,301
<b>Total American.....</b>	<b>1,845,808</b>	<b>1,350,663</b>	<b>1,971,476</b>	<b>2,658,466</b>

East India, Brazil, &c.—

1918.	1917.	1916.	1915.	
Liverpool stock.....	122,000	100,000	127,000	254,000
London stock.....	20,000	22,000	32,000	72,000
Manchester stock.....	34,000	7,000	3,000	12,000
Continental stock.....	*18,000	*33,000	*96,000	*81,000
India afloat for Europe.....	18,000	22,000	23,000	70,000
Egypt, Brazil, &c. afloat.....	59,000	32,000	10,000	17,000
Stock in Alexandria, Egypt.....	185,000	54,000	8,000	102,000
Stock in Bombay, India.....	*641,000	*880,000	461,000	557,000
<b>Total East India, &amp;c.....</b>	<b>1,097,000</b>	<b>1,150,000</b>	<b>760,000</b>	<b>1,165,000</b>
<b>Total American.....</b>	<b>1,845,808</b>	<b>1,350,663</b>	<b>1,971,476</b>	<b>2,658,466</b>

Total visible supply..... 2,942,508 2,500,663 2,731,476 3,823,466

Middling upland, Liverpool.....	1918.	1917.	1916.	1915.
.....	24,584	17,25d.	9,384	6,12d.
Middling upland, New York.....	35,85c.	21,35c.	15,25c.	10,10c.
Egypt, good brown, Liverpool.....	33,92d.	29,75d.	13,43d.	8,65d.
Peruvian, rough good, Liverpool.....	39,00d.	26,80d.	13,75d.	10,90d.
Braoch, Pine, Liverpool.....	25,25d.	17,00d.	8,90d.	5,75d.
Tinnevely, Good, Liverpool.....	25,50d.	17,18d.	8,92d.	5,87d.

\* Estimated.

Continental imports for past week have been 55,000 bales. The above figures for 1918 show an increase over last week of 65,261 bales, a gain of 442,145 bales over 1917, an excess of 211,332 bales over 1916 and a loss of 880,658 bales from 1915.

AT THE INTERIOR TOWNS the movement—that is, the receipts for the week since Aug. 1, the shipments for the week and the stocks to-night, and the same items for the corresponding period of the previous year—is set out in detail below.

Towns.	Movement to Sept. 6 1918.			Movement to Sept. 7 1917.				
	Receipts.	Shipments.	Stocks Sept. 6.	Receipts.	Shipments.	Stocks Sept. 7.		
							Week.	Season.
Ala., Eufaula.....	242	379	1,374	270	490	156	642	
Montgomery.....	2,912	5,463	1,601	5,897	2,112	4,167	10,950	
Selma.....	3,256	3,654	1,160	2,752	1,351	2,144	1,437	
Ark., Helena.....	42	229	250	576	6	558	2,006	
Little Rock.....	710	7,207	4,114	8,250	47	794	1,295	4,670
Pine Bluff.....	35	334	864	14,191	154	307	1,140	4,414
Ga., Albany.....	979	1,018	483	1,158	1,592	3,497	906	1,923
Athens.....	832	1,461	210	11,841	540	1,500	309	926
Atlanta.....	1,103	5,732	1,291	16,778	544	7,754	2,381	12,894
Augusta.....	9,264	14,601	8,004	48,336	12,904	18,323	6,114	20,386
Columbus.....	1,050	1,550	550	3,200	417	500	210	2,010
Macon.....	1,070	4,749	1,018	8,138	3,223	8,750	3,453	2,827
Rome.....	94	393	10	3,792	438	1,107	210	2,928
La., Shreveport.....	2,570	3,716	1,465	10,067	1,961	1,967	141	4,700
Miss., Columbus.....	443	443	217	617	.....	.....	.....	569
Clarksdale.....	559	909	550	16,000	500	850	500	3,300
Greenwood.....	700	1,880	861	15,500	400	1,390	900	4,900
Meridian.....	719	923	1,203	4,029	509	1,497	64	4,256
Natchez.....	959	1,271	2,212	232	016	926	513	903
Vicksburg.....	443	528	534	1,717	53	562	.....	441
Yazoo City.....	479	666	391	7,071	232	267	926	609
Mo., St. Louis.....	706	12,767	2,022	10,696	3,929	57,327	4,799	3,620
N. C., Gr'naboro.....	235	2,499	1,261	4,756	335	2,577	481	1,170
Raleigh.....	40	149	.....	94	189	254	126	36
O., Cincinnati.....	384	5,340	1,202	12,729	1,332	17,583	999	23,742
Okl., Ardmore.....	.....	.....	.....	.....	.....	.....	.....	1,566
Clatskanie.....	.....	1,704	200	5,242	.....	.....	.....	300
Hugo.....	582	582	.....	582	.....	.....	.....	.....
Oklahoma.....	.....	.....	800	.....	.....	.....	.....	108
S. C., Greenville.....	12	1,732	412	9,100	1,000	5,250	900	6,684
Greenwood.....	218	230	218	2,829	42	45	42	575
Tenn., Memphis.....	2,848	14,317	27,135	231,759	2,410	22,205	13,350	71,861
Nashville.....	.....	.....	234	.....	.....	81	.....	99
Tex., Abilene.....	.....	.....	63	200	.....	200	100	197
Brenham.....	2,500	11,047	2,300	3,907	2,000	9,120	1,400	2,037
Clarksville.....	1,060	1,060	75	985	.....	.....	.....	.....
Dallas.....	3,177	5,073	791	6,181	6,191	10,290	2,919	6,379
Honey Grove.....	2,801	2,801	850	1,921	400	1,497	64	4,256
Houston.....	60,639	194,971	43,216	148,093	71,550	216,215	64,122	50,293
Paris.....	7,150	7,150	3,683	4,487	.....	.....	.....	.....
San Antonio.....	2,000	9,883	1,500	3,129	1,992	5,993	1,589	1,911
<b>Total, 41 towns.....</b>	<b>113,321</b>	<b>328,488</b>	<b>111,783</b>	<b>628,183</b>	<b>118,699</b>	<b>404,190</b>	<b>113,421</b>	<b>263,166</b>

The above totals show that the interior stocks have increased during the week 1,538 bales and are to-night 375,017 bales more than at the same time last year. The receipts at all town have been 5,378 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 for Friday night. The results for the week and since Aug. 1 in the last two years are as follows:

Sept. 6. Shipped—	1918		1917	
	Week.	Since Aug. 1.	Week.	Since Aug. 1.
Via St. Louis.....	2,022	15,756	4,799	63,060
Via Mounds, &c.....	2,092	12,855	3,313	22,909
Via Rock Island.....	.....	507	.....	.....
Via Louisville.....	1,262	13,879	695	3,905
Via Cincinnati.....	651	3,432	200	8,906
Via Virginia points.....	1,263	11,532	2,418	22,437
Via other routes, &c.....	3,871	35,935	2,942	22,999
<b>Total gross overland.....</b>	<b>11,071</b>	<b>93,896</b>	<b>14,387</b>	<b>143,886</b>

Deduct shipments—

	1918	1917
Overland to N. Y., Boston, &c.....	1,242	9,279
Between interior towns.....	1,186	4,356
Inland, &c., from South.....	5,230	47,503
<b>Total to be deducted.....</b>	<b>7,658</b>	<b>61,168</b>
<b>Leaving total net overland *.....</b>	<b>3,413</b>	<b>32,728</b>

\* Including movement by rail to Canada.

The foregoing shows the week's net overland movement has been 3,413 bales, against 3,473 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 30,615 bales.

In Sight and Spinners' Takings.	1918		1917	
	Week.	Since Aug. 1.	Week.	Since Aug. 1.
Receipts at ports to Sept. 6.....	89,652	294,888	112,138	407,447
Net overland to Sept. 6.....	3,413	32,728	3,473	63,433
Southern consumption to Sept. 6a.....	85,000	443,000	88,000	487,000
<b>Total marketed.....</b>	<b>178,065</b>	<b>770,616</b>	<b>203,611</b>	<b>957,790</b>
Interior stocks in excess.....	1,538	268,433	5,278	210,176
<b>Came into sight during week.....</b>	<b>179,603</b>	<b>702,183</b>	<b>208,889</b>	<b>855,014</b>
<b>Total in sight Sept. 6.....</b>	<b>20,483</b>	<b>110,746</b>	<b>36,035</b>	<b>186,706</b>

z 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—Sept. 8.....	331,125	1916—Sept. 8.....	1,007,543
1915—Sept. 10.....	198,869	1915—Sept. 10.....	667,917
1914—Sept. 11.....	128,217	1914—Sept. 11.....	474,865

WEATHER REPORTS BY TELEGRAPH.—Our telegraphic advices this evening indicate that rain has fallen in most localities of the Southwest during the week, breaking the prolonged drought. Texas advices are to the effect that rain has fallen over the greater portion of the State except the Southwestern section, but it is a matter of conjecture as to the extent production will be benefited thereby.

Galveston, Tex.—Moderate to heavy rains occurred over the greatest portion of Texas with the exception of southwestern section where the fall was scattered. To what extent these rains will benefit production is still a matter of conjecture, although in the event of a late frost and ideal crop weather much more growth would be assured. Picking and ginning is progressing satisfactorily. It has rained on one day of the week, the precipitation being twelve hundredths of an inch. Average thermometer 79, highest 88, lowest 70.

Abilene, Tex.—It has rained on four days of the week, the rainfall reaching forty-seven hundredths of an inch. The thermometer has averaged 79, the highest being 98 and the lowest 60.

Brenham, Tex.—We have had rain on three days of the past week, the rainfall being forty-eight hundredths of an inch. The thermometer has averaged 84, ranging from 66 to 101.

Brownsville, Tex.—There has been no rain during the week. The thermometer has ranged from 74 to 102, averaging 88.

Cuero, Tex.—Dry all the week. Average thermometer 84, highest 100, lowest 68.

Dallas, Tex.—There has been rain on one day of the week, to the extent of one inch and seventy-four hundredths. The thermometer has averaged 80, the highest being 98, and the lowest 62.

Henrietta, Tex.—The week's rainfall has been one inch and eighty-seven hundredths on two days. The thermometer has averaged 85, ranging from 62 to 108.

Huntsville, Tex.—There has been rain on two days during the week, to the extent of fifty-nine hundredths of an inch. The thermometer has ranged from 64 to 94, averaging 79.

Kerrville, Tex.—The week's rainfall has been two inches and twenty-one hundredths on two days. Average thermometer 81, highest 96, lowest 66.

Lampasas, Tex.—It has rained on one day of the week, the rainfall reaching sixty-nine hundredths of an inch. The thermometer has averaged 82, the highest being 102 and the lowest 62.

Longview, Tex.—We have had rain on three days of the past week, the rainfall being one inch and seventy-nine hundredths. Thermometer has averaged 81, ranging from 65 to 97.

Luling, Tex.—There has been rain on two days during the week, to the extent of sixteen hundredths of an inch. The thermometer has ranged from 68 to 100, averaging 83.

Nacogdoches, Tex.—It has rained on three days of the week, the precipitation being one inch and thirty-nine hundredths. Average thermometer 79, highest 96, lowest 61.

Palestine, Tex.—It has rained on three days of the week, the rainfall reaching one inch and fifty-two hundredths. The

thermometer has averaged 81, the highest 96 and the lowest 66.

**Paris, Tex.**—There has been rain on three days of the past week, the rainfall reaching one inch and thirty-three hundredths. The thermometer has averaged 82, ranging from 62 to 101.

**San Antonio, Tex.**—There has been rain on five days during the week, the rainfall being two inches and forty hundredths of an inch. The thermometer has ranged from 66 to 98, averaging 82.

**Weatherford, Tex.**—We have had rain on two days the past week, the rainfall being two inches and eighty-five hundredths. The thermometer has averaged 81, the highest being 100 and the lowest 62.

**Ardmore, Okla.**—Rain has fallen on four days during the week, the rainfall being sixty-two hundredths of an inch. The thermometer has averaged 82, ranging from 62 to 103.

**Muskogee, Okla.**—There has been rain on three days during the week, to the extent of three inches and forty-four hundredths. The thermometer has ranged from 59 to 94, averaging 77.

**Eldorado, Ark.**—The week's rainfall has been one inch and twenty hundredths on two days. The thermometer has averaged 77, ranging from 57 to 97.

**Little Rock, Ark.**—There has been rain on two days during the week, to the extent of forty-six hundredths of an inch. The thermometer has ranged from 61 to 90, averaging 76.

**Alexandria, La.**—It has rained on two days of the week, the precipitation being three inches and thirty-three hundredths of an inch. Average thermometer 80, highest 91, lowest 66.

**New Orleans, La.**—There has been rain on four days of the week, to the extent of three inches and eighteen hundredths. The thermometer has averaged 83.

**Shreveport, La.**—We have had rain on three days of the past week, the rainfall being eighteen hundredths of an inch. The thermometer has averaged 81, ranging from 67 to 94.

**Columbus, Miss.**—It has rained on one day of the week the precipitation being fifty-one hundredths. Average thermometer 79, highest 98, lowest 60.

**Vicksburg, Miss.**—We have had rain on one day of the past week, the rainfall being eleven hundredths of an inch. The thermometer has averaged 80, ranging from 63 to 93.

**Mobile, Ala.**—Showers benefit young cotton. Picking is progressing satisfactorily. The demand for pickers is increasing. The week's rainfall has been sixty-six hundredths of an inch on four days. Average thermometer 81, highest 89, lowest 72.

**Selma, Ala.**—The week's rainfall has been seventy-five hundredths of an inch on four days. The thermometer has averaged 81.5, ranging from 64 to 95.

**Madison, Fla.**—We have had rain on two days during the week, the precipitation reaching thirty-nine hundredths of an inch. Average thermometer 80, highest 91, lowest 65.

**Atlanta, Ga.**—We have had rain on four days of the past week, the rainfall being three inches and seventy hundredths. The thermometer has averaged 72, ranging from 60 to 84.

**Augusta, Ga.**—Rain has fallen on two days during the week, to the extent of seventy-three hundredths of an inch. Minimum thermometer 67, maximum 91, mean 79.

**Savannah, Ga.**—It has rained on two days of the week, the rainfall reaching one inch and three hundredths. The thermometer has averaged 79, the highest being 90 and the lowest 68.

**Charleston, S. C.**—We have had rain on one day of the past week, the rainfall being six hundredths of an inch. Thermometer has averaged 78, ranging from 67 to 89.

**Greenwood, S. C.**—Rain has fallen on two days during the week, the rainfall being sixty-three hundredths of an inch. The thermometer has ranged from 62 to 89, averaging 76.

**Charlotte, N. C.**—There has been rain on two days during the week, the precipitation reaching seventy hundredths of an inch. The thermometer has averaged 76, the highest being 90 and the lowest 62.

**Memphis, Tenn.**—Beneficial rains have improved crop conditions. Picking is progressing, but not yet general. Rain has fallen on four days during the week, the rainfall being one inch and fifty-three hundredths. The thermometer has averaged 75, ranging from 62 to 89.

**THE AGRICULTURAL DEPARTMENT'S AUGUST REPORT.**—The following statement, showing the condition of cotton on Aug. 25, was issued by the Department of Agriculture on Sept. 3:

The Crop Reporting Board of the Bureau of Crop Estimates of the United States Department of Agriculture estimates, from the reports of the correspondents and agents of the Bureau, that the condition of the cotton crop on Aug. 25 was 53.7% of a normal, as compared with 73.6 on July 25 1918, 67.8 on Aug. 25 1917, 61.2 on Aug. 25 1916 and 70.4 the average on Aug. 25 of the past ten years.

A condition of 53.7% on Aug. 25 forecasts a yield per acre of about 145.2 lbs. and a total production (allowing 1% from planted area for a bandonment) of about 11,137,000 bales. Last year's production was 11,300,254 bales; two years ago 11,449,930 bales; three years ago 11,191,820, and four years 16,134,930 bales.

Comparison of conditions, by States, follows:

	Aug. 25 July 25		—Aug. 25—		10-Yr. Aver.
	1918.	1917.	1917.	1916.	
Virginia	84	75	76	90	84
North Carolina	77	87	69	65	75
South Carolina	67	80	74	57	72
Georgia	66	77	68	62	73
Florida	60	70	65	58	74
Alabama	66	78	65	45	69
Mississippi	67	81	75	49	69
Louisiana	53	65	75	64	65
Texas	43	61	55	66	68
Arkansas	52	77	79	71	74
Tennessee	68	86	80	80	80
Missouri	60	93	83	80	80
Oklahoma	33	75	84	56	69
California	92	95	90	92	*95
Arizona	96	95	89	—	—
United States	55.7	73.6	67.8	61.2	70.4

\* Eight-year average.

**MANCHESTER MARKET.**—Our report received by cable to-night from Manchester states that the market is very strongly held, but buying is disturbed by violent fluctuations in American cotton. The turnover is restricted in miscellaneous lines. We give prices for to-day below and leave those for previous weeks of this and last year for comparison:

	1918.						1917.					
	32s Cop		8 1/4 lbs. Shrt		Cot'n		32s Cop		8 1/4 lbs. Shrt		Cot'n	
	d.	d.	d.	d.	d.	d.	d.	d.	d.	d.	d.	d.
July 19	49 1/4	@ 52	25 1 1/2	@ 33 1 1/2	22.09	24	@ 25 1/2	13 10 1/2	@ 18 0	19.00		
26	49	@ 51 1/2	25 1 1/2	@ 33 1 1/2	20.63	24	@ 25 1/2	13 10 1/2	@ 18 0	19.15		
Aug. 2	49 1/2	@ 52	25 1 1/2	@ 33 1 1/2	20.39	24	@ 25 1/2	13 10 1/2	@ 18 0	19.25		
9	51	@ 53	25 1 1/2	@ 33 1 1/2	21.48	25	@ 26 1/2	14 0	@ 18 6	20.15		
16	52	@ 54	25 3	@ 33 3	23.09	25 1/2	@ 26 1/2	14 1 1/2	@ 19 0	19.80		
23	52 1/2	@ 54 1/2	26 0	@ 34 0	23.97	25 1/2	@ 26 1/2	14 0	@ 18 6	18.90		
30	53 1/2	@ 55 1/2	30 0	@ 38 7 1/2	25.10	25 1/2	@ 26 1/2	14 0	@ 18 6	18.25		
Sept 6	54 1/2	@ 56 1/2	30 3	@ 38 10 1/2	24.58	24	@ 25 1/2	13 9	@ 17 10 1/2	17.25		

**LIVERPOOL.**—Sales, stocks, &c., for past week:

	Aug. 16.	Aug. 23.	Aug. 30.	Sept. 6.
Sales of the week	7,000	12,000	16,000	11,000
Of which speculators took	—	—	—	—
Of which exporters took	—	—	—	—
Sales, American	2,000	2,000	10,000	4,000
Actual export	—	—	—	—
Forwarded	45,000	37,000	37,000	46,000
Total stock	216,000	208,000	221,000	204,000
Of which American	87,000	84,000	89,000	82,000
Total imports of the week	23,000	33,000	53,000	26,000
Of which American	9,000	23,000	46,000	21,000
Amount afloat	68,000	74,000	129,000	—
Of which American	58,000	24,000	80,000	—

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		25.03	25.03	25.88	25.27	24.58
Good Mid. Uplands		25.66	25.66	26.51	25.90	25.21
Sales		3,000	3,000	2,000	2,000	3,000
Futures.			Very at'dy.	Quiet.	Easy.	Quiet.
Market opened			10 1/2 @ 18 pts. advance.	47 @ 55 pts. advance.	72 @ 83 pts. decline.	8-14 pts. decline.
Market, 4 P. M.		Quiet.	Very at'dy.	Unsettled.	Sellers.	Irreg. 1 pt. adv.
		8 @ 11 pts. decline.	44 @ 51 pts. advance.	47 @ 52 pts. advance.	100 points decline.	dec. to 7 pts. adv.

Aug. 31 to Sept. 6.	Sat.	Sun.	Tues.	Wed.	Thurs.	Fri.
	12 1/2 p. m.					
New Contracts	d. d.					
September	24.81	25.06	25.33	25.80	25.25	24.80
October	24.48	24.73	25.08	25.55	25.52	24.95
November	24.19	24.46	24.79	25.34	25.31	24.73
December	24.01	24.35	24.60	25.16	25.12	24.51
January	23.83	24.05	24.41	24.96	24.93	24.39

**BREADSTUFFS**

Friday Night, Sept. 6 1918.

Flour has remained quiet. Receipts are large on old business and consumers seem to be carrying ample supplies. Mill offerings are large, but as already intimated the demand is indifferent. Yet it is said that mills are offering flour at prices not far from the cost of production. Probably trade in a couple of weeks will begin to increase. Old purchases are passing into consumption. Naturally, before long stocks will have to be replenished. On the other hand, however, some think that, for a time at least, buyers

**WORLD'S SUPPLY AND TAKINGS OF COTTON.**

Cotton Takings. Week and Season.	1918.		1917.	
	Week.	Season.	Week.	Season.
Visible supply Aug. 30	2,877,547		2,492,260	
Visible supply Aug. 1		3,027,450		2,814,776
American in sight to Sept. 6	179,603	702,183	208,889	856,014
Bombay receipts to Sept. 5	845,000	240,000	11,000	120,000
Other India shipm'ts to Sept. 5	62,000	2,000	2,000	15,000
Alexandria receipts to Sept. 4	56,000	24,000	5,000	10,000
Other supply to Sept. 4	63,000	11,000	2,000	17,000
Total supply	3,113,150	4,006,633	2,721,149	3,832,790
Deduct—				
Visible supply Sept. 6	2,942,808	2,942,808	2,500,663	2,500,563
Total takings to Sept. 6 a	170,342	1,063,825	220,486	1,332,127
Of which American	119,342	805,825	179,486	1,025,127
Of which other	51,000	258,000	41,000	307,000

\* Embraces receipts in Europe from Brazil, Smyrna, West Indies, &c.  
 a This total embraces the estimated consumption by Southern mills, 443,000 bales in 1918 and 487,000 in 1917—takings not being available—and the aggregate amounts taken by Northern and foreign spinners, 620,825 bales in 1918 and 845,127 bales in 1917, of which 362,825 and 538,127 bales American.  
 b Estimated.

will purchase from hand to mouth, hoping for lower prices. Not much business has yet been done in spring wheat flour, any more than in winter wheat, although shipments of spring wheat to mills have recently increased very noticeably. Some of the Northwestern mills, it is asserted, have been offering flour in considerable quantities at below the cost of production, whatever this course may mean.

Wheat continues at the old prices by the proclamation of the President. He intimates that next spring the subject may again be taken up after a commission has inquired into the question of the cost of production. On the whole the wheat situation is better, taking the world over. That is, supplies are larger. Europe, however, will have to import freely, possibly 500,000,000 bush. The North American shipments last week were 3,298,000 bush. On the Pacific Coast threshing is progressing rapidly. The crop is turning out larger there than was at one time expected. In Washington spring wheat is heading out better. Prospects of a good crop are brightening. Meanwhile, fair arrivals of Australian wheat on the Pacific Coast are noted. They are being ground. Advices from the United Kingdom are to the effect that clearances of wheat from exporting countries show some slight falling off. It is expected, however, that shipments from North America will be maintained on their present level and it is noticeable that a larger percentage of the shipments is now reaching England in the form of wheat, instead of flour as heretofore. In Argentina the outlook for growing crops has recently been excellent. Shipments of wheat, however, are expected gradually to decrease as more tonnage is given over to the American trade. The supply of tonnage at Argentine ports is decreasing; fewer steamers are returning. Late Argentine advices, however, are to the effect that during the past few days the weather has been very changeable, first being warm and unsettled; this changed to coldness, after having received good general rains over a wide area. Although there has been steady general rain over much of Argentina, it is also claimed that more moisture is needed in the north. Moderate absorption of wheat by foreign interests there has strengthened prices. News from the United Kingdom is that the wheat crop still shows the best promise of all cereals; cutting has made a good start and the harvesting area is gradually extending to the eastern and western counties. In the south of England the ingathering of the wheat is being done under generally favorable conditions. In France the results of harvesting are favorable on the whole. Reports confirm some loss from weather damage, but this is not serious. There is no doubt that France will have more home-grown grain than last season. In Italy threshing results of the southern crop have not been so good as anticipated. A Rome correspondent affirms his belief that 164,000,000 bushels is a reasonable estimate for this year's wheat crop, but after all this quantity is about 24,000,000 bush. larger than that of last year. Harvesting in Northern Italy has made favorable progress, but the yields are disappointing. The latest news from Morocco is that the harvest in North Africa was particularly good; Algerian reports are also favorable. In Spain this year's wheat crop is reported to be of medium proportions. Its import requirements are still estimated at 8,000,000 bush. The crops in Sweden are expected to be about the average; it has improved in Switzerland, but spring crops are below the average. Reports of beneficial rains continued to be received from Australia, and it is confirmed that the drought in New South Wales is now definitely broken. The general agricultural outlook is regarded as very favorable, although there has been frequent mention of a reduced wheat acreage. Good quantities of wheat still remain from preceding crops, but shipments continue to be maintained at comparatively fair amounts, and construction of silos for the storage of grain is making rapid headway. Efforts are being made to prevent a recurrence of the damage of last year from mice and weather, and it is claimed that the preventive measures are meeting with success. Shipments of wheat are being made in moderate quantities to the American Pacific Coast. In India the monsoon conditions have improved moderately but the fall of rain is still scanty in parts of the Punjab and the United Provinces, also in some regions of the centre and west. The Bombay monsoon current is still weak. Arrivals of wheat at East Indian ports have been very liberal recently, which indicates that shipments will improve shortly, provided tonnage is available. Holders appear less reserved. Autumn crops still promise well, but it is hoped that the rainfall will increase. The visible supply in the United States increased last week 6,646,000 bush., as against an increase last year of only 739,000 bush. The total is now 48,821,000 bush., against 5,035,000 a year ago. The Canadian visible supply increased 883,000 bush., as against a decrease in the same week last year of 515,000 bush. The total Canadian visible stock is 4,250,000 bush., against 2,819,000 a year ago. Partial returns on wheat exports for the week indicate 2,737,075 bush., against 3,546,352 in the previous week and 3,026,257 last year; total for ten weeks, 25,134,168 bush., against 50,825,431 for a like period last year.

**DAILY CLOSING PRICES OF WHEAT IN NEW YORK.**

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
No. 2 red	cts. 237 1/2	Holl- 237 1/2	237 1/2	237 1/2	237 1/2	237 1/2
No. 1 spring	240 1/2	day. 240 1/2	240 1/2	240 1/2	240 1/2	240 1/2

Indian corn declined at one time, but rallied later on reports of frost in northeastern North Dakota. Also the fact that no reduction has been made in the price of wheat had a more or less bracing effect for the time being. Clement,

Curtis & Co., moreover, estimate the crop at only 2,630,000,000 bush., or 359,000,000 bush. less than the Government estimate early last month. They put the condition of the crop at 66%, against 78.8 last month. Anxiety is now felt about the crop in the Northwest. It is hoped that it will escape injury by frost. Drought and heat did so much damage in the Southwest during August that the weather in the Northwest is of more than usual importance. Also the recent sharp decline of nearly 15 cents is regarded as having improved the technical position. The long interest has been greatly reduced. Possibly the short side had been overdone. On the other hand, however, the war news has been favorable. This is certainly regarded as a breasis factor. The war put up prices. What more natural than to suppose that peace would put them down? In any case this is the popular view. Besides the bulk of the crop is considered to be two to three weeks early. In another fortnight most of it will be out of danger from frost. All receipts are large and cash markets dull. On a single day Chicago's receipts were estimated at 750 cars. The industries have bought to some extent, but, on the whole, as already intimated, the cash demand has been sluggish. Some bad crop reports have failed to stimulate it. Argentine advices are that corn is being offered in large quantities. And, although the visible supply in the U. S. fell off 290,000 bush., it is still 5,232,000 bush. against 2,472,000 a year ago. Reports from the United Kingdom say that owing to recent storms some of corn has been laid. Argentine advices state that corn is still being offered freely and at slightly lower prices, exporters have absorbed but moderately. Today prices advanced. The cash demand at Chicago was good and some grades were 5 cents higher. Southwestern markets were very strong, September there being 6 to 7 1/2 cents above Chicago on nearby deliveries. This overshadowed everything else. Consignment notices were light. Prices are higher for the week.

**DAILY CLOSING PRICES OF CORN IN NEW YORK.**

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
No. 3 yellow	cts. 178 3/4	Holl- 173 1/4	173 1/4	177 1/4	177 1/4	177 1/4

**DAILY CLOSING PRICES OF CORN FUTURES IN CHICAGO.**

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
Sept. del. in elev. (new contract)	cts. 153 3/4	Holl- 155	155 1/4	155 3/4	156 1/4	156 3/4
Oct. del. in elev. (new contract)	155 1/2	day. 157 1/2	156 1/4	157 1/4	157 3/4	158 1/4

Oats prices have kept within a narrow groove. The news has, in other words, failed to affect prices much one way or the other. One thing, however, attracts attention. The threshing returns seem to promise a larger crop than had been generally expected. Not a few think that it will amount to 1,500,000,000 bush., which with two exceptions, that of last year and of 1915, would be the largest on record. That of last year was 1,587,286,000 bush.; that of 1915 was 1,549,030,000 bush. Leading cash houses have been large sellers. The Eastern demand has been slow. Reports that Government agents were buying cash oats had little effect. The visible supply in the United States last week increased no less than 4,281,000 bush., as against an increase in the same week last year of only 1,748,000 bush. This makes the total 19,309,000 bush., against 7,033,000 at this time last year. Canada has a visible supply of 8,403,000 bush., against 6,102,000 a year ago. Advices from France report the potato crop as somewhat disappointing. The outturns of oats, rye and barley, however, are regarded as favorable. In Sweden the potato crop is said to be slightly larger than the average. The oats and hay crops are not in good condition, but the rye crop is expected to be about the average. The rye crop in Switzerland has improved. In Argentina prices have declined, due to the freeness of offerings, but fair purchases are being made at prevailing prices. On the other hand, the Government, as already stated, has been buying. Oats are regarded as relatively cheap by comparison with other grain, and therefore prices have been better maintained than would otherwise have been the case. Today prices were higher, though they reacted towards the close. The firmness of corn had an effect, however. And the Northwest is selling to the Pacific Coast. The Southwest bought milling and feed barley at Chicago. Barley at Chicago advanced 1 to 2 cents; No. 3 white sold at 2 1/2 cents under October. Tomorrow a ballot will be taken at Chicago on the question of starting trading in barley futures with No. 4 as the contract grade, and No. 3 and better deliverable at 5 cents premium. Trading would be limited to 100,000 bush. for any one individual at any time. For the week prices are slightly high.

**DAILY CLOSING PRICES OF OATS IN NEW YORK.**

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
Standards	cts. 80 1/2 @ 81	Holl- 80 1/2	81 1/2	81 1/2	81 1/2	81 1/2
No. 2 white	81 @ 81 1/2	day. 81	81 1/2	81 1/2	81 1/2	82

**DAILY CLOSING PRICES OF OATS FUTURES IN CHICAGO.**

	Sat.	Mon.	Tues.	Wed.	Thurs.	Fri.
Sept. del. in elev. (new contract)	cts. 69 1/2	Holl- 70 1/2	70 1/2	70 1/2	70 1/2	70 1/2
Oct. delivery in elev. (new contract)	71 1/2	day. 72	72 1/2	72 1/2	72 1/2	72 1/2

The following are closing quotations:

**FLOUR.**

Spring	\$10.90 @ \$11.25	Barley flour (to arrive)	\$8.60 @ 9.50
Winter	10.25 @ 10.50	Tapioca flour	nom
Kansas	10.90 @ 11.25	Hominy	\$4.85 @ 5.10
Rye flour	8.50 @ 10.50	Yellow granulated	4.00 @ 5.10
Corn goods, all sacks 100 lbs.		Barley goods—Portage barley:	
White	\$5.00 @ \$5.35	No. 1	\$6.00
Boiled	4.50 @ 4.75	Nos. 2-3 and 4	5.25
Corn flour	5.00 @ 5.50	Nos. 2-0 and 3-0	6.00 @ 6.15
Corn starch	per lb. nom.	No. 4-0	6.25
Ries flour, spot and to arrive	per lb. 10 @ 10 1/2 c.	Oats goods—Carload, spot delivery	9.52

GRAIN

Wheat—		Oats—	
No. 2 red	\$2 37 1/2	Standard	81 1/2
No. 1 spring	2 40 1/2	No. 2 white	82
No. 1 Northern	2 39 1/2	No. 3 white	81
Corn—		No. 4 white	80 1/2
No. 3 mixed	nom.	Barley—	
No. 2 yellow	1 85	Feeding	\$1 10 @ 1 15
No. 3 yellow	1 77 1/2	Malting	1 15 @ 1 20
No. 4 yellow	nom.	Rye—	
Argentine	nom.	Western	1 72

THE DRY GOODS TRADE

New York, Friday Night, Sept. 6 1918.

The acute situation in the raw cotton market has caused uneasiness throughout the dry goods trade as it has added to the many difficulties already confronting merchants. The Government report placing the condition of the cotton crop as of Aug. 25 at 55.7, indicating a yield of only 11,137,000 bales, has virtually assured the trade of another year of high prices for cotton and moderate supplies. It also brought to light the probability of mills having a very small supply of raw material to draw from should the war end before another crop is planted. Prices for raw material, as a result of the low condition report, advanced rapidly to new high levels and further increased the disparity of prevailing prices and those on which the fixed cotton goods prices were based for this period. The outlook now is that prices for dry goods will be revised sharply upward for the next period. During the week the committee appointed to adjust prices for goods named additional lists, so only a few classes of goods are now awaiting official prices. At the end of the current month new revisions will be made, but as the Government now has an established basis to work on, the re-adjustment for the next period will be a much easier matter and little delay is expected. Owing to the unfavorable crop conditions there is renewed talk of the Government stabilizing prices for raw material and controlling distribution before the current year ends. In fact, the War Trade Board has already appointed a committee to investigate the desirability and feasibility of affecting stabilization of prices as well as regulating distribution. As mills are so largely occupied with Government work, official distribution and price fixing of raw material, it is claimed, would be welcomed by manufacturers. Ordinary business during the week has continued comparatively quiet. Buyers have been in the market in fair numbers, and have been actively inquiring for supplies, but owing to the reluctance of mills to sell, actual orders placed have been of small volume. In many directions demand has been stimulated by the outlook for higher prices than those now prevailing. Nothing of special interest has developed in the export division of the market, but there continues to be a fair trade with merchants optimistic, particularly as regards South American trade.

**DOMESTIC COTTON GOODS.**—As indications are that the next revision of fixed prices for dry goods will be upward, buyers of staple cottons have displayed more interest in the market during the past week. Mills, on the other hand, have not abandoned their conservative policy. In fact, they are becoming more reluctant to sell with the result that actual business passing for ordinary account continues small. Large Government orders nevertheless are being placed, and mills are well occupied with this class of work. Bleachers, finishers and printers have been notified by the War Trade Board to conserve chlorine, and it is estimated that available supplies of the chemical will be materially reduced. This will cut down the supply of bleached cotton, and it is advocated that colored goods will be taken as substitutes. Supplies of all kinds of goods are becoming more difficult to obtain, despite the fact that premiums are being offered in many instances. Demand for sheetings is active, and buyers are ready to make contracts as far ahead as mills will accept. Business in gray goods as well as in all staples is checked by the unwillingness of mills to sell.

**WOOLEN GOODS.**—Mills manufacturing woollens and worsteds continue to divert their attention to the making of supplies for the Government, and according to reports, there is a steady increase in the number of spindles so occupied. No wool has as yet been distributed to mills for the manufacturers of goods for civilian use, and they are obliged to draw upon their surplus stocks. In the men's wear trade, conditions are very quiet, and as a result of the continued large draft of men for the Army and Navy, prospects are for a very dull fall and winter trade. There has been some improvement in demand for various dress fabrics, though most of the inquiry has been for additional supplies for fall. Indications are that there will be a much larger percentage of silks used in the manufacture of women's wear during the coming fall and winter than ordinarily.

**FOREIGN DRY GOODS.**—Linen remain quiet, with buyers giving more attention to substitutes. A few small arrivals of pure linens have been reported from abroad during the week, and they have passed rapidly into distributors' hands. There has also been some improvement in shipments of foreign substitutes for linens, but such fabrics are very high-priced as compared with domestic makes. According to advices from abroad, there is not much prospect of the situation improving as regards the manufacture of goods for civilian use, as the larger portion of the output is needed by the Government. It is also stated that foreign manufacturers are giving much of their attention to the harvesting of the flax crops, and that many of them have sent their mill operatives into the fields to help with the gathering. The market for burlaps continued to rule quiet, and in the absence of demand offerings were more liberal at concessions. Light weights are quoted at 18.00c. and heavy weights at 22.50c.

**WEATHER BULLETIN FOR WEEK ENDING SEPTEMBER 3.**—The influences of weather on the crops as summarized in the weather bulletin issued by the Department of Agriculture for the week ending Sept. 3 were as follows:

**CORN.**—The general rains that occurred during the week benefited corn in most sections east of the Mississippi River and from the central Missouri Valley northward. The growth was poor in North Dakota, however, on account of low temperature, and the crop made rather slow progress in Michigan. Otherwise the development was satisfactory, except in the Southwest. The crop is mostly matured in Oklahoma, and is in very poor condition. The bulk of the crop in Kansas is very poor, and can make no further growth. There was very little or no improvement in Missouri during the week, but the late crop made good progress in parts of Arkansas and Louisiana. The crop is quite variable from the Ohio River southward, but there was some improvement during the week except in limited areas. Corn is maturing rapidly and the bulk of the crop will be safe from damage by frost by Sept. 15 or 20. In South Dakota considerable is beyond frost damage at the present time, and most of the crop will be safe by the 10th. In central and southern Minnesota also a good part of the corn will be beyond danger by the 10th. In Nebraska, northern Illinois, and in two-thirds of Pennsylvania the 15th is given as the safe date. In Iowa 75% will be safe from frost damage by the 20th, and 88% by the 30th. A 20th is also given as the safe date for most of the crop in Ohio. Some corn in southern Illinois and Indiana and the late crop in some other districts will need until the first part of October to mature properly. Cutting for fodder and ensilage is in progress over the Great Plains States as far north as Missouri and Nebraska and in the eastern districts as far north as Virginia and Maryland. Fodder pulling continues in the Southeast, where the crop is drying well.

**COTTON.**—The temperature during the week averaged slightly above normal in the central and eastern portions of the cotton belt, and considerably above normal in the western portion. Rainfall was light in Louisiana, most of Texas, portions of Arkansas, and in a few localities east of the Mississippi River, but elsewhere moderate to fairly heavy rains were received. The rains caused satisfactory advance in cotton during the week in many localities, particularly in northern North Carolina, Tennessee, Oklahoma, Louisiana, and southern Alabama, but in most other places progress continued unsatisfactory. The crop is still mostly deteriorating in central and southern North Carolina, and is fruiting unsatisfactorily in South Carolina on account of irregular rainfall; there is, however, less shedding reported in intermediate and late cotton in South Carolina. The outlook continues poor in Georgia, but some improvement is noted in Mississippi, and there is not much damage reported from shedding a 20th in the latter State. The week was generally favorable in Louisiana, but only slight improvement is noted in Texas, although the top crop is now promising in a few localities in that State. The recent rains have improved the Outlook in Oklahoma, but cotton continues in generally poor condition in that State on account of previous drought. Poor progress is reported from Arkansas, except that recent rains caused good advance on the lowlands of the central and northern portions. Bolls are opening rapidly throughout the belt and picking has become general to the northern limits, while ginning is progressing rapidly in the more northern districts. Picking is about completed in the southern portion of Texas and is well advanced in the Gulf Coast sections to the eastward.

**SMALL GRAINS.**—The fair and warm weather the first part of the week was favorable for ripening late grains in the far Northwest, where they had been slow in maturing. The week was also favorable for small grain harvest in the late districts of the Northeast and in the higher elevations of the Western States, and this work is now nearing completion in these sections. The thrashing of all small grains made satisfactory progress during the week where this work had not been completed, the yield continuing generally satisfactory. The harvest of a good crop of flax is well advanced in the Northwestern States. Recent rains have been of much benefit to buckwheat in the Eastern States, and this crop is filling nicely in the region of the Great Lakes; the outlook for buckwheat is promising. There was a continued improvement noted in the rice crop in Arkansas and harvest is progressing satisfactorily in that State, as well as in Texas and Louisiana. This crop is heading nicely in California; the yields are fair to good in Texas and good in Louisiana. Recent rains have benefited the sorghum grains in the lower Great Plains, but they continued mostly poor in Oklahoma, and some may not mature before frost in Kansas. The recent widespread rains in the winter wheat belt and more eastern States have greatly improved the condition of the soil for preparation of seed beds, and this work is now making rapid progress, with numerous reports of increased acreage. Some seeding has begun locally in the Plains States and in the far Northwest, while some wheat is already up and looking well in Montana.

**POTATOES.**—Late potatoes were improved by rain in most northern districts. Sweet potatoes were improved in the South, also, wherever rains occurred, although this crop continues in poor condition in the Southwest, due to previous drought.

For other tables usual given here, see page 978.

The visible supply of grain, comprising the stocks in granary at principal points of accumulation at lake and seaboard ports Aug. 31 1918 was as follows:

United States—	GRAIN STOCKS.				
	Wheat, bush.	Corn, bush.	Oats, bush.	Rye, bush.	Barley, bush.
New York	2,441,000	382,000	807,000	43,000	74,000
Boston	337,000	18,000	16,000	72,000	—
Philadelphia	2,467,000	52,000	267,000	13,000	59,000
Baltimore	2,935,000	125,000	631,000	40,000	—
Newport News	175,000	—	602,000	—	—
New Orleans	2,937,000	109,000	335,000	—	5,000
Galveston	3,104,000	2,000	—	—	—
Buffalo	2,069,000	369,000	990,000	24,000	44,000
Toledo	955,000	37,000	1,280,000	78,000	127,000
Detroit	21,000	50,000	189,000	9,000	—
Chicago	14,269,000	1,930,000	8,839,000	779,000	570,000
Milwaukee	1,229,000	112,000	836,000	9,000	236,000
Duluth	65,000	—	17,000	2,000	21,000
Minneapolis	120,000	34,000	924,000	82,000	365,000
St. Louis	3,514,000	30,000	192,000	16,000	—
Kansas City	8,159,000	590,000	1,350,000	27,000	—
Peoria	32,000	155,000	875,000	—	—
Indianapolis	232,000	335,000	293,000	21,000	—
Omaha	3,437,000	435,000	741,000	13,000	9,000
On Lakes	243,000	—	150,000	98,000	—
Total Aug. 31 1918	48,821,000	5,232,000	19,369,000	1,325,000	1,510,000
Total Aug. 24 1918	42,175,000	5,522,000	15,928,000	990,000	1,390,000
Total Sept. 1 1917	5,035,000	2,472,000	7,083,000	725,000	3,208,000
Note.—Bonded grain not included above; Oats, nil, against 1,979,000 bushels in 1917; and barley, 1,000, against 588,000 in 1917.					
Canadian—					
Montreal	1,373,000	126,000	2,725,000	—	391,000
Ft. William & Pt. Arthur	—	—	2,767,000	—	—
Other Canadian	2,077,000	—	2,911,000	—	—
Total Aug. 31 1918	4,250,000	126,000	8,403,000	—	391,000
Total Aug. 24 1918	3,367,000	133,000	9,049,000	—	1,122,000
Total Sept. 1 1917	2,819,000	11,000	6,102,000	2,000	103,000
Summary—					
American	48,821,000	5,232,000	19,369,000	1,325,000	1,510,000
Canadian	4,250,000	126,000	8,403,000	—	391,000
Total Aug. 31 1918	53,071,000	5,358,000	27,772,000	1,325,000	1,901,000
Total Aug. 24 1918	45,542,000	5,655,000	24,977,000	990,000	2,412,000
Total Sept. 1 1917	7,854,000	2,453,000	13,135,000	727,000	3,309,000

STATE AND CITY DEPARTMENT.

The Chronicle.

PUBLISHED WEEKLY.

Terms of Subscription—Payable in Advance

For One Year	\$10 00
For Six Months	6 00
European Subscription (including postage)	13 00
Annual Subscription in London (including postage)	7 50
Six Months Subscription in London (including postage)	22 14 s
Canadian Subscription (including postage)	\$11 50

Subscription includes following Supplements—

BANK AND QUOTATION (monthly)	RAILWAY AND INDUSTRIAL (3 times yearly)
RAILWAY EARNINGS (monthly)	ELECTRIC RAILWAY (3 times yearly)
STATE AND CITY (semi-annually)	BANKERS' CONVENTION (yearly)

Terms of Advertising—Per Inch Space

Transient matter per inch space (14 agate lines)	\$4 20
Standing Business Cards	
Two Months (8 times)	22 00
Three Months (13 times)	29 00
Six Months (26 times)	50 00
Twelve Months (52 times)	87 00

CHICAGO OFFICE—39 South La Salle Street, Telephone Majestic 7396.  
LONDON OFFICE—Edwards & Smith, 1 Drapers' Gardens, E. C.

WILLIAM B. DANA COMPANY, Publishers,  
Front, Pine and Depeyster Sts., New York.

MUNICIPAL BOND SALES IN AUGUST.

The amount of long-term municipal bonds disposed of in the United States during August exceeded any other total for that month. The aggregate, according to our records, was \$32,735,554, making a total for the eight months of \$200,630,742, compared with \$346,903,907 for the same period in 1917, and \$346,213,922 in 1916. The sales in August 1917 amounted to \$32,496,308 and in August 1916 to \$25,137,902. In July of this year \$21,478,741 long-term bonds were placed.

The largest undertaking in the way of municipal financing last month was the sale by the city and county of Denver, Colo., of \$10,800,000 4½% 10-30-year (optional) water-plant-purchase bonds. The bonds were taken by a syndicate, the leading members of which were Harris, Forbes & Co. and E. H. Rollins & Sons of New York and the International Trust Co. and Boettcher, Porter & Co. of Denver, and sold to investors at 95¼ and interest, yielding 4.80% interest. Other large and important issues of municipal obligations disposed of in August were: Bayonne, N. J., \$1399,000 5s at 101.786; Buffalo, N. Y., \$308,750 4½s (3 issues) at 100.333; Cleveland, O., \$330,000 5s at 104.736; \$100,000 5s (2 issues) at 102.336 and \$70,000 5s at 104.63; Cook County, Ill., \$150,000 4s at 91.87; Dallas County, Tex., \$250,000 5s at 100; Dearborn, Mich., \$107,000 5s at 101.729; Lima, O., \$150,000 5s at 100.681; State of Maryland, \$2,500,000 4½s at 100.43; Milwaukee, Wis., \$750,000 5s (4 issues) at 102.03; Portland, Ore., \$475,000 5½s at 101.40, \$20,000 5½s at 102.19 and \$5,000 5½s at 102.93; Rensselaer County, N. Y., \$150,000 4¾s at 101.635; Seattle, Wash., \$300,000 5s at 100.180; Terre Haute, Ind., \$150,000 5s at 100.103; Trenton, N. J., \$144,000 5s (2 issues) at 100.653 and \$482,000 5s at 102.563.

The above totals for August relate only to permanent obligations. As far as temporary securities are concerned, there were \$21,830,000 of these negotiated last month, including revenue bonds and bills and corporate stock notes issued by New York City, amounting to \$14,355,000. A description of these is given on a subsequent page of this department.

In Canada \$2,436,057 bonds and debentures were placed during August, including the sale of \$1,750,000 bonds by the Province of Ontario.

A comparison is given in the table below of all the various forms of securities placed in August of the last five years:

	1918.	1917.	1916.	1915.	1914.
Permanent loans (U. S.)	\$32,735,554	\$32,496,308	\$25,137,902	\$22,970,844	\$10,332,193
*Temporary loans (U. S.)	21,830,000	46,816,460	34,827,887	28,466,044	6,056,003
Canadian loans (perm't)	2,436,057	4,840,738	821,567	1,525,003	238,000
Bonds of U. S. Possessions	None	1,500,000	None	None	None
Gen. fund bd. (N. Y. C.)	None	None	5,000,000	None	None
Total	\$57,001,611	\$85,053,506	\$65,787,356	\$52,961,951	\$16,646,801

\*Including temporary securities issued by New York City, \$14,355,000 in August 1918, \$41,380,000 in 1917, \$23,200,367 in 1916, \$23,849,712 in 1915 and \$3,298,408 in 1914.

The number of places in the United States selling permanent bonds and the number of separate issues made during August 1918 were 234 and 280, respectively. This contrasts with 325 and 360 for July 1918 and with 462 and 669 for August 1917.

For comparative purposes we add the following table, showing the aggregates for August and the eight months for a series of years. In these figures temporary loans, New

York City's "general fund" bonds and also issues by Canadian municipalities are excluded.

	Month of August.	For the Eight Mos.		Month of August.	For the Eight Mos.
1918	\$32,735,554	\$200,630,742	1904	\$16,124,577	\$187,226,956
1917	32,496,308	346,903,907	1903	7,737,240	102,983,014
1916	25,137,902	346,213,922	1902	8,009,256	108,499,201
1915	22,970,844	379,789,324	1901	15,430,390	84,915,945
1914	10,332,193	394,666,343	1900	7,112,834	93,160,542
1913	19,822,191	262,178,745	1899	5,865,510	87,824,844
1912	16,674,855	292,443,278	1898	25,029,784	76,070,894
1911	22,522,613	238,016,250	1897	6,449,536	97,114,772
1910	14,878,122	213,557,021	1896	4,945,500	53,585,059
1909	22,141,716	249,387,650	1895	3,464,431	80,850,704
1908	18,518,040	208,709,303	1894	7,525,220	82,205,489
1907	20,075,541	151,775,887	1893	2,774,714	37,059,429
1906	16,321,587	144,171,927	1892	4,108,491	57,340,882
1905	8,595,171	131,106,527			

Owing to the crowded condition of our columns, we are obliged to omit this week the customary table showing the month's bond sales in detail. It will be given later.

NEWS ITEMS.

**Nevada.—Prohibition Proposition to be Submitted at General Election.**—An Act, passed by the Legislature in 1917, to prohibit the manufacture, sale, keeping for sale, and gift, or malt, vinous and spirituous liquors, and other intoxicating drinks, mixtures or preparations; making the superintendent of the Nevada State Police ex-officio Commissioner of Prohibition, and defining his duties; and providing for the enforcement of this Act, and prescribing penalties for the violation thereof, will be submitted to the voters at the general election on Nov. 5.

**Oregon.—Proposed Constitutional Amendments and Measures.**—At the general election on Nov. 5 the voters will pass upon the following proposed constitutional amendments and referendum and other measures:

Referred to the People by the Legislative Assembly.

**Establishing and maintaining Southern and Eastern Oregon Normal Schools.**—Purpose: To amend Article 14 of the constitution of Oregon by adding Section 4; appropriating \$125,000 to establish "Southern Oregon Normal School" at Ashland, and \$125,000 to establish "Eastern Oregon Normal School" east of Cascade Mountains; providing for maintenance of each school respectively, from funds procured by levying one twenty-fifth mill tax upon each dollar of taxable property within the State, for Southern Oregon Normal School, and a like tax for Eastern Oregon Normal School; all funds hereby appropriated shall be expended by Board of Regents of Normal Schools.

**Establishing dependent, delinquent and defective children's home, appropriating money therefor.**—Purpose: Appropriating the sum of \$200,000, or so much thereof as may be necessary to establish a Home to be known as "The Home for State Wards," for dependent, delinquent and defective children who shall be committed to said Home by lawful authority of the State; authorizing the State Board of Control to acquire a site and title to real estate for said Home at some point within the City of Portland, or within five miles from the corporate limits of said city, and to construct buildings, and provide necessary equipment therefor, including furnishings, lighting and heating.

Referendum Ordered by Petition of the People.

**Prohibiting seine and set-net fishing in Rogue River and tributaries.**—Purpose: Declaring it unlawful (1) to fish for salmon or other fish in Rogue River or tributaries by means of seine or set-net; (2) to fish for salmon or other fish, except with hook and line, in Rogue River or tributaries below or west of line extending due south from highest point of Doyle's Rock, near mouth of Rogue River, and in waters of Pacific Ocean within a radius of three miles of mouth of Rogue River; providing punishment for violation of Act by fine or imprisonment, or both; and giving Justices of Peace concurrent jurisdiction with Circuit Courts of violations.

**Closing the Willamette River to commercial fishing south of Oswego.**—Purpose: Closing Willamette River and tributaries, north of the south line of Section 11, Township 2, South, Range 1 East, to salmon fishing except with hook and line, from March 15 to May 1, and from June 15 to Nov. 1; and above said line, at all times; forbidding any person catching more than three salmon in one day with hook and line in any portion of said river closed to net fishing during closed season; forbidding sale of salmon taken with hook and line during closed season; limiting number of trolling outfits in any boat to number of occupants.

Proposed by Initiative Petition.

**Delinquent Tax Notice Bill.**—Purpose: To repeal present laws requiring newspaper advertisement of delinquent taxes and in lieu thereof providing that tax collector shall, after taxes become delinquent each year, mail by letter to each owner of real property at address furnished by him and noted on roll, a written notice containing description, amount of taxes, rate of interest, penalties and date on and after which certificate of delinquency shall issue; providing for posting of delinquent lists and proof by certificate of mailing and posting, making such certificate conclusive evidence thereof, and subjecting collector to damages sustained for failure to comply with Act.

**Fixing compensation for publication of legal notices.**—Purpose: Fixing compensation for publication of all notices, summonses, citations, county financial statements, reports, proceedings, and all other legal advertisements of whatsoever kind which now or hereafter may be required published; providing that newspapers may contract for lower rates; that publication proof of such legal notices shall include amount charged for publication; that legal advertising required for irrigation, school, and road districts be published in local papers; amending Section 2903, Lord's Oregon Laws, by classifying newspapers per circulation in counties of 150,000 or more inhabitants; repealing Section 2911 Lord's Oregon Laws and Chapter 385, Laws 1917.

**South Dakota.—Proposed Constitutional Amendments.**—At the general election to be held on Nov. 5 the following twelve proposed amendments to the constitution of South Dakota will be voted upon:

1. An amendment to Section 2 of Article XI of the Constitution of the State of South Dakota empowering (1) the Legislature to classify for taxation purposes all property real and personal, including moneys and credits; and to determine what class or classes of property shall be subject to taxation and what class or classes of property shall not be subject to taxation. Under the Constitution as it now stands all taxes are required to be uniform on property of every kind. Under the proposed amendment taxes are required to be uniform only on property of the same class. (2) To empower the Legislature to impose taxes upon privileges, franchises and licenses to do business in the State, and to consider gross earnings and net incomes in taxing any and all property. Under the Constitution as it now stands gross earnings and net incomes are required to be considered only in taxing corporations. (3) To empower the Legislature to impose taxes upon incomes and occupations. Under the Constitution as it now stands occupations may be taxed, but there is grave doubt whether the Legislature has authority to tax incomes.

2. An amendment to Section 7, Article V, of the Constitution of the State of South Dakota. Section 7 of Article V of the Constitution, as it now stands, provides that a majority of the Judges of the Supreme Court shall be necessary to form a quorum or to pronounce a decision, but one or more of said Judges may adjourn the court from day to day or to a day certain.

It is proposed to amend by adding thereto a further provision to the effect that when any of the Judges may be disqualified for any reason from taking part in the decision of any particular action or proceeding, and the Court shall deem it necessary, some other person or persons shall be selected, in

such manner as the Legislature shall provide, to serve in place of the disqualified Judge or Judges, only for the purpose of deciding that particular action or proceeding.

3. An amendment to Section 5, Article VIII, of the Constitution of the State of South Dakota.

This section relates to the sale of school lands. The Constitution now provides that the purchaser of such lands shall pay one-fourth of the purchase price in cash, one-fourth in five years, one-fourth in ten years, and one-fourth in fifteen years, with interest payable annually, at a rate of not less than 5%; and that the purchaser shall have the right and option of paying the balance of the purchase price, or any installment thereof, at any time.

The proposed amendment provides that the purchaser shall pay at least one-tenth of the purchase price in cash; the balance, with 5% annual interest, to be paid in partial payments, as the Legislature may by general law provide; but that the entire balance must be paid up within thirty years; and that the purchaser shall have the right or option of paying the balance, in whole or in part, on any interest-paying date, under such rules as the Legislature may provide.

4. An amendment to Section 2 of Article XXI of the Constitution of the State of South Dakota, relating to compensation of State officers.

This proposed amendment would permit an increase in the salaries of several State and judicial officers above the amounts now permitted by the Constitution.

5. An amendment to Chapter 159 of the Session Laws for 1917 and proposing and agreeing to an amendment of Section 1 of Article VII of the Constitution of the State of South Dakota, relating to the right of suffrage.

The purpose and legal effect of the proposed amendment are as follows: (1) To give to women the right and privilege of voting at all elections on equal terms with men. The constitutional provision now in force limits the right of suffrage, at all except school elections, to males. (2) To extend the period of residence required of an elector in this State from one year in the United States, six months in the State, thirty days in the county and ten days in the election precinct, as the Constitution now provides, to five years in the United States, one year in this State, ninety days in the county and thirty days in the election precinct. (3) As to persons of foreign birth, it limits the right of suffrage to those who have actually become naturalized citizens; whereas the Constitutional provision now in force grants the right of suffrage to persons of foreign birth who have declared their intention to become citizens conformably to the laws of the United States upon the subject of naturalization.

6. An amendment to Article XIII of the Constitution of the State of South Dakota, authorizing the State to engage in the coal mining business and in the distribution and sale of coal.

Article I of Chapter XIII of the State Constitution now in force prohibits the State from engaging in any work of internal improvement. This proposed amendment would modify that prohibition in the Constitution by adding to said Article XIII two new sections, numbers 14 and 15, which would authorize the State to engage in the mining, distribution and sale of coal, and for that purpose to acquire by purchase or appropriation all necessary lands, structures, easements, tracks, rights of way, equipment, cars, motive power, facilities, implements and materials. It provides, however, that no expenditure of money for these purposes shall be made except upon a vote of two-thirds of the members elect of each branch of the Legislature. The proposed amendment further provides that the State may pledge such plants and their accessories, and may pledge the credit of the State to provide funds for such purposes, any provision in the Constitution to the contrary notwithstanding.

7. An amendment to Article No. XIII of the Constitution of the State of South Dakota, authorizing the State to engage in works of internal improvement and repealing Chapter No. 162 of the Session Laws for 1917.

Section 1 of Article XIII of the State Constitution now in force prohibits the State from engaging in any work of internal improvement. This proposed amendment would do away with that prohibition by adding to said article a new section to be known as Section 16, and would expressly authorize the State to engage in works of internal improvement, any provision or limitation in the Constitution to the contrary notwithstanding. The proposed amendment further provides that the indebtedness of the State for the purposes contained in this section shall never exceed 1/2 of 1% of the assessed valuation of all property in this State, and that no such indebtedness shall be incurred nor money expended except upon a two-thirds vote of the members elect in each branch of the Legislature.

8. An amendment to Section 1 of Article XIII of the Constitution of the State of South Dakota.

This proposed amendment is designed to do away with certain restrictions and limitations imposed by the present Constitutional provision upon the power of the State to expend moneys or to contract indebtedness. It provides that, for the purpose of developing the resources and improving the economic facilities of South Dakota, the State may engage in works of internal improvement, may own and conduct proper business enterprises, may loan or give its credit to, or in aid of, any association or corporation, and may become the owner of the capital stock of corporations organized for that purpose. It provides, however, that any such association or corporation shall be subject to regulation and control by the State as provided by law; that no money of the State shall be appropriated or expended to incur a new debt of the purposes mentioned in this section except by the vote of two-thirds of the members of each branch of the Legislature; and that the indebtedness of the State for the purposes contained in this section, other than for rural credits, shall never exceed 1/2 of 1% of the assessed valuation of the property of the State.

9. An amendment to Chapter 164 of the Session Laws for 1917 and an amendment to Article XIII of the Constitution of this State authorizing the State to take over, develop and operate water powers for electric power, heating and lighting purposes, by adding thereto Sections 12 and 13.

Section 1 of Article XIII of the State Constitution now provides that the State shall not engage in any work of internal improvement. The proposed amendment would add to said Article XIII two new sections to be known as sections 12 and 13, and which would expressly permit and authorize the State to engage in the manufacture, distribution and sale of electric current for heating, lighting and power purposes, and would empower the State to acquire by purchase or appropriation all lands, easements, rights of way, tracks, structures, equipment, cars, motive power, implements, facilities, instrumentalities and material incident or necessary to the owning, development and operation by the State of the water powers of the State; the proposed amendment provides, however, that no expenditure of money for the above mentioned purposes shall be made except by a vote of two-thirds of the members elect of each branch of the Legislature. Section 13 of the proposed amendment provides that the State may pledge such plants and their accessories, and may pledge the credit of the State to provide funds for the above-mentioned purposes, and provision in the Constitution to the contrary notwithstanding.

10. An amendment to Chapter 165 of the Session Laws for 1917 and proposing an amendment to Article XIII of the Constitution of the State of South Dakota permitting the State to engage in the cement business and to manufacture, distribute and sell cement and cement products.

This proposed amendment would modify the provision contained in Section 1 of Article XIII of the State Constitution, which prohibits the State from engaging in any work of internal improvement, by adding to said Article XIII of the Constitution two new sections, to be known as sections 10 and 11, which would authorize and empower the State to engage in the distribution and sale of cement and cement products, and for that purpose to acquire by purchase or appropriation all necessary lands, easements, rights of way, tracks, structures, equipment, cars, motive power, implements, facilities, instrumentalities and material; provided that no expenditure of money for these purposes shall be made except upon a vote of two-thirds of the members elect of each branch of the Legislature. The proposed amendment further provides that the State may pledge such cement plants and their accessories, and may pledge the credit of the State, to provide funds for the purposes specified in the amendment, any provision in this Constitution to the contrary notwithstanding.

11. An amendment to Article XXI of the Constitution of the State of South Dakota.

This proposed amendment would add to Article XXI of the Constitution a new section to be numbered section 8, which declares the providing of insurance against loss or damage to crops by hail to be a public purpose, and it would authorize the Legislature to levy an assessment upon agricultural land for such purpose, with such exemptions as may be provided by law. It provides for dividing the State into hail insurance districts and for the assessment of land within the different districts at such amount per acre as the Legislature may determine; such assessment to be uniform upon all land of the same district that is similarly situated. It provides that the assessment for this purpose may be levied by the Legislature direct, or by the corporate authorities of the various hail insurance districts, or by such other agencies as may be authorized by general law.

12. An amendment to the Constitution of the State of South Dakota, the purpose and legal effect of which are as follows:

The Constitution now expressly prohibits the State from engaging in any work of internal improvement. This proposed amendment would modify that provision and would add to the Constitution a new article to be numbered XXIX, which would authorize the Legislature to provide by law and appropriate money for the purchase or construction and operation of elevators and warehouses within or without this State, for the marketing of agricultural products; it would further authorize the Legislature to provide by law and appropriate money to buy, or construct and operate flour mills and packing houses within this State, in the future, and in the judgment of the Legislature, the public necessities may so require.

**Texas.—Proposed Constitutional Amendments.**—Two proposed constitutional amendments will be voted upon at the general election in November next. The first of these proposes an amendment to Article 7 of the Constitution of the State of Texas by changing Sec. 3, providing for a 35 cent tax levy for the maintenance of the public schools of Texas, and providing free text books in public schools of the State of Texas, and making an appropriation thereof.

The second is to amend Section 10 of Article 1, of the Constitution of the State of Texas, providing for certain rights of accused persons in criminal prosecutions, and the manner in which the case may be prosecuted, and providing for the procuring of the testimony of the witnesses for both defense and prosecution.

**Wyoming.—Proposed Constitutional Amendments.**—The following proposed amendments to the Constitution of the State of Wyoming will be voted upon at the general election on Nov. 5:

1. An amendment to Article XIX of the State Constitution so as to provide for the prohibition of the manufacture, sale and keeping for sale of intoxicating liquors.

2. An amendment to Section 15 of Article XV of the State Constitution authorizing a special tax upon livestock for stock inspection, protection and indemnity.

3. An amendment to Section 6 of Article V of the State Constitution so as to provide for the calling of a district judge to sit as a member of the Supreme Court in a cause in which a justice of the Supreme Court is unable to sit.

**BOND CALLS AND REDEMPTIONS.**

**Maisonneuve, Que.—Debenture Call.**—The City of Montreal hereby gives notice that \$800,000 City of Maisonneuve bonds, which matured Jan. 1 1918, and \$1,500,000 City of Maisonneuve bonds, which matured May 1 1918, would be redeemable at the Bank of Montreal, Montreal, or at their New York agency, 64 Wall Street, on Sept. 3 1918, with accrued interest at the rate of 6% per annum from date of maturity. G. De Serres, is City Treasurer.

**Spokane, Wash.—Bond Call.**—The following special-improvement bonds have been called for payment at the Treasurer's office:

To Be Paid Sept. 15.		To Be Paid Sept. 15.	
Name and Dist. No.—	Up to and Including	Name and Dist. No.—	Up to and Including
Pavement		Grade (Continued)	
Arthur St. 725	54	Garland Ave. 604	68
4th Ave. 790	89	Jefferson St. 607	108
3d Ave. 560	52	Latawah St. 639	13
Grade		19th Ave. 546	29
Ash St. 1018	16	36th Ave. 642	32
Bernard St. 416	41	Sewer	
Falls Ave. 446	19	18th Ave. 650	34
15th Ave. 591	16		

**BOND PROPOSALS AND NEGOTIATIONS**  
this week have been as follows:

**AJO SCHOOL DISTRICT (P. O. Ajo), Pima County, Ariz.—BONDS VOTED.**—At the election held Aug. 20 (V. 107, p. 713) the question of issuing \$185,000 5% school bonds was favorably voted. Date of sale not yet determined.

**ARTESIA, Eddy County, N. Mex.—BOND SALE.**—Reports state that an issue of \$150,000 6% bonds was awarded to an Ohio company at par, plus a bonus of \$500 and the printing of bonds.

**ATTICA, Fountain County, Ind.—BOND SALE.**—J. F. Wild & Co. of Indianapolis have purchased \$15,500 5% tax-free refunding bonds, Denom. \$500. Date Aug. 1 1918. Prin. and semi-ann. int. (P. & A.) payable at the City Treas. office. Due \$2,000 yearly on Aug. 1 from 1923 to 1930 incl. Total debt (incl. this issue) \$26,000. Assessed valuation, \$1,375,000. Real valuation, \$2,750,000.

**AUBURN TOWNSHIP (P. O. Tiro), Crawford County, Ohio.—BONDS NOT SOLD.**—The two issues of 5% road bonds, aggregating \$10,000 and offered on Aug. 27 (V. 107, p. 713) were not sold.

**AUGLAIZE COUNTY (P. O. Wapakoneta), Ohio.—BOND SALE.**—On Aug. 3 the \$8,000 5 1/2% 1-4-year serial bridge bonds (V. 107, p. 918) were awarded to Durfee, Niles & Co. of Toledo at 100.16. Other bidders were: W. L. Slayton & Co., Tol. \$8,009 60 (First Nat. Bk., Wapakoneta, \$8,000).

**BELDEN, Cedar County, Neb.—BOND SALE.**—The \$4,000 5 1/2% 5-20-year (G. L.) electric-light bonds, mentioned in V. 106, p. 2772, have been awarded, according to reports, to local investors.

**BELL COUNTY (P. O. Pineville), Ky.—BOND ELECTION.**—In November next the voters will be asked to pass upon a proposition to issue \$75,000 bonds, it is stated.

**BELLEVUE, Huron County, Ohio.—BOND OFFERING.**—Additional information is at hand relative to the offering on Sept. 10 of the \$12,000 6% 12-year fire dept. bonds (V. 107, p. 918). Proposals for these bonds will be received until 12 m. on that day by G. R. Moore, City Auditor, Denom. \$1,000. Date July 1 1918. Int. semi-ann. Cert. check for 5% of the bonds bid for, payable to the City Treasurer, required. Purchaser to pay accrued int.

**BINGHAMTON, Broome County, N. Y.—BOND OFFERING.**—City Comptroller Harry H. Evans will receive sealed bids, it is stated, until Sept. 10 for \$63,174 5 1/4% various improvement bonds. Int. semi-ann.

**BOONE COUNTY (P. O. Lebanon), Ind.—BOND OFFERING.**—According to reports, proposals will be received until 10 a. m. Sept. 10 by J. L. Thomas, County Treasurer, for \$18,500 5% 10-year highway impt. bonds.

**BOONTON, Morris County, N. J.—NOTE SALE.**—An issue of \$58,000 notes was awarded to J. S. Rippl & Co. of Newark at 5.45% int. The Farmers & Merchants Bank of Boonton bid 5 1/4% for \$15,000 notes.

**BUFFALO, N. Y.—BOND SALE.**—During the month of August the Sinking Fund purchased \$15,000 4% water refunding bonds. Denom. \$1,000. Date Aug. 1 1918. Due Aug. 1 1943.

**BUTTE, Silver Bow County, Mont.—BOND SALE.**—It is reported that the following two issues of bonds, aggregating \$135,000 have been disposed of: \$75,000 municipal impt. bonds to the Union Trust Co., 60,000 paving bond to Ferris & Hardgrove of Seattle.

CAMBRIDGE, Middlesex County, Mass.—TEMPORARY LOAN.—A temporary loan of \$200,000, issued in anticipation of revenue, maturing Mar. 1 1919, was awarded on Sept. 6, it is stated, to S. N. Bond & Co. of New York at 4.25% discount plus a premium of \$2.30.

CARROLL COUNTY (P. O. Delphi), Ind.—BOND SALE.—On Aug. 27 \$11,000 4 1/2% 10-year road bonds were awarded to J. F. Wild & Co. of Indianapolis at par. Denom. \$550. Date Aug. 6 1918. Int. M. & N.

CELINA, Mercer County, Ohio.—BOND SALE.—On Sept. 3 the \$10,000 5 1/2% 5-15-year serial coupon debt extension bonds (V. 107, p. 714) were awarded to Seasongood & Mayer of Cincinnati at 100.37.

CHARLOTTE TOWNSHIP (P. O. Charlotte), Mecklenburg County, N. C.—BOND OFFERING.—Proposals will be received, it is stated, by S. S. Stokes, Secretary of Board of Road Commissioners, until Sept. 27 for \$30,000 6% 1-3-year serial road bonds. Int. semi-ann.

CHESAPEAKE CITY, Cecil County, Md.—BOND SALE.—On Aug. 15 Townsend, Scott & Sons of Baltimore were awarded at 95 the \$5,000 5% municipal improvement bonds (V. 107, p. 621). Denom. \$500. Date July 1 1918. Int. J. & J. Due \$2,500 on Jan. 1 in 1932 and 1937.

CHESTER SCHOOL DISTRICT (P. O. Chester), Delaware County Pa.—FINANCIAL STATEMENT.—We are in receipt of the following financial statement issued in connection with the offering on Sept. 12 of the \$370,000 4 1/2% tax-free school bonds—V. 107, p. 918. Bonded debt, \$501,500. Sinking fund, \$181,621.65. Assessed valuation, \$24,289,215. The official circular states that there has never been a default in the payment of either principal or interest.

CHICAGO, Ill.—BOND ELECTION.—On Nov. 5 an election will be held. It is stated, to vote on the proposition to issue \$3,000,000 street impt. bonds, mentioned in V. 107, p. 621.

CINCINNATI, Ohio.—BONDS AUTHORIZED.—It is reported that the City Council has authorized an issue of \$4,100 5% 15-25-year (opt.) street-improvement bonds.

CLARK COUNTY (P. O. Arkadelphia), Ark.—BOND SALE.—It is reported that Whitaker & Co. of St. Louis were recently awarded \$100,000 road bonds.

CLAYTON TOWNSHIP RURAL SCHOOL DISTRICT (P. O. New Lexington), Perry County, Ohio.—BOND OFFERING.—Proposals will be received by C. R. Griffith, Clerk of Bd. of Education, until 12 m. Sept. 16, it is stated, for \$5,000 6% 1-5-year serial school bonds. Int. M. & S. Cort. check for 5% required.

COAL GROVE SCHOOL DISTRICT (P. O. Coal Grove), Lawrence County, Ohio.—BOND SALE.—The \$8,000 6% 10-year tax-free coupon refunding bonds, dated Sept. 5 1918 offered on Aug. 28 (V. 107, p. 822) were awarded on that day to the Hanchett Bond Inc. of Chicago for \$8,247.75, equal to 103.096.

COLLIN COUNTY (P. O. McKinney), Tex.—BOND ELECTION.—It is stated, that a proposition to issue \$75,000 Plano Road District bonds will be submitted to the voters on Sept. 28.

COWLITZ COUNTY DIKING DISTRICT NO. 7, Wash.—BOND SALE.—Reports state that the Lumbermens Trust Co. of Portland has been awarded \$30,000 dike bonds.

CRAWFORDSVILLE, Montgomery County, Ind.—BOND SALE.—An issue of \$18,000 5% tax-free school bonds has been purchased by J. F. Wild & Co. of Indianapolis. Denom. \$1,000. Date Aug. 1 1918. Prin. and semi-ann. int. (F. & A.) payable at the City Treas. office. Due \$3,000 yearly on Aug. 1 from 1925 to 1933 incl. Total debt (incl. this issue), \$71,500. Assessed valuation, \$6,047,660.

CROW WING COUNTY CONSOLIDATED SCHOOL DISTRICT NO. 41 (P. O. Pequot), Minn.—BOND SALE.—The \$25,000 5 1/2% funding bonds recently voted—V. 107, p. 714—have been disposed of, it is stated.

DARIEN, McIntosh County, Ga.—BOND ELECTION.—The voters, according to reports, will have submitted to them on Sept. 11 a proposition to issue \$8,000 school bonds.

DAYTON, Montgomery County, Ohio.—BONDS AUTHORIZED.—The City Commission has authorized, it is stated, an issue of \$285,000 general bonds.

DRUMRIGHT, Green County, Okla.—BOND SALE.—Newspapers state that an issue of \$37,000 funding bonds has been sold.

DUBUQUE COUNTY (P. O. Dubuque), Iowa.—BOND OFFERING.—Sealed bids will be received until 2 p. m. Sept. 10 by John Ingham, County Auditor, for \$301,567.92 funding bonds, at not exceeding 5% int. Date Sept. 1 1918. Int. M. & S. Due part yearly from 1922 to 1937, incl. Financial Statement.

Table with 2 columns: Description and Amount. Rows include Actual value of taxable property within entire county, 1917; Taxable value, 1917; Actual value of moneys and credits, 1917; Actual value of taxable property within said county outside of City of Dubuque, 1917; Taxable value 1917; Actual value of moneys and credits, 1917; Total bonded indebtedness (including County Hospital bonds); All other indebtedness of any kind, including the warrants to be funded, Sept. 1 1918; Amount on hand for the purpose of redeeming outstanding bonds when due; Population, State Census, 1915, 60,975; 1918 (est.), 62,000.

ERIE COUNTY (P. O. Sandusky), Ohio.—BOND SALE.—On Aug. 31 the \$2,400 6% 1-5-year serial real estate impt. and stock const. bonds, dated Aug. 31 1918 (V. 107, p. 919) were awarded to the American Banking & Trust Co. of Sandusky for \$2,401 (100.041) and int. There were no other bidders.

FRANKLIN COUNTY (P. O. Columbus), Ohio.—BONDS AWARDED IN PART.—Of the three issues of 5% coupon highway bonds aggregating \$93,500 offered without success on Aug. 20 (V. 107, p. 919) \$69,500 worth were awarded to Sidney Spitzer & Co. of Toledo at par, it is stated.

FRANKLIN TOWNSHIP SCHOOL DISTRICT (P. O. Conesville), Coshocton County, Ohio.—BOND SALE.—The \$6,000 5 1/2% 1-5-year serial school-bldg. bonds offered on July 8 (V. 107, p. 97) were awarded on Sept. 3, it is stated, to Tillotson & Wolcott Co. of Cleveland at 100.26.

FREDONIA, Chautauque County, N. Y.—BONDS VOTED.—The proposition to issue \$14,000 (not \$7,000 as first reported) fire-dept. bonds—V. 107, p. 628—carried, it is stated, at the special election held recently.

FRESNO, Fresno County, Calif.—BOND SALE.—It is reported that \$5,099 6% impt. bonds have been sold.

FULTON COUNTY (P. O. Rochester), Ind.—NO BIDS RECEIVED.—No bids were received for the \$16,000, and \$9,500 4 1/2% road bonds offered on Sept. 3.—V. 107, p. 822.

GALLIPOLIS, Gallia County, Ohio.—BOND SALE.—On Aug. 31 the \$7,000 6% 1-7-year serial refunding bonds—V. 107, p. 621—were awarded to Seasongood & Mayer of Cincinnati for \$7,141, equal to 102.014. Other bidders were: Durfee, Niles & Co., Tol., \$7,126.80; Stacy & Braun, Toledo, \$7,102.20; W. L. Slayton & Co., Tol., 7,025.90; John Nuveen & Co., Chic., 7,056.00.

GLENDALE MUNICIPAL IMPROVEMENT DISTRICT NO. 2 (P. O. Glendale), Los Angeles County, Cal.—BONDS APPROVED.—Newspapers state that the Capital Issues Committee has approved the issuance of \$44,000 bonds.

GOCEBIC COUNTY (P. O. Bessemer), Mich.—BOND OFFERING.—The Board of County Supervisors will receive bids until 9 a. m. Sept. 10 for \$50,000 5% coupon hospital bonds. Denom. \$1,000. Date July 1 1917. Prin. and semi-ann. int. (J. & J.) payable at County Treasurer's office.

GRAND RAPIDS, Wood County, Wis.—BOND SALE.—On Sept. 2 the \$25,000 5% par. impt. bonds (V. 107, p. 919) were awarded to McCoy & Co. of Chicago for \$28,171, equal to 100.61. Denom. \$500. Date July 1 1918. Int. J. & J. Due yearly from 1920 to 1933, incl. Other bidders were:

Halsey, Stuart & Co., Chic., \$28,112; Harris Trust & Savings Bank, Second Ward Sav. Bk., Milw., 28,047; Chicago, \$28,031. A bid of par less \$596 was received from C. H. Coffin of Chicago.

GROVE LAND SPECIAL TAX SCHOOL DISTRICT, Lake County, Fla.—BOND OFFERING.—The County Superintendent of Public Institutions (P. O. Tavares) will receive bids, it is stated, until Sept. 16 for \$7,000 6% bonds. Cert. check for 5% required.

HAMILTON COUNTY (P. O. Cincinnati), Ohio.—BOND OFFERING.—Additional information is at hand relative to the offering on Sept. 17 for the \$500,000 5% 30-year court-house and jail bonds (V. 107, p. 919). Proposals for these bonds will be received until 12 m. on that day by Albert Reinhardt, Clerk of Bd. of Co. Commrs. Denom. \$500. Date Sept. 1 1918. Prin. and semi-ann. int. (A. & O.) payable at the County Treasurer's office. Cert. check for 5% of the bonds bid for, payable to Chas. Cooper, County Treasurer, required. Bonded debt (incl. this issue) \$4,965,253.13. Sinking fund \$15,280.09. Assessed and true valuation (approx.) \$820,000,000. County tax rate 1917 2.75 mills.

HARRISONVILLE RURAL SCHOOL DISTRICT (P. O. Minford), Scioto County, Ohio.—BOND SALE.—On Aug. 26 the \$15,000 6% school bonds (V. 107, p. 715) were awarded to the First National Bank of Portsmouth. Date Aug. 26 1918. Due yearly on Aug. 26 as follows: \$100, 1919; \$200, 1920; \$100, 1921; \$200, 1922 to 1927, incl.; \$300, 1928 and 1929; \$200, 1930; \$300, 1931 to 1933, incl.; \$400, 1934 to 1937, incl., and \$100, 1938. Cert. check for 5% required.

HAWLEY SCHOOL DISTRICT (P. O. Hawley), Clay County, Minn.—BOND OFFERING.—Proposals will be received until Sept. 23 by E. J. Morton, District Clerk, for \$50,000 5 1/2% 15-year school bonds. Denom. \$1,000. Date Sept. 3 1918. Int. M. & S.

HILL COUNTY (P. O. Hillsboro), Tex.—BONDS DEFEATED.—The proposition to issue \$2,908,000 road bonds was defeated at the election held Aug. 24. V. 107, p. 528.

HILL COUNTY SCHOOL DISTRICT NO. 25 (P. O. Cottonwood), Mont.—BOND SALE.—On Aug. 10 the State Land Board of Montana was awarded at par the \$2,500 6% 15-20-year school bldg. bonds (V. 107, p. 528).

HOOD RIVER IRRIGATION DISTRICT (P. O. Oak Grove), Hood River County, Ore.—BOND OFFERING.—Sealed bids will be received until 2 p. m. Oct. 1 by F. Fenwick, District Secretary, for \$167,000 6% general negotiable refunding bonds. Date Oct. 1 1918. Int. J. & J. Due \$8,000 yearly beginning 1924. All bids must be unconditional. Certified check for \$5,000, payable to the above Secretary, required. The sale and delivery of bonds subject to the approval of the Capital Issues Committee.

HORSE HEAVEN IRRIGATION DISTRICT (P. O. Prosser), Benton County, Wash.—BONDS NOT TO BE OFFERED UNTIL AFTER THE WAR.—The \$277,200 (unsold portion of an issue of \$500,000 6% irrigation bonds, mentioned in V. 106, p. 949), will not be disposed of until after the war.

HOUSTON, Houston County, Minn.—BOND OFFERING.—Proposals will be received until 1 p. m. Sept. 21 by O. G. Langen, Town Clerk (P. O. Route 1, Houston) for \$3,000 6% school bonds. Denom. \$500. Due \$500 yearly on July 1 from 1920 to 1925, incl.

HOWARD COUNTY (P. O. Kokomo), Ind.—BOND SALE.—On Aug. 31 the Fletcher-American National Bank of Indianapolis was awarded at par the \$22,305 5% 10-year ditch bonds (V. 107, p. 919). Date Aug. 8, 1918.

HOWARD COUNTY (P. O. Fayette), Mo.—BOND ELECTION.—A proposition to issue the \$700,000 road bonds—V. 106, p. 2471—will be voted upon, it is stated, at an election to be held Sept. 14.

HUGHESON UNION HIGH SCHOOL DISTRICT, Stanislaus County, Cal.—BONDS NOT YET SOLD.—The \$55,000 5% 1-25-year serial bonds recently voted (V. 106, p. 840) have not as yet been sold.

ISANTI COUNTY SCHOOL DISTRICT NO. 4 (P. O. Cambridge), Minn.—BOND SALE.—Recently Kalman, Matteson & Wood of St. Paul purchased \$30,000 15-year school bonds, it is reported.

KANSAS.—BONDS PURCHASED BY STATE.—The following bonds were purchased by the State of Kansas at par during the months of May, June and July:

Table: Bonds Purchased During May, Aggregating \$174,500. Columns: Amt., Int., Place Issuing Bonds, Purpose, Due. Rows include Bellefonte, Jefferson Co. S. D. No. 42, Kansas City, Liberty Loan, Miami Co. S. D. No. 52, Morris & Lyon Cos. Joint Rural, High Sch. Dist. No. 3, Seward & Haskell Cos. Joint Sch. Dist. No. 8, Summer Co. S. D. No. 117, Wilson.

Table: Bonds Purchased During June, Aggregating \$16,900. Columns: Amt., Int., Purpose, Due. Rows include Hays, Mitchell Co. S. D. No. 97, Morris Co. S. D. No. 14.

Table: Bonds Purchased During July, Aggregating \$264,850. Columns: Amt., Int., Purpose, Due. Rows include Anderson Co. S. D. No. 20, Anderson Co. S. D. No. 32, Brown Co. S. D. No. 69, Burn, Butler Co. S. D. No. 77, Cowley Co. S. D. No. 46, Crawford Co. S. D. No. 16, Dighton, Finney Co. S. D. No. 31, Franklin Co. S. D. No. 22, Graham Co. S. D. No. 21, Harpe Co. S. D. No. 48, Harper Co. S. D. No. 69, Hodgeman Finney & Gray Joint Sch. Dist. No. 34, Jewell Co. Sch. Dist. No. 8, Jewell Co. S. D. No. 34, Jewell Co. S. D. No. 64, Jewell Co. S. D. No. 64, Jewell Co. S. D. No. 108, Jewell & Republic Counties Joint Sch. Dist. No. 4, Johnson Co. S. D. No. 53, Junction City S. D., Kiowa S. D. No. 2, Marshall Co. S. D. No. 29, Nemaha Co. S. D. No. 97, Neosho Co. S. D. No. 34, Ness Co. S. D. No. 55, Ness Co. S. D. No. 54, Ottawa Co. S. D. No. 3, Reno Co. S. D. No. 8, Republic Co. S. D. No. 43, Republic Co. S. D. No. 91, Rice Co. S. D. No. 13, Riley Co. S. D. No. 80, Rush Co. S. D. No. 7, Russell Co. S. D. No. 45, Salline Co. S. D. No. 13, Salline Co. S. D. No. 81, Sedgewick Co. S. D. No. 15, Sedgewick Co. S. D. No. 32, Shawnee Co. S. D. No. 3, Smith Co. S. D. No. 73, Trego Co. S. D. No. 31, Trego Co. S. D. No. 37, Washington Co. S. D. No. 88, Washington Co. S. D. No. 99, Wyandotte Co. S. D. No. 31.

KANSAS CITY, Mo.—BONDS PROPOSED.—At the coming November election a proposition to issue \$100,000 ice plant bonds may be voted upon, it is stated.

JACKSON, Hinds County, Miss.—BOND SALE.—During August 142,000 5 1/2% 20-year funding bonds were awarded, it is stated, to local banks at par.

JAY COUNTY (P. O. Portland), Ind.—BONDS AWARDED IN PART.—Of the \$5,400 4 1/2% 1-10-year serial tax-free Green Twp. gravel road bonds offered without success on July 1 (V. 107, p. 98) \$3,780 are offered to investors by J. F. Wild & Co. of Indianapolis, Denom. \$420. Date June 15 1918. Prin. and semi-ann. int. (M. & N.) payable at the First National Bank of Portland. Due \$420 each six months from Nov. 15 1924 to Nov. 15 1928. Total debt (incl. this issue) \$42,710. Assessed valuation \$1,270,190.

JOHNSON CONSOLIDATED SCHOOL DISTRICT, Jones County, Miss.—BONDS PROPOSED.—Reports state that an issue of \$4,000 bonds is proposed.

LA FOURCHE PARISH (P. O. Thibodaux), La.—BONDS VOTED.—By a vote of 31 to 14 the proposition to issue \$35,000 5% 1-30-year Road District No. 2 bonds carried at the election held Aug. 27 (V. 107, p. 622). Date of sale not yet determined.

LANCASTER, Fairfield County, Ohio.—BONDS AUTHORIZED.—In addition to the \$15,000 5% coupon city hospital and nurses home bonds recently authorized (V. 107, p. 202) the City Council has authorized the issuance of \$3,000 bonds bearing the same rate of int. and for the same purposes. Denom. \$1,000. Date June 1 1918. Int. A. & O. Due April 1 1928.

BOND SALE.—The City Sinking Fund Trustees are reported as having purchased at par \$18,000 5% hospital bonds. Date June 1 1918. Due yearly on April 1 as follows: \$2,000, 1923; \$3,000, 1921 to 1926, incl. \$4,000, 1927 and \$3,000, 1928.

LEBANON SCHOOL DISTRICT (P. O. Lebanon), Russel County, Va.—BOND OFFERING.—O. S. Burns, Clerk of School Board, is offering for sale \$22,000 5% 20-year bonds.

LINDSAY-STRATHMORE IRRIGATION DISTRICT (P. O. Lindsay), Tulare County, Cal.—BOND ELECTION PROPOSED.—Petitions will be circulated shortly, it is stated, calling for a special election to vote upon the question of issuing \$250,000 irrigation-completion bonds. Bonded debt Oct. 1917, \$1,400,000. Assessed valuation, real estate, 1917, \$1,464,216. Total tax rate (per \$1,000) 1917, \$73.50. Population 1917 (est.), 700.

LOGANSPOUT, Cass County, Ind.—BOND SALE.—An issue of \$100,000 5% tax-free funding bonds has been purchased by J. E. Wild & Co. of Indianapolis, Denom. \$1,000. Date Aug. 28 1918. Prin. and semi-ann. int. (J. & J.) payable at the City Treasurer's office. Due \$5,000 each six months from Jan. 1 1920 to Jan. 1 1929, incl. Total debt (incl. this issue) \$186,000. Assessed valuation \$11,233,650.

MANKATO SCHOOL DISTRICT (P. O. Mankato), Blue Earth County, Minn.—BOND ELECTION.—Reports state that on Sept. 14 the voters will be asked to vote whether they are in favor of issuing \$100,000 new school house bonds.

MANSFIELD, Richland County, Ohio.—BOND OFFERING.—Sealed bids will be received until 2 p. m. Sept. 30, it is stated, by C. H. Rhoades, City Auditor, for the following three issues of sanitary sewer bonds, aggregating \$10,250: \$5,000 5%, \$550 6% and \$4,700 5% bonds. Date Sept. 1 1918. Int. semi-ann. Cert. check for 2% payable to the City Treasurer required.

MARION CITY SCHOOL DISTRICT (P. O. Marion), Marion County, Ohio.—BOND OFFERING.—Proposals will be received by J. E. Siffrit, Clerk of Bd. of Education, for \$45,000 5 1/2% refunding bonds. Denom. \$500. Date Mar. 1 1918. Int. M. & S. Due \$1,500 each six months from Mar. 1 1922 to Sept. 1 1936, incl. Cert. check for \$1,000 payable to Treasurer of Bd. of Education, required. Purchaser to pay accrued interest.

MARION COUNTY (P. O. Marion), Ohio.—BOND SALE.—The State Industrial Commission of Ohio has purchased, it is stated, \$43,500 bridge impt. bonds.

MAYFIELD, Santa Clara County, Calif.—BOND OFFERING.—Proposals will be received by Sidney Cuthbertson, Town Clerk, for the \$6,000 6% storm water bonds recently voted (V. 106, p. 1710). Denom. \$300. Date July 2 1918. Int. J. & J.

MEETEETSE, Park County, Wyo.—BOND ELECTION.—The voters will be called upon Sept. 24, it is stated, to vote on the issuance of \$7,500 water-pumping-plant-impt. bonds.

MERCED COUNTY (P. O. Merced), Cal.—BOND ELECTION.—The proposition (which was to have been submitted to the voters on Aug. 27—V. 106, p. 1380) to issue \$1,250,000 highway-impt. bonds will be voted upon at the general election on Nov. 5.

MIDDLESEX TOWNSHIP (P. O. Butler), Butler County, Pa.—BOND OFFERING.—S. M. Leslie, Pres. Board of Supers., will receive bids, it is stated, until 1 p. m. Sept. 14 for \$37,500 5% 1-5-year serial road bonds. Denoms. \$200, \$500 and \$1,000. Date Sept. 15 1918. Int. M. & S.

MILWAUKEE, Wisc.—BONDS APPROVED.—According to local newspapers the issuance of \$250,000 5% municipal lighting bonds has been approved by the Capital Issues Committee.

MINFORD RURAL SCHOOL DISTRICT (P. O. Minford), Scioto County, Ohio.—BOND SALE.—The First National Bank of Portsmouth has purchased an issue of \$5,000 school bonds for \$5,025, equal to 100.50.

MONTICELLO, White County, Ind.—BOND SALE.—On Sept. 2 the \$8,000 6% 2-9-year serial water-works bonds—V. 107, p. 920—were awarded to the State Bank of Monticello at 103.40. Denom. \$1,000. Date Sept. 2 1918. Int. F. & J. Due \$1,000 yearly on Sept. 2 from 1920 to 1927, incl. Other bidders were: Meyer Kiser Bank, Indpls. \$8,271 00 Hanchett Bond Co., Chic. \$8,187 75 Lincoln Nat. Bk., Ft. Wayne 8,242 90 Fletcher-Amer. Nat. Bank, J. F. Wild & Co., Indpls. 8,202 80 Indianapolis 8,169 50

MOORESVILLE, Iredell County, N. C.—BOND OFFERING.—Proposals will be received by E. Johnston, Town Clerk, and Treasurer, until 8 p. m. Sept. 20 for \$50,000 6% 20-year street-impt. bonds. Denom. \$1,000. Date Oct. 1 1918. Prin. and semi-ann. int. payable at the American Exchange National Bank of New York. Cert. check on an incorporated bank or trust company for 2% of the bonds bid for, payable to the above Treasurer, required.

MUSSELSHELL COUNTY SCHOOL DISTRICT NO. 28 (P. O. Wallum), Mont.—BOND OFFERING.—Reports state that Ruth M. Sill District Clerk will receive bids until 3 p. m. Sept. 14 for \$2,000 6% school bonds. Denom. \$100. Cert. check for 5% required.

NASSAU, Rensselaer County, N. Y.—BOND OFFERING.—Proposals will be received by James W. Becker, Village Clerk, until 3 p. m. Sept. 20 for \$3,900 5% registered water-works repair bonds. Denom. \$300. Date Oct. 1 1918. Int. A. & O. Due \$300 yearly on Oct. 1 from 1923 to 1935, incl.

NEWAGO COUNTY (P. O. Newago), Mich.—BOND SALE.—The Grant State Bank of Grant was awarded at par, according to reports, \$21,000 infirmity bonds.

NEWARK, Essex County, N. J.—BOND SALE.—On Sept. 4 the 5% gold coupon (with privilege of registration) Passaic Valley sewer bonds—V. 107, p. 823—were awarded to a syndicate composed of J. S. Ripple & Co. of Newark, the Equitable Trust Co., Budget & Co., and Merrill, Oldham & Co. of New York for \$1,725,843.50 (103.775) for \$1,663,000 bonds. Due yearly on Sept. 3 as follows: \$34,000 1919 to 1928, incl., \$39,000 1929 to 1938, incl., \$46,000 1939 to 1943, incl.; \$51,000 1944 to 1956, incl.; and \$40,000 1957. Other bidders were:

Table with columns: Bid For, Amount Bid. Fidelity Trust Co., Newark \$1,693,000 \$1,725,691 83 Hornblower & Weeks A. B. Leach & Co., Inc., New York 1,690,000 1,725,152 00 Wm. R. Compton & Co.

TEMPORARY LOAN.—On the same date the temporary loan of \$700,000 maturing Mar. 5 1919—V. 107, p. 920—was awarded to Brown Bros. & Co. of New York at 4.18 int. Other bidders were:

Table with columns: Interest, Premium. J. S. Ripple & Co., Newark 4.34 National Park Bank, New York 4.35 Blake Bros. & Co., New York 4.48 N. Bond & Co., New York 4.60 \$4.25

NEW BEDFORD, Bristol County, Mass.—BONDS APPROVED.—The Capital Issues Committee has approved of the issuance of \$69,000 highway-improvement bonds.

NEWBURGH, Orange County, N. Y.—BOND OFFERING.—Additional information is at hand relative to the offering on Sept. 9 of the \$39,667 65 5% 1-20-year serial registered impt. bonds—V. 107, p. 920. Proposals for these bonds will be received until 12 m. on that day by Henry Wilson, City Manager. Denom. \$1,000 and \$667 65. Date Sept. 1 1918. Prin. and semi-ann. int. (M. & S.) payable at the office of the City Treas. Cert. check for 2% of bonds bid for, required.

NEW CASTLE COUNTY (P. O. Wilmington), Del.—BOND OFFERING.—Sealed bids will be received until 12 m. Sept. 10 by Thomas S. Fouracre, Chairman Finance Committee, for all or any part of \$150,000 4 1/2% coupon highway improvement bonds. Denom. \$1,000. Date Jan. 1 1917. Prin. and semi-ann. int. (J. & J.) payable at the Farmers Bank of Wilmington. Due \$15,000 yearly on Jan. 1 from 1930 to 1941, incl. Cert. check for 2% of the face value of bonds bid for, payable to the County Treasurer, required. Bids to be made on forms furnished by the U. S. Mtge. & Trust Co. of N. Y. The bonds have been prepared under the supervision of the above trust company, which has certified as to the genuineness of the signatures of the county officials and the seal impressed thereon. Their legality will be approved by Caldwell & Marslich of N. Y., whose favorable opinion will be furnished to the purchasers. Bonded debt (excluding this issue) \$2,086,000. Assessed valuation of taxable property \$132,138,806. Population 1910 (Census) 125,000; 1918 (est.) 175,000.

NEW YORK CITY.—BOND SALE.—On Aug. 15 the City Sinking Fund purchased at par \$350,000 3% assessment bonds, due on or after Jan. 2 1919.

TEMPORARY LOANS.—The following short-term securities, consisting of revenue bonds and bills, tax notes and corporate stock notes aggregating \$14,355,000, were also issued during August:

Table with columns: Amount, Int. Rate, Maturity, Date Sold. Revenue Bills 1918, Aggregating \$10,000,000. Special Revenue Bonds 1918, Aggregating \$1,500,000. Tax Notes, Aggregating \$500,000. Corporate Stock Notes, Aggregating \$2,355,000.

NILES, Trumbull County, Ohio.—BOND OFFERING.—Proposals will be received by Homer Thomas, City Auditor, it is stated, until 2 p. m. Sept. 24 for \$5,000 5 1/2% water-works-extension bonds. Denom. \$500. Int. semi-ann. Cert. check for 1% required.

OAKMONT SCHOOL DISTRICT (P. O. Oakmont), Allegheny County, Pa.—BOND SALE.—On Sept. 3 the \$22,000 4 1/2% 18 5-6-year aver. school bonds—V. 107, p. 920—were awarded to A. B. Sperry of Pittsburgh for \$22,327, equal to 101.486. Denom. \$1,000. Date Sept. 1 1918. Int. M. & S. Due yearly on Sept. 1 as follows: \$5,000 1929 and 1934 and \$8,000 1934 and 1944. Other bidders were: Harris, Forbes & Co., West & Co., Pittsburgh \$22,212 67 New York \$22,264 22 Lyon-Singer Co., Pittsb. 22,075 40

ORRVILLE, Wayne County, Ohio.—BONDS AUTHORIZED.—The City Council has authorized, it is stated, the issuance of \$9,000 water-works refunding bonds. Due \$500 yearly.

OTSEGO COUNTY (P. O. Cooperstown), N. Y.—BOND SALE.—On Aug. 31 the \$50,000 4 1/2% coupon serial tuberculosis hospital bonds (V. 107, p. 920) were awarded to Geo. B. Gibbons & Co. of New York for \$50,026, equal to 100.052. Due \$5,000 yearly.

OUTGAMIE COUNTY (P. O. Appleton), Wis.—BOND OFFERING.—Sealed bids will be received until 2 p. m. Sept. 27, it is reported, by William F. Wolf, County Clerk, for \$272,000 5% highway bonds. Int. semi-ann. Certified check for 10% required.

OWENSBORO, Daviess County, Ky.—BOND SALE.—It is reported that an issue of \$15,000 6% 1-10-year serial street-impt. bonds has been sold to local purchasers at par.

PANA, Christian County, Ill.—BOND ELECTION.—An election will be held Sept. 10, it is stated, to vote on a proposition to issue \$30,000 refunding bonds.

PASSAIC COUNTY (P. O. Paterson), N. J.—BOND SALE.—Geo. B. Gibbons & Co. of New York were awarded on Sept. 4 the 5% gold coupon (with privilege of registration) bonds—V. 107, p. 824—for \$239,100 (101.31) for \$236,000 bonds. Due \$15,000 Aug. 1 1919, \$16,000 yearly on Aug. 1 from 1920 to 1932, incl., and \$13,000 Aug. 1 1933. Other bidders:

Table with columns: Amt. of Bonds, Amount Bid for. Harris, Forbes & Co. and Remick, Hodges & Co., N.Y. \$239,000 00 \$239,279 94 B. J. Van Ingen and Wm. R. Compton Co., N.Y. 237,000 00 239,058 00 National City Co., New York 238,000 00 239,099 00 J. S. Ripple & Co., Newark 238,000 00 239,888 00 R. M. Grant & Co., New York 239,000 00 239,956 00

PATERSON, Passaic County, N. J.—BOND OFFERING.—Of the seven issues of 5% gold coupon (with privilege of registration) bonds authorized on Aug. 22—V. 107, p. 824—proposals will be received by John J. Brophy, Clerk of Board of Finance, until 4 p. m. Sept. 19 for following issues not to exceed the amounts mentioned: \$14,505 97 special assess. street bonds. Denom. \$1,000 (except 1 for \$505 97). Due yearly on Aug. 1 as follows: \$4,000 1919 to 1921, incl., and \$2,505 97 1922. 31,086 37 general impt. street bonds. Denom. \$1,000, \$500 (except 1 for \$1,086 37). Due yearly on Aug. 1 as follows: \$1,000 1919, \$1,500 1920 to 1937, incl., \$1,000 1938-1939 and \$1,086 37 1940. 46,000 00 school repair bonds. Denom. \$1,000 and \$500. Due yearly on Aug. 1 as follows: \$1,000 1919 to 1946, incl., and \$1,500 1947 to 1958, incl. 14,500 00 school land purchase bonds. Denoms. \$1,000 and \$500. Due \$1,000 yearly on Aug. 1 from 1919 to 1932, incl., and \$500 Aug. 1 1933. 5,000 00 high school bonds. Denom. \$1,000. Due \$1,000 yearly on Aug. 1 from 1919 to 1923, incl. 2,500 00 school organ and book rack bonds for high school. Denoms. \$1,000 and \$500. Due \$1,000 yearly on Aug. 1 in 1919 and 1921, and \$500 Aug. 1 1923.

Date Aug. 1 1918. Prin. and semi-ann. int. (F. & A.) payable at the Hanover National Bank, New York, or the City Treasurer's office, as the holder may desire. Cert. check on an incorporated bank or trust company for 2% of the amount of bonds bid for, payable to the "City of Paterson," required. The above bonds have been approved by the Capital Issues Committee and the successful bidder will be furnished with the opinion of Hawkins, Delafield & Longfellow of New York that the issues are binding and legal obligations of the city of Paterson. The bonds will be prepared under the supervision of the U. S. Mortgage & Trust Co. of New York, which will certify as to the genuineness of the signatures of the officials and the seal impressed thereon. The official advertisement

states that any bidder may condition his bid on the award to him of two or more of said issues, but in that case, if there is a more favorable bidder for any one of the issues for which he bids, his bid will be rejected.

**PAULS VALLEY, Garvin County, Okla.—BONDS NOT YET SOLD.**—No sale has yet been made of the three issues of 25-year bonds, aggregating \$49,000 offered without success on Aug. 5 (V. 107, p. 824).

**PERTH AMBOY, Middlesex County, N. J.—BONDS AUTHORIZED.**—An ordinance has been passed by the City Council authorizing the issuance of \$40,000 5 1/2% 10-year serial street repavement bonds, it is stated. Denom. \$1,000. Date Sept. 15 1918. Int. M. & S. Due \$4,000 yearly on Sept. 15 from 1919 to 1928, incl.

**PERU, Miami County, Ind.—BOND SALE.**—On Aug. 30 the \$15,000 6% 1-3-year serial electric-light-impmt. bonds—V. 107, p. 716—were awarded, it is stated, to the Fletcher American Nat. Bank of Indianapolis for \$150,130, equal to 100.084. There were five other bidders.

**PETERSON INDEPENDENT SCHOOL DISTRICT (P. O. Peterson), Clay County, Iowa.—BOND SALE.**—The \$27,000 bonds, mentioned in V. 107, p. 716, have been sold.

**PHILLIPSBURG SCHOOL DISTRICT (P. O. Phillipsburg), Montgomery County, Ohio.—BOND SALE.**—The \$50,000 school construction equipment and furnishing bonds authorized at the election held July 23—V. 107, p. 311—have been purchased at par by the State Industrial Commission of Ohio, it is reported.

**PLEASANT SCHOOL TOWNSHIP, Ind.—BOND SALE.**—The \$6,000 5 1/2% coupon school bonds offered on July 26—V. 107, p. 203—were awarded, it is stated, during August to J. M. Waugh of Crawfordsville for \$6,160, equal to 102.66. Date July 15 1918. Due \$500 each six months from July 15 1919 to Jan. 25 1925, incl.

**POINSETT COUNTY (P. O. Marked Tree), Ark.—BOND OFFERING.**—According to reports, E. Ritter, President of the Co. Commrs., will receive bids until 10 a. m. Sept. 12 for \$50,000 6% road bonds. Int. semi-ann. Cert. check for \$2,000 required.

**POLK COUNTY (P. O. Bolivar), Mo.—BOND OFFERING.**—Proposals will be received until Sept. 9 by A. C. Slagle, President of County Board, for \$16,000 road and bridge bonds, according to reports.

**POMEROY, Meigs County, Ohio.—BOND SALE.**—On Aug. 31 the \$6,300 6% 10-year funding bonds—V. 107, p. 716—were awarded to the Hanchett Bond Co., Inc., of Chicago for \$6,511, equal to 103.346. Other bidders were: Durfee, Niles & Co., Tol. \$6,508 80 Wm. R. Compton Co., W. L. Slayton & Co., Tol. 6,495 93 Cincinnati \$6,433 33

**PONTIAC, Oakland County, Mich.—BONDS VOTED.**—At the election held Aug. 27 the proposition to issue \$60,000 fire-equipment bonds—V. 107, p. 203—carried by a vote of 1,000 to 414. Due \$6,000 annually beginning Sept. 15 1918.

**PRAIRIE AND CUSTER COUNTIES JOINT SCHOOL DISTRICT NO. 5 (P. O. Terry), Mont.—BOND SALE.**—On Aug. 31 the \$13,000 5-10-year (opt.) coupon refunding bonds dated Oct. 1 1918—V. 107, p. 921—were awarded to the State of Montana at par and int. for 6s.

**RED LAKE FALLS, Red Lake County, Minn.—BOND OFFERING.**—Sealed bids will be received until 1 p. m. Sept. 23 by Joseph Perrault, City Clerk, for \$5,000 6% refunding bonds, it is reported.

**RICHWOOD, Union County, Ohio.—BOND SALE.**—On Aug. 31 the \$21,000 6% debt-extension bonds—V. 107, p. 623—were awarded to Prudden & Co. of Toledo for \$22,113, equal to 105.30. Other bidders were: F. C. Hoehler & Co., Tol. \$22,110 Wm. R. Compton Co., Cin. \$21,555 55 Hanchett Bond Co., Chic. \$21,874 75 Tillotson & Wolcott Co., Cin. \$21,544 40 Durfee, Niles & Co., Tol. 21,714 00 J. C. Mayer & Co., Cin. 21,476 75 Stacy & Braun, Toledo, 21,709 38 Well, Roth & Co., Cin. 21,500 00 Sidney Spitzer & Co., Tol. 21,699 30 First Nat. Bank, Columb. 21,709 38 W. L. Slayton & Co., Tol. 21,686 70

**RIDGEWOOD TOWNSHIP SCHOOL DISTRICT (P. O. Ridgewood), Bergen County, N. J.—BOND OFFERING.**—Proposals will be received by Hadley Ford, Clerk of Bd. of Education, until 8 p. m. Sept. 10 for two issues of 5 1/2% coupon (with privilege of registration) school bonds not to exceed the amounts mentioned below:

\$35,000 Series A bonds. Due yearly on Sept. 1 as follows: \$1,000 1920 and 1921, and \$1,500 1922 to 1943, incl.

25,000 Series B bonds. Due yearly on Sept. 1 as follows: \$1,000 1920 to 1926, incl., and \$1,500 1927 to 1938, incl.

Denom. \$1,000 and \$500. Date Sept. 1 1918. Prin. and semi-ann. int. (M. & S.) payable at the Ridgewood Trust Co. of Ridgewood. No conditions of bids will be considered. Cert. check on an incorporated bank or trust company, for 2% of the bonds bid for, payable to the "Board of Education of the Township of Ridgewood," required.

The successful bidder or bidders will be furnished with the opinion of Reed, McCook & Hoyt of New York City that the bonds are valid and binding obligations of the Board of Education of the Township of Ridgewood.

Financial Statement.  
Assessed valuation, real and personal property, 1918. \$10,834,308 10  
Bonded debt, including this issue. 462,500 00  
Population (State Census), 1915, 6,429; 1918 (est.), 7,250.

**ROCHESTER, N. Y.—NOTE OFFERING.**—Proposals will be received by Henry D. Quinby, City Comptroller, until 2:30 p. m. Sept. 9 for the following notes:

\$50,000 water-impmt. notes. Payable 4 months from Sept. 12 1918. Deliverable Sept. 12 1918.

100,000 school-construction notes. Payable 4 months from Sept. 16 1918. Deliverable Sept. 16 1918.

Notes will be delivered at the Central Union Trust Co. of New York. Bids must state rate of interest desired and to whom (not bearer) notes will be made payable and denominations desired.

**ST. CLAIR COUNTY (P. O. Oaceola), Mo.—BOND ELECTION.**—An election will be held Sept. 28, it is stated, to vote on a proposition to issue \$585,000 bonds.

**ST. JOSEPH COUNTY (P. O. South Bend), Ind.—BOND OFFERING.**—Additional information is at hand relative to the offering on Sept. 11 of the \$70,000 4 1/2% coupon tuberculosis hospital bonds (V. 107, p. 825). Bids for these bonds will be received until 10 a. m. on that day by Arthur F. Wolf, County Auditor. Denom. \$500. Date Sept. 16 1918. Principal and semi-annual interest (M. & S.) payable at the Chemical Nat. Bank of New York. Due yearly on Sept. 16 as follows: \$10,000 1920 and 1921; \$5,000 1922 to 1924, inclusive; and \$35,000 1925. Certified check on a bank located in the above county for 3% of the bonds bid for, payable to the County Commrs., required. Bonded debt, \$582,000. Assessed valuation, 1917, \$68,845,420.

**SALEM, Essex County, Mass.—BOND OFFERING.**—William H. Rollins, City Treasurer, will receive bids until 12 m. Sept. 11 for the following two issues of 4 1/2% coupon tax-free bonds, aggregating \$67,000: \$22,000 Street Paving Loan of 1918 bonds. Date July 1 1918. Due \$1,000 yearly on July 1 from 1919 to 1940, incl.

45,000 Water Loan Act of 1913 bonds. Date June 1 1918. Due yearly on June 1 as follows: \$5,000 1919 to 1923, incl., and \$4,000 1924 to 1928, incl.

Denom. \$1,000. Prin. and semi-ann. int. (J. & D.) payable at the Merchants' National Bank, Boston, or at the office of the City Treasurer. The bonds will be engraved under the supervision of and certified as to their genuineness by the Old Colony Trust Co. of Boston, which company will guarantee the legality of these issues has been approved by Storey, Thornhill, Palmer & Dodge of Boston, a copy of whose opinion will accompany the bonds, when delivered, to the purchaser free of charge. All legal papers incident to these issues, together with an affidavit certifying to the proper execution of the bonds, will be filed with the above trust company, where they may be inspected. The bonds have been approved by the Capital Issues Committee.

**SANDUSKY TOWNSHIP RURAL SCHOOL DISTRICT (P. O. Fremont R. F. D. No. 6), Sandusky County, Ohio.—BID.**—A bid of par was received on Aug. 31 for the \$3,500 5% coupon school bonds offered on that date.

**SCOTT, Van Wert County, Ohio.—BOND SALE.**—During January last the Farmers Savings Bank of Scott purchased \$2,000 5% serial electric bonds. Denom. \$200. Date Jan. 15 1918. Interest January.

**SIDNEY, Shelby County, Ohio.—BOND OFFERING.**—Henry C. Shaffer, City Auditor, will receive bids until 12 m. Sept. 23 for \$10,000 bridge bonds. Denom. \$500. Date Apr. 1 1918. Int. semi-ann. Due \$2,500

each six months from Apr. 1 1923 to Oct. 1 1924, incl. Bids to state rate of int. desired. Cert. check for 2% of the bonds bid for, payable to the City Treasurer, required. Bonds to be delivered and paid for within 20 days from time of award at the City Treasurer's office.

**SMITH TOWNSHIP (P. O. Churnbusco), Whitley County, Ind.—BOND SALE.**—It is stated that the \$15,000 6% bonds, offered on May 18 (V. 106, p. 1933), were disposed of during August to W. A. Waugh of Crawfordsville for \$15,265, equal to 101.76. Date May 18 1918. Due \$1,000 each six months from July 1 1919 to July 1 1926.

**SOUTH SOLON VILLAGE SCHOOL DISTRICT (P. O. Solon), Madison County, Ohio.—BOND SALE.**—The \$42,000 school bonds voted some time ago (V. 106, p. 315) were sold during April.

**STAMFORD, Jones County, Texas.—BONDS AWARDED IN PART.**—Of the \$440,000 water works bonds, mentioned in V. 106, p. 2261, \$240,000 bonds have been awarded to R. M. Grant & Co. of Chicago. The remaining \$200,000 water works and the \$35,000 sewerage 5% 40-year serial bonds also mentioned in V. 106, p. 2261, will not be offered until next year. Denom. \$1,000. Int. J. & J.

**SYCAMORE TOWNSHIP SCHOOL DISTRICT NO. 2, Ohio.—BOND SALE.**—Seasongood & Mayer of Cincinnati have purchased, it is stated, \$1,800 6% 9-year school bonds.

**TARBORO, Edgecombe County, N. Caro.—BOND SALE.**—On Aug. 30 the \$50,000 6% 1-20-year serial coupon electric light and power bonds, dated July 1 1918 (V. 107, p. 717) were awarded to Harris, Forbes & Co. at 102.69 and interest. Other bidders were: Stacy & Braun \$51,280 Seasongood & Mayer, Cinc. \$50,555 Graves, Blanchett & Thorn Wm. R. Compton Co. 50,256 Durfee, Niles & Co., Chic. 51,010 F. C. Hoehler & Co., Toledo 50,207 C. W. McNear & Co., Chic. 50,630 Durfee, Niles & Co. 50,556

**TEXAS.—BONDS REGISTERED.**—The following bonds were registered by the State Comptroller during the week ending Aug. 24:

Amt.	Place and Purpose.	Due.	Registered.
\$1,800	Morris Co. C. S. D. No. 12	5% 5-20-years	Aug. 20
69,000	Collins Co. R. D. No. 12	5% 2,000 yearly	Aug. 20
75,000	Runnels Co. R. D. No. 1	5% 2,000 yearly	Aug. 20
3,000	Johnson Co. C. S. D. No. 10	5% 10-20-years	Aug. 20
8,000	Johnson & Hood Cos. C. S. D. No. 28	5% 5-40-years	Aug. 20
500,000	Jefferson Co. R. D. No. 1	5% \$7,500 yearly	Aug. 23
25,000	Electra Water Works	5% \$500 yearly	Aug. 26
1,000	Dawson Co. C. S. D. 7	5% 10 years	Aug. 27
2,500	Dawson Co. C. S. D. 13	5% 10-20 years	Aug. 27
6,000	Lubbock Ind. S. D. 5	5% 20-40 years	Aug. 27
3,400	Matagorda Co. C. S. D. 12	5% 10-20 years	Aug. 27
1,500	Montague Co. C. S. D. 22	5% 20 years	Aug. 27
3,500	Montague Co. C. S. D. 69	5% 40 years	Aug. 27
1,500	Montague Co. C. S. D. 9	5% 20 years	Aug. 27
1,700	Parola Co. C. S. D. 18	5% 10-20 years	Aug. 27
6,000	Hall Co. C. S. D. 9	5% 20-40 years	Aug. 28
1,500	Eastland Co. C. S. D. 12	5% 10-20 years	Aug. 31
20,000	Waxahachie School Building	5% \$1,000 yearly	Aug. 31

**TOLEDO, Lucas County, Ohio.—BOND SALE.**—It is reported that the \$100,000 5% 5-30-year (opt.) park bonds, dated April 1 1918, offered without success on July 22 (V. 107, p. 423) were awarded on Aug. 24 to Spitzer, Rorick & Co. of Toledo.

**TODD COUNTY (P. O. Long Prairie), Minn.—BOND SALE.**—On Aug. 29 \$14,000 5% 8-year aver. drainage bonds were awarded to the Minneapolis Trust Co. for \$14,050, equal to 100.357. Denom. \$1,000. Int. M. & S.

**TOOMSBA CONSOLIDATED SCHOOL DISTRICT (P. O. Meridian), Miss.—BOND SALE.**—On Sept. 3 the \$3,500 6% building bonds—V. 107, p. 825—were awarded to the First National Bank of Meridian.

**VAN ZANDT COUNTY (P. O. Canton), Ohio.—BOND OFFERING.**—Proposals will be received by L. Davidson, County Judge, it is stated, until 11 a. m. Sept. 9 for \$226,666 5 1/2% road bonds. Int. semi-ann. Cert. check for 2% required.

**WARREN, Trumbull County, Ohio.—BOND OFFERING.**—Proposals will be received by Geo. T. Hecklinger, City Auditor, until 12 m. Oct. 12 for the following 6% coupon sewer bonds:

\$10,000 Sub-District No. 2 (city's portion) bonds. Due \$6,000 yearly Sept. 1 1921 and 1922 and \$7,000, Sept. 1 1923.

70,000 Sub-District No. 2 (assessment) bonds. Due on Sept. 1 as follows: \$30,000, 1919 and \$40,000, 1920.

4,000 Sub-District No. 1 (city's portion) bonds. Due on Sept. 1 as follows: \$1,000, 1921 and \$1,500, 1922 and 1923.

14,000 Sub-District No. 1 (assessment) bonds. Due \$6,000 Sept. 1 1919 and \$8,000, Sept. 1 1920.

Denom. \$500. Date Sept. 1 1918. Prin. and semi-ann. int. (M. & S.) payable at the Union Savings & Trust Co. of Warren. Cert. check for \$500, payable to the City Treasurer, required.

Financial Statement, Aug. 22 1918.  
Total assessed valuation for 1917: Real estate \$14,622,710 Personal property 8,561,800 Total \$23,184,510

Indebtedness: General bonded debt \$595,400 Special assessment debt 405,500 This issue 89,000

Total debt, including this issue \$1,089,900 Tax rate, 15.2 mills. Cash balance and investments in sinking fund, \$14,000. Population (last Census), 11,081; 1918 (est.), 25,000.

**WATERBURY, New Haven County, Conn.—BIDS.**—The other bids received for the \$175,000 4 1/2% 25-30-year serial coupon (with privilege of registration) high school bonds awarded on Aug. 26 to R. S. Griggs & Co. and R. L. Day & Co., jointly, at 100.58 (V. 107, p. 921) were: Richter & Co. and Estabrook & Co., jointly \$175,927 00 National City Co. and Frisbie & Co., jointly 175,656 00 Merrill Oldham Co. 175,313 25

**WAYNE COUNTY (P. O. Detroit), Mich.—BOND ELECTION.**—An election will be held Nov. 5, it is stated, to vote on a proposition to issue \$100,000 county-poor-house bonds.

**WEST UNITY SCHOOL DISTRICT (P. O. West Unity), William County, Ohio.—BOND SALE.**—The \$80,000 5 1/2% school impmt. bonds recently voted (V. 107, p. 718) have been purchased at par, it is stated, by the State Industrial Commission of Ohio.

**WYANDOTTE, Wayne County, Mich.—BOND ELECTION.**—An election will be held Sept. 23 to vote on the proposition to issue \$250,000 (not \$175,000 as first reported) filtration-plant bonds—V. 107, p. 624.

**YELLOWSTONE COUNTY SCHOOL DISTRICT NO. 6 (P. O. Comanche), Mont.—BOND SALE.**—The \$2,000 6% 5-15-year (opt.) coupon school-house completion and furnishing bonds, dated Aug. 5 1918, offered on Aug. 5 (V. 107, p. 313), were awarded on that day to the State Land Board of Montana at par.

**CANADA, its Provinces and Municipalities.**

**BROOKE TOWNSHIP, Ont.—DEBENTURE OFFERING.**—W. J. Weed, Township Clerk (P. O. Brooke) will receive bids until Sept. 7 for \$6,646 5% 5 instalments drainage debentures, it is reported.

**MONTREAL, Que.—DEBENTURE SALE.**—An issue of \$2,300,000 6% 5-year debentures has been sold, it is stated, at 96.40.

**PARKLAND CONSOLIDATED SCHOOL DISTRICT, Alta.—DEBENTURE SALE.**—It is reported that W. Ross, Alger & Co. of Edmonton have been awarded \$25,000 7% 40-year serial school debentures.

**ST. THOMAS, Ont.—DEBENTURE SALE.**—An issue of \$54,407 6% 10 instalment debentures has been sold locally, it is stated.

**SEDEGWICK, Alta.—DEBENTURE SALE.**—W. Ross, Alger & Co. of Edmonton have purchased, it is stated, \$7,000 6% 10-year serial fire equipment debentures.

